2025 Sustainability Report



Nano Electronics and Micro System Technologies, Inc.

Reporting Period: January 1 to December 31, 2025

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About This Report

Nano Electronics and Micro System Technologies, Inc. ("NEMStek" or "the Company") published its first sustainability report in 2026 in accordance with the applicable rules governing the preparation and filing of sustainability reports by listed companies. Through five chapters—Shining Vision and Corporate Overview; A Foundation of Sound Governance; Technology with Responsibility, Products and Supply Chain; Sustaining the Environment, Energy and Resource Management; and Creating Well-being Together, a Safe and Healthy Workplace—the report transparently discloses the Company's sustainability initiatives and performance across the environmental, social, and governance (ESG) dimensions. This report enables stakeholders to understand NEMStek's efforts and determination to achieve continuous progress in sustainable development and corporate social responsibility.

Scope and Boundaries

The data and information disclosed in this report primarily cover fiscal year 2025, from January 1 to December 31, 2025. To provide more complete disclosure and appropriate context, certain information also refers to events occurring before or after 2025. The reporting boundary covers Nano Electronics and Micro System Technologies, Inc. (Tainan headquarters) and excludes its subsidiaries. Financial information, however, is derived from the consolidated financial statements to ensure consistency with the financial statements publicly disclosed by the Company.

Item	Company Details
Included in the reporting scope	Tainan headquarters: Nano Electronics and Micro System Technologies, Inc.
Excluded from the reporting scope	Subsidiary: Stable Promise Group Co., Ltd.; Subsidiary: Kunshan Branch of NEMS Technologies Co.,Ltd.

If information in this report differs from information in the Company's annual report, such as differences in the classification of accounting items, the relevant items will be reconciled and explained in accordance with International Financial Reporting Standards (IFRS) to facilitate comparison and understanding. The Company's policies and management practices are based on the internal management systems of Nano Electronics and Micro System Technologies, Inc. in Taiwan.

Reporting Standards

The structure of this report references the GRI Universal Standards 2021 issued by the Global Reporting Initiative (GRI) in 2021 as the basis for information disclosure. It also responds to the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB) Standards to enhance the completeness of disclosure.

The information and data in this report were provided by departments at the headquarters and individual plants. After compilation and editing by the sustainability report preparation team, the report was submitted to the General Manager and Chairperson for review in accordance with the Company's administrative procedures and was then finalized for publication. The 2025 Sustainability Report will be issued after being submitted to the Board of Directors for review.

Although the Company's 2025 Sustainability Report has not undergone external third-party assurance or verification, the Company has established procedures for preparing and assuring sustainability reports and plans to incorporate them into its internal control processes to enhance reporting quality. To ensure the accuracy and credibility of the report, all financial data disclosed herein are taken from the annual financial

statements audited and certified by Crowe (TW) CPAs. Environmental, occupational safety, and health performance is presented using internationally recognized indicators. Certain data are taken from information published on government agency websites and are presented using generally accepted numerical conventions. Any estimates are identified in the relevant sections.

Publication Information

This is NEMStek's first sustainability report; therefore, no information has been restated. The Company will prepare and publish a sustainability report annually in the future.

- Current edition: Published in August 2026
- Next edition: Scheduled for publication in August 2027

Contact Information

If you have any questions, comments, or suggestions regarding this report, please contact us.

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- Sustainability section: https://www.nemstek.com.tw

Sustainability Vision

Guided by the belief that “we have only one Earth and share a common future across generations and communities,” NEMStek is committed to creating corporate value by pursuing financial performance while also advancing environmental and social sustainability. We believe that sustainable development must be aligned with international trends, fulfill corporate social responsibility, improve corporate governance performance, and meet the expectations of employees, customers, suppliers, shareholders, and society, thereby fostering sustainability-based competitive advantages. We are committed to implementing sound corporate governance, developing a sustainable environment, and promoting social well-being as the guiding principles for NEMStek’s progress toward its sustainable development goals.

Implement Sound Corporate Governance

- Establish sustainable development policies and management approaches and incorporate them into the Company’s operating plans.
- Establish an executive unit responsible for promoting sustainable development, implementing relevant programs and training, and reporting regularly to the Board of Directors.
- Formulate reasonable remuneration policies and performance appraisal systems to support organizational development and protect stakeholder rights and interests.
- Implement quality control circles for sustainable development.

Develop a Sustainable Environment

- Establish an environmental management system for operating activities and formulate measurable environmental sustainability indicators covering people, machinery, materials, methods, and the environment, with regular review and improvement.
- Develop green products, including products that conserve energy, reduce carbon emissions, and support clean new energy.
- Use water resources responsibly and implement environmental pollution prevention and control.

Promote Social Well-being

- Respect internationally recognized labor and human rights, including freedom of association, the right to collective bargaining, care for disadvantaged groups, the prohibition of child labor, the elimination of all forms of forced labor, and the elimination of discrimination in employment and occupation.
- Ensure that human resource policies do not discriminate on the basis of gender, race, socioeconomic status, age, marital status, or family status, and uphold fairness and justice in the workplace.
- Establish effective and appropriate labor grievance mechanisms that ensure equality, transparency, accessible communication, and proper responses.
- Emphasize responsibility for products and services, uphold marketing ethics, and ensure information transparency, health and safety, and protection of stakeholder rights and interests.
- Implement supplier management policies and require suppliers to comply with applicable requirements relating to environmental protection, occupational safety and health, and labor rights.
- Continue supporting community development and charitable organizations through donations and volunteer services.

Sustainability Performance

Environmental

- The Company did not use any ozone-depleting substances during the past three years.
- All wastewater discharged in 2025 met applicable standards, and no related penalties were imposed.
- Waste generated in 2025 decreased by 15.75% compared with the previous year.
- No significant waste spills occurred in 2025.
- No material fines or compensation arose from violations of environmental protection laws and regulations in 2025.

Social

- The employee new-hire rate was 36.84% in 2025.
- No incidents of discrimination or human rights violations occurred in 2025.
- No employees were forced to work excessive hours or overtime in 2025.
- The Company did not employ child labor or assign young workers to hazardous work in 2025.
- In 2025, there were no cases of occupational disease and no fatalities resulting from major occupational accidents.
- No infringements of Indigenous Peoples' rights occurred in 2025.
- Total employee training amounted to 39 hours in 2025.
- No violations of employees' rights to freedom of association or collective bargaining occurred in 2025.
- The Company spent NT$412,154 on charitable activities in 2025.

Governance

- No material fines or compensation arose from violations of laws and regulations in 2025.
- No incidents involving violations of ethical corporate management, anti-competitive conduct, antitrust laws, or monopolistic practices occurred in 2025.
- No corruption incidents or political contributions occurred in 2025.
- The 2025 Board performance evaluation score was 95.65%, indicating sound overall operation.
- No customer personal data breaches occurred in 2025, and no related complaints were received or suspected to have been submitted by competent authorities or customers.
- No material information or cybersecurity incidents occurred in 2025.
- The average customer score was 82 points in 2025.

Chapter 1 Shining Vision and Corporate Overview

1.1 Company Profile

Company Introduction

Founded in 2002, Nano Electronics and Micro System Technologies, Inc. specializes in the research, development, and manufacture of industrial plasma surface treatment solutions. Centered on high-density inductively coupled plasma (ICP) and Atmospheric Plasma technologies, the Company's products are widely used in the semiconductor, printed circuit board (PCB), and optoelectronics industries. The Company is also actively expanding into international markets, including Japan, the United States, and Europe.

NEMStek continues to invest in research and development and has extended the application of its plasma technologies into consumer industries and the biomedical field, demonstrating the broad applicability and expansion potential of its technology platform. The Company values talent development and is committed to providing a workplace that offers both opportunities for growth and a sense of belonging, thereby supporting its long-term development.

Company Information

Item	Details
Company name	Nano Electronics and Micro System Technologies, Inc.
Date established	June 11, 2002
Market	TWSE listed
Listing date	November 4, 2025
Stock code	7730
Industry	Semiconductor Industry
Principal business activities	Research, development, design, and manufacture of industrial plasma surface treatment equipment
Chairperson	Sung Chun-Yi
General Manager	Hsu Chia-Yuan
Number of employees	76
Operating location	Tainan headquarters: No. 100, Keji 5th Road, Annan District, Tainan City, Taiwan
Paid-in capital	NT$367,967,310
Website	https://www.nemstek.com.tw/EN/

Shareholding Structure

As of March 31, 2026

Shareholder Category	Shares Held	Percentage
Foreign nationals and institutions	553,927	1.51%
Domestic institutional shareholders	9,200,433	25.00%
Individual shareholders	27,042,371	73.49%

Vision Mission and Core Values

The Company's operations are founded on five core values: Integrity, Commitment to Quality, Mutual Prosperity with Partners, Professional Excellence, and Continuous Innovation. These values drive the Company's continued growth and its creation of long-term value for all stakeholders.

The Company aspires to become the world's most advanced and largest provider of plasma surface treatment technologies and plasma equipment manufacturing services. By integrating smart production and building the industry's strongest competitive team, the Company is committed to becoming a leader in plasma technology and to continuously creating maximum value for customers through the highest standards of credibility and professionalism. Our mission is to serve as a long-term and trusted technology partner to advanced industries worldwide.

NEMStek has cultivated plasma application technologies for many years. Its products serve the semiconductor, IC substrate, PCB, and new energy industries. Guided by the principle of "technology innovation at the core and application breakthroughs as the direction," the Company continues to advance process upgrades and green, sustainable development. Its professional R&D capabilities and integration expertise have earned strong recognition from customers in Taiwan and overseas.

Looking ahead, NEMStek will continue to build on the principle of "technology innovation at the core and application breakthroughs as the direction," deepen its core plasma technologies, and expand its international market presence. In step with trends in green processes and smart manufacturing, the Company aims to become Asia's most competitive leading brand of plasma process equipment and create long-term value for shareholders, customers, and society.

Integrity. The Company conducts itself with integrity in its relationships with suppliers and customers to create mutually beneficial outcomes. Integrity and trust are the foundations of the Company.

Commitment to Quality. Partnerships with internationally renowned semiconductor manufacturers demonstrate the exceptional quality and reliability of the Company's products and services.

Mutual Prosperity with Partners. The Company establishes long-term, mutually beneficial relationships with suppliers and customers and is committed to growing together and creating greater value.

Professional Excellence. The Company creates optimal value for customers through an efficient and professional operating model and team.

Continuous Innovation. To maintain its leadership in plasma technology, the Company continues to invest in R&D, ensuring that its process technologies remain at the forefront of the industry.

Company Milestones

Since its technical team was established in 1999, NEMStek has consistently regarded plasma technology as its core driver. Through more than two decades of focused development, the Company began with semiconductor packaging and progressively expanded the scope of its technologies into PCBs, optoelectronics, consumer industries, biomedicine, and environmental protection, while successfully entering the Japanese, US, and European markets. In response to the global transition toward net zero, the Company continues to develop energy-saving and carbon-reduction solutions using plasma technology and has launched forward-looking projects that use plasma technology to create clean new energy. These innovations provide new momentum for sustainable operations and steadily advance the Company's vision of becoming a global leader in plasma technology. On November 4, 2025, the Company completed its transition from the Emerging Stock Market to a listing on the Taiwan Innovation Board, marking an important milestone in its development.

Year	Milestone
2025	Devoted full efforts to developing plasma-based energy-saving and carbon-reduction solutions and launched projects that use plasma technology to create clean new energy, providing a new strategy for corporate sustainability and ESG. On November 4, 2025, NEMStek was officially listed on the Taiwan Stock Exchange's Taiwan Innovation Board, marking its entry into the capital market after years of dedication to plasma processes and opening a new chapter of growth.
2021	Provided multiple plasma solutions for wafers, including wafer reclaim, plasma wafer dicing, and plasma wafer thinning, and continued to obtain customer qualifications.
2020	Sold various high-performance plasma etching systems, including Microwave Plasma Etching Machines and Reactive Ion Etching Plasma Machines, for wafer and IC substrate processes, particularly for etching polymers and metals. Obtained plasma equipment qualification from a leading Taiwanese semiconductor manufacturer, initiating sales and cooperation with the group.
2019	Completed development of advanced high-temperature plasma torch technology and began applying it to solid waste and waste oil treatment, providing an effective environmental waste-reduction solution.
2018	Developed proprietary Plasma Poling technology, successfully applied it to the manufacture of under-display fingerprint recognition chips for 5G smartphones, and obtained plasma equipment qualification from a leading US semiconductor manufacturer.
2017	Successfully introduced plasma technology into the 5G smartphone antenna supply chain and deployed plasma systems extensively in processes for high-frequency materials such as liquid crystal polymer (LCP). Entered the European market, opening a new chapter for NEMStek's advanced plasma technology.
2016	Developed various production-line monitoring systems in response to the transformation and requirements of Industry 4.0.
2014	Entered solar industry applications and successfully sold a new Atmospheric Plasma system.
2013	Completed customer qualification of Atmospheric Plasma equipment for footwear applications and successfully sold the related systems.
2012	Successfully developed In-line Plasma Desmear Machines and Reel-to-Reel Plasma Desmear Machines, leading the industry and selling them to major PCB manufacturers. Formed a strategic alliance with a major Japanese equipment manufacturer, Company H, and began selling plasma equipment in volume to leading Japanese electronics customers, opening a new chapter in the Japanese market. Sold surface spray-coating equipment for touch panels and optical components.
2010	Obtained plasma equipment qualification from a leading US semiconductor manufacturer and successfully sold plasma equipment in the United States. Introduced plasma technology into golf ball and textile applications to overcome bottlenecks and limitations in conventional processes. Launched R&D on Atmospheric Plasma coating technology.
2009	Developed applications in plasma sterilization, exhaust gas treatment, and air purification.
2008	Began selling plasma equipment for touch panel manufacturing.
2007	Successfully applied plasma technology to the biomedical field for the first time.
2006	Began applying various Atmospheric Plasma systems in consumer industries, including plastics and automotive lighting.
2005	Completed development of an In-line Plasma Cleaner.
2004	Successfully developed several Atmospheric Plasma Cleaners for LCD and PCB applications, including Waterfall, Matrix, and Jet types; Jet systems included both high-frequency and low-frequency models.
2003	Entered the optoelectronics sector and developed liquid crystal module Plasma Cleaners for LCD processes, selling 40 units in the same year. Began full-scale development of Atmospheric Plasma technology in the second half of the year.
2002	Established Nano Electronics and Micro System Technologies, Inc. in June following the participation of strategic partners and new investors. Cooperated with an IC substrate manufacturer to develop a Plasma Drilling Machine for a proprietary IC substrate process, overcoming technical bottlenecks associated with laser drilling.

Year	Milestone
2001	Entered the PCB field and developed plasma desmear equipment, becoming the first technical team in Taiwan to successfully develop such equipment.
1999	Established the technical team, with plasma technology at its core and an initial focus on plasma equipment for semiconductor packaging applications.

Products and Services

With plasma technology at its core, NEMStek offers product lines for a wide range of industrial applications. These include Plasma Desmear Machines and Plasma Drilling Machines for printed circuit boards; Plasma Cleaners for the packaging industry; ITO Plasma Treatment Machines supporting ITO processes in the LCD and OLED industries; Plasma Asher systems for front-end LED processes; and PFC Plasma Scrubbers designed for the IC and semiconductor industry. Each product is specifically developed to meet the process requirements of its target industry, fully demonstrating the depth and breadth of the Company's plasma technology applications.

Products and Services	Sales Regions	Customer Industries	Sales Volume
Design, manufacture, and sale of Vacuum Plasma and Atmospheric Plasma equipment for surface cleaning, etching, and modification	Taiwan, Japan, China, Southeast Asia, Europe, and the United States	Semiconductor and packaging; printed circuit boards; optoelectronics; biotechnology; consumer industries	57 systems

Revenue by Principal Product and Service

Unit: NT$ thousand

Principal Product or Service	2025 Net Operating Revenue	Percentage of Revenue
Equipment sales	439,828	84.84%
Maintenance revenue	78,609	15.16%
Total	518,437	100.00%

Revenue by Sales Region

Unit: NT$ thousand

Country or Region	2025 Revenue	Percentage
Taiwan	289,969	55.93%
Mainland China	156,141	30.12%
United States	10,136	1.96%
Austria	15,587	3.00%
Other	46,604	8.99%
Total	518,437	100.00%

Upstream Midstream and Downstream Value Chain

The Company focuses on the R&D of advanced plasma technologies. It integrates raw materials and components supplied by upstream component, material, and module suppliers to design and manufacture equipment for advanced electronics manufacturing. These products are primarily used in the semiconductor,

IC substrate, printed circuit board, packaging, optoelectronics, 3C electronics, and related industries, with applications gradually expanding into new energy, environmental protection, consumer industries, and biomedicine. Through a strategic alliance with major Japanese equipment manufacturer Company H, the Company promotes plasma equipment to leading electronics customers in Japan and has successfully expanded into international markets. The following table presents the Company's upstream, midstream, and downstream relationships in the plasma equipment value chain.

Segment	Definition	Description
Upstream	Component, material, and module suppliers	Key components and materials required for plasma equipment and serving as the foundation for equipment development. Mechanical components include vacuum chambers, structural frames, and machined parts. Electrical control components include power modules, voltage modulators, and electronic and control units. Vacuum components include vacuum pumps, vacuum valves, and pressure sensors and controllers. Materials include RF electrodes, high-temperature ceramics and quartz glass for plasma chambers, specialty alloys, and surface coating materials.
Midstream	Design, integration, and manufacture of plasma equipment	The Company's position in the value chain, integrating raw materials and components into equipment for advanced electronics manufacturing. Activities include product development and engineering design, such as vacuum chambers, RF modules, and gas mixing systems; manufacture and module integration of plasma process equipment, including Vacuum Plasma Cleaners, Plasma Etching Machines, Plasma Desmear Machines, Plasma Poling Machines, and Plasma Methane Decomposition Systems; development of AI-enabled smart process platforms; and development of customized equipment automation.
Downstream	End-use industry customers	High-value-added applications in both electronics and non-electronics industries. Semiconductor customers include wafer fabs and assembly and testing providers for advanced packaging, wafer reclaim, and wafer surface treatment. IC substrate and printed circuit board customers include manufacturers of ABF, BT, HDI, rigid-flex, and IC probe card substrates. PCB customers include manufacturers requiring equipment for HDI boards, multilayer boards, flexible circuits, and specialty boards. New energy and environmental applications include methane pyrolysis for hydrogen production, solid waste treatment, and semiconductor exhaust gas treatment. Other niche applications include medical consumables, biosensing, treatment of plastic automotive components, and surface modification for cosmetics.

Intellectual Property

The Company is R&D-driven and has placed great importance on technological innovation and development since its establishment. It is committed to protecting R&D results and intellectual property and firmly believes that rigorous intellectual property systems are essential to maintaining technological leadership and core competitiveness. In line with its operating strategies and industry trends, the Company continues to refine its intellectual property management mechanisms and has established comprehensive management procedures to improve the overall quality and effectiveness of intellectual property management.

To implement its intellectual property policy and achieve the relevant objectives, the Company plans innovative R&D activities based on its business roadmap and the latest regulations and continues to establish and strengthen its intellectual property management system. These sound management mechanisms ensure that R&D results can be successfully converted into intellectual property rights and receive comprehensive and effective protection. The Company also integrates and leverages high-value intellectual property assets to create diverse commercial benefits and strengthen its competitive advantages and defensive capabilities. The Company's patent and trademark results as of the reporting period were as follows.

Category	Approved	Pending	Notes
Patents	11	1	11 invention patents approved; 1 invention patent pending
Trademarks	10	-	10 trademark rights approved

Patent Roadmap Deepening Plasma Patents and Protecting Process Applications

Patent scope

- High-density plasma modules
- Vacuum and atmospheric pressure chamber designs
- Precision gas-flow control
- RF electric field control
- Advanced applications including dry etching, cleaning, oxidation-reduction, and flame plasma

Deployment strategy

- Use Taiwan as the core market while progressively expanding into the United States, Europe, Japan, and China.
- Focus on advanced semiconductor packaging, including ABF and Hybrid Bonding; third-generation semiconductors, including SiC and GaN; new energy; and carbon-reduction applications.
- Use international Patent Cooperation Treaty filings to protect barriers to market entry.

Management mechanisms

- Introduce a product lifecycle management system to establish traceability, tiered controls, and confidentiality mechanisms for R&D results.
- Work with patent firms to continuously monitor and file applications, ensuring complete preservation and risk protection of intellectual property.

Future direction

- Continue strengthening patent development in emerging areas such as high-performance computing, AI chips, ESG-oriented green processes, and hydrogen energy applications.
- Combine patents with a process-as-a-service model to convert intellectual property assets into market advantages and customer value.

Memberships in Industry Associations

The Company actively participates in industry associations and international organizations to stay informed of industry trends, technological developments, and policy information and to promote exchanges and cooperation with domestic and international peers and relevant organizations. Its memberships and positions are listed below.

Industry Association or Organization	Membership or Position
SEMICON semiconductor industry association	General member
Taiwan Printed Circuit Association TPCA	General member
International Semiconductor Industry Group ISIG	Supplier member
International Microelectronics Assembly and Packaging Society IMAPS	Corporate member
Heterogeneous Integration and Chiplet System Package Alliance Hi CHIP	General member
Tainan Industrial Park Manufacturers Association	General member

1.2 Stakeholder Engagement

With the goals of sustainable operations and stronger corporate governance, the Company has established transparent and effective communication channels to respect stakeholders' legitimate rights and interests and understand their needs and expectations. To identify stakeholders, the Company referenced the GRI Standards and industry practices and prepared a list of potential stakeholder groups, including shareholders and other investors, government agencies, employees and other workers, customers, consumers, business partners, suppliers, local communities, nongovernmental organizations, civil society organizations, labor unions, and vulnerable groups. External experts scored and ranked each group based on the Company's actual and potential negative impacts and actual and potential positive impacts on that group. Groups receiving a combined score above 10 were discussed with senior management and confirmed as the Company's key stakeholders for 2025. Six groups were ultimately identified: employees and other workers, suppliers, customers, shareholders and other investors, financial institutions, and government agencies.

Stakeholder Communication Channels and Outcomes

Stakeholder	Significance and Topics of Concern	Communication Channels and Frequency	Communication Outcomes and Responses
Government agencies	Government agencies are important stakeholders in ensuring legal compliance, responsible tax governance, and tax transparency. Key topics are regulatory compliance, corporate governance and operations, labor-management relations, and a friendly workplace.	Filing forms as required; approximately 10 telephone discussions concerning the reporting of scrapped raw materials; official correspondence every two months or as needed.	Completed nine types of tax filings by their deadlines in 2025. Received five official letters from the National Taxation Bureau in 2025. Implemented employee care measures exceeding statutory requirements.
Financial institutions	Financial institutions focus on risk management and financial transparency. The Company maintains sound risk controls and financial disclosure to enable banks to understand its operations and financial health. Key topics are economic performance and corporate governance.	Approximately 30 telephone discussions annually concerning interest rates for transferring funds into time deposits and purchasing repurchase agreements. Monthly emails to each bank concerning statements, remittance receipts, and declarations of remittance nature, approximately 60 communications.	Held six business and credit communication meetings with principal banks in 2025 to maintain transparency regarding funding needs and financing arrangements. Held two credit and risk assessment follow-up meetings to strengthen mutual understanding and trust in risk management. Continued seeking partners and opportunities in green finance and sustainable bonds.
Shareholders and other investors	Shareholders and investors focus on financial performance and long-term sustainability. Key topics are corporate governance, economic performance, regulatory compliance, ethical conduct, and risk management.	Three telephone communications, five emails, one shareholders' meeting, and monthly public disclosures.	Held one shareholders' meeting, one pre-listing investor conference, and five closed-door investor conferences in 2025. From 2026 onward, the Company will hold at least two investor conferences each year as required and disclose monthly revenue and quarterly financial reports, enabling investors to promptly assess and update their investment judgments.
Customers	Customer needs and product quality are critical to technological development and market competitiveness. Key topics are customer service, trade secrets, product quality management, innovation management, anti-corruption, and fair trade.	Video or telephone meetings as needed; customer visits as needed; on-site customer audits according to customer requirements; annual customer satisfaction survey.	Completed 45 customer on-site audits in 2025. The customer satisfaction target was 80 points, and the actual average score was 82, exceeding the target. Conducted customer-site inspections and completed Service Reports.
Suppliers	The Company builds long-term relationships of mutual trust through regular communication and responses to supplier needs and works with suppliers to advance sustainable operations. Key topics are supplier management, product quality, risk management, anti-corruption, and fair trade.	Email and telephone hotline in real time; semiannual supplier evaluation questionnaire; quality management meetings as needed.	Implemented enterprise risk and business continuity management and applied green procurement principles through an electronic procurement system. Evaluated 54 suppliers during the year, achieving a 100% completion rate. Grade A suppliers accounted for 66.7%, and there were no Grade C suppliers, indicating sound overall performance.

Stakeholder	Significance and Topics of Concern	Communication Channels and Frequency	Communication Outcomes and Responses
Employees and other workers	Employees and other workers are essential to NEMStek's sustainable operations, and the Company remains committed to a family-oriented culture. Key topics are employment relations and equality, employee benefits, talent development, and occupational safety and health.	Email and telephone in real time; quarterly labor-management meetings; annual employee feedback survey.	Held four labor-management meetings in 2025 to explain the Company's operations and collect employee opinions and suggestions. The 2025 employee feedback survey achieved a 70% response rate. The results served as a reference for reviewing management systems and continuously improving the work environment.

Communication Contacts

To ensure smooth and timely communication with all stakeholder groups, the Company has established diverse and transparent contact channels for the spokesperson, deputy spokesperson, shareholders, employees, customers, and suppliers. Dedicated email addresses and telephone numbers enable stakeholders to conveniently raise questions, provide feedback, or obtain information. These channels help the Company promptly understand stakeholder needs, strengthen engagement and information transparency, and provide important input for management improvement and decision-making.

Contact Area	Contact Person and Position	Telephone	Email
Company spokesperson	Chiu Kuan-Lu, Marketing Department Manager	+886-6-291-5500 ext. 301	klchiu@nemstek.com.tw
Deputy spokesperson	Tsai Yu-Jen, Finance and Accounting Department Manager	+886-6-291-5500 ext. 201	alan@nemstek.com.tw
Shareholders	Tsai Yu-Jen, Finance and Accounting Department Manager	+886-6-291-5500 ext. 201	alan@nemstek.com.tw
Employees	Chang Ya-Wen	+886-6-291-5500 ext. 703	lisa2792@nemstek.com.tw
Customers	Liu Yi-Ju, Customer Service Department Manager	+886-6-291-5500 ext. 811	asd12512525@nemstek.com.tw
Suppliers	Hsu Chi-Hsueh, Section Manager	+886-6-291-5500 ext. 310	chihsueh@nemstek.com.tw

1.3 Material Topic Identification

To ensure that the information disclosed in the sustainability report meets stakeholder needs, NEMStek determines its material sustainability topics through four steps: understanding the organization's context; identifying actual and potential impacts of sustainability issues; assessing the significance of impacts; and reporting sustainability disclosures.

Step	Process	Description
1	Understand the organization's context	NEMStek compiled 37 sustainability issues by referencing the GRI Topic Standards, SASB Standards, and material topics identified by industry peers.
2	Identify actual and potential impacts of sustainability issues	External experts and the Company's first- and second-level managers scored the actual and potential negative and positive impacts of each issue on the economy, environment, and society, including people and human rights. Scores for actual negative impacts, potential negative impacts, actual positive impacts, and potential positive impacts across these three dimensions were aggregated for each topic.
3	Assess the significance of impacts	The scores assigned by external experts and the Company's first- and second-level managers were combined for an overall assessment, and issues receiving high levels of attention were shortlisted for discussion. The Company also adjusted the list as appropriate

Step	Process	Description
		based on internal circumstances and practical experience. Ten sustainability issues with material impacts on the Company were ultimately selected.
4	Report sustainability disclosures	The ten material sustainability issues were consolidated into eight material topic management areas and are communicated and addressed through this sustainability report.

Material Topic Identification Results

The Company identified eight material topics for its 2025 Sustainability Report, covering the environmental, social, and economic dimensions: Economic Performance; Training and Education; Employment and Labor-Management Relations; Occupational Health and Safety, including Employee Health and Safety; Energy; Supplier Environmental and Social Assessment, including Supply Chain Management; Corporate Governance, a Company-defined topic; and Information Management, a Company-defined topic. This report explains the management approach and related disclosures for each material topic.

Material topics

1. Economic Performance
2. Training and Education
3. Employment and Labor-Management Relations
4. Occupational Health and Safety including Employee Health and Safety
5. Energy
6. Supplier Environmental and Social Assessment including Supply Chain Management
7. Corporate Governance Company-defined topic
8. Information Management Company-defined topic

Other sustainability issues assessed

9. Customer Health and Safety
10. Customer Privacy
11. Diversity and Equal Opportunity
12. Non-discrimination
13. Supplier Social Assessment
14. Water and Effluents
15. Waste
16. Procurement Practices including Raw Material Procurement
17. Marketing and Labeling
18. Remanufacturing and Design
19. Energy Efficiency
20. Product Lifecycle
21. Product Output
22. Market Presence
23. Tax
24. Local Communities
25. Indirect Economic Impacts
26. Materials
27. Anti-corruption
28. Anti-competitive Behavior

29. Biodiversity
30. Freedom of Association and Collective Bargaining
31. Child Labor
32. Forced or Compulsory Labor
33. Security Practices
34. Rights of Indigenous Peoples
35. Public Policy

Degree of Positive and Negative Impact of NEMStek Material Topics

The source report presents the following scores as two stacked-bar charts. For accessibility and exact reference, the same plotted values are reproduced below in table form. “Env.” means environmental impact; “Econ.” means economic impact; and “Soc.” means social impact.

Sustainability issue	Positive Env.	Positive Econ.	Positive Soc.	Negative Env.	Negative Econ.	Negative Soc.
Economic Performance	2	10	6	2	10	4
Training and Education	2	9	5	2	9	6
Employment	2	9	4	2	9	6
Labor-Management Relations	2	9	4	2	8	6
Occupational Health and Safety, including Employee Health and Safety	2	9	4	2	9	6
Energy	6	4	4	6	4	4
Supplier Environmental Assessment	6	6	2	6	4	2
Supplier Social Assessment	4	4	6	2	4	6
Customer Health and Safety	2	6	6	2	6	6
Customer Privacy	2	5	6	2	6	6
Diversity and Equal Opportunity	2	6	6	2	4	6
Non-discrimination	2	6	6	2	4	6
Water and Effluents	6	4	2	6	4	2
Waste	5	4	2	5	4	2
Procurement Practices, including Raw Material Procurement	2	5	4	2	4	4
Marketing and Labeling	2	4	4	2	4	4
Remanufacturing and Design	6	4	2	4	2	2
Energy Efficiency	6	4	2	4	2	2
Product Lifecycle	5	5	2	4	2	2
Product Output	2	6	2	2	4	4
Market Presence	2	4	2	2	4	4
Tax	2	4	4	2	4	2
Local Communities	4	2	4	4	2	2
Indirect Economic Impacts	2	2	4	2	2	4
Materials	4	2	2	4	2	2
Anti-corruption	2	2	2	2	2	2

Sustainability issue	Positive Env.	Positive Econ.	Positive Soc.	Negative Env.	Negative Econ.	Negative Soc.
Anti-competitive Behavior	2	2	2	2	2	2
Biodiversity	2	2	2	2	2	2
Freedom of Association and Collective Bargaining	2	2	2	2	2	2
Child Labor	2	2	2	2	2	2
Forced or Compulsory Labor	2	2	2	2	2	2
Security Practices	2	2	2	2	2	2
Rights of Indigenous Peoples	2	2	2	2	2	2
Public Policy	2	2	2	2	2	2
Corporate Governance	2	6	4	2	4	4

Chapter 2 A Foundation of Sound Governance

2.1 Management Approach

Material Topic Corporate Governance

Item	Description
Corresponding sustainability standard or topic	Company-defined topic: Corporate Governance
Primary parties affected	The Company, which causes the impacts; shareholders and other investors, government agencies, and financial institutions, which contribute to the impacts; employees and other workers, who are directly related to the impacts

Significance

Sound corporate governance affects business operations and financial performance. It further reduces corporate risk, builds reputation, ensures the execution of strategy and achievement of sustainability goals, and addresses stakeholder concerns. It is therefore critical to the Company’s sustainable competitiveness.

Impacts

Economic dimension

1. Actual positive impacts: Sound corporate governance strengthens investor confidence and encourages long-term investment by shareholders. Board diversity and the establishment of functional committees improve decision quality and reduce financial risk.
2. Potential positive impacts: Stronger shareholder rights and governance systems may attract more investors and strategic partners.
3. Potential negative impacts: If governance systems are not fully implemented, financial performance may fluctuate and shareholder trust may decline. Implementing governance policies and evaluation systems also requires personnel and financial resources.

Environmental dimension

1. Actual positive impacts: Incorporating climate change and carbon fee issues into governance strategies and promoting rooftop solar power generation for green buildings and the use of electric vehicles reduce carbon emissions and resource consumption.
2. Potential positive impacts: Incorporating ESG indicators into strategic decision-making can further improve environmental performance and resource efficiency.
3. Potential negative impacts: Inadequate governance measures for climate and carbon fee issues may lead to ecological damage and increased resource consumption.

Social dimension including people and human rights

1. Actual positive impacts: Stronger management of working conditions and human rights protection improves employee satisfaction and loyalty. Codes of ethics and anti-corruption policies reduce legal and reputational risks.
2. Potential positive impacts: Sound governance can improve the Company’s engagement with stakeholders and attract talent. Comprehensive internal control and audit systems help prevent human rights and labor dispute risks.
3. Potential negative impacts: Incomplete implementation of governance measures may result in labor or human rights disputes and damage the Company’s reputation.

Policies

1. Maintain an independent Board with members from diverse backgrounds.
2. Information disclosure and business ethics:
   – Establish public information channels and regularly publish sustainability reports containing ESG information in accordance with international standards such as SASB.
   – Establish clear codes of ethical conduct and anti-corruption policies.
3. ESG risk management and regulatory compliance:
   – Incorporate cybersecurity into governance strategy and regularly assess information security risks.
   – Assess risks associated with climate change, human rights, personal data, and other issues and formulate response plans.
4. Internal audit and monitoring:
   – Establish internal monitoring and audit mechanisms to ensure that operations comply with laws, regulations, and Company policies.
   – Manage supply chain transparency and disclose relevant information to stakeholders.

Strategies

Proactive opportunity management

1. Improve transparency to strengthen investor confidence and corporate reputation.
2. Establish an ethical culture to attract high-quality talent and reduce internal risks.
3. Strengthen shareholder rights and encourage long-term investment by shareholders.
4. Diversify the Board to improve decision quality and respond to complex market conditions.

Preventive risk management

1. Prevent information asymmetry and corporate governance issues and help stakeholders make informed decisions.
2. Prevent bribery, corruption, and unethical conduct to reduce legal and reputational risks.
3. Increase Board diversity to broaden the scope of decision-making and ensure that different perspectives are fully considered.
4. Strengthen internal controls to reduce financial fraud, asset loss, and compliance risks.

Remedial measures for negative impacts and opportunity measures

1. Remedial measures: Establish an internal control system, regularly review financial reports, formulate a code of ethics, provide employee training, and disclose material information on time.
2. Opportunity measures: Establish a sustainable development committee to oversee ESG performance; conduct materiality assessments and incorporate stakeholder opinions into decision-making; encourage Board diversity; and introduce ESG ratings and indicators to benchmark against industry peers and set improvement targets.

Goals and Targets

- Short-term goal: Maintain a corporate governance evaluation score of at least 80 points.
- Medium-term goal: Rank among the top 10% of Taiwan Innovation Board companies in the corporate governance evaluation.
- Long-term goal: Link senior executive remuneration to ESG indicators and manage performance through KPIs.

Management Evaluation Mechanisms

1. Establish quantitative indicators and targets, such as linking senior executive remuneration to ESG performance.
2. Establish reporting and monitoring processes. The ESG project team and consultants formulate a Plan-Do-Check-Act cycle to support effective evaluation.
3. Incorporate external ratings and standards, such as ESG evaluation scores, as a basis for performance assessment and improvement.

Performance and Adjustments

2025 was the Company's first year participating in the corporate governance evaluation. The year's priorities were to take inventory of governance systems, review evaluation indicators, and establish internal management mechanisms. The Company progressively improved its corporate governance framework based on the evaluation indicators and strengthened governance practices relating to regulatory compliance, information disclosure, and internal control.

Material Topic Economic Performance

Item	Description
Corresponding sustainability standard or topic	GRI 201 Economic Performance
Primary parties affected	The Company, which causes the impacts; shareholders and other investors and employees and other workers, who are directly related to the impacts; customers, suppliers, government agencies, and financial institutions, which contribute to the impacts

Significance

Economic performance is vital to NEMStek. Sound operating performance is not only the foundation of the Company's operations but is also directly related to ESG performance, including environmental compliance, social responsibility, and sustainable product development. It affects the Company's long-term profitability, market competitiveness, and ability to attract sustainable investment. Sound operating performance enables the Company to plan effectively for sustainable development, attract talented employees, and fulfill its social responsibilities.

Impacts

Economic dimension

1. Actual positive impacts: Improved operating efficiency and cost management support stable operations and profitability. Environmental measures such as energy conservation and waste reduction can lower production costs and improve resource efficiency.
2. Potential positive impacts: Strong ESG performance enhances brand image and investor confidence, attracts sustainable investment and partnership opportunities, and strengthens market competitiveness.
3. Potential negative impacts: Failure to maintain sound operating or ESG performance may affect access to and the terms of financing, damage brand image, attract negative media attention, and adversely affect the Company's share price and overall market valuation.

Environmental dimension

1. Actual positive impacts: The Company promotes the development of energy-efficient, low-pollution products and replaces certain conventional wet processes with low-energy dry plasma process equipment, helping reduce energy use and pollution emissions and improve resource efficiency.

2. Potential positive impacts: Continued development of green, energy-efficient products and environmentally friendly process technologies helps reduce environmental impacts across the industry and improves the Company's competitive advantage in green manufacturing.
3. Potential negative impacts: Failure to comply with environmental laws and regulations or effectively manage resource use and emissions in production may create environmental impacts and legal risks.

Social dimension including people and human rights

1. Actual positive impacts: Stable operations and sound business development provide employees with stable employment and promote trust between the Company and its stakeholders.
2. Potential positive impacts: A company that values social responsibility and employee rights is better positioned to attract talented employees and improve retention, further strengthening the momentum for long-term development.
3. Potential negative impacts: Suppliers that fail to meet ESG standards or become involved in environmental or social controversies may disrupt the supply chain and damage the Company's reputation.

Policy

The Company ensures sound operations by improving operating efficiency and cost management. It actively develops green, energy-efficient, and low-pollution products and aims to increase the proportion of green products to more than 60%, thereby strengthening its long-term competitiveness and capacity for sustainable development.

Strategies

- Proactive opportunity management: The Company's plasma equipment uses low-energy dry processes that can replace the pollution and high energy consumption associated with conventional grinding and wet processes. This enables the Company to capture opportunities arising from the development of green process technologies and strengthen its competitive advantage.
- Preventive risk management: The Company continues to monitor supply chain disruption risks associated with climate change and extreme weather and assesses flood threats to its coastal production site to strengthen operational resilience.
- Remedial measures for negative impacts: The Company reduces operating risks and improves overall management effectiveness by strengthening corporate governance, improving risk management mechanisms, implementing ethical corporate management, and managing information security.

Goals and Targets

- Short-term goal: Improve operating and resource efficiency and strengthen cost and risk management.
- Medium-term goal: Achieve net-zero emissions within the next three years and maintain green, energy-efficient products at more than 60% of the product portfolio.
- Long-term goal: Continue strengthening technology R&D and product competitiveness and progress toward becoming a leading plasma equipment manufacturer.

Management Evaluation Mechanisms

The Company focuses on the R&D and production of high-efficiency manufacturing equipment, primarily for IC substrate and PCB-related industries. Through process optimization and technology enhancement, the Company continuously improves equipment performance and production efficiency, helps customers reduce resource consumption, and improves product quality. It also continues to invest in technology R&D and product optimization to strengthen industrial competitiveness and long-term operational resilience, thereby enhancing economic performance and sustainable value.

Performance and Adjustments

Consolidated revenue in 2025 was NT$518,437 thousand, a decrease of NT$29,193 thousand from the previous year. Gross profit was NT$232,723 thousand, an increase of NT$17,783 thousand year on year. Although revenue declined from the previous year, the gross margin improved. The Company will continue reviewing market changes and operating results and will adjust its product strategies, market deployment, and resource allocation as appropriate to maintain stable and growing economic performance.

Material Topic Information Management

Item	Description
Corresponding sustainability standard or topic	Company-defined topic: Information Management
Primary parties affected	The Company, which causes the impacts; customers, who are directly related to the impacts; employees and other workers and suppliers, which contribute to the impacts

Significance

Sound information management improves decision-making efficiency, reduces operating risks, strengthens data security, and supports strategy execution and competitiveness. Comprehensive information systems and data management mechanisms ensure that critical information is timely and accurate, support management decision-making, and promote operating efficiency and sustainable development.

Impacts

Economic dimension

1. Actual positive impacts: The implementation of information systems such as customer relationship management, enterprise resource planning, and product lifecycle management systems, together with data-driven management, improves decision-making efficiency and data accuracy while reducing operating management costs and risks.
2. Potential positive impacts: Artificial intelligence, big data, and system integration can further improve operating efficiency and decision quality and strengthen competitiveness.
3. Potential negative impacts: Inadequate information management or cybersecurity protection may result in data breaches, system interruptions, or increased operating risks.

Environmental dimension

1. Actual positive impacts: The business process management online approval system and other digital processes reduce paper use, while virtual machine technology reduces hardware requirements and energy use in the server room.
2. Potential positive impacts: Cloud and digital management can further reduce hardware requirements and improve resource efficiency.
3. Potential negative impacts: Improper management of information equipment or data centers may increase energy use and carbon emissions.

Social dimension including people and human rights

1. Actual positive impacts: System access controls and annual information security training reduce the risk of data breaches and protect the privacy of employees and customers.
2. Potential positive impacts: A comprehensive information governance system can improve corporate transparency and stakeholder trust.

3. Potential negative impacts: Inadequate information security management may result in the leakage of personal data or confidential corporate information, damaging corporate reputation and stakeholder rights and interests.

Policies

1. Implement CRM, ERP, and PLM systems to ensure that critical data are timely, accurate, and available and to improve management efficiency.
2. Use virtual machine technology in the server room to reduce hardware use and use a BPM online approval system to reduce the need for paper-based reviews and support environmental objectives.
3. Reduce data breach risks and protect data privacy and security through internal system access restrictions and annual information security seminars.

Strategies

Proactive opportunity management

- Introduce data-driven decision-making. Establish integrated information platforms such as ERP, PLM, and CRM to ensure that data are consistent across departments and available in real time, supporting precise management decisions. Promote a data-driven culture that uses objective information in place of experience-based judgment to improve operating efficiency and competitiveness.
- Strengthen operating efficiency and strategic support. Use process automation, cloud collaboration, and intelligent analytics to shorten processing time and reduce error rates, thereby improving overall organizational effectiveness. Use information systems to support strategic objectives such as product innovation, market expansion, and improved customer satisfaction.
- Promote resource conservation and sustainable operations. Advance digital and paperless operations to reduce paper use and introduce server virtualization to improve hardware utilization.
- Improve employee capabilities and information transparency. Provide training in information security, data analytics, and system operations to strengthen employees' digital capabilities. Establish information communication and feedback platforms to promote cross-departmental collaboration and transparent decision-making.

Preventive risk management

To reduce information management risks, the Company has established information security and business continuity mechanisms:

1. Information security management: Implement access controls and audit trails to prevent data breaches.
2. Business continuity and disaster recovery: Establish a disaster recovery plan to ensure the rapid restoration of operations after an emergency. Regularly conduct system backup and off-site storage drills to reduce business interruption risk.

Remedial measures for negative impacts

To respond to potential information security or system incidents, the Company has established the following response and improvement mechanisms:

- Emergency response and incident reporting: Establish an information security incident response process with clear reporting levels and responsible units. Immediately activate the response team after an incident, isolate affected systems, and assess the scope of damage.
- Data and system recovery: Restore data and repair systems in accordance with the disaster recovery plan. Regularly review recovery efficiency and update system protection designs.

- Notification and compensation: If personal data or customer information is compromised, immediately notify the competent authority and affected parties and provide compensation or support. Impose disciplinary measures and training where internal management negligence has occurred to ensure clear accountability.
- Continuous improvement and transparent disclosure: Conduct root-cause analysis and improvement tracking after each incident and incorporate findings into internal audits and annual reviews. Disclose material cybersecurity and information management incidents and improvement results in the sustainability report to maintain transparency.

Goals and Targets

- Short-term goal: Promote the introduction of AI and cloud systems to reduce repetitive manual tasks and the use of paper and physical hardware. The initial target is to reduce paper consumption by 10% and progressively migrate certain server-room equipment to cloud systems.
- Medium-term goal: Integrate data from CRM, ERP, and PLM systems using big data and AI technologies to improve the timeliness and accuracy of decision-making and apply these capabilities to operating forecasts, customer behavior analysis, supply chain management, and inventory management.
- Long-term goal: Use highly integrated information management and digital operations to make information assets a core driver of sustainable growth. Establish an AI-assisted decision-making system that combines machine learning with human judgment to improve decision quality and efficiency.

Management Evaluation Mechanisms

The Company regularly reviews information system operations and information security management performance through its information management system and performance review mechanisms. Evaluation methods include internal audits, performance review meetings, and user feedback, which ensure continuous system improvement. Material information incidents are subject to root-cause analysis and are incorporated into annual improvement plans to strengthen overall information governance. Information management performance is regularly disclosed to senior management to maintain transparency and trust and ultimately institutionalize and digitalize information governance and align it with sustainability.

Performance and Adjustments

2025 performance

- The Company has incorporated information security into the Information Office’s KPIs. Cybersecurity incidents and system security conditions are reviewed monthly, with a target of 100% defense effectiveness. The Company continues to strengthen cybersecurity protection and reduce information security risks and will adjust management mechanisms and system architecture based on performance reviews to improve information management efficiency.
- ERP statistics show that the Company’s purchases of photocopy paper decreased from 31 cartons in 2024 to 21 cartons in 2025, indicating that the target of reducing paper consumption by 10% was achieved.

2025 adjustments

In response to increasingly frequent ransomware attacks, the Company strengthened its information management policy in 2025 by introducing an immutable backup mechanism. This ensures that backup data cannot be modified or deleted during the retention period and prevents attacks on or damage to backup systems.

The Company also installed dedicated network-attached storage equipment for backups and planned backup isolation mechanisms. Access and modification permissions are restricted outside backup periods to reduce the risk of lateral movement by hackers. A weekly process was also established to back up file server data.

These measures strengthen data protection, backup security, and disaster recovery capabilities and support continued improvement toward information security best practices, including immutable and isolated backups.

2.2 Financial Performance

NEMStek's production and sales focus on plasma desmear and plasma etching systems for IC substrates and plasma cleaning and plasma etching systems for semiconductor applications, primarily advanced packaging. Consolidated revenue in 2025 was NT$518,437 thousand, a decrease of NT$29,193 thousand from the previous year. Gross profit was NT$232,723 thousand, an increase of NT$17,783 thousand year on year. Overall revenue and gross profit performance remained stable. The Company will continue reviewing market changes and operating results and adjust its product strategies, market deployment, and resource allocation as appropriate to maintain stable and growing economic performance.

Operating Performance for the Past Three Years

Unit: NT$ thousand, except earnings per share

Item	2023	2024	2025
Operating revenue	762,039	547,630	518,437
Operating costs	470,536	332,690	285,714
Gross profit	291,503	214,940	232,723
Operating profit	166,599	87,039	74,026
Non-operating income and expenses	5,344	25,944	1,601
Profit before tax	171,943	112,983	75,627
Profit after tax	133,261	86,950	60,395
Total comprehensive income	133,215	87,085	60,359
Earnings per share NT$	5.00	2.51	1.73
Employee welfare expenditure	18,936	17,723	20,120
Dividends	57,720	86,580	55,195
Employee salaries including employee benefits	123,513	101,596	111,446
Economic value retained	224,008	154,535	163,725
Payments to providers of capital	60,314	89,348	52,826
Payments to government	44,991	42,716	19,338
Community investment	198.8	60	50

Notes

1. Payments to providers of capital comprise dividends paid to all shareholders, interest paid to lenders for all forms of debt and borrowings, and unpaid dividends payable to preferred shareholders.
2. Payments to government comprise all taxes, including business tax, income tax, and property tax, and fines.

3. Employee benefits included in “employee salaries including employee benefits” comprise labor and health insurance premiums, pension expenses, and other monetary benefits provided to employees. They exclude training, protective equipment, and other costs directly related to employees’ job responsibilities. “Employee welfare expenditure” refers to funds appropriated to the Employee Welfare Committee for non-cash employee benefits such as employee trips, health examinations, and holiday gift boxes.
4. Community investment comprises donations and contributions.
5. Currency: New Taiwan dollar.
6. Economic value retained equals direct economic value generated less economic value distributed. Direct economic value generated means revenue. Economic value distributed comprises operating costs, employee salaries and benefits, payments to lenders, payments to governments by country, and community investment.

Government Financial Assistance

During the reporting period, the Company received financial assistance from government agencies and related organizations for programs supporting human resource development, employee benefits, and international exhibitions.

Program	Granting Organization	Amount NT$
Enterprise Human Resources Development Program	Yunlin Chiayi Tainan Regional Branch Workforce Development Agency Ministry of Labor	92,000
Prenatal examination leave wage subsidy	Bureau of Labor Insurance Ministry of Labor	2,496
Thailand Electronics Manufacturing Exhibition Series subsidy	Taiwan Automation Intelligence and Robotics Association	42,000
Total		136,496

Note: Government financial assistance includes tax relief, subsidy programs, and pandemic-related subsidies.

Tax Management

NEMStek’s operating activities are subject to applicable tax laws and regulations, including those governing income tax, business tax, and profit-seeking enterprise income tax. The Company is committed to establishing a comprehensive tax management mechanism to ensure that all tax matters are handled in compliance with applicable laws. To manage tax risks effectively, the Company follows its internal control processes to identify, assess, and manage tax risks arising from regulatory changes and operating activities and appropriately measures, manages, and controls such risks.

The Chief Financial Officer bears ultimate responsibility for tax management. The Board has authorized the Audit Committee to oversee the quality and integrity of the Company’s accounting, audit, financial reporting processes, and financial controls and to regularly review material matters including accounting policies and procedures, internal controls, legal compliance including tax compliance, and enterprise risk management. The Finance Division is responsible for routine tax administration and management, with assistance from qualified and experienced tax professionals at Crowe (TW) CPAs in fulfilling the Company’s tax obligations.

The Company’s tax policies are as follows:

- Compliance: Formulate tax strategies to ensure that all operating activities comply with both the letter and spirit of local tax laws.
- Honest reporting: Truthfully report tax information and fulfill tax payment obligations.

- Information transparency: Disclose tax information in the financial statements as required to ensure transparency.
- Related-party transactions: Follow international standards, such as the OECD Transfer Pricing Guidelines, to ensure that related-party transactions comply with the arm's-length principle.
- Tax planning: Do not use tax havens or low-tax jurisdictions for tax avoidance purposes and do not shift profits to low-tax jurisdictions.
- Tax risk management: Analyze the operating environment, conduct tax risk assessments, and incorporate tax implications into material decisions.
- Communication with tax authorities: Establish relationships of mutual trust and honest communication with tax authorities.

2.3 Sound Operations

NEMStek is committed to establishing a sound corporate governance framework, protecting shareholder rights and interests, and improving operating transparency and risk management capabilities. Key measures include:

- Board structure and functions: Maintain a diverse and experienced Board with independent directors and functional committees, including the Audit Committee and Remuneration Committee, to oversee material Company matters.
- Performance evaluation and remuneration: Link remuneration systems to the Company's long-term performance while taking into account the interests of shareholders and other stakeholders.
- Risk management: Establish a comprehensive risk management mechanism covering environmental, social, and governance risks.
- Shareholder participation and protection of rights: Protect shareholders' rights to speak and vote in director elections and on material decisions.
- Transparency and information disclosure: Regularly publish financial reports and sustainability reports to ensure accurate and timely information. Maintain a Shareholders section on the official website that discloses the dividend policy, historical dividend distributions, and information concerning annual shareholders' meetings, including notices, meeting handbooks, and minutes, so that shareholders and investors can promptly access material Company information.

To ensure efficient operating management and professional division of responsibilities, NEMStek has established a comprehensive organizational structure based on its operating needs. The Board of Directors is the Company's highest governance body and is responsible for overall operating policies and material decisions. To enable the Board to perform its functions effectively and improve decision quality, the Audit Committee and Remuneration Committee have been established under the Board with duties based on their respective mandates and functions. They review material proposals and related matters.

The management team assigns professional responsibilities and management duties to functional departments. Each department carries out operations according to its responsibilities, while cross-departmental collaboration mechanisms ensure smooth operations and efficient execution of decisions.

Organizational Structure

The Company's organizational chart presents the Board of Directors as the highest governance body, supported by the Audit Committee and Remuneration Committee, with management and functional departments responsible for execution.

Sustainable Development Strategy

The Company has adopted the Sustainable Development Best Practice Principles. The Board of Directors oversees sustainable development policies and implementation and incorporates ESG issues into corporate governance and operating decisions, ensuring an appropriate balance among operating performance, profitability, environmental protection, social responsibility, and corporate governance.

The Board serves as the ultimate oversight and decision-making body. It sets direction and integrates sustainable development strategy into the Company's operations. Senior management forms the core of sustainable development promotion under the Board and is responsible for reviewing sustainability matters, formulating strategies, and promoting implementation to ensure close alignment between sustainability goals and the Company's operating direction.

To strengthen sustainable development management, the Company established a part-time sustainable development unit in 2025. The unit monitors global sustainability trends, analyzes governance, environmental, and social issues, and integrates the Company's core operations, product innovation, and service development to formulate strategic sustainability directions and implement projects. The Chief Sustainability Officer serves as the management representative and is responsible for analyzing global sustainability trends and managing sustainability policy objectives and specific actions. Progress and target achievement are reported quarterly to the Audit Committee and the Board of Directors.

In 2025, the Board reviewed 37 proposals, of which 27 concerned environmental, economic, or social matters. The Board authorizes senior management to address environmental, economic, and social issues arising from operations and requires management to report to the Board when necessary. The Company maintains a mechanism for tracking Board resolutions. A report on the previous month's resolutions is submitted each month, and unresolved items are reported to and tracked by the Board quarterly. Material proposals are communicated to directors by telephone or in person in advance. Site visits are arranged when necessary, and management provides detailed explanations, enabling directors to communicate fully and develop an in-depth understanding of each proposal.

Dimension	Number of Material Matters	Summary of Matters Communicated
Environmental	0	None
Economic	15	Quarterly financial reports approved after Board discussion; budgets discussed and approved; corporate governance evaluation self-assessment; Taiwan Innovation Board application; measures to strengthen operations and governance oversight
Social	12	Employee remuneration and bonus distribution required by law; labor-management relations; employee satisfaction surveys; occupational safety and health management

Board Selection and Diversity

NEMStek's Board of Directors is the Company's highest governance decision-making body. It oversees the direction of operations, reviews material matters, and ensures appropriate protection of stakeholder rights and interests. The current Board has seven directors, including three independent directors. The term of the eighth Board runs for three years from May 30, 2023 to May 29, 2026. Members have extensive experience and expertise in finance, business, chemical engineering, management, and other fields. Their complementary areas of expertise improve the quality of Board decisions and governance effectiveness.

For director selection, NEMStek has adopted the Procedures for Election of Directors and the Corporate Governance Best Practice Principles and uses a candidate nomination system. Director candidates are evaluated in accordance with the Corporate Governance Best Practice Principles and elected by the shareholders' meeting from the candidate list.

The Company plans Board composition based on directors' professional capabilities, industry experience, and governance expertise to ensure diversity and complementarity. All seven current directors are over 50 years of age. The Company also values gender equality in Board composition, and women currently account for 14% of directors. The diversity policy will be reviewed and adjusted as appropriate based on Board operations, the Company's business model, and development needs to ensure that directors possess the knowledge, abilities, and qualities required to perform their duties. The Company will also continue working to increase the proportion of women directors.

Board Diversity Management Objective	Status
Independent directors account for more than one-third of all directors	Achieved
Directors concurrently serving as Company managers do not exceed one-third of all directors	Achieved
Independent directors have not served more than three terms	Achieved
Members possess an appropriately diverse range of professional knowledge and skills	Achieved

Board Member Information

Position and Name	Gender or Representation	First Appointment	Principal Education and Experience	Concurrent Positions	Industry Experience and Professional Expertise
Chairman Sung Chun-Yi	Male	May 30, 2023	Department of Electronics, National Taiwan University of Science and Technology	Chairman of Xintai Meitou Investment Co., Ltd.; Chairman of Kunshan Branch of NEMS Technologies Co., Ltd.; CEO of NEMStek; General Manager of Jicheng Technology Co., Ltd.	Business management; information technology
Director Chiang Shao-Chieh (Representative of Jicheng Technology Co., Ltd.)	Corporate representative	May 30, 2023	Department of Mechanical Engineering, Neihu Vocational High School	Chairman of Xinqun Technology Co., Ltd.; Chairman of Xin Jie Technology Co., Ltd.; Chairman of Jicheng Technology Co., Ltd.	Business management
Director Tseng Kun-Tsan	Male	May 30, 2023	Electronic Engineering, Cheng Shiu University	Director of Jiangyin Xin Jie Technology Co., Ltd.	Business management; information technology
Director Hsu Chia-Yuan	Male	May 30, 2023	Ph.D. in Chemical Engineering, National Cheng Kung University	General Manager of NEMStek.	Business management; R&D
Independent Director Yen Meng-Feng	Male	January 26, 2024	Ph.D. in Finance, ICMA Centre, Henley Business School, University of Reading, UK; External Expert Director, Chunghwa Post Co., Ltd.; Head of Department of Accounting and Finance, National Cheng Kung University; Associate Professor of Accounting and Finance, National Cheng Kung University	Professor of Accounting and Finance, National Cheng Kung University; FinTech Innovation Research Center, National Cheng Kung University; Director of ESG Sustainable Finance and Intelligent Wealth Management Lab; Co-Director of the Sustainable Finance Technology Industry-University Alliance, National Cheng Kung University; Independent Director of Shenfeng Specialty Materials Co., Ltd.; Director of Chiayi Christian Hospital, Taiwan	Accounting and financial analysis
Independent Director Huang Hui-Ling	Female	January 26, 2024	Master's in Financial Management, National Kaohsiung First University of Science and Technology; Director and CFO of Yuanshan Technology Co., Ltd.; Senior Manager at Polaris Securities Co., Ltd.; Senior Associate at Grand Cathay Securities Co., Ltd.; Senior Associate at Taishin Securities Co., Ltd.	CFO of Caiying New Energy Co., Ltd.; Director and CFO of Lvpei Energy Co., Ltd.	Banking and finance
Independent Director He Chih-Wen	Male	January 26, 2024	Master's in Materials Engineering, Department of Mechanical Engineering, National Taiwan	None	R&D

Position and Name	Gender or Representation	First Appointment	Principal Education and Experience	Concurrent Positions	Industry Experience and Professional Expertise
			University; Deputy General Manager of Faith Semiconductor Co., Ltd.; General Manager of Faith Semiconductor Co., Ltd.		

Notes

1. All seven Board members are over 50 years of age.
2. The three-year term of the eighth Board runs from May 30, 2023 to May 29, 2026. The independent directors were elected at the extraordinary shareholders' meeting on January 26, 2024.
3. A full re-election of directors and supervisors was scheduled for May 21, 2026 to elect the ninth Board and the second term of independent directors.

Board Operations

The Board meets in principle once each quarter. Ten Board meetings were held in 2025, with an average overall attendance rate of 87.14%. Members of management attend meetings depending on the proposals under discussion, enabling the Board to obtain sufficient information and conduct informed discussions.

Position	Name	Meetings Attended	Attendance Rate
Chairperson	Sung Chun-Yi	10	100%
Director	Tseng Kun-Tsan	8	80%
Director	Hsu Chia-Yuan	10	100%
Director corporate representative	Jicheng Technology Co., Ltd., representative Chiang Shao-Chieh	5	50%
Independent Director	Yen Meng-Feng	9	90%
Independent Director	Huang Hui-Ling	10	100%
Independent Director	He Chih-Wen	9	90%

Recusal for Conflicts of Interest

The Company has established clear systems for preventing conflicts of interest and requiring recusal. These requirements are incorporated into Article 19 of the Ethical Corporate Management Best Practice Principles and Article 15 of the Rules of Procedure for Board Meetings. If a director, manager, or other attendee has an interest in a meeting proposal that may affect the Company's interests, the individual must proactively disclose the material details of that interest. If the matter may harm the Company's interests, the individual may not participate in discussion or voting, may not exercise voting rights on behalf of another director, and must recuse themself to preserve the fairness of the decision. A director is also deemed to have an interest where the director's spouse, relative within the second degree of kinship, or a company in a controlling or subordinate relationship is involved.

The Company implemented these requirements at Board meetings held on March 19 and September 5, 2025. Director Hsu Chia-Yuan voluntarily recused himself from discussion and voting on proposals involving potential conflicts of interest, and the recusals were expressly recorded in the meeting minutes.

The positions of Chairperson and General Manager are held by different individuals, strengthening the separation between oversight and management responsibilities and improving the soundness of corporate

governance. Through these policies and their practical implementation, the Company continues to ensure independent and impartial Board decisions and demonstrates its commitment to governance transparency.

Director Continuing Education

The Company values the continuous professional development of Board members, regularly monitors the latest legal, financial, and accounting developments, and actively plans diverse continuing education channels. All directors are encouraged to attend professional courses to strengthen their understanding of operating trends and regulatory changes. Directors completed a combined 42 hours of continuing education in 2025, averaging six hours per director and meeting the annual minimum of six hours under the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies.

All seven directors completed the same two courses for a total of six hours each:

Date	Organizer	Course	Hours per Director
June 11, 2025	Chinese Corporate Operating and Sustainable Development Association	Corporate AI Applications and Innovation from Legal and Governance Perspectives	3
November 5, 2025	Chinese Corporate Operating and Sustainable Development Association	Appropriate Succession Planning and Legal Risk Considerations for Family Enterprises	3

Participating directors were Chairperson Sung Chun-Yi; Director Chiang Shao-Chieh, representative of Jicheng Technology Co., Ltd.; Director Tseng Kun-Tsan; Director Hsu Chia-Yuan; Independent Director Yen Meng-Feng; Independent Director Huang Hui-Ling; and Independent Director He Chih-Wen.

Board Performance Evaluation

To implement corporate governance and improve Board effectiveness, the Company has adopted the Regulations Governing Board Performance Evaluations. Performance evaluations of the overall Board, functional committees, and individual directors are conducted annually. At least once every three years, an external evaluation is performed by a professional and independent external institution or team of experts and scholars. Evaluation methods include internal self-evaluation, peer evaluation, and external professional evaluation and cover Board operations, individual director performance, and functional committee performance.

Evaluation results serve as an important reference for director selection and nomination and the allocation of individual director remuneration. Feasible improvement measures are formulated based on the results to continuously improve Board efficiency and corporate governance quality. This year’s internal evaluation showed an overall Board operating effectiveness score of 95.65%, a score of 100% for director participation and professional performance, and a score of 100% for functional committee operations.

Functional Committees of the Board

To enable the Board to perform its functions effectively and improve decision quality, the Company has established an Audit Committee and Remuneration Committee under the Board. Within their respective mandates, these functional committees assist the Board in reviewing material proposals and discussing important matters such as operating risks and remuneration.

The Company has not yet established a dedicated sustainable development committee. Based on its operating scale and sustainable development needs, the Company will evaluate the future establishment of functional committees under the Board, such as a Strategy Committee, Sustainable Development Committee, or Risk Management Committee. These measures will further develop the ESG governance framework and progressively incorporate sustainability into operations and decision-making.

Audit Committee

The Company has adopted the Audit Committee Charter as the basis for the Committee's operations. The Audit Committee comprises all independent directors and primarily oversees governance and operations, including financial reporting quality, the internal control system, and operating risk management. It communicates regularly with the chief internal auditor and the independent auditors to review audit results, internal control effectiveness, and financial statement audits and discusses material financial and internal control matters to strengthen governance and risk management.

The first Audit Committee's term runs from January 26, 2024 to May 29, 2026. It operates in accordance with the Audit Committee Charter, meets at least quarterly, and may meet at any time when necessary. Nine meetings were held in 2025, with an average overall attendance rate of 96.3%.

Position	Name	Meetings Attended in Person	Attendance by Proxy	Attendance Rate	Notes
Convener	Yen Meng-Feng	8	1	88.89%	Proxy granted to Committee Member Huang Hui-Ling
Member	Huang Hui-Ling	9	0	100%	None
Member	He Chih-Wen	8	0	100%	None

Remuneration Committee

NEMStek established the Remuneration Committee in accordance with Article 14-6 of the Securities and Exchange Act and related laws and regulations. It also adopted the Remuneration Committee Operating Procedures and Remuneration Committee Charter as the governing standards for Committee operations. Committee members must meet statutory requirements for professional qualifications and work experience and are appointed by resolution of the Board. The Committee's authority, meeting notices, agenda arrangements, attendance, resolutions, records, and related public disclosures and filings are handled in accordance with applicable requirements.

The Remuneration Committee primarily reviews the remuneration policies and systems for directors and managers to ensure that remuneration mechanisms are reasonable and fair. Through the professional operation of functional committees, the Company assists the Board in strengthening its governance framework, protecting shareholder rights, and improving information transparency and overall governance quality.

The Remuneration Committee has three members. The first Committee's term runs from January 26, 2024 to May 29, 2026. Five meetings were held in 2025, with an average overall attendance rate of 93.33%.

Position	Name	Meetings Attended in Person	Attendance by Proxy	Attendance Rate
Convener	Yen Meng-Feng	5	0	100%
Member	Huang Hui-Ling	5	0	100%
Member	He Chih-Wen	4	0	80%

Remuneration Policies for Directors Managers and Employees

To implement corporate governance and ensure transparent, reasonable, and institutionalized remuneration for directors and managers, NEMStek has formulated remuneration policies in accordance with its Articles of Incorporation and Regulations Governing Remuneration for Directors and Managers. The policies cover directors, managers including the chief executive officer and general manager, and employees and are based on their responsibilities, job duties, and contributions to operations.

Category	Remuneration Item	Description
Directors	Independent directors	Receive fixed monthly remuneration and travel allowances based on distance when attending Board meetings; do not participate in the annual distribution of director remuneration.
Directors	Non-independent directors	Salaries and bonuses are determined based on participation in management and contribution. Annual director remuneration is distributed in accordance with the Articles of Incorporation, and travel allowances are paid for attending Board meetings.
Managers	Chief executive officer and general manager	Remuneration includes salaries, bonuses, and employee profit-sharing and is determined based on position, responsibilities, contribution to the Company, operating performance, annual director remuneration decisions, and industry standards.
Employees	General employees	Remuneration is determined based on position, seniority, and industry standards and includes salary, position allowances, bonuses, and profit-sharing, linked with performance management.

Review process. Director and manager remuneration is reviewed by the Remuneration Committee and implemented after approval by the Board. Remuneration-setting procedures comply with the Articles of Incorporation and the Company's authorization matrix.

Link to risk. The remuneration policy considers operating performance and future operating risks. It provides reasonable incentives for management while balancing long-term sustainable operations and risk control. Remuneration for the chief executive officer and general manager considers the positive relationship between future operating risks and management performance to maintain an appropriate balance between sustainable operations and risk control.

Policy Commitments

Guided by the principles of ethical corporate management and sustainable development, NEMStek follows the OECD Guidelines for Multinational Enterprises and the Responsible Business Alliance Code of Conduct. The Company is committed to responsible business conduct and human rights protection. It has adopted the Supplier Corporate Social Responsibility Management Regulations, Human Rights Policy, and Supplier Code of Conduct to clearly express its commitments to respect for human rights, environmental protection, and ethical corporate management. Work rules and personnel systems are established in accordance with labor laws to protect fundamental employee rights and workplace fairness.

To ensure effective implementation, the Company has established a comprehensive due diligence process encompassing risk identification, assessment, preventive and corrective measures, internal audits, tracking, and oversight. Identification results are converted into improvement plans and awareness activities and incorporated into daily operations and supply chain management.

The Company provides training and internal communications to improve employees' and supply chain partners' awareness of and ability to comply with responsible business conduct, the RBA Code, and the Human Rights Policy. Relevant policies are publicly disclosed on the official website and internal platforms to ensure transparency and timely stakeholder access.

The Company has also adopted Whistleblowing Regulations and established internal grievance and external reporting channels through which employees and stakeholders may anonymously report concerns or misconduct. A task force comprising representatives of internal audit, human resources, or relevant management initiates investigations, determines the facts, assesses the scope of impacts, and takes corrective, disciplinary, or policy revision measures as appropriate. Investigation results are incorporated into internal audits and management reviews. Improvement progress is continuously tracked and reported regularly to senior management and the Board.

The Company's human rights and responsible business conduct efforts primarily cover labor rights, workplace fairness, diversity and inclusion, prohibition of child and forced labor, product and service safety, supply chain management, and community engagement. If a potential incident causes losses to suppliers, customers, or investors, compensation or negotiated resolution will be handled in accordance with law. Environmental incidents will prompt immediate pollution prevention, proper waste treatment, and remediation. Social or human rights incidents will prompt care, compensation, and assistance mechanisms, together with stronger policies and systems to prevent recurrence and ensure that operations and supply chain management comply with international standards and social expectations.

2.4 Regulatory Compliance

During the reporting period, all Company operations complied with applicable laws and regulations, and no violations occurred. The Company continues to use internal audits, training, and grievance mechanisms to ensure that employees and suppliers comply with legal requirements and to protect operational compliance and stakeholder rights.

Area	Compliance Performance During the Reporting Period
Corporate governance	No violations of the Company Act; no violations of commercial laws; no violations of securities or financial regulations; no political contributions; no incidents of corruption
Labor rights	No violations of the Gender Equality in Employment Act; no forced labor; no child labor; no infringement of freedom of association or collective bargaining; no discrimination or human rights violations; no infringements of Indigenous Peoples' rights
Products	No prohibited or controversial products; no violations of marketing laws, regulations, or voluntary codes; no material fines for violations of laws or regulations concerning the provision or use of products and services; no legal proceedings involving anti-competitive conduct, antitrust, or monopolistic practices; no customer privacy violations; no violations of marketing communications regulations
Environmental protection	No violations of environmental laws or regulations

The Company defines material violations using both quantitative and qualitative criteria:

- Quantitative criterion: 1% of monthly operating revenue. For example, if monthly revenue is NT$50 million, an amount of NT$500,000 or more is material.
- Qualitative criteria: An event that has a material impact on shareholder equity or securities prices; materially affects business execution or operations; materially affects finances or business as a result of litigation, administrative sanctions, or similar events; involves material internal control fraud, non-arm's-length transactions, or asset stripping; or involves a cyberattack or intrusion that causes an inability to operate, a personal data breach, or other material damage.

Human Rights Protection and Due Diligence Management

The Company is committed to respecting and protecting the fundamental human rights of employees, suppliers, and stakeholders. It follows international human rights standards and has established comprehensive management systems and processes to ensure that operations and the supply chain conform to principles of fairness, transparency, and responsibility. The Company continues to promote human rights education, risk identification, internal audits, and grievance mechanisms to protect employee rights, prevent violations, and achieve continuous improvement.

Topic	Principal Management Measures
Equality and non-discrimination	Fair recruitment, promotion, remuneration, training, and work assignments; prohibition of discrimination based on gender, age, race, marital status, religion, or socioeconomic background; training and grievance channels

Topic	Principal Management Measures
Protection of labor organization rights	Ensure that employees and suppliers respect freedom of association and the right to collective bargaining; explain management policies and employee association activities
Prohibition of child labor and protection of young workers	Prohibit child labor; protect young workers; require suppliers to sign undertakings; conduct education, audits, and exception handling
Prohibition of forced labor and working-hour management	Comply with Labor Standards Act working-hour requirements; require voluntary and approved overtime; provide overtime compensation; monitor and audit working hours; manage suppliers; provide training and grievance mechanisms
Protection of Indigenous Peoples' rights	Respect Indigenous cultures and land; make policy commitments and conduct awareness activities; manage land and the environment at operating sites; maintain community communication and grievance channels

Equality and Non-discrimination

NEMStek follows the principles of equality and non-discrimination and ensures fair treatment in recruitment, promotion, remuneration, training, and work assignments. Human resource management policies and anti-discrimination and equality mechanisms expressly prohibit discrimination based on gender, age, race, marital or family status, religious belief, socioeconomic background, or any other status. Internal training and awareness activities improve employees' and management's understanding of diversity, inclusion, and fairness and help maintain a safe, respectful, and harmonious workplace.

No incidents of discrimination were identified during the reporting period. If an employee reports discrimination or improper treatment, the Company investigates through its grievance and reporting mechanisms. Human resources and supervisors assist management in handling the case to ensure fairness and impartiality. After a case is resolved, the Company reviews the relevant systems and processes and, when necessary, adjusts management measures and training content to prevent recurrence and maintain a fair, diverse, and respectful workplace culture.

To create a safe and respectful workplace free from harassment, NEMStek has adopted the Regulations Governing Sexual Harassment Prevention Measures Complaints and Disciplinary Action. The Regulations establish prevention, complaint, investigation, and handling mechanisms applicable to employees, job applicants, dispatched workers, and interns. The Company provides a dedicated sexual harassment complaint contact, hotline at +886-6-291-5500 ext. 999, and email at service@nemstek.com.tw. It has also established a Sexual Harassment Complaint Investigation Committee composed of managers and employees with gender equality awareness, with women accounting for at least one-half of its members. The Committee accepts, investigates, and reviews cases and recommends follow-up improvements to ensure objective, impartial, and lawful procedures. The Company keeps complaint details and party information confidential, prevents improper treatment or retaliation, and conducts regular training and awareness activities to improve gender equality and workplace respect.

Protection of Labor Organization Rights

The Company respects employees' lawful rights to freedom of association and collective bargaining. Although no labor union has been established, diverse communication channels ensure that employees can fully express their opinions. The Company's operating sites and suppliers were assessed in 2025, and no material risks involving freedom of association or collective bargaining were identified.

Child Labor and Protection of Young Workers

NEMStek complies with international human rights standards, strictly prohibits all forms of child labor, and protects young workers. The Company ensures that neither employees nor suppliers are involved in child labor or illegal labor practices. No child labor incidents involving the Company or its suppliers occurred during the reporting period.

Management measures include:

1. Policy disclosure and signed commitments: Clearly disclose the prohibition of child labor and minimum working-age requirements on the official website and require all suppliers to sign a child labor prohibition undertaking.
2. Supplier education and awareness: Regularly train suppliers to improve their understanding and implementation of the child labor policy.
3. Supplier review and audit: Conduct background reviews and confirm labor policies before selection and regularly audit supplier working environments to ensure implementation.
4. Exception handling and grievances: Require immediate corrective action if child labor or a suspected violation is identified and terminate cooperation when necessary. Maintain internal grievance and handling processes to ensure prompt remediation and prevent recurrence.
5. System development: Establish a comprehensive, transparent, and compliant supply chain management system, strengthen audits and reviews, pursue a zero-child-labor objective, and improve overall social responsibility performance.

Prohibition of Forced Labor and Working-Hour Management

In accordance with the Labor Standards Act, NEMStek strictly prohibits all forms of forced or compulsory labor and is committed to protecting employees' autonomy at work and reasonable working hours. No forced or compulsory labor incidents were identified during the reporting period.

The Company and its suppliers use the following mechanisms to prevent excessive working hours or unlawful overtime:

1. Lawful working-hour management: Manage working hours in accordance with the Labor Standards Act through shift scheduling and attendance systems to ensure that daily and weekly hours comply with legal requirements.
2. Overtime application and approval: Overtime must be voluntarily requested by the employee and approved by a supervisor in advance to ensure that it is reasonable and not compulsory.
3. Overtime compensation and transparency: Pay overtime or provide compensatory leave in accordance with law and clearly disclose overtime in payroll statements.
4. Monitoring and audits: Human resources regularly reviews and audits systematic working-hour records to prevent abnormal overtime.
5. Supplier management and audits: Regularly conduct supplier self-assessments and audits of working conditions and working-hour management. Require corrective action by a specified deadline if a suspected violation is identified and terminate cooperation when necessary.
6. Training and grievances: Regularly provide training on labor issues to improve legal awareness among employees and supervisors. Maintain anonymous grievance and reporting channels so employees can safely raise issues for prompt investigation and handling by the responsible unit.

Rights of Indigenous Peoples

No incidents involving infringement of Indigenous Peoples' rights have occurred during NEMStek's operations. The Company values human rights, respects the fundamental rights of all ethnic groups and local communities, and ensures that operations do not improperly affect Indigenous cultures, land, or living environments. It will continue monitoring community and cultural impacts at its operating sites and implementing its commitment to respect human rights and ethnic diversity.

The Company takes the following measures to reduce potential infringement risks:

1. Policy commitments and internal awareness: Clearly state the principles of respect for cultural diversity and ethnic equality, prohibit all forms of discrimination and infringement, and strengthen employee awareness through internal communications.
2. Operating-site and land-use management: Obtain land and conduct environmental assessments in accordance with applicable laws when establishing, expanding, or operating plants, ensuring that activities do not involve Indigenous reserved land or traditional territories. The current plant is located in Tainan Industrial Park, and no related issues have arisen. If future operating plans involve Indigenous areas, the Company will communicate and coordinate fully with local communities in accordance with the principles of prior consultation and consent.
3. Community relations and grievances: Maintain external grievance and communication channels through which local residents and stakeholders may raise opinions or concerns and provide prompt investigation and responses. Continue building mutual trust and sound relationships through community engagement and charitable activities.

Anti-corruption System

Guided by the principle of ethical corporate management, the Company has adopted the Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Code of Ethical Conduct for Directors and Managers, and Employee Code of Conduct. These documents guide directors, managers, and all employees in conducting business and are disclosed on the Company’s website to clearly state its ethical management policies and commitments.

To deepen a culture of integrity, the Company conducts internal awareness activities or training at least annually. In 2025, ethical corporate management communications reached 76 directors, managers, and employees and explained the principles and importance of integrity.

Directors, managers, and employees must observe the following principles:

1. Prevent conflicts of interest: Avoid using Company property, information, or position for private gain or engaging in conduct that may harm the Company’s interests.
2. Maintain fair dealing: Treat customers, competitors, and colleagues honestly and fairly and do not obtain improper benefits through manipulation, concealment, misuse of information obtained through one’s position, misrepresentation, or other improper means.
3. Prohibit improper benefits: Do not request, promise, deliver, or accept gifts, entertainment, kickbacks, bribes, or any other improper benefits for oneself, the Company, or a third party when performing duties.

The Company incorporates ethical management clauses into policies and external documents. If a business partner engages in unethical conduct, the Company may terminate or rescind the relationship in accordance with the contract to reduce operating risk. The General Manager’s Office formulates ethical management policies, while accounting and internal control systems support management and internal auditors regularly inspect legal compliance to ensure effective operation.

As of 2025, the Company had not conducted a formal corruption risk assessment of its operating sites. It will progressively include all sites in comprehensive assessments in accordance with its risk management strategy to strengthen overall anti-corruption mechanisms. No confirmed corruption incidents occurred in 2025, and no employees or business partners were dismissed, disciplined, or terminated for corruption or unethical conduct. The Company was not involved in violations relating to anti-competitive conduct, antitrust or monopolistic practices, or unfair competition.

The Company also maintains a reporting mechanism through which employees and stakeholders may report suspected legal or ethical violations. If corruption or improper transfer of benefits is identified, an investigation is initiated immediately. A task force comprising internal audit, human resources, or relevant managers

conducts the investigation, and external professionals may be engaged when necessary to ensure impartiality and transparency. Responsibilities are determined based on the results, disciplinary action, removal from office, or referral to judicial authorities is taken as appropriate, and the matter is reported to the Board or Audit Committee.

Reporting Channels for Violations of Professional Ethics

Employees and stakeholders may use the complaint and reporting channels below to report unethical, dishonest, or unlawful conduct in the Company's operations or by its employees. The Company provides the following protections:

1. A whistleblower may not be dismissed, demoted, have their salary reduced, or otherwise be subjected to adverse treatment because of a report, and no rights enjoyed under law, contract, or established practice may be impaired.
2. If a whistleblower is threatened, intimidated, or otherwise treated adversely, the Company will assist in reporting the matter to the police or other competent authority and protect the whistleblower's safety.
3. If a report is substantiated and makes a material contribution to the Company or generates significant economic benefit, the whistleblower will receive an appropriate reward in accordance with the reward and disciplinary rules.

The complaint and reporting process covers submission, acceptance, investigation, corrective action, and reporting to ensure transparency, impartiality, and efficiency.

Item	Details
Receiving unit	Internal Audit Office
Investigation unit	Internal Audit Office and managers of relevant departments
Website	https://www.nemstek.com.tw/ZH/Stakeholder
Reporting hotline	+886-6-291-5500 ext. 999
Email	service@nemstek.com.tw

The Company accepts both identified and anonymous complaints and reports. Anonymous whistleblowers are encouraged to provide contact information for necessary follow-up. The Company keeps the whistleblower's identity and the content provided strictly confidential and takes appropriate protective measures to prevent improper treatment or retaliation.

Information and Cybersecurity Management

As operations increasingly rely on information systems and digital environments, information security has become an important management issue. NEMStek continues to strengthen its information security mechanisms through policies, risk controls, and employee training to reduce risks and protect information assets, operational data, and customer information.

The General Manager oversees information security, while the information unit is responsible for daily management and maintenance covering Company-wide computer equipment security, network security, firewall management, and protection against computer viruses and malware. A clear management structure and division of responsibilities ensure effective implementation.

The Company has adopted the Internal Control System for Computerized Information Operations to regulate separation of duties, access management, data backups, system maintenance, and related activities. Internal auditors inspect information-related processes annually in accordance with the internal control system and

evaluate risk controls and exception handling. No information leaks or privacy infringement complaints occurred during the reporting period.

Information security measures include:

- Information personnel regularly update and maintain firewalls and network security equipment and continuously monitor system operations.
- Employees receive annual information security communications and training to improve risk awareness and prevention capabilities. Two hours of information security awareness and training were provided in 2025.
- A disaster recovery plan has been established and is tested and exercised annually by information personnel to ensure rapid restoration after an emergency and reduce operational impacts. When a material information disaster occurs, information personnel immediately notify the relevant hardware or software vendor. Depending on the impact, a disaster emergency meeting is convened in person or online to jointly determine the cause, scope, and repair method and accelerate system recovery.

Customer Privacy

The Company provides customized products and therefore performs and keeps confidential all customer specifications and manufacturing conditions in accordance with contractual requirements. It has adopted the Personal Data Protection Management Regulations to protect, manage, and use customer personal data and protects transaction information from disclosure in accordance with confidentiality agreements. The Stakeholders and Contact Us sections of the Company website provide a service telephone number and suggestion mailbox to ensure that customer complaints are received. No customer privacy breaches occurred in 2025.

Chapter 3 Technology with Responsibility, Products and Supply Chain

3.1 Management Approach

Material Topic Supplier Environmental and Social Assessment Supply Chain Management

Item	Description
Corresponding sustainability standards or topics	GRI 308 Supplier Environmental Assessment; GRI 414 Supplier Social Assessment
Primary parties affected	The Company, which causes the impacts; shareholders and other investors, customers, and employees and other workers, which contribute to the impacts; suppliers, which are directly related to the impacts

Significance

The Company’s products involve electromechanical equipment, electronic components, and material processing. Its supply chain therefore includes a range of suppliers of raw materials, components, and outsourced processing services. Supplier environmental and social performance may directly affect the Company’s operations, quality, sustainability, and ability to meet customer requirements. Supplier environmental and social assessment has therefore been identified as a material topic.

Impacts

Economic dimension

1. Actual positive impacts: Tiered supplier management and improvement plans help maintain supply chain stability, reduce production interruptions and quality risks, and sustain operating efficiency and profitability.
2. Potential positive impacts: High supplier management standards can attract reliable partners and strategic suppliers and improve market competitiveness and brand trust.
3. Potential negative impacts: Suppliers that fail to meet environmental or social standards may cause production delays and higher costs and may affect customer trust and contract performance.

Environmental dimension

1. Actual positive impacts: Assessing whether suppliers are certified to ISO 14001 helps reduce environmental risks in the supply chain and promotes green processes.
2. Potential positive impacts: Improvements in environmental management by more suppliers can further improve resource efficiency and reduce environmental burdens.
3. Potential negative impacts: Inadequate supplier environmental management may result in pollution incidents or regulatory violations, affecting the Company’s environmental reputation and compliance risk.

Social dimension including people and human rights

1. Actual positive impacts: Collecting supplier human rights questionnaires and conducting evaluations help ensure that suppliers comply with prohibitions on child and forced labor and protect the rights and interests of employees and communities.
2. Potential positive impacts: Continued promotion of supplier compliance with human rights and social responsibility requirements can improve the Company’s social image and brand trust and attract more high-quality partners.

3. Potential negative impacts: Suppliers that fail to implement human rights management may cause labor disputes or social responsibility risks and damage the Company's reputation and customer trust.

Policies

1. Require suppliers to comply with human rights standards and prohibit child labor and forced labor.
2. Introduce a supplier human rights questionnaire to strengthen supplier social responsibility management.

Strategies

Proactive opportunity management

1. Incorporate environmental management certification, including ISO 14001, and human rights questions into supplier evaluation forms to assess environmental and social responsibility performance.
2. Encourage suppliers to continuously improve environmental management and social responsibility standards, thereby attracting high-quality partners and enhancing the Company's brand image and market competitiveness.
3. Use an A B C tiered management system to provide continued cooperation and support to high-performing suppliers and reinforce a positive cycle supporting a stable supply chain.

Preventive risk management

1. Require high-risk suppliers or those that fail to meet standards to submit improvement plans and track corrective action within specified deadlines to reduce environmental, social, and operating risks.
2. Establish targets for supplier human rights questionnaire response rates to understand supplier compliance with prohibitions on child and forced labor and identify potential social responsibility risks at an early stage.

Remedial measures for negative impacts

1. Launch improvement plans for high-risk suppliers or those that fail to meet standards, track implementation within specified deadlines, and adjust cooperation strategies when necessary to maintain supply chain stability.
2. Continue collecting and analyzing supplier environmental and human rights information as a basis for decisions and convert corrective actions into opportunities to reduce costs, improve resource efficiency, and strengthen sustainable competitiveness.
3. Use evaluation results to identify potential supply chain opportunities and promote supplier improvements, creating a positive cycle and improving overall sustainability performance.

Goals and Targets

- Short-term goal: Achieve a supplier human rights questionnaire response rate of 60%.
- Medium-term goal: Achieve a supplier human rights questionnaire response rate of 70%.
- Long-term goal: Achieve a supplier human rights questionnaire response rate of 80%.

Management Evaluation Mechanism

Suppliers are classified into Grades A, B, and C based on evaluation results. High-risk suppliers or suppliers that fail to meet standards are required to submit improvement plans, and corrective actions are tracked within specified deadlines.

Performance and Adjustments

The supplier evaluation completion rate was 100% in 2025. Grade A suppliers accounted for 66.7%, and there were no Grade C suppliers, indicating sound overall performance.

3.2 Sustainable Products and Services

NEMStek focuses on plasma technology R&D and innovation and provides solutions that combine process efficiency with environmental friendliness, supporting the development of clean energy and high-efficiency processes. The Company's plasma equipment complies with customer and industry requirements for safety and labeling. Labels include equipment nameplate information such as model, serial number, year of manufacture, and power specifications; safety warnings; high-voltage or vacuum warnings; operating precautions; and maintenance instructions. Labels are configured according to the actual equipment specifications and operating conditions to ensure clear identification and safe use by operators.

The Company performs comprehensive safety and regulatory assessments based on equipment characteristics and customer requirements. Assessments cover electrical safety, grounding, protective structures, emergency-stop mechanisms, and requirements for vacuum and pressure components. Certain assessments reference semiconductor industry standards such as SEMI S2, S8, and F47 and electrical safety standards such as NFPA 79 as a basis for design, risk identification, and improvement. Where customers or specific markets, including Japan, Taiwan, and major international semiconductor manufacturers, have explicit equipment safety requirements, the Company performs compliance reviews, provides relevant documentation, or makes improvements according to the specific project to ensure compliance with local requirements and customer safety standards. Certain exported systems also undergo SEMI or other safety reviews.

For environmental health controls, the Plasma Poling process may generate ozone, and excessive concentrations are harmful to human health. Government regulations specify an eight-hour time-weighted average limit of 60 ppb or 0.06 ppm. NEMStek installs an ozone catalyst at the equipment exhaust outlet to decompose ozone and reduce emissions. Current emissions are controlled below the regulatory limit, ensuring operational safety and environmental friendliness.

During the reporting period, the Company had no incidents of non-compliance with laws or regulations concerning the health and safety of products and services, information and labeling, or marketing communications.

Dimension	Management Focus	Measures and Current Status
Product safety and labeling	Equipment nameplates, operating warnings, high-voltage and vacuum warnings, and maintenance instructions	Labels are configured according to equipment specifications to support safe identification and use. Compliance reviews and documentation are provided based on customer requirements. Certain exported systems undergo SEMI or other safety reviews.
Product safety assessment	Electrical safety, grounding, protective structures, emergency stops, and vacuum and pressure components	Risk assessments are conducted based on product characteristics and customer requirements and serve as a basis for design and improvement. References include SEMI S2, S8, and F47 and NFPA 79.
Environmental health controls	Ozone emission control	An ozone catalyst is installed at the exhaust outlet to reduce emissions below the regulatory eight-hour average limit of 60 ppb or 0.06 ppm.
Regulatory compliance records	Health and safety, information and labeling, and marketing communications	No violations occurred during the reporting period, indicating that the system operated effectively.

Products or Services with Safety Standards Assessments

Product or Service	Safety Standards Assessment	Percentage of Products or Services Provided to Customers That Were Assessed
Inline Double Chamber	UL S2 S8	85.7%

Note: Percentage equals the total volume of assessed products or services provided to customers divided by the total volume of products or services provided to customers, multiplied by 100.

Customer Satisfaction

The Company conducts an annual customer satisfaction questionnaire to understand customer satisfaction with its products and services and uses the feedback as an important basis for continuous improvement. The questionnaire covers product appearance, product quality, packaging, delivery lead-time satisfaction, delivery accuracy, the attitude and efficiency of complaint handling, and response speed. It also evaluates overall satisfaction and interactions between Company personnel and customers to obtain a comprehensive understanding of customer perceptions of product and service quality.

Five valid questionnaires were received in 2025, with an overall average score of 82 points. The Company's customer satisfaction target was 80 points, and the actual average score exceeded that target. This result indicates sound overall customer satisfaction with product and service quality. The Company will continue reviewing product and service processes through customer feedback and use the results as an important reference for quality and service improvements.

To respond promptly to customer needs, the Company maintains communication through its sales contacts. Relevant units confirm and process customer requests and coordinate across departments when necessary. The Company also provides mechanisms such as customer on-site audits to continuously review product quality and management processes through customer inspections and feedback.

The Company maintains an immediate-response mechanism for routine maintenance and customer complaints. Upon receiving a complaint or maintenance request, customer service personnel promptly arrange an on-site inspection and complete a Service Report to understand the actual circumstances. After returning to the Company, they submit a formal report and open a formally controlled case to implement follow-up corrective action and handling. The Company maintains customer relationships based on openness and integrity to improve customer trust and establish stable long-term partnerships. No customer complaints were received in 2025. The Company also regularly reviews complaint content and the effectiveness of corrective actions as an important basis for subsequent product quality and service process improvements.

3.3 Responsible Supply Chain

Local Procurement

NEMStek had 243 suppliers in 2025. Procurement was primarily from local suppliers in Taiwan, and domestic procurement accounted for 94.55% of the total procurement amount.

Procurement Statistics for the Past Three Years

Contract Type	Region	2023 Suppliers	2023 Percentage of Total Procurement	2024 Suppliers	2024 Percentage of Total Procurement	2025 Suppliers	2025 Percentage of Total Procurement
Services including contracting and services	Domestic	18	0.76%	20	0.53%	20	0.54%
Services including contracting and services	Overseas	0	0%	0	0%	0	0%
Goods including raw materials	Domestic	179	95.09%	187	96.66%	207	91.91%

Contract Type	Region	2023 Suppliers	2023 Percentage of Total Procurement	2024 Suppliers	2024 Percentage of Total Procurement	2025 Suppliers	2025 Percentage of Total Procurement
Goods including raw materials	Overseas	7	2.18%	5	0.83%	7	5.44%
Construction including buildings and equipment	Domestic	3	1.97%	5	1.98%	9	2.10%
Construction including buildings and equipment	Overseas	0	0%	0	0%	0	0%
Total		207	100%	217	100%	243	100%

Note: Domestic means local suppliers in Taiwan. Overseas means regions outside Taiwan, including Mainland China, Germany, the United States, and Korea.

Supplier Evaluation

The Company has established a supplier evaluation system and conducts annual performance evaluations to assess suppliers across several dimensions. Results serve as a basis for subsequent cooperation and procurement decisions. Evaluation indicators cover cost, quality, delivery, technology, and service. Suppliers are classified based on total scores: 75 points or above is Grade A, an excellent qualified supplier; 60 to 74 points is Grade B, a qualified supplier; and 59 points or below is Grade C, a supplier requiring improvement. If a supplier receives a Grade C evaluation and transactions remain necessary during the year, separate approval must be obtained or order volume may be reduced to encourage improvement, with follow-up tracking of corrective actions.

Evaluation Dimension	Weight	Evaluation Content
Cost	30%	Price stability, room for price negotiation, and transaction terms
Quality	20%	Shipment accuracy including incoming-material labels and stability of product quality control
Delivery	20%	Ability to meet delivery schedules and shorten lead times
Technology	10%	Problem-solving efficiency
Service	20%	Past cooperation experience, after-sales service, and overall cooperation attitude

Grade	Score Range	Result	Management Measure
A	75 points or above	Excellent qualified supplier	Continue cooperation and designate as a preferred partner
B	60 to 74 points	Qualified supplier	Maintain cooperation and continue monitoring performance
C	59 points or below	Supplier requiring improvement	Obtain separate approval before transacting or reduce order volume and require improvement

The Company evaluated 54 existing suppliers in 2025, achieving a 100% completion rate. Grade A suppliers accounted for 66.7%, and there were no Grade C suppliers, indicating sound overall performance. Thirty new suppliers were added during 2025. New suppliers must undergo a basic qualification assessment before cooperation, and 100% of new suppliers passed the assessment in 2025.

The Company does not currently use GRI 300 environmental indicators or ISO 14001 environmental management system certification as selection criteria for new suppliers. To strengthen sustainable supply chain management, the Company added an ISO 14001 item to its supplier evaluation form in 2025. Because some suppliers have not obtained this certification, the Company plans to collect information on supplier

human rights practices and related management systems through a human rights questionnaire in the future and use the results as a reference for supply chain management and risk assessment.

Chapter 4 Sustaining the Environment, Energy and Resource Management

4.1 Management Approach

Material Topic Energy

Item	Description
Corresponding sustainability standard or topic	GRI 302 Energy
Primary parties affected	The Company, which causes the impacts; shareholders and other investors, which contribute to the impacts; employees and other workers and suppliers, which are directly related to the impacts

Significance

Guided by the belief that “we have only one Earth and share a common future across generations and communities,” NEMStek pursues financial performance while also creating corporate value through environmental and social sustainability. The Company believes that sustainable development must align with international trends, fulfill corporate social responsibility, improve corporate governance performance, meet the expectations of employees, customers, suppliers, shareholders, and society, and foster sustainability-based competitive advantages.

Impacts

Economic dimension

1. Actual positive impacts: Higher energy efficiency, renewable energy use such as solar power and self-generated electricity, improved equipment performance, and fleet electrification reduce operating and energy costs.
2. Potential positive impacts: Helping customers improve process efficiency can shorten process time and overtime hours and improve customer satisfaction and market competitiveness.
3. Potential negative impacts: Future carbon tariffs or the cost of purchasing green electricity may increase, while renewable energy equipment and energy-saving technologies require relatively high initial capital expenditure.

Environmental dimension

1. Actual positive impacts: Optimized processes, energy use, and waste management reduce carbon emissions, water consumption, and wastewater discharge. Green products and environmentally friendly services reduce lifecycle environmental burdens.
2. Potential positive impacts: Sustainable supply chain management encourages suppliers to adopt environmentally friendly policies, indirectly reducing the overall environmental impacts of the industry.
3. Potential negative impacts: Plasma processes may generate ozone or other emissions if not effectively controlled. Continued reliance on fossil fuels may increase greenhouse gas emissions.

Social dimension including people and human rights

1. Actual positive impacts: Internal energy-saving measures and support for customer process improvements reduce overtime and energy consumption and improve the safety and quality of working environments for employees and customers.

2. Potential positive impacts: Higher energy efficiency and renewable energy use can reduce energy costs and carbon emissions and indirectly improve public health and quality of life.
3. Potential negative impacts: Improper energy management may result in equipment emissions or insufficient energy supply and potentially affect employee or public health.

Policy

The Company's core sustainable development policies are to implement sound corporate governance, develop a sustainable environment, and promote social well-being. Environmental protection, social responsibility, and corporate governance are incorporated into operations.

Strategies

Proactive opportunity management

1. Invest in energy-efficiency technologies and renewable energy, including solar power and self-generated electricity, and electrify management vehicles to reduce dependence on fossil fuels, improve operating efficiency, and strengthen the Company's low-carbon image.
2. Optimize equipment performance and help customers improve process efficiency to shorten process and overtime hours and increase customer satisfaction and market competitiveness.
3. Develop green products and services, respond to market demand for environmentally friendly consumption, establish a sustainable supply chain, promote environmentally friendly policies and sustainable procurement, and improve industry-wide environmental performance.
4. Train employees and promote environmental awareness to increase employee participation and foster a corporate sustainability culture.

Preventive risk management

1. Establish comprehensive carbon inventory and energy monitoring systems and set clear carbon-reduction targets to prevent excessive greenhouse gas emissions and energy waste.
2. Implement water and waste management plans to reduce the environmental impacts of water consumption, wastewater, and waste.
3. Apply sustainable procurement policies and evaluation systems to suppliers to ensure supply chain compliance with environmental, social, and occupational safety and health requirements and reduce business interruption and reputational risks.

Remedial measures for negative impacts

1. Launch and continuously track improvement plans for aspects of energy, emissions, or resource management that fail to meet standards to reduce potential negative environmental and social impacts.
2. Continue collecting and analyzing data on energy use, emissions, and waste and convert findings into corrective measures or efficiency opportunities to reduce costs and strengthen sustainable competitiveness.
3. Use tiered supplier management and corrective-action tracking to require high-risk suppliers and non-compliant units to improve within specified deadlines, maintaining supply chain stability and sustainable development.

Goals and Targets Using 2025 as the Base Year

Short-term goals

1. Convert rooftop solar power from feed-in sales to self-consumption to reduce carbon emissions.

2. Establish an executive unit responsible for sustainable development, implement relevant projects and training, and report regularly to the Board.

Medium-term goals

1. Formulate sustainable development policies and management approaches and incorporate them into operating plans.
2. Use water resources responsibly and implement environmental pollution prevention and control.

Long-term goals

1. Establish an environmental management system for operating activities and formulate measurable sustainability indicators covering people, machinery, materials, methods, and the environment, with regular review and improvement.
2. Develop green products relating to energy conservation, carbon reduction, and clean new energy.
3. Implement quality control circles for sustainable development.

Management Evaluation Mechanisms

- Emphasize product and service responsibility, uphold marketing ethics, and ensure information transparency, health and safety, and protection of stakeholder rights.
- Implement supplier management policies and require suppliers to comply with environmental protection, occupational safety and health, and labor and human rights requirements.

Performance and Adjustments

2025 performance

1. The Company uses 2025 as its base year and will compare subsequent actual operating data with the 2025 baseline, review achievement of topic targets, and adjust management approaches on a rolling basis.
2. Cumulative rooftop solar power generation at the green building reached 142,121 kWh.
3. Electric vehicles accounted for 50% of the Company fleet, with three electric vehicles among six business vehicles.
4. The greenhouse gas inventory boundary was expanded to all two operating locations.

Other performance

1. All office lighting uses LED fixtures.
2. Online forms, including meeting room registration forms, are used to reduce paper consumption.
3. Management vehicles are being converted to electric vehicles.

4.2 Climate-related Financial Risks

As extreme weather becomes more severe, resilience to climate disasters is essential to business operations. NEMStek plans to establish an enterprise risk management system and use a risk map to assess the frequency of risk events and severity of operating impacts. Management strategies will correspond to risk levels. Scenario simulations will be used for mitigation training and exercises, and changes in risks and response measures are expected to be reviewed quarterly.

Beginning in 2025, NEMStek identifies climate risks and opportunities every two years in accordance with the Task Force on Climate-related Financial Disclosures framework. It also plans to establish a cross-functional unit and hold climate risk and opportunity workshops to prioritize risks and opportunities relating to policy, regulation, markets, technology, reputation, and physical risks and manage them through indicators. This will

support effective monitoring of response progress and outcomes and reduce the financial impact of climate risks on operations.

Governance

The Board has ultimate oversight responsibility for climate-related risks and opportunities, while management is responsible for strategic planning and implementation. Cross-departmental collaboration supports related management activities and ensures that climate issues are effectively incorporated into operating decisions.

Governance Level	Responsibilities
Board of Directors	Serve as the highest decision-making body for climate risk and opportunity management. Regularly review climate strategy, the risk management framework, and operating impacts; review climate policies and management mechanisms for regulatory and governance compliance; monitor impacts on operations, reputation, and compliance; and regularly receive management reports on climate risk management and sustainability implementation.
Management	Plan and execute climate strategy and incorporate it into operating processes. Implement Board decisions; identify, assess, and manage climate risks and opportunities within ERM; participate in setting strategies, indicators, and targets and track results; and form cross-functional teams from business units to manage specific climate actions.
Cross-departmental operations and meetings	Hold ESG or sustainable development meetings at least quarterly to review climate risk and opportunity assessments and implementation progress. Include climate responses as important agenda items covering governance, environmental, and social dimensions. Incorporate resolutions into follow-up implementation and improvement tracking.

Strategy

The Company analyzes climate risks and opportunities over the short, medium, and long term under the TCFD framework, assesses operating and financial impacts, and formulates response measures.

Category	Short Term Within One Year	Medium Term One to Three Years	Long Term Three to Ten Years
Physical risks	Typhoons and heavy rainfall may suspend operations or damage equipment. Power outages or unstable water supply may affect processes.	High temperatures may affect equipment stability and energy efficiency. Water shortages may affect operating stability.	Extreme weather may become more frequent. Production sites and the supply chain may face greater climate exposure.
Transition risks	Introduction of carbon fees or taxes may increase operating costs. Customers may require product carbon footprint and energy-saving data. Higher ESG assessment requirements may affect order acquisition.	Stricter carbon-reduction regulations may require greater expenditure. Low-carbon customer supply chains may impose new product standards. Rapid technological change may replace existing equipment.	The global net-zero transition may require comprehensive low-carbon transformation. International carbon tariffs such as CBAM may affect competitiveness. Failure to transition may result in loss of market position.

Financial impacts of physical risks

1. Typhoons and heavy rainfall may cause production interruptions or equipment damage in the short term.
2. A one- to two-week shutdown caused by extreme weather could delay 5% to 10% of annual shipments and increase emergency procurement costs for critical components by 5% to 15%.

Financial impacts of transition risks

Stricter regulations, a domestic carbon fee of NT$300 per metric ton, and international CBAM requirements may directly increase operating costs. Major international semiconductor manufacturers continue to raise ESG thresholds, and failure to meet them may affect eligibility to participate in new projects.

Period	Risk Response Measures
Short term	Establish supply chain backup mechanisms, including dual sourcing and safety stock. Improve plant resilience through drainage, flood protection, and backup power. Launch greenhouse gas inventories and product carbon footprint systems. Respond to customer ESG requirements by providing energy-saving and carbon emission data.
Medium term	Develop low-energy plasma equipment and energy-saving process technologies. Establish carbon and energy monitoring systems. Diversify supply chain risks through a second supply base. Expand applications for low-carbon products and cooperate with suppliers to reduce carbon footprints.
Long term	Promote comprehensive low-carbon products through replacement of wet processes with dry processes. Invest in next-generation low-carbon process technology. Introduce renewable energy through solar power and power purchase agreements. Establish net-zero emissions and carbon management mechanisms. Expand into markets that comply with international carbon rules such as CBAM.

Period	Opportunity Categories
Short term	Higher customer demand for energy-efficient equipment and carbon disclosure; provision of product carbon footprint and energy-saving services
Medium term	Market opportunity to replace wet processes with dry plasma processes; become a partner in customer energy-saving and carbon-reduction projects; participate in international supply chain decarbonization projects such as RE100 and SBTi
Long term	Continued growth of the low-carbon equipment market; expansion into markets compliant with international carbon rules such as CBAM; establishment of a high-value-added low-carbon product line

Positive financial impacts of climate opportunities

1. Market growth: Replacing wet etching with dry processes can expand the potential total addressable market. Long-term annual demand for dry-process replacement is estimated to increase by 5% to 10%.
2. Higher customer demand: Reduced chemical use helps customers lower environmental costs. Energy-efficient equipment can earn ESG advantages in tenders and improve bid success rates.
3. Higher revenue: Low-carbon equipment may increase unit selling prices by 10% to 20%. Maintenance services, including energy-saving adjustments and consumables reduction, may generate recurring revenue.

Opportunity Response Measures

NEMStek will continue improving its low-carbon plasma products to meet additional customer ESG needs and provide product carbon footprint information.

1. Require suppliers to use low-carbon products or equipment, establish partnerships with those suppliers, and develop green low-carbon materials and production equipment.
2. Use low-carbon transportation to transport products and materials.
3. The Company’s current environmental sustainability products are used in environmentally friendly semiconductor chip grinding and electronic equipment. It will continue strengthening innovation management and progressively integrate market development with environmental protection.

Risk Management

Management Actions When Climate Risks Occur

NEMStek has established standardized response measures for extreme weather and policy changes to strengthen business continuity and resilience. Climate risks are divided into physical and transition risks.

Physical risk management for extreme weather events

1. Emergency response and business continuity: Activate the business continuity plan and emergency operations center. Initiate the appropriate standard operating procedure for flooding, power outages, typhoons, or heat waves. Prioritize personnel and equipment safety and the normal operation of data centers and critical production equipment.
2. Plant and equipment protection: Activate floodgates, drainage pumps, backup power supplies, uninterruptible power supplies, and generators. Shut down precision manufacturing equipment, vacuum chambers, or high-voltage plasma power supplies that may be damaged. Reinforce or relocate warehouse inventory and critical components.
3. Supply chain backup and delivery management: Activate dual-source backup for critical components, urgently adjust production schedules, communicate delivery dates to customers, and release safety stock according to risk level.
4. Transparency and customer communication: Notify customers and supply chain partners of the impact within 24 hours and update estimated recovery schedules and adjusted delivery plans.

Transition risk management for regulatory and market changes

1. Regulations and carbon costs: The future sustainability committee and Finance Department will jointly assess the impacts of carbon fees, carbon taxes, and energy regulations. If costs increase, the Company will accelerate investment in energy-saving equipment R&D, cooperate with suppliers to reduce material carbon footprints, and negotiate carbon-efficiency indicators for new equipment with customers.
2. Market and technology substitution: When customers accelerate the phaseout of chemical-intensive wet processes, the Company will expand iterations of dry etching, modification, and cleaning technologies, introduce energy-saving modes and low-energy plasma sources, and adjust product roadmaps to support ESG requirements.
3. ESG assessments and supplier management: If suppliers face restrictions due to poor ESG ratings, the Company will immediately launch alternative supplier development and require high-risk suppliers to provide decarbonization plans and improvement deadlines.

Climate Risk Identification Assessment and Management Process

Risk identification

1. External environment analysis: Annually collect climate policy information, including carbon fees, carbon taxes, and CBAM; customer ESG requirements such as SBTi and RE100; and extreme weather trends.
2. Internal operating review: Examine plant climate exposure, supply chain distribution, and high-energy equipment.
3. Risk classification: Classify risks under TCFD as physical risks, acute or chronic, and transition risks involving policy, technology, markets, or reputation.

Risk assessment

1. Financial impact analysis: Assess impacts on capacity, costs, and revenue and estimate potential carbon fee or tax costs.
2. Risk matrix analysis: Establish a matrix based on impact and likelihood, classify risk levels, and manage them through a risk heat map.
3. Scenario analysis: Analyze operating and supply chain impacts under 1.5°C and 2°C low-carbon scenarios and a high-emissions scenario.

Risk management

1. ERM integration: Include climate risks in the annual risk inventory, with the sustainability committee reporting regularly to the Board.
2. Response strategies: Avoid, reduce, transfer, or accept risks based on their characteristics.
3. Controls: Establish disaster prevention facilities, improve energy efficiency, manage supply chain carbon, and support customer ESG services. Physical controls include flood prevention, backup power, safety stock, and a second production site. Transition controls include energy-saving technology investment, lower product energy use, and supply chain carbon management. Customer controls include ESG-ready equipment, carbon footprint inventories, and energy-saving data.
4. Continuous monitoring and feedback: Track risk changes through regular meetings and annual reports and adjust strategies as appropriate. Update climate risk status at quarterly ESG meetings, report climate risks and financial impacts to the Board annually, and adjust the R&D roadmap when market demand changes rapidly.

Integration into Overall Risk Management

NEMStek plans to establish an ERM framework and progressively incorporate climate risks to improve consistency in risk identification, assessment, and decision-making at every level.

- Organizational integration: The Board reviews climate risks and net-zero strategy. The sustainability committee manages climate issues across departments. The risk management committee or internal control department incorporates climate issues into the annual risk inventory. R&D, manufacturing, procurement, and finance jointly execute actions.
- Policy and process integration: Incorporate climate issues into ERM policy, business continuity plans, supplier management systems, and R&D investment decisions. New product introduction must assess energy use, carbon footprint, and ESG contribution.
- Indicator and target integration: Establish KPIs for product energy-use improvements, Scope 1 2 and 3 emission reduction targets, and customer ESG benchmarking such as TSMC Samsung and Intel supplier ratings.
- Reporting and audit integration: Publish TCFD or sustainability reports annually, engage external auditors to conduct reviews, and feed actual performance back into R&D and capital expenditure plans.

Material Risks and Opportunities

The Company currently focuses on the following core issues:

1. Material risks: Greenhouse gas caps and carbon taxes or fees; net-zero trends; changes in national energy policy; and acute climate change events such as floods, droughts, and severe typhoons.
2. Material opportunities: Higher plant energy efficiency and markets for dry-process substitution arising from low-carbon supply chain trends.

Through climate risk and opportunity workshops, the Company integrates cross-functional views, analyzes and prioritizes policy, regulatory, market, technology, reputational, and physical risks, and establishes corresponding management indicators to monitor response progress and outcomes.

Metrics and Targets

Climate and energy metrics

1. Establish management indicators and targets for climate risks and opportunities.
2. Establish greenhouse gas management targets covering Scope 1 2 and 3 emissions.
3. Establish energy and resource recycling targets to improve resource efficiency and decarbonization performance.

Product and carbon footprint management

1. Complete environmental footprint inventories for 100% of products, analyze carbon footprint hotspots, and implement hotspot improvements.
2. Use 2025 as the base year, complete carbon footprint inventories, and formulate management plans and corrective actions for major emission hotspots.

Renewable energy targets

1. Fulfill renewable energy regulatory requirements for large energy users and establish medium- and long-term renewable energy targets.
2. Under the renewable energy acquisition plan, install one rooftop solar power plant in 2026 to achieve renewable energy use targets.

Inventories and verification

1. Conduct annual Scope 1 2 and 3 greenhouse gas inventories and third-party verification, identify emission sources, and incorporate major sources into management.
2. Use annual inventory results to track target achievement and adjust improvement measures to strengthen decarbonization and energy management.

Carbon Pricing Basis and Greenhouse Gas Inventory Plan

The Company is not currently required to pay carbon pricing charges. It has planned greenhouse gas inventories beginning in 2025 and will select an appropriate base year based on the results. To increase renewable energy use, the Company expects to install green electricity equipment such as solar generation and energy storage within the next two years and plans to obtain approximately ten renewable energy certificates annually to strengthen its energy transition and carbon management.

External Assurance

The Company plans to select an appropriate year after 2025 to introduce external assurance and evaluate engagement of a CPA firm or other third party to improve the credibility and transparency of disclosed information.

4.3 Advancing Energy Conservation

NEMStek primarily uses electricity and gasoline, which also account for its largest energy consumption. The Company implements energy management and continuously promotes energy-saving improvements through regular energy inventories and equipment optimization. It is progressively implementing a low-carbon transition in response to global decarbonization trends, reducing potential climate impacts while strengthening competitiveness. The Company began conducting carbon inventories in 2025 to understand energy use and sustainability performance.

2025 Energy Consumption

Indicator	Unit	2025
Electricity consumption	kWh per year	408,320
Electricity consumption	GJ	1,469.95
Gasoline consumption	liters per year	145
Gasoline consumption	GJ	4.61
Diesel consumption	liters per year	107.7

Indicator	Unit	2025
Diesel consumption	GJ	3.89
Total energy consumption	GJ	1,478.45
Organization-specific metric	Operating revenue NT$ million	518.44
Energy intensity	GJ per NT$ million of revenue	2.85

Notes

1. Electricity is converted at 1 kWh equals 0.0036 GJ.
2. The 2025 conversion factors are based on the Ministry of Environment's 2025 Guidelines for Greenhouse Gas Emissions Inventories. Fuel heating values are 7,586 kcal per liter for gasoline and 8,636 kcal per liter for diesel; 1 kcal equals 4.1868 kJ.

Energy Conservation Results

2025 Improvement	Description
Upgrade office lighting to LED fixtures	Replace conventional fixtures with high-efficiency LEDs to reduce electricity consumption, lighting costs, and carbon emissions.
Implement online forms	Move meeting room registrations and internal application forms online to reduce paper and printing resources and lower the carbon footprint of office consumables.
Convert management vehicles to electric vehicles	Gradually replace fuel-powered management vehicles with electric vehicles. Based on prior vehicle use, the Company estimates an annual reduction of approximately 6,000 liters of gasoline, equivalent to approximately 190.57 GJ, reducing fuel use, greenhouse gas emissions, and operating costs.

The Company continues optimizing equipment performance through R&D to improve process and resource efficiency. An improvement project changed electrode material and dimensions to reduce electrode impedance and increase plasma density, thereby improving etching performance. Tests showed that replacing stainless steel with aluminum electrodes and using thicker electrodes improved etching efficiency.

Although the improvement cannot be directly quantified as an energy-efficiency indicator, higher equipment performance can help customers improve yield and reduce scrap. For the same order volume, this reduces rework and the additional energy required for production, indirectly reducing overall energy use and environmental burdens.

Greenhouse Gas Emissions Management

In 2025, Scope 1 direct emissions were 606.3218 metric tons CO2e, Scope 2 indirect emissions were 190.2771 metric tons CO2e, and Scope 3 other indirect emissions were 752.4367 metric tons CO2e, for total emissions of 1,549.0356 metric tons CO2e.

Indicator	Unit	2025
Scope 1 direct greenhouse gas emissions	Metric tons CO2e	606.3218
Scope 2 indirect greenhouse gas emissions	Metric tons CO2e	190.2771
Scope 3 other indirect emissions	Metric tons CO2e	752.4367
Total Scope 1 plus Scope 2 plus Scope 3	Metric tons CO2e	1,549.0356
Organization-specific metric	Operating revenue NT$ million	518.44

Indicator	Unit	2025
Greenhouse gas emissions intensity	Metric tons CO2e per NT$ million of revenue	2.9879

Notes

1. Scope 1 includes stationary combustion, process emissions, mobile combustion from transportation, and fugitive emissions from sources owned or controlled by the Company. The inventory uses Ministry of Environment greenhouse gas emission factors announced on February 5, 2024, and global warming potentials from the IPCC Sixth Assessment Report published in 2021.
2. Scope 2 comprises energy indirect emissions such as purchased electricity.
3. Scope 3 comprises employee commuting, upstream transportation and distribution, business travel, and downstream transportation and distribution.
4. Greenhouse gases covered are carbon dioxide CO2, methane CH4, and nitrous oxide N2O.
5. Purchased electricity uses the electricity emission factor announced by the Energy Administration Ministry of Economic Affairs. The 2025 factor is 0.466 kgCO2e per kWh.

Air Pollution Prevention

The Company does not use ozone-depleting substances or emit nitrogen oxides, sulfur oxides, particulate matter, or other harmful gases in its operations. It therefore generated no emissions that damaged the ozone layer or caused other air pollution within this scope.

4.4 Water Resource Management

The Company’s operating site is located at No. 100, Keji 5th Road, Annan District, Tainan City, Taiwan. Relevant assessments classify the area as having medium-to-low water risk. Water is supplied primarily by the public water system, whose sources include the Tsengwen and Wushantou reservoir joint operation system and the Nanhua, Baihe, and Jingmian reservoirs.

The Company’s production processes do not require large quantities of water. Water use is primarily for offices and daily living, and the impact on local water resources is limited. Water withdrawal in 2025 was 3.84 million liters, an increase of 0.63 million liters or approximately 19.63% from 2024, primarily due to growth in employee numbers and systematic irrigation of landscaped lawns. The Company will continue monitoring water management, support government conservation policies, and increase employee awareness through internal communications.

Water Use for the Past Two Years

Indicator	2024	2025
Water withdrawal million liters	3.21	3.84
Water discharge million liters	3.21	3.84
Water consumption million liters	0	0
Water recycled within the plant million liters	0	0
Water recycling rate	0%	0%
Organization-specific metric	Operating revenue NT$547.63 million	Operating revenue NT$518.44 million
Water intensity million liters per NT$ million revenue	0.0059	0.0074

Notes

1. Water recycling rate equals water recycled within the plant divided by water withdrawal plus water recycled within the plant, multiplied by 100%.
2. Water intensity equals water withdrawal in million liters divided by operating revenue in NT$ million.

Wastewater Discharge

The Company is located in Tainan Industrial Park and recognizes the importance of local biodiversity. It implements the following environmental protection measures:

1. The Company has lawfully obtained a connection and use certificate for the industrial park sewer system, and plant wastewater is connected to the Tainan Industrial Park sewer system.
2. Wastewater undergoes advanced treatment at the park's dedicated treatment facility, which holds a discharge permit. After meeting national effluent standards, the treated water is discharged into the Taiwan Strait. This arrangement minimizes impacts on marine life and helps protect marine biodiversity along Taiwan's west coast.

The Company regularly monitors wastewater quality in accordance with environmental laws to ensure compliance with competent authority requirements. Indicators include chemical oxygen demand and suspended solids. Total wastewater discharged during the reporting period was 3.84 million liters.

Operating Site	2024 Wastewater Discharge Million Liters	2025 Wastewater Discharge Million Liters
No. 100, Keji 5th Road, Annan District, Tainan City, Taiwan	3.21	3.84

Test Item	2024 Discharge Standard ppm	2024 Annual Average ppm	2025 Discharge Standard ppm	2025 Annual Average ppm
Chemical oxygen demand mg/L	380	102.85	380	125.98
Suspended solids mg/L	250	13.05	250	19.28

4.5 Waste Management

Waste generated by NEMStek's operations primarily comprises general domestic waste, followed by packaging waste such as wooden crates, bubble wrap, and foam. No hazardous industrial waste was generated. The Company manages waste in accordance with environmental laws and engages the qualified third-party waste contractor Bai Fen Zhi Bai Environmental Services to collect and treat waste. Collection vehicles are equipped with GPS tracking to ensure safety and traceability, and no significant spills occurred during the reporting period. The Company also implements waste sorting and resource recycling within the plant to reduce waste generation and improve resource reuse efficiency.

Waste Generation and Treatment

Waste Item	Hazardous or Non-hazardous	2024 Off-site Waste Metric Tons	2025 Off-site Waste Metric Tons	Treatment Method
General domestic waste generated by employees	Non-hazardous	6.16	5.19	Incineration without energy recovery

Notes

1. Waste weight is stated in metric tons.

2. The Company’s treatment method is incineration without energy recovery.
3. All Company waste is treated off site; no waste is treated on site.

Chapter 5 Creating Well-being Together, a Safe and Healthy Workplace

5.1 Management Approach

Material Topic Occupational Health and Safety including Employee Health and Safety

Item	Description
Corresponding sustainability standard or topic	GRI 403 Occupational Health and Safety
Primary parties affected	The Company, which causes the impacts; customers, which contribute to the impacts; employees and other workers and suppliers, which are directly related to the impacts

Significance

Through its materiality assessment, the Company confirmed that this topic has material impacts on its operations, stakeholders, and long-term sustainable development. Occupational health and safety concerns not only the Company's core operating processes and employees' working environment, but may also affect its reputation, regulatory compliance risk, and market competitiveness. It is therefore managed as a priority sustainability topic.

Impacts

Economic dimension

1. Actual positive impacts: Comprehensive occupational health and safety management and training reduce the incidence of occupational accidents, lower the risk of work stoppages and production interruptions, and improve operating stability and cost-effectiveness.
2. Potential negative impacts: Inadequate occupational health and safety management may increase occupational injuries, resulting in compensation expenses, work stoppages, and higher operating costs.

Environmental dimension

1. Actual positive impacts: Safe operations and standardized processes can prevent accidental equipment damage and potential environmental incidents, reducing pollution and energy waste.
2. Potential positive impacts: Stable occupational safety management promotes process optimization, energy conservation, and emission reduction, indirectly reducing environmental burdens.
3. Potential negative impacts: Neglecting safety measures or operating procedures may cause chemical leaks or accidental waste discharges and increase environmental and compliance risks.

Social dimension including people and human rights

1. Actual positive impacts: Ongoing occupational health and safety training protects employee health and safety, improves the quality of the working environment, and reduces the risk of occupational injury.
2. Potential positive impacts: A stable and safe working environment can improve employee satisfaction and loyalty, strengthen the Company's social image, and attract outstanding talent.
3. Potential negative impacts: Inadequate occupational health and safety management may cause occupational accidents, labor disputes, or employee health problems and affect the Company's reputation and human rights performance.

Policy

The Company has formulated a dedicated occupational health and safety policy that includes commitments to comply with applicable laws and regulations, clearly defined management responsibilities, risk control principles, protection of stakeholder rights and interests, and continuous improvement requirements. The policy is reviewed at least annually to ensure alignment with international trends and operating needs.

Strategies

Proactive opportunity management

- For actual and potential positive impacts arising from occupational health and safety, formulate management practices to improve performance, such as introducing technology, improving processes, and capturing market opportunities, in order to maximize positive value.

Preventive risk management

1. Implement internal controls, audit oversight, and training to ensure standardized processes and compliance with occupational safety requirements.
2. Manage the supply chain and require suppliers to comply with occupational health and safety standards.

Remedial measures for negative impacts and opportunity realization

- If this topic has caused negative impacts, the Company will initiate remediation in accordance with applicable procedures, including immediate response, improvement plans, stakeholder communication, and external disclosure, to ensure that the impacts are properly addressed.

Goals and Targets

Short-term goals

1. Provide occupational health and safety training to every employee at least once every three years.
2. Provide three hours of occupational safety training to new employees.

Medium-term goals

1. Develop environmental, health, and safety talent through:
   - Establishing a training system.
   - Developing professional certification capabilities.
   - Strengthening safety awareness among supervisors and frontline employees.
   - Strengthening emergency response capabilities.
   - Establishing succession and internal talent systems.
2. Achieve the annual target of zero occupational accidents.

Long-term goals

The Company is planning to establish an Occupational Health and Safety Committee. In the future, the Committee will regularly review occupational safety incidents, risk assessment results, and improvement progress to strengthen occupational health and safety management and risk prevention. The Company's long-term environmental, health, and safety goals are zero major occupational safety accidents and autonomous safety management. It will continue strengthening machinery and equipment safety, electrical safety, the working environment, and contractor safety management. The Company will promote safety training, hazard identification, risk prevention, and abnormality improvement mechanisms and progressively improve its environmental, health, and safety management system and internal professional talent development system. It will also continue optimizing the working environment and employee healthcare measures, including updating personal protective equipment, making ergonomic improvements, and managing employee health,

to reduce occupational accident risks and improve workplace safety and health. In addition, the Company will continue monitoring domestic and international occupational health and safety regulations and ESG developments as it advances toward a sustainable, safe, and healthy workplace.

Management Evaluation Mechanisms

In accordance with its occupational health and safety management policies, the Company regularly reviews implementation through training, routine management, and internal audit mechanisms. Responsible units conduct routine inspections and report abnormalities, promptly implement improvements for potential risks, and continue tracking improvement effectiveness. If an occupational health and safety incident occurs, the Company investigates, reviews, and implements improvements through internal procedures to reduce the risk of recurrence and ensure employee safety and a stable working environment.

Performance and Adjustments

2025 performance

- The Company achieved zero occupational accidents and recorded three near misses in 2025. It continued adjusting improvement measures based on risk and incident analysis results.

Adjustments

To continue improving employee health and workplace safety, the Company reviewed and adjusted its occupational health and safety management measures in 2025. In response to operational needs and potential onsite risks, it continued strengthening personal protective equipment management and progressively replaced safety footwear and related protective equipment to reduce the risk of workplace injury. It also added certain powered tools to reduce the burden of manual work and improve operating efficiency, while continuing to improve the working environment and strengthen equipment safety management. For near misses, the Company established abnormality reporting and improvement tracking mechanisms and continued strengthening employee safety awareness and preventive management capabilities through incident analysis, hazard identification, and education and awareness activities, thereby reducing the likelihood of similar incidents recurring. The Company will continue adjusting its occupational health and safety management strategies on a rolling basis in response to operational risks, regulatory requirements, and actual business needs in order to create a safe, healthy, and friendly working environment.

Material Topic Training and Education

Item	Description
Corresponding sustainability standard or topic	GRI 404 Training and Education
Primary parties affected	The Company, which causes the impacts; employees and other workers, which are directly related to the impacts

Significance

Employees are the Company's most important source of competitiveness. Continuous training and education strengthen professional skills, improve organizational effectiveness, and foster innovation. Through systematic training and competency development, the Company ensures that employees are equipped to respond to technological change and market challenges, thereby supporting stable long-term growth.

Impacts

Corporate governance dimension

1. Actual positive impacts: Systematic training improves employees' professional capabilities and work efficiency, reduces error rates and retraining costs, and enhances operating efficiency and organizational performance.
2. Potential positive impacts: Continuous competency development can cultivate future management and technical talent, support innovation and business expansion, and improve long-term competitiveness and earnings potential.
3. Potential negative impacts: Inadequate training plans or low employee participation may create a gap between employee capabilities and industry needs and affect production efficiency.

Environmental dimension

1. Actual positive impacts: Employees familiar with energy conservation, environmental management, and safe operating practices can use equipment more efficiently and improve energy management, indirectly reducing resource waste.
2. Potential positive impacts: Training can promote environmental protection and sustainability awareness, encouraging employees to take environmentally responsible actions in their daily work and positively affecting the Company's environmental performance.
3. Potential negative impacts: Inadequate training or failure to address environmental topics may result in operating errors or resource waste and affect environmental performance and the Company's sustainability image.

Social dimension including people and human rights

1. Actual positive impacts: Employee training safeguards employees' job competence and safety, improves workplace health, occupational safety, and quality of life, and promotes employee satisfaction and organizational commitment.
2. Potential positive impacts: By providing equitable learning opportunities, the Company implements the principles of equality and non-discrimination and ensures that all employees have equal access to learning resources and development opportunities.
3. Potential negative impacts: Insufficient training or failure to cover key competencies may increase work pressure or create skills gaps and affect employees' career development.

Policy

The Company has established the Education and Training Management Regulations and follows Talent Quality-management System assessment requirements. Together, these form a comprehensive talent cultivation and development system that clearly defines principles for training plans, course delivery, effectiveness evaluation, and resource allocation and ensures that the training system is transparent, equitable, and aligned with the Company's long-term strategy.

Strategies

Proactive opportunity management

1. Develop training roadmaps for employees at different levels based on job descriptions and competency maps.
2. Provide internal and external learning resources and encourage self-directed learning and interdisciplinary development.

Preventive risk management

1. Regularly inventory competency training needs to prevent skills gaps or interruptions in technical capabilities.
2. Establish a supervisor interview system to promptly understand training needs and learning outcomes.

Remedial measures for negative impacts

1. If inadequate training causes performance gaps, arrange retraining and coaching through the Performance Improvement Plan mechanism.
2. Revise training content or delivery methods based on post-course feedback and performance reviews.

Goals and Targets

Short-term goal

- Continue implementing the annual training plan, increase employee training participation to 80%, and achieve course satisfaction of 4 out of 5.

Medium-term goal

- Establish cross-departmental competency development pathways and strengthen the managerial competencies and professional expertise of middle management.

Long-term goal

- Foster a learning organization culture, embed the training system as a core organizational competency, and promote lifelong learning among employees.

Management Evaluation Mechanisms

Each year, the Human Resources unit evaluates training outcomes through course feedback, learning outcome surveys, and supervisor observations. The combined results are used to assess training effectiveness and inform the following year's training plans.

Performance and Adjustments

2025 performance

The Company implemented all training programs according to their original objectives, with good overall learning outcomes. It will continue optimizing course content, introducing digital learning resources, and adjusting training strategies in a timely manner based on business needs and employee feedback to improve overall human capital development.

Adjustments

The Company did not publish a sustainability report in 2024 and therefore did not establish clear quantitative targets or evaluation mechanisms for training and education. In 2025, it conducted its first systematic inventory and effectiveness review, primarily reviewing the implementation of existing training and using the results to optimize its management approach.

The Company has established the Education and Training Management Regulations and divides training into two systems according to the source of training resources: internal training management and external training management. A review of implementation in 2025 found that past training activities focused more heavily on course delivery and resource inputs, leaving room for improvement in training effectiveness evaluation, post-training follow-up, and linkage with organizational strategy.

Accordingly, the Company made rolling adjustments to its training and education policies in 2025, focusing on the following:

1. Strengthen alignment between training and organizational strategy. Progressively shift training plans from a needs-response orientation toward strategic planning that integrates the Company's medium- and long-term development goals and key competency gaps.

2. Establish training effectiveness evaluation mechanisms. Introduce post-training effectiveness reviews and progressively establish quantifiable evaluation indicators, such as learning outcomes and behavioral changes, to make the return on training investment more visible.
3. Optimize the allocation of internal and external training resources. Reassess the allocation of instructors and courses and ensure that training content meets practical needs.
4. Strengthen post-training follow-up and application mechanisms. Improve post-training outcome feedback, application tracking, and supervisor participation to reduce disconnects between training and practice.

Through these adjustments, the Company is progressively transitioning from a training-execution orientation to an approach that links talent development with performance. This helps prevent resource inputs from failing to translate effectively into organizational performance, continuously improves the quality of human capital, and supports the Company's sustainable development goals.

Material Topic Employment and Labor-Management Relations

Item	Description
Corresponding sustainability standard or topic	GRI 401 Employment; GRI 402 Labor-Management Relations
Primary parties affected	The Company, which causes the impacts; shareholders and other investors, which contribute to the impacts; employees and other workers, which are directly related to the impacts

Significance

Sound employment and labor-management relations are the foundation of stable operations and sustainable development. NEMStek values communication and mutual trust with employees and is committed to establishing a safe, harmonious, and inclusive working environment to strengthen employee cohesion, reduce workforce turnover, and improve organizational effectiveness.

Impacts

Economic dimension

1. Actual positive impacts: Stable labor-management relations improve employee satisfaction and engagement, reduce workforce turnover, increase productivity and corporate competitiveness, and strengthen operating stability and competitiveness.
2. Potential positive impacts: Mutual trust in employment relationships can attract high-quality talent, enhance the Company's attractiveness and human resource resilience, and support long-term development and growth.
3. Potential negative impacts: Poor communication or inappropriate management of working conditions may cause disputes, low morale, or employee attrition and create operating risks.

Social dimension including people and human rights

1. Actual positive impacts: The Company respects employees' freedom of expression and provides communication and grievance channels to ensure that labor-management interactions are based on respect and equality, improving employees' sense of belonging, loyalty, and organizational cohesion.
2. Potential positive impacts: An inclusive and safe working environment can promote mental health and employee well-being and reduce workplace conflict and turnover.
3. Potential negative impacts: Prolonged neglect of employee rights or inadequate communication may affect labor rights and the Company's reputation and may even reduce social trust.

Policy

In accordance with the Labor Standards Act, the Regulations for Implementing Labor-Management Meetings, and other laws and regulations, the Company has formulated human resource management policies and provides employee grievance and communication mechanisms. These institutionalized channels allow labor and management to communicate and coordinate fully and maintain sound relations based on mutual trust.

Strategies

Proactive opportunity management

1. Promote two-way communication and timely problem-solving through regular labor-management meetings and supervisor forums.
2. Establish a culture of open communication and anonymous feedback mechanisms to increase employee participation and sense of belonging.

Preventive risk management

1. Continue monitoring changes in labor laws and regulations to ensure that internal systems are promptly adjusted and remain legally compliant.
2. Establish human resource audit and grievance handling procedures to prevent improper labor practices.

Remedial measures for negative impacts

1. If a labor-management dispute occurs, the Company will address it through internal grievance procedures and statutory mediation mechanisms to ensure fairness and transparency.
2. Review and improve the causes of the issue to prevent recurrence.

Goals and Targets

Short-term goals

1. Strengthen labor-management meetings and employee communication mechanisms to ensure that issues are promptly raised and handled. Improve new-employee onboarding and adaptation support to enhance new employees' understanding and acceptance of the Company's culture and systems.
2. Stabilize the new-hire rate and reduce the probationary-period turnover rate to between 10% and 30% in the short term. Use supervisor care and Human Resources follow-up mechanisms to identify and address adaptation problems or communication gaps at an early stage.

Medium-term goals

1. Establish comprehensive employee care and mental health support systems, strengthen employee retention and satisfaction, and integrate training with career development planning to increase employees' willingness to make a long-term commitment.
2. Progressively reduce overall turnover and stabilize the turnover rate between 3% and 9%, with particular attention to key positions and high-turnover groups, while maintaining a reasonable and healthy new-hire rate so that the workforce structure remains stable and experience can be effectively accumulated and transferred.

Long-term goals

1. Foster a corporate culture of respect, trust, and shared growth and establish a stable and attractive employer brand.
2. Maintain a virtuous workforce cycle characterized by low turnover and a stable new-hire rate, achieve zero material labor-management disputes, high employee loyalty, and strong organizational cohesion, and support sustainable operations and long-term development.

Management Evaluation Mechanisms

The Company comprehensively evaluates the stability of employment relations and improvement effectiveness through annual employee satisfaction surveys, labor-management meeting records, and grievance case tracking and adjusts management measures accordingly.

Performance and Adjustments

2025 performance

- Labor-management relations remained stable during the reporting year, and no material labor disputes occurred. The Human Resources unit will continue optimizing communication platforms and employee care programs to strengthen organizational cohesion and workplace well-being and provide a basis for further refinement of the management approach.
- The 2025 employee satisfaction survey achieved a response rate of 70%, with an average overall satisfaction score of 4 out of 5.

Adjustments

The Company began systematically implementing sustainability management and related disclosure in 2025. Because a sustainability report management framework had not yet been formally established in 2024, no clear quantitative targets for employment or labor-management relations were set. The principal priorities in 2025 were to inventory systems, review risks, and establish management mechanisms.

A review of the Company's overall employment and labor-management relations in 2025 identified no material labor-management disputes or material labor events affecting operations. Nevertheless, the Company continues monitoring talent movement, interdepartmental communication, employee adaptation, and workloads as directions for future management improvements.

5.2 Talent Recruitment and Training

Employee Overview

At the end of 2025, NEMStek had 76 employees, all of whom were permanent employees. The Company employed no temporary or part-time personnel, reflecting its longstanding emphasis on stable employment relationships and helping strengthen organizational cohesion and reduce the risk of talent loss. The workforce comprised 51 men, or 67.11%, and 25 women, or 32.89%. The Company also had one non-employee worker, an outsourced cleaning worker, unchanged from the preceding year.

NEMStek 2025 Employee Overview

Region	Gender	Age	Number of Employees	Number of Permanent Employees
Taiwan	Women	Under 30	6	6
Taiwan	Women	30–50	15	15
Taiwan	Women	Over 50	4	4
Taiwan	Men	Under 30	2	2
Taiwan	Men	30–50	40	40
Taiwan	Men	Over 50	9	9
Total			**76**	**76**

Notes:

1. The table uses the value on the reporting end date, namely the employee headcount on December 31.
2. An employee is an individual who has an employment relationship with the organization under national law or applicable requirements. In Taiwan, this refers to an employee enrolled in labor insurance.
3. A permanent employee is an individual employed under a non-fixed-term contract.
4. The Company had no non-guaranteed-hours employees during the reporting period.

Information on Workers Who Are Not Employees

Region	Worker Type	Contractual Relationship with the Company	Total Workers
Taiwan	Cleaning worker	Contractor	1

Calculation method: Value on the reporting end date.

When recruiting and hiring, the Company gives priority to talent from the communities where it operates. Employees whose household registrations are in Annan and Anping Districts account for 33% of the workforce. This promotes positive interaction between the Company and local communities and improves employment stability. The Company defines personnel at manager level and above as senior management. All senior management personnel were Taiwan residents in 2025, representing a local hiring rate of 100%. The employee distribution by job category over the past three years was as follows:

Employee Composition over the Past Three Years

Employee Category	Gender	Age	2023	2024	2025
Senior management	Men	Under 30	0	0	0
Senior management	Men	30–50	3	2	2
Senior management	Men	Over 50	5	6	6
Senior management	Women	Under 30	1	1	0
Senior management	Women	30–50	0	0	1
Senior management	Women	Over 50	0	0	0
Total senior management			**9**	**9**	**9**
Other management	Men	Under 30	0	0	0
Other management	Men	30–50	3	4	7
Other management	Men	Over 50	0	0	0
Other management	Women	Under 30	0	0	0
Other management	Women	30–50	2	2	2
Other management	Women	Over 50	1	1	2
Total other management			**6**	**7**	**11**
Non-senior-management employees	Men	Under 30	4	5	2
Non-senior-management employees	Men	30–50	26	26	31
Non-senior-management employees	Men	Over 50	0	0	3
Non-senior-management employees	Women	Under 30	3	3	6
Non-senior-management employees	Women	30–50	10	9	12
Non-senior-management employees	Women	Over 50	1	2	2

Employee Category	Gender	Age	2023	2024	2025
Total management including senior and other management			**15**	**16**	**20**
Total non-senior-management employees			**44**	**45**	**56**
Total employees			**59**	**61**	**76**

Calculation method: Statistics at each year-end.

Note: Senior management is defined as manager level and above.

Workforce Movement

New-hire Rate

The Company continues to attract and retain outstanding talent through comprehensive human resource strategies to support long-term operations and development. New hires in 2025 were primarily recruited for research and development positions because specialized R&D positions are at the forefront of the Company's development. To ensure stable operations and talent development, the Company emphasizes factors such as technical expertise and job experience during recruitment and is committed to creating a diverse and friendly working environment. It has also established market-competitive compensation and benefits systems. Transparent compensation policies, bonus distribution mechanisms, and career development systems ensure that employees receive market-aligned remuneration. Flexible compensation and incentive programs based on annual operating performance and individual performance improve employee motivation and organizational cohesion.

The Company hired 28 employees in 2025, comprising 10 women and 18 men. This represented a substantial increase from 2024, primarily because higher R&D demand required greater R&D capacity.

Employee New-hire Rates over the Past Three Years

Age	2023 Men No.	2023 Men Rate	2023 Women No.	2023 Women Rate	2024 Men No.	2024 Men Rate	2024 Women No.	2024 Women Rate	2025 Men No.	2025 Men Rate	2025 Women No.	2025 Women Rate
Under 30	1	1.69%	2	3.39%	1	1.64%	0	0%	2	2.63%	4	5.26%
30–50	3	5.08%	3	5.08%	6	9.84%	1	1.64%	16	21.05%	6	7.89%
Over 50	0	0%	0	0%	1	1.64%	0	0%	0	0%	0	0%
Total new hires	**9**				**9**				**28**			
Total employees	**59**				**61**				**76**			
Total new-hire rate	**15.25%**				**14.75%**				**36.84%**			

Notes:

1. The number of new hires is not reduced by employees who left during the year.
2. New-hire rate for men or women in an age group = number of newly hired men or women in that age group during the year / total employees at the operating location at year-end.
3. Total new-hire rate = number of new hires during the year / total employees at the operating location at year-end.

Turnover Rate

Thirteen employees left the Company in 2025, comprising three women and ten men, and the total turnover rate was 17.11%. Reasons for leaving in 2025 generally included career planning. The turnover rate

increased by 5.63 percentage points from 2024, primarily due to employees' personal career plans, job changes, and further education. The Company will continue using employee care and communication to understand employees' reasons for leaving and adjust its management practices.

Employee Turnover Rates over the Past Three Years

Age	2023 Men No.	2023 Men Rate	2023 Women No.	2023 Women Rate	2024 Men No.	2024 Men Rate	2024 Women No.	2024 Women Rate	2025 Men No.	2025 Men Rate	2025 Women No.	2025 Women Rate
Under 30	0	0%	0	0%	1	1.64%	0	0%	4	5.26%	1	1.32%
30–50	4	6.78%	1	1.69%	4	6.56%	1	1.640%	6	7.89%	2	2.63%
Over 50	0	0%	0	0%	1	1.640%	0	0%	0	0%	0	0%
Total departures	**5**				**7**				**13**			
Total employees	**59**				**61**				**76**			
Total turnover rate	**8.47%**				**11.48%**				**17.11%**			

Notes:

1. Employee departure category: most employees who left in 2025 did so for personal career planning.
2. Turnover rate for men or women in an age group = number of departing men or women in that age group during the year / total employees at the operating location at year-end.
3. Total turnover rate = number of employees who left during the year / total employees at the operating location at year-end.

Employment of Diverse Groups

The Company actively promotes a diverse and gender-equal working environment, implements diversity in employment and fairness in compensation and promotion opportunities, and ensures that employees do not experience discrimination, harassment, or unequal treatment due to race, gender, religious belief, age, political orientation, or any other status protected by applicable laws and regulations.

No particular group currently experiences more severe negative impacts than the general population as a result of the Company's activities. Nevertheless, in fulfillment of its corporate social responsibility, the Company actively provides employment opportunities for persons with disabilities. These hires are included in the diversity statistics disclosed below. The Company's employee diversity in 2025 was as follows:

Gender Diversity

Indicator	Percentage
Women as a percentage of all employees	32.89%
Women as a percentage of all management personnel	25%

Ethnic and Nationality Composition

Category	Percentage of All Employees	Percentage of Management Positions
Republic of China nationality	97.37%	95%
Foreign nationality	2.63%	5%
Indigenous peoples	0%	0%

Employment Trends for Vulnerable Groups

The Company had 76 employees in 2025 and was required under applicable law, as described in Note 2, to employ at least one person with disabilities. During the reporting period, it employed two persons with disabilities, representing 2.63% of all employees and exceeding the statutory requirement. This fully demonstrates the Company's commitment to and implementation of the employment rights of persons with disabilities.

The Company continues to pay attention to employment opportunities for vulnerable groups. Employment over the past three years was as follows:

Diverse Employees over the Past Three Years

Group	Gender	Age	2023	2024	2025
Minority or vulnerable group	Men	Under 30	0	0	0
Minority or vulnerable group	Men	30–50	1	1	2
Minority or vulnerable group	Men	Over 50	0	0	0
Minority or vulnerable group	Women	Under 30	0	0	0
Minority or vulnerable group	Women	30–50	0	0	0
Minority or vulnerable group	Women	Over 50	0	0	0

Notes:

1. Minority or vulnerable groups are groups with particular circumstances or characteristics, such as economic, physical, political, or social characteristics, for whom the severity of negative impacts arising from the organization's activities may be greater than for the general population.
2. Under Article 38, Paragraph 2 of the People with Disabilities Rights Protection Act, a private enterprise with at least 67 employees must employ persons with disabilities who are capable of working, and the number employed may not be less than 1% of total employees.

Employee Training Overview

NEMStek values employee competency development and continuous learning. To help employees enhance their professional capabilities and career development, the Company has established comprehensive competency management and training systems and promotes diverse learning programs covering new-employee onboarding and professional training for incumbent employees. It continues improving the quality of training plans and delivery.

The Company has established clear competency frameworks and job descriptions based on the characteristics and levels of each position. It regularly inventories and updates competencies based on industry trends and organizational needs. Supervisors evaluate employee development against competency benchmarks to inform training, capability enhancement, and promotion plans and help employees strengthen professional and interdisciplinary capabilities.

To promote training and lifelong learning, the Company provides new-employee training, professional and technical courses, management competency development courses, and subsidies for external education under its annual training plan. It encourages self-directed learning and continuous growth and fosters a learning organization culture to improve employees' long-term competitiveness and employment stability.

Types of Training

New employees

Training new employees is a primary Company priority. Its purpose is to ensure that new employees meet organizational needs and to build the organization's long-term workforce through assessment criteria focused on attitude and capability. Project-based training is also planned for management trainees to strengthen their ability to build and develop capabilities and improve training effectiveness. All new employees undergo ten weeks of training in accordance with the New Employee and Management Trainee Training Management Regulations, followed by a new-employee assessment to evaluate learning outcomes and ensure training effectiveness.

Incumbent employees

1. Training based on organizational needs: After inventorying internal personnel capabilities in line with the organizational vision, development direction, and annual objectives, the Company uses organizational resources to provide training that addresses capability gaps. Such training is established in accordance with the organization's operating direction each year.
2. Competency-based training: The Company has established job descriptions. Designated courses are provided for competency gaps among managers or staff at each organizational level and for the corresponding needs of employees at different levels.
3. Training required by laws and regulations: Each year, the Company arranges training and human resource development required under applicable laws and regulations.

The Company's 2025 courses included an overview and practical application of PMP project management, SEMI industry technical standards training, principles of vacuum and plasma, and problem analysis and solving. Course types covered new-employee training, incumbent employee capability enhancement, and regulatory, safety, and professional skills training. Four classes were offered, totaling 39 training hours and 54 trainees. With a total workforce of 76, training coverage reached 71%, and the average annual training time per employee was 0.51 hours.

The Company also continued training for different position levels and audiences. Cumulative new-employee training totaled 140 hours, management training totaled 210 hours, and personal data protection training totaled 3 hours. These systematic training mechanisms help employees strengthen their professional and managerial capabilities.

Employee Training Statistics

Item	Unit	Management Men	Management Women	Non-management Men	Non-management Women	Direct Personnel Men	Direct Personnel Women	Indirect Personnel Men	Indirect Personnel Women
Total trainees	Persons	13	4	29	8	24	2	18	10
Total training hours	Hours	10.53	1.66	23.4	3.31	19.45	0.83	14.59	4.14
Average training hours	Hours per person	0.81	0.42	0.81	0.41	0.81	0.42	0.81	0.41
Training expenses	NT$	15,135	2,380	33,763	4,761	27,942	1,190	20,956	5,951

Notes:

1. Total management trainees plus total non-management trainees equals the total number of trainees at the operating location.
2. Total direct personnel trainees plus total indirect personnel trainees equals the total number of trainees at the operating location.
3. Training arrangements differed among units due to the nature of the courses, resulting in differences in average training hours between men and women. For example, participants in SEMI industry technical standards training were primarily personnel from Electrical Control in the Production Department and the Customer Service Department. Because men represented the majority of

employees in those units, this affected the average training hours of men and women. The difference nevertheless remained within the expected range.

Problem Analysis and Solving Course

Fair Performance Management System

The Company has established a comprehensive and equitable performance management system. Department supervisors conduct comprehensive evaluations across competency dimensions including work performance, work attitude, teamwork, and creative learning. Communication and feedback between supervisors and employees help employees understand their performance and future development direction. Evaluation results are also important references for human resource measures such as compensation adjustments, bonus payments, job reassignment, and talent development.

Performance evaluations are conducted quarterly. All employees were included in the performance evaluation mechanism in 2025, and 100% of employees received performance reviews.

Performance Review Statistics

Item	Management	Non-management	Direct Personnel	Indirect Personnel
Percentage of male employees receiving reviews	100%	100%	100%	100%
Percentage of female employees receiving reviews	100%	100%	100%	100%

Notes:

1. The Chairperson is excluded.
2. Employees with less than three months of service receive a new-employee assessment.

Employee Rights and Satisfaction

NEMStek is committed to building harmonious labor-management relations founded on mutual trust and uses institutionalized management and diverse communication mechanisms to ensure comprehensive protection of employee rights. In accordance with applicable laws and regulations, the Company has established employment contracts between labor and management, work rules, and management regulations that clearly define employee rights and obligations and benefit items and provide an institutional foundation for protecting all employees' rights and interests.

Although the Company has not entered into a collective bargaining agreement with employees, it has established a comprehensive labor-management meeting system as required by law. Meetings are held every three months as a formal channel for labor-management communication, consultation, and problem-solving. Topics include improvements to the working environment, protection of employee rights, compensation and benefits, and policy updates, ensuring that employee views are promptly raised and properly addressed. In addition to formal meetings, the Company has established diverse internal communication channels. Management and employees maintain a culture of mutual respect and open dialogue and jointly contribute to the organization's continuous growth.

Labor-management relations remained harmonious and stable, with positive interaction between both parties, through the end of the reporting period. The Company will continue using institutionalized communication to maintain mutual trust in employment relationships, stable labor-management relations, and a fair, harmonious, and transparent workplace culture.

To understand employee satisfaction with Company policies, the working environment, and management measures, the Company conducts an online employee satisfaction survey each year. The survey covers the working environment, job content, compensation and benefits, management and leadership, career

development, and overall satisfaction to obtain a comprehensive understanding of employees' perceptions of Company measures.

The 2025 employee satisfaction survey at Nano Electronics and Micro System Technologies, Inc. achieved a response coverage rate of 70%, with 53 respondents among 76 employees. The employee satisfaction target was 3 out of 5, while the actual average score was 4 out of 5. The Company therefore developed five improvement plans:

1. Working environment safety: Review the operating environment and prioritize improvements to conditions affecting safety.
2. Tool and equipment support: Inventory use and evaluate key items capable of providing practical support based on available resources and benefits.
3. Work-life balance: Review processes and division of responsibilities and remind supervisors to pay attention to team workloads and work pace.
4. Perceived care through benefits: Coordinate Employee Welfare Committee and Company resources and evaluate benefit adjustments according to principles of long-term sustainability.
5. Cross-team communication and collaboration: Review departmental processes to reduce rework and strengthen a collaborative culture through consensus camps and other approaches.

The Company has established the Employee Communication Platform Handling Rules. Employees may directly communicate views, make suggestions, or seek assistance from senior management through the Chairperson's mailbox, the grievance mailbox on the internal website, or in writing. Matters raised may include workplace rights, unequal treatment, violations of the code of conduct, suggestions for operational improvements, and material employee care matters. Senior management personally accepts each matter and responds appropriately according to its nature. The Company also undertakes to keep the matter raised and employees' personal information confidential. If a material or abnormal event is involved, it will initiate investigation and improvement mechanisms to protect employee rights and promote positive labor-management interaction.

5.3 Labor Rights and Protections

Pay Equity

The Company has established a Compensation Committee and rewards employees through a transparent, equitable, and competitive compensation system. Compensation does not differ on the basis of gender, ethnicity, race, religion, political position, marital status, or union participation. Compensation adjustments are based on the Company's operating conditions, individual performance, and position level to ensure that employee compensation is market-aligned and provides effective incentives.

Each year, the Company conducts an international market salary survey that considers market and industry peer data and macroeconomic indicators. Appropriate adjustments are made based on market levels and individual performance to maintain competitive compensation. The following table presents the numbers of women and men in each job category and their annual compensation ratios.

2025 Compensation Ratios by Gender and Job Category

Job Category	Women No.	Men No.	Women Total Annual Compensation NT$	Men Total Annual Compensation NT$	Women Ratio	Men Ratio
Management	5	15	5,660,856	27,448,828	1	1.62
Non-management	20	36	10,843,899	25,523,300	1	1.31
Direct personnel	2	24	1,518,122	22,215,042	1	1.22

Job Category	Women No.	Men No.	Women Total Annual Compensation NT$	Men Total Annual Compensation NT$	Women Ratio	Men Ratio
Indirect personnel	23	27	14,986,633	30,757,086	1	1.75

Notes:

1. The ratio of men's to women's compensation, or annual compensation ratio, is calculated as the average annual compensation of men in the category divided by the average annual compensation of women in the category.
2. Executive management refers to supervisors at General Manager level and above; middle and senior management refers to managers through department managers; and general indirect supervisors refers to assistant managers and lower-level supervisory positions.

The Company also provides employee care measures that exceed statutory requirements and has established regulations governing attendance and wage payments during natural disasters. When employees are unable to work because of a natural disaster, the Company does not deduct wages. Employees who are required to work because of business needs receive twice their regular wages based on actual hours worked. These measures balance employee safety with protection of employee rights and reduce the impacts of unexpected events. Employees who obtain formal student status through continuing education while employed may also apply for a tuition subsidy of NT$5,000 per semester. The Company also provides scholarships for employees' children.

Paid disaster-prevention leave was implemented for a total of four days on July 1, July 29, August 13, and November 12, 2025. Scholarships for employees and their children totaling NT$7,500 were distributed to nine recipients in March 2025, and an additional NT$7,000 was distributed to nine recipients in September 2025.

During the reporting period, compensation for both women and men complied with the minimum wage requirements of the Labor Standards Act, and compensation for both genders at all position levels exceeded the local minimum wage, demonstrating that the compensation system balances equity and incentives. Using women's base salary as 1, the male-to-female base salary ratios for entry-level personnel were approximately 1.24 to 1.55, while the ratios for women were 1. The difference was primarily attributable to industry characteristics and the distribution of job positions. For example, women were more concentrated in administrative and clerical positions with lower occupational safety risks. In addition, the standard wages of both female and male entry-level employees exceeded the local minimum wage by a factor of 1.3, maintaining competitiveness and equity. The 2025 base salaries and gender pay ratios by job category were as follows:

2025 Base Salary Ratios by Gender and Job Category

Job Category	Women Base Salary NT$	Men Base Salary NT$	Women Ratio	Men Ratio
Management	68,464	100,887	1	1.47
Non-management	42,200	52,218	1	1.24
Direct personnel	45,360	58,210	1	1.28
Indirect personnel	47,635	73,930	1	1.55

Notes:

1. The ratio of men's to women's base salaries is calculated as the base salary of men in the category divided by the base salary of women in the category.
2. Executive management refers to supervisors at General Manager level and above; middle and senior management refers to managers through department managers; and general indirect supervisors refers to assistant managers and lower-level supervisory positions.

In accordance with applicable requirements, the Company discloses a comparison between the compensation of its highest-paid individual and overall employee compensation to present the distribution and reasonableness of its compensation structure. The comparison also allows the Company to review internal pay gaps and analyze the ratio between the annual changes in the two measures to understand whether compensation growth trends are consistent.

In 2025, the ratio of the annual total compensation of the Company's highest-paid individual to the median annual total compensation of employees was 6.06, indicating a moderate compensation gap between senior management and the overall workforce. In terms of compensation growth, the ratio of the increase in annual total compensation of the highest-paid individual to the increase in median annual total employee compensation was -11.53%.

Overall annual total compensation decreased by 11.53% from 2024, primarily because the Company's profitability did not reach its internally established target.

Highest-Paid Individual and Median Employee Compensation Ratios and Changes

Country or Region	Ratio of Annual Total Compensation of the Highest-Paid Individual to the Median Annual Total Compensation of Employees Excluding That Individual	Ratio of the Increase in Annual Total Compensation of the Highest-Paid Individual to the Increase in Annual Total Compensation of Employees Excluding That Individual
Taiwan	6.06	-11.53%

Notes:

1. The Chairperson is not treated as the highest-paid individual unless the Chairperson concurrently serves as General Manager or Chief Executive Officer.
2. Annual compensation median ratio = annual compensation of the highest-paid individual for the year / annual compensation of the employee at the median for the year.
3. Annual compensation increase ratio = percentage increase in annual compensation of the highest-paid individual for the year / percentage increase in annual compensation of the employee at the median for the year.

In accordance with Article 4-2 of the regulations governing the preparation and filing of sustainability reports by listed and OTC companies, the Company discloses salary information for full-time employees who do not hold managerial positions to present its compensation structure and annual changes. The relevant information is available on the Market Observation Post System and is detailed below.

Salary Structure of Full-time Non-managerial Employees

Item	2024	2025
Average salary of full-time non-managerial employees NT$	709,279	913,000
Change in average salary of full-time non-managerial employees	-	29%
Median salary of full-time non-managerial employees NT$	755,438	717,000
Change in median salary of full-time non-managerial employees	-	-5%

Note: Percentage difference from the preceding year = (2025 amount - 2024 amount) / 2024 amount.

Market Observation Post System

Comprehensive Employee Benefits

The Company values employee well-being and provides a competitive compensation system. Employee bonuses, year-end bonuses, and professional allowances are distributed based on the Company's operating performance and individual performance. Bonuses or gifts are also provided for the three major annual festivals to motivate and retain outstanding talent.

In addition to enrolling employees in labor insurance and National Health Insurance and making pension contributions as required by law, the Company allocates welfare funds to establish an Employee Welfare Committee. Employees receive diverse benefits, including festival bonuses, group insurance, regular health examinations, employee trips, year-end banquet activities, and subsidies for weddings, funerals, and celebratory occasions. The Employee Welfare Committee implements a range of care measures to improve employees' overall quality of life and job satisfaction and provide comprehensive support that gives them peace of mind.

NEMStek Employee Benefits

Category	Measures
Compensation and rewards	Employee bonuses; year-end bonuses; professional allowances; bonuses or gifts for the three major annual festivals
Health and care	Employee health examinations; subsidies for weddings, funerals, and celebratory occasions; employee care activities
Insurance and protection	Labor insurance; National Health Insurance; pension contributions; group insurance
Recreation and activities	Employee trips; year-end banquet activities

Employee Trip

Implementation of Parental Leave Without Pay

NEMStek values work-life and family balance. In accordance with the law, the Company protects the compensation, insurance, and position-related rights of eligible employees applying for parental leave without pay and ensures that service tenure and benefits continue to be calculated during the leave period. Three employees were eligible for parental leave without pay in 2025, and one employee applied. The Company does not discriminate against employees who take parental leave without pay and provides complete guidance on the application process to ensure that such leave does not affect career development.

Parental Leave Without Pay over the Past Three Years

Item	2023 Men	2023 Women	2023 Total	2024 Men	2024 Women	2024 Total	2025 Men	2025 Women	2025 Total
Employees eligible to apply for parental leave without pay A	0	1	1	0	1	1	1	2	3
Employees who applied for parental leave without pay during the year B	0	0	0	0	0	0	0	1	1
Employees scheduled to return from parental leave during the year C	0	0	0	0	0	0	0	0	0
Employees who actually returned from parental leave during the year D	0	0	0	0	0	0	0	0	0
Employees who actually returned from parental leave in the preceding year E	0	0	0	0	0	0	0	0	0
Employees who remained employed for one year after returning from parental leave in the preceding year F	0	0	0	0	0	0	0	0	0
Return-to-work rate for the year D/C	-	-	-	-	-	-	-	-	-
Retention rate for the year F/E	-	-	-	-	-	-	-	-	-

Notes:

1. Employees scheduled to return to work are those whose parental leave without pay is scheduled to end during the year.
2. The number of retained employees in 2025 is the number of employees who actually returned to work in 2024 and remained employed as of December 31, 2025.
3. Return-to-work rate for the year = employees who actually returned from parental leave during the year / employees scheduled to return from parental leave during the year, or D/C.
4. Retention rate for the year = employees who remained employed for one year after returning from parental leave in the preceding year / employees who actually returned from parental leave in the preceding year, or F/E.

Employee Retirement System and Implementation

NEMStek strictly complies with the Labor Pension Act and has established a comprehensive pension contribution mechanism. All employees, including Taiwanese and foreign-national employees, are currently covered by the defined contribution plan under the New Labor Pension System. Each month, the Company contributes 6% of each employee's salary to an individual account at the Bureau of Labor Insurance. The Company no longer has any employees covered by the old pension system under the Labor Standards Act and has not established any other non-statutory supplementary retirement plan.

Retirement and Late-career Planning

NEMStek values employees' career development at every stage. Although the Company has not yet established dedicated retirement education or career transition assistance programs, it makes labor pension contributions in accordance with applicable laws and regulations and continues monitoring work adaptation and benefit support for employees in the later stages of their careers. This provides a foundation for future improvements to retirement planning. The Company has also not yet established a rehire system for former employees. It nevertheless provides certificates of employment separation to all departing employees, whether their departures are voluntary or involuntary, as required by law to protect their rights and interests.

Minimum Notice Period for Operational Changes

To protect employees' employment rights, the Company complies with the Labor Standards Act and applicable laws and regulations. When material operational changes occur or the Company must terminate an employment contract, termination procedures are completed in accordance with government requirements and the applicable advance notice is provided:

1. Ten days' advance notice for employees who have worked continuously for at least three months but less than one year.
2. Twenty days' advance notice for employees who have worked continuously for at least one year but less than three years.
3. Thirty days' advance notice for employees who have worked continuously for at least three years.

Although the Company has not established a labor union, it holds labor-management meetings every three months to maintain sound labor-management relations, promote communication, and strengthen labor relations and organizational stability.

5.4 Health and Safety

To demonstrate the Company's annual occupational health and safety management plan, the following table summarizes the principal management dimensions and implementation details for 2025. These cover identification, assessment, and control of hazards in the working environment and operations; machinery and

equipment management; hazardous materials management; working environment monitoring and contractor management; operational inspections and occupational health and safety operating standards; training; personal protective equipment and health management; emergency response and incident management; and information management and communication. The table enables stakeholders to understand at a glance how the Company plans and implements its health and safety measures and provides a foundation for the detailed explanations that follow.

2025 Occupational Health and Safety Management Plan

Management Dimension	Implementation Details
Identification, assessment, and control of hazards in the working environment and operations	Unscheduled safety inspections; risk assessment and control
Machinery, equipment, and tool management	Inspection of hazardous equipment; health and safety equipment measures
Hazardous and harmful substance management	Chemical container labeling; safety data sheet maintenance
Working environment monitoring and contractor management	Ventilation equipment inspections; working environment monitoring; contractor management
Operational inspections and occupational health and safety operating standards	Automatic inspection plan; operating standards
Occupational health and safety training	New-employee training; incumbent employee training; other specialized training
Personal protective equipment and health management	Inspection and maintenance of protective equipment; health examinations and onsite services; information and awareness communication
Emergency response and incident management	Emergency reporting mechanisms; incident investigation and prevention; effectiveness tracking
Information management and communication	Announcement of regulations and information

Occupational Health and Safety Management

In accordance with the Company's philosophy and policies, the Occupational Safety Department coordinates occupational health and safety management, establishes management objectives and implementation plans, and regularly tracks and audits management performance. With a goal of zero safety incidents, the Company values the safety and health of every employee. To protect workers' rights, it has formulated the Occupational Health and Safety Work Rules and filed them with the competent occupational safety authority for reference. Workers' lawful right to withdraw from danger is clearly set out in Chapter 8, Incident Notification and Reporting, of the Rules. Termination of an employment contract, demotion, loss of allowances, or any other adverse treatment for exercising this right is prohibited.

The Company encourages employees and contractors to report unlawful conduct or potential hazards and provides the following protections to reporting persons:

- The reporting person's identity is kept confidential, and information that could identify the person may not be disclosed.
- No employee or contractor may be dismissed, demoted or transferred, have their pay reduced, or otherwise be subjected to adverse action because of making a report.

The Company's scope of operations includes production and non-production locations and equipment, routine and non-routine operations, and activities conducted on Company premises by offsite units and contractors, including cleaning workers. In 2025, all 76 employees and one non-employee worker were included within the

scope of health and safety management, and the applicable occupational health and safety management measures covered all workers.

The Company has a certified Class A Occupational Health and Safety Affairs Supervisor. Each quarter, it uses email to assess all employees' understanding of health and safety information. It also collects opinions through questionnaires and monthly meetings, incorporates recommendations into its health and safety policy, and continuously improves occupational health and safety performance.

Hazard Identification and Risk Assessment

The Company continuously identifies hazards and manages risks across all production and non-production locations and equipment and all routine and non-routine operations. It observes workplace operations through unscheduled safety inspections to reduce unsafe behavior and environmental risks, assesses high-hazard and high-risk operations, and implements necessary control measures. Hazardous machinery and equipment must obtain inspection certificates before use, and the necessary safety devices and measures are installed in accordance with the Safety Standards for Machinery and Equipment. For chemical management, the Company posts labels and hazard pictograms in accordance with the Regulations for the Labeling and Hazard Communication of Hazardous Chemicals. Safety data sheets are placed where they are readily accessible in the workplace and regularly updated to keep the information current.

For hazardous working environments, the Company regularly inspects ventilation equipment to ensure effective operation and conducts environmental monitoring in workplaces where toxic chemicals are handled. Environmental, safety, and health management guidelines apply whenever contractors work in areas under Company control, and management is implemented before and throughout the contracted work.

The Company has also established operating standards and an inspection system. Machinery, equipment, and workplaces are inspected regularly to ensure compliance with health and safety requirements. Personal protective equipment and emergency response equipment are also inspected and maintained regularly.

Through these systems, the Company is committed to reducing occupational hazards, improving the effectiveness of risk management, and strengthening its overall safety culture and autonomous management capabilities.

Incident Investigation and Handling Process

The Company has established a comprehensive investigation and improvement process for occupational accidents, near misses, and incidents affecting physical or mental health:

1. Incident notification and initial response
   - If an imminent hazard is identified during work, employees may immediately stop work or leave the site.
   - Issues may be reported immediately to the unit supervisor or raised with the Company at monthly organizational meetings.
2. Incident investigation and cause analysis
   - Investigate accidents or near misses and analyze direct, indirect, and root causes.
   - Formulate corrective and preventive measures and implement them jointly with worker representatives.
3. Improvement tracking and performance evaluation
   - Regularly review health and safety management performance and supervise each unit's correction of deficiencies.
   - Record and compile incident data for continuous improvement of occupational health and safety management.

Health and Well-being

NEMStek values the physical and mental health of all employees and is committed to creating a safe, healthy, and friendly working environment. Guided by the belief that prevention is better than cure, the Company promotes a health and safety culture, continuously reduces workplace risks, and helps employees achieve work-life balance.

The Company arranges annual health examinations for all employees to help them understand their health status and identify potential health problems at an early stage. In addition to the basic examination items required by law, employees may choose to purchase additional examination items at their own expense to meet their personal health management needs. If an abnormality is identified, the Company proactively reminds the employee to seek follow-up medical care, provides necessary care and assistance, and encourages active follow-up and treatment. Implementation of health examinations was as follows:

Employee Health Examination Participation and Expenses

Examination Type	Examination Items	Participants	Expenses NT$
General health examination	Physical examination; vision examination; hearing examination; routine urinalysis; routine blood tests; liver function tests; kidney function tests; blood lipid tests; metabolic screening; chest X-ray	69	69,000
Special health examination	Imaging and ultrasound examinations; endoscopic examinations; cardiovascular function examinations; cancer and tumor marker tests; gynecological and men's health examinations; other health promotion examinations	38	276,600

Health Examination Photos

Health Promotion

NEMStek values employees' physical and mental health and work-life balance and regards health promotion as an important foundation of sustainable workforce development. To help employees develop sound health concepts and healthy lifestyles, the Company implements the following health promotion activities and educational measures:

Health Promotion Measures

Measure	Description
1. Health promotion and professional guidance	The Company holds health lectures on topics such as physical health, balanced nutrition, and exercise and stress management. Qualified nutritionists or health lecturers are invited to help employees improve health awareness and daily self-management capabilities.
2. Nutrition and dietary education	Nutritionists provide topical presentations on healthy eating, encouraging employees to adopt balanced diets and regular routines, reduce the physical burden of high-sugar and high-fat diets, and improve overall health indicators.
3. Promotion of exercise and physical and mental balance	Employees are encouraged to participate in exercise, fitness, stretching, or group activities. Simple workplace exercises, walking challenges, and similar activities are promoted in the office to improve physical fitness and vitality at work.
4. Continuous improvement and care mechanisms	The effectiveness of health promotion activities is continuously reviewed and used to adjust future course content and create a safe, healthy, and energetic working environment.

Scope of application: All employees.

Health Promotion Activity Photos

Workplace Health Management Course - Metabolic Health Promotion

Workplace Health Management Course - Nutrition and Dietary Management

Occupational Safety Training

In accordance with the Occupational Safety and Health Education and Training Rules, all employees must receive general occupational health and safety training every three years to improve safety awareness and prevent accidents. Training covers new employees, incumbent employees, and specific occupational hazards and includes the following types:

- Environmental, safety, and health training for new employees.
- General health and safety training for new employees.
- General health and safety training for incumbent employees.
- Other health and safety training.

Relevant 2025 courses and participant statistics were as follows:

Occupational Health and Safety Training Statistics

Training Program	Participants	Training Expenses NT$
Class A Occupational Health and Safety Affairs Supervisor	2	5,000
Six-hour occupational safety course	20	600

Notes:

1. The statistics include employees and workers who are not employees but whose work or workplace is controlled by the organization.
2. Workers who are not employees but whose work or workplace is controlled by the organization include contractors and outsourced workers such as security personnel, cleaning workers, and construction personnel.
3. Occupational health and safety training includes general training and training addressing specific occupational hazards or dangerous situations.

Contractor Safety Management

To prevent occupational health and safety hazards, risks, and negative impacts that suppliers and contractors may cause to the Company while performing work, the Company has established a comprehensive supply chain safety management system. Tiered management, training, and audit controls are used to ensure the operational safety of external partners and reduce impacts on the Company's operations, personnel, and environment.

Contractor Operational Safety Management Measures

Management Measure	Description
Supplier and contractor qualification review	Conduct occupational health and safety qualification reviews of new suppliers and contractors, including safety performance, accident records, and regulatory compliance. Parties that fail to meet requirements must make improvements or will not be engaged.
Safety contract clauses and operating requirements	Clearly define safety responsibilities, operating standards, emergency response procedures, personal protective equipment requirements, and incident reporting mechanisms in contracts and work engagement documents. Contractors must submit an operational risk assessment and safe work plan before construction and may enter the site only after Company review.

Management Measure	Description
Site access control and training	All contractor and supplier personnel must complete Company-required occupational health and safety training before entering the site, including hazard communication, controls for hot work, work at height and confined-space work, and emergency reporting procedures. Entry permits are issued after personnel pass an examination; those who do not pass may not enter the site.
Onsite management and risk control	Establish a tiered contractor work management system. Apply tiered management and enhanced supervision to high-risk work. Require tool and equipment inspections and onsite risk identification before work begins each day. Identified hazards must be corrected immediately, and onsite supervisors or managers conduct inspections to ensure compliance with safety requirements.

Occupational Injuries and Diseases

The Company values occupational health and safety management and continues reducing potential workplace hazards and improving employee safety awareness through comprehensive management systems, training, and risk prevention measures. It regularly conducts safety awareness activities, manages the working environment, and performs risk assessments. In the future, the Company will establish an Occupational Health and Safety Committee, which will regularly review occupational safety incidents and the implementation of improvement measures to strengthen overall occupational health and safety management effectiveness.

In 2025, employees worked a total of 149,600 hours and workers who were not employees worked a total of 1,168 hours. No occupational accidents occurred during the year, and three near misses were recorded. The causes of each incident were analyzed and improvement progress was tracked to prevent recurrence. In recent years, the Company has continued implementing occupational health and safety training and management measures as it advances toward its goal of zero accidents.

No employees died from or were diagnosed with an occupational disease in 2025. The Company reviewed relevant operational risks and strengthened occupational health and safety management measures, including enhanced working environment controls, protective equipment, and training, to reduce the risk of occupational disease and continuously improve workplace health and safety.

5.5 Social Care

Guided by the spirit of giving back to society, NEMStek continues focusing on community, education, health, and culture and incorporates public welfare into its daily operations.

Area	Actions
Giving back to society	Regularly organize care activities for low-income households, provide daily necessities to help families through difficult circumstances, and involve employees in conveying care and warmth.
Community care	Maintain a long-term focus on local needs, present gifts to community seniors before major festivals, and visit and interact with them in person to foster a warm and mutually supportive community atmosphere.
Support for education and training	Sponsor educational programs, including scholarships, school improvement programs, and vocational training, to help students develop their potential and skills.
Better health and well-being	Promote public health and health education programs, including disease prevention, lectures on the management of hypertension, hyperglycemia, and hyperlipidemia, and improvements to environmental sanitation, to increase community health awareness and quality of life.
Support for culture and the arts	Support local cultural and artistic activities, including traditional performances, festival activities, and handicraft experiences, to preserve cultural heritage and promote intergenerational exchange.

Area	Actions
Support for disadvantaged groups and social enterprises	Purchase products from the Children Are Us Foundation as corporate gifts, provide stable job opportunities for people with intellectual and developmental disabilities, and convey warmth to community seniors while fulfilling social responsibility.
Employee participation and volunteering	Encourage employees to volunteer, donate time or resources, and participate in public welfare initiatives that turn care into concrete action.

NEMStek's principal public welfare and community care expenditures in 2025 covered diverse forms of engagement, including community activities, festival care, support for children and seniors, cultural and artistic performances, and procurement from social enterprises. The Company continues incorporating corporate care into daily community life, supporting disadvantaged groups and local residents, and promoting community well-being and interaction through festival activities, cultural promotion, and volunteer participation. Operations for which relevant communication and assessment were implemented in 2025 accounted for 0.0737% of all operations.

Public welfare activities during the year were as follows:

Public Welfare Activities

Date and Activity	Amount NT$	Description
February 23, 2025 - Earth God procession and worship ceremony	13,217	Sponsored the procession and worship ceremony.
March 14, 2025 - 45 gift boxes for seniors in Yantian Village and 14 gift boxes for volunteers at Ren-Ai Home	30,400	Purchased gifts for Yantian Village and Ren-Ai Home.
March 18, 2025 - Children's Day gifts and stationery for Ren-Ai Home	6,761	Purchased gifts for Ren-Ai Home.
March 26, 2025 - Meal gathering at Ren-Ai Home	13,463	Company executives dined with children from Ren-Ai Home.
May 16, 2025 - Dragon Boat Festival cash gifts for 112 low-income households in Annan District	55,200	Confirmed the list of low-income households in nearby communities and provided Dragon Boat Festival cash gifts.
May 16, 2025 - Dragon Boat Festival rice dumpling gift boxes for 112 low-income households in Annan District	50,960	Confirmed the list of low-income households in nearby communities and provided Dragon Boat Festival gift boxes.
July 8, 2025 - Glove puppetry performance in Yantian Village	70,000	Held a performance at the Yantian Village Community Service Center.
September 30, 2025 - Purchase of 140 Mid-Autumn Festival gift boxes from the Children Are Us Sheltered Workshop	46,883	Purchased gifts for Ren-Ai Home.
Donation to Yantian Village for one year of weed removal services around the Company	120,000	Yantian Village provided weed removal services after receiving the Company's donation.
December 4, 2025 - Purchase of 56 boxes of siu mai for the Yantian Village Development Association	3,770	Purchased gifts for Yantian Village.
December 14, 2025 - Earth God Temple activity	1,500	Sponsored the Earth God Temple activity.

Certificates of Appreciation for Public Welfare Activities

Meal Gathering at Ren-Ai Home

Dragon Boat Festival Rice Dumpling Donation

Mid-Autumn Festival Gift Box Donation

Donation to Yantian Village

Health Lecture on Preventing Hypertension, Hyperglycemia, and Hyperlipidemia: Working with the Community to Protect Senior Health

NEMStek has long paid attention to community health and is committed to creating a higher-quality living environment together with residents. In 2025, the Company invited a nurse surnamed Ho from Sin-Lau Hospital to deliver a health lecture on preventing hypertension, hyperglycemia, and hyperlipidemia at the Yantian Village Activity Center. The lecture provided recommendations on diet, lifestyle adjustments, and self-monitoring for chronic conditions including high blood pressure, high blood sugar, and high blood lipids.

Residents participated actively and asked many questions, creating a warm atmosphere of exchange. The activity not only increased residents' health knowledge, but also strengthened seniors' confidence and ability to care for themselves. NEMStek will continue cooperating with medical institutions to promote additional health initiatives that meet community needs and embed healthy practices in daily life.

Glove Puppetry and Handicraft Experiences: Bringing Culture and the Arts into the Community

To fulfill its corporate social responsibility and care for local seniors, NEMStek invited nationally recognized glove puppetry master Huang Shih-Chih to hold a community activity integrating culture, art, and hands-on crafts in Yantian Village, Tainan. Master Huang displayed numerous puppets, personally demonstrated puppeteering techniques, and explained character design, allowing seniors to appreciate the detail and craftsmanship of traditional glove puppetry.

In addition to enjoying the performance, seniors participated in engaging interactions, such as learning basic puppeteering movements and interacting with the puppets. The venue was filled with laughter and enthusiastic responses. The event also included a bamboo chair do-it-yourself experience, giving seniors the opportunity to create traditional handicrafts and experience the joy and sense of achievement that comes from making something themselves.

The activity provided not only artistic enjoyment, but also intergenerational cultural exchange. It brought back warm childhood memories of watching glove puppetry and renewed appreciation for the value of traditional culture.

Sharing the Fragrance of Rice Dumplings and Warmth during the Dragon Boat Festival

Before the Dragon Boat Festival, NEMStek visited Yantian Village and 11 villages surrounding the Tainan Industrial Park and delivered carefully prepared rice dumplings and festival cash gifts to seniors and community households, conveying warmth and good wishes. Company employees personally delivered the gift boxes and spent time interacting with seniors. A simple wish of a happy holiday and a smile allowed employees to feel the warmth and response of the community.

The gift boxes were hand-packed by the Children Are Us Foundation, and every rice dumpling represented the efforts of people with intellectual and developmental disabilities. The initiative not only brought care into the community, but also supported a social enterprise and allowed more people to see their dedication and commitment.

Through this action, we once again recognized the deeper meaning of walking alongside the community: a company should be more than a collection of factory buildings. It should be part of everyday life, willing to take an extra step to interact with people and connect with the places around it. NEMStek hopes to incorporate

public welfare into daily operations and use diverse forms of social participation to root care in everyday life, so goodwill is present not only during festivals but continues through every ordinary day.

Care Begins in Everyday Life

For NEMStek, care is not limited to festivals; it is a continuing choice. This year, we completed two different forms of social participation. One involved visiting a children's growth support center and sharing lunch with the children. The other involved purchasing gift boxes from the Children Are Us Foundation and bringing warmth to seniors. The forms differed, but the intention was the same: to express through action that we care.

At the children's center, we did not arrange a large-scale event. Instead, we ate and talked with the children. During the brief lunchtime gathering, the children gradually relaxed, shared their daily lives and interests, and experienced support and care from society. At the activity for seniors, we presented gift boxes handmade by people with intellectual and developmental disabilities. Every gift carried their dedication and effort and gave seniors a tangible sense of warmth and remembrance.

These two activities were simple, but they were concrete actions that embedded care into everyday life. In the future, NEMStek will continue incorporating care into its corporate culture, accumulate social warmth through ordinary actions, and ensure that goodwill is not momentary but continues every day.

Appendices

Appendix 1 GRI Sustainability Reporting Standards Content Index

Item	Statement
Statement of use	Nano Electronics and Micro System Technologies, Inc. has reported the information cited in this GRI content index in accordance with the GRI Standards for the period January 1 to December 31, 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	Not applicable

GRI 2 General Disclosures 2021

Category	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
1. The organization and its reporting practices	2-1	Organizational details	1.1 Company Profile	8-10	
	2-2	Entities included in the organization's sustainability reporting	About This Report	4	
	2-3	Reporting period, frequency and contact point	About This Report	4-5	
	2-4	Restatements of information	About This Report	5	
	2-5	External assurance	About This Report	4-5	
2. Activities and workers	2-6	Activities, value chain and other business relationships	1.1 Company Profile	11-12	
	2-7	Employees	5.2 Talent Recruitment and Training	64-71	
	2-8	Workers who are not employees	5.2 Talent Recruitment and Training	66-67	
3. Governance	2-9	Governance structure and composition	2.3 Sound Operations	28-30	
	2-10	Nomination and selection of the highest governance body	2.3 Sound Operations	29-30	
	2-11	Chair of the highest governance body	2.3 Sound Operations	30-31	
	2-12	Role of the highest governance body in overseeing the management of impacts	2.3 Sound Operations	28-29	
	2-13	Delegation of responsibility for managing impacts	2.3 Sound Operations	28-29	

Category	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
	2-14	Role of the highest governance body in sustainability reporting	About This Report; 2.3 Sound Operations	4、28–29	
	2-15	Conflicts of interest	2.3 Sound Operations	31	
	2-16	Communication of critical concerns	2.3 Sound Operations	14-15,29	
	2-17	Collective knowledge of the highest governance body	2.3 Sound Operations	31-32	
	2-18	Evaluation of the performance of the highest governance body	2.3 Sound Operations	32	
	2-19	Remuneration policies	2.3 Sound Operations	33-34	
	2-20	Process to determine remuneration	2.3 Sound Operations	34	
	2-21	Annual total compensation ratio	5.3 Labor Rights and Protections	75	
4. Strategy, policies and practices	2-22	Statement on sustainable development strategy	Sustainability Vision	6	
	2-23	Policy commitments	2.3 Sound Operations	34	
	2-24	Embedding policy commitments	2.3 Sound Operations	34-35	
	2-25	Processes to remediate negative impacts	2.3 Sound Operations	34–35、37–39	
	2-26	Mechanisms for seeking advice and raising concerns	2.4 Regulatory Compliance	38-39	
	2-27	Compliance with laws and regulations	2.4 Regulatory Compliance	35-36	
	2-28	Membership associations	1.1 Company Profile	13	
5. Stakeholder engagement	2-29	Approach to stakeholder engagement	1.2 Stakeholder Engagement	14-15	
	2-30	Collective bargaining agreements	5.2 Talent Recruitment and Training	72	

Material Topics

GRI Standard	Topic	Sector Standard Reference	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
GRI 3: Material Topics 2021	Management approach	-	3-1	Process to determine material topics	1.3 Material Topic Identification	15-16	
GRI 3: Material Topics 2021	Management approach		3-2	List of material topics	1.3 Material Topic Identification	16-18	
Material Topic Economic Performance							

GRI Standard	Topic	Sector Standard Reference	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
GRI 3: Material Topics 2021	Management approach		3-3	Management of material topics	2.1 Management Approach	21-23	
GRI 201: Economic Performance 2016	Economic performance topic disclosures		201-1	Direct economic value generated and distributed	2.2 Financial Performance	26-27	
			201-2	Financial implications and other risks and opportunities due to climate change	4.2 Climate-related Financial Risks	48-52	
			201-3	Defined benefit plan obligations and other retirement plans	5.3 Labor Rights and Protections	77	
			201-4	Financial assistance received from government	2.2 Financial Performance	27-28	
Material Topic Information Management							
GRI 3: Material Topics 2021	Management approach		3-3	Management of material topics	2.1 Management Approach	23-26	
GRI 418: Customer Privacy 2016	Customer privacy topic disclosure		418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4 Regulatory Compliance	40	
Material Topic Supplier Environmental Assessment and Supplier Social Assessment including Supply Chain Management							
GRI 3: Material Topics 2021	Management approach		3-3	Management of material topics	3.1 Management Approach	41-43	
GRI 308: Supplier Environmental Assessment 2016	Supplier environmental assessment topic disclosures		308-1	New suppliers that were screened using environmental criteria	3.3 Responsible Supply Chain	44-46	
			308-2	Negative environmental impacts in the supply chain and actions taken	3.3 Responsible Supply Chain	44-46	
GRI 414: Supplier Social Assessment 2016	Supplier social assessment topic disclosures		414-1	New suppliers that were screened using social criteria	3.3 Responsible Supply Chain	44-46	
			414-2	Negative social impacts in the supply chain and actions taken	3.3 Responsible Supply Chain	44-46	
Material Topic Energy							
GRI 3: Material Topics 2021	Management approach		3-3	Management of material topics	4.1 Management Approach	47-49	
GRI 302: Energy 2016	Energy topic disclosures		302-1	Energy consumption within the organization	4.3 Advancing Energy Conservation	53-55	
			302-2	Energy consumption outside of the organization	4.3 Advancing Energy Conservation	53-55	
			302-3	Energy intensity	4.3 Advancing Energy Conservation	53-55	
			302-4	Reduction of energy consumption	4.3 Advancing Energy Conservation	53-55	
			302-5	Reductions in energy requirements of products and services	4.3 Advancing Energy Conservation	53-55	
Material Topic Occupational Health and Safety including Employee Health and Safety							

GRI Standard	Topic	Sector Standard Reference	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
GRI 3: Material Topics 2021	Management approach		3-3	Management of material topics	5.1 Management Approach	59-61	
GRI 403: Occupational Health and Safety 2018	Occupational health and safety topic management disclosures		403-1	Occupational health and safety management system	5.4 Health and Safety	77-79	
			403-2	Hazard identification, risk assessment, and incident investigation	5.4 Health and Safety	78-79	
			403-3	Occupational health services	5.4 Health and Safety	80	
			403-4	Worker participation, consultation, and communication on occupational health and safety	5.4 Health and Safety	78-79	
			403-5	Worker training on occupational health and safety	5.4 Health and Safety	81-82	
			403-6	Promotion of worker health	5.4 Health and Safety	80-81	
			403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.4 Health and Safety	79、81–82	
			403-8	Workers covered by an occupational health and safety management system	5.4 Health and Safety	78-79	
			403-9	Work-related injuries	5.4 Health and Safety	82	
			403-10	Work-related ill health	5.4 Health and Safety	82	
Material Topic Training and Education							
GRI 3: Material Topics 2021	Management approach		3-3	Management of material topics	5.1 Management Approach	61-64	
GRI 404: Training and Education 2016	Training and education topic disclosures		404-1	Average hours of training per year per employee	5.2 Talent Recruitment and Training	71-72	
			404-2	Programs for upgrading employee skills and transition assistance programs	5.2 Talent Recruitment and Training；5.3 Labor Rights and Protections	70–71、77	
			404-3	Percentage of employees receiving regular performance and career development reviews	5.2 Talent Recruitment and Training	72	
Material Topic Employment and Labor-Management Relations							
GRI 3: Material Topics 2021	Management approach		3-3	Management of material topics	5.1 Management Approach	64-66	
GRI 401: Employment 2016	Employment topic disclosures		401-1	New employee hires and employee turnover	5.2 Talent Recruitment and Training	68-69	
			401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.3 Labor Rights and Protections	76	
			401-3	Parental leave	5.3 Labor Rights and Protections	76-77	

GRI Standard	Topic	Sector Standard Reference	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
GRI 402: Labor-Management Relations 2016	Labor-management relations topic disclosure		402-1	Minimum notice periods regarding operational changes	5.3 Labor Rights and Protections	77	

Custom Topic Corporate Governance

Custom Topic	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
Corporate Governance, GRI 3 management approach	3-3	Management of material topics	2.1 Management Approach	19-26	

Other Topic Disclosures

GRI Standard and Topic	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
Topic Standards 200 Series Economic Topics					
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.3 Labor Rights and Protections	74	
	202-2	Proportion of senior management hired from the local community	5.2 Talent Recruitment and Training	67	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	5.5 Social Care	82-85	
	203-2	Significant indirect economic impacts	5.5 Social Care	82-85	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	3.3 Responsible Supply Chain	44-45	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	-	-	
	205-2	Communication and training about anti-corruption policies and procedures	2.4 Regulatory Compliance	37-38	
	205-3	Confirmed incidents of corruption and actions taken	2.4 Regulatory Compliance	38	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.4 Regulatory Compliance	35,38	
GRI 207: Tax 2019	207-1	Approach to tax	2.2 Financial Performance	28	
	207-2	Tax governance, control, and risk management	2.2 Financial Performance	28	
	207-3	Stakeholder engagement and management of concerns related to tax	2.2 Financial Performance	28	
Topic Standards 300 Series Environmental Topics					
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	4.4 Water Resource Management	56-57	

GRI Standard and Topic	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
	303-2	Management of water discharge-related impacts	4.4 Water Resource Management	56-57	
	303-3	Water withdrawal	4.4 Water Resource Management	56-57	
	303-4	Water discharge	4.4 Water Resource Management	56-57	
	303-5	Water consumption	4.4 Water Resource Management	56-57	
GRI 305: Emissions 2016	305-1	Direct Scope 1 GHG emissions	4.3 Advancing Energy Conservation	55	
	305-2	Energy indirect Scope 2 GHG emissions	4.3 Advancing Energy Conservation	55	
	305-3	Other indirect Scope 3 GHG emissions	-	-	
	305-4	GHG emissions intensity	4.3 Advancing Energy Conservation	55-56	
	305-5	Reduction of GHG emissions	4.3 Advancing Energy Conservation	54-55	
	305-6	Emissions of ozone-depleting substances	-	-	No such event
	305-7	Nitrogen oxides, sulfur oxides, and other significant air emissions	-	-	No such event
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	4.5 Waste Management	57-58	
	306-2	Management of significant waste-related impacts	4.5 Waste Management	57-58	
	306-3	Waste generated	4.5 Waste Management	57-58	
	306-4	Waste diverted from disposal	4.5 Waste Management	57-58	
	306-5	Waste directed to disposal	4.5 Waste Management	57-58	
GRI 306: Effluents and Waste 2016	306-3	Significant spills	4.5 Waste Management	57-58	
Topic Standards 400 Series Social Topics					
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	5.2 Talent Recruitment and Training	29-30,67-68	
	405-2	Ratio of basic salary and remuneration of women to men	5.3 Labor Rights and Protections	73-74	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	2.4 Regulatory Compliance	35-36	

GRI Standard and Topic	Disclosure	GRI Disclosure Title	Corresponding Section	Page	Omission or Remarks
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	2.4 Regulatory Compliance	36	
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	2.4 Regulatory Compliance	36-37	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.4 Regulatory Compliance	37	
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of Indigenous peoples	2.4 Regulatory Compliance	37	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	5.5 Social Care	82-85	
	413-2	Operations with significant actual and potential negative impacts on local communities	5.5 Social Care	82-85	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.2 Sustainable Products and Services	43-44	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.2 Sustainable Products and Services	43-44	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	3.2 Sustainable Products and Services	43-44	
	417-2	Incidents of non-compliance concerning product and service information and labeling	3.2 Sustainable Products and Services	43-44	
	417-3	Incidents of non-compliance concerning marketing communications	3.2 Sustainable Products and Services	43-44	

Appendix 2 SASB Standards Index Resource Transformation Industrial Machinery and Goods

Industry: Resource Transformation - Industrial Machinery and Goods

Sustainability Disclosure Topics and Accounting Metrics

Disclosure Topic	Accounting Metric	Metric Description	Category	Report Disclosure	Corresponding Section
Energy Management	RT-IG-130a.1	1. Total energy consumed; 2. percentage grid electricity; 3. percentage renewable	Quantitative	1. Total energy consumed: 1,478.45 GJ; 2. percentage grid electricity: 99.4%; 3. percentage renewable: 0%	4.3 Advancing Energy Conservation
Employee Health and Safety	RT-IG-320a.1	For direct employees and contract employees: 1. total recordable incident rate; 2. fatality rate; 3. near miss frequency rate	Quantitative	1. Total recordable incident rate: 0; 2. occupational injury fatality rate: 0; 3. near miss frequency rate: employees 20.05 incidents per million hours and non-employees 0 incidents	5.4 Health and Safety
Fuel Economy and Emissions in Use-phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Not applicable	-

Disclosure Topic	Accounting Metric	Metric Description	Category	Report Disclosure	Corresponding Section
	RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	Quantitative	Not applicable	-
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	Quantitative	Not applicable	-
	RT-IG-410a.4	Sales-weighted emissions of 1. nitrogen oxides and 2. particulate matter 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	Not applicable	-
Materials Sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and analysis	In the Company's development of semiconductor equipment, certain key components are customized and materially affect supply chain stability and product delivery. Principal critical materials include power supplies, vacuum pumps, and vacuum components. Risks include price fluctuations, dependence on a single source, and supply restrictions arising from regulatory and geopolitical changes. To reduce supply chain risk, the Company has established supplier management and evaluation systems and continues developing alternative suppliers and material sources to increase supply flexibility and maintain cost competitiveness and inventory stability. The Company implements the following controls for critical materials: 1. after receiving a customer order, confirm demand with suppliers in advance or initiate advance procurement for items with long lead times to avoid delayed delivery; 2. establish a safety stock mechanism, regularly review inventory levels, and promptly replenish items below safety stock to maintain stable supply; and 3. annually evaluate supplier cooperation and contract performance and adjust subsequent procurement strategies based on evaluation results to strengthen overall supply chain management. Depending on the circumstances, cooperation with suppliers that fail to meet requirements is reduced or terminated.	-
Remanufacturing Design and Services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Quantitative	The Company has no remanufactured products or remanufacturing services.	-

Activity Metrics

Metric	Activity Metric	Category	Disclosure	Corresponding Section
RT-IG-000.A	Number of units produced by product category	Quantitative	1. Plasma Cleaners and Plasma Poling Machines: 5 units; 2. plasma descum and Plasma Etching Machines: 35 units; 3. Plasma Cleaners: 11 units; 4. other: 6 units	-
RT-IG-000.B	Number of employees	Quantitative	76 employees	5.2 Talent Recruitment and Training

Appendix 3 Sustainability Disclosure Indicators Semiconductor Industry

No.	Indicator	Indicator Type	Annual Disclosure	Unit	Remarks
1	Total energy consumption, percentage of purchased electricity, and renewable energy utilization rate	Quantitative	1. Total energy consumed: 1,478.45 GJ; 2. percentage grid electricity: 99.4%; 3. percentage renewable: 0%	Gigajoules and percentage	4.3 Advancing Energy Conservation
2	Total water withdrawal and total water consumption	Quantitative	Total water withdrawal: 3.84 thousand m^3; total water consumption: 0 thousand m^3	Thousand m^3	4.4 Water Resource Management

No.	Indicator	Indicator Type	Annual Disclosure	Unit	Remarks
3	Weight of hazardous waste generated and percentage recycled	Quantitative	The Company did not generate hazardous waste.	Metric tons and percentage	-
4	Description of the types, number, and rate of occupational accidents	Quantitative	No occupational accidents occurred in 2025.	Rate and number	5.4 Health and Safety
5	Product lifecycle management disclosure, including the weight of scrapped products and electronic waste and the percentage recycled	Quantitative	The Company's products were not recovered for reuse.	Metric tons and percentage	-
6	Description of risk management related to the use of critical materials	Qualitative description	In the Company's development of semiconductor equipment, certain key components are customized and materially affect supply chain stability and product delivery. Principal critical materials include power supplies, vacuum pumps, and vacuum components. Risks include price fluctuations, dependence on a single source, and supply restrictions arising from regulatory and geopolitical changes. To reduce supply chain risk, the Company has established supplier management and evaluation systems and continues developing alternative suppliers and material sources to increase supply flexibility and maintain cost competitiveness and inventory stability. The Company implements the following controls: 1. after receiving a customer order, confirm demand with suppliers in advance or initiate advance procurement for items with long lead times to avoid delayed delivery; 2. establish a safety stock mechanism, regularly review inventory levels, and promptly replenish items below safety stock to maintain stable supply; and 3. annually evaluate supplier cooperation and contract performance and adjust subsequent procurement strategies based on evaluation results to strengthen overall supply chain management. Depending on the circumstances, cooperation with suppliers that fail to meet requirements is reduced or terminated.	Not applicable	-
7	Total monetary losses resulting from legal proceedings associated with anti-competitive behavior regulations	Quantitative	NT$0	Reporting currency	2.4 Regulatory Compliance
8	Production of principal products by product category	Quantitative	Plasma Cleaners and Plasma Poling Machines: 5 units; plasma descum and Plasma Etching Machines: 35 units; Plasma Cleaners: 11 units; other: 6 units	Varies by product type	-

Appendix 4 Climate-related Information of Listed and OTC Companies

Item	Corresponding Section	Page
1. Describe the Board's and management's oversight and governance of climate-related risks and opportunities.	4.2 Climate-related Financial Risks	50
2. Describe how the identified climate-related risks and opportunities affect the Company's business, strategy, and finances over the short, medium, and long term.	4.2 Climate-related Financial Risks	49-51
3. Describe the financial impacts of extreme weather events and transition actions.	4.2 Climate-related Financial Risks	50-51
4. Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management system.	4.2 Climate-related Financial Risks	51-53
5. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and principal financial impacts used.	-	-
6. If a transition plan for managing climate-related risks has been established, describe the plan and the metrics and targets used to identify and manage physical and transition risks.	-	-
7. If an internal carbon price is used as a planning tool, describe the basis for setting the price.	-	-

Item	Corresponding Section	Page
8. If climate-related targets have been set, describe the activities and GHG emission scopes covered, the planned schedule, and annual progress. If carbon offsets or renewable energy certificates are used to achieve the targets, disclose the source and quantity of carbon reduction credits offset or the quantity of renewable energy certificates.	-	-
9. GHG inventory and assurance status and reduction targets, strategies, and specific action plans, to be separately completed in Sections 1-1 and 1-2.	1-1 GHG Inventory and Assurance Status for the Most Recent Two Years 1-2 GHG Reduction Targets, Strategies, and Specific Action Plans	95-97

1-1 GHG Inventory and Assurance Status for the Most Recent Two Years

1-1-1 GHG Inventory Information

Disclose GHG emissions for the most recent two years, in metric tons of CO2e, intensity, in metric tons of CO2e per NT$1 million of revenue, and the scope of data coverage.

At a minimum, the following disclosures are required under the Sustainable Development Roadmap for Listed and OTC Companies:

1. The parent company shall begin conducting an inventory in 2025 and disclose the inventory information in 2026.
2. Subsidiaries included in the consolidated financial statements shall begin conducting inventories in 2026 and disclose inventory information in 2027.

NEMStek conducted a GHG inventory for 2025, which serves as the base year. Inventory data for 2024 are not available. The data coverage is No. 100, Keji 5th Road, Annan District, Tainan City, as detailed below:

Item	2024 Parent Company	2024 Subsidiaries	2024 Total	2025 Parent Company	2025 Subsidiaries	2025 Total
Scope 1 total emissions, metric tons CO2e	NA	NA	NA	606.3218	NA	606.3218
Scope 1 intensity, metric tons CO2e per NT$1 million of revenue	NA	NA	NA	1.169	NA	1.169
Scope 2 total emissions, metric tons CO2e	NA	NA	NA	190.2771	NA	190.2771
Scope 2 intensity, metric tons CO2e per NT$1 million of revenue	NA	NA	NA	0.367	NA	0.367
Scope 3 total emissions, metric tons CO2e	NA	NA	NA	752.4367	NA	752.4367
Scope 3 intensity, metric tons CO2e per NT$1 million of revenue	NA	NA	NA	1.451	NA	1.451

Notes:

1. Direct emissions are Scope 1 emissions directly from sources owned or controlled by the Company. Energy indirect emissions are Scope 2 emissions arising indirectly from imported electricity, heat, or steam. Other indirect emissions are Scope 3 emissions resulting from Company activities that are not energy indirect emissions and arise from sources owned or controlled by other companies.

2. The data coverage for direct emissions and energy indirect emissions shall follow the schedule prescribed in Article 4-1, Paragraph 2 of the applicable rules of the Taipei Exchange governing the preparation and filing of sustainability reports by listed companies. Other indirect emissions may be disclosed voluntarily.
3. GHG inventory standards: the Greenhouse Gas Protocol or ISO 14064-1 issued by the International Organization for Standardization.
4. GHG emissions intensity may be calculated per unit of product or service or based on revenue. At a minimum, data calculated using revenue in millions of New Taiwan dollars shall be disclosed.

1-1-2 GHG Assurance Information

Disclose the assurance status for the most recent two years, including the scope of assurance, assurance provider, assurance standards, and assurance opinion.

The Company has not yet obtained third-party assurance of its sustainability report and therefore has no assurance status for the most recent two years to describe. It will evaluate obtaining third-party assurance in the future to improve the credibility and transparency of sustainability information disclosure.

Notes:

1. Assurance shall be performed according to the schedule prescribed in Article 4-1, Paragraph 3 of the applicable rules.
2. The assurance provider shall comply with requirements governing sustainability report assurance providers established by Taiwan Stock Exchange Corporation and Taipei Exchange.
3. Refer to the best-practice examples on the Taiwan Stock Exchange Corporate Governance Center website for disclosure guidance.

1-2 GHG Reduction Targets, Strategies, and Specific Action Plans

Disclose the GHG reduction base year and data, reduction targets, strategies and specific action plans, and achievement of reduction targets.

GHG reduction base year and data

The Company has initiated its GHG inventory and expects to use 2025 as the GHG reduction base year. It will subsequently establish baseline GHG emissions data based on inventory results as the basis for setting future reduction targets and tracking performance.

GHG reduction targets

The Company has not yet formally established specific quantitative GHG reduction targets. It will use 2025 as the GHG reduction base year and progressively establish short-, medium-, and long-term reduction targets and management mechanisms based on GHG inventory results and operating conditions. It will continue implementing energy management, energy conservation and carbon reduction measures, and environmental management actions to reduce GHG emissions and environmental impacts.

GHG reduction strategies and specific action plans

The Company is still planning its GHG reduction strategies and specific action plans. In the future, it will progressively establish a GHG management mechanism by improving energy efficiency, evaluating the introduction of energy-efficient equipment, implementing energy conservation and carbon reduction measures, and strengthening employee awareness of energy conservation. It will also prioritize evaluating suppliers that use low-carbon

products or equipment, promote the application of green and low-carbon materials and equipment, and encourage low-carbon transportation to reduce carbon emissions from products and operations. In addition, the Company will continue developing products and technologies that meet environmental sustainability needs and progressively integrate market development with the low-carbon transition to achieve its low-carbon operating objectives.

For additional information, refer to Section 4.2 Climate Risk Management.

Achievement of GHG reductions in 2025

The Company continued implementing energy conservation and carbon reduction measures in 2025. It improved energy efficiency and reduced operating carbon emissions by upgrading office lighting to LED fixtures, using online forms to reduce paper consumption, and progressively replacing fuel-powered management vehicles with electric vehicles. The electrification of management vehicles is estimated to save approximately 6,000 liters of gasoline per year, equivalent to energy savings of approximately 190.57 GJ per year, helping reduce fuel consumption and GHG emissions and achieve low-carbon operating objectives.

For additional information, refer to Section 4.3 Advancing Energy Conservation.

Notes:

1. The relevant actions shall follow the schedule prescribed in Article 4-1, Paragraph 4 of the applicable rules.
2. The base year shall be a year for which an inventory covering the consolidated financial reporting boundary has been completed. For example, under Article 4-1, Paragraph 2 of the applicable rules, a company with paid-in capital of at least NT$10 billion shall complete its 2024 consolidated financial reporting inventory in 2025; the base year is therefore 2024. If the company completes the consolidated financial reporting inventory ahead of schedule, it may use the earlier year as the base year. Base-year data may be calculated using a single year or the average of several years.
3. Refer to the best-practice examples on the Taiwan Stock Exchange Corporate Governance Center website for disclosure guidance.