ACE PILLAR

2024
SUSTAINABILITY REPORT

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PREFACE

About This Report

The Sustainability Report/ESG Report issued by Ace Pillar Co., Ltd. (Ace Pillar or the Company) has been prepared with reference to the guidelines and framework of the Global Reporting Initiative (GRI) Standards, Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), United Nations Sustainable Development Goals (SDGs), and the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.

Report Publication Date and Reporting Cycle

This report is disclosed and issued on an annual basis, and is published on the Company's website.
The previous ESG report was published in June 2024. The current report was released in August 2025, and the next report is expected in August 2026.

Note In response to the Regulations Governing the Preparation and Submission of Sustainability Reports by Listed Companies, starting from 2025, the publication date has been adjusted to August of each year.

Report Scope and Boundary

This report primarily covers the operational content and sustainability issues of Ace Pillar's operating locations in Taiwan (headquarters, business offices, logistics center, and technical service department) from January 1, 2024 to December 31, 2024. The economic information disclosed includes data from consolidated subsidiaries; however, environmental and social information for subsidiaries has not yet been disclosed and will gradually be incorporated into the reporting scope as the information collection process improves.

Taiwan Locations

New Taipei, Ace Pillar Headquarters
Taoyuan, Ace Pillar Business Office
Hsinchu, Ace Pillar Business Office
Taichung, Ace Pillar Business Office
Tainan, Ace Pillar Business Office
Kaohsiung, Ace Pillar Business Office
New Taipei, Ace Pillar Logistics Center
Taoyuan, Ace Energy Headquarters
New Taipei, Ace Energy Business Office
Hsinchu, STC Headquarters
Taipei, Transpak Headquarters
Taichung, Transpak R&D and Manufacturing Center

Overseas Locations

China Tianjin, Ace Pillar,
China Suzhou, Luoyan
China Shanghai, STC
Germany, BlueWalker

ESG Report Preparation and Management Process

The Company has established a Sustainable Development Committee, and the ESG Implementation Team collaborates with relevant departments to formulate, plan and promote the compilation and writing of related content. The Sustainability Reporting Preparation and Verification Procedures and internal control system have been established. The ESG Implementation Team works with relevant departments to conduct internal verification, comparing data for consistency, completeness and accuracy. Any omissions are returned to respective unit supervisors for supplementation and confirmation. After approval by the Sustainable Development Committee members and chairperson, the report is submitted to the Board of Directors for publication approval.

Report Quality

In April 2025, the report was commissioned to a third-party certification body, AFNOR Group - AFNOR Asia Ltd., for independent verification based on the GRI Standards and AA1000 V3 Assurance Standard with Type 1 Moderate Level of Assurance

Financial Data

Commissioned KPMG Certified Public Accountants, Taiwan for audit confirmation. Financial data in this report, calculated in New Taiwan Dollars, is consistent with the annual report.

Environmental Data

Greenhouse gas emissions are referenced to ISO 14064-1: Data from 2018 or other inventory standards, was externally assured by KPMG Certified Public Accountants, Taiwan in April 2025.

Management System

The Company's ISO 9001: 2015 certification was obtained through the third-party certification body AFNOR Group - AFNOR Asia Ltd.

Information Restatements

If there is any information restatement in this report, notes explaining the restatement will be provided where the relevant information is disclosed.

Feedback and Contact

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Sustainability Performance Review and Outlook

2024 was an important year for Ace Pillar to enhance corporate resilience and gradually implement medium and long-term transformation goals.

Ace Pillar's financial performance showed significant improvement in 2024. The accumulated annual revenue reached NT$3.68 billion, representing a 20.59% growth compared to NT$3.052 billion in 2023. In terms of gross profit, 2024 reached NT$623 million, a 13.68% increase compared to NT$548 million in 2023.

In recent years, in response to multiple challenges in the global economy and current geopolitical tensions, Ace Pillar has been adjusting its structure, significantly increasing the revenue proportion from Europe, America, and Taiwan this year, while actively expanding into Southeast Asia and developing automation integration solution services in Thailand. Furthermore, products with gross margins above 30% achieved a combined proportion of over half (reaching 51%) by the end of this year, showing a significant increase compared to the proportion in 2023 (32%).

In response to the uncertainty of industry cycles, besides diversifying its product lines, Ace Pillar has been gradually expanding its presence in various industries for several years, with efforts in automation, semiconductors, and energy sectors showing results this year. In June 2024, Ace Pillar and DFI Inc. jointly invested in Transpak Equipment Corporation. Transpak's leading position in global strapping machines is not only a key component in automated strapping and stacking solutions but also allows Ace Pillar to further extend its synergistic deployment from equipment to solutions. This achievement was recognized with the "Taiwan M&A Golden Awards- Mid-Sized Enterprise M&A Award". In September 2024, Ace Pillar completed its investment in Hydrogen Green Energy Technology Corp. Hydrogen and fuel cell technology play a crucial role in energy transition and serve as an important solution to address industrial emission pollution problems. This investment not only strengthens Ace Pillar's competitiveness in the new energy sector but also demonstrates the company's long-term commitment to environmental sustainability and social responsibility.

In 2024, the rapid development of Artificial Intelligence (AI) has brought new opportunities to various industries. According to TrendForce data, the global smart manufacturing market size is expected to reach US$620 billion by 2026, with an annual growth rate of 12.7%. Ace Pillar is also actively expanding its AI and semiconductor-related product lines, including smart manufacturing AI solutions, robotic arms and AI visual inspection applications, energy management systems, and more, preparing for the continuously expanding market scale.

While promoting technological innovation and business growth, Ace Pillar has not forgotten its corporate social responsibility, partnering with its subsidiaries and the TEEIA Association to jointly organize a beach cleanup activity with hundreds of participants. On the day of the event, we mobilized 117 enthusiastic participants who worked together to collect marine waste, cleaning up a total of over 400 kilograms of garbage. Every piece of garbage collected made us more deeply understand the urgency of protecting the marine environment, demonstrating our commitment to environmental protection.

As an expert in green energy and smart automation solution integration services, Ace Pillar's goals have always been clear and precise. We are advancing steadily and firmly toward our objectives. Every step lays a more solid foundation for future long-term development - this is our commitment to ourselves, our shareholders, and society.

Ace Pillar Co., Ltd.
President
李長堅

Sustainability Strategy Roadmap

VISION

Sustainable Vision

Environmental Sustainability and Net-Zero Carbon Emissions

MISSION

Business Philosophy	Four Commitments
Corporate Mission	Implementing Corporate Governance
Management Philosophy	
Corporate Vision	Strive to Promote a Sustainable Environment
Sincerity and Mutual Trust	
Innovation and Change	Build the Best Working Environment
Affirming Contributions	
Quality First	Actively Respond to Social Welfare

VALUES

Set Annual Targets	SDGs
Annual Employee Code of Conduct Training Completion Rate	SDG8
Employee Satisfaction (Out of 6 Points)	SDG8
Customer Satisfaction	SDG12
Corporate Governance Evaluation Score	SDG8
Disabling Injury Frequency Rate	SDG3
Charity Sessions	SDG3
Charity Service Hours	SDG3
Waste Recycling and Reuse	SDG13 SDG6
Energy Saving and Carbon Reduction (Water Resources)	SDG13 SDG12
Energy Saving and Carbon Reduction (Electricity Resources)	SDG13
Proportion of Key Suppliers Proposing Carbon Reduction Plans	SDG8 SDG17

Sustainable Development Committee

Ace Pillar values sustainable development. To successfully promote the vision of corporate sustainability, Ace Pillar integrated relevant departments to establish the Sustainable Development Committee, also known as the ESG Committee, in 2023. The President serves as the Chairperson, with senior executives serving as committee members. The ESG Task Force is responsible for coordinating and promoting cross-departmental corporate sustainability initiatives, working together with relevant departments to advance ESG matters. The Sustainable Development Committee convenes quarterly meetings and regularly reports the implementation status of sustainable development to the Board of Directors annually.

Ace Pillar Corporate Sustainable Development Committee	
Main Responsibilities	● Identification of material sustainability issues and formulate corresponding action plans ● Track and integrate performance and resources across various sustainability aspects ● Focus on stakeholder communication and engagement ● Execute and review work plans at least once per quarter, and report to the Board of Directors annually
Date of Establishment	2023
Current Chairperson	President Chris Li
Meeting Frequency	Once a quarter
Report to the Board of Directors	Once a year

Organizational Chart of the Sustainable Development Committee

2024 Implementation Status of Ace Pillar Corporate Sustainable Development Committee

Note Please refer to page 10 of this report for indicator details

Ace Pillar ESG Goals and Performance

Ace Pillar is committed to corporate sustainable development and responds to the United Nations Sustainable Development Goals (SDGs). Following the recommendations of the SDG Compass for corporate implementation, the Company has established its own ESG performance indicators. As of 2024, the Company has established 11 annual ESG performance indicators. Through dedicated efforts to achieve our self-established goals, we are deepening our commitment to corporate sustainable development. During quarterly Sustainable Development Committee meetings, we review and evaluate whether the current performance targets align with the present situation. Through continuous review and adjustment, we work towards accomplishing our self-established goals.

Sustainability Progress

2023

Established the Sustainable Development Committee.
Published the First Sustainability Report (Chinese and English versions).
Won the Bronze Award in the TCSA Sustainability Report Competition.
Initiated the first greenhouse gas inventory for Ace Pillar in Taiwan.

2024

Published the second Sustainability Report (Chinese and English versions).

2025

Published the third Sustainability Report (Chinese and English versions).
First third-party verification of the report
First verification of greenhouse gas inventory results by a third-party verification agency.
First promotion of greenhouse gas inventory to subsidiaries.

Ace Pillar's Achievement Status of Self-Established Performance Indicators for 2024

Ace Pillar is committed to corporate sustainable development and supports the United Nations Sustainable Development Goals (SDGs). Following the recommendations of the SDG Compass for corporate implementation, the Company has established its own ESG performance indicators. As of 2024, the Company has established 11 annual ESG performance indicators. Through dedicated efforts to achieve our self-established goals, we are deepening our commitment to corporate sustainable development. During quarterly Sustainable Development Committee meetings, we review and evaluate whether the current performance targets align with the present situation. Through continuous review and adjustment, we work towards accomplishing our self-established goals.

Indicators	2022	2023	2024	Short-term Goal	Achievement Rate	2035 Goal	2050 Goal	Corresponding SDGs
Annual Employee Code of Conduct Training Completion Rate	100%	100%	**100%**	**95%**	✓	98%	100%	SDG8
Employee Satisfaction (out of 6 points)	Not yet started	4.38	**4.37**	**4.39**	✓	4.8	5.4	SDG8
Customer Satisfaction	81	82	**86**	**80**	✓	85	90	SDG12
Corporate Governance Evaluation Score	36-50%	36-50%	**21-35%**	**36-50%**	✓	21-35%	6-20%	SDG8
Reduce Disabling Injury Frequency Rate	100%	95.66%	**100%**	**80%**	✓	90%	95%	SDG3
Charity Sessions	0	3	**3**	**3**	✓	4	5	SDG3
Charity Service Hours	4	133	**534**	**120**	✓	240	394	SDG3
Waste Recycling and Reuse	Not yet started	98%	**98.2%**	**92%**	✓	97%	100%	SDG13 SDG6
Energy Saving and Carbon Reduction (Water Resources)	1704	-43%	**-39.2%**	**1%**	✓	10% less than 2022	20% less than 2022	SDG13 SDG12
Energy Saving and Carbon Reduction (Electricity Resources)	278814	-36%	**-34.1%**	**1%**	✓	10% less than 2022	20% less than 2022	SDG13
Proportion of Key Suppliers Proposing Carbon Reduction Plans	Not yet started	86%	**80%**	**80%**	✓	>=90%	100%	SDG8 SDG17

Honors and Recognition

Won the 2024 M&A Golden Award

Ace Pillar partnered with DFI to invest in Transpak Equipment Corporation and won the 2024 Taiwan M&A Golden Awards-Mid-Sized Enterprise M&A Award. Please see the link for related news.

Cultivating Sustainable Talents in 2024

A total of seven people participated, with total training hours reaching 440 hours, and obtained TAISE Sustainability Management Specialist and Net Zero Management Specialist certifications.

Stakeholder and Material Topic Identifications

Stakeholder and Material Topic Analysis

Ace Pillar actively collaborates with stakeholders and encourages all individuals or groups potentially affected by its operations, including employees, community residents, supplier partners, etc., to contact Ace Pillar through communication channels such as company website, email, or dedicated phone lines. Ace Pillar values every communication and interaction with stakeholders, and the corporate team handles them with a serious attitude. Ace Pillar has adopted AA 1000AP 2018 (AA 1000 Accountability Principle 2018) and complies with four major principles: Inclusivity, Materiality, Responsiveness, and Impact, to identify groups or organizations that have influence on or are influenced by the company

Stakeholder and Material Topic Analysis Flowchart

1

Identification of Stakeholder Communication Targets

Referring to the five major principles of AA1000 SES, and working together with the Sustainable Development Committee members and Secretary-General, we identified seven categories of stakeholders.

2

Identification of Sustainability Topics

The Sustainable Development Committee secretariat collected relevant internal and external topics, and through joint discussions with committee members and the Secretary-General, identified 16 sustainability topics

3

Questionnaire Survey

In 2024, surveys were conducted through Google Forms throughout the year, collecting a total of 239 valid questionnaire responses.

4

Assessment of Stakeholder Concern and Impact Significance

Based on the collected questionnaire results to evaluate the level of concern, and interviewed internal senior executives regarding the 16 topics to assess their impact significance on the company

5

Define Material Topics

Based on internal and external assessments, the top five highest-scoring items were selected as material topics. In 2024, due to the lack of environmental dimension topics, the highest-scoring item in that dimension was selected as a material topic.

6

Management of Material Topics

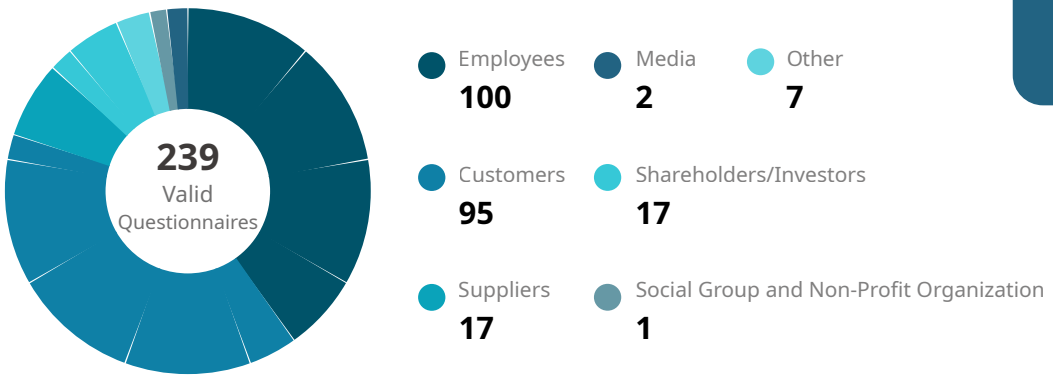
Based on the identified material topics, relevant departments are requested to establish related KPIs to address external stakeholders' concerns.

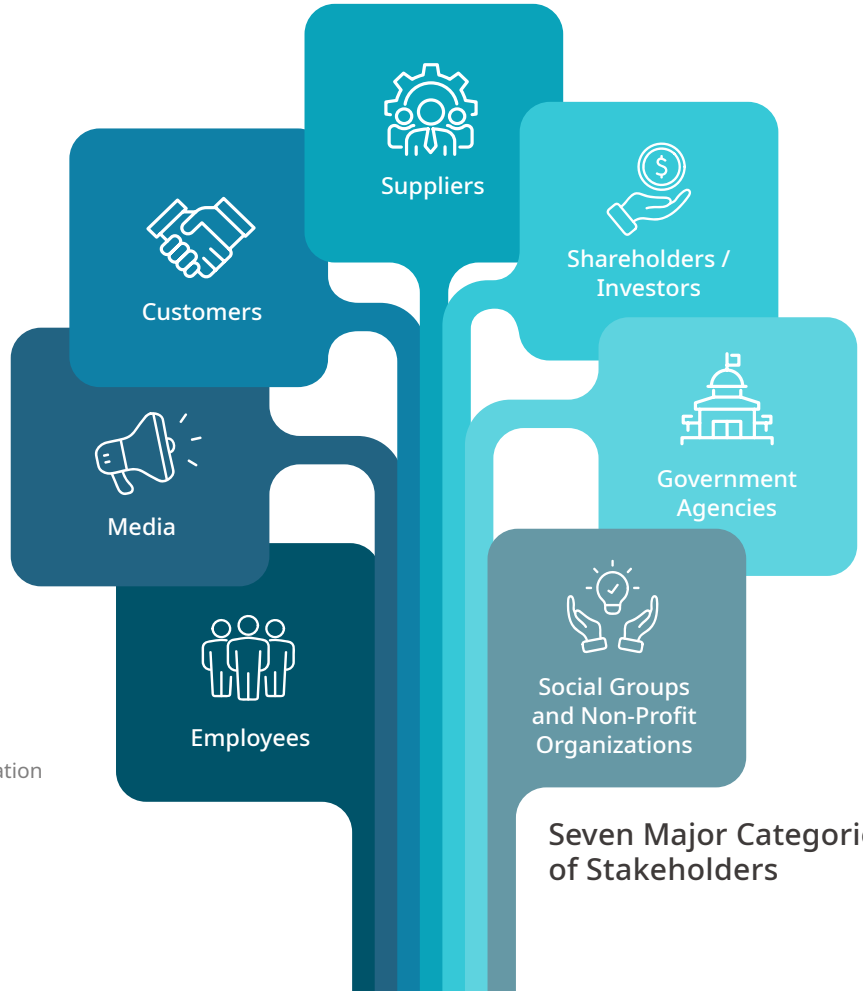
Identification of Stakeholder Communication Targets

To effectively identify stakeholders, Ace Pillar adopts the five principles of "Dependency, Responsibility, Influence, Diverse Perspectives, and Tension" from the AA1000 SES (2015) Stakeholder Engagement Standards in reference to the GRI Universal Standards (2021). Through external experts' assessment of the company's actual negative impacts, potential negative impacts, actual positive influences, and potential positive influences on its stakeholders, the identification results were jointly discussed by the company's Development Management Committee members, ESG Task Force, and external experts. Seven major categories of stakeholders were prioritized as follows: employees, shareholders/investors, government agencies, customers, suppliers, social groups and non-profit organizations, and media.

Identification of Sustainability Topics and Conduct Questionnaire Survey

The ESG Task Force of the Sustainable Development Committee, together with relevant departments, collected 30 internal and external topics. After consulting with internal and external experts and interviewing senior executives, the Sustainable Development Committee members and ESG Task Force jointly identified 16 sustainability topics covering the three ESG dimensions. Through the annual double materiality questionnaire, the 2024 Ace Pillar Stakeholder Survey was conducted, collecting a total of 239 questionnaires (100 internal and 139 external). The survey results were analyzed for financial impact and ESG sustainability development impact.





Seven Major Categories of Stakeholders

Stakeholder Engagement

Through the 2024 Ace Pillar Stakeholder Questionnaire Survey, we analyzed issues of concern to various stakeholders and interviewed the ESG Task Force of the internal Sustainable Development Committee to compile the 2024 Ace Pillar stakeholder engagement results. These engagement results will serve as a reference for Ace Pillar to improve or increase different engagement communication channels in the future, with the aim of responding to stakeholders' voices and opinions in a timely manner.

Employees

Employees are the foundation of an enterprise. Ace Pillar values the feelings of every employee, manages them in a friendly manner, trains employees, and establishes smooth communication channels, striving to retain excellent talents to enhance the Company's competitiveness.

100%
Completion of Basic Code of Conduct Training

4
Labor-management Meetings

Top Three Topics of Concern from 2024 Questionnaire Statistics	2024 Communication Overview	Communication and Interaction Channels	Frequency
● Talent Attraction and Retention ● Employee Rights and Diversity Equality ● Employee Training and Development	● 100% of employees completed basic code of conduct training ● 4 Labor-management meetings ● Total：0 human rights incidents ● Total Complaints and Whistleblowing Reports Received: 0 cases	Education and training (including drills), new employee training	Irregular
		HR mailbox	Irregular
		Health checkups	Once a year
		Reporting mailbox	Irregular
		Labor-management meetings	Once a quarter
		Electronic newsletters, emails, phone calls	Irregular

Shareholders / Investors

Protecting shareholders' rights and interests is one of Ace Pillar's most important priorities. Regularly hold shareholders' meetings to explain the company's operations and financial overview to shareholders, and strive for sustainable operations, allowing shareholders' interests to jointly move towards sustainability.

1 Shareholder Meeting

1 Investor Conference

Top Three Topics of Concern from 2024 Questionnaire Statistics	2024 Communication Overview	Communication and Interaction Channels	Frequency
● Financial Performance ● Talent Attraction and Retention ● Innovative Products and Services	● Periodically release information through financial announcements, business press releases, or other related information formats ● Publish financial statements quarterly ● Completed one shareholder meeting, one investor conference held in 2024	Spokesperson and acting spokesperson system	Irregular
		Investor relations	Irregular
		Investor mailbox	Irregular
		Company official website	Irregular
		Shareholder's meetings	Once a year
		Investor conferences	At least once a year
		Market Observation Post System (MOPS)	Irregular

Media

Ace Pillar values external opinions and humbly accepts external feedback and comments. Relevant marketing departments are established to respond to the media aspect, and relevant information is disclosed from time to time.

4 Press Releases

Top Three Topics of Concern from 2024 Questionnaire Statistics	2024 Communication Overview	Communication and Interaction Channels	Frequency
● Innovative Products and Services ● Financial Performance ● Supplier Management	● 4 press releases issued	Email	Irregular
		Phone	Irregular
		Visits	Irregular

Government Agencies

Complying with government regulations is the minimum requirement for corporate operations. Ace Pillar, through internal control mechanisms and audit measures, strictly ensures that business execution complies with regulations.

No
Major Fines

Top Three Topics of Concern from 2024 Questionnaire Statistics	2024 Communication Overview	Communication and Interaction Channels	Frequency
● Ethical Business Operations and Regulatory Compliance ● Occupational Health and Safety ● Employee Rights and Diversity Equality	● Inspections, visits, official documents, and labor inspections: No deficiencies ● 2024 No major fines	Inspections	Irregular
		Visits	Irregular
		Official documents	Irregular
		Labor inspections	Irregular

Customer

We value the perception and feelings of each customer, and take improving customer satisfaction as the primary consideration. Establish an after-sales service department to grasp customer needs in a timely manner and provide effective and correct services.

86
Points Annual Customer Satisfaction

Top Three Topics of Concern from 2024 Questionnaire Statistics	2024 Communication Overview	Communication and Interaction Channels	Frequency
● Information Security and Customer Privacy ● Supplier Management ● Occupational Health and Safety	● Completed annual customer satisfaction survey ● 2024 annual customer satisfaction of 86 points	Customer service hotline	Irregular
		Product repair hotline	Irregular
		Customer service mailbox	Irregular
		Customer satisfaction survey	Once a year
		Phone/email interactions	Irregular
		Regular and irregular topic reports	Irregular

Suppliers

It is our responsibility to work with suppliers to maintain the environment, human rights and other aspects. We actively establish a sustainable supply chain and maintain good cooperative relationships with each other to achieve corporate sustainable development.

13 Distributor Meetings

6 Seminars

Top Three Topics of Concern from 2024 Questionnaire Statistics	2024 Communication Overview	Communication and Interaction Channels	Frequency
● Talent Attraction and Retention ● Occupational Health and Safety ● Employee Rights and Diversity Equality	● Completed 13 Distributor Meetings ● Completed 6 Seminars ● COMPUTEX Exhibition Participation ● Periodically Hold Workshops	Internal training	Irregular
		Phone/email	Irregular
		Audit	Irregular
		Visits	Irregular

Social Groups and Non-Profit Organizations

Ace Pillar actively cultivates employees' positive energy, encourages employees to show love, and irregularly organizes or participates in relevant charity activities to give back to the general public. It also actively responds to any sustainable development activities of the group in the environmental and social aspects.

3 Charity Sessions

468 Charity Service Hours

Top Three Topics of Concern from 2024 Questionnaire Statistics	2024 Communication Overview	Communication and Interaction Channels	Frequency
● Social Engagement ● Occupational Health and Safety ● Employee Rights and Diversity Equality	● Charity sessions joining: three sessions ● Accumulated charity Service Hours: 468 hours ● Voluntarily Organized Charity Events: one session	Phone/email	Irregular
		Volunteer service	Irregular
		Corporate website	Irregular
		Media news	Irregular

Assessment of Stakeholder Concern and Impact Significance

Analysis of Positive and Negative Impacts and Influence Aspects of Sustainability Issues

After consulting internal and external expert opinions, the Sustainable Development Committee members and ESG Implementation Team jointly identified 16 sustainability issues covering the three ESG dimensions. The Sustainable Development Committee further analyzed whether these 16 identified issues should be considered positive or negative impacts for Ace Pillar, and whether their influence aspects should be classified as upstream, operational, or downstream.

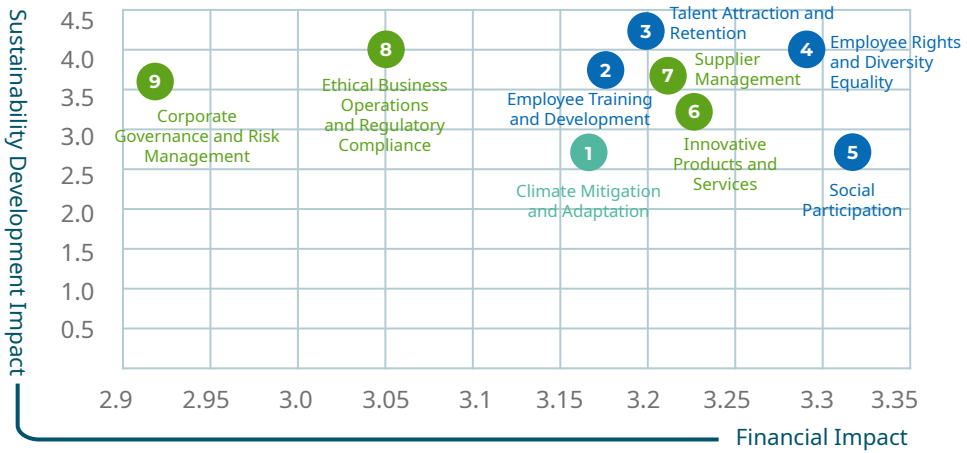
Dimension	Identification of Material Issues and Value Chain Relationships	Positive Impact	Negative Impact	Upstream	Operations	Downstream
G	**1-1.** Corporate Governance and Risk Management: Board of directors composition and responsibilities, internal audit, company shareholding structure and shareholder rights, investor relations, risk management.	⊕			✓	
G	**1-2.** Financial Performance: Ace Pillar's revenue, costs, net profit, earnings per share (EPS), assets/liabilities, etc.		⊖		✓	
G	**1-3.** Ethical Business Operations and Regulatory Compliance: Anti-corruption, unfair competition practices, anti-trust and monopolistic behavior, legal and regulatory compliance (economic, social and environmental)	⊕			✓	
G	**1-4.** Innovative Products and Services: Focus on market opportunities, continuously optimize product and service models, create new value.	⊕		✓	✓	
G	**1-5.** Information Security and Customer Privacy: Information security policies and systems, information risk control, management measures for customer confidentiality (such as customer confidential data).		⊖		✓	
G	**1-6.** Supplier Management: Supply chain management strategies, guidelines, management and auditing, as well as promoting supplier implementation of social responsibility.	⊕		✓	✓	

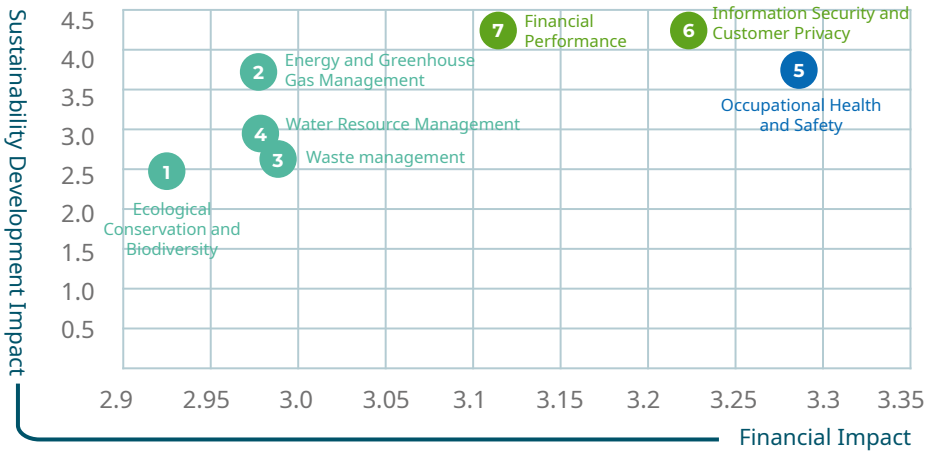
Dimension	Identification of Material Issues and Value Chain Relationships	Positive Impact	Negative Impact	Upstream	Operations	Downstream
E	**2-1.** Climate Mitigation and Adaptation: TCFD, greenhouse gas emissions inventory and calculation, and various carbon reduction practices.	⊕		✓	✓	✓
E	**2-2.** Energy and Greenhouse Gas Management: Ace Pillar's energy consumption, clean energy usage, greenhouse gas emissions, air pollution management, and related reduction planning and measures.		⊖	✓	✓	✓
E	**2-3.** Water Resource Management: Ace Pillar's corporate water resource consumption and discharge (including wastewater), and related reduction planning and measures.		⊖		✓	
E	**2-4.** Waste Management: Types and volume of waste, management strategies, reduction/recycling practices and effectiveness, spill incident handling.		⊖	✓	✓	✓
E	**2-5.** Ecological Conservation and Biodiversity: Location areas, generated impacts, protection and restoration measures, performance indicators and targets, sponsorship of related organizations, support for initiatives.		⊖		✓	

Dimension	Identification of Material Issues and Value Chain Relationships	Positive Impact	Negative Impact	Upstream	Operations	Downstream
S	**3-1.** Talent Attraction and Retention: Employee recruitment rate, turnover rate, benefits, regular performance reviews, compensation system, and enhancement of employee competencies.	⊕			✓	
S	**3-2.** Employee Rights and Diversity Equality: Employee diversity, gender equality, anti-discrimination, human rights issues, and employee rights (such as labor-management meetings, etc.).	⊕			✓	
S	**3-3.** Employee Training and Development: Employee career development planning, education and training content and performance indicators, training effectiveness, retirement competency management.	⊕			✓	
S	**3-4.** Occupational Health and Safety: Employee occupational health and safety management policies, such as work injury accident rates, occupational diseases, employee health promotion, etc.		⊖		✓	
S	**3-5.** Social Engagement: Strategies for charitable or community involvement, types of charitable activities, and investment of various resources.	⊕			✓	

Materiality Distribution Matrix

Based on the stakeholder questionnaire analysis results, the Ace Pillar Sustainable Development Committee further interviewed internal senior executives to assess the degree of financial impact (X-axis) for 16 issues, and combined this with the degree of sustainability development impact (Y-axis) from stakeholder survey results to create the materiality distribution matrix. The matrix is divided into two categories based on positive and negative issues: positive and negative impact matrix diagrams.





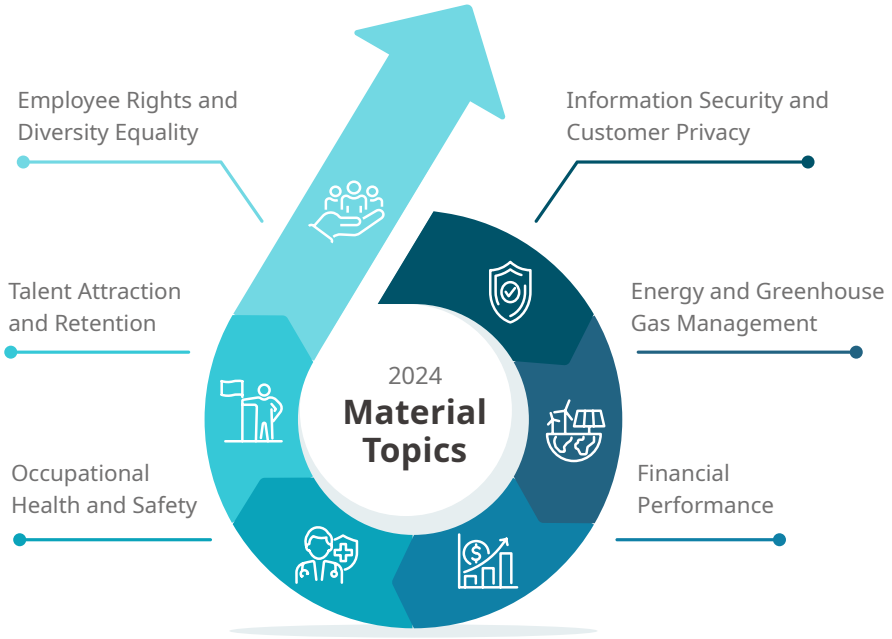
Code	Positive Impact Items	Attention	Impact	Multiplication
1	Climate Mitigation and Adaptation	3.17	2.88	9.1296
2	Employee Training and Development	3.18	3.75	11.925
3	Talent Attraction and Retention	3.2	4.25	**13.6**
4	Employee Rights and Diversity Equality	3.29	4	**13.16**
5	Social Participation	3.32	2.88	9.5616
6	Innovative Products and Services	3.23	3.25	10.4975
7	Supplier Management	3.21	3.63	11.6523
8	Ethical Business Operations and Regulatory Compliance	3.05	4	12.2
9	Corporate Governance and Risk Management	2.92	3.63	10.5996

Code	Negative Impact Items	Attention	Impact	Multiplication
1	Ecological Conservation and Biodiversity	2.93	2.5	7.325
2	Energy and Greenhouse Gas Management	2.98	3.75	11.175
3	Waste management	2.99	2.63	7.8637
4	Water Resource Management	2.98	2.75	8.195
5	Occupational Health and Safety	3.29	3.75	**12.338**
6	Information Security and Customer Privacy	3.22	4.25	**13.685**
7	Financial Performance	3.11	4.25	**13.218**

Determination of Material Topics

After analyzing the positive and negative impact matrices, Ace Pillar multiplied the survey results of sustainability development impact and financial impact. The top five items with the highest values were identified as material topics for 2024. Due to the lack of environmental dimension topics in the identification results, after consulting internal and external experts, the highest-scoring topic in the environmental dimension was selected as an environmental material topic, adding "Energy and Greenhouse Gas Management" as an environmental material topic.

Therefore, Ace Pillar's material topics for 2024 include: Talent Attraction and Retention, Employee Rights and Diversity Equality, Occupational Health and Safety, Information Security and Customer Privacy, Financial Performance, and Energy and Greenhouse Gas Management, totaling six material topics. After consulting internal and external information, statistical analysis, and experts, the survey results were confirmed by the Sustainability Sustainable Development Committee members and ESG promotion team, followed by approval from the Chairperson of the Sustainable Development Committee, establishing Ace Pillar's material topics for 2024.



Note The 2023 ESG Report identified material topics through interviews with internal and external experts, while the 2024 material topics were identified through questionnaire surveys, resulting in significant differences in material topics between the two years.

Category	2023 Material Topics	Description of Changes
S	Human Rights Management	Removed This Time
S	Employee Benefits	Removed This Time
G	Legal Compliance	Removed This Time
G	Corporate Governance	Removed This Time
G	Financial Performance	-

Category	2024 Material Topics	Description of Changes
E	Energy and Greenhouse Gas Management	Newly Added This Time
S	Talent Attraction and Retention	Newly Added This Time
S	Employee Rights and Diversity Equality	Newly Added This Time
S	Occupational Health and Safety	Newly Added This Time
G	Information Security and Customer Privacy	Newly Added This Time
G	Financial Performance	-

Management of Material Topics

Based on the impact characteristics of various material topics, the Company formulates corresponding policies and management actions, with dedicated units responsible for tracking the effectiveness of policy and strategy implementation, setting indicator targets, and regularly reviewing target achievement rates. The following describes the management measures for each material topic:

Material Topics Management List

● Direct Impact ○ Indirect Impact ● Environment (E) ● Society (S) ● Governance (G)

Dimension	Material Topics	SDGs	GRI	SASB	Positive Topics	Negative Topics	Ace Pillar	Employees	Shareholders / Investors	Government Agencies	Customer	Suppliers	Social Groups and Non-Profit Organizations	Media	Significance to Ace Pillar	Response Chapter
●	Energy and Greenhouse Gas Management	SDG7 SDG13	GRI 302 GRI 305	NA		⊖	●	○	○	●	●	●	○	○	Planning and measures for reducing various energy consumption and carbon emissions.	4-2 Sustainable Environmental Management
●	Talent Attraction and Retention	SDG4 SDG8	GRI 401	NA	⊕		●	●	○	○	○	○	○	○	Employee turnover and retention rates, various welfare programs, performance evaluation, compensation systems, and enhancement of employee competencies, etc.	3-1 Employee Profile 3-2 Learning and Development
●	Employee Rights and Diversity Equality	SDG5 SDG8 SDG10	GRI 405 GRI 406	TC-HW-330a.1	⊕		●	●	○	○	○	○	○	○	Workplace diversity and equality, anti-discrimination, human rights issues, and employee rights (such as labor-management meetings, etc.).	3-3 Building a Happy and Healthy Workplace
●	Occupational Health and Safety	SDG3 SDG8	GRI 403	NA		⊖	●	●	○	○	○	○	○	○	Employee occupational safety policies, such as: work injury accident rates, occupational diseases, employee health promotion, etc.	3-3 Building a Happy and Healthy Workplace
●	Information Security and Customer Privacy	SDG9 SDG16	GRI 418	NA		⊖	●	●	○	○	●	●	○	○	Information security and risk control management systems, management measures taken for customer confidentiality (such as confidential customer data).	1-5 Information Security
●	Financial Performance	SDG8 SDG9	GRI 201	NA		⊖	●	●	●	○	○	○	○	○	Ace Pillar's operating revenue, costs, net profit, earnings per share (EPS), assets/liabilities, etc.	1-2 Financial Performance

Management guidelines for Material Topics

	Energy and Greenhouse Gas Management GRI 302/305	Talent Attraction and Retention GRI 401
Significance to Ace Pillar	Planning and measures for reducing various energy consumption and carbon emissions.	Create competitive compensation and benefits policies and cultivate professional talent to attract and retain talent.
Actual Positive Impact	Through effective control of energy expenditure, lower energy operating costs, and enhance corporate image.	Through diverse education and training programs and various benefit policies, we can attract and retain outstanding talent
Potential Positive Impact	Helps cultivate energy-saving habits among employees, invisibly reducing company operations; increased customer goodwill enhances corporate image and increases business opportunities.	Improving employees' skills and professional knowledge can enhance production efficiency and quality, strengthening corporate competitiveness.
Actual Negative Impact	When the government implements carbon tax regulations, higher fees will be charged, increasing operating costs.	Lack of career learning and development opportunities, and uncompetitive compensation and benefits, leading to talent loss. Insufficient education and training directly impacts customer satisfaction.
Potential Negative Impact	To meet the carbon footprint requirements in the supply chain, customers may lose cooperation opportunities.	Employees lacking comprehensive education and training cannot acquire necessary knowledge/skills required for work and improvement, potentially resulting in inability to provide complete service to customers.
Preventive/Remedial Measures	● Regularly convene Risk Management Committee meetings ● Set annual corporate energy-saving and carbon reduction performance indicators	● Regularly convene Risk Management Committee meetings ● Regularly hold labor-management committee meetings and HR monthly meetings
Short-term Goal (2025)	Combined **carbon reduction of 10%** for Category 1 and Category 2 Target to reduce carbon dioxide emissions by 39.58 metric tons of CO2 equivalent (CO2e)	Average training hours per employee reached **five hours**
Medium-term Goals (2035)	**70% carbon reduction** for Category 1 and Category 2	Through comprehensive education and training, cultivate excellent employees, acquire necessary knowledge/skills required for work and improvement, obtain relevant certifications, and participate in retraining programs.
Long-term Goals (2050)	Achieve **zero carbon emissions (net-zero)**	Through comprehensive education and training, cultivate excellent employees, acquire necessary knowledge/skills required for work and improvement, obtain relevant certifications, and participate in retraining programs.

	Employee Rights and Diversity Equality GRI 405/406	Occupational Health and Safety GRI 403
Significance to Ace Pillar	Establish a transparent and systematic labor-management communication mechanism to jointly enhance employee rights; create an inclusive organization to attract diverse talented professionals.	Employee occupational safety policies, such as: work injury accident rates, occupational diseases, employee health promotion, etc.
Actual Positive Impact	Protecting employees' basic human rights contributes to good labor-management relations.	Continuously promote occupational safety and health systems, implement a safe working environment, and protect employee health.
Potential Positive Impact	Improve production efficiency and quality.	Implement occupational safety policies, reduce occupational accidents and workplace environmental damage, and improve overall labor environment quality.
Actual Negative Impact	Unstable labor-management relations may lead to labor disputes and work stoppages.	If occupational accidents occur, they will cause physical and psychological harm to employees.
Potential Negative Impact	May lead to production stagnation or interruption, causing negative impacts on the company's economic benefits.	Failure to meet occupational safety and health objectives may result in operational burdens such as government fines or litigation
Preventive/Remedial Measures	● Regularly convene Risk Management Committee meetings ● Regularly hold labor-management committee meetings	● Regularly convene Risk Management Committee meetings ● Regularly participate in group RM (Risk Management) meetings to gain new knowledge
Short-term Goal (2025)	Hold **at least four** labor-management committee meetings annually as required by regulations	**Zero occupational accidents** by 2025
Medium-term Goals (2035)	Increase diverse communication channels between labor and management	**Zero occupational accidents** by 2035
Long-term Goals (2050)	Increase diverse communication channels between labor and management	**Zero occupational accidents** by 2050

	Information Security and Customer Privacy GRI 418	Financial Performance GRI 201
Significance to Ace Pillar	Information security and risk control management systems, management measures taken for customer confidentiality (such as customer confidential information).	To achieve sustainable business operations and strive to create shareholder value.
Actual Positive Impact	Increase customer and employee satisfaction.	Enhancing business personnel's development capabilities helps increase revenue and promote economic growth.
Potential Positive Impact	Increase customer confidence, potentially leading to more business opportunities.	Strengthening business development capabilities can create more employment opportunities, contributing to social and economic development.
Actual Negative Impact	Decline in business performance, customers unwilling to cooperate, receiving fines from government agencies, increased operating costs, and damage to corporate image.	The risk of raw material price fluctuations may impact costs, affecting the Company's profitability.
Potential Negative Impact	Lack of privacy protection leads to loss of customer confidence, resulting in barriers to business transactions.	To meet international requirements, we may face carbon tax charges.
Preventive/Remedial Measures	● Regularly convene Risk Management Committee meetings ● Regularly promote and conduct information security drills	● Regularly convene Risk Management Committee meetings ● Participate in external education and training periodically to acquire new knowledge
Short-term Goal (2025)	Establish and implement information security governance framework: ● Key points: Strengthen employee information security awareness, establish basic infrastructure and systems to achieve preliminary protection and compliance. ● Objective: 100% of employees complete initial security awareness training and testing; success rate of social engineering drills reaches above 98%.	Customer satisfaction score of **85 points**; 80% of key suppliers have proposed carbon reduction plans
Medium-term Goals (2035)	Enhance information security resilience and automation capabilities, integrate with operations: ● Key points: Response capabilities and recovery time when facing large-scale security incidents (such as ransomware attacks, data breaches, etc.). ● Objective: Able to fully recover within 24 hours after an incident and minimize losses.	Customer satisfaction score of **88 points**; More than >=90% of key suppliers have proposed carbon reduction plans
Long-term Goals (2050)	Achieve sustainable and intelligent information security: ● Key points: Promote the integration of information security and sustainable development under ESG concepts, making information security part of corporate culture. ● Objective: Incorporate security design into all operational processes, establish AI-based security threat detection and response mechanisms.	Customer satisfaction score of **90 points**; 100% of key suppliers have proposed carbon reduction plans

Integrity and Self-discipline

1-1 Corporate Governance

1-2 Financial Performance

1-3 Implement Ethical Management and Legal Compliance

1-4 Risk Management

1-5 Information Security

01

1-1 Corporate Governance

Ace Pillar is committed to protecting shareholders' rights and interests, and follows the Corporate Governance 3.0 Sustainable Development Blueprint promulgated by the Financial Supervisory Commission to continuously enhance the company's sustainable development. The Company's Board of Directors is the highest governance and decision-making unit. To strengthen corporate governance, the Remuneration Committee and Audit Committee were established in 2011 and 2019 respectively to assist the operation and functions of the Board of Directors. The members of both committees are all independent directors.

In addition, following regulations, a corporate governance officer is appointed, with main duties including handling matters related to Board of Directors and shareholders' meetings in accordance with the law, preparing minutes of Board of Directors and shareholders' meetings, assisting directors in taking office and continuing education. Further duties include providing information required by directors to carry out their own duties, assisting directors in complying with laws and regulations, and other matters stipulated in the Company's Articles of Incorporation or contracts.

Company Profile

Company Profile	
Company name	Ace Pillar Co., Ltd.
Company type	Listed company
Date of establishment	31 March, 1984
Location of headquarters	12F., No. 558, Zhongyuan Rd., Xinzhuang Dist., New Taipei City
Industry category	Automatic control equipment engineering industry
Main products and services	Intelligent manufacturing integration and green energy planning solutions. For details on Ace Pillar products and related applications, please visit the official website
Paid-in capital	NT$1.123 billion
Net sales	NT$3.68 billion
Number of Employees	115

Laying the Foundation

1984 Company Established (capital of NT$2 million)
Distribution and agency of domestic and international automation electromechanical components

1991 Expanding into China
Established Tianjin Ace Pillar to expand the automation electromechanical market in China

2004 Stock Listing
Stock Listing on TPEx

2008 Stock Listing
Stock Listing on the TWSE

Innovation and Value-adding

2019 Qisda Group
Joined Qisda Group

2022 Semiconductor and Energy
Invested in STC, Ace Energy, BlueWalker

2024 Automation and Energy
Invested in Transpak Equipment Corporation and Hydrogen Green Energy Technology Corp

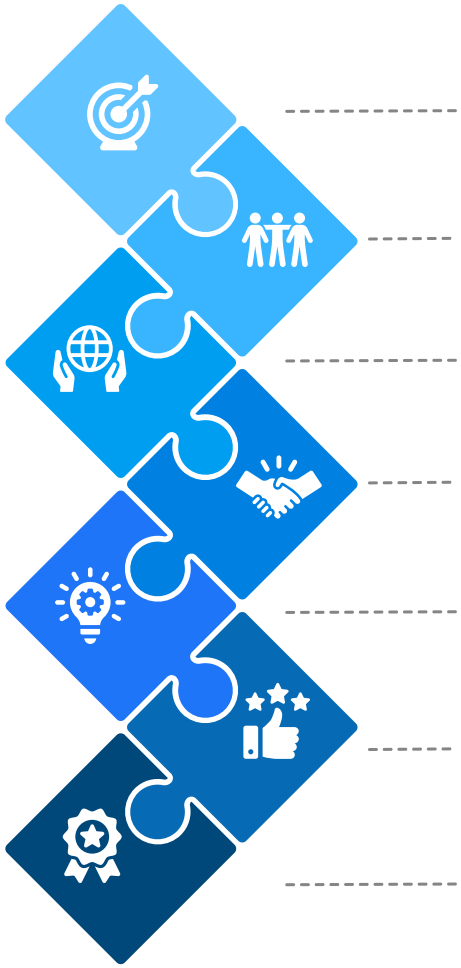
Participating Organizations

Ace Pillar actively participates in various associations related to industries. Through exchanges with various enterprises in the associations, it strengthens the vertical and horizontal development of the industries invested in, and optimizes the advantages of industrial competition. In addition, whether interacting with associations or their corporate members, it is beneficial for Ace Pillar to integrate relevant markets and further refine various aspects of development through exchanges, always maintaining at the forefront of the industry!

Guilds/Associations	Membership level	Position held
Taiwan Machine Tool & Accessory Builders' Association	Associate member	Member
Taiwan Electrical and Electronic Manufacturers' Association	Official member	Member
Taiwan Automation Intelligence and Robotics Association	Secondary member	Member
Taiwan Electronic Equipment Industry Association	Industry member	Director, ESG Committee Chairman

Business Philosophy

Ace Pillar adheres to a righteous and steady business philosophy, adopting people-oriented management and full authorization, allowing employees to operate their work as their own enterprise and strive for excellence together.



Corporate Mission

Assist customers to achieve full net zero carbon emissions and automate over 50% of company processes by 2040!

Management Philosophy

People-oriented.

Corporate Vision

The best partner for green energy and intelligent automation.

Sincerity and Mutual Trust

"Sincerity" is the basic principle of conduct, treating everyone inside and outside the company with sincerity and mutual trust.

Innovation and Change

Encourage innovation to meet internal and external environmental needs.

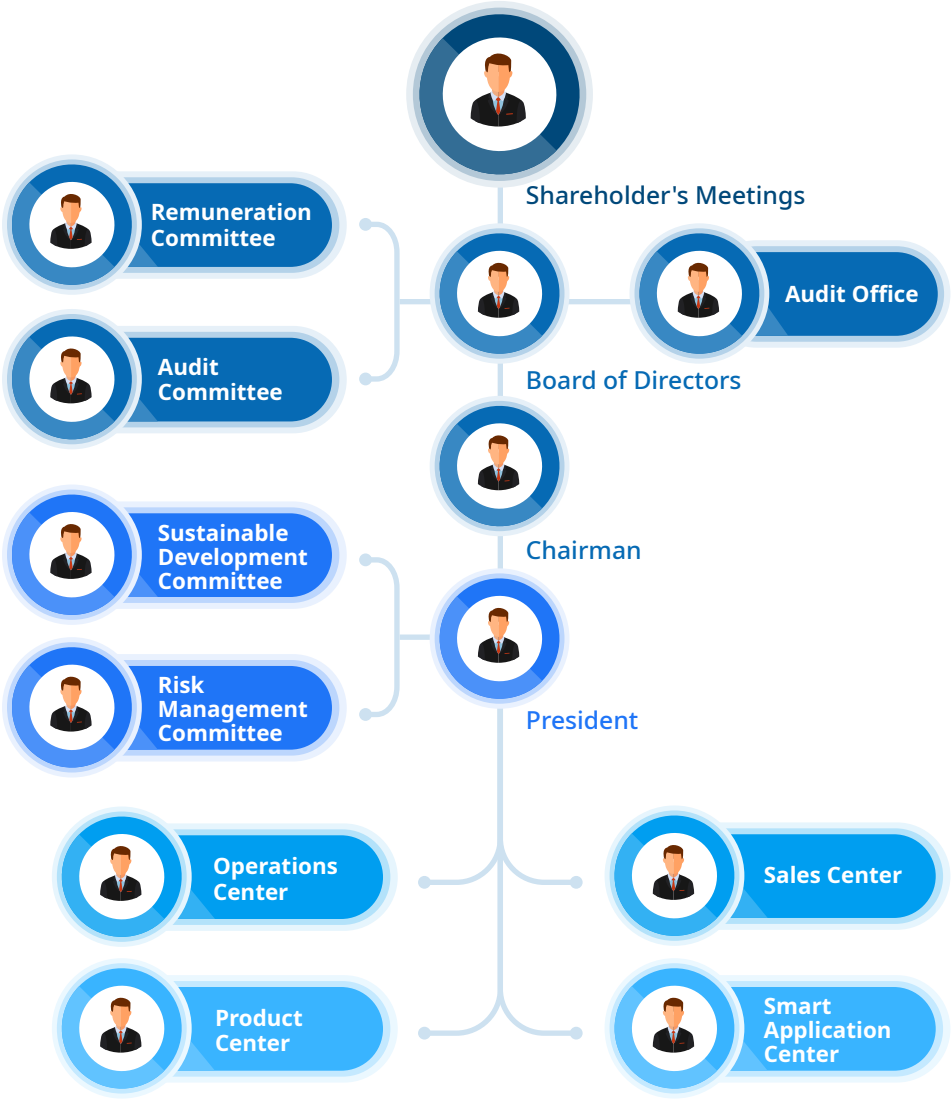
Affirming Contributions

Reward contributions and motivate performance.

Quality First

Quality is the best salesperson.

Corporate Governance Organizational Structure



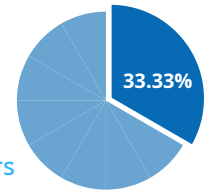
Structure of the Board of Directors

In accordance with the Procedures for Election of Directors, the Company held the annual shareholders' meeting on June 14, 2022 to elect the 13th-term directors (including independent directors) with a term of three years. The current Board of Directors is composed of six directors and three independent directors. Matters related to the Board of Directors are handled in accordance with the Rules of Procedure for Board of Directors Meetings. Meetings are held at least once a quarter, and a total of seven meetings were held in 2024 with an attendance rate of 92%.

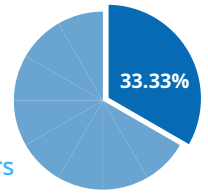
Board of Directors Selection Process

The Board of Directors of Ace Pillar is the highest governance decision-making body. In accordance with laws and Articles of Incorporation, its members are elected by all shareholders at shareholders' meetings through voting based on the Procedures for Election of Directors, with a term of three years. The current Board consists of 9 directors (including 3 independent directors). The committees under the Board are formed through nomination and selection by Board resolution according to their organizational regulations. The independent directors meet the requirements for professional qualifications, work experience, restrictions on concurrent positions, and independence as stipulated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The Chairman is elected by the directors, and all directors have more than five years of relevant work experience in business, legal affairs, finance, accounting or other areas required by the Company.

Percentage of Independent Directors on the board of directors



Percentage of Female Directors on the board of directors



Name	Title	Gender	Age	Independent Director Tenure		Professional Background and Capabilities						Employee Status
				3-6 years	6-9 years	Business Management	Leadership and Decision-making	Industry Knowledge	Information Technology	Finance	International Market	
Wen-Hsing Tseng	Chairman	Male	51~60			✓	✓	✓	✓		✓	
Chris Li	Director	Male	51~60			✓	✓	✓	✓		✓	✓
Chih-Chen Lin	Director	Male	71~80			✓	✓	✓			✓	✓
Alexander Su(Note)	Director	Male	51~60			✓	✓	✓	✓		✓	
Chih-Ying Tien(Note)	Director	Female	41~50			✓	✓	✓		✓	✓	
Milly Huang	Director	Female	51~60			✓	✓	✓		✓	✓	
Hwei-Ling Yang	Director	Female	61~70			✓	✓	✓		✓	✓	
Frank Lee	Independent Director	Male	71~80		✓	✓	✓	✓	✓		✓	
Nick Yeh	Independent Director	Male	61~70	✓		✓	✓	✓		✓	✓	
Joseph Yang	Independent Director	Male	71~80	✓		✓	✓	✓			✓	

Note 113/11/4 Corporate director reassigned representative, original director Alexander Su was dismissed

According to the Company's Rules of Procedure for Board of Directors Meetings and other relevant regulations, for matters discussed at the meeting, directors who have a stake in themselves or the legal entity they represent shall explain the important content of their interest at the current Board of Directors meeting. If there are concerns of harm to the Company's interests, they shall not participate in discussion and voting, and shall recuse themselves from discussion and voting, and shall not exercise voting rights on behalf of other directors.

Conflict of Interest Management

According to Article 208, Paragraph 3 of the Company Act, the Chairman of Ace Pillar's Board of Directors is Mr. Wen-Hsing Tseng. During the discussion and voting of proposals at board meetings, if directors have personal interests in the matter that may potentially harm the company's interests, they shall recuse themselves from discussion and voting in accordance with Article 206, Paragraph 2 and Article 178 of the Company Act regarding conflict of interest. When necessary, the Chairman will designate another director to chair the meeting. If any conflict of interest situations occur during board meetings in the current year, they will be disclosed in the corporate governance chapter of the company's annual report as required by law. The Company has disclosed the board members' directorships in other companies in the shareholders' meeting annual report and regularly discloses information to stakeholders to ensure transparency.

Board Meeting Date	Director Name	Content	Reason for Conflict of Interest Recusal	Voting Participation Status
2024/2/27	Director: Chris Li	Approval of Lifting Non-Competition Restrictions for Current Directors	Director Subject to Lifting of Non-Competition Restrictions	Did Not Participate in Discussion and Voting
	Director: Chris Li	Proposal for Senior Executive Annual Remuneration Indicators for 2024	Serving as a Manager Position in the Company	Did Not Participate in Discussion and Voting
	Director: Chris Li	Proposal for Senior Executive Bonus and Salary Adjustment Policy for 2024	Serving as a Manager Position in the Company	Did Not Participate in Discussion and Voting

Diversity and Expertise of Board Members

All directors of Ace Pillar have completed the required training hours in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies. The training content covered aspects including sustainability principles, net-zero carbon emissions, corporate governance, and sustainable business operations. Among the current Board of Directors members, two are employees of the Company, accounting for 22.22%; three are female directors, with female directors accounting for 33.33%, This meets the Company's diversity policy and specific management goals: (1) directors concurrently serving as company managers not exceeding one-third of the director seats and (2) the Board of Directors must include at least one female director.

For detailed training information, please refer to the Market Observation Post System (MOPS) (Company Code: 8374)

Functional Committees

Audit Committee

The Company established an Audit Committee in 2019, which is composed of all independent directors in accordance with legal requirements. The Audit Committee mainly plays a supervisory role, prudently reviewing the Company's and Board of Directors' execution of business.

Main Responsibilities

The Audit Committee's key focus areas are:

- Establishing or amending the internal control system and evaluating its effectiveness
- Reviewing the appropriate presentation of the company's financial statements
- Supervising the Company's compliance with relevant laws and regulations and the control of existing or potential risks.

The Company's internal audit reports to the Audit Committee quarterly, and the accountants, risk management, and finance and accounting units report to the Audit Committee from time to time, inquiring about internal audit results, the latest financial statement audit situation, financial and business overview and other information. This enables the Audit Committee to also assist investors in ensuring the Company's credibility in corporate governance and information transparency to protect shareholders' rights and interests.

Members	2024 Meeting Status
3 independent directors	Number of Meetings: 6 times, Attendance Rate: **94%**

Remuneration Committee

The Company established a Remuneration Committee in 2011, which exercises relevant powers faithfully in accordance with the law with the care of a good administrator, and submits the proposed recommendations to the Board of Directors for discussion.

Main Responsibilities

The main function of the Remuneration Committee is to evaluate the Company's remuneration policies and systems for directors and managers from a professional and objective position and provide recommendations to the Board of Directors as reference for decision-making. The committee shall exercise the following duties with the care of a good administrator and submit their recommendations to the Board of Directors for discussion:

1. Establish and regularly review the policies, systems, standards and structure for performance evaluation and remuneration of directors and managers.
2. Regularly evaluate and establish the compensation for directors and managers.

Members	2024 Meeting Status
3 independent directors	Number of Meetings: 2 times, Attendance Rate: **83%**

Board of Directors Performance Evaluation

Internal Self-Evaluation

Ace Pillar established the Board of Directors Performance Evaluation Measures in August 2016 and revised them in November 2020. Internal self-evaluations of the Board of Directors, board members, and functional committees are conducted regularly every year, and an external evaluation is conducted once every three years by an external professional independent institution or expert team. The Company completed the self-evaluation for the current year at the end of 2024. The evaluation results of the Board of Directors and the two functional committees were all "Excellent", which is sufficient to show that the functions and operational efficiency of the Company's Board of Directors and functional committees are sound. The evaluation results have been reported to the Board of Directors in February 2025.

External Evaluation

In November 2022, the Company commissioned the Taiwan Corporate Governance Association to evaluate the effectiveness of the Board of Directors. In addition to document review of the Company's evaluation indicator item descriptions and related documents, interviews were conducted on January 10, 2023, with interviewees including the Chairman, conveners of functional committees, President, corporate governance officer, and audit supervisor. The Association issued a Board of Directors performance evaluation report on January 19, 2023, evaluating eight major aspects including the composition, guidance, authorization, supervision, communication, internal control and risk management, and self-discipline of the Board of Directors. The evaluation results were reported to the Board of Directors in March 2023.

Overall Evaluation Summary - The Board of Directors members have fully communicated and reached a consensus on the Company's future business plans and major strategic directions before resolving them at the Board of Directors meeting, effectively improving the efficiency of the Board of Directors' meeting matters and implementing risk identification and control. The overall risk management mechanism is complete.

The company also reviewed and integrated existing reporting policies and systems based on the Taiwan Corporate Governance Association's recommendations, set up an independent director's direct email inbox, used audit quality indicator (AQI) information as a reference for CPA appointment decisions and audit fee deliberations, and invited the certifying CPA to attend Board of Directors or Audit Committee meetings. The Company plans to formulate an Orientation System for New Directors to assist new directors in quickly grasping the Company's operating conditions and aid them in performing their duties.

Self-Evaluation	Aspect	Assessment Indicators	Score	Result
Board of Directors and Directors	● Grasp of the Company's goals and tasks ● Degree of participation in the Company's operations ● Internal relationship management and communication ● Improving the quality of the Board of Directors' decisions ● Composition and structure of the Board of Directors ● Directors' awareness of responsibilities ● Directors' selection, expertise and continuing education ● Internal Control	50 items	99.8 Points	**Excellent**
Audit Committee	● Degree of participation in the Company's operations ● Understanding of Audit Committee Responsibilities ● Improving Audit Committee Decision-Making Quality ● Audit Committee Composition and Member Selection ● Internal Control	20 items	100 Points	**Excellent**
Remuneration Committee	● Degree of participation in the Company's operations ● Understanding of Remuneration Committee Responsibilities ● Improving Remuneration Committee Decision-Making Quality ● Remuneration Committee Composition and Member Selection	16 items	98.3 Points	**Excellent**

Note: Performance indicators: 90 points and above is "Excellent", 80 points and above but less than 90 points is "Good", 70 points and above but less than 80 points is "Standard", 70 points is "Needs Improvement".

Major Incident Communication

Item	Board Meeting Date	Content
1	2024/02/27	● Report on the implementation of sustainable development in 2023 ● Report on the implementation of Integrity Management Best Practice Principles in 2023 ● Report on the implementation of risk management operations in 2023 ● Report on the planning and implementation of greenhouse gas inventory in Q4 2023
2	2024/05/02	● Report on the planning and implementation of greenhouse gas inventory in Q1 2024
3	2024/08/02	● Report on the planning and implementation of greenhouse gas inventory in Q2 2024
4	2024/11/01	● Report on intellectual property management plan and its implementation in 2023 ● Report on the implementation of information security management in 2023 ● Report on the planning and implementation of greenhouse gas inventory in Q3 2024 ● Resolution on establishing "Sustainability Information Management Operating Procedures ● Resolution on establishing "Sustainability Reporting Preparation and Verification Procedures

Governance Level Remuneration Strategy

Remuneration for the Company's directors is determined and distributed by the Board of Directors in accordance with the Directors and Functional Committee Members Compensation Regulations, which is established based on the authorization in the Articles of Incorporation, considering directors' level of participation in operations, contribution value to the Company, implementation of corporate core values, strategic objectives and missions, as well as domestic and international industry standards. When the Company has profits, directors' remuneration shall be allocated in accordance with Article 22 of the Articles of Incorporation.

Remuneration for the Company's managers is determined based on their position responsibilities, job grade, professional capabilities, and with reference to industry market standards. Regarding bonus distribution, it is highly linked to the Company's operating results and performance and is determined based on the Company's annual operating performance, financial status, operational conditions, and individual work performance. The Company uses performance evaluation results conducted according to the Performance Management Regulations as a reference basis for distributing bonuses to managers. The performance evaluation items for managers are divided into 1. Financial indicators: such as operating revenue, operating profit, or net income after tax, with consideration of managers' target achievement rates; 2. Non-financial indicators: such as promoting high value-added product solutions, new product development, exploring new markets, developing potential new customers, and annual operational strategic key project targets - these two major categories serve as the basis for calculating their performance-based remuneration.

The reasonableness of performance evaluations and remuneration for the Company's directors and managers is regularly assessed and reviewed annually by the Remuneration Committee and the Board of Directors. In addition to considering individual performance achievement rates and contributions to the Company, they also take into account the Company's overall operating performance, future industry risks, and development trends and review the remuneration system in a timely manner based on actual operating conditions and relevant regulations. Furthermore, reasonable remuneration is provided after comprehensively considering current corporate governance trends.

1-2 Financial Performance

In 2024, as geopolitical and trade patterns change, the pace of supply chain inventory digestion continues to slow down. The Company strives to improve existing business operations and adjust market strategies. Through strategic alliances in intelligent automation, green energy, and semiconductor industries with STC, Transpak Equipment Corporation, Ace Energy, and Bluewalker, we implement group integration benefits to ensure that under diversified development operations, the Company can achieve greater value under better risk management and resource integration.

Ace Pillar's consolidated net revenue for 2024 was NT$3.68 billion, an increase of 20.52% compared to the previous year, with consolidated operating profit of NT$156 million and consolidated net income after tax of NT$146 million. Of this, net profit attributable to owners of the parent Company was NT$67 million, with earnings per share of NT$0.60. Moreover, the consolidated and individual entities included in the company's consolidated financial statements are disclosed in the Company's 2024 financial statements.

Financial Performance (Consolidated Financial Statement Information Consistent with Annual Report)

Unit: NT$ thousand

Item \ Year	2022	2023	2024
Operating Revenue	3,762,421	3,051,803	3,678,183
Operating Gross Profit	739,227	622,660	885,394
Operating (Loss) Profit	95,726	(13,473)	155,757
After-tax Net Profit (Loss)	97,574	(17,080)	146,187
Net Profit (Loss) Attributable to Owners of the Parent Company	78,953	(20,946)	67,390
Earnings (Loss) Per Share	0.70	(0.19)	0.6

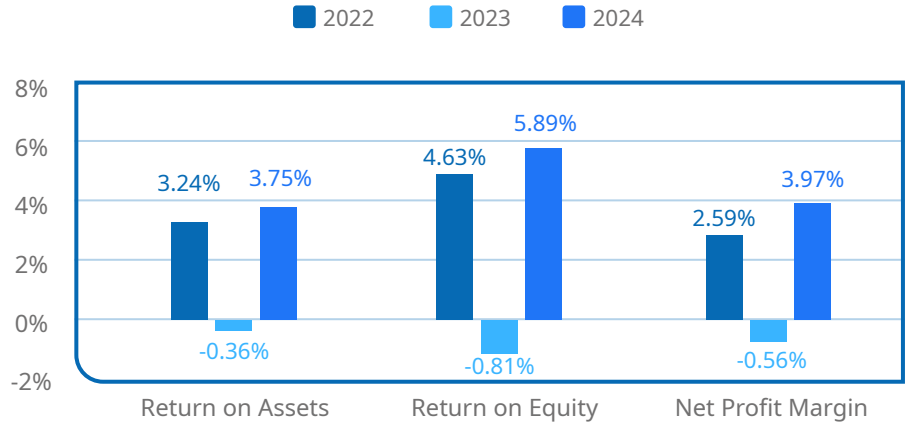
Annual Report

Financial Report

Profitability (Consolidated Report Information)

Unit: %

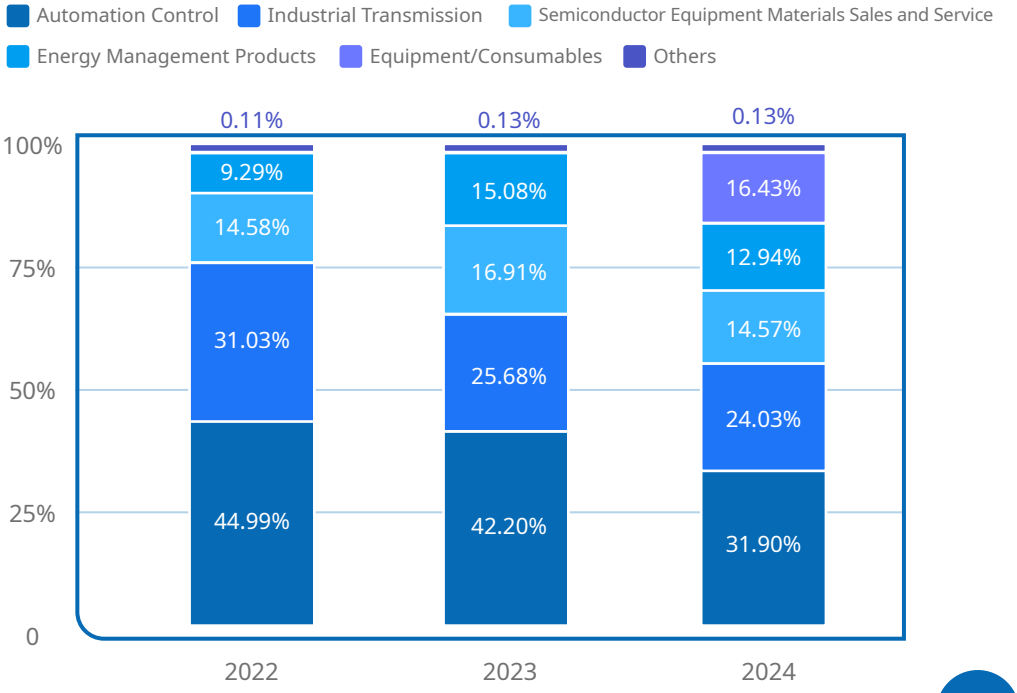
Item \ Year	2022	2023	2024
Return on Assets (%)	3.24%	-0.36%	3.75%
Return on Equity (%)	4.63%	-0.81%	5.89%
Net Profit Margin (%)	2.59%	-0.56%	3.97%



Revenue Overview by Product (Consolidated Report Information)

Unit: NT$ thousand

Item \ Year	2022	2023	2024
Automation Control	1,692,653	1,287,813	1,173,474
Industrial Transmission	1,167,569	783,648	884,009
Semiconductor Equipment Materials Sales and Service	548,580	516,026	535,760
Energy Management Products	349,631	460,206	475,809
Equipment/Consumables	-	-	604,257
Others	3,988	4,110	4,874
Total	3,762,421	3,051,803	3,678,183



Note Financial information disclosure is consistent with annual report information

2024 Economic Value Distribution Table (Consolidated Statement Information)

Unit: NT$ thousand

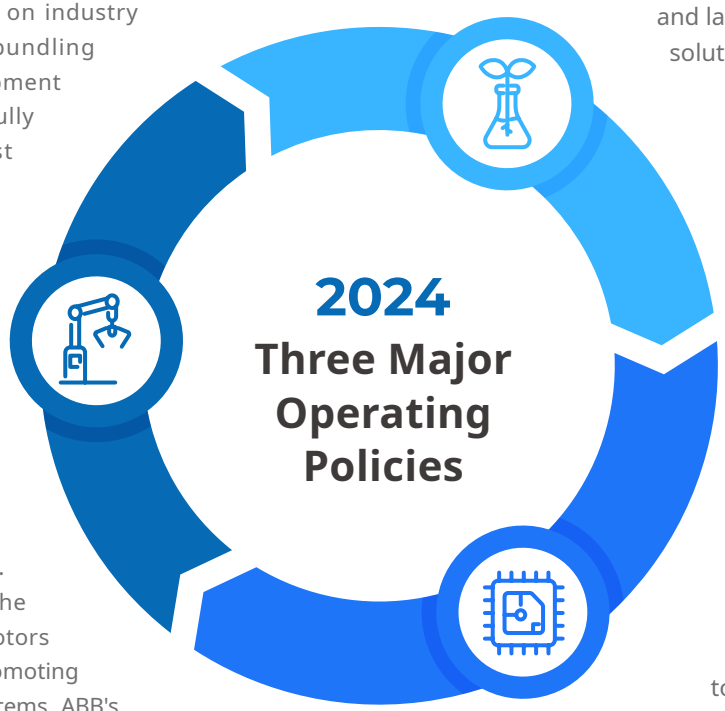
Item	Amount	Remark
A. Directly Generated Economic Value		
a. Consolidated Revenue	3,678,183	
B. Distributed Economic Value		
b. Operating Costs	2,767,930	
c. Employee Salaries and Benefits	477,821	
d. Interest Payments or Dividend Distributions	45,128	● Bank loan interest payment of NT$10,069 thousand ● Corporate bond interest payment of NT$1,384 thousand ● Dividend distribution to shareholders of NT$33,675 thousand
e. Taxes Paid 46,116	46,116	Income tax expense
f. Community Investment	50	Charitable Donations of EY Starry Angels Charity Concert
Retained Economic Value = A-B		
Total Retained Economic Value	**341,138**	

2024 Three Major Operating Policies

Ace Pillar

Optimizing Automation Business and Transforming into Comprehensive System Integration Services

The main products introduced in 2024 were focused on industry solutions and system integration orientation. For bundling and stacking, the Company launched Transpak Equipment Corporation's exclusive bundling technology (semi/fully automatic) and bundling machines using the latest Direct Drive technology. These provide high cost-performance solutions that significantly improve customers' operational efficiency and performance. In terms of motion control, we collaborated with international manufacturers like Akribis and Delta to integrate industrial computers, upper control axis cards, PLCs, linear drives, optical sensors, and mechanical transmission to launch high-speed, high-precision motion platforms. We promoted integrated subsystems for applications in semiconductors, logistics, manufacturing, equipment and enterprise energy conservation, PCB, and machine tool industries. Regarding variable frequency energy, we deepened the application of Delta's high-efficiency IE5 reluctance motors and high-power frequency conversion in the market, promoting high-efficiency energy-saving solutions for HVAC fluid systems. ABB's modularized hardware and software products for charging piles and energy management products are widely applied in energy management, building automation, EV charging systems, and energy-saving solutions for fluid machinery. Leveraging Ace Energy's strengths, we promote air compressor energy savings, waste heat recovery, and IoT implementation. Using PowerGlow energy management system's AI data analysis capabilities, we provide energy monitoring services to improve energy usage efficiency.



Subsidiary Synergy

Expanding the Green Energy Business

In the UPS market, BlueWalker expanded its product line and launched Data Center UPS and Micro Data Center solutions suitable for small and medium enterprises, with single unit capacity ranging from 20KVA to 80KVA, capable of parallel connection up to 320KVA. The rack-mounted UPS modules were upgraded to 60KVA, achieving up to 600KVA. These products support expansion into the Southwestern European market, promote energy-saving transformation and contribute to the achievement of ESG goals of net-zero carbon emissions.

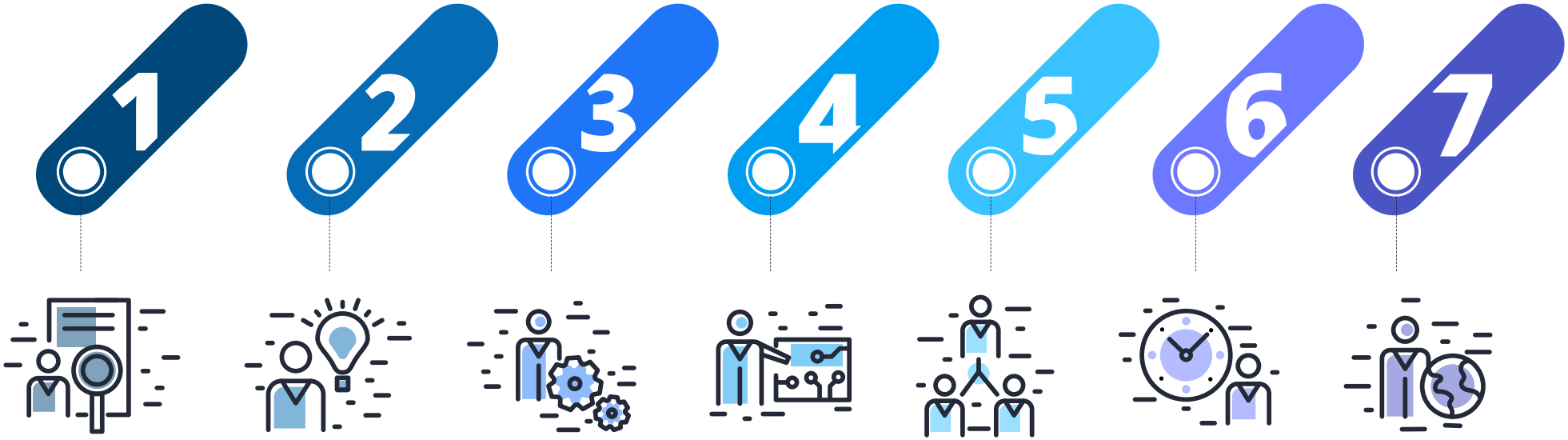
Subsidiary Synergy

Laying out the Semiconductor Industry

In the semiconductor sector, STC continues to expand random error measurement solutions to improve yield rates in advanced processes and advanced packaging domains, achieving significant results in new fab projects. In terms of wafer transfer equipment, we have added the development of wafer lifting machines, further expanding our self-manufactured equipment range. We have also invested in local production to generate new growth momentum for the Company.

2025 Business Directions

Seven Major Management Directions for 2025



1. Modular Design and Solutions
2. Energy Management and Energy-Saving Solution Expansion
3. Automation and Visual Recognition Technology Applications
4. Semiconductor and Smart Factory Solutions
5. Resource Integration and Strategic Partnerships
6. Inventory and Supply Chain Management Optimization
7. Overseas Market Expansion

1-3 Implement Ethical Management and Legal Compliance

Integrity Management

Ace Pillar believes that integrity in business operations is the most fundamental corporate social responsibility. One of its operating philosophies is Sincerity and Mutual Trust, of which "Sincerity" is our core principle of conduct, treating both internal and external stakeholders with sincerity and mutual trust. All directors and senior managers of Ace Pillar have signed the Statement of Compliance with Integrity Management Policy, declaring that they will strictly comply with the Ace Pillar Co., Ltd. Integrity Management Best Practice Principles and will not engage in any activities that violate integrity, laws, or other regulations specified in the principles during business operations.

Legal Compliance

To ensure that the company and employees comply with the laws and regulations of Taiwan and other countries when conducting business, Ace Pillar has formulated relevant policies and measures for Taiwan and other countries' laws and regulations, including personal data protection, confidentiality, anti-bribery, anti-discrimination, intellectual property protection, insider trading prevention, anti-unfair competition, and labor protection, and promotes corporate social responsibility. To ensure the promotion of internal legal compliance policies, a control system is established, and audit measures are used to ensure that business execution meets relevant requirements.

Code of Conduct

The Company has established integrity management policies by referencing the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. These policies include the (1) Corporate Governance Best Practice Principles, (2) Company Integrity Management Best Practice Principles, and (3) Procedures for Handling Cases of Illegal, Unethical, or Dishonest Conduct, which are published on the Company website. Furthermore, the Company's integrity principles serve as the highest standard of conduct for all employees in their business activities. In addition to providing education and training when employees join the Company, we regularly promote the importance of integrity to company employees and remind them to comply with and implement these principles.

The Integrity Best Practice Principles formulated by the Company serves as a code of conduct for employees, and the importance of integrity is strengthened through formal education and training courses that regularly train all global employees to participate. The content covers "Conflicts of Interest", "Legal Compliance", "Business Secrets and Company Assets", and "Participation in Political Activities".

Policies and Regulations

Ace Pillar has established four relevant policies and regulations to prevent company members, in the course of business operations, from directly or indirectly providing, accepting, promising or requesting any improper benefits, or engaging in other acts that violate integrity, illegality or fiduciary duty, including extortion, bribery, money laundering and insider trading, in order to obtain or maintain benefits, and to avoid conflicts of interest. When engaging in transactions with suppliers, the Company's integrity management policy and relevant regulations are appropriately explained to suppliers, and the direct or indirect provision, promise, request or acceptance of any form or name of improper benefits is clearly refused. Transactions with agents, suppliers, customers or other business partners involved in dishonest conduct should be avoided, and business dealings with them may be terminated depending on the situation.

- Code of Ethical Conduct
- Procedures for Handling Cases of Illegal, Unethical or Dishonest Conduct Integrity Management Best Practice Principles
- Integrity Management Best Practice Principles
- Procedures for Handling Material Inside Information and Preventing Insider Trading

Integrity Handbook Promotion and Training

In recent three years, Ace Pillar has had no major fines and has fully implemented the execution of the Company's internal integrity management best practice principles. Every year, it conducts ethical handbook promotion and training for all colleagues, including topics such as integrity promotion, avoidance and conflict of interest, legal compliance, business secrets and company assets, and participation in political activities, and conducts online tests. In 2024, the training completion rate reached 100%, and the Company's internal system also announces the integrity management best practice principles for all colleagues to be aware of. To improve the management of integrity management, the Company has established an integrity management unit, allocated sufficient resources and suitable personnel, and is responsible for the formulation and supervision of the implementation of integrity management policies and prevention programs, and reports to the Board of Directors on a regular basis (first quarter) every year. In addition, in response to the regulations prohibiting insider trading (Securities and Exchange Act §157-1), Ace Pillar has implemented education and training on the prohibition and prevention of insider trading within the Company, with a training completion rate of 100% in 2024, and there have been no insider trading-related violations by Ace Pillar in the past three years.

Training Completion Rate Reaches **100%**

No Major Fines in the Past **3 Years**

Implementation Status of Integrity Management in 2024

Ace Pillar has established relevant regulations and procedures and requires all colleagues to strictly abide by laws and regulations and follow the code of conduct and norms through the formulation of relevant rules and measures. The Company strengthens promotion through various channels such as education and training, internal company emails, and meetings.

Ace Pillar conducts integrity policy promotion for employees every year and provides training to enhance employees' awareness of integrity and accountability. To prevent any dishonest conduct, employees are required to take the initiative to explain to the Company and follow the norms of the Integrity Management Best Practice Principles and Ethical Handbook when encountering ethical concerns and conflicts of interest. Online ethical training for all employees is conducted to ensure that each employee understands the key points of the code of conduct and puts them into practice. For the 2024 training completion rate, please see the table below. With the promotion and advocacy of ethical code of conduct training, there were no cases of violations of ethical principles in 2024.

2024 Integrity Handbook Training

115	115	Completion Rate
People Completed Training	Training Hours Completed	100 %

Insider Trading Prevention Course in 2024

114	114	Completion Rate
People Completed Training	Training Hours Completed	100 %

Reporting and Suggestion Communication Mechanism

The company has established the Procedures for Handling Cases of Illegal, Unethical or Dishonest Conduct. For serious misconduct that violates the principles of integrity, conflicts of interest and avoidance, fair trade, bribery, etc., or illegal and improper treatment, there is a complete set of procedures for handling complaints and reports. Once it is discovered that a person or matter does not conform to the spirit of integrity or violates the norms in the integrity management best practice principles, internal and external personnel can report any improper business conduct through the reporting mailbox.

Communication and Complaint Channels

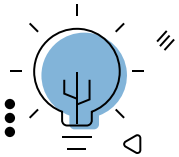
Target: Internal colleagues of the company and external suppliers, customers, or other stakeholders.
Channel: Email: 8374@acepillar.com.tw for reporting or complaints. Response: An independent dedicated unit conducts due diligence investigation and prepares an investigation report. Ace Pillar strictly guarantees the confidentiality of whistleblowers' identities and ensures their safety and protection from retaliation.

※In 2024, the Company's whistleblowing mailbox did not receive any internal or external reports regarding violations of the Code of Ethics.

1-4 Risk Management

Risk Management Vision

01

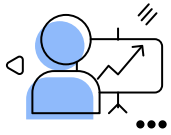


Committed to continuously providing products and services to create long-term value for customers, shareholders, employees, and society.

02

Risk management requires a systematic organization and risk management procedures to identify, assess, handle, report, and monitor significant risks that affect the Company's viability in a timely and effective manner, and strengthen the risk awareness of all employees.

03

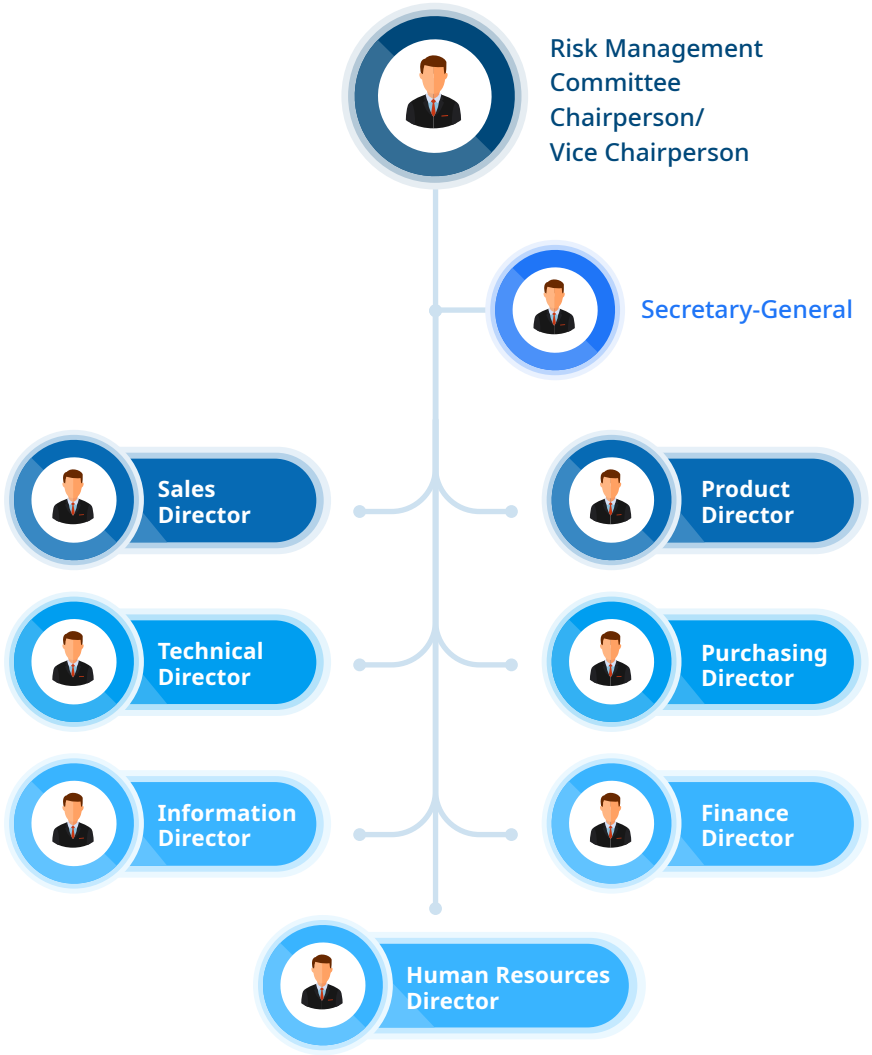


Risk management is not the pursuit of "zero" risk, but the pursuit of maximum benefits under acceptable risk conditions to optimize risk management costs.

Establishment of the Risk Management Committee

Since 2020, Ace Pillar has participated in the Sustainability and Risk Control Quarterly Meeting organized by its parent company Qisda Group's risk management organization, continuously monitoring potential risks that the group may face. In response to the group's Business Continuity Management (BCM) and to ensure that important operations can continue without being affected by major information system failures or disasters when encountering natural or man-made accidents, the Company officially established the Risk Management Committee (RMC) in November 2020. This established a proactive risk management mechanism to enable relevant units to respond to risk events through risk management procedures in a timely manner, reduce or avoid risk event impacts, and increase risk awareness among personnel to ensure Ace Pillar's sustainable operations. The Company's risk management focuses on the risk management system and risk transfer planning of corporate governance: strategic, financial, operational and hazard risks are managed by the Risk Management Committee. The Company's risk management vision and policies and procedures are clearly stipulated in order to effectively manage risks that exceed the Company's risk tolerance, and risk management tools are used to optimize the total cost of risk management.

Organizational Structure of the Risk Management Committee



Risk Management Policy

1 To ensure the Company's sustainable operation, the Risk Management Committee shall regularly identify, assess, handle, report, and monitor risks that may have a negative impact on the Company's operational goals every year.

2 Before an incident occurs, risks should be identified and controlled, losses should be suppressed when an incident occurs, and the provision of products and services should be quickly restored after an incident occurs. For major risk scenarios identified by the Risk Management Committee, a business continuity plan shall be formulated.

3 For risks that do not exceed the risk tolerance, risk management tools may be used to handle them considering risk management costs, but the following situations are not limited to this.

- Negative impacts on employee life safety
- Leading to violations of legal regulations
- Negative impact on the Company's reputation

Risk Management Framework and Procedures

Ace Pillar's Risk Management Committee is chaired by the President, with the CFO as the Vice Chairperson and first-level executives of each unit as members. They discuss and determine Ace Pillar's risk management strategies, set annual goals and risk items, and integrate risk management mechanisms into daily operational processes. Furthermore, a Risk Management Secretary General is appointed to pay attention to internal and external events, identify potential risks, draw risk radar charts, plan risk management meetings, track risk goals and items quarterly, confirm the implementation of improvement plans, and coordinate cross-departmental communication. The operation of the Risk Management Committee is supervised by the Board of Directors, and the implementation of risk operations is reported to the Board of Directors every year.

Risk Management Committee Operating Process

01 Establishment of the Risk Management Committee

02 Formulation of RMC Operating Procedures

03 Regular RMC Meetings

04 Risk Identification

05 Implementation/Tracking of Meeting Resolutions

06 Reporting of Risk Handling Results

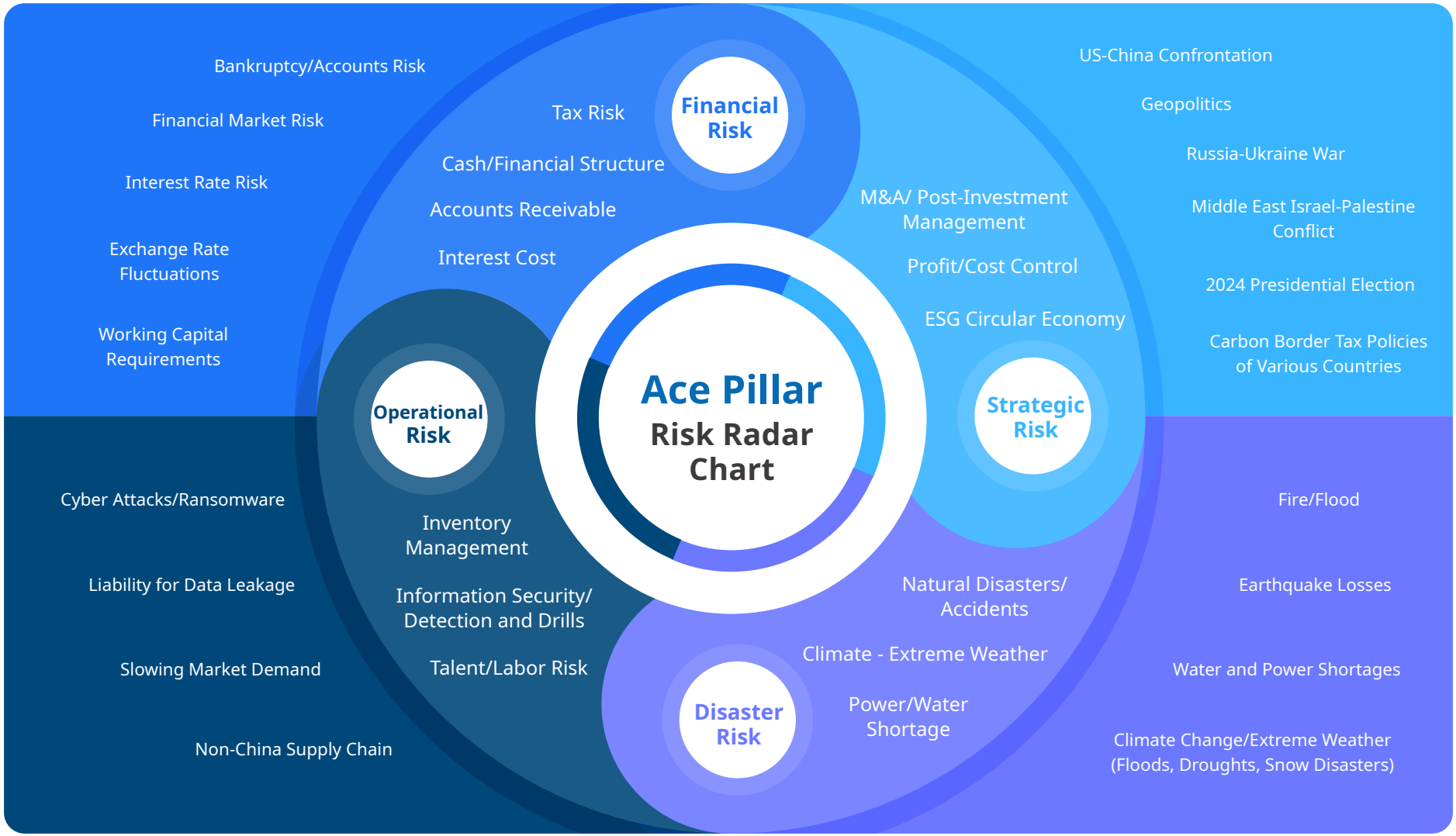
Group Joint Defense Mechanism

Additionally, a group joint defense mechanism centered on Qisda has been established, covering more than 170 companies. Through regular project discussions, information integration, and practical experience sharing, Qisda Group's loss prevention resources are integrated and the group's emergency response capabilities are strengthened to achieve risk control objectives. In 2024, Qisda Group held 4 regular meetings, implementing emergency response, business continuity planning, CSR/ESG, and risk management culture education for all employees through the platform across group companies. Through education and training and drill operations, the ability of group companies to quickly respond to and handle crisis events is established. The mechanism of resource and information sharing and experience sharing also allows group companies to conduct preventive management and start from the source before risk events occur, reducing the probability of accidents.

2024 Group Risk Drills and Inventory Items

Item	Frequency
Risk Emergency Notification Drill	Once
Flood Risk Assessment and Flood Prevention Performance Inventory	Once

2024 Ace Pillar Identified Risk Radar Chart



2024 Risk Setting Summary Table

Responsible Department	Risk Item	Risk Category	Before Handling	After Handling	Regulatory Measures
Human Resources Department	Organizational Talent Needs	O	High	Medium	1. Recruit through human resource recruitment websites 2. Senior executives/Group talent referrals 3. Professional headhunting consultants 4. Internship program 5. Cultivate reserve supervisors
Information Technology Department	Information Security	O	Medium	Low	1. Enhance endpoint protection and network monitoring capabilities 2. Enhance colleagues' awareness of information security/personal data protection 3. Purchase MA within the deadline to obtain manufacturer support, or regularly replace equipment storage
Warehouse Department	Temperature and Humidity Management in Warehouses	O	High	Medium	1. Regularly record temperature and humidity readings in different warehouse areas, and periodically review and confirm changes in storage conditions across all zones
Finance Department	Financial Risks Brought by External Factors	F	Medium	Low	1. Exchange rate risk: The management unit regularly reviews foreign exchange positions of the Company and its subsidiaries and implements hedging strategies for each exposure position by currency. 2. Interest rate risk: Arrange weekly cash flow forecasts, regularly track overdue accounts, and execute fund management operations. 3. Credit risk: Establish customer credit management regulations and abnormal account handling procedures and implement accounts receivable insurance.
Sales Department	Key Customer Management	S	High	Medium	1. Weekly business reports and tracking of KA (Key Account) customer progress updates. 2. KA (Key Account) customer forecasts have been uploaded to the system to confirm customer demands. 3. Development of semiconductor customers and key indicator customers across various industries.
Product	Product Industry Integration	S	Medium	Low	1. Regularly review and evaluate inventory requirements for key customers and make appropriate adjustments. 2. Continue to strengthen and expand system integration and project division cooperation models and promote integrated solutions.
Technical Department	Customer In-Warranty Maintenance	S	Medium	Low	1. Synchronize confirmation with business units and regularly review and discuss warranty conditions after sales. 2. Regularly convene Risk Management Committee (RMC) meetings to review potential risk transfer possibilities.
Risk Management Committee All Member	Climate Change	H	Hold dedicated RMC climate change risk identification meetings annually and disclose related information and response measures in Chapter 4-1 Climate Change Actions of this report.		

Note O：Operation | F：Finance | S：Strategy | H：Hazard

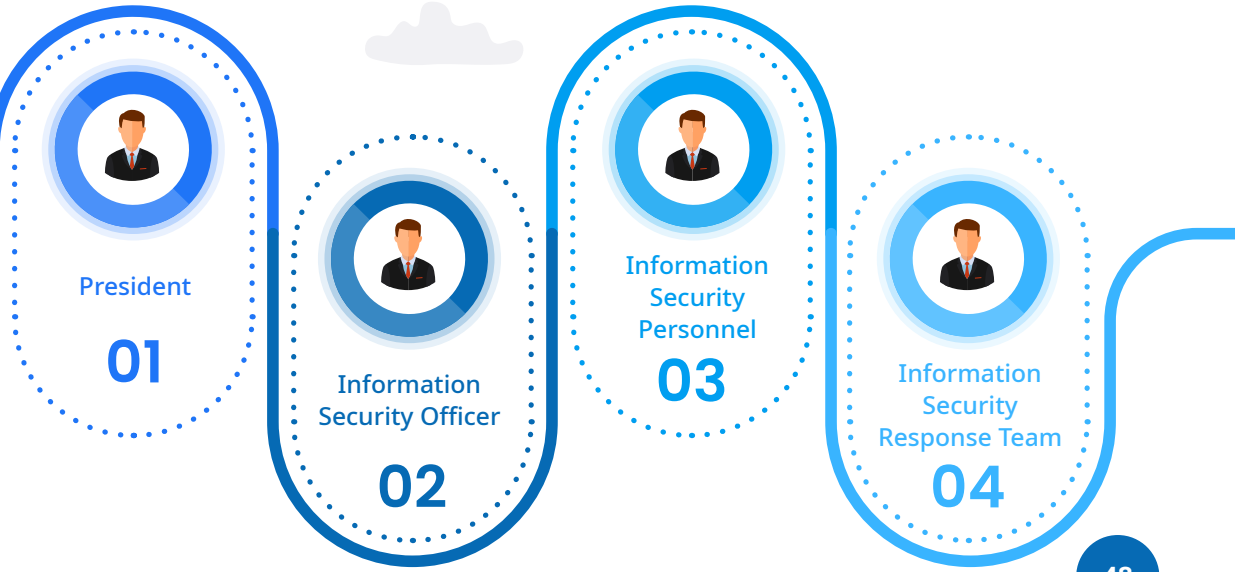
1-5 Information Security

Information Security Policy

Follow regulatory authorities' requirements to establish relevant information security management regulations to ensure the confidentiality, integrity, availability, and legal compliance of company assets. Evaluate the impact of human-made and natural disasters on the company's information assets, establish disaster prevention strategies and contingency recovery plans, regularly conduct disaster recovery drills to prevent internal and external intentional or accidental threats, in order to achieve sustainable business operations. Supervise colleagues to implement company information security protection and comply with information security management measures, ensuring colleagues' awareness and protection of information security. In addition to requiring company colleagues to strictly comply with the Company's information security regulations, we also require signing contracts with third-party service providers that include confidentiality and network security provisions.

Information Security Risk Management Framework

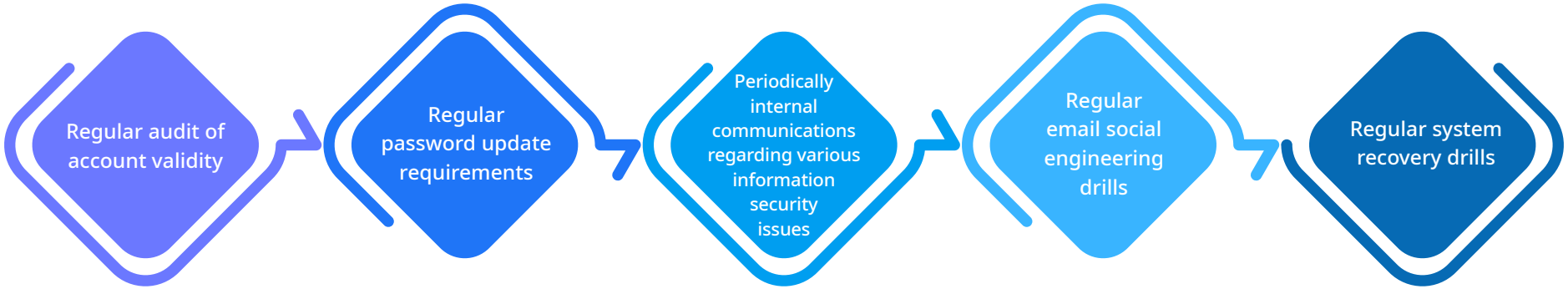
The Information Technology Department is the unit responsible for information security in the Company, with designated information security supervisors and personnel in charge of security operations. Through operational guidelines and tools for information assets, the Company's intellectual property security is effectively protected and employee information security awareness is enhanced. Through the implementation of the information security management system, annual audits are conducted by the Audit Office. If deficiencies are found during the audit, the audited units are required to propose relevant improvement plans and report to the Board of Directors to track improvement effectiveness. Additionally, quarterly Risk Management Committee meetings are held, presided over by the President. During these meetings, the Information Technology Department reports on risk assessments and response measures.



Information Security and Personal Data Protection Measures

Through the implementation of the information security management system, we enforce information security policies, protect customer data and company intellectual output, strengthen response capabilities to information security incidents, and achieve information security policy metrics. This meets the expectations of stakeholders towards our company, and through the PDCA mechanism, we continuously enhance the Company's information security control mechanisms, helping to improve the Company's competitiveness. Regularly audit account validity and conduct permission reviews, with account permissions following the principle of minimization; enable Multi-Factor Authentication (MFA) mechanism and require periodic password updates to ensure system operation security. Promote various information security issues to internal colleagues from time to time to strengthen information security awareness. The Company also regularly conducts email social engineering drills and provides education and training on information security knowledge related to email communications for employees, enhancing colleagues' information security awareness to ensure information security concepts are integrated into daily operations. In the 2024 email social engineering drill, 96% of colleagues passed the drill test. Employees who mistakenly clicked on malicious emails are also scheduled for additional training courses.

System restoration drills are conducted regularly every year, and ERP data is backed up off-site daily. Additionally, through the Security Scorecard cyber security risk management system, we monitor and analyze 10 major risk categories across different risk aspects, including network security, DNS health, patch management, endpoint security, IP reputation, application security, and others. We continuously conduct security system risk analysis with the goal of maintaining a comprehensive Security Scorecard score of 100.

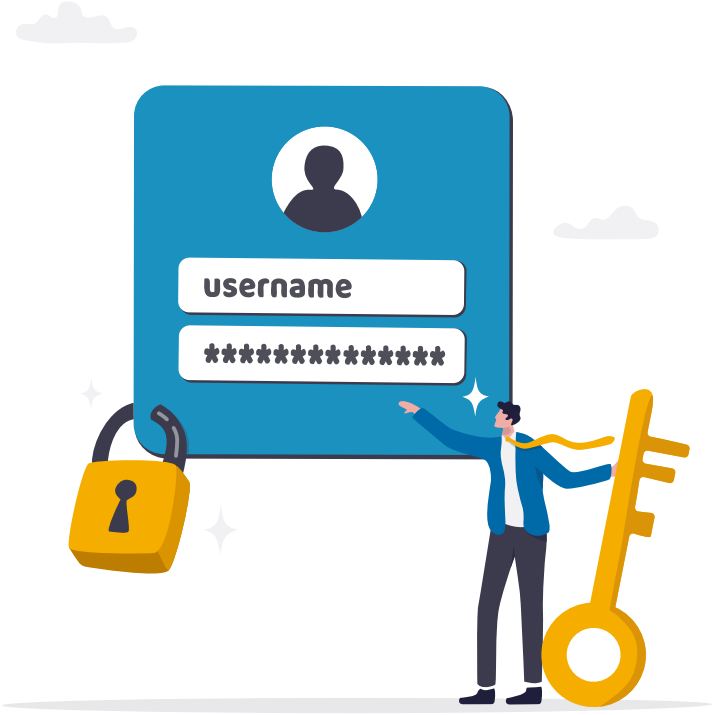


Customer Privacy Protection

Ace Pillar understands the importance of privacy and is committed to protecting customer privacy and confidentiality. Without explicit authorization, the Company will not disclose or use customer privacy and confidential information for any purpose. The Company has established Computerized Information Processing Operation Cycle to create a secure and reliable computerized operating environment, and has installed various information security equipment such as firewalls and antivirus systems to ensure the security of company computer data, systems, equipment and networks, protecting customer information.

Additionally, the Company has established the Personal Data Protection Management Operations as guidelines for employee behavior. Employees should carefully manage confidential information or matters known to them through their duties. Without company disclosure or necessary provision for performing duties, they shall not leak to others or use for purposes other than work; this applies even after leaving employment.

The Company strictly protects and controls relevant customer information, internally reinforces the importance of protecting customer documents and technical secrets, and continuously promotes through internal email communications and new employee training to help employees understand the importance of information security. Regular annual verification of any customer complaints regarding data loss incidents, and if any occur, a comprehensive review will be conducted.



Regular Drill Items	Frequency	Target	Implementation Effectiveness Description
Network Security Risk Scanning	Weekly Review	Company-related Domains	Maintain 100 Points
Information System Business Continuity Drill	Once Every 2 Months	Critical Systems Conduct One Drill Annually	Verify Compliance with RPO, RTO, MTD Targets (24 hours) for Each Critical System
Conduct Social Engineering Drills	Once a year	All Company Colleagues	96% Pass Rate in 2024

Projects Implemented in 2024

Information Security Project Items	Description	Implementation Effectiveness Description
Implement Endpoint Detection and Response (EDR) Mechanism and Managed Detection and Response (MDR) Service	• Through endpoint monitoring, threat detection, and automated response capabilities to protect endpoint security in real-time. • Comprehensive threat management service supported by professional security teams, covering monitoring, incident investigation, threat hunting and response, to enhance overall information security protection level.	Periodically send early warnings, incident notifications; provide monthly analysis reports.
Implement PAM (Privileged Access Management)	Establish privileged account access security policies to control, supervise, protect and audit privileged accounts and activities in corporate IT environments.	Effectively protect privileged account security and prevent system administrators from sharing privileged accounts. The operation process of privileged account usage is recorded for reference and review.
Implement SOC (Security Operations Center)	Provide continuous monitoring (24 hours a day * 7 days a week), threat detection, incident analysis and response, integrating security tools to ensure enterprise information security.	As of 2024/12/29; periodically send early warnings, incident notifications; provide monthly analysis reports.

In October 2023, the Company experienced a security incident where hackers used wireless network controller accounts to infiltrate the company network and encrypt systems for ransomware attacks. This resulted in damage to AD, CRM, electronic forms, file servers and other systems. Based on the security forensics results, the Company has patched vulnerabilities and reported to regulatory authorities, explaining the cause of the incident and improvement measures, and has not received any penalties from regulatory authorities; to date, we have not received any complaints from customers or vendors about personal privacy breaches.

In 2024, the Company continued to strengthen overall information security infrastructure based on the NIST framework's five dimensions: identify, protect, detect, respond, and recover. No major security incidents occurred, no financial losses were caused to customers or suppliers due to security incidents, and no complaints were received from customers regarding privacy or personal information issues. Under the protection of gradually strengthened security measures, the Company aims to prevent any future major security incidents. If any systems are damaged, the Company will restore critical systems within 24 hours through comprehensive backup and redundancy mechanisms, as well as information system business continuity drills.

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Security Incidents in 2024

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Account Theft Incidents in 2024

Managing Partnership Relations

2-1 Customer Relationship

2-2 Sustainable Supply Chain Management

02

2-1 Customer Relationship

Ace Pillar cares about every customer's experience, providing meticulous attention from pre-purchase to after-sales service. We commit to making the utmost effort to strictly control product and service quality, ensuring they meet customer expectations. Based on good communication and service, we aim to achieve sustainable business operations, actively fulfill every commitment, properly handle customer demands, and ensure that every customer experiences Ace Pillar's dedication and professionalism in products and services.

Sincerity and Mutual Trust

"Sincerity" is the basic principle, treating everyone inside and outside the company with sincerity and mutual trust.

Affirming Contributions

Reward contributions and motivate performance to provide customers with better service quality.

Innovation and Change

Encourage innovation to meet the needs of internal enterprises and customers.

Quality First

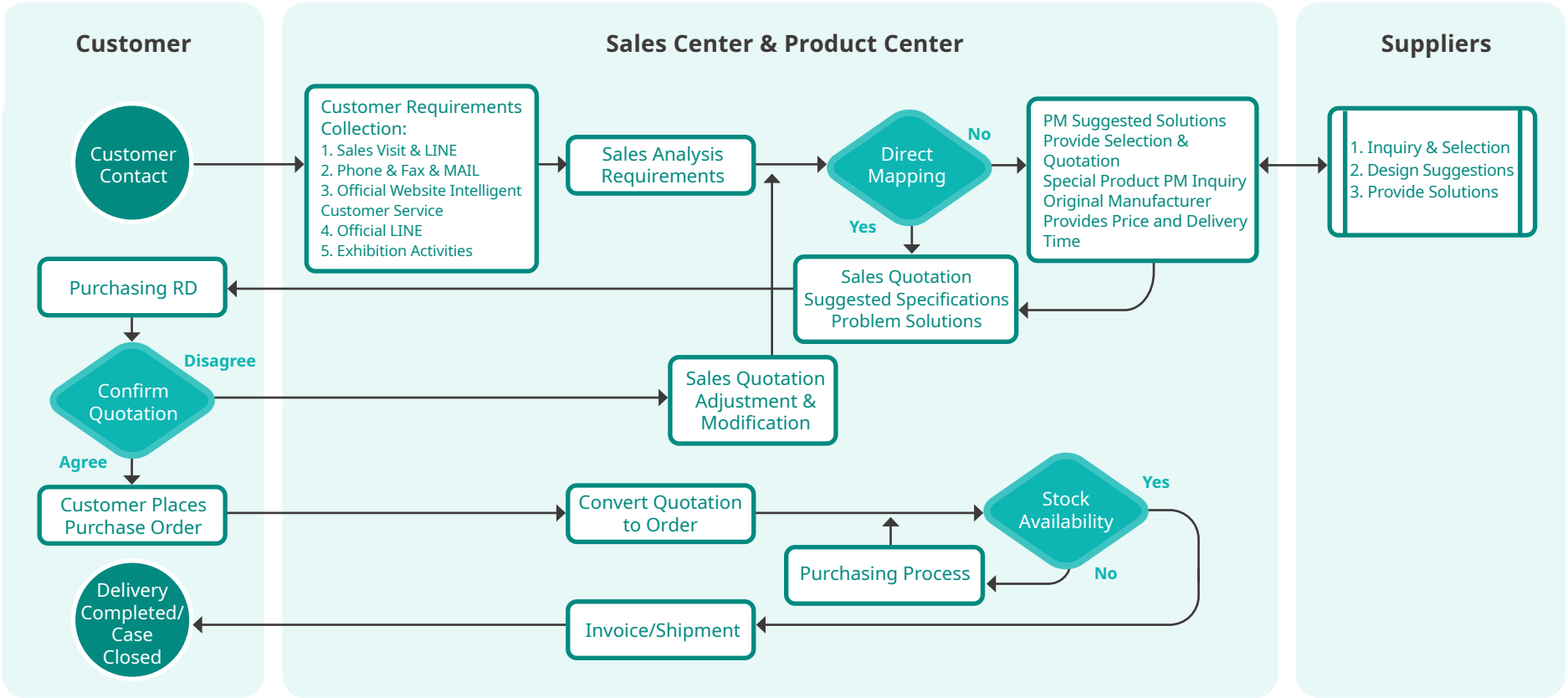
Quality is the best salesperson, insisting on the quality of service products.

Pre-sales Service Process

Professional Product Consultation
Dedicated personnel for actual visits by appointment, online instant response

Online Product Website
Clear browsing of related products on the official website

Instant Messaging Service
Keeping up with the times, setting up related social software and official accounts



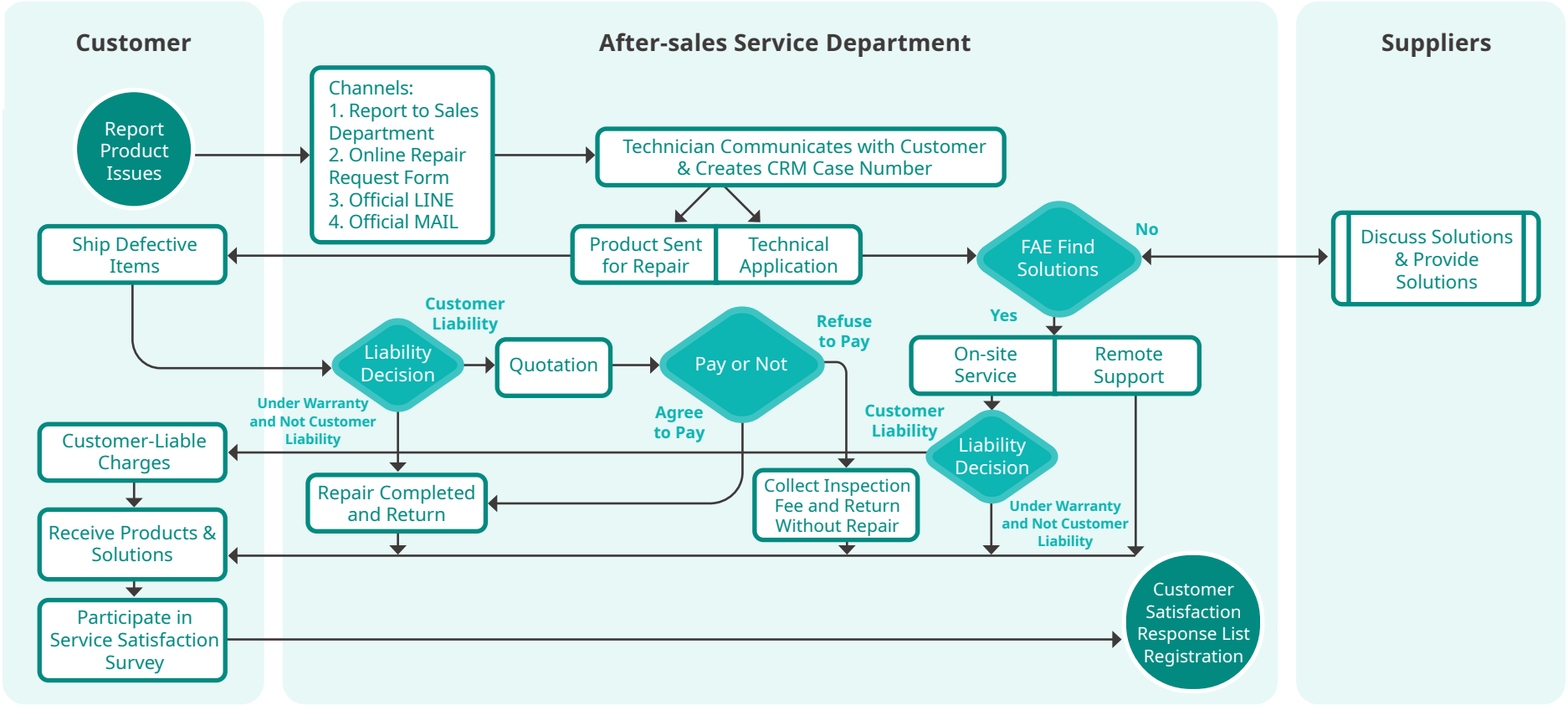
After-sales Service Process

After-sales Service Department

Establish a dedicated after-sales service department to provide customers with the most professional service

Regular Questionnaire Survey

Regularly conduct satisfaction questionnaire surveys every year to care about customer feelings from time to time

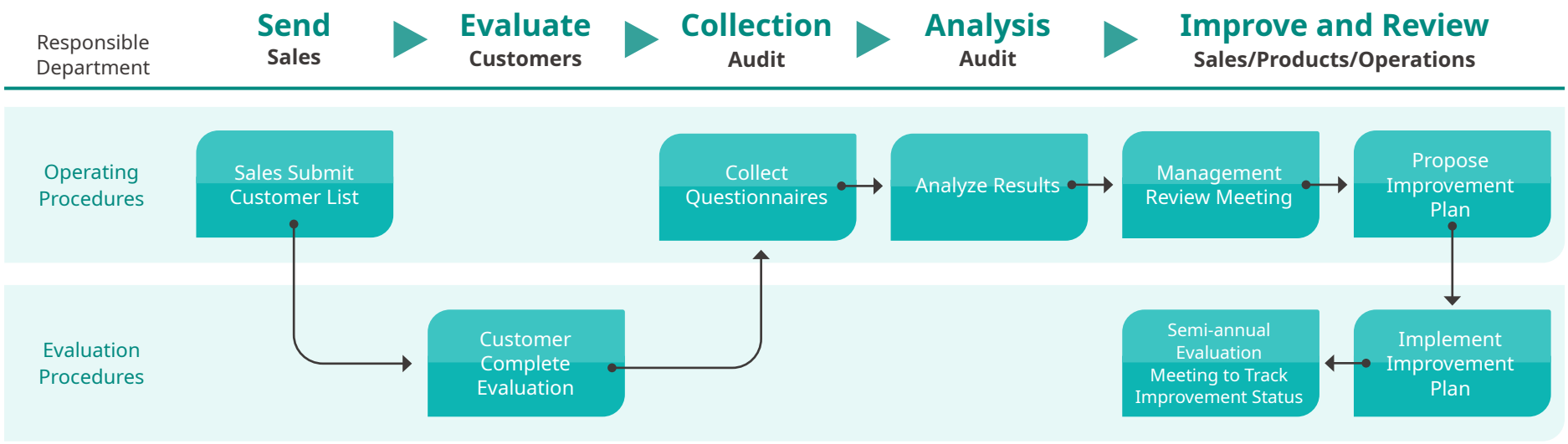


Customer Satisfaction Survey

Ace Pillar pursues customer satisfaction and quality-first attitude. Through diverse communication channels, we understand customer needs and optimize existing product portfolios to provide products and services that exceed customer expectations, striving to become a trusted partner for our customers.

Implementation Method

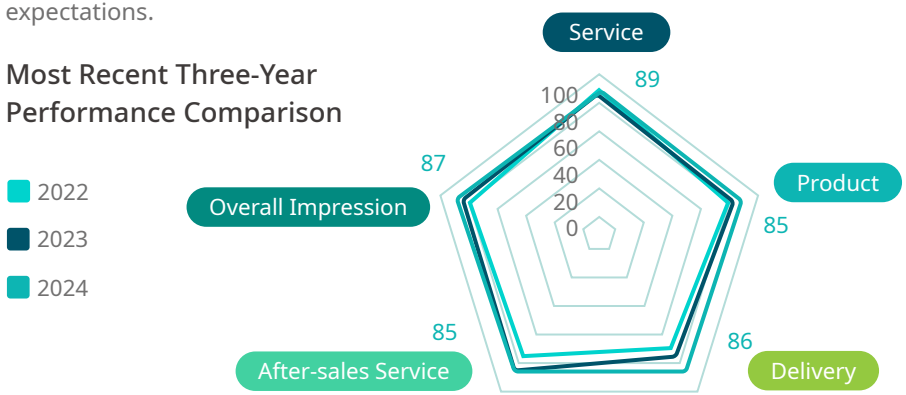
Ace Pillar provides customers with the highest quality service through excellent products, high-performance services, reasonable delivery rates, and diverse product categories. We respond promptly to customer feedback, listen deeply to understand customer needs, and thereby improve product quality and customer satisfaction. To accurately understand customer expectations, Ace Pillar conducts annual satisfaction surveys for its top 100 customers by revenue. We understand customer feedback through collected questionnaires, propose improvement measures after cross-departmental communication and integration, and regularly review the progress and results of improvements.



Customer Satisfaction Survey Results

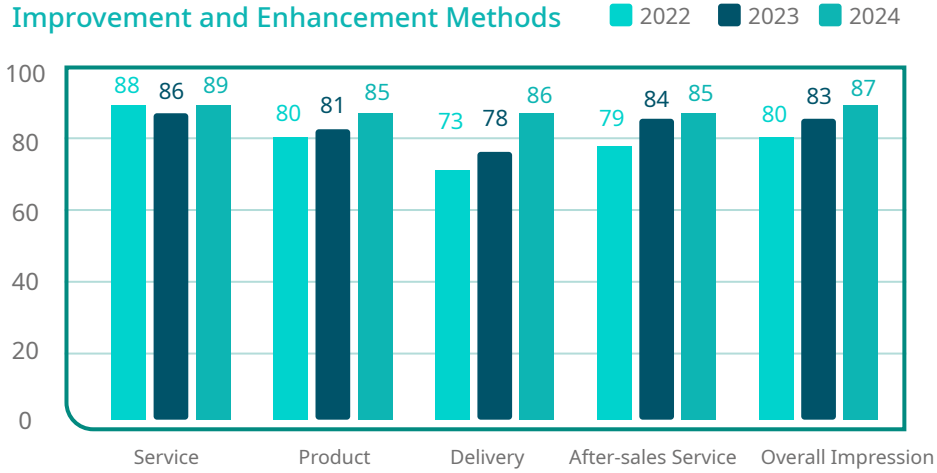
Compared to 2023 and 2022, the 2024 customer satisfaction survey shows significant improvements in product delivery time, product quality, and after-sales service. This indicates that Ace Pillar has been able to meet customer needs in order delivery management, product training, and after-sales technical support, providing comprehensive product services. In the coming future, we will continue to improve supply chain management, continuously enhance quality and delivery times, and provide greater added value to meet customer expectations.

Most Recent Three-Year Performance Comparison



Customer Satisfaction Survey Results	
Survey Frequency	Annual customer satisfaction survey questionnaire
Survey and Sampling Methods	Select top 100 customers based on transaction amounts from first and second half of each year for questionnaire survey
Survey Content and Results	In 2024, performance in all aspects exceeded the "Satisfied" level, with 79 customers indicating they were "Very Satisfied" or "Satisfied", accounting for 92% of the response rate. Customer satisfaction score reached 86 points in 2024, achieving the 2024 target value (>100%).

Improvement and Enhancement Methods



Satisfaction	Service	Product	Delivery	After-sales Service	Overall Impression
2022	88	80	73	79	80
2023	86	81	78	84	83
2024	89	85	86	85	87

Satisfaction	2022	2023	2024	2025 Goal	2035 Goal	2050 Goal
Score	81	82	86	85	88	90

Ace Pillar plans to use the statistical data as targets for continuous improvement in various aspects, such as expanding technical website content to provide more timely and convenient pre-sales services. In response to product innovation, we will continue to strengthen professional knowledge and sales service capabilities for diverse products through product education and training, exhibition visits, and technical seminars. We will listen and provide timely feedback to customer needs to improve both pre-sales and after-sales service quality. Ace Pillar's specific actions in 2024 are as follows:

Service Dimension

Ace Pillar actively promoted the development and implementation of the CRM (Customer Relationship Management) system, with the "quotation to order process" as the core optimization item. These improvements significantly enhanced customer satisfaction, particularly in terms of "smooth ordering and quotation process," with customer satisfaction scores improving to 89 points in 2024.

2024 Customer Satisfaction of **89** Points

Business Process Optimization and Intelligent Management

By utilizing efficient mechanisms and data-driven strategies, we accelerate customer response, ensure rapid screening of potential customers and timely quotations, significantly improving market response speed and business opportunity conversion rates.

01 Accelerated Inquiry Response

02 Regular CRM Processing

03 Regular Energy DM Execution

04 Filtering Process for MKT-sourced Customers

Four Major Benefits from Quotation to Order Conversion

Eliminates tedious manual re-entry steps, not only improving processing efficiency but also reducing error rates, enhancing the smoothness of ordering and quotation processes, and improving customer ordering experience.

01 Reduce Duplicate Data Entry to Focus on Customer Communication and Service

02 Reduce Error Rates to Ensure Data Accuracy

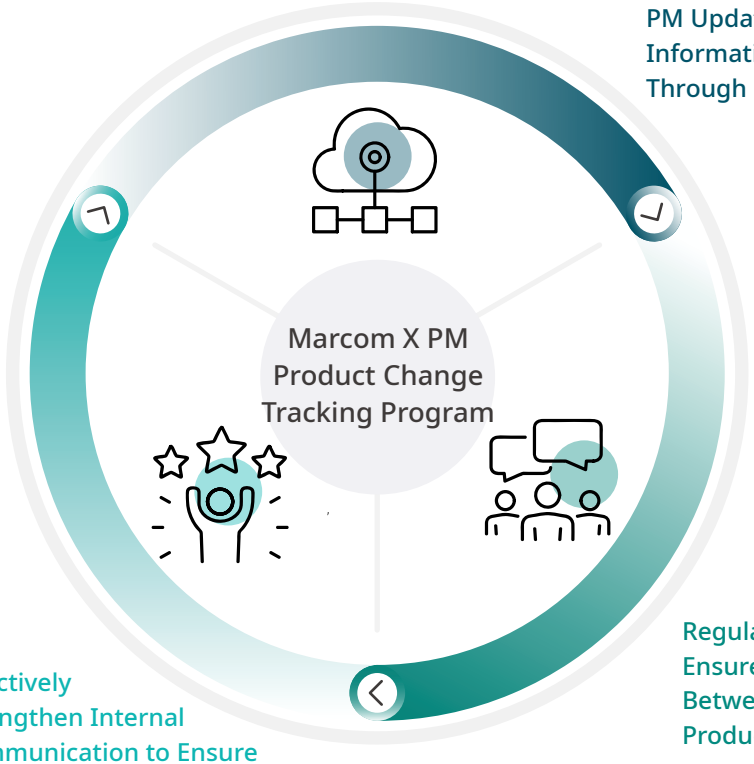
03 Optimize Approval and Automatic Verification to Accelerate Order Processing

04 Enhance Employee Satisfaction and Innovation Capability

Product Dimension

Based on ISO9001, Ace Pillar maintains regular communication with original manufacturers through continuous improvement, enhances product quality, participates in regular technical training from manufacturers, and implements the "Marcom X PM Product Change Tracking Program" to resolve issues of delayed information updates affecting customers' access to accurate information. By integrating and comprehensively implementing various activities, product quality and customer satisfaction have improved, with customer satisfaction scores increasing from 80 to 85 points in 2024.

2024 Customer Satisfaction of **85** Points



ISO9001-2015 Certification Obtained

From 2022 to 2024, Ace Pillar has consistently achieved its internal corporate requirements for three consecutive years, steadily meeting the annual short-term target of 80 points. Furthermore, after undergoing ISO external audit verification by AFNOR Asia Ltd., the Company has continuously maintained its ISO9001: 2015 certification. This fully demonstrates Ace Pillar's firm implementation of ISO procedural requirements and continuous pursuit of excellence and improvement. We sincerely thank every customer for their trust and support regarding these achievements, and promise to meet your expectations with even higher standards.

Original Manufacturer Training

Through monthly training courses from the original manufacturer (Delta Electronics) and other irregular product promotion meetings from manufacturers, Ace Pillar strengthens team expertise, promotes internal professional growth, enhances employees' market adaptability and work enthusiasm, accelerates new product promotion and optimizes services, thereby strengthening corporate competitiveness.

Delivery Dimension

Ace Pillar has implemented multiple optimizations for "delivery fulfillment," including regularly holding forecast meetings, managing delivery schedule changes, and making dynamic adjustments to promptly reflect customer delivery requirements. The management unit provides two-way communication and real-time information to effectively arrange product warehouse in-and-out schedules. In 2024, Ace Pillar's customer satisfaction score in the delivery aspect improved from 78 to 86 points, achieving significant results and becoming the fastest-growing item, further enhancing the Company's competitive advantage in the market.

2024 Customer Satisfaction of

86 Points

Regularly Hold Forecast Meetings

- Cross-departmental Collaboration
- Forecast Adjustment and Dynamic Response
- Problem Solving and Efficiency Improvement
- Delivery Risk Management and Control
- Avoid Last-minute Emergency
- Problem Solving and Efficiency Improvement

Delivery Date Change Management

- Cross-departmental Collaboration
- Delivery Date Tracking Enhancement
- Priority Protection for Key Customers
- PO Management Optimization

Dynamic Adjustment of High-Power Inventory

- Demand-Driven Inventory Adjustment
- Sales and PM Collaboration Enhancement

Motor Import Operations

- Motor Project Import Planning
- Delivery Management Efficiency Improvement

Logistics Optimization and Dual Control

- Division of Responsibilities
- Focus on Product Selection
- Barcode Scanning for Consistency Check
- Packaging and Consistency Check

After-sales Service Dimension

Through pre-sales and after-sales services, Ace Pillar proactively understands customers' pain points and dreams, providing solutions and creating added value through innovative services. Through internal process optimization and innovative improvements, in 2024, Ace Pillar's customer satisfaction score in the delivery aspect improved from 79 to 85 points. Moving forward, we will continue to actively provide customers with greater differentiated competitiveness.

2024 Customer Satisfaction of **85** Points

Cost Transparency

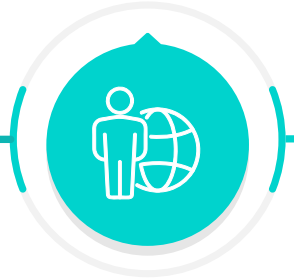
The company has established standardized quotation and case closure mechanisms to ensure customers can understand the cost details before maintenance, thereby avoiding subsequent disputes.

Online Maintenance Request

QR Code submission allows customers to easily submit maintenance requests, with the system automatically providing service center addresses and enabling customers to track case progress.

Enhance Maintenance Report Clarity

The company adjusts maintenance report content to ensure clear descriptions of fault causes and repair methods, enabling customers to quickly understand issues and grasp the maintenance process.



Global Overseas Service Promotion by Original Manufacturer

Global service spare machine list, service spare machine application system, distributor sales blind spots, overseas service risks, overseas spare machine (rotation unit) service standards

Customer Privacy Protection

Customer privacy protection is both a national regulatory requirement and the Company's mission. If customer privacy is breached, it may lead to decreased customer loyalty and satisfaction, negative impacts on business and reputation, and even serious consequences such as lawsuits. We are committed to ensuring that customer privacy is respected and protected.

Ace Pillar continues to promote internally to help employees understand the importance of information security. Additionally, regarding the protection and access restrictions of confidential documents, except for relevant operating personnel, colleagues who are not closely related to the function need to obtain approval from their immediate supervisor to gain partial access rights. Safeguard customer privacy and company assets to prevent unauthorized copying and leakage of information.

Data Protection	Set access permissions; non-relevant personnel who need data must apply through supervisor approval to obtain partial access rights. Regularly review accounts and permissions to ensure data access meets work requirements. Specific customers with account passwords can access system website data, but only within relevant business scope.
Internal Control	Periodically promote the importance of information security to employees. Regularly verify account validity and require periodic password changes to ensure secure data access.
System Management	Enhance security measures: firewall protection network, multi-factor authentication and other measures to ensure secure network access.
Education and Training	Conduct regular social drills annually Annual information security training for IT employees

Privacy Breach and Disciplinary Statistics

0
Cases of Regulatory Disciplinary Actions in 2024

0
Cases of Suspected Information Leaks From Customer Complaints Handled in 2024

0
Confirmed Cases of Information Leakage, Theft, or Loss of Customer Data in 2024

0
Lawsuits Due to Customer Privacy Violations in 2024

2-2 Sustainable Supply Chain Management

As a professional distributor and technical service provider of automated electromechanical components, Ace Pillar has long-term partnerships with over 200 suppliers, covering three major categories: components, machinery, and outsourced services. We recognize that supplier partners are crucial to Ace Pillar's operational growth and success. Good supply chain management helps Ace Pillar reduce operational risks, maintain stable product quality, improve customer service, and maintain customer relationships. Upholding corporate social responsibility, we actively promote local sustainable business operations by prioritizing local suppliers that meet ESG standards, promoting stable development of the industry chain, reducing supply chain risks, and enhancing the sustainable competitiveness of our partners. Through our supplier management system, green supply chain program, and diverse communication mechanisms, we ensure a stable, efficient, and resilient supply chain to support long-term corporate development and achieve mutual prosperity with our suppliers.

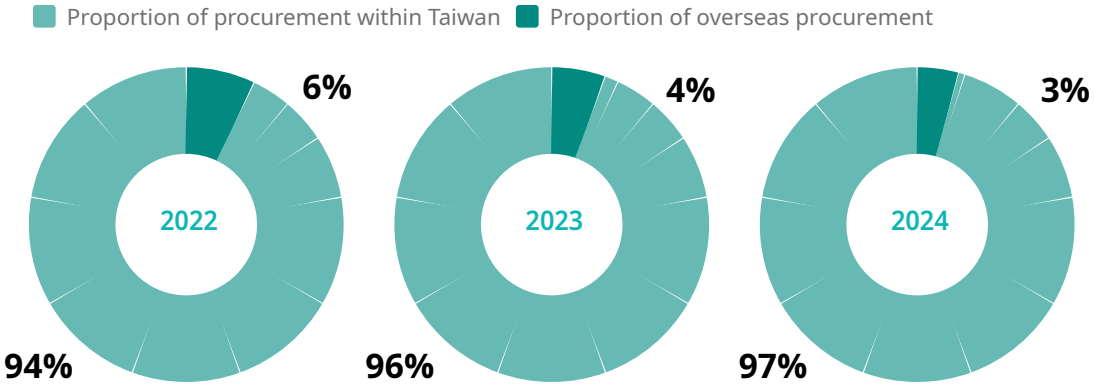
Supply Chain Management Strategy and Objectives

Following ISO 9001 standards, Ace Pillar has established supplier management procedures to ensure suppliers meet quality, service, environmental, and social responsibility (ESG) standards. We emphasize suppliers' governance, environmental, and social aspects, making them important partners in promoting sustainable development throughout the value chain.

Commitments	Management Direction	KPI	2024 Goals and Performance	Short and Medium-term Goals
View suppliers as important partners in promoting sustainable development initiatives	Strengthen supplier management to ensure stable quality and regulatory compliance	Signing Rate of Supplier Code of Conduct and Social Responsibility Commitment	Goal: 0% ▶ Performance: **100%**	2025: 100% 2035: 100%
		Regular assessment of whether the top 20 suppliers' delivery times meet standard rates	Goal: 90% ▶ Performance: **95%**	2025: 95% 2035: 95%
	Support local supply chain development to promote sustainable industry growth	Number of regular distributor meetings with tier-1 suppliers	Goal: 12 ▶ Performance: **13**	2025: 12 or more sessions 2035: 12 or more sessions
		Number of irregular supplier seminars	Goal: 5 or more sessions ▶ Performance: **6**	2025: 6 or more sessions 2035: 12 or more sessions
	Strengthen supplier communication mechanisms to establish stable partnerships	Proportion of procurement from localized suppliers	Goal: 85% ▶ Performance: **97%**	2025: 85% 2035: 85%
		Number of tier-1 suppliers proposing carbon reduction plans	Goal: 5 ▶ Performance: **4**	2025: 3 2035: 5

Note The proportion of procurement from localized suppliers in 2024 was 97%. However, considering the international situation and corporate strategic planning, the short to medium-term target is set at 85%. Local procurement will remain the primary goal in the future.

Domestic and Overseas Procurement Status in the Past Three Years



Note Starting from 2024, domestic and overseas procurement statistics are calculated based on shipping location, categorized into procurement within Taiwan and overseas procurement. Due to this change in statistical method, the values for 2022-2023 have also been recalculated.

Suppliers Using Conflict Minerals Are Prohibited

As a key component in the supply chain, the Company is committed to ensuring that all materials used in our products, including gold, tantalum, tungsten, tin, cobalt, and mica, comply with the Policy of Conflict-free Materials. The Company urges all suppliers to thoroughly investigate the sources of all materials to ensure they are not mined by ungoverned warlords or illegal groups from conflict minerals regions (according to the OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, including the Democratic Republic of the Congo (DRC) or neighboring countries (Angola, Burundi, Central African Republic, Rwanda, South Sudan, Tanzania, Uganda, and Zambia)) or obtained through illegal smuggling channels.

The Company first encouraged its Tier 1 suppliers (note) to conduct Conflict Minerals Due Diligence Reports" or declarations. As of 2024, one Tier 1 supplier has completed the Conflict Minerals Due Diligence Report or declaration. In the future, we will encourage expanding the scope to include all of the Company's suppliers to achieve the vision and mission of sustainable supply chain management.

Note Tier 1 suppliers are those whose procurement amount accounts for more than 85% of the total transaction amount in the previous year. In 2024, there are three Tier 1 suppliers.

Supplier Engagement Process Flow Chart

Ace Pillar's supplier engagement procedure follows the ISO 9001 standard and takes into account corporate outlook and market trends. In procurement strategy discussions, the capabilities of potential suppliers in various aspects are investigated. Such as production capacity, quality, integrity, and service management systems, to see if they meet the standards set by Ace Pillar and serve as a basis for possible engagement. When evaluating a new supplier, it must pass the supplier evaluation form, which is a questionnaire designed for the various capabilities of the supplier. After rigorous internal evaluation, it is confirmed by the unit supervisor. Only suppliers that pass the supplier engagement procedure can become qualified suppliers of Ace Pillar and start new product verification. The review aspects cover: business overview, delivery capability, quality management, financial status, and production capacity to confirm whether the current status of the supplier meets Ace Pillar's expectations and standards.

Supplier Management Procedure

Ace Pillar has established supplier management procedure regulations to select qualified suppliers that meet the Company's requirements, thereby stabilizing the quality of incoming materials, customer satisfaction, and Ace Pillar's external reputation, further maintaining stable cooperative relationships between suppliers and customers, and enabling Ace Pillar to move more solidly on the path of sustainable development.

Definition of Suppliers

Suppliers — Suppliers that provide spare parts, finished products and after-sales service.

Processing Plant — Contractors entrusted to process part of the manufacturing process.

Qualified Manufacturer — Qualified suppliers or processing plants.

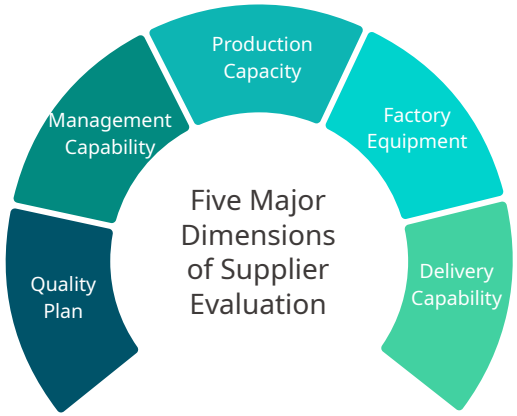
Management Procedure

Require Suppliers to Sign the Supplier Code of Conduct

In the process of the Company's continued growth, business strategies must consider the impact and shock brought by society and the environment. Therefore, Ace Pillar invites all suppliers to work together on sustainable development. The Supplier Code of Conduct is formulated as the basis for suppliers to follow, covering five major aspects: labor, health and safety, environment, ethical norms and management systems.

Suppliers who had transactions in each year who signed the Supplier Code of Conduct and Social Responsibility Commitment

Year	Number of Suppliers Signed
2022	147
2023	143
2024	140



Supplier Evaluation

The Company sets additional evaluation criteria for different types of procurement cases and stipulates relevant terms in the contract to ensure that suppliers meet the requirements. The product unit conducts written or on-site evaluations of new suppliers, classifying suppliers as a basis for selection. Together with the procurement unit, major suppliers are evaluated annually, and the evaluation results serve as the standard for whether to continue procurement in the following year.

Communication with Suppliers

Ace Pillar values communication with suppliers. Through smooth communication channels and regular meetings and discussions, good communication relationships are maintained to obtain accurate feedback and opinions from stakeholders in a timely manner, thereby establishing a firm and stable cooperative relationship. This enables both parties to achieve sustainable corporate development and allows Ace Pillar to self-examine and make adjustments on the path of sustainable development, responding to the expectations of the general public and demonstrating social influence. To implement sustainable corporate management, good communication with suppliers cannot be ignored. Therefore, in addition to having good communication channels, there are also irregular direct visits and meetings to maintain a longer-term and better cooperative relationship.

Engagement with Suppliers

Through various channels of communication with suppliers and combining materiality analysis, in 2024, the Company identified suppliers as one of Ace Pillar's key stakeholders, focused on material issues of concern, and took corresponding necessary measures to strengthen information disclosure content. The Company engages with suppliers through multiple communication channels and focuses on four key areas: to be received, to be understood, to be accepted, and to get action, explaining the progress and response of key suppliers in sustainability management.

Supply Chain Environmental Performance

Ace Pillar, upholding its corporate mission of achieving net-zero carbon emissions by 2040, has actively implemented green supply chain management. The Company works closely with suppliers and logistics partners to promote resource recycling, reduce the environmental impact of the supply chain, and enhance overall sustainability competitiveness. As of 2024, Ace Pillar has not recorded any violations of health and safety regulations related to its products or services.

0

Incidents of violations regarding health and safety regulations for products and services in 2024

Recycling and Reuse of Incoming Packaging Materials

Partners: Local suppliers

Implementation of PE film packaging materials

Recycling and reuse

In 2024, the total amount of recycled incoming packaging materials was **930 kg**, of which PE film reuse totaled 660 kg, accounting for **71%** of total recycling, saving Kuai Kuai (EPE) grain costs of **NT$99,000**

Pallet Recycling and Reuse

Partners: Local suppliers、Logistical Partners

Recycling and reuse of shipping pallets

Reduce resource waste

In 2024, the total amount of recycled pallets was **14,457 kg**, of which reuse totaled 7,990 kg, accounting for **55%** of total recycling, saving pallet costs of **NT$319,200**

Co-creating Corporate Sustainability

3-1 Employee Profile

3-2 Learning and Development

3-3 Building a Happy and Healthy Workplace

03

3-1 Employee Profile

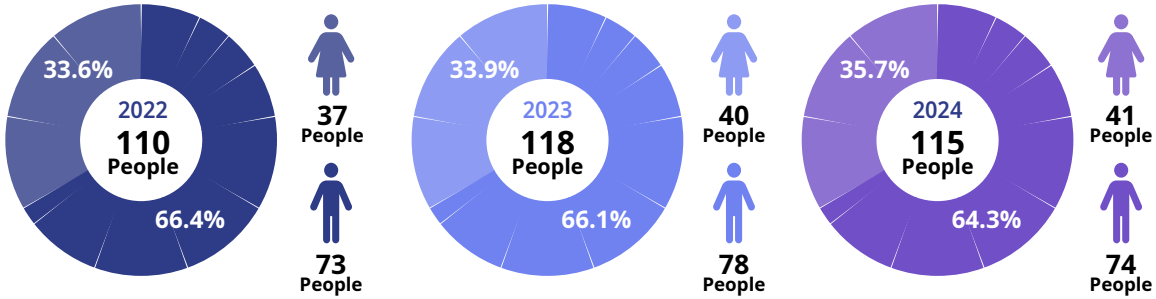
Ace Pillar's business philosophy emphasizes a people-oriented approach with sincerity and mutual trust and commits to creating the best working environment. Therefore, Ace Pillar has always viewed employees as the Company's long-term capital and the foundation for innovation. To this end, we strive to provide employees with a comprehensive working environment and an equal and inclusive organization to attract diverse and outstanding talents to join. The Company has established a remuneration system that rewards high-performance employees, while also placing great emphasis on employee benefits, hoping that employees can work comfortably and happily under multiple life security measures.

In addition to promote good labor-management relations, Ace Pillar also actively creates a fair, healthy, and diverse workplace environment. As of the end of 2024 (12/31), the workforce of Ace Pillar in Taiwan is 115 people. Full-time employees account for 98.26%, with a male-to-female ratio of 6:4, and in terms of employee education, most are university or college graduates.

Talent Recruitment

Ace Pillar recruits and selects talents based on business needs, striving to develop diverse channels, adhering to the principle of suitable talent for suitable positions and internal talents having priority over external recruitment, and constructing selection principles that do not discriminate based on race, religion, skin color, nationality, gender and other factors, and prohibit the employment of child labor.

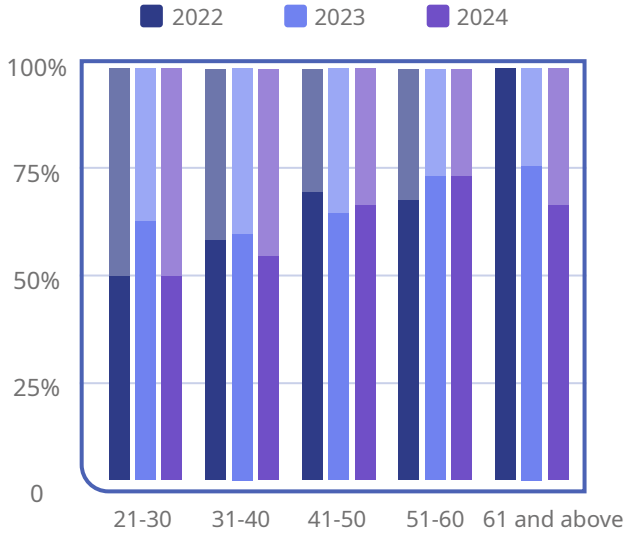
Ace Pillar Employee Gender Structure



Employee Structure Overview

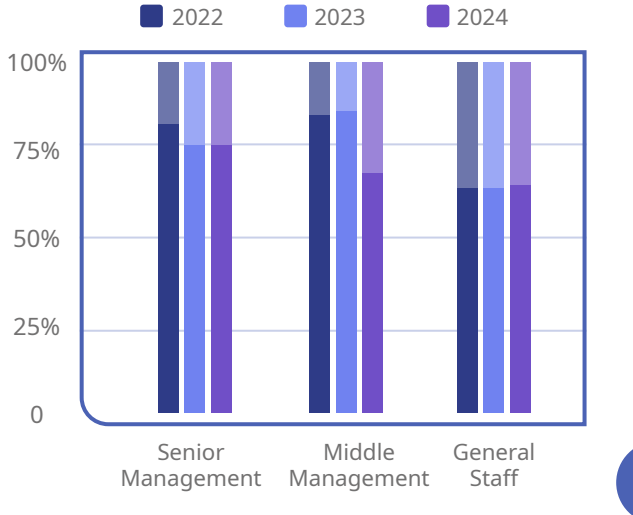
Ratio of Age and Gender Distribution (%)

Year	2022				2023				2024			
Age/Gender	Male	Proportion	Female	Proportion	Male	Proportion	Female	Proportion	Male	Proportion	Female	Proportion
21-30	3	50.0%	3	50.0%	5	62.5%	3	37.5%	5	50.0%	5	50.0%
31-40	18	60.0%	12	40.0%	19	61.3%	12	38.7%	16	57.1%	12	42.9%
41-50	36	69.2%	16	30.8%	34	65.4%	18	34.6%	34	66.7%	17	33.3%
51-60	13	68.4%	6	31.6%	17	73.9%	6	26.1%	17	73.9%	6	26.1%
61 and above	3	100.0%	0	0.0%	3	75.0%	1	25.0%	2	66.7%	1	33.3%
Total	73	66.4%	37	33.6%	78	66.1%	40	33.9%	74	64.3%	41	35.7%
Total	**110**				**118**				**115**			



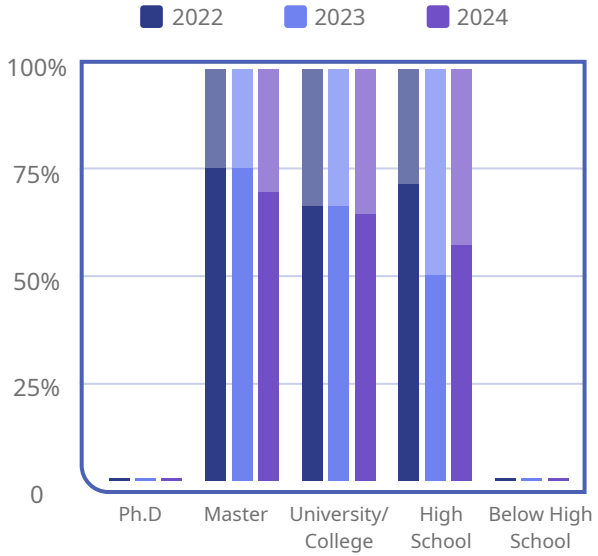
Ratio of Rank and Gender Distribution

Year	2022				2023				2024			
Rank/Gender	Male	Proportion	Female	Proportion	Male	Proportion	Female	Proportion	Male	Proportion	Female	Proportion
Senior Management	4	80.0%	1	20.0%	3	75.0%	1	25.0%	3	75.0%	1	25.0%
Middle Management	14	82.4%	3	17.6%	15	83.3%	3	16.7%	15	68.2%	7	31.8%
General Staff	55	62.5%	33	37.5%	60	62.5%	36	37.5%	56	62.9%	33	37.1%
Total	73	66.4%	37	33.6%	78	66.1%	40	33.9%	74	64.3%	41	35.7%
Total	**110**				**118**				**115**			



Ratio of Education and Gender Distribution (%)

Year	2022				2023				2024			
Education/ Gender	Male	Proportion	Female	Proportion	Male	Proportion	Female	Proportion	Male	Proportion	Female	Proportion
Ph.D	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Master	12	75.0%	4	25.0%	15	75.0%	5	25.0%	13	68.4%	6	31.6%
University/ College	56	64.4%	31	35.6%	61	64.9%	33	35.1%	58	63.7%	33	36.3%
High School	5	71.4%	2	28.6%	2	50.0%	2	50.0%	3	60.0%	2	40.0%
Below High School	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	73	66.4%	37	33.6%	78	66.1%	40	33.9%	74	64.3%	41	35.7%
Total	**110**				**118**				**115**			



By Contract Type

Year	2022		2023		2024	
Employment Type / Gender	Male	Female	Male	Female	Male	Female
Full-time - Regular[Note 1]	73	37	78	40	73	40
Part-time - Intern[Note 2]	0	0	0	0	1	1
Workers Who Are Not Employees	0	0	0	0	0	1[Note 3]
Total	73	37	78	40	74	41
Total	**110**		**118**		**115**	

Note 1 Full-time employees = Permanent employees Note 2 Part-time employees = Temporary employees = Employees without guaranteed hours

Note 3 Legal affairs of the company are handled by the group's legal employees

2024 New Employee Statistics

Age/Gender	Male	Proportion	Female	Proportion
<30	3	16.67%	5	27.78%
31-50	7	38.89%	1	5.56%
>51	2	11.11%	0	0%
Total	12	66.67%	6	33.33%
Total number of new hires who are currently employed	**14**			
Percentage of total employees (%)	**12.17%**			

2024 Turnover Rate

Age/Gender	Male	Proportion	Female	Proportion
<30	3	15.00%	3	15.00%
31-50	11	55.00%	1	5.00%
>51	2	10.00%	0	0.00%
Total	16	85.00%	4	15.00%
Turnover Rate (%)	**17.39%**			

Note Turnover rate = Monthly departures / Average monthly total number of employees

2024 Total Number of Employees by Region and Gender

Region	Taipei		Taoyuan		Hsinchu		Taichung		Tainan		Kaohsiung	
Type/Gender	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Full-time Employees	38	27	4	2	4	2	21	5	5	2	1	2
Part-time Employees	1	1	0	0	0	0	0	0	0	0	0	0
Total	**67**		**6**		**6**		**26**		**7**		**3**	

Distribution of Management Positions and Gender (%)

Gender/Region Distribution (%) of Taiwan Ace Pillar Employees				
Gender/Region	Male	Female	Local Nationality	Others
Senior Management	75%	25%	100%	0%
Non-Senior Management	68%	32%	100%	0%
Technical Personnel	0%	0%	100%	0%
Other Employees	63%	37%	100%	0%

Equal Employment: Hiring Disadvantaged Groups

We value and protect equal employment opportunities for disadvantaged groups. Ace Pillar complies with the People with Disabilities Rights Protection Act to provide suitable job opportunities for people with physical and mental limitations. Between 2022 and 2024, Ace Pillar employed one employee with physical and mental limitations each year, complying with the employment requirements of the People with Disabilities Rights Protection Act.

Category	2022	2023	2024
Physical and Mental Disabilities	1	1	1

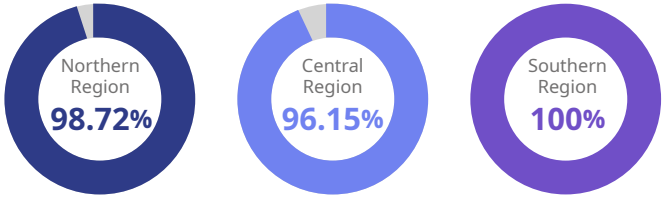
Parental Leave

Statistics of Employees on Parental Leave	Male	Female
Number of employees eligible for parental leave in 2024 (persons)	3	1
Number of employees who actually took parental leave in 2024 (persons)	1	0
Parental leave application rate in 2024 (%)	33.33%	0
Expected number of employees returning to work in 2024 (persons)	1	0
Actual number of employees returning to work in 2024 (persons)	1	0
Return-to-work rate in 2024 (%)	100%	0
Number of employees eligible for parental leave in 2023 (persons)	0	1
Number of employees who actually took parental leave in 2023 (persons)	0	0
Number of employees returning to work in 2023 (persons)	0	0
Number of employees still employed 12 months after returning to work in 2023 (persons)	0	0
Retention rate in 2024	0%	0%

Local Hiring

We implement comprehensive human resource management and prioritize local talent recruitment. In hiring, we give preference to local workers to create local employment opportunities, which also helps maintain workforce stability.

Ratio of Local Labor Hired by Ace Pillar Taiwan



Proportion of Local Workers Employed in Senior Management

3-2 Learning and Development

Talent Development

Ace Pillar attaches great importance to employee training and development. The company invests sufficient resources to provide employees with diversified courses and studies. Through providing colleagues with comprehensive cultivation, it is expected that employees' learning and development will be more enriched and diversified.

Main Focus	Employees, Suppliers and Customers		
2024 Training Goals	2024 Training Goal Achievement	Medium and Long-term Actions	Management Approach
Clarify common job competency training for new employees	**100%** completion rate for new employee common competency courses	Introduce digitalized courses and increase course ratio	● **Responsibility:** HR and relevant unit supervisors ● **Resources:** Senior executive support/ Systems/ External consulting resources ● **Actions:** Introduce digitalized courses and increase course ratio Clarify core management competency system Implement talent development plans based on Individual Development Plans (IDP)
Implement management competency training for supervisors	**100%** completion rate for supervisor courses	Clarify core management competency system	
Strengthen mandatory job competencies for laws and policies	**100%** completion rate for laws and policies courses	Implement talent development plans based on Individual Development Plans (IDP)	

New Employee Education and Training

Number of new employees receiving general training: **11 Participants**

Total hours of general training for new employees: **33 Hours**

Average Training by Employee Rank

Management positions:
18 Participants/147 Hours

General employees:
89 Participants/355 Hours

All employees:
107 Participants/502 Hours

Other Policy Training Courses

Integrity Handbook training:
115 Participants/115 Hours

Insider trading prohibition and prevention:
114 Participants/ 114 Hours

Workplace illegal harassment:
11 Participants/ 11 Hours

Training Courses

Except to providing a complete new employee training system and offering professional courses for different job functions, Ace Pillar also provides product technical personnel with training materials and courses on various product professional skills and knowledge. Furthermore, employees can also learn and acquire new knowledge through external channels, including external professional certification and external professional knowledge lecture sharing.

To cultivate the important leadership and management competencies required by supervisors at different levels, and to respond to the challenges of future strategic directions and organizational growth, a training system related to supervisors' management competencies is planned. From entry-level supervisors, leadership skill courses that new managers should have are provided. For middle and senior-level supervisors, according to their exclusive management competencies, benchmark leaders' leadership and management skills are systematically learned through the implementation of progressive training courses.

Achievements in Cultivating Sustainable Professional Talent

Category	Courses	2023	2024
ESG-related professional training	Sustainability Management Certificate	4 Participants/256 Hours	4 Participants/256 Hours
	Net Zero Management Certification	-	3 Participants/114 Hours
Total		**4 Participants/256 Hours**	**7 Participants/370 Hours**

To implement ESG sustainability management and enhance net-zero management performance, Ace Pillar continues to cultivate ESG-related professional talents within the company. In 2024, employees were sent in different groups to participate in the ESG Sustainability Management Certification Training Program and Net-Zero Management Certification Program offered by the Taiwan Institute for Sustainable Energy (TAISE). All participating employees obtained relevant sustainability certifications from the TAISE foundation.

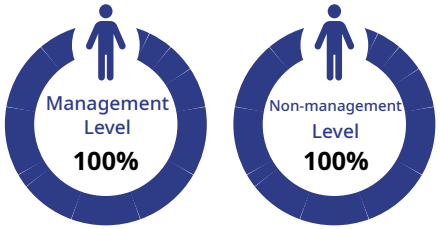
Performance Management and Development

To ensure fair and reasonable evaluation of our employees' work capabilities, performance, and conduct, supervisors at all levels assess their department staff's regular work performance, output quality, and work attitude. Performance evaluations are conducted quarterly to review their work achievements. All employees are evaluated according to these principles without gender discrimination, and all evaluation results are maintained by the Human Resources Department. The evaluation results serve not only as references for promotion, salary adjustments, and year-end bonus calculations but also as a basis for talent cultivation and employee development support. In 2024, all full-time employees of the Company received evaluations according to the above principles, with evaluation rates as follows:

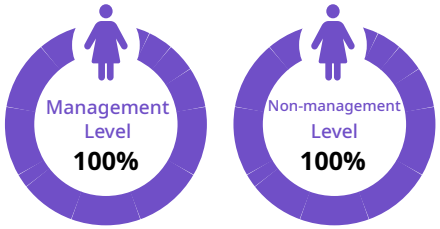
Employee Evaluation Participation Rate

100%

Male Employee Evaluation Participation Rate



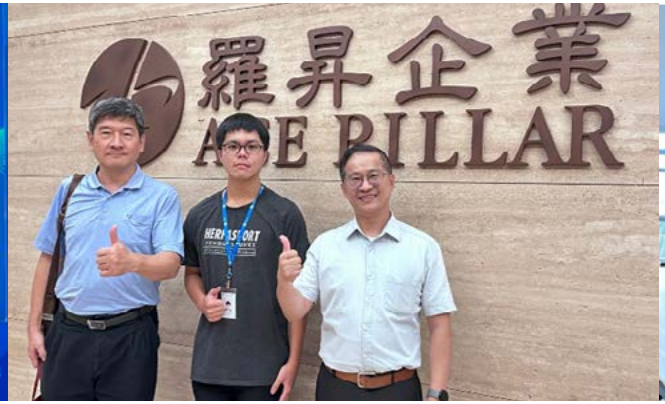
Female Employee Evaluation Participation Rate



Industry-Academia Internship Program

Since 2020, Ace Pillar has participated in industry-academia internship programs annually. In summer 2024, in collaboration with the Taiwan Automation Intelligence and Robotics Association and educational institutions, we organized the 2024 Smart AI Application Talent Training Camp to cultivate machine vision application talents by providing summer internship opportunities for students.

Year	2020	2021	2022	2023	2024	Total
Interns	2	5	2	2	1	**12**



3-3 Building a Happy and Healthy Workplace

Human Rights Policy and Management

To fulfill corporate social responsibility and protect the basic human rights of all employees, customers and stakeholders, the Company follows the principles set forth in the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the International Labor Organization of the United Nations, respecting internationally recognized basic human rights. Care for disadvantaged groups, prohibit the use of child labor, eliminate all forms of forced labor, eliminate discrimination in employment and occupation, eradicate any acts that infringe upon and violate human rights, protect gender equality, and treat all employees fairly.

The Company's Stance on Human Rights Policy Management

Diversity, inclusiveness and emphasis on equal opportunities

There shall be no discriminatory language, attitudes or behaviors based on gender, race, class, age, marriage, language, thought, religion, party affiliation, place of origin, place of birth, appearance, facial features, disability, etc., and jointly strive to create a workplace environment with dignity, safety, equality, free from discrimination and harassment.

Harmonious labor-management relations

The Company provides diverse communication channels internally, allowing employees to fully express their voices and reflect problems, such as regular labor-management meetings, employee welfare committee meetings, etc., to collect and solve employees' difficulties. Under the mechanism of joint participation and full communication, develop harmonious and good labor-management relations.

0 Major Decisions Made by the Labor-Management Committee in 2024

Reasonable remuneration and equal working conditions

Provide employees with reasonable remuneration conditions and related welfare measures in accordance with laws and regulations. Regardless of gender, they have equal pay for equal work and equal promotion opportunities.

Healthy and safe workplace

Establish a safe and healthy working environment, implement various employee safety, health and health protection measures, jointly reduce workplace safety and health risks, promote employees' physical and mental health, and achieve a balance between work and life.

Human Rights Management Plan

The Company's remuneration policy also ensures that employees' salary and rank are not affected by personal gender, age, race, religion, or political stance. The Company's human rights policy is announced on the official website for colleagues and stakeholders to follow.

Human Rights Risk Mitigation Measures

To ensure a safe working environment, the Company provides a comfortable, safe and healthy working environment and provides the necessary protective equipment for work to protect the safety and health of all employees. For situations that employees may encounter in the workplace, different safety training is provided, such as fire drills, emergency response promotion, etc. In addition, the Company has established a Prevention Plan for Illegal Infringement in the Execution of Duties to prevent workplace violence and harassment from both internal and external sources during the execution of duties, ensuring employees can work with peace of mind. All management levels have signed a Written Statement Prohibiting Workplace Violence and are required to complete a Self-Assessment Checklist for Workplace Illegal Infringement. This allows management to conduct self-assessments and declare their commitment to eliminating all forms of illegal infringement in the workplace. Meanwhile, through labor-management meetings held at least four times a year, management responds to issues raised by employees.

Furthermore, the Company also provides reporting channels, with investigations conducted by the Human Resources department after receiving reports. The personal information of whistleblowers is kept confidential, and if allegations are verified, we commit to protecting the confidentiality of the whistleblower's identity and ensure they will not face any adverse treatment. Ace Pillar had no records of human rights violations in 2024. The Company continues to provide integrity-related training for all employees, offering educational courses on topics such as anti-corruption, the highest standards of business conduct, workplace health and safety, to create a healthy and safe working environment for employees.

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Records of Human Rights Violations in 2024

Employee Salaries

To attract and retain outstanding talent, Ace Pillar's major global locations comply with local labor laws in each country, never offering wages below the legal minimum wage, and ensuring no discrimination based on gender, religion, race, nationality, or political affiliation. To provide employees with competitive remuneration policies, salary adjustments are made based on individual education and experience, professional skills, and performance evaluations to ensure employee remuneration aligns with market rates and maintains fairness. Regarding senior executive remuneration, the Remuneration Committee reviews the achievement of annual performance indicators related to remuneration and regulates their annual remuneration during committee meetings.

Ratio of basic salary and remuneration of women to men in Taiwan region

Job Level	Basic Salary	Compensation
Management Position	0.86	0.81
Non-management Position	0.79	0.75

Note The above data represents the average ratio of female to male salary and remuneration for the full year of 2024.

Average and median annual salary of full-time non-management employees in Taiwan region

Item (Unit: NT$ thousand)	2022	2023	2024
Number of Regular Employees (Person) (A)	103	107	108
Total Full-time Salary Amount (B)	92,229	92,275	102,797
Average Salary (C=B/A)	895	862	952
Median Salary	816	801	886

Note
1. In response to the amendments to the Regulations Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies implemented by TWSE since 2019, the median annual salary of full-time non-management employees is disclosed.
2. Annual salary: includes full-year base salary and full-year bonuses.
3. In 2024, Ace Pillar has 108 full-time non-management employees; the total salary amount is NT$102,797 thousand.

Pension Contribution

Ace Pillar's pension contributions applicable to the years of service of all regular employees before the implementation of the Labor Pension Act on July 1, 2005, have been fully settled according to the Labor Standards Act. To take care of employees' retirement life and promote good labor-management relations, Ace Pillar has adopted a defined contribution plan in accordance with the Labor Pension Act, making monthly pension contributions to employees' individual pension accounts established by the Bureau of Labor Insurance. For employees who voluntarily contribute to their pension, additional deductions are made from their monthly salary based on their voluntary contribution rate and deposited into their individual pension accounts at the Bureau of Labor Insurance.

Entry-Level Employee Standard Salary Compared to Local Minimum Wage Ratio

Item	Gender (Male/ Female)	Standard Salary Compared to Local Minimum Wage Ratio
Entry-Level Employee Average Salary Ratio	1:1	1

Note The starting salary and compensation are equal for men and women in the same job level, with a ratio of 1:1.
The calculation method is: entry-level employee starting salary / statutory minimum wage.
Local minimum wage (statutory minimum wage): NT$27,470 in 2024.

Highest Individual Compensation and Key Indicators of Overall Salary Structure Changes

Ace Pillar 2024 Total Compensation Ratio

6.25

Ace Pillar 2024 Total Compensation Change Ratio

1.58

Note
1. When calculating the annual total compensation for all employees, the highest-paid individual is excluded.
2. Annual total compensation ratio = Annual total compensation of the highest-paid individual in the organization / Annual total compensation of all employees.
3. Annual total compensation change ratio = Percentage increase in annual total compensation of the highest-paid individual in the organization / Percentage increase in median annual total compensation of all employees.

Premium Benefits

One of the Company's management philosophies is "people-oriented." In light of this, we are committed to creating the best working environment for our colleagues. To uphold the concept of building a happy and healthy workplace, we plan diverse employee benefits to allow all colleagues to experience a premium workplace environment and a healthy, happy corporate culture.

Ace Pillar plans diverse employee benefits to allow all colleagues to experience a premium workplace environment and a healthy, happy corporate culture. The Company cares for employees and provides employee benefits that comply with regulations, including health insurance, labor insurance, pension contributions, occupational accident insurance, on-site healthcare services, parental leave, and paternity leave (for male colleagues). Additionally, we also provide various benefits that exceed legal requirements, including Employee Welfare Committee scholarship subsidies, holiday bonuses for Chinese New Year/Dragon Boat Festival/Mid-Autumn Festival, birthday and Labor Day allowances, department gatherings, and the Company also encourages employees to actively participate in various group employee activities and competitions. Furthermore, to help employees enjoy their work more and relieve stress during breaks, the Company also provides free coffee, beverages, and snacks, as well as a flexible work schedule system, hoping that every employee can achieve work-life balance

Bonuses and Welfare Subsidies

Employee Stock Ownership Trust	Children's Scholarship Subsidies
Quarterly Bonus, Year-end Bonus	Long Service Employee Gold Coins
Employee Profit Sharing	Travel Allowance
Three Festival, Birthday, Labor Day Bonuses	Birthday Leave

- Employee Stock Ownership Trust: Currently, participating employees account for 68.42% of all employees. The participation rate of affiliated companies' employees reaches 63.95%. Eligible Participants: Employees of the Company and affiliated companies as defined by the Company Act.
- Quarterly bonuses are distributed, providing immediate rewards to employees with outstanding performance.
- The Employee Welfare Committee provides monetary gifts for three major traditional festivals, birthdays, and Labor Day.
- Each employee's children from kindergarten to university can apply for scholarships every semester: NT$1,500 subsidy for kindergarten/ elementary school; NT$2,000 for junior high school; NT$3,000 for senior high school/5-year junior college; and NT$3,500 for university. In 2024, the total amount distributed was: NT$344,000 for educational subsidies; NT$35,000 for scholarships, totaling NT$379,000.
- The Company awards long-service medals to long-serving employees in recognition of their long-term dedication and contribution.
- The Employee Welfare Committee provides annual travel subsidies. For example, in 2024, each person receives 5,000 travel points.
- To enhance employee well-being, attract and retain talent, employees are given one day of paid birthday leave, which is better than what is required by the Labor Standards Act.

Employee Activities

Group Family Day

Group charitable activities: Beach cleaning, employee-initiated volunteer activities

Group Sports Competitions

Department Gathering Activities

Group Year-end Party

- In 2024, a total of 117 participants, including employees from the Company and its subsidiaries along with their family members, joined together to participate. Total marine waste collected: 400 kilograms.
- Sports competitions that value employees' physical and mental health and encourage sports development, including badminton, volleyball, and basketball tournaments.

Work Stress Relief and Balance

Free Snacks/Beverages/Coffee

Bright and Comfortable Employee Lounge

Ergonomic Office Desks and Chairs

Flexible Working Hours

- Free snacks and coffee beverages are provided to energize employees during work.
- Comfortable and cozy office space and employee break areas.
- Ergonomic desks and chairs are thoughtfully provided for employees who sit for long periods in the office.
- To accommodate employees' commuting needs, the Company implements flexible working hours: arrival time between 07:30-09:00, and departure time between 16:30-18:00.

Health Care Management

On-site Health Care Services

Annual Free Health Checkup

Implementation of Workplace Violence Prevention Promotion

Nursing Rooms

- In addition to monthly medical consultations required by law, health medical seminars are held periodically. (Please refer to the Healthy Workplace section for performance details)
- Annual free employee health examinations for all ages, exceeding legal requirements. (Please refer to the Healthy Workplace section for performance details)

Employee Feedback

Employee Satisfaction Survey

Four labor-management meetings are held annually in accordance with the law

- Starting from 2023, annual employee satisfaction surveys are conducted, with an average satisfaction score of 4.37. (Please refer to the Employee Satisfaction Survey section for performance details)

Good Labor-Management Communication Channels

To maintain good labor-management relations between the Company and employees, we have established smooth and unobstructed communication channels within the Company, such as welfare committee meetings and labor-management meetings, allowing colleagues to receive timely company information and encouraging everyone to provide suggestions for decision-making units' reference. Comprehensive communication channels not only promote labor-management relations but also enable the Company to fully understand employee needs and provide a better workplace environment.

Main Focus Employees

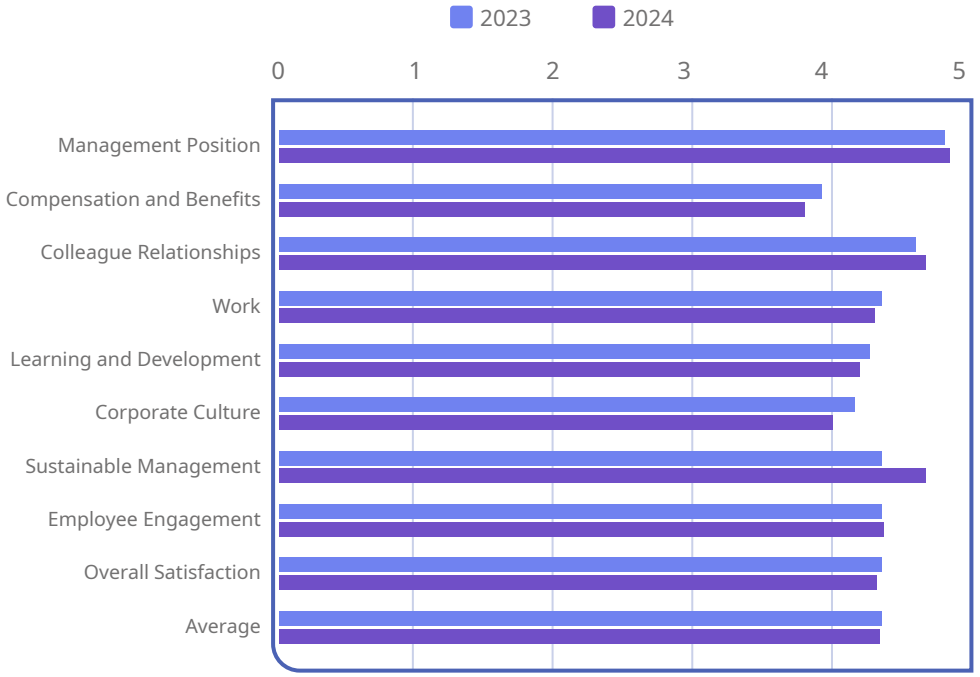
2024 Management Goals	2024 Management Goal Achievement	2025 Management Goals	Medium and Long-term Goals	Management Approach
Internally announce labor dynamics and business overview quarterly	**All Achieved**	Internally announce labor dynamics and business overview quarterly	Maintain labor-management communication at least four times a year	● **Responsibility:** Human Resources Center ● **Resources:** Labor-Management Meetings/ Employee Welfare Committee ● **Actions:** Provide employees with diverse communication channels and promptly understand company information through communication channels. ● **Evaluation:** Report labor dynamics and business overview at labor-management meetings quarterly.

Employee Satisfaction Survey

Since 2023, the Company has implemented employee satisfaction surveys through online questionnaires to assess employee satisfaction across various workplace aspects and understand employee opinions. According to surveys conducted in 2023 and 2024, the top three areas of employee satisfaction were: immediate supervisors, peer relationships, and sustainable operations. Meanwhile, remuneration and benefits, corporate culture, and learning development are areas that need further improvement. Ace Pillar will continue to optimize existing benefits, plan activities that combine charitable causes and enhance employee cohesion and arrange relevant education and training according to the competency requirements of employees' positions, with the aim of improving employee workplace satisfaction.

Top Three Areas from Two Years of Employee Satisfaction Survey Results

Year	2023	2024
Management Position	4.89	4.92
Compensation and Benefits	3.96	3.79
Colleague Relationships	4.67	4.72
Work	4.39	4.27
Learning and Development	4.21	4.16
Corporate Culture	4.12	4.01
Sustainable Management	4.39	4.71
Employee Engagement	4.39	4.4
Overall Satisfaction	4.39	4.31
Average	**4.38**	**4.37**



Healthy Workplace

The Company is committed to creating a happy and healthy workplace, insisting that sustainable health management is our commitment to caring for employees, showing concern for their physical and mental well-being, and providing thoughtful healthcare support. We believe that employee health is essential for enhancing company competitiveness. Therefore, through providing comprehensive and thoughtful healthcare activities, we enable all colleagues to experience a quality workplace environment and a healthy, happy corporate culture.

Health Examination: Free annual health check-ups for all employees

The Company conducts health examinations that exceed regulatory requirements every year, providing free annual health check-ups for all employees. Employee health examination data is confidential, and only the examined employees themselves will know their results. For special cases identified in health examination results, on-site medical experts are arranged to provide case consultations and professional medical advice. Meanwhile, on-site medical staff conduct follow-ups on special and high-risk cases, and professional occupational health nurses and physicians analyze and recommend health indicators that should be improved. So far, the Company has not experienced any cases of occupational diseases caused by work-related reasons, nor do we engage in any work activities with high risks or high incidence rates of specific diseases.

2024 Health Examination Implementation Status

Planned number of examinees	Actual number of examinees	Note
108	107	1 expatriate employee did not undergo examination[Note]

Note

The expatriate employee had a brief return to Taiwan in 2024, so that no examination was arranged.

On-site Health Services

Since the introduction of on-site health services in 2022, healthcare professionals have been examining the relationship between the health conditions of protected individuals and their work activities, conducting health risk assessments for high-risk employees, and implementing necessary preventive and health promotion measures. This has led to improved analysis and evaluation of worker physical (health) examination results, better health management and data preservation, as well as follow-up management and health guidance for those with abnormal health examination results. Care management for workers at risk of maternal health hazards and those with occupational injuries or illnesses.

The partnering medical institutions providing on-site healthcare services strictly adhere to personal data protection laws and have signed confidentiality declarations to maintain the privacy of employees' personal health examination data. Additionally, when healthcare professionals provide on-site health services at the Company, they must comply with the Occupational Safety and Health Act and Worker Health Protection Regulations, along with other relevant laws.

On-site Health Lectures

To address issues such as overwork, maternal health, ergonomics, and workplace violence in accordance with the Occupational Safety and Health Act, health education and preventive medicine lectures are arranged to enhance health protection. In 2024, on-site physicians will conduct health lectures covering topics on preventing metabolic syndrome - including discussions on hypertension, hyperlipidemia, diabetes, and knowledge about preventing these three high-risk conditions. These topics were incorporated based on healthcare professionals' evaluation of employees' health examination reports and monthly routine medical consultation visits, addressing health issues that employees are particularly concerned about and that pose higher risks to their physical and mental well-being. Corresponding preventive reminders will be provided to ensure comprehensive protection of all employees' physical and mental health.

Health Education Promotion and Health Enhancement Activities

To ensure employees possess accurate health knowledge, the Company periodically releases internal announcements on healthcare information and preventive health education. In 2024, a total of five promotional campaigns were conducted, with health information topics covering smoking hazards, hidden killer - trans fats, epidemic disease - measles prevention and care, and self-check education for heart attack warning signs, to remind employees to pay attention to their health.

2024 On-site Services

Doctor	Occupational Health Nurse	Total
Service Hours		
6	66	**72**
Number of Consultations		
8	50	**58**
Number of Lectures/Hours		
1 session/2 hours	1 session/2 hours	**2 sessions/4 hours**
Number of Health Education Sessions		
-	5	**5**

Note
1. On-site Medical Service Frequency: Physician three times/year; Nurse three times/month

2. Health consultation and four major health plans cover the following areas: prevention of ergonomic hazards, maternal health protection, prevention of unlawful harassment and abnormal workload.

Occupational Safety and Health

To ensure the safety and health of the Company's workers in the workplace, we have established an occupational safety and health system following the ISO45001 management framework, and formulated the Occupational Safety and Health Management Measures in accordance with Article 12-1 of the Occupational Safety and Health Management Regulations. To prevent occupational accidents, protect the safety and health of all employees, based on the Occupational Safety and Health Management Guidelines, strengthen and improve occupational safety and health facilities and work environment, prevent occupational accidents, and implement occupational safety and health management plans, with the goal of achieving zero major occupational accidents. Meanwhile, regular occupational safety and health education and training courses are also conducted for all new and current employees. In addition, to ensure proper procedures for internal and external communication during emergency incidents, the company has established Emergency Incident Reporting Operating Procedures to protect the property and life safety of the company and related personnel when responding to emergency situations.

In accordance with the Occupational Safety and Health Act, the Company has appointed Type A Occupational Safety and Health Business Supervisors and Occupational Safety and Health Personnel who, within their authority, direct and supervise the implementation of safety and health management matters, and coordinate and guide relevant personnel in implementation. At the same time, according to the Occupational Safety Management Regulations and plans, to prevent occupational accidents, protect the safety and health of all employees, based on the Occupational Safety and Health Management Guidelines, strengthen and improve occupational safety and health facilities and work environment, prevent occupational accidents, and implement occupational safety and health management plans, with the goal of achieving zero major occupational accidents.

In the quarterly performance evaluation and tracking of the Sustainable Development Committee, zero workplace accidents for employees is included as one of the performance management indicators, with quarterly tracking and reviews for improvement based on actual conditions. Meanwhile, in case of occupational safety-related emergency incidents, they are handled and reported to the group immediately in accordance with the Emergency Incident Reporting Operating Procedures.

Occupational Safety and Health Management Plan

- Identification, evaluation, and control of workplace environment or operational hazards.
- Management of machinery, equipment, or tools.
- Classification, labeling, communication, and management of hazardous chemicals.
- Planning and monitoring of sampling strategies for hazardous work environments.
- Safety assessment of processes or construction in hazardous workplaces.
- Procurement management, contractor management, and change management.
- Safety and health operation standards.
- Regular inspections, key inspections, operation checks, and site patrols.
- Safety and health education and training.
- Management of personal protective equipment.
- Health examinations, management, and promotion.
- Collection, sharing, and utilization of safety and health information.
- Emergency response measures.
- Investigation processing and statistical analysis of occupational accidents, near-miss incidents, and events affecting physical and mental health.
- Safety and health management records and performance evaluation measures.
- Other safety and health management measures.

Safety and Health Hazard Risk Assessment Process

Ace Pillar refers to the ISO 45001 management framework PDCA operation to establish environmental safety and health assessment criteria. Annual regular assessments are conducted on risks and opportunities that need to be addressed, improvement or control measures are proposed, reported and resolved in the Risk Management Committee (RMC), and resources assistance is provided by the executive management level. When there are changes in equipment, operating procedures, occupational accidents, or corrective measures that need to be implemented for non-conformities, the Company will also conduct hazard identification and risk assessment operations again. Since near-miss incidents are important indicators of potential risks, when occupational accidents occur, the Company immediately activates the occupational safety and health management system according to the emergency incident reporting procedures, responds to the incident and reports to the group in real-time. Subsequently, we also conduct cause investigation and implement corrective and improvement measures and continue to track and confirm the improvement effects.

Action Results

- Occupational safety, health and wellness seminars: Hiring doctors and nurses to conduct health education and promotion
- Annual employee occupational safety and health education training
- Achieving zero workplace accidents

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Major occupational accidents in the Company for the year 2024

0

Occupational disease cases in the Company for the year 2024

Safety and Health Education Training Management

To strengthen environmental health and safety personnel's real-time understanding of occupational safety and health management regulations, we regularly arrange for occupational safety and health supervisors to participate in external professional institutions' refresher training programs as required by law. This helps them stay current with occupational safety and health management regulatory trends. Internally, through seminars and educational training, we help colleagues understand regulations and key implementation points, enhance awareness of workplace environmental hazards, fulfill our duty to protect workplace workers' health and safety, while also conducting occupational safety and health education promotion courses for internal employees. Additionally, through continuously arranging safety education training activities, we enhance the emergency response capabilities of every member within the Company to ensure the effectiveness of overall safety protection measures. The Company conducts regular fire drills as required by law.

To ensure warehouse colleagues possess forklift operation knowledge and have the ability for self-inspection and accident prevention, for warehouse personnel who need to operate forklifts with a load capacity of one ton or above, the Company regularly arranges special safety and health education external training for forklift operators handling loads of one ton or above, as well as periodic refresher training as required by regulations. This ensures that they are all familiar with forklift-related regulations, operational precautions, automatic inspection procedures, analysis of disaster cases and prevention strategies, forklift automatic inspection and accident prevention, as well as occupational accident case analysis and disaster prevention. Furthermore, in accordance with the Labor Health Protection Regulations, the Company has legally appointed two first-aid personnel and regularly arranges professional first-aid refresher training courses for these personnel.

To fulfill our duty of protecting the health and safety of all workplace workers, we emphasize workplace safety, maintain 100% smoke-free environments, strengthen educational training, and periodically organize health and medical seminars to enhance crisis awareness and provide employees with correct health knowledge and concepts. Meanwhile, to help affiliated enterprises perfect their occupational safety and health systems, in 2024 we will guide our subsidiary Transpak's Taipei and Taichung facilities, assisting them in conducting independent occupational safety and health inspections and implementing improvements and optimizations for relevant items.

Training Program Name	Implementation Method	Number of Trainees	Training Hours	Note
Safety and Health Education Training for New Employees	Internal Self-Training	14	49	General
Occupational Safety and Health Operations Supervisor Training (Refresher)	External Institution Training	1	6	General
Class C Occupational Safety and Health Operations Supervisor	External Institution Training	1	21	General
Forklift Operator Training for Loads Over One Ton (Refresher)	External Institution Training	2	6	Specific
Forklift Operation Skills Certification	External Institution Training	1	8	Specific
Fire Prevention Manager Training (Refresher)	External Institution Training	1	6	General
Annual Regular Fire Safety Training	External Institution Training	5	5	General

Emergency Response - Fire Evacuation Drill

In order to strengthen risk control and implement damage prevention, fire evacuation drills are conducted at least twice a year (once in the first half and once in the second half) in accordance with regulations. Self-defense firefighting team training is also conducted. Through emergency evacuation drills, employees' knowledge of safe evacuation is enhanced, enabling them to master the correct methods of using fire extinguishers and firefighting equipment and evacuate quickly.

Caring for the Earth and Society

The Company has always emphasized the management philosophy of "People-Oriented" and "Recognizing Contributions," and with this commitment, we are determined to actively respond to social welfare. Not only implementing improvements in employees' work environment, but also further extending the concept of caring for society to local communities. Ace Pillar upholds the spirit of being friendly to society, gathering the love and care from numerous employees, combining the company's strength, and encouraging colleagues to actively participate in various local care programs and employee-initiated activities, thereby concretely implementing corporate social responsibility.

The Company encourages all employees to actively participate in the group's ESG-related activities. In 2024, we participated in: Ace Pillar Group's joint beach cleaning activity, where we collaborated with Ace Pillar's subsidiaries to support ocean protection, working together for nature and our next generation. We called upon colleagues to take practical action to realize the concept and implementation of environmental sustainability. At the same time, the Company also encourages colleagues to voluntarily participate in community neighborhood charitable volunteer activities. In 2024, our colleagues participated in two charitable parent-child activities at the Shilin Parent-Child Center, with a total of nine volunteers.

Ace Pillar Fleet x TEEIA Joint Beach Cleaning Activity with Hundreds of Participants

Shilin Parent-Child Center Charitable Parent-Child Activities

Pursuit of Environmental Sustainability

4-1 Climate Change Actions

4-2 Sustainable Environmental Management

04

4-1 Climate Change Actions

In response to global climate change, in 2024, the Company follows the Task Force on Climate-related Financial Disclosures (TCFD) framework to identify significant risks and opportunities that may impact operations, propose relevant response strategies, and establish sustainable climate-related indicators and targets to create greater benefits and value for the Company.

Assessment Process

Step 1: Climate-related Scenario Resilience Assessment

Types of Climate-related Risks and Opportunities	The Company's Risk and Strategy Assessment Scenarios	Scenario Content
Transition Risk	1.5°C Scenario	As part of the global trend towards 2050 net-zero carbon emissions and Taiwan's "Overall Explanation of 2050 Net-Zero Emissions Pathways and Strategies" released in March 2022, four major transitions including "Energy Transition", "Industrial Transition", "Lifestyle Transition", and "Social Transition", along with "Technology R&D" and "Climate Legal System" as two governance foundations to strictly control greenhouse gas emissions. In December 2022, the National Development Council announced the phased targets and key strategies for 2050 net-zero transition, proposing a Nationally Determined Contribution (NDC) emission reduction target of "24%±1%" by 2030, which may impact the operations of the Company and its value chain.
	A Comprehensive Analysis of Taiwan's 2050 Net-Zero Emission Path and Strategies	
Opportunity	Taiwan's 2030 Nationally Determined Contribution	
	Taiwan Climate Change Response Act	
Physical Risk	The worst-case global warming scenario (SSP5-8.5) in the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC)	Under the very high greenhouse gas emission scenario (SSP5-8.5), climate change leads to intensified changes in future average temperatures, extreme high temperatures, annual total rainfall, maximum 1-day rainfall intensity, maximum consecutive dry days, and proportion of strong typhoons, which may cause potential operational impacts.

Step 2: Assess Operational Environmental Impact

The Company has established a Sustainable Development Committee, responsible for formulating sustainability development strategies, promoting ESG-related work, and regularly conducting climate risk and opportunity assessments under the TCFD framework. Every year, together with the Risk Management Committee (RMC), meetings are held to identify and track climate change risks and opportunities, and annual progress reports are submitted to the Board of Directors. The Board is responsible for overseeing implementation and coordinating relevant departments to conduct operational risk assessments in accordance with requirements such as the "Paris Agreement," 2050 net-zero emission targets, and the competent authority's "Climate Change Response Act.

Step 3: Identify Climate Risks and Opportunities

The committee members organized by the Risk Management Committee (RMC) and the ESG Task Force jointly identify climate risks and opportunities, and develop corresponding responses for short, medium, and long-term periods.

Energy Saving Benefits

Unit: HR | Category: Physical Risk | Aspect: Resource Efficiency

Risk/Opportunity Description	Potential Financial Impact	Internal: Corporate Internal Control/Prospective Guidelines	External: Corporate External Control/ Outlook and Guidelines
Through energy-saving guidelines, reduce corporate utility expenses, and in response to future government regulations, carbon tax expenditure can be reduced in the medium term.	Through relevant energy-saving guidelines, water and electricity expenses and carbon emissions can be reduced, potentially lowering future carbon taxes, which helps reduce related operational cost expenditures.	● Install water-saving devices on faucets ● Smart automated timer control for lights/air conditioning PLC ● Master switch control to reduce the possibility of leaving power sources on ● Replace old electrical equipment with new ones to increase efficiency and reduce energy consumption	● Regular tracking of energy-saving and carbon reduction equipment in the market ● ESG excellent corporate image to gain more cooperation opportunities ● Regularly seek external assistance to reduce equipment upgrade costs

Short-term Goals/Targets for 2025	Mid-term Goals/Targets for 2035	Long-term Goals/Targets for 2050
● Set energy-saving targets: 1% annual reduction in water/electricity consumption compared to the baseline year ● Hold quarterly ESG Committee meetings to review energy usage status	● Regularly disclose relevant achievements to benefit corporate image	● Internal energy-saving culture prevails and becomes second nature ● Enhance corporate image

Impact of Extreme Weather on Workforce Management (Environmental Hygiene and Employee Safety)

Unit: HR | Category: Physical Risk | Aspect: Immediacy

Risk/Opportunity Description	Potential Financial Impact	Internal: Corporate Internal Control/Prospective Guidelines	External: Corporate External Control/ Outlook and Guidelines
Extreme weather events, such as frequent earthquakes and natural disasters, may damage the Company's office environment, potentially exposing employees to hazardous working conditions.	Due to extreme weather factors such as earthquakes, floods, and wind damage, office environments suffer disaster damage, resulting in repair costs and property equipment losses, and may affect employee commuting, leading to forced decrease in business revenue.	● Establish daily inspection checklists for each area and conduct regular inspections to identify potential risk factors. ● Implement relevant disaster prevention drills and review whether related disaster prevention equipment and supplies are adequate. ● Compile potential risk factors currently identified at each location and present them to the Risk Management Committee, regularly confirming the tracking status of risk factors.	● Actively track external risk information and internally review corporate conditions. ● Regularly participate in group and external public risk forums to track extreme climate change conditions. ● Actively search for various waterproof, earthquake-resistant office equipment externally as precautionary measures.

Short-term Goals/Targets for 2025	Mid-term Goals/Targets for 2035	Long-term Goals/Targets for 2050
● Hold four Risk Management Committee meetings annually to confirm the risk control status of this item. ● Complete evacuation drills once every six months to confirm personnel's disaster prevention awareness. ● Complete fire equipment inspection and maintenance once a year to ensure office environment safety.	● When selecting relocation sites, evaluate whether they are located in risk-vulnerable areas. ● When renovating office spaces, incorporate risk factors such as earthquake resistance, wind pressure resistance, waterproofing, and fire prevention into the consideration of decoration materials.	● Digitize relevant risk data from each area online, and regularly evaluate whether the response to extreme climate risks is adequate based on various disaster risk factors.

Domestic and International Legal Requirements

Unit: Finance | Category: Transition Risk | Aspect: Policy and Regulations

Risk/Opportunity Description	Potential Financial Impact	Internal: Corporate Internal Control/ Prospective Guidelines	External: Corporate External Control/ Outlook and Guidelines
Domestic and international sustainability regulations are constantly evolving, requiring proactive responses to avoid potential penalties for non-compliance.	● In response to government regulations, there are annual increased costs for sustainability report compilation, educational training, and other related expenses ● Government implementation of carbon tax policies leads to increased operational costs ● To meet vendors' or customers' sustainability labels or specifications, additional costs must be incurred to achieve their standards	● Establish a dedicated sustainability unit, strengthen employee sustainability awareness, and regularly promote company sustainability policies. ● Increase sustainability-related professional staff and conduct periodic educational training to enhance relevant expertise. ● Lead by example, enhance management's sustainability expertise to promote sustainable development at the grassroots level.	● Frequently participate in external seminars and sharing sessions to ensure current practices align with domestic and international policies, avoiding potential penalties. ● Send staff to receive relevant external professional education and training to effectively reduce upcoming carbon taxes internally and decrease related operational costs.

Short-term Goals/Targets for 2025	Mid-term Goals/Targets for 2035	Long-term Goals/Targets for 2050
● Monitor domestic and international regulatory developments during weekly meetings ● Conduct annual educational training to cultivate sustainability professionals ● Implement annual self-defined sustainable environmental management systems and various reduction initiatives	● Comply with sustainability regulations and standards from original manufacturers and customers ● Systematize sustainability report compilation to reduce annual writing costs and staff training expenses.	● Expand social engagement and corporate sustainability influence to promote more cooperation opportunities. ● Comply with domestic and international sustainability policy standards to closely align with global sustainability issues and gain more opportunities.

Low-Carbon Products and Services

Unit: Technical | Category: Opportunity | Aspect: Products/Services

Risk/Opportunity Description	Potential Financial Impact	Internal: Corporate Internal Control/Prospective Guidelines	External: Corporate External Control/ Outlook and Guidelines
In response to foreseeable climate change, early deployment of potential services and low-carbon products or tools is expected to create more business opportunities	● Seize relevant business opportunities and achieve results. Exposure gained from addressing sustainability issues leads to more business opportunities. ● Early planning of suitable working hours under future climate change helps improve employee productivity efficiency, which can increase operational revenue.	● For various locations and sites within the enterprise, evaluate the installation of power and temperature sensor monitoring devices, attempt to achieve unmanned automated monitoring and recording, and develop alert mechanisms to enable management to remotely understand the risk status of each location in real-time. ● Regularly hold relevant risk meetings to discuss and improve the collected data, reducing the possibility of exposure to risk factors.	● Agent or develop services and products that can provide external compliance with: transparency and accuracy, regulatory compliance, sustainability, reporting and communication, and cost-effectiveness. ● Actively participate in sustainability-related product launches, case study presentations from advanced sustainable countries like the EU, newspaper and news information, and seek successful cases for reference.

Short-term Goals/Targets for 2025	Mid-term Goals/Targets for 2035	Long-term Goals/Targets for 2050
● Once a year: Analyze the potential impacts after implementing electricity usage policies during Taiwan's summer heat periods. ● Once per quarter: Discuss risks and opportunities at the Risk Management Committee meetings.	● Related businesses and customers have kept pace with the times and are all on the path toward sustainability and low carbon. At this time, we must use our own company's low-carbon achievements to earn customers' selection. Therefore, we can plan ahead for: intelligent energy management, energy storage technology, summer/winter working hours, etc.	● Ace Pillar has achieved complete carbon neutrality and can provide advanced low-carbon technology products and applications, or offer intelligent solutions to customers, improve customers' carbon emissions situation, and achieve reduced operational costs.

Changes in Customer Consumption Behavior

Unit: Business Division | Category: Transition Risk | Aspect: Market

Risk/Opportunity Description	Potential Financial Impact	Internal: Corporate Internal Control/Prospective Guidelines	External: Corporate External Control/ Outlook and Guidelines
To comply with regulations, customers' dependence on low-carbon products has increased, which may lead to changes in customer consumption behavior.	● Whether timely providing customers with low-carbon products that comply with regulations could potentially impact operational revenue. ● Early strategic positioning to increase customer dependency offers the potential to secure a place in the market amid the sustainability wave.	● Improve equipment components, such as frequency inverters, servo controls, robots, and graphical controls. ● Introduction of newly designed energy-saving equipment. ● Energy-saving monitoring of electricity, water, and oil consumption in factory areas. ● Installation, storage, and resale of renewable energy.	● Industry ESG indicator compliance with customers, incorporating energy-saving equipment components. ● Introduction or emulation of successful industry case studies.

Short-term Goals/Targets for 2025	Mid-term Goals/Targets for 2035	Long-term Goals/Targets for 2050
● Weekly meetings: Review energy-saving optimization solutions for customers' existing equipment. ● Weekly meetings: Review whether agency products meet current market demands. ● Irregular annual events: Strengthen employee sustainability awareness training and RPA implementation.	● Provide factory-wide energy management and monitoring. ● Evolve from providing energy-saving solutions to potential renewable energy equipment. ● Provide services for intelligent systematic production line configuration.	● In response to sustainability policies, have the capability to provide customers with full factory area building renovations and equipment performance optimization. ● Based on short and medium-term achievements, facilitate more cross-company collaborations with relevant qualifications and backgrounds.

Strengthen Inventory Temperature Control Management

Unit: Warehouse | Category: Physical Risk | Aspect: Long-term

Risk/Opportunity Description	Potential Financial Impact	Internal: Corporate Internal Control/ Prospective Guidelines	External: Corporate External Control/Outlook and Guidelines
Under extreme weather or abnormally high temperatures, the quality and stability of inventory are affected.	Sustained high temperatures may cause deterioration of stored goods, directly leading to sales losses, and may require disposal or significant price reductions, further eroding gross margins.	Conduct accurate market demand forecasts to avoid excess or insufficient inventory	● Strengthen suppliers' awareness and responsibility for temperature control risks, regularly review suppliers' temperature control capabilities, and ensure their continued compliance with standards. ● Reference inventory storage methods from similar domestic and international industries, and learn from excellent solutions. ● Track related storage temperature control equipment and take preventive measures, hoping to make timely adjustments to reduce the possibility of risks when they arise.

Short-term Goals/Targets for 2025	Mid-term Goals/Targets for 2035	Long-term Goals/Targets for 2050
● Conduct regular monthly temperature recording and monitoring of existing inventory. ● Hold quarterly Risk Management Committee (RMC) meetings: discuss warehouse management risks and develop preventive measures.	● Install automated unmanned temperature control equipment in various locations to ensure the accuracy and stability of inventory temperature control. For example, use advanced temperature control monitoring equipment and smart sensors. ● Develop or add real-time unmanned remote alert systems to reduce the probability of product damage.	● Based on short and medium-term experience, market demand, seasonal changes, and weather forecasts, intelligently and systematically adjust inventory levels precisely to avoid excess or insufficient stock, reducing the risk of expired or slow-moving inventory.

Energy-Saving Products

Unit: Product | Category: Opportunity | Aspect: Products/Services

Risk/Opportunity Description	Potential Financial Impact	Internal: Corporate Internal Control/Prospective Guidelines	External: Corporate External Control/Outlook and Guidelines
Expand the development and distribution of energy-saving products, reduce equipment power consumption, actively follow ESG government regulations, and guide customers and suppliers toward energy conservation and carbon reduction.	● Meets market demands driven by international governments, with potential to increase sales opportunities. ● Following government initiatives, the transformation process may reduce related costs and enable profitability at lower costs.	● Modularization of energy-saving products to maximize efficiency ● Develop optimal system integration and energy-saving solutions ● Educational training to enhance energy-saving knowledge (product features and applications) ● Joint development with manufacturers to improve product performance and reduce costs	● Target industries with the highest energy-saving needs e.g., elevators/air conditioning and rubber/plastic manufacturing plants) for promotion ● Assist customers in planning optimal energy-saving solutions and implementing their use ● Regularly assist in tracking and monitoring equipment energy-saving status ● Expand successful cases to gain more opportunities for customer collaboration

Short-term Goals/Targets for 2025	Mid-term Goals/Targets for 2035	Long-term Goals/Targets for 2050
● Hold quarterly Risk Management Committee meetings: Confirm current supply chain risk status ● Conduct regular market surveys: Verify if products adequately meet market demands ● Hold monthly department meetings: Confirm supply and demand status and risk assessment for each market position	● Expand from single products to intelligent automation of entire production lines ● Plant-wide sales of low-energy consumption products	● Through successful cases (energy-saving effects), expand implementation to more customers and suppliers

Business Day Communication Disruptions Caused By Extreme Weather

Unit: Information | Category: Physical Risk | Aspect: Immediacy

Risk/Opportunity Description	Potential Financial Impact	Internal: Corporate Internal Control/ Prospective Guidelines	External: Corporate External Control/ Outlook and Guidelines
● Employees cannot work normally and must use internet and communication tools to complete their work ● Network system abnormalities prevent connection to systems, making it impossible to effectively process work data ● Information equipment failure, unable to provide timely repairs	● Unable to maintain normal contact with customers leading to inability to receive orders, and inability to effectively process incoming/ outgoing shipments through information equipment, potentially resulting in operational cost losses. ● Operational information reports cannot be generated smoothly, causing work delays and affecting operations.	● Strengthen practice of WFH (Work From Home) operation mode ● Strengthen personnel's information security awareness ● Regularly test backup line availability	● Stay updated on cloud technology developments and study network system optimization ● Verify network and system risk management measures of partner vendors

Short-term Goals/Targets for 2025	Mid-term Goals/Targets for 2035	Long-term Goals/Targets for 2050
● Hold quarterly Risk Management Committee meetings: Track and review information security risks and prevention. ● Verify annually if established backup lines are sufficient	● Migrate on-premises equipment to the cloud to reduce hardware failure risks	● Establish and switch to off-site backup systems

4-2 Sustainable Environmental Management

Energy Usage and Conservation

In the process of sustainable development, Ace Pillar Enterprise will uphold the principle of cherishing Earth's resources and fulfill its corporate social responsibility as a people-oriented enterprise. We expect to conduct greenhouse gas inventory and verification through this report and related operations, and report the implementation status to the Board of Directors quarterly.

Work Items	Ace Pillar	Consolidated Company
Establish dedicated (or part-time) units and determine the number of dedicated (or part-time) personnel and their scope of responsibilities	✓ Completed	✓ Completed
Conduct educational training for inventory team members	✓ Completed	✓ Completed
Complete greenhouse gas inventory (by December 2025)	✓ Completed	In progress / Expected completion in December 2025 (4 companies completed out of 12 companies required; completion rate 33.3%)
Complete external verification (by December 2027)	✓ Completed (To be completed in 2025)	NA

Note As of December 2024, the greenhouse gas inventory and verification schedule for the Company's individual entities and consolidated subsidiaries in financial statements

Greenhouse Gas Emissions

As global warming becomes increasingly serious, although Ace Pillar is not a high-carbon emission industry, it still actively fulfills its environmental responsibilities and pays attention to the impact of its operations on climate change. In response to the relocation of the Taoyuan office and logistics center, the base year for energy management and greenhouse gas inventory has been revised to 2024. The greenhouse gas emission inventory for each operating location has been established in accordance with the requirements of Greenhouse gases Part 1 (ISO 14064-1) and Greenhouse Gas Protocol (GHG Protocol).

The 2024 greenhouse gas inventory data has been third-party verified according to ISO 14064-1:2018 Scope 1 and 2. The main sources of greenhouse gas emissions include purchased electricity for office operations (carbon dioxide generated during power generation), gasoline combustion from company business vehicles for official travel, and greenhouse gases emitted from refrigerant leakage. According to statistics, the total carbon dioxide emissions (CO2e) for Scope 1 and 2 in 2024 were approximately 370.33 tonnes, showing a decrease of 1.41% compared to 375.61 tonnes CO2e in 2023, and a reduction of 6.44% compared to 395.82 tonnes CO2e in 2022. This shows that through improving energy efficiency, reducing unnecessary energy consumption, and optimizing business operations, the Company has achieved a reduction in carbon emissions for two consecutive years.

Total emissions in 2024

370.33 Tonnes

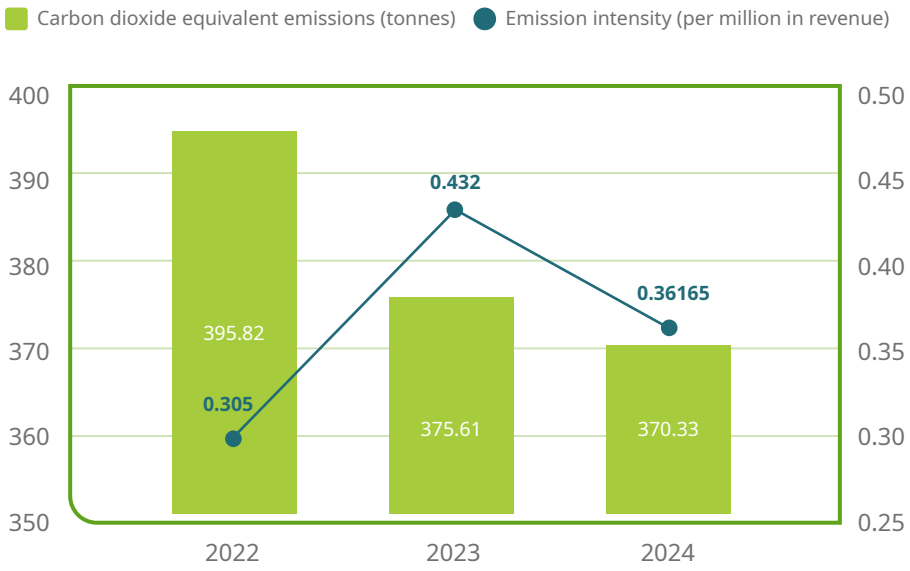
Total emissions decreased by approximately compared to the previous year in 2024

1.41%

Direct Emission Sources	Indirect Energy Emission Sources
Fuel used by official vehicles / Refrigerants in drinking water equipment / Gas leakage from fire extinguishers / Refrigerants in refrigerators and air conditioning equipment	Purchased electricity

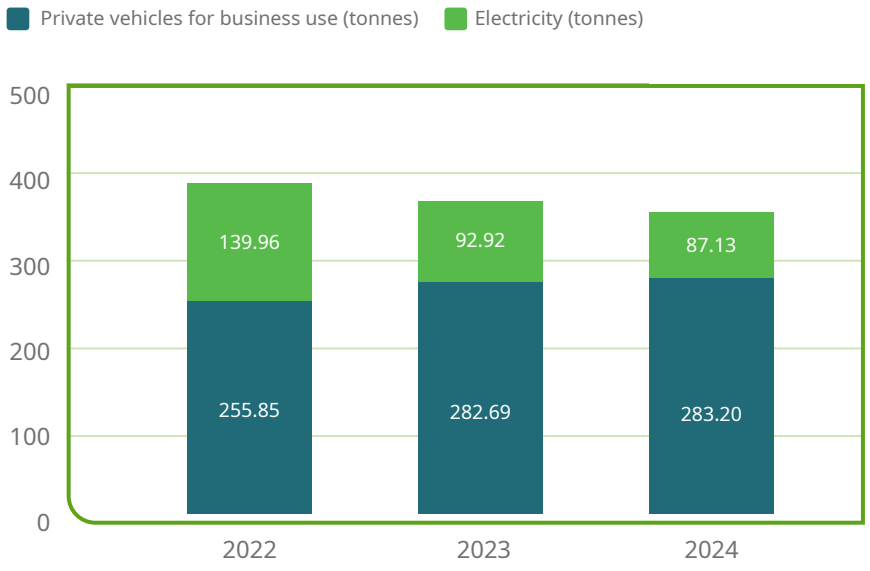
The combined emissions from Scope 1 and 2 in 2024 decreased by approximately 25.50 and 5.29 tonnes of carbon dioxide equivalent (CO2e) compared to 2022 and 2023, respectively. Although the emission intensity of 0.362 tonnes CO2e in 2024 decreased by approximately 16.33% compared to 0.432 tonnes in 2023, it was still 18.41% higher than the baseline year 2022 0.305 tonnes. Therefore, in addition to combining business activities with vehicle electrification and increased use of public transportation to reduce carbon emissions in the future, efforts must still be made to create more revenue to reduce carbon emission intensity.

Figure 1: Annual Total Greenhouse Gas Emissions



Note **1.** The data is from Ace Pillar's self-inventory of Scope 1 and Scope 2 greenhouse gas emissions within the organization, including: office electricity, official vehicle fuel (gasoline), and refrigerant emissions

Figure 2: Annual Greenhouse Gas Carbon Emissions Comparison Chart



Note **1.** Calculated by multiplying the annual kiloliters reported for private vehicles used for business purposes (116.64 kiloliters) by the sum of relevant carbon emission factors. When assuming the annual total volume of gasoline (kiloliters) = N, the annual CO2e emissions (tonnes/year) = N * CO2 emission factor + N * CH4 Emission factor * GWP + N * N2O emission factor * GWP = annual CO2e emissions. (GWP = Global Warming Potential.)

2. Calculated by multiplying the total electricity consumption for operational activities as listed on Taiwan Power Company bills (183,810 kWh) by the sum of relevant carbon emission factors for each year. When assuming the annual total operational electricity consumption (thousand kWh) = E, the annual CO2e emissions (tonnes/year) = E * electricity emission factor for that year. The 2022 calculation is based on the electricity emission factor of 0.495 kg CO2e/kWh published by the Bureau of Energy, Ministry of Economic Affairs; the 2023 electricity emission factor was 0.494 kg CO2e/kWh; and the 2024 electricity emission factor was 0.474 kg CO2e/kWh

2040 Net Zero Carbon Emissions Goal Strategy Implementation Measures

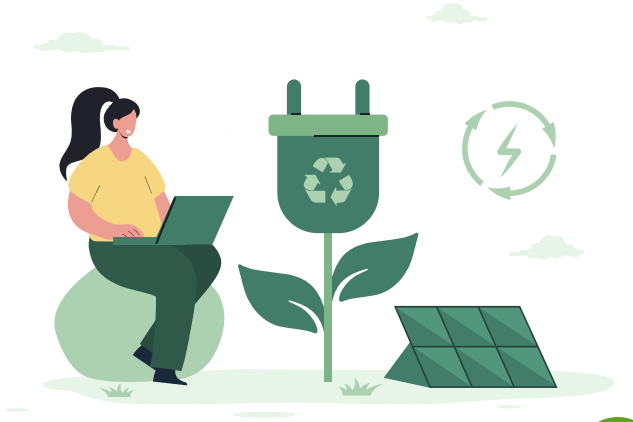
Ace Pillar follows Qisda Group's relevant target settings and commits to:

Achieve RE80 renewable energy target by 2035, RE100 by 2040, and reduce Scope 1 and Scope 2 greenhouse gas emissions by 70% by 2035

Short-term	Mid-term	Long-term	Current Achievement Status
3% renewable energy ratio by 2025	**80%** renewable energy ratio by 2035	100% renewable energy ratio in compliance with **RE100** requirements by 2040	● 0% renewable energy usage in 2024 ● Total reduction in greenhouse gas emissions (Scope 1 and Scope 2) is 6.55% in CO2 emissions
10% reduction in Scope 1 and Scope 2 emissions by 2025	**70%** reduction in Scope 1 and Scope 2 emissions by 2035	Achieve **carbon neutrality (net-zero)** by 2050	
Total reduction of **37.03 metric tons** CO2 equivalent emissions (CO2e)	Total reduction of **259.21 metric tons** CO2 equivalent emissions (CO2e)		

Implementation Plan

- Install sub-metering digital power meters: Visualize energy consumption by installing digital power meters on electrical circuits in each office, collecting electricity usage data back to a central control platform.
- Energy usage analysis: Analyze peak and off-peak electricity consumption through power circuit usage data from each office, implementing real-time load shedding of electrical equipment to achieve effective power energy management
- Personnel detection and natural lighting: The main electricity consumption in office environments comes from air conditioning and lighting. Using natural lighting can effectively reduce the need for artificial lighting, and combining it with personnel detection sensors can automatically turn off area lighting to save electricity
- Air conditioning temperature control: Enforce fixed air conditioning temperature settings at 25-26 degrees, enhance indoor air circulation to improve air conditioning efficiency, and set fixed air conditioning shutdown at 19:00
- Natural ventilation: Make good use of installed heat exchangers in offices to reduce indoor CO2 concentration, which helps reduce drowsiness and improve work efficiency (ventilation and temperature control)



Electricity Usage

Ace Pillar's main operational locations are offices and logistics centers. The total electricity consumption in 2024 was 183,810 kWh, which decreased by approximately 580 kWh compared to the previous year's (2023) consumption of 184,390 kWh. The main reason is that after the Logistics Center relocated to its new address in 2023, it switched to independent box-type water-cooled air conditioning units. In addition to more effective control of air conditioning operation in each area, fans are used to effectively distribute cool air to different zones, reducing both temperature and power consumption.

However, after excluding the warehouse (Logistics Center) power consumption, it was found that the electricity consumption of both Xinzhuang (Operations Headquarters) and Taichung units in 2024 increased rather than decreased by approximately 0.7% / 564 kWh and 9% / 3,008 kWh respectively compared to 2023. Upon deeper investigation, this increase was mainly due to higher business demands leading to increased lighting and air conditioning power consumption. Therefore, the Company plans to implement power information collection systems at all operational sites and logistics centers in 2025 to monitor actual power consumption of each circuit. Through power circuit analysis, idle equipment will be shut down immediately to reduce unnecessary power waste.

Total electricity consumption for 2024

183,810 kWh

Total electricity consumption in 2024 decreased by approximately compared to the previous year

580 kWh

Energy Saving Targets

Short-term (Desired Annual Achievement Goals)	Medium-term (Desired Achievement by 2035)	Long-term (Desired Achievement by 2050)
Using 2024 as the baseline, reduce annual electricity consumption by **1%** (targeting a reduction in electricity intensity of 1.79 kWh in 2025)	Using 2024 as the baseline, reduce electricity consumption by **10%** (targeting a reduction in electricity intensity of 17.9 kWh in 2035)	Using 2024 as the baseline, reduce electricity consumption by **20%** (targeting a reduction in electricity intensity of 35.8 kWh in 2050)

Related Measures

- Enhance natural lighting configuration to reduce artificial lighting usage
- Monitor power consumption in public spaces through the power management system to reduce unnecessary electricity waste
- Encourage colleagues to switch computer interfaces to dark mode to reduce screen power consumption
- Increase the proportion of renewable energy usage and evaluate signing Corporate Power Purchase Agreements (CPPA)

Note Electricity intensity: Annual total electricity consumption/Annual revenue (million NTD)

Electricity Analysis

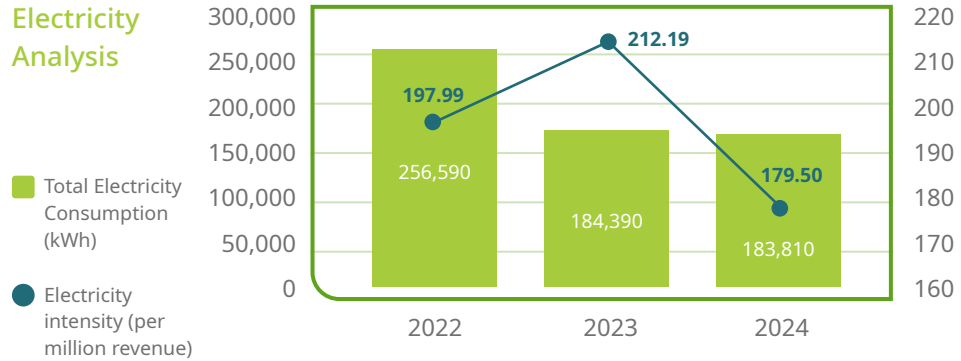


Figure 1: Comparison of Electricity Usage by Unit in 2022-2024

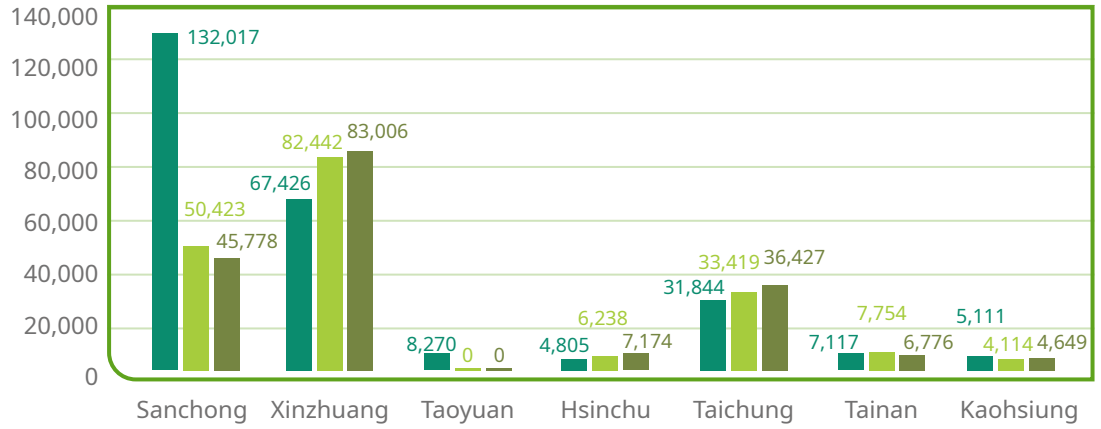


Figure 2: Comparison of Total Electricity Usage Annually

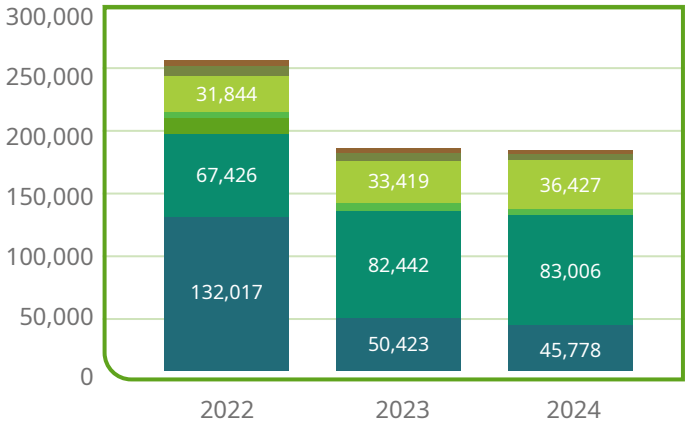


Figure 3: Comparison of Electricity Usage by Unit Excluding Warehouse (Logistics Center) in 2022-2024

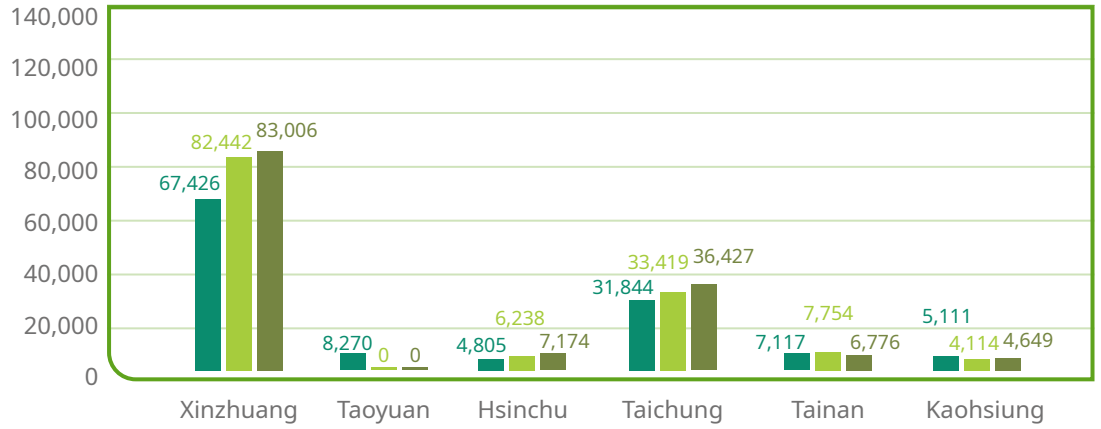
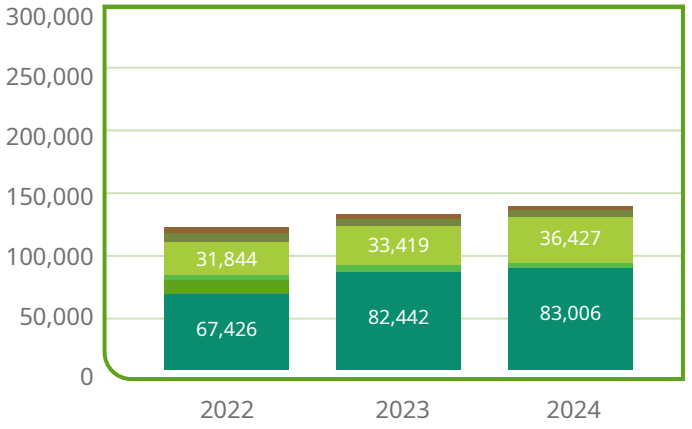


Figure 4: Comparison of Total Annual Electricity Usage Excluding Warehouse (Logistics Center)



Water Resource Management

Ace Pillar's water consumption is mainly used for air conditioning circulation in logistics centers and daily water usage by employees at various business locations. There are no factories or manufacturing processes, and all company water comes from the water utility company. The total water consumption of all operating locations in 2024 was 1,065 tons, an increase of approximately 10% / 97 tons compared to 968 tons in 2023. Upon verification, this was mainly due to nearly 20 new tenants gradually moving into the Xinzhuang headquarters office building in 2024, causing a surge in shared water consumption in public areas among all floor tenants. Additionally, the Xinzhuang headquarters conducted annual maintenance/cleaning of the air conditioning system (entire area: approximately 300 pings) and office carpet cleaning (1/2 area: approximately 150 pings) in May 2024, resulting in a nearly 26% / 168-ton increase in daily water consumption at the Xinzhuang headquarters office compared to the previous year. Therefore, in 2025, steps will be taken to adjust the water flow of various water facilities at the Xinzhuang office locations and install aerators and other devices to conserve water consumption.

Year	2022	2023	2024
Total Consumption (m^3)	1,704	968	1,065
Number of Employees	110	118	115
Consumption per Person (m^3)	15.49	8.20	9.26

Total water consumption in 2024

1,065 tons

Total water consumption in 2024 increased by approximately compared to the previous year

97 tons

Per capita water consumption in 2024

9.26 m^3

Figure 1: Company-wide Total Water Consumption Comparison 2022-2024

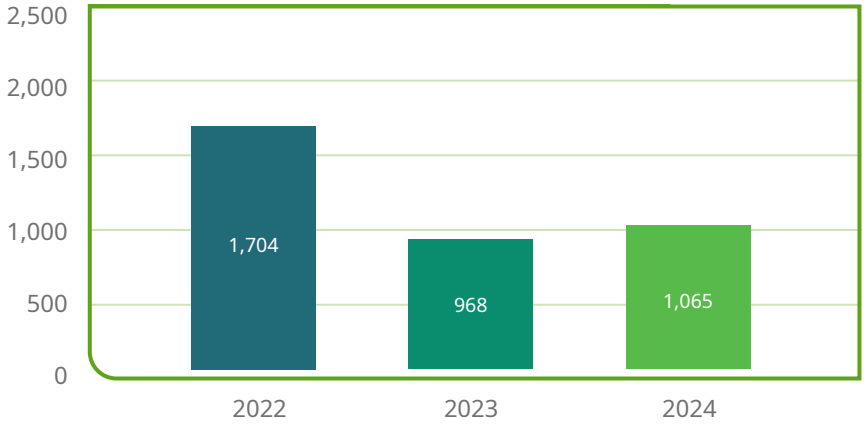


Figure 2: Per Capita Water Consumption Comparison 2022-2024

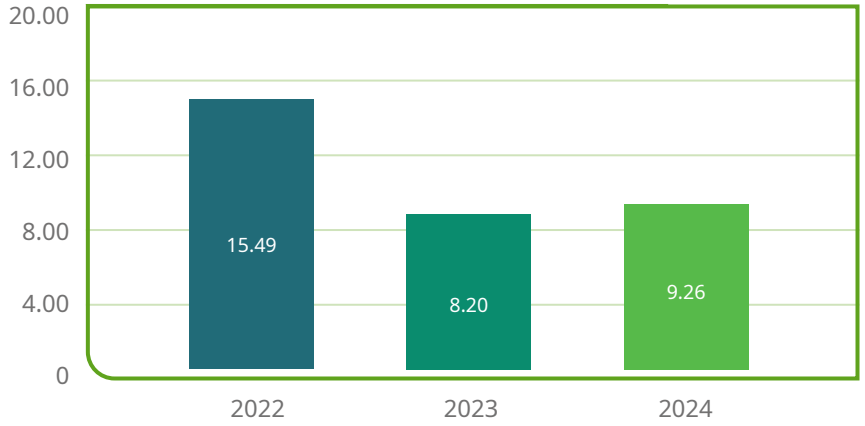
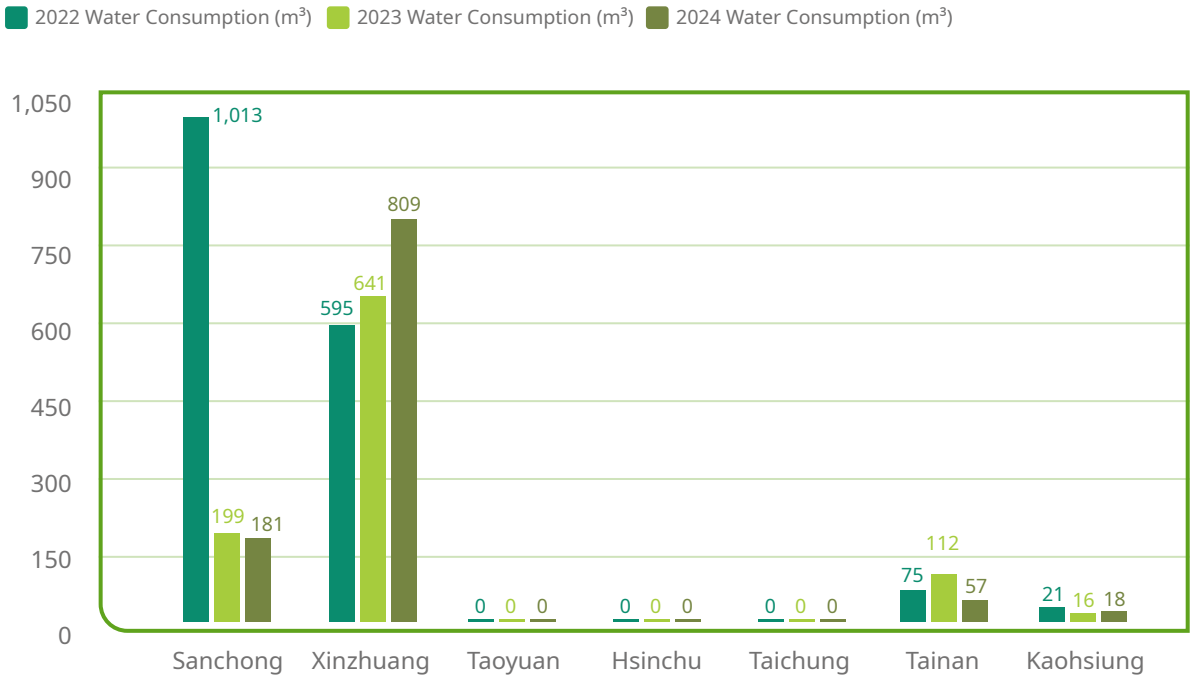


Figure 3: Water Consumption Comparison by Units 2022-2024



Year	2022	2023	2024
Total Usage by Each Business Location	691	769	884
Per Capita Usage by Each Business Location	6.91	7.25	8.42
Total Usage by Logistics Center	1,013	199	181
Per Capita Usage by Logistics Center	101.30	16.58	18.10

Water is Earth's precious resource, not an unlimited supply. As global warming becomes increasingly severe, Ace Pillar actively promotes corporate sustainable development, focuses on environmental sustainability issues, cherishes Earth's resources, fulfills social responsibilities to meet societal needs and protect the environment. We will continue to promote water conservation and set a target of **reducing per capita water consumption by 1% annually** based on 2024 as the baseline, contributing our part to environmental protection.

Waste Management

In 2024, the Company recycled and reused waste materials such as pallets and packaging materials. All main pallets have been fully recycled for logistics and distribution. However, due to packaging materials containing small plastic pieces and films that are difficult to reuse, they cannot be repurposed for upstream and downstream shipping packaging. Some of these plastics will be used as filling materials, while the remaining portions will be recycled. Through the above measures, the Company's achieves its goals while reducing environmental pollution impacts and promoting corporate and environmental sustainability.

Recyclable and reusable waste ratio in 2024

98.2%

Achievement Status of Self-Set Waste Recycling Management Indicators

Indicators: Total Waste Generated (tonnes)

Total weight	Recycled and Reused Weight	2024	Short-term Goal	Achievement Rate	2035 Goal	2050 Goal	Corresponding SDGs
15.39	**15.12**	**98.2%**	92%	Completed	97%	Zero Waste	SDG6 SDG14

Year	2022	2023	2024	Description
Proportion of recyclable and reusable waste (%) Note	Not Recorded	98.0%	98.2%	● Statistics not yet recorded in 2022 ● Statistics compiled starting from March 2023
1. Recyclable and reusable waste - Pallets (tonnes)	Not Recorded	12.52	14.46	
2. Recyclable and reusable waste - Packaging materials (tonnes)	Not Recorded	0.87	0.66	
3. Non-recyclable and non-reusable waste - Others (tonnes)	Not Recorded	0.27	0.27	

Note Calculation method: All recyclable and reusable waste (1+2) / Total waste (1+2+3)

As a quality distributor, the Company continues to uphold the concept of cherishing Earth's resources and actively fulfills corporate social responsibility. We will continue to reduce carbon emissions and water consumption gradually through energy use optimization and operational adjustments. In the future, we will continue to monitor global sustainability trends, promote low-carbon transformation, evaluate more energy-saving and environmental protection measures, and increase the proportion of renewable energy use, in order to implement corporate sustainability goals and further reduce the environmental impact of operations.

Appendix

5-1 GRI Content Index

5-2 SASB Sustainability Accounting Standards Index

5-3 Independent Third-Party Assurance Statement

5-4 Climate-Related Information Index for Listed Companies

05

5-1 GRI Content Index

Terms of Use

Terms of Use	Ace Pillar Co., Ltd. has reported the content for the period from January 1, 2024 to December 31, 2024 in accordance with the GRI Standards
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	No applicable GRI Sector Standards

Organization and Reporting Practices

GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 2 General Disclosures 2021	2-1	Organizational details	Preface: About This Report	04-05	
	2-2	Entities Included in the Organization's Sustainability Reporting	Preface: About This Report	04-05	
	2-3	Reporting Period, Frequency and Contact Point	Preface: About This Report	04-05	
	2-4	Restatements of information	Preface: About This Report	04-05	Restatements of information
	2-5	External Assurance	Preface: About This Report	04-05	

Activities and Workers

GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 2 General Disclosures 2021	2-6	Activities, Value Chain and Other Business Relationships	Preface: About This Report	04-05	No significant changes in value chain in 2024
	2-7	Employees	3-1 Employee Profile	70-74	

GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 2 General Disclosures 2021	2-8	Non-employee Workers	3-1 Employee Profile	70-74	

治理

GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 2 General Disclosures 2021	2-9	Governance Structure and Composition	1-1 Corporate Governance	27-34	
	2-10	Nomination and Selection of the Highest Governance Body	1-1 Corporate Governance	27-34	
	2-11	Chair of the highest governance body	1-1 Corporate Governance	27-34	
	2-12	Role of the Highest Governance Body in Overseeing Impact Management	1-1 Corporate Governance	27-34	
	2-13	Delegation of responsibility for managing impacts	1-1 Corporate Governance	27-34	
	2-14	Role of the Highest Governance Body in Sustainability Reporting	1-1 Corporate Governance	27-34	
	2-15	Conflicts of Interest	1-1 Corporate Governance	27-34	
	2-16	Communication of Critical Concerns	1-1 Corporate Governance	27-34	
	2-17	Collective Knowledge of the Highest Governance Body	1-1 Corporate Governance	27-34	
	2-18	Performance Evaluation of the Highest Governance Body	1-1 Corporate Governance	27-34	
	2-19	Remuneration Policies	1-1 Corporate Governance	27-34	
	2-20	Process to determine remuneration 27-34	1-1 Corporate Governance	27-34	
	2-21	Annual Total Compensation Ratio	3-3 Building a Happy and Healthy Workplace	78-90	Annual Total Compensation Ratio: 6.25; Annual Total Compensation Change Ratio: 1.58

Strategy, Policy and Practice					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 2 General Disclosures 2021	2-22	Statement of Sustainable Development Strategy	Preface: Sustainable Strategy Roadmap	07-11	
	2-23	Policy Commitments	Preface: Sustainable Strategy Roadmap	07-11	
	2-24	Embedding Policy Commitments	Preface: Sustainable Strategy Roadmap	07-11	
	2-25	Processes to Remediate Negative Impacts	Preface: Management Material Topics	22-25	
	2-26	Mechanisms for Seeking Advice and Raising Concerns	1-3 Implementing Ethical Management and Legal Compliance	40-42	
	2-27	Compliance with laws and regulations	1-3 Implementing Ethical Management and Legal Compliance	40-42	
	2-28	Membership associations	1-1 Corporate Governance	27-34	

Stakeholder Engagement					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 2 General Disclosures 2021	2-29	Approach to stakeholder engagement	Preface: Stakeholder and Material Topic Identification	12	
	2-30	Collective bargaining agreements	-	-	No Collective Bargaining Agreements
GRI 3 Material Topics 2021	3-1	Process for Determining Material Topics	Preface: Stakeholder and Material Topic Identification	12	
	3-2	List of Material Topics	Preface: Determination of Material Topics	21	
	3-3	Management of Material Topics	Preface: Determination of Material Topics	21	

Specific Topic: Economic					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 201 Economic Performance 2016	201-1	Direct Economic Value Generated and Distributed	1-2 Financial Performance	35-39	
	201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	4-1 Climate Change Actions	92-100	
	201-3	Defined Benefit Plan Obligations and Other Retirement Plans	3-3 Building a Happy and Healthy Workplace	78-90	
	201-4	Financial Assistance Received from Government	-	-	The Company did not receive any financial subsidies from the government
GRI 202 Market Presence 2016	202-1	Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage	3-3 Building a Happy and Healthy Workplace	78-90	
	202-2	Proportion of Senior Management Hired from the Local Community	3-3 Building a Happy and Healthy Workplace	78-90	
GRI 203 Indirect Economic Impacts 2016	203-1	Infrastructure Investments and Services Supported	3-3 Building a Happy and Healthy Workplace	78-90	
	203-2	Significant Indirect Economic Impacts	3-3 Building a Happy and Healthy Workplace	78-90	
GRI 204 Procurement Practices 2016	204-1	Proportion of Spending on Local Suppliers	2-2 Sustainable Supply Chain Management	63-68	
GRI 205 Anti-corruption 2016	205-1	Operations Assessed for Risks Related to Corruption	-	-	No sites have undergone this assessment yet
	205-2	Communication and Training about Anti-corruption Policies and Procedures	1-3 Implementing Ethical Management and Legal Compliance	40-42	
	205-3	Confirmed Incidents of Corruption and Actions Taken	-	-	The Company had no such incidents
GRI 206 Anti-competitive Behavior 2016	206-1	Legal Actions for Anti-competitive Behavior, Anti-trust, and Monopoly Practices	1-3 Implementing Ethical Management and Legal Compliance	40-42	

Specific Topic: Economic					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 207 Tax 2019	207-1	Approach to tax	1-2 Financial Performance	35-39	
	207-2	Tax governance, control, and risk management	1-2 Financial Performance	35-39	
	207-3	Stakeholder engagement and management of concerns related to tax	Preface、Stakeholder Engagement	14-17	
	207-4	Country-by-country Reporting	-	-	The Company is not required to use country-by-country reporting

Specific Topic: Environment					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 301 Materials 2016	301-1	Materials used by weight or volume	-	-	The Company has no manufacturing or processing operations
	301-2	Recycled Input Materials Used	-	-	The Company has no manufacturing or processing operations
	301-3	Reclaimed Products and their Packaging Materials	4-2 Sustainable Environmental Management	101-109	
GRI 302 Energy 2016	302-1	Energy Consumption Within the Organization	4-2 Sustainable Environmental Management	101-109	
	302-2	Energy Consumption Outside of the Organization	4-2 Sustainable Environmental Management	101-109	
	302-3	Energy Intensity	4-2 Sustainable Environmental Management	101-109	
	302-4	Reduction of Energy Consumption	4-2 Sustainable Environmental Management	101-109	
	302-5	Reduction in Energy Requirements of Products and Services	4-2 Sustainable Environmental Management	101-109	

Specific Topic: Environment					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 303 Water and Effluents 2018	303-1	Energy Consumption Within the Organization	4-2 Sustainable Environmental Management	101-109	
	303-2	Management of water dischargerelated impacts	4-2 Sustainable Environmental Management	101-109	
	303-3	Water Withdrawal	4-2 Sustainable Environmental Management	101-109	
	303-4	Water Discharge	4-2 Sustainable Environmental Management	101-109	
	303-5	Water Consumption	4-2 Sustainable Environmental Management	101-109	
GRI 304 Biodiversity 2016	304-1	Operational Sites Owned, Leased, Managed in, or Adjacent to, Protected Areas and Areas of High Biodiversity Value	-	-	None of the Company's operating locations are situated in environmental protection areas or other areas of high biodiversity value
	304-2	Significant Impacts of Activities, Products, and Services on Biodiversity	-	-	The Company's operational activities and products have not caused significant impacts on biodiversity
	304-3	Habitats protected or restored	-	-	Not Applicable
	304-4	IUCN Red List Species and National Conservation List Species with Habitats in Areas Affected by Operations	-	-	Not Applicable
GRI 305 Emissions 2016	305-1	Direct (Scope 1) GHG Emissions	4-2 Sustainable Environmental Management	101-109	
	305-2	Energy Indirect (Scope 2) GHG Emissions	4-2 Sustainable Environmental Management	101-109	
	305-3	Energy Indirect (Scope 2) GHG Emissions	4-2 Sustainable Environmental Management	101-109	

Specific Topic: Environment					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 305 Emissions 2016	305-4	Other Indirect (Scope 3) GHG Emissions	4-2 Sustainable Environmental Management	101-109	
	305-5	Reduction of GHG Emissions	4-2 Sustainable Environmental Management	101-109	
	305-6	Emissions of Ozone-Depleting Substances (ODS)	-	-	The Company does not emit ozone-depleting substances (ODS)
	305-7	Reduction of GHG Emissions, Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	-	-	The Company does not emit nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
GRI 306 Waste 2020	306-1	Waste Generation and Significant Waste-related Impacts	4-2 Sustainable Environmental Management	101-109	
	306-2	Management of Significant Waste-related Impacts	4-2 Sustainable Environmental Management	101-109	
	306-3	Waste Generated	4-2 Sustainable Environmental Management	101-109	
	306-4	Waste Diverted from Disposal	4-2 Sustainable Environmental Management	101-109	
	306-5	Waste Directed to Disposal	4-2 Sustainable Environmental Management	101-109	
GRI 306 Effluents and Waste 2016	306-3	Significant Spills	-	-	No such incident occurred
GRI 308 Supplier Environmental Assessment 2016	308-1	New Suppliers that were Screened using Environmental Criteria	-	-	Environmental criteria have not yet been incorporated into screening conditions
	308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	-	-	Environmental criteria have not yet been incorporated into screening conditions

Specific Topic: Social					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 401 Employment 2016	401-1	New Employee Hires and Employee Turnover	3-1 Employee Profile	70-74	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3-3 Building a Happy and Healthy Workplace	78-90	
	401-3	Parental Leave	3-3 Building a Happy and Healthy Workplace	78-90	
GRI 402 Labor/Management Relations 2016	402-1	Minimum Notice Periods Regarding Operational Changes	3-3 Building a Happy and Healthy Workplace	78-90	Information Unavailable/Incomplete
GRI 403 Occupational Health and Safety 2018	403-1	Occupational Health and Safety Management System	3-3 Building a Happy and Healthy Workplace	78-90	
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	3-3 Building a Happy and Healthy Workplace	78-90	
	403-3	Occupational Health Services	3-3 Building a Happy and Healthy Workplace	78-90	
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	3-3 Building a Happy and Healthy Workplace	78-90	
	403-5	Worker Training on Occupational Health and Safety	3-3 Building a Happy and Healthy Workplace	78-90	
	403-6	Promotion of Worker Health	3-3 Building a Happy and Healthy Workplace	78-90	
	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	3-3 Building a Happy and Healthy Workplace	78-90	
	403-8	Workers Covered by an Occupational Health and Safety Management System	3-3 Building a Happy and Healthy Workplace	78-90	
	403-9	Work-related Injuries	3-3 Building a Happy and Healthy Workplace	78-90	
	403-10	Work-related Ill Health	3-3 Building a Happy and Healthy Workplace	78-90	

Specific Topic: Social					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 404 Training and Education 2016	404-1	Average hours of training per year per employee	3-2 Learning and Development	75-77	
	404-2	Programs for upgrading employee skills and transition assistance programs	3-2 Learning and Development	75-77	
	404-3	Percentage of employees receiving regular performance and career development reviews	3-2 Learning and Development	75-77	
GRI 405 Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	3-1 Employee Profile	70-74	
	405-2	Ratio of basic salary and remuneration of women to men	3-3 Building a Happy and Healthy Workplace	78-90	
GRI 406 Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	3-3 Building a Happy and Healthy Workplace	78-90	No discrimination incidents in 2024
GRI 407 Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	-	Neither the Company nor its suppliers had employees organizing unions or signing collective agreements in 2024.
GRI 408 Child Labor 2016	408-1	Child Labor 2016	3-3 Building a Happy and Healthy Workplace	78-90	
GRI 409 Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of child labor	3-3 Building a Happy and Healthy Workplace	78-90	
GRI 410 Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	-	-	The Company's security personnel are all non-employee workers, and relevant training is conducted by their respective companies in accordance with relevant regulations

Specific Topic: Social					
GRI Standards	Indicators	Disclosure Item	Corresponding Chapter	Page Number	Omitted / Note
GRI 411 Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	-	-	No such incidents occurred
GRI 413 Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	-	-	No relevant plans and operational activities yet
	413-2	Operations with significant actual and potential negative impacts on local communities	-	-	No relevant plans and operational activities yet
GRI 414 Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	2-2 Sustainable Supply Chain Management	63-68	
	414-2	Negative social impacts in the supply chain and actions taken	2-2 Sustainable Supply Chain Management	63-68	No relevant incidents yet
GRI 415 Public Policy 2016	415-1	Political contributions	-	-	No such incidents occurred
GRI 416 Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	2-2 Sustainable Supply Chain Management	63-68	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	-	No such incidents occurred
GRI 417 Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	-	-	Not Applicable
	417-2	Incidents of non-compliance concerning product and service information and labeling	-	-	No such incidents occurred
	417-3	Incidents of non-compliance concerning marketing communications	-	-	No such incidents occurred
GRI 418 Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	1-5 Information Security	48-51	No complaints in 2024

5-2 Sustainability Accounting Standards Board (SASB) Content Index

SASB STANDARDS 2023 - Industrial Machinery and Goods Standard

Table 1. Sustainability Disclosure Topics & Metrics

Topic	No.	Indicators	Category	Unit	Note	Response Chapter
Energy management	RT-IG-130a.1	(1) Total Energy Consumption (2) Percentage of Grid Electricity (3) Percentage of Renewable Energy	Quantitative	Gigajoules (GJ) Percentage(%)	(1) 657,590,400,000 joules (2) 100% (3) 0%	4-2 Sustainable Environmental Management
Workforce Health and Safety	RT-IG-320a.1	(1) Total Recordable Incident Rate (2) Fatality Rate for (a) Direct Employees and (b) Contract Employees	Quantitative	Rate	0 (no incidents)	3-1 Employee Profile
Fuel Economy and Use-phase Emissions	RT-IG-410a.1	Sales-weighted Fuel Efficiency of Medium- and Heavy-duty Fleet	Quantitative	Liters per 100 tonne-kilometers (L/100 t·km)	Not applicable as the Company does not manufacture products.	2-2 Sustainable Supply Chain Management
	RT-IG-410a.2	Sales-weighted Fuel Efficiency of Non-road Equipment	Quantitative	Liters per hour (L/h)	Not applicable as the Company does not manufacture products.	2-2 Sustainable Supply Chain Management
	RT-IG-410a.3	Sales-weighted Fuel Efficiency of Stationary Generators	Quantitative	Kilojoules per liter (kJ/L)	Not applicable as the Company does not manufacture products.	2-2 Sustainable Supply Chain Management

Topic	No.	Indicators	Category	Unit	Note	Response Chapter
Fuel Economy and Use-phase Emissions	RT-IG-410a.4	Sales-weighted emissions of: (1) nitrogen oxides (NOx), (2) particulate matter (PM) applicable to: (a) marine diesel engines, (b) locomotive diesel engines, (c) medium and heavy-duty on-road diesel engines, (d) other non-road diesel engines	Quantitative	Grams per kilojoule (g/kJ)	Not applicable as the Company does not manufacture products.	2-2 Sustainable Supply Chain Management
Material procurement	RT-IG-440a.1	Description of risk management for the use of Critical Materials	Discussion and Analysis	N/A	Not applicable as the Company does not manufacture products.	N/A
Remanufacturing design and services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Discussion and Analysis	Reporting currency	Not applicable as the Company does not manufacture products.	N/A

Table 2. Activity Metrics

Topic	No.	Indicators	Category	Unit	Note	Response Chapter
Table 2 -1	RT-IG-000.A	Number of units produced by product category	Quantitative	Quantity	Ace Pillar Enterprise currently has no production activities, so this item is not applicable.	N/A
Table 2 -2	RT-IG-000.B	Number of employees	Quantitative	Quantity	115 People	3-1 Employee Profile

5-3 Third-Party Verification Certificate

Third-party verification of the Sustainability Report/ ESG Report

獨立保證意見聲明書

羅昇企業股份有限公司 2024 年永續報告書

「法國標準協會」於1926年成立，作為法國國家標準的主管機關，並擔任「國際標準組織」的常任理事國代表，是全球知名的驗證機構之一。本項保證工作由「法國標準協會」亞太公司「法標國際認證股份有限公司」執行，團隊成員均具有專業背景，且接受過AA1000 AS、AFAQ 26000、ISO 9001、ISO 14001、ISO 14064、ISO 45001、ISO 50001等永續性相關之品質、環境、能源、安全與社會責任等國際標準的訓練，與擁有主導稽核員或查證員之資格。法標國際認證股份有限公司與羅昇企業股份有限公司為相互獨立的實體，法標國際認證股份有限公司除了本獨立保證聲明書所述內容外，並未涉及或介入羅昇企業股份有限公司永續報告書之準備過程。

責任

羅昇企業股份有限公司(以下簡稱羅昇)負責按所宣告之永續報導準則，在永續報告書中對台灣營運據點的經濟、環境與社會面向之營運活動與績效進行報導。

法標國際認證股份有限公司(以下簡稱法標)負責按所描述的範圍與方法，為羅昇及其利害關係人提供一份獨立保證意見聲明書，本聲明書僅供羅昇使用，不對其他用途負責。

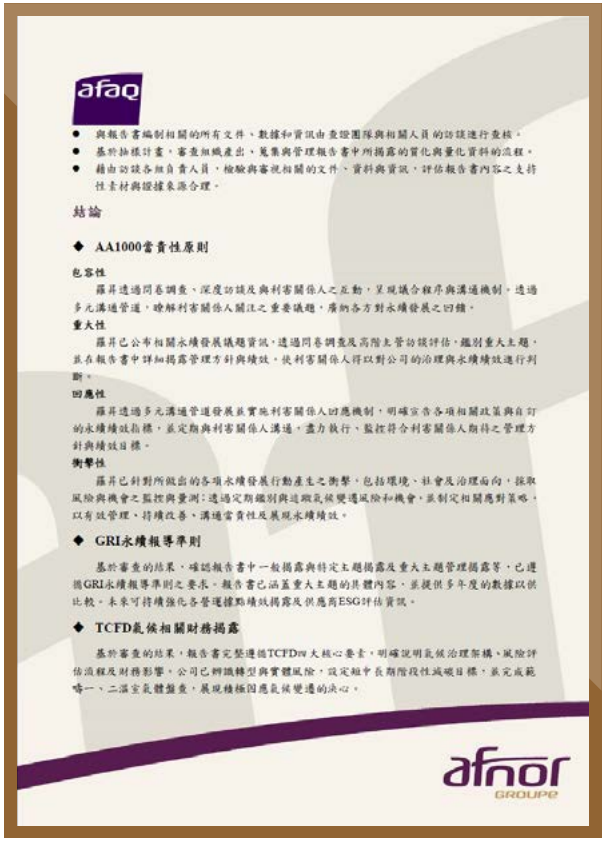
範圍與標準

羅昇企業股份有限公司與法標國際認證股份有限公司協議的保證範圍包括：

1. 保證作業範疇與「羅昇企業股份有限公司2024年永續報告書」揭露範疇一致。
2. 法標依據AA1000保證標準(v3)之第一應用類型進行保證作業，審查與評估羅昇遵循AA1000當責性原則(2018)的符合程度。
3. 保證作業包括審查與評估羅昇的相關流程、系統與管制是可取得之績效資訊，以及下列報導準則遵循的情況：
   - GRI永續報導準則
   - TCFD氣候相關財務揭露
   - SASB準則

方法

- 報告書採用依循 GRI 永續報導準則進行報導，對報告書內容符合 GRI 準則的一般揭露及特定主題揭露進行審查。
- 查證團隊與相關人員進行訪談，確認利害關係人的溝通與回應機制與重大主題決策流程等，然而，並不直接接觸外部利害關係人。



- 與報告書編制相關的所有文件、數據和資訊由查證團隊與相關人員的訪談進行查核。
- 基於抽樣計畫，審查組織產出、蒐集與管理報告書中所揭露的質化與量化資料的流程。
- 藉由訪談各相負責人員，檢驗與審視相關的文件、資料與資訊，評估報告書內容之支持性素材與證據來源合理。

結論

◆ AA1000當責性原則

包容性

羅昇透過問卷調查、深度訪談及與利害關係人之互動，呈現議合程序與溝通機制，透過多元溝通管道，瞭解利害關係人關注之重要議題，廣納各方對永續發展之回饋。

重大性

羅昇已公布相關永續發展議題資訊，透過問卷調查及高階主管訪談評估，鑑別重大主題，並在報告書中詳細揭露管理方針與績效，使利害關係人得以對公司的治理與永續績效進行判斷。

回應性

羅昇透過多元溝通管道發展並實施利害關係人回應機制，明確宣告各項相關政策與自訂的永續績效指標，並定期與利害關係人溝通，盡力執行、監控符合利害關係人期待之管理方針與績效目標。

衝擊性

羅昇已針對所做出的各項永續發展行動產生之衝擊，包括環境、社會及治理面向，採取風險與機會之監控與量測；透過定期鑑別與追蹤氣候變遷風險和機會，並制定相關應對策略，以有效管理、持續改善、溝通當責性及展現永續績效。

◆ GRI永續報導準則

基於審查的結果，確認報告書中一般揭露與特定主題揭露及重大主題管理揭露等，已遵循GRI永續報導準則之要求。報告書已涵蓋重大主題的具體內容，並提供多年度的數據以供比較。未來可持續強化各營運據點績效揭露及供應商ESG評估資訊。

◆ TCFD氣候相關財務揭露

基於審查的結果，報告書完整遵循TCFD四大核心要素，明確說明氣候治理架構、風險評估流程及財務影響，公司已辨識轉型與實體風險，設定短中長期階段性減碳目標，並完成範疇一、二溫室氣體盤查，展現積極因應氣候變遷的決心。

◆ SASB準則

基於審查之結果，該報告書已參照SASB準則的永續會計指標與活動指標進行相關資訊揭露。未來可持續判斷與其營運活動適用 的準則，按指標要求進行資訊的收集、監控與揭露，提供運營績效供利害關係人使用。

意見聲明

法標國際認證股份有限公司依據AA1000保證標準(v3)的查證指引及GRI永續報導準則，已發展完整的永續性報告保證準則。我們認為就羅昇所提供的足夠證據及現場查證的所見事實，秉持公允的原則，對該組織遵循的全球永續性報導準則的情況出具聲明。我們總結「羅昇企業股份有限公司2024年永續報告書」內容，對於羅昇的相關運作與特定績效提供了一個公平的觀點。我們相信有關羅昇在2024年的經濟、社會及環境等特定績效指標是被正確地呈現。

保證等級

依據AA1000保證標準(v3)，我們僅依據本聲明書中所描述的範圍與方法，審定本聲明書為中度保證等級。

以上，謹代表「法國標準協會」

AA1000 Licensed Report 000-84/V3-DEEB3

Steven Huang 認證與評鑑部門 理事

2025年05月16日

查證團隊：陳其瑋(主導查證員)、邱有春(查證員)、詹正豪(查證員)

Third-Party Assurance Statement for Greenhouse Gas Inventory

KPMG

安侯建業聯合會計師事務所
KPMG

溫室氣體聲明確信報告

羅昇企業股份有限公司 公鑒：

本執業人員受託執行羅昇企業股份有限公司（以下簡稱「羅昇」）民國一一三年一月一日至十二月三十一日溫室氣體盤查報告書（以下簡稱「溫室氣體聲明」）之類別1直接溫室氣體排放與類別2能源間接排放之有限確信案件（以下簡稱「類別1及類別2」）詳列於附件一。

公司對溫室氣體聲明之責任

羅昇之責任係依照國際標準組織(International Organization for Standardization, ISO)發布之「ISO14064-1:2018組織層級溫室氣體排放及移除量化及報告附指引之規範」（以下簡稱「ISO14064-1」）編製溫室氣體聲明，且設計、付諸實行及維持與溫室氣體聲明編製有關之內部控制，以確保溫室氣體聲明未存有導因於舞弊或錯誤之重大不實表達。如羅昇溫室氣體聲明所述，溫室氣體之量化受先天不確定性之影響，主要係因用以決定排放係數之科學知識並不完整，以及報導之數值須彙總不同溫室氣體之排放。

執業人員之獨立性及品質管理

本執業人員已遵循會計師職業道德規範有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密與專業行為。本事務所適用品質管理準則1號「會計師事務所之品質管理」，因此維持完備之品質管理制度，包含與遵循專業道德規範、專業準則及所適用法令有關之書面政策及程序。

執業人員之責任

類別1與類別2- 有限確信

本執業人員之責任係依照確信準則3410號「溫室氣體聲明之確信案件」規劃及執行類別1與類別2之有限確信案件，基於所執行之程序及所獲取之證據，對第一段所述羅昇溫室氣體聲明是否未存有重大不實表達取得有限確信，並作成有限確信之結論。

依確信準則3410號之規定，有限確信案件工作包括評估羅昇採用ISO14064-1編製溫室氣體聲明之妥適性、評估溫室氣體聲明等因於舞弊或錯誤之重大不實表達風險、依情況對所評估風險作出必要之因應，以及評估溫室氣體聲明之整體表達。有關風險評估程序（包括對內部控制之瞭解）及因應所評估風險之程序，有限確信案件之範圍明顯小於合理確信案件。

本執業人員對第一段所述羅昇溫室氣體聲明之類別1與類別2所執行之程序係基於專業判斷，該等程序包括查詢、對所執行流程之觀察、文件之檢查、分析性程序、量化方法與報導政策之評估，以及與相關紀錄之核對或調節。基於本案件情況，本執業人員於執行上述程序時：

KPMG

1. 已透過查詢，取得對羅昇與排放量化及報導有關之控制環境及資訊系統之瞭解，但並未評估特定控制作業之設計、取得該等控制作業付諸實行之證據或測試其有效性。
2. 已評估羅昇建立估計方法之適當性及一致性。然而，所執行程序並未包含測試估計所依據之資料或單獨建立執業人員之估計，以評估羅昇所作之估計。
3. 已實地訪查1個據點，以評估排放源之完整性，資料蒐集方法、排放源資料及該等據點所適用之敘關假設。對於執行實地訪查據點之選擇，已考量該等據點之排放對地排放之貢獻、排放源性質，以及前期所選擇之據點。所執行程序不包含測試該等據點用以蒐集及彙整設施資料之資訊系統或控制。

相較於合理確信案件，有限確信案件所執行程序之性質及時間不同，其範圍亦較小，故於有限確信案件所取得之確信程度亦明顯低於合理確信案件所取得者。因此，本執業人員不對羅昇類別1直接溫室氣體排放與類別2能源間接排放在所有重大方面，是否依照國際標準組織(International Organization for Standardization, ISO)發布之ISO14064-1:2018組織層級溫室氣體排放及移除量化及報告附指引之規範編製，表示合理確信意見。

有限確信結論

類別1與類別2 - 有限確信

依據所執行之程序與所獲取之證據，本執業人員並未發現第一段所述羅昇民國一一三年一月一日至十二月三十一日溫室氣體聲明之類別1與類別2在所有重大方面有未依照ISO14064-1編製之情事。

其他事項

本確信報告出具後，任何確信標的資訊或適用基準之變更，本執業人員將不負就該等資訊重新執行確信工作之責任。

安侯建業聯合會計師事務所

會計師：黃郁婷

會計師：高靚玟

事務所地址：台北市信義路五段七號六十八樓

中華民國 一一四 年 五 月 二十一 日

ISO 9001: 2015 Verification

afaq AFNOR CERTIFICATION

Certificat
Certificate

N° 2020/87427.4 Page 1 / 1

AFNOR Certification certifies that the management system implemented by:
AFNOR Certification certifie que le système de management mis en place par :

ACE PILLAR CO., LTD.
羅昇企業股份有限公司

for the following activities:
pour les activités suivantes :

WHOLESALE AND RETAIL TRADE-SALES OF SERVO MOTOR, INVERTER, PLC(PROGRAMMABLE LOGIC CONTROLLER), ROBOT, SOFTWARE, REDUCER, ELECTRO-MAGNETIC CLUTCH BRAKE, COUPLING AND PNEUMATIC PRODUCTS.

伺服馬達、變頻器、可程式控制器、機器人、軟體、減速機、電磁離合煞車器、聯軸器和氣壓產品之銷售。

has been assessed and found to meet the requirements of:
a été évalué et jugé conforme aux exigences requises par :

ISO 9001 : 2015

and is developed on the following locations:
et est déployé sur les sites suivants :

12F., NO. 588, ZHONGYUAN RD., XINZHUANG DIST., NEW TAIPEI CITY 242, TAIWAN (R.O.C.)
242 新北市新莊區中原路 588 號 12 樓

2&3F., NO. 135, ZHONGXING N. ST., SANCHONG DIST., NEW TAIPEI CITY 241, TAIWAN (R.O.C.)
241 新北市三重區中興北街 135 號 2 及 3 樓

This certificate is valid from (year/month/day)
Ce certificat est valable à compter du (année/mois/jour)
2024-01-30

Until
jusqu'au
2026-11-04

Julien NIZRI
Managing Director of AFNOR Certification
Directeur Général d'AFNOR Certification

afnor CERTIFICATION

2024-01-30 Ace Pillar Obtains ISO 9001: 2015 Certification Certificate

5-4 Climate-Related Information Index for Listed Companies

The risks and opportunities posed by climate change to the company and the relevant response measures taken by the company	Corresponding Chapter	Page Number
1. Describe the board of directors' and management's supervision and governance of climate-related risks and opportunities.	4-1 Climate Change Actions	92-100
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finances (short-term, medium-term, long-term).	4-1 Climate Change Actions	92-100
3. Describe the financial impacts of extreme weather events and transition actions.	4-1 Climate Change Actions	92-100
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	4-1 Climate Change Actions	92-100
5. Use scenario analysis to assess resilience to climate change risks, and explain the scenarios, parameters, assumptions, analysis factors and main financial impacts used.	4-1 Climate Change Actions	92-100
6. If there is a transition plan for managing climate-related risks, explain the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	4-1 Climate Change Actions	92-100
7. If internal carbon pricing is used as a planning tool, explain the basis for price setting.	4-1 Climate Change Actions	92-100
8. If climate-related targets are set, explain information such as the activities covered, greenhouse gas emission scopes, planned timeline, and annual progress toward achievement; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, explain the source and quantity of carbon reduction credits offset or the quantity of Renewable Energy Certificates (RECs).	4-1 Climate Change Actions	92-100
9. Greenhouse gas inventory and assurance status, reduction targets, strategies and specific action plans (to be filled separately in 1-1 and 1-2)	4-2 Sustainable Environmental Management	101-109

1-1 Greenhouse Gas Inventory and Assurance Status of the Company for the Past Two Years

1-1-1 Greenhouse Gas Inventory Information

Describe the greenhouse gas emissions (tonnes CO2e), intensity (tonnes CO2e/million dollars) and data coverage scope for the past two years.

Scope 1 and 2 information covers six operating locations at Taiwan headquarters			
Year	2022	2023	2024
Scope 1 (tonnes CO2e)	255.85	282.69	283.20
Scope 2 (tonnes CO2e)	139.96	92.92	87.13
Emission intensity per revenue (kgCO2e/million dollars)	305.41	432.21	370.33
Scope 3	Not yet inventoried	Not yet inventoried	Not yet inventoried

Note
1. Direct emissions (Scope 1, emissions directly from sources owned or controlled by the Company), energy indirect emissions (Scope 2, indirect greenhouse gas emissions from imported electricity, heat or steam) and other indirect emissions (Scope 3, emissions from company activities that are not energy indirect emissions but come from emission sources owned or controlled by other companies).
2. The data coverage of direct emissions and energy indirect emissions should be handled according to the timeline specified in the order under Article 10, Paragraph 2 of these Guidelines, while other indirect emissions information may be disclosed voluntarily.
3. Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).
4. Greenhouse gas emission intensity can be calculated per unit of product/service or revenue, but at minimum should include data calculated based on revenue (NT$ million).

1-1-2 Greenhouse Gas Assurance Information

Describe the assurance status for the most recent two years as of the annual report printing date, including assurance scope, assurance institution, assurance standards and assurance opinion.

The Company's 2023 inventory data is based on internal inventory results conducted according to ISO14064-1 and has not been verified by a third party. The 2024 inventory data is expected to complete third-party verification and obtain certification this year.

1-2 Greenhouse Gas Reduction Targets, Strategies and Specific Action Plans

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies and specific action plans, as well as the status of achieving reduction targets.

Due to the relocation of the Taoyuan office and logistics center, the base year for energy management and greenhouse gas inventory has been revised to 2024

Short-term Greenhouse Gas Reduction Targets

In 2025, reduce per capita water consumption by **1%**

In 2025, reduce electricity emission intensity by **1%**

In 2025, recyclable waste from inbound and outbound shipments to be **>=80%**

Greenhouse Gas Reduction Action Plans

- Encourage the use of public transportation. Colleagues from other counties and cities will use high-speed rail instead of driving to headquarters. Promote the use of video conferencing tools for regular meetings to reduce travel time.
- Use eco-friendly and energy-saving water dispensers and inverter air conditioners to reduce electricity consumption.
- Use smart energy control panel, schedule lighting and air conditioning settings, uniformly turn off office during lunch break
- Replace bathroom faucets with sensor-operated ones and install dual-flush toilet devices to reduce water consumption.
- Use reusable supply pallets when working with suppliers. The provided pallets are for stacking goods during shipment and for in-plant storage, in order to avoid the use of single-use pallets.

Environmental Implementation Status

Energy Conservation
In 2024, electricity emission intensity **decreased by 18.49 kWh/9.34%** compared to 2022
Water Conservation
In 2024, water consumption per capita **decreased by 6.23 cubic meters/40.2%** compared to 2022
Recycling and Reuse
In 2024, the recycling and reuse rate of incoming and outgoing waste materials **reached 98.2%**

Note
1. Should be handled according to the schedule specified in the order under Article 10, Paragraph 2 of these guidelines.
2. The base year should be the year when inventory is completed within the consolidated financial report boundary. For example, according to the order specified in Article 10, Paragraph 2 of these guidelines, companies with capital exceeding NT$10 billion should complete the inventory of their 2024 consolidated financial reports in 2025, thus making 2024 the base year. If a company completes the inventory of consolidated financial reports ahead of schedule, they may use that earlier year as the base year. Additionally, the base year data can be calculated using either a single year or an average of multiple years.