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Infortrend Technology Inc.
2025
Annual Report

Printed on April 30, 2026

Notice to Reader:

For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese-language report shall prevail.

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VI. **Overseas Securities Exchange Where Securities are Listed and Method of Inquiry:** None.

VII. **Corporate website**: http://www.infortrend.com

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Chapter 1 Letter to the Shareholders

Dear Shareholders:

The year 2025 was characterized by significant and rapid changes in both the global and domestic economic and operating environment. Following the inauguration of Donald Trump at the beginning of the year, the global trade environment experienced substantial volatility. In particular, the announcement of reciprocal tariffs in April triggered heightened concerns over a potential global economic downturn. Domestically, under the shadow and mounting pressures of protectionism, the New Taiwan dollar exhibited unusual fluctuations in both the magnitude and pace of its appreciation, thereby exerting increased pressure on business operations. In addition to the aforementioned rapid changes in the external environment, the storage industry is also facing supply problems due to the rapid development of AI data centers, resulting in shortages of memory and SSDs. Amid these challenging conditions, Infortrend Technology reported consolidated operating revenue of NT$1.18 billion for fiscal year 2025, a decrease of 10.89% compared with fiscal year 2024. Net income after tax amounted to NT$308 million, a decrease of NT$298 million compared to the previous year. Earnings per share (EPS) were NT$1.13, a decrease of NT$1.09 compared with fiscal year 2024.

Over the past year, Infortrend Technology continued to introduce competitive storage and server products, further strengthening its comprehensive solution portfolio.

In the storage segment, the Company launched its latest high-end flagship model, the GS 5024U U.2 NVMe all-flash storage system, specifically designed to meet the stringent performance, latency, capacity, and reliability requirements of enterprise-grade applications. Leveraging an NVMe architecture, the GS 5024U delivers up to 125 GB/s throughput and 2.4 million IOPS, while supporting large-scale scalability and enterprise-grade data protection mechanisms. The system is well-suited for mission-critical applications, including AI and machine learning, high-performance computing (HPC), media and entertainment (M&E) production, large-scale OLTP databases, and enterprise virtualization.

In the server segment, the Company introduced Infortrend Enterprise Cloud (IEC), a private cloud infrastructure solution designed specifically for enterprises. Unlike traditional servers, IEC consolidated compute, storage, and application management into a single platform, thereby assisting enterprises in rapidly deploying and effectively managing various workloads in their own data centers. With IEC, enterprises can eliminate the time and complexity associated with procuring and integrating multiple systems, and instead deploy a fully integrated, plug-and-play infrastructure that seamlessly combines hardware and software components.

IEC supports both next-generation applications (such as AI and containerized applications) and traditional workloads (such as Windows, Linux, and various enterprise software). It can be flexibly deployed across large-scale enterprise data centers, small and medium-sized business environments,

and edge computing scenarios. The product portfolio includes the KS 5000U series, designed for enterprise data centers, and the KS 3000U series, tailored for edge computing and small and medium-sized business (SMB) deployments, providing optimized configurations to meet varying scales and application requirements.

Since its establishment in 1993, Infortrend Technology has remained committed to the independent development of core technologies and vertically integrated manufacturing. Leveraging superior product stability and a flexible customer-oriented strategy, we established a leadership position in the global enterprise-grade storage market. Our solutions extended across finance, government, healthcare, and multinational corporations, serving as a trusted partner in driving digital transformation across industries.

Looking ahead to 2026, the global landscape is entering a period of rapid expansion in AI applications. Generative AI and large language models are driving substantial demand for ultra-fast data access and large-scale storage capacity. Infortrend Technology will focus on the deep integration of high-performance All-Flash arrays and hyper-converged architectures. In response to emerging trends such as "sovereign AI" and "edge computing", the Company aims to deliver private cloud infrastructure with robust security protection and flexible scalability.

In addressing climate change, the Company is also committed to developing low-power, energy-efficient storage technologies to help enterprises optimize total cost of ownership (TCO) and achieve ESG carbon reduction targets. Infortrend will continue to uphold its core values of "Professionalism, Innovation, and Stability", while optimizing its global channel strategy. In the new data-driven era, the Company remains dedicated to creating long-term and sustainable value for its shareholders.

I Operating Report for 2025

(I) Results of operations based on business plan

Unit: NT$ thousands; %

Item	2025	2024	Increase (Decrease)	Change in percentage(%)
Consolidated operating revenue	1,176,124	1,319,852	(143,728)	(10.89%)
Consolidated gross profit	506,726	667,494	(160,768)	(24.09%)
Consolidated net profit before tax	324,105	660,455	(336,350)	(50.93%)
Consolidated net profit after tax	307,860	606,135	(298,275)	(49.21%)

(II) Budget execution status

The Company has not prepared a financial forecast for the year 2025.

(III) Profitability analysis

Item	2025	2024
Return on assets	4.73%	9.32%
Return on equity	6.68%	13.69%
Operating Income to Paid-in Capital Ratio	2.28%	5.83%
Pre-tax Income to Paid-in Capital Ratio	11.85%	24.14%
Net profit margin	26.18%	45.92%
Earnings per share	NT$1.13	NT$2.22

(IV) Research and Development Status

Over the past year, Infortrend Technology has continued to strengthen its R&D investments, focusing on technological innovation and product enhancement. These efforts have not only further reinforced the Company's competitive advantage in the enterprise storage market, but also delivered initial results in the server segment through a high degree of hardware and software integration and a comprehensive product portfolio. On the hardware front, the Company actively adopted next-generation platforms and key technologies, launching multiple industry-leading products to address the growing demand for high-performance storage and AI-related solutions.

In terms of software research and development, Infortrend Technology also continued to achieve favorable results. We implemented several new features and performed in-depth optimizations for various vertical industries and application scenarios, which effectively enhanced overall system performance and stability. At the same time, the Company continues to optimize the user experience by simplifying the operation process and using a more intuitive interface design, enabling customers can get started more quickly and improve their efficiency. In addition, we strengthened the flexibility and extensibility of the software architecture so that it could flexibly integrate various application environments, which further enhanced the overall solution's value and competitiveness.

The aforementioned R&D achievements demonstrate Infortrend Technology's ongoing advancement in technological capabilities and provide strong momentum for expanding into new market opportunities. Looking ahead, we will continue to enhance hardware-software integration and drive innovation, delivering more comprehensive and efficient storage solutions to meet long-term market demand for high-capacity and high-performance systems, while creating stable and sustainable value for shareholders.

II Outline of 2026 Business Plan

(I) Business Strategies

1. High-Performance Storage System

As AI and high-performance computing (HPC) applications continue to evolve rapidly, the market's demand for high-performance storage systems has also continued to grow. Infortrend Technology will continue to invest in research and development and introduce market-leading high-performance storage solutions. By leveraging the high-speed access capabilities of U.2 SSDs alongside the scalability advantages of high-capacity HDDs, the Company aims to address diverse enterprise requirements for both performance and capacity.

Additionally, the Company's products will continue to strengthen compatibility and integration capabilities with various mainstream software and hardware platforms, ensure stable and smooth system operation, assist customers in achieving optimal performance in AI, HPC, and mission-critical application environments, and enhance overall operational efficiency and data value.

2. Artificial Intelligence Servers

In response to the rapid growth of artificial intelligence (AI) applications, Infortrend Technology will continue to adopt next-generation hardware and software technologies to develop and deliver a comprehensive AI server product portfolio. The KS 5000U series, designed for enterprise data centers, will continue to expand support for the latest CPU and GPU platforms, while integrating a broader range of vertical application software to meet enterprises' diverse needs across different industry scenarios.

In addition, the KS 3000U series, introduced for edge computing applications, will be continuously optimized to accommodate a wide range of edge deployment scenarios. Enhancements in system performance, stability, and deployment flexibility will support applications such as smart manufacturing, real-time analytics, and distributed computing.

By continuously optimizing a comprehensive product portfolio spanning enterprise data centers and distributed branch locations, the Company aims to deliver more complete and efficient solutions, ensuring it can meet the diverse needs of enterprise customers across varying scales and application environments.

3. Comprehensive Service and Training System

To help customers fully realize the value of its products, Infortrend Technology continues to enhance its service and training systems. The Company provides comprehensive training programs and product selection guidelines tailored to different solutions, assisting channel partners in gaining a deep understanding of product characteristics, application scenarios, and operational procedures. These

initiatives enhance go-to-market effectiveness while ensuring customers achieve an optimal user experience during deployment and operation.

In terms of service support, the Company offers a diverse and comprehensive set of service solutions, including extended warranty services, expedited replacement and repair mechanisms, professional technical consulting, and on-site support services. These services ensure that customers receive timely and effective assistance under all circumstances. By promptly resolving issues and reducing the risk of system downtime, we assist customers in maintaining operational stability and enhancing overall efficiency.

Through continuous enhancement of service quality and customer support, the Company not only improves customer satisfaction and user confidence, but also builds long-term, stable partnerships. These efforts further strengthen the Company's brand competitiveness and support its long-term objective of growing together with its customers.

(II) Sales volume forecast and basis

Product type	Sales
Disk Array Controller and System	40,380 units
Total	40,380 units

Based on the industry environment and market supply and demand, and with reference to the estimates of various research institutions, the sales volume of RAID controller and system this year is expected to be 40,380 units, an increase of 2,989 units compared to 37,391 units in 2025.

(III) Key production and sales policy

Infortrend Technology continues to strengthen its lean supply chain management, enhancing operational efficiency and overall competitiveness. On the sales front, the Company is committed to shortening lead times and accelerating product delivery, thereby improving customer satisfaction and enhancing market responsiveness. In production, through optimizing procurement mechanisms and strengthening supplier management, production efficiency and product quality were effectively improved, ensuring that all manufacturing processes complied with high standards. At the same time, the Company closely monitors global developments and market dynamics, and precisely plans and manages inventory allocation and logistics operations. This enables seamless coordination across sales forecasting, material planning, order processing, and product delivery, ensuring overall operational stability. By continuously enhancing its global logistics and supply chain management framework, the Company not only reduces operating costs but also strengthens product competitiveness, supporting steady growth in international markets and advancing its long-term development objectives.

III Future Development Strategies

(I) Enhancing brand awareness and market influence: Infortrend Technology will continue to strengthen its brand visibility and market presence through diversified marketing and brand management strategies. The Company will regularly issue press releases and electronic newsletters (eDMs) to promptly communicate the latest product and solution updates, enabling target customers to better understand the technical advantages and application value of Infortrend's offerings. At the same time, by sharing successful case studies and practical implementation experiences, the Company will clearly demonstrate how its solutions help enterprises address storage and data management challenges, thereby enhancing customer trust and brand recognition. Furthermore, the Company will work closely with global distributors and partners to host product launches, technical seminars, and marketing initiatives, deepening customers' understanding of product advantages and the value of its overall solutions. Through these initiatives, the Company aims to strengthen its brand image, expand market penetration, and create additional growth opportunities.

(II) Deepening vertical market deployment: To address the diverse requirements of various industries in data storage and server applications, Infortrend Technology will continue to deliver customized solutions tailored to meet specific performance and deployment needs across different application scenarios. For example, virtualization and database applications emphasize high IOPS storage performance, while edge computing servers must support ease of installation and maintenance, as well as reliable operation in low-noise and high-temperature environments. To this end, the Company adopts a differentiated product design strategy to ensure that each product series is precisely aligned with specific industry requirements and application scenarios. In addition, the Company provides comprehensive solutions and rigorous test reports, fully demonstrating the product's performance and reliability in different industry environment. At the same time, Infortrend also collaborates with leading software vendors, such as VMware, Veeam, and Adobe, to obtain technical certifications and ensure compatibility and stability of its products across various application architectures. By continuously strengthening its vertical market presence, the Company not only enhances product competitiveness but also delivers stable, high-performance, and forward-looking integrated solutions, helping enterprises accelerate digital transformation and achieve sustainable long-term growth.

IV The Impact of the External Competitive Environment, Regulatory Environment, and Macroeconomic Conditions

Infortrend Technology, as a leading global provider of storage solutions, remains committed to delivering innovative and efficient storage and computing solutions to various enterprises

and government organizations. As technology continues to advance rapidly, particularly with the expanding applications of big data and artificial intelligence, enterprises are placing increasing demands on storage systems in terms of performance and capacity. At the same time, there is a growing need for server solutions that offer ease of deployment and simplified management. In response to this trend, the Company will continue to roll out market-leading high-performance storage systems and the latest server products, and will optimize solutions based on the specific requirements of various vertical markets to support the increasingly complex application scenarios across industries.

In the area of sustainable development, Infortrend Technology is actively advancing green design and energy efficiency initiatives. The Company continues to develop low-power technologies and has introduced innovative power solutions that comply with international Eco-design standards and the European Union's Lot 9 energy efficiency requirements. These initiatives not only demonstrate the Company's commitment to environmental protection, but also reflect its ongoing efforts to improve energy efficiency and reduce its carbon footprint.

Going forward, Infortrend Technology will continue to strengthen its research and development capabilities, develop new products that align with market trends and customer needs, enhance its brand influence, and collaborate with partners to create additional growth opportunities.

We sincerely thank our shareholders for their continued support and trust. We look forward to your ongoing engagement with Infortrend Technology as we embrace the opportunities and challenges of the digital era together.

We hereby wish all our shareholders

good health and all the best.

Infortrend Technology Inc.

Chairman: Lo Shih-Tung

Manager: Lo Shih-Tung

Accounting Supervisor: Liu Shu-Hua

Chapter 2 Corporate Governance Report

I Directors, Supervisors and Management Team:

(I) Directors and Supervisors:

1. Directors' information

April 14, 2026. Unit: Shares

Title	Nationality/ Place of incorporation	Name	Gender /Age		Election date	Term of office	Date first elected	Shareholding when elected		Current number of shares held		Spouse and minor shareholding		Shareholding by nominees		Key working (education) experience	Other positions concurrently held at the Company or other companies	Executives, Directors or Supervisors who are spouses or within the second degree of kinship			Remarks
								Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	R.O.C.	Lo, Shih-Tung	Male	69	2024.06.14	3 years	1999.10.01	38,948,816	14.24%	38,522,816	14.08%	168,000	0.06%	—	—	Master's degree from Taiwan University of Science and Technology, Manager, R&D Department at Acer Technology	Note 1	—	—	—	Note 4
Director	R.O.C.	Chen, Li-Wei	Male	59	2024.06.14	3 years	2012.06.18	—	—	—	—	—	—	—	—	Master's degree from University of Pittsburgh Senior Manager, Quality Assurance at MSI	Note 2	—	—	—	—
Director	R.O.C.	Sung, Chun-Tsai	Male	57	2024.06.14	3 years	2024.06.14	—	—	—	—	—	—	—	—	Master's degree in Business Management from Dayeh University Senior Manager, APAC, PROMISE Technology, Inc.	Note 3	—	—	—	—
Independent Director	R.O.C.	Chen, Liang-Yin	Male	64	2024.06.14	3 years	2005.06.10	—	—	—	—	—	—	—	—	Bachelor's degree from Finance and Taxation Department, Chung Hsing University CPA, Yuan Fu CPAs	None	—	—	—	—
Independent Director	R.O.C.	Sun, Kuang-Wei	Male	61	2024.06.14	3 years	2021.07.19	—	—	—	—	—	—	—	—	Master of Financial Management, Memphis State University, Tennessee, USA Finance Assistant Manager, YAGEO Corporation	None	—	—	—	—
Independent Director	R.O.C.	Hou, Pin-Yu	Female	34	2024.06.14	3 years	2024.06.14	—	—	—	—	—	—	—	—	Bachelor's degree from Department of Accounting, Soochow University CPA at Huaruei United CPAs	None	—	—	—	—
Independent Director	R.O.C.	Huang, Chi-Chao	Male	67	2024.06.14	3 years	2024.06.14	—	—	—	—	—	—	—	—	Master's degree in electrical engineering, National Taiwan University of Science and Technology Retired Deputy Manager, Mega International Commercial Bank	None	—	—	—	—

Note 1: President of the Company and legal representative of Infortrend Corporation, Infortrend Europe Ltd, Infortrend Deutschland GmbH., Director of Infortrend Shanghai Limited, Director of Infortrend Japan Inc., and Director of Prophet Technology Inc.

Note 2: Vice President of the Company and Director of Infortrend Shanghai Limited.

Note 3: Assistant Manager of the Pan-Asia Pacific Division of the Company.

Note 4: If the Chairman, President, or person holding an equivalent position (top executive) are the same person, spouses or first-degree relatives, the reason, reasonableness, necessity and future improvement measures shall be explained:

In consideration of the Company's scale and shareholding structure, the dual role of Chairman and President enhances operational efficiency and strengthens decision-making and execution capabilities. In addition to maintaining effective communication with the Board of Directors and Independent Directors regarding the Company's operating status and strategic direction, the presence of four Independent Directors further reinforces the Board's oversight function. The Company has implemented the following governance measures:

1. Four Independent Directors, each with expertise in areas such as finance and accounting, electronics, and financial services, effectively perform their supervisory responsibilities.
2. Professional training programs are arranged annually for Directors to enhance the effectiveness of Board operations.
3. Independent Directors actively participate in functional committees, where they engage in thorough discussions and gain a comprehensive understanding of the Company's operations, thereby strengthening corporate governance practices.

2. Professional qualifications and independence status of Directors:

Qualification / Name	Professional qualification and experience	Conformity to independence	Number of other public companies where the individual concurrently serves as an Independent Director
Lo, Shih-Tung	Founder and President of the Company. Had a background in software development before the Company was founded. Not under any of the circumstances stated in Article 30 of the Company Act.		None
Chen, Li-Wei	Vice President of Quality Assurance and Manufacturing Division, joined the Company in 2005. Holds a Master's degree from University of Pittsburgh, USA and formerly a Senior Manager at MSI. Not under any of the circumstances stated in Article 30 of the Company Act.		None
Sung, Chun-Tsai	Assistant Manager of the Pan-Asia Pacific Department, joined the Company in 2010. Holds a Master's degree from Da-Yeh University and previously served as a Senior Manager at Chiao-Ting Information. Not under any of the circumstances stated in Article 30 of the Company Act.		None
Chen, Liang-Yin	Holds a Bachelor's degree from Finance and Taxation Department of National Chung Hsing University. Serves as Partner at Yuan Fu Certified Public Accountants since 1999. Not under any of the circumstances stated in Article 30 of the Company Act.	Neither the Director, their spouse, nor any relatives within the second degree of kinship fall under the following circumstances: 1. Serving as a Director, Supervisor or employee of the Company or its affiliated enterprises. 2. Holding shares of the Company. 3. Serving as a Director, Supervisor or employee of a company with which the Company has a specific relationship. 4. Provide business, legal, financial, accounting and other services to the Company or its affiliates.	None
Sun, Kuang-Wei	Master's degree in financial management, University of Memphis, Tennessee. Previous appointments: Finance Commissioner of Hotai Motor Co., Ltd, Deputy Assistant Director of Walsin Lihwa Co., Ltd, Head of Audit of Lite-On Technology, Finance Manager of Career Technology Mfg. Co., Ltd, Chief Financial Officer of C.C.P	Neither the Director, their spouse, nor any relatives within the second degree of kinship fall under the following circumstances: 1. Serving as a Director, Supervisor or employee of the Company or its affiliated enterprises. 2. Holding shares of the Company. 3. Serving as a Director, Supervisor or employee of a company with which the Company has a specific relationship.	None

Qualification / Name	Professional qualification and experience	Conformity to independence	Number of other public companies where the individual concurrently serves as an Independent Director
	Contact Probes Co., Ltd. Finance Assistant Manager, YAGEO Corporation Not under any of the circumstances stated in Article 30 of the Company Act.	4. Provide business, legal, financial, accounting and other services to the Company or its affiliates.	
Hou, Pin-Yu	Bachelor's degree from Accounting Department, Soochow University. Previously served as an auditor at PricewaterhouseCoopers and as an audit manager at KPMG Certified Public Accountants. Currently serving as CPA at Huaruei United CPAs since 2018. Not under any of the circumstances stated in Article 30 of the Company Act.	Neither the Director, their spouse, nor any relatives within the second degree of kinship fall under the following circumstances: 1. Serving as a Director, Supervisor or employee of the Company or its affiliated enterprises. 2. Holding shares of the Company. 3. Serving as a Director, Supervisor or employee of a company with which the Company has a specific relationship. 4. Provide business, legal, financial, accounting and other services to the Company or its affiliates.	None
Huang, Chi-Chao	Master's in Electrical Engineering, National Taiwan University of Science and Technology. Joined Mega International Commercial Bank (formerly known as Chiao Tung Bank) since 1984 and retired in 2023 as the Branch Deputy Manager. Not under any of the circumstances stated in Article 30 of the Company Act.	Neither the Director, their spouse, nor any relatives within the second degree of kinship fall under the following circumstances: 1. Serving as a Director, Supervisor or employee of the Company or its affiliated enterprises. 2. Holding shares of the Company. 3. Serving as a Director, Supervisor or employee of a company with which the Company has a specific relationship. 4. Provide business, legal, financial, accounting and other services to the Company or its affiliates.	None

3. Diversity and Independence of the Board of Directors:

(1) Diversity of the Board of Directors:

In accordance with Paragraph 2 of Article 20 of the Company's "Corporate Governance Best Practice Principles", the members of the Board of Directors shall generally have the necessary knowledge, skills and manner to perform their duties; in order to achieve the desired goals of corporate governance, the Board of Directors shall have eight abilities as a whole, including operational judgment, accounting and financial analysis, operational management, crisis management, industry knowledge, international market view, leadership and

decision-making. With the professional qualifications and experience of the Directors and Independent Directors in the table above, their respective contributions of expertise and experience should have a multiplier effect for the Board and in turn, contribute to the overall operations.

The Company employs a candidate nomination system. In nominating Directors, in addition to considering the overall capabilities required of the Board as previously described, the primary considerations are the candidates' professional experience and the specialized knowledge and skills needed by the Company (such as product technology, industry trends, and financial economics). Gender is not a primary consideration. Currently, of the seven members of the Board of Directors, only one is female.

In the future, in addition to the professional knowledge required by the Company, females will be given priority under the same conditions to achieve the goal of gender diversity on the Board of Directors.

(2) Independence of the Board of Directors:

The current Board of Directors of the Company consists of seven Directors, comprising four Independent Directors and three Non-Independent Directors, all of whom are distinguished members of the industry-academia community.

The Directors of the Company are not related as spouse or second-degree kinship. After being nominated, the Directors have also been reviewed by the relevant departments of the Company to confirm that there is no circumstance stipulated in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act.

(II) Information on the Company's President, Vice Presidents, Assistant Managers, and Supervisors of all divisions and branch units:

April 14, 2026

Title	Nationality	Name	Gender	Election/ Appointment Date	Shareholding		Spouse and minor shareholding		Shareholding by nominees		Key working (education) experience	Other positions concurrently held at other companies	Managerial officers who are spouses or within the second degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
President	R.O.C.	Lo, Shih-Tung	Male	2006.06.20	38,522,816	14.08%	168,000	0.06%	—	—	Master's degree from Taiwan University of Science and Technology, Manager, R&D Department at Acer Technology	Note 1	—	—	—	Note 4
Technical Director	USA	Michael Schnapp	Male	2006.07.01	160,672	0.06%	—	—	—	—	Department of Geophysics, University of Colorado DTC Tech. Corporation /Staff Engineer	None	—	—	—	—
Vice President	R.O.C.	Chen, Li-Wei	Male	2008.01.01	—	—	—	—	—	—	Master's degree from University of Pittsburgh Senior Manager, Quality Assurance at MSI	Note 2	—	—	—	—
Assistant Manager	R.O.C.	Liu, Shu-Hua	Female	2007.01.01	86,558	0.03%	—	—	—	—	Accounting Department, Chinese Culture University Manager of Accounting Department, KPMG Certified Public Accountants	Note 3	—	—	—	—
Assistant Manager	R.O.C.	Hung, Ching-Hai	Male	2017.01.17	30,790	0.01%	—	—	—	—	Electronic Computer Department, Tamkang University Manager of R&D Division, Caifu Electronic	None	—	—	—	—
Assistant Manager	R.O.C.	Yang, Wen-Jen	Male	2017.01.17	84,320	0.03%	—	—	—	—	Enterprise Management Department, Tokai University Vice President of Asia Pacific Region, FarStone	None	—	—	—	—
Assistant Manager	R.O.C.	Chan, Chih-Chung	Male	2024.01.17	98,639	0.04%	84,352	0.03%	—	—	Department of Electronic Engineering, St. John's & St. Mary's Institute of Technology National United University Information Engineer	None	—	—	—	—

Title	Nationality	Name	Gender	Election/ Appointment Date	Shareholding		Spouse and minor shareholding		Shareholding by nominees		Key working (education) experience	Other positions concurrently held at other companies	Managerial officers who are spouses or within the second degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Assistant Manager	R.O.C.	Sung, Chun-Tsai	Male	2024.01.17	—	—	—	—	—	—	Master's degree in Business Management from Dayeh University Senior Manager, APAC, PROMISE Technology, Inc.	None	—	—	—	—

Note 1: Legal representative of Infortrend Corporation, Infortrend Europe Ltd, Infortrend Deutschland GmbH., Director of Infortrend Shanghai Limited, Director of Infortrend Japan Inc., and Director of Prophet Technology Inc.

Note 2: Director of Infortrend Shanghai Limited

Note 3: Director of Infortrend Japan Inc. and Director of Prophet Technology Inc.

Note 4: If the Chairman, President, or person holding an equivalent position (top executive) are the same person, spouses or first-degree relatives, the reason, reasonableness, necessity and future improvement measures shall be explained:

In consideration of the Company's scale and shareholding structure, the dual role of Chairman and President enhances operational efficiency and strengthens decision-making and execution capabilities. In addition to maintaining effective communication with the Board of Directors and Independent Directors regarding the Company's operating status and strategic direction, the presence of four Independent Directors further reinforces the Board's oversight function. The Company has implemented the following governance measures:

1. Four Independent Directors, each with expertise in areas such as finance and accounting, electronics, and financial services, effectively perform their supervisory responsibilities.
2. Professional training programs are arranged annually for Directors to enhance the effectiveness of Board operations.
3. Independent Directors actively participate in functional committees, where they engage in thorough discussions and gain a comprehensive understanding of the Company's operations, thereby strengthening corporate governance practices.

II Remuneration Paid During the Most Recent Fiscal Year to Directors, Supervisors, President, and Vice Presidents:

(I) Remuneration to Directors, Supervisors, President, and Vice Presidents:

1. Remuneration to Directors and Independent Directors

For the year ending December 31, 2025/Unit: NT$ thousands

Title	Name	Remuneration to Directors								Total compensation (A+B+C+D) and its ratio to net income (%)		Relevant remuneration received by Directors who are also employees								Total compensation (A+B+C+D+E+F+G) and its ratio to net income (%)		Compensation paid to Directors from an invested company other than the Company's subsidiaries
		Base compensation (A)		Severance payment and pension (B)		Directors' compensation (C) (Note)		Business execution expenses (D)				Salary, bonuses, and allowances (E)		Severance payment and pension (F)		Employee compensation (G) (Note 1)						
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
																Cash amount	Stock amount	Cash amount	Stock amount			
Director	Lo, Shih-Tung (President of the Company)	1 ,350	1,350	-	-	1,200	1,200	60	60	2,610 0.85%	2,610 0.85%	10,639	10,639	-	-	2,331	-	2,331	-	15,580 5.06.%	15,580 5.06%	N/A
Director	Chen, Li-Wei (Vice President of the Company)																					
Director	Sung, Chun-Tsai (Assistant Manager of the Company)																					
Independent Director	Chen, Liang-Yin																					
Independent Director	Sun, Kuang-Wei																					
Independent Director	Huang, Chi-Chao																					
Independent Director	Hou, Pin-Yu																					

1. The policy, system, standard and structure for the payment of remuneration to Independent Directors, and with a description of its relevance to the amount of remuneration paid in terms of the responsibilities, risks and time commitment involved:
2. The remuneration to Independent Directors of the Company includes salary and travel expenses. Salary is determined according to individual positions and roles and is approved by the Remuneration Committee. It is paid monthly regardless of the Company's profit or loss; travel expenses are paid on a monthly basis according to the circumstances of participating in the Board of Directors and shareholders' meetings. Additional explanations are provided on pages 19 and 20.
3. Except as disclosed in the above table, the remuneration received by Directors for providing services in the most recent year (such as serving as a consultant for non-employees of the parent company/all companies listed in the financial report/reinvestment enterprises, etc.): None.

Note 1: On March 10, 2026, the Board of Directors approved the provision of Directors' remuneration and employee remuneration, but the actual distribution has not yet been made, so it is estimated with reference to previous years.

Range of Remuneration

Range of remuneration paid to each Director of the Company	Name of Directors			
	Total of the first four remunerations (A+B+C+D)		Total of the first seven remunerations (A+B+C+D+E+F+G)	
	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Under NT$1,000,000	Lo, Shih-Tung/ Chen, Li-Wei/ Chung, Liang-Yin/ Sun, Kuang-Wei/ Sung, Chun-Tsai/ Huang, Chi-Chao/ Hou, Pin-Yu	Lo, Shih-Tung/ Chen, Li-Wei/ Chung, Liang-Yin/ Sun, Kuang-Wei/ Sung, Chun-Tsai/ Huang, Chi-Chao/ Hou, Pin-Yu	Sun, Kuang-Wei/ Sung, Chun-Tsai/ Huang, Chi-Chao/ Hou, Pin-Yu	Sun, Kuang-Wei/ Sung, Chun-Tsai/ Huang, Chi-Chao/ Hou, Pin-Yu
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	None	None	None	None
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	None	None	Chen, Li-Wei/ Sung, Chun-Tsai	Chen, Li-Wei/ Sung, Chun-Tsai
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	None	None	None	None
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	None	None	Lo, Shih-Tung	Lo, Shih-Tung
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	None	None	None	None
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	None	None	None	None
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	None	None	None	None
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	None	None	None	None
NT$100,000,000 and above	None	None	None	None
Total	**7 persons**	**7 persons**	**7 persons**	**7 persons**

2. Supervisor's remuneration: The Company has set up an Audit Committee to replace the Supervisors.

3. Remuneration to the President and Vice Presidents

For the year ending December 31, 2025/Unit: NT$ thousands

Title	Name	Salary (A)		Severance payment and pension (B)		Bonuses and allowances, etc. (C)		Employee compensation (D) (Note 1)				Total compensation (A+B+C+D) and its ratio to net income (%)		Compensation paid to Directors from an invested company other than the Company's subsidiaries
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Lo, Shih-Tung	6,345	6,345	-	-	1,956	1,956	2,331	-	2,331	-	10,632 3.45%	10,632 3.45%	None
Vice President	Chen, Li-Wei													

Note 1: On March 10, 2026, the Board of Directors approved the provision of employee remuneration, but the actual distribution has not yet been made, so it is estimated with reference to previous years.

Range of Remuneration

Range of remuneration paid to the President and Vice Presidents	Name of President and Vice Presidents	
	The Company	All companies in the financial statements
Under NT$1,000,000	None	None
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	None	None
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	Chen, Li-Wei	Chen, Li-Wei
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	None	None
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	Lo, Shih-Tung	Lo, Shih-Tung
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	None	None
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	None	None
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	None	None
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	None	None
NT$100,000,000 and above	None	None
Total	**2 persons**	**2 persons**

4. Name and distribution of employee compensation to Managerial Officers:

For the year ending December 31, 2025/Unit: NT$ thousands

	Title	Name	Stock amount	Cash amount	Total	Ratio of total amount to net income
Managerial Officer	President	Lo, Shih-Tung	0	3,476	3,476	1.13%
	Vice President	Chen, Li-Wei				
	Assistant Manager	Liu, Shu-Hua				
	Assistant Manager	Hung, Ching-Hai				
	Assistant Manager	Chan, Chih-Chung				

Note: On March 10, 2026, the Board of Directors approved the provision of employee remuneration, but the actual distribution has not yet been made, so it is estimated with reference to previous years.

(II) Comparative analysis of the ratio of total remuneration paid to Directors, Supervisors, the President, and Vice Presidents by the Company and all companies included in the consolidated financial statements for the most recent two fiscal years, as a percentage of net income after tax based on the parent company only financial statements or individual financial statements, and disclosure of remuneration policies, standards and structure, procedures for determining remuneration, and its linkage to operating performance and future risk exposure:

1. Analysis of the ratio of total remuneration paid to Directors, Supervisors, the President, and Vice Presidents by the Company and all companies included in the consolidated financial statements for the most recent two fiscal years, as a percentage of net income after tax based on the parent company only financial statements or individual financial statements:

Unit: NT$ thousands

Title	2024				2025			
	Remuneration		As a percentage to net income (%)		Remuneration		As a percentage to net income (%)	
	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements
Director (remuneration and compensation)	2,820	2,820	0.47%	0.47%	2,610	2,610	0.85%	0.85%
President and Vice Presidents (salary and bonus)	12,745	12,745	2.74%	2.74%	10,632	10,632	3.45%	3.45%

2. Remuneration policies, standards, and packages, procedure for determining remuneration, and linkage thereof to operating performance and future risk exposure:

2.1 Remuneration policies, standards, and packages:

Directors' compensation:	In the event of a profit for the current fiscal year, Director remuneration will be distributed in accordance with Article 21 of the Company's Articles of Incorporation, with a maximum limit of 0.5%.
Remuneration for Independent Directors:	Independent Director are not involved in the distribution of Director remuneration. The remuneration for Independent Directors consists of a fixed salary and transportation expenses. The fixed salary is paid monthly, irrespective of the Company's profitability. Transportation expenses are reimbursed at a fixed amount after attending the respective Board of Directors meeting and shareholders' meeting.
Salary and bonus of Managerial Officers:	The Company clearly stipulates that employee remuneration includes salary, various allowances, bonuses, and employee compensation. This is done to show appreciation and reward employees for their efforts in their work. The allocation of bonuses is dependent on the Company's annual operating conditions, departmental performance, and individual work performance. Furthermore, if the Company generates a profit in a given year, at least one percent will be allocated as employee remuneration in accordance with Article 21 of the Company's Articles of Incorporation.

2.2 Procedure for determining remuneration:

Director:	The total amount of Director remuneration, as specified in the Company's Articles of Incorporation, is distributed to each Director based on the weighting assigned to the evaluation criteria outlined in the "Measures for the Evaluation of the Performance of the Board of Directors" and the various assessments (number of Board meetings attended, the duration of serving as a Director, and the suggestions made during Board meetings) established by the Company.
Independent Director:	The remuneration of Independent Directors is proposed by the Remuneration Committee and submitted to the Board of Directors for discussion and approval. The amounts are paid monthly regardless of the Company's profit or loss.
Managers:	The Company’s remuneration for Managerial Officers is reviewed by the Remuneration Committee, which evaluates individual performance and benchmarks against approximately twenty peer companies, including Wistron and Advantech. The assessment considers indicators such as total annual compensation and annual profitability percentiles (P-values), based on which the Committee proposes the annual bonus amounts for Managerial Officers

for the Board of Directors' review and approval.

The Company then allocates and distributes such remuneration within the approved limits in accordance with the performance evaluation results under the applicable performance management policies for Managerial Officers and employees.

Performance evaluation for Managerial Officers encompasses: (1) common indicators: achievement of revenue targets, financial performance, and overall operating results;

and (2) individual indicators: for the President, evaluation is based on the execution of the Company's core values and overall management capabilities, while other Managerial Officers are primarily assessed based on performance targets relevant to their respective roles and responsibilities.

2.3 Relationship between operational performance and future risks:

(1) The review of the Company's remuneration policy related to payment standards and systems is primarily based on the overall operational status of the Company. It considers factors such as achievement rate of performance and level of contribution to determine payment standards, aiming to enhance the overall organizational effectiveness of the Board of Directors and various departments. Furthermore, industry salary benchmarks are referenced to ensure that the remuneration for the management level of the Company remains competitive within the industry, thereby retaining outstanding management talent.

(2) The important decisions made by the management level of the Company are made after balancing various risk factors. The performance of these decisions reflects the profitability of the Company, linking the compensation of the management level to the effectiveness of risk management.

III Implementation of Corporate Governance:

(I) Board of Directors Operations:

The Board of Directors convened 6 (A) Board meetings for the most recent year (January 1 to December 31, 2025). The attendance of the **6** Board meetings for the 11th term Board of Directors are as follows:

Title	Name	Attendance in person (B)	Attendance by Proxy	Attendance rate (%) (B/A) (Note)	Remarks
Chairman	Lo, Shih-Tung	6	0	100%	
Director	Chen, Li-Wei	6	0	100%	
Director	Sung, Chun-Tsai	6	0	100%	
Independent Director	Chen, Liang-Yin	6	0	100%	
Independent Director	Sun, Kuang-Wei	6	0	100%	
Independent Director	Hou, Pin-Yu	6	0	100%	
Independent Director	Huang, Chi-Chao	6	0	100%	

※The attendance status of the Independent Directors for the year ending December 31, 2025, are as follows:

◎: Attendance in person; ※: Attendance by proxy; *: Absent

2025	1st	2nd	3rd	4th	5th	6th
Chen, Liang-Yin	◎	◎	◎	◎	◎	◎
Sun, Kuang-Wei	◎	◎	◎	◎	◎	◎
Hou, Pin-Yu	◎	◎	◎	◎	◎	◎
Huang, Chi-Chao	◎	◎	◎	◎	◎	◎

Other matters that should be recorded:

I. With regard to the operation of the Board, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all Independent Directors' opinions and the Company's handling of such opinions shall be specified:
   (I) Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee in accordance with Article 14-5 of the Securities and Exchange Act; therefore, Article 14-3 is not applicable. For matters set forth in Article 14-5, please refer to the section on the operation of the Audit Committee in this annual report.
   (II) Except for items specified above, other resolutions on which an Independent Director expresses objection or reservation, either by recorded statement or in writing: None.

II. Regarding recusals of Directors from voting due to conflicts of interests, the names of the Directors, contents of motions, reasons for recusal, and results of voting shall be specified: None.

III. Board performance evaluation: The Company completed the performance evaluation of the Board of Directors and its Functional Committees in the first quarter of 2026, and the evaluation results were reported to the Board of Directors on March 10, 2026.
   Evaluation frequency: Conducted annually
   Evaluation period: January 1, 2025 to December 31, 2025

Scope of assessment	Assessment methodology	Assessment Content	Result
Performance assessment on the Board	Self-assessment by the Company	I. Level of participation in corporate operations. II. Enhancement on the quality of the Board of Directors' decisions. III. Composition and structure of the Board. IV. Election and continuing education of Directors. V. Internal control.	The performance evaluation indicators of the Board of Directors encompass five major dimensions, totaling 45 indicators. The evaluation results are as follows: "Excellent (5)" 51.1%, "Good (4)" 33.3%, "Average (3)" 15.6%. This indicates that the Board of Directors has fulfilled its responsibilities of guiding and supervising the Company's strategy, major business and risk management, and has established an appropriate internal control system. Overall, the operational situation is sound and meets the requirements of corporate governance.
Performance assessment on individual	Self-assessment by the Director	I. Command over corporate goals and mission. II. Understanding of Directors'	The performance evaluation indicators of the Board members encompass six major dimensions, totaling 23 indicators. The

board members		duties. III. Level of participation in corporate operations. IV. Internal relationship management and communication. V. Specialty and continuing education of Directors. VI. Internal control.	evaluation results are as follows: "Excellent (5)" 64.0%, “Good (4)” 32.3%, "Average (3)" 3.7%. This indicates that the Directors have effective control over most of their responsibilities.
Performance assessment on Audit Committee and Remuneration Committee	Self-assessment by the Company	I. Level of participation in corporate operations. II. Understanding of functional committees' duties. III. Enhancement on the quality of Functional Committees' decisions. IV. Composition of the Functional Committees and election of members. V. Internal control.	The performance evaluation indicators of the Audit Committee encompass five major dimensions, totaling 22 indicators. The evaluation results are as follows: “Excellent (5)” 63.6%, "Good (4)" 36.4%. The performance evaluation indicators of the Remuneration Committee encompass four major dimensions, totaling 19 indicators. The evaluation results are as follows: "Excellent (5)" 68.4%, "Good (4)" 26.3%, "Average (3)" 5.3%. The overall operation of the Audit and Remuneration Committee is close to perfection, generally in line with the requirements of corporate governance, and effectively enhances the functions of the Board of Directors.

IV. An assessment of the goals set for strengthening the functions of the Board and implementation status during the current and the most recent fiscal year:

1. To enhance the efficiency of Board operation
   In order to effectively perform the functions of Directors, the Company has regularly evaluated the performance of the Board of Directors every year since 2021 in accordance with the "Measures for the Evaluation of the Performance of the Board of Directors".
2. To purchase liability insurance for Directors
   The Company has purchased "liability insurance for Directors, Supervisors and important employees" for its Board members and managers, and reported the insurance amount, coverage and premium rates in the Board meeting on March 10, 2026.
3. To enhance information transparency
   In terms of information transparency, the Company uploads important information and material resolutions to the Market Observation Post System (MOPS) and the corporate governance section within the corporate website in a timely manner in both Chinese and English after the Board meetings to safeguard the interests of shareholders and to enhance investors' understanding and recognition of the Company.
4. Continuing education of Directors
   Continuing education of the Directors complies with rules set by the competent authorities. Please access MOPS→Corporate Governance→Attendance at the Board Meetings and Training of Directors and Supervisors for details.

Note: Attendance Rate (%) is calculated based on the number of Board meetings called and the actual number of meetings the Directors attended during their term of office.

(II) Audit Committee Operations:

1. The Company's Audit Committee consists of 4 members.

   The third term of office is from June 14, 2024 to June 13, 2027.

2. In 2025 (from January 1, 2025 to December 31, 2025), the Audit Committee convened six meetings (A), all of the **six meetings were held during the third term. The attendance of** Independent Directors is as follows:

Title	Name	Attendance in person (B)	Attendance by Proxy	Attendance rate (%) (B/A) (Note)	Remarks
Independent Director	Chen, Liang-Yin	**6**	0	100	
Independent Director	Sun, Kuang-Wei	**6**	0	100	
Independent Director	Hou, Pin-Yu	**6**	0	100	
Independent Director	Huang, Chi-Chao	**6**	0	100	

The main agenda items for the year ending December 31, 2025, included:

(1) Review of quarterly financial reports: The financial reports for each quarter of the Company are approved by the Audit Committee.
(2) Establishment or revision of internal control system and related important measures.
(3) Evaluation of the Company's internal control system's effectiveness.
(4) Appointment or dismissal of CPAs and assessment of their independence and suitability.
(5) Material asset or derivative transactions.

Other matters that should be recorded:

(1) Audit Committee Operations:

(a) Matters referred to in Article 14-5 of the Securities and Exchange Act:

Meeting date	Contents of motions and follow up actions taken	Matters specified in Article 14-5 of the Securities and Exchange Act
The 3rd term 5th meeting 2025.03.06	1. Assessment and appointment of CPAs' independence and suitability for fiscal year 2025. 2. Assessment of the effectiveness of the internal control system for 2024 and the Statement of Internal Control System. 3. Annual Report, Individual Financial Statements, and Consolidated Financial Statements for 2024. 4. Amendment of the Company's "Audit Committee Organization Regulations". 5. Amendments to the Company's internal control system – Payroll Cycle (Payroll Operations). 6. Earnings distribution proposal for fiscal year 2024.	V
	Audit Committee resolution result: The resolution was unanimously approved by all attending members.	
	Handling of the Audit Committee's Opinions: The Audit Committee has no other opinions or objections.	

The 3rd term 6th meeting 2025.05.08	Consolidated financial statements for the first quarter of 2025.	V
	Audit Committee resolution result: The resolution was unanimously approved by all attending members.	
	Handling of the Audit Committee's Opinions: The Audit Committee has no other opinions or objections.	
The 3rd term 8th meeting 2025.08.07	Consolidated financial statements for the second quarter of 2025.	V
	Audit Committee resolution result: The resolution was unanimously approved by all attending members.	
	Handling of the Audit Committee's Opinions: The Audit Committee has no other opinions or objections.	
The 3rd term 9th meeting 2025.11.06	1. Consolidated financial statements for the third quarter of 2025. 2. Audit plan for fiscal year 2026.	V
	Audit Committee resolution result: The resolution was unanimously approved by all attending members.	
	Handling of the Audit Committee's Opinions: The Audit Committee has no other opinions or objections.	
The 3rd term 10th meeting 2025.12.18	1. Establishment of a pre-approved list of non-assurance services. 2. Amendments to the Company's internal control system – Payroll Cycle (Payroll Operations).	V
	Audit Committee resolution result: The resolution was unanimously approved by all attending members.	
	Handling of the Audit Committee's Opinions: The Audit Committee has no other opinions or objections.	

(b) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all Directors: None

(2) Regarding recusals of Independent Directors from voting due to conflicts of interest: None.

(3) Communication between Independent Directors, chief internal auditor, and CPAs:

(a) The Independent Directors, chief internal auditor and CPAs shall hold meetings at least once a year to fully communicate on matters of the Company's financial reports, financial operation status, key audit matters, audit results of the internal control system and the impact of regulatory amendments. In the event of a material abnormality, a meeting may be held at any time.

Communications between Independent Directors, chief internal auditor and CPAs are summarized as follows:

Date	Discussion points	Outcome or opinion
2025.12.18	1. Ethics and independence 2. Firm's quality management system 3. Key audit matter: timing of sales revenue recognition 4. Year-end audit communication matters for the Group 5. Pre-approved non-assurance services 6. Questions and discussion	No objections

(b) Chief internal auditor submits audit reports to Independent Directors on a monthly basis in accordance with laws and regulations. Issues concerning internal control system of the Company may be communicated fully via phone, emails, meetings or forum. The chief internal auditor also reports on the implementation status of internal audits in the quarterly Audit Committee meetings and directly engages in questions and discussions. If a material violation is identified or the Company is likely to suffer material losses, the chief internal auditor shall immediately report to the Audit Committee.

Communications between Independent Directors (Audit Committee) and chief internal auditor are summarized as follows:

Date	Meeting	Discussion points	Outcome or opinion
2025.03.06	Audit Committee	1. The status of execution of internal audit in the first quarter (including review of internal control system deficiencies for fiscal year 2024) 2. Assessment on the effectiveness of internal control system for fiscal year 2024 and the Statement of Internal Control System. 3. Amendments to the "Payroll Cycle – Payroll Operations"	No objections
2025.05.08	Audit Committee	None	No objections
2025.07.03	Audit Committee	None	No objections
2025.08.07	Audit Committee	The status of execution of internal audit in the second quarter	No objections
2025.11.06	Audit Committee	1. The status of execution of internal audit in the third quarter 2. Audit plan for fiscal year 2026	No objections
2025.12.18	Audit Committee	1. The status of execution of internal audit in the fourth quarter 2. Amendments to the "Payroll Cycle – Payroll Operations"	No objections

Note: Attendance Rate (%) is calculated based on the number of Audit Committee meetings called and the actual number of meetings the committee members attended during their term of office.

(III) Corporate governance operation and deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof:

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
I. Does the Company establish and disclose its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	V		The Company has formulated the "Corporate Governance Best-Practice Principles" in accordance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies". The "Corporate Governance Best-Practice Principles" have been approved by the Board and fully disclosed at the MOPS and the Company's website (http://www.infortrend.com.) The Company applies the essence of corporate governance and relevant regulations in the internal control system and relevant monitoring rules.	No significant deviation
II. Shareholding structure and shareholders' rights (I) Has the Company established internal procedures to deal with shareholders' proposals, inquiries, disputes and litigations, and has the Company acted in accordance with the procedures?	V		(I) The Company's website includes the "Investor Relations" section, where shareholders can find contact information to reach out via phone or email. Suggestions or comments can be submitted, and a designated person will handle and respond to them.	No significant deviation
(II) Has the Company possessed a list of its major shareholders with controlling power as well as a list of persons with ultimate control over those major shareholders?	V		(II) The Company has designated personnel in charge of the list of its major shareholders with controlling power as well as a list of persons with ultimate control over those major shareholders.	No significant deviation

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
(III) Has the Company established and enforced risk controls and firewall system within its affiliated companies?	V		(III) All of the Company's affiliated companies are wholly owned subsidiaries. The Company has established and implemented the "Code of Conduct for Inter-related Financial Operations" and the "Regulations Governing the Operations of Subsidiaries". The Company has clear and independent authority and responsibility for asset and financial management between the Company and its affiliates and obtains financial and business management reports from each subsidiary on a monthly basis to implement risk control mechanisms for its subsidiaries.	No significant deviation
(IV) Has the Company established internal rules against insiders using undisclosed information to trade marketable securities?	V		(IV) The Company has established operational procedures for the "Management System for Preventing Insider Trading" as part of its internal control system. In addition, under its “Ethical Management Policy and Prevention Measures”, the Company explicitly prohibits insiders from trading securities based on non-public information, and from disclosing such information to others for the latter to engage in insider trading insider trading. The Company has informed insiders to strictly abide by the procedures.	No significant deviation
III. Composition and responsibilities of the Board (I) Has the Board formulated a diversity policy and specific management objectives and implementation?	V		(I) Each Board member has practical experience in the industry and is elected based on his/her experience relevant to the finance, accounting or other business of the Company. In addition, the Company has established a diversity policy for the composition of its Board members in its "Corporate Governance Best-Practice Principles". For Fiscal Year 2025, the Company’s Directors who held employee status accounted for 43%, while Independent Directors accounted for 57%.	No significant deviation

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operational conditions</th><th rowspan="2">Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td>(II) In addition to setting up the Remuneration Committee and Audit Committee in accordance with the laws, has the Company voluntarily established other Functional Committees?</td><td></td><td>V</td><td>The term of four Independent Directors expires in June 2027.
<table>
<tr><th colspan="2" rowspan="2"></th><th rowspan="2">Concurrent employees of the Company</th><th rowspan="2">Nationality</th><th rowspan="2">Gender</th><th colspan="4">Diverse core items</th><th colspan="3">Tenure of Independent Directors</th></tr>
<tr><th>Operation management</th><th>Leadership decision making</th><th>Industry knowledge</th><th>Finance and accounting</th><th>Less than 3 years</th><th>3 to 9 years</th><th>More than 9 years</th></tr>
<tr><td>Director</td><td>Lo, Shih-Tung</td><td>V</td><td rowspan="7">R.O.C.</td><td>Male</td><td>V</td><td>V</td><td>V</td><td></td><td colspan="3" rowspan="3"></td></tr>
<tr><td>Director</td><td>Chen, Li-Wei</td><td>V</td><td>Male</td><td></td><td>V</td><td>V</td><td></td></tr>
<tr><td>Director</td><td>Sung, Chun-Tsai</td><td>V</td><td>Male</td><td></td><td>V</td><td>V</td><td></td></tr>
<tr><td>Independent Director</td><td>Chen, Liang-Yin</td><td></td><td>Male</td><td></td><td></td><td></td><td>V</td><td></td><td>V</td><td></td></tr>
<tr><td>Independent Director</td><td>Sun, Kuang-Wei</td><td></td><td>Male</td><td></td><td></td><td>V</td><td>V</td><td></td><td>V</td><td></td></tr>
<tr><td>Independent Director</td><td>Huang, Chi-Chao</td><td></td><td>Male</td><td></td><td></td><td>V</td><td>V</td><td>V</td><td></td><td></td></tr>
<tr><td>Independent Director</td><td>Hou, Pin-Yu</td><td></td><td>Female</td><td></td><td></td><td></td><td>V</td><td>V</td><td></td><td></td></tr>
</table>
(II) The Company has set up the "Remuneration Committee" and the "Audit Committee"
but has not set up any other functional committees.</td><td>The Company’s management oversight mechanisms are sound, and no additional functional committees are currently planned.</td></tr>
</table>

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
(III) Has the Company established Measures for the Evaluation of the Performance of the Board of Directors and implemented such annually? Has the Company reported the results of the performance assessment to the Board and used them as references for individual Director's remuneration and nomination of term renewal?	V		(III) The Company adheres to the "Measures for Self-assessment or Peer Assessment by the Board of Directors". The results of the internal performance assessment of the Board of Directors for 2025 have been completed in the first quarter of 2026 and will serve as a reference for the selection or nomination of Directors in the future. The individual performance evaluation results of each Director will be used as a reference for determining their remuneration. Additionally, the evaluation results were reported to the Board of Directors on March 10, 2026.	No significant deviation
(IV) Does the Company assess the independence of the CPAs regularly?	V		(IV) The Company engages one of the Big Four accounting firms as its external auditor. The certified public accountants are not related parties of the Company and have no conflicts of interest; accordingly, no independence concerns exist. Each year, the Company establishes criteria for assessing the independence of the CPAs (Note 1) with reference to the independence requirements set forth in the Certified Public Accountant Act, as well as Professional Ethics. Bulletin No. 10 "Integrity Impartiality Objectivity and Independence". In addition, the Company obtains an information disclosure report issued by the accounting firm based on Audit Quality Indicators (AQIs), which serves as a basis for evaluating the independence and suitability of the CPAs. The assessment and appointment of the independence and competency of CPAs for 2026 was reviewed by the Audit Committee on March 10, 2026,	No significant deviation

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			and approved by the Board of Directors on March 10, 2026.	
IV. Does the listed company have a suitable and appropriate number of corporate governance personnel, and appoint a corporate governance director who is responsible for corporate governance-related matters (including but not limited to providing information necessary for Directors and Supervisors to carry out their business, assisting Directors and Supervisors to comply with laws and regulations, handling matters related to meetings of the Board of Directors and shareholders' meetings according to laws, producing minutes of the Board of Directors and shareholders' meetings, etc.)?	V		The Assistant Manager of Finance and Accounting Department is designated as the Chief Corporate Governance Officer to take charge of promoting and executing corporate governance-related affairs. Status of business implementation in fiscal year 2025 are as follows: 1. Planned the schedule of the Board meetings and drafted Board meeting proposals, and prepared the relevant data required for the meetings. 2. Registered the date of the shareholders' meeting in advance according to law, and prepared the notice of meeting, meeting handbook, annual report and annual financial report in Chinese and English within the statutory time limit. 3. Prepared minutes of meetings of the Board of Directors, its functional committees and shareholders and made them available within 20 days after the meeting. 4. Assisted the Board and its functional committees in conducting self-performance assessments. 5. Provided ongoing assistance to Directors for continuing education and regulatory compliance. 6. Published important information in Chinese/English in a timely manner. 7. Continued to promote the implementation of environmental protection, social responsibility, and corporate governance (ESG) initiatives. 8. Revised the Company’s Articles of Incorporation in response to regulatory changes and submitted such revisions to the Board of Directors and shareholders’ meeting for approval; enhanced compensation for entry-level employees where appropriate, enabling employees to share in the Company’s operating results and supporting talent retention and	No significant deviation

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			recruitment. For details regarding the Corporate Governance Officer's professional training in 2025, please refer to Note 2.	
V. Has the Company established communication channels and set up a dedicated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers)? Has the Company responded to concerns of stakeholders regarding important corporate social responsibility (CSR) issues in a proper manner?	V		The Company respects the basic rights of stakeholders and sees stakeholder engagement as an important part in corporate operation. Therefore, we have set up a stakeholder section and the contact information of the corresponding units on the Company's website to fully understand the reasonable expectations, needs and problems of stakeholders, and appropriately respond to important corporate social responsibility issues that stakeholders are concerned about. Relevant information can be found on the Company's website (http://www.infortrend.com) or the industrial value chain information platform (http://ic.gretai.org.tw/company_csr.php?stk_code=2495). (I) Shareholders: In addition to the annual shareholders' meeting, the Company has set up an "Investor Relations" section on the corporate website to disclose relevant information and has an e-mail address: investor@infortrend.com with designated personnel to handle replies. These initiatives enable shareholders and stakeholders to have timely access to the Company's information. (II) Employees: 1. The Company regularly holds cross-unit manager meetings and various project coordination meetings to facilitate the discussion and communication of the Company's important policies. These meetings also enhance internal communications and improve management/policy execution efficiency. 2. We have set up the "Employee Suggestion Box" and "Employee Complaint Mechanism" within the Company to ensure employees'	No significant deviation

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			opinions/questions are handled and addressed fairly, reasonably, and efficiently. 3. We convene "labor-management meetings" regularly to communicate important decisions of the Company and promote labor-management relations. (III) Customer Relations: In addition to regular communication channels and periodic meetings, the company website offers customer service technical support and product service channels. This enables dedicated teams to deliver timely and effective customer service, resolving issues despite time and space constraints. (IV) Suppliers: The Company has established supplier selection and evaluation mechanisms to enhance product quality. In addition, corporate responsibility requirements are incorporated into supplier contracts, requiring supplier partners to fulfill their responsibilities with respect to quality, environment, employees, ethics, etc. To identify and engage qualified suppliers, the Company has implemented the “Operating Procedures for Supplier Development and Assessment”. Suppliers are required to commit to providing materials that comply with the Restriction of Hazardous Substances (RoHS) Directive and other applicable environmental regulations. The Company also conducts periodic environmental assessments of its suppliers and maintains written records to monitor their environmental management practices and identify those with significant environmental impact. Since 2020, the Company have conducted investigations and mandated suppliers to obtain certifications in order to adhere to corporate social responsibility standards such as ISO 14001, ISO 45001, SA 8000, and	

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			EICC. Prior to certification, suppliers must sign the "Corporate Social Responsibility Agreement", which obligates them to adhere to the labor rights, health and safety, environmental protection, and business ethics regulations set by local regulatory authorities. Additionally, the Company's parts suppliers must sign the "Integrity Commitment" and the "Guarantee Letter for Parts Materials of Restricted Substance". If a supplier is in breach of its corporate social responsibility policy and has a significant impact on the environment and society, the contract may be terminated or rescinded at any time.	
VI. Has the Company appointed a professional shareholder service agency to handle matters on shareholders' meetings?	V		The Company appointed the Registrar & Transfer Agency Department of Yuanta Securities to handle matters on the Company's shareholders' meetings.	No significant deviation
VII. Information Disclosure (I) Does the Company have a website to disclose information on the Company's financial operations and corporate governance?	V		(I) The Company has set up the "Investor Relations", "Stakeholder" and "Sustainable Development" sections on the company website (http://www.infortrend.com) to disclose information on the Company's corporate governance and financial operation in a timely manner for investors and stakeholders.	No significant deviation
(II) Has the Company adopted other means of information disclosure (such as setting up an English website,	V		(II) The Company has provided relevant information in both Chinese and English to stakeholders on the website, designated personnel to collect and disclose Company information, implemented the spokesperson and deputy spokesperson system as well as uploaded investor conference information	No significant deviation

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
designating personnel to collect and disclose Company information, implementing the spokesperson system, and disclosing the process of investor conferences on the corporate website)?			on the corporate website (http://www.infortrend.com).	
(III) Has the Company publicly announced and filed its annual financial report within two months after the end of the financial year, and its financial reports of the first three quarters as well as the operational status of each month prior to the prescribed deadlines?		V	(III) The Company complies with legal requirements by announcing financial reports and reporting monthly operating conditions to competent authorities within the stipulated deadlines. There have been no instances of early announcements.	No significant deviation
VIII. Does the Company have other important information that may be useful in understanding the operation of the Company's corporate governance operation (including but not limited to employee rights, employee care, investor relations,	V		(I) Employee rights and employee care For information regarding employee rights and employee care, please refer to Chapter 4 "Operational Overview", Section V “Labor Relations” in this annual report. (II) Investor relations In order to protect the rights and interests of shareholders, in addition to proposing operating results, financial status reports and financial annual reports regularly and convening the annual shareholders meeting in accordance with laws and regulations of the stock exchange, the Company	No significant deviation

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
supplier relations, stakeholder rights, further training of Directors and Supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, purchase of liability insurance for Directors and Supervisors, etc.)?			has an "Investor Relations" section and contact information on the corporate website and regularly discloses company-related information to fulfill the disclosure responsibilities and obligations of the Company. In addition, we have set up a dedicated investor line with designated personnel to provide smooth communication channels and services for investors. (III) Supplier To enhance the quality of the suppliers, the Company have implemented a mechanism for selecting and evaluating suppliers. The Company also provides an "Investor Relations" section and contact information on the corporate website. Additionally, the Company's corporate responsibilities and relevant policies are included in supplier contracts to ensure supplier partners uphold responsibilities for quality, environmental protection, employee welfare, and ethical practices. (IV) The Directors of the Company undergo training annually in accordance with legal regulations. For status of continuing education of the Directors in 2025, please access MOPS→Corporate Governance→Attendance at the Board Meetings and Training of Directors and Supervisors for details. (V) Risk management policy To strengthen corporate governance and establish a comprehensive risk management system, thereby ensuring the stable operation of the Company and advancing towards sustainable development goals, the Board of Directors approved the revision of the "Risk Management Practice Guidelines" (formerly "Risk Management Policies and Procedures") on November 3, 2022, as the highest guiding principles for the Company's risk management.	

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			In light of the overall operational activities and the nature of risks associated with both the parent company and its subsidiaries, the Company has established the following components: risk management objectives, risk governance and culture, organizational structure and responsibilities for risk management, risk management procedures, and risk reporting and disclosure. The Board of Directors of the Company serves as the highest decision-making authority for risk management. The risk management units (Audit Committee and Sustainable Development Promotion Center) oversee the operation of risk management. The Company has appointed a Risk Management Team responsible for planning, promoting, and executing matters related to risk management. The Risk Management Team reports annually to the Sustainable Development Promotion Center and the Board of Directors on the implementation of risk management. The operational status is detailed under the "Risk Management" section on the corporate website. (VI) Implementation of customer policies In order to provide customers with quality products and services, the Company not only actively invests in innovative R&D to enhance product quality and develop new products to meet customers' needs, but also establishes the "Customer Relations" and contact information on the stakeholder section of the corporate website as well as the Service Center communication platform for dedicated units to promptly provide services to and resolve issues for customers. (VII) Purchase of liability insurance for Directors The Company has purchased liability insurance for Directors and relevant	

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			information were submitted to the Board meeting on March 10, 2026: 1. Insured amount: US$2,000,000 2. Insurance premium rate (1/1000): 0.975 3. Insurance coverage: (1) Compensation for damages caused by improper management and employment behavior of the insured individual, defense costs, and compensation liability. (2) Liability for compensation and indemnification of securities and employment practices of the insured company. (3) Crisis management expense. (VIII) Intellectual Property Management Plan To strengthen its industry position and safeguard proprietary advanced technologies, the Company established the "Intellectual Property Management Measures" on November 5, 2020, and formulated its intellectual property (IP) management policy. The policy aims to support the achievement of corporate objectives, enhance innovation and R&D effectiveness, ensure compliance with applicable IP laws and regulations, and effectively protect and manage intellectual property, thereby establishing a sustainable operational model driven by IP rights. To further enhance its IP capabilities, the Company has implemented the "Patent Application and Incentive Program" to encourage employees to engage in continuous innovation and actively file patent applications. The scope of the Company's IP management is as follows: 1. Patent Management: (1) Administration of patent application procedures and subsequent maintenance, including documentation and record-keeping.	

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			(2) Monitoring patent registration and protection requirements in overseas markets. (3) Engaging patent firms, as appropriate, to support patent searches, design-around strategies, and application filings in alignment with business development needs. (4) Analysis, tracking, and management of patent-related disputes. 2. Trademark Management: (1) Administration of trademark application procedures and subsequent maintenance, including documentation and record-keeping. (2) Monitoring trademark registration and protection requirements in overseas markets. (3) Engaging trademark firms to conduct trademark searches and application filings in support of business expansion. (4) Requiring responsible units to ensure proper use of trademarks and maintain evidence of use. 3. Copyright Management: (1) Management of copyrights arising from works created by employees in the course of their duties. (2) Provision of consultation on compliance with domestic and international copyright laws and rights protection. (3) Planning and implementation of IP training programs to enhance employees' awareness and knowledge of intellectual property. 4. Trade Secret Management: (1) Centralized custody of original trade secret materials at the document management center, categorized by type, with access	

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			rights and retrieval procedures controlled in accordance with internal policies. (2) Enforcement of compliance with internal policies to ensure confidentiality of both electronic and hard-copy documents. (3) Inclusion of confidentiality clauses in employment contracts, requiring employees to maintain confidentiality of the Company's proprietary information during and after employment, and prohibiting the disclosure or use of trade secrets belonging to former employers. Implementation Status The Company regularly reports intellectual property related matters to the Board of Directors on an annual basis. The most recent report was presented on December 18, 2025. The main implementation status are as follows: 1. Education and Training: The Company provides IP-related training to new employees on a quarterly basis. For R&D personnel, a dedicated course titled "Introduction to Patents and the Company's Patent System" is offered. As of November 20, 2025, a total of 10 new employees had participated in this patent training program. In addition, the Company assigns relevant personnel to attend seminars and conferences organized by external organizations, such as the Chinese National Federation of Industries and RPX Corporation, to stay informed of industry developments and emerging trends, thereby enhancing the Company's IP management capabilities. 2. Intellectual Property Risk Management and Mitigation Measures: The Company regularly conducts risk assessments on IP-related risk and opportunity factors, including infringement analysis and patent transactions.	

Evaluation item	Operational conditions			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary description	
			Appropriate mitigation measures are implemented to effectively manage IP risks. 3. Key Intellectual Property Objectives for 2025: (1) Patent Development: Continue to promote and expand patent filings to maintain the Company's competitive advantage. (2) Patent Monitoring and Early Warning: Establish a patent infringement early warning mechanism, monitor risk indicators, and implement preventive measures. (3) Patent Mapping: Continuously track and assess competitors' patent portfolios and technological developments. (4) Training: Continue to implement training programs to strengthen employees' awareness of and commitment to IP protection.	

IX. Please explain the improvements made in accordance with the Corporate Governance Evaluation results released by the Taiwan Stock Exchange's Corporate Governance Center in the most recent fiscal year and provide the priorities and plans for improvement with items yet to be improved.

(I) Improvements the Company has made:

1. In compliance with regulatory amendments, the Company revised its "Articles of Incorporation", which were duly approved by the Board of Directors and the shareholders' meeting. The Company has also moderately increased compensation for entry-level employees, allowing employees to share in operating results and supporting talent retention and recruitment.
2. To enhance the quality of sustainability disclosures, beginning in 2024, the Company's ESG Report is subject to review and approval by the Board of Directors prior to publication, and an English version has been issued for the first time.

(II) Priority Areas for Enhancement and Measures:

1. To protect the environment and strengthen corporate competitiveness, the Company has initiated internal greenhouse gas (GHG) inventory activities and is planning to conduct external verification.

Note 1: Standards for CPA independence assessment

Item No.	Assessment Item (Summary List of Significant Items)	Result	Independence status
1	Whether the appointed CPAs have a direct or indirect relationship concerning financial interests with the Company.	No	Yes
2	Whether the appointed CPAs have financing or provided guarantees with the Company or the Directors and Supervisors of the Company.	No	Yes
3	Whether the appointed CPAs have close business relationships or potential employment relationships with the Company.	No	Yes
4	Whether the appointed CPAs or the audit team members are currently or had served as the Company's Director/Supervisor or Managers within the past two years.	No	Yes
5	Whether the appointed CPAs provided non-audit services to the Company that may have a direct impact on the audits.	No	Yes
6	Whether the appointed CPAs promote or are agents of stocks or other securities issued by the Company.	No	Yes
7	Whether the appointed CPAs has acted as a defense counsel for the Company or coordinated on behalf of the Company regarding conflicts with third parties.	No	Yes
8	Whether the appointed CPAs are related by kinship with the Company's Directors, Managerial Officers or personnel who have significant influence on the audit work.	No	Yes

Note 2: Continuing Education Hours of the Corporate Governance Officer in 2025

Training Date	Organizer	Course Title	Training Hours
2025/05/08	Taiwan Corporate Governance Association	Smart Manufacturing Trends and the Application of Digital Technologies in Business Management	3 hours
2025/09/26	Securities & Futures Institute	2025 Seminar on Insider Trading Prevention	3 hours
2025/10/31	Securities & Futures Institute	2025 Seminar on Legal Compliance for Insider Equity Transactions	3 hours
2025/11/06	Taiwan Investor Relation Institute	Taiwan's Future Under the Changing Trilateral Relationship Between the US, China, and Taiwan	3 hours

(IV) Composition, duties and operation of the Remuneration Committee:

The Company has established the Remuneration Committee in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" promulgated by the Financial Supervisory Commission, and holds meetings regularly or when it deems necessary to exercise relevant authorities, with a view to enhance corporate governance and improve the remuneration system of the Directors and Managerial Officers. The members and operations of the Remuneration Committee are as follows:

1. Remuneration Committee Member Information:

Title	Qualification / Name	Professional qualification and experience	Conformity to independence	Number of other public companies where the individual concurrently serves as a remuneration committee member	Remarks
(Convener) Independent Director	Chen, Liang-Yin	Bachelor's degree from Finance and Taxation Department, Chung Hsing University CPA, Yuan Fu CPAs	Compliant with the various independence criteria	0	
Independent Director	Sun, Kuang-Wei	Master's degree in financial management, University of Memphis, Tennessee Finance Assistant Manager, YAGEO Corporation	Compliant with the various independence criteria	0	
Independent Director	Hou, Pin-Yu	Bachelor's degree from Department of Accounting, Soochow University CPA at Huaruei United CPAs	Compliant with the various independence criteria	0	

2. Duties of the Remuneration Committee:

The Committee shall exercise the due care of a good administrator and faithfully perform the following duties, and submit its proposals to the Board of Directors for discussion:

(1) Periodically review these Rules and make recommendations for amendments.

(2) Establish and regularly review the policies, systems, standards, and structures for the performance evaluation and remuneration of Directors and managers.

(3) Periodically assess and determine the remuneration of Directors and managers.

3. Remuneration Committee Operations:

(1) The Remuneration Committee of the Company consists of 3 members.

(2) Term of office of the current committee: July 4, 2024, to June 13, 2027. The Remuneration Committee convened 2 (A) meetings for the year ending December 31, 2025.

Title	Name	Attendance in person (B)	Attendance by Proxy	Attendance Rate (%) 【B/A】	Remarks
Convener	Chen, Liang-Yin	2	0	100%	
Member	Sun, Kuang-Wei	2	0	100%	
Member	Hou, Pin-Yu	2	0	100%	

Other matters that should be recorded:

1. If the Board of Directors does not adopt or amend the suggestions of the Remuneration Committee, it should disclose the date, session, agenda, decision, and the Company's handling of the Remuneration Committee's opinion (e.g., if the Board's approved remuneration is better than the Remuneration Committee's suggestion, the differences and reasons should be disclosed): As of the most recent fiscal year and up to the date of printing of the annual report, there have been no instances of this occurrence in the Company.
2. For decisions made by the Remuneration Committee, if there are dissenting or reservation opinions from members with recorded or written statements, the Remuneration Committee's date, session, agenda, the opinions of all members, and the handling of those opinions should be disclosed: As of the most recent fiscal year and up to the date of printing of the annual report, there have been no instances of this occurrence in the Company

(3) Remuneration Committee convened two meetings in the year ending 2025. Details are as follows:

Meeting Term	Meeting Time	Review Topics	Results of Resolution	The Company's handling of the opinions from the Renumeration Committee:
3rd meeting of the 6th term	May 8, 2025	Discussion and review of the remuneration of managers and employees for 2024	With reference to the market and the salary level of the industry, the amount of employee remuneration was approved by the resolution of all the Remuneration Committee.	Submitted to the Board and unanimously approved by Directors present.
4th meeting of the 6th term	December 18, 2025	Discussion and review of 2025 annual bonus to managers	With reference to the market and the salary level of the industry, the annual bonus amount was approved by the resolution of all the Remuneration Committee.	Submitted to the Board and unanimously approved by Directors present.

4. Performance Evaluation of the Remuneration Committee: Please refer to “Other matters that should be recorded” under Section III "Corporate Governance Operation", Chapter 2 "Corporate Governance Report".

(V) Status of implementation for sustainable development and deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof:

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
I. Has the Company established an exclusively (or concurrently) dedicated unit to promote the governance architecture of sustainable development, and has the Board authorized the processing by the senior management and supervision by the Board?	V		In December 2022, the Company established the "Sustainable Development Promotion Center" with the Vice President of the Company serving as the Chief Sustainability Officer. Under this center, there are functional groups including the "Corporate Development Team", "Risk Management Team", "Corporate Governance Team", and "Ethical Management Team", all of which are responsible for matters related to sustainable development. The "Sustainable Development Promotion Center" reports at least once a year to the Board of Directors on the implementation results and work plans. The Board of Directors ensures the effectiveness of implementation and continuous improvement to uphold the sustainable development policy. Latest report (December 18, 2025) and Board of Directors' supervisory matters: (1) Status of the Company's stakeholder engagement in 2025. (2) Compliance status of ethical management audit and evaluation in 2025. (3) Status of intellectual property right management implementation in 2025. (4) Status of risk management implementation in 2025. (5) Progress on greenhouse gas inventory and verification implementation in the Company and subsidiaries.	No significant deviation.

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operational conditions</th><th rowspan="2">Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td>II. Has the Company conducted risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?</td><td>V</td><td></td><td>The Board of Directors has approved the revision of the "Risk Management Practice Guidelines" serving as the highest guiding principle for risk management in the Company, and publicly disclosed management and operational information in the "Risk Management" section on the corporate website.
The following is a summary of the key points regarding the risk assessment and control mechanisms of each department:
<table>
<tr><th>Material Issues</th><th>Potential Risk Events</th><th>Risk Control Mechanism/Strategy</th></tr>
<tr><td>Climate Change</td><td>Natural disaster. (For example, typhoons, heavy rainfall, earthquakes)</td><td>◎ Proceed in accordance with the Emergency Response Plan (Human Resources, Occupational Safety).
◎ Equipment damage and repair shall be handled in accordance with the emergency response plan for typhoons and earthquakes. (General Affairs)</td></tr>
<tr><td>Greenhouse Gas Emissions Issues</td><td>Failure to complete disclosure and verification within the stipulated deadline.</td><td>◎ Develop a schedule plan and report the execution progress to the Board of Directors on a quarterly basis.</td></tr>
</table></td><td>No significant deviation.</td></tr>
</table>

Evaluation item	Operational conditions					Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description			
			Occupational Safety and Health	◎ Regulatory identification ◎ Occupational accident ◎ Safety inspection ◎ Occupational Safety and Health education and training ◎ Chemical exposure	◎ Implement regulations and norms to avoid violating occupational safety laws and regulations. ◎ When contracting a project, check whether the contractor meets the relevant qualifications and has the relevant licenses; inform the workplace environment and hazard factors before construction, and strengthen on-site supervision and inspection. ◎ Occupational safety and health training is included in the training courses for new employees and in-service employees to ensure that the working environment of employees is safe. ◎ Non-routine on-site inspections and observation of operations, identifying unsafe behaviors and environments, conducting inspections and corrections to reduce the incidence of work-related injuries. ◎ The relevant departments have established the annual targets for "Chemical Reduction and Storage Improvement Plan".	

Evaluation item	Operational conditions					Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description			
			Strategic Risk	◎ Product specification definition ◎ Failure to complete new product development within required.	RD-2-01 Design Control Procedures	
			Operational Risk	◎ Increase in raw material costs. ◎ Suppliers failing to meet requirements in cost, quality, delivery, service, or technology. ◎ Supplier discontinuation of production or business operations.	◎ Identify alternative materials or initiate design changes to reduce raw material costs. ◎ Establish supplier evaluation mechanisms and remove underperforming suppliers as appropriate. Annual departmental target includes "quarterly supplier assessments" with targets of Grade A + B ≥ 90% and Grade D < 2%. ◎ Introduce alternative materials or develop new suppliers.	
			Financial	◎ New project	◎ New project investments require	

Evaluation item	Operational conditions					Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description			
			Risk	investment	feasibility assessments, risk analysis, and strategic response analysis. They must be approved according to responsibilities before implementation. Material investment proposals must be reviewed and approved by the Board of Directors, and the Company should not engage in high-risk or high-leverage investment projects.	
			Intellectual Property Risk	◎ Infringement analysis and technical analysis. ◎ Enhancement of intellectual property assets.	◎ Intellectual Property Management Measures. ◎ Patent Management and Incentive Program.	
			Compliance Risk	◎ Regulatory changes have not been properly identified. ◎ Failure to implement regulatory compliance checks.	◎ LO-2-01 Compliance Assessment Procedures ◎ Ethical Corporate Management Best Practice Principles ◎ Code of Ethical Conduct ◎ Ethical Management Policy and Prevention Measures ◎ Training and Awareness Programs: The Company conducts regular training for Directors, Managerial Officers,	

Evaluation item	Operational conditions					Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description			
				◎ Failure to implement an ethical management audit. ◎ Employee corruption	employees, agents, and ultimate controllers to promote the importance of ethical management and the whistleblowing mechanism.	

Evaluation item	Operational conditions					Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description			
			Information Security	◎ Legacy IT infrastructure. ◎ Power disruptions and hardware failures. ◎ Insufficient employee awareness of information security. ◎ External cyberattacks.	◎ Replace outdated and energy-inefficient equipment and deploy high-performance systems to enhance infrastructure integration. ◎ Install Uninterruptible Power Supply (UPS) systems in the server room. Perform regular backups of operating systems, databases, and files. ◎ Conduct annual professional training for information security personnel and provide regular employee awareness training. ◎ Deploy enterprise firewalls to continuously monitor abnormal network traffic; firewalls are equipped with Intrusion Prevention Systems (IPS) and Intrusion Detection Systems (IDS) to proactively defend against and block most known malicious attacks.	
III. Environmental issues (I) Does the Company have an appropriate environmental management system in place according to the characteristics of	V		(I) The Company has established an environmental management policy and appointed senior executives to serve as environmental management representatives to supervise and regularly review the implementation of related operations.			No significant deviation.

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
its industry?			Additionally, the Company has obtained certification for ISO 14001:2015 Environmental Management System. (Validity period: January 8, 2026 – December 13, 2028)	
(II) Has the Company endeavored to utilize all resources more efficiently and use renewable materials that have low impact on the environment?	V		(II) 1. The Company's products feature multiple energy-saving designs: (1) The selected power supply unit (PSU) is characterized by high energy conversion efficiency and has received 80 PLUS certification, which can reduce the electricity consumption and carbon emissions of clients. (2) The intelligent multi-level hard disk speed reduction technology effectively reduces the power consumption of hard disks in storage systems. 2. Products comply with restricted substances specifications, such as EU RoHS and REACH, to reduce the negative impact on the environment and people. 3. The paper packaging materials used by the Company, such as paper pallets, paper dividers, and paper boxes, are classified as industrial paper. Depending on design requirements, these materials are composed of recycled waste paper in proportions ranging from 80% to 100%. 4. Regular maintenance of air conditioning system to reduce	No significant deviation

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operational conditions</th><th rowspan="2">Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>energy consumption.
5. Advocate to colleagues to reduce or avoid unnecessary printing, recycle paper, and minimize the amount of new paper purchased.
* Statistical data for copy paper and tissue paper have been presented based on net weight since 2024 to ensure consistency and comparability.
<table>
<tr><th rowspan="2">Year</th><th colspan="2">Type of paper (Net weight, kg)</th><th rowspan="2">Change Ratio (Compared to the Previous Year)</th></tr>
<tr><th>(A3)</th><th>(A4)</th></tr>
<tr><td>2023</td><td colspan="2">930.8</td><td>N/A</td></tr>
<tr><td>2024</td><td colspan="2">921.6</td><td>-0.9%</td></tr>
<tr><td>2025</td><td colspan="2">1008</td><td>+9.3%</td></tr>
</table>
6. The office promotes and procures sustainable recycled toilet paper. The net weight ratio of procurement in recent years is as follows:
<table>
<tr><th>Year</th><th>Recycled (Net weight, Kg)</th><th>Generic (Net weight, Kg)</th><th>The net weight percentage of recycled paper</th></tr>
<tr><td>2023</td><td>264</td><td>540.96</td><td>32.8%</td></tr>
<tr><td>2024</td><td>264</td><td>502.32</td><td>34.5%</td></tr>
<tr><td>2025</td><td>264</td><td>514.08</td><td>33.9%</td></tr>
</table></td><td></td></tr>
</table>

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
(III) Has the Company evaluated the current and future potential risks and opportunities of climate change, and adopted countermeasures related to climate issues?	V		(III) 1. Greenhouse gas emissions contribute to global warming and climate change. Reducing greenhouse gas emissions from operations to mitigate the negative impact on climate, environment and ecology is a current issue of concern to all industries. Infortrend Technology is concerned about the trend of environmental protection and formulated the "Greenhouse Gas Inventory and Inspection Schedule Plan" in 2022. The implementation progress is reported to the Board of Directors on a quarterly basis. 2. Starting from 2023, the risk or opportunity factors of climate change have been included in the "Risk and Opportunity Assessment Control Table" of the ISO management system that is required to be identified and assessed regularly by the heads of each unit.	No significant deviation.
(IV) Has the Company calculated its greenhouse gas (GHG) emissions, water consumption and total waste weight in the past two years, and formulated policies for energy saving, reductions of carbon, GHG and water consumption, or other waste management?	V		(IV) 1. Greenhouse gas emissions: Approximately 99% of the Company's greenhouse gas emissions fall under purchased electricity in Scope 2, which is used for lighting, air conditioning, and product production testing and verification. The remaining approximately 1% consists of Scope 1 emissions from gasoline consumption by	No significant deviation.

<table>
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<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>company vehicles and delivery vehicles, as well as fugitive emissions from equipment and other indirect sources.
The Company reduces electricity consumption and carbon emissions through the replacement of lighting fixtures and regular maintenance of air conditioning equipment in the plant areas. Regular monitor for abnormal increase in electricity consumption and immediately notify the relevant units to confirm the equipment or conditions of use.
Post signage or send emails to remind staff of air conditioning settings and to switch off the relevant power supply at the end of workday to reduce unnecessary electricity waste.
At present, the total annual emissions and annual revenue are set to calculate the emission intensity, and the distribution of electricity consumption is calculated and analyzed. The greenhouse gas emissions statistics in recent years are as follows:
Unit: CO2e (metric tons)
<table>
<tr><th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Intensity</th></tr>
<tr><td>2024</td><td>17.0267</td><td>2,300.5929</td><td>1.756</td></tr>
<tr><td>2025</td><td>18.6871</td><td>2,238.2437</td><td>1.919</td></tr>
</table>
Note 1: Intensity = (CO_2e / annual revenue (NTD million)); total emissions are calculated as the sum of Scope 1 and Scope 2 emissions.
Note 2: For emission factors that have not yet been officially published</td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operational conditions</th><th rowspan="2">Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>and may affect the calculation, estimates are based on data from the previous year.
2. Water consumption:
The Company’s production processes do not require water usage. The Company promotes water conservation through internal communications, including posted notices in pantry areas and email reminders, to encourage employees to reduce water consumption and minimize waste.
Water withdrawal is estimated based on domestic water use (e.g., restrooms and pantry areas). Starting from 2024, the method of estimation: reading on the building management committee's public water bill * (Infortrend units in numbers/total number of units). The total water consumption in recent years is as follows:
<table>
<tr><th>Year</th><th>Water Withdrawal (million liters)</th><th>Intensity (million liters per employee)</th></tr>
<tr><td>2024</td><td>8.9190</td><td>0.023</td></tr>
<tr><td>2025</td><td>8.5041</td><td>0.023</td></tr>
</table>
3. Waste management
In accordance with the "Waste Management Procedures", the implementation of the planned operations is regularly reviewed.</td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operational conditions</th><th rowspan="2">Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>Hazardous industrial waste/general industrial waste/domestic waste/recyclables that are subject to classification as defined by law (such as batteries and chemical liquid tanks) are classified with labels and centralized in designated storage areas for recycling and disposal.
Statistics of the Company's outsourced waste removal volume in recent years are as follows:
Unit: Metric tons
<table>
<tr><th>Year</th><th>Hazardous industrial waste</th><th>General industrial waste</th></tr>
<tr><td>2024</td><td>0.573</td><td>0</td></tr>
<tr><td>2025</td><td>0.451</td><td>0</td></tr>
</table>
Note: Domestic waste (including recyclable materials) handled by the building management is not included. Reusable packaging materials collected and recycled through coordination with local suppliers are also excluded.</td><td></td></tr>
<tr><td>IV. Social issues
(I) Has the Company formulated appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</td><td>V</td><td></td><td>(I) The Company upholds corporate social responsibility, strictly complies with the regulations of the locations where operations are based and safeguards the fundamental human rights of employees and stakeholders. The Company supports and adheres to international human rights standards, including the United Nations "Universal Declaration of</td><td>No significant deviation.</td></tr>
</table>

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			Human Rights" and the conventions of the International Labour Organization (ILO). Based on these principles, the Company has established work rules and human resource management policies to protect employee rights and ensure that all employees are treated with dignity, fairness, and respect. Scope of Management Policies: • Labor Rights: Ensuring non-discrimination, reasonable working hours, and comprehensive employee benefits. • Health and Safety: Implementing occupational health and safety protection measures. • Ethical Standards: Promoting ethical management and preventing improper gains. • Environmental Protection: Complying with environmental regulations and implementing carbon reduction initiatives. • Management Systems: Establishing comprehensive management frameworks, training programs, and communication channels.	
(II) Has the Company formulated and implemented reasonable employee welfare measures (including remuneration, leave and other	V		(II) The Company has established a Remuneration Committee that convenes regularly or as needed to exercise its relevant authority, thereby enhancing corporate governance and improving the compensation system for Directors, managers,	No significant deviation.

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
benefits), and properly reflected the operating performance or achievements in the employee remuneration?			and employees. An employee reward and punishment system which incorporates individual business performance, ethical standards, and moral character into performance evaluations has been established. These evaluations serve as one of the criteria for salary adjustments assessments. Additionally, employee salaries are adjusted based on annual operational conditions, with an average salary increase of 2.74% in January 2026. Reasonable compensation and benefits: 1. In addition to monthly salary, employees are entitled to annual bonuses equivalent to two months of salary as well as performance bonus and profit bonus based on the Company's annual operating performance and individual's performance. The distribution is conducted pursuant to relevant management rules. 2. The Company has established an Employee Welfare Committee. In addition to subsidies for birthday/maternity/wedding and funeral, activities such as company trips, ball games and dining for employees are organized regularly to enable employees to maintain work-life balance.	

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
(III) Has the Company provided employees with a safe and healthy working environment, with regular safety and health training?	V		(III) In view of the importance of the working environment and employees' personal safety protection measures, the Company has carried out major environmental considerations and occupational safety and health risk management through the ISO 14001:2015 environmental management system, and set up a dedicated occupational safety and health unit/personnel to comply with the relevant provisions of the Occupational Safety and Health Act, and continue to promote and implement safety and health management to provide a safe working environment for employees. The workplace and employee safety protection measures include: • Work areas are equipped with access control measures to prevent unauthorized individuals from entering, thereby ensuring personal safety. • Fire safety equipment on every floor is inspected annually to ensure public safety on top of conducting biannual self-defense firefighting drills and fire prevention seminars to improve employees' emergency response capabilities. • All workplaces are inspected from time to time, on top of continuously assess and identify various types of safety, chemical, physical, biological, human factors and engineering hazards that may be caused by humans, machines, materials, methods and environments involved in	No significant deviation.

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			various operations, and take control and improvement measures to build an intrinsically safe working environment. • Organize on-the-job health check-ups annually and provide on-site health services monthly through occupational physicians. The Company conducts injury and illness prevention, health management, and assessments for special protection groups or high-risk employees to ensure employee health and safety. • Occupational safety and health training is included in the training courses for new employees and in-service employees to ensure that the working environment of employees is safe. No significant occupational accidents involving Infortrend employees occurred in 2025. In 2025, 28 new hires and 120 individuals who have been in service for 3 years completed the annual safety and health training program. No fire incidents occurred at the Company's operating sites in 2025. A total of two fire drills and routine inspections of fire safety equipment were conducted. (May 16 and November 12) The inspection and reporting schedule for fire safety equipment is as follows: Zhongshan Plant: Inspection conducted from November 24 to	

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			November 28; reported on November 30. Lide Plant: Inspection conducted from November 24 to November 28; reported on November 30. To promote employee health and safety and prevent obesity and chronic conditions, such as hyperglycemia, hyperlipidemia, and hypertension, resulting from unhealthy diet and lifestyle habits, the Company has implemented the following preventive health measures: • The Company provides annual health examinations for all employees free of charge. In addition to statutory items, additional tests, such as glycated hemoglobin (HbA1c), are included to facilitate early detection and treatment. In 2025, a total of 351 employees completed the health examinations. • Health examination data are used to assess cardiovascular risk levels. Occupational physicians provide medical guidance and disease management for employees identified with related risk factors; in 2025, 22 employees completed individual case assessments and management. • The Company organizes weekly two-hour badminton sessions and holds two annual bowling events to help employees maintain a healthy body weight and improve cardiovascular fitness. • Medical professionals from National Taiwan University are	

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			invited to deliver on-site seminars on cardiovascular disease and pulmonary nodule prevention, enhancing employees' awareness of daily health management and the importance of medical follow-up. In 2025, 26 employees participated in the "Cardiovascular Disease" seminar in the first half of the year, and 26 employees participated in the "Pulmonary Nodules" seminar in the second half. • Healthy meal options are provided weekly, following principles of low oil, low salt, low sugar, and high fiber to encourage balanced dietary habits. • The Company selects chemicals with lower health risks and monitors workplace conditions and exposure levels. Environmental monitoring of chemical and physical factors is conducted semi-annually as a basis for workplace improvements.	
(IV) Has the Company established effective career development training programs for its employees?	V		(IV) To enhance employee knowledge and skills and to implement the Company's policy philosophy, the Company has established a diversified education and training mechanism aimed at talent development. (1) New Employee Training: To help new employees become familiar with the company's basic operations, products, technologies, and	No significant deviation.

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			processes, and to develop the skills and attitudes required for their roles. Total hours of new employee training courses in 2025: 151 hours. (2) Professional Training Programs: a. Internal Training Courses: Irregularly scheduled courses related to R&D, such as patent training, product development planning, product sales analysis, and R&D quality management, are offered to help employees understand the product roadmap, sales performance, and quality status, enabling them to approach R&D with a broader perspective. b. Short-Term Assignments: In response to project needs, a short-term training mechanism is established, allowing employees to work directly with clients and project contacts during the assignment period. This helps them gain a detailed understanding of the assigned unit's workflow and accumulate practical experience and competitive advantages. c. External Training: Employees may apply for external training, subject to managerial approval, or be assigned by the Company to participate in external seminars or training programs. These opportunities help employees	

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			absorb the latest industry knowledge and enhance their professional competencies. Total internal professional training hours in 2025: 2,581 hours. Total external professional training hours in 2025: 144 hours. (3) Skills Certification Mechanism: To encourage employee competency development and foster a culture of organizational learning, a skills certification mechanism is implemented for frontline operators. This mechanism is integrated with the employee compensation and promotion system to ensure effective implementation. In 2025, the employee participation rate in training programs reached 99.73%.	
(V) Has the Company complied with related regulations and international standards in terms of customer health and safety, customer privacy, marketing and labeling of products and services, and formulate relevant consumer protection policies and complaint procedures?	V		(V) 1. The Company's products comply with the electromagnetic compatibility and safety regulations of various countries. Relevant certifications obtained, including UL, CB, FCC, and BSMI, are published on the corporate website, marketing materials, and product disclosures. 2. The parts and materials of the products comply with the relevant regulations of restricted substances, such as EU RoHS and REACH, to reduce the negative impact on the	No significant deviation.

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			environment and people. 3. Product registration and repair channels are established to provide after-sales service. 4. The Company has implemented technical support channels to enable customers to inquire about, report, or file complaints regarding product issues. Customer satisfaction surveys are also provided upon case closure to safeguard consumer rights. 5. Customer transaction records are protected through identity verification and access control mechanisms to ensure customer privacy.	
(VI) Has the Company formulated supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and the implementation results?	V		(VI) The Company conducts environmental assessments of suppliers in accordance with the "Environmental Consideration Assessment Management Procedures". Suppliers identified as having significant environmental considerations undergo regular environmental management surveys (conducted annually) in accordance with the "Supplier Environmental Impact Management Procedures". Written records are maintained to understand the environmental management status of suppliers. The Company's suppliers are required to sign the "Guarantee	No significant deviation.

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			Letter for Restricted Substances in Parts and Materials" to commit compliance with the requirements of RoHS and Reach and other relevant restricted substance directives for the products they provide. The Company has established the "Operating Procedures for Supplier Development and Assessment" to revoke the qualification of suppliers who do not meet corporate social responsibilities or comply with local occupational safety and health or labor human rights regulations.	
V. Does the Company refer to internationally accepted reporting standards or guidelines for producing reports that disclose the Company's non-financial information, such as sustainability reports? Did the previous disclosure report obtain any recognition or assurance from a third-party certification unit?	V		Since 2023, the Company has been referring to the GRI & SASB sustainability accounting standards to compile sustainability reports, which are issued regularly on an annual basis. After the chief sustainability officer and the Chairman have approved the sustainability report, the report is uploaded to MOPS and the "Sustainable Development" section of the Company's website (http://www.infortrend.com).	No significant deviation.
VI. If the Company has established its CSR principles according to "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", please describe the operational status and difference: The Company has established the "Guidelines for Sustainable Development Practices" and has complied therewith, without material differences.				
VII. Other important information to facilitate better understanding of the implementation of sustainable development: 1. The Company participates in charitable activities and integrates such initiatives with employee welfare programs. For example, the				

Evaluation item	Operational conditions			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	

Company organizes blood donation drives, regularly donates receipts, and purchases products from social enterprises or charitable organizations as employee gifts or for use in charitable events.

2. Policy on linking executive compensation to ESG-related performance evaluations

To encourage senior management and all employees to focus on long-term, comprehensive performance and achieve sustainable development, the Company has, since 2024, linked sustainability-related strategic objectives to both short-term and long-term incentive compensation for the President and senior executives, as outlined in the table below.

(1) Performance Indicators for the President: Sustainability performance (10%), with the following implementation and weightings: Economic performance (2%), Risk management and information security (2%), Product safety and services (2%), Occupational health and safety (2%), Others (2%).

(2) Performance Indicators for Senior Executives: Sustainability performance (5%), allocated across the following areas of responsibility: Supply chain management (5%), Financial performance (5%), Product safety and services (5%).

Target	Key performance indicators	Execution method (weight)	Principles of salary compensation payment
President	Operational objectives (50%) Enhancement of competitiveness (40%) Sustainable development performance (10%)	• Economic performance (2%) • Risk management and information security management (2%) • Product safety and services (2%) • Occupational Safety and Health (2%) • Others (2%)	Calculation method: Weight * Score = Weighted Score. Performance evaluation grades A - E
Senior managers (ESG function supervisor, business unit supervisor)	Sustainable development performance (5%)	Responsibilities assigned: • Supply chain management (5%) • Economic and financial (5%) • Product safety and services (5%)	

(VI) Climate-related information for TWSE/TPEx-listed companies

1. Implementation status of climate-related information

Item	Implementation Status
1. Describe the Board of Directors and management's oversight and governance of climate-related risks and opportunities.	(1) The Company has drawn up a Schedule for Greenhouse Gas Inventory and Inspection, and the implementation progress is reported to the Board of Directors on a quarterly basis. (2) Since 2023, the issue of climate change has been integrated into the risk opportunity assessment components of the risk management system.
2. Describe how the identified climate-related risks and opportunities impact the Company's business, strategy, and finances (short-term, medium-term, and long-term).	Short to medium-term strategy: (1) Continuously monitor climate-related issues and the requirements established by the relevant authorities. (2) The Company has drawn up a "Schedule for Greenhouse Gas Inventory and Inspection", which sets the scheduled schedule for various work items, and the implementation progress is reported to the Board of Directors on a quarterly basis. Medium to long-term strategy: (1) Evaluate the adoption of energy-efficient or low-carbon-emission operational equipment to reduce electricity consumption and lower carbon emissions. (2) Continuously develop energy-efficient, high-performance products to enhance product functionality while minimizing energy consumption for users.
3. Describe the financial impacts of extreme weather events and transition actions.	(1) Global warming and associated GHG issues have led to higher electricity and operational costs. (2) Extreme weather can cause major wind and flood disasters, resulting in damage to the Company's operations or plant equipment, a decrease in asset value, or an increase in maintenance costs. (3) Extreme weather can cause massive wind and flood disasters, affecting the Company's operations and production scheduling, upstream and downstream freight scheduling in the supply chain, and declining revenue. (4) The transition period for replacing operational equipment with energy-efficient or low-carbon emission alternatives leads to an increase in procurement and waste disposal volumes in the short to medium term, resulting in higher operational costs.

Item	Implementation Status
	(5) The replacement of operational equipment with energy-efficient or low-carbon emission alternatives reduces electricity consumption and carbon emissions, leading to a decrease in electricity and operational costs (6) Research and develop energy-saving, high-efficiency products to improve product performance, reduce energy consumption for users, increase customer purchasing opportunities, and boost revenue.
4. Describe how the identification, assessment, and management process of climate risks is integrated into the overall risk management system.	Since 2023, the risk or opportunity factors of climate change have been included in the Risk Opportunity Assessment Control Form that requires regular identification and evaluation in risk management.
5. When using scenario analysis to assess resilience against climate change risks, it is crucial to clearly define the scenarios, parameters, assumptions, analytical factors, and key financial impacts involved.	The Company has not yet conducted scenario analysis.
6. If transformation plans are in place to address climate-related risks, please provide a description of these plans, including the indicators and objectives used to identify and manage both physical and transition risks.	The Company has not yet established such plans.
7. If internal carbon pricing is used as a planning tool, the rationale behind the price determination should be clearly explained.	The Company has not yet adopted such a tool.
8. If climate-related targets are established, it is essential to outline the activities included, the scope of GHG emissions, the timeline for achieving the targets, and the progress made each year. Additionally, if carbon offsets or Renewable Energy Certificates (RECs) are used to meet these targets, the sources and quantities of the carbon reduction offsets, as well as the number of RECs, should be specified.	The Company has not yet established such targets.

1.1 The Company's GHG inventory and assurance status for the past two years:

Description of greenhouse gas emissions for the most recent two years, including total emissions (in metric tons of CO_2e), emissions intensity (metric tons of CO_2e per NTD million), and the scope of data coverage. The Company's GHG emissions and emissions intensity for the past two years are summarized in the table below:

Organizational boundary of the GHG inventory: Operating sites in Taiwan

Year	CO2e (metric tons)			Intensity (CO2e/NT$ million)
	Scope 1	Scope 2	Total	
2024	17.0267	2,300.5929	2,317.6196	1.756
2025	18.6871	2,238.2437	2,256.9308	1.919

(VII) Compliance with Ethical Management and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof:

Evaluation item	Operational conditions			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
I. Establishment of the ethical management policy and measures (I) Has the Company formulated the Ethical Management Policy approved by the Board of Directors and clearly stated in its bylaws and external documents, as well as having the Board and senior management's commitment to implement the policy?	V		(I) The Company has established the "Ethical Corporate Management Best Practice Principles" and the "Ethical Management Policy and Prevention Measures", which are adopted by the Board of Directors and disclosed on the Company's website. The Board of Directors and management all adhere to these Principles and implement the relevant personnel rules, do not provide or accept improper benefits, and conduct business activities in a fair and transparent manner.	No significant deviation
(II) Has the Company established assessment mechanism for risk arising from unethical conducts, regularly analyzed and assessed operating activities with higher risk of unethical conduct within its business, and formulated preventive schemes accordingly, which at least contain preventive measures for conducts set forth in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies "?	V		(II) The Company conducts regular analyses and assessments of business activities within its operational scope that carry a higher risk of dishonest behavior, in accordance with the "Risk Management Practice Guidelines". Additionally, the Company has established preventive measures for various forms of dishonest behavior outlined in its "Ethical Corporate Management Best Practice Principles" and "Ethical Management Policy and Prevention Measures". These measures are implemented through an internal control system to audit and manage related risks.	No significant deviation

Evaluation item	Operational conditions			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
(III) Has the Company had clear statements regarding relevant procedures, conduct guidelines, disciplinary measures and compliant system in the preventive schemes, and has the Company implemented them accordingly and regularly review these schemes?	V		(III) In the "Ethical Management Policy and Prevention Measures" and "Work Rules", the Company stipulates the operating procedures, behavior guidelines, and disciplinary and complaint systems for preventing dishonest behavior, and implements them. To date, there has been no similar occurrences. In addition, the Company conducts regular assessments and reviews of its implementation and identifies areas that need to be amended.	No significant deviation
II. Implementation of ethical corporate management (I) Does the Company review the counterparty's history of ethical conduct and include the compliance of business ethics as a clause in the contract?	V		(I) For suppliers, the Company has formulated the "Operating Procedures for Supplier Development and Assessment" to obtain the suppliers' basic information and conduct relevant assessments including assessments on ethical behaviors. Once the business relations are established, suppliers would be asked to sign the "Integrity Commitment", stating their compliance with the Company's ethics-related rules. For distributors/agents who wish to be granted credit terms, credit assessment is conducted in accordance with the "Customer Credit Management Operations".	No significant deviation

Evaluation item	Operational conditions			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
(II) Has the Company established a dedicated department under the Board to promote ethical conducts and report regularly (at least once per year) its ethics policies and preventive schemes for unethical conducts as well as implementation status to the Board?	V		(II) An Ethical Management Team was set up under the Sustainability Development Promotion Center of the Company, and the Legal Affairs Office was designated as the coordinating unit of the team, responsible for the formulation and promotion of the Ethical Management Policy and Prevention Measures. The team reported to the Board of Directors on December 18, 2025, on the supervision and implementation of the ethical management policy and the plan to prevent unethical behavior in the current year and disclosed it on the corporate website.	No significant deviation
(III) Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels and thoroughly implement the policies?	V		(III) The Company has established the "Rules and Procedures of Board of Director Meetings", which stipulates that Directors who have an interest in the deliberations of the Board of Directors shall not participate in the discussion and voting and shall recuse themselves, nor shall they exercise voting rights on behalf of other Directors. In addition, the Company's "Ethical Corporate Management Best Practice Principles", "Ethical Management Policy and Prevention Measures", and "Code of Ethical Conduct" set out policies to prevent conflict of interest and provide appropriate channels for representation and require the relevant units of the Company to implement them.	No significant deviation

Evaluation item	Operational conditions			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
(IV) Has the Company established effective accounting and internal control systems for the implementation of ethical management and had the internal audit unit formulating relevant audit plans based on the assessment outcome of risk associated with unethical conducts? Has the Company then performed audits on the compliance with the preventive schemes for unethical conducts accordingly, or entrust the CPAs to conduct the audits?	V		(IV) The Audit Office of the Company formulated an annual audit plan in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and works with the Ethical Management Team to evaluate and follow the relevant processes. For higher-risk business activities and other processes, the team reviews and improves them regularly and reports to management. The audit for the year ending December 31, 2025, was completed on August 8, 2025, and an audit report was prepared, signed by the Chairman and was submitted to the Audit Committee for review.	No significant deviation
(V) Has the Company regularly held internal and external education and training sessions on ethical corporate management?	V		(V) The Company promotes ethical management through awareness initiatives and training programs for all employees. Upon onboarding, new employees are provided with guidance on the Company's ethical standards and required codes of conduct. In addition, training programs for existing employees incorporate modules on ethical values and corporate sustainability to reinforce the principles set forth in the Company's "Ethical Corporate Management Best Practice Principles", "Ethical Management Policy and Prevention Measures", "Code of Ethical Conduct", and "Work Rules". These programs emphasize that employees must not, by virtue of their positions, accept	No significant deviation

Evaluation item	Operational conditions			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			hospitality, gifts, kickbacks, or any other improper benefits. As of November 20th, 22 new employees had participated in the 2025 training program. The Company also conducted an “Workplace Integrity and Code of Ethical Conduct” awareness session for existing employees on October 13, with a total of 289 participants. Furthermore, the training curriculum for Board of Directors will incorporate "Insider Trading Prevention Training" annually. The "Corporate Governance and Ethical Management" courses were conducted for managers and Directors on October 13 and November 6, with a total of 11 participants.	
III. Implementation of complaint system (I) Has the Company established specific complaint and reward systems, set up conveniently accessible complaint channels, and designated responsible individuals to handle the complaint received?	V		(I) The Company includes integrity and morality as one of the assessment items for employee performance evaluation. For illegal (including corruption) and unethical behavior, specific reporting and appeal channels (including online/telephone hotline/physical mailbox) and systems (reporting channels have been announced on the corporate website) are established in the "Code of Ethical Conduct", "Ethical Management Policy and Prevention Measures" and "Employee Complaint System". The Human Resources Department manager will handle all reports and conduct follow-up investigations.	No significant deviation

Evaluation item	Operational conditions			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
(II) Has the Company established standard operating procedures for investigating the complaints received, actions to be taken upon the completion of investigation, and mechanisms for confidentiality?	V		(II) The investigations on reported misconducts are conducted in accordance with the procedures stipulated in the Company's "Code of Ethical Conduct", "Ethical Management Policy and Prevention Measures", "Work Rules" and "Employee Complaint System". The Company has established internal independent complaint mailbox and hotline. Complaints are handled by HR units with investigations carried out once cases are accepted. All actions are carried out under the confidentiality mechanism. If the reported case is verified to be true, the relevant units should be instructed to review the internal control system and operating procedures in a follow-up manner, and propose improvement measures to prevent recurrence. For cases which violate the Code of Ethical Conduct, HR unit shall prepare an investigation report and report such violation to the Board. Cases where Directors or managers are involved, relevant information and actions taken shall be disclosed on the MOPS immediately.	No significant deviation
(III) Has the Company established measures to protect whistleblowers from retaliation?	V		(III) The Company encourages the reporting of any illegal or unethical behavior, and protects the identity, content and documents provided by the informant in connection with investigations by encrypting them and denying access to non-relevant	No significant deviation

Evaluation item	Operational conditions			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary description	
			persons. Any threat, retaliation or adverse action against the person making the report is prohibited, and every effort is made to protect the safety of the person making the report.	
IV. Enhancing information disclosure (I) Has the Company disclosed its Ethical Corporate Management Best Practice Principles and the results of its implementation on the corporate website and MOPS?	V		(I) The Company's “Ethical Corporate Management Best Practice Principles” and relevant information are disclosed on the corporate website (http://www.infortrend.com) and the MOPS.	No significant deviation
V. If the Company has established its own Ethical Corporate Management Best Practice Principles based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies ", please describe the implementation and any deviations from the Principles: The Company has formulated the "Ethical Corporate Management Best Practice Principles" and "Ethical Management Policy and Prevention Measures", and the internal management rules and external documents are implemented in accordance with the Ethical Management Policy, and there are no differences or inconsistencies between the operation and the Ethical Management Policy.				
VI. Other important information to facilitate better understanding of integrity management: To incorporate ethical integrity into the Company's corporate culture and comply with relevant regulations, the Company revised the "Code of Ethical Conduct" and "Ethical Corporate Management Best Practice Principles" on June 11, 2018, and June 10, 2020, respectively. Additionally, on December 26, 2019, and March 9, 2023, the Company formulated and revised the "Ethical Management Policy and Prevention Measures", which was approved by the Board of Directors and implemented after being submitted to the shareholders' meeting. Audits on the implementation of ethical management and assessments on compliance for 2025 were reported to the Board on December 8, 2025.				

(VIII) Ways to access corporate governance principles and related guidelines: Corporate website. http://www.infortrend.com

(IX) Other important information to facilitate better understanding of the Company's corporate governance practices: None.

(X) Implementation Status of the Internal Control System:

1. Statement of Internal Control

Infortrend Technology Inc.

Statement of Internal Control System

Date: March 10, 2026

The Company hereby states the results of the self-assessment of the internal control system for the year ending December 31, 2025, as follows:

I. The Company recognizes that it is the responsibility of the Board of Directors and the managers of the Company to establish, implement, and maintain an internal control system, and the Company has established such a system. The purpose is to provide reasonable assurance of the effectiveness and efficiency of operations (including profitability, performance and safeguarding of assets), reliability of reporting, timeliness, transparency and compliance with relevant regulations and compliance with relevant laws and regulations.

II. The internal control system has inherent limitations, and no matter how well designed, an effective internal control system can only provide reasonable assurance for achieving the three objectives mentioned above. Moreover, due to changes in the environment and circumstances, the effectiveness of internal control systems may also vary. However, the Company's internal control system has a self-monitoring mechanism, and once the deficiencies are identified, the Company will take corrective action.

III. The Company uses the assessment items specified in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the Regulations) to determine whether the design and implementation of the internal control system are effective. The internal control system judgment items adopted by the Regulations are based on the process of management control, dividing the internal control system into five components:1. control environment, 2. risk assessment, 3. control activities, 4. information and communication, and 5. monitoring. Each component element in turn includes several items. Please refer to the "Regulations" for more information on the items.

IV. The Company has evaluated the design and effectiveness of its internal control system according to the aforementioned criteria.

V. Based on the results in the preceding evaluation, the Company is of the opinion that, as of December 31, 2025, the internal control system (including the supervision and management of subsidiaries), including the design and implementation of the internal control system relating to the effectiveness and efficiency of the operations, reliability, timeliness, and transparency of reporting, and compliance with applicable standards, laws and regulations, is effective and can reasonably assure the achievement of the foregoing goals.

VI. This statement shall be included among the chief contents of the Company’s annual report and disclosures and shall be made public. Any illegalities such as misrepresentations or concealments in the published contents mentioned above will be considered a breach of Articles 20, 32, 171, and 174 of the Securities and Exchange Act and incur legal responsibilities.

VII. This statement has been unanimously approved by all 7 Directors of the Company present at the meeting held on March 10, 2026.

Infortrend Technology Inc.

Chairman/President: Lo, Shih-Tung

2. If a CPA has been engaged to carry out a special audit of the internal control system, the CPA audit report shall be disclosed: None.

(XI) Any penalties imposed upon the Company or internal personnel by laws, or punishment imposed by the Company on internal personnel for violation of the Company's internal control system regulations, details on the punishment shall be listed if it might have significant impact on the shareholders' equity or security prices, major defects and corrective action thereof in the most recent fiscal year and up to the date of publication of the Annual Report: None.

(XII) Major resolutions of shareholders' meeting and Board meetings in the most recent fiscal year and up to the date of publication of the Annual Report:

Major resolutions of the 2025 shareholders' meeting

Date of Shareholders' Meeting	Brief Summary	Results of Resolution	Implementation Status
Annual Shareholders' Meeting June 13, 2025	1. To approve the Company's 2024 business report and financial statements.	Affirmative votes constituted 89.71% of voting rights of the participating shareholders. This proposal was approved.	Approved as per the resolution.
	2. To approve the Company's annual profit distribution plan for 2024.	Affirmative votes constituted 89.85% of voting rights of the participating shareholders. This proposal was approved.	Implemented as per the resolution. Base date of the ex-dividend distribution was set as August 2, 2025. Distribution date set as August 27, 2025. A cash dividend of NT$1.3 per share to be distributed. A cash dividend of NT$353,616,999 has been fully distributed to shareholders as of August 27, 2025.
	3. To discuss and revise certain articles of the Company's "Articles of Association".	Affirmative votes constituted 89.85% of voting rights of the participating shareholders. This proposal was approved.	Registration was approved by the Ministry of Economic Affairs on July 11, 2025.

Major resolutions of the Board meetings

Term	Year	Meeting Date	Major resolutions
11-06	2025	2025/03/06	1. Report on the performance assessment results of the Company's Board of Directors for 2024. 2. Report of the execution status of "2024 Promotion Plan for Sustainable Development Programs" for second half of the year. 3. Report on the progress of greenhouse gas inventory and

Term	Year	Meeting Date	Major resolutions
			verification for the Company and its subsidiaries. 4. Approved the 2024 employee compensation of NT$38,000 thousand and Director remuneration of NT$1,200 thousand, with the amounts to be paid in the form of cash. 5. Approved the assessment of the independence and suitability of the CPAs, who were changed due to internal rotation, for the 2025 annual financial report. [Taking into reference KPMG's AQI for 2023] 6. Approved the Company's 2024 business report and parent company only financial statements. 7. Approved the Company's 2024 consolidated financial statements. 8. Approved the Company's 2025 business plans. 9. Approved the earnings distribution of 2024 distribution of dividends to shareholders of cash per share of NT$1.30. 10. Approved the assessment on the effectiveness of internal control system for 2024 and the Statement of Internal Control System. 11. Approved the amendments to the Company's "Payroll Cycle - Payroll Operations". 12. Approved the amendments to provisions to the Company's "Articles of Incorporation". 13. Approved the Company's 2025 Promotion Plan for Sustainable Development Programs. 14. Approved the application for renewal of the real estate guarantee credit facility with Mega International Commercial Bank: The credit line was NT$400 million. 15. Approved the application for the renewal of short-term credit facility with Taishin International Bank: The credit line was increased to NT$1.587 billion. 16. Approved matters associated with shareholders' right to propose in the shareholders' meeting. 17. Approved the date for shareholder's meeting to be on June 13, 2025.
11-07	2025	2025/05/08	1. Report on the progress of greenhouse gas inventory and verification for the Company and its subsidiaries. 2. The Company's consolidated financial statements for the first quarter of 2025. 3. Approved the Remuneration Committee’s proposal on the distribution of employee compensation for managerial officers for 2024. 4. Approved the renewal of credit facilities with E.Sun Bank, including a general credit facility, a short-term financing facility, and a derivatives transaction credit risk limit, with respective limits of NT$100 million, NT$300 million, and US$1 million.
11-08	2025	2025/07/03	Approved the matters related to designating August 2, 2025 as the ex-dividend record date.
11-09	2025	2025/08/07	1. Report of the execution status of "2025 Promotion Plan for Sustainable Development Programs" for first half of the year. 2. Report on the progress of greenhouse gas inventory and verification for the Company and its subsidiaries. 3. Approved the Company’s consolidated financial statements for the second quarter of 2025.

Term	Year	Meeting Date	Major resolutions
			4. Approved the completion of the Company's 2024 Sustainability Report (including the English version).
11-10	2025	2025/11/06	1. Approved the Company's consolidated financial statements for the third quarter of 2025. 2. Approved the submission of the 2026 internal audit plan. 3. Approved the amendments to the Company's "Guidelines for Sustainable Development Practices".
11-11	2025	2025/12/18	1. Report on stakeholder engagement activities in 2025. 2. Report on the implementation and compliance assessment of ethical management in 2025. 3. Report on the implementation of intellectual property management in 2025. 4. Report on the implementation of risk management in 2025. 5. Report on the progress of greenhouse gas inventory and verification for the Company and its subsidiaries. 6. Approved the total amount of year-end bonuses for managerial officers for 2025, as reviewed by the Remuneration Committee. 7. Approved the renewal of credit facilities with Taiwan Business Bank, including a general credit facility and a derivatives transaction credit risk limit, with respective limits of NT$350 million and US$3 million. 8. Approved the addition of items to the Company's pre-approved list of non-assurance services. 9. Approved the amendments to the Company's "Payroll Cycle – Payroll Operations."
11-12	2026	2026/03/10	1. Report on the performance assessment results of the Company's Board of Directors for 2025. 2. Report of the execution status of "2025 Promotion Plan for Sustainable Development Programs" for second half of the year. 3. Report on the progress of greenhouse gas inventory and verification for the Company and its subsidiaries. 4. Approved the 2025 employee compensation of NT$35,000 thousand and Director remuneration of NT$900 thousand, with the amounts to be paid in the form of cash. 5. Approved the evaluation of the independence and suitability of the external auditors for the 2026 financial statements. [Taking into reference KPMG's AQI for 2024] 6. Approved the Company's 2025 business report and parent company only financial statements. 7. Approved the Company's 2025 consolidated financial statements. 8. Approved the Company's 2026 business plans. 9. Approved the earnings distribution of 2025 distribution of dividends to shareholders of cash per share of NT$0.8. 10. Approved the assessment on the effectiveness of internal control system for 2025 and the Statement of Internal Control System. 11. Approved the Company's 2026 Promotion Plan for Sustainable Development Programs. 12. Approved the application for renewal of the real estate guarantee credit facility with Mega International Commercial Bank: The credit line was NT$400 million. 13. Approved the application for the renewal of short-term credit

Term	Year	Meeting Date	Major resolutions
			facility with Taishin International Bank: The credit line was increased to NT$1.787 billion. 14. Approved matters associated with shareholders' right to propose in the shareholders' meeting. 15. Approved the date for shareholder's meeting to be on June 12, 2026.

1. Details of dissenting opinion expressed by a Director or Supervisor with respect to a major resolution passed by the Board during the most recent fiscal year and up to the date of publication of the Annual Report, and for which there is a record or declaration in writing: None.

2. A summary of resignations and dismissals of the Company's Chairperson, President, accounting manager, financial manager, chief internal auditor, chief corporate governance officer and research and development officer during the most recent fiscal year and up to the date of publication of the Annual Report: None.

IV Information Regarding the Company's Audit Fee:

(I) The amount of audit and non-audit fees paid to the CPA, CPA firm and their affiliates, and details of the non-audit services rendered:

Unit: NT$ thousands

Name of Accounting Firm	Name of Accountant		Period of Audit	Audit Fee	Non-audit Fees	Total	Remarks
KPMG Certified Public Accountants	Wu, Tsao-Jen	Chen, Ying-Ju	2025/01/01 - 2025/12/31	2,510	20	**2,530**	Fee for reviewing non-executive employee compensation.
	Chen, Tsai-Huang			300		**300**	

(II) When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.

(III) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) thereof shall be disclosed: None.

V Information on Replacement of CPAs: None.

VI The names, titles and durations of the Company's Chairman, President, or any Managers in charge of finance or accounting matters holding a position at the Company's CPA firm or at an affiliated enterprise of such firm in the most recent fiscal year: None.

VII Changes in shareholdings and share pledges of Directors, Supervisors, Managerial Officers, and shareholders holding more than 10% of the Company's shares during the most recent fiscal year and up to the date of publication of this annual report:

(I) Changes in equity interest of Directors, Supervisors, Managerial Offices, and major shareholders:

Title	Name	2025		As of March 31, 2026.		Remarks
		Change in shares held	Change in pledged shares	Change in shares held	Change in pledged shares	
Chairperson, President (Substantial Shareholder)	Lo, Shih-Tung	4,000	—	(450,000)	—	
Director/Vice President	Chen, Li-Wei	—	—	—	—	
Director/ Assistant Manager	Sung, Chun-Tsai	—	—	—	—	
Independent Director	Chen, Liang-Yin	—	—	—	—	
Independent Director	Sun, Kuang-Wei	—	—	—	—	
Independent Director	Hou, Ruey-Fu	—	—	—	—	
Independent Director	Chung, Chin-He	—	—	—	—	
Technical Director	Michael Schnapp	—	—	—	—	
Assistant Manager	Liu, Shu-Hua	(31,000)	—	(6,000)	—	
Assistant Manager	Hung, Ching-Hai	—	—	—	—	
Assistant Manager	Yang, Wen-Jen	(56,000)	—	(24,000)	—	
Assistant Manager	Chan, Chih-Chung	(57,000)	—	(130,000)	—	

(II) Where the counterparty of the transfer of equity interests and/or pledge of or change in equity interests is a related party: None.

VIII Relationships among the Top Ten Shareholders, Including Related Parties, Spousal, and Second-Degree Kinship Relationships:

April 14, 2025

Name	Personal shareholding		Spouse and minor shareholding		Shareholding by nominees		Relationship Among the Company's Ten Largest Shareholders Where One Is a Related Party, a Spouse or a Relative within the Second Degree of Kinship of Another, and the Name(s) and Relationship		Remarks
	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Name	Relationship	
Lo, Shih-Tung	38,522,816	14.08	168,000	0.06	—	—	Tung Yu Investment Co., Ltd	Spouse of the Company's representative	
							Intellistor Investment Group Ltd.	Same as company representative	
							Lo, Yu-Jung	First-degree relatives	
							Lo, Yu-Ting	First-degree relatives	
Lu, Hsiu-Chin	26,314,972	9.62	—	—	—	—	Lai, Ba-Jia	First-degree relatives	
							Haide Investment Co., Ltd.	Same as the person in charge of the company	
Tung Yu Investment Co., Ltd	22,891,300	8.37	—	—	—	—	—	—	
Person in Charge: Lin, Mei-Ling	168,000	0.06	—	—	—	—	Lo, Shih-Tung	Spouse is the person in charge of the company	
							Lo, Yu-Jung	First-degree relative of the person in charge of the company	
							Lo, Yu-Ting	First-degree relative of the person in charge of the company	
Chen, Ling-Chu	7,209,000	2.64	—	—	—	—	—	—	
Haide Investment Co., Ltd. Person in Charge: Lu, Hsiu-Chin	5,334,909	1.95	—	—	—	—	Lai, Ba-Jia	First-degree relative of the person in charge of the company	
							Lu, Hsiu-Chin	Same as the person in charge of the company	
Intellistor Investment Group Ltd.	3,503,971	1.28	—	—	—	—	—	—	
Representative: Lo, Shih-Tung	38,522,816	14.08	—	—	—	—	Lo, Shih-Tung	Same as company representative	
							Tung Yu Investment Co., Ltd	First-degree relative of the person in charge of the company	
							Lo, Yu-Jung	First-degree relative of the company's representative	
							Lo, Yu-Ting	First-degree relative of the company's representative	
Citibank (Taiwan) Limited, custodian	3,087,000	1.13	—	—	—	—	—	—	

Name	Personal shareholding		Spouse and minor shareholding		Shareholding by nominees		Relationship Among the Company's Ten Largest Shareholders Where One Is a Related Party, a Spouse or a Relative within the Second Degree of Kinship of Another, and the Name(s) and Relationship		Remarks
	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Name	Relationship	
account for Barclays Capital Securities Limited investment account									
Lai, Ba-Jia	2,808,170	1.03	—	—	—	—	Lu, Hsiu-Chin	First-degree relatives	
							Haide Investment Co., Ltd.	First-degree relative of the person in charge of the company	
Lo, Yu-Jung	2,032,176	0.74	—	—	—	—	Lo, Shih-Tung	First-degree relatives	
							Tung Yu Investment Co., Ltd	First-degree relative of the person in charge of the company	
							Intellistor Investment Group Ltd.	First-degree relative of the company's representative	
Lo, Yu-Ting	1,840,176	0.67	—	—	—	—	Lo, Shih-Tung	First-degree relatives	
							Tung Yu Investment Co., Ltd	First-degree relative of the person in charge of the company	
							Intellistor Investment Group Ltd.	First-degree relative of the company's representative	

IX Total Shareholdings in the Same Investee Company held by the Company, its Directors, Supervisors, Managerial Officers, and Entities Directly or Indirectly Controlled by the Company, and the Aggregate Shareholding Ratio: None.

Chapter 3 Capital Overview

I Capital and shares:

(I) Sources of capital:

Unit: NT$ Thousands; Thousands of Shares

Year/ Month	Issue price	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of capital	Capital increase by assets other than cash	Others
2016.04	0	312,000	3,120,000	279,533	2,795,333	Issuance of new restricted shares - 987.4	None	Authorized Business No. 10501063430 on April 6, 2016
2016.04	0	312,000	3,120,000	279,228	2,792,284	Cancellation of new restricted shares - 304.9	None	Authorized Business No. 10501063430 on April 6, 2016
2016.08	0	312,000	3,120,000	279,175	2,791,748	Cancellation of new restricted shares - 53.6	None	Authorized Business No. 10501203420 on August 23, 2016
2016.11	0	312,000	3,120,000	279,111	2,791,110	Cancellation of new restricted shares - 63.8	None	Authorized Business No. 10501269040 on November 22, 2016
2017.04	0	312,000	3,120,000	280,130	2,801,299	Issuance of new restricted shares - 1,018.9	None	Authorized Business No. 10601040910 on April 6, 2017
2017.04	0	312,000	3,120,000	279,815	2,798,150	Cancellation of new restricted shares - 314.9	None	Authorized Business No. 10601040910 on April 6, 2017
2017.08	0	312,000	3,120,000	279,682	2,796,819	Cancellation of new restricted shares - 133.1	None	Authorized Business No. 10601121180 on August 28, 2017
2018.04	0	312,000	3,120,000	279,983	2,799,829	Issuance of new restricted shares - 301	None	Authorized Business No. 10701034330 on April 3, 2018
2018.04	0	312,000	3,120,000	279,681	2,796,812	Cancellation of new restricted shares - 301.77	None	Authorized Business No. 10701034330 on April 3, 2018
2018.08	0	312,000	3,120,000	279,646	2,796,463	Cancellation of new restricted shares - 34.9	None	Authorized Business No. 10701108420 on August 28, 2018
2019.03	0	312,000	3,120,000	279,345	2,793,453	Cancellation of new restricted shares - 301	None	Authorized Business No. 10801033910 on April 1, 2019
2019.03	0	312,000	3,120,000	279,419	2,764,193	Cancellation of treasury shares - 2,926	None	
2020.01	0	312,000	3,120,000	276,291	2,762,907	Cancellation of new restricted shares - 22.6; Cancellation of treasury shares - 106	None	Authorized Business No. 10901000590 on January 15, 2020
2020.05	0	312,000	3,120,000	276,288	2,762,876	Cancellation of new restricted shares - 3.2	None	Authorized Business No. 10901082310 on May 26, 2020
2020.08	0	312,000	3,120,000	273,552	2,735,515	Cancellation of treasury shares - 2,736	None	Authorized Business No. 10901156320 on August 28, 2020

April 14, 2026 Unit: Shares

Class of Shares	Capital Structure			Remarks
	Outstanding Shares	Unissued Shares	Total	
Common Shares	273,551,538	38,448,462	312,000,000	All are outstanding public shares

(II) List of Major Shareholders: (Shareholders with holdings equal to or exceed 5%)

Share / Shareholder's name	Shareholding	Shareholding ratio
Lo, Shih-Tung	38,522,816	14.08
Lu, Hsiu-Chin	26,314,972	9.62
Tung Yu Investment Co., Ltd.	22,891,300	8.37

Note: There are less than ten shareholders with a shareholding ratio of more than 5%. Please refer to page 86 for information on the top ten shareholders

(III) The Company's dividend policy and execution status:

1. Dividend policy

Any earnings after the Company's annual closing of the books, it shall be first used to pay all taxes and dues and cover accumulated losses, then 10 percent of the earnings shall be reserved as the legal reserve; provided that this restriction shall not apply to the circumstances that the legal reserve has reached the paid-in capital of the Company. Provision (reversal) for special reserve shall be made from the remaining earnings as required by the Company's operation or by law. If there is still a balance, the Board of Directors shall draw up an earnings distribution plan for the balance and the unappropriated earnings at the beginning of period, and submit it to the Board of shareholders for a resolution on distribution.

The Company will, considering the Company's environment and growth stage, taking into account its future capital needs and long-term financial planning, satisfying the needs of shareholders for cash inflows, distribute shareholders' dividends in the form of both stock dividends and cash dividends, in which the proportion of cash dividends shall not be less than 10 percent of the total dividend of shareholders.

The dividend policy of the Company is based on the operating performance, capital requirements and the interests of shareholders. Where there is no other special circumstance, the total dividend to be distributed shall be at least 60% of the distributable earnings, net of legal reserve.

2. Proposed dividend distribution at the shareholders' meeting (2025)

   The Company's earning distribution proposal for 2025 was approved in the Board meeting on March 10, 2026, where legal reserve of NT$30,925,558 and shareholders' dividend of NT$218,841,230 were allocated from the surplus of 2025 and cash dividend was provisionally set at NT$0.8 per share. After the proposal is approved at the shareholders' meeting, the Board would set the dividend distribution base date and dividends would be paid based on the shareholder register as of the base date.

(IV) Effect of the proposed stock dividends at the shareholders' meeting on the Company's operating performance and earnings per share: There was no proposal for stock dividends at the shareholders' meeting.

(V) Remuneration of employees, Directors and Supervisors:

1. The percentage or scope of remuneration of employees and Directors included in the Articles of Incorporation of the Company:
   The Company shall set aside at least 1% of its annual earnings, if any, as compensation to employees and no greater than 0.5% as remuneration to Directors. However, where the Company has accumulated losses, the amount should be retained in advance.
   The so-called earnings shall mean the annual pre-tax earnings before deduction of the remuneration to employees and Directors.

   The recipients of employee compensation in the form of stocks or cash as referred to in the first paragraph may include employees of subsidiaries.
2. The basis for estimating the remuneration of employees and Directors for the current period, the basis for calculating the number of shares for employee remuneration distributed in shares, and the accounting treatment if actual distribution amount differs from the estimated number:
   (1) Employee remuneration is estimated at 9.79% based on the profit of 2025. Director remuneration is estimated at 0.25% based on the profit of 2025.
   (2) Basis of calculation of employee remuneration in shares: N/A.
   (3) Where the actual amount distributed differs from the estimated amount, it is listed as profit or loss for the following year.

3. Approval by the Board of Directors for distribution of remuneration:

(1) Amount of employees and Directors' remuneration distributed:

Unit: NT$

Item	Withholding status in 2025	Amount approved by the Board
Employee compensation - cash	35,000,000	35,000,000
Employee compensation - stock	0	0
Directors' compensation	900,000	900,000

(2) The amount employee remuneration distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation: N/A.

(3) The estimated earnings per share after the distribution of remuneration to employees and Directors: N/A.

4. The actual distribution of remuneration of employees, Directors and Supervisors in the previous year (2024):

Unit: NT$

Item	Withholding status in 2024	Amount approved by the Board
Employee compensation - cash	38,000,000	38,000,000
Employee compensation - stock	0	0
Directors' compensation	1,200,000	1,200,000

(VI) Share Repurchase by the Company: None.

II. Corporate Bonds: None.

III. Preferred Shares: None.

IV. Global Depositary Receipts: None.

V. Employee Stock Options: None.

VI. Restricted Shares for Employees: None.

VII. Issuance of New Shares in Connection with Mergers or Acquisitions or with Transfer of Shares of Other Companies: None.

VIII. Implementation of Capital Allocation Plans: None.

Chapter 4 Operational Highlights

I. Business Activities:

(I) Business Scope:

1. Principal business and sales proportion: The Company mainly engages in the research and development, production and sales of products associated with "RAID system, network attached storage, storage software and peripheral components," which accounted for 100% of the sales.

2. Current products:

   (1) SAN storage

   (2) NAS storage

   (3) Unified storage

   (4) Scale-out NAS

   (5) Storage server

   (6) Expansion enclosure

3. New products to be developed:

   (1) Edge AI Computing Server

   (2) Edge Computing Storage System

   (3) Second-Generation KS AI Computing Server

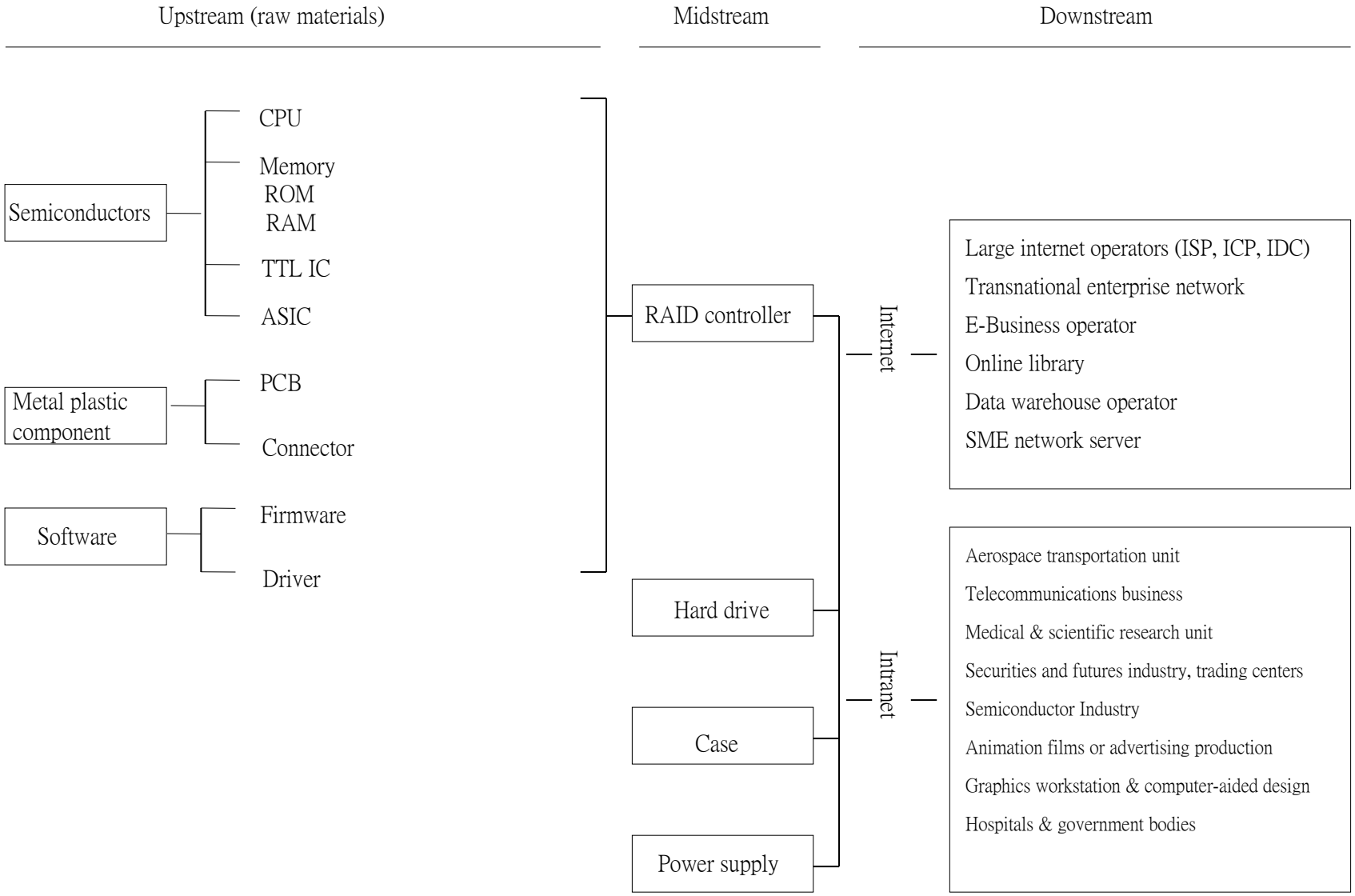
(II) Industry Overview:

1. Industry Status and Development

   With the rise and booming development of the IoT, cloud computing, big data, AI and 5G, data volume has shown explosive growth in recent years. The expansion demand on storage systems is no longer limited to capacity, but also includes performance expansion. Scale-out storage systems can simultaneously expand both performance and capacity, and the adoption of such systems by users will gradually increase.

   With the development of the audio-visual industry, 4K and 8K videos become more popular and the demand for high-speed internet interface and storage system performance is increasing. Thus, the storage systems shall evolve to support the new generation of high-speed internet interface quickly so as to deliver a more stable and efficient performance.

2. Relationship amongst upstream, midstream, and downstream of the industry

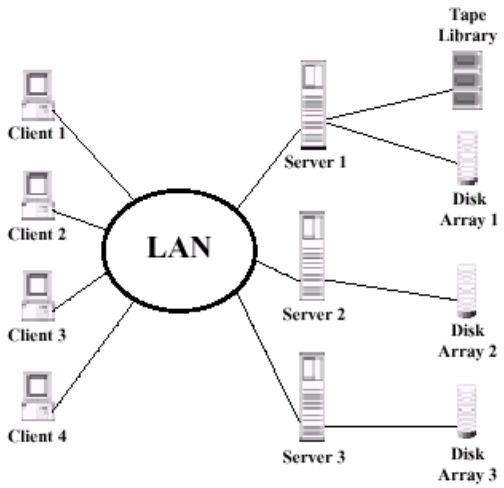


3. Product development trend and competition:

(1) Product development trend

a. The traditional direct-attached storage (DAS) structure is no longer sufficient.

DAS structure



Storage systems traditionally adopt the DAS structure, which connects storage devices directly to the servers. Data are stored through servers with one-to-one access. The design provides great security. However, it often faces the following bottleneck:

(a) Insufficient storage space in some servers while other still have plenty of room for storage.

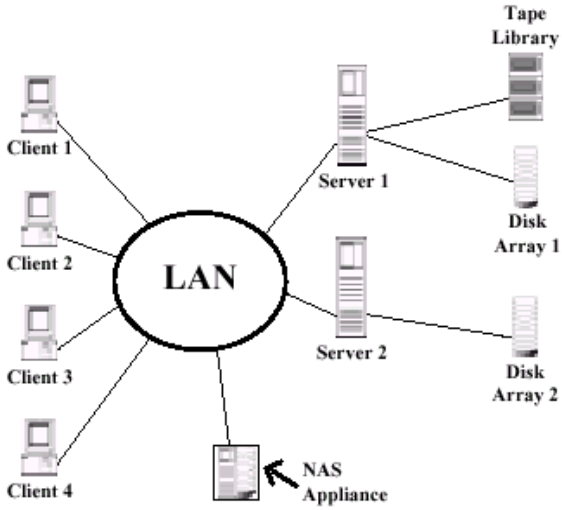
(b) Data in different platform servers cannot be shared, e.g., NTFS of NT and UNIX cannot access each other's data.

(c) LAN and servers are quired for data transmission, which not only increases the workload of servers but also slows down the LAN.

In the Internet era, where enterprise data volume is experiencing explosive growth, DAS gradually fails to satisfy enterprises' need for resource sharing and cross-platform operations. Thus, we see the rise of storage area network (SAN) and network attached storage (NAS) structures.

b. Network attached storage (NAS)

NAS structure



NAS combines storage devices, RAID controllers and servers with only file access function, and connects it to the original LAN. File access is done through NAS while other serves take on computing or more important tasks. The strengths of NAS are as follows:

(a) Data request, access, and transmission are not done through servers of each groups, which reduces burdens on the servers and thus improve their performance.

(b) In contrast to DAS, storage devices under NAS do not belong to a specific server. Instead, they use shared storage to achieve the purpose of file and hardware resource sharing.

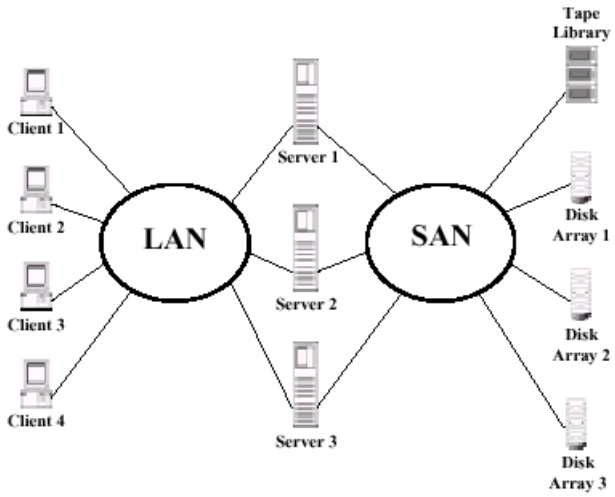
(c) NAS uses the TCP/IP protocol of LAN, thus, it can be operated under the existing network structure. Its construction is easier than SAN and configurations are not required at the terminal end, which simplifies the management process.

(d) NAS has standard protocols. It can be operated on multiple platforms (e.g., Window PC, Mac, Linux, UNIX, etc.) and enjoys high compatibility. Besides, it does not require the use of NT server as file server, thus, it is more cost competitive than SAN. The disadvantage of NAS is that it continues to use LAN for data transmission. The loading on internet slows down the speed. Consequently, SAN is superior in terms of data sharing than NAS.

(e) The dual redundant controller design allows the entire storage system to remain fully active and even continue to safeguard data security and maintain high availability under significant maintenance or partial hardware failure.

c. Storage area network (SAN)

SAN structure



SAN is a dedicated network of storage devices such as tape drives, optical disk libraries, and RAIDs, and connects with many servers where data access can be done directly through SAN. SAN often adopts the fiber channel structure, which eliminates the issues of unstable signals and insufficient length of connection, satisfying the growing data storage volume. The strengths of SAN are as follows:

(a) Good connectivity: Any server can be directly connected to a storage device, or storage devices can be directly connected to each other.

(b) The structure and composition of SAN are quite flexible. Companies can increase their storage devices without adding workloads on servers and LAN.

(c) It can manage storage devices located in different places.

(d) Storage devices are no longer connected to a specific server; thus, storage resources can be shared among many servers.

(e) LAN and servers are not used for backup: As storage devices are directly connected to each other, the backup work does not take up server space nor the bandwidth of LAN.

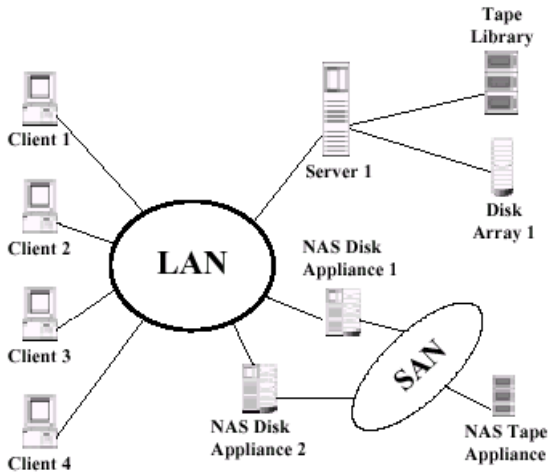
The disadvantages are as follows:

(a) No common standard: At present, cross-platform operation of SAN products only exists between certain operating systems and products.

(b) High cost and time-consuming set-up.

In summary, NAS structure is simpler and easier to manage than SAN and it is a low-cost storage device in comparison. However, it fails in terms of scalability. As these two structures are often adopted in different

environments, they are competing against as well as complementing each other. They can be combined to create an optimal structure for companies (as illustrated below).



(2) Product competition

a. Products have no industrial standards. Technical competency is the key to success.

RAIDs are unlike other IT products which have generally accepted industrial standards or large quantities of standardized components available; for instance, easy replacement is possible for motherboards as products of different brands can substitute each other under the PCI-E. The core technology of RAID lies in the firmware, which determines functions such as data partitioning, storage, backup, and redundancy. Switching to products of different brands may cause problems in accessing or reorganizing partitioned data. Although the core controllers can adopt the standardized CPUs, they would not deliver the best result. Self-development and optimization are still needed. Consequently, RAIDs not only require independent technical competency for firmware writing and hardware design, but their length and size in terms of their appearance also have no specifications. Since they are mostly employed for professional applications such as mainframes or servers, which are extremely demanding of quality, manufacturers strive to introduce products with new specifications and features, thereby accumulate special technical barriers to entry.

b. Higher customer loyalty

As information, transactions and business operations are considerably digitalized nowadays, loss of data may result in inestimable damage. Therefore, even though security is costly, it is still the top priority for

enterprises in choosing their RAIDs. Since RAIDs do not have industrial standards, each brand opts for different processing methods and results in terms of structure, feature, interface, fault tolerance and efficiency. Products of different brand cannot substitute each other. For data security concerns, and increasing conversion cost due to high unit price of the products, we often enjoy higher customer loyalty.

c. RAIDs are mostly used in professional applications such as midrange server, mainframe, work station, servers, etc. with a higher unit price.

   Even though the specifications of interfaces including SATA, SAS and Fibre continue to improve, the same type of interfaces can support hard drives with newer specs (e.g., RAID with SAS 3G interface can use SAS 6G hard drives) with a less-than-optimal efficiency. In contrast, issues including downtime, hard drive backup and transfers shall be considered when replacing storage systems. Thus, the change of generation for RAIDs occurs at a lower frequency than the peripherals of personal computers. The former has a longer life cycle of about two to three years.

d. High market concentration

   Currently, the majority of RAID controllers are sold to server manufacturers and adopted by mission-critical operations, e.g., aerospace, medical, e-commerce and process management. Using RAID of the server brand, whether it is self-developed or commissioned by the manufacturer, is more reliable in terms of compatibility and safety. Therefore, internal RAID controllers are often shipped with servers whereas external RAID controllers often require system integrators (some system integrators produce their own RAID controllers, e.g., EMC.) However, even for companies with long-term business relationships, new products still need to undergo testing for several months. Quality and reputation accumulated over the years have forged challenging barriers of entry. Therefore, over 80% of the market share concentrates on the top ten manufactures. Professional manufactures of RAID controller inevitably have to face the issue of market share expansion in the future.

(III) Technology and research and development:

1. Research and development expenses from the recent year to the date of publication of the annual report

Unit: NT$ thousands

Year	2021	2022	2023	2024	2025	As of 3 31, 2026
R&D Expenses	297,675	297,765	296,055	325,374	282,959	59,416
Revenue	1,189,488	1,462,630	1,390,974	1,319,852	1,176,124	370,134
R&D Expenses Percentage of Revenue	25.03%	20.36%	21.28%	24.65%	24.06%	16.05%

2. R&D accomplishments up to the date of publication of the annual report:
   2021
   - Introduced new EonStor GS series of integrated storage system, supporting U.2 NVMe SSD - EonStor GS 2000U/3000U/4000U
   - Introduced new EonStor CS series of Scale-out NAS storage system, supporting U.2 NVMe SSD - EonStor CS 4000U
   - Introduced new series of SAN storage system, supporting U.2 NVMe SSD - EonStor DS 4000U
   - Introduced dedicated computing storage models for AI applications - EonServ for AI (EVi) 5000 and EonStor GSi 5000
   - Introduced EonAl Ads, a smart advertising system with built-in AI technology, helping stores quantify advertising effectiveness and understand potential customers.
   - The integrated storage system EonStor GS and new scale-out function of GSe, greatly increasing the expansion flexibility of enterprise storage equipment.
   - The new SSD cache function of the integrated storage system EonStor GS helped enterprises enhance the performance of random access files.
   - New automatic storage tiering function of scale-out NAS storage system EonStor CS greatly optimized storage space usage and access performance of frequently used files.
   - New SSD optimization technology enhanced the stability of SSD usage and extended the usable time of SSD to improve usage efficiency.

2022

- New Generation EonStor GS G3 Products -EonStor GS 3000/4000 G3
- New Generation EonStor GS U.2 Products-EonStor GS 3000U/4000U
- High-density 4U40 bay new product-EonStor GS 3040/4040
- EonStor GS adds storage active-active function (HA Service), which greatly improves the high availability of the system. e
- EonStor GS adds file deduplication technology to improve storage space utilization.
- EonStor GS adds file snapshot technology to provide further data protection.
- EonStor GS adds immutable storage function to protect data security from ransomware threats.

2023

- Introduce new high-density 4U90 bay products - EonStor GS 3090T/4090
- Introduce new high-density 4U90 bay products - JB 3090
- Introduce new high-density 4U48 bay products - GS 3048UT/4048U
- Introduce new host board 25GbE x4
- Introduce File-level QoS feature to EonstorGS
- EonStor GS supports more public service providers such as Backblaze
- Introduce data deduplication and compression feature to Eonstor CS
- Introduce File Backup Server feature to EonStor CS.

2024

- The third generation of DS 1000/2000 products
- The third generation of GS 1000 products
- High-performance flash storage system – GS 5024UE
- High-density expansion units are expensive – JB 4090
- 200G high-speed Ethernet host board
- 32G 4 port FC host board

2025

- First-Generation KS AI Computing Server – KS 5000U
- Next-Generation High-Density Storage System – GS 5090C
- Next-Generation GS U.2 Flagship Storage System – GS 5024U
- High-Density Parallel File Storage System – GSx 5090
- U.2 SSD Expansion Enclosure – JB 4024U

(IV) Long- and short-term business development plans:

Short-term Business Development Plan	Long-term Business Development Plan
(1) Actively research and develop new products to maintain our leading position in technology.	(1) Introduce CRM system to establish a global customer service team for enhancing customer satisfaction.
(2) Acquire medium and large ODM customers to expand our operation scale.	(2) Expand product lines to satisfy customers' need for one-stop shop.
(3) Develop new applications to increase market share.	(3) Establish R&D centers to proactively conduct R&D on future technologies and secure our product leading position.
(4) Participate in various storage related exhibitions both at home and abroad to enhance brand, increase brand awareness.	

II. Market and Sales Overview:

(I) Market analysis:

1. Sales distribution by region:

Unit: NT$ thousands

Year		2024		2025	
Region		Amount	Ratio (%)	Amount	Ratio (%)
Domestic sales		29,144	2.21%	36,715	3.12%
Export sales	America	93,659	7.10%	75,230	6.40%
	Europe	186,536	14.13%	203,160	17.27%
	Asia	596,770	45.21%	601,365	51.13%
	Others	413,743	31.35%	259,654	22.08%
	Subtotal	1,290,708	97.79%	1,139,409	96.88%
Total		**1,319,852**	**100%**	**1,176,124**	**100%**

2. Market Share:

Gartner's statistics show that Infortrend Technology accounted for 1.7% of the worldwide external storage equipment shipment in 2016.

3. Future market supply and demand and prospect:

At present, the storage equipment can be categorized into DAS, NAS, and SAN. As DAS requires direct connection with the server, it is gradually replaced by NAS and SAN under the network structure. Thus, both NAS and SAN markets show a promising future.

Whether it be DAS, NAS or SAN, RAID system is relied on as the main storage

equipment. The most important component of the RAID system is RAID controllers, which are divided into two types: internal or external. Internal RAID controllers are mostly sold with servers; thus, 80% of the market is dominated by manufacturers such as HP, LSI and Adaptec. With the rise of rack dense server and RAID on motherboard, internal RAID system will gradually be replaced by external RAID systems (i.e., NAS and SAN) market for the later will continue to grow.

4. Competitive advantage:

   RAID controllers have high technical requirements. The Company has accumulated years of experience on software and hardware R&D as well as manufacturing since its establishment. We are ahead of others in terms of technical level and have the R&D capability in hardware integration to ensure product reliability and performance. In line with market trends, we continuously develop products which support various industrial standards (e.g., SAS, iSCSI, and Fibre channel) and the next-generation products to satisfy various demands.

5. Favorable and unfavorable factors for long-term development and countermeasures:

   (1) Favorable factors:

      A. Robust development of the internet

         Internet has become increasingly popular around the world in recent years. In addition to an increasing number of internet users, online transactions and information digitalization become part of life. As hardware technology advances, various applications, e.g., wireless network, online shopping, and online games, continue to evolve and significantly improve the convenience of life. People's lifestyles are changing and their reliance on internet is growing. Limited by bandwidth, the transmission speed is slow in the past. The situation where internet is mostly used on text and picture transmission will change due to the construction of broadband network. Applications which transmit sound and image would become more popular in the future, accompanied by a significant increase in data bit. The existing hard drive technology has yet to catch up with the increase in data volume. Effective storage media management devices are essential in enhancing the access efficiency and the main function of RAID controller is effective management of hard drives. Therefore, the internet development is an important driving force for our product growth.

B. Solid R&D and innovation capabilities

Since its establishment, the Company has been committed to product design and development as well as technology innovation. Our R&D team has the ability to design hardware, firmware and software, such high-density RAID with hot swapping and redundant functions (power suppliers, RAID controllers, etc.), products which support DC supply of the telecommunications industry, and NAS products with ZFS, dual controllers and support data de-duplication. Due to our strong R&D capabilities, we can keep up with customer demands and industry developments, and maintain our product competitiveness and profitability.

C. Difficult to find substitute product

The Company's product, RAID controllers, are positioned as the "administrator" of storage devices. Our current focus is on hard drive management, i.e., enhance access speed and add fault tolerance feature. Even after a more powerful storage device is developed in the future, the "administrator" can still improve the access speed and data security. In terms of cost effectiveness, it has its market value. Therefore, in comparison to the producers of hard drives and other storage devices, our product life can be extended longer and is more difficult to be replace.

(2) Unfavorable factors and countermeasures:

A. Some key components still rely on imports

Key components for the Company's products, such as CPU, currently rely on supplies from overseas manufacturers. It often takes more than one month from placing the orders to shipments. Also, as our order quantities are less than that of other information products, we have limited control over the suppliers. Consequently, we face business risk from the possible disruption of important parts and components which would affect our production. The Company adopts the following countermeasures:

a. Besides maintaining good and long-term cooperation with existing key suppliers, we seek alternative procurement sources to avoid having purchases overly concentrated on a small number of manufacturers and increasing the business risk.

b. We set the inventory level of key components based on estimated

future supply and demand of products and exercise tight control over inventory quantity with considerations on costs of inventory and supply shortage to avoid the risk of price decline.

B. A lack of RAID talents at home and abroad.

Countermeasures: Focus on human resources development, long-term training of talents and employee profit-sharing/stock ownership plan to attract talents.

(II) Main applications and manufacturing process of key products:

1. Main application of key products:

At present, there are a variety of choices on RAID's hardware components such as hard drives and interfaces on the market and they require different RAID type depending on the application environments. More advanced RAIDs are normally adopted in an environment more demanding of information security. Factors such as price, space, distance, efficiency, scalability, backup methods and so on shall also be taken into account. Environments for advanced, mid-range and entry-level RAID are list as follows:

(1) Advanced

A. Mission-critical non-stop applications

a. Aerospace transportation unit, telecommunications operations, medical and scientific research units

b. Large internet operators (ISP and ICP), transnational enterprise network, E-Business operator

c. Securities and futures industry, trading centers

d. Semiconductor Industry

e. High-speed data interchange processing center

B. Demand for ultra-high capacity and ultra-high speed

a. Animation films or advertising production

b. Online library

c. Near-line file backup

d. Online video blog

e. Vault data management system

(2) Mid-range and entry-level

a. Graphics workstation & computer-aided design (CAD/CAM/CAE)

b. Email servers, network servers

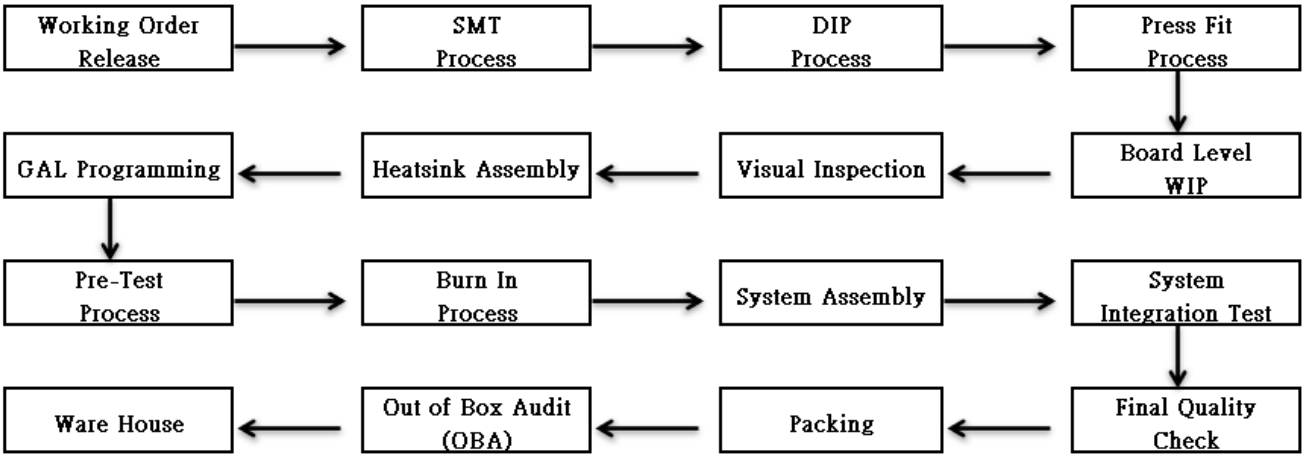
c. Video-On-Demand, Audio-On-Demand

d. Data warehouse operator, SME network server

e. Hospitals & government bodies

f. Servers for small companies and departments
g. Small Office Home Office (SOHO)
h. Digital video recording equipment
i. Nonlinear data editing

2. Manufacturing process:



(III) **Supply Status of Main Materials:** (using codes)

Main Material	Key Supplier	Domestic	Overseas	Supply Situation
HD	A3133		V	Passed
	A3082	V		Passed
	A0006-2	V		Passed
RAM	A0803		V	Passed
	A3263		V	Passed
	A0558	V		Passed

(IV) Suppliers/Customers account for 10% or more of the Company's total purchase/revenue in the most recent two fiscal years:

1. Key customer: (using codes)

Unit: NT$ thousands

	2024				2025				2026(As of March 31)			
Item	Name	Amount	Percentage (%)	Relation with Issuer	Name	Amount	Percentage (%)	Relation with Issuer	Name	Amount	Percentage (%)	Relation with Issuer
1	C	333,708	25.28	-	C	310,838	26.43	-	C	78,390	21.20	-
	Others	986,144	74.72	-	Others	865,286	73.57	-	Others	291,744	78.80	-
	Total	**1,319,852**	**100**	**-**	**Total**	**1,176,124**	**100**	**-**	**Total**	**370,134**	**100**	**-**

Note: Changes are the customers require different product mixes and are affected by the Ukraine-Russia war and the Israel-Kazakhstan conflict.

2. Key suppliers:

Unit: NT$ thousands

	2024				2025				2026 (As of March 31)			
Item	Name	Amount	Percentage (%)	Relation with Issuer	Name	Amount	Percentage (%)	Relation with Issuer	Name	Amount	Percentage (%)	Relation with Issuer
1	A3132	120,374	29.55	-	A3132	19,653	3.30	-	A3263	103,332	29.22	-
2	A3082	91,170	22.38	-	A3082	165,564	27.82	-	A0006	36,311	10.27	-
3	Others	195,802	48.07	-	Others	409,997	68.88	-	Others	213,992	60.51	-
	Total	**407,346**	**100**	**-**	**Total**	**595,214**	**100**	**-**	**Total**	**353,635**	**100**	**-**

Note: Changes are primarily caused by meeting demand for different products and lowering purchase prices.

III. Human Resources

Year		2024	2025	2026 (As of March 31)
Number of employees	Administration personnel	77	77	76
	R&D personnel	253	244	240
	Production personnel	80	76	79
	Total	410	397	395
Average age		48.10	49.10	49.50
Average year of services		7.32	8.30	8.6
Distribution of Education	PhD	0.24%	0.50%	0.50%
	Master's degree	26.34%	26.20%	25.32%
	Bachelor's degree	63.67%	63.48%	64.56%
	Senior High School	9.51%	9.32%	9.37%
	Below Senior High School	0.24%	0.50%	0.25%

IV. Environmental Protection Expenditure:

Any losses suffered by the Company in the most recent fiscal year and up to the date of publication of the annual report due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental audits, specifying the disposition dates, disposition reference numbers, the articles and details of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and countermeasures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

V. Labor Relations:

(I) Employee welfare and benefits, continuing education, training, and retirement plans and the implementation status thereof, agreements between labor and management, measures taken to safeguard employee rights:

1. The Company complies with labor laws and regulations in Taiwan as well as internationally recognized principles of basic labor rights to protect the legal rights and interests of employees.
2. Reasonable compensation and welfare packages
   (1) In addition to an annual salary of 12 months, employees are entitled to a 2-month festival bonus. Performance and surplus bonuses are distributed based on the annual performance of the Company and individual.
   (2) The Company has established the "Employee Welfare Committee" to coordinate and organize various welfare activities of the Company for employees to maintain a work-life balance. Welfare measures are listed below:
      a. Company trips, activities, etc. are regularly organized to provide employees physical and metal relaxation.
      b. Cash gifts for birthday, Labor Day, and Mid-Autumn Festival as well as subsidies for childbirth, weddings and funeral.
      c. Benefit allowance for domestic and overseas travel, personal education and training or book purchases.
3. A safe and healthy work environment for employees:
   (1) Set up a dedicated occupational safety and health unit or personnel, hold regular labor safety and health meetings, comply with rules associated with the Occupational Safety and Health Act, and continuously promote and implement occupational safety and health management to ensure a safe working environment for employees
   (2) Free group insurance and regular health examinations for employees, and monthly on-site health consultation services and environmental examinations provided by occupational medicine specialists from National Taiwan University Hospital to facilitate employees in health management and promotion.
4. Employee training and development:
   We believe that the continuous employee growth is the key to enhance the Company's competitiveness. Therefore, in order to improve employees' knowledge and skills and implement the Company's policies and philosophy, a diverse education and training mechanism has been established to achieve the goal of talent training and development.
   (1) Diverse training mechanism
      a. Training for new recruits

In order to facilitate fresh graduates with fitting into the Company and acquaint themselves with the industry, we organize basic training, professional technical basis and advanced courses for new recruits to familiarize themselves with the Company's basic operation and relevant knowledge in products, technology and process as well as attitudes and competence required at work in a short time.

b. Professional training courses

i. In-house training courses: R&D-related courses, such as product development plans, product sales analysis, and quality R&D and management are held on a regular basis for employees to understand the product blueprint, sales and quality and thereby carry out R&D from a macro perspective.

ii. Short-term training: We set up a short-term training mechanism for project needs. Employees can actually work with customers and project contact persons during the training period to understand the detailed work procedures of the training unit and accumulate practical experience and competitive advantages.

iii. External training: Employees may apply for external training courses according to their work development needs with the consent of their supervisors, or the Company may assign employees to attend seminars or training courses organized by external training institutions and thereby acquire new industrial knowledge and enhance their professional competence.

c. Certification mechanism

In order to implement employee training and development as well as build an organizational learning culture, skill certification mechanisms are implemented for operators and integrated with the remuneration and promotion system for implementation purpose.

(2) Career plans

a. The Company adopts the "dual career ladder": management position and technical professionals. Through regular assessment, training and observation, supervisors would discuss with employees on their aptitude directions.

b. Infortrend Technology encourages outstanding employees to develop second skills through job rotation and short-term training.

5. Retirement system:

(1) The Company has established an employee retirement system in accordance with the "Labor Standards Act" and the "Labor Pension Act", and completed the change to the Articles Association of the Supervisory Committee and the re-election of the members of the third Supervisory Committee on March 10, 2021.

Employees are entitled to apply for retirement when one of the conditions below is met:

a. Where the employee attains the age of 55 and has worked for 15 years or more,
b. Where the employee has worked for 25 years or more, or
c. Where the employee attains the age of 60 and has worked for 10 years or more.

(2) Pension standards:

a. Old pension system: Subject to the Labor Standards Act where employee's pension is calculated based on the employee's length of service and average monthly salary in the final six months before retirement.
b. New pension system: Subject to the Labor Pension Act where the employer is required to contribute 6% of the employees' salary to the employees' individual retirement reserve accounts on a monthly basis.

(3) Retirement pension system and implementation status:

Retirement pension system and implementation status		
Types of systems	Old system	New system
Applicable sources of law	Labor Standards Act	Labor Pension Act
Allocation method	A contribution of 2% of the total monthly salary of employees will be deposited into a designated account at the Bank of Taiwan, held in the name of the Labor Pension Supervisory Committee. Additionally, the Company estimates the balance of the aforementioned labor retirement fund account before the end of each fiscal year. If the balance is insufficient to cover the estimated amount of labor retirement benefits for employees who meet the retirement criteria in the subsequent year, the Company will make a one-time contribution to address the shortfall by the end of March of that year.	Contributions of 6% will be allocated monthly to the individual account at the Labor Insurance Bureau, based on the employee's salary insurance level.
Allocated amount	As of the end of 2025, the total balance of the Labor Retirement Reserve Fund is NT$46,471 thousand. This is sufficient to support the labor retirement fund for workers who meet the retirement criteria in the upcoming fiscal year.	The allocated budget for the year ending December 31, 2025, is NT$15,984 thousand.

6. Agreements between Labor and Management:

(1) We set up "Employee Suggestion Box" and "Employee Complaint Mechanism" within the Company to ensure employees' opinions/questions are handled and addressed fairly, reasonably and efficiently.

(2) We convene "labor-management meetings" regularly to communicate important decisions of the Company and promote labor-management relations.

7. Recognition of Senior and Outstanding Employees:

(1) The Company regularly conducts the “Annual Outstanding Employee Selection” to recognize and reward high-performing employees. This initiative not only affirms and honors individual contributions but also sets a benchmark for all employees, fostering positive motivation and healthy competition within the organization.

(2) The Company also regularly holds the “Annual Senior Employee Recognition” to express appreciation for long-serving employees, with public commendations presented during the year-end celebration event.

(II) Any losses suffered by the Company in the most recent fiscal year and up to the date of publication of the annual report due to industrial disputes (including any violations of Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles and details of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and countermeasures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

VI. Information communication safety management:

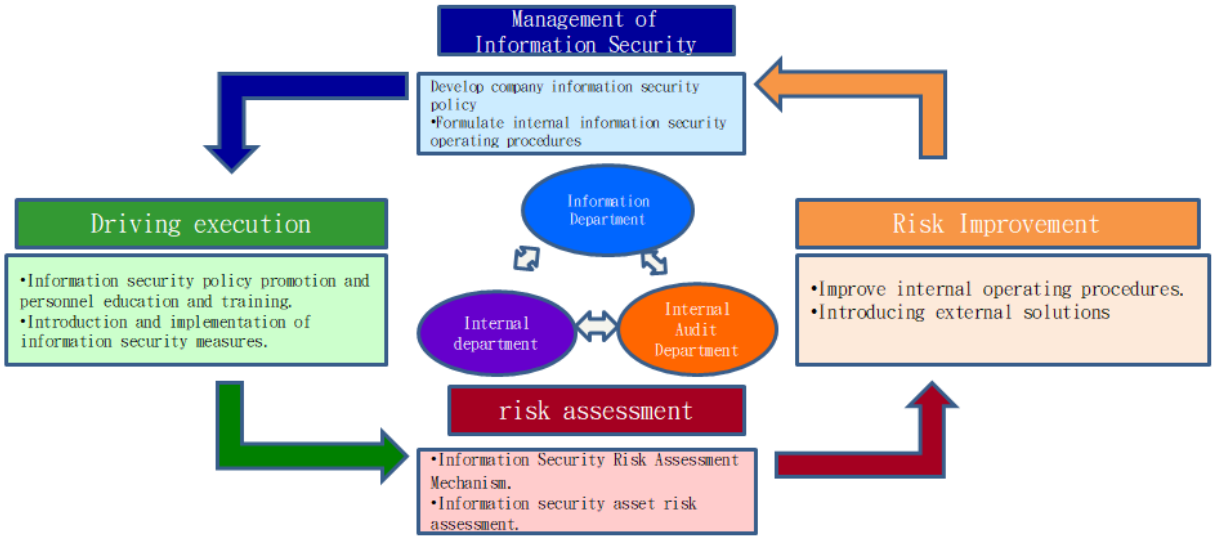
(I) Information communication security risk management structure, information communication security policy, specific management plan and resources invested in information communication safety management:

1. Information security risk management framework

(1) The Company's IT Department is responsible for planning, establishing and promoting information security management rules and procedures. It ensures the implementation of various information security standards through internal and external audits on cyber security annually and continues to improve deficiencies identified during the audits to ensure the information security management procedures keep up with the times.

(2) The Company's Audit Office is the supervising unit for information security. It is responsible for supervising the implementation of internal information security. If any defect is identified during the audits, it would immediately demand the audited unit to propose improvement plans with specific actions and regularly monitor the effectiveness of improvement in order to reduce internal information security risks.

(3) The organizational operating model adopts PDCA (Plan-Do-Check-Act) cycle management to ensure that reliability goals are met and continually improved.



2. Information Security Policy Objectives

(1) The company has established operating standards for information security management to ensure the confidentiality, integrity, and availability of the Company's information assets and to comply with relevant government regulations.

(2) Information security risk assessment is conducted regularly every year, high availability and backup/redundancy mechanisms are established according to the risk level, and software and hardware equipment are upgraded in a timely manner to ensure the stable operation of the enterprise as a whole.

(3) Conduct information security education and training, improve employees' awareness of information security, and require employees to implement information security related regulations to improve the Company's information security level.

3. Specific information security management programs

(1) Security Management of Computer Equipment:

- The Company's key service application servers and network equipment are set up in a dedicated machine room with 24-hour access control. Access is granted to the necessary management staff and supervisors by swipe card only, external staff are required to register and keep access records.
- The computer room is equipped with an environmental control system, which monitors the temperature and humidity at any time, and actively notifies the network administrator in case of abnormality to ensure the safety of information equipment.
- Daily inspection of the health of the machine room and important servers, and recorded on paper.

(2) Data Security Management:

- The Company has established a comprehensive backup/redundancy mechanism. All important internal data are fully and incrementally backed up.
- Regular reviews on the condition of backup operation, abnormalities are dealt with immediately and recorded on paper.
- Conduct regular disaster recovery drills to ensure the integrity and availability of backup data.

(3) Virus Protection and Management:

- Employees' computers and critical servers are installed with endpoint protection software. The protection software automatically updates virus codes and sets appropriate protection policies to ensure that known or unknown computer virus threats are detected and blocked.
- Periodically perform OS security updates to patch OS vulnerabilities in real time and prevent zero-day attacks.
- Regulate the complexity of employees' personal passwords to prevent employees' computers from being violently hacked.

(4) Email Security Management:

- Set up email security gateways to filter suspected malicious emails.
- Regularly educate colleagues through actual cases to enhance information security awareness and prevent social engineering intrusion.

(5) Cybersecurity Management:

- Corporate firewall is used to block malicious attacks from external sources

- Establish an encrypted connection between the head office and each branch office via a VPN to ensure the security of data transmission.
- Restrictions on internet access are imposed with malicious websites blocked to enhance internet security and reduce hacking

(6) Access Control:

- All internal systems have access control mechanisms. Login requires employees' personal accounts.
- Accesses are granted based on employees' organizational level or functions and specific functions cannot be used without authorization.
- The rights to access file servers shall be applied via e-procedures.

(7) Educational Training and Policy Advocacy:

- New employees are required to receive information security training and sign a consent form for use of Company software.
- Employees are required to receive information security training at least once a year to continuously enhance information security awareness.

4. Investing in security management resources

The resources invested in IT security management in 2025 are described as follows:

(1) Core Switch Upgrade: Upgraded core switches to enhance internal network performance and strengthen information security.

(2) SIEM Implementation: Implemented an open-source SIEM solution to progressively collect network device logs and establish an automated alerting mechanism, thereby enhancing cybersecurity monitoring and early warning capabilities.

(3) Conducting Annual Information Security Training: In September 2025, the Company organized its annual online information security education training to enhance employees' awareness of information security. A total of 368 employees were trained, covering topics such as email security, wireless network security, and password security.

(4) In 2025, the information security manager and security personnel underwent professional information security training courses, totaling 2 people participation and accumulating 12 hours of training.

5. Communications Security Risks and Response Measures

With the increasing threats and risks associated with the rapid development of information technology, the Company analyzes various information security risks through risk assessment and formulates countermeasures to control them to ensure the goal of the Company's sustainable operation. The types of information security risks and response measures are as follows:

Types of information security risks	Risk description	Response measures
Cyberattacks	DDoS attacks can cripple websites, preventing customers from accessing online services such as official websites and technical support. Hackers continuously try to hack servers through various web vulnerabilities, and if successful, the Company may be subject to further APT attacks.	1. Block suspicious or malicious connection requests with new-generation firewall-protection technology. 2. Periodically perform server vulnerability patches and system security updates. 3. Web application should be developed with strict adherence to information security standards to avoid the risk of program vulnerabilities. 4. Regularly back up important servers and databases and perform disaster recovery drills.
Computer Virus Attacks	Computer viruses may be transmitted to employees' computers or important servers within the Company through browsing websites, malicious emails, mobile storage media (USB), etc. This may cause system failure, data corruption, etc., causing disruptions and losses to the Company's operations.	Establish a multi-level defense detection mechanism, including: 1. Employees' access control and auto-block known malicious webpages through a firewall. 2. Block suspicious and advertised messages through a secure mail gateway server. 3. Install endpoint protection software on employees' computers and servers to ensure endpoint security.
Employees' lack of information security awareness	An employee's lack of awareness on information security is a potential weakness in corporate security. Employees with inadequate information security awareness are vulnerable to fraudulent social engineering which compromises internal account passwords, giving hackers the opportunity to hack and cause losses.	1. Organise an annual online information security training to build employees' awareness on information security. 2. Continue to collect the latest information security attack techniques and promote to colleagues.
Private Account Leakage	The leakage of privileged accounts controlled by senior management or IT personnel will enable hackers to gain the highest level of access, enabling advanced data theft and potentially destructive activities.	1. Segregate users from privileged accounts in accordance with the "Principle of Least Privilege" and grant only the bare minimum permissions necessary to prevent hackers from obtaining full privileges and reducing the scope of possible damage. 2. Formulate the Measures for the Management of Privileged Accounts to keep a register of privileged accounts and review the accounts regularly every six months to ensure the security of privileged accounts.

6. Status of Information Security Risk Management Operations

The Information Department regularly reports its operations to the Risk Management Team and submits reports to the Board through the Sustainable Development Center. On December 18, 2025, it reported to the Board on the operation of information security risk management for the year.

(II) For the most recent year and as of the date of publication of the annual report, the losses suffered, possible impact and countermeasures as a result of a major information security incident (if it cannot be reasonably estimated, the facts that cannot be reasonably estimated shall be explained): As of the date of publication of this year's report, no major information security events affecting operations have been identified. The Company continues to focus on information security issues and update its information security regulations and procedures to effectively prevent information security threats and reduce operational risks.

VII. Important Contracts

(I) Supply/sales contracts

Contract Nature	Counterparty	Duration	Major contents	Restrictive Clause
Sales	Foreign customer	Effective from July 10, 2006 until terminated by notice of either party	Product sales	—
Sales	Foreign customer	Effective from December 1, 2010 until terminated by notice of either party	Product sales	—
Sales	Foreign customer	Effective from May 4, 2015 until terminated by notice of either party	Product sales	—
Sales	Foreign customer	Effective from May 1, 2016 until terminated by notice of either party	Product sales	—
Sales	Foreign customer	Effective from May 1, 2016 until terminated by notice of either party	Product sales	—
Sales	Foreign customer	Effective from June 28, 2016 until terminated by notice of either party	Product sales	—
Sales	Foreign customer	05/01/2021~04/30/2024 (automatic renewal)	Product sales	—
Sales	Foreign customer	01/01/2022~12/31/2023 (automatic renewal)	Product sales	—
Sales	Foreign customer	01/01/2022~12/31/2023 (automatic renewal)	Product sales	—
Sales	Foreign customer	12/20/2024~12/19/2026 (automatic renewal)	Product sales	—
Sales	Foreign customer	04/14/2025~04/13/2027 (automatic renewal)	Product sales	—
Purchase	Domestic vendor	Effective from December 30, 2003 until terminated by notice of either party	Power supplies	—
Purchase	Domestic vendor	Effective from February 1, 2004 until terminated by notice of either party	Power supplies	—
Purchase	Domestic vendor	Effective from February 18, 2004 until terminated by mutual agreement	ASICs	—

Contract Nature	Counterparty	Duration	Major contents	Restrictive Clause
Purchase	Foreign customer	Effective from February 10, 2006 until terminated by notice of either party	ASICs	—
Purchase	Domestic vendor	Effective from February 14, 2007 until terminated by notice of either party	Brandcom chips	—
Purchase	Domestic vendor	Effective from March 30, 2007 until terminated by notice of either party	PCBs	—
Purchase	Domestic vendor	Effective from October 1, 2007 until terminated by notice of either party	Mechanical parts	—
Purchase	Domestic vendor	Effective from January 7, 2008 until terminated by notice of either party	CPUs and ASICs	—
Purchase	Domestic vendor	Effective from October 14, 2009 until terminated by notice of either party	Samsung SSD	—
Purchase	Domestic vendor	Effective from May 13, 2010 until terminated by notice of either party	Fans	—
Purchase	Domestic vendor	Effective from July 23, 2010 until terminated by notice of either party	HDD	—
Purchase	Domestic vendor	Effective from September 18, 2012 until terminated by notice of either party	Mellanox chips	—
Purchase	Foreign customer	Effective from January 4, 2019 until terminated by notice of either party	Transceivers	—
Purchase	Domestic vendor	Effective from June 30, 2019 until terminated by notice of either party	DIMM	—
Purchase	Domestic vendor	Effective from July 30, 2025 until terminated by notice of either party	EE Parts	—

(II) Technical collaboration contract: None.

(III) Engineering contract: None.

(IV) Long-term loans: None.

(V) Other contracts: None.

Chapter 5 Review of the Financial Conditions, Financial Performance, and Risk Managment:

I. Analysis of Financial Status:

Unit: NT$ thousands

Item \ Year	December 31, 2025	December 31, 2024	Increase (decrease) Amount	Change Percentage (%)	Remarks (Note)
Current assets	6,600,242	6,299,037	301,205	4.78	N/A
Property, plant and equipment	564,100	570,419	(6,319)	(1.11)	N/A
Right-of-use assets	22,765	18,457	4,308	23.34	N/A
Intangible assets	2,332	192	2,140	1114.58	N/A
Other assets	177,577	178,652	(1,075)	(0.60)	N/A
Total asset value	7,367,016	7,066,757	300,259	4.25	N/A
Current liabilities	2,712,130	2,351,901	360,229	15.32	N/A
Non-current liabilities	67,248	79,280	(12,032)	(15.18)	N/A
Total liabilities	2,779,378	2,431,181	348,197	14.32	N/A
Common stock	2,735,515	2,735,515	-	-	N/A
Capital surplus	88,876	88,865	11	0.01	N/A
Retained earnings	1,748,696	1,795,058	(46,362)	(2.58)	N/A
Other equity interest	14,551	16,138	(1,587)	(9.83)	N/A
Total equity	4,587,638	4,635,576	(47,938)	(1.03)	N/A

1. Note: Analysis is not required for changes less than 20% in percentage or less than NT$10 million in amount.
2. Impact of significant changes in the Company's financial position in the most recent two fiscal years and countermeasures: The Company has no significant changes.

II. Financial Performance:

1. 2025 vs. 2024 operating result analysis

Unit: NT$ thousands

Item \ Year	2025	2024	Increase (Decrease)	Change ratio %	Analysis on variance (Note)
Operating Revenue	1,176,124	1,319,852	(143,728)	(10.89)	N/A
Cost of Sales	669,398	652,358	17,040	2.61	N/A
Gross profit	506,726	667,494	(160,768)	(24.09)	Note 1
Operating expenses	444,330	507,927	(63,598)	(12.52)	N/A
Operating Income	62,396	159,566	(97,170)	(60.90)	Note 1
Non-operating income and expenses	261,709	500,889	(239,180)	(47.75)	Note 2
Profit before tax	324,105	660,455	(336,350)	(50.93)	Note 3
Less: Income tax expense (benefit)	16,245	54,320	(38,075)	(70.09)	Note 3
Net income	307,860	606,135	(298,275)	(49.21)	Note 3
Other comprehensive income for the year, net of tax	(192)	4,129	(4,321)	(104.65)	N/A
Total comprehensive income for the year	307,668	610,264	(302,596)	(49.58)	Note 3

Note: Analysis is not required for changes less than 20% in percentage or less than NT$10 million in amount.

Note 1: Reasons for the decrease in gross profit: Primarily due to a decline in operating revenue.

Note 2: Reasons for the decrease in non-operating income and expenses:
Mainly attributable to a decrease in other gains, including a reduction in net gains on financial assets measured at fair value through profit or loss and an increase in foreign exchange losses.

Note 3: Reasons for the decrease in profit before tax, net profit, income tax expense, and total comprehensive income:Primarily due to decreases in operating revenue and other gains.

2. **Sales prediction for the following year and reasons:** Please refer to Chapter I. Letter to Shareholders

3. **Possible impact on the Company's finance operations in the future:** None.

4. **Future countermeasure:** N/A.

III. Analysis on Cash Flows:

(I) Analysis on cash flow changes in 2025

Cash, Beginning Balance (A)	Net Cash Provided by Operating Activities (B)	Net Cash Used by Investing and Financing Activities (C)	Impact of Exchange Rate Changes (D)	Cash Surplus (Shortage) (A+B+C+D)	Leverage of Cash Deficit	
					Investment Plan	Financing Plan
221,877	53,783	35,118	(827)	309,951	-	-

Explanations on changes in consolidated cash flows in 2025:

1. Operating activities: Net gain on financial assets and liabilities measured at fair value through profit or loss、Payables and inventories are decreased.

2. Investing activities: Decrease in disposal of financial assets at fair value through profit or loss and increase in other financial assets

3. Financing activities: The main reason is the distribution of cash dividends and the increase of short-term loans.

(II) Improvement plans for liquidity shortage: N/A.

(III) Liquidity analysis for 2026

Cash, Beginning Balance (A)	**Net Cash Provided by Operating Activities (B)**	**Cash throughout the year Outflows (C)**	**Cash Surplus (Shortage) Amount (A+B-C)**	**Remedies for Cash Shortage**	
				Investment Plan	**Financing Plan**
309,951	321,617	218,841	412,727	-	-

1. (1) Operating activities: Net cash inflow from operating activities is expected to be **NT$321,617**thousand.

   (2) Investing activities: Cash required for capital expenditures is expected to be **0** thousand.

   (3) Financing activities: Cash required for the distribution of cash dividends is expected to be **NT$281,841** thousand.

   We expect the decrease in cash of NT$**102,776** thousand adding to the beginning balance of **309,951** thousand the ending balance of cash to be NT**$412,727** thousand after. We do not foresee any cash shortage.

2. Remedies and analysis for cash shortage: None.

IV. Major Capital Expenditures and Impact on Financial and Business:

1. Major Capital Expenditure Items and Source of Capital: No major capital expenditure in 2024.

2. Expected Benefits: N/A

V. Investment Policy in Last Year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year:

Due to the ongoing U.S.-China trade tensions and intensifying technological competition, the Group's sales operations in the United States, Europe, and other countries continued to face geopolitical risks. In addition, the prolonged Russia-Ukraine war and instability in the Middle East have further disrupted the global supply chain and dampened end-market demand. As the pace of recovery in the manufacturing sector varies across countries, enterprise demand for high-performance storage equipment has also been adjusted accordingly. These factors led to a decline in overall revenue compared to 2024, and the Group's investment income in 2025 also decreased year-on-year.

Improvement Plan:

1. Proactively pursue new orders.

2. Eliminate unnecessary expenses to effectively control costs.

3. Centralize planning through the Taiwan headquarters, designating Taiwan as the primary shipping hub to support subsidiary deliveries.

VI. Analysis of Risk Management :

1. Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures:

(1) Effect upon the company's profits (losses) of interest rate fluctuations and response measures to be taken in the future.

The interest income or fair value of credit-linked notes and financial bonds invested by the consolidated entity would be affected by changes in market interest rates. However, the impact on the Company's working capital is minimal.

(2) Effect upon the company's profits (losses) of exchange rate fluctuations and response measures to be taken in the future.

The consolidated entity is exposed to exchange rate risk arising from sales and purchases in currencies other than the functional currency of entities within the

Group. The functional currency of most entities within the Group is the New Taiwan dollar, while U.S. dollar, Renminbi, and Japanese Yen are also adopted. Major transaction currencies include New Taiwan dollars, Euro, U.S. dollar, British Pounds and Japanese Yen.

In addition to natural hedge of accounts receivable and accounts payable, the consolidated entity uses forward foreign exchange contracts or other financial instruments with a duration of one year or less to hedge foreign exchange risk.

(3) Effect upon the company's profits (losses) of changes in the inflation rate and response measures to be taken in the future

As most of the consolidated entity's sales are direct or indirect exports, domestic inflation has minimal impact on the consolidated entity.

2. Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions:

(1) High-risk and highly leveraged investments: The Group is committed to the development of its core business. Thus, it does not engage in high-risk and highly leveraged investments.

(2) Loans to other parties: The Group did not provide loans to other parties in the most recent fiscal year and up to the date of publication of the annual report.

(3) Endorsements and guarantees: The Group did not provide endorsements nor guarantees in the most recent fiscal year and up to the date of publication of the annual report.

(4) Derivatives transactions: To lower the exchange rate risk on U.S. dollar exposure, the parent company engages in exchange rate derivative instruments when the need arises to control exchange rate risk associated with realized sales revenue(recognized as accounts receivable.)

3. Future Research & Development Projects and Corresponding Budget :

The Group sets the goal of technology independence and major technologies are developed through years of in-house R&D. In order to expand the operation, enrich the product line and maintain the technological leadership, the Group's R&D plans and expected R&D investments in the coming year are as follows:

Unit: NT$ thousands

R&D plan	Progress	Expected R&D investment	Date of completion	Major factors that influence the success of R&D in the future
KSa 3004U	Under development	60,000	2026Q1	New chip integration
KSa 3004UE			2026Q1	
KSi 5008U G2			2026Q2	
GS 2012RD			2026Q2	

4. Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales:

There was no changes in major polities nor laws and regulations at home and abroad in the most recent fiscal year that would affect the Company's financial operations. The Group operates in compliance with relevant laws and regulations both at home and abroad, and constantly monitors associated changes as well as product development trends to fully understand and be able to respond to changes in market conditions and thereby formulate countermeasures accordingly.

5. Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales :

In recent years, hybrid product which supports SAN and NAS simultaneously has emerged as the trend in the storage industry. We have launched similar products and are currently studying and developing other products in the same family in hope to serve our customers with more comprehensive product lines and more diverse software and hardware functions. In addition, the applications of the new-type solid state drive will also be an important new technology. We have launched similar products and will continue to observe the application environment in this area and roll out more related products in the future.

For information security risk management and countermeasures, please refer to this annual report V, Operation Overview VI: Information Security Management, page 115.

6. **The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures** :

The consolidated entity has committed to maintaining a sound corporate image for years, and complied with relevant laws and regulations. When incident which may affect the corporate image occurs, a crisis task force will immediately be formed to formulate response measures. Up till now, incident that may damage the Company's corporate image has never occurred.

7. **Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans:**

The consolidated entity did not have plans to merge or acquire another company in the most recent fiscal year and up to the date of publication of the annual report. Thus, no such risk exists.

8. **Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans:**

The consolidated entity did not expand its plant in the most recent fiscal year and up to the date of publication of the annual report.

9. **Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration:**

Apart from considering the quality, price and level of cooperation, we have more than one supplier for every raw material to avoid the risk of supply chain disruption. As for sales, we not only actively seek out new cooperation projects, but also strive to expand our channels in hope to minimize potential impacts.

10. **Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%: None.**

11. **Effects of, Risks Relating to and Response to the Changes in Management Rights: None.**

12. Litigation or Non-litigation Matters :

For major litigations, non-litigations, or administrative disputes in the most recent two fiscal years and as of the date of publication of the annual report and have significant impacts on the interests of shareholders or share prices, the facts, amount in dispute, commencement date, major parties involved, and the status shall be disclosed:

(1) Consolidated entity: None.

(2) Directors, Supervisors, president, de facto responsible person, and major shareholders with a stake of more than 10%: None.

13. Other Major Risks : None

VII. Other Important Matters: None

Chapter 6 Special Disclosure

I. Summary of Affiliated Companies:

Please refer to the Market Observation Post System (MOPS) at https://mops.twse.com.tw. Navigate to to the Market Observation Post System (MOPS) at https://mops.twse.com.tw. with a stake of more than 10%: None.y Code e to to the Market Observation Post System (MOPS) at https://mops.t

II. Private Placement Securities in the Most Recent Years: None.

III. The Shares in the Company Held or Disposed of by Subsidiaries in the Most Recent Years.: None.

IV. Other matters that require additional description: None.

V. Situations Listed in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act Which Might Materially Affect Shareholders' Equity or the Price of the Company's Securities Occurring During the Most Recent Fiscal Year and up to the Date of Publication of the Annual Report: None.