



2024 Annual Report

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Publication Date: April 11, 2025

Access to this Annual Report:

Market Observation Post System (MOPS): <https://mops.twse.com.tw>

Company website: <https://www.ieiworld.com>

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II. Headquarter and Plant Location:

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Firm: KPMG

Name of CPAs: Chung-Che Chen, Li-Chen Lai

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V. Name of exchanges where the Company's securities are traded offshore and the method by which to access information on said offshore securities: None.

VI. Company website: <https://www.ieiworld.com>

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I. Letter to Shareholders

Dear Shareholders,

In 2024, the global economy showed signs of gradual recovery; however, it continued to face numerous challenges and uncertainties. While inflationary pressures have somewhat eased, geopolitical risks and fluctuations in global supply chains continue to affect market dynamics. In an environment characterized by fluctuating demand and intense competition, we will enhance the advantages of our existing products and actively pursue innovative applications in the fields of AI and ESG, with a commitment to achieving sustainable growth and value creation.

【2024 Business Report】

Business Performance

With the collective efforts of all employees, the Company achieved consolidated operating revenue of NT\$6,839,832 thousand in fiscal year 2024, representing a 9.7% decline compared to the previous year. The consolidated net profit after tax was NT\$1,559,176 thousand, and the earnings per share after tax was NT\$8.72.

Financial performance and profitability analysis

Unit: NT\$ Thousand

Item		2023	2024	Change Amount	Change
Financial Income and Expenditures	Consolidated operating revenue	7,577,793	6,839,832	(737,961)	(10)%
	Consolidated operating margin	2,804,406	2,413,239	(391,167)	(14)%
	Consolidated net profit after tax	1,382,156	1,559,176	177,020	13%
Profitability	Consolidated return on assets ratio	10.06%	10.69%	0.63%	6%
	Consolidated return on equity ratio	14.30%	14.64%	0.34%	2%
	Consolidated EBIT to paid-in capital ratio	98.80%	108.66%	9.87%	10%
	Consolidated net profit ratio	18.24%	22.80%	4.56%	25%
	EPS (NT\$)	7.83	8.72	0.89	11%

Research and development results

The Company has continued its robust investment in product research and development, allocating a total of NT\$565,094 thousand for R&D expenses in the fiscal year 2024. IEI Group possesses specialized R&D teams across different product market sectors, focusing on AIoT, edge computing, and embedded systems. The Group continues to drive innovation and development in areas such as industrial automation, medical computers, network communication equipment, 5G CPE, AI servers, e-paper, and virtualization platforms. We have launched hundreds of solutions covering industries such as smart manufacturing, intelligent transportation, healthcare, energy, and genomics, with widespread applications in AI edge computing, the Internet of Things (IoT), and smart cities. As a leading supplier of vertically integrated hardware and software solutions, IEI will continue to drive technological

innovation to meet the growing needs of global customers across various industries, pushing the boundaries of technology forward.

Ratio of R&D Expenses to Operating Revenue in the Most Recent Five Fiscal Years

Unit: NT\$ Thousand

Year Items	2020	2021	2022	2023	2024
Research and development expenses	490,929	496,794	554,961	548,010	565,094
Net operating revenue	5,947,577	6,243,509	7,942,415	7,577,793	6,839,832
Percentage of R&D expenses in operating revenue	8.25%	7.96%	6.99%	7.23%	8.26%

【Overview of the 2025 Business Plan】

Important Business Policies and Development Strategies

IEI is committed to becoming a comprehensive system integration supplier, with technological innovation as its foundation. Focusing on three core areas—AI edge computing, healthcare, and networking—IEI delivers optimal solutions to help industries accelerate digital transformation, enhance operational efficiency, and move toward a smarter, more connected future.

1. AI Edge Computing

Leveraging its experience in AI-accelerated engine development, IEI integrates central management, virtualization technology, and regional market vertical application trends to deepen its core market presence and provide optimal solutions, thereby expanding differentiated business opportunities. In the future, we will embrace global market challenges and promote long-term business development through technological innovation, supply chain optimization, vertical industry integration, and enhanced cybersecurity.

- (1) Enhance the AI computing capabilities of edge devices to increase product competitiveness. Focus on developing high-performance, low-power AI edge computing devices and enhancing real-time AI inference capabilities suitable for harsh environments.
- (2) Strengthen local supply chain collaboration to ensure autonomous control over key technologies

In light of geopolitical uncertainties, we seek to diminish our dependence on a single supply chain while strengthening collaboration with local suppliers to mitigate the risk of supply chain disruptions. Concurrently, we will invest in our technology and module development to establish a modular architecture that enhances product added value and solution flexibility.

- (3) Broaden the application scenarios of artificial intelligence within the industry and develop a comprehensive industrial ecosystem

Transform into an AI solution provider and achieve vertical integration with various industries. Key development focus areas include:

- Smart Manufacturing Solutions: Embedding AI into Industry 4.0 production lines, including machine vision inspection, predictive maintenance for anomalies, and edge AI robotics.

- Smart Cities and Transportation Sector: Promoting the application of AIoT (Artificial Intelligence of Things), including energy management devices, edge AI monitoring, and electronic paper systems.
 - Partnering with AI software companies to develop industrial AI models, including real-time data analytics, equipment health diagnostics, and automated equipment monitoring.
- (4) Establishing digital trust and cybersecurity mechanisms to ensure the security and reliability of edge AI
- Support the security validation of AI models to ensure the reliability of inference results at the edge, thereby reducing the risk of erroneous decision-making.
 - In accordance with international standard for information security (such as IEC 62443 and ISO 27001), we aim to enhance the global market competitiveness of our products.

2. Networking and Cybersecurity

Focusing on the 5G/WiFi 7 equipment, small and medium-sized enterprise firewalls, and cybersecurity server markets, we leverage our experience from the past few years to secure new project opportunities and enhance our market share. In light of the new opportunities and challenges brought about by the global cybersecurity environment, the development strategy for our networking and cybersecurity product lines is as follows:

- (1) Enhance the security and reliability at the hardware level to ensure that equipment is protected from firmware attacks and backdoor intrusions.
 - Utilizing Hardware Security Modules (HSM) and Trusted Platform Modules (TPM 2.0) to ensure the security of device booting and certificate management.
 - Secure Boot and Hardware Root of Trust ensure that devices remain uncompromised by malicious firmware.
- (2) Establishing edge cybersecurity protection to support a zero-trust architecture
 - Develop cybersecurity devices that incorporate SASE (Secure Access Service Edge) functionality, integrating SD-WAN and cloud cybersecurity services.
 - Edge AI Security Devices deploy security chips and real-time behavior analysis at the endpoints of IoT devices and Industrial Control Systems (ICS) to reduce risks during data transmission.
- (3) Complying with global cybersecurity regulations and standards to enhance product competitiveness and ensure market compliance.
 - Support international cybersecurity standards and regulations, such as NIST SP 800-53, ISO 27001, GDPR, and EU NIS2, to ensure that equipment meets market demands.
 - Enhancing supply chain traceability by utilizing the Software Bill of Materials (SBOM) generated from ISO 5230 to monitor the cybersecurity status of the supply chain, thereby preventing devices from being compromised by malicious backdoors.
- (4) Enhance supply chain resilience and security to reduce risks from physical environments (such as geopolitical factors) and cybersecurity threats.

3. Medical Products

Leveraging IEI's unique core technologies and experience in the medical field, we will continue to invest in AI computing and expand application areas to strengthen the competitiveness of our products and services. At the same time, we will actively develop sales markets to drive revenue growth.

- (1) Deepening the application of artificial intelligence (AI) in medical computing
 - Promoting the application of AI-assisted diagnostic technology in endoscopy (colonoscopy) and oral cancer screening to improve the efficiency and accuracy of medical diagnoses.
 - Collaborate with medical centers and clinical institutions to improve data training and optimize models, thereby ensuring the high reliability of AI-assisted systems.
 - A clear project has already been implemented, with plans to expand into other imaging diagnostic fields.
- (2) Accelerating the development of medical AIO products and market expansion
 - Expanding the medical All-in-One (AIO) product line for the European, American, and Asia-Pacific markets to meet the growing demand for high-performance medical carts and medical computers from healthcare institutions.
 - Engage with local medical equipment suppliers and telemedicine solution providers to integrate product functionalities and improve competitiveness.
 - The rapid development of telemedicine will further drive the market penetration of the Company's related products.
- (3) Strengthening collaboration in the digital healthcare ecosystem
 - Collaborate more closely with leading domestic and international Electronic Medical Record (EMR) and Picture Archiving and Communication System (PACS) suppliers to jointly promote the digitization and interoperability of medical data.
 - Establish cross-disciplinary partnerships by working with medical software providers, system integrators, and healthcare institutions to jointly develop solutions that better meet market needs.
- (4) Facilitating the commercialization of AI-driven medical imaging and diagnostic equipment
 - Continue collaborating with medical device manufacturers to develop the next generation of digital healthcare equipment.
 - Targeting the international market to enhance product regulatory compliance and market penetration.
 - Enhance core competencies in image processing to facilitate the development of a 4K high-definition video product line.

Important production and sales policy

1. Flexible global production capacity and supply:

In response to global political and economic changes, IEI flexibly adjusts production coordination and logistics between China and Taiwan. Following the completion of production expansion and supply chain resilience efforts in Southeast Asia in 2024, the Company will continue to monitor and strengthen the implementation of disaster response plans.

2. Digitalized management of logistics and supply chain:

Continuously optimize global logistics and support services by improving supply chain transparency and implementing real-time monitoring through digital technology, thereby minimizing risks and delays.

3. Enhancing the Group's after-sales service and supply chain efficiency:

Focus on optimizing the after-sales service and supply chain efficiency of the U.S. subsidiary to ensure stable product distribution in the North American market, enhance competitiveness, and attract more OEM/ODM customers.

【Future Outlook】

With the rapid transformation of global technology and industries, IEI will continue to seize market opportunities, enhance core competitiveness, drive diversified business development, and strive for a larger share in the global market. We will persist in enhancing our investment in research and development, with a focus on innovation and technological advancements. Our objective is to foster the development and implementation of more intelligent, automated, and high-performance products. We are confident that these technologies will serve as the primary driving force in the future market, generating greater value for our customers. Secondly, we will expedite our global expansion initiatives, expand our market reach, and strengthen IEI's global presence. By implementing localized market strategies and forming strategic partnerships, we aim to more effectively address the needs of our international customers. In conclusion, we will continue to uphold the principles of sustainable development by promoting the creation of eco-friendly products and solutions, thereby contributing to global environmental protection efforts.

We would like to express our gratitude to all shareholders for their continued support and look forward to witnessing the growth of IEI alongside you in the future. We hope to share the results with all stakeholders, including shareholders and strategic partners, as we strive towards our goal of becoming a leader in the industry.

Wishing you continued health and prosperity.

Meiji Chang Chairman

II. Corporate Governance Report

2.1. Information on Directors, President, Vice Presidents, Assistant Vice Presidents, and Department and Branch Managers

2.1.1 Information on Directors

Director Information [1]

AS of March 31, 2025

Position	Nationality or Jurisdiction of Incorporation	Name	Gender Age	Appointment Date (Note 1)	Term	Date of Initial Appointment	Number of Shares Held at Time of Election		Current Number of Shares Held		Shares Held by Spouse and/or Minors		Shares Held via Nominee		Professional and Academic Background	Positions held concurrently in the Company and/or in any other company	Other manager(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree		
							Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)			Position	Name	Relationship
Chairman	Taiwan, R.O.C.	QNAP Systems, Inc.	-	2023.06.16	3 years	2005.09.09	23,963,007	13.57%	13,367,140	7.57%	-	-	-	-	-	None	None	None	None
	Taiwan, R.O.C.	Legal representative: Meiji Chang	Male 51~60						76,030	0.04%	2,284	0.00%	-	-	Department of Computer Science and Information Engineering, National Taiwan University Manager, Xuli Electronics	Chairman, BriteMED Technology Inc. Chairman, QNAP Systems, Inc. Chairman, Dazhun Investment Co., Ltd.	None	None	None
Director	Taiwan, R.O.C.	Jordan Jiang	Male 61~70	2023.06.16	3 years	2005.09.09	205,374	0.12%	205,374	0.12%	-	-	-	-	Arizona State Univ., Ph.D. in IE President, U-POWER (Kaohsiung)	President of the Company	None	None	None
Director	Taiwan, R.O.C.	Ying-Yin Lee	Female 41~50	2023.06.16	3 years	2000.04.15	2,148,759	1.22%	2,102,759	1.19%	-	-	-	-	Master's Degree in Applied Chinese Language and Literature, National Taiwan Normal University	Representative, Fu Wang Lai Investment Co. Ltd.	None	None	None
Independent Director	Taiwan, R.O.C.	In-Chyuan Ho	Male 61~70	2023.06.16	3 years	2020.06.12	-	-	-	-	-	-	-	-	Doctoral Degree, Department of Electrical Engineering, National Cheng Kung University Vice Chairman, Vincera Management Consultants Co., Ltd.	Chairman, Accuvest Management Inc. Representative, Pin Mao Investment Co., Ltd. Legal Representative of the Corporate Director, Fiber Logic Communications, Inc. Director, Zhun Mao Venture Capital Co., Ltd. Director, Zhun Sheng Venture Capital Co., Ltd.	None	None	None
Independent Director	Taiwan, R.O.C.	Jia-Lien Hsu	Male 51~60	2023.06.16	3 years	2017.06.16	-	-	-	-	-	-	-	-	Ph.D. in Information Engineering, National Tsing Hua University Professor, Fu Jen Catholic University	None	None	None	None
Independent Director	Taiwan, R.O.C.	Wen-Pao Lo	Male 51~60	2023.06.16	3 years	2020.06.12	-	-	-	-	-	-	-	-	Department of Transportation Management, Tamkang University	Chairman and President, Castec International Corp. Representative, Seavi Investment Co., Ltd.	None	None	None

Note 1: This election includes a total of seven director positions. Jack Liou, who was initially appointed to one of these positions, resigned on November 4, 2024, for personal reasons.

Note 2: Where the Chairman, the President, or individual with equivalent roles (top executive) are the same individual, spouses, or relatives within the first degree of consanguineous relationship: None

(Table 1) Major shareholders of institutional shareholders

As of March 31, 2025

Name of Institutional shareholder	Major shareholders	Shareholding Percentage
QNAP Systems, Inc.	IEI Integration Corp.	23.24 %
	Po-Ta Kuo	17.96 %
	Meiji Chang	10.55 %
	QNAP Holdings Limited	9.26 %
	Chun-Chi Kuo	4.67 %
	Yuanta Securities CO. Ltd.	2.67 %
	Yun-Lung Kuo	1.90 %
	Yun-Chaing Kuo	1.90 %
	Yujia Investment Co. Ltd.	1.51 %
	CTBC Bank Trustee Trust Property Account	1.33 %

(Table 2) Major shareholders of institutional shareholders listed in Table 1

As of March 31, 2025

Name of Institutional shareholder	Major shareholders	Shareholding Percentage
IEI Integration Corp.	Please refer to page 64 for the list of the top 10 shareholders ranked by shareholding percentage.	
Yuanta Securities CO. Ltd.	Yuanta Financial Holding Co., Ltd	100%
Yujia Investment Co. Ltd.	Chien-Hsing Lee	29.43%

Director Information [2]

1. Disclosure of professional qualifications of directors and independence of independent directors:

Qualifications Name	Professional qualifications and experience	Independence status	Number of other public companies where the individual serves as an independent director
QNAP Systems, Inc. Representative: Meiji Chang (Director)	<ul style="list-style-type: none"> •Currently serves as Chairman of the Company and Chairman of QNAP Systems, Inc. •Possesses work experience in business, legal, finance, accounting, or other areas relevant to company operations. •Does not fall under any of the disqualifying circumstances specified in Article 30 of the Company Act. 	Not Applicable	None

Qualifications Name	Professional qualifications and experience	Independence status	Number of other public companies where the individual serves as an independent director
Jordan Jiang (Director)	<ul style="list-style-type: none"> •Currently serves as President of the Company. •Possesses work experience in business, legal, finance, accounting, or other areas relevant to company operations. •Does not fall under any of the disqualifying circumstances specified in Article 30 of the Company Act. 	Not Applicable	None
Ying-Yin Lee (Director)	<ul style="list-style-type: none"> •Master's Degree in Applied Chinese Language and Literature, National Taiwan Normal University. •Possesses work experience in business, legal, finance, accounting, or other areas relevant to company operations. •Does not fall under any of the disqualifying circumstances specified in Article 30 of the Company Act. 	Not Applicable	None
In-Chyuan Ho (Independent Director)	<ul style="list-style-type: none"> •Doctoral Degree, Department of Electrical Engineering, National Cheng Kung University. •Currently serving as the Chairman of Accuvest Management Inc. and the Representative of Pin Mao Investment Co., Ltd. •Possesses work experience in business, legal, finance, accounting, or other areas relevant to company operations. •Does not fall under any of the disqualifying circumstances specified in Article 30 of the Company Act. 	<ul style="list-style-type: none"> •The individual has met the independence criteria both at the time of appointment and throughout the tenure of office. •Neither the individual, their spouse, nor any relatives within the second degree of kinship have served as directors, supervisors, or employees of the Company or its affiliated enterprises; held shares in the Company; or served as directors, supervisors, or employees of any entities having a specific relationship with the Company. •No business, legal, financial, accounting, or other services have been provided to the Company or its affiliated companies within the past two years. 	None

Qualifications Name	Professional qualifications and experience	Independence status	Number of other public companies where the individual serves as an independent director
Jia-Lien Hsu (Independent Director)	<ul style="list-style-type: none"> • Ph.D. in Information Engineering from National Tsing Hua University. Currently serving as a professor at Fu Jen Catholic University. • Lecturer at public or private universities in fields related to the Company's business, possessing the professional knowledge, competencies, and work experience required for the role. • Does not fall under any of the disqualifying circumstances specified in Article 30 of the Company Act. 	<ul style="list-style-type: none"> • The individual has met the independence criteria both at the time of appointment and throughout the tenure of office. • Neither the individual, their spouse, nor any relatives within the second degree of kinship have served as directors, supervisors, or employees of the Company or its affiliated enterprises; held shares in the Company; or served as directors, supervisors, or employees of any entities having a specific relationship with the Company. • No business, legal, financial, accounting, or other services have been provided to the Company or its affiliated companies within the past two years. 	None
Wen-Pao Lo (Independent Director)	<ul style="list-style-type: none"> • Currently serves as Chairman and President of Castec International Corp. and as the Representative of Seavi Investment Co., Ltd. • Possesses work experience in business, legal, finance, accounting, or other areas relevant to company operations. • Does not fall under any of the disqualifying circumstances specified in Article 30 of the Company Act. 	<ul style="list-style-type: none"> • The individual has met the independence criteria both at the time of appointment and throughout the tenure of office. • Neither the individual, their spouse, nor any relatives within the second degree of kinship have served as directors, supervisors, or employees of the Company or its affiliated enterprises; held shares in the Company; or served as directors, supervisors, or employees of any entities having a specific relationship with the Company. • No business, legal, financial, accounting, or other services have been provided to the Company or its affiliated companies within the past two years. 	None

2. Diversity and independence of the Board of Directors:

(1) Diversity of the Board of Directors:

The Company has established its "Corporate Governance Best Practice Principles" and has formulated a board diversity policy that considers, but is not limited to, gender, age, nationality, cultural background, professional expertise, skill sets, and industry experience. All directors, including independent directors, are nominated through a candidate nomination system and undergo a rigorous selection process. After being approved by the Board of Directors, the nominations are submitted to the shareholders' meeting for election.

The current Board members' diversity policy and its implementation are as follows:

Diversity Criteria Name of Director		Gender	Tenure as Independent Director			Concurrently Service as an Employees of the Company	Operational Judgment Capability	Accounting and Financial Analysis Capability	Management and Operational Skills	Crisis Management Capability	Industry Knowledge	International Market Perspective	Leadership Ability	Decision-making Ability
			Under 3 years	3 to 9 years	9 years or above									
Chairman	Meiji Chang	Male					V		V	V	V	V	V	V
Director	Jordan Jiang	Male				V	V		V	V	V	V	V	V
Director	Ying-Yin Lee	Female					V		V	V	V	V	V	V
Independent Director	In-Chyuan Ho	Male	V				V	V	V	V	V	V	V	V
Independent Director	Jia-Lien Hsu	Male		V			V		V	V	V	V	V	V
Independent Director	Wen-Pao Lo	Male	V				V		V	V	V	V	V	V

The specific management objectives and achievement status of the Board of Directors' diversity policy are outlined as follows:

Management Objectives	Achievement Status
The number of directors who also serve as company executives should not exceed one-third of the total board seats	Achieved (Concurrent ratio: 16.67%)
The Board of Directors should include at least one female director	Achieved (1 female director)
Independent directors should comprise more than one-third of the board	Achieved (Independent directors: 50%)
More than half of the independent directors should not have served more than three consecutive terms	Achieved (All have served fewer than three terms: 100%)
The Board shall possess adequate diversity in terms of professional knowledge and skill sets	Achieved
Directors of either gender shall occupy at least one-third of the board seats	Not achieved (Male: 83%, Female: 17%)

Explanation for not achieving the management objective and future plans:

The Company currently has only one female board member, which does not meet the objective of having at least one-third of board seats held by females. The main reason is that past director selections prioritized professional background, experience, and competence. In addition, the pool of qualified female candidates meeting the Board's requirements was relatively limited, resulting in a lower-than-expected proportion of female directors.

Moving forward, the Company will adhere to its board diversity policy and place greater emphasis on gender balance during the director selection process. We will proactively seek female candidates with appropriate professional expertise and backgrounds, and are committed to increasing the number of female board members in the next term to meet the one-third target.

(2) Independence of the Board of Directors:

The Board of Directors of the Company is composed of six directors, including three independent directors, with independent directors accounting for 50% of the total board seats. Additionally, there are no spousal or second-degree consanguineous relationships among the directors, nor are there any circumstances as stipulated in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

The Board of Directors is responsible for guiding the Company's strategy, overseeing management, and is accountable to both the Company and its shareholders. In the operations and arrangements of the corporate governance system, the Board exercises its powers in accordance with the law, the Company's Articles of Incorporation, and resolutions passed by the Shareholders' Meeting. The Board emphasizes independent operation and transparency, with all directors and independent directors acting as independent entities, exercising their powers independently. The three Independent directors also adhere to relevant legal provisions, working in conjunction with the powers of the Audit Committee, to assess the management of existing or potential risks. This ensures effective oversight of the implementation of internal controls, the appointment or dismissal of auditors, and the proper preparation of financial statements. Furthermore, according to the Company's "Procedures for Election of Directors," the election of directors and independent directors is conducted through a candidate nomination system and cumulative voting system with non-transferable ballots, thereby encouraging active shareholder participation. Shareholders holding a certain number of shares or more may propose a list of candidates. The qualifications of the candidates are reviewed and confirmed to ensure compliance with the disqualifications listed in Article 30 of the Company Act, in accordance with legal requirements. The related acceptance procedures are carried out and announced in accordance with relevant regulations to protect shareholders' rights, prevent the monopolization or abuse of nomination rights, and maintain board independence.

2.1.2 Information on President, Vice Presidents, Assistant Vice Presidents, and Department and Branch Managers

As of March 31, 2025

Position	Nationality	Name	Gender	Date of Appointment	Shares Held		Shares Held by Spouse and/or Minors		Shares Held via Nominee		Professional and Academic Background	Current Concurrent Positions in Other Companies	Managers with which the person has a relationship of spouse or relative within the second degree		
					Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)			Position	Name	Relationship
President	Taiwan, R.O.C.	Jordan Jiang	Male	2005.01.01	205,374	0.12%	-	-	-	-	Ph.D., Arizona State University President, IEI Integration Corp.	None	None	None	None
Vice President	Taiwan, R.O.C.	Sofia Chang	Female	2003.02.01	156,948	0.09%	-	-	-	-	Institute of Industrial Engineering, Yuan-Ze University Vice President and Chief Information Security Officer of the IT Services Division, IEI Integration Corp.	Supervisor, Sheng Feng Co., Ltd.	None	None	None
Vice President and Supervisor of Research and Development	Taiwan, R.O.C.	Kenny Jan	Male	2016.08.05	13,512	0.01%	-	-	-	-	Department of Electrical Engineering, National Taiwan Ocean University Vice President, Medical Business Center, IEI Integration Corp.	Legal Representative of the Corporate Director, BriteMED Technology Inc.	None	None	None
Vice President	Taiwan, R.O.C.	Henry Du	Male	2020.11.10	75,340	0.04%	-	-	-	-	Department of Engineering Science, National Cheng Kung University Vice President of R&D Center and Quality Division, IEI Integration Corp.	None	None	None	None
Vice President	Taiwan, R.O.C.	Elaine Kuo	Female	2020.11.10	-	-	-	-	-	-	Department of Business Management, National Taipei University Vice President of Logistics Center, IEI Integration Corp.	None	None	None	None
Vice President	Taiwan, R.O.C.	Y.T. Lee	Male	2021.07.16	-	-	-	-	-	-	The Institute of Computer Science and Information Engineering, National Chung Cheng University Ph.D., College of Management (EMBA), National Taiwan University Vice President, Networking & Edge Computing Business Center, IEI Integration Corp.	Legal Representative of the Corporate Director, QNAP Systems Inc.	None	None	None
Chief Financial and Accounting Officer	Taiwan, R.O.C.	Iris Wei	Female	2019.09.16	-	-	-	-	-	-	Department of Accounting, Fu Jen Catholic University Chief Financial and Accounting Officer and Chief Corporate Governance Officer, IEI Integration Corp.	None	None	None	None

(Note) Where the President or an equivalent position (top executive) is the same person as the Chairman, or where they are spouses or relatives within the first degree of consanguinity: None.

2.2. Remuneration Paid During the Most Recent Fiscal Year to Directors, President, and Vice Presidents

2.2.1 Remuneration to Directors and Independent Directors

Unit: NT\$ Thousand

Position	Name	Director's remuneration								Total of A–D and their proportion of net income after tax		Remuneration for Concurrent Employment								Total of A-G, and their proportion of net income after tax		Remuneration from Non- Subsidiary Investee Companies or the Parent Company
		Base Compensation (A)		Severance Pay and Retirement Pension (B)		Director's Compensation (C)		Expenses and Perquisites (D)				Salary, Bonuses, and other Allowances (E)		Severance Pay And Retirement Pension (F)		Employee's Compensation (G) (Proposed)						
		The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company		All Entities Included in the Financial Report		The Company	All Entities Included in the Financial Report	
																Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Director	QNAP Systems, Inc. Representative: Meiji Chang	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Jordan Jiang	-	-	-	-	900	900	-	-	900 0.06%	900 0.06%	1,278	3,503	108	108	3,747	-	7,000	-	6,033 0.39%	11,511 0.75%	
	Jack Liou (Note)	-	-	-	-	280	280	-	-	280 0.02%	280 0.02%	-	-	-	-	-	-	-	-	280 0.02%	280 0.02%	
	Ying-Yin Lee	-	-	-	-	520	520	-	-	520 0.03%	520 0.03%	-	-	-	-	-	-	-	-	520 0.03%	520 0.03%	
Independent Director	In-Chyuan Ho	-	-	-	-	500	500	-	-	500 0.03%	500 0.03%	-	-	-	-	-	-	-	-	500 0.03%	500 0.03%	
	Jia-Lien Hsu	-	-	-	-	600	600	-	-	600 0.04%	600 0.04%	-	-	-	-	-	-	-	-	600 0.04%	600 0.04%	
	Wen-Pao Lo	-	-	-	-	500	500	-	-	500 0.03%	500 0.03%	-	-	-	-	-	-	-	-	500 0.03%	500 0.03%	
<div>1. The policy, system, standards, and structure governing the remuneration of independent directors, along with the relationship between the amount of remuneration and factors such as responsibilities, risks, and time invested, are outlined as follows: The remuneration for independent directors of the Company is determined based on the ratio specified in the Company’s Articles of Incorporation and is paid annually. Compensation for their board duties may be adjusted according to each director’s level of participation and contribution. Such adjustments are recommended by the Company’s Remuneration Committee and approved by the Board of Directors.</div> <div>2. In addition to the remuneration disclosed in the table above, no directors received remuneration in the most recent fiscal year for providing services (e.g., serving as external consultants to the parent company, any entity included in the financial statements, or investee companies) while not serving as employees thereof.</div>																						

Note: Director Jack Liou resigned on November 4, 2024.

2.2.2 Remuneration of the President and Vice Presidents

Unit: NT\$ Thousand

Position	Name	Salary (A)		Severance Pay and Retirement Pension (B)		Bonuses and other Allowances (C)		Employee's Compensation (D) (Proposed)				Total of A–D and their proportion of net income after tax		Remuneration from Non-Subsidiary Investee Companies or the Parent Company
		The Company	All entities included in the financial report	The Company	All entities included in the financial report	The Company	All entities included in the financial report	The Company		All entities included in the financial report		The Company	All entities included in the financial report	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
President	Jordan Jiang	9,223	11,976	568	568	1,844	2,601	10,704	-	15,357	-	22,339	30,502	None
Vice President	Sofia Chang													
Vice President	Kenny Jan													
Vice President	Henry Du													
Vice President	Elaine Kuo													
Vice President	Y.T. Lee													

Remuneration Range Table

Ranges of Remuneration Paid to the Company's President and Vice Presidents	Names of President and Vice Presidents	
	The Company	All entities included in the financial report
Less than NT\$1,000,000	Sofia Chang	
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)		
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	Elaine Kuo	Elaine Kuo
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	Kenny Jan, Henry Du	Sofia Chang, Kenny Jan, Henry Du
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	Jordan Jiang, Y.T. Lee	Y.T. Lee
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)		Jordan Jiang
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)		
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)		
NT\$50,000,000 (inclusive)~NT\$100,000,000 (exclusive)		
NT\$100,000,000 or above		
Total	A total of six individuals.	A total of six individuals.

2.2.3 Remuneration of the Top Five Highest-Paid Managers

Unit: NT\$ Thousand

Position	Name	Salary (A)		Severance Pay and Retirement Pension (B)		Bonuses and other Allowances (C)		Employee's Compensation (D) (Proposed)				Total of A–D and their proportion of net income after tax		Remuneration from Non-Subsidiary Investee Companies or the Parent Company
		The Company	All entities included in the financial report	The Company	All entities included in the financial report	The Company	All entities included in the financial report	The Company		All entities included in the financial report		The Company	All entities included in the financial report	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
President	Jordan Jiang	1,081	2,830	108	108	197	673	3,747	-	7,000	-	5,133 0.33%	10,611 0.69%	None
Vice President	Sofia Chang	657	1,661	63	63	155	435	-	-	1,400	-	875 0.06%	3,559 0.23%	
Vice President	Kenny Jan	1,947	1,947	103	103	386	386	1,750	-	1,750	-	4,186 0.27%	4,186 0.27%	
Vice President	Henry Du	1,774	1,774	101	101	357	357	1,440	-	1,440	-	3,67 20.24%	3,672 0.24%	
Vice President	Y.T. Lee	2,320	2,320	108	108	447	447	2,227	-	2,227	-	5,102 0.33%	5,102 0.33%	

2.2.4 Names and distributions of employee profit-sharing compensation to managerial officers

Unit: NT\$ Thousand

	Position	Name	Amount in stock (Proposed)	Amount in cash (Proposed)	Total	Total as a percentage of net income after tax (%)
Managerial Officers	President	Jordan Jiang	-	11,304	11,304	0.73
	Vice President	Sofia Chang				
	Vice President	Kenny Jan				
	Vice President	Henry Du				
	Vice President	Elaine Kuo				
	Vice President	Y.T. Lee				
	Chief Financial and Accounting Officer	Iris Wei				

2.2.5 Analysis of Remuneration Paid to Directors, President, and Vice Presidents in the Past Two Years, Ratio to After-Tax Net Profit, and Explanation of Remuneration Policies, Standards, Determination Procedures, and Relationship to Performance and Risk

1. Analysis of the total remuneration paid to the Company's Directors, President, and Vice Presidents as a percentage of after-tax net profit in the past two fiscal years:

Unit: NT\$ Thousand

Position \ Year	Remuneration paid in 2023 as a percentage of after-tax net profit (%)		Remuneration paid in 2024 as a percentage of after-tax net profit (%)	
	The Company	All entities included in the consolidated financial statements	The Company	All entities included in the consolidated financial statements
Director	0.62	1.00	0.54	0.90
President and Vice Presidents	1.66	2.24	1.45	1.98

Note: The total amount of remuneration paid to employees for the year 2024 is a proposed figure.

2. Remuneration policies, standards, and composition; procedures for remuneration determination; and relationship to business performance and future risks:

- (1) The remuneration policies, standards, and structure

A. Director's remuneration

The remuneration for the Company's Directors is governed by Article 16-2 of the Articles of Incorporation, which authorizes the Board of Directors to determine compensation based on each Director's level of involvement in the Company's operations and their contribution, while also taking into account typical industry standards. In accordance with Article 19 of the Company's Articles of Incorporation, if the company generates a profit in a fiscal year, up to 3% of the profit may be allocated for Directors' compensation. In addition,

the Company conducts annual self-assessments of the Board of Directors and individual directors in accordance with the "Regulations Governing the Evaluation of the Performance of the Board of Directors." All performance evaluations, along with the reasonableness of remuneration, are reviewed by the Remuneration Committee and the Board of Directors. The remuneration system is regularly reviewed based on actual operating conditions and relevant regulations to ensure that the remuneration to directors is aligned with the Company's sustainable business outcomes.

B. Remuneration of managerial officers

The remuneration of managerial officers, as outlined in the "Salary Management Regulations" includes basic salary, allowances, subsidies, bonuses, and other compensation. To reward employees for their efforts, if the Company is profitable in a given year, 5% to 20% of the profits will be allocated for employee compensation, as stipulated in Article 19 of the Articles of Incorporation. The rewards are determined based on the Company's annual operational performance, financial status, operational conditions, and individual performance.

The Company conducts annual performance evaluations in accordance with the "Employee Performance Management Policy" The performance indicators are primarily based on the achievement of annual business goals, with the weightings adjusted according to the Company's actual circumstances. The annual performance evaluation includes both quantitative indicator assessments and qualitative assessments of non-quantifiable achievements, ensuring the attainment of business objectives and the flexibility to make adjustments as needed. Remuneration of managerial officers is tied to performance outcomes and is reviewed by the Remuneration Committee, with final approval granted by the Board of Directors.

C. The Company's remuneration package, as defined in the Organizational Rules of the Remuneration Committee, comprises cash compensation, employee stock options, employee stock bonuses, retirement benefits or severance payments, various allowances, and other measures with substantial incentive effects. The composition of remuneration shall comply with the disclosure requirements for directors' and managerial officers' remuneration set forth in the annual report regulations for public companies and shall be aligned with applicable laws and regulations.

(2) Procedure for determining remuneration:

The remuneration policy for the Company's Directors and managerial personnel is established based on annual performance evaluations conducted in accordance with the "Board Performance Evaluation Procedure" and the "Employee Performance Management Policy" Remuneration is determined by taking into account the Company's operational performance, future risks, development strategies, industry trends, and individual contributions to corporate performance. The performance evaluations and remuneration of Directors and managerial personnel are assessed for reasonableness by the Remuneration Committee and

the Board of Directors through regular annual reviews and approvals. In accordance with the overall environment and corporate management strategy, the remuneration policy will be reviewed in a timely manner to ensure a balance between the Company's sustainable operations and the interests of stakeholders. The remuneration amounts for Directors and managerial officers for the fiscal year 2023 have been reviewed by the Remuneration Committee and approved by the Board of Directors.

(3) Relationship to operational performance and future risks:

The Company's remuneration policy takes into account overall business performance, with compensation determined by the degree of performance achievement and individual contribution. This approach is intended to strengthen the overall effectiveness of the Board of Directors and the management team. The Company benchmarks against industry remuneration standards to ensure competitive remuneration for its management team, thereby retaining top managerial talent.

Through annual risk assessments and management mechanisms, the Company ensures that risks within its scope of responsibility are properly managed and mitigated. Compensation is linked to risk management performance, with remuneration being determined based on various performance indicators and risk assessment results. Each year, managerial officers lead various departments in conducting risk and opportunity assessments. This involves a comprehensive analysis of factors such as market conditions, economic trends, environmental issues, and regulatory changes, as well as an evaluation of their positive or negative impacts on the Company's operations. Based on this, managerial officers will develop response measures according to the risk levels, which will serve as the foundation for the Company's operational decisions and performance indicators for various departments, ensuring a close alignment between risk management and the Company's business strategy.

2.3. Corporate Governance Operations

2.3.1 Operations of the Board of Directors

A total of six Board meetings were convened in 2024. The attendance record of directors is presented below:

Position	Name	Actual Attendance (Times)	Attendance by Proxy (Times)	Actual Attendance Rate (%)	Remark
Chairman	QNAP Systems, Inc. Representative: Meiji Chang	6	0	100%	
Director	Jordan Jiang	6	0	100%	
Director	Jack Liou	4	0	100%	Resigned on November 4, 2024; required to attend 4 meetings
Director	Ying-Yin Lee	6	0	100%	
Independent Director	In-Chyuan Ho	6	0	100%	
Independent Director	Jia-Lien Hsu	6	0	100%	
Independent Director	Wen-Pao Lo	6	0	100%	

Other information required to be disclosed:

- If any of the following circumstances exists, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all independent directors, and the measures taken by the Company based on the opinions of the independent directors:
 - As outlined in Article 14-3 of the Securities and Exchange Act, there were no objections or reservations (refer to pages 60 - 62).
 - In addition to the matters referred to above, any dissenting or qualified opinion of an independent director that was on record or stated in writing with respect to any board resolution: None.
- Status of recusal implementation by directors in relation to motions involving a conflict of interest: specify the director's name, the content of the motion, the reason for recusal, and the director's voting status:

Board Meeting	Name of Recusing Director	Content of the Proposal	Reason for Recusal due to Conflict of Interest	Participation in Voting
The 7th Meeting of the 11th Term 2024/06/18	Meiji Chang Jack Liou	The loan of funds by the Company's subsidiary, Fortunetec International Corp., to QNAP Inc.(Japan).	QNAP Inc. (Japan) is a wholly-owned subsidiary of QNAP Systems, Inc., and directors Mr. Meiji Chang and Mr. Jack Liou serve as the managerial officers of QNAP Systems, Inc.	Except for the aforementioned directors who recused themselves due to conflicts of interest, the acting chairperson consulted the attending directors and the proposal was unanimously approved. The Chairman was authorized to fully handle the execution of the loan agreement and other related matters.
The 9th Meeting of the 11th Term 2024/11/08	Meiji Chang	Lease of Factory and Office Premises from a Related Party (QNAP Systems, Inc.)	Director Mr. Meiji Chang serves as a managerial officer of QNAP Systems, Inc.	Except for the aforementioned directors who recused themselves due to conflicts of interest, the acting chairperson consulted the attending directors and the proposal was approved without objection.

3. Implementation of evaluations of the Board of Directors for 2024

Evaluation frequency	Evaluation period	Scope of evaluation	Method of evaluation	Evaluation content	Evaluation Results
Once a year	January 1, 2024 to December 31, 2024	Board of Directors	Internal self-assessment of the Board of Directors	<ul style="list-style-type: none"> •Degree of participation in the Company's operations •Improvement in the decision-making quality of the Board of Directors •Composition and structure of the Board of Directors •Appointment and continuing education of Directors •Internal control 	4.93 points
		Individual board members	Self-assessment of board members	<ul style="list-style-type: none"> •Understanding of the Company's objectives and mission •Understanding Board responsibilities •Degree of participation in the Company's operations •Internal relationship management and communication •Directors' expertise and continuing education •Internal control 	4.92 points
		Audit Committee	Internal self-assessment of the Audit Committee	<ul style="list-style-type: none"> •Degree of participation in the Company's operations •Understanding the responsibilities of functional committees •Improvement in the decision-making quality of functional committees •Composition and member selection of functional committees •Internal control 	5.0 points
		Remuneration Committee	Internal self-assessment of the Remuneration Committee	<ul style="list-style-type: none"> •Degree of participation in the Company's operations •Understanding the responsibilities of functional committees •Improvement in the decision-making quality of functional committees •Composition and member selection of functional committees •Internal control 	5.0 points
		Sustainable Development Committee	Internal self-assessment of the Sustainable Development Committee	<ul style="list-style-type: none"> •Degree of participation in the Company's operations •Understanding the responsibilities of functional committees •Improvement in the decision-making quality of functional committees •Composition and member selection of functional committees •Internal control 	5.0 points

The results of the Board of Directors' performance evaluation for the year 2024 fell between a score of 4 ("Good") and 5 ("Excellent"). The directors generally strongly agreed with the

operation of various evaluation indicators. The evaluation indicated that the overall functioning of the Board and its functional committees was good, meeting the corporate governance requirements, effectively enhancing the Board's capabilities, and safeguarding shareholders' interests.

The Board of Directors presented the results of the performance evaluation for the fiscal year 2024 during the board meeting held on February 25, 2025. Additionally, the report was submitted to the Company's Remuneration Committee for reference in determining the content and amount of individual remuneration.

4. Give an evaluation of the targets that were adopted for strengthening of the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof: Of the six directors on the Board, three are independent. The Company has established an Audit Committee, a Remuneration Committee, and a Sustainable Development Committee to enhance and strengthen the Board's functions. The Board of Directors meets at least once each quarter. Since its establishment, its operations have been running smoothly. The Company periodically discloses the attendance status and continuing education of its directors on the Market Observation Post System, ensuring that information is revealed in a timely and transparent manner for the benefit of investors. To implement corporate governance, the Company has established the "Rules of Procedure for Board Meetings," "Standard Operating Procedures for Handling Directors' Requests," and "Regulations Governing the Evaluation of the Performance of the Board of Directors," in accordance with legal regulations. At the end of each fiscal year, the Board of Directors' secretariat collects information related to board activities and distributes performance self-evaluation questionnaires to the Board of Directors and individual directors. After the data is uniformly collected, scoring is established, and the results are compiled into an evaluation report, which is submitted to the Board of Directors for review and improvement, ensuring and strengthening the necessary functions of the Board.

2.3.2 Operational Status of the Audit Committee

1. A total of five audit committee meetings were held in the most recent fiscal year (2024), and the attendance by the independent directors is as follows:

Position	Name	Actual Attendance (Times)	Attendance by Proxy (Times)	Actual Attendance Rate (%)	Remark
Independent Director	In-Chyuan Ho	5	0	100%	
Independent Director	Jia-Lien Hsu	5	0	100%	
Independent Director	Wen-Pao Lo	5	0	100%	

Other information required to be disclosed:

1. If any of the following circumstances occur in the operation of the Audit Committee, the Company shall disclose the meeting date, session number, content of the motion(s), any dissenting opinions, qualified opinions, or significant suggestions from the independent directors, the resolution adopted by the Audit Committee, and the Company's response to the Audit Committee's opinions:
 - (1) As outlined in Article 14-5 of the Securities and Exchange Act, there were no objections or reservations (please refer to the Operational Status of the Audit Committee for 2024 on pages 24 - 25).
 - (2) In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the Board of Directors: None.

2. Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director's name, the content of the motion, the cause for recusal, and whether and how the independent director voted: None.
3. Communication between the independent directors and the chief internal auditor and the CPAs (including significant matters related to the Company's financial and business status, the methods of communications and the outcomes):
- (1) The Company has established an Audit Committee composed entirely of independent directors. The Committee holds regular meetings with the chief internal auditor prior to each quarterly Board of Directors meeting. The agenda includes discussions on internal controls, audit plans, and execution results. The outcomes of these discussions are documented in the minutes of each quarterly Audit Committee meeting, and significant resolutions are reported and explained at the Board meetings. Communication has been effective.
- The communication status between independent directors and the chief internal auditor for the fiscal year 2024 is as follows:

Date	Method	Communication Matters	Opinions of Independent Directors
2024/12/20	Audit Committee	<ul style="list-style-type: none"> Report on the implementation of internal audits for 2024 Risk appetite, risk assessment results, and implementation status of risk management in 2024. Amendments to the Company's "Corporate Governance Best Practice Principles" Amendment and Supplement to the Company's Internal Control System for Sustainability Information Management. The Company's audit plan for 2025. 	Each proposal was presented by the Chairperson to all attending committee members. With no objections, the proposals were approved as submitted and referred to the Board of Directors for resolution.
2024/11/08	Audit Committee	<ul style="list-style-type: none"> Report on the implementation of internal audits for 2024 Formulation of the Company's "Risk Management Policy and Procedures" Amendments to the Company's "Audit Committee Charter" Amendments to the Company's "Whistle-blower Procedures" 	Each proposal was presented by the Chairperson to all attending committee members. With no objections, the proposals were approved as submitted and referred to the Board of Directors for resolution.
2024/08/09	Audit Committee	<ul style="list-style-type: none"> Report on the implementation of internal audits for 2024 Amendments to the Company's "Sustainable Development Committee Charter" Amendments to the Company's "Sustainable Development Best Practice Principles" 	Each proposal was presented by the Chairperson to all attending committee members. With no objections, the proposals were approved as submitted and referred to the Board of Directors for resolution.
2024/05/10	Audit Committee	<ul style="list-style-type: none"> Report on the implementation of internal audits for 2024 Amendments to the Company's "Rules of Procedure for Board Meetings" and "Audit Committee Charter" Amendments to the Company's "Corporate Governance Best Practice Principles" Amendments to the Company's "Authority Delegation Guidelines" 	Each proposal was presented by the Chairperson to all attending committee members. With no objections, the proposals were approved as submitted and referred to the Board of Directors for resolution.

Date	Method	Communication Matters	Opinions of Independent Directors
2024/03/08	Audit Committee	<ul style="list-style-type: none"> Assessment of the effectiveness of internal control systems and internal control system statement for the year 2023 Report on the implementation of internal audits for the first quarter of 2024 	Each proposal was presented by the Chairperson to all attending committee members. With no objections, the proposals were approved as submitted and referred to the Board of Directors for resolution.
<p>(2) The Company's CPA meets annually with the Independent Directors to explain and discuss key audit matters related to the annual financial statements, as well as the Company's profit and loss and overall financial status. Additionally, based on the Company's operational needs or upon request by the Independent Directors, meetings may be convened with the CPA and relevant departments for further discussion.</p> <p>The communication status between independent directors and the CPAs for the fiscal year 2024 is as follows:</p>			
Date	Communication Focus		Opinions of Independent Directors
2025/02/25	<ul style="list-style-type: none"> Explanation of financial and profit/loss situation for the fiscal year 2024. Description of key audit matters for 2024. 		No comments.
2024/11/08	<ul style="list-style-type: none"> Description of the financial audit planning matters for 2024. 		No comments.
2024/03/08	<ul style="list-style-type: none"> Explanation of financial and profit/loss situation for the fiscal year 2023. Description of key audit matters for 2023. 		No comments.

2. The agenda and key work priorities of the Audit Committee for 2024 included:

- (1) Assessment of the effectiveness of internal control systems.
- (2) Establish or amend internal control systems and related procedures.
- (3) Significant asset transactions.
- (4) Annual financial report and quarterly financial reports.
- (5) Company risk management.
- (6) Evaluation of the independence and competence of certified public accountants and assessment of engagement fees.

- Review of financial report

The Board of Directors has prepared the Company's 2024 Annual Business Report and Financial Statements, which have been audited by KPMG and an audit report has been issued. The Audit Committee has reviewed the aforementioned business report and financial statements and found no discrepancies.

- Assessment of the effectiveness of internal control systems

The Audit Committee evaluates the effectiveness of the Company's internal control system, including its policies and procedures related to finance, operations, risk management, information security, outsourcing, and compliance with laws and regulations. Additionally, the Committee reviews regular reports from the

Company's audit department, CPAs, and management. The Audit Committee is confident that the Company's risk management and internal control systems are effective. The Company has established essential control mechanisms to monitor and address any violations.

3. Operational Status of the Audit Committee for 2024:

Meeting Name Date	Content of the Proposal	Any matter under Article 14-5 of the Securities and Exchange Act	Content of independent directors' dissenting opinions, reservations, or major recommendations	Results of the Audit Committee's resolutions	Handling of the audit committee's opinions by the Company
The 4th meeting of the 3rd term 2024/03/08	• Internal audit implementation case.	V	None	Unanimously approved by all members present.	Not Applicable
	• The 2023 Business Report and Financial Statements.	V			
	• The 2023 profit distribution proposal.	-			
	• Proposal of assessment of the effectiveness of internal control systems and internal control system statement for the year 2023.	V			
	• Operational plan and budget proposal for 2024.	-			
	• Proposal for the periodic assessment of the independence, competence, and engagement fee of the appointed CPA.	V			
The 5th meeting of the 3rd term 2024/05/10	• Internal audit implementation case.	V	None	Unanimously approved by all members present.	Not Applicable
	• Proposal for the 2024 Q1 Consolidated Financial Statements.	V			
	• Proposal for amendments to the Company's "Rules of Procedure for Board Meetings" and "Audit Committee Charter."	V			
	• Proposal for amendments to the Company's "Authority Delegation Guidelines."	V			
	• Proposal for amendments to the Company's "Corporate Governance Best Practice Principles."	V			
The 6th meeting of the 3rd term 2024/08/09	• Internal audit implementation case.	V	None	Unanimously approved by all members present.	Not Applicable
	• Proposal for the 2024 Q2 Consolidated Financial Statements.	V			
	• Proposal of the amendments to the Company's "Sustainable Development Committee Charter"	V			
	• The proposal for the formulation of the Company's "Sustainable Development Best Practice Principles."	V			
The 7th meeting of the 3rd term 2024/11/08	• Internal audit implementation case.	V	None	Unanimously approved by all members present.	Not Applicable
	• Proposal for the 2024 Q3 Consolidated Financial Statements.	V			
	• Formulation of the Company's "Risk Management Policy and Procedures."	V			

Meeting Name Date	Content of the Proposal	Any matter under Article 14-5 of the Securities and Exchange Act	Content of independent directors' dissenting opinions, reservations, or major recommendations	Results of the Audit Committee's resolutions	Handling of the audit committee's opinions by the Company
	• Amendments to the Company's "Audit Committee Charter."	V			
	• Amendments to the Company's "Whistle-blower Procedures."	V			
	• The proposal for leasing the office on Zhongxing Road, Xizhi.	V			
The 8th meeting of the 3rd term 2024/12/20	• Internal audit implementation case.	V	None	Unanimously approved by all members present.	Not Applicable
	• Proposal of the Company's risk appetite, risk assessment results, and implementation status of risk management in 2024.	-			
	• Proposal for amendments to the Company's "Corporate Governance Best Practice Principles."	V			
	• Proposal to amend and supplement the Company's Internal Control System for Sustainability Information Management.	V			
	• Proposal of the Company's audit plan for 2025.	V			
The 9th meeting of the 3rd term 2025/02/25	• Internal audit implementation case.	V	None	Unanimously approved by all members present.	Not Applicable
	• The 2024 Business Report and Financial Statements.	V			
	• Proposal of assessment of the effectiveness of internal control systems and internal control system statement for the year 2024.	V			
	• Operational plan and budget proposal for 2025.	-			
	• Proposal for the periodic assessment of the independence, competence, and engagement fee of the appointed CPA.	V			
	• Proposal for the appointment and remuneration of the licensed CPA of the Company for 2025.	V			
	• Amendment to the Company's "Articles of Incorporation."	V			
	• As of December 31, 2024, the Company's accounts receivable and other overdue amounts are not related to financing activities.	-			

2.3.3 Corporate Governance Implementation and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies, and Explanations for Such Deviations

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX- Listed companies and explanations
	Yes	No	Summary Description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	V		The Company has established the "Corporate Governance Best Practice Principles" in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. These Principles have been implemented following approval by the Board of Directors, and any amendments will follow the same procedure. It is disclosed on the company website and the Market Observation Post System for compliance purposes.	No discrepancies.
2. Shareholding Structure and Shareholders' Rights (1) Does the Company have internal operation procedures for handling shareholders' suggestions, concerns, disputes and litigation matters, and have these procedures been implemented accordingly?	V		(1) To safeguard shareholders' rights and interests, the Company has designated dedicated personnel to properly handle shareholder suggestions, inquiries, and disputes in accordance with the Corporate Governance Best-Practice Principles. The Company has also appointed a spokesperson and an acting spokesperson responsible for shareholder communications. For matters involving legal issues, disputes, or litigation, the Company's legal department provides assistance as needed.	No discrepancies.
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	V		(2) The Company has engaged a professional stock affairs agency to manage its shareholder services and has appointed a dedicated stock affairs officer to regularly obtain the list of major shareholders with actual control over the Company, as well as the ultimate beneficial owners of such shareholders. This allows the Company to maintain up-to-date oversight of its ownership structure.	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx- Listed companies and explanations
	Yes	No	Summary Description	
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	V		(3) The Company has established the "Procedures for Transactions with Related Parties, Specific Companies, and Group Enterprises," along with relevant internal control measures, internal audit management methods, and operational systems, to effectively manage risks. These measures have been implemented accordingly.	No discrepancies.
(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	V		(4) The Company's "Integrity Management Operating Procedures and Code of Conduct" explicitly prohibit insider trading and are supplemented by the "Procedures for Handling Material Internal Information and Prevention of Insider Trading" to strengthen mechanisms against such conduct. Additionally, the "Corporate Governance Best-Practice Principles" stipulate that directors shall not trade the Company's shares during closed periods, defined as the 30 days prior to the announcement of the annual financial report and the 15 days prior to the announcement of each quarterly financial report. The Company notifies all directors and insiders 30 and 15 days in advance, respectively, to ensure compliance with these regulations. To enforce these measures, the Company holds education and awareness sessions on insider trading laws and regulations at least once every six months for directors, managerial officers, and employees. New directors, managerial officers, and employees are provided with such training within one month of assuming their positions. In 2024, a total of 609 training hours were delivered to 1,271 participants, including current directors, managerial officers, and employees. The training content covered topics such as the scope of material information, operation of confidentiality firewalls, confidentiality obligations for external institutions or	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX- Listed companies and explanations
	Yes	No	Summary Description	
			individuals, principles of disclosure, implementation of the spokesperson system, record-keeping for information disclosure, responses to misinformation in the media, reporting of irregularities, and internal control mechanisms for handling violations.	
3. Composition and responsibilities of the Board of Directors (1) Has the Board of Directors adopted a diversity policy along with specific management objectives, and have these been effectively implemented?	V		(1) The Company has formulated a board diversity policy in accordance with its "Corporate Governance Best Practice Principles," including, but not limited to, considerations of gender, age, nationality, cultural background, professional expertise, skill sets, and industry experience. All directors, including independent directors, are nominated through a candidate nomination system and undergo a rigorous selection process. After being approved by the Board of Directors, the nominations are submitted to the Shareholders' Meeting for election. The current Board of Directors of the Company comprises six members: one Executive Director, two Non-Executive Directors, and three Independent Directors. Among these members, one is female. The members possess extensive experience and expertise in finance, technology, and management, which positively contribute to the Company's development and operations. For details regarding the implementation status, please refer to page 10.	No discrepancies.
(2) In addition to the legally required Remuneration Committee and Audit Committee, has the Company voluntarily established any other	V		(2) On November 3, 2023, the Company's Board of Directors resolved to establish the "Sustainable Development Committee" to implement and continuously promote the	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX- Listed companies and explanations
	Yes	No	Summary Description	
functional committees?			Company's sustainable development initiatives in the three major areas of environment, society, and governance. The Committee will provide regular reports to the Board of Directors on its strategic direction, plans, and execution status.	
(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the Board of Directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?	V		(3) The Company has established the "Regulations Governing the Evaluation of the Performance of the Board of Directors" and conducts an annual self-assessment of the Board of Directors in accordance with these regulations. The performance evaluation results will be presented to the Board of Directors before the end of the first quarter of the following year. These results will serve as a reference for determining individual directors' remuneration and for the nomination of their reappointments. The performance evaluation results of the Board of Directors for the fiscal year 2024 were submitted to the Remuneration Committee and the Board of Directors on February 25, 2025.	No discrepancies.
(4) Does the Company regularly evaluate its external auditors' independence?	V		(4) The Company conducts an annual assessment of the independence and suitability of its certified public accountant. This assessment is subsequently reviewed by the Audit Committee and submitted to the Board of Directors for approval. The evaluation mechanism requires the certified public accountant to submit an "Independence Declaration" and "Audit Quality Indicators (AQIs)." Furthermore, the assessment will be conducted in accordance with the standards outlined in "Appendix One" and the AQI indicators. The recent annual assessment results confirm that all criteria for independence and suitability have been met, ensuring the reliability of the issued financial reports. These assessment results were approved by the Audit Committee and the Board of Directors on February 25, 2025.	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX- Listed companies and explanations
	Yes	No	Summary Description	
4. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility for corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	V		<p>The Company has designated a stock affairs specialist to be responsible for corporate governance matters. The Board of Directors has approved the appointment of the Chief Financial Officer as the Corporate Governance Officer. The appointee meets the qualification requirements prescribed by law and is responsible for supervising and planning corporate governance affairs, including the following:</p> <ul style="list-style-type: none"> • Convening meetings of the Board of Directors and Shareholders' Meetings in accordance with applicable laws and regulations. • Preparing minutes of the Board of Directors and Shareholders' Meetings. • Assisting directors with onboarding and continuing education. • Providing directors with the information necessary for the performance of their duties. • Assisting directors in complying with applicable laws and regulations. • Reporting to the Board of Directors on the results of reviews conducted to ensure that independent directors meet the relevant legal and regulatory qualifications at the time of nomination, election, and throughout their term of office. • Handling matters related to changes in directors. • Performing other duties as specified in the Company's Articles of Incorporation or relevant contracts. • Periodically reviewing and improving the effectiveness of corporate governance practices based on corporate governance evaluation indicators. 	No discrepancies.
5. Has the Company established channels for communicating with its stakeholders (including but	V		The Company has established effective communication channels with all stakeholders, including employees, shareholders, investors,	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX- Listed companies and explanations
	Yes	No	Summary Description	
not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?			customers, suppliers, and government agencies. The Company's website includes a dedicated section for stakeholders, providing contact information for the spokesperson, acting spokesperson, and various business contacts. In addition, the Company utilizes various channels, including surveys, marketing exhibitions, and product briefings, to gain a comprehensive understanding of stakeholders' concerns related to sustainable development and social responsibility. This enables the Company to respond to and address these issues appropriately.	
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		The Company has appointed the Stock Service Department of Capital Securities Corporation to handle matters related to the shareholders' meeting.	No discrepancies.
7. Information Disclosure (1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	V		(1) The Company's website (http://www.ieiworld.com) regularly discloses information related to its financial operations and corporate governance. It also provides a link to the Market Observation Post System to facilitate the retrieval of public information.	No discrepancies.
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	V		(2) The Company has designated personnel responsible for collecting various information related to the organization and maintaining the company website. Additionally, financial and business information, available in both Chinese and English versions, is regularly disclosed on the website. The Company has established and reported the information of its spokesperson and acting spokesperson in accordance with regulations. Relevant information regarding corporate briefings is also disclosed in compliance with the law on the Market Observation	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX- Listed companies and explanations
	Yes	No	Summary Description	
			Post System and is updated in real-time on the Company's website.	
(3) Does the Company publish and file its annual financial report within two months after the end of the fiscal year, and publish and file its first, second, and third quarter financial reports as well as monthly operating results within the prescribed deadlines?	V		(3) The Company's financial report for fiscal year 2024 was disclosed and filed on February 25, 2025, within two months after the end of the fiscal year. The financial reports for the first, second, and third quarters were each disclosed and filed 45 days ahead of the statutory deadline. In addition, the Company's monthly operating results were announced ahead of schedule, by the 10th of each month.	No discrepancies.
8. Has the Company disclosed any other material information that may facilitate a better understanding of its corporate governance practices, including but not limited to employee rights, employee care and well-being, investor relations, supplier relationships, stakeholder rights, continuing education of directors and supervisors, the implementation of risk management policies and risk assessment standards, the execution of customer relations policies, and the purchase of liability insurance for directors and supervisors?	V		<p>(1) Employee Relations and Employee Care: The Company treats its employees with integrity. In addition to complying with the Labor Standards Act to safeguard employees' legal rights, the Company offers benefits exceeding statutory requirements, such as subsidies for gastrointestinal and cardiac health examinations, as well as travel subsidies for employees and their families. A comprehensive training and development system has been established, complemented by courses that promote work-life balance and stress management, thereby fostering a relationship of mutual trust and support between the Company and its employees.</p> <p>(2) Investor Relations: The Company has appointed a spokesperson and an acting spokesperson responsible for handling investor inquiries and suggestions. Regular investor conferences are held to facilitate communication and engagement.</p> <p>(3) Supplier Relations: The Company strengthens engagement and close collaboration</p>	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX- Listed companies and explanations
	Yes	No	Summary Description	
			<p>with suppliers through its supply chain platform. Environmental, social, and human rights considerations are incorporated into the supplier management policy. Suppliers are required to sign a commitment letter to establish a long-term, mutually beneficial partnership.</p> <p>(4) Rights of Stakeholders: Stakeholders may communicate with the Company or submit suggestions through multiple contact channels. These mechanisms are designed to safeguard the legitimate rights and interests of stakeholders.</p> <p>(5) Continuing Education of Directors: In accordance with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies,” the Company arranges for its directors to participate in relevant training courses. The continuing education status of directors is disclosed on the Market Observation Post System (MOPS). In 2024, each director completed six hours of continuing education.</p> <p>(6) Implementation of Risk Management Policies and Risk Assessment Standards: Pursuant to the Company’s “Risk Management Policies and Procedures,” a risk management team composed of senior executives collaborates with operational units to conduct a comprehensive top-down risk assessment aligned with corporate strategy. The assessment covers internal and external risk sources and identifies specific risks. In 2024, the Company identified 21 risk sources across seven major risk categories. Based on the analysis of likelihood and impact, corresponding</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX- Listed companies and explanations
	Yes	No	Summary Description	
			<p>mitigation measures and improvement plans were formulated, with responsible departments designated to implement them. The Company's risk appetite, assessment results, and implementation status for 2024 were reviewed and approved by the Audit Committee on December 20, 2024, and subsequently reported to the Board of Directors.</p> <p>(7) Implementation of Customer Relations Policy: The Company assigns sufficient business management personnel and has established a customer service unit to respond to product-related inquiries and service needs. Annual customer satisfaction surveys are conducted, and the feedback is reviewed by the sales and relevant departments for improvement. The Company actively maintains stable and constructive relationships with customers to create mutually beneficial outcomes.</p> <p>(8) Directors' Liability Insurance: The Company purchases liability insurance for its directors on an annual basis and reports the relevant details to the Board of Directors.</p>	
<p>9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement.</p> <p>The Company's corporate governance evaluation ranking for the 2023 assessment (10th Evaluation) was within the 66% to 80% range. The evaluation results for 2024 have not yet been released.</p> <p>In response to the 2023 evaluation results, the Company has conducted a comprehensive review and implemented improvement measures, including the enhancement of relevant information disclosure as outlined below. Matters that remain pending improvement have been incorporated into the Company's governance planning for progressive enhancement and implementation going forward.</p>				

Evaluation Item		Implementation Status			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX- Listed companies and explanations
		Yes	No	Summary Description	
Indicator Dimension	Improvement Items				
Strengthening the Structure and Operations of the Board of Directors	• On November 8, 2024, the Board of Directors approved the “Risk Management Policy and Procedures,” under which the Audit Committee was assigned oversight responsibility for risk management activities. The results of the 2024 risk assessment and implementation status were reported to the Board of Directors on December 20, 2024.				
Enhancing Information Transparency	• Disclosure of quarterly financial reports in English.				
Promoting Sustainable Development	• Strengthened the operations of the Sustainable Development Committee and the oversight mechanism of the Board of Directors. In 2024, stakeholder engagement activities, the implementation status of the annual plan, and integrity management practices were reported to the Board at least once during the year. • The 2023 Sustainability Report was prepared in accordance with the GRI Standards and has been disclosed on the Company’s website and the Market Observation Post System (MOPS).				

Table 1: Evaluation Form for the Independence and Competence of the Certifying CPA

Evaluation Item	Evaluation Results	Compliance with Independence/Competence Requirements
	Yes/No	
1. Whether the CPA is not a related party of the Company.	Yes	Yes
2. Whether the CPA has no spousal or second-degree relative relationship with the Company's responsible person or managerial officers.	Yes	Yes
3. Whether the CPA, their spouse, or minor children do not have any investment or profit-sharing relationship with the Company.	Yes	Yes
4. Whether the CPA, their spouse, or minor children do not have any lending or borrowing arrangements with the Company.	Yes	Yes
5. Whether the CPA has no direct or material indirect financial interest in the Company.	Yes	Yes
6. Whether the CPA has not engaged in any financing or guarantee arrangements with the Company or its directors.	Yes	Yes

Evaluation Item	Evaluation Results	Compliance with Independence/Competence Requirements
	Yes/No	
7. Whether the CPA has not allowed the potential loss of the client to influence their audit work for the Company.	Yes	Yes
8. Whether the CPA has not maintained a close business relationship or a potential employment relationship with the Company.	Yes	Yes
9. Whether the CPA has not received any fees related to the audit engagement or any professional fees.	Yes	Yes
10. Whether the CPA and audit team members have not served as directors, supervisors, or managers in the Company, or held positions that significantly influence the audit work, in the current or past two years.	Yes	Yes
11. The non-audit services provided by the CPA do not have a direct impact on the significant items of the audit case for the Company.	Yes	Yes
12. Whether the CPA has not promoted or acted as an intermediary for the stocks or other securities issued by the Company.	Yes	Yes
13. Whether the CPA has not served as the Company's advocate or represented the Company in coordinating conflicts with third parties.	Yes	Yes
14. Whether the CPA has any familial relationship with the directors, supervisors, managerial officers, or personnel who significantly influence the audit case within the Company.	Yes	Yes
15. The CPA has not had any co-practicing accountants, who retired within the past year, serve as directors, supervisors, managerial officers, or personnel who significantly influence the audit case within the Company.	Yes	Yes
16. Whether the CPA is not simultaneously employed in the Company's regular operations and receiving a fixed salary.	Yes	Yes
17. Whether the CPA is not involved in the management functions related to decision-making within the Company.	Yes	Yes
18. As of the most recent audit engagement, there has been no instance of not changing the CPA for seven years.	Yes	Yes
19. Referring to the Accounting Quality Indicators (AQI), whether the accountant has any circumstances that would make them unsuitable for appointment by the Company.	No	Yes

2.3.4 Composition and Operation of the Remuneration Committee

1. Information on Remuneration Committee Members

Role	Qualifications Name	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent Director (Convener)	In-Chyuan Ho	Please refer to pages 7-9 of Director Information [2] for relevant information on the disclosure of professional qualifications of directors and independence of independent directors.		No
Independent Director	Jia-Lien Hsu			No
Independent Director	Wen-Pao Lo			No

2. Operations of the Remuneration Committee

- (1) The Company's remuneration committee has a total of three members.
- (2) Term of office for the current committee: June 16, 2023 to June 15, 2026.
- (3) The Remuneration Committee convened two meetings in 2024. The primary agenda items included:
 - Distribution of directors' and employees' remuneration.
 - Principles for the distribution of holiday and year-end bonuses, and the bonus amounts for managerial officers.
 - Distribution of managerial officers' remuneration.
 - Annual salary adjustment plan based on managerial officers' performance evaluations.
 - Annual work plan of the Remuneration Committee.
- (4) Information on operations of the Remuneration Committee for 2024
 - A. The qualifications of the committee members and their attendance records are as follows:

Position	Name	Actual Attendance (Times)	Attendance by Proxy (Times)	Actual Attendance Rate (%)	Remark
Convenor	In-Chyuan Ho	2	0	100%	
Committee Member	Jia-Lien Hsu	2	0	100%	
Committee Member	Wen-Pao Lo	2	0	100%	

Other information required to be disclosed:

1. If the Board of Directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the Board of Directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons): None.
2. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion: None.

B. Deliberation Matters of the Remuneration Committee

Meeting Name Date	Important Agenda Items	Resolution Result	Handling of the Remuneration Committee's opinions by the Company
The 2nd meeting of the 5th term 2024/03/08	<ul style="list-style-type: none"> Review of the proposal of the distribution of director and employee compensation for the Year 2023. Review of the Company's distribution principles for holiday and year-end bonuses, and the bonus amounts for managerial officer. 	Unanimously approved by all members present.	The proposal was submitted to the Board of Directors and approved as proposed, with no objections from any of the directors present.
The 3rd meeting of the 5th term 2024/11/08	<ul style="list-style-type: none"> Review of the distribution of managerial officers' compensation for the year 2023. Review of the Company's distribution principles for holiday and year-end bonuses, and the bonus amounts for managerial officer. Review of the performance evaluation procedures for directors and managerial officers, as well as the annual salary adjustment plan for managerial officers for the year 2025. Review of the proposed work plan for the Remuneration Committee. for the year 2025. 	Unanimously approved by all members present.	The proposal was submitted to the Board of Directors and approved as proposed, with no objections from any of the directors present.
The 4th meeting of the 5th term 2025/02/25	<ul style="list-style-type: none"> Review of the proposal of the distribution of director and employee compensation for 2024. Review of the Company's distribution principles for holiday and year-end bonuses, and the bonus amounts for managerial officer. 	Unanimously approved by all members present.	The proposal was submitted to the Board of Directors and approved as proposed, with no objections from any of the directors present.

2.3.5 Promotion of Sustainable Development – Implementation Status, Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons

Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary Description	
1. Has the Company established a governance framework for promoting sustainable development and set up a dedicated (or concurrently assigned) unit to lead such efforts? Has the Board of Directors authorized senior management to handle related matters under its supervision?	V		<p>The Board of Directors serves as the highest decision-making and supervisory body for the Company’s sustainable development efforts. In November 2023, the Board approved the establishment of the Sustainable Development Committee, thereby launching continuous and effective sustainable development initiatives.</p> <p>The Committee is chaired by the Company’s Director, who also serves as President, and consists of six senior executives from different functional areas. It regularly reviews the Company’s core business capabilities, formulates sustainable development strategies and plans, and, based on operational needs, establishes five task forces focused on: Product and Service Innovation, Environmental Sustainability, Supply Chain Sustainability, Employee and Social Care, and Corporate Governance. Committee members deliberate and appoint task force members to ensure effective execution of related initiatives.</p> <p>The Committee convenes at least twice per year and reports annually to the Board of Directors on the progress of sustainable development initiatives and future action plans.</p> <p>In 2024, the Sustainable Development Committee held three meetings. Key agenda items included:</p> <ul style="list-style-type: none"> • Results of stakeholder engagement and material topic discussions • Sustainable development strategy objectives and annual work plan • Implementation reports from each task force • Review and content of the Sustainability Report <p>In 2024, the Committee submitted three reports to the Board of Directors. The Board reviewed the progress of the Company’s sustainability strategies and assessed the need for any strategic adjustments.</p>	No discrepancies.
2. Has the Company conducted risk assessments of environmental, social, and corporate governance (ESG) issues related to its	V		In accordance with the Company's "Risk Management Policy and Procedures," the Risk Management Team, in collaboration with various operational departments, conducts annual risk assessments. The scope of these assessments	No discrepancies.

Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons						
	Yes	No	Summary Description							
operations based on the materiality principle, and formulated relevant risk management policies or strategies?			<p>covers strategic, operational, financial, information security, legal compliance, ethical conduct, and climate-related risks. The Company takes into account both internal and external factors, as well as its strategic development objectives, to identify and evaluate risks. For material risks identified, corresponding response measures and improvement plans are developed.</p> <p>Regarding ESG issues of concern to stakeholders, the Company conducts stakeholder surveys to gather and consolidate key topics. The Sustainability Implementation Task Force evaluates the potential positive and negative impacts of each topic on the Company’s operations and conducts a comprehensive materiality analysis to determine the most significant issues. The material issues and corresponding risk management strategies for 2024 are as follows:</p> <table><tr><th>Topic</th><th>Source of Risk</th><th>Management Policies and Strategies</th></tr><tr><td>Human Resource Development and Talent Cultivation</td><td><ul style="list-style-type: none">• Talent competition or workforce shortage• Inadequate resource allocation• Loss of key personnel</td><td><ul style="list-style-type: none">• Utilize diverse recruitment channels, including the Company website, recruitment agencies, and employee referrals. Review the effectiveness of the recruitment plan quarterly and annually.• Develop medium- to long-term talent attraction strategies (e.g., employer branding, competitive compensation, and retention plans) to boost engagement and retention.• Maintain an employee satisfaction survey mechanism to address stress and welfare issues. Promote internal advancement opportunities, optimize job delegation systems, and establish succession plans for key positions.</td></tr></table>	Topic	Source of Risk	Management Policies and Strategies	Human Resource Development and Talent Cultivation	<ul style="list-style-type: none">• Talent competition or workforce shortage• Inadequate resource allocation• Loss of key personnel	<ul style="list-style-type: none">• Utilize diverse recruitment channels, including the Company website, recruitment agencies, and employee referrals. Review the effectiveness of the recruitment plan quarterly and annually.• Develop medium- to long-term talent attraction strategies (e.g., employer branding, competitive compensation, and retention plans) to boost engagement and retention.• Maintain an employee satisfaction survey mechanism to address stress and welfare issues. Promote internal advancement opportunities, optimize job delegation systems, and establish succession plans for key positions.	
Topic	Source of Risk	Management Policies and Strategies								
Human Resource Development and Talent Cultivation	<ul style="list-style-type: none">• Talent competition or workforce shortage• Inadequate resource allocation• Loss of key personnel	<ul style="list-style-type: none">• Utilize diverse recruitment channels, including the Company website, recruitment agencies, and employee referrals. Review the effectiveness of the recruitment plan quarterly and annually.• Develop medium- to long-term talent attraction strategies (e.g., employer branding, competitive compensation, and retention plans) to boost engagement and retention.• Maintain an employee satisfaction survey mechanism to address stress and welfare issues. Promote internal advancement opportunities, optimize job delegation systems, and establish succession plans for key positions.								

Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons									
	Yes	No	Summary Description										
			<table><tr><th>Topic</th><th>Source of Risk</th><th>Management Policies and Strategies</th></tr><tr><td>Information Security</td><td><ul style="list-style-type: none">• System attacks resulting in data breaches• System disruptions or upgrade failures affecting operations</td><td><ul style="list-style-type: none">• Implement ISO 27001 and maintain third-party certification.• Strengthen infrastructure security, enforce strict identity authentication, encrypt data, monitor system anomalies, raise employee awareness through training, and implement robust emergency response plans.</td></tr><tr><td>Supply chain management</td><td><ul style="list-style-type: none">• Difficulty in managing supply-demand fluctuations and procurement costs</td><td><ul style="list-style-type: none">• Align procurement planning with production schedules and sales orders. Regularly review supply and inventory levels to proactively mitigate risks.• Establish a procurement inquiry system to access and maintain up-to-date market pricing data.</td></tr></table>	Topic	Source of Risk	Management Policies and Strategies	Information Security	<ul style="list-style-type: none">• System attacks resulting in data breaches• System disruptions or upgrade failures affecting operations	<ul style="list-style-type: none">• Implement ISO 27001 and maintain third-party certification.• Strengthen infrastructure security, enforce strict identity authentication, encrypt data, monitor system anomalies, raise employee awareness through training, and implement robust emergency response plans.	Supply chain management	<ul style="list-style-type: none">• Difficulty in managing supply-demand fluctuations and procurement costs	<ul style="list-style-type: none">• Align procurement planning with production schedules and sales orders. Regularly review supply and inventory levels to proactively mitigate risks.• Establish a procurement inquiry system to access and maintain up-to-date market pricing data.	
Topic	Source of Risk	Management Policies and Strategies											
Information Security	<ul style="list-style-type: none">• System attacks resulting in data breaches• System disruptions or upgrade failures affecting operations	<ul style="list-style-type: none">• Implement ISO 27001 and maintain third-party certification.• Strengthen infrastructure security, enforce strict identity authentication, encrypt data, monitor system anomalies, raise employee awareness through training, and implement robust emergency response plans.											
Supply chain management	<ul style="list-style-type: none">• Difficulty in managing supply-demand fluctuations and procurement costs	<ul style="list-style-type: none">• Align procurement planning with production schedules and sales orders. Regularly review supply and inventory levels to proactively mitigate risks.• Establish a procurement inquiry system to access and maintain up-to-date market pricing data.											
3. Environmental Issues (1) Has the Company established an environmental management system appropriate to the characteristics of its industry?	V		The Company has implemented the ISO 14001 Environmental Management System and established an Environmental Management Committee to define the Company's environmental policies and objectives, as well as to promote and supervise the execution of various environmental management activities. Additionally, we have adopted the ISO 45001 Management System to ensure a safe and healthy working environment.	No discrepancies.									
(2) Does the Company endeavor to improve energy efficiency and utilize renewable materials with low environmental impact?	V		The Company adheres to the principles of green design, sources environmentally friendly materials, and ensures that all products comply with EU RoHS standards. We are committed to limiting harmful substances and promoting the development and design of environmentally friendly products. This includes reducing plastic in packaging, minimizing packaging components, and primarily using powder coating for metal surface treatment to decrease VOC emissions. Establish the "Resource Utilization Management Procedures" to encourage employees to implement resource recycling practices. This includes initiatives	No discrepancies.									

Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary Description	
			such as recycling paper used for photocopying, reusing envelopes, and promoting a paperless environment. Furthermore, ensure the proper execution of waste classification and resource recovery to minimize environmental impact.	
(3) Has the Company assessed the potential risks and opportunities associated with climate change for its current and future operations, and adopted corresponding response measures?	V		<p>The Company incorporates environmental issues, including climate change, into its risk and opportunity assessment processes. By identifying the potential positive and negative impacts of such issues on operations, the Company evaluates the severity and materiality of each impact and develops corresponding management mechanisms or action plans.</p> <p>Currently, the Company faces key risks such as rising operational costs driven by global environmental regulations and trends. These include increased expenses associated with strengthening internal quality systems to meet regulatory requirements, higher raw material costs due to product redesigns or urgent material substitutions, and increased operational costs related to carbon emission controls, electricity, and energy consumption. As such, responsible departments are required to closely monitor changes in domestic and international environmental regulations and proactively plan mitigation measures to minimize emergency response costs.</p> <p>Looking ahead, the Company plans to implement an energy management mechanism to analyze major sources of energy consumption and formulate strategies for energy conservation and carbon reduction.</p> <p>In addition, climate-related regulations have raised supply chain entry thresholds, which also present potential opportunities and advantages for the Company. By leveraging the existing material management system, the Company intends to proactively implement compliance verification mechanisms to enhance supply chain management efficiency and strengthen product competitiveness.</p>	No discrepancies.
(4) Has the Company compiled data for the past two years on greenhouse gas (GHG) emissions, water consumption, and total waste generated, and formulated policies	V		<p>(1) Greenhouse Gas Emissions</p> <ul style="list-style-type: none"> The Company does not operate within a high energy-consuming industry and does not own or operate facilities that produce significant greenhouse gas emissions. 	No discrepancies.

Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons																					
	Yes	No	Summary Description																						
for GHG reduction, water conservation, or waste management?			<ul style="list-style-type: none">Greenhouse gas inventory and assurance status for the past two years: please refer to page 53 of the annual report.In addition to its ongoing efforts in energy conservation, carbon reduction, and electricity usage analysis, the Company has incorporated major energy-consuming equipment and sources into its monitoring and management framework. Looking ahead, the Company plans to implement the ISO 50001 Energy Management System to further strengthen energy usage tracking and move toward its carbon neutrality and net-zero emissions goals. <p>(2) Water consumption for the past two years: (Note: data pertains to the parent company, IEI Integration Corp.)</p> <table><tr><th>Year</th><th>Total water consumption (metric tons)</th><th>Water Intensity (metric tons/NT\$1 million in revenue)</th></tr><tr><td>2023</td><td>10,280</td><td>2.0699</td></tr><tr><td>2024</td><td>7,714</td><td>1.7421</td></tr></table> <ul style="list-style-type: none">The Company promotes comprehensive water conservation practices in its daily operations to maximize the efficient use of available water resources. It also conducts regular monitoring and analysis of water consumption to detect any irregularities. <p>(3) Total Waste Generated for the past two years: (Note: data pertains to the parent company, IEI Integration Corp.)</p> <table><tr><th>Year</th><th>Hazardous waste (metric tons)</th><th>Non-hazardous waste (metric tons)</th><th>Water Intensity (metric tons/NT\$1 million in revenue)</th></tr><tr><td>2023</td><td>0.98</td><td>0</td><td>0.0002</td></tr><tr><td>2024</td><td>1.952</td><td>0</td><td>0.0004</td></tr></table> <ul style="list-style-type: none">According to the Company's "Waste Management Procedures," industrial waste is stored and managed in designated areas in compliance with regulations. It is entrusted to a waste disposal company recognized by environmental protection authorities for processing, and is reported in	Year	Total water consumption (metric tons)	Water Intensity (metric tons/NT\$1 million in revenue)	2023	10,280	2.0699	2024	7,714	1.7421	Year	Hazardous waste (metric tons)	Non-hazardous waste (metric tons)	Water Intensity (metric tons/NT\$1 million in revenue)	2023	0.98	0	0.0002	2024	1.952	0	0.0004	
Year	Total water consumption (metric tons)	Water Intensity (metric tons/NT\$1 million in revenue)																							
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Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons				
	Yes	No	Summary Description					
			accordance with legal requirements. Additionally, for household waste, the Company encourages waste segregation and recycling to reduce environmental impact.					
4. Social Issues (1)Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	V		<div> <div> <p>The Company acknowledges and voluntarily adheres to internationally recognized human rights standards, such as the Universal Declaration of Human Rights. We have established and adopted the "IEI Human Rights Policy" to implement our human rights policy and specific management plans. This policy will be reviewed and updated periodically to adapt to business needs and changes in international human rights standards. The Company's human rights policy and specific initiatives are outlined as follows:</p> </div> <table> <tr> <th>Policy</th> <th>Specific Implementation Plan</th> </tr> <tr> <td>Provide a fair working environment and embrace diversity and inclusion</td> <td> <ul style="list-style-type: none"> Establish management regulations concerning employee work rules, attendance, rewards and penalties, and performance evaluations. Additionally, formulate anti-discrimination management measures to ensure that every employee is treated fairly in recruitment, employment, compensation, benefits, training opportunities, work assignments, promotions, rewards and penalties, and termination Prohibit all forms of tangible and intangible sexual harassment, bullying, and discrimination in the workplace. Clearly establish procedures for addressing employee grievance, implement preventive measures against unlawful infringements during the execution of duties, and develop strategies for preventing and addressing sexual harassment in the workplace. Additionally, regularly conduct training and promotional activities related to these issues for both new and existing employees Continuously promote the prohibition of unlawful </td> </tr> </table> </div>	Policy	Specific Implementation Plan	Provide a fair working environment and embrace diversity and inclusion	<ul style="list-style-type: none"> Establish management regulations concerning employee work rules, attendance, rewards and penalties, and performance evaluations. Additionally, formulate anti-discrimination management measures to ensure that every employee is treated fairly in recruitment, employment, compensation, benefits, training opportunities, work assignments, promotions, rewards and penalties, and termination Prohibit all forms of tangible and intangible sexual harassment, bullying, and discrimination in the workplace. Clearly establish procedures for addressing employee grievance, implement preventive measures against unlawful infringements during the execution of duties, and develop strategies for preventing and addressing sexual harassment in the workplace. Additionally, regularly conduct training and promotional activities related to these issues for both new and existing employees Continuously promote the prohibition of unlawful 	No discrepancies.
Policy	Specific Implementation Plan							
Provide a fair working environment and embrace diversity and inclusion	<ul style="list-style-type: none"> Establish management regulations concerning employee work rules, attendance, rewards and penalties, and performance evaluations. Additionally, formulate anti-discrimination management measures to ensure that every employee is treated fairly in recruitment, employment, compensation, benefits, training opportunities, work assignments, promotions, rewards and penalties, and termination Prohibit all forms of tangible and intangible sexual harassment, bullying, and discrimination in the workplace. Clearly establish procedures for addressing employee grievance, implement preventive measures against unlawful infringements during the execution of duties, and develop strategies for preventing and addressing sexual harassment in the workplace. Additionally, regularly conduct training and promotional activities related to these issues for both new and existing employees Continuously promote the prohibition of unlawful 							

Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons	
	Yes	No	Summary Description		
				infringements in the workplace and establish a zero-tolerance policy for workplace harassment	
			Prohibition of forced labor and child labor	<ul style="list-style-type: none">Prohibition of employing child labor.Confirm identity and age upon reporting; individuals who do not meet the legal requirements will not be eligible for employment.Establish a system for regular and extended working hours in compliance with legal requirements, ensuring that labor is not coerced.	
			Safety and Health	<ul style="list-style-type: none">In accordance with the Occupational Safety and Health Act, we are establishing an occupational health and safety management system, planning and implementing workplace safety and health programs, effectively monitoring and mitigating the risks associated with occupational hazards, and ensuring the safety and health of our employees. Additionally, we continuously monitor and manage employee attendance, striving to promote a balance between employees' physical and mental well-being and their work-life balance.	
			Freedom of Speech and Association	<ul style="list-style-type: none">Quarterly labor-management meetings are held to gather feedback from labor representatives, continuously enhance working conditions and welfare measures, and foster cooperation and coordination between labor and management.Establish a dedicated employee grievance hotline and email address to maintain an open, transparent, and confidential grievance mechanism. This ensures that human rights issues can be reported, investigated, and resolved in a timely manner, while also protecting the personal rights of the complainant or whistleblower from infringement.	
			In 2024, the total hours of educational training, including human rights		

Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary Description	
			education, amounted to 522 hours with 471 participants. In the future, we will maintain our focus on issues related to the protection of human rights. We will also promote relevant educational training to enhance awareness of human rights protection and mitigate the associated risks.	
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	V		<p>The Company's employee remuneration is governed by the "Salary Management Regulations" which include base salary, allowances, bonuses, and other forms of compensation. The Company's Articles of Incorporation explicitly outline its employee remuneration policies to recognize and reward employees for their contributions in the workplace, ensuring that business outcomes are reflected in employee compensation. According to the "Employee Performance Management Policy," employee performance evaluations are conducted annually to serve as the basis for reward distribution and adjustments. The Company also implements an employee stock ownership plan to align employees' interests as shareholders with collaborative teamwork, allowing them to share in the benefits of the company's operational performance.</p> <p>The Company has established vacation and basic welfare systems in accordance with the Labor Standards Act. The Employee Welfare Committee, in addition to providing subsidies for marriage, bereavement, and illness, organizes periodic activities such as trips, evening parties, and club competitions. Additionally, in accordance with government regulations, the Company implements mandatory health and labor insurance. Beyond this, the Company also provides group insurance for employees and places a strong emphasis on employee health. This includes annual health checks, subsidies for gastroscopy and cardiac examinations, as well as full subsidies for flu vaccinations. Monthly physician consultations, weekly stress-relief massage services, and irregularly scheduled workshops on stress relief and mental well-being are offered to help alleviate work-related stress. Lactation rooms are provided for female employees in need, and childcare services are coordinated in collaboration with educational institutions.</p>	No discrepancies.

Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons									
	Yes	No	Summary Description										
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		<p>The Company provides a safe and healthy working environment and has obtained ISO 45001 Occupational Health and Safety Management System certification, valid until August 28, 2025. Annual monitoring of the work environment is conducted; emergency personnel are assigned based on the number of employees. Fire evacuation drills are held annually, and regular inspections and maintenance of fire safety equipment are carried out to ensure workplace safety and a proper response to emergencies. In addition, annual health checks for employees are conducted, and monthly on-site medical services are provided to maintain employee health. The Company adheres to the Occupational Safety and Health Act to prevent workplace accidents and has established various "Safety and Health Work Regulations," which include guidelines related to the work environment and employee personal safety for staff to follow.</p> <p>Over the past two years, the Company has implemented the following occupational safety-related training:</p> <table><tr><th>Year</th><th>Education and training participant count</th><th>Education and training hours</th></tr><tr><td>2023</td><td>99</td><td>227</td></tr><tr><td>2024</td><td>83</td><td>189</td></tr></table>	Year	Education and training participant count	Education and training hours	2023	99	227	2024	83	189	No discrepancies
Year	Education and training participant count	Education and training hours											
2023	99	227											
2024	83	189											
(4) Has the Company established effective career development training programs for employees?	V		<p>The Company has established an Education and Training Center with a comprehensive training system, which outlines annual training plans and objectives. These include orientation for new hires, professional and technical training, as well as the development and enhancement of management skills. Irregular knowledge-sharing sessions and reading groups are organized, encouraging employees to actively provide feedback and propose new ideas. Through continuous internal and external training programs, employees acquire new knowledge, improve their qualifications, and strengthen their leadership capabilities. In 2024, the total hours dedicated to career and professional knowledge training amounted to 11,656 hours with 5,342 participants.</p>	No discrepancies.									

Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons															
	Yes	No	Summary Description																
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		The Company complies with relevant laws, regulations, and international guidelines concerning customer health and safety, customer privacy, and the marketing and labeling of its products and services. Additionally, the Company has established relevant management procedures. The Company values its relationships with customers, often maintaining long-term partnerships. Designated personnel and an email address are available to handle customer complaints as well as return or replacement requests.	No discrepancies															
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		<p>According to the Company’s "Supplier Management Procedures," suppliers (specifically manufacturers) must meet not only the basic requirements for operational status, product manufacturing, quality, and delivery time in line with quality specifications, but also have their corporate social responsibility and environmental management practices incorporated into the evaluation criteria for new suppliers and regular assessments. Suppliers that have successfully passed the evaluation are required to sign the relevant guarantees or commitment letters. The signing status for 2024 is as follows:</p> <table> <tr> <th>Document</th> <th>Additions in 2024</th> <th>Signing rate as of the end of 2024</th> </tr> <tr> <td>• Restricted Substance Guarantee Certificate</td> <td>30 suppliers</td> <td>509 suppliers have completed signing, with a signing rate of 98%</td> </tr> <tr> <td>• Supplier Commitment to Corporate Social Responsibility Guidelines</td> <td>36 suppliers</td> <td>504 suppliers have completed signing, with a signing rate of 97%</td> </tr> <tr> <td>• Conflict-Free Metal Declaration</td> <td>34 suppliers</td> <td>508 suppliers have completed signing, with a signing rate of 98%</td> </tr> <tr> <td>• Business Partner Safety Statement</td> <td>35 suppliers</td> <td>485 suppliers have completed signing, with a signing rate of 93%</td> </tr> </table> <p>Qualified suppliers must undergo regular evaluations. In instances of violations of corporate social responsibility policies or significant adverse impacts on the environment and society, the Company reserves the right to terminate or rescind contracts at any time.</p>	Document	Additions in 2024	Signing rate as of the end of 2024	• Restricted Substance Guarantee Certificate	30 suppliers	509 suppliers have completed signing, with a signing rate of 98%	• Supplier Commitment to Corporate Social Responsibility Guidelines	36 suppliers	504 suppliers have completed signing, with a signing rate of 97%	• Conflict-Free Metal Declaration	34 suppliers	508 suppliers have completed signing, with a signing rate of 98%	• Business Partner Safety Statement	35 suppliers	485 suppliers have completed signing, with a signing rate of 93%	No discrepancies.
Document	Additions in 2024	Signing rate as of the end of 2024																	
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Item	Status of Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary Description	
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?		V	The Company is currently not classified as an enterprise that is legally required to prepare a sustainability report. The Company has prepared its 2023 Sustainability Report in accordance with the GRI Sustainability Reporting Standards (GRI Standards) and with reference to internationally recognized guidelines. However, it has not yet been verified by a third-party assurance provider.	The report has not been externally assured or verified
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: The Company has established the "Sustainable Development Best Practice Principles" in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies." To implement corporate sustainable development and promote progress in economic, environmental, and social aspects, the Company continues to advance these principles to achieve its sustainable development goals. The current operational situation is consistent with the established guidelines.				
7. Other important information to facilitate better understanding of the company's promotion of sustainable development: For additional important information regarding the execution of sustainable development, please refer to the sustainability report published by the Company or visit our website at https://www.ieiworld.com/tw/about .				

2.3.6 Climate-Related Information of TWSE/TPEX Listed Company

1. Implementation of climate-related information

Items	Status of Implementation
(1) Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	<ul style="list-style-type: none"> In light of the growing global concern over climate issues in recent years and their significant impact on the Company's operational risk management, the management has identified climate change as a key factor in risk assessments. The Company actively monitors climate-related developments, conducts thorough evaluations, and formulates corresponding operational objectives and action plans. IEI's Sustainable Development Committee is responsible for promoting initiatives related to sustainable development and serves as the highest authority for climate change risk management within the Company. The Committee is required to report annually to the Board of Directors on climate change-related matters.

Items	Status of Implementation
(2) Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<p>The Company has identified the following climate-related risks and opportunities, including regulatory compliance risks, operational disruptions, increased operating costs, risks to product sales, and competitive opportunities, as outlined below:</p> <ul style="list-style-type: none"> • Compliance with government regulations related to climate change—such as conducting greenhouse gas inventories and implementing carbon reduction measures—is essential. Ongoing warming trends have led to increased energy consumption and rising operational costs, prompting the Company to begin planning and evaluating the adoption of energy storage systems or alternative energy sources. • Extreme weather events and natural disasters may cause damage to buildings or equipment, disrupt personnel movement and transportation, and lead to property losses or increased operational costs. To ensure business continuity, the Company must continuously enhance its emergency response mechanisms. In addition, it closely monitors and analyzes the probability and potential impact of natural disasters in key operational regions, reviews the structural resilience of existing facilities, and evaluates the establishment of off-site backup systems to support the Company’s medium- and long-term operational development. • In response to evolving international climate and environmental regulations, the Company ensures that overseas sales comply with relevant local laws. The potential implementation of domestic and international carbon fees or carbon taxes may increase operational costs, making early planning essential. The Company is committed to developing greener, more innovative, and energy-efficient products and services, while simultaneously strengthening product advantages to enhance market competitiveness and corporate value.
(3) Describe the financial impacts of extreme weather events and transition actions.	<p>Extreme weather events and transition-related actions may result in increased operational costs. The Company continuously monitors and evaluates their potential financial and business impacts and proactively implements necessary response plans or management measures to reduce or mitigate financial risks.</p>
(4) Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>The Company has incorporated climate change issues into its annual departmental risk and opportunity assessments. Operational departments continuously monitor climate-related developments and carefully evaluate the potential risks and opportunities these issues may pose to their operations. For items identified as having a medium to high impact, the Company works collaboratively with relevant departments to develop corresponding operational plans and targets. The implementation status of these plans is reviewed regularly, with improvements made as needed.</p>

Items	Status of Implementation
(5) If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	No corresponding assessment has been conducted.
(6) If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	In response to climate risks, the Company will assess and plan the integration of relevant energy management systems. Product design and services are focused on green design, low energy consumption, high efficiency, and enhanced recyclability. Specific indicators and targets are currently being developed.
(7) If internal carbon pricing is used as a planning tool, the basis for determining the price should be clearly outlined.	There is no such plan at present.
(8) If climate-related targets have been set, the activities covered, the scope of GHG emissions, the planning timeline, and the annual progress made should be clearly specified. If carbon credits or renewable energy certificates (RECs) are used to achieve these targets, the source and quantity of the carbon credits or RECs being offset should also be provided.	The Company's specific climate goals include completing greenhouse gas inventories for both the parent company and its subsidiaries by 2027. The greenhouse gas reduction target is set at a 4% decrease over five years, with 2022 as the base year.
(9) The status of the greenhouse gas inventory and assurance, along with reduction targets, strategy, and specific action plans.	As a listed company with paid-in capital of less than NT\$5 billion, the Company is not currently subject to mandatory disclosure requirements regarding greenhouse gas (GHG) inventories, verification status, reduction targets, strategies, or specific action plans in its annual report, pursuant to the implementation timeline established by the Financial Supervisory Commission. Nevertheless, the Company proactively began conducting GHG inventory activities in 2022. For the GHG inventory and verification status over the past two years, please refer to Table 1-1 below.

(Table 1-1) Greenhouse gas inventory and assurance status for the past two years (The data pertains to the parent company, IEI)

Year	Scope 1: Emissions (metric tons of CO ₂ e)	Scope 2: Emissions (metric tons of CO ₂ e)	Intensity (Note 3) (metric tons of CO ₂ e/NT\$ million)	Scope 3: Emissions (metric tons of CO ₂ e)	Assurance Institution	Assurance Standards	Scope of Assurance and Opinion
2023	173.6215	1,714.6078	0.3802	1,842.0415	TUV NORD	ISO 14064-3:2019	Reasonable Assurance: Scope 1 and Scope 2 Limited Assurance: Scope 3
2024	155.7791	1,381.5664	0.3472	1,954.8524	TUV NORD	ISO 14064-3:2019	Under Verification

Note 1: Direct emissions (Scope 1: emissions that come directly from sources owned or controlled by the Company), energy indirect emissions (Scope 2: indirect greenhouse gas emissions resulting from the generation of purchased electricity, heat, or steam), and other indirect emissions (Scope 3: emissions resulting from the Company's activities, not included in Scope 2, and originating from sources owned or controlled by other entities—primarily including upstream and downstream transportation, waste transportation and disposal, employee commuting and business travel, and upstream production emissions).

Note 2: Greenhouse Gas Inventory Standards: ISO 14064-1, published by the International Organization for Standardization (ISO).

Note 3: Only the greenhouse gas emission intensity for Scope 1 and Scope 2 of the parent company is presented, calculated based on the parent company's individual revenue (in NT\$ millions).

2.3.7 Ethical Corporate Management – Implementation Status, Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
1. Establishment of ethical corporate management policies and programs (1) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethic policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(1) The Company has established the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct," which have been approved by the Board of Directors and disclosed on the Company's website and the Market Observation Post System (MOPS). Under the Board-level Sustainable Development Committee, a "Corporate Governance and Performance" working group has been formed to promote and implement the Company's ethical management policies and preventive measures.	No discrepancies.
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?	V		(2) The Company not only promotes a culture of ethical business conduct but also utilizes internal audit mechanisms and a corporate grievance mechanism to prevent dishonest practices. In addition, the Company has established specific preventive programs, including operational procedures, codes of conduct, and training initiatives to mitigate unethical behavior.	No discrepancies.
(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	V		(3) To ensure the effective implementation of ethical business practices, the Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Whistle-blower Procedures, and Work Rules are regularly reviewed and revised. These regulations explicitly prohibit all employees from	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			accepting kickbacks and are designed to prevent conflicts of interest, ensuring that personal gain does not come at the expense of the Company's interests. In addition, a sound accounting system and internal control mechanisms have been established, with regular audits conducted by internal auditors to ensure compliance.	
2. Implementation of Ethical Management Practice (1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	V		(1) Before establishing business relationships, the Company conducts assessments of the legality and integrity records of potential partners to ensure that their business practices are fair, transparent, and free from any form of bribery, solicitation, or acceptance of improper benefits.	No discrepancies.
(2) Has the company set up a dedicated unit to promote ethical corporate management under the Board of Directors, and does it regularly (at least once a year) report to the Board of Directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	V		(2) The Company's Board-level Sustainable Development Committee has established a Corporate Governance working group, which is responsible for promoting ethical business practices, anti-corruption, anti-bribery efforts, and legal compliance across the Group. The implementation status is reported to the Board of Directors at least once a year. The 2024 ethical management implementation report was submitted to the Board of Directors on December 20, 2024.	No discrepancies.
(3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	V		(3) The Company's Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, and Work Rules clearly stipulate the procedures and practices for avoiding conflict of interest. Employees are strictly prohibited from accepting kickbacks, ensuring that personal interests do not compromise the Company's interests. If any violations of the regulations are identified, they may be reported to the Independent Directors, the Audit Committee, managerial officers, the Human Resources or internal audit unit, direct supervisors, or other appropriate personnel.	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	V		(4) To ensure the implementation of ethical corporate management, the Company has established effective accounting and internal control systems. Internal auditors conduct regular audits to verify compliance with these systems.	No discrepancies.
(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?	V		(5) The Company conducts at least one internal training session on ethical management each year and arranges external training sessions as needed based on actual requirements. Management also promotes awareness on the prevention of unethical behavior and the prohibition of insider trading through the Company's internal website at least twice a year. This initiative aims to foster a shared commitment among all employees and ensure compliance with relevant laws and regulations to uphold ethical business practices. In 2024, the Company organized both internal and external training sessions on topics related to ethical management. These included compliance with ethical management regulations, anti-corruption and anti-bribery ethics, corporate governance regulations, information security, labor management laws, occupational safety and health, and professional knowledge. The total training hours reached 3,004, with each employee receiving an average of 1.03 hours of training.	No discrepancies.
3. Implementation of the Company's Whistle-Blowing Procedures (1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing	V		(1) The Company has established "Whistle-blower Procedures," managed by the Human Resources and Auditing departments, responsible for handling reports. Reporting channels, including a dedicated email address and hotline, are disclosed on the Company's website and	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle- blowers?			internal site. These mechanisms allow internal and external stakeholders (such as employees, suppliers, and customers) to submit complaints, along with supporting evidence, regarding violations of integrity and ethical conduct.	
(2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	V		<p>(2) According to the "Whistle-blower Procedures" the procedures and confidentiality mechanisms are as follows:</p> <ol style="list-style-type: none"> 1. Acceptance: The whistleblower must provide at least the following information: <ul style="list-style-type: none"> • The whistleblower's name, ID number, and contact information (address, phone number, or email) • The name or other identifying information that can distinguish the person being reported. • Concrete evidence available for investigation. 2. Investigation: <p>Once a whistleblower case is accepted by the Human Resources and Auditing departments, the Chairman will assign a project investigator to conduct the investigation. The investigator will promptly and actively verify the facts based on the reported details and, as necessary, coordinate with the Legal Department or other relevant departments to assist with the investigation. Concealment of any details is prohibited. The investigation of a whistleblower case may involve phone calls, written correspondence, or interviews, depending on the specifics of the case. The investigation process and content must be fully documented and retained.</p> 3. Investigation report and outcome handling: <ul style="list-style-type: none"> • After the investigation case is filed, the progress should be reported regularly to the Chairman, with follow-up on the processing deadlines. 	No discrepancies.

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			<ul style="list-style-type: none"> The project investigator should report the investigation results of the whistleblowing case directly to the Chairman. If the investigator finds that the whistleblowing case involves a director or senior executive, the matter should be reported to the Independent Directors. If the investigation results confirm that there has been a violation of integrity, ethical conduct, or relevant laws, the Company should immediately require the reported person to cease the relevant behavior. The Company will then impose disciplinary actions according to the applicable regulations. If necessary, legal procedures may be pursued to seek compensation for damages in order to protect the Company's reputation and interests. If the whistleblowing matter is verified to be true, the relevant department within the Company should be held accountable for reviewing the related internal control systems and operational procedures. Improvement measures should be proposed to prevent the recurrence of similar actions. The project investigator should report the whistleblowing matter, the handling method, and subsequent review and improvement measures to the Board of Directors. <p>4. Confidentiality Mechanism</p> <ul style="list-style-type: none"> The identity of the whistleblower, the content of the report, and investigation records should be encrypted and protected. Access to these files should only be granted to project investigators with authorization. The information should not be disclosed, revealed, or made public in a way that could identify the whistleblower to unauthorized third parties. If file transmission is necessary, it should be encrypted before sending. 	

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
(3) Has the company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	V		(3) According to the Company's "Whistle-blower Procedures," the identity of the whistleblower and the content of the report will be kept confidential and protected. Individuals involved in investigating whistleblowing cases are prohibited from disclosing, revealing, or making public any information that could identify the whistleblower to unauthorized third parties. Effective and appropriate protective measures will be implemented to ensure the whistleblower is not subjected to unfair treatment, retaliation, or threats. The Company did not have any whistleblowing cases in 2024.	No discrepancies.
4. Strengthening Information Disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	V		The Company has disclosed its Ethical Corporate Management Best Practice Principles and the results of their implementation on the Company's website and the MOPS.	No discrepancies.
5. If the Company has established its own Ethical Corporate Management Best Practice Principles based on the "Ethical Corporate Management Best Practice Principles for Listed Companies," please explain the operational differences and any discrepancies between the two: The Company has established its own Ethical Corporate Management Best Practice Principles in accordance with the "Ethical Corporate Management Best Practice Principles for Listed Companies." The current operational practices are consistent with the established principles, and there are no discrepancies.				
6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles): (1) The Company complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, relevant regulations for listed companies, and other laws related to business conduct. The Company also continues to update its "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" in accordance with updates from regulatory authorities. (2) The Company's "Rules of Procedure for Board Meetings" include a conflict of interest avoidance system. For agenda items in the board meeting that involve a conflict of interest with the director or their representative legal entity, which may harm the Company's interests, the director may provide opinions and answer questions but shall not participate in the discussion or voting. During the discussion and voting, the director must recuse themselves				

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
and shall not act as a proxy for other directors to exercise their voting rights.				
(3) The Company has established the "Internal Major Information Processing and Insider Trading Prevention Procedures," which stipulate that directors, managerial officers, and employees shall not disclose any major internal information they have access to. They are also prohibited from inquiring about or collecting company information that is not publicly disclosed and unrelated to their individual duties. Additionally, individuals who come into possession of non-public internal major information through means other than business execution are also prohibited from disclosing such information to others, with enhanced measures in place to prevent insider trading.				
(4) As of the date of publication of the annual report, the Company has not received any reports of violations of the relevant codes of conduct and guidelines.				

2.3.8 Other important information that enhances the understanding of the Company's governance operations: None.

2.3.9 Implementation Status of the Internal Control System

1. Statement of internal control system:

Please refer to the Market Observation Post System (MOPS): Corporate Governance / Corporate Regulations / Internal Control / Internal Control Statement Announcement.

2. If an accountant has been commissioned to review the internal control system, the accountant's review report should be disclosed: None.

2.3.10 Material resolutions of the Shareholders' Meeting or the Board of Directors during the most recent fiscal year, or up to the date of publication of this Annual Report:

1. Significant resolutions of the Shareholders' Meeting in 2024 and their implementation:

Date	Significant Resolutions and their Implementation
2024/06/18 Annual General Shareholders' Meeting	<p>1. Approved and ratified the Company's 2023 Business Report and Financial Statements. Implementation Status: Approved as proposed.</p> <p>2. Approval of the Company's 2023 Earnings Distribution Proposal. Implementation Status: A cash dividend of NT\$3.5 per share was distributed to shareholders, totaling NT\$618,092,265. The ex-dividend date was set for July 25, 2024, and the distribution was completed on August 16, 2024.</p>

2. Significant resolutions of the Board of Directors in 2024 and up to the date of publication of the annual report:

Meeting Name / Date	Material Resolution	Any matter under Article 14-3 of the Securities and Exchange Act	Opinions of All Independent Directors	Company's Handling of Independent Directors' Opinions
The 5th Meeting of the 11th Term 2024/03/08	• Agenda Items of the Company's 2nd Meeting of the 5th Remuneration Committee.	V	No objections or reservations	Not Applicable
	• The Company's proposal for employee and director compensation distribution for 2023.	V		
	• The Company's 2023 Business Report and Financial Statements.	V		
	• The Company's 2023 profit distribution proposal.	V		
	• The Company's proposal of assessment of the effectiveness of internal control systems and internal control system statement for the year 2023.	V		
	• The Company's operational plan and budget proposal for 2024.	V		
	• The Company's proposal for the periodic assessment of the independence, competence, and engagement fee of the appointed CPA.	V		
	• The date, time, location, method of convening, and main agenda items of the Company's 2024 Annual Shareholders' Meeting.	V		

Meeting Name / Date	Material Resolution	Any matter under Article 14-3 of the Securities and Exchange Act	Opinions of All Independent Directors	Company's Handling of Independent Directors' Opinions
The 6th Meeting of the 11th Term 2024/05/10	• Proposal for the 2024 Q1 Consolidated Financial Statements.	V	No objections or reservations	Not Applicable
	• Proposal for amendments to the Company's "Rules of Procedure for Board Meetings" and "Audit Committee Charter."	V		
	• Proposal for amendments to the Company's "Corporate Governance Best Practice Principles."	V		
	• Proposal for amendments to the Company's "Authority Delegation Guidelines."	V		
The 7th Meeting of the 11th Term 2024/06/18	• The Company's subsidiary Fortunetec International Corp.'s proposal for lending funds to others.	V	No objections or reservations	Not Applicable
The 8th Meeting of the 11th Term 2024/08/09	• The Company's 2024 Q2 Consolidated Financial Statements.	V	No objections or reservations	Not Applicable
	• The Company's 2023 Sustainability Report.	-		
	• Proposal of the amendments to the Company's "Sustainable Development Committee Charter."	V		
	• Proposal for the establishment of the Company's "Sustainable Development Best Practice Principles."	V		
The 9th Meeting of the 11th Term 2024/11/08	• The Company's 2024 Q3 Consolidated Financial Statements.	V	No objections or reservations	Not Applicable
	• Agenda Items of the Company's 3rd Meeting of the 5th Remuneration Committee.	V		
	• Formulation of the Company's "Risk Management Policy and Procedures."	V		
	• Amendments to the Company's "Audit Committee Charter."	V		
	• Amendments to the Company's "Whistle-blower Procedures."	V		
	• Lease of Factory and Office Premises from a Related Party.	V		
The 10th Meeting of the 11th Term 2024/12/20	• Proposal for amendments to the Company's "Corporate Governance Best Practice Principles."	V	No objections or reservations	Not Applicable
	• Proposal to amend and supplement the Company's Internal Control System for Sustainability Information Management.	V		
	• The Company's audit plan for 2025.	V		
The 11th Meeting of the 11th Term 2025/02/25	• Agenda Items of the Company's 4th Meeting of the 5th Remuneration Committee.	V	No objections or reservations	Not Applicable
	• Proposal for the distribution of employee and director compensation for the Company's 2024 fiscal year.	V		

Meeting Name / Date	Material Resolution	Any matter under Article 14-3 of the Securities and Exchange Act	Opinions of All Independent Directors	Company's Handling of Independent Directors' Opinions
	• Proposal of the Company's 2024 Business Report and Financial Statements.	V		
	• The Company's proposal for the assessment of the effectiveness of the internal control system and the internal control system statement for 2024.	V		
	• The Company's operational plan and budget proposal for the year 2025.	V		
	• The Company's proposal for the periodic assessment of the independence and competence of the appointed CPA.	V		
	• Proposal for the appointment and remuneration of the licensed CPA of the Company for 2025.	V		
	• Amendment to the Company's "Articles of Incorporation."	V		
	• Establish the scope of grassroots employees as specified in the Company's Articles of Incorporation.	V		
	• Proposal of the date, time, location, method of convening, and main agenda items of the Company's 2025 Annual Shareholders' Meeting.	V		
	• As of December 31, 2024, the Company's accounts receivable and other overdue amounts are not related to financing activities.	V		

2.3.11 Dissenting opinions or written statements from directors or supervisors regarding important resolutions passed by the Board of Directors during the most recent fiscal year or up to the date of the publication of this Annual Report: None

2.4. Information on CPA (External Auditor) Professional Fees

Unit: In thousands of NTD

CPA firm	Names of CPAs	Period covered by the audit	Audit fees	Non-audit fees	Total	Remark
KPMG	Chung-Che Chen Li-Chen Lai	2024/1/1~ 2024/12/31	4,080	20	4,100	Non-audit fees include the certification of business dividend income reported under the direct offset method
	Chih Chang	2024/1/1~ 2024/12/31	-	430	430	Non-audit fees include the transfer pricing report and master file for 2024

2.4.1 If the CPA firm was replaced, and the audit fees paid in the fiscal year following the replacement are lower than those paid in the fiscal year prior to the replacement, the amounts of audit fees before and after the replacement, as well as the reasons for the change, should be disclosed: Not applicable.

2.4.2 If the audit fees paid for the year are reduced by 10% or more compared to the previous year, the amount, percentage, and reason for the reduction should be disclosed: Not applicable.

2.5. Information on Replacement of CPAs: None.

2.6. The Company's Chairman, President, or managerial officers responsible for financial or accounting matters have held a position at the attesting CPA firm or its affiliated enterprises in the most recent year: None.

2.7. Any transfer or pledge of equity interests, or change in equity interests, by any director, managerial officer, or shareholder holding more than 10 percent of shares during the most recent fiscal year or up to the date of publication of this Annual Report:

2.7.1 Changes in Shareholding of Directors, Managerial Officers, and Major Shareholders

Position	Name	2024		As of March 31, 2025	
		Shareholding increase (decrease)	Pledged shareholding increase (decrease)	Shareholding increase (decrease)	Pledged shareholding increase (decrease)
Chairman	QNAP Systems, Inc.	(10,595,867)	-	-	-
	Legal representative: Meiji Chang	-	-	-	-
Director and President	Jordan Jiang	-	-	-	-
Director	Jack Liou (Note)	-	-	-	-
Director	Ying-Yin Lee	71,000	-	-	-
Independent Director	In-Chyuan Ho	-	-	-	-
Independent Director	Jia-Lien Hsu	-	-	-	-
Independent Director	Wen-Pao Lo	-	-	-	-
Vice President	Sofia Chang	-	-	-	-
Vice President	Kenny Jan	(18,000)	-	-	-
Vice President	Henry Du	-	-	-	-
Vice President	Elaine Kuo	-	-	-	-
Vice President	Y.T. Lee	-	-	-	-
Chief Financial and Accounting Officer	Iris Wei	-	-	-	-
Major Shareholder	Po-Ta Kuo	8,864,100	(8,864,100)	-	-

Note: Director Jack Liou resigned on November 4, 2024; therefore, the change in his shareholding is reported up to November 4, 2024.

2.7.2 The counterparties to the transfer or pledge of shareholding are all non-related parties.

2.8. Relationships Among the Top 10 Shareholders by Shareholding Percentage

As of March 31, 2025

Name	Shares held by the individual		Shares held by spouse and minor children		Shares Held Under Others' Names (Total)		Name and Relationship of Any Related Party or Spouse/Second-Degree Relative among the Top 10 Shareholders		Remark
	Number of Shares	Ownership Percentage	Number of Shares	Ownership Percentage	Number of Shares	Ownership Percentage	Name of Entity or Individual	Relationship	
Po-Ta Kuo	21,932,396	12.42 %	3,707,164	2.10 %	-	-	Wen-Hsin Kuo	Relatives within the second degree of kinship	
Qnap Systems, Inc. Representative: Meiji Chang	13,367,140	7.57 %	-	-	-	-	None	None	
Sheng Feng Co., Ltd. Representative: Li-Ying Lee	10,595,867	6.00 %	-	-	-	-	Fu Wang Lai Investment Co. Ltd. Chian Jin Lai Investment Co., Ltd.	The legal representative is a relative within the second degree of kinship	
HSBC Bank (Taiwan) Limited – Custodian for Bit Bank Investment Account	8,800,000	4.98 %	-	-	-	-	None	None	
Chian Jin Lai Investment Co., Ltd. Representative: Chun-Chi Kuo	7,061,465	4.00 %	-	-	-	-	Sheng Feng Co., Ltd. Fu Wang Lai Investment Co. Ltd.	The legal representative is a relative within the second degree of kinship	
Citibank Custody – UOB Kay Hian (Hong Kong) Limited Client Account	5,661,200	3.21 %	-	-	-	-	None	None	
Fu Wang Lai Investment Co. Ltd. Representative: Ying-Yin Lee	5,053,421	2.86 %	-	-	-	-	Sheng Feng Co., Ltd. Chian Jin Lai Investment Co., Ltd.	The legal representative is a relative within the second degree of kinship	
Tsu-Yuan Chen	2,801,000	1.59 %	-	-	-	-	None	None	
Wen-Hsin Kuo	2,518,000	1.43 %	-	-	-	-	Po-Ta Kuo	Relatives within the second degree of kinship	
HSBC Bank (Taiwan) Limited – Custodian for Cambria Emerging Shareholder Yield ETF Investment Account	2,434,472	1.38 %	-	-	-	-	None	None	

2.9. The consolidated shareholding in any single enterprise by the Company, its directors, supervisors, managerial officers, and any enterprise directly or indirectly controlled by the Company

As of December 31, 2024

Investee enterprise (Note)	Investment by the Company		Investment by the Directors, Supervisors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company		Total investment	
	Number of Shares (in thousand)	Shareholding Percentage	Number of Shares (in thousand)	Shareholding Percentage	Number of Shares (in thousand)	Shareholding Percentage
BriteMED Technology Inc.	8,000	100.00	-	-	8,000	100.00
QNAP Systems, Inc.	6,974	23.24	3,792	12.72	10,766	35.96
Oring Industrial Networking Corp.	2,797	16.36	1,483	8.67	4,280	25.03
Sheng Feng Co., Ltd.	341	24.49	171	12.27	512	36.76
ICP Electronics Limited	5,000	100.00	-	-	5,000	100.00
Internet Application Technology Ltd.	11,853	100.00	-	-	11,853	100.00
Fortunetec International Corp.	-	-	500	100.00	500	100.00
Fortune Name Holdings Limited	-	-	700	100.00	700	100.00
Acquire System Inc.	-	-	199	49.71	199	49.71
Rich Excel Corporation	-	-	11,628	100.00	11,628	100.00
Equilico Inc.	-	-	6,484	100.00	6,484	100.00
Potency Inc.	-	-	5,840	100.00	5,840	100.00
Suntend LLC	-	-	-	100.00	-	100.00
IEI Technology USA Corporation	-	-	14,000	100.00	14,000	100.00
Anewtech Systems Pte. Ltd.	-	-	400	31.68	400	31.68
Armorlink SH Corp.	-	-	-	90.70	-	90.70
Ailean Technologies Corp.	-	-	-	90.70	-	90.70
Ash Energy Group Ltd.	-	-	-	90.70	-	90.70
IEI Technology (Shanghai) Co., Ltd.	-	-	-	90.70	-	90.70
Weibotong Technology (Shanghai) Co., Ltd.	-	-	-	90.70	-	90.70
Syncda International Ltd.	-	-	300	90.70	300	90.70
Xingwei Computer (Kunshan) Co., Ltd.	-	-	-	49.71	-	49.71

Note: This refers to the Company's long-term investment accounted for using the equity method.

III. Fundraising Status

3.1 Capital and Shares

3.1.1 Source of Share Capital

Unit: NT\$ Thousand: Thousand Shares

Year / Month	Issue price (NT\$)	Authorized Capital		Paid- in capital		Remark			
		Shares	Amount	Shares	Amount	Source and amount of capital		Capital Paid with Non-Cash Assets	Approval Date and Document No. for Capital Increase
1997.04	10	6,000	60,000	6,000	60,000	Paid-in Capital	60,000	No	1997.05.12 No. 86292850
1997.10	10	12,000	120,000	12,000	120,000	Capital increase by cash	60,000	No	1998.01.05 MOEA (86) SZ No.127147
1998.06	10	19,800	198,000	19,800	198,000	Capital increase by cash	78,000	No	1998.07.10 MOEA (87) SZ No. 1117594
1998.12	10	38,000	380,000	38,000	380,000	Capital increase by cash	182,000	No	1998.12.21 MOEA. (87) SZ No.141663; (87) TZJ (1) No. 94753
1999.12	10	46,000	460,000	46,000	460,000	Capital increase by cash	80,000	No	1999.12.09 MOEA. (88) SZ No.144533; (88) TZJ (1) No. 95760
2000.05	10	100,000	1,000,000	67,248	672,478	Capital increase by earnings and capital surplus	207,000	No	2000.05.29 MOEA. (89) SZ No.089115882; (89) TZJ (1) No. 33916
						Capital increase by employee bonus	5,478		
2001.09	10	135,000	1,350,000	85,333	853,330	Capital increase by earnings and capital surplus	168,120	No	2001.09.06 MOEA (90) SZ No. 09001354220; (90) TZJ (1) No. 144668
						Capital increase by employee bonus	12,733		
2002.06	10	160,000	1,600,000	109,044	1,090,438	Capital increase by earnings	213,333	No	2002.06.11 MOEA. SSZ No. 09101207040; (91) TZJ (1) No. 123586
						Capital increase by employee bonus	23,775		
2003.11	10	180,000	1,800,000	138,835	1,388,348	Capital increase by earnings and capital surplus	272,610	No	2003.11.27 MOEA. SSZ No. 09201322460; TZJ (1) No.0920138979
						Capital increase by employee bonus	25,300		
2004.12	10	190,000	1,900,000	148,494	1,484,937	Capital increase by earnings	69,417	No	2004.12.08 MOEA. SSZ No. 09301228700
						Capital increase by employee bonus	27,172		
2005.11	10	200,000	2,000,000	158,718	1,587,184	Capital increase by earnings	74,247	No	2005.11.18 MOEA. SSZ No. 09401230200
						Capital increase by employee bonus	28,000		
2006.11	10	206,000	2,060,000	167,200	1,672,000	Capital increase by earnings	47,616	No	2006.11.23 MOEA. SSZ No. 09501260320
						Capital increase by employee bonus	37,200		

Year / Month	Issue price (NT\$)	Authorized Capital		Paid- in capital		Remark			
		Shares	Amount	Shares	Amount	Source and amount of capital		Capital Paid with Non-Cash Assets	Approval Date and Document No. for Capital Increase
2007.11	10	270,000	2,700,000	179,342	1,793,420	Capital increase by earnings	83,600	No	2007.11.15 MOEA. SSZ No. 09601280900
						Capital increase by employee bonus	37,820		
2008.10	10	270,000	2,700,000	177,652	1,776,520	Cancellation of Treasury Shares	16,900	No	2008.10.01 MOEA. SSZ No. 09701251290
2008.11	10	270,000	2,700,000	190,332	1,903,322	Capital increase by earnings	89,671	No	2008.11.19 MOEA. SSZ No. 09701295070
						Capital increase by employee bonus	37,131		
2009.03	10	270,000	2,700,000	190,272	1,902,722	Cancellation of Treasury Shares	600	No	2009.03.25 MOEA. SSZ No. 09801055900
2009.08	10	270,000	2,700,000	201,968	2,019,681	Capital increase by earnings	95,136	No	2009.08.25 MOEA. SSZ No. 09801189860
						Capital increase by employee bonus	21,823		
2009.11	10	270,000	2,700,000	203,195	2,031,946	Conversion of convertible bond	12,265	No	2009.11.12 MOEA. SSZ No. 09801262270
2010.04	10	270,000	2,700,000	205,858	2,058,580	Conversion of convertible bond	26,634	No	2010.04.20 MOEA. SSZ No. 09901076720
2010.05	10	270,000	2,700,000	211,473	2,114,728	Conversion of convertible bond	56,149	No	2010.05.18 MOEA. SSZ No. 09901101880
2010.08	10	270,000	2,700,000	211,567	2,115,667	Conversion of convertible bond	939	No	2010.08.18 MOEA. SSZ No. 09901187160
2010.10	10	270,000	2,700,000	225,817	2,258,171	Conversion of convertible bond	142,504	No	2010.11.19 MOEA. SSZ No. 09901254820
2011.01	10	270,000	2,700,000	226,909	2,269,089	Conversion of convertible bond	10,918	No	2011.01.19 MOEA. SSZ No. 10001009880
2012.11	10	335,000	3,350,000	294,982	2,949,815	Capital increase by earnings	680,727	No	2012.11.12 MOEA. SSZ No. 10101232980
2013.11	10	350,000	3,500,000	309,731	3,097,306	Capital increase by earnings	147,491	No	2013.11.12 MOEA. SSZ No. 10201235910
2014.11	10	350,000	3,500,000	328,314	3,283,144	Capital increase by earnings	185,839	No	2014.11.04 MOEA. SSZ No. 10301224820
2018.08	10	350,000	3,500,000	295,483	2,954,830	Cash capital reduction	328,314	No	2018.08.09 MOEA. SSZ No. 10701094720
2019.07	10	350,000	3,500,000	177,290	1,772,898	Cash capital reduction	1,181,932	No	2019.07.26 MOEA. SSZ No. 10801099470
2020.08	10	350,000	3,500,000	176,598	1,765,978	Cancellation of Treasury Shares	6,920	No	2020.08.24 MOEA. SSZ No. 10901155970

Source of Capital

Unit: Shares; NT\$

Types of Shares	Authorized Share Capital			Remark
	Outstanding Shares	Unissued Shares	Total	
Registered Common Shares	176,597,790	173,402,210	350,000,000	All of them are listed shares

(Note) The data is current as of March 31, 2025, the publication date of the annual report.
Information Relating to the Shelf Registration System: Not Applicable.

3.1.2 List of Major Shareholders:

Shareholders who hold more than 5% of the total shares or are among the top ten shareholders by shareholding percentage

As of March 31, 2025

Shareholder	Shares	Number of Shares Held	Shareholding Percentage
Po-Ta Kuo		21,932,396	12.42 %
QNAP Systems, Inc. Representative: Meiji Chang		13,367,140	7.57 %
Sheng Feng Co., Ltd. Representative: Li-Ying Lee		10,595,867	6.00 %
HSBC Bank (Taiwan) Limited – Custodian for Bit Bank Investment Account		8,800,000	4.98 %
Chian Jin Lai Investment Co., Ltd. Representative: Chun-Chi Kuo		7,061,465	4.00 %
Citibank Custody – UOB Kay Hian (Hong Kong) Limited Client Account		5,661,200	3.21 %
Fu Wang Lai Investment Co. Ltd. Representative: Ying-Yin Lee		5,053,421	2.86 %
Tsu-Yuan Chen		2,801,000	1.59 %
Wen-Hsin Kuo		2,518,000	1.43 %
HSBC Bank (Taiwan) Limited – Custodian for Cambria Emerging Shareholder Yield ETF Investment Account		2,434,472	1.38 %

3.1.3 Company Dividend Policy and Implementation Status

1. Dividend policy of the Company

The Company is currently in a period of business growth. In order to respond to the overall industry environment and the need for business expansion, future dividend payments will be based on the Company's medium and long-term financial capital budget planning to balance the dividend policy. The goal is to pursue a stable and sustainable development. The Board of Directors will consider the past issuance, industry standards and future operational capacity and other factors in formulating a proposal for dividends to shareholders. Shareholder dividends shall not exceed 90% of the accumulated distributable profits, and the cash dividend portion shall not be less than 5% of the shareholder dividend.

2. The proposed dividend distribution for this shareholders' meeting is as follows:

The Company's profit distribution plan for 2024 has been approved by the Board of Directors as follows: It is proposed to allocate NT\$794,690,055 for the

distribution of cash dividends to shareholders, with a dividend of NT\$4.5 per share, rounded to the nearest whole dollar, with any fractional amounts being discarded. The total of the fractional amounts will be recorded as other income for the Company. Upon approval by the shareholders' annual meeting, the Chairman will be authorized to determine the ex-dividend date, the payment date, and other matters related to the cash dividend distribution. However, if the number of outstanding shares changes due to the buyback of the Company's shares or the transfer, conversion, or cancellation of treasury share, resulting in changes to the shareholder dividend ratio, it is proposed that the shareholders' meeting authorize the Chairman to handle all related matters.

3.1.4 The impact of the proposed free share distribution at this shareholders' meeting on the Company's business performance, earnings per share, and shareholder return on investment: Not applicable.

3.1.5 Employee and Director Compensation:

1. The provisions on compensation for employees, directors, and supervisors in the Articles of Incorporation:

According to the provisions of the Company's Articles of Incorporation, if the Company earns profits in the fiscal year, 5% to 20% of the profits shall be allocated for employee compensation, which will be distributed by the Board of Directors in the form of stock or cash. The recipients of this distribution include employees of subsidiary companies who meet certain conditions, as determined by the Board of Directors. Additionally, the Board of Directors may allocate up to 3% of the aforementioned profits as director compensation. The compensation distribution plan for employees and directors shall be reported to the shareholders' meeting. However, if the Company has accumulated losses, it should reserve the amount necessary for offsetting the losses before allocating compensation to employees and directors according to the preceding percentage.

2. The basis for estimating the amount of employee and director compensation, the method for calculating the number of shares to be distributed as employee compensation, and the accounting treatment for any discrepancies between the actual distributed amount and the estimated figure for the current period:

The estimated basis for the amount of employee and director remuneration for 2024 is calculated by deducting the remuneration for employees and directors from the pre-tax net profit, and is based on the distribution ratios in previous years and the percentages stipulated in the Articles of Incorporation. If the actual amounts distributed differ from the estimated amounts in the following year, the differences will be treated as changes in accounting estimates and recognized in profit or loss for that year.

3. Approval of employee and director compensation distribution for 2023 by the Board of Directors:
 - (1) The Company's Board of Directors resolved on February 25, 2025, to distribute employee cash compensation of NT\$95,400,563 and director compensation of NT\$3,300,000, both to be paid in cash. The amount is

consistent with the estimated expenses recorded in the 2024 financial statements.

- (2) The proposed amount of employee compensation to be distributed in shares and its ratio to the after-tax net income and total employee compensation in the parent company's financial reports or individual financial reports for the current period: Not applicable.

4. Information on the 2023 Distribution of Compensation for Employees and Directors (including the number of shares, monetary amount, and stock price of the shares distributed), and if there is any discrepancy between the actual distribution and the recognized employee or director compensation, the discrepancy, reason, and how it is handled should be stated:

The actual cash compensation distributed to employees in that year was NT\$86,381,140, and the actual director remuneration distributed was NT\$3,300,000. There is no difference between these amounts and the estimated expense amounts recognized for the year.

3.1.6 Share Repurchases by the Company: None.

3.2 Issuance of Corporate Bonds: None.

3.3 Issuance of Preferred Shares: None.

3.4 Issuance of Global Depositary Receipts: None.

3.5 Employee Share Subscription Warrants: None.

3.6 Status of New Restricted Employee Shares: None.

3.7 Issuance of New Shares for Mergers or Acquisition of Shares from Other Companies: None.

3.8 Execution of Financing Plans: None.

IV. Business Overview

4.1 Nature of Operations

4.1.1 Scope of Business:

1. Business activities of the Company:

- CC01010 Manufacture of power generation, transmission and distribution machinery
- CC01080 Manufacture of electronic parts and components
- CC01101 Manufacture of restrained telecom radio frequency equipment and materials
- CC01110 Manufacture of computers and peripheral equipment
- CC01120 Manufacture and reproduction of recorded media
- I301010 Information software services
- F401010 International trade
- F401021 Import of controlled telecommunications radio-frequency devices
- CF01011 Manufacture of medical devices
- F108031 Wholesale of medical devices
- F208031 Retail sale of medical equipment
- F118010 Wholesale of computer software
- F218010 Retail sale of computer software
- I301020 Data processing services
- I301030 Digital information supply services
- F601010 Intellectual property
- ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Revenue composition by product category:

Unit: NT\$ Thousand

Product Category	2024	
	Net Operating Revenue	Revenue Composition
Industrial computer products	4,496,173	65.74%
Industrial computer components and peripherals	2,079,983	30.41%
Others	263,676	3.86 %
Total	6,839,832	100%

3. Current main products (services) offered:

(1) Network communication infrastructure platform products:

iEi focuses on high-barrier, innovation-driven platforms including 5G/SD-WAN and next-generation firewall solutions. In 2024, the Company began developing cybersecurity storage servers and content delivery network (CDN) platforms to support digital transformation in broadcast and cable networks. Furthermore, to meet the cybersecurity needs of manufacturers engaged in global capacity relocation, the Company introduced a new product line of ruggedized cybersecurity platforms.

(2) Edge computing and embedded system solutions:

The Company continues to closely collaborate with software vendors and system integrators to focus on six key vertical applications: AI-based industrial inspection, smart manufacturing, energy development and management, rail and marine transportation monitoring, AGV/AMR AI assistance, and intelligent surveillance and virtualization.

(3) High-speed DDR5/PCIe Gen5 testing equipment.

(4) Advanced AI-powered biotechnology gene sequencing servers and data collectors.

(5) iEi IRM remote management system.

(6) iEi IVEC virtualization and workload integration platform.

(7) iEi EPD electronic paper display and management platform.

(8) AiEi AI industrial environmental safety systems

(9) Medical products and services

- Medical tablet PCs: POCm nursing cart series, POCi surgical workstation series, and IASO medical information capture terminal series.
- Medical embedded systems: HTB multifunctional AI medical computer series and medical data integration devices.
- Medical monitors: MPOCm mobile medical monitor series.
- Medical power supplies: AXON multifunctional medical power systems and UPS devices.
- Endoscopy image capture systems: 4K input/8K output high-resolution surgical video recording equipment.

4. Planned product (service) development:

(1) High-performance multi-core ARM-based network communication servers with BSP integration support.

(2) 5G RedCap lightweight CPE compliant with new standards.

(3) Ruggedized RSU cybersecurity gateways for railway-side equipment.

(4) Solid-state and hybrid network storage platforms for communication and surveillance applications.

(5) High-end video conferencing hardware platforms compliant with Microsoft BYOD specifications.

(6) Proprietary WiFi 7 access points and wireless network cards.

(7) Edge AI devices and solutions for Industry 4.0, smart factory automation, and equipment connectivity.

(8) Digital medical imaging workstations: 23.5" and 27" POCr 4K smart medical workstations.

(9) AI edge computing systems: AI edge computers equipped with embedded image accelerator cards.

(10) Medical-grade motherboards: Low-profile mini-ITX motherboards for medical use.

(11) Medical cart power supplies: Power supply units dedicated to medical carts.

4.1.2 Industry Overview:

1. Current industry status and development

- Overview of the Edge Computing Market and Technological Development

As of 2024, the global edge computing market has surpassed US\$20.86 billion in value and is projected to maintain a compound annual growth rate (CAGR) of 34.5% from 2025 to 2037. This growth is primarily driven by Industry 4.0, which facilitates greater operational flexibility, automation, and intelligent manufacturing. In parallel, the widespread adoption of generative AI, machine learning (ML), and deep learning (DL) technologies has significantly enhanced AI inference capabilities, reduced reliance on cloud computing, and further optimized computational efficiency and data privacy protection.

With the exponential increase in data generated by the proliferation of Internet of Things (IoT) and Industrial Internet of Things (IIoT) devices, demand for edge computing hardware continues to rise, effectively easing the burden on cloud platforms and data centers. AI-powered edge devices, such as smart cameras, drones, and robots, enable real-time processing of image, voice, and behavior analysis data, supporting applications such as autonomous driving, smart factories, and medical monitoring. In 2024, hardware such as edge nodes, gateways, sensors, and routers occupied a substantial share of the market.

North America remains the global leader in the edge computing market, benefiting from the convergence of IIoT and edge computing. Additionally, AI technologies such as AI accelerator chips (e.g., NVIDIA Jetson, Intel Movidius) and federated learning have improved both the computing power and data security of edge devices, playing a critical role in medical, financial, and smart city applications.

Edge computing is increasingly applied to manufacturing and industrial processes. AI-enhanced predictive maintenance technology enables real-time monitoring of industrial equipment and failure prediction, reducing operational costs. Autonomous AI continues to improve robotic automation capabilities through adaptive learning at the edge.

By 2037, the global edge computing market is expected to exceed US\$983.34 billion, indicating widespread adoption across industries and a sustained increase in demand for low-latency, high-performance data processing. The advancement of AI will drive edge AI to become a core future trend, accelerating enterprise digital transformation.

- Overview and development trends of the network communication and cybersecurity industries

From 2023 to 2030, the global cybersecurity market is expected to maintain a CAGR of 13.8%. Key growth drivers include the widespread use of IoT and mobile devices, increasing demand for secure digital payments, and the expansion of enterprise access to public networks. In response to the evolving network landscape, enterprises continue to invest in cybersecurity solutions, particularly in infrastructure protection, including internal networks, communication systems, and operational assets.

As cloud technology becomes more prevalent, demand for cloud security solutions is expected to grow rapidly, with a projected CAGR exceeding 15%. Currently, the misuse of generative AI has become one of the primary cybersecurity threats, as hackers leverage AI technology to launch increasingly sophisticated social engineering and phishing attacks, making corporate defense more challenging. In addition, the

frequency of supply chain attacks and cloud security vulnerabilities has increased. Enterprises must therefore strengthen cybersecurity management across their supply chains and ensure robust security strategies during cloud migration. Against this backdrop, hardware manufacturers play a key role by focusing on the development of secure chips, hardware security modules (HSMs), trusted platform modules (TPMs), and Zero Trust Architecture (ZTA) to counter emerging threats.

By the end of 2024, 5G users are expected to account for one-fourth of the global mobile user base. At the same time, the ecosystem for 5G Reduced Capability (RedCap) technology is taking shape. This technology offers higher transmission speeds and lower latency than NB-IoT and is well-suited for applications such as smart manufacturing, the Internet of Medical Things (IoMT), and vehicle-to-everything (V2X) communications.

Hardware manufacturers play a vital role in the wireless communication industry across several key domains:

- 5G base stations and core network equipment: Telecom equipment vendors such as Ericsson, Nokia, Huawei, and ZTE are driving the development of compact, high-performance, low-power 5G base stations to enable more flexible deployment.
- Private 5G networks and enterprise applications: Hardware manufacturers such as Dell, HPE, and Cisco are partnering with telecom operators to launch private 5G solutions for smart factories and smart cities.
- Low Earth Orbit (LEO) satellite communications: Companies such as SpaceX (Starlink), Amazon (Project Kuiper), and OneWeb are actively advancing satellite internet technologies. They collaborate with hardware manufacturers such as Qualcomm and Broadcom to develop 5G + satellite communication chips, enabling smartphones to connect directly to satellite networks and expanding network coverage.

In the future, the development of cybersecurity and wireless communication will increasingly depend on hardware innovation. Enterprises must integrate AI-driven edge security architecture and adopt Zero Trust Architecture to ensure data and device security. As 5G RedCap, Wi-Fi 7, and satellite communications continue to evolve rapidly, hardware vendors will play a pivotal role in the convergence of communication technology and security, propelling the advancement of global network infrastructure.

- Medical industry development trends

The medical market is rapidly evolving alongside advancements in digital technology. According to the latest reports, the global medical market is expected to grow from US\$120 billion in 2023 to US\$180 billion in 2028, with a CAGR of 8.7%. The main growth drivers include:

- Rapid adoption of AI-assisted diagnostics and smart medical devices
- Increased demand for telemedicine and data analytics
- Global adoption of electronic medical records (EMR) and picture archiving and communication systems (PACS)

With the enhancement of AI computing power, advancement of communication technologies, and reinforcement of cybersecurity strategies, the world is entering an era of intelligent connectivity, allowing data flow between enterprises and consumer markets to become more immediate, secure, and intelligent.

2. Upstream, midstream, and downstream linkages within the industry

With the rapid development of AI, edge computing, and wireless communications (including 5G, Wi-Fi 7, and low Earth orbit satellites), the industry has formed a comprehensive ecosystem consisting of upstream (core technologies and chips), midstream (equipment and solutions), and downstream (applications and services). The close interconnection between these tiers is accelerating the upgrade of next-generation digital infrastructure and fostering the emergence of an AI-driven data intelligence era.

• Upstream - core technologies and chips

The upstream segment is responsible for the development of core technologies and hardware, including AI computing chips, network communication chips, semiconductor manufacturing, and cloud infrastructure.

Technological Domain	Key Technologies
AI Edge Computing Chips	AI accelerators (ASICs, NPUs), FPGAs, high-performance computing (HPC)
Wireless Communication Chips	5G RedCap, Wi-Fi 7, low Earth orbit satellite communication modules
Semiconductor Manufacturing	Wafer foundry (3nm and 5nm AI chips)
Cloud and Edge Infrastructure	Cloud computing, AI training architectures

Industry Impact:

Upstream companies provide high-performance AI chips, 5G/satellite communication chips, and cloud computing capabilities, driving the development of midstream equipment and solutions and enabling collaborative computing between edge and cloud environments.

• Midstream - equipment and solutions

The midstream segment transforms upstream technologies into practical equipment and solutions, encompassing AIoT device manufacturing, wireless communication equipment, enterprise private networks, and cybersecurity solutions.

Technological Domain	Key Technologies
AIoT Smart Devices	AI cameras, smart home systems, intelligent robots
5G/Wi-Fi 7 Equipment	Enterprise-grade Wi-Fi 7 routers, 5G base stations, network gateways
Low Earth Orbit(LEO) Satellite Equipment	Satellite communication terminals
Enterprise Networks and Cybersecurity	5G/AI-based network security, zero trust architecture(ZTA)

Industry Impact:

Midstream enterprises apply AI and communication chips from the upstream segment to develop practical products and solutions that offer the downstream segment intelligent computing, real-time data analytics, and secure network infrastructure.

- Downstream - applications and services

Technological Domain	Key Technologies
Smart Manufacturing (Industry 4.0)	AIoT production monitoring, intelligent robotics
Smart Healthcare (AI + Medical IoT)	AI-assisted diagnostics, telemedicine
Smart Cities	Intelligent transportation, environmental monitoring, public safety
Cloud Gaming/Metaverse	Low-latency cloud gaming, virtual/augmented reality (VR/AR)

Industry Impact:

Downstream companies integrate edge AI and 5G communication technologies into various vertical markets to enable smarter decision-making, real-time data analytics, and seamless application environments, thereby accelerating digital transformation across industries.

In the medical industry supply chain:

Upstream: This segment includes developers and manufacturers of medical products, such as medical software developers, medical equipment manufacturers, and AI computing technology providers. They focus on technological innovation and product development to meet market demands and comply with regulatory requirements. Midstream: This segment comprises distributors and system integrators responsible for bringing upstream products to market through medical distribution networks and cloud platforms. They also provide application-specific technical support and customized solutions. Downstream: This segment includes medical institutions (such as hospitals and clinics), telemedicine service providers, and users of personal medical devices. These users adopt medical products to enhance the quality of healthcare services, expedite diagnostic processes, and improve patient experience. These three segments are highly interconnected. Innovation in upstream technologies drives the growth of the midstream market, which in turn influences downstream applications and end-user demand. As such, collaboration and alignment among all three segments are vital to the continued growth of the medical industry.

3. Product development trends and competitive landscape

With the integration of AI, edge computing, 5G, and Wi-Fi 7 technologies, the industrial PC (IPC) industry is undergoing a significant transformation. Industrial PCs are no longer merely traditional embedded computing devices; they are evolving into the core infrastructure for AI edge computing, smart manufacturing, and 5G industrial private networks.

In the field of edge computing, industrial computers are transitioning towards Edge AI Servers to support a wider range of AI application scenarios, particularly in the areas

of smart factories, automated production, and intelligent transportation. Product development is focused on AI edge computers with built-in AI accelerators and embedded industrial PCs that support AI vision analytics. Major competitors such as Advantech, AAEON, and Ennoconn are actively expanding into the AI edge computing market, competing alongside chip suppliers such as NVIDIA, Intel, and AMD.

The integration of 5G RedCap and Wi-Fi 7 technologies has further enhanced the capabilities of industrial PCs in IIoT applications. 5G RedCap improves connection stability and coverage, effectively replacing Wi-Fi 6 and 4G LTE, while Wi-Fi 7 enables high-bandwidth, low-latency wireless connectivity. Companies such as IEC are developing embedded PCs equipped with 5G RedCap and incorporating AI signal optimization technologies to ensure stable operation within large-scale industrial facilities.

In terms of cybersecurity, as AI and IoT devices become more widespread, industrial PCs face greater risks of cyberattacks. To address these challenges, Zero Trust Architecture (ZTA) is being incorporated into system designs to enhance security and data integrity. IEC and other manufacturers are implementing AI-based cybersecurity technologies and edge protection solutions, collaborating with companies such as Palo Alto Networks and Fortinet to develop AI-enabled security devices.

In summary, the industrial PC industry is rapidly advancing the integration of AI, 5G, and cybersecurity technologies. Competition will intensify particularly in smart manufacturing, industrial AI, and remote monitoring fields. IEC will remain committed to the development of AI edge computing and cybersecurity technologies to strengthen its market leadership.

In addition, the global medical market continues to expand alongside increasing healthcare expenditures. From 2023 to 2028, the market for contract manufacturing of medical electronic devices is expected to grow at a CAGR of 9.5%, driven by the following factors:

- The aging global population is increasing overall medical demand, particularly for innovative devices such as wearables, remote monitoring systems, and smart healthcare solutions.
- Technological advancements in medical electronics are making devices more accurate, convenient, and safe, while also enabling advanced functionality and data analytics.
- Stricter regulatory requirements for medical electronics are increasing the complexity and cost of product development and manufacturing, prompting many clients to seek outsourcing solutions.

IEC is deeply engaged in the medical business and is one of the few leading companies in Taiwan specializing in the design and contract manufacturing of medical electronics. Its production facilities are ISO-certified, including ISO 13485, and meet international medical safety and quality standards across all aspects of operations—from personnel training, technical development, and product design to regulatory compliance testing and lifecycle management. The Company offers medical institutions and other clients

a one-stop service for the design, development, manufacturing, testing, and certification of medical electronic equipment.

4.1.3 Technology and R&D Overview

1. R&D Expenditure for the Most Recent Fiscal Year up to the Date of Publication of the Annual Report

In 2024, the Company invested NT\$565,094 thousand in research and development, accounting for 8.26% of total annual operating revenue.

2. Successfully developed technologies or products

- Successfully developed a high-speed cybersecurity storage server and assisted clients in obtaining product certifications in various countries.
- Completed development of a Wi-Fi 7 wireless access router, featuring new technologies such as MLO and band steering, and enhanced signal testing and certification capabilities.
- Launched the IRM system, providing centralized management for the entire range of IEI hardware products.
- Launched the IVEC virtualization workload consolidation platform, which received positive feedback from industrial clients in Taiwan and is actively being promoted in European and American markets.
- Continued development of various sizes of E-Ink Display devices.
- Completed development of the first next-generation ARM-based cybersecurity gateway and continued expanding ARM SoC-based application platforms.
- Developed a medical image processing and AI-assisted diagnosis platform for high-performance computing applications involving multiple AI analyses.
- Developed a modular, high-resolution portable ultrasound system.
- Developed a scalable high-performance medical ophthalmic diagnostic system.
- Developed a portable AI medical imaging processor with real-time display capabilities.
- Developed a low-power portable medical communication gateway.
- Began mass production of high-performance, modular medical power systems with integrated software management.
- Began mass production of electronic laryngoscopes for medical use.

4.1.4 Long- and Short-Term Business Development Plans

1. Network communication and edge computing products and services

- Long-term business development plans:
 - (1) Expand sales channels and actively adjust sales targets based on vertical markets and key professional fields, aiming to establish IEI's brand niche and communicate its professionalism and reliability.

- (2) Actively develop emerging business opportunities by leveraging IEI's R&D resources and strategic partnerships to build an industrial ecosystem, deliver diversified solutions to customers, and expand both domestic and international markets.
- (3) Solidify the Company's foundation in the edge AI computing market and continue to develop high-performance computing platforms to meet evolving trends and customer needs.
- (4) Collaborate with leading chip manufacturers to define new product portfolios for various network communication applications by integrating the Company's capabilities in cybersecurity, wireless communication, high-speed storage, and large-scale software development, thereby capturing greater market opportunities.
- Short-term business development plans:
 - (1) Enter vertical markets through Taiwan's system integration segment and offer differentiated hardware/software integration via IRM/IVEC.
 - (2) Leverage existing network communication and AI customer case studies to replicate and introduce solutions to new clients.
 - (3) Focus on emerging markets with operational technology (OT) cybersecurity demands and provide network equipment suitable for front-end applications.
 - (4) Collaborate with clients to participate in traffic system cybersecurity projects, aiming to drive significant revenue growth.
 - (5) Utilize social media, exhibitions, and marketing platforms for targeted outreach and business development.
 - (6) Capitalize on years of accumulated IPC R&D experience and large-scale ODM project expertise to aggressively pursue new business through speed, design, and quality, expanding client and project portfolios.
 - (7) Collaborate with subsidiaries and strategic partners to expand overseas markets.
 - (8) Develop local vertical markets through IEI's operational sites in North America and Europe.

2. Medical products and services

- Long-term business development plans:
 - (1) Capture market opportunities in the medical device contract manufacturing sector by expanding product range and scale.
 - (2) Deepen collaborations with domestic and international medical software developers, equipment manufacturers, and medical distribution system operators to enhance brand competitiveness.
 - (3) Drive medical innovation through AI-powered development and promote AI-driven industrial applications.
 - (4) Modularize power management technology and products to align with ESG smart manufacturing trends.
 - (5) Continue to deepen market penetration in Europe by strengthening backend support at the German operational headquarters.
- Short-term business development plans:
 - (1) Continue to explore the needs of domestic and international medical institutions and provide more precise services.

- (2) Actively develop the European and U.S. markets by expanding customer channels and partner networks.
- (3) Pursue both fully customized and semi-customized projects for medical device manufacturers.
- (4) Strengthen integration with smart healthcare partners in response to the growing AI trend.
- (5) Enhance remote medical and digital health solution offerings.

4.2 Market and Sales Overview

4.2.1 Market Analysis

1. Main product sales regions:

Unit: NT\$ Thousand

Region	2024	
	Amount	Percentage
Asia (including Taiwan)	3,679,516	53.80%
America	2,486,196	36.35%
Europe	632,064	9.24%
Others	42,056	0.61%
Total	6,839,832	100 %

2. Market share of main product:

IEI is a global supplier of industrial PCs. Due to the highly customized and small-volume nature of the industrial PC industry, comprehensive global statistical data is currently unavailable to explicitly indicate IEI's market share within this sector.

3. Future supply and demand outlook and growth potential:

In the past two years, AI computing driven primarily by cloud services has created substantial demand from both enterprise and consumer markets. As a result, demand for AI edge computing has been rising steadily in the industrial automation and transportation sectors. Meanwhile, as enterprise adoption of AI applications grows, greater emphasis is being placed on the efficiency and security of data transmission. This trend has also driven increasing demand for industrial network infrastructure and cybersecurity products.

In 2025, following the U.S. presidential election and the escalation of global trade conflicts, Taiwan's strategic importance in hardware and system manufacturing has been further elevated. IEI's domestic production advantages have strengthened its competitiveness in securing new projects. Based on the visibility of existing backlog orders for 2025, the Company maintains a positive outlook on business performance.

In parallel, with the global aging population and the rising incidence of chronic illnesses, demand for smart medical devices continues to increase. The following key factors are contributing to market growth:

- Growing demand for telemedicine: The acceleration of telemedicine adoption after the pandemic has fueled increased demand for medical all-in-one (AIO) devices

and remote monitoring equipment.

- Maturity of AI-based medical imaging diagnostic technologies: AI-assisted diagnostic systems have entered clinical application stages, improving diagnostic efficiency and gaining increasing market acceptance.
- Ongoing investment in digital health: According to market forecasts, the global digital health market is expected to exceed US\$300 billion by 2025, further driving demand for medical products.
- Stricter medical regulations: Governments around the world are raising the bar on data security and certification requirements for medical equipment, prompting companies to allocate more resources to ensure compliance.

4. Competitive niche

IEI's strongest competitive niche lies in its fully integrated R&D team, encompassing hardware, software, validation, and rapid prototyping, as well as its comprehensive IT infrastructure platform. The Company continues to adopt new technologies and development platforms, particularly in the areas of engineering design analysis and simulation. Investments have been made in Signal Integrity (SI) and Power Integrity (PI) analysis processes, enabling better control of design costs and accelerating time-to-market. In addition, the Company has introduced mechanical and thermal simulation analysis tools to enhance product durability and accelerate the product development cycle through comprehensive engineering assessments. In terms of design quality, IEI has also invested in high-frequency signal measurement equipment and cultivated RF technical talent to address issues such as component interference and circuit layout, thereby improving product stability and quality.

Over the past two years, IEI has also strengthened its software development capabilities. In addition to rebuilding a robust ARM/Android BSP team, which has led to increased project opportunities, the Company has advanced in centralized equipment management and virtualization workload integration. As these systems and products were launched progressively in 2024, IEI has already secured project sampling opportunities from leading international semiconductor companies in Taiwan and Japan. With continued marketing efforts across exhibitions and media, the Company expects these integrated offerings to further differentiate its existing hardware products and create more business opportunities.

In the network communication market, IEI's cybersecurity equipment platforms are increasingly moving toward two strategic directions: high-performance platforms and ARM-based platforms. Leveraging its ARM BSP development capabilities and newly established x86 server hardware development team, IEI has significantly enhanced product and technological competitiveness across vertical applications such as 5G CPE, OT cybersecurity equipment, railway systems, and content delivery network (CDN) servers. The Company has already secured several large-scale project opportunities and expects its R&D competitiveness to translate into revenue growth beginning in the second half of 2025.

In the field of medical products, IEI holds distinct advantages in R&D, manufacturing, and global market presence. Specific competitive niches include:

- Technological innovation:
 - Possesses AI computing capabilities specifically designed for medical use, enabling seamless integration with clinical applications.
 - Demonstrates deep expertise in the development of electronic medical records (EMR) and picture archiving and communication systems (PACS).
 - Product modularization and customization capabilities:
 - Provides both fully customized and semi-customized medical equipment to meet the specific needs of different regional markets.
 - Offers a comprehensive product portfolio, including medical-grade motherboards, displays, and human-machine interfaces (HMIs).
 - Global market presence and brand trust:
 - Establish a strong and stable distributor network across Europe, the United States, and the Asia-Pacific region.
 - Strengthens market penetration in Europe through its German headquarters, enhancing the quality of technical support and customer service in the region.
5. Favorable and Unfavorable Factors for Future Development and Countermeasures:

IEI operates within the industrial PC sector, a capital- and technology-intensive subindustry of the broader information technology field. Products in this sector are characterized by high-mix, low-volume production and rapidly evolving functions and specifications. To remain competitive, companies must respond quickly to market demands and demonstrate operational flexibility. The following outlines the favorable and unfavorable factors affecting the Company's operations and future development, along with corresponding countermeasures:

- Favorable factors for future development:
As traditional hardware-centric design capabilities in the industrial PC industry become less of a differentiator, the ability to integrate hardware and software while enhancing quality will become essential to maintaining competitiveness. This shift presents a strategic opportunity for transformation—from a historically high-mix, low-volume model to one focused on securing large-scale projects. It is also a necessary response to competition from consumer electronics manufacturers and the trend among existing clients toward standardized products aimed at reducing development time.

In the industrial PC field, favorable transformation factors include the following: First, the integration of hardware and software enhances product competitiveness by increasing added value through firmware management, remote monitoring, and AIoT-integrated applications. Second, shifting toward large-scale projects helps improve customer retention, particularly in areas such as smart manufacturing, medical equipment, and automated transportation. These long-term collaborative projects serve as stable sources of revenue. Third, with sustained growth in demand for smart factories, AIoT, autonomous vehicles, and smart retail, industrial PCs remain a key component in these essential infrastructures, supporting a steadily expanding market.

In the network communication industry, the growing demand for AI edge computing presents a significant opportunity. The widespread application of AI in smart factories, intelligent transportation, retail analytics, and security surveillance is driving increased demand for edge servers. In addition, the rise of 5G technologies and ESG (Environmental, Social, and Governance) principles is accelerating the need for high-performance, energy-efficient communication equipment. Enterprises and telecom operators are increasingly seeking such solutions. Government and corporate investment in smart city and IoT infrastructure continues to expand, further stimulating demand for smart routers, edge computing servers, and related products.

Overall, IEI has a solid foundation for steady growth in both the industrial PC and network communication sectors. With continuous technological innovation and expanding market demand, the Company is well-positioned to enhance its competitiveness and market share.

The rising demand for AI and telemedicine applications has led to increased adoption of AI-assisted diagnostic systems in mainstream healthcare institutions. At the same time, growing interest in telemedicine has driven the sales of medical AIoT and digital health products. Global healthcare expenditures continue to increase, with governments in various countries stepping up investment in the medical IT industry, creating additional opportunities for enterprises. Furthermore, driven by ESG and green manufacturing trends, there is increasing focus on low-carbon emission technologies in medical equipment, which is accelerating related technological developments.

In terms of regulations and market access, the standardization of medical regulations has lowered the barriers to entry for cross-border markets, facilitating international business expansion. IEI holds comprehensive ISO 13485 medical certifications, which not only enhance market recognition of its products but also strengthen the Company's overall competitive advantage. These factors together continue to boost IEI's competitiveness in the field of medical equipment and related solutions.

In response to recent changes in the global political and economic landscape, IEI has flexibly allocated its production and logistics capacities between Taiwan and China. In 2024, the Company successfully launched mass production through its Southeast Asia contract manufacturing partners. This effort has increased overall production capacity and improved supply chain flexibility, while also strengthening disaster response strategies for both the Company and its project customers, supporting shared growth momentum. Additionally, IEI continues to optimize its global logistics and back-end support system. A cross-functional logistics team comprising the operations center and IT department has been established to apply digital and logistics technologies. These efforts include enhancements to the iHMS (iEi Hub Management System), MES and VIP portal. These customised digital platforms increase supply chain visibility and transparency. The platforms support real-time monitoring and management of orders, materials and warehouse activities, helping to mitigate risk and prevent delays. At the same time, IEI is also actively strengthening RMA and hub support functions through its U.S. subsidiary, IEI USA,

in order to improve local after-sales service and supply chain efficiency. These measures ensure more responsive and stable product distribution and maintenance support in the North American market. Altogether, these initiatives not only raise the Company's competitive threshold but also serve as key value-added services that attract OEM and ODM clients.

- Unfavorable factors and corresponding countermeasures

- (1) Intensifying market competition and increasing price pressure

The traditional network communication market is currently dominated by several major players in the high-end segment, leading to fierce competition. Additionally, the rapid advancement of AI edge computing and 5G technologies requires significant R&D investment, which has increased cost pressure on enterprises. Competition from large consumer electronics companies such as Dell, HP, and Lenovo is intensifying, as they use standardized products to drive down prices. Meanwhile, more customers are shifting toward standardized solutions, reducing demand for customized offerings.

- Countermeasures:

To address these challenges, the Company will enhance software development and cloud management capabilities to increase product value. It will focus on high-value-added industries to avoid direct competition with consumer electronics giants. Efforts will also include expanding the enterprise client base, offering comprehensive turnkey solutions, developing AIoT network communication solutions for specialized fields, and collaborating with major 5G/AIoT providers such as NVIDIA, Intel, and Qualcomm to develop competitive products. The Company also aims to strengthen ESG capabilities by developing low-power, high-performance devices that align with corporate ESG requirements, thereby increasing market potential and access to government subsidies.

- (2) Constraints in the supply chain for key components

Some of the Company's critical components are still dominated by major international suppliers, such as Intel in the CPU market. Fluctuations in supply and demand may cause price volatility and shortages, potentially disrupting production schedules.

- Countermeasures:

In addition to maintaining strong, long-term relationships with existing major suppliers to ensure stable supply, the Company will adjust procurement strategies and diversify sourcing to mitigate supply risks. It is also actively pursuing alternative solutions and new technologies to enhance design flexibility and autonomy, thereby reducing operational risks.

- (3) Increased uncertainty from natural disasters and supply chain disruptions

Extreme climate change, earthquakes, typhoons, and other natural disasters pose risks to the supply chain and may impact production site operations and

logistics.

- Countermeasures:
 - (A) Diversify manufacturing locations to ensure cross-regional capacity support.
 - (B) Establish safety stock levels to provide a buffer in emergency situations.
 - (C) Strengthen remote work mechanisms to ensure that geographically dispersed teams can maintain operations.

(4) Global economic fluctuations and inflation

Although the global economy has stabilized in 2024, slowing economic growth in the U.S. and China, combined with high interest rates, continues to affect market demand. Companies face challenges from abrupt economic downturns or rebounds, which can lead to inventory and cash flow pressure, disrupting production planning.

- Countermeasures:
 - (A) Flexibly manage inventory by reviewing its structure weekly and planning appropriate purchase volumes and batches.
 - (B) Optimize product design to improve component interoperability, allowing flexible material allocation and reduced inventory risk.
 - (C) Adopt a build-to-order production model and carefully evaluate order forecasts to minimize finished goods inventory.
 - (D) Strengthen VMI (Vendor Managed Inventory) operations by using EDI (Electronic Data Interchange) systems for real-time demand monitoring to maintain supply chain flexibility.

(5) Impact of U.S. tariff policy in 2025

If former President Trump resumes office, concerns around renewed tariff hikes may arise, potentially affecting global supply chain strategies and increasing manufacturing costs.

- Countermeasures:
 - (A) Strengthen presence in the U.S. market by evaluating the establishment of local logistics or light assembly centers to reduce tariff exposure.
 - (B) Enhance supply chain resilience by increasing production capacity in Southeast Asia and reducing reliance on any single market.
 - (C) Assess price transfer mechanisms and negotiate contractual terms to pass a portion of tariff-related costs to customers.

(6) Labor shortages and manufacturing efficiency challenges

Global labor shortages persist, leading to wage inflation and higher employee turnover, which impact production stability and cost control.

- Countermeasures:
 - (A) Improve employee benefits, enhance compensation and profit-sharing

programs to attract and retain talent.

(B) Strengthen manufacturing standardization and MES system operations to enhance production management efficiency and quality.

(C) Implement lean management to optimize production flow and space utilization, reducing idle labor hours.

(7) Heavy reliance on overseas distributors for product sales

Due to limitations in overseas sales channels, the Company relies heavily on local distributors for international sales. As a result, it lacks direct control over sales progress and market feedback, making it difficult to promptly respond to market shifts.

- Countermeasures:

Strengthen collaboration with strategic partners in the medical field to expand healthcare distribution channels and enhance brand recognition, while actively developing overseas markets to reduce reliance on distributors.

4.2.2 Significant Applications and Manufacturing Processes of Main Products

1. Significant applications of main products:

(1) Network Communication Infrastructure Platform Products

IEI focuses on high-barrier and innovative applications such as 5G/SD-WAN, next-generation firewall platforms, and content delivery storage servers. To address the growing demand for production line cybersecurity equipment driven by manufacturing migration, the Company has introduced a new line of ruggedized cybersecurity platforms.

5G platform products provide high-speed, low-latency wireless and fixed network connectivity, enabling various intelligent devices and systems to connect to the cloud via 5G and SD-WAN, facilitating AI-enabled automation and convenience. Next-generation firewall platforms are primarily used to protect enterprise network security, shielding organizations from cyberattacks and virus threats. IEI offers dedicated hardware for these applications, allowing customers to deploy their own software on these platforms to enable specific use cases and functions.

Content delivery storage servers are primarily used to transcode signals from satellite or other high-definition real-time streaming sources into common streaming formats and protocols for distribution over the internet. These systems also provide storage and indexing functions. As this application demands high network throughput and intensive codec computing power, IEI leverages storage system design experience from its affiliated companies to help customers upgrade their platforms in response to increasing 4K/8K content delivery needs, thereby creating new business opportunities.

(2) Edge Computing and Embedded System Solutions

By working with software vendors and system integrators, IEI's edge computing and embedded solutions are applied in various vertical markets such as AI deployment, smart manufacturing, intelligent surveillance, maritime applications,

and smart grids.

(3) IRM Remote Management System

This system offers a combined hardware and software solution for monitoring industrial smart devices in the context of Industry 4.0. IRM enables continuous remote system performance monitoring. By installing the lightweight IRMAgent on Windows® or Linux® devices in industrial environments, users can view key system metrics such as CPU usage, memory utilization, disk space, network bandwidth, and power status through the IRM management platform. The system also allows for the rapid generation of hardware asset inventories for remote devices, helping organizations accurately track equipment status and prevent asset loss. In addition, IRM can automatically detect device online status, enabling IT administrators to monitor endpoint usage conditions in real time and manage IT equipment in a secure, efficient, and convenient manner.

(4) IVEC Virtualization and Workload Integration Platform

IEI's IVEC virtualization edge industrial computer is designed to serve the complex and dynamic system needs of Industry 4.0. It integrates high-performance edge computing, remote operations, AI acceleration, software-defined networking (SDN), and scalable edge data storage.

Leveraging virtualization technology, IVEC enables flexible workload allocation and simplified management, helping organizations easily expand their industrial infrastructure and optimize application performance. The system allows for dense, multi-OS environments to run on a single physical machine and supports remote operations via a web-based interface. This allows OT personnel to perform remote maintenance and deployment without being limited by Windows or Linux versions. The platform also supports integrated or external AI acceleration (e.g., GPU cards), and its SDN functionality reduces networking costs while increasing architectural flexibility. Scalable storage tiers accommodate diverse IoT data processing needs. The platform enables traditional ruggedized industrial hardware to be seamlessly upgraded to a software-defined edge computing environment, significantly enhancing OT (Operational Technology) management capabilities and efficiency, simplifying equipment administration, and optimizing hardware utilization. It provides a future-proof foundation for agile Industry 4.0 development and innovation.

(5) EPD Electronic Paper Display and Management Platform

It delivers an ultra-low-carbon display solution suitable for smart healthcare, smart factories, smart logistics, smart offices, exhibition halls, and public spaces as dynamic information signage. It helps customers meet digital transformation display needs, while being easy to deploy and aligned with goals to reduce waste and lower carbon emissions.

(6) Medical products and services

- Medical Tablet PCs and Monitors:

This includes the POCm nursing cart computer series, POCi surgical workstation

series, IASO human-machine interface computer series, and MPOCm mobile medical monitor series. These branded medical-grade computers and displays are primarily used for patient record management, medical information integration, and human-machine interaction with medical equipment. They help healthcare professionals better manage and utilize medical data, significantly enhancing care efficiency.

- **Embedded Medical Systems:**

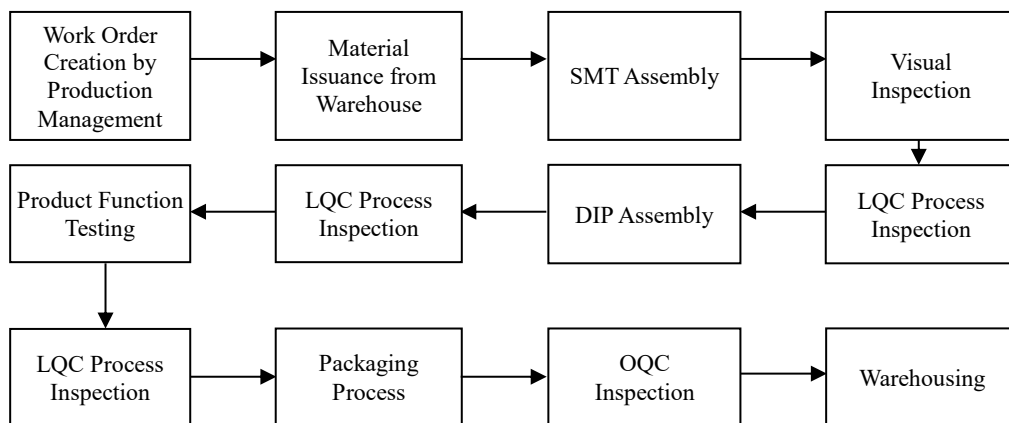
Designed for modular expansion with support for GPU and CPU integration, these systems enhance real-time information processing capabilities. They are suited for hospitals, laboratories, and diagnostic centers for data collection and computing applications.

- **Customized Medical Products:**

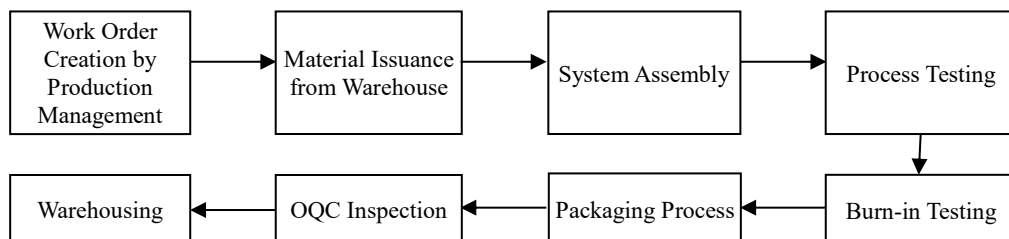
IEI specializes in end-to-end custom-designed medical systems, offering design planning, testing and validation, mass production, quality control, and after-sales service, all within a single vertically integrated platform.

2. Manufacturing Processes:

(1) Motherboards and Interface Cards



(2) Industrial Computers



4.2.3 Supply Status of Main Raw Materials

The Company's main raw materials include IC semiconductors, power supply units, printed circuit boards (PCBs), and LCD panels/touch components. Each major raw material has multiple sources of procurement, including primary suppliers, secondary suppliers, and high-quality spot vendors. This diversified sourcing strategy reduces the risk of overreliance on a single supplier or material shortages. In addition, the Company has maintained long-term and stable relationships with its major suppliers, who have consistently demonstrated strong cooperation and flexibility in responding to special requirements. In addition, IEI continues to actively invest resources in the following initiatives to stabilize material supply and meet customer delivery requirements:

- Development of next-generation products to align with product line changes among semiconductor suppliers.
- Acceleration of qualification and onboarding of cross-strait new suppliers, with the use of alternative materials to bridge short-term and long-term shortages.
- Advance bulk forecasts of materials (including substitutes) provided to suppliers to facilitate stock preparation and reduce the risk of high-priced material adjustments.

4.2.4 Customers or Suppliers Accounting for 10% or More of the Total Purchases or Sales in Either of the Two Most Recent Years, Including Names, Amounts, and Proportions

1. Major suppliers accounting for 10% or more of the total annual purchases in either of the two most recent years:

Name	2023			2024		
	Amount (NT\$ thousand)	Percentage of annual net purchases	Relationship with the issuer	Amount (NT\$ thousand)	Percentage of annual net purchases	Relationship with the issuer
Supplier A	430,552	11 %	No	322,426	8 %	No
Others	3,481,118	89 %		3,873,475	92 %	
Net purchases	3,911,670	100 %		4,195,901	100 %	

2. Major customers accounting for 10% or more of the total annual sales in either of the two most recent years:

Name	2023			2024		
	Amount (NT\$ thousand)	Percentage of annual net sales	Relationship with the issuer	Amount (NT\$ thousand)	Percentage of annual net sales	Relationship with the issuer
Customer C	492,300	6 %	No	769,972	11 %	No
Customer B	938,629	12 %	No	693,312	10 %	No
Customer A	703,334	9 %	No	638,871	9 %	No
Others	5,443,530	73 %		4,737,677	70 %	
Net sales	7,577,793	100 %		6,839,832	100 %	

4.3 Employee Statistics for the Most Recent 2 Fiscal Years up to the Date of Publication of the Annual Report

As of December 31, 2024

Year		2023	2024
Number of employees	Direct labor	248	228
	Indirect labor	1,003	960
	Total	1,251	1,188
Average age		37	38
Average years of service		7 years and 4 months	8 years and 7 months
Education distribution percentage (%)	Ph.D.	0.2 %	0.3 %
	Master's degree	10.2 %	10.3 %
	College	56.6 %	58.6 %
	Senior high school	21.0 %	20.4 %
	Below senior high school	12.0 %	10.4 %

4.4 Environmental Protection Expenditure Information

4.4.1 Total Losses and Penalties Incurred Due to Environmental Pollution in the Most Recent Year and up to the Publication Date of this Annual Report: None.

4.4.2 Future Countermeasures: Not applicable.

4.5 Labor-Management Relations

4.5.1 Employee Benefits and Implementation Status:

The Company has established an Employee Welfare Committee in accordance with the law. In addition to providing subsidies for marriage, funeral, and illness, the Company organizes various activities such as travel, social events, and club competitions. Aside from the statutory labor and health insurance coverage, the Company also offers group insurance for employees and places strong emphasis on employee health. Annual health checkups are provided, along with subsidies for gastrointestinal endoscopy, cardiac examinations, and influenza vaccinations. Monthly physician consultations and weekly stress-relief massage services are offered to help alleviate work-related stress. Lactation rooms are provided for female employees in need, and childcare services are coordinated in collaboration with educational institutions. The Company's Articles of Incorporation clearly define an employee compensation policy that promotes the ideal of employees as shareholders, encouraging participation, unity, and joint business development.

4.5.2 Employee Continuing Education, Training, and Implementation Status

The Company's Training Center offers a comprehensive education and training system, including onboarding for new hires, technical skill development, and managerial competency training. Internal knowledge-sharing sessions and reading clubs are also organized to encourage employees to express opinions and propose new ideas. Through ongoing internal and external training programs, the Company helps employees acquire new knowledge, improve overall quality, and enhance leadership capabilities.

4.5.3 Retirement System and Implementation Status:

1. Old pension system:

The Company has established retirement guidelines. According to the regulations, retirement payments for formally employed staff are based on years of service. For the first 15 years, employees receive two units per year (up to 30 units). For subsequent years, one unit is granted per additional year, with a maximum of 45 units. Periods less than six months are counted as half a year, while six months or more are counted as one full year. The amount of pension payable is determined by a unit-based system, with each unit calculated based on the employee's average monthly salary in the six months before retirement. The Labor Pension Fund Supervisory Committee of the Company has been established to oversee the contributions to and withdrawals from the pension reserve.

2. New pension system:

Starting July 1, 2005, in compliance with the New Labor Pension System, the Company established a pension contribution unit and contributes 6% of the employee's reported monthly wage to the pension fund for those opting into the new system. Upon retirement, pensions are calculated in accordance with the applicable years of service under both the old and new systems.

4.5.4 Labor-Management Communication:

Since its establishment, the Company has valued labor relations and views employees as vital assets. Quarterly labor-management meetings are held to maintain smooth communication channels and ensure effective cooperation based on mutual respect and ethics. For significant matters, announcements are made via the internal website, email, or company meetings to ensure all employees understand operational policies.

4.5.5 Workplace Safety and Employee Protection Measures:

The Company adheres to the Occupational Safety and Health Act to prevent workplace accidents and ensure the health and safety of employees. In addition, various "Safety and Health Work Regulations" are in place, providing guidelines for employees to follow in relation to the work environment and personal safety.

The Company assigns and trains a sufficient number of certified first-aid personnel based on staffing levels and conducts annual fire evacuation drills. Regular inspections and maintenance of fire safety equipment are also conducted to ensure workplace safety and emergency preparedness.

Annual health checkups are conducted, and on-site physician services are provided monthly to maintain employee health and well-being.

4.5.6 Workplace Equality and Diversity

The Company is committed to creating a diverse and inclusive workplace that ensures equal treatment in recruitment, employment, compensation, benefits, training, job assignments, promotion, disciplinary action, and termination. Hiring decisions are based solely on capability and job suitability, without discrimination on the basis of race, social class, language, ideology, religion, political affiliation, place of origin, birthplace, gender,

sexual orientation, age, marital status, appearance, disability, astrological sign, blood type, or union membership. As of the end of 2024, foreign nationals made up 5.3% of the Company's total workforce, and female employees accounted for 35.4%. The Company also fulfills its legal obligation to employ people with disabilities.

To eliminate workplace misconduct such as discrimination, bullying, harassment, defamation, infringement, and violence, the Company has established relevant policies and conducts regular training to strengthen awareness of gender equality and inclusiveness. Complaint channels and a dedicated review committee have been established to ensure prompt and proper handling of any reported cases.

As of this report, there have been no instances of gender or racial discrimination or violations of human rights.

4.5.7 Labor Disputes and Related Penalties in the Most Recent Year and up to the Date of Publication of the Annual Report (including labor inspection results involving violations of the Labor Standards Act, with the date of penalty, case number, violated regulation, nature of the violation, and disposition), and Disclosure of Any Potential Future Losses and Countermeasures: None.

4.6 Information and Cybersecurity Management

4.6.1 Cybersecurity Risk Management Framework, Policies, Specific Measures, and Resource Allocation

1. Cybersecurity risk management framework and policies

To enhance sustainable corporate operations, IEI established the Information Security Management Committee in November 2014, under the supervision of the President. The Information Security Management Committee, composed of department heads from various business units, promotes the Information Security Management System (ISMS). The committee implements management procedures in accordance with the international standard ISO/IEC 27001, including the planning, execution, review, and continuous improvement of internal information security activities. These activities and their related outcomes are verified to ensure they meet the objectives of the ISMS, ensuring effectiveness and continuous improvement. To strengthen information security intelligence sharing and enhance incident response and notification capabilities, IEI became a member of the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) in November 2020. To strengthen its commitment to product security, the Company officially became a member of the global Forum of Incident Response and Security Teams (FIRST) in October 2024.

The Information Security Management Committee convenes an annual Information Security Management Review meeting to report on the effectiveness of information security management, discuss security-related issues and strategic directions, and review the Information Security Policy. This ensures that security measures and protocols address the concerns of internal and external stakeholders and comply with governmental and legal requirements. The committee safeguards the confidentiality, integrity, and availability of business-related information, protecting it from intentional or accidental threats and disruptions from both internal and external sources.

To implement cybersecurity management effectively, the Company established a Computer Security Incident Response Team (CSIRT) covering both Taiwan and overseas subsidiaries, which holds routine meetings every 1-2 weeks according to the Plan-Do-Check-Act (PDCA) management cycle to review cybersecurity intelligence and information security management processes. The team regularly reports the results of these activities to the Information Protection Committee.

Planning Phase: Emphasizes cybersecurity risk management through the establishment of a comprehensive Information Security Management System (ISMS). The Company actively promotes continuous compliance with international cybersecurity standards, specifically ISO/IEC 27001. Risk is mitigated from the system, technical, and procedural perspectives. By doing so, IEI aims to build a high-level information protection service framework aligned with customer requirements and international confidentiality standards.

Execution Phase: Focuses on building a multi-layered defense architecture. The Company continually incorporates innovative cybersecurity technologies and embeds control mechanisms into daily operations, including software and hardware maintenance, as well as supplier information security management. Through systematic monitoring of information security, IEI ensures the confidentiality, integrity, and availability of its key assets.

Checking Phase: Monitors the effectiveness of cybersecurity management. Based on audit findings, it evaluates performance using defined security indicators and quantitative metrics. Simulated drills and regular vulnerability scans are conducted to assess and improve the maturity level of information security.

Action Phase: Concentrates on review and continuous improvement. IEI implements supervision and audits to ensure ongoing effectiveness of security measures. Based on performance assessments, the Company routinely reviews and adjusts security measures, training programs, and awareness initiatives. These efforts ensure the Company's confidential information remains protected from internal and external leakage, whether intentional or accidental.

2. Specific management plans

(1) Network security:

The Company has strengthened network firewalls and network control mechanisms to prevent viruses from spreading across devices and between sites. It has implemented Network Detection and Response (NDR) for rapid threat screening, which enables selective filtering of network traffic and detection of lateral movement by malware. High-security devices are used to integrate Multi-Factor Authentication (MFA), allowing secondary real-time identity verification via SMS, phone call, or mobile applications to enhance the security of remote work environments for employees. The main data center has been relocated to an IDC (Internet Data Center), which provides high availability and stability through professional services to ensure continuous operations and enhance security.

(2) Device security:

Endpoint Detection and Response (EDR) and antivirus solutions have been introduced to strengthen the detection of malicious behavior. A virus scanning mechanism for incoming equipment and USB device control has been implemented to prevent infected machines from entering the facility. Device domain management ensures that only authorized users can access devices, with strict control over software installation. Anti-phishing and malicious website detection tools are also deployed to actively isolate threats and reduce risks.

(3) Application security:

Secure development procedures have been established and continuously enhanced to reinforce application-level security control mechanisms. Account management incorporates MFA for secondary real-time authentication via SMS, phone call, or mobile application to prevent unauthorized access. User account permissions are regularly reviewed, and offsite failover drills are conducted. Vulnerability assessment tools have been introduced to automatically scan and analyze system weaknesses, allowing the Company to identify potential cybersecurity threats and apply patches proactively to mitigate application-level risks.

(4) Supply chain security:

Supply chain partners undergo risk assessments to ensure that appropriate security control measures are in place. The latest cybersecurity policies and advisories are communicated regularly, and a self-assessment mechanism has been implemented to support compliance.

(5) Employee training and awareness:

Employee awareness of email-based social engineering attacks is continuously reinforced. The Company conducts phishing email simulations, provides regular education and awareness training, and organizes social engineering drills to strengthen cybersecurity awareness. These initiatives help employees recognize and respond to information security risks effectively.

3. Cybersecurity resource investment

Information security implementation results in 2024:

(1) Policies:

In 2024, in response to the 2022 revision of ISO/IEC 27001, the Company updated its information security policies accordingly. In June 2024, IEI established a Product Security Incident Response Team (PSIRT) responsible for managing vulnerability disclosures, investigations, internal coordination, and the issuance of security advisories. Where feasible, PSIRT provides mitigation strategies and patches. To reinforce its commitment to product security, IEI officially became a member of the international Forum of Incident Response and Security Teams (FIRST) in October 2024.

In November 2024, IEI launched a Vulnerability Reward Program to work closely with its partners and the broader cybersecurity community. The initiative aims to

ensure the security of its products, safeguard user data and system integrity, and recognize the contributions of security researchers to the protection of user privacy and system resilience.

(2) Certifications:

The Company transitioned from ISO/IEC 27001:2013 to ISO/IEC 27001:2022 for its information security management system and passed the recertification audit conducted by external certification body SGS. The new certification is valid through May 2026.

(3) Training and awareness:

In 2024, the Company conducted six disaster recovery drills. All new employees completed information security onboarding training, and all employees completed the annual cybersecurity training program. Six social engineering phishing simulations were executed, and fifteen security awareness bulletins were issued to communicate critical information security regulations and key considerations.

(4) Incidents and Violations: There were no instances of personnel being disciplined due to violations of information security or confidentiality protection policies, resulting in a disciplinary rate of 0%.

4.6.2 Significant Cybersecurity Incidents, Losses, Potential Impacts, and Countermeasures in the Most Recent Year and up to the Date of Publication of the Annual Report: None.

4.7 Important Contracts: None.

V. Review and Analysis of Financial Position, Operating Performance, and Risk Factors

5.1 Financial Position

Comparative Analysis of Financial Position

Unit: NT\$ Thousand

Year	2023	2024	Difference	
			Amount	%
Assets				
Current assets	10,026,684	10,688,751	662,067	7
Non-current assets	4,295,627	4,293,574	(2,053)	0
Total assets	14,322,311	14,982,325	660,014	5
Current liabilities	3,167,907	2,647,807	(520,100)	-16
Non-current liabilities	1,055,690	1,130,502	74,812	7
Total liabilities	4,223,597	3,778,309	(445,288)	-11
Share capital	1,765,978	1,765,978	-	-
Capital surplus	845,521	837,554	(7,967)	-1
Retained earnings	7,863,723	8,741,253	877,530	11
Other equity - others	(385,290)	(300,475)	84,815	(22)
Treasury share	-	-	-	-
Non-controlling interests	8,782	159,706	150,924	1719
Total shareholders' equity	10,098,714	11,204,016	1,105,302	11

Items with changes exceeding 20% and NT\$10 million over the two most recent years:

1. Other Equity - Others: Primarily due to changes in foreign currency translation adjustments from overseas operating entities.
2. Non-Controlling Interests: Decrease in ownership percentage due to the issuance of restricted employee shares by subsidiaries.

5.2 Financial Performance

Comparative Analysis of Financial Performance

Unit: NT\$ Thousand

Year	2023	2024	Difference	
			Amount	%
Assets				
Net Operating Revenue	7,577,793	6,839,832	(737,961)	(10)
Gross profit	2,804,406	2,413,239	(391,167)	(14)
Operating expenses	1,648,577	1,546,415	(102,162)	(6)
Operating Profit	1,155,829	866,824	(289,005)	(25)

Assets \ Year	2023	2024	Difference	
			Amount	%
Non-operating Income and Expenses	588,886	1,052,160	463,274	79
Net income before income tax	1,744,715	1,918,984	174,269	10
Income tax expenses	362,559	359,808	(2,751)	(1)
Net Profit After Tax	1,382,156	1,559,176	177,020	13

Items with changes exceeding 20% and NT\$10 million over the two most recent years:

1. Operating Income: Decrease primarily due to a reduction in operating revenue, leading to lower gross profit and profitability.
2. Non-Operating Income and Expenses: Increase primarily due to foreign exchange gains from currency fluctuations and higher gains from disposal of investments.

5.3 Cash flow

5.3.1 Analysis of Changes in Cash Flows for the Most Recent Year:

Assets \ Year	2023	2024	Change (%)
Cash flow ratio (%)	47.48	27.78	(42)
Cash flow adequacy ratio (%)	126.91	111.47	(12)
Cash reinvestment ratio (%)	7.51	0.90	(88)
Explanation of Changes: The decreases in the operating cash flow ratio and the cash reinvestment ratio were primarily due to lower net operating income and cash outflows used for repaying current liabilities, resulting in reduced cash inflows from operating activities.			

5.3.2 Analysis of Cash Liquidity for the Coming Year:

The Company expects stable business growth in the coming year, which will generate corresponding operating cash inflows. Therefore, no cash shortage is anticipated.

5.4 Impact of Major Capital Expenditures in the Most Recent Year on the Company's Financial and Business Operations: None.

5.5 Investment Policy, Profit/Loss Analysis, Improvement Plan, and Investment Plans for the Most Recent Year

The Company's investment activities are conducted in accordance with its "Procedures for the Acquisition and Disposal of Assets", with a focus on long-term strategic objectives. In 2024, the total profit from investments under the equity method amounted to NT\$269,538 thousand, representing a decrease of NT\$23,180 thousand compared to the previous year. The Company will continue to evaluate its investment plans prudently under the principle of long-term strategic investment.

5.6 Risk Analysis and Assessment for the Most Recent Fiscal Year up to the Date of Publication of the Annual Report

5.6.1 Effects of Interest Rate Fluctuations, Exchange Rate Fluctuations, and Inflation on the Company's Profit or Loss and Future Countermeasures:

1. Interest rate fluctuations:

The Company maintains sufficient internal funds. In 2024, interest expense totaled NT\$9,103 thousand, accounting for only 0.13% of net operating revenue. Therefore, interest rate changes did not have a significant impact on capital costs.

2. Exchange rate fluctuations:

In 2024, the Company recorded a net foreign exchange gain of NT\$338,229 thousand, equivalent to approximately 4.94% of net operating revenue. The Company actively monitors exchange rate movements and will make appropriate adjustments to foreign currency holdings based on funding needs and existing positions, in order to reduce the impact of currency fluctuations.

3. Inflation:

The Company was not significantly affected by inflation. It continuously monitors market price changes and maintains strong relationships with suppliers and customers. Moving forward, the Company will remain attentive to inflationary trends and make appropriate adjustments to cost controls and pricing strategies to mitigate potential adverse effects.

5.6.2 Policies on High-Risk or High-Leverage Investments, Loans to Others, Endorsements/Guarantees, and Derivatives Transactions; Reasons for Gains or Losses; and Future Countermeasures:

1. As of the date of publication of the annual report, the Company has not engaged in high-risk or high-leverage investments, or in providing endorsements or guarantees.
2. Loans to others: Handled in accordance with the Company's "Procedures for Loaning of Funds and Making of Endorsements/Guarantees".
3. Derivative transactions: As of the date of publication of the annual report, the Company has not engaged in any derivative transactions in 2024. The Company's policy for derivative transactions is to use such instruments for operational risk hedging purposes—primarily to mitigate the risks arising from fluctuations in exchange rates, interest rates, or asset prices. All related activities are conducted in accordance with the Company's "Procedures for the Acquisition and Disposal of Assets".
4. The Company has established the "Procedures for the Acquisition and Disposal of Assets" and the "Procedures for Loaning of Funds and Making of Endorsements/Guarantees" in compliance with regulatory requirements, and both have been approved by the shareholders' meeting to govern such transactions.

5.6.3 Future R&D Plans and Estimated R&D Expenditures

1. Future R&D plans: The main development directions include:

- Multi-processor media transmission servers.
- Solid-state and hybrid network storage platforms.
- Equipment and solutions for Industry 4.0, smart factory automation, and equipment connectivity.
- Stainless steel Silver Shield series tablets, monitors, and controllers with IP69K and explosion-proof certifications, targeting the Oil & Gas and Food & Beverage vertical markets.
- Information management and solutions for energy, water, and environmental monitoring.
- AiEi AI industrial environmental safety systems.
- Digital medical imaging workstations: 27.5" and 31.5" touchscreen medical tablets.
- Compact AI edge computing systems: Using AI technology to support patient safety.
- Endoscopy image capture systems: 4K input/8K output high-resolution surgical video recording equipment.

2. Estimated R&D expenditures:

The estimated R&D budget for 2025 will account for approximately 7%–10% of total annual revenue, covering R&D personnel, project expenditures, equipment, tooling, and related costs.

5.6.4 Impact of Domestic and International Policy or Legal Changes on the Company's Financial and Business Operations and Countermeasures:

In the most recent year, there were no significant impacts on the Company arising from changes in domestic or international policies or regulations. The Company will continue to closely monitor relevant developments and adjust its financial and operational strategies accordingly to address emerging challenges and safeguard its business and financial interests.

5.6.5 Impact of Technological Change (Including Cybersecurity Risks) and Industry Transformation on Financial and Business Operations and Countermeasures:

The Company closely monitors technological and industry developments and continuously invests in product innovation to meet evolving market demands. In response to customer requirements regarding cybersecurity, the Company has gradually implemented secure product design techniques, vulnerability scanning, and open-source code management to enhance product-level information security. While these initiatives may increase associated costs, customers are generally willing to absorb development and service-related expenses, creating more project opportunities. To control rising operational costs, the Company formulates detailed annual budgets, conducts periodic risk assessments, and adjusts its cost structure to align with strategic goals. Industry transformations may alter existing partner relationships and reshape the ecosystem, thereby impacting the Company's

collaborative operations and synergy. The Company actively participates in the industry ecosystem and expands partnerships to maintain competitiveness during transformations. In this environment, the Company implements agile management and strategic planning, regularly conducts risk assessments, and reinforces a culture of innovation and security to ensure it can respond to change while maintaining financial soundness and sustainable business development. As of the most recent fiscal year, technological and industrial changes have not had any material adverse impact on the Company's financial or business operations.

As cyberattacks grow in both scale and complexity, presenting increasingly sophisticated threats, the Company has established a Product Security Incident Response Team (PSIRT) responsible for managing vulnerability disclosures, investigations, internal coordination, and the issuance of security advisories. Where feasible, PSIRT provides mitigation strategies and patches. By joining the international Forum of Incident Response and Security Teams (FIRST), the Company proactively participates in global cybersecurity collaboration through the exchange of threat intelligence and coordinated response actions.

To prevent and mitigate the damage caused by such attacks, IEI continues to implement relevant improvements and invest in resources. Measures include strengthening firewalls and network controls to prevent the cross-device and cross-site spread of computer viruses; establishing EDR endpoint protection and antivirus protocols; deploying advanced solutions to detect and respond to malware; introducing phishing email and malicious website detection with active isolation; regularly conducting phishing simulations and awareness testing for employees; and commissioning third-party professional firms to perform cybersecurity assessments. As of this report, the Company has not experienced any material cybersecurity incidents.

5.6.6 Impact of Changes in Corporate Image on Crisis Management and Countermeasures:

The Company operates based on the principles of sustainable development and long-term partnerships with customers and society. To enhance financial transparency, regular shareholder meetings and investor conferences are held to communicate operational performance. As of this report, the Company has not encountered any operational crises due to changes in its corporate image.

5.6.7 Expected Benefits, Potential Risks, and Countermeasures Related to Mergers and Acquisitions: None.

5.6.8 Expected Benefits, Potential Risks, and Countermeasures Related to Plant Expansion: None.

5.6.9 Risks and Countermeasures Associated with Concentration in Procurement or Sales:

The Company's customer base spans vertical application markets including industrial control, point-of-sale systems, gaming equipment, embedded systems, and medical devices, and does not exhibit issues of customer over-concentration. Its procurement strategy involves working with multiple suppliers for each

material category (primary and secondary sources). A supplier management system has been implemented, and the Company actively maintains strong relationships with key upstream suppliers. Through flexible material allocation and real-time cross-border inventory tracking, control, and strategic procurement, the Company mitigates market shocks and balances supply and demand. As a vertically integrated service provider, IEI considers its customer relationships a core asset. Whether serving distributors or ODM clients, the Company provides full-spectrum services including product design, manufacturing, material supply, inventory control, pricing management, product line support, and after-sales services. These efforts are designed to foster long-term partnerships. And as such, the Company does not face risks associated with concentrated procurement or sales.

5.6.10 Impact and Risk of Significant Share Transfers or Changes by Directors, Supervisors, or Major Shareholders Holding Over 10% Equity: None.

5.6.11 Impact, Risk, and Countermeasures Related to Changes in Management Control: None.

5.6.12 Litigation or Non-Litigation Matters: None.

5.6.13 Other Material Risks and Countermeasures: None.

5.7 Other Material Matters: None.

VI. Special Notes

6.1 Information on Related Parties

6.1.1 Consolidated Business Report of Related Parties:

Please refer to the updated Market Observation Post System (MOPS): Electronic File Download/Related Party Disclosure Section.

6.1.2 Consolidated Financial Statements of Related Parties:

The entities required to be included in the preparation of the consolidated financial statements of related parties are the same as those included in the preparation of the consolidated financial statements of parent and subsidiary companies, in accordance with International Financial Reporting Standard No. 10 (IFRS 10) as approved by the Financial Supervisory Commission. Furthermore, the information required to be disclosed in the consolidated financial statements of related parties has already been fully disclosed in the aforementioned parent-subsidiary consolidated financial statements. Accordingly, the Company does not prepare separate consolidated financial statements for related parties.

6.1.3 Affiliation Report:

The Company is not a subordinate company of any other enterprise and is thus not required to prepare an affiliation report.

6.2 Private Placement of Securities in the Most Recent Year and up to the Date of Publication of the Annual Report: None.

6.3 Other Required Disclosures: None.

VII. Material Events That Occurred in the Most Recent Year and up to the Date of Publication of the Annual Report as Defined in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act: None.