



CHIEFTEK PRECISION CO., LTD.

# ESG Report 2024



2024 年永續報告書







# contents

<b>01</b>	<b>About This Report</b>	<b>3</b>
	Report Information	4
	About cpc	6
<b>02</b>	<b>Business philosophy and sustainability strategy</b>	<b>20</b>
	Business Philosophy and Sustainability Development	
	Strategy / Message from the Management	21
	ESG Governance and Implementation Structure	26
	Board of Directors and Functional Committees	29

<b>03</b>	<b>Material Topic Identification</b>	<b>42</b>
	Stakeholder Engagement	43
	Material Topic Determination Process	47
	Explanation of Major Topic Impacts and Management Mechanisms	49

<b>04</b>	<b>Economic and Corporate Governance Aspect</b>	<b>56</b>
	Economic Performance	57
	Taxation	59
	Establish Integrity Management Policies and Programs	60
	Risk Management	64
	Information Security	71
	Innovation and R&D	76
	Customer Relations	81
	Product Quality	86
	Supply Chain Management	88

05

**Social Aspect**

92

Human Resource Development

93

Occupational Safety and Health

104

Social Participation

119

06

**Environmental Aspect**

121

Climate Change

122

Greenhouse gas emissions

125

Energy management

126

Water Resource Management

130

Waste Management

133

Air Pollution Control

135

**Appendix**

136

Appendix I: GRI Content Index Table

137

Appendix II: SASB Index Table

147

Appendix III: Climate-Related Information

150

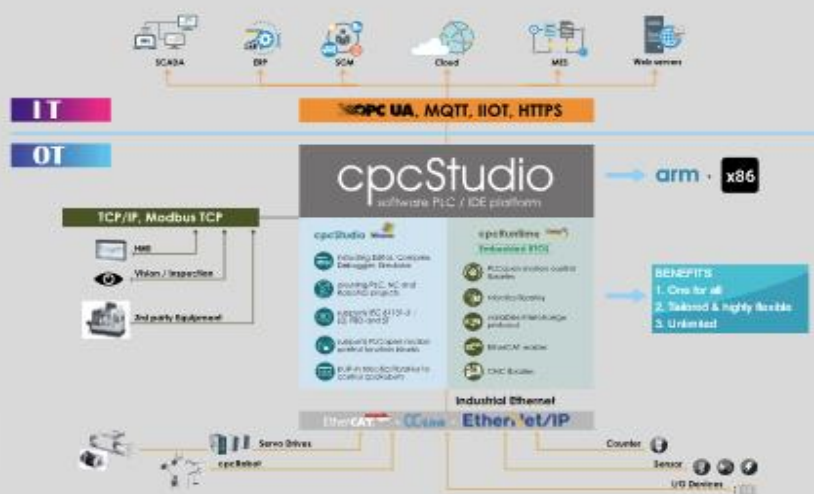


CHIEFTEK PRECISION CO., LTD.

cpcRobot



cpcStudio



cpcCells



# 01 About This Report



# Report Information

## Report Overview

This report is the Sustainability Report of CHIEFTEK PRECISION Co., Ltd. (hereinafter referred to as "cpc"), presenting the company's 2024 performance in Environmental Protection (E), Social Responsibility (S), and Corporate Governance (G).

## Reporting Period

The reporting period for the disclosed data and content is from January 1 to December 31, 2024, and is consistent with the Company's 2024 consolidated financial statements. Certain performance indicators are presented with historical data traced back to 2022, while others are updated to reflect the most recent information available in 2024.

## Reporting Boundary and Scope

The scope of disclosure in this report is primarily centered on CHIEFTEK PRECISION Co., Ltd., covering the three major aspects of Economy, Environment, and Society. The scope of economic performance includes consolidated subsidiaries, namely Chieftek Precision Machinery (Kunshan) Co., Ltd. (cpc Kunshan), Chieftek Precision USA Co., Ltd. (cpc USA), Chieftek Precision Holding Co., Ltd. (cpc Holding), cpc Europa GmbH (cpc Europa), and Chieftek Precision International LLC (cpc LLC). The scope of environmental and social performance mainly pertains to the Tainan Science Park Plant of CHIEFTEK PRECISION Co., Ltd. The relevant data were compiled by the Sustainability Promotion and Implementation Committee of Chih Teh Technology, based on information provided by each unit, and reviewed to ensure compliance with the principles of integrity and transparency in disclosure.

## Reporting Standards and Frameworks

This report has been prepared in accordance with relevant standards, frameworks, regulations, and initiatives, with a primary focus on identifying the impacts of various sustainability topics on the economy, environment, and society (including human rights). Through a materiality analysis process, key sustainability topics were identified, prioritized, and analyzed to establish corresponding strategies, objectives, and measures, serving as the basis for information disclosure in this report.

cpc collected data on significant economic, environmental, and social issues through stakeholder questionnaires. By analyzing stakeholder concerns and convening discussions with relevant departments, the Company identified and prioritized material topics. The implementation results and performance related to these material topics are presented in this report.

## Report Publication

cpc publishes its Sustainability Report annually in August. In line with environmental protection efforts and the promotion of paperless practices, the report is released in electronic format and made publicly available on the Company's official website for stakeholders and the general public to view and download. The publication date of this year's report is August 2025.

## Restatement of Information

There were no circumstances in the current reporting year requiring restatement of this report due to significant organizational changes or changes in the reporting scope. Any adjustments or revisions to specific information are disclosed and explained in the relevant sections where such variations occur.

## Third-Party Assurance Section

The financial data disclosed in this report are derived from the consolidated financial statements audited and certified by PwC Taiwan, in accordance with the International Financial Reporting Standards (IFRS). This assurance provides credibility and reliability to the financial information presented in the report, ensuring consistency with globally recognized accounting principles.

## Contact Information

If you have any suggestions or feedback regarding this report, please feel free to contact us.

**Contact Person:** Ms. Chia-Jung Wu, Manager, Accounting Department

**Email:** act01@mail2.chieftek.com

**Company Website:** <http://www.chieftek.com>





## About cpc

For detailed company information, please refer to the 2024 Annual Report.

CHIEFTEK PRECISION Co., Ltd. is a professional manufacturer of linear motion electromechanical components and has obtained multiple invention patents in Taiwan, Mainland China, Germany, the United States, and Japan.

The Company's linear guideway products are available in a comprehensive range of sizes, from size 2 (2W) to size 55, covering ball-type, roller-type, as well as ultra-long, ultra-low, and wide models. These products are developed to achieve the highest performance in the industry, with outstanding features in load capacity, high-speed operation, noise reduction, self-lubrication, chain-retention design, and miniaturization.

All linear motor components manufactured by the Company have been certified with international CE and UL standards and are widely adopted by leading domestic and overseas semiconductor manufacturers. Our linear motor modules have also been successfully applied in advanced semiconductor and panel manufacturing equipment, establishing technical specifications that are difficult for competitors to replicate.

In the area of torque motors, the Company targets humanoid joint robots. In addition to developing torque motors for large-caliber machine tools, we have designed torque motors with an outer diameter of less than 30 mm, making them highly suitable for use as drive motors in robotic hand joints.

Recognizing the market opportunities in autonomous vehicles and drones, the Company has successfully developed 48V DC drivers compatible with mobile power supplies for driving mobile devices. Through innovative circuitry and power control, these drivers can deliver outputs exceeding 1 kW within a compact size, setting a new benchmark for product specifications.

For controllers, our products are designed with multi-axis control capabilities and achieve real-time control through EtherCAT technology. Initially targeting the automation industry, the controllers feature a user-friendly interface, smooth data transmission, and advanced computational path planning, enabling customers to complete tasks with greater speed and precision.

When Chih Teh Technology first entered the miniature linear guideway market, there were doubts from the industry regarding the growth potential of this niche sector. At that time, the market was filled with curiosity and uncertainty about miniature robotic arms. Over the past three years, however, Chih Teh Technology has actively educated the market and engaged closely with end customers, gradually uncovering practical applications for miniature robotic arms. For instance, in certain precision industries where craftsmanship and high-accuracy assembly are required—tasks that traditionally relied on manual work—miniature robotic arms, with repeatability at the micron level, have proven capable of replacing manual processes to achieve automated operations.

cpc is steadily advancing toward becoming a flexible system integrator. In addition to providing in-house developed key components, the Company is positioning mechatronic integration services as a core business objective for the future. Furthermore, the Company is expanding into other automation-related industries by cultivating expertise in vision systems, robotics, and human-machine interfaces, thereby broadening its overall business scope.

## Shareholding ratio

Number Shareholding structure	Number of shareholders	Shares held	Shareholding percentage
Government agency	0	0	0.00%
Financial institution	0	0	0.00%
Other legal entities	51	20,444,180	22.90%
Individual	18,149	65,493,437	73.37%
Foreign institutions and individuals	43	3,324,187	3.73%
Total	18,243	89,261,804	100.00%



## Company Overview

### Company Information

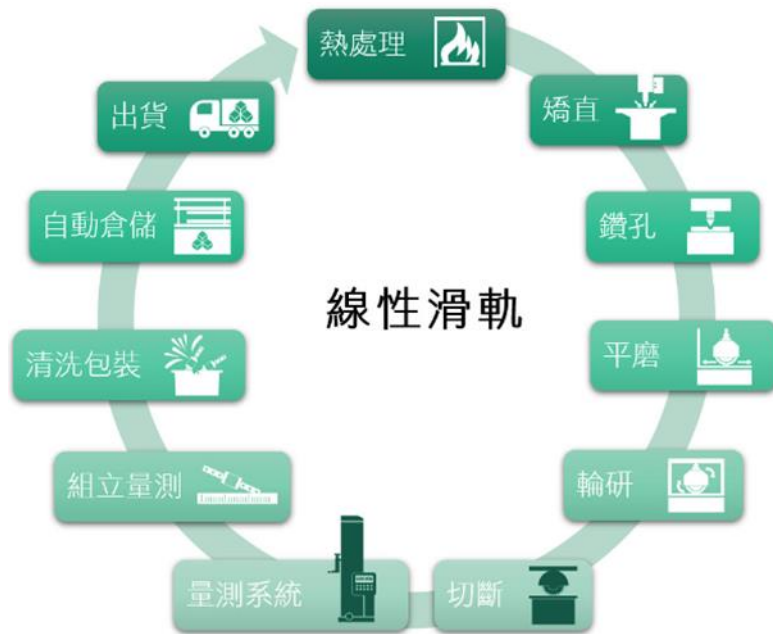
Company Name	CHIEFTEK PRECISION CO.,LTD
Date of Listing	1998/10/19
Paid-in Capital	892,618,040
Number of Employees	322
Industry	Electric Machinery
Principal Business Activities	Engaged in the research and development, design, manufacturing, and sales of the following products: 1. Miniature linear guideways. 2. Miniature ball screws. 3. Miniature linear modules. 4. Optoelectronic and semiconductor process equipment. 5. High-performance electromechanical products 6. AI software platforms and tools. 7. High-precision integrated products. 8. Concurrently engaged in international trade related to the aforementioned products
Chairman	Angelika Chen
General Manager	Anton Hsu
Company Headquarters	No.3, Dali 1st Rd., Xinshi Dist., Tainan City 74145, Taiwan (R.O.C.)

## Major Shareholders

Names of Major Shareholders	Shares Held	Shareholding Percentage (%)
HSU MING-CHE	6,127,271	6.86%
XINZHIDE INVESTMENT CO., LTD.	4,246,100	4.76%
CHEN LI- FEN	4,009,675	4.49%
DAVID ENTERPRISE CO., LTD.	3,682,553	4.13%
GUANGMING PUYUAN INVESTMENT CO., LTD.	2,351,100	2.63%
CHIEFTEK PRECISION CO., LTD.	2,000,000	2.24%
YIJHIHDE MANAGEMENT CONSULTING CO., LTD.	1,947,040	2.18%
DENENG SUNSHINE INVESTMENT CO.,LTD.	1,544,751	1.73%
LI AN	1,507,752	1.69%
WANG CHANGFENG	1,490,552	1.67%

## Production Procedures of Main Products

### (1) 線性滑軌



### (1) Linear guide

**Heat treatment**→ **Straighten**→ **Drill**→ **Polish**→ **Grinding**→ **Cut**→ **Measurement system**→ **Assembly**→ **Clean & Package**→ **Automated warehousing**

### (2) 馬達磁性部



### (2) Magnetic part of motor

**Raw material**→ **Processing**→ **Chrome plating**→ **Magnet paste**→ **Measure**

### (3) 馬達繞組部



### (3) Winding part of motor

**Raw material**→ **Coil wire**→ **Wiring**→ **Perfuse**→ **Measurement**

### (4) 線馬模組與工業機器人



### (4) Linear motor module and industry robot

**Platform**→ **Stator guide**→ **Platform deck**→ **Measure**

### (5) 磁性編碼器與驅動器



### (5) Magnetic encoder and driver

**PCB plate**→ **Shell**→ **Packaging**→ **Calib**→ **Measure**



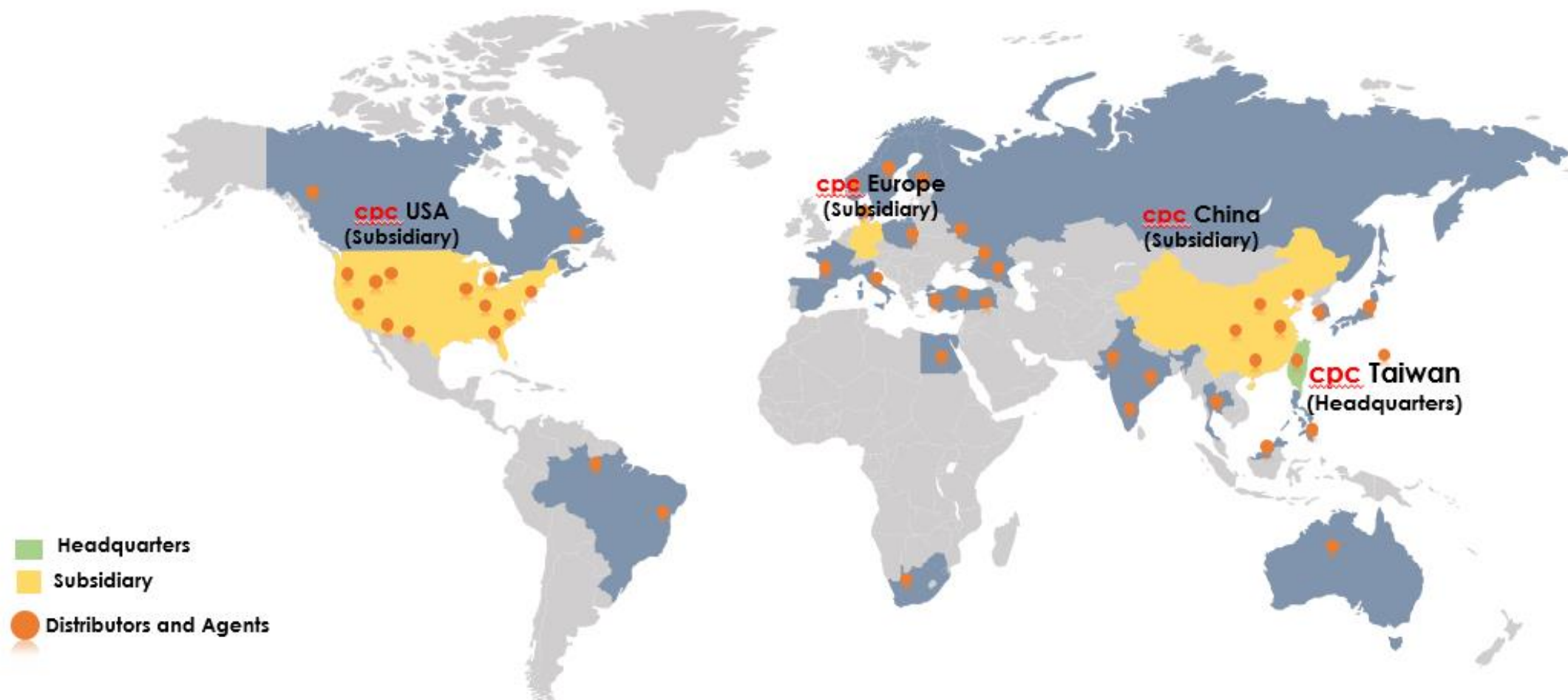
## Shareholding Distribution

Shareholding Classification	Number of Shareholders	Number of Shares Held	Shareholding Percentage (%)
1-----999	5,094	950,333	1.06%
1,000-----5,000	11,922	20,027,032	22.44%
5,001-----10,000	715	5,466,874	6.12%
10,001-----15,000	158	2,005,824	2.25%
15,001-----20,000	111	2,023,161	2.27%
20,001-----30,000	62	1,561,636	1.75%
30,001-----50,000	56	2,183,690	2.45%
50,001-----100,000	47	3,305,527	3.70%
100,001-----200,000	30	4,068,223	4.55%
200,001-----400,000	20	5,765,250	6.46%
400,001-----600,000	9	4,504,578	5.05%
600,001-----800,000	2	1,211,930	1.36%
800,001--1,000,000	3	2,767,963	3.10%
Over 1,000,001 Shares	14	33,419,783	37.44%
Total	18,243	89,261,804	100.00%

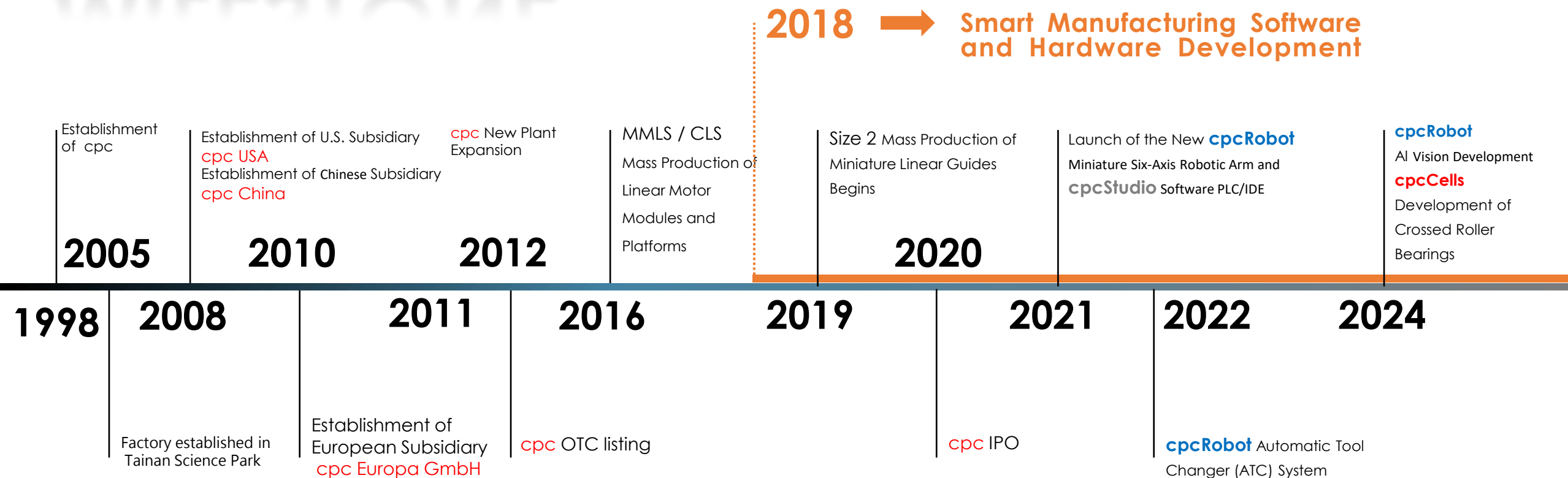
## List of Industry Associations Participated

Industry Associations Joined in 2024	Participation Type
Yizai Association, Tainan City (Incorporated Association)	Membership
Taiwan Machine Tool & Accessory Builders' Association(TAMI)	Membership
Taiwan Science Park Industrial Association	Membership
OPC Foundation	Membership
Taiwan Electrical and Electronic Manufacturers' Association(TEEMA)	Sponsoring Membership
Taiwan Bearing and Transmission Parts Exporters Association	Membership
Taiwan Mergers & Acquisitions and Private Equity Association (MAPEA)	Membership
Taiwan Association of Listed Companies	Membership
Southern Taiwan Science Park Industry-Academia Association	Membership
Taiwan JUKI Sewing Machine Co., Ltd. Partners' Association	Membership

# cpc Global Locations



# MILESTONE





# cpcCells

Linear guideway series 、 servo motor series 、 servo driver series 、 magnetic encoder system 、 linear/torque motor module series



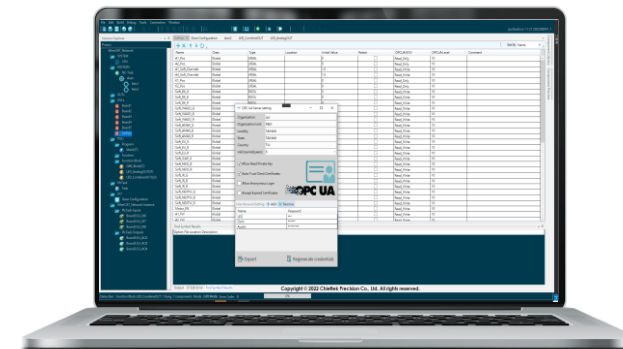
# cpcRobot

S0 、 DB0 miniature 6-axis robotic arms  
ATC automatic tool change system,  
VA vacuum gripper



# cpcStudio

PLC / IDE platform  
Software PLC / IDE platform



Planned New Product (Service) Development Items:

(A) Automation Solutions Implementation (B) Automatic Screwdriver (C) cpcStudio Raspberry Pi( D) Depth Camera(E) Machine Vision

# Cross Roller



Dense ball arrangement to enhance load capacity

cpc



Other



High precision and long service life

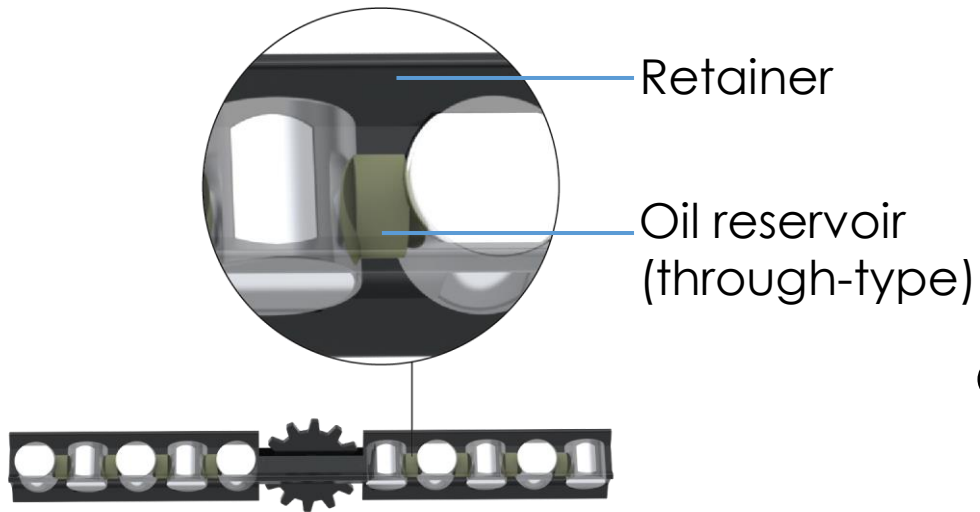
Linear motion with low noise, low frictional resistance, and vibration-free characteristics

# Cross Roller



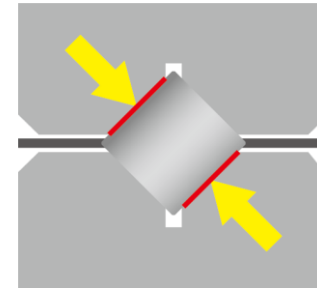
**Exclusive**

**Integrated through-type oil storage design**

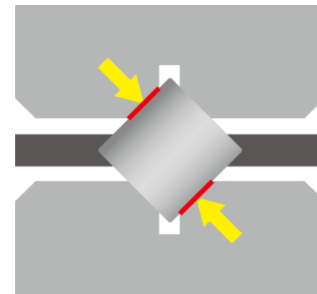


**High contact ratio length**

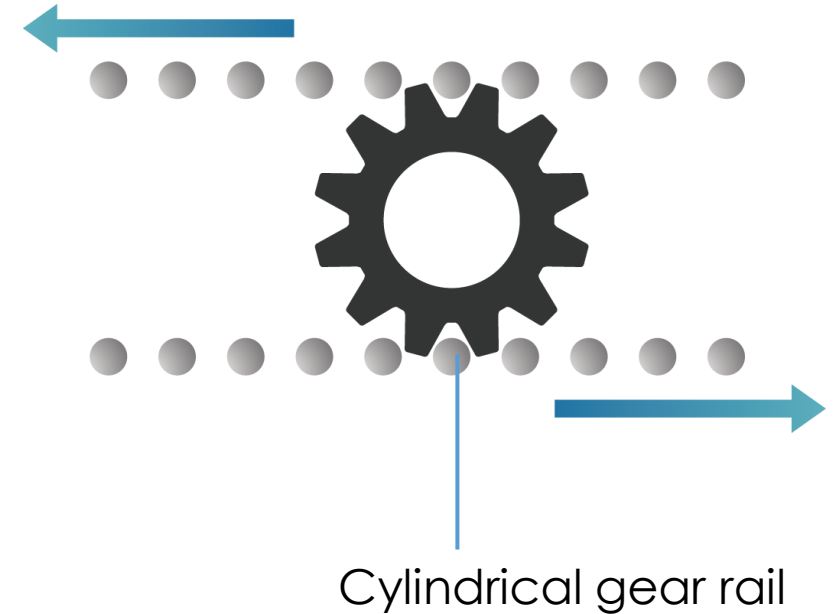
**cpc**



**Other**



**Patented Anti-creep design**







Management Layer

Planning Layer

Monitoring Layer

Big data

Control Layer

Software PLC

Component Layer



SCADA



ERP



SCM



Cloud



MES



Web servers

OPC UA, MQTT, IIOT, HTTPS



**cpcStudio**  
software PLC / IDE platform

**cpcStudio** Windows

- Including Editor, Compiler, Debugger, Simulator
- creating PLC, NC and Robotics projects
- supports IEC 61131-3 : LD, FBD and ST
- supports PLCopen motion control function blocks
- built-in robotics libraries to control cpcRobots

**cpcRuntime** Linux Y Embedded RTOS

- PLCopen motion control libraries
- robotics libraries
- variables interchange protocol
- EtherCAT master
- CNC libraries

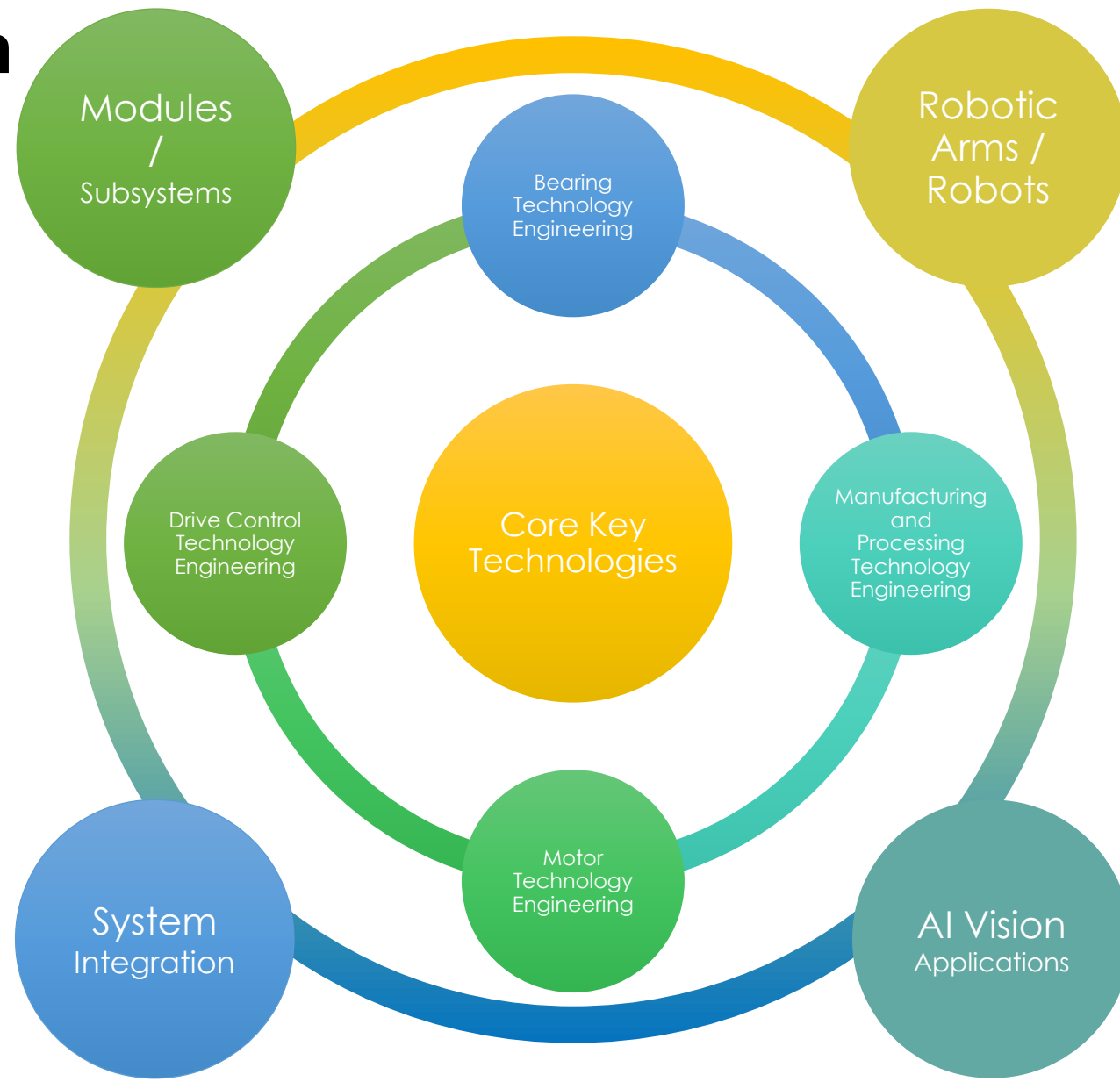


EtherCAT

cpcCells



# Service expansion



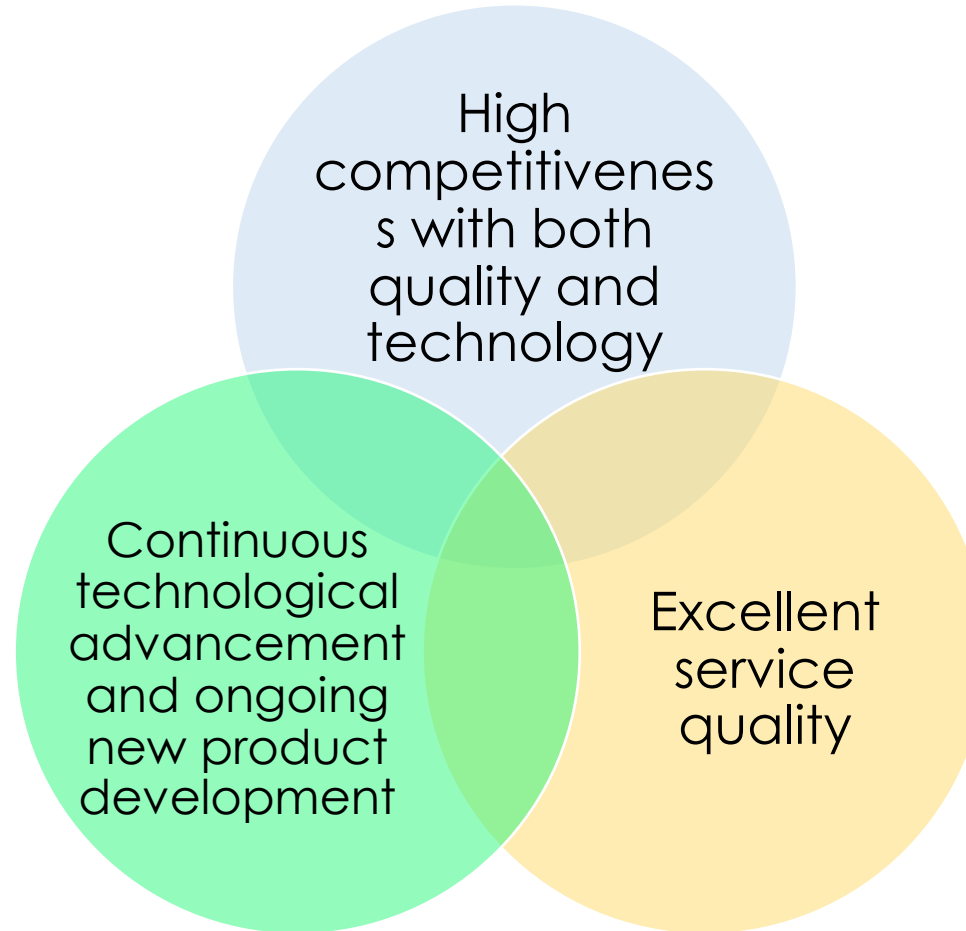
# Competitive advantage



German quality



Competitive pricing



Taiwanese flexibility



Prompt delivery





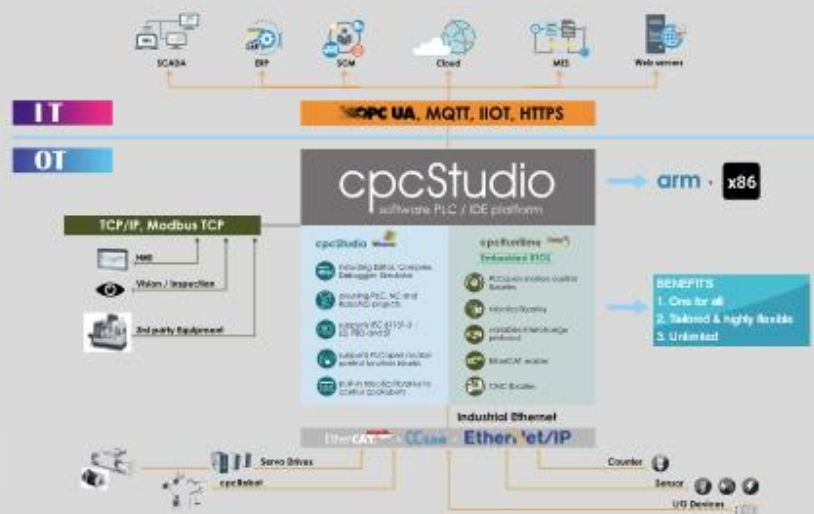


# CHIEFTEK PRECISION CO., LTD.

## cpcRobot



## cpcStudio



## cpcCells



## 02 Business philosophy and sustainability strategy



## Business Philosophy and Sustainability Development Strategy / Message from the Management

### Founded on virtue, integrating integrity and expertise.

Leading global linear motion with integrity, sustainability, and excellence.

### Focused with a single mind.

Innovation in technology, empowered by global patents.

### Positive and passionate.

Continuous improvement, creating value, empowering customer competitiveness.

### From virtue flows wealth.

Mutual growth, shared prosperity, and sustainable happiness with cpc



## Sustainability Development Policy

In line with international trends and relevant standards, cpc has established its Corporate Sustainability Development Policy. Guided by the United Nations' 2015 2030 Agenda for Sustainable Development, we implement initiatives across all aspects of our operations to fulfill corporate social responsibility. This policy serves as the highest guiding principle for the company's sustainable development, ensuring the realization of our commitment to a sustainable future.

### Transparency and integrity in all we do.

- ◆ Transparency and good governance.
- ◆ Integrity, sustainability, global leadership.
- ◆ Cultivating compassionate, global, and professional talent with honor.

### Awareness for safety, action for the environment.

- ◆ Sustainability awareness, a shared culture of life.
- ◆ A healthy environment for a balanced and thriving team.
- ◆ Recycle, purify, save energy, reduce waste.

### Rooted in virtue, creating a harmonious society.

- ◆ Rooted in culture, guided by virtue.
- ◆ A team of integrity and expertise, a model for business.
- ◆ CSR in action, harmony for all.



## Message from the Management

Esteemed Shareholders, Trusted Partners, and Stakeholders, :

In recent years, businesses have faced unprecedented uncertainties driven by global challenges such as extreme climate change, geopolitical conflicts including the Russia-Ukraine war, inflationary pressures, wars in the Middle East, and the termination of ECFA-related tariff preferences by Mainland China. Combined with a prolonged economic downturn, these external disruptions have heightened operational risks. In response, we recognize our responsibility as global citizens not only to strengthen core competitiveness and business resilience but also to uphold ESG commitments. By fostering open communication with stakeholders and aligning with the United Nations Sustainable Development Goals (SDGs), we aim to fulfill our role as a responsible corporate citizen and collaborate with partners to build a sustainable and shared future.

The greatest challenge to corporate sustainability lies in the rapidly changing external environment. Technological advancements continue to accelerate, while global economic growth remains fragile due to factors such as the pandemic, demographic shifts, labor shortages, inflation, rising interest rates, Mainland China's zero-COVID policies, the Russia-Ukraine conflict, and U.S.-China trade and technology tensions.



**Chairman and Chief Strategy Officer/ 陳麗芬**

*Angelika Cho*



**General Manager / 許明哲**

*Ming Chao*

Against this backdrop, industries worldwide have increasingly turned to robotics to mitigate risks and enhance competitiveness. In Taiwan, opportunities arising from contactless services and digital transformation have also gained significant momentum.

**Smart Manufacturing –** Machine tools and robotic arms play a vital role in the smart manufacturing landscape. As industries advance toward digitalization, the manufacturing sector is actively transforming production knowledge into digital assets.

**Net-Zero Transition –** Achieving net-zero carbon emissions has become a critical challenge for all manufacturers. Both large enterprises and SMEs must commit substantial resources to meet decarbonization goals.

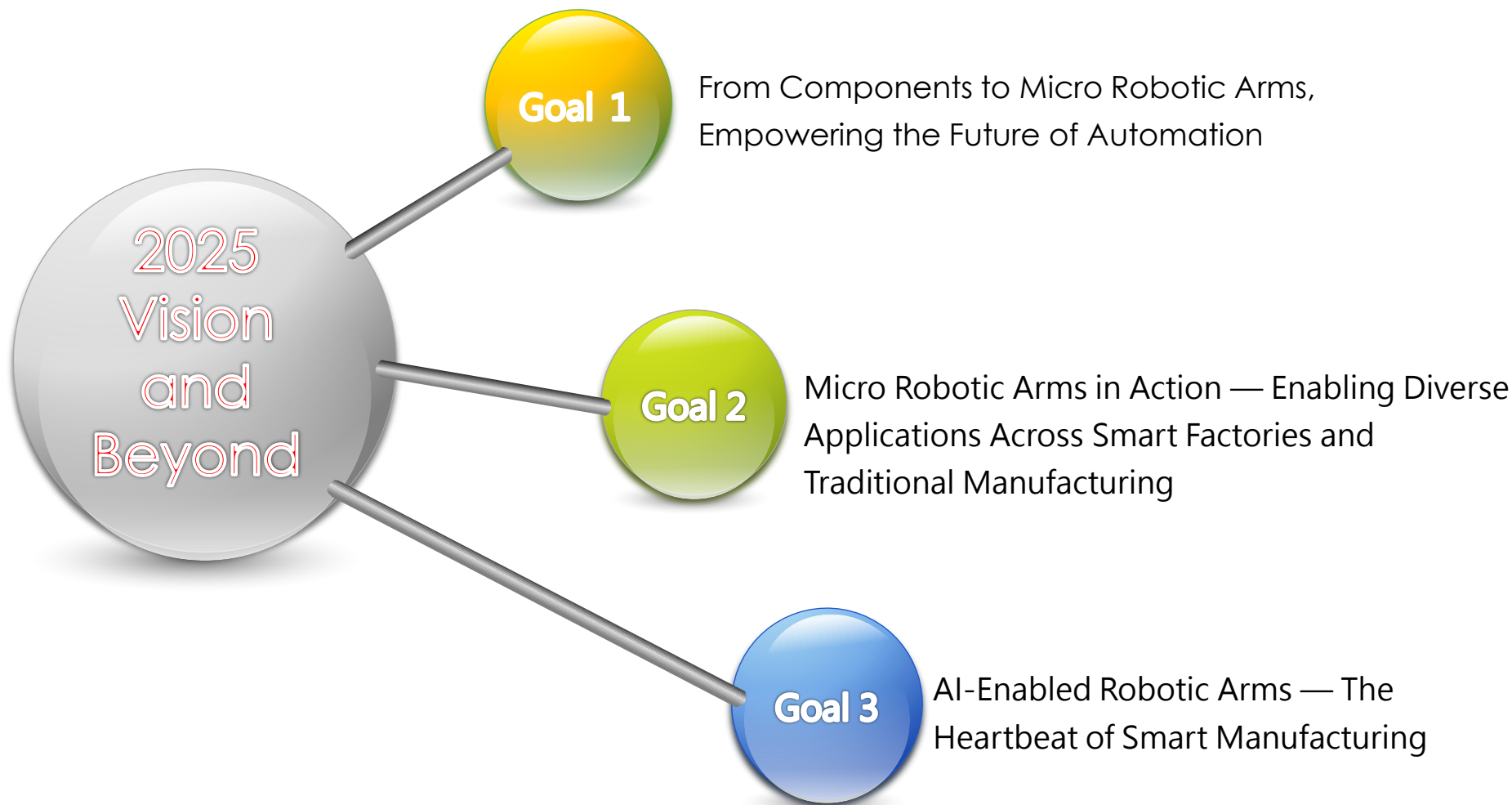
**Energy Efficiency & Robotics –** To reduce overall emissions, manufacturers must adopt low-carbon and carbon-free energy sources while improving energy efficiency across production processes. At the same time, robotics technology not only addresses labor shortages but also enhances the quality and efficiency of machine tool products, further supporting sustainable growth.

In 2025, cpc will align with emerging technological trends by focusing on the micro robotic arm market to meet the transformation needs of both high-precision industries and traditional manufacturing. At the same time, the concepts of smart factories and Industry 4.0 are driving enterprises to accelerate the adoption of robotic arms as a solution to labor shortages, improved production efficiency, and reduced manufacturing costs. Amid this wave of technological transformation, Chih Teh has chosen to position the micro robotic arm as its core breakthrough, embracing the spirit of “Small Innovations, Infinite Possibilities.” By targeting demands for high precision, flexibility, and energy efficiency, the company is committed to delivering innovative solutions that empower the global manufacturing industry.

cpc has installed a solar photovoltaic renewable energy system at the Tree Valley Park facility, which reduces approximately 829.553 metric tons of CO<sub>2</sub> emissions and increases the company’s renewable energy utilization by 19.95%. From the factory design stage, energy conservation and carbon reduction have been core considerations. The facility incorporates high-ceiling structures and ventilated exterior walls to enhance natural air circulation and heat dissipation. This design minimizes reliance on air conditioning systems, thereby reducing electricity consumption. In 2024, additional energy-saving initiatives were implemented, including the replacement of a damaged compressor in Dryer #2 and the upgrade of skylight fixtures at the Southern Taiwan Science Park facility. These measures achieved a reduction of 29,606 kWh in electricity consumption, resulting in an annual energy-saving rate of approximately 0.35% and an estimated carbon reduction of 14,625.36 kg.

The global economic landscape remains highly unpredictable, with increasing risks stemming from exchange rate fluctuations, raw material price volatility, and changes in industry supply chains. To address these challenges, cpc adopts prudent strategies such as promoting energy-saving policies and pursuing conservative investments. By closely monitoring the economic environment and responding in a timely manner, the company seeks to minimize potential losses while continuing to strengthen its research and development capabilities. Leveraging intelligent operations and long-term manufacturing trends, cpc is committed to achieving sustainable business growth.

cpc continues to uphold the principle of integrity in management, which serves as the cornerstone of corporate sustainability. Guided by this value, the company aims to expand its business scale, maximize benefits for shareholders and customers, and provide employees with strong career development and well-being. With a focus on professionalism, ethics, and social responsibility, Chih Teh strives to contribute positively to society, foster a culture of integrity and well-being, and create a brighter and more fulfilling future for all stakeholders.





## Sustainability in practice.

The Company has established a Sustainability Development and Promotion Committee. The Board of Directors has designated the Office of the Chairman as the dedicated (or concurrent) unit responsible for promoting sustainability. This unit is tasked with formulating and implementing sustainability policies, systems, related management guidelines, and concrete action plans, and reports regularly to the Board of Directors.

1. Through four working groups—Environmental Sustainability, Corporate Governance, Product and Service, and Employee Care/Social Engagement—the Company actively promotes the implementation of various initiatives, conducts regular performance monitoring, and adjusts strategies and targets as needed through ongoing communication with stakeholders, integrating sustainability concepts into overall business strategies.

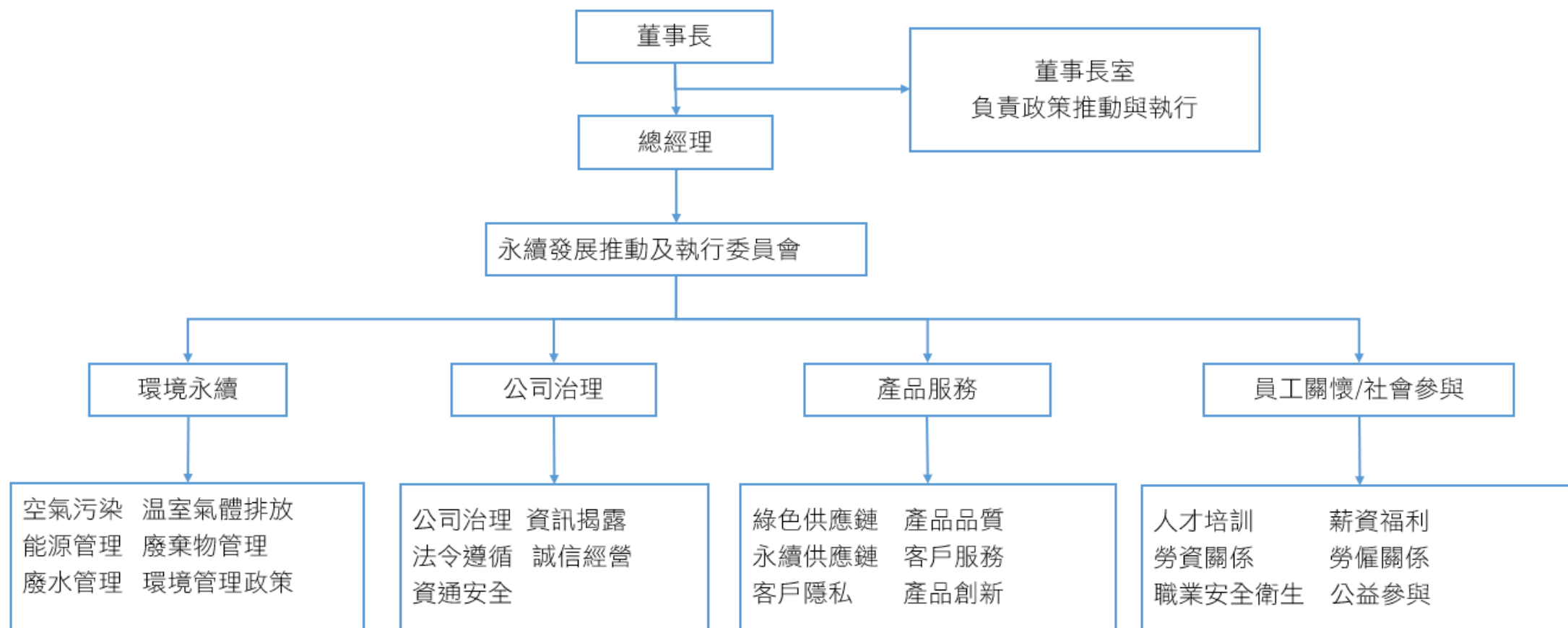
2. Meetings are convened at least once a year, or more frequently if needed, to report on the progress of sustainability initiatives.

3. The Committee is responsible for the preparation and revision of the Company's Sustainability Report.



## ESG Governance and Implementation Structure

面向

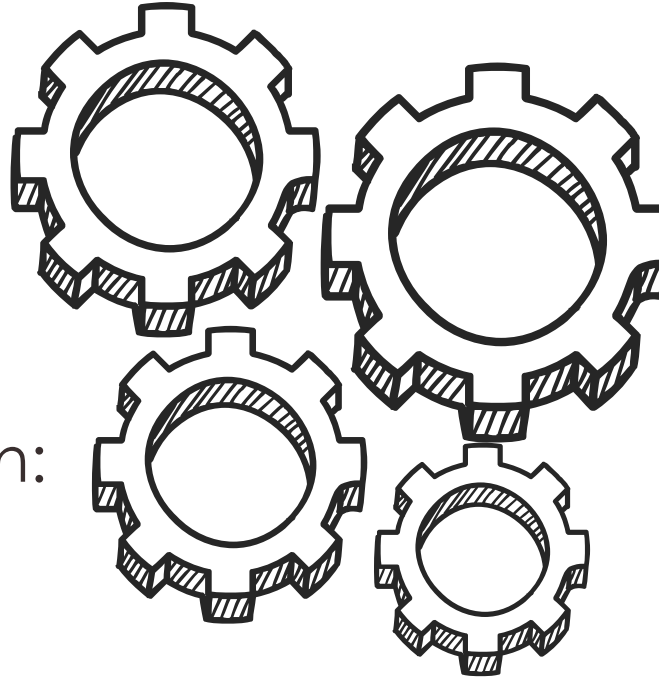


### Board of Directors :

Responsible for approving sustainability policies, related management guidelines, and concrete action plans.

### Office of the Chairman:

Appointed by the Board of Directors as the dedicated (or concurrent) unit for promoting sustainability. It is responsible for formulating and implementing sustainability policies, systems, related management guidelines, and concrete action plans, and for reporting regularly to the Board of Directors.



### Audit Committee :

Responsible for reviewing sustainability policies, related management guidelines, and concrete action plans.

### Sustainability Promotion and Implementation Committee :

1. Promotes initiatives through four working groups (Environmental Sustainability, Corporate Governance, Product & Service, and Employee Care/Social Engagement), monitors performance, engages stakeholders, and adjusts strategies to integrate sustainability into operations.
2. Convenes at least once annually (or more as needed) to report on implementation progress.
3. Responsible for preparing and revising the Sustainability Report.





# Board of Directors and Functional Committees

## Board Members

Job Title	Name	Shareholdings during election(Note 1)	Post concurrently occupied in the company and other companies at present
Chairman and CEO	CHEN LIFEN	4,009,675	CEO of Chieftek Precision Co., Ltd., Chairman of Deneng Sunshine Investment Co., Ltd, Chairman of Deyuan Management Consulting Co., Ltd, Chairman of Zhenshanmeihui Investment Co., Ltd, Chairman of Gueirendefu Investment Co., Ltd, Chairman of Yijihde Management Consulting Co., Ltd, Chairman of GuangmingPuyuan Investment Co., Ltd, Chairman of Xinzhide Investment Co., Ltd, Chairman of Sunshine Bio Technology Co., Ltd, Chairman of Jiajihde Investment Co., Ltd, Chairman of Rongxin Investment Co.,Ltd., Standing Director of Academia- Industry Consortium for Southern Taiwan Science Park, Director of Fong Huang Innovation Investment Co., Ltd., Director of Fong Huang II Innovation Investment Co., Ltd., Director of Fong Huang VI Innovation Investment Co., Ltd., Director of Tainan Traditional Chinese Cultural College Foundation, Supervisor of The Hatta Yoichi Memorial Foundation for the Culture and Arts.(Note 2)
Board Director, General Manager and R&D Supervisor	HSU MINGCHE	6,127,271	General Manager and R&D Supervisor of Chieftek Precision Co., Ltd.
Board Director	LI AN	1,507,752	Nil
Board Director	WANG CHEN PIHSIA	610,890	Chairman of Yucheng Starch Co., Ltd., Supervisor of ST&T Electric Corp.
Board Director	CHEN JIAHAO	1,030,895	Director of David Enterprise Co., Ltd.

Job Title	Name	Shareholdings during election(Note 1)	Post concurrently occupied in the company and other companies at present
Independent Director	HO MINGZIH	0	Associate professor of Engineering, National Cheng Kung University
Independent Director	ZENG XUWEN	93,150	Nil
Independent Director	WU LINGLING	37,747	Chairman of Lubao Fashion Agriculture Co., Ltd., Chairman of FusenXushi Planning Co., Ltd., Director of Volando Hotel Co., Ltd., Director of Tsuiyuan Investment Co., Ltd., Director of Jiaying Industrial Co., Ltd., Supervisor of Jiajuan Industrial Co., Ltd., Supervisor of Shin Kong Chao Feng Co., Ltd., Chairman of ChengYi Culture Co., Ltd., Supervisor of Tsaoshan Co., Ltd., Supervisor of Plant Essence International Inc., Supervisor of Jung Hao Investment Co., Ltd.
Independent Director	WANG YONG ZHANG	136,943	Nil

Note 1: Number of shares held as of the book closure date, March 30, 2025.

Note 2: Chairperson Lifen Chen currently also holds the following positions within the Company and its subsidiaries: Chairperson of CHIEFTEK PRECISION HOLDING CO., LTD., cpc Europa GmbH, CHIEFTEK PRECISION USA CO., LTD., Chieftek Machinery (Kunshan) Co., Ltd., and Chieftek Precision International LLC.



## Responsibilities of the Board of Directors

The Board of Directors serves as the Company's highest governing body. It is responsible for guiding corporate strategy, overseeing management, ensuring accountability to the Company and its shareholders, and exercising its authority in accordance with applicable laws, the Articles of Incorporation, and resolutions of the shareholders' meeting. The election of directors is conducted under a candidate nomination system, whereby shareholders elect directors from the list of nominated candidates. At the 2023 Annual General Meeting of Shareholders, the ninth-term Board of Directors was elected, comprising nine members, including four independent directors. The current Board members possess extensive expertise in areas such as corporate operations, business, finance, accounting, and law, enabling them to provide professional and diverse perspectives. This diversity of expertise contributes significantly to enhancing the Company's operational performance and management efficiency. The Board of Directors convenes at least once per quarter. In 2024, a total of five Board meetings were held.

The composition of the Board of Directors by gender and age is presented in the following table.

Gender	Age Group							Percentage
	56~60	61~65	66~70	71~75	76~80	81and above	Total	
Female	0	0	2	1	0	1	4	44.4%
Male	1	0	2	2	0	0	5	55.6%
Total	1	0	4	3	0	1	9	100.0%
Percentage	11.11%	0	44.44%	33.34%	0	11.11%	100%	-



## Diversity of the Board of Directors

The Company, based on its operational scale and development needs, has established nine seats on the Board of Directors, including four independent directors. Board members' professional backgrounds span industry, law, and business management, reflecting the Company's commitment to board diversity.

The main policy objectives are as follows:

- (1) **Board Composition Diversity:** Diversity shall be considered in Board composition, and appropriate policies shall be formulated in line with the Company's operations and development, covering:
  - **Basic Attributes and Values:** Gender, age, nationality, and cultural background.
  - **Professional Knowledge and Skills:** Expertise in law, accounting, industry, finance, marketing, or technology, and relevant industry experience.
- (2) **Competencies of Board Members:** The Board as a whole shall demonstrate the knowledge, skills, and character necessary to fulfill its duties, comprising eight core competencies.
  - A. Business Judgment
  - B. Accounting & Financial Analysis
  - C. Management Expertise
  - D. Crisis Management
  - E. Industry Knowledge
  - F. Global Perspective
  - G. Leadership
  - H. Decision-Making
  - I. Risk Management Expertise





(3) The implementation of board member diversity in the Company is as follows:

Job Title	Name	Gender	Business Judgment	Accounting & Financial Analysis	Management Expertise	Crisis Management	Industry Knowledge	Global Perspective	Leadership	Decision-Making	Risk Management Expertise
Chairman and CEO	CHEN LIFEN	Female	✓		✓	✓	✓	✓	✓	✓	✓
Board Director	HSU MINGCHE	Male	✓		✓	✓	✓	✓	✓	✓	✓
Board Director	LI AN	Female			✓			✓			
Board Director	WANG CHEN PIHSIA	Female			✓			✓			
Board Director	CHEN JIAHAO	Male						✓			
Independent Director	HO MINGZIH	Male				✓	✓	✓			✓
Independent Director	ZENG XUWEN	Male		✓		✓	✓	✓			✓
Independent Director	WU LINGLING	Male				✓	✓	✓			✓
Independent Director	WANG YONG ZHANG	Female				✓	✓	✓			✓



## Conflict of Interest

All members of the Company's Board of Directors uphold a high level of self-discipline. To avoid conflicts of interest, the Code of Ethical Conduct requires that directors, managers, and other individuals attending or present at Board meetings must exercise self-restraint. For any agenda items in which a director or the legal entity they represent has an interest that may be detrimental to the interests of the Company, the individual concerned may express opinions and respond to inquiries but shall not participate in the discussion or voting of such matters. Furthermore, they shall recuse themselves during both the discussion and voting process and may not act as a proxy for other directors in exercising voting rights. Directors are also expected to practice self-discipline and refrain from providing undue mutual support.

The Company's directors and managers shall not use their positions to obtain improper benefits for themselves, their spouses, parents, children, or any other person.

In 2024 and up to the present, the following Board proposals involved situations where directors had a conflict of interest. In accordance with Article 206 of the Company Act, applying Article 178, the directors concerned recused themselves from voting.

Date of Meeting	Proposal
February 2, 2024	Proposal on Distribution of 2023 Year-End Bonuses for Managers Proposal on 2023 Managers' Compensation, Remuneration, and Related Regulations
August 7, 2024	Proposal on Distribution of 2023 Employee Compensation to Managers Proposal on Distribution of 2023 Directors' Remuneration

Members of the Company's Board of Directors currently hold concurrent positions in other companies. Please refer to the Board Member Information section of the Annual Report for details.

In accordance with legal requirements, when a director or manager engages in activities within the scope of the Company's business on behalf of themselves or others, prior approval from the shareholders' meeting must be obtained.

Furthermore, none of the members of the Board of Directors hold any cross-shareholdings with the Company's major suppliers.



## Annual Board Performance Evaluation

The Company has established a Board performance evaluation system. On February 9, 2018, the Board approved the “Board Performance Evaluation Policy,” under which self-assessment questionnaires are conducted annually. The evaluation results are consolidated, reviewed, and submitted to the Board of Directors, and subsequently disclosed on the Company’s official website.

For 2024, the self-assessment questionnaire was completed in February 2025, and the results were presented to the Board on January 24, 2025. The results were simultaneously disclosed on the Company’s official website after the meeting.

The most recent Board performance evaluation (for 2024) was conducted through internal self-assessment questionnaires, covering the overall Board of Directors, functional committees, and individual directors. The evaluation results were all rated as “Excellent.”

Scoring Criteria:

- 4 points or above: Excellent 3 to <4 points: Fair 2 to <3 points: Needs Improvement Below 2 points: Poor

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Items
Executed on an annual basis	From January 1, 2024 to December 31, 2024	The Board of Directors	Board Self-Assessment	1. Level of Participation in Company Operations 2. Enhancement of Board Decision-Making Quality 3. Board Composition and Structure 4. Election and Continuing Education of Directors 5. Aspects of Internal Control
		Individual Board Members	Directors' Self-Evaluation	1. Understanding of Company Goals and Missions 2. Awareness of Directors' Responsibilities 3. Level of Participation in Company Operations 4. Management of Internal Relationships and Communication 5. Professional Expertise and Continuing Education of Directors 6. Aspects of Internal Control



## Continuing Education in ESG/Sustainable Development

To strengthen corporate governance practices, the Company proactively communicates information on corporate governance and provides directors with training opportunities. All directors of the Company have undertaken training in accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx Listed Companies."

In 2024, the entire Board of Directors collectively completed a total of 54 hours of continuing education, averaging 6 hours per director, thereby meeting the regulatory recommendation of 6 hours per year.

Job Title	Name	Sponsor	Refresher course	Study hours
Chairman and CEO	CHEN LIFEN	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: Externalities diversified management	3
		Taiwan Corporate Governance Association	The roles and responsibilities of the board of directors in ESG governance	3
Board Director	HSU MINGCHE	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: Externalities diversified management	3
		Taiwan Corporate Governance Association	The roles and responsibilities of the board of directors in ESG governance	3
Board Director	LI AN	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: Externalities diversified management	3
		Taiwan Corporate Governance Association	The roles and responsibilities of the board of directors in ESG governance	3
Board Director	WANG CHEN PIHSIA	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: Externalities diversified management	3
		Taiwan Corporate Governance Association	The roles and responsibilities of the board of directors in ESG governance	3



Job Title	Name	Sponsor	Refresher course	Study hours
Board Director	CHEN JIAHAO	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: Externalities diversified management	3
		Taiwan Corporate Governance Association	The roles and responsibilities of the board of directors in ESG governance	3
Independent Director	HO MINGZIH	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: Externalities diversified management	3
		Taiwan Corporate Governance Association	The roles and responsibilities of the board of directors in ESG governance	3
Independent Director	ZENG XUWEN	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: Externalities diversified management	3
		Taiwan Corporate Governance Association	The roles and responsibilities of the board of directors in ESG governance	3
Independent Director	WU LINGLING	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: Externalities diversified management	3
		Taiwan Corporate Governance Association	The roles and responsibilities of the board of directors in ESG governance	3
Independent Director	WANG YONG ZHANG	Taiwan Corporate Governance Association	Corporate sustainable governance essentials: Externalities diversified management	3
		Taiwan Corporate Governance Association	The roles and responsibilities of the board of directors in ESG governance	3



In June 2020, cpc established the Audit Committee to further strengthen the corporate governance responsibilities of Board members and enhance the operation of the Board. The Company's Audit Committee is composed entirely of independent directors, with no fewer than three members, and at least one member possessing expertise in accounting or finance.

The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities regarding the quality and integrity of the Company's accounting, auditing, financial reporting processes, and internal controls.

The Audit Committee, composed solely of independent directors, convenes at least once every quarter. Its functions include overseeing the fair presentation of the Company's financial statements, the effective implementation of internal controls, compliance with applicable laws and regulations, the management of existing and potential risks, and the appointment, dismissal, independence, and performance of the external auditors. In 2024, the Audit Committee convened a total of five meetings.

### Key Focus Areas for 2024 :

- 1.Regular communication with the Chief Internal Auditor regarding audit report results in accordance with the annual audit plan.
- 2.Regular communication with the Company's certified public accountants (CPAs) on the review or audit results of quarterly financial statements.
- 3.Review of quarterly financial reports.
- 4.Assessment of the effectiveness of the internal control system.
- 5.Evaluation of the independence and suitability of CPAs in providing audit and non-audit services.
- 6.Deliberation on policies and transactions related to assets, derivative financial instruments, loans of funds, and endorsements/guarantees.
- 7.Oversight of regulatory compliance.

# Committee Performance

In 2024, the Audit Committee convened five meetings. The attendance of the independent directors is presented as follows:

Job Title	Actual Attendance Rate (%)	Number of Meetings Attended	Number of Meetings Attended by Proxy
Convener HO MINGZIH	100.00%	5	0
ZENG XUWEN	100.00%	5	0
WANG YONG ZHANG	100.00%	5	0
WU LINGLING	80.00%	4	1



## Remuneration Committee

To enhance corporate governance and strengthen the Board's function in overseeing remuneration, and to assist in the execution and evaluation of the remuneration of directors and managers, the Company resolved on December 22, 2011 (ROC Year 100) to establish the Remuneration Committee and adopt the Remuneration Committee Charter.

The Remuneration Committee is currently composed of four independent directors, including one female independent director. The four members, with diverse backgrounds and extensive professional experience, possess a comprehensive understanding of both domestic and international industry trends. Through at least two regular meetings each year, supplemented by ad-hoc discussions, the Committee reviews reasonable remuneration policies and performance appraisal systems. These reviews are continuously refined in alignment with business dynamics and integrated with the Company's corporate social responsibility (CSR) policies, thereby enhancing quality and competitiveness at each stage of development.

The primary responsibilities of the Remuneration Committee are to periodically evaluate and establish the Company's overall remuneration policies, formulate and review (at least once annually) the performance evaluation standards, policies, systems, and structures governing the remuneration of directors and managers, and assess and determine the remuneration packages and employee compensation or other incentive programs for directors, managers, and employees. The Remuneration Committee faithfully performs the following duties from a professional and objective standpoint:

1. Formulate proposals for the remuneration of directors and managers, as well as periodic evaluation reports thereof.

2. Formulate and periodically review the performance evaluation of directors and managers. °

3. Formulate and periodically review the Company's remuneration policies, systems, standards, and structures.

4. Other matters assigned by the Board of Directors.



In performing its duties, the Remuneration Committee shall act in accordance with the following standards.

01

Compensation management shall be in line with the Company's remuneration philosophy.

The performance evaluation and remuneration of directors and managers shall take into account industry standards, while also considering individual performance, the Company's operating results, and the reasonableness of the correlation with future risks.

02

03

Remuneration practices shall not induce directors and managers to engage in activities that exceed the Company's acceptable risk tolerance in pursuit of compensation.

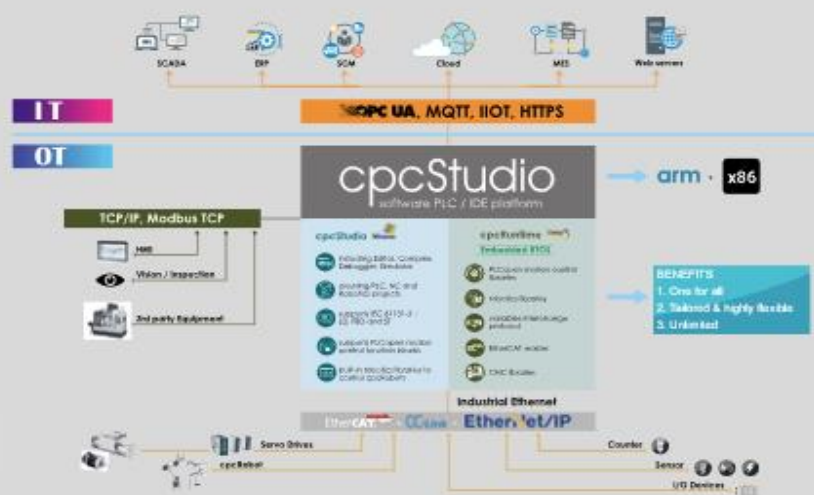
The proportion of short-term performance-based compensation and the timing of variable remuneration payments for directors and senior managers shall be determined in consideration of industry characteristics and the nature of the Company's business.

04

The Company's remuneration principles are established in accordance with the Articles of Incorporation and the Corporate Governance Best-Practice Principles, and are linked to departmental responsibilities and performance outcomes. Through the adoption of reasonable remuneration policies, the Company seeks to attract and retain outstanding talent. Information regarding the remuneration of directors and managers for the year is disclosed in the Annual Report.

The current term of the Remuneration Committee runs from May 26, 2023 to May 25, 2026. In 2024, the Committee convened a total of three meetings, with an average attendance rate of 91.67% among committee members.





## 03 Material Topic Identification



## Stakeholder Engagement

In recognition that every decision made during business operations may impact stakeholders or be influenced by them, cpc has adopted stakeholder feedback and perspectives as integral considerations in planning its blueprint for sustainable development and corporate social responsibility (CSR). Based on stakeholders' concerns, the Company reviews their needs and expectations, formulates communication approaches and frequencies, and establishes effective communication channels to serve as a foundation for continuous improvement.

cpc maintains diverse, efficient, and effective two-way communication channels to identify stakeholder concerns and gather feedback. This information is regarded as an important reference in shaping the Company's long-term business strategies and objectives. In addition to establishing direct communication mechanisms with stakeholders, cpc also discloses ESG sustainability management information through its official website, and shares achievements in corporate governance, environmental stewardship, and social inclusion via its annual reports, financial reports, and other public disclosures.

The Company places great emphasis on its corporate social responsibility toward employees, customers, shareholders, suppliers, and the broader environment. Accordingly, cpc formulates, plans, supervises, and promotes CSR policies and action guidelines, advances ethical business practices, and monitors their implementation. Dedicated personnel and communication channels are in place to listen to stakeholder needs. Feedback collected through these channels is addressed, responded to, and followed up with appropriate management actions.

The Company's stakeholder communication channels are summarized as follows:

Stakeholders	Key Sustainability Issues	Engagement Channel / Frequency	Communication Outcomes for 2024
Suppliers – Supply Chain Sustainability Management	Supply Chain Sustainability Management <ul style="list-style-type: none"> <li>● Economic Performance</li> <li>● Non-Discrimination</li> <li>● Prohibition of Forced Labor</li> <li>● Anti-Corruption</li> <li>● Compliance with Social Regulations</li> <li>● Assessment of Suppliers' Social Impacts</li> </ul>	Communicate feedback with procurement personnel via phone or email (as needed / ad hoc). Evaluate suppliers'/contractors' environmental protection and occupational health & safety management systems and performance (annually).	<ul style="list-style-type: none"> <li>● 86% of new suppliers have signed the "Supplier Commitment Letter."</li> <li>● 74% of new suppliers have signed the "Corporate Social Responsibility (CSR) Assessment Form."</li> <li>● 83% of new suppliers have signed the "Supplier Environmental Management Evaluation Form."</li> <li>● Regular supplier evaluations are conducted.</li> </ul>

Stakeholders	Key Sustainability Issues	Engagement Channel / Frequency	Communication Outcomes for 2024
Employees	-Labor-Management Relations and Employee Rights	Performance Appraisal (Annually) Company Announcements (Real-time) Employee Consultation Hotline (Real-time) Labor-Management Meetings (Quarterly)	<ul style="list-style-type: none"> <li>● Provide communication channels for employees and hold regular labor-management meetings; a total of five labor-management meetings were convened in 2024.</li> <li>● Establish an employee section on the Company's intranet, email system, and stakeholder section of the official website.</li> <li>● Labor-management meetings, the Welfare Committee, the Occupational Safety Committee, and annual performance review meetings were all held as scheduled.</li> <li>● Utilize electronic bulletin boards to display employees' daily productivity results.</li> </ul>
	-Occupational Health and Safety (OHS)	Implement Occupational Safety and Health Training Conduct Regular Employee Health Examinations Workplace Safety and Health Inspections Organize Health Promotion Activities Assist with Group Insurance and Labor Insurance Subsidy Applications	<ul style="list-style-type: none"> <li>● In 2024, eight medical consultation sessions were arranged to better understand employees' needs and provide concrete support and care.</li> <li>● Employee health examinations were arranged in 2024.</li> <li>● The ISO 14001 and ISO 45001 Environmental, Safety, and Health Management Systems underwent a three-year recertification, with certification obtained in September 2023; the annual surveillance audit was completed in August 2024.</li> <li>● Occupational Safety and Health Committee meetings were convened regularly in accordance with legal requirements.</li> </ul>



Stakeholders	Key Sustainability Issues	Engagement Channel / Frequency	Communication Outcomes for 2024
Employees	-Diversity and Inclusion (D&I) and Equal Employment	The Employee Code of Conduct explicitly prohibits any form of discrimination, sexual harassment, or other violations of human rights. Forced labor and child labor are strictly prohibited. The workplace has clearly established measures for the prevention of sexual harassment, along with complaint and disciplinary procedures.	<ul style="list-style-type: none"> <li>● In 2024, no complaints regarding workplace sexual harassment prevention measures were received.</li> </ul>
Shareholders / Investors	-Corporate Governance -Business Performance	Annual General Meeting of Shareholders (Annually) Institutional Investor Conference (Annually) Monthly Revenue Announcements (Monthly) Financial Report Releases (Quarterly / Annually) Disclosure of Operating Performance (Monthly) Company Website and Market Observation Post System (Real-time) Investor Relations Contact Window (Real-time)	<ul style="list-style-type: none"> <li>● Disclosed operating performance on a monthly basis in accordance with regulations.</li> <li>● Updated the Company's website periodically to disclose information related to operations, finance, business activities, and corporate governance.</li> <li>● Published financial reports quarterly in accordance with regulations.</li> <li>● Held one institutional investor conference in 2024.</li> <li>● Disclosed material information simultaneously in both Chinese and English, and published quarterly financial reports, annual shareholders' meeting reports, and related materials in both languages.</li> <li>● Conducted several institutional investor visits and conference calls.</li> </ul>

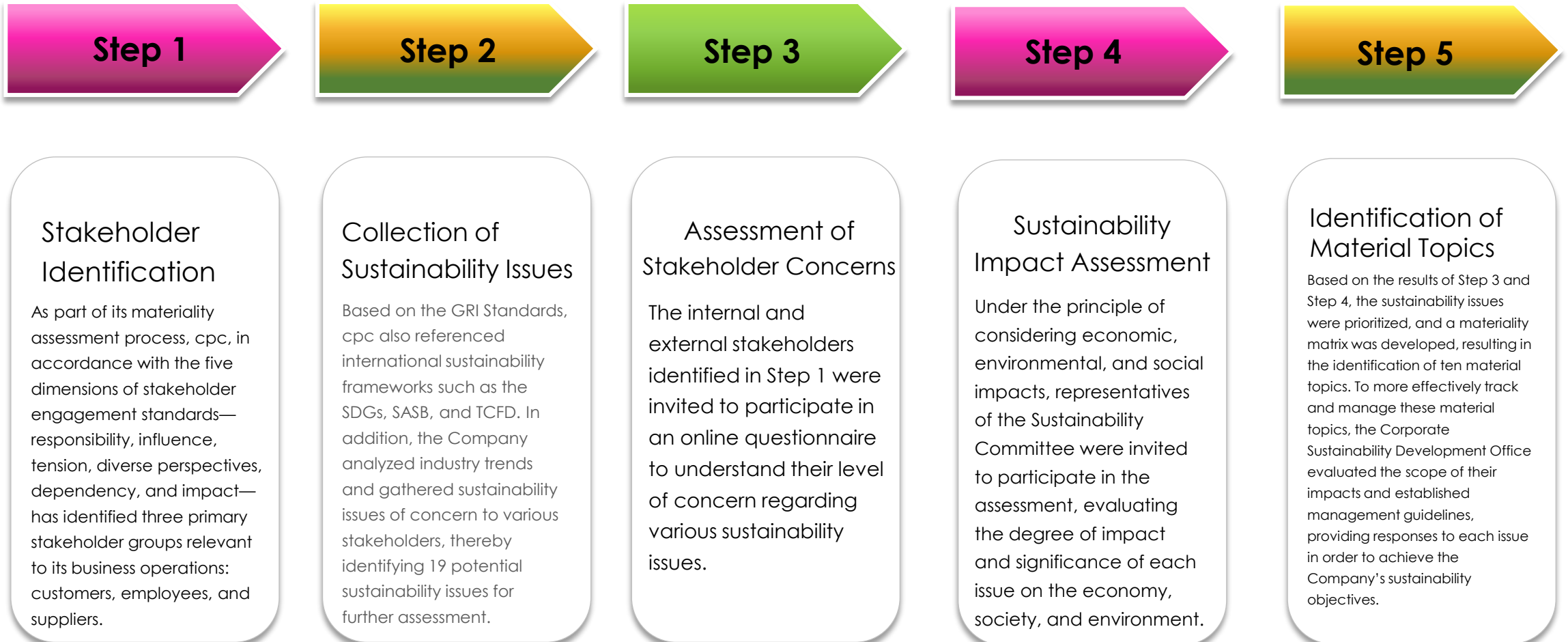
Stakeholders	Key Sustainability Issues	Engagement Channel / Frequency	Communication Outcomes for 2024
Customers	-Customer Service	Non-Disclosure Agreements (NDAs) (Real-time) Customer Service Hotline (Real-time) Customer Visits (Ad hoc) Participation in Technical Forums, Seminars, and Exhibitions (Occasional)	<ul style="list-style-type: none"> <li>● Conducted annual customer satisfaction surveys.</li> <li>● Published various business-related information on the Company's website.</li> <li>● Participated in a total of 24 exhibitions in 2024, held in countries including Japan, Germany, the United States, Canada, India, and China.</li> <li>● For any customer complaints, cases are immediately filed and tracked. The Company applies the 8D methodology, including root cause analysis, formulation of preventive measures, selection of corrective actions, and verification of effectiveness.</li> </ul>
Government	-Regulatory Compliance -Corporate Governance -Corporate Social Responsibility (CSR) -Ethical Business Practices and Professional Integrity	Company Website and Market Observation Post System (Real-time) Communication with Regulatory Authorities (As required by regulations) Official Correspondence (Ad hoc) Government Promotional/Information Sessions (Occasional)	<ul style="list-style-type: none"> <li>● In 2024, there were no violations of regulations regarding material information disclosure that resulted in penalties.</li> <li>● Participated in public hearings or regulatory information sessions organized by relevant government agencies.</li> <li>● Participated occasionally in promotional or information sessions held by the Taiwan Stock Exchange (TWSE).</li> </ul>



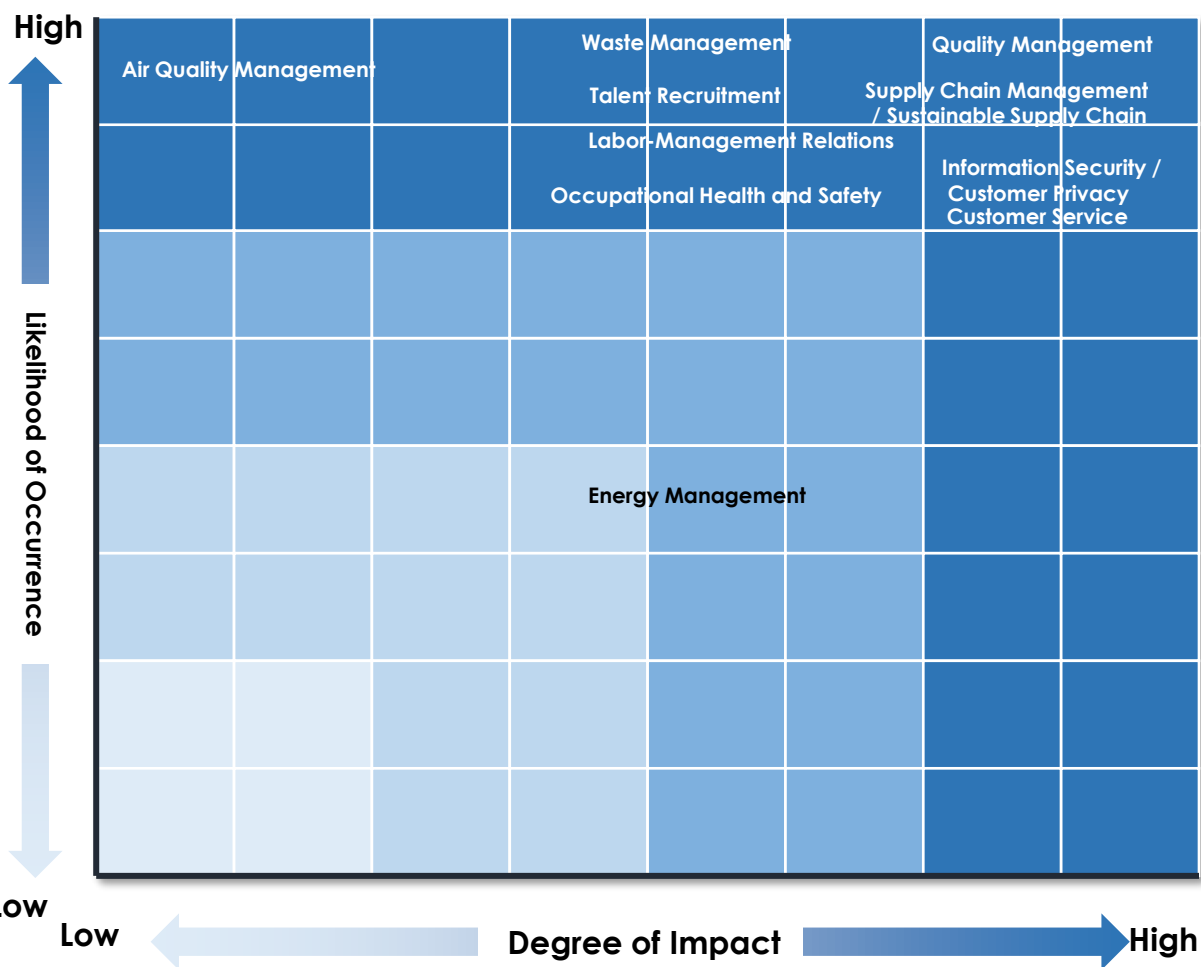
## Material Topic Determination Process

cpc, with reference to the GRI Standards, developed a material topics survey questionnaire to identify key issues of concern through stakeholder engagement. The outcomes of stakeholder engagement serve as an important basis for assessing material topics. These are further integrated with evaluations of the economic, environmental, and social impacts to determine priority issues for implementation and response. This approach ensures alignment with stakeholder expectations and provides the basis for disclosures in this Report.

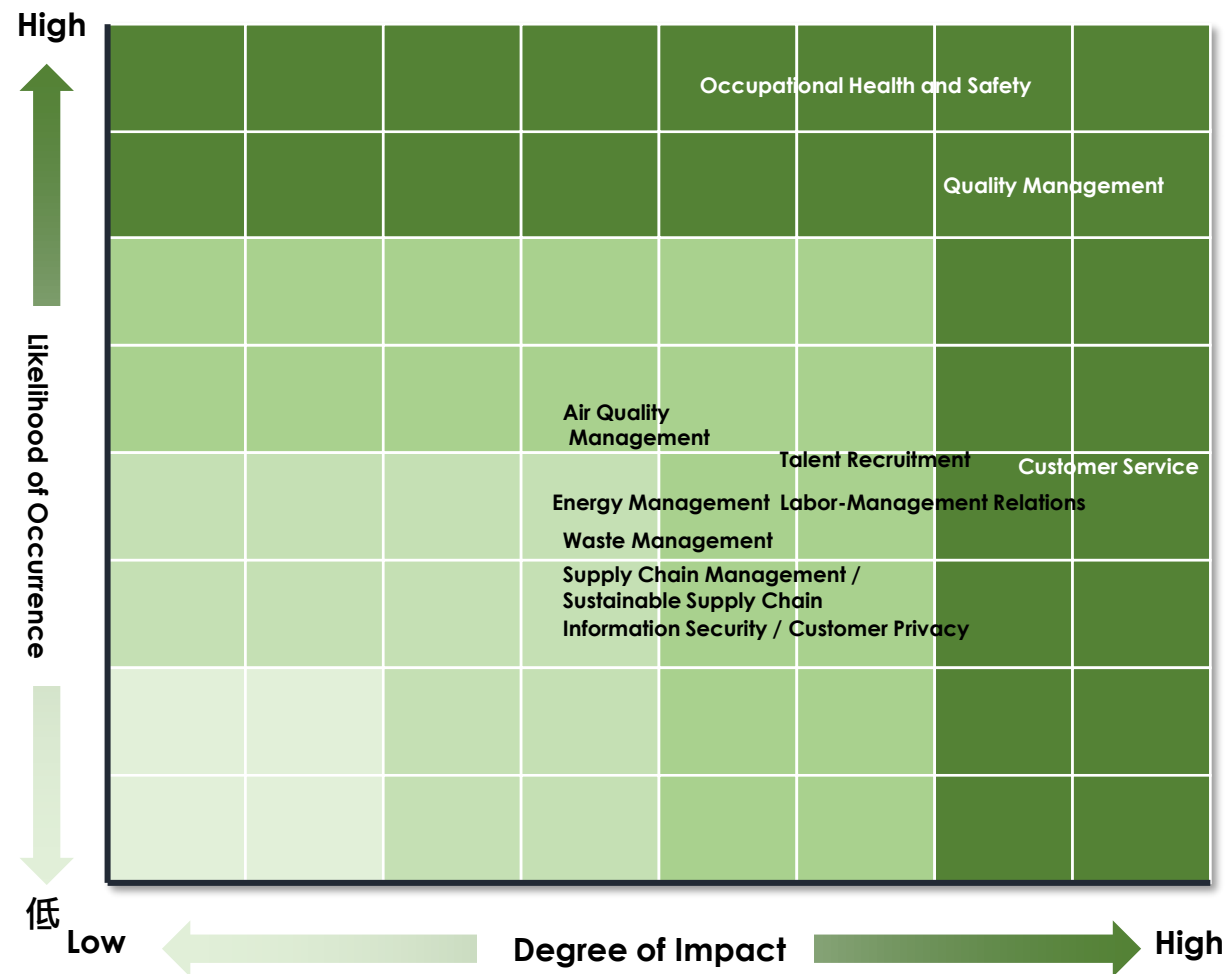
### Materiality Assessment Process



## Positive Impact





## Negative Impact

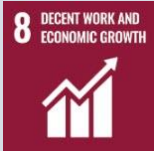




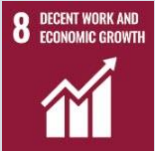


## Explanation of Major Topic Impacts and Management Mechanisms


Issue	Impact Description	Corresponding GRI Specific Topic	Corresponding SASB Standard	Corresponding Report Section	Management Mechanism and Objectives	Corresponding SDGs
Environmental Aspect						
Air Quality Management	Positive: Reducing air pollutant emissions into the environment and improving environmental quality.	GRI 305 Emissions		6-06 Air Pollution Control	Regulations on greenhouse gas emissions are becoming increasingly numerous and stringent worldwide. In addition to requiring companies to regularly disclose greenhouse gas-related information, these regulations may also impose limits on emission volumes. We will continue to monitor regulatory developments domestically and internationally, stay informed of regulatory trends, and prepare early responses accordingly.	
	Negative: Equipment operation and maintenance costs; improper operation may lead to pollution incidents. °					
Energy Management	Positive: Effectively implementing energy management and conservation reduces corporate operating costs, generates carbon reduction benefits, and lowers the risk of power shortages at operational sites.	GRI 302 Energy	RT-IG-130a.1.	6-03 Energy management	1. Apply tools such as the ISO 14000 Environmental Management System and ISO 14064 Greenhouse Gas Emissions Inventory to continuously review and improve practices, reduce energy consumption and costs, and enhance the effectiveness of energy management.	

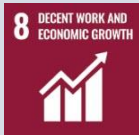



Issue	Impact Description	Corresponding GRI Specific Topic	Corresponding SASB Standard	Corresponding Report Section	Management Mechanism and Objectives	Corresponding SDGs
Energy Management	Negative: High energy-consuming companies may fail to meet investors' and the public's expectations for energy conservation and carbon reduction, potentially leading to a negative corporate image in the long term and greater difficulty in obtaining financing. Failure to implement energy-saving measures results in increased electricity consumption, higher utility costs, and negative environmental impacts.				2.Implement various energy-saving initiatives each year in line with government policies. 3.In accordance with internal management procedures, regularly track and compile energy usage data, and conduct annual PDCA (Plan-Do-Check-Act) effectiveness assessments for energy	
Waste Management	<div>Positive: Actively seeking feasible solutions to reduce the volume of waste helps lower waste treatment costs.</div> <div>Negative: Failure to properly manage wastewater and waste generated from production processes can cause environmental pollution and damage corporate reputation.</div>	GRI 306 Effluents and Waste		6-05 Waste Management	<div>1.Consolidate and oversee the environmental protection and energy management performance of domestic and overseas plants to enhance resource utilization efficiency, promote resource recovery, and advance a circular economy.</div> <div>2.In accordance with the ISO 14001 Environmental Management System, ensure wastewater testing compliance and handle waste classification and disposal in a lawful manner.</div>	<div>6 CLEAN WATER AND SANITATION</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>


Issue	Impact Description	Corresponding GRI Specific Topic	Corresponding SASB Standard	Corresponding Report Section	Management Mechanism and Objectives	Corresponding SDGs
Social Aspect						
Talent Recruitment	Positive: The company has well-established recruitment channels and procedures, with the overall process complying with labor and gender equality regulations. Expanding diverse recruitment channels enhances the company's corporate image and increases the likelihood of successful hiring.	GRI 405 Employee Diversity and Equal Opportunity		5-01-2 Workforce Structure and Talent Recruitment	The recruitment procedures comply with the provisions of the Labor Standards Act, ensuring equal and fair treatment for all candidates. Selection is based solely on competence and performance, following a fair and impartial process to identify suitable talent. In accordance with the Personal Data Protection Act, applicants' personal information is safeguarded and will not be used for purposes beyond recruitment and selection without their consent.	
	Negative: Recruitment difficulties or talent loss may lead to knowledge gaps within the company and affect work output, which is detrimental to corporate development.					
Labor-Management Relations	Positive: Providing employees with open communication channels safeguards their rights, fosters harmonious labor relations, and enhances workplace harmony while increasing corporate competitiveness.	GRI 401 Employment GRI 402 Labor/Management Relations		5-01-8 Labor Relations	1.Promote communication between labor and management through regular labor-management meetings and dedicated grievance channels to maintain harmony. 2. To foster a warm and stable workplace environment, the company emphasizes employee safety and talent development, thereby building harmonious employer-employee relations..	
	Negative: Tense labor relations and employee dissatisfaction with the company may lead to staff turnover and weaken corporate competitiveness.					

Issue	Impact Description	Corresponding GRI Specific Topic	Corresponding SASB Standard	Corresponding Report Section	Management Mechanism and Objectives	Corresponding SDGs
Occupational Health and Safety	Positive: Implement effective occupational safety and health (OSH) management by establishing OSH management plans and applying the ISO 45001 & CNS 45001 management systems. Through the continuous PDCA (Plan-Do-Check-Act) cycle, the company ensures ongoing improvement. By evaluating proactive and reactive performance indicators, safety and health performance is enhanced, promoting workplace safety, environmental protection, and employee health care (Opportunity Impact Level: Moderate).	GRI 403 Occupational Health and Safety	RT-IG-320a.1	5-02 Occupational Health and Safety	1. Consolidate and supervise the occupational safety and health (OSH) management performance of domestic and overseas plants, gradually fostering a culture of safety. 2. In accordance with ISO 45001 and TOSHMS internal management review procedures, conduct annual PDCA (Plan-Do-Check-Act) effectiveness evaluations of OSH management.. 3. Promote the "Occupational Safety and Health Management System" to implement thorough self-inspections, eliminate workplace hazards and pollution factors, raise employees' OSH awareness, and create a healthy workplace environment and management system. These efforts aim to eliminate occupational accidents and ensure the safety and health of workers.	 
	Negative: A lack of a comprehensive occupational safety and health system may endanger employee safety and health, which in turn could harm the company's reputation, product quality, and labor relations.					

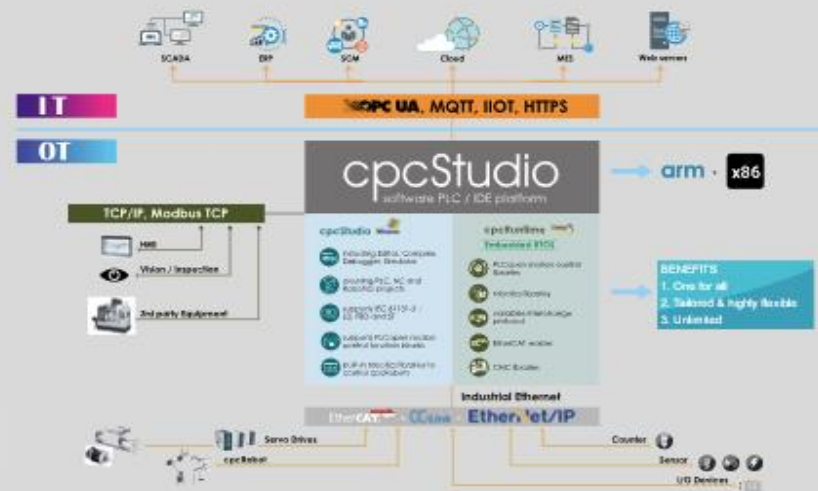


Issue	Impact Description	Corresponding GRI Specific Topic	Corresponding SASB Standard	Corresponding Report Section	Management Mechanism and Objectives	Corresponding SDGs
Economic and Corporate Governance Aspect						
Quality Management	Positive: Deliver higher-quality products to meet customer quality requirements.	GRI 417 Marketing and Labeling		4-08 Product Quality	<p>1. Closely monitor EU regulations such as REACH and RoHS, as well as updates to lists of hazardous and substances of very high concern (SVHCs). Products are also sent for testing regularly or as needed to fulfill the responsibility of ensuring "health and safety." A comprehensive quality management system is established and implemented to ensure products meet and satisfy quality standards.</p> <p>2. Obtain and maintain ISO 9001 Quality Management certification (including procedures, work standards, etc.) to ensure ongoing effectiveness.</p> <p>3. Carry out quality management activities in compliance with the ISO 9001 Quality Management System.</p> <p>4. Continue to provide high-quality products with the ultimate goal of achieving overall customer satisfaction..</p> <p>5 . Conduct internal audits annually, regularly review the organization's quality management system, and hold a management review meeting once per year to ensure continuous suitability, adequacy, effectiveness, and alignment with organizational strategic objectives.</p>	
	Negative: Abnormal product quality or low yield rates may result in product scrapping or rework, leading to losses for both the company and its customers.					

Issue	Impact Description	Corresponding GRI Specific Topic	Corresponding SASB Standard	Corresponding Report Section	Management Mechanism and Objectives	Corresponding SDGs
Supply Chain Management / Sustainable Supply Chain	Positive: Implementing sustainable supply chain management not only ensures a stable supply of raw materials but also enhances overall supply chain sustainability performance and compliance with international standards. This demonstrates the company's positive external influence and strengthens its corporate reputation.	GRI 204 Procurement Practices		4-09 Supply Chain Management	<p>1. Conduct regular audits in accordance with ISO 9001, and regularly compile procurement data following internal management procedures..</p> <p>2. Build a sustainable supply chain by fostering stable and mutually beneficial relationships with supply chain partners, jointly fulfilling corporate social responsibility. Supplier requirements extend beyond performance and quality to also include social and environmental responsibility.</p> <p>3. Regularly review supplier management based on annual supplier evaluations, quality issues, and related circumstances.</p>	  
	Negative: If ESG-related issues arise within the supply chain, such as environmental damage or human rights violations, it may lead to negative perceptions from customers, investors, and the public. This could result in revenue losses and even jeopardize the overall stability of supply.					
Information Security / Customer Privacy	Positive: Protecting customer privacy and preventing data leaks not only creates business value and enhances reputation but also ensures compliance with information security and privacy regulations, thereby avoiding legal violations and potential fines.	GRI 418 Customer Privacy		4-05 Information Security	Formulate an information security plan and progressively implement information security policies each year. Introduce security systems and procedural standards, while continuously strengthening comprehensive technical protection measures for information security.	

Issue	Impact Description	Corresponding GRI Specific Topic	Corresponding SASB Standard	Corresponding Report Section	Management Mechanism and Objectives	Corresponding SDGs
Information Security / Customer Privacy	Negative: Business efficiency may be reduced, and risks of customer privacy breaches or data leaks may arise. Investments in information security increase costs, while security control measures may discourage customer engagement. Additionally, human errors could lead to information leaks, resulting in security risks and potential losses.					
Customer Service	Positive: Deliver market-competitive, technologically advanced, and high-quality products and services. Conduct annual customer satisfaction surveys to continuously improve customer satisfaction.  Negative: If related incidents occur, it indicates a failure to effectively understand customer needs and expectations. This can indirectly undermine customer trust in the company's products, resulting in business losses and, in severe cases, reduced willingness to cooperate, ultimately leading to decreased revenue.	GRI 417 Marketing and Labeling		4-07 Customer Relations	1. Establish mutually beneficial partnerships with customers to deliver better service quality and more competitive products. 2. Sales and R&D personnel conduct regular or ad hoc visits to build long-term and stable cooperative relationships with customers.	





# Economic and Corporate Governance Aspect



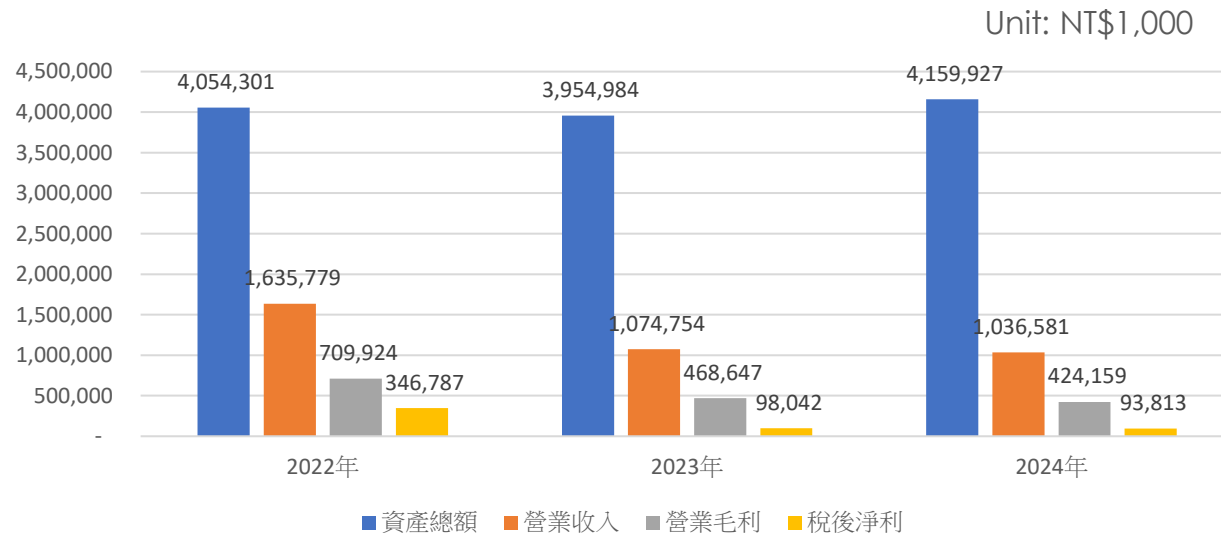


## Economic Performance

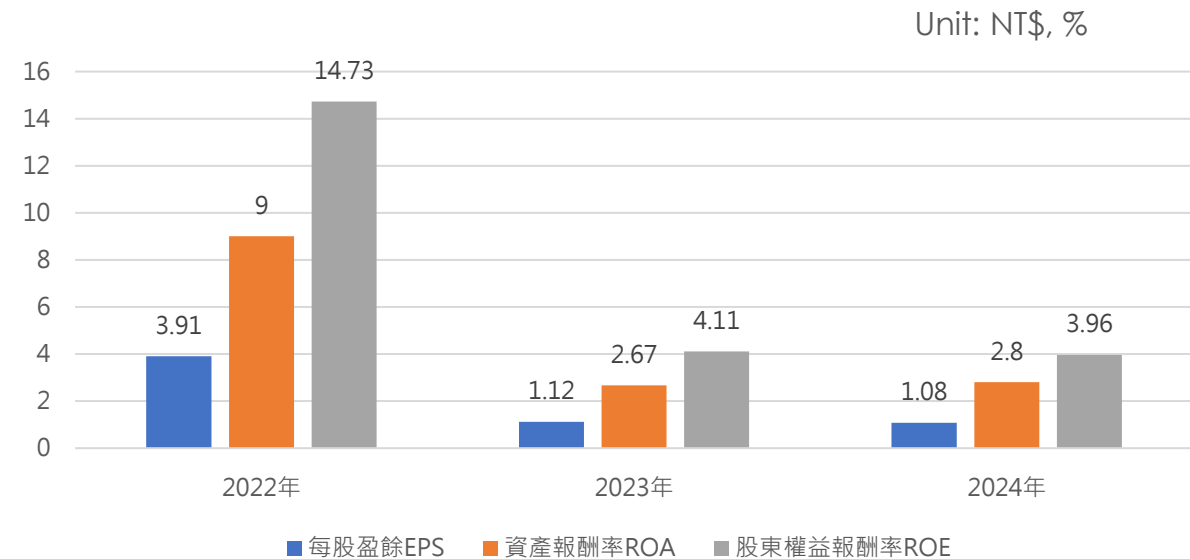
The data in this section is prepared in accordance with the International Financial Reporting Standards (IFRSs), covering the parent company and all consolidated subsidiaries, and has been verified by PwC Taiwan.

In 2024, uncertainties stemming from geopolitical conflicts, including the Russia-Ukraine war and wars in the Middle East, along with strained cross-strait political relations, disrupted the global economy. In June 2024, China officially terminated tariff concessions under ECFA, contributing to a continued economic downturn. For 2024, consolidated revenue reached NT\$1.04 billion, consolidated net income after tax was NT\$94 million, and earnings per share (EPS) after tax stood at NT\$1.08. Amid unpredictable global economic conditions, risks have increased significantly due to fluctuations in raw material prices and changes in industrial chain structures. CPC has remained vigilant toward economic and market fluctuations, responding appropriately while continuing to strengthen its R&D capacity. By integrating smart operations and long-term manufacturing development trends, CPC aims to achieve sustainable operations and growth. For detailed operating performance and financial data, please refer to CPC's 2024 financial statements.

### Management Capability



### Profitability



## Economic Value

Unit: NT\$1,000		2020	2021	2022	2023	2024
Distributed Economic Value	Operating Costs	815,950	1,083,133	925,855	606,107	612,422
	Distribution of Shareholder Dividends	80,743	121,114	121,114	174,524	69,809
	Employee Salaries and Benefit Expenses	374,117	469,199	495,977	375,847	355,847
	Social Investment (Donations)	616	290	2,019	1,667	609
	Income Tax	58,400	138,470	92,581	44,938	24,142
Retained Economic Value		52,059	44,714	(1,767)	(128,329)	(26,248)

Retained Economic Value = Operating Revenue – (Operating Costs + Distribution of Shareholder Dividends + Employee Salaries and Benefit Expenses + Social Investment + Income Tax))



## Tax Policy

cpc's tax policy strictly adheres to relevant tax regulations issued by competent authorities, including securities transaction tax, futures transaction tax, and business tax.

In terms of tax governance, control, and risk management, the Finance and Accounting Department maintains close communication with external auditors to identify potential tax risks and conduct tax planning in advance. With an effective risk management mechanism in place, the frequency and magnitude of tax disputes are controlled at a low-risk level.

cpc's tax management policy follows the principles below:

- A. Principle of Legal Compliance: Comply with tax laws and legislative intent, file and pay taxes truthfully, and prepare supporting documentation.
- B. Principle of Transparency: Ensure transparency by disclosing tax information through regular publication of financial statements and annual reports.
- C. Principle of Comprehensive Decision-Making: Monitor changes in tax regulations and carefully assess their impacts.
- D. Principle of Active Communication: Maintain smooth communication channels with tax authorities.

The company also actively engages with stakeholders through multiple channels and participates in tax advocacy initiatives to support the implementation of new tax policies, thereby contributing to the establishment of a sound tax environment.

Tax Information for the Past Five Years

Unit: NT\$1,000

Item	2020	2021	2022	2023	2024
Profit Before Tax	261,495	447,259	439,368	142,980	117,955
Income Tax Expense	(58,400)	(138,470)	(92,581)	(44,938)	(24,142)



## Establish Integrity Management Policies and Programs

On March 21, 2012, cpc's Board of Directors approved the establishment of the “**Code of Integrity Management**”, which was subsequently reported to the shareholders' meeting on June 20, 2012. On March 26, 2015, the Board of Directors resolved to revise it into the “**Procedures and Guidelines for Integrity Management**”, which specifically outline the matters employees should observe while carrying out business activities. These serve as the Board's and management's commitment to actively implementing integrity management policies.

cpc has designated the Office of the Chairman as the dedicated unit (hereinafter referred to as the Company's dedicated unit), under the authority of the Board of Directors. This unit is responsible for revising, executing, interpreting, and providing consultation services related to the procedures and guidelines for integrity management, as well as maintaining records of reported cases and supervising their implementation. The unit's primary responsibilities include the following, with regular reporting to the Board of Directors:

1. Assist in integrating integrity and ethical values into corporate strategies, and establish anti-corruption measures in compliance with laws and regulations to ensure integrity in business operations.
2. Develop programs to prevent dishonest conduct, and establish standard operating procedures and behavioral guidelines for relevant business activities within each program.
3. Plan organizational structures, staffing, and responsibilities, while implementing checks and balances in business activities with higher risks of dishonest behavior.
4. Promote and coordinate training and advocacy related to integrity policies.
5. Design and oversee a whistleblowing system to ensure its effectiveness.
6. Assist the Board of Directors and management in auditing and evaluating the effectiveness of preventive measures established for integrity management, and regularly review compliance within relevant business processes, providing formal reports.

### Integrity Management Policy

cpc requires employees to act with honesty and integrity, safeguarding the company's reputation. Employees must not use their position to solicit hospitality, gifts, commissions, remuneration, or other improper benefits from customers or suppliers.

The company establishes regulations, provides training and advocacy, and strictly supervises relevant personnel to ensure compliance with company rules.

cpc practices its business philosophy of “Virtue as the Foundation, Integrity and Competence Combined”, thereby upholding principles of integrity management.



## **Establish the Following Preventive Measures**

1. Prohibition of bribery and accepting bribes.
2. Prohibition of providing illegal political contributions.
3. Prohibition of improper charitable donations or sponsorships.
4. Prohibition of offering or accepting unreasonable gifts, hospitality, or other improper benefits.
5. Prohibition of providing or promising any facilitation payments.

## **Before Engaging in Business Activities**

Before establishing a business relationship, the company must first evaluate the legitimacy of the counterpart, their integrity management policies, and whether there is any record of dishonest conduct. This ensures that their business practices are fair, transparent, and free from bribery—whether requesting, offering, or accepting.

1. Prior to forming business relationships, the company shall assess the legitimacy, integrity management policies, and records of dishonest conduct (if any) of agents, suppliers, customers, or other business partners, to ensure that their operations are fair, transparent, and free from bribery.
2. When entering into contracts with other parties, the company must fully understand their integrity management practices and include compliance with the company's integrity management policies as part of the contract terms. At a minimum, the contract should explicitly state the following:
  - (1) If either party becomes aware that personnel have violated contractual terms prohibiting the acceptance of commissions, kickbacks, or other improper benefits, they shall immediately disclose to the other party the identity of such personnel, along with details of the offer, promise, request, or acceptance, including the method, amount, or other improper benefits involved. Relevant evidence must be provided, and cooperation with the other party's investigation is required. If one party suffers damages as a result, they may claim compensation from the other party.
  - (2) If either party engages in dishonest conduct during business activities, the other party may unconditionally terminate or rescind the contract at any time.
  - (3) Clear and reasonable payment terms shall be established, including payment location, method, and compliance with applicable tax regulations.<sup>1</sup>

## Practical Approaches and Regulations for Promoting Integrity Management

- The Board of Directors has established the “Code of Ethical Conduct” and the “Procedures and Guidelines for Integrity Management”, which clearly define integrity practices required in all business operations. These also include disciplinary measures and grievance mechanisms to reinforce the company’s philosophy and principles of integrity management, thereby creating a regulatory framework for collective compliance.
- In addition to these regulations, the company strengthens the promotion and enforcement of integrity management through work rules and related operating procedures. Internal announcements, employee training, and enhanced operational guidelines are used to deepen awareness and practice of integrity among all employees.
- Aligned with operational goals and development plans, the company has formulated “Intellectual Property Management Regulations”, which not only guide relevant business operations but are also regularly reviewed to ensure respect for others’ intellectual property while safeguarding the company’s own rights.
- In dealings with suppliers, the company requires the signing of a “Supplier Commitment”, pledging compliance with principles including but not limited to ethical business conduct, fair trade, information transparency, avoidance of improper gains, and prohibition of false advertising, as well as adherence to all relevant local laws and regulations.
- The company has also established an effective accounting system and internal control mechanisms under the supervision of the Board of Directors, ensuring the accuracy and transparency of financial and accounting information disclosed to securities authorities or released externally.

## Whistleblowing System

- The company takes a serious stance on any behavior that may violate professional ethics or integrity management principles. At the same time, it has established open whistleblowing channels, with dedicated personnel responsible for handling reported cases, while ensuring the confidentiality of whistleblowers’ information.

## Whistleblower Protection System

- The company has established protective measures for whistleblowers in its “Employee Code of Conduct” to ensure the quality of investigations and to prevent whistleblowers from being subjected to unfair retaliation or treatment.

## 2024 Implementation Status

- A total of 39 new suppliers completed the signing of the Supplier Commitment.
- The company conducted internal and external training sessions related to integrity management, with 332 participants and a total of 395.5 training hours.
- To enhance employees' awareness and compliance regarding insider trading, related internal and external training sessions were held for 518 participants, totaling 586.75 training hours.
- In 2024, the company did not receive any reports of violations related to integrity management.
- **The execution status of integrity management in 2024 has been reported to the Board of Directors on January 24, 2025.**

## Sustainability

Looking ahead, cpc will continue to uphold the principle of integrity management as the foundation for sustainable corporate development. The company aims to expand its group scale to maximize benefits for shareholders and customers while providing employees with the best career welfare. By fostering both virtue and competence, giving back to society, and promoting a culture of goodwill, CPC seeks to create a community where everyone enjoys peace, happiness, and contentment, with positivity and optimism shining through as values truly worth affirming.

## Anti-Corruption, Anti-Competitive, Anti-Trust, and Anti-Monopoly Practices

cpc complies with domestic and international regulations, striving to ensure fair market transactions while avoiding any anti-competitive practices. The "Procedures and Guidelines for Integrity Management" and the "Employee Code of Conduct" strictly prohibit bribery, acceptance of bribes, and political contributions. All business activities are conducted under the principles of fairness, honesty, and transparency to safeguard sustainable corporate operations.

As of the end of 2024, cpc has not been involved in any legal proceedings related to anti-competitive behavior, antitrust, or monopoly regulations, nor has it been implicated in any corruption-related cases.

## Risk Management

To reduce the potential impacts of various risks—such as those related to the business environment, operational management, finance and accounting, environment, and occupational health and safety—and to strengthen risk awareness in corporate governance, CPC's Board of Directors approved the "Risk Management Policies and Procedures" on August 7, 2024.

A Risk Management Promotion and Implementation Committee was established to integrate, plan, implement, evaluate, and continuously improve the risk management process. This enables the company to effectively respond to risks, achieve prevention and mitigation objectives, and, in turn, create opportunities that support the fulfillment of corporate operational goals.

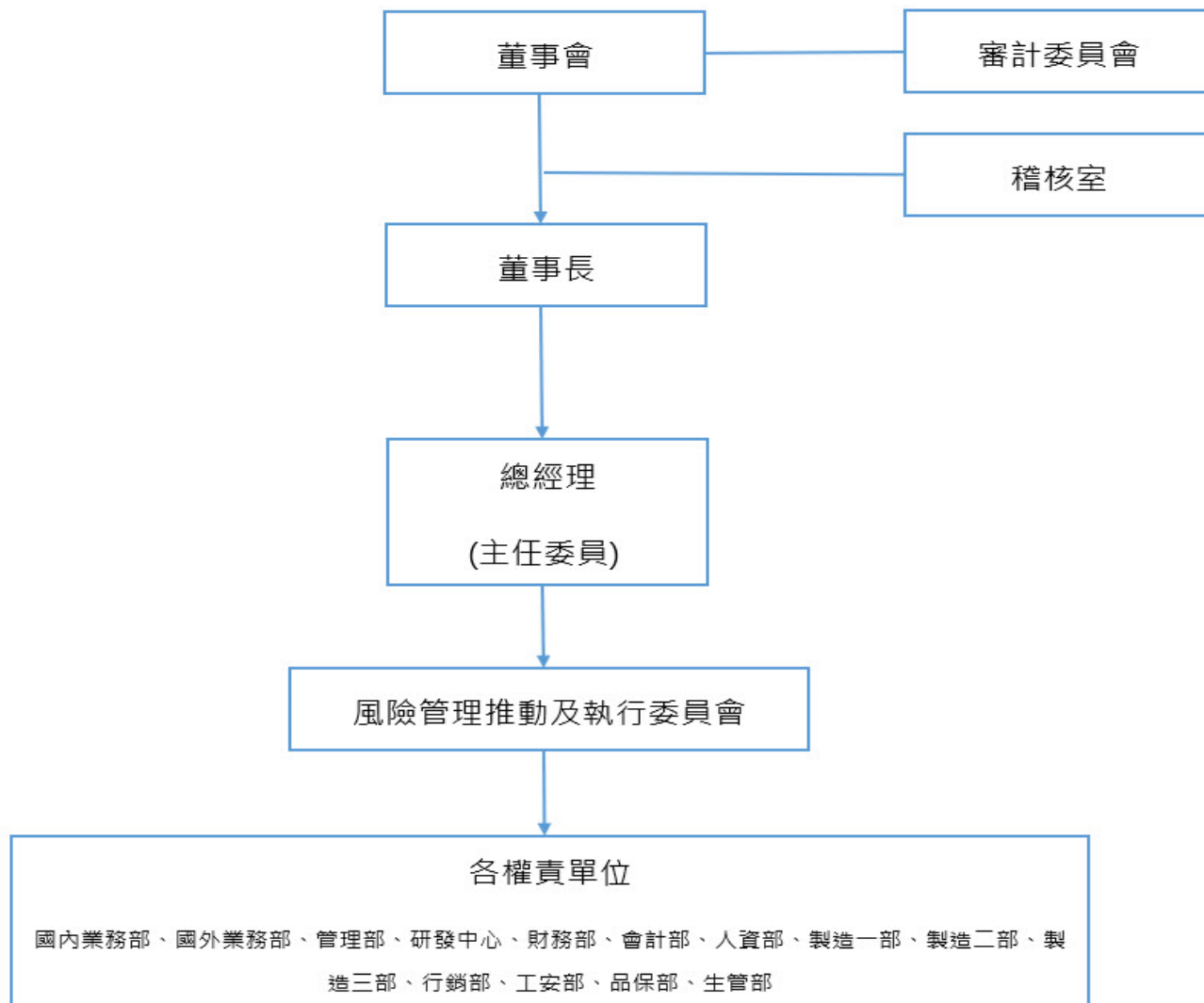
The Board of Directors serves as the highest decision-making authority for risk management. Based on business strategies and environmental changes, it approves risk management policies and structures to ensure their effectiveness.

The Audit Committee is responsible for reviewing risk management policies and procedures, regularly assessing their applicability and effectiveness, approving the company's risk tolerance levels, and guiding resource allocation. It ensures that the risk management mechanism adequately addresses the risks faced by the company, while also reviewing execution results and making recommendations for necessary improvements.

The Risk Management Promotion and Implementation Committee, led by the General Manager as the highest executive, is the top body for risk management. It develops preventive measures for risks identified across different business units, evaluates the effectiveness of implemented plans, and considers company-wide impacts. By coordinating cross-departmental risk management and communication, the committee ensures effective risk prevention and mitigation.



## Organizational Structure of the Risk Management Promotion and Implementation Committee



## Risk Identification

- Identification refers to the process of analyzing the company's operating environment to determine which events may occur, why they might occur, and how they could occur.

## Risk Measurement

- After identifying potential risk factors, the measurement methods include:
  1. Defining the scope of the risk.
  2. Identifying who and what may be affected, when the impact may begin, and the degree of impact.
  3. Quantification: specifying the problem, its root cause, and its impact.

## Risk Monitoring

- Based on quantified risks, the company develops and actively implements response strategies to reduce risks.
  1. Response options include avoiding the risk, accepting the risk, eliminating its root cause, altering its likelihood or consequences, sharing the risk, or retaining the risk with informed decision-making.
  2. Response strategies and execution must reduce or eliminate impacts before people, matters, or assets are affected.
  3. Responses and execution must continue until the risk factors are fully controlled.
  4. Execution effectiveness must be continuously monitored. If measures fail to achieve expected results, strategies must be reviewed and adjusted until the crisis is resolved.

## Risk Reporting

- To fully document the risk management process and its outcomes, the company must regularly report risk conditions to the Board of Directors for management reference.

Risk Types	Cause	Response Measures
Climate-Related Risks	The financial impact of climate change-related regulations on the company's operations.	<ol style="list-style-type: none"> <li>1. Establish systems in compliance with regulatory requirements.</li> <li>2. Continuously monitor and stay informed of changes in energy and carbon reduction policies and regulations. Actively participate in public hearings and consultations on the formulation or amendment of laws such as the Climate Change Response Act, and assess the impacts of regulatory changes to develop appropriate response measures.</li> </ol>
Environment and Climate Change	Extreme weather events and other natural disasters may cause damage to buildings and injuries to personnel, thereby disrupting normal operations.	<ol style="list-style-type: none"> <li>1. Establish a disaster response mechanism covering prevention, detection, emergency response, and post-disaster recovery to maintain normal operations.</li> <li>2. Continue to prioritize the management and improvement of issues related to energy, water resources, waste, and air pollution, while strengthening employee knowledge through training to enhance the company's emergency response capability. This reduces the risk of operational disruptions caused by natural disasters, environmental incidents, and climate change.</li> <li>3. Ensure adequate insurance coverage for company assets to mitigate the impact on operations and minimize profit losses in the event of hazards.</li> </ol>
Market Risks	Impacts from industry and technological changes may affect revenue and future competitiveness.	<ol style="list-style-type: none"> <li>1. Continue to prioritize quality and pricing in market strategies, avoiding unreasonable practices such as lowering quality for price reductions.</li> <li>2. Although demand for micro-products has declined and competition is intense, a certain level of gross profit is still maintained.</li> <li>3. Future product development will focus on niche advantages, such as micro-scale, ultra-large, customized, and specialty products.</li> </ol>
Talent Attraction and Retention	Labor shortages in production and the loss of key talent may create workforce gaps, thereby affecting operations.	<ol style="list-style-type: none"> <li>1. Establish talent recruitment and retention measures, along with succession planning, to ensure workforce continuity and sustainable operations.</li> <li>2. Introduce automation in production lines to reduce reliance on manual labor.</li> </ol>
Information Security Risks	Abnormalities in information systems (which may force operational interruptions and cause delays in schedules). Loss of critical operational data.	<ol style="list-style-type: none"> <li>1. Implement data encryption, authentication, USB restrictions, internet access controls, and strict management of access to company confidential information.</li> <li>2. Strengthen firewall mechanisms as well as antivirus and anti-hacking protections.</li> <li>3. Hold regular and ad hoc training sessions to promote new knowledge on information security, enhancing employee awareness and safeguarding data security.</li> <li>4. Expand the scope of sensitive data monitoring systems, while controlling the use of portable storage devices (e.g., USB drives) to prevent improper access or data leakage. In addition, enhance network monitoring to detect abnormal access or traffic, thereby ensuring strict access security controls.</li> </ol>



## Regulatory Compliance

Regulatory compliance is the cornerstone of corporate governance. As a listed company, cpc requires all employees, supervisors at all levels, and members of the Board of Directors to strictly adhere to applicable laws and regulations, which serve as the foundation for operations, management, production, and business activities. In terms of implementation, CPC aligns with regulatory requirements through the application of international standard systems, while closely monitoring changes in domestic and international laws and regulations to ensure timely updates.

Beyond strict compliance, the company also emphasizes corporate governance to safeguard the rights and interests of stakeholders. Externally, CPC actively participates in regulatory briefings, integrity management programs, and courses, seminars, and workshops on corporate social responsibility organized by competent authorities. Internally, in accordance with training guidelines, the company regularly and occasionally organizes relevant legal briefings and training sessions.

To ensure the effective implementation of the regulatory compliance system, CPC conducts the following activities annually:

01

### Internal Control Section

The Audit Office develops an annual audit plan based on risk assessments and regulatory requirements, which is then submitted to the Board of Directors for approval. In accordance with the approved plan, on-site audits are conducted. Using collected data and on-site findings, the office reviews and evaluates implementation effectiveness, thereby fulfilling its supervisory function.

02

### Environment, Safety, and Health (ESH) Section

Regulatory compliance personnel, after collecting applicable compliance obligations, record them in the "Environmental, Safety, and Health (ESH) Regulations and Requirements List." The applicable compliance obligations are then reviewed and documented in the "ESH Regulations and Requirements Assessment Form." Any items found to be non-compliant are recorded in the "ESH Non-Compliance Control Form," and the responsible units are required to implement corrective actions.

03

### Quality Section

An "Annual Internal Audit Plan" is formulated each year, with on-site audits conducted across departments. Audit results are reviewed, and if deficiencies are identified, a deficiency report is issued. The responsible department must propose and implement corrective actions, after which the audit team verifies the effectiveness of the improvements.



Type	Compliance Requirements	Management Measures	Regulatory Compliance Status
Socio-economic	Company Act, Securities and Exchange Act, Fair Trade Act, incidents of corruption, antitrust cases, etc.	The company actively participates in regulations and promotional sessions organized by the Financial Supervisory Commission (FSC), the Securities and Futures Bureau, the Taiwan Stock Exchange (TWSE), and the Taipei Exchange (TPEX). In addition, proposals are submitted to the Board of Directors from time to time for discussion, formulation, or revision to ensure alignment with practical regulatory requirements.	There were no significant violations in 2024.
EHS (Environment, Health and Safety)	<i>The company complies with environmental and occupational safety and health regulations. °</i>	The company regularly reviews environmental regulations and, after identifying those relevant to corporate policies, records any instances of non-compliance in the "EHS Regulatory Non-Compliance Control Table" to facilitate subsequent improvements.	There were no significant violations in 2024.
Labor Rights	Labor Standards Act, Labor Union Act, Minimum Wage Act, Act of Gender Equality in Employment, Employment Service Act, Middle-Aged and Elderly Employment Promotion Act, Occupational Safety and Health Act, etc.	In line with human rights principles and international standards, the company has established a Human Rights Policy. To safeguard employee rights, the company provides a workplace free from sexual harassment by implementing preventive measures and establishing grievance channels, which are also disclosed on the company's internal website.	There were no significant violations in 2024.

Note: A major violation is defined as a single incident in which the total fines imposed amount to NT\$1,000,000 or above.

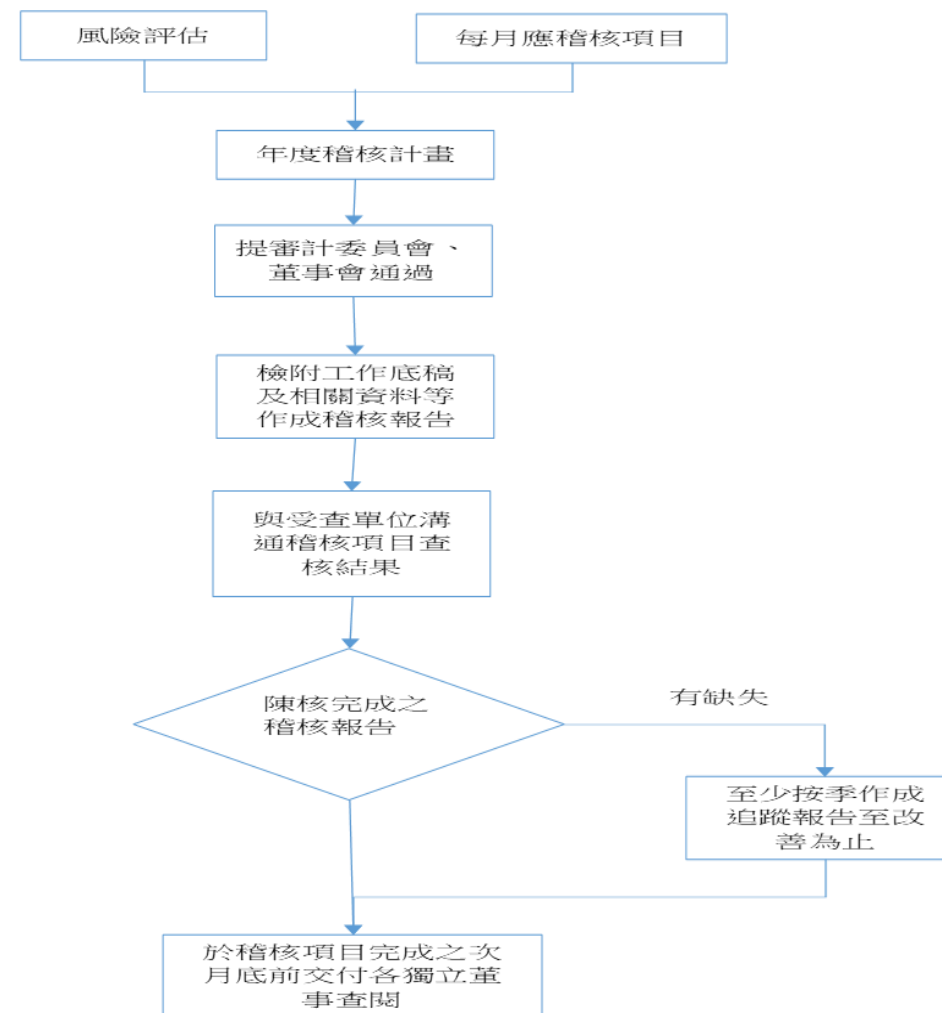


## Internal Audit

Internal audit is responsible for identifying deficiencies in internal controls, evaluating operational efficiency, and providing timely recommendations to management to ensure effective controls, optimal resource utilization, improved integration, and fulfillment of management's responsibilities.

The internal audit department, reporting directly to the Board of Directors, is established in line with the company's scale, operations, and regulatory requirements. It is staffed with qualified auditors and a designated deputy, whose duties follow the Internal Audit Implementation Rules. The appointment, dismissal, evaluation, and compensation of internal auditors are approved by the Chairperson, while the appointment or dismissal of the Chief Internal Auditor requires Audit Committee consent and Board resolution.

## Internal Audit Process



## Information Security

To safeguard the confidentiality, integrity, availability, and compliance of the company's information and communications systems, the Information Security Management Department aims to prevent the improper use, disclosure, alteration, damage, or loss of information and IT assets caused by human error, malicious acts, or natural disasters. Such issues could disrupt business operations and harm the company's interests. Therefore, we conduct regular information security inspections and submit the inspection reports to the responsible supervisors for review. For any issues identified during the inspections, we carry out investigation, follow-up, and verification of improvements to ensure that both internal and external personnel and units comply with the company's information security policies and management regulations.

### Information Security Policy Statement

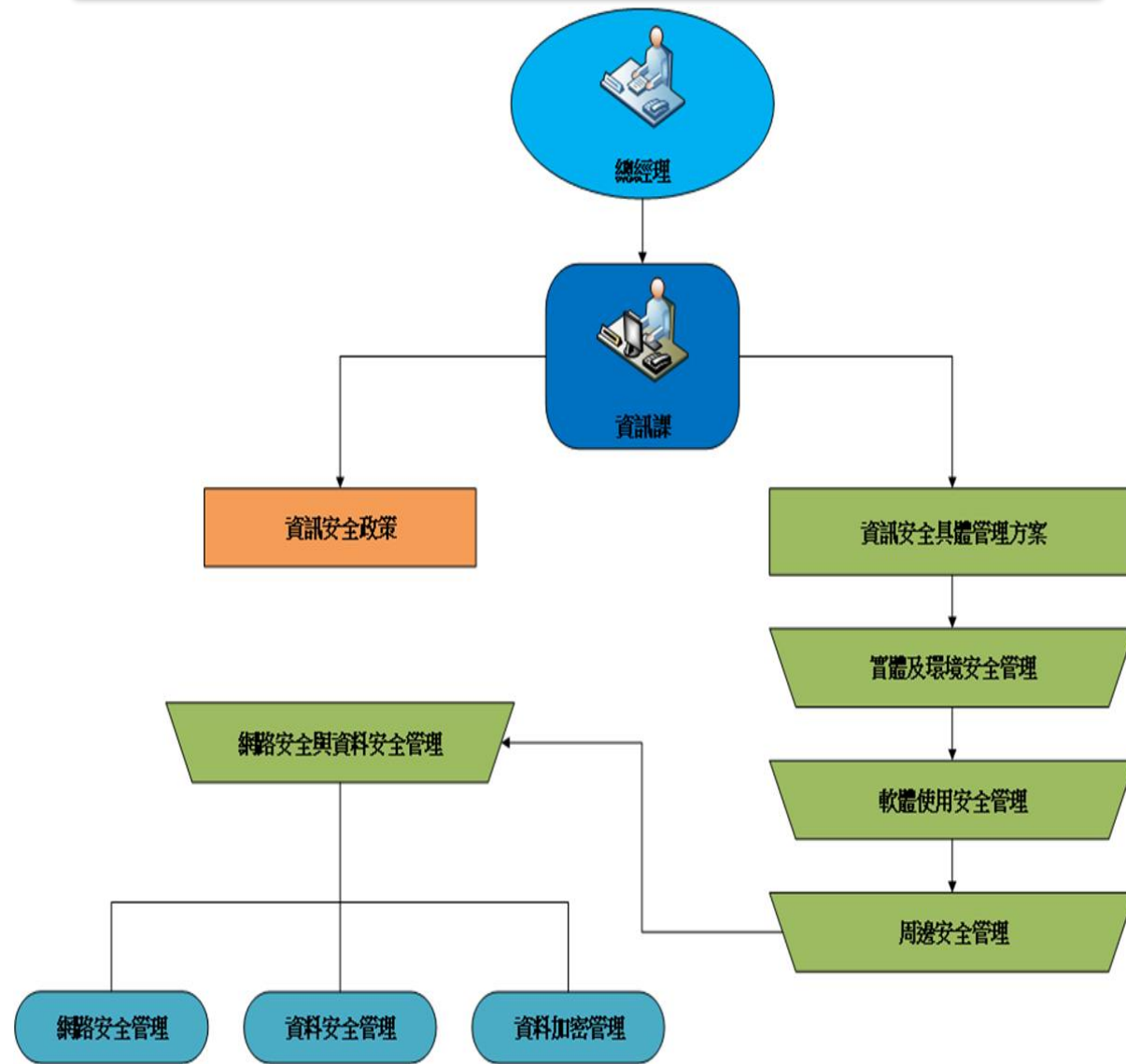
To strengthen information security management measures and comply with the Financial Supervisory Commission's "Regulations Governing the Establishment of Internal Control Systems by Public Companies," CPC established a dedicated information security organization in 2023. The General Manager serves as the convener, and an Information Security Officer has been appointed to oversee information security and manage dedicated cybersecurity affairs, including the handling of related incidents.

The Information Technology Department is responsible for safeguarding the confidentiality, integrity, availability, and compliance of the company's information and communication systems. To prevent improper use, disclosure, alteration, damage, or loss of information and IT assets caused by human error, malicious actions, or natural disasters—which may disrupt operations and harm the company's interests—periodic information security inspections are conducted. Any findings or issues identified during these inspections are corrected to ensure strict adherence to the company's Information and Communication Security Policy and Information Security Management Regulations.

## Information Security Policy

1. Maintain the continuous operation of information systems.
2. Ensure the confidentiality, integrity, and availability of information.
3. Prevent improper intentions and unlawful use by personnel.
4. Avoid human errors and accidents.
5. Prevent intrusions and damages caused by hackers, viruses, and other threats.
6. Safeguard the security of the physical environment.
7. Comply with national information and communication security policies, enhance information security protection capabilities, and achieve the goal of business continuity preparedness.

## Information Security Risk Management Framework





## Investment in Information Security Management

Initiative	Details	Performance Indicators
Cybersecurity	<ol style="list-style-type: none"> <li>1. Implement network firewalls to block external cyberattacks.</li> <li>2. Deploy endpoint protection to prevent computer viruses and hacker intrusions.</li> <li>3. Install antivirus software on all computer equipment. °</li> </ol>	<ul style="list-style-type: none"> <li>*100% of computer equipment installed with antivirus software.</li> <li>*100% completion of firewall installation and updates in plant facilities.</li> <li>*100% completion of antivirus software updates.</li> <li>*In 2024, a total of NT\$666,488 was invested to ensure cybersecurity.</li> </ul>
Information System Security	<ol style="list-style-type: none"> <li>1. Establish a data backup mechanism to back up critical system data and conduct regular restoration drills.</li> <li>2. Virtualize critical application systems and perform daily system backups. °</li> <li>3. Implement document encryption software.</li> </ol>	<ul style="list-style-type: none"> <li>*100% backup of host systems.</li> <li>*100% backup of critical data.</li> <li>*Virtual host restoration drills conducted 4 times per year on an irregular basis.</li> <li>*Zero incidents of company confidential document leakage.</li> </ul>
Education and Training	Corporate Information Security Education and Training °	*Occasional information security awareness campaigns and briefings
Employee Information Security	Employees are required to sign the Information Security Usage Guidelines.	<ul style="list-style-type: none"> <li>*New employees who are computer users are required to sign the "Personal Computer Usage Guidelines."</li> <li>*In 2024, a total of 32 new employees signed the "Personal Computer Usage Guidelines."</li> </ul>

## 2024 Information Security Management Performance



### Disaster Recovery Drill

The server completes four disaster recovery drills annually.



Regular Differential Data Backup and Offsite Replication



Regular Database Backup and Recovery Verification



### Information Security Incident

Scheduled Antivirus Scans and Zero-Day Automatic Virus Definition Updates



Firewall intrusion prevention and gateway malware interception; excluding routine malicious blocks, there were 0 intrusion incidents this year.



Encryption Protection for Company Images and Document Files



Host system vulnerability scanning and patching; 1 security vulnerability was resolved this year.



## Customer Privacy Protection

During the reporting period, the company did not experience any major violations involving customer privacy data. To protect customer privacy, the company has implemented a series of security measures, including document encryption technology, multi-layer firewall systems, regular system data backups and redundancy mechanisms to safeguard data security, as well as internal system access approval processes and external document circulation review mechanisms.

The company actively responds to all privacy-related matters and did not receive any customer complaints or legal actions during the reporting period. In addition, we continue to provide mechanisms for employee privacy protection to ensure that data handling processes meet the highest standards of security and compliance.

## Significant Information Security Incidents

The company cannot fully guarantee the prevention of malicious attacks from third parties that could paralyze network systems. However, as of the end of December 2024, no such cyberattacks had occurred that affected the company's normal operations.



cpc has been deeply engaged in the high-precision automation industry for many years. From its initial focus on miniature linear guides, standard linear guides, linear motors, and direct drive (DD) motors, the company has expanded into linear modules, subsystems, and drivers, and now further into robotic arms and software PLCs. Today, CPC's product technologies and service scope have become highly diversified. To better structure its offerings, CPC has categorized its products into three divisions: cpcCells, cpcRobot, and cpcStudio.

- cpcCells represents the company's key industrial components, including linear guides, motor products, encoders, and linear stages.
- cpcRobot covers robotic-related product lines, such as robotic arms, vacuum grippers, and automatic tool changers.
- cpcStudio focuses on pure software technology and services. It encompasses software PLCs, motion libraries, EtherCAT masters, and various tool modules that can be integrated into its IDE platform.



From this categorization, it is clear that cpc's R&D portfolio has evolved from purely electromechanical components to mechatronic integration, and further expanded into software technology services. To reinforce this development, the company's R&D talent strategy has increasingly emphasized expertise in electrical engineering and information technology. In parallel cpc's marketing and business strategies have also continued to evolve with the broadening of its product portfolio, aiming for more efficient returns. The flexibility of cpc's products enables the optimization of customer-specific designs, which is now a key objective of its research and development. The focus has shifted from solely product supply to encompassing technical services, all to ensure that cpc maintains its absolute advantage in technological leadership in the market.

In 2024, cpc devoted significant efforts to the independent development of core technologies for humanoid robots, with a focus on vertical integration from critical components to complete motion systems.



With leading global manufacturers announcing milestones to achieve mass production on a scale of several thousand units next year, the humanoid robot industry has entered a phase of rapid development. This presents CPC with an excellent opportunity to strengthen its positioning in the field of core components.

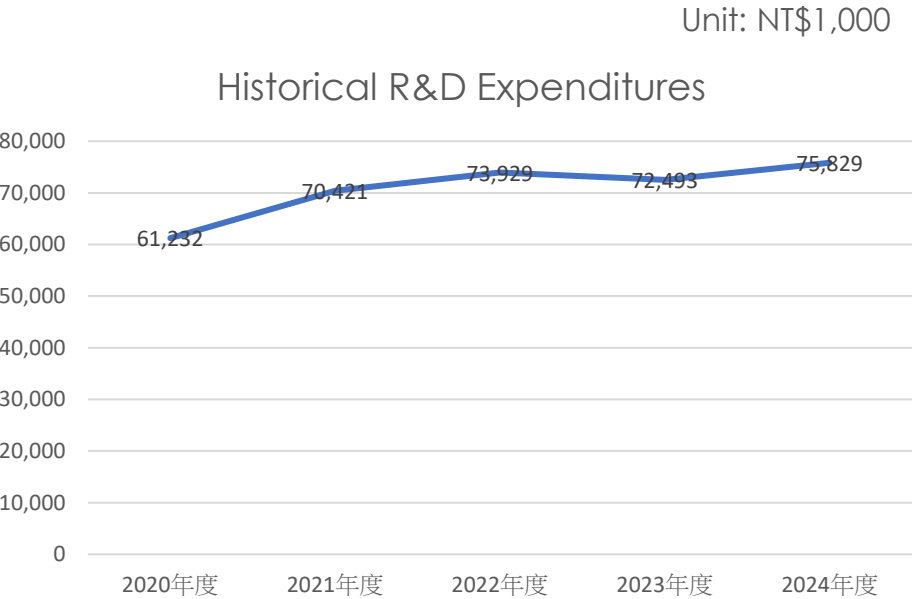
**Power System:** The self-developed high-precision motors, encoders, and drivers have reached industry-leading standards. These fundamental components function as the “nerves and muscles” of the robot, providing the precise perception and execution foundation for motion control. In particular, the development of joint modules incorporates self-designed key components that have undergone rigorous performance verification and durability testing.

**Transmission Mechanism:** A planetary transmission system is being developed to enhance load capacity and service life. These precision mechanical components are treated with specialized heat and surface processing to ensure stable performance over long-term use. From single joints to complete lower-limb systems, we adopt a modular design concept that allows components to be flexibly assembled like building blocks, meeting the demands of diverse application scenarios.

**System Integration:** Multiple prototype configurations have been completed and validated. With standardized interface designs, the robot's size and load specifications can be quickly adjusted. This flexible platform architecture enables development outcomes to be applied across both industrial collaborative robots and service robot fields.

**AI Control System:** The motion decision-making algorithms developed by CPC effectively integrate sensor data to achieve smooth motion planning. Through reinforcement learning technology, the system continuously optimizes gait parameters, enhancing adaptability across different environments. These intelligent control functions, built on a solid hardware foundation, complement our precision mechanical systems to form a comprehensive humanoid robot solution.

# R&D Expenses



In 2024, cpc invested NT\$75,829 thousand in R&D expenses, representing an increase of NT\$3,336 thousand compared to NT\$72,493 thousand in 2023. The ratio of R&D expenses to net operating revenue also rose from 6.75% in 2023 to 7.32% in 2024, demonstrating CPC's strong commitment to research and development.

cpc will continue to advance performance breakthroughs in core components while enhancing mass production processes. With the rapid development of the humanoid robot industry, CPC is well-prepared to leverage its self-developed key technologies to become a major driving force in this emerging field.

A

We continue to advance the R&D of humanoid robot core technologies, focusing on three strategic directions: "Intelligent Joint Modules," "Integrated System Architecture," and "AI Control Evolution," with the goal of delivering comprehensive technological solutions.

B

For joint modules, CPC is integrating advanced torque sensing with real-time adaptive control. The new generation will feature lightweight composites and modular design, boosting efficiency and durability while remaining compact. A standardized platform will also be developed to provide versions for both industrial and consumer humanoid robots.

C

For the complete humanoid robot system, CPC will enhance the motion control chain from the lower limbs to the upper limbs and develop more bio-inspired motion mechanisms. Key areas of focus include: a bionic spine structure to improve overall balance, a multi-degree-of-freedom hand-grasping system, and gait algorithms capable of adapting to diverse terrains.

D

In the field of AI control, CPC plans to further integrate large language models into the motion control architecture to enable more intuitive human-robot interaction. Through continuous virtual training and real-world validation, the system's decision-making capabilities in complex environments will be enhanced. In addition, a dedicated AI training framework will be developed to accelerate the learning and deployment of new skills.



E

To accelerate the industrialization of its technologies, cpc will collaborate with academic and research institutions as well as system integrators to drive application innovation. At the same time, cpc is expanding its automated production lines to prepare for the upcoming market demand.



F

*cpc is developing its own smart factory, using self-developed products and solutions in machine design, assembly, programming, and data management to meet internal needs and build a factory-wide IoT system, achieving the cpc Smart Factory vision.*



G

With the rapid advancement of technology in the electronics and semiconductor industries, the company will continue to invest R&D resources, enhance organizational efficiency, and closely monitor market demands and trends in order to consolidate and expand its market share.





## Customer Relations

### Customer Service

Customers are key partners in the sustainable development of the enterprise. cpc provides comprehensive services with high quality and high efficiency, working with customers to address common challenges, and continuously improving products to promote more energy-saving and environmentally friendly products and processes. In terms of service content:

A · Equipped with modular development capabilities, enabling the provision of more flexible and comprehensive solutions to customers, thereby accelerating product customization and time-to-market.

B · Automation industry trend: Increasing demand for small-volume, diverse, and customized production. With the rising demand for automation, micro robotic arms play a key role in industry trends. As industries continuously raise their requirements for production efficiency and quality, automation has become an inevitable trend. In particular, under the context of global supply chain restructuring and escalating geopolitical risks, enterprises are more inclined to diversify production bases to reduce the risk of supply chain disruptions.

C · cpc's linear guideway products have been widely adopted in back-end semiconductor packaging equipment. In addition, other company components, such as DD motors, linear motors, AC/DC drivers, and control software, have also been adopted by equipment suppliers. The company positions itself as a supplier of components, modules, and subsystems, with the goal of providing high-quality products and services to system integrators and equipment suppliers.

### Communication and Interaction

Dedicated personnel are assigned to handle customer service matters for all clients, with multiple communication channels provided (e.g., telephone, email, messaging software). In addition, sales representatives and business unit managers also make periodic in-person visits to customers to maintain close contact, ensuring the continuous supply of quality products at reasonable prices and on time.

## Customer Complaints

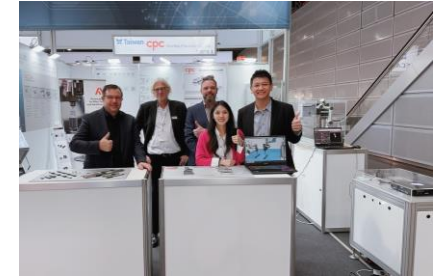
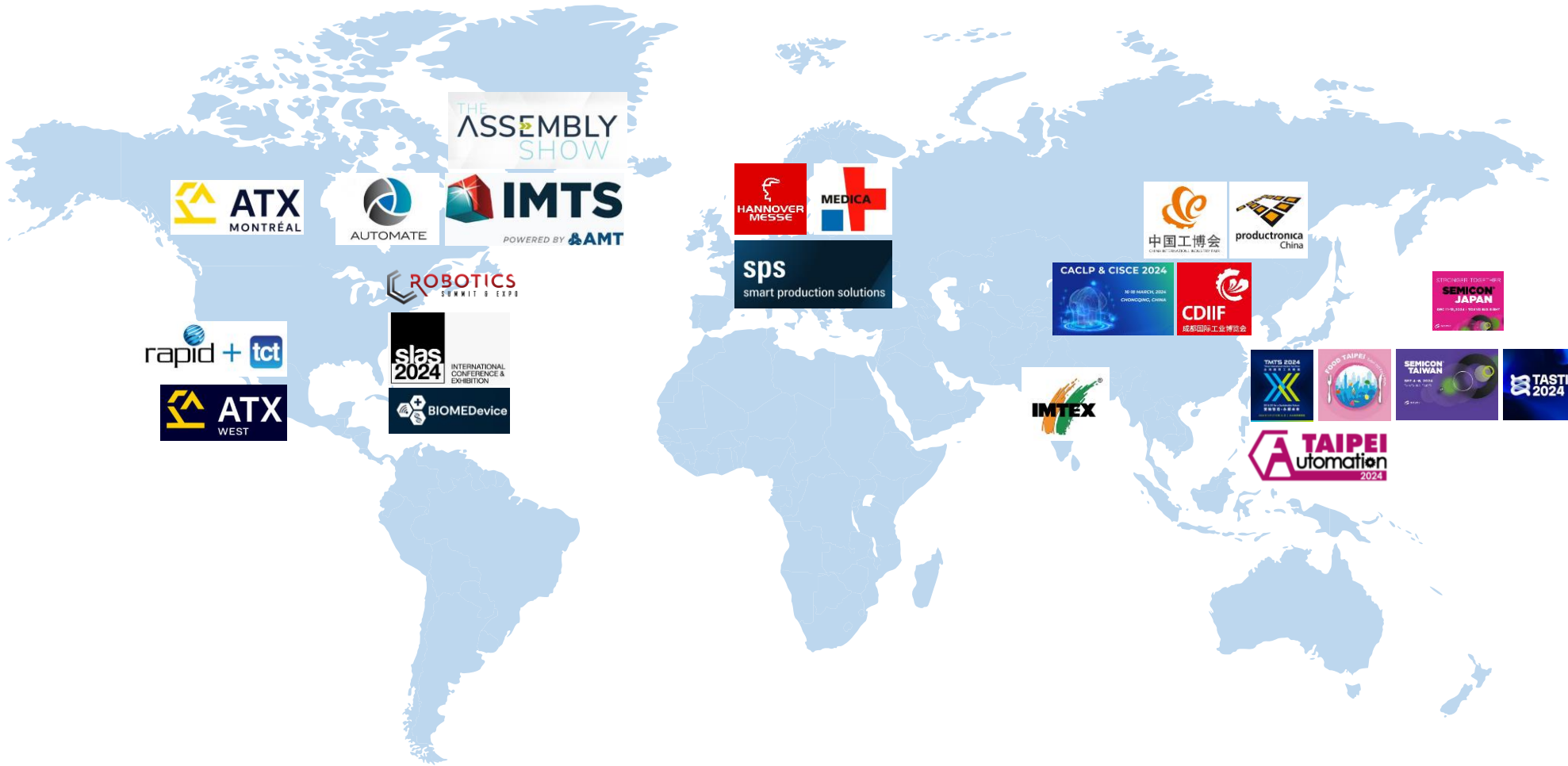
Upon receiving a customer complaint, the business unit immediately issues a complaint form and reports it to the General Manager along with the returned product in question. The General Manager makes an initial assessment of the cause, while the Quality Assurance department records the case in the "Customer Complaint Register" according to the contents of the form and conducts a preliminary analysis based on the returned product or provided information. Depending on the nature of the complaint, the responsible unit and relevant personnel implement corrective actions. If the investigation and analysis determine that the responsibility lies with the Company, appropriate countermeasures are taken based on the findings or customer requirements. Furthermore, to prevent recurrence, the effectiveness of corrective actions is verified.

In 2024, the Company received 19 abnormal customer complaint cases. Each case was promptly filed and tracked upon occurrence, and handled in accordance with the 8D methodology, including root cause analysis, formulation of recurrence prevention measures, selection of corrective actions, and verification of their effectiveness.

## Marketing and Promotion

Products are promoted through various online and offline channels, including participation in technical forums, seminars, and exhibitions, publishing new product information on the company website, hosting new product launch events, and distributing EDMs. We integrate information delivery with marketing promotion, and by analyzing data such as traffic sources, page views, and algorithms, ensure that target audiences receive information accurately. At the same time, strategies are continuously optimized based on analysis results to enhance promotional effectiveness.

# cpc Global Exhibitions and Events



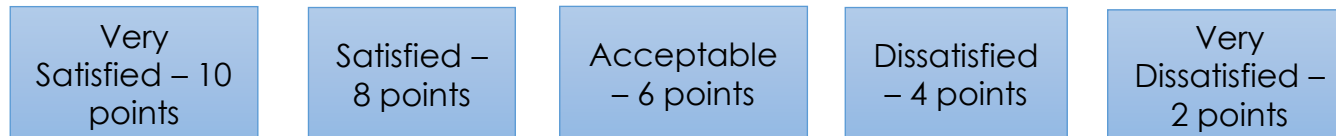
## Customer Satisfaction Survey Process



## Survey Dimensions



## Questionnaire Scoring Criteria





Customer Satisfaction Survey Results for the Most Recent Three Years

Score Department	Year 2022	Year 2023	Year 2024
Overseas Sales Department	89.62 points	88.05 points	85.07 points
Domestic Sales Department	85.40 points	85.60 points	85.70 points



## Product Quality

cpc's products are mechanical components, and international regulations are in place for such products. cpc complies with relevant laws and international standards, implementing strict management in processes and raw material control. All products comply with national regulations as well as EU RoHS and REACH standards, and are free of environmentally hazardous substances. Upon customer request, RoHS and REACH test reports are also provided.

With a commitment to professionalism and innovation, cpc continuously enhances product performance, while serving customers with integrity and honesty, striving to deliver satisfactory products and services. In August 2023, the Company completed the recertification of its ISO 9001:2015 Quality Management System.

In 2024, there were no cases of non-compliance with product and service information labeling regulations, nor any violations of marketing and communication-related laws.

## Customer Complaint Handling

To prevent similar issues from occurring, cpc regularly conducts surveys and tracks customer satisfaction to understand customer needs and concerns, using the results as a basis for developing improvement strategies.

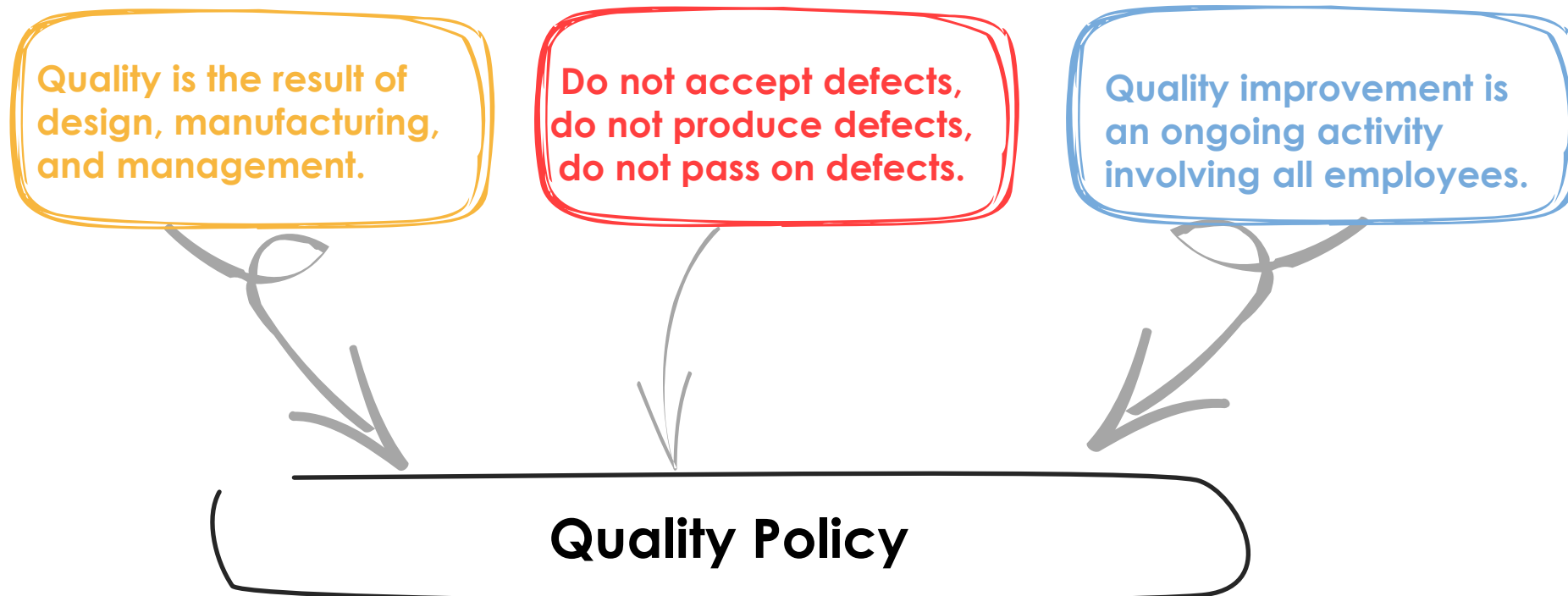
cpc places great importance on customer satisfaction and aims to maintain stable and positive relationships with customers, with the goal of enhancing their value and competitiveness. In addition to continuously monitoring and reviewing shipment conditions for timely improvements, the company also conducts regular customer satisfaction surveys, striving to become a long-term partner in customers' businesses and create win-win outcomes.

Standardized customer complaint handling procedures have been established to properly determine responsibility, resolve issues, and implement preventive measures.

## Quality Objectives

cpc has established standardized customer complaint handling procedures to properly determine responsibility, resolve issues, and implement preventive measures to avoid recurrence. The company also conducts regular surveys and tracks customer satisfaction to understand customer needs and concerns, using the results as a foundation for developing improvement strategies.

cpc places great emphasis on customer satisfaction, aiming to maintain stable and positive relationships with customers, with the goal of enhancing their value and competitiveness. In addition to continuously monitoring and reviewing shipment conditions for timely improvements, the company also conducts regular customer satisfaction surveys, striving to become a long-term partner in customers' businesses and create win-win outcomes.



## Supply Chain Management

- cpc regards suppliers as long-term partners. Competitive quality, technology, delivery, and reasonable costs are essential criteria for supplier partnerships. In addition, cpc increasingly focuses on supplier performance in areas such as governance, environment, and social responsibility, positioning suppliers as key partners in promoting sustainability issues throughout the value chain.
- To build long-term partnerships with suppliers, cpc has established a Supplier Management Procedure, aiming to ensure that delivery, quality, technology, and hazardous substance controls meet both cpc's expectations and customer requirements through clear management and operational practices. Supplier management is currently divided into three stages: supplier development and selection, supplier evaluation, and supplier continuous improvement.
- Supplier Development and Selection
  - Priority is given to suppliers with company, factory, or business registration certificates, or those certified with ISO 9001.
  - Suppliers are evaluated across multiple dimensions, including quality, pricing, environmental practices, and process capabilities.
  - Evaluations must be conducted using the "Supplier Environmental Management Assessment Form" and the "Social Responsibility Assessment Form."
  - Suppliers that pass the evaluation and receive approval are listed as qualified suppliers and become subject to ongoing management. °
- Supplier Evaluation
  - Partner suppliers are evaluated once a year, with records documented in the "Supplier Delivery Evaluation Form," which serve as the basis for cooperation in the following year.
  - The evaluation covers: quality, pricing, customer complaints, cooperation, and environmental assessment.
- Supplier Continuous Improvement
  - Occupational safety, quality assurance, and process supervisors conduct unscheduled audits.
  - Suppliers scoring below 60 points in the annual evaluation are notified and given a three-month observation and improvement period. If the re-evaluation after the observation period is unsatisfactory and approved by management, the supplier's qualified status is revoked.
  - Looking ahead, cpc will continue to expand the system's influence to all suppliers, with the goal of establishing a comprehensive responsible supply chain.



## Supply Chain Human Rights Protection

Suppliers must respect workers' human rights and treat them in ways recognized by the international community, ensuring they are afforded dignity and respect.

- **Non-Discrimination:** In the recruitment and employment process, suppliers shall not discriminate against workers in hiring, promotion, rewards, training opportunities, job assignments, wages, benefits, discipline, dismissal, or retirement based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, nationality, or marital status. Suppliers shall not require pregnancy tests for women or discriminate against pregnant workers unless required by local laws or regulations. In addition, suppliers shall not require workers or job applicants to undergo discriminatory drug testing unless required by law or for workplace safety purposes.
- **Working Hours:** Except in emergencies or exceptional circumstances, weekly working hours (including overtime) and labor leave entitlements (including personal and holiday leave) must at minimum comply with the legal requirements of the jurisdiction where workers are employed.
- **Voluntary Labor:** Suppliers must ensure that all labor is voluntary. Workers may terminate employment voluntarily with prior notice. Suppliers shall not require workers to deposit government-issued identification documents, passports, or work permits as a condition of employment.
- **Prohibition of Child Labor:** Child labor is strictly prohibited. The definition of "child" shall comply with the laws of the jurisdiction where workers are employed ("child" refers to anyone under 15 years of age, or 14 years of age where permitted by local law; or anyone under the age for completing compulsory education; or anyone below the minimum legal working age of the jurisdiction—whichever is highest).
- **Humane Treatment:** Suppliers must commit to ensuring that the workplace is free from harassment. They shall not threaten or subject workers to harsh or inhumane treatment, including sexual harassment, corporal punishment, mental or physical coercion, verbal abuse, or other improper or unlawful conduct.
- **Wages and Benefits:** Suppliers must pay workers at least the minimum wage required by the laws of the jurisdiction where they are employed and provide legally mandated benefits. In addition to regular wages, overtime work must be compensated in accordance with applicable legal standards. Wages must be paid on time, and wage statements must be provided promptly and clearly explained to workers.
- In 2024, written performance evaluations of suppliers were conducted, and no violations of supplier policies or corporate social responsibility requirements were identified.

## Local Procurement

The local procurement policy aims to reduce the carbon footprint of raw materials, lower transportation costs, and address the fact that raw material costs represent the largest portion of cpc's production costs. Since raw material quality is a key factor affecting product yield, ensuring a stable supply of high-quality raw materials is cpc's primary procurement objective. In 2024, cpc's domestic raw material procurement amounts and proportions were as follows:

Item \ Year	2022	2023	2024
Total Raw Material Amount (Unit: NTD)	325,332,337	147,078,084	180,904,152
Number of Raw Material Suppliers	141	168	129
Number of Domestic Suppliers	135	159	122
Percentage (%)	95.74%	94.64%	94.57%

In 2024, the proportion of local procurement for domestic services and engineering remained above 99% (the ratio was also above 99% in 2023). We will continue to collaborate with local suppliers and deepen our local procurement strategy, making active contributions toward creating a healthier and more stable business environment.

## Signing of Assessment Forms and Commitment Letters

Suppliers are required to complete the Supplier Environmental Management Assessment Form and provide a signed confirmation. They must also submit supporting documents such as fixed pollution source operation permits, wastewater discharge permits, toxic chemical operation permits, waste disposal/treatment contracts, drinking water testing reports, and fire safety inspection records, among others, to demonstrate compliance with safety, health, and environmental protection requirements. In 2024, the signing rate among new suppliers reached 84%.

The "Social Responsibility Assessment Form" evaluation process includes contractual requirements with major suppliers and contractors, stipulating compliance with the Labor Standards Act and related human rights regulations. These include the prohibition of child labor and forced labor, ensuring health and safety, freedom of association and collective bargaining rights, and non-discrimination. Contracts also contain clauses allowing termination or cancellation at any time if violations of corporate social responsibility policies occur and have significant environmental or social impacts. In 2024, the signing rate among new suppliers reached 79%.

The “Supplier Commitment Letter” requires suppliers to sign and agree to the following:

1. Strictly prohibit offering bribes, gifts, hospitality, or any other improper benefits to cpc employees or their relatives and friends.
2. Strictly prohibit providing honorary or compensatory employment arrangements to cpc employees or their relatives and friends.
3. Strictly prohibit engaging in lending, leasing, investment, or any activities with cpc employees or their relatives and friends that are not directly related to official business.
4. Strictly prohibit any conduct toward cpc employees or their relatives and friends that may harm the company's interests or image.

In 2024, the signing rate among new suppliers reached 88%.

## 2024Sustainable Supply Chain Implementation

In 2024, the Company conducted an ESG-focused questionnaire with its 10 major suppliers. The questionnaire covered the following topics:

Item	Main Content
Environmental Issues	Waste Management, Water Resource Management, Air Pollution Control, Energy Management, Greenhouse Gas Emissions
Social Issues	Occupational Safety and Health, Labor Relations, Human Rights Policy, Talent Recruitment, Retention and Development, Diversity and Inclusion, Employer–Employee Relations
Economic and Corporate Governance Aspects	Customer Service, Innovation, R&D and Patents, Quality Management, Supply Chain Management / Sustainable Supply Chain, Regulatory Compliance / Business Ethics, Information Security / Customer Privacy, Taxation

- Based on the responses, the key ESG issues of concern to major suppliers were summarized to serve as focal points for advancing ESG initiatives in the coming years.
- Moving forward, we will continue to expand the system's influence to all suppliers, with the goal of establishing a comprehensive responsible supply chain.
- Number of supplier-related bribery reports: 0 cases.



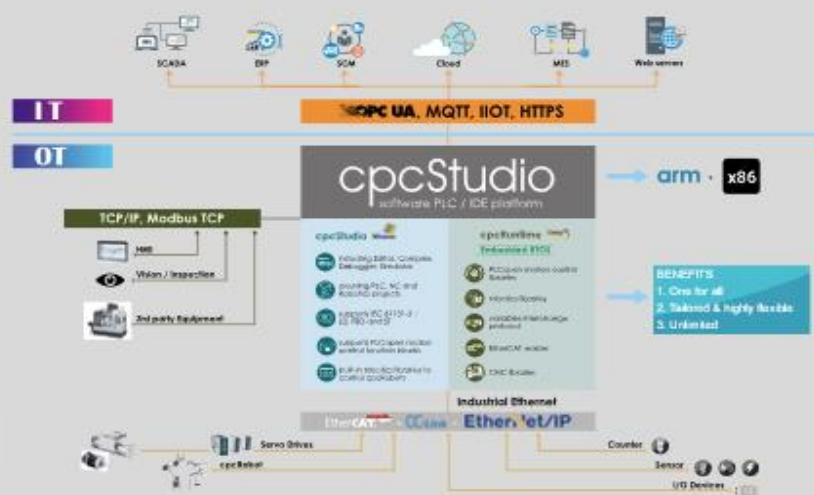


CHIEFTEK PRECISION CO., LTD.

cpcRobot



cpcStudio



cpcCells



05

# Social Aspect





### Human Rights Commitment: Diversity and Inclusion

cpc is dedicated to safeguarding the fundamental human rights of all employees, customers, suppliers, partners, and stakeholders. The Company supports and adheres to the human rights principles outlined in the International Bill of Human Rights, the Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Conventions, while complying with the legal regulations of the jurisdictions in which it operates. The Company makes the following management commitments:

- Respect workplace human rights and prohibit any form of discrimination, including race, nationality, gender, age, marital status, appearance, religion, political affiliation, or physical and mental disability. Ensure fair labor rights, employment policies, promotion opportunities, and working conditions. Strengthen labor-management relations, maintain smooth communication channels, and foster a harmonious workplace environment.
- Uphold integrity and ethical conduct by rejecting bribery and extortion, refusing to provide illegal political contributions, improper charitable donations or sponsorships, and rejecting the offering or acceptance of unreasonable gifts, entertainment, or other improper benefits.
- Create a safe and healthy environment, including a strict commitment not to employ child labor or impose forced labor. Implement information security and personal data protection principles. Promote gender equality in the workplace, jointly maintain a harassment-free environment, establish occupational safety and health regulations, reduce the risk of occupational hazards, and pursue continuous improvement. °

Suppliers are required to comply with human rights provisions concerning workplace rights, prohibition of child labor, prevention of forced labor, workplace health and safety, prohibition of workplace discrimination, and working hours. A Social Responsibility Assessment Form has been established to help implement these management principles.

In 2024, a total of 185 training hours on human rights protection were delivered, with 182 participants completing the training. Moving forward, the Company will continue to pay close attention to human rights protection issues, promote related education and training, strengthen employees' human rights awareness, and reduce the likelihood of risks related to human rights issues.

In terms of human rights violations or forced labor, no such incidents occurred in 2024, nor were any related complaints received.



## Workforce Structure and Talent Recruitment

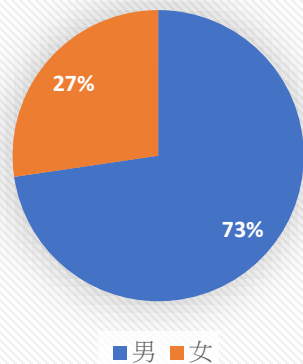
The Company's professional management team upholds the spirit of integrity and honesty, committed to providing employees with a diverse, inclusive, friendly, and safe workplace environment. The goal is to create equal opportunities for growth and development for every employee while fostering a strong sense of belonging within the Company.

Currently, the Company employs 10 persons with disabilities (7 employees in practice; according to regulations, each severely disabled employee counts as two). In addition to meeting the mandatory hiring quota under the People with Disabilities Rights Protection Act, the Company has exceeded the requirement by employing 6 additional workers with disabilities.

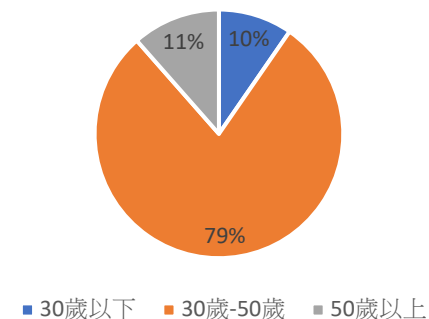
As of 2024, cpc had a total of 322 employees. In terms of gender distribution, there were 234 male employees (73%) and 88 female employees (27%). By job category, 209 employees (65%) were in direct positions, while 113 employees (35%) were in indirect positions.

Category	Type	2023			2024					
		Male	Female	Total	Male		Female		Number of People / Total	Total Percentage
					Number of People	Percentage	Number of People	Percentage		
Gender		265	92	357	234	73%	88	27%	322	100%
Age	Under 30	57	8	65	25	81%	6	19%	31	10%
	30–50	194	64	258	194	76%	60	24%	254	79%
	Above 50	14	20	34	15	41%	22	59%	37	11%
Education Level	High School or Below	113	39	152	95	73%	36	27%	131	41%
	College & University	138	46	184	124	73%	47	27%	171	53%
	Master's Degree or Above	14	7	21	15	75%	5	25%	20	6%
Job Category	Managers (Supervisors)	16	11	27	17	65%	9	35%	26	8%
	Administrative Staff	25	16	41	24	52%	22	48%	46	14%
	R&D Personnel	26	1	27	28	97%	1	3%	29	9%
	Sales Personnel	4	7	11	2	17%	10	83%	12	4%
	On-site Staff	194	57	251	163	78%	46	22%	209	65%

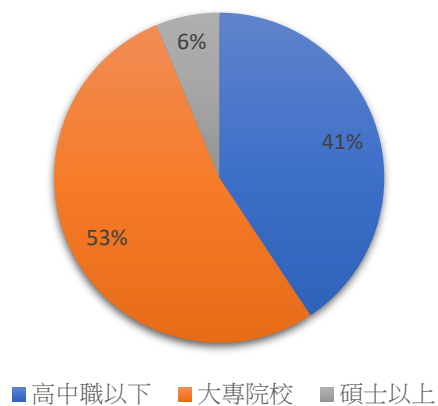
cpc Total Number of Employees: Classified by Gender



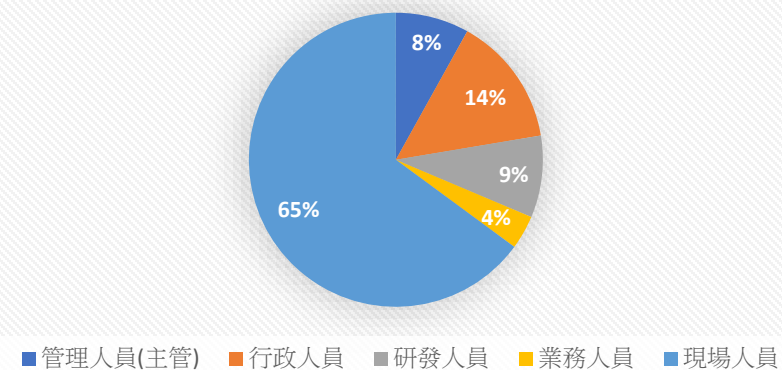
cpc Total Number of Employees: Classified by Age



cpc Total Number of Employees: Classified by Education Level



cpc Total Number of Employees: Classified by Job Category



# New Hires and Resignations

## New Employee Statistical Analysis

In 2024, a total of 44 new employees were hired, including 30 male employees and 14 female employees. The majority, 8.7%, were employees aged between 30 and 50 years old.

Year		2023				2024			
Gender		Male	Percentage	Female	Percentage	Male	Percentage	Female	Percentage
Category	Type								
Age	Under 30	5	1.14%	6	1.37%	10	2.80%	4	1.12%
	30–50	7	1.60%	4	0.92%	18	5.04%	10	2.80%
	Above 50	0	0.00%	4	0.92%	2	0.56%	0	0.00%
Education Level	High School or Below	3	0.69%	3	0.69%	1	0.28%	1	0.28%
	College & University	9	2.06%	10	2.29%	25	7.00%	13	3.64%
	Master's Degree or Above	0	0.00%	1	0.23%	4	1.12%	0	0.00%
Job Category	Indirect Employees	5	1.14%	10	2.29%	18	5.04%	13	3.64%
	Direct Employees	7	1.60%	4	0.92%	12	3.36%	1	0.28%

Note:  
The percentage of new hires and resignations is calculated based on the total number of employees at the end of the previous year.  
The number of new hires does not exclude employees who resigned during the year.



Resigned Employee Statistical Analysis

In 2024, a total of 80 employees resigned, including 60 male employees and 20 female employees. Exit interviews are conducted with employees prior to their departure to gain a clear understanding of the reasons for resignation, with the aim of improving employee retention.

Year		2023				2024			
Gender		Male	Percentage	Female	Percentage	Male	Percentage	Female	Percentage
Category	Type								
Age	Under 30	23	5.26%	9	2.06%	14	3.92%	4	1.12%
	30–50	44	10.07%	13	2.97%	43	12.04%	15	4.20%
	Above 50	0	0.00%	5	1.14%	3	0.84%	1	0.28%
Education Level	High School or Below	26	5.95%	5	1.14%	19	5.32%	5	1.40%
	College & University	39	8.92%	20	4.58%	38	10.64%	14	3.92%
	Master's Degree or Above	2	0.46%	2	0.46%	3	0.84%	1	0.28%
Job Category	Indirect Employees	16	3.66%	16	3.66%	21	5.88%	11	3.08%
	Direct Employees	51	11.67%	11	2.52%	39	10.92%	9	2.52%

Non-Employee Workers

Non-employee workers are individuals who are not employed by the Company but provide labor services to it. In 2024, there were a total of 19 non-employee workers, primarily contractors.

To drive growth momentum, cpc actively recruits outstanding talents who align with the Company's values, utilizing online job platforms to attract potential high-quality employees. The recruitment process is open and transparent, focusing on selecting the most suitable candidates while upholding the principle of equal opportunity and ensuring that everyone can maximize their strengths.

At the same time, the Company places strong emphasis on professional talent development and long-term, close collaboration with academic institutions. By actively engaging in industry–academia cooperation and advancing various cutting-edge technology development projects, cpc accelerates international integration and attracts key talent in the process.



cpc's business philosophy is rooted in virtue, upholding integrity and honesty, and striving for sustainable operations as a global leader in linear motion components. The Company is committed to nurturing a team characterized by filial piety, philanthropy, global vision, professional expertise, and a strong sense of honor.

Every employee, whether local or foreign, is regarded as a cornerstone of the Company's growth. Colleagues are dedicated, pragmatic, proactive, and passionate in their work, moving forward to safeguard the best interests of shareholders and customers while creating optimal career well-being for employees. In addition, the Company actively addresses the needs of female employees and working parents, continuously improving welfare measures. A Workers' Welfare Committee has been established to organize various welfare activities, support work-life balance, and enhance employee interaction. The main welfare measures are as follows:

### ◆Incentive System

(1) Year-end bonus (2) Employee remuneration (3) Performance bonus (4) Lunch and dinner subsidies (5) Performance bonus / technical allowances (6) Special bonus / production bonus / excellence bonus (7) Operational bonus (8) R&D patent bonus (9) Referral bonus (10) Other performance-based salary adjustments and flexible reward systems (11) Pension contributions

### ◆Insurance and Allowances

(1) Labor insurance. (2) Health insurance. (3) Occupational accident insurance. (4) Accident insurance / group insurance. (5) Condolence and subsidies for major illnesses or emergencies.

### ◆Facilities

(1) Staff cafeteria. (2) Nursing room. (3) Free parking lot. (4) Automated External Defibrillator (AED) installation

### ◆Leave System

(1) Five-day work week. (2) Annual leave / paid vacation. (3) Paternity leave. (4) Prenatal checkup leave. (5) Family care leave. (6) Menstrual leave for female employees. (7) Accompanying spouse for prenatal checkup leave. (8) Vaccination leave. (9) Epidemic prevention care leave

### ◆Other Benefits

(1) Internal and external employee training programs. (2) Workers' Welfare Committee activities: holiday bonuses/gifts, year-end banquet, wedding gifts, hospitalization allowances, etc. (3) Regular employee health checkups. (4) Health manager services and regular on-site occupational physician consultation hours. (5) Enhanced training on occupational safety, health, and fire prevention. Formation of self-defense firefighting teams with regular drills and awareness campaigns.



## cpc Implements Family-Friendly Measures and Workplace Support to Uphold ESG Values

Upholding the core value of “integrity and virtue,” cpc is committed to creating a supportive and inclusive workplace environment, fulfilling corporate social responsibility, and advancing sustainable development goals. The Company actively implements initiatives aligned with the Social (S) aspect of ESG by introducing various childcare and family support measures that reflect genuine care for employees.

The Company values gender equality by allowing employees of all genders to apply for parental leave without pay. In addition, cpc provides maternity leave, prenatal checkup leave, paternity leave, pregnancy care leave, and family care leave. To further support working mothers, the workplace is equipped with comfortable and private nursing rooms, enabling them to focus on their work without concern.

Through these supportive policies and facilities, cpc encourages employees to achieve balance between career development and family life, thereby enhancing employee well-being and job satisfaction.

Parental Leave Summary Table from 2022 to 2024

Parental Leave Summary Statistics	2022			2023			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of Employees Eligible for Parental Leave (A)	5	16	21	10	22	32	12	28	40
Number of Employees Actually Applying for Parental Leave in the Year (B)	4	0	4	4	4	8	3	2	5
Number of Employees Scheduled to Return to Work in the Year (C)	1	0	1	1	2	3	4	3	7
Number of Employees Actually Returning to Work in the Year (D)	1	0	1	1	2	3	4	2	6
Return-to-Work Rate for the Year (D/C)	100%	0%	100%	100%	100%	100%	100%	67%	86%
Number of Employees Returning from Parental Leave in the Previous Year (E)	5	0	5	1	0	1	1	2	3
Number of Employees Who Returned from Parental Leave in the Previous Year and Remained Employed for One Year (F)	3	0	3	1	0	1	1	2	3
Retention Rate after Parental Leave for the Year (F/E)	60%	0%	60%	100%	100%	100%	100%	100%	100%

Explanation:  
 1.The calculation basis for eligibility refers to the total number of employees who applied for maternity leave or paternity leave within the past three years.



## Compensation Policy

The Company has established a Compensation Committee, which regularly reviews and ensures that the Company's compensation policies remain competitive. Through transparent and fair performance and technical evaluation mechanisms, the Company shares its operational achievements with employees.

When recruiting talent, the Company adheres to fair and consistent salary determination standards. For entry-level positions without prior experience, compensation is set equally across all new hires. For candidates with relevant work experience, compensation is determined based on their academic background, professional knowledge, and certifications.

In addition, the Company provides equal opportunities for training and promotion to all employees, without discrimination based on background, gender, or educational experience.

### Salaries of Full-Time Employees Not in Managerial Positions

According to information disclosed on the Market Observation Post System, in 2024, the average salary of cpc's full-time employees not in managerial positions was NTD 617,000, while the median salary was NTD 537,000.

Category	2022	2023	2024
Number of Full-Time Employees	445	397	326
Average Salary (in thousands of NTD)	659	553	617
Median Salary (in thousands of NTD)	628	459	537

## Collective Agreement

cpc has not established a labor union. Instead, labor-management meetings serve as the channel for communication and negotiation between both parties, and the resolutions adopted therein apply to all employees within the relevant scope.





# Labor Relations

To safeguard employee rights and interests, the Company ensures that all labor-management interaction issues are communicated and coordinated with employees in advance to reach a consensus. Employees may also express differing opinions at any time to their supervisors or management units, after which both parties engage in further communication and coordination to achieve agreement and promote harmonious labor relations. In 2024, no incidents of discrimination occurred, and no related complaints were received.

In terms of operational management, when business or organizational changes occur, cpc does not readily resort to layoffs. Instead, actions are carried out in accordance with the Labor Standards Act and the Company's work rules. The principles for advance notice of contract termination are as follows:

Length of Service	Notice Period
Employees with more than 3 months but less than 1 year of service	10 days in advance
Employees with more than 1 year but less than 3 years of service	20 days in advance
Employees with more than 3 years of service	30 days in advance

The Company ensures that employees receive advance notice within the legally mandated timeframe to protect their rights and maintain workplace stability. In accordance with the law, job-search leave is also provided, demonstrating the Company's commitment to harmonious labor relations. cpc firmly believes that only by fostering a culture of care and respect internally can it attract and retain outstanding talent, thereby enhancing the sustainable competitiveness of the entire organization. Looking ahead, the Company will continue to review and optimize relevant measures, working hand in hand with employees to build a sustainable future of mutual well-being and shared prosperity.



## Employee Education and Training

The Company is committed to creating a sustainable talent pipeline and enhancing a competitive learning environment. To this end, it has established Education and Training Management Procedures and Education and Training Operation Procedures to cultivate suitable and capable talent through both internal and external training resources.

Currently, the Company provides a wide range of general knowledge, professional skills, and management training programs. In addition to cultivating department heads and senior employees as internal lecturers to pass on corporate culture and skills, external experts are also invited periodically to conduct courses. In 2024, the Company organized 786 training sessions, totaling nearly 1,037 training hours, with 7,629 total participants.

2024 Training Programs Included:

- 1) New Employee Training: Covering company regulations, occupational safety and health requirements, and onboarding guidance. Each new employee is scheduled for training to help them quickly adapt to the work environment and become familiar with job responsibilities.
- 2) General Training: Programs required by government regulations, company policies, or applicable across the organization. Topics included: insider trading prevention, occupational safety and health education, safety training, quality training, emergency response drills, and personal effectiveness management courses.
- 3) Professional Training: Technical and specialized courses tailored to different units, such as R&D, process engineering, finance and accounting, and information technology.
- 4) Management Training: Development programs for supervisors, covering leadership, management skills, and complementary topics.
- 5) Direct Labor Training: Courses designed for production line technicians, focusing on the knowledge, skills, and attitudes needed for machine operation and other frontline tasks.
- 6) Technical and Performance Evaluations: Regular evaluations conducted to develop reserve managers and talent.
- 7) Integrity Management Training: Internal and external courses related to integrity, including compliance with laws, food safety and hygiene, accounting systems, and internal controls.
- 8) Internal and external education and training for accounting supervisors, audit personnel, and corporate governance officers. In 2024, a total of 87 participants attended these courses, with an accumulated 124 training hours.

In 2024, the Company held integrity-related education and training sessions to implement the integrity management policy and prevent misconduct. Course content covered compliance with integrity regulations, codes of ethical conduct, analysis and application of corporate financial information, directors' duty of care and loyalty, accounting systems and internal controls, confidentiality procedures, disclosure practices, and violation handling. A total of 332 participants completed these courses, amounting to 395.5 training hours.

**Establishing an Effective Career Development Training Program**

The Company is dedicated to fostering sustainable talent and enhancing a competitive learning environment. To this end, it has formulated an **Education and Training Management Procedure** that leverages both internal and external training resources to cultivate outstanding talent suited for the right roles. Currently, a broad range of general, professional, and managerial training programs are offered to unlock employee potential and strengthen career development capabilities. These efforts ensure close alignment between corporate growth and employee development plans, while also enhancing productivity and awareness of corporate social responsibility.

The primary training programs include:

- General training
- Occupational safety and health training
- Professional training
- Business management training
- Training assignments at overseas subsidiaries
- International exchange internships
- Traditional cultural education training

In addition, department heads and senior employees are developed as internal lecturers to pass on corporate culture and technical skills, while external experts are periodically invited to provide training sessions, including courses tailored for directors.

**Employee Training Status in 2024**



## Occupational Safety and Health Management System

cpc has established dedicated Occupational Safety and Health (OSH) personnel in high-risk operational departments to enhance employee safety awareness. These personnel are responsible for planning and implementing the Company's environmental, safety, and health policies and management systems, auditing execution effectiveness, conducting hazard identification and regulatory compliance reviews, eliminating workplace health hazards, and preventing occupational accidents. Communication and consultation channels are in place to ensure worker participation, continuous improvement, and sustainable OSH management in line with legal requirements and stakeholder expectations. Risk and opportunity management is implemented to eliminate hazards and reduce occupational safety and health risks.

The Company is committed to preventing occupational accidents by providing safe and healthy working conditions and conducting annual employee health checkups to prevent occupational diseases and safeguard worker well-being, thereby fostering a healthy workplace. Communication channels are established for employee participation and consultation, complemented by training and advisory mechanisms that improve awareness and understanding of Company policies.

Quantified OSH improvement objectives are set and executed to prevent work-related injuries and health hazards, continuously enhancing the OSH management system and improving performance for sustainable operations. The Company also strengthens emergency response capabilities and establishes clear handling procedures to ensure employee safety and normal operations, minimizing damage and losses caused by accidents.

Furthermore, supervisors cooperate with employees in conducting hazard identification and risk assessment activities. Self-inspections are performed prior to operations, and SOPs (Standard Operating Procedures) are enforced as control measures. These efforts reinforce risk control, effectively prevent occupational accidents, provide comprehensive care, and reflect the Company's determination to build a safe workplace.

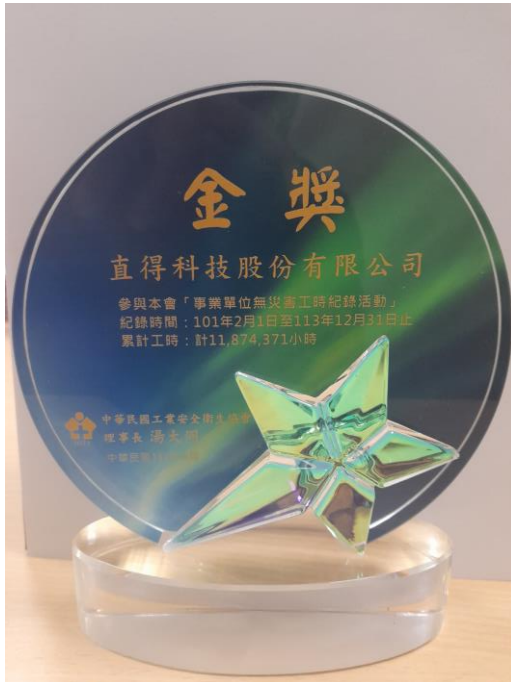


\* To provide a high-quality work environment that safeguards both physical and mental health, with the goal of achieving zero hazards and zero accidents.

\* Protect the environment, preserve natural ecology, and promote energy conservation and waste reduction.

\* Comply with regulations, implement risk management, prevent pollution, and carry out 6S activities.

\* Environmental protection and safety are ongoing activities involving all employees.



In 2020, cpc obtained recertification for the ISO 45001:2018 Occupational Safety and Health Management System and the CSN 45001:2018 Taiwan OSH System. Based on the framework of the occupational safety and health management system, the Company applies the P → D → C → A (Plan-Do-Check-Act) cycle to ensure continuous improvement, eliminate workplace hazards, reduce risks, and keep all hazards under effective control. cpc remains committed to preventing occupational accidents and fulfilling its responsibility to safeguard employee safety and health.

The management system covers 322 employees (82.98%) and 16 contractors (4.12%).

Certificate TW16/01194  
The management system of  
**CHIEFTEK PRECISION CO., LTD.**



No.3, Dai Tai Rd., Xinyi Dist., Southern Taiwan Science Park, Tainan City 74145, Taiwan (R.O.C.)  
Has been assessed and certified as meeting the requirements of  
**ISO 45001:2018**

For the following activities:  
Design and manufacture of linear guide, linear motor, torque motor, servo drive, sensor and system for direct drive application.  
Design and manufacture of robotic arms and the parts.

This certificate is valid from 28 August 2023 until 28 August 2026 and remains valid subject to satisfactory surveillance audits.  
Issue 4. Certified since 29 August 2020

Signature  
Supervisor  
Chief Officer

SGS Taiwan Ltd.  
No. 155-1, Wu Kong Road, New Taipei Industrial Park, Wu Kong District, New Taipei City 28003, Taiwan  
T +886 (02) 2299-3000 • www.sgs.com.tw



This document is an authentic electronic certificate for Chief Officer's personal use only. Printed copies of the electronic certificate are permitted and will be considered as a copy.  
This document is issued by the Company under its ISO 45001:2018 Certified Conditions of certification contract agreement in terms and conditions (T&C). Attention is drawn to the limitation of liability, indemnification and jurisdiction clauses contained therein. This document is copyright protected and any unauthorized alteration, forgery or falsification of the content or signature of this document is prohibited.

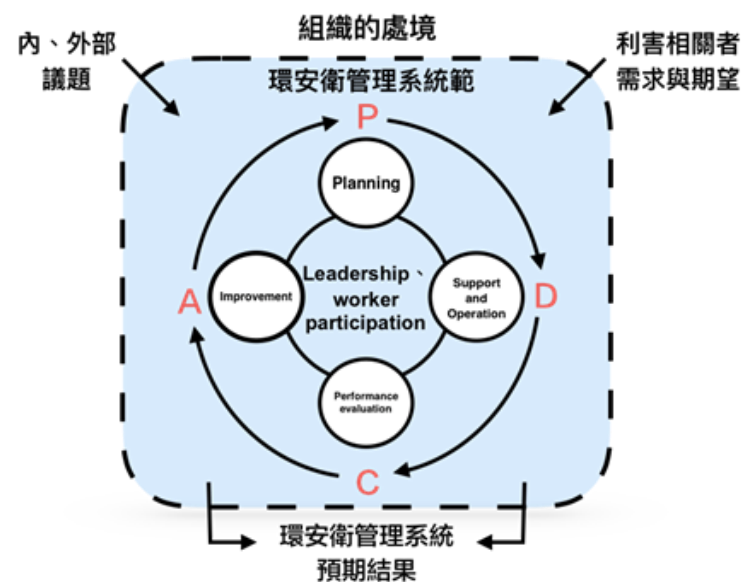
Page 1 / 1



## Hazard Identification and Risk Assessment

cpc has established an Environmental and Occupational Safety and Health Risk Assessment Management Procedure to identify potential hazards that may arise from all company activities, products, and services. Risks associated with these hazards are evaluated, prioritized, and controlled to address unacceptable environmental, safety, and health risks. This process supports effective OSH planning, management, and implementation. Examples include hazard identification for machinery and equipment used in operations, chemicals, and warehouse forklifts. Based on the identification results, improvements, risk assessments, and opportunity evaluations are conducted, with appropriate control measures implemented.

Hazard identification and risk assessments are reviewed and revised annually. In addition, personnel responsible for conducting hazard identification and risk and opportunity assessments are required to complete at least three hours of risk assessment-related training.



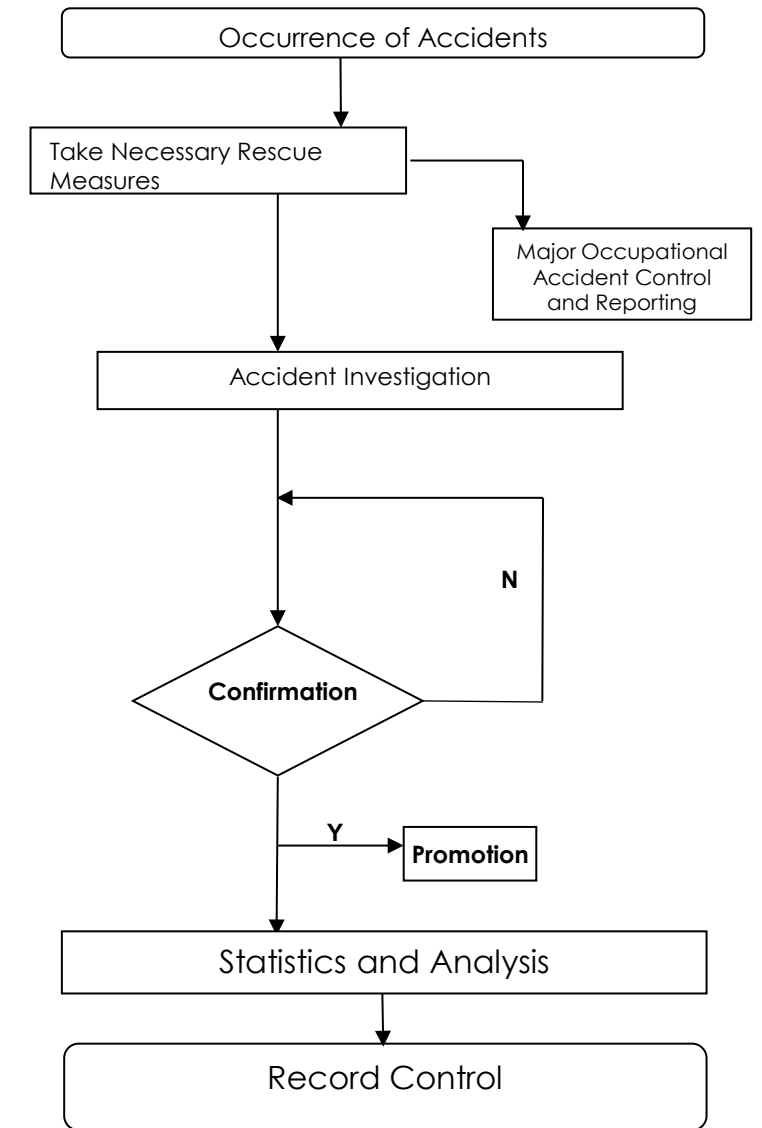
## Accident Reporting and Investigation Process

cpc has established an Accident Investigation Management Procedure to ensure that, in the event of a near-miss or accident, immediate reporting and proper, timely support are provided. The procedure enables accurate identification of the root cause of incidents and the implementation of effective corrective measures to prevent recurrence, thereby reducing risks. In the case of a major occupational accident, it must be reported within eight hours to the competent authority (Southern Taiwan Science Park Administration, Ministry of Science and Technology). Major occupational accidents include:

- One or more worker fatalities in the workplace
- Three or more workers injured in an accident
- Any worker hospitalized for one day or more due to a workplace incident

For general accidents or on-site/off-site traffic accidents, the incident must be immediately reported to the direct supervisor, who in turn reports it to occupational safety and health personnel.

In the event of a major accident, in addition to taking necessary rescue measures, the Company's medical staff (first aid personnel) provide immediate emergency care to the injured. Those with serious injuries are transferred by ambulance to a major hospital for treatment. After an accident occurs, the relevant departments must jointly conduct an on-site investigation, cause analysis, and review, with all findings documented to prevent similar incidents from recurring.



## Operation of the Occupational Safety Committee

cpc has established an Occupational Safety and Health Committee, composed of management representatives, on-site supervisors, worker representatives, medical personnel, and safety and health staff. Worker representatives account for more than one-third of the total committee membership. The committee convenes quarterly meetings to review, coordinate, and promote occupational safety and health matters, enabling employee participation, consultation, and communication regarding the effectiveness of the OSH management system.

At these quarterly meetings, joint decisions are made on the planning and operation of the safety and health system. Additional communication channels—such as an employee suggestion box, direct communication with the Occupational Safety Department, and departmental meetings—are provided to listen to employee needs and expectations.

For communication with other workers, such as contractors, cpc has implemented a Contractor Management Procedure to reinforce its commitment to health and safety. Contractors are required to comply with occupational safety and health laws and must attend a coordination meeting prior to construction. During this meeting, the work environment, potential hazards, and related regulations are communicated before contractors may proceed with their tasks. If hazards or violations of safety regulations are identified at the construction site, contractors are immediately required to make corrections. In cases of repeated non-compliance, safety personnel handle the matter according to the Contractor Management Procedure.

### Proportion of Worker Representatives on the Occupational Safety and Health Committee

Item	Number of People
Number of Committee Members	14 people
Number of Worker Representatives	7 people
Proportion of Worker Representatives	50%



## Occupational Safety Education and Training

cpc designates occupational safety and health training courses as mandatory for employees both at the time of onboarding and during employment. These include general safety and health education, hazardous chemicals training, waste classification and recycling training, production equipment safety training, fire drills, and more. In-service and external training further covers programs such as refresher training for safety and health personnel, forklift operation, fixed crane operation, dust operation supervision, and organic solvent operation supervision. Through training and awareness campaigns, employees are equipped with environmental, safety, and health awareness, thereby reducing or eliminating the likelihood of hazards.

Statistics of Occupational Safety and Health Training Programs in 2024

Training Program Name	Number of Trainees
Occupational Safety and Health Training for New Employees	47
Refresher Course for Operators of Fixed Cranes over Three Tons	1
Fire Prevention Manager (Initial Training) Course	1
Organic Solvent Operation Supervisor Occupational Safety and Health On-the-Job Training (Initial Training)	1
Refresher Course for Operating Forklifts with a Load Capacity over One Ton	1
Occupational Safety and Health Management Supervisor	2

Emergency Response Drill

cpc has established an Emergency Preparedness and Response Management Procedure, under which firefighting and emergency response drills are conducted semiannually. These drills enable employees to remain calm and respond quickly in the event of a disaster, effectively minimizing losses and safeguarding lives and property.

Training Participants	Course Type	Drill Name	Number of Trainees
Current Employees	Firefighting and Emergency Response Drill	Self-Defense Firefighting Team Training	230 People

消防演練照片



## Chemical Management and Workplace Environment Monitoring

cpc has established a Hazardous Substances and Hazardous Chemicals General Management Procedure. All hazardous chemicals used within the plant are stored in the oil depot with necessary control measures implemented. In compliance with the Regulations on the Labeling and General Management of Hazardous Chemicals and the Globally Harmonized System of Classification and Labeling of Chemicals (GHS), proper labeling is applied, and Safety Data Sheets (SDS) are placed in clearly visible locations to ensure employees are well-informed about chemical storage, hazards, emergency response measures, and preventive actions.

New employees engaged in hazardous chemical handling receive hazard communication training upon onboarding. In-service employees are also required to undergo refresher training every three years to ensure continuous awareness and understanding of chemical safety.



To ensure workplace safety, cpc complies with the Regulations for the Implementation of Labor Workplace Environment Monitoring by commissioning qualified agencies to conduct environmental monitoring. Monitoring is carried out semiannually, and results are reported to the Workplace Environment Monitoring and Exposure Hazard Management Platform. In 2024, the monitoring items included noise, carbon dioxide, dust, n-hexane, oil mist droplets, xylene, and respirable dust (Type 4)—a total of eight items.

項目編號	項目名稱	監測日期	監測結果	監測單位	備註
8112000104	噪音	2024/05/01	75.5dB(A)	中環	
8112000105	二氧化碳	2024/05/01	0.08%	中環	
8112000106	塵埃	2024/05/01	0.15mg/m³	中環	
8112000107	n-己烷	2024/05/01	0.01mg/m³	中環	
8112000108	油霧	2024/05/01	0.01mg/m³	中環	
8112000109	甲苯	2024/05/01	0.01mg/m³	中環	
8112000110	呼吸性粉塵	2024/05/01	0.15mg/m³	中環	



## Contractor Occupational Safety Management

To prevent contractors from causing personnel hazards or equipment damage risks while performing related activities within the Company, cpc has established a Contractor Management Procedure. Construction work is classified into general operations, hot work, lifting operations, and elevated work, with corresponding application and risk control requirements. Before entering the plant, contractors must participate in coordination meetings and hazard communication sessions. All contractor personnel are required to provide valid safety and health training certificates. During construction, contractors must assign on-site supervisors to oversee operations, while cpc's safety personnel also conduct unscheduled inspections to ensure that all work complies with safety, health, and environmental protection regulations. These measures strengthen the management of contractor workplace safety within the plant.0

移動式起重機檢査合格證			
證 號: 213111W0090 號			
機 型: 國聯起重工程行			
地 址: 臺南市新市區永寧里大智路330之13號1樓			
機 型 代 碼: 國聯起重機	機 號: 1306416020002		
吊 升 荷 重: 1.8/1.4	檢 查 合 格 日 期: 2011年02月23日		
製 造 廠 商: 台灣國聯起重機械有限公司	製 造 日 期: 80年09月		
檢 查 日 期: 自 111年02月25日 至 112年02月24日 止			
檢 查 人: 王 國 強 (簽名) (蓋章)			
年 月 日	年 月 日	年 月 日	年 月 日
年 月 日	年 月 日	年 月 日	年 月 日
年 月 日	年 月 日	年 月 日	年 月 日
年 月 日	年 月 日	年 月 日	年 月 日
年 月 日	年 月 日	年 月 日	年 月 日
年 月 日	年 月 日	年 月 日	年 月 日
勞動部職業安全衛生署			
			
中華民國 111 年 04 月 07 日			

No. 00241704

110-01-21-000-0

序 號	名 稱	檢 查 日 期
111年 04月 07日	1. 製造商: (K) 0111-型: 0111-01 2. 製造商: (K) 0111-型: 0111-01 3. 製造商: (K) 0111-型: 0111-01 4. 製造商: (K) 0111-型: 0111-01 5. 製造商: (K) 0111-型: 0111-01	合格
112年 02月 24日	1. 定期檢查合格 2. 檢查合格, 但部分零件需在112年02月24日前更換 3. 檢查合格, 但部分零件需在112年02月24日前更換	合格
年 月 日		
年 月 日		
年 月 日		
年 月 日		
年 月 日		
年 月 日		
年 月 日		
年 月 日		



## Occupational Injuries

In accordance with the Occupational Safety and Health Act, cpc has established an Accident Investigation Management Procedure as the basis for investigating and handling incidents. This ensures immediate reporting, timely support, accurate identification of root causes, and the implementation of effective corrective measures to prevent recurrence and reduce risks.

When an accident occurs, the department supervisor and safety personnel conduct an investigation and analysis. The occupational safety and health management unit submits monthly occupational accident statistics to the Occupational Safety and Health Administration (OSHA) of the Ministry of Labor.

The occupational accident statistical analysis follows the Ministry of Labor's published indicators for disabling injury statistics, using 1 million work hours as the baseline. The key metrics include Disabling Injury Frequency Rate (FR) and Disabling Injury Severity Rate (SR). (Note: These figures exclude off-site traffic accidents.)

In 2024, there were two occupational accidents within the plant, mainly due to falls. Corrective measures have since been implemented to address the causes. The plant's FR was 2.85 and SR was 128. No occupational diseases were reported, and no major penalties related to occupational safety were imposed in 2024.

## Employee Occupational Accident Statistics

Occupational Injury Statistics of Employees / Non-Employees in the Past Three Years				
Category	Item	2022年	2023年	2024年
Total Employee Working Hours	Total Working Hours	1,007,082	1,187,894	701,807
Number of Fatalities Caused by Occupational Injuries	Number of Female Fatalities (Cases)	0	0	0
	Number of Male Fatalities (Cases)	0	0	0
	Total Number of Fatalities (Cases)	0	0	0
Number of Serious Occupational Injuries (Excluding Fatalities)	Total Number of Serious Occupational Injuries for Females (Cases)	0	0	0
	Total Number of Serious Occupational Injuries for Males (Cases)	0	0	0
	Total Number of Serious Occupational Injuries (Cases)	0	0	0
Number of Recordable Occupational Injuries (Including Fatalities and Serious Occupational Injuries)	Total Number of Occupational Injuries for Females (Cases)	0	0	0
	Total Number of Occupational Injuries for Males (Cases)	2	0	2
	Total Number of Occupational Injuries (Cases)	2	0	2
Fatality Rate of Occupational Injuries		0%	0%	0%
Serious Occupational Injury Rate		0%	0%	0%
Recordable Occupational Injury Rate		1.98%	0%	2.84%

Note:

1. Fatality Rate of Occupational Injuries = (Number of fatalities caused by occupational injuries / Total working hours) \* 1,000,000.
2. Serious Occupational Injury Rate = (Number of serious occupational injuries [excluding fatalities] / Total working hours) \* 1,000,000.
3. Recordable Occupational Injury Rate = (Number of recordable occupational injuries [including fatalities and serious injuries] / Total working hours) \* 1,000,000.
4. A serious occupational injury refers to an injury that does not allow recovery of health within six months.
5. Recordable occupational injuries do not include commuting-related injuries.
6. No occupational accidents occurred among non-employee workers (contractors / subcontractors / visitors) within the Company.
7. The Company calculates only total employee working hours, excluding those of non-employee workers.

## Safe and Healthy Workplace

cpc regards employee health as a key factor for business success and sustainable development. In compliance with regulations, the Company has appointed full-time occupational health nurses and contracted occupational medicine specialists to provide employees with medical support and professional consultations on health examination reports.

The Company continues to promote four major health protection initiatives: maternal health protection, prevention of ergonomic hazards, prevention of abnormal workload, and prevention of workplace unlawful infringement, thereby safeguarding employees' physical and mental well-being. cpc is committed to providing comprehensive health management services and resources for its workforce.

In 2023, cpc successfully passed the renewal review of the Healthy Workplace Certification Mark issued by the Health Promotion Administration, Ministry of Health and Welfare.



To further protect employees and build a safe working environment, four major programs were developed with reference to the prevention guidelines announced by the Occupational Safety and Health Administration of the Ministry of Labor: the Abnormal Workload-Induced Disease Prevention Program, the Maternal Health Protection Program, the Ergonomic Hazard Prevention Program, and the Prevention of Unlawful Infringement in the Execution of Duties Program.

Main Focus	Implementation Direction
Maternal Health Protection	Health risk assessments are conducted for female employees who are pregnant or returning to the workplace after childbirth, with physician consultation and care services provided to safeguard the physical and mental well-being of pregnant, postpartum, and breastfeeding employees.
Ergonomic Hazard Prevention	Based on musculoskeletal symptom survey forms, employees are screened and selected for consultations with the company physician. For departments where musculoskeletal issues are more concentrated, joint on-site inspections are conducted with occupational safety personnel, occupational nurses, and occupational physicians. Work conditions such as task duration, load, posture, and working environment are evaluated, with quantitative risk levels calculated using the Key Indicator Method (KIM). Step-by-step engineering or operational improvements are implemented annually to prevent the occurrence of ergonomic-related injuries among employees. °
Prevention of Abnormal Workload	Based on employee health examination data and overwork assessment scales, high-risk groups vulnerable to excessive workload are identified. On-site physicians then provide consultations and protective guidance measures for these groups, with continuous follow-up and care implemented to safeguard employee well-being.
Prevention of Workplace Unlawful Infringement	To provide a healthy and positive workplace environment, a plant-wide risk assessment is conducted every three years. In addition, courses on preventing unlawful infringement and promoting personal growth are organized to foster a high-quality and supportive work environment.



In accordance with the Labor Health Protection Regulations, new employees are notified by the Company to undergo a general physical examination at a hospital prior to reporting for work. The examination items follow those stipulated in the regulations. For current employees, the Company provides annual health checkups with standards exceeding the requirements of the Labor Health Protection Regulations. The items are based on the “General Physical Examination and Health Examination Record Form” and include cancer screenings provided through medical institutions, such as colorectal cancer, cervical cancer, and oral cancer. For employees engaged in operations involving special health hazards, the Company applies for special health examinations through the Bureau of Labor Insurance and establishes health management records. Health management is implemented in a graded manner in compliance with legal requirements. In addition, the Company assigns full-time occupational health nurses and contracts occupational medicine specialists to provide employees with medical services and professional consultations on health examination reports, thereby enhancing employees’ health awareness.

Item		Execution Results
1	General Health Examination for Employees	286人
2	Special Health Examination for Employees	74人
3	Occupational Physician Outpatient Services	87人
4	Nursing Consultation and Follow-Up	13人



In addition to employing medical staff and contracting physicians to safeguard employee health, the Company has also trained 11 qualified first-aid personnel in accordance with the Labor Health Protection Regulations to assist with general illness treatment and emergency support. Furthermore, Automated External Defibrillators (AEDs) have been installed within the plant, along with first-aid kits and examination beds in the health center, ensuring frontline emergency responders have sufficient and appropriate equipment to carry out rescue work.

The Company also cares for the needs of female employees by providing nursing (lactation) rooms, offering a warm and comfortable environment for breastfeeding and ensuring women's health and rights are protected.

Plant nurses regularly organize health promotion seminars, covering topics such as maternal health, workload prevention, ergonomics, and prevention of unlawful workplace infringement. Additional seminars are offered based on abnormal findings from employee health examination statistics or topics of interest to employees. Health information is also posted in the health bulletin area to further enhance employee knowledge.





## Social Participation

### <<Stress: Friend or Foe?" Public Welfare Lecture>>

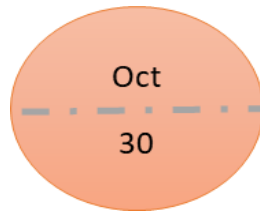
In collaboration with the Tainan National Studies Academy Traditional Culture Foundation, cpc organized the public lecture "Stress: Friend or Foe?". In light of the frequent disasters, widespread epidemics, and growing social unrest, the topic is particularly relevant. Many business leaders in the past have suffered from severe depression or sudden heart attacks caused by long-term, overwhelming stress.

Learning how to manage and relieve stress is an essential life lesson. When faced and addressed properly, stress can help individuals grow and become a friend; when avoided or ignored, it can cause harm and become an enemy. Whether stress is a friend or foe depends entirely on one's understanding of it and the choices one makes.

At this lecture, in addition to inviting experts and scholars from industry, government, academia, and research fields, the Company's Chairperson personally served as the keynote speaker, sharing valuable life experiences with the audience.

### 2024 Results

- Co-organized 1 public welfare lecture
- Sponsored 180 meal boxes for the lecture, totaling NTD 31,900.



壓力是朋友還是敵人  
公益講座

「財團法人臺南市國學書院傳統文化基金會」

壓力壓力，多少罪惡，  
假汝之名以行？

主辦單位：財團法人臺南市國學書院傳統文化基金會  
協辦單位：直得科技股份有限公司、群創光電股份有限公司、聯華生科技股份有限公司  
活動日期：113年10月30日（星期三）  
報到時間：17：30-18：30  
講座時間：18：30-20：30  
活動地點：南部科學園區管理局（演藝廳）  
活動地址：744094臺南市新市區南科三路22號  
報名名額：200位  
費用全免：贈送精緻餐盒乙份

陳麗芬  
林榮堅  
陳淑芬  
郭益銘

主講人簡介：  
陳麗芬/ 直得科技董事長  
林榮堅/ 新思科技全球資深前副總裁  
陳淑芬/ 矽品精密前財務副總經理  
郭益銘/ 中華醫事科技大學環安系主任、教學發展中心主任

報名連結







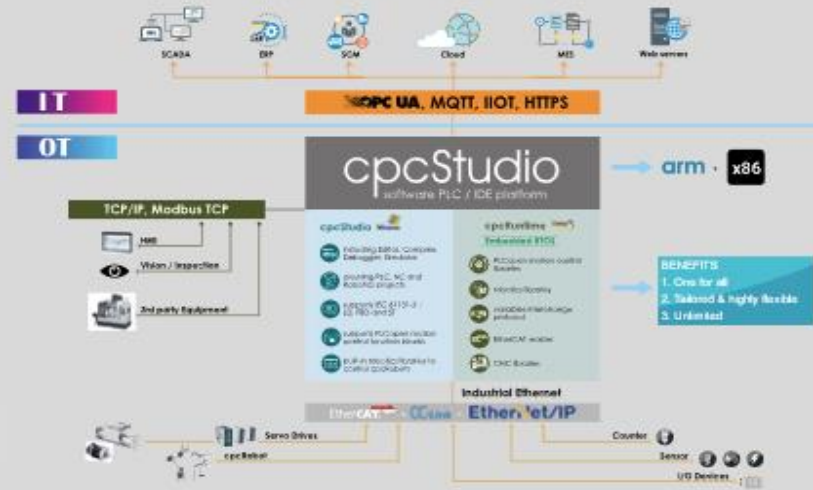


# CHIEFTEK PRECISION CO., LTD.

## cpcRobot



## cpcStudio



## cpcCells



# 06

# Environmental Aspect



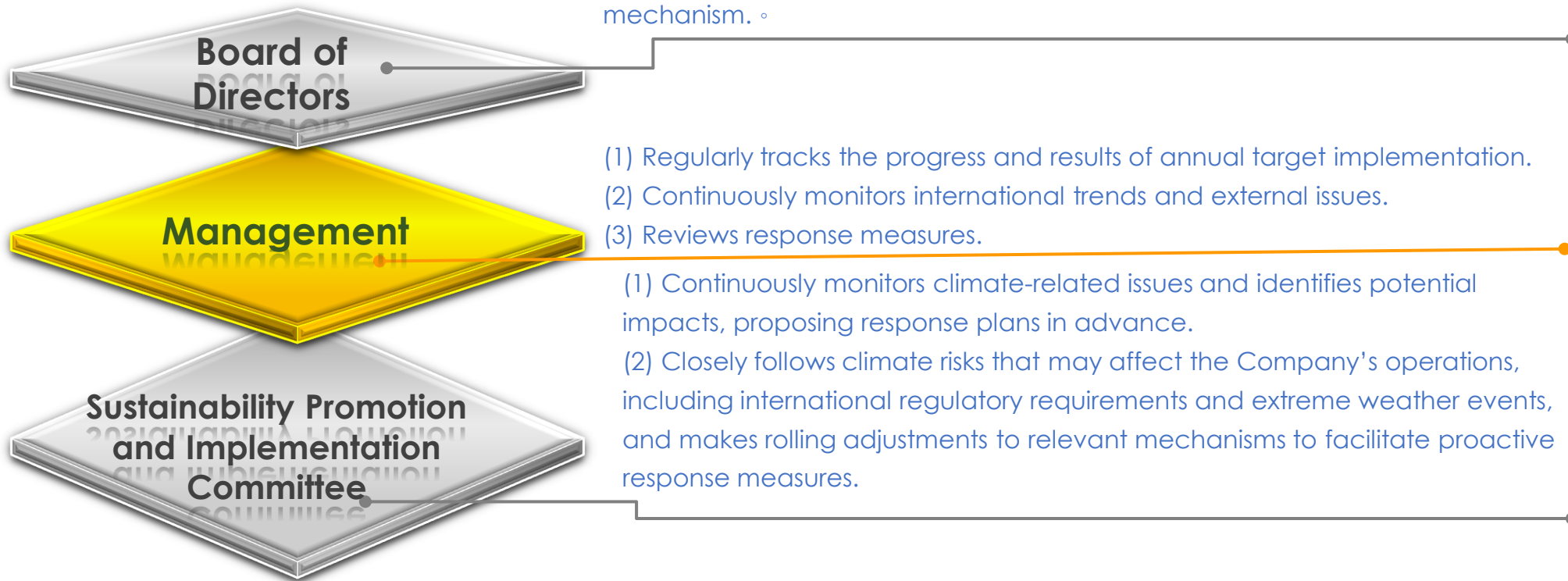
## Climate Change

From the international Paris Agreement to the domestic enactment of the Climate Change Response Act, it is evident that both globally and locally, growing attention is being paid to the impacts of climate change and extreme weather. With global warming becoming increasingly urgent, cpc not only pursues its operations but also considers how to minimize the environmental impacts of its activities. By formulating appropriate strategies, holding regular meetings, and implementing a wide range of energy-saving initiatives, the Company aims to reduce greenhouse gas emissions and mitigate the effects of global warming. This is achieved by optimizing energy resource efficiency, introducing environmentally friendly designs, practicing green operations, and striving for harmony with the environment.

As the environmental damage caused by global climate change intensifies, Taiwan in recent years has faced severe threats from typhoons, floods, and shortages of resources such as water and energy. To effectively monitor and address developments in climate change issues, cpc engages in climate change management and assessment, focusing on climate risk issues to mitigate the impacts of climate change and reduce environmental harm.

Category	Climate Change Risk Interval Item	Countermeasures and Results
Codes and Regulations	1. Greenhouse gas inventory investigation and declaration 2. 2.Total Emission Control	1. The Southern Science and Industry Park Administration of the Ministry of Science and Technology investigates companies' greenhouse gas emissions. 2. In accordance with the implementation of Taiwan's "Energy Administration Act", carry out energy saving and carbon reduction measures and declaration 3. Obtain ISO 14064-1 greenhouse gas inventory certificate for future planning
Energy/ Resources	Waste recycling	Recycling waste into plastics, iron and aluminum cans, paper, general waste, etc. can reduce waste incineration and red
	Solar energy	The Tree Valley Plant has set up solar energy equipment, which can be used for the basic use of electricity in the plant to achieve green energy supply.
Extreme Climate	Extreme climate may cause heavy rainfall events, long periods of drought and rain, floods, and typhoons to directly affect operations.	1. Respond and handle according to emergency preparedness and response management procedures 2. The pump at the discharge port increases the discharge pressure 3. Before and after floods and typhoons, carry out emergency response to reduce damage °
Long-Term	Sea level rise	Reducing greenhouse gas emissions can reduce the melting of ice in the South Pole and the Arctic, and ease the rising trend of sea level
	Impact on employee health	Reduce greenhouse gas emissions, reduce the occurrence of extreme climates, and thereby reduce the impact of extreme climates (such as sandstorms...) on the human body, such as asthma, allergies, etc

## Operating Model

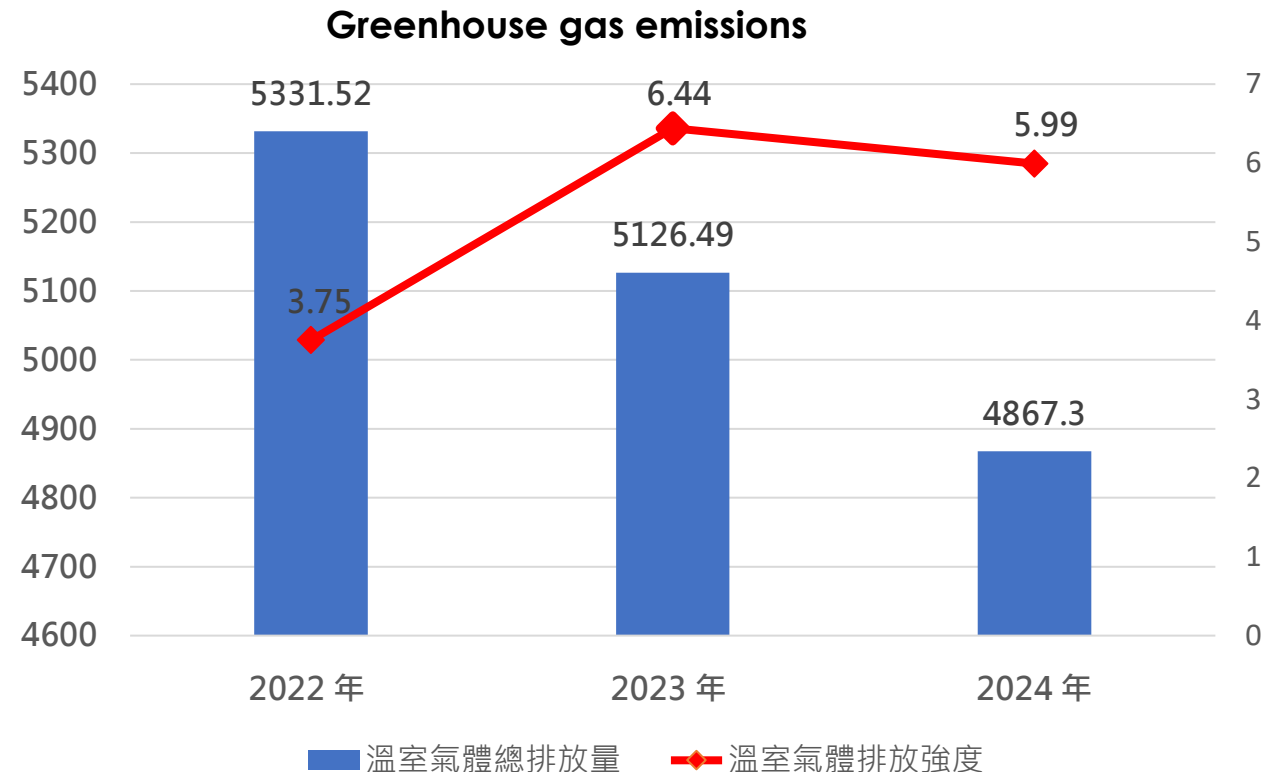




## Greenhouse gas emissions

To respond to the net-zero carbon emission trend and align with policy requirements, the Company has adopted the ISO 14064-1 standard to conduct voluntary greenhouse gas (GHG) inventories, with the scope covering the entire Company. It is expected to obtain ISO 14064 GHG Inventory Management System certification in the third quarter of 2025, in order to enhance the accuracy and reliability of GHG inventory data. In 2024, the Company's total GHG emissions amounted to 17,678 metric tons, with an emission intensity of 20.52. Once verification is completed, management, together with relevant departments, will further plan the reduction roadmap and develop emission reduction strategies along with short-, medium-, and long-term targets.

Item	2022	2023	2024
Scope 1: Direct Greenhouse Gas Emissions(metric tons CO <sub>2</sub> e)	55.0100	12.5624	11.4117
Scope 2: Indirect Greenhouse Gas Emissions(metric tons CO <sub>2</sub> e)	5,220.9600	4408.6536	3,987.0036
Scope 3: Other Indirect Greenhouse Gas Emissions(metric tons CO <sub>2</sub> e)	55.5500	705.2812	868.8902
Total Emissions = Scope 1 + Scope 2 + Scope 3 (metric tons CO <sub>2</sub> e)	5331.5200	5126.4972	4,867.3055
Revenue (in millions)	1,418.7433	795.9820	811.2591
Greenhouse Gas Emission Intensity	3.7500	6.4405	5.9996



## Energy Consumption

Energy and climate change have become global issues that demand close attention. cpc aspires to create positive impacts on the environment, society, and humanity through effective energy management.

In 2024, cpc's total energy consumption amounted to 36,327.672 GJ, with an energy intensity of 44.779 GJ per million NTD. This contributes to emission reduction efforts.

Total Internal Energy Consumption		2024
Non-Renewable Energy	Purchased Electricity (kWh/year)	8,411,400
	Purchased Electricity (GJ)	30,281.040
Renewable Energy	Solar Power (kWh/year)	1,679,260
	Solar Power (GJ)	6,046.632
Grid Electricity Ratio	%	80
Renewable Energy Ratio	%	20
Total Energy Consumption (GJ)		36,327.672
Energy Intensity (GJ per million NTD)		44.779

Note 1: Power conversion factor: 1 kWh = 0.0036 GJ.

Note 2: Energy Intensity (GJ/MNTD) = Total Energy Consumption (GJ) / million NTD.



## Renewable Energy

Shugu Solar Power Generation to Improve Energy Efficiency:

In 2024, CPC Corporation enhanced its energy efficiency by installing renewable energy facilities at the Shugu Phase I solar photovoltaic system. The solar equipment has an installed capacity of 268.46 kW, covers an area of 1,403.52 square meters, and includes 866 solar panels, each with a generation capacity of 310 W. In 2024, solar power generation reached 341,244 kWh. Based on the Bureau of Energy's announced 2024 electricity emission factor of 0.474 kg CO<sub>2</sub>/kWh, this equates to a reduction of 161.749 metric tons of CO<sub>2</sub> emissions, increasing renewable energy usage by 4.05%.

For Shugu Phase II, cpc Corporation installed solar power equipment with an installed capacity of 999.81 kW, covering an area of 4,942.26 square meters, with 3,225 solar panels, each also generating 310 W. In 2024, solar power generation totaled 1,338,016 kWh. Using the same emission factor of 0.474 kg CO<sub>2</sub>/kWh, this corresponds to a reduction of 634.219 metric tons of CO<sub>2</sub> emissions, raising renewable energy usage by 15.9%.

## Renewable Energy Usage Rate

Year	2022年	2023年	2024年
Solar Power Generation (kWh)	221,106	997,804	1,679,260
CO <sub>2</sub> Emissions Reduction (metric tons)	109.447	492.915	795.968
Increase in Renewable Energy Usage	2.10%	11.18%	20%
Data from the Bureau of Energy, Ministry of Economic Affairs	Calculated based on 0.495 kg CO <sub>2</sub> per kWh.	Calculated based on 0.494 kg CO <sub>2</sub> per kWh.	Calculated based on 0.474 kg CO <sub>2</sub> per kWh.

## Energy Conservation and Carbon Reduction Program

In line with the implementation of Taiwan's Greenhouse Gas Reduction and Management Act, energy conservation and carbon reduction were integrated into factory design from the outset. By adopting high-ceiling designs and installing ventilated heat-dissipating exterior walls, natural air circulation is utilized to reduce indoor temperatures, replacing air-conditioning systems. This approach saves electricity and reduces greenhouse gas emissions. Since electricity is the primary source of the company's greenhouse gas emissions, power conservation and other energy-saving measures have become the company's main environmental protection management objectives.



2024 Energy-Saving Action Plan	Dryer #2 Compressor Replacement Plan	Southern Taiwan Science Park Plant Skylight Lighting Replacement Plan
Program Details	<p>The old compressor of Dryer #2 was a reciprocating compressor, which, according to the electricity meter, consumed an average of 152 kWh per day (24 hours).</p> <p>After replacement, Dryer #2 now uses a scroll compressor, which consumes an average of 80 kWh per day (24 hours).</p> <p>Therefore, the replacement saves an average of 72 kWh per day.</p> <p>In 2024, Dryer #2 operated for a total of 281 days after replacement, resulting in total savings of: <math>72 \text{ kWh/day} \times 281 \text{ days} = 20,232 \text{ kWh}</math>.</p>	<p>In December 2024, the skylight lighting system operated for a total of 744 hours.</p> <p>Before improvement (mercury lamps):  <math>1000 \text{ W} \times 21 \text{ units} / 1000 = 21 \text{ kW}</math></p> <p>After improvement (LED fin-type modular floodlights):  <math>400 \text{ W} \times 21 \text{ units} / 1000 = 8.4 \text{ kW}</math></p> <p>Power savings:  <math>21 \text{ kW} - 8.4 \text{ kW} = 12.6 \text{ kW}</math></p> <p>Total electricity savings:  <math>12.6 \text{ kW} \times 744 \text{ hours} = 9,374.4 \text{ kWh}</math></p>
Electricity Savings (kWh)	<b>20,232</b>	<b>9,374.40</b>
Carbon Reduction (tons CO <sub>2</sub> e)	<b>9.589</b>	<b>4.443</b>



## Water Usage Situation

cpc's primary water source is 100% supplied by Taiwan Water Corporation, with the water drawn from the Wushantou Reservoir. Therefore, there has been no negative impact on the surrounding environment or water quality.

By maintaining long-term records of water resource consumption, CPC tracks its local water usage data. Through the implementation of water-saving measures, water intensity in 2024 decreased compared to 2023.

Wastewater consists of domestic sewage and process water. All wastewater is legally discharged into the sewage system and treated in compliance with the Southern Taiwan Science Park regulatory standards. In 2024, total wastewater discharge amounted to 12,645 tons. No pollution incidents occurred, and there was no significant impact on environmental water sources.

Year	2022	2023	2024
Water Consumption (metric tons, t)	35054.0000	36,954.0000	25,058
Water Intensity (metric tons per million NTD of revenue)	24.7000	46.4257	30.8877
Wastewater Discharge Volume (tons)	14,360	20,882	12,645

The company complies with the Water Pollution Control Act and has obtained the required water pollution control permits. In accordance with regulations, a qualified environmental testing organization is commissioned every six months to conduct water sampling and analysis. Furthermore, semiannual inspection reports are submitted through the designated website of the Environmental Protection Administration (EPA).

All discharged wastewater consistently meets the effluent standards set by the Southern Taiwan Science Park Administration.

In 2024, the total volume of wastewater discharged was 12,645 m<sup>3</sup>, and the water quality complied with the discharge standard values required by the Southern Taiwan Science Park Administration.

Testing Items	Water Temperature (°C)	PH	BOD (mg/L)	COD (mg/L)	SS (mg/L)	Ammonia (mg/L)
Southern Taiwan Science Park Effluent Discharge Standards	> 35	5~10	250	450	250	60
2024/06/06	27.6	7.5	61.1	382	99.5	40.6
2024/11/14	28.8	7.6	4	46.5	5.7	19.1

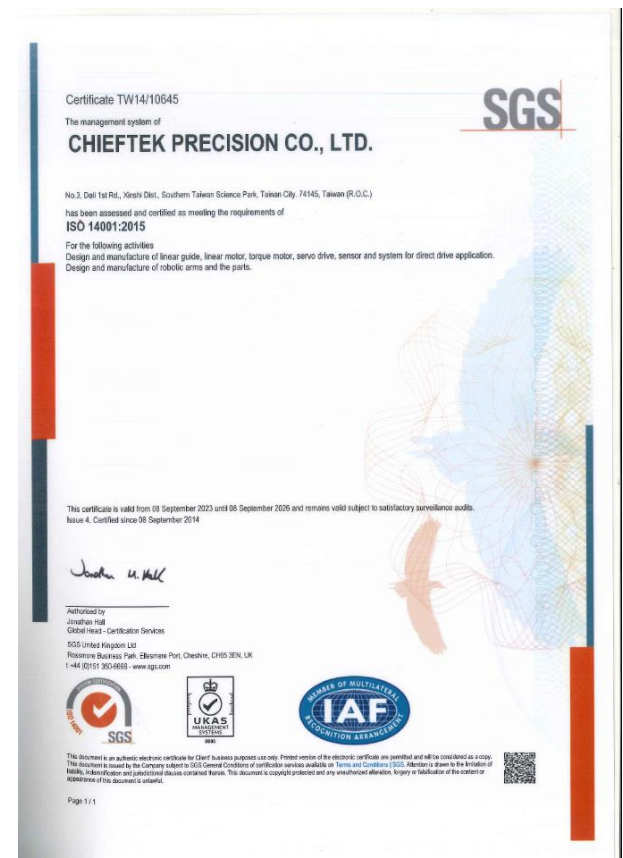
Note: Testing conducted by Jin Zhan Inspection Technology Co., Ltd. (Environmental Protection Administration Certification No. 019).

Water Resource Management or Reduction Targets

- ❖ Rainwater Recycling: Rainwater collected in storage tanks is used for flushing urinals and toilets, as well as for watering plants, thereby reducing tap water consumption.
- ❖ Adjustment of Plant Watering Schedule: Sprinkler operating times are reduced to lower irrigation water usage.
- ❖ Recycling of Cutting Fluid from Waste Grinding Slurry: During the grinding process, waste grinding slurry is generated, which contains an average of about 37% cutting fluid. Using a centrifugal dehydrator, the cutting fluid is extracted and then recycled back into the machines for reuse, reducing the need for additional tap water.

# ISO14001 Environmental Management System Certification

cpc has obtained ISO 14001:2015 Environmental Management System certification, ensuring the implementation of environmental management practices in line with both national and international standards. Through the ISO 14001 framework, CPC conducts regular PDCA (Plan-Do-Check-Act) performance reviews to achieve its commitment to green operations and sustainable development.





## Waste Generation Situation

cpc manages its waste in compliance with the Waste Disposal Act and according to the nature of the waste, following the regulations stipulated in the “Standards for the Storage, Clearance, and Disposal of Industrial Waste.” The company emphasizes waste reduction at the source and implements waste sorting and recycling. Household waste is stored in garbage bins, recyclable materials are temporarily placed in the recycling area within the plant, while Category D waste and Category R reusable materials are stored separately in temporary storage areas. All storage practices comply with industrial waste storage and treatment standards. Final treatment methods include incineration, landfill, and reuse, which are outsourced to qualified contractors.

Both waste and recyclable materials are handled by external contractors. cpc only signs waste disposal and transportation contracts with contractors who have passed qualification reviews, including checks on permits, operational status, waste disposal codes, and permit validity. Each year, cpc dispatches staff irregularly to accompany and supervise the waste haulers to ensure compliance with regulations. Supporting documentation and tracking forms are also used to ensure the smooth execution of waste transportation and disposal operations.

**The disclosed waste disposal data is as follows:**

Year	Hazardous Waste (metric tons)	Non-Hazardous Waste (metric tons)	Waste Intensity (metric tons per million NTD of revenue)
2022年	0	334.5330	0.2350
2023年	0	217.7000	0.2735
2024年	0	146.5649	0.1806

Category	Item	Disposal Method	2022	2023	Unit: tons 2024
Non-Hazardous Waste	D-2399 General Waste Chemical Mixtures (waste wipes, filter paper)	Incineration	51.2	54	31.69
	D-2499 Other Unclassified General Industrial Waste (waste grinding sludge)	Landfill	166.49	106.01	70.04
	D-2406 Waste Grinding Wheels	Landfill	13.65	16.18	9.94
	D-1801 Household Waste	Incineration	55.973	41.47	34.8949
	D-1799 Waste Oil Mixtures	Physical Treatment	47.22	0	0
	Total		334.5330	217.7000	146.5649

## Waste Management or Reduction Targets

- ❖ Vendors recycle wooden crates for reuse, reducing wooden crate disposal and lowering tree cutting.
- ❖ Pallets and wooden crates are recycled and used for shipment packaging or inventory management.
- ❖ Unusable pallets and wooden crates in the factory are reported for reuse to the Environmental Protection Administration and collected by licensed recycling companies. They are reused to manufacture recycled pallets and crates, while the remaining materials are processed into wood chips to be used as boiler fuel.
- ❖ Cutting fluid is recovered from waste grinding sludge, reducing the transportation weight of the sludge.
- ❖ Garbage sorting and recycling are carried out.
- ❖ Waste lubricating oil generated by factory machines undergoes oil-water separation in a secondary recovery facility. After separation, the oil is collected in steel drums and stored until a sufficient amount is reached. The process is reported to the Environmental Protection Administration, and licensed recycling companies collect it for reuse, converting the waste oil into recycled fuel oil for boilers, thereby reducing environmental impact.



## Air Pollution Control

cpc is not classified by the competent authority as a regulated public or private site required to conduct periodic testing and reporting of stationary pollution sources. cpc provides products and services such as cpcCells, cpcRobot, and cpcStudio, none of which involve processes that generate significant air pollutants. In 2024, cpc did not use any ozone-depleting substances (ODS) and did not produce or emit nitrogen oxides (NOx), sulfur oxides (SOx), or other notable gases.

cpc's air pollution management policy is based on compliance with environmental regulations, commitment to pollution prevention, active participation of all employees, and continuous improvement.

Air pollution not only impacts the environment but also poses risks to human health. To protect both the environment and public health, cpc actively promotes emission reduction policies and calls upon stakeholders to strengthen air pollution monitoring and control efforts.

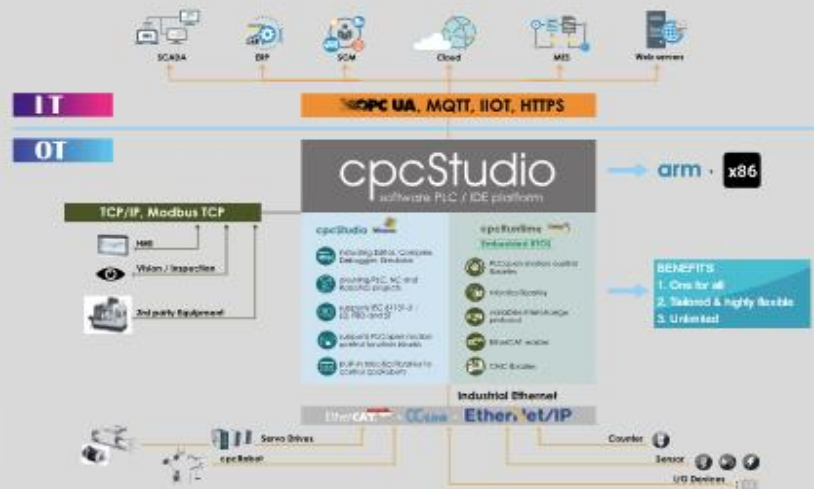
Together with its employees, cpc will continue to raise environmental awareness and reduce pollution caused by process emissions, thereby achieving sustainable development goals and fulfilling its corporate social responsibility.



cpcRobot



cpcStudio



cpcCells



# Appendix





# Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
--	Contents		1-2	
1	About This Report		3	
1-01	Report Information		4	
1-01-1	Reporting Period	GRI 2-3 Reporting period, frequency and contact point	4	
1-01-2	Reporting Boundary and Scope	GRI 2-2 Entities included in the organization's sustainability reporting	4	
1-01-3	Reporting Standards and Frameworks	Adopted the GRI Standards on a "Reference" Basis	4	
1-01-4	Report Publication	GRI 2-3 Reporting period, frequency and contact point	5	
1-01-5	Restatement of Information	GRI 2-4 Restatements of information	5	
1-01-6	Third-Party Assurance Section	GRI 2-5 External assurance	5	
1-01-7	Contact Information	GRI 2-3 Reporting period, frequency and contact point	5	
1-02	About cpc	GRI 2-1 Organizational details GRI 2-6 Activities, value chain and other business relationships GRI 2-28 Membership associations	6-19	

## Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
2	Business philosophy and sustainability strategy		20	
2-01	Business Philosophy and Sustainability Development Strategy / Message from the Management	GRI 2-22 Statement on sustainable development strategy	21-25	
2-02	Sustainability in practice		26	
2-02-1	ESG Governance and Implementation Structure		27	
2-02-2	Status of Operations and Implementation	GRI 2-9 Governance structure and composition GRI 2-13 Delegation of responsibility for managing impacts GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 2-14 Role of the highest governance body in sustainability reporting	28	
2-03	Board of Directors and Functional Committees		29	
2-03-1	Board Members	GRI 2-9 Governance structure and composition GRI 2-11 Chair of the highest governance body	29-30	
2-03-2	Responsibilities of the Board of Directors	GRI 2-14 Role of the highest governance body in sustainability reporting GRI 2-10 Nomination and selection of the highest	31	

## Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
2-03-3	Diversity of the Board of Directors	GRI 405-1 Diversity of governance bodies and employees	32-33	
2-03-4	Conflict of Interest	GRI 2-15 Conflicts of interest	34	
2-03-5	Annual Board Performance Evaluation	GRI 2-18 Evaluation of the performance of the highest governance body	35	
2-03-6	Continuing Education in ESG/Sustainable Development	GRI 2-17 Collective knowledge of the highest governance body	36-37	
2-03-7	Audit Committee	GRI 2-9 Governance structure and composition	38-39	
2-03-8	Remuneration Committee	GRI 2-9 Governance structure and composition	40-41	
3	Material Topic Identification		42	
3-01	Stakeholder Engagement	GRI 2-29 Approach to stakeholder engagement	43-46	
3-02	Material Topic Determination Process	GRI 3-1 Process to determine material topics	47-48	
3-03	Explanation of Major Topic Impacts and Management Mechanisms	GRI 3-2 List of material topics GRI 3-3 Management of material topics GRI 2-23 Policy commitments GRI 2-24 Embedding policy commitments	49-55	
4	Economic and Corporate Governance Aspect		56	

## Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
4-01	Economic Performance	GRI 201-1 Direct economic value generated and distributed	57-58	
4-02	Taxation	GRI 207-1 Approach to tax GRI 207-2 Tax governance, control, and risk management GRI 207-3 Stakeholder engagement and management of concerns related to tax	59	
4-03	Establish Integrity Management Policies and Programs		60	
4-03-1	Integrity Management Policy	GRI 2-23 Policy commitments GRI 2-24 Embedding policy commitments GRI 2-25 Processes to remediate negative impacts GRI 2-26 Mechanisms for seeking advice and raising	60-61	
4-03-2	Practical Approaches and Regulations for Promoting Integrity Management	GRI 2-24 Embedding policy commitments	62	
4-03-3	Whistleblowing System	GRI 2-25 Processes to remediate negative impacts	62	
4-03-4	Whistleblower Protection System	GRI 2-25 Processes to remediate negative impacts	62-63	
4-03-5	Sustainability	GRI 2-24 Embedding policy commitments	63	



## Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
4-03-6	Anti-Corruption, Anti-Competitive, Anti-Trust, and Anti-Monopoly Practices	GRI 205-1 Operations assessed for risks related to corruption GRI 205-2 Communication and training about anti-corruption policies and procedures GRI 205-3 Confirmed incidents of corruption and actions taken GRI 206-1 Legal actions for anti-competitive behavior, antitrust, and monopoly practices	63	
4-04	Risk Management	GRI 2-16 Communication of critical concerns GRI 2-23 Policy commitments	64-67	
4-04-1	Regulatory Compliance	GRI 2-27 Compliance with laws and regulations	68-69	
4-04-2	Internal Audit	GRI 2-25 Processes to remediate negative impacts	70	
4-05	Information Security	GRI 3-3 Management of material topics GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	71-75	Material Topics
4-06	Innovation and R&D	GRI 2-6 Activities, value chain and other business relationships	76-80	
4-07	Customer Relations	GRI 3-3 Management of material topics GRI 417-1 Requirements for product and service information and labeling GRI 2-25 Processes to remediate negative impacts	81-85	Material Topics

## Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
4-08	Product Quality	GRI 3-3 Management of material topics GRI 417-1 Requirements for product and service information and labeling GRI 417-2 Incidents of non-compliance concerning product and service information and labeling GRI 417-3 Incidents of non-compliance concerning marketing communications	86-87	Material Topics
4-09	Supply Chain Management	GRI 3-3 Management of material topics GRI 2-6 Activities, value chain and other business relationships GRI204-1 Proportion of spending on local suppliers	88-91	Material Topics
5	Social Aspect		92	
5-01	Human Resource Development		93	
5-01-1	Human Rights Commitment	GRI 2-23 Policy commitments GRI 2-24 Embedding policy commitments GRI 408-1 Operations and suppliers at significant risk for incidents of child labor GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	93	
5-01-2	Workforce Structure and Talent Recruitment	GRI 3-3 Management of material topics GRI 2-7 Employees GRI 405-1 Diversity of governance bodies and employees	94-95	Material Topics

## Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
5-01-3	New Hires and Resignations	GRI 2-8 Workers who are not employees GRI 401-1 New employee hires and employee turnover	96-97	
5-01-4	Employee Benefits	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees GRI 201-3 Defined benefit plan obligations and other retirement plans	98	
5-01-5	Parental	GRI 401-3 Parental leave	99	
5-01-6	Compensation Policy	GRI 2-19 Remuneration policies GRI 2-20 Process to determine remuneration GRI 2-21 Annual total compensation ratio	100	
5-01-7	Collective Agreement	GRI 2-30 Collective bargaining agreements GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	100	
5-01-8	Labor Relations	GRI 3-3 Management of material topics GRI 402-1 Minimum notice periods regarding operational changes GRI 406-1 Incidents of discrimination and corrective actions taken	101	Material Topics

## Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
5-01-9	Employee Education and Training	GRI 404-1 Average hours of training per year per employee GRI 404-2 Programs for upgrading employee skills and transition assistance programs GRI 404-3 Percentage of employees receiving regular performance and career development reviews	102-103	
5-02	Occupational Health and Safety	GRI 3-3 Management of material topics GRI 403-1 Occupational health and safety management system GRI 403-2 Hazard identification, risk assessment, and incident investigation GRI 403-3 Occupational health services GRI 403-4 Worker participation, consultation, and communication on occupational health and safety GRI 403-5 Worker training on occupational health and safety GRI 403-6 Promotion of worker health GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships GRI 403-8 Workers covered by an occupational health and safety management system GRI 403-9 Work-related injuries GRI 403-10 Work-related ill health	104-118	Material Topics
5-03	Social Participation	GRI 201-1 Direct economic value generated and distributed	119-120	



## Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
6	Environmental Aspect		121	
6-01	Climate Change	GRI 201-2 Financial implications and other risks and opportunities due to climate change	122-124	
6-02	Greenhouse gas emissions	GRI 305-1 Direct (Scope 1) GHG emissions GRI 305-2 Energy indirect (Scope 2) GHG emissions GRI 305-3 Other indirect (Scope 3) GHG emissions GRI 305-4 GHG emissions intensity GRI 305-5 Reduction of GHG emissions	125	
6-03	Energy management	GRI 3-3 Management of material topics GRI 302-1 Energy consumption within the organization GRI 302-2 Energy consumption outside of the organization GRI 302-3 Energy intensity GRI 302-4 Reduction of energy consumption	126-129	Material Topics
6-04	Water Resource Management	GRI 303-1 Interactions with water as a shared resource GRI 303-2 Management of water discharge-related impacts GRI 303-3 Water withdrawal GRI 303-4 Water discharge GRI 303-5 Water consumption GRI 306-5 Water bodies affected by water discharges and/or runoff	130-132	

# Global Reporting Initiative (GRI) Standards Index

Chapter Number	Chapter Title	GRI Standards and Disclosure Items	Page	Notes
6-05	Waste Management	GRI 3-3 Management of material topics GRI 306-1 Water discharge by quality and destination GRI 306-2 Waste by type and disposal method GRI 306-3 Significant spills GRI 306-4 Transport of hazardous waste	133-134	Material Topics
6-06	Air Pollution Control	GRI 3-3 Management of material topics GRI 305-6 Emissions of ozone-depleting substances (ODS) GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	135	Material Topics
	Appendix		136	
	Appendix I	Global Reporting Initiative (GRI) Standards Index	137~146	
	Appendix II	Sustainability Accounting Standards Board (SASB) Metrics Index	147~149	
	Appendix III	Climate-Related Information for Listed Companies	150-152	



## Sustainability Accounting Standards Board (SASB) Metrics Index

SASB TOPIC	NO.	METRIC	CATEGORY	UNIT OF MEASURE	2024 Disclosure and Explanation	Page	Notes
Energy Management	RT-IG-130a.1.	Total energy consumed,	Quantitative	GJ	36,327.672	126	
		percentage grid electricity and	Quantitative	%	80%		
		percentage renewable	Quantitative	%	20%	128	
Workforce Health & Safety	RT-IG-320a.1	Total recordable incident rate (TRIR)	Quantitative	Rate	2.84% In 2024, there were 2 cases. Formula: (Recordable Occupational Injuries [including fatalities and serious occupational injuries] / Total Work Hours) × 1,000,000	130	
		fatality rate	Quantitative	Rate	0%		
		near miss frequency rate (NMFR)	Quantitative	Rate	0%		
Fuel Economy & Emissions in Use-phase	RT-IG-410a.1.	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	L/100ton – km	Not Applicable. cpc's products are not equipment powered by fuel, whether stationary, mobile, or generators.		
	RT-IG-410a.2.	Sales-weighted fuel efficiency for nonroad equipment	Quantitative	L/hr			

SASB TOPIC	NO.	METRIC	CATEGORY	UNIT OF MEASURE	2024 Disclosure and Explanation	Page	Notes
Fuel Economy & Emissions in Use-phase	RT-IG-410a.3.	Sales-weighted fuel efficiency for stationary generators	Quantitative	L/hr	Not Applicable. cpc's products are not equipment powered by fuel, whether stationary, mobile, or generators.		
	RT-IG-410a.4.	Sales-weighted emissions of (1) nitrogen oxides (NOx ) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines and (d) other non-road diesel engines	Quantitative	g/KJ			
Materials Sourcing	RT-IG-440a.1.	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	-	cpc is committed to conflict-free sourcing in its supply chain, requiring both new and existing suppliers to sign a Conflict Minerals Commitment Letter. This ensures that tantalum (Ta), tin (Sn), tungsten (W) (collectively referred to as 3TG minerals), cobalt (Co), gold (Au), and mica are not sourced from mines in the Democratic Republic of Congo or neighboring countries controlled by armed groups. Going forward, CPC will continue to review suppliers' conflict minerals policies and actions to uphold its commitment to conflict-free sourcing.		



SASB TOPIC	NO.	METRIC	CATEGORY	UNIT OF MEASURE	2024 Disclosure and Explanation	Page	Notes																																																						
Remanufacturing Design & Services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Quantitative	Presentation currency	Not Applicable																																																								
Activity Metrics	RT-IG-000.A.	Number of units produced by product category	Quantitative	Number	<table><tr><th colspan="10">Unit: Thousand Pieces / Thousand NTD</th></tr><tr><th>Year \ Product</th><th colspan="2">2022</th><th colspan="2">2023</th><th colspan="2">2024</th></tr><tr><th></th><th>Production Capacity</th><th>Production Volume</th><th>Production Capacity</th><th>Production Volume</th><th>Production Capacity</th><th>Production Volume</th></tr><tr><td>Linear Guideways and Carriages</td><td>-</td><td>7,416</td><td>1,624,141</td><td>-</td><td>3,493</td><td>833,893</td><td>-</td><td>3,727</td><td>920,705</td></tr><tr><td>Linear Motors</td><td>-</td><td>9</td><td>48,048</td><td>-</td><td>8</td><td>41,681</td><td>-</td><td>8</td><td>49,203</td></tr><tr><td>Total</td><td>-</td><td>7,425</td><td>1,672,189</td><td>-</td><td>3,501</td><td>875,574</td><td>-</td><td>3,635</td><td>969,908</td></tr></table>	Unit: Thousand Pieces / Thousand NTD										Year \ Product	2022		2023		2024			Production Capacity	Production Volume	Production Capacity	Production Volume	Production Capacity	Production Volume	Linear Guideways and Carriages	-	7,416	1,624,141	-	3,493	833,893	-	3,727	920,705	Linear Motors	-	9	48,048	-	8	41,681	-	8	49,203	Total	-	7,425	1,672,189	-	3,501	875,574	-	3,635	969,908		
	Unit: Thousand Pieces / Thousand NTD																																																												
Year \ Product	2022		2023		2024																																																								
	Production Capacity	Production Volume	Production Capacity	Production Volume	Production Capacity	Production Volume																																																							
Linear Guideways and Carriages	-	7,416	1,624,141	-	3,493	833,893	-	3,727	920,705																																																				
Linear Motors	-	9	48,048	-	8	41,681	-	8	49,203																																																				
Total	-	7,425	1,672,189	-	3,501	875,574	-	3,635	969,908																																																				
	RT-IG-000.B.	Number of employee	Quantitative	Number	<table><tr><th>Year \ Number of People</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td></td><td>437</td><td>357</td><td>322</td></tr></table>	Year \ Number of People	2022	2023	2024		437	357	322	94																																															
Year \ Number of People	2022	2023	2024																																																										
	437	357	322																																																										



## Climate-Related Information for Listed Companies

Item	Implementation Status
Explanation of the Board of Directors' and Management's Oversight and Governance of Climate-Related Risks and Opportunities °	<p>Board of Directors: Supervises and approves major decisions related to climate change management to ensure the effective operation of climate change management mechanisms.</p> <p>Management:</p> <ol style="list-style-type: none"> <li>1. Regularly monitors the implementation progress and outcomes of annual targets.</li> <li>2. Continuously pays attention to international trends and external issues.</li> <li>3. Reviews and approves response measures.</li> </ol>
Explanation of How Identified Climate Risks and Opportunities Affect the Company's Business, Strategy, and Finances in the Short, Medium, and Long Term	<p>In terms of climate, the most significant factors are the increasing extremity of rainy and dry seasons, with extreme weather events leading to unusually high temperatures in certain regions. These are expected to become the norm. The evaluation is as follows:</p> <p>1.Business Impact:</p> <ul style="list-style-type: none"> <li>• Short Term: No significant or material impact on the company has been observed.</li> <li>• Medium to Long Term: Potential challenges may include water and electricity shortages, as well as less favorable working environments due to high temperatures, earthquakes, and typhoons. Corresponding response measures will be adopted to mitigate potential or practical impacts on production.</li> </ul> <p>2.Strategic and Financial Impact:</p> <ul style="list-style-type: none"> <li>• Short Term: Insurance premiums may increase due to earthquakes.</li> <li>• Medium Term: Typhoons, floods, and other extreme weather events may raise operating costs.</li> <li>• Long Term: Changes in rainfall patterns and broader climate change may continue to increase operating costs.</li> </ul>
Explanation of the Financial Impacts of Extreme Climate Events and Transition Actions	<p>Extreme Climate Events:</p> <p>These may cause supply chain disruptions or increased transportation costs, leading to delivery delays, market contraction, and consequently affecting revenue. On the financial side, greater investment will be required in factory automation, energy-saving initiatives, and increased adoption of renewable energy.</p> <p>Transition Response Actions:</p> <p>Develop new suppliers, adjust inventory levels as needed, and invest in renewable and low-carbon energy equipment.</p>

Item	Implementation Status
Explanation of the Financial Impacts of Extreme Climate Events and Transition Actions	<p>Extreme Climate Events: These may cause supply chain disruptions or increased transportation costs, leading to delivery delays, market contraction, and consequently affecting revenue. On the financial side, greater investment will be required in factory automation, energy-saving initiatives, and increased adoption of renewable energy.</p> <p>Transition Response Actions: Develop new suppliers, adjust inventory levels as needed, and invest in renewable and low-carbon energy equipment.</p>
Explanation of How the Identification, Assessment, and Management of Climate Risks Are Integrated into the Overall Risk Management System	<p>A Sustainability Development Task Force has been established to continuously monitor climate-related issues and identify potential impacts, while proactively proposing response plans. The company also closely tracks climate risks that may affect its operations, including international regulatory requirements and occurrences of extreme weather events. Relevant mechanisms are adjusted on a rolling basis to enable the timely adoption of appropriate countermeasures.</p>
If scenario analysis is used to evaluate resilience in the face of climate change risks, the scenarios, parameters, assumptions, analytical factors, and key financial impacts should be explained.	<p>In 2024, the company did not use scenario analysis to evaluate resilience in the face of climate change risks.</p>
If there are transition plans to manage climate-related risks, the content of such plans should be explained, along with the indicators and targets used to identify and manage physical and transition risks.	<p>In 2024, the company had no transition plans in place to manage climate-related risks.</p>
If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	<p>The company has not yet implemented internal carbon pricing.</p>

Item	Implementation Status
If climate-related targets are set, the covered activities, greenhouse gas emission scopes, planned timeline, and annual progress should be explained. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, the sources and quantities of offsets, or the number of RECs, should also be disclosed.	In 2024, the company had not yet set any climate-related targets.
Greenhouse Gas Inventory and Assurance Status, Reduction Targets, Strategies, and Concrete Action Plans	The company has established a greenhouse gas inventory schedule, with quarterly monitoring and reporting to the Board of Directors.



Not only for users, but also for designers

cpc's products inspire you!

Together with cpc to achieve new levels of innovation!



CHIEFTEK PRECISION CO., LTD

NO.3, Dali 1st Rd., Xinshi Dist., Southern Taiwan  
Science Park, Tainan City. 744-093, Taiwan (R.O.C.)

TEL:06-5055858

FAX:06-5055959

<https://www.chieftek.com>

