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DFI
2025 Annual Report

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Overseas Securities Exchange Where Securities are Listed and Method of Inquiry:
None
Website: https://www.dfi.com/tw/

Shareholder Report

2025 Business Report

I. 2025 Operation Plan Implementation Results

Most industry research institutions are gradually viewing 2026 as a key milestone for edge AI's transition from proof-of-concept to early-stage scaled deployment. As AI applications accelerate their expansion from the cloud to on-site environments, use cases such as real-time video and data analytics are experiencing rapid growth. Market demand has risen significantly for systems with low latency, high reliability, local computing capabilities, and the ability to operate stably over extended periods in harsh environments. Under this trend, the role of industrial PCs is evolving from traditional equipment control and data collection nodes to intelligent edge core platforms capable of hosting AI inference and field-level computing, making them indispensable infrastructure in industrial and mission-critical application settings.

In response to this structural transformation, DFI has established "rugged design, AI edge computing capability, and high efficiency with low power consumption" as the core direction for its product and system strategy. Leveraging a technology-enhanced hardware approach, the Company continues to integrate these capabilities into industrial-grade motherboards and system module platforms, further consolidating them into rugged AI systems designed to meet the demands of harsh environments, distributed deployment, and long-term stable operation. These solutions have been progressively deployed in fields such as smart transportation, industrial automation, energy management, and remote monitoring; helping customers process data in real time at the edge, improve system stability and energy efficiency, reduce long-term maintenance risks, and strengthen the company's long-term competitive advantage in the industrial PC and Edge AI markets.

In terms of product achievements, DFI was honored with the 34th Taiwan Excellence Award for its "Extreme Ruggedized AI Edge Computing Computer (ECX700-ADP)," launched in 2025. This recognition demonstrated that the Company's overall performance in R&D innovation, quality and manufacturing management, application design, and market competitiveness was consistently acknowledged by both the market and professional reviewers. The product combines rugged and reliable system design, AI edge inference capabilities, and a high-quality R&D and manufacturing framework, supporting a wide range of industrial and mission-critical applications, demonstrating the Company's long-term commitment to high-barrier markets.

Furthermore, DFI received the Gold Award for Corporate Sustainability Reports at the 18th TCSA (Taiwan Corporate Sustainability Awards) in 2025, marking the third consecutive year it has earned this distinction. This reflects the company's steady progress in ESG governance structure, disclosure quality, and sustainability initiatives. Going forward, DFI will continue to deepen product carbon footprint assessments and environmental data management, and will progressively evaluate the adoption of AI technologies in ESG data collection, analysis, and risk management processes - aiming to enhance the efficiency of sustainability information management, decision-making precision, and governance transparency, further strengthening the Company's long-term operational resilience and competitiveness.

In 2025, DFI's consolidated net revenue amounted to NT$10.88 billion and grew by 15% compared to that of 2024. Consolidated operating income was NT$0.519 billion and consolidated net profit after tax was NT$0.329 billion, of which net profit attributable to the owners of the parent company was NT$0.285 billion, with basic earnings per share of NT$2.49.

II. Financial revenues, expenditures, and profitability are analyzed as follows:

Analysis Items	Year	Financial Analysis for the Last Five Years				
		2025	2024	2023	2022	2021 (Restated)
Financial Structure	Debt-to-Asset Ratio (%)	53.85	52.69	45.25	55.69	55.40
	Long-term Capital as a Percentage of Property, Plant, and Equipment (%)	249.46	253.01	171.50	192.48	214.95
Profitability	Return on Assets (%)	3.10	5.02	3.53	5.05	7.82
	Return on Equity (%)	5.70	9.11	6.49	10.52	14.81
	Ratio of Profit Before Tax to Paid-in Capital (%)	39.81	56.95	44.31	66.34	86.13
	Net Profit Margin (%)	3.03	5.20	3.82	3.69	5.89
	Earnings per Share (NT$)	2.49	3.46	3.16	4.61	5.38

2026 business plans are as follows:

1. Short-Term Business Development Plan: Ensuring Stable Growth and Delivery Credibility

   The short-term operational strategy centers on "stabilizing cash flow, strengthening reliable delivery, and establishing a high-value market position." While global demand is subject to economic cycles and geopolitical influences, industrial AI and edge computing continue to exhibit structural growth. DFI will focus on markets and projects with predictable demand, stable gross margin structures, and long-term partnership potential, avoiding excessive resource dispersion. On the operational front, the Company will simultaneously advance brand building and market penetration through AI-driven marketing, generative search optimization, and the systematic showcasing of vertical application case studies, reinforcing the professional positioning of "Rugged AI" in global markets. On the product and technology side, DFI will focus on next-generation Edge AI platforms, incorporating cross-architecture computing capabilities while comprehensively elevating modularization and ruggedness standards to shorten deployment timelines and solidify competitive advantages in high-barrier markets. At the same time, the Company will strictly manage projects with low margins, fragmentation, or high uncertainty to ensure the overall health and sustainability of its business structure.

2. Medium to Long-term Business Plan: Platform-based Expansion and Replicable Growth Model

   DFI will progressively enter a "platform-based expansion" phase, with the core objective of establishing a replicable, scalable, high-value growth model. Building on cross-architecture rugged AI edge platforms, the Company will integrate modular embedded design, system-level product architecture, and hardware-software integration tools to improve deployment efficiency across customers and application fields.

   In terms of market strategy, DFI will accelerate localized development in emerging markets such as Southeast Asia, India, and the Middle East, establishing multi-site market penetration capabilities through regional sales and engineering support teams.

   On the supply chain and manufacturing side, the Company will further strengthen multi-site manufacturing and regional proximity delivery models to mitigate cross-border supply risks and enhance delivery flexibility. By converting successfully deployed applications in transportation, healthcare, energy, and other sectors into platform-based product lines, DFI will gradually increase its recurring sales ratio and customer lifetime value; transitioning from a single-project orientation to long-term, system-level partnerships.

3. Market Trends and Future Outlook: From Product Competition to Enterprise Value Competition

Looking ahead, competition in the industrial AI and edge computing market will no longer be confined to product performance, but will increasingly become a contest of overall enterprise value and institutional standing. Companies with long product lifecycle management capabilities, a proven track record of stable delivery, and extensive compliance experience will continue to capture concentrated value in high-barrier global markets.

DFI's future development priorities will shift from the role of a hardware supplier toward becoming a critical system capability provider, deepening core competencies in BIOS, firmware, AI model optimization, and long-term operational management, while securing an irreplaceable position within customers' mission-critical operational processes. Concurrently, by deepening Edge AI ecosystem partnerships and building long-term collaboration structures that span platforms, industries, and regions, DFI will continue to enhance overall enterprise value through a predictable and sustainable operating model, solidifying its long-term competitive advantage in the global edge intelligent computing industry.

We wish you good health and may everything go well with you!

Chairman:	President:	Accounting Supervisor:
Chen Chi-Hong	Tien Chih-Yin	Huang Li-Min

Governance Report

I. Data of Directors, President, Vice President, Associate Managers, and Head of Each Department and Branch

(I) Information of directors

Date of ceasing share transfer: March 29, 2026; Unit: shares

Title	Nationality or Place of Incorporation	Name	Gender Age	Date of Selection (Appointment)	Term	Initial Appointment Date	Shares held at the time of appointment		Shares held at present		Shares currently held by the spouse and minor children		Shares held in the name of others		Main experience (educational background)	Position concurrently held in the Company and other companies	Other officers, directors or supervisors who are spouse or second degree of kinship		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Chairman	Republic of China	Qisda Corp.	-	2023.05.31	3	2017.12.28	51,609,986	45.08%	51,609,986	45.08%	-	-	-	-	Global Business and Technology Management Program, National Chengchi University MGM, Thunderbird School of Global Management (US) Electrical Engineering Department, National Cheng Kung University Technology Product Center EVP, BenQ Corp.	Chief Executive Officer of Qisda Corp. Chairman of BenQ Medical Technology Corp. Chairman of Partner Tech Corp. Vice Chairman of Alpha Networks Inc. Director of Darfon Electronics Corp. Director of BenQ Corp. Director of BenQ Material Corp. Director of Hitron Technologies Inc. Director of Darly Venture Inc. Director of Darly2 Venture, Inc. Director of Darly Consulting Corp. Director of BenQ Healthcare Consulting Corp. Director of BenQHospital Management Consulting (NanJing) Co., Ltd. Director of Nanjing BenQ Hospital Co., Ltd. Director of Suzhou BenQ Hospital Co., Ltd. Director of Qisda (Hong Kong) Limited Director of BenQ BM Holding Corp. Director of BenQ BM Holding Cayman Corp. Director of Qisda (L) Corp. Director of Darly Venture (L) Ltd. Director of Phoenix Innovation Investment Corp. Director of Phoenix II Innovation Investment Corp. Director of Phoenix III Innovation Investment Corp. Director of Phoenix IV Innovation Investment Corp. Director of Phoenix VI Innovation Investment Corp. Director of Phoenix VII Innovation Investment Corp. Chairman of BenQ Foundations Director of Dunpin No.1 Innovation Investment Co., Ltd. Director of Dunpin No.2 Innovation Investment Co., Ltd. Director of Dunpin No. 5 Innovation Investment Co., Ltd. Director of InnoFund V Co., Ltd. Director of Industrial Technology Research Institute			
		Representative: Chen Chi-Hong	Male 60-69				-	-	-	-	-	-	-	-					

Title	Nationality or Place of Incorporation	Name	Gender Age	Date of Selection (Appointment)	Term	Initial Appointment Date	Shares held at the time of appointment		Shares held at present		Shares currently held by the spouse and minor children		Shares held in the name of others		Main experience (educational background)	Position concurrently held in the Company and other companies	Other officers, directors or supervisors who are spouse or second degree of kinship		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Director	Republic of China	Qisda Corp.	-	2024.03.22	3	2024.03.22	51,609,986	45.08%	51,609,986	45.08%	-	-	-	-	Master of Electric Engineering, National Taiwan University Senior Director of Smart City Marketing Center, Intelligent Solutions Business Group, Qisda Corporation	President of Intelligent Solutions Business Group, Qisda Corp. Chairman of Metaage Corp. Chairman of AEWIN Technologies Co., Ltd. Chairman of Ace Pillar Co., Ltd. Chairman of EPIC CLOUD CO., LTD. Chairman of Metaguru Corporation Chairman of BenQ Guru Software Co., Ltd. Chairman of Arivor Technology Co., Ltd. Chairman of Partner Tech Corp. Director of APLEX Technology Inc. Director of Marketop Smart Solutions Co., Ltd. Director of BenQ Guru Holding Limited Director of WiXtar Corporation Director of TRANSPAK EQUIPMENT CORPORATION Director of Expert Alliance Systems & Consultancy (HK) Co., Ltd. Director of Expert Alliance Smart Technology Co., Ltd. Director of GLOBAL INTELLIGENCE NETWORK CO., LTD. Director of Grandsys inc. Director of ADVANCEDTEK INTERNATIONAL CORP Director of COREX (PTY) LTD. Director of DSI Group Director of Brainstorm Corporation Director of BenQ Foundations Director of ECOLUX Technology Co., Ltd.			
		Representative: Tseng Wen-Hsing	Male 50-59				-	-	-	-	-	-	-	-					
Director & President	Republic of China	Qisda Corp.	-	2024.11.04	3	2024.11.04	51,609,986	45.08%	51,609,986	45.08%	-	-	-	-	MBA, National Chengchi University COO of AEWIN Technologies Co., Ltd.	Director of Diamond Flower Information (NL) B.V. Director of DFI Co., Ltd. Director of DFI America, LLC. Director of Yan Tong Technology Ltd. Director of AEWIN Technologies Co., Ltd. Director of Ace Pillar Co., Ltd. Director of APLEX Technology Inc.			
		Representative: Tien Chih-Yin	Female 50-59				-	-	21,000	0.02%	-	-	-	-					
Director	Republic of China	Wei Ren-Yu	Male 50-59	2024.05.30	3	2024.05.30	-	-	-	-	-	-	-	-	MBA, National Chengchi University Partner at ILI Technology Corp.	Chairman of Digital Idea Multi-Media Co., Ltd. Chairman of Qifu Capital Co., Ltd. Chairman of Noah Green Technology Capital Management Co., Ltd. Chairman of Dayu Capital Investment Management Consulting Co., Ltd. Independent Director of Entire Technology Co., Ltd. Independent Director of Newmax Technology Co., Ltd. Independent Director of GIGASTORAGE CORPORATION Director of TRANSPAK EQUIPMENT CORPORATION Director of Digital Innovation Co., Ltd. Director of Ruizhi Corporation Director of AimVEK Corporation Supervisor of Xin Zhi Medical Corporation			
Independent Director	Republic of China	Yeh Te-Chang	Male 60-69	2023.05.31	3	2017.12.28	-	-	-	-	-	-	-	-	Master of Economics, National Chengchi University Consultant of Wafer Works Corp.	Independent Director of KIAN SHEN CORP. Independent Director of CARNIVAL INDUSTRIAL CORP. Supervisor of Maxkit Technology Co., Ltd.			
Independent Director	Republic of China	Chu Chih-Hao	Male 50-59	2023.05.31	3	2017.12.28	-	-	-	-	-	-	-	-	Master of Electrical Engineering, National Taiwan University EMBA, Graduate Institute of Business Administration, National Taiwan University Founder of GIGM	Independent Director of Simplo Technology Co., Ltd. Independent Director of INTUMIT INC. Acorn Campus Taiwan - General Partner Reizawa Capital - General Partner Virtual Man Inc. (BVI) - Board Director CytoSite BioPharma (US) - Board Director Flat Medical, Inc. (BVI) - Board Director PicSee Inc. (BVI) - Board Director H3 Platform Inc.(BVI) - Chairman Flux Inc. (BVI) - Board Director Aidmics Biotechnology (Cayman) - Board Director			

Title	Nationality or Place of Incorporation	Name	Gender Age	Date of Selection (Appointment)	Term	Initial Appointment Date	Shares held at the time of appointment		Shares held at present		Shares currently held by the spouse and minor children		Shares held in the name of others		Main experience (educational background)	Position concurrently held in the Company and other companies	Other officers, directors or supervisors who are spouse or second degree of kinship		
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
Independent Director	Republic of China	Luo Bing-Kuan	Male 60-69	2023.05.31	3	2023.05.31	-	-	-	-	-	-	-	-	Master of Laws, Fu Jen Catholic University	Founding Chairman of Taiwan Independent Director Association Chairman of Hua Xuan International Consultants Co., Ltd. Chairman of Kaida International Capital Corporation Independent Director of Hua Nan Commercial Bank, Ltd. Independent Director of Faraday Technology Corporation Director of the Taiwan M&A and Private Equity Council (MAPECT) Director of Monte Jade Science & Technology Association of Taiwan			

Major Shareholders of Institutional Shareholders

Name of Institutional Shareholders	Major Shareholders of Institutional Shareholders	
	Name	Shareholding ratio
Qisda Corporation (Note 1)	AU Optronics Corp.	12.20%
	Acer Inc.	4.15%
	Taishin International Bank in custody for employee stock ownership trust of Qisda Corp.	4.00%
	Konly Venture Inc.	2.60%
	Darfon Electronics Corp.	2.07%
	Standard Chartered, Business Department, acting as custodian of Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	1.08%
	JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Emerging Markets Stock Index Fund, managed by the Vanguard Group	1.02%
	Chunghwa Post Co., Ltd.	0.85%
	Eastern Wood Association	0.71%
	Stan Shih	0.55%

Note 1: The data source of Qisda Corporation is the information of the Company's book closure date as of March 31, 2026.

Major shareholders of Institutional shareholders whose Major shareholder is a Juristic Person

Name of Institutional Shareholders	Major Shareholders of Institutional Shareholders	
	Name	Shareholding ratio
AU Optronics Corp. (Note 2)	Qisda Corporation	6.90%
	Bank SinoPac in custody for ESOP Trust Management Committee of AU Optronics Corp.	5.33%
	Quanta Computer Inc.	4.61%
	Taiwan Cooperative Bank	2.99%
	Citi Bank in custody for Overseas Depository Receipt Account of AU Optronics Corp.	2.33%
	New Labor Pension Fund	1.67%
	Nanshan Life Insurance Company	1.55%
	JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Emerging Markets Stock Index Fund, managed by the Vanguard Group	0.96%
	Hong Kong HSBC Taipei Branch in custody for Goldman Sachs Investment Account	0.96%
	Taiwan HSBC Taipei Branch in custody for Merrill Lynch International Company Limited Investment Account	0.92%

Name of Institutional Shareholders	Major Shareholders of Institutional Shareholders	
	Name	Shareholding ratio
Acer Inc. (Note 2)	Yuanta Taiwan High Dividend Fund Special Account	5.23%
	Taipei Fubon Commercial Bank Co., Ltd. acting as custodian for the Fu Hua Taiwan Technology Dividend ETF Securities Investment Trust Fund Account.	3.65%
	Hung Rouan Investment Corp.	2.42%
	Taiwan Business Bank Co., Ltd. in custody for UOB Taiwan High Dividend Recovery 30 ETF Securities Investment Trust Fund	1.85%
	Standard Chartered, Business Department, acting as custodian of Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	1.33%
	Standard Chartered Bank (Taiwan) Ltd., Business Department in custody for Vanguard Emerging Markets Stock Index Fund, managed by the Vanguard Group	1.21%
	Stan Shih	1.15%
	Taiwan Cooperative Bank	1.15%
	Citibank (Taiwan) Limited acting as custodian for Acer overseas depositary receipts	0.90%
	Jung-Hsin Management Consulting Co., Ltd.	0.75%
	Jung-An Management Consulting Co., Ltd.	0.75%
Konly Venture Inc. (Note 3)	AU Optronics Corp.	100.00%
Darfon Electronics Corp. (Note 2)	Qisda Corporation	20.72%
	BenQ Corporation	5.01%
	Taishin International Bank in custody for employee stock ownership trust of Darfon Electronics Corp.	4.48%
	Mega International Commercial Bank	1.62%
	Andy Su	1.45%
	Unictron Technologies Corporation	1.43%
	Standard Chartered, Business Department, acting as custodian of Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	1.06%
	Standard Chartered Bank (Taiwan) Ltd., Business Department in custody for Vanguard Emerging Markets Stock Index Fund, managed by the Vanguard Group	0.93%
	HSBC (Taiwan) Commercial Bank Co., Ltd. acting as custodian of the proprietary platform tripartite SBL trading investment account of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. – Securities Trading Unit.	0.85%
	JPMorgan Chase Bank N.A., Taipei Branch in custody for JP. Morgan Securities Limited	0.73%
Chunghwa Post Co., Ltd. (Note 3)	Ministry of Transportation and Communications	100.00%

Note 2: Data source is the Company's 2024 Annual Report
Note 3: Data sourced from the business registration of the Administration of Commerce, Ministry of Economic Affairs

Please refer to the information disclosure of professional qualification of directors and independence of the independent directors

Criteria / Name	Professional Qualifications and Experience	Independence Criteria (Note 1)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Chairman Qisda Corporation Representative: Chen Chi-Hong	1. International MBA, Thunderbird School of Global Management, USA; formerly President of BenQ Product Technology Center and President of Qisda Corporation. 2. Currently serving as the Chief Executive Officer of Qisda Corp., Chairman of Legal Representative of BenQ Medical Technology Corp. and Partner Tech Corp., and Chairman of BenQ Foundations. 3. With diversified industry experience and leadership, familiar with industry-related connections and attaching importance to public welfare, no matters stated in Article 30 of the Company Act.	Not applicable.	0
Director Qisda Corporation Representative: Tseng Wen-Hsing	1. MS in Mechanical Engineering, National Taiwan University. Former Senior Director of Intelligent Solutions Business Group, Qisda Corp. 2. Currently the President of Intelligent Solutions Business Group, Qisda Corp. 3. With business management, industrial knowledge and international market view, no matters stated in Article 30 of the Company Act.	Not applicable.	0
Director & President Qisda Corporation Representative: Tien Chih-Yin	1. MBA, National Chengchi University; former COO, AEWIN Technologies Co., Ltd. 2. Currently serving as the President of DFI Inc., and Director of AEWIN Technologies Co., Ltd. and Ace Pillar Co., Ltd. 3. With business management, industrial knowledge and international market view, no matters stated in Article 30 of the Company Act.	Not applicable.	0
Director Wei Ren-Yu	1. MBA, National Chengchi University; former President of Entire Technology Co., Ltd. and Associate Vice President of Investment Department of Warwick International Co., Ltd 2. Currently serving as Chairman of Digital Idea Multi-Media Co., Ltd., Qifu Capital Co., Ltd., Noah Green Technology Capital Management Co., Ltd., and Dayu Capital Investment Management Consultants Co., Ltd 3. Abundant financial analysis skills, investment management expertise, no matters stated in Article 30 of the Company Act.	Not applicable.	3

Name \ Criteria	Professional Qualifications and Experience	Independence Criteria (Note 1)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Independent Director Yeh Te-Chang	1. Graduated from National Chengchi University with a master's degree in economics; formerly served as the President of USIFE Investment Co., Ltd. 2. The main current positions are independent directors of Jiang Shen Industrial Co., Ltd. and Jia Yu Co., Ltd., and supervisor of Maxkit Technology Co., Ltd. 3. Expertise in accounting and financial analysis, information management, scientific and technological innovation and industrial development, no matters stated in Article 30 of the Company Act.	In compliance	2
Independent Director Chu Chih-Hao	1. Graduated from Graduate Institute of Electrical Engineering, National Taiwan University with a master's degree in electrical engineering and Graduate Institute of Business Administration, National Taiwan University with EMBA degree; the founder of Hoshin Gigamedia Center Inc. 2. The main current positions are independent directors of Intumit, Inc. and Simplo Technology Co., Ltd. 3. Expertise in accounting and financial analysis, information management, scientific and technological innovation and industrial development, no matters stated in Article 30 of the Company Act.	In compliance	2
Independent Director Luo Bing-Kuan	1. Master of Laws, Graduate Department of Law, Fu Jen Catholic University. 2. Current positions include Founding Chairman of the Chinese Independent Directors Association, Chairman of Hua Xuan International Consultants Co., Ltd., CEO of Kaida International Capital Co., Ltd., Independent Director of Hua Nan Commercial Bank Co., Ltd. and Zhiyuan Technology Co., Ltd., Director of the Taiwan Mergers and Private Equity Association, and Director of the Taiwan Yushan Technology Association. 3. Expertise in accounting and financial analysis, information management, scientific and technological innovation and industrial development, no matters stated in Article 30 of the Company Act.	In compliance	2

Note 1: Items that meet the criteria are listed in the following Checklist for Professional Qualifications and Independence of Independent Directors

Checklist for Professional Qualifications and Independence of Independent Directors

Evaluated Items	Yeh Te-Chang	Chu Chih-Hao	Luo Bing-Kuan
1. **<u>Compliance with Article 2 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies":</u>** Independent directors must possess one of the following professional qualifications and have at least five years of relevant work experience: I. Lecturers or above in public or private colleges and universities in fields related to business, law, finance, accounting, or company operations. II. Judges, prosecutors, lawyers, certified public accountants, or other professionals and technical personnel who have passed national examinations required for company operations and hold relevant certifications. III. Relevant work experience in business, law, finance, accounting, or company operations. Individuals who meet any of the following conditions are not eligible to serve as an independent director, and if already serving, shall be dismissed automatically: I. Having any of the circumstances stipulated in Article 30 of the Company Act. II. Elected as a government, legal entity, or its representative in accordance with Article 27 of the Company Act. III. Violating the qualifications for independent directors as stipulated in these regulations.	In compliance	In compliance	In compliance
2. **<u>Compliance with Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies":</u>** Independent directors must maintain their independence within the scope of their duties and must not have any direct or indirect interest with the Company. They should not meet any of the following conditions for two years prior to their appointment and during their tenure: I. Be an employee of the Company or its affiliated entities. II. Be a director or supervisor of the Company or its affiliated entities. III. The individual, along with their spouse, minor children, or in the name of others, holds more than 1% of the total issued shares of the Company or is among the top ten shareholders. IV. Be a spouse, relative within the second degree of kinship, or direct blood relative within the third degree of kinship of the managerial personnel mentioned in the first subparagraph, or of the personnel listed in the previous two subparagraphs. V. Be a director, supervisor, or employee of corporate shareholders who directly hold 5% or more of the Company's total issued shares, are among the top five shareholders, or who appoint representatives to serve as directors or supervisors of the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act. VI. Be a director, supervisor, or employee of a company where the majority of its board seats or voting share, as well as that of the Company, are controlled by the same person.	In compliance	In compliance	In compliance

Evaluated Items	Yeh Te-Chang	Chu Chih-Hao	Luo Bing-Kuan
VII. Be a director, supervisor or employee of another company or institution where the chairman, president or person holding equivalent position in the Company and in that company or institution are the same person or spouses. VIII. Be a director, supervisor, manager, or shareholder holding more than 5% of the shares of a company or institution that has financial or business dealings with the Company. IX. Be a professional, sole proprietor, partner, business owner, director, supervisor, managers, or their spouse, of a company or institution that provides audit services or has received cumulative compensation exceeding NT$500,000 in the past two years for business, legal, financial, accounting, or other related services to the Company or its affiliated enterprises. However, this does not apply to members of the Remuneration Committee, Public Tender Offer Review Committee, or Special Merger and Acquisition Committee who are performing their duties in accordance with this Act or relevant provisions of the Business Mergers and Acquisitions Act.			

Diversification and independence of the Board of Directors:

1. Diversity of the Board of Directors:

(1) The Code of Governance formulated by the Company expressly set forth the diversification policies for the board members and the overall staff of the Board of Directors. Nomination and election of the members of the Board of Directors will be subject to candidate nomination system according to the provisions of the Articles of Association. In addition to the educational background and work experience, the candidates will be also elected by reference to the opinion of the stakeholders in accordance with the Director Election Measures and the Code of Governance in order to guarantee diversification and independence of the board members.

In accordance with the Company's Code of Governance, members of the board of directors shall be diversified and an appropriate diversification policies shall be formulated in accordance with the company operations, operating modes and development needs, including but not limited to the following two criteria:

A. basic conditions and values: age and identity, etc. The Company emphasizes gender equality in the composition of the Board of Directors, aiming to increase the proportion of female directors to over 30%. Currently, the board comprises 86% male members (6 individuals) and 14% female members (1 individual). Moving forward, we will work diligently to increase the number of female directors to meet this objective.

B. expertise and skills: professional background, professional skills and industry experience, etc.

(2) In 2025, the diversification of the board members of the Company is as follows:

Title	Name	Gender	Diversified industrial and professional capabilities					Term of office of Independent Directors
			Corporate management	Industry knowledge	Venture Capital	Sustainable Development	Financial Accounting	
Chairman	Chen Chi-Hong	Male	V	V	V	V		
Director & President	Tien Chih-Yin	Female	V	V	V	V		
Director	Tseng Wen-Hsing	Male	V	V	V	V		
Director	Wei Ren-Yu	Male	V	V	V		V	
Independent Director	Yeh Te-Chang	Male	V	V	V	V	V	3 terms
Independent Director	Chu Chih-Hao	Male	V	V	V	V	V	3 terms
Independent Director	Luo Bing-Kuan	Male	V	V	V	V		Within 3 terms

The number of directors in the capacity of employees accounts for 14%, while the independent directors account for 43%; as of the end of 2025, 2 independent directors have length of service for 6-9 years; 3 directors are between 60-69 years old; 4 directors are between 50-59 years old.

Management Objectives Achieved:

A. The number of the directors who concurrently act as the managers shall not exceed one third of all directors; the number of the directors who are spouse or relatives within the second degree of kinship to each other does not exceed 50% of the total number of directors.

B. Responsibilities of the Chairman and the President shall be expressly divided, and the Chairman and the President shall not be the same person. If the same person act as the Chairman and the President concurrently, or the Chairman and the President are spouse or immediate relatives, then, the independent director seat will be increased.

(3) The Board of Directors as a whole shall have the following competences: 1. Operation judgment; 2. Accounting and financial analysis; 3. Operation management; 4. Crisis management; 5. Industry knowledge; 6. International market insights; 7. Leadership; 8. Decision-making ability.

2. Independence of the Board:

There are seven current directors of the Company, including three independent directors (accounting for 43% of the directors), and more than one-third of the all directors. As of the end of 2025, all independent directors have met the regulations of the Securities and Futures Bureau of the Financial Supervisory Commission regarding independent directors, and there is no spouse or second-degree relationship between directors. Therefore, there are no circumstances under Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act. In summary, the Board of Directors of the Company is independent.

(II) Information about President, Vice President, Associate Managers and Heads of Each Department and Branch

March 29, 2026; Unit: shares

Title	Nationality	Name	Gender	Date of Inauguration	Shareholding		Shares held by the spouse and minor children		Shares held in the name of others		Main experience (educational background)	Position concurrently held in the Company and other companies	Managers who are spouse or relatives within the second degree of kinship		
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship
President	Republic of China	Tien Chih-Yin	Female	2024.11.04	21,000	0.02%	-	-	-	-	MBA, National Chengchi University COO of AEWIN Technologies Co., Ltd.	Director of Diamond Flower Information (NL) B.V. Director of DFI Co., Ltd. Director of DFI America, LLC. Director of Yan Tong Technology Ltd. Director of AEWIN Technologies Co., Ltd. Director of Ace Pillar Co., Ltd. Director of APLEX Technology Inc.			
Senior Director	Republic of China	Huang Li-Min	Female	2013.12.13	26,050	0.02%	-	-	-	-	Institute of Finance, Taiwan University of Science and Technology LITE-ON TECHNOLOGY CORPORATION	Director of Diamond Flower Information (NL) B.V. Director of DFI Co., Ltd. Director of DFI America, LLC. Director of Yan Tong Technology Ltd. Supervisor of Yan Ying Hao Trading (ShenZhen) Co., Ltd Director of AEWIN Technologies Co., Ltd. Director of Ace Pillar Co., Ltd. Supervisor of Transpak Equipment Corporation			
Senior Director	Republic of China	Chang Chia-I	Male	2012.12.01	174,000	0.15%	-	-	-	-	Master of Business Administration at National Chengchi University ABIT Computer Corporation	Director of DFI Co., Ltd.			

Managerial officers hold shares in the Company in the name of another person: None
Managerial officers have a spouse or second-degree relatives serving as the supervisor of the Company: None

Note: The number of shares held is based on the actual number of shares held on the transfer closing date March 29, 2026.

(III) Remuneration paid to the Directors, Supervisor, President and Vice President during the most recent fiscal year

1. Remuneration of Directors

December 31, 2025; Unit: thousand NT$

Title	Name	Remuneration Paid to Directors								Ratio of A+B+C+D to Net Income (Note 10)		Relevant Remuneration Received by Directors who Are Also Employees								Ratio of A+B+C+D+E+F+G to Net Income (Note 10)		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company (Note 11)
		Salary (A) (Note 1)		Severance Pay and Pension (B) (Note 2)		Director's Remuneration (C) (Note 3)		Business Execution Expenses (D) (Note 4)				Salary, Bonus, and Allowance (E) (Note 5)		Severance Pay and Pension (F)		Employee Compensation (G) (Note 6)						
		The Company	Companies in Consolidated Financial Statements (Note 7)	The Company	Companies in Consolidated Financial Statements (Note 7)	The Company	Companies in Consolidated Financial Statements (Note 7)	The Company	Companies in Consolidated Financial Statements (Note 7)	The Company	Companies in Consolidated Financial Statements (Note 7)	The Company	Companies in Consolidated Financial Statements (Note 7)	The Company	Companies in Consolidated Financial Statements (Note 7)	The Company		Companies in Consolidated Financial Statements (Note 7)		The Company	Companies in Consolidated Financial Statements (Note 7)	
																Cash amount	Amount of shares	Cash amount	Amount of shares			
Directors	Representative of the Qisda Corporation: Chen Chi-Hong Tseng Wen-Hsing Tien Chih-Yin	6,082	9,682	-	-	1,880	1,880	200	325	8,162 (2.86%)	11,887 (4.16%)	5,260	5,260	108	108	772	-	772	-	14,302 (5.01%)	18,027 (6.31%)	40,614
	Wei Ren-Yu																					
Independent Director	Yeh Te-Chang	4,322	4,322	-	-	940	940	150	150	5,412 (1.90%)	5,412 (1.90%)	-	-	-	-	-	-	-	-	5,412 (1.90%)	5,412 (1.90%)	-
Independent Director	Chu Chih-Hao																					
Independent Director	Luo Bing-Kuan																					

1. Please explain the independent director remuneration policy, system, standard, and structure, and the connection between the amount of remuneration and the considered factors such as their job responsibilities, risks, and working time:
   The remuneration to the Company's directors is paid by the Board of Directors as authorized in accordance with the of the Company's Articles of Incorporation based on each director's participation in the Company's operations and value of contribution while with reference to the Regulations on Remuneration of Directors and Functional Committee Members stipulated as per the domestic and foreign industry standards. Where the Company has earnings, the Board of Directors shall determine the amount of directors' remuneration through a resolution in accordance with the Company's Articles of Incorporation. Independent directors are ex officio members of the Audit Committee. In addition to the remunerations paid to directors, an amount of reasonable remuneration is determined as per each individual's responsibilities, risks assumed, and time spent.
2. Other than disclosures in the above table, remuneration paid to directors for providing services (e.g. providing consulting services as a non-employee) for all companies in financial reports in the most recent year

Remuneration Range Table

Range of Remuneration Paid to Directors	Name of Director			
	Sum of commissions for the first four items (A+B+C+D)		Sum of commissions for the first seven items (A+B+C+D+E+F+G)	
	The Company (Note 8)	All Companies in Consolidated Financial Statements (Note 9) H	The Company (Note 8)	Parent company and all reinvested businesses (Note 9) I
Less than NT$1,000,000	Chen Chih-Hung, Tseng Wen-Hsing, Tien Chih-Yin	Chen Chih-Hung, Tien Chih-Yin	Chen Chih-Hung, Tseng Wen-Hsing	
NT$1,000,000 (inclusive) -NT$2,000,000 (excluding)	Wei Ren-Yu, Luo Bing-Kuan, and Chu Chih-Hao	Wei Ren-Yu, Luo Bing-Kuan, and Chu Chih-Hao	Wei Ren-Yu, Luo Bing-Kuan, and Chu Chih-Hao	Wei Ren-Yu, Luo Bing-Kuan, and Chu Chih-Hao
NT$2,000,000 (inclusive) -NT$3,500,000 (excluding)	Yeh Te-Chang	Tseng Wen-Hsing, Yeh Te-Chang	Yeh Te-Chang	Yeh Te-Chang
NT$3,500,000 (inclusive) -NT$5,000,000 (excluding)				
NT$5,000,000 (inclusive) -NT$10,000,000 (excluding)	Qisda Corp.	Qisda Corp.	Qisda Corp., Tien Chih-Yin	Qisda Corp., Tien Chih-Yin
NT$10,000,000 (inclusive) -NT$15,000,000 (excluding)				Tseng Wen-Hsing
NT$15,000,000 (inclusive) -NT$30,000,000 (excluding)				
NT$30,000,000 (inclusive) -NT$50,000,000 (excluding)				Chen Chi-Hong
NT$50,000,000 (inclusive) -NT$100,000,000 (excluding)				
Over NT$100,000,000				
Total	A total of 8 (including 1 legal entity)	A total of 8 (including 1 legal entity)	A total of 8 (including 1 legal entity)	A total of 8 (including 1 legal entity)

Note 1: Remuneration of directors for 2025 (including salary, post pay, severance pay, all kinds of bonuses, incentive payment of the director, etc.).

Note 2: It is the amount of appropriation and payments made in accordance with the law in 2025.

Note 3: Remuneration proposed to be paid to the directors under the earnings distribution proposal for 2025, as approved by the Board of Directors on March 3, 2026.

Note 4: It is the relevant business execution expenses of the directors in 2025 (including the difference between the remuneration of the subsidiaries to representatives of the corporate directors appointed for their subsidiaries and the salaries of the directors issued by their subsidiaries, traffic allowance, special expenses, various allowances, dormitories, vehicles and other provisions in kind).

Note 5: The difference the between remuneration received by directors working as employees (including those concurrently serving as President, Vice President, other managers, and employees) in 2025 and the remuneration of the legal representative appointed by the Company for the subsidiary and the salary paid by the subsidiary to the directors, salary, position bonus, termination payment, various bonuses, rewards, traffic allowances, special expenses, various allowances, dormitories, vehicles, and other provisions in kind. Any salary listed under IFRS2 "Share-based Payment", including employee stock options, new restricted employee shares, and cash capital increase by stock subscription, shall be also included in the remuneration.

Note 6: Directors concurrently being the employees (including concurrently holding the office as President, Vice President, other managers and employees) who have received the staff bonus dividends (including stock dividends and cash dividends) are entitled to the employee bonus to be allocated as approved at the board meeting date Mar. 3, 2026.

Note 7: The amount of the remuneration paid to the Company's directors by all companies (including the Company) in the consolidated report shall be disclosed.

Note 8: If the remuneration paid by the Company to each director is within the remuneration range, the name of the director shall be disclosed.

Note 9: If the remuneration paid by all companies (including the Company) in the consolidated report to each director of the Company is within the remuneration range, the name of the director shall be disclosed.

Note 10: Post-tax net profits refer to the net profits after payment of the individual financial report ax in 2025.

Note 11: It is the compensation received by directors as directors, supervisors or managers of reinvested businesses other than the parent company or subsidiary in 2025, remuneration (including remuneration of employee, director and supervisor), business execution expenses and other related remuneration.

2. Remuneration of the supervisor

From Dec. 28, 2018, the Company delegates the Audit Committee to exercise the functions and powers of the supervisor stipulated in the relevant regulations.

3. Remuneration of the President and the Vice President

December 31, 2025; Unit: thousand NT$

Title	Name	Salary (A) (Note 1)		Severance Pay and Pension (B) (Note 2)		Bonus and Allowance (C) (Note 3)		Employee Compensation (D) (Note 4)				Ratio of A+B+C+D to Net Income (%) (Note 8)		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company (Note 9)
		The Company	Companies in Consolidated Financial Statements (Note 5)	The Company	Companies in Consolidated Financial Statements (Note 5)	The Company	Companies in Consolidated Financial Statements (Note 5)	The Company		All Companies in Consolidated Financial Statements (Note 5)		The Company	Companies in Consolidated Financial Statements	
								Cash amount	Amount of shares	Cash amount	Amount of shares			
President	Tien Chih-Yin	3,372	3,372	108	108	1,888	1,888	772	-	772	-	6,140 (2.15%)	6,140 (2.15%)	297

Remuneration Range Table

Range of Remuneration Paid to the President and Vice President	Name of President and Vice President	
	The Company (Note 6)	All Companies in Consolidated Financial Statements (Note 7) E
Less than NT$1,000,000		
NT$1,000,000 (inclusive) -NT$2,000,000 (excluding)		
NT$2,000,000 (inclusive) -NT$3,500,000 (excluding)		
NT$3,500,000 (inclusive) -NT$5,000,000 (excluding)		
NT$5,000,000 (inclusive) -NT$10,000,000 (excluding)	Tien Chih-Yin	Tien Chih-Yin
NT$10,000,000 (inclusive) -NT$15,000,000 (excluding)		
NT$15,000,000 (inclusive) -NT$30,000,000 (excluding)		
NT$30,000,000 (inclusive) -NT$50,000,000 (exclusive)		
NT$50,000,000 (inclusive) -NT$100,000,000 (excluding)		
Over NT$100,000,000		
Total	1 in total	1 in total

Note 1: State the salary, post pay and severance pay of the President and the Vice President in 2025.

Note 2: It is the amount of appropriation and payments made in accordance with the law in 2025.

Note 3: State various bonuses, incentive payments, travel expenses, particular expenditures, allowances, accommodation fees, car fare, other physical supplies and other remuneration of the President and the Vice President in 2025.

Note 4: State employee bonus dividends (including stock dividends and cash dividends) allocated to the President and the Vice President under the proposal on distribution of earnings for 2025 as approved by the Board of Directors at the shareholders' meeting, subject to the amount of the bonus dividends allocated to the employees as approved by the Board of Directors on Mar. 3, 2026.

Note 5: Total amount of the remuneration paid by all companies (including the Company) in the consolidated report to the Company's President and the Vice President shall be disclosed.

Note 6: Total amount of the remuneration paid by the Company to each President and the Vice President shall be disclosed in the corresponding range to the name of the President and the Vice President.

Note 7: Total remuneration paid by all companies (including the Company) in the consolidated report to the Company's every President and the Vice President shall be disclosed in the corresponding range to the name of the President and the Vice President.

Note 8: Post-tax net profits refer to the net profits after payment of the individual financial report ax in 2025.

Note 9: It is the compensation received by the President and the Vice President as directors, supervisors or managers of reinvested businesses other than subsidiaries in 2025, remuneration (including remuneration of employee, director and supervisor), business execution expenses and other related remuneration.

* The remuneration disclosed in this table is different from the income concept under the income tax law. Thus, this table is for information only but not for taxation purpose.

4. Name of the Manager receiving Employee Remuneration and Allocation:

Unit: thousand NT$

Title	Name (Note 1)	Amount of shares (Note 2)	Cash amount (Note 2)	Total	Ratio of Total Amount to Net Income (%) (Note 3)
President	Tien Chih-Yin	-	1,677	1,677	0.59%
Senior Director	Chang Chia-I				
Senior Director	Huang Li-Min				

Note 1: Managerial Officers in office as of the date of publication.

Note 2: The amount of the bonus dividends (including stock dividends and cash dividends) allocated to the managers under the proposal on allocation of earnings for 2025 as approved by the Board of Directors at the shareholders' meeting, which was estimated based on the amount of the bonus dividends approved by the Board of Directors to be allocated to the employees on March 3, 2026.

Note 3: Post-tax net profits refer to the net profits after payment of the individual financial report ax in 2025.

(IV) Separate comparison and description of the total remuneration, as a percentage of the post-tax net profits in the parent company-only financial reports or the individual financial reports, as paid by the Company and all other companies included in the consolidated statements during the past two fiscal years to the Company's directors, supervisors, the President and Vice President, with analysis and description of remuneration policies, standards and portfolios, procedure for determining remuneration, and relevance between operation results and future risks

1. Analysis on percentage of total remuneration paid by the Company and all other companies included in the consolidated statements during the past two fiscal years to the Company's directors, supervisors, the President and the Vice President in the post-tax net profits of the parent company-only financial statements

Title	2025 total remuneration as a percentage of net profit after tax (%)		2024 total remuneration as a percentage of net profit after tax (%)	
	The Company	Consolidated Financial Statements of All Companies	The Company	Consolidated Financial Statements of All Companies
Remuneration Paid to Directors	5.01%	6.32%	3.62%	4.49%
Remuneration of the President and the Vice President	2.15%	2.15%	1.52%	1.52%
Net Profit After Tax (in thousands of NT$)	285,365		396,611	

2. Remuneration payment policies, standards and portfolio, procedure for determining remuneration, and relevance between operation results and future risks

(1) Policy, standards, and composition of remuneration payments:

A. Renumeration of Directors:

For director's remuneration of the Company, in accordance with the Article 21 of the Articles of Association, the Company shall withdraw not more than 1% of the profits as the director remuneration if the Company makes profits in the annual final accounts. The Company regularly evaluates director compensation in accordance with the "Board of Directors Performance Evaluation Method" and the "Director and Functional Committee Member Renumeration Method." The director's remuneration is calculated based on the Company's profits for the year. The estimated amount for director's remuneration in 2025 is NT$2,820,000. The performance assessment and reasonableness of the remuneration have been reviewed by the Renumeration Committee and the Board of Directors.

B. Remuneration of the President and the Vice President:

The manager's remuneration of the Company is handled in accordance with the relevant regulations on salary management, including various work allowances and bonuses, in order to recognize and reward the efforts of employees in their work. The allocation of these bonuses is also based on the Company's annual operating performance, financial condition, operational status, and individual work performance. Additionally, in the event of profitability in a given year, in accordance with Article 21 of the Company's bylaws, five to twenty percent should be allocated for employee compensation. In addition, based on the 'Executive Renumeration Policy' and the salary level of the position in the industry market, the Company pays remuneration to the position within the Company's scope of responsibility and its contribution to the Company's operational goals. The remuneration is proposed by the Renumeration Committee and distributed after approval by the Board of Directors. The manager's performance evaluation project is divided into two parts: 1. Financial indicators: based on the Company's management income statement and the distribution of profit contribution to the company, taking into account the manager's goal achievement rate. 2. Non-financial indicators: consisting of the practice of the Company's core values and operational management capabilities, as well as participation in sustainable operations. The remuneration for their operational performance is calculated, and the remuneration system is reviewed as needed based on the actual operational situation and relevant regulations. The remuneration of senior executives for the fiscal year 2025 has been approved by the Renumeration Committee on March 3, 2026, and has been endorsed by the Board of Directors.

(2) The Company regularly evaluates the remuneration of directors and executives based on the 'Board Performance Evaluation Measures,' 'Remuneration Measures for Directors and Functional Committee Members,' and 'Remuneration Policy for Senior Executives.' The performance criteria for the CEO and senior executives are based on key operational indicators (technological transformation, innovative contributions), operational performance, and financial results. These criteria are linked to the overall operational performance of the Company, industry future business risks and development, and also consider individual performance achievement rate and contribution to the Company's performance, in order to provide reasonable renumeration. The performance evaluation and reasonableness of renumeration are both reviewed by the Renumeration Committee and the Board of Directors.

(3) The Association between Business Performance and Future Risks:

A. According to the provisions of the Company's board performance evaluation method, the board performance evaluation is conducted regularly every year, and the evaluation results are included in the annual board report as a reference for review and improvement. The evaluation results for the year 2025 were reported to the Board of Directors on March 3, 2026.

B. The remuneration for directors, the president, and vice president has been fully considered in terms of professional capability and the Company's operational and financial status. It also takes into account their ongoing education and other special contributions, linking it to both company performance and individual performance as the basis for calculating remuneration.

C. The Company constantly reviews future operational risks to ensure that risks within its scope of responsibility can be managed and prevented, and ratings are granted based on actual performance. At the same time, we will connect all relevant human resources and related salary and compensation systems and policies, and review the remuneration system in a timely manner according to the business situation and relevant laws and regulations, in order to seek a balance between sustainable operation and risk management.

II. Governance of the Company

The Company has set up independent directors, audit committee and remuneration committee in accordance with relevant regulations to maintain a more sound decision-making and execution organization, continuously improve the operating efficiency of the Company and implement corporate governance with practical actions.

(I) Operation of the Board of Directors

In 2025, the Board of Directors held 5 meetings (A). Attendance of the directors is as follows:

Title	Name	Actual attendance (presence) times B	Time of attendance by proxy	Actual attendance (presence) rate (%) (B/A)	Remarks
Chairman	Qisda Corp. Representative: Chen Chi-Hong	5	0	100%	
Director	Qisda Corp. Representative: Tseng Wen-Hsing	5	0	100%	
Director	Qisda Corp. Representative: Tien Chih-Yin	5	0	100%	
Director	Wei Ren-Yu	3	2	60%	
Independent Director	Yeh Te-Chang	5	0	100%	
Independent Director	Chu Chih-Hao	5	0	100%	
Independent Director	Luo Bing-Kuan	5	0	100%	

Other matters:

1. In case of any following circumstances, please state the date, session, and resolution contents of the board meeting, the opinion of all independent directors, and the Company's treatment on the opinion of the independent directors:

   (1) Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established an audit committee, and the provisions of Article 14-3 are not applicable. For the explanation of the matters listed in Article 14-5 of the Securities and Exchange Act, please refer to the Operations of the Audit Committee (P. 25-P.27).

   (2) Apart from the above matters, other resolutions for which the independent directors have objections or hold qualified opinion with record or written statement at the board meeting: None

2. Regarding recusals of independent directors from voting due to conflicts of interests, the names of the independent directors, contents of resolutions, reasons for recusal, and results of voting shall be specified:

Board of Director Date	Name of Director	Content of motion	Reasons for recusal	Participation in voting
2025.02.25	Director of Legal Representative of Qisda Corporation Chen Chi-Hong, Tseng Wen-Hsing, Director Wei Ren-Yu, and independent director Chu Chih-Hao	Approval on discharging noncompetition restriction for the incumbent directors and their representatives	Director and their representatives exempted from non-compete restrictions.	Not participating in discussions and voting
	Director of Legal Representative of Qisda Corporation Tien Chih-Yin	Approval of the distribution of remuneration for senior managers for 2024	Serving as the manager	Not participating in discussions and voting
	Director of Legal Representative of Qisda Corporation Tien Chih-Yin	Approval of the renumeration guidelines for senior managers for the year 2025	Serving as the manager	Not participating in discussions and voting
	Director of Legal Representative of Qisda Corporation Tien Chih-Yin	Approval of the bonus and salary adjustment policy for senior managers for the year 2025	Serving as the manager	Not participating in discussions and voting
	Director of Legal Representative of Qisda Corporation Tien Chih-Yin	Approval of the pension plan for appointed managerial officers	Serving as the manager	Not participating in discussions and voting
	Director of Legal Representative of Qisda Corporation Chen Chi-Hong, Tseng Wen-Hsing (Directors)	Approval on donation of BenQ Cultural Education Foundation	Serving as a director at BenQ Foundations	Not participating in discussions and voting
2025.08.04	Director of Legal Representative of Qisda Corporation Tien Chih-Yin	Approval of the proposal to link remuneration of senior managers to ESG performance	Serving as the manager	Not participating in discussions and voting

Board of Director Date	Name of Director	Content of motion	Reasons for recusal	Participation in voting
2025.12.26	Director of Legal Representative of Qisda Corporation Chen Chi-Hong, Tseng Wen-Hsing, Tien Chih-Yin	The Company proposes to acquire right-of-use assets of property for business operations.	In accordance with Article 206 of the Company Law, the provisions of Article 178 of the same law shall apply.	Not participating in discussions and voting

3. Implementation of Assessments on the Board of Directors

The Company's Board of Directors approved the "Measures on Performance Appraisal of the Board of Directors" on Nov. 7, 2019, stipulating that the Board of Directors shall implement internal performance appraisal once a year, and evaluation shall be made by the external professional independent body or external expert and scholar team at least once every three years.

(1) In 2025, the Company appointed Taiwan Corporate Governance Association, an external independent evaluation organization, to evaluate the performance of the Board of Directors of the Company. The assessment covered five key dimensions: composition and division of labor, guidance and supervision, authorization and risk management, communication and collaboration, self-discipline and continuous improvement of the Board. The methods for evaluation included online self-assessments and a written review. An interview via video was conducted on September 24, 2025, and the objects included the chairman, the President, 2 independent directors (including the convener of functional committees), the corporate governance supervisor and the audit supervisor, and the results of the evaluation were reported to the board meeting held on November 3, 2025.

(2) At the end of 2025, the Company completed the internal performance assessment of the Board of Directors, and reported the evaluation results of the board meeting on March 3, 2026. In measurement indicators of the Board of Directors, the board members and the two functional committees, the scores were 90 points or more (“Excellent”), which is enough to show that the functions and operations of the Board of Directors and the functional committees of the Company are good.

(3) Relevant implementations:

Frequency	Assessment Period	Scope	Method	Assessment Content
Implemented once every three years	August 2024 to July 2025	Performance of the Board of Directors	Written review and interview via video by an independent external institution	The five key dimensions: composition and division of labor, guidance and supervision, authorization and risk management, communication and collaboration, self-discipline and continuous improvement of the Board.

Frequency	Assessment Period	Scope	Method	Assessment Content
Once a year	January 2025 to December 2025	Board of Directors and board members	Internal self-assessment of the Board of Directors and directors	1. Grasp of the Company's goals and missions 2. Participation in the Company's operations 3. Internal relations management and communication 4. Improvement to the decision-making quality of the Board of Directors 5. Composition and structure of the Board of Directors 6. Recognition of directors' responsibilities 7. Election of directors and their professional and continuing education 8. Internal control
		Audit Committee	Self-assessment of Audit Committee	1. Participation in the Company's operations 2. Recognition of the Audit Committee's responsibilities 3. Improvement to the Audit Committee's decision-making quality 4. The composition of the Audit Committee and member selection 5. Internal control
		Remuneration Committee	Self-assessment of Remuneration Committee	1. Participation in the Company's operations 2. Recognition of the Remuneration Committee's responsibilities 3. Improvement to the Remuneration Committee's decision-making quality 4. The composition of the Remuneration Committee and member selection
		Sustainability Development Committee	Self-Assessment of the Sustainable Development Committee	1. Participation in the Company's operations 2. Recognition of the Sustainable Development Committee 3. Improvement to the Sustainable Development Committee's decision-making quality 4. The composition of the Sustainable Development Committee and member selection

4. Evaluation on objectives to strengthen the functions of the Board of Directors (such as establishment of the Audit Committee and improvement of information transparency, etc.) and implementation in the year then ended and the recent years:

   (1) The Company set up the Remuneration Committee in 2011, and set up the Audit Committee in 2017 to exercise the functions and powers vested by the Securities and Exchange Act, the Company Act and other decrees so as to intensify the Company's governance. In 2018, the Board of Directors appointed the Finance Management Division Head Huang-Li Min as the Company's Governance Head responsible for the governance related affairs. The Sustainable Development Committee was set up in 2025 to enable the Board of Directors to fulfill its duties in safeguarding the rights and interests of the Company, employees, shareholders, and various stakeholders.

   (2) DFI has formulated "Rules of Procedure of the Board of Directors Meetings", convenes at least one board meeting per quarter. The content, operating procedures, minutes and announcements of the board meetings and other matters shall be handled in accordance with the rules.

(II) Operation of the Audit Committee

In 2025, the Audit Committee of the Company has held 5 meetings (A), and the attendance (presence) of independent directors is as follows:

Title	Name	Actual attendance times (B)	Time of attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Independent Director (Convener)	Yeh Te-Chang	5	0	100%	
Independent Director	Chu Chih-Hao	5	0	100%	
Independent Director	Luo Bing-Kuan	5	0	100%	

Other matters:

1. If any of the followings occurs in the operation of the Audit Committee, the date of board meeting, the session, the content of proposal, the results of resolution by the Audit Committee and the Company's handling of the opinions of the Audit Committee shall be stated clearly.

   (1) Matters specified under Article 14-5 of the Securities and Exchange Act: With the consent of more than half of all members of the Audit Committee, it shall be submitted to the Board of Directors for approval, without any circumstances that have not been approved by the Audit Committee, and with the consent of more than two-thirds of all directors.

Date	Content of motion	Results of the Audit Committee's Resolutions and the Company's Response to the Audit Committee's Opinions
2025.02.25	1. 2024 Statement on Internal Control and self-assessment 2. result report 3. 2024 Business Report, Financial Statements, and 2025 Business Plan 4. 2024 Profit Distribution Table 5. Amendment to the "Internal Control System"	1. The members of the Audit Committee unanimously agreed to pass the motion.

Date	Content of motion	Results of the Audit Committee's Resolutions and the Company's Response to the Audit Committee's Opinions
	6. CPA service fees for 2025	2. Company's Handling of the Audit Committee's Opinions: None.
2025.05.05	1. 2025 Q1 Consolidated Financial Report	
2025.08.04	2. 2025 Q2 Consolidated Financial Report	
2025.11.03	1. Establishment of the Internal Audit Plan for 2026 2. 2025 Q3 Consolidated Financial Report 3. Appointment of CPAs for the Company's 2026 financial statements	
2025.12.26	1. The Company acquires the right-of-use assets of property for business operations.	
2026.03.03	1. 2025 Statement on Internal Control and self-assessment result report 2. 2025 financial statements and business report 3. 2025 Profit Distribution Table 4. CPA service fees for 2026 5. Revision of the Company's Pre-Approval Non-Assurance Service Policy	

(2) In addition to the previous matters, other matters that have not been approved by the Audit Committee and agreed by more than two-thirds of all directors.

2. Regarding recusals of independent directors from voting due to conflicts of interests, the names of the independent directors, contents of resolutions, reasons for recusal, and results of voting shall be specified: None.

3. Communication between independent directors and internal auditors and accountants (including major matters, methods and results of communication on the financial and business conditions of the company):

The Audit Committee of the Company convenes and discusses regularly on a quarterly basis, and invites accountants, internal auditors, financial accounting and other departments to report or discuss the audit results of latest financial statement (including the responsibilities and independence of the accountant in charge, the scope and method of audit or review, the results of quarterly or annual financial report audit or review, important accounting treatment, important regulatory updates and other related issues), internal audit results (including the audit report for the current period, the report on tracking matters after the current period and the update of important audit laws and regulations), financial business summary and other information. All independent directors communicate well with internal auditors and accountants. All independent directors, internal audit supervisors, and accountants communicated well.

4. Annual focus of work and operation:

(1) Annual focus of work

A. Communicate the results of the audit report to the Internal Audit Supervisor on a regular basis in accordance with the Annual Audit Plan.

B. Regularly communicate with the Company's CPAs about the results of the review or audit of the financial statements.

C. Review financial reports.

D. Evaluate the effectiveness of the internal control system.

E. Review of the appointment, dismissal, remuneration and services of the CPA.

F. The independence of the Certified Public Accountants (CPAs) and their independence statements are evaluated on a regular basis annually, with the evaluation results reported to the Board of Directors.

G. Review of regulations for handling of assets, derivatives, loans to others and endorsements/guarantees and major transactions of assets, loans to others and endorsements/guarantees.

H. Regulatory compliance.

(2) Operations in 2025: The Audit Committee's proposals have been reviewed or approved by the Audit Committee, and there is no objection from the independent directors.

(III) Governance of the Company and deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
I. Does the Company formulate and disclose the Code for Governance Practice in accordance with the "Governance Practice Principles for TWSE/TPEx Listed Companies"?	V		The Company adopted formulation of the Code for Governance Practice at the board meeting dated Nov. 1, 2018, and made disclosure at the Company's official website. In response to the subsequent amendments to the relevant regulations, they have been updated in a timely manner, and after the latest amendment, they have been disclosed on the Market Observation Post System (MOPS) and the Company's website.	No deviation
II. Equity structure and shareholders' equity				No deviation
(I) Does the Company formulate the internal procedures to deal with the shareholders' suggestions, doubts, disputes and litigation, and implement according to the procedures?	V		1. The Company has a spokesperson and a deputy spokesperson, as well as channels such as an investor mailbox and a corporate investor relations website, to handle shareholder suggestions or disputes.	
(II) Does the Company actually hold the list of the major shareholders actually controlling the Company and the ultimate controller of the major shareholders?	V		2. The Company fully knows and controls the major shareholder structure through the service agency, and regularly reports any movement of the directors and managers, with favorable outcome.	

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
(III) Does the Company establish and execute the risk control and firewall mechanism with the affiliated enterprises? (IV) Does the Company formulate the internal codes to prohibit insider trade of the securities by making use of the non-public information?	V V		3. Operation, business and financial powers and responsibilities of the Company and the affiliated enterprises shall be expressly divided and independently operated. The Company has formulated the "Subsidiary Management Procedure", the "Procedure on Management of the Related Party Transactions", the "Procedure on Self-Evaluation of Internal Control System", and other relevant measures to control and audit the above powers and responsibilities, eliminate unconventional transactions and prohibit benefit transfer, and implement risk control mechanism and firewall management of the affiliated enterprises. 4. The Company adopted abolishment of the original "Procedure on Prevention of Insider Trade", and formulated the new "Procedure on Major Information Treatment and Insider Trade Prevention" at the board meeting dated Nov. 10, 2020. Educate directors, managers and employees at least once a year, and strictly require insiders to comply. This year, on March 28, 2025, the related educational training and promotion of a one-hour course were completed for all 478 employees of native origin. An online test was conducted for all colleagues. The course outline was as follows: I. Basic Concepts of Insider Trading II. Regulations on prohibiting insider trading (§ 157-1, Securities and Exchange Act) III. Elements of insider trading (person, event, time, things, and behaviors) IV. Legal effects of insider trading (criminal, civil liabilities, and adverse effects) V. How to launch an investigation on insider trading. It has been promoted during the closed period of financial statements that, directors and insiders shall not trade their stocks during the period of 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report.	
III. Composition and Responsibilities of the Board of Directors	V			No deviation

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
(I) Does the Board of Directors formulate and implement diversified policies and specific management objectives?	V		1. For the formulation and implementation of the diversification policy of the Board of Directors of the Company, please refer to the Diversification and independence of the Board of Directors (P.13-P.14).	
(II) Does the Company voluntarily set up other functional committees than the Remuneration Committee and the Audit Committee?	V		2. A Risk Management Committee had been set up; its operations were detailed in the annual report's chapter of risk management (P.117-P.119). The Company set up a Sustainable Development Committee on August 4, 2025, and established the Company's "Organizational Regulations of the Sustainable Development Committee." The Committee comprised five members, three of whom were Independent Directors, and Chairman Chen Chi-Hong served as the Committee's Convener. Sustainable Development Committee served as the decision-making and supervisory body for the Company's sustainable development-related matters, covering the three major fields of environment (E), society (S), and corporate governance (G), thereby enabling the Board of Directors to fulfill its duties in safeguarding the rights and interests of the Company, employees, shareholders, and various stakeholders. The Company convened the first meeting of the Sustainable Development Committee on December 26, 2025. On March 3, 2026, the Company's Sustainable Development Committee reported to its members on the implementation status of sustainable development for 2025. Please refer to (P.39-P.40) for information on the committee's composition, responsibilities, and operations. The Company does not currently have a Nomination Committee, in practice, the election of directors (including independent directors) of the Company adopts a candidate nomination system. The list of candidates for the current directors (including independent directors) is proposed by the shareholders or the Board of Directors holding more than 1% of the total number of shares of the Company, and reported to the board of shareholders for election after the Board of Directors reviews the list of candidates according to law.	

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
(III) Does the Company formulate the measures and methods for evaluation of the Board of Directors, organize performance evaluation every year and regularly, submit the performance evaluation results to the Board of Director, and apply the same for remuneration and nomination for reappointment of the individual directors? (IV) Does the Company regularly evaluate independence of the CPAs?	V		3. On November 7, 2019, the Board of Directors of the Company approved the "Measures on Performance Appraisal of the Board of Directors". For the performance evaluation methods and performance conditions, please refer to the chapter Implementation of Assessments on the Board of Directors (P.23-P.24). In accordance with Article 21 of the Articles of Association, the remuneration of the directors of the Company shall not exceed 1% of the annual profit. The Remuneration Committee and the Board of Directors shall determine the remuneration of directors and consider the nomination for renewal in accordance with the operating results of the Company and the Regulations on the Remuneration of Directors and Functional Committee Members, taking into account the results of the performance assessment. 4. The independence and suitability of the Company's CPAs are evaluated annually by the Audit Committee and the Board of Directors. In addition to requiring auditors to provide independence statements and Audit Quality Indicators (AQIs), the evaluation is conducted based on the criteria for auditor independence and 13 AQI indicators. After confirming, the CPAs and the Company have no other financial interests and business relationships except for the audit and review fees of the financial information of the investment target company. The accounting firm (CPA and its CPA team members) also comply with the requirement of independence and refer to the AQI index information to evaluate based on the five dimensions (professionalism, quality control, independence, supervision, and innovation capability). Confirm that the CPA and the firm have superior audit experience and training hours compared to industry averages. The results of the most recent annual evaluation were discussed and approved by the Audit Committee on November 3, 2025, and subsequently reported to the Board of Directors on the same day for a resolution approving the independence assessment of the CPAs. Accountant Independence Assessment Results:	

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operation</th><th rowspan="2">Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><th>Evaluation item</th><th>Evaluation Results</th><th>Compliance with Independence Requirements</th></tr>
<tr><td>1. Does the CPA have direct or significantly indirect financial interest relationship with the Company</td><td>No</td><td>Yes</td></tr>
<tr><td>2. Does the CPA have financing or guarantee behaviors with the Company or the Company's directors</td><td>No</td><td>Yes</td></tr>
<tr><td>3. Does the CPA have close commercial relationship and potential employment relationship with the Company</td><td>No</td><td>Yes</td></tr>
<tr><td>4. Do the CPA and its audit team members act as director or manager or hold any other office having significant influence on audit in the Company currently or during the past two fiscal years</td><td>No</td><td>Yes</td></tr>
<tr><td>5. Has the CPA provided non-audit service items to the Company that might directly affect the audit</td><td>No</td><td>Yes</td></tr>
<tr><td>6. Does the CPA act as broker for the shares or other securities issued by the Company</td><td>No</td><td>Yes</td></tr>
<tr><td>7. Does the CPA act as defender for the Company or coordinate the conflict with other third parties for and on behalf of the Company</td><td>No</td><td>Yes</td></tr>
<tr><td>8. Does the CPA have the kinship with the Company's directors, managers or other personnel who have significant influence on the audit case</td><td>No</td><td>Yes</td></tr>
</table>
</td><td></td></tr>
<tr><td>IV. Does the listed company allocate suitable and appropriate governance officers, and designate the chief governance officer responsible for governance related affairs (including but not limited to providing data required by the directors and supervisors to execute the business,</td><td>V</td><td></td><td>The Company adopted a resolution at the board meeting in 2018, appointing Huang, Li-Min as the Company's governance supervisor responsible for guiding and planning the Company's governance, the qualification of whom conforms to the provisions regarding the chief governance office under Paragraph 1, Article 3-1 of the Governance Practice Principles for TWSE/TPEx Listed Companies. The functions and powers of the corporate governance supervisor: provide data required by the directors and the Audit Committee to perform the duties, and the latest laws and regulations related to the Company's operation, assist the directors and the Audit Committee to comply with the laws and decrees, regularly report the governance to the Board of Directors every year, conduct the matters related to the board meeting and the shareholders' meeting, prepare the minutes of the</td><td>No deviation</td></tr>
</table>

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
assisting the directors and supervisors to comply with the laws and decrees, conducting the matters related to the board meeting and the shareholders' meeting, and preparing the minutes of the board meeting and the shareholders' meeting)?			board meeting and the shareholders' meeting, and assist the directors and the members of the Audit Committee to take office and continue further education, etc. Implementation of business for 2025: 1. Assist the independent directors and general directors to perform the duties, provide required data and arrange further education for the directors. 2. Regularly inform the board members of the latest laws, decrees and regulations in relation to the Company's operation field and governance. 3. Review the confidentiality level of relevant information and provide the company information required by the directors to maintain smooth communication between the directors and each business director. 4. Inspect publishing of the major information about the important resolutions of the board meeting, to guarantee legitimacy and accuracy of the important information, and guarantee consistence between the investor's transaction and information. 5. All members of the Board of Directors have completed refresher courses of at least 6 credits. 6. In 2025, the Company held 5 board meetings and 5 Audit Committee meetings in total. 7. In 2025, the Company held one annual shareholders' meeting. 8. The Company insured its directors and key employees with liability insurances, which was renewed and reported to the Board of Directors in August 2025. 9. An external performance assessment of the Board of Directors was conducted in 2025, and reported the completion to the board in the November 3, 2025; an internal performance assessment of the board was also conducted in 2025 with a result of "Excellent", and reported the completion to the board in March 3, 2026. 10. The result of the 10th Corporate Governance Assessment of the Company in 2024 was 6-20%. 11. In 2025, the result of professional development for corporate governance supervisors is as follows, with a total of 12 hours of training.	

<table>
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<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><th>Organizer</th><th>Course Name</th><th>Date</th><th>Hours</th></tr>
<tr><td>Taiwan Institute for Sustainable Energy</td><td>Labor Rights Trends in Global Supply Chains and Sharing of Corporate Practices</td><td>2025/06/19</td><td>3</td></tr>
<tr><td>Accounting Research and Development Foundation in Taiwan</td><td>Key Internal Control and Internal Audit and Practical Case Analysis for Management of Sustainability Information</td><td>2025/11/7</td><td>6</td></tr>
<tr><td>Independent Director Association Taiwan</td><td>Significant updates to the financial statements! A Comprehensive Guide to IFRS 18 "Presentation and Disclosure in Financial Statements"</td><td>2025/11/13</td><td>3</td></tr>
</table>
Note: As of the end of 2025.</td><td></td></tr>
<tr><td>V. Does the Company establish channels for communication with the stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.), set up special stakeholder area at the Company's website, and properly respond to important corporate social responsibility issues of stakeholder concern?</td><td>V</td><td></td><td>The Company has set up the "Relationship with Investor" Special Area at the company website, to disclose communication of the issues of the stakeholder concern and annual report to the Board of Directors; there is also spokesman's e-mail address to provide the latest information and smooth communication channel, so that different entities (including stakeholders) may communicate with the Company as appropriate. Communication with stakeholders in 2025 has been reported to the Board of Directors on March 3, 2026.</td><td>No deviation</td></tr>
<tr><td>VI. Does the Company appoint a professional agency to deal with the affairs of the Board of Shareholders?</td><td>V</td><td></td><td>The Company has appointed a service agency "KGI Securities Corporation" to deal with the affairs of the Board of Shareholders.</td><td>No deviation</td></tr>
<tr><td>VII. Information Disclosure
(I) Does the Company set up a website to disclose the financial affairs and governance related</td><td>
V</td><td></td><td>
1. The Company has set up the Chinese and English websitehttp://www.dfi.com.tw, and may link to Market Observation Post System (MOPS) to access to the Company's information. The information about</td><td>No deviation</td></tr>
</table>

Evaluation item	Operation Yes	Operation No	Operation Abstract	Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
information?			the investors is published at the Company's website, and is updated at any time. Disclosure of Business Information: The Company's website features introductions and technical descriptions of products, providing real-time information on various product services. Disclosure of Governance Information: The Company has established a governance section, which includes information on corporate governance structure, Board of Directors, committees, and regulations.	
(II) Does the company employ alternative methods of information disclosure (such as setting up English website, appointing specially assigned persons to collect and disclose the Company information, publishing the spokesperson system, and corporate orientation meeting process at the Company's website)?	V		2. The collection and disclosure of company information are handled by dedicated personnel: The collection and disclosure of information by our company are carried out by designated personnel, who periodically disseminate the latest and accurate information to the public through press releases. The spokesperson system has been implemented in the Company, with Huang Li-Min, the Chief Financial Officer, serving as the spokesperson, and Tsui Chia-Chia, Manager of Digital Marketing Department, serving as the acting spokesperson. Information on Corporate Briefing Sessions Available on Company Website: The Company regularly (at least once every quarter) holds corporate briefings and uploads presentation materials and audio files of the proceedings to the Investor Relations section of the Company's website for public access. The company also complies with regulations by uploading the information to the MOPS.	
(III) Does the company announce and report the annual financial report within two months after the end of the fiscal year, and announce and report the first, second and third quarter financial reports and the operation of each month before the prescribed deadline?	V		3. The consolidated and individual financial statements for the fiscal year 2025 of the Company were completed and disclosed on March 11, 2026. The financial statements for the first, second, and third quarters of 2025, as well as monthly revenue information, were announced and filed before the deadline at the Market Observation Post System and uploaded to our company's website.	
VIII. Does the company have other important information that				No deviation

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
helps to understand the operation of corporate governance:				
(I) Employee Rights & Interests and Employee Care	V		1. The company adheres to the concept of creating a happy and healthy workplace, has planned diversified employee benefits, and allows all colleagues to experience a high-quality work environment and a healthy and happy corporate culture. The Company has established various welfare plans and a Welfare Committee composed of colleagues of the Company. For employee rights and interests, please refer to the chapter of Labor-Capital Relationship (P.99-P.108).	
(II) Investor Relations	V		2. The Company discloses various information at the Market Observation Post System according to the laws and regulations, in order to protect rights and benefit of the investors. The "Investor News" is set out at the Company's website, for the investor to know the relevant information of the Company.	
(III) Supplier Relations	V		3. The Company maintains good and interactive cooperation relationship with the suppliers and stakeholders, and provides good and valid communication channels and information transmission to lay a solid foundation for long-term close relationship, collaboration, mutual trust and benefits, and sustainable and win-win growth. The Company's internal control system procurement cycle rules are regularly evaluated according to the evaluation procedure as the basis for the Company to select the partners. The Company shall maintain channels for smooth communication with the suppliers, and shall adhere to the principal of good faith.	
(IV) Rights of Stakeholders	V		4. The Company conducts an annual survey on issues related to stakeholders. At least once a year, it is required to report to the board of directors on major issues and the communication with stakeholders, in order to fully understand the concerns of stakeholders. The stakeholder negotiation results for the year 2025 have been reported to the board of directors on March 3, 2026.	
(V) Further Education of Directors and Supervisors	V		5. From time to time, the Company notifies directors and independent directors to attend relevant professional knowledge training courses. In June and November 2025, directors were arranged to	

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
			participate in courses organized by the Taiwan Institute for Sustainable Energy and Taiwan Independent Director Association on "Labor Rights Trends in Global Supply Chains and Sharing of Corporate Practices," "Significant Updates to the Financial Statements!" and "A Comprehensive Guide to IFRS 18: Presentation and Disclosure in Financial Statements." Please refer to the chapter of Further Education of Directors and Managers in Recent Fiscal year (P.73-P.74) for relevant information.	
(VI) Implementation of Risk Management Policies and Risk Measurement Criteria	V		6. The Company has set up a Risk Management Committee to formulate risk management policies and periodically assess the Company's risks to reduce enterprise risks. For relevant information, please refer to the chapter of Risk Management (P.117-P.119).	
(VII) Execution of Customer Policy	V		7. The Company conducts an annual customer satisfaction survey to gain insight into customer needs and to serve as an important basis for continuous improvement. The results of the customer satisfaction survey this year show that the Net Promoter Score (NPS) is 45 points, a decrease of 11 points from last year. This survey encompasses various aspects, including products and services quality, order delivery times, technical support, and maintenance services. Supply chain integration, product documentation and information, after-sales service, and overall product quality has also been added to the survey, in order to collect customer feedback more comprehensively. Overall, customers provided positive feedback regarding product stability and the professional skills of the Company's sales and technical support teams. However, some customers offered suggestions for improvement regarding maintenance timeliness and order delivery times, indicating higher expectations for service efficiency and speed of delivery. In the future, the Company will continue to review relevant processes and optimize the supply chain and after-sales service management to enhance overall service quality and customer satisfaction, and to strengthen long term customer relationship.	
(VIII) Purchase of Liability Insurance for Directors and Supervisors	V		8. The Company purchases liability insurance for directors and independent directors to enable them to conduct their business prudently with the interests of investors in mind without concerns. In	

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
			August 2025, the Board of Directors reported on the liability insurance coverage of directors and supervisors.	
(IX) Please state the improvement based on the governance evaluation results published by the Governance Center of Taiwan Stock Exchange Corporation in the recent fiscal year, and put forward improvement priorities and measures against the matters far from perfect. 1. The Company's corporate governance evaluation results from 2020 to 2022 consistently fell within the top 36% to 50%. The 2023 governance evaluation result were within 21% to 35% and in 2024 was within 6% to 20%. 2. The Company has set up a special area for the stakeholders at the Company's website to know and respond to the important enterprise social responsibility issues of the stakeholder concern, and continues making improvement with respect to protection of shareholders' rights and interest, fair treatment of shareholders, intensified structure and operation of the Board of Directors, improvement of the information transparency, and implementation of the enterprise social responsibility. 3. In 2025, the Company was honored with the TCSA GCSA Sustainability Reporting Award, designated as the Sustainable Leading Enterprise in Healthy Workforce, recognized as an outstanding enterprise in the voluntary evaluation of occupational health and safety performance disclosed in corporate Sustainability Report, and received the 2026 Taiwan Excellence Award.				

Note: The governance of the Company's subsidiaries AEWIN Technologies Co., Ltd. and ACE PILLAR Co., Ltd. is set out in the 2025 Annual Report.

(IV) Composition, Responsibilities and Operation Status of the Remuneration Committee

1. Data of the members of the Remuneration Committee

Identity	Criteria / Name	Professional Qualifications and Experience	Independence Criteria (Note 1)	Number of Other Public Companies where the Individual Concurrently Serves as a Remuneration Committee Member
Independent Director (Convener)	Yeh Te-Chang	Please refer to the information disclosure of professional qualification of directors and independence of the independent directors (P.10-P.13)	Compliant	2
Independent Director	Chu Chih-Hao		Compliant	2
Independent Director	Luo Bing-Kuan		Compliant	2

Note 1: Compliant with requirements for independence: Please specify conformity of the members of the Remuneration Committee with independence, including but not limited to whether the members or their spouse or relatives within the second degree of kinship hold the office as director, supervisor or employee in the Company or its affiliated enterprises; number and percentage of the shares held by the members or their spouse or relatives within the second degree of kinship (or in the name of others); whether holding the office as director, supervisor or employee in other companies having particular relationship with the Company (by

reference to the provision of Paragraphs 5-8 of Section 1 of Article 6 of the Measures on Setting and Function Exercise of Remuneration Committee of the Listed Companies or the Securities Brokers); and amount of remuneration received from commercial, legal, financial and accounting services provided to the Company or its affiliated enterprises during the past two fiscal years.

2. Responsibilities of Remuneration Committee

The Remuneration Committee shall, with the attention of a good manager, faithfully perform the following functions and submit its recommendations to the Board for discussion:

(1) Develop and periodically review policies, systems, standards and structures for directors' and managers' performance assessment and Renumeration.

(2) Regularly evaluate and determine the remuneration of directors and managers.

3. Operation Status of the Remuneration Committee

(1) The Company's Remuneration Committee is composed of 3 members.

(2) Term of office: From May 31, 2023 to May 30, 2026; in 2025, the Remuneration Committee held 2 meetings (A), and the membership and attendance are as follows:

Title	Name	Actual attendance times (B)	Time of attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Yeh Te-Chang	2	0	100%	
Member	Chu Chih-Hao	2	0	100%	
Member	Luo Bing-Kuan	2	0	100%	

(3) The content of the Remuneration Committee's resolutions in 2025 and as of the date of publication, the resolution results, and the Company's treatment of the Remuneration Committee's opinions.

Date	Term and session	Proposal content and follow-up	Resolution Results	Company's Handling of the Remuneration Committee's Opinions
2025.02.25	1st meeting, 2025	1. Distribution of 2024 employees and directors' remunerations 2. Distribution of 2024 senior managers' remunerations 3. Renumeration guidelines for senior managers for 2025 4. Bonus and renumeration adjustment policy for senior managers for 2025 5. Pension plan for appointed managerial officers	All members of the Remuneration Committee present agreed.	Submitted to the Board of Directors and approved by all the directors present.
2025.08.04	2nd meeting, 2025	1. Amendment to the " Regulations on the Remuneration of Directors and Functional Committee Members" 2. Formulate the link of remuneration of senior managers to ESG performance 3.	All members of the Remuneration Committee present agreed.	Submitted to the Board of Directors and approved by all the directors present.

Date	Term and session	Proposal content and follow-up	Resolution Results	Company's Handling of the Remuneration Committee's Opinions
2026.03.03	1st meeting, 2026	1. Distribution of 2025 employees and directors' remunerations 2. Distribution of 2025 senior managers' remunerations 3. Renumeration guidelines for senior managers for 2026 4. Bonus and renumeration adjustment policy for senior managers for 2026	All members of the Remuneration Committee present agreed.	Submitted to the Board of Directors and approved by all the directors present.

Other matters:

A. If the Board of Directors do not accept or revise the suggestions of the Remuneration Committee, please specify the date and session of the board meeting, the contents of the motion, the resolution results and the Company's treatment on the opinion of the Remuneration Committee (if the remuneration adopted by the Board of Directors precedes the suggestion of the Remuneration Committee, please specify the deviation and the reasons): None.

B. If the members oppose or have qualified opinion on the resolutions of the Remuneration Committee with records or written statements, please specify the date and session of the meeting of the Remuneration Committee, the contents of the motion, opinion of all members and treatment on the opinion: None.

(V) Composition, Responsibilities and Operation Status of the Sustainable Development Committee

1. Data of the members of the Sustainability Development Committee

Identity	Name	Professional Qualifications and Experience	Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as a Sustainable Development Committee
Chairman (Convener)	Chen Chi-Hong	Please refer to the information disclosure of professional qualification of directors and independence of the independent directors (P.10-P.13)	Not applicable.	1
Director & President	Tien Chih-Yin			0
Independent Director	Yeh Te-Chang		Please refer to this Annual Report (P.12-P.13)	0
Independent Director	Chu Chih-Hao			0
Independent Director	Luo Bing-Kuan			1

2. Responsibilities of the Sustainability Development Committee

This Committee served as the decision-making and supervisory body for the Company's sustainable development-related matters, covering the three major fields of environment (E), society (S), and corporate governance (G), thereby enabling the Board of Directors to fulfill its duties in safeguarding the rights and interests of the Company, employees, shareholders, and stakeholders.

3. Information on the operation Status of the Sustainable Development Committee

(1) The Company's Sustainable Development Committee is composed of 5 members.

(2) Term of office: From August 4, 2025 to May 30, 2026; in 2025, the Sustainable Development Committee held 1 meeting (A), and the membership and attendance are as follows:

Title	Name	Actual attendance times (B)	Time of attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Chairman (Convener)	Chen Chi-Hong	1	0	100%	
Director & President	Tien Chih-Yin	1	0	100%	
Independent Director	Yeh Te-Chang	1	0	100%	
Independent Director	Chu Chih-Hao	1	0	100%	
Independent Director	Luo Bing-Kuan	1	0	100%	

(3) The content of the Sustainable Development Committee's resolutions in 2025 and as of the date of publication, the resolution results, and the Company's treatment of the Sustainable Development Committee's opinions.

Date	Term and session	Proposal content and follow-up	Resolution Results	Company's Handling of the Sustainable Development Committee's Opinions
2025.12.26	1st meeting, 2025	1. Report on the Implementation of the GHGs Inventory 2. Execution progress and plans for the 2025 Sustainability Report	No resolution was required.	None.
2026.03.03	1st meeting, 2026	1. Amendment to the "Sustainability Practice Guidelines" Case	All members of the Sustainable Development Committee present agreed.	None.

(VI) Promotion of sustainable development, deviation from the Sustainable Development Practice Principles for TWSE/TPEx Listed Companies and reasons:

Item	Implementation			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
I. Does the Company establish a governance structure to promote sustainable development, and set up full-time (parttime) body for promoting sustainable development, and does the Board of Directors authorize and urge the senior executives to take actions?	V		(I) Since 2022, the Company has officially established the "Sustainability Development Committee," responsible for proposing and implementing corporate social responsibility policies, systems, or related management guidelines and specific action plans. Senior executives from various departments serve as members for different aspects. The Secretary-General is responsible for coordinating and promoting cross-departmental sustainable development affairs within the company, integrating goals and KPIs related to green products, green operations, green supply chain, social responsibility, and financial performance across the relevant departments. "The Sustainable Development Committee" serves as a cross-departmental communication platform for vertical integration and horizontal coordination. It also establishes task forces based on different issues or strategies to implement sustainable development action plans and integrate them into the company's daily operations. In August 2025, a Board of Directors-level Sustainable Development Committee was set up. The Chairman served as Convener, and its members included three Independent Directors and the President. The Committee was responsible for setting sustainable strategy and targets, tracking the implementation of sustainable targets, and overseeing sustainable disclosure and the preparation of the Sustainability Report. Additionally, to effectively disclose sustainability information in the ESG report, a Sustainability Report Execution Task Force has been established to track the performance of each unit. The Sustainability Risk Management Department compiles the results and reports them annually to the Sustainable Development Committee and the Board of Directors. The implementation status for 2025 was reported and completed on March 3, 2026, and sustainability-related strategies and objectives were developed in accordance with the Board’s supervision and the group’s directives.	No deviation

Item	Implementation			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
II. Does the Company evaluate risks for environment, society and governance issues related to the Company's operation, and formulate the relevant risk management policies or strategies based on the materiality principle?	V		(I) To ensure timely communication with stakeholders and incorporate their major concerns into our corporate sustainability policies, as well as to establish an effective and transparent response mechanism, in order to facilitate our business's sustainable development and the formulation of risk-related plans and decisions. DFI adopts the "AA1000 Accountability Principle Standard (AA1000 APS)" Type II moderate assurance. The evaluation scope covers the operational control of the Xizhi headquarters, the Taoyuan factory, and all the R&D facilities in Xindian. It adheres to four main principles: inclusivity, materiality, responsiveness, and impact. These principles assist us in identifying and responding to sustainability information and enhance the rigor of sustainability disclosures. Following the GRI Standards 2021 version, we further assess the significance of material issues in economic, environmental, and human rights impacts, which serve as the basis for planning our sustainability strategy, as detailed in the 2025 Sustainability Report. (II) For the significant themes identified during that year, the impact and relevance to DFI are reviewed, and annual management goals are set and controlled. Each year, these goals are evaluated, and the outcomes of the management objectives are disclosed. This process ensures that DFI continuously addresses and manages its sustainability impacts effectively, aligning with broader corporate responsibility and environmental stewardship commitments. The disclosed data covers the period from January 1, 2025, to December 31, 2025. The material topics include air pollution management, waste management, sustainable supply chain management, energy efficiency improvement, green energy procurement in the environmental aspect, occupational safety and health, employee benefits and compensation, workplace inclusion and equality in the social aspect, operational and financial performance, information security in the economic aspect.	No deviation

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation</th><th rowspan="2">Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td></td><td></td><td></td><td>(III) Based on the assessed risks, the following risk management policies or strategies are established:
<table>
<tr><th>Material topics</th><th>Risk Assessment Items</th><th>Risk Management Strategy</th></tr>
<tr><td rowspan="2">Economy/ Governance</td><td>Operational Financial Performance</td><td>1. Implement the principles of regular transactions among stakeholders to ensure a reasonable allocation of profits.
2. Regarding the taxation of Taiwan and overseas subsidiaries, all planning is conducted in accordance with local regulations and tax treaties, and declarations are made in a timely manner as required.
3. In accordance with regulations, the country-by-country report shall be filed before the end of the year and subsequently submitted to the tax authorities by the parent company.</td></tr>
<tr><td>Information Security</td><td>1. Professional information security training for information security personnel was completed at least once annually. Information security education and training for all employees was completed at least once annually. Social engineering drills were conducted at least once per quarter.
2. A Business Impact Analysis (BIA) for information system operations was conducted at least once per year. Backup and recovery drills were conducted at least twice.
3. The re-assessment of the ISO 27001:2002 was completed.</td></tr>
<tr><td rowspan="2">Society</td><td>Work Safety and Health</td><td>1. Enhance the occupational safety and health management system, improve disaster prevention measures, conduct disaster drills, and collect and analyze data on work-related injuries and occupational diseases, including statistics on incidents and fatalities, to prevent accidents.
2. Completed 100% external verification of ISO 45001 by 2025, with more than 2 emergency response drills conducted.</td></tr>
<tr><td>Employee Benefits and Salary</td><td>1. Provide employees with competitive renumeration and benefits; attract and retain talented individuals.
2. Continue to implement the employee stock trust system, and conduct system promotion and explanation when employees join the Company and after 3 months of employment.
3. As of the end of 2025, the average percentage of employee shareholders by job level is 80.7%. In 2025, employee professionalism reached 7.7 points (on a</td></tr>
</table>
</td><td></td></tr>
</table>

Item	Implementation					Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract			
					scale of 10).	
				Workplace Inclusion and Equality	1. The completion rate of plan execution records for the four major plans in 2025 was 100%. 2. The completion rate for compliance obligations relating to labor standards was 100%.	
			Environment	Air Pollution Management	1. Air pollution testing completed and met regulatory standards: More than once. 2. Daily inspections and maintenance of air pollution control equipment were conducted to ensure 100% compliance with operational standards.	
				Waste Management	1. Reducing operational waste and improving recycling rates. 2. In 2025, there were a total of four instances of hazardous waste treatment tracking, and responsible tracking was conducted in accordance with the law, including the issuance of triplicate forms and proper documentation of handling records.	
				Sustainable Supply Chain Management	1. Suppliers are required to comply with local national regulations, social standards, and environmental plans, and to conduct investigations and audits. 2. By conducting written surveys and on-site audits, we examine the environmental responsibility practices and performance of the supply chain. 3. The completion rate for the collection of documents from the top 100 suppliers regarding the newly signed "Sustainable Self-Assessment Questionnaire Survey" and "Sustainability Risk Assessment Questionnaire" has reached 100%.	
				Improvement in energy efficiency,	1. Energy management education and training was conducted more than once. 2. The participation rate for energy management education and training was more than 90%.	
				Procurement of green energy	1. It was planned that the RE60 target would be implemented in 2026 through the purchase of renewable energy certificates (REC). With 2023 as the baseline year for electricity consumption, the projections assume a 3% annual growth rate from 2026 to 2030 to estimate future power requirements. 2. The cumulative preliminary estimated demand for renewable energy certificates (REC) from 2026 to 2030 is 5,202 RECs (1 REC = 1,000 kWh). The corresponding cumulative cost for these RECs is approximately NT$18,206	

<table>
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<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td></td><td></td><td></td><td><table><tr><td></td><td></td><td>thousand, which serves as the basis for mid-to-long-term financial budget assessment.</td></tr></table></td><td></td></tr>
<tr><td>III. Environmental Issues
(I) Does the Company establish suitable environmental management system based on its industry features?</td><td>V</td><td></td><td>(I) The Company is engaged in low-pollution, waterless manufacturing processes. We have obtained ISO 14001 environmental management system certification and conduct regular internal and external audits in each manufacturing area to ensure compliance with environmental management standards. In addition, starting from 2023, we have obtained ISO 50001 energy management system certification. We have also obtained Green Partner certification for our Green products, which are made using low-pollution green materials. We comply with domestic regulations for the treatment of air, water, waste, toxins, and noise, and we also respond to the requests of stakeholders in good faith. Every year, greenhouse gas inventories are conducted in accordance with ISO 14064-1 to improve energy performance and further reduce greenhouse gas emissions. The reduction achievements are tracked and disclosed in the sustainability report on our company's website.
The ISO 14001 certificate is valid until November 30, 2028; the ISO 50001 certificate is valid until March 21, 2027.</td><td>No deviation</td></tr>
<tr><td>(II) Does the Company devote to improving energy efficiency of the resources, and use renewable materials with low impact on the environment?</td><td>V</td><td></td><td>(II) In order to reduce the impact of energy use on climate warming, DFI follows and is certified by ISO14064-1 and continues to carry out greenhouse gas reduction related programs; in the plan to reduce greenhouse gas emissions, we, through engineering improvement and administrative improvement, realizes the energy conservation, in order to achieve the goal of reducing greenhouse gas emissions.
<table><tr><td rowspan="3">Engineering improvement</td><td>(1) Energy-saving lighting
a. Fully Utilize Energy-saving Lighting Fixtures
b. Increase the use of natural light and reduce the use time and number of lighting fixtures</td></tr><tr><td>(2) Energy-saving air conditioning
a. Improving the efficiency of the cooling tower and continuously monitoring and measuring power consumption to optimize usage efficiency.
b. Using high-performance pumps.</td></tr><tr><td>(3) Other measures
a. Taoyuan Plant - Ongoing Optimization of the Solar Power Generation System for the Interview Building</td></tr><tr><td>Administration</td><td>(1) Personnel</td></tr></table></td><td>No deviation</td></tr>
</table>

Item	Implementation			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
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			a. Office energy-saving activities and promotions (2) Equipment a. Air compressor capacity utilization and demand regulation b. Operation and management of water-cooling equipment temperature in summer and winter c. Increasing process efficiency (3) Methods a. Area-specific air conditioning demand management b. Energy management at night c. Optimize production scheduling to increase equipment utilization. d. Operation and Shutdown of Public Facilities in Coordination with Production	
			The Company is committed to improving the utilization efficiency of various resources, actively implementing resource recycling classification in source management, significantly reducing waste generation and increasing resource recycling. In terms of water resources management, there is no wastewater generated in the manufacturing process, and each manufacturing plant only generates domestic sewage, so there is extremely low risk of water supply failure and water pollution. At the product level, from the product development and design to the manufacturing, the concept of green products is taken as the starting point to consider the extension of product life cycle, energy conservation, easy-to-recycle, low toxicity, reduction of environmental hazards and carbon footprint, etc. In accordance with international regulations and customer requirements, the "Control List of Hazardous Chemical Substances" has been formulated. Through the strict control of the recognition of parts and materials and the inspection of finished products, a systematic management mechanism ensures that the products can meet international regulations and customer requirements. It is expected that the use of hazardous chemicals will be reduced year by year, and at the same time, the harm to human beings and the environment caused by the transportation, use and disposal of products will be avoided. The Company ensures that all raw materials used comply with the RoHS regulations of the European Union. We educate and guide our suppliers in conducting self-assessments on direct materials, indirect materials, resource utilization, waste emissions, and transportation energy consumption. This enables our suppliers to understand the calculation methods for the life cycle of their products and the potential ecological impacts.	

<table>
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<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td>(III) Does the Company evaluate the present or future potential risks and opportunities caused by the climate change on the enterprise, and take appropriate actions?</td><td>V</td><td></td><td>(III) As a design and manufacturing company of electronic products, the Company has established a Sustainable Development Committee to examine the potential impacts of climate change on our operations. This is in line with our commitment to promoting corporate sustainability. Additionally, we have established a Risk Management Committee to identify and manage risks. In 2023, the TCFD principles will be implemented to identify climate risks and opportunities across four key frameworks: governance, strategy, risk management, and metrics and targets. Please refer to the company's official website sustainability report for the climate strategy and carbon management section.
Through sustainable development, the Company will implement and promote green products and green supply chains in terms of environment. Besides, the Company not only pays attention to the organizational greenhouse gas emission for carbon management, but also analyzes and manages the environmental impact of the products in order to live up to the relevant international standards, such as organizing carbon footprint (ISO 14064-1) to manage the organization's internal energy conservation based on the key performance indicators (KPI), promoting water saving and consumption reduction as well as energy consumption, and reducing operating costs.
The Company follows the Group's Joint Initiative RE100 and sets the short, medium and long-term objectives as follows:
<table>
<tr><th rowspan="2">Benchmark year</th><th rowspan="2">Completion Year</th><th colspan="3">Goals</th></tr>
<tr><th>Ratio of renewable energy and carbon offset:</th><th>Reduce water usage by:</th><th>Recovery rate of recycling:</th></tr>
<tr><td>2022</td><td>2023</td><td>1%</td><td>0%</td><td>80%</td></tr>
<tr><td>2023</td><td>2030</td><td>60%</td><td>5%</td><td>90%</td></tr>
<tr><td>2030</td><td>2040</td><td>100%</td><td>1%</td><td>100%</td></tr>
<tr><td>2040</td><td>2050</td><td>Net Zero Carbon Emissions</td><td>1%</td><td>100%</td></tr>
</table>
2025 Implementation Plan:
1. Introduce RE60 energy-saving measures and develop internal carbon pricing to meet future demands.
2. Introduce the development of low-energy consumption products.
3. Review the energy baseline according to ISO 50001 and make timely adjustments and updates.
4. In alignment with the Group's objective of achieving a 30% reduction in energy consumption by 2030, the Energy Management Task Force was established to promote energy-saving strategies. In 2025, energy savings</td><td>No deviation</td></tr>
</table>

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<tr><td></td><td></td><td></td><td>of approximately 0.2% was achieved through management measures.</td><td></td></tr>
<tr><td>(IV) Does the Company make statistics about the greenhouse gas emissions, water consumption and total waste weight in the past two years, and formulate policies for greenhouse gas reduction, water consumption reduction or other waste management?</td><td>V</td><td></td><td>(IV) The company has been conducting a greenhouse gas inventory since 2019 and included it in the annual ISO 14064-1 greenhouse gas inventory integration verification of the group in 2020. It has been verified and meets the standards by Taiwan Well-Being International Quality Assurance Verification Co., Ltd.
The company is committed to improving human information life through its products and services, as well as promoting social responsibility, energy management, and other practices and concepts. It has formulated the "DFI Information Social Responsibility and Environment, Safety, and Health Policy", which specifies pollution prevention and waste reduction, energy conservation and water saving, safety and health, prevention before it happens, and continuous improvement as its main policies.
The data for the company's greenhouse gas emissions, water consumption, electricity consumption, and total waste weight for the past two years are as follows: (Scope one and two include the operations control scope of DFI Xizhi Headquarters, Taoyuan Factory, and Xindian R&D all factory areas, while Scope three only includes business travel, employee commuting transportation, fuel- and energy-related activities, and waste generated during operations.</td><td>No deviation</td></tr>
<tr><td></td><td></td><td></td><td>1. GHG emissions (metric tons of CO_2e):
<table>
<tr><th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Scope 1+2</th><th>Scope 3</th></tr>
<tr><td>2024</td><td>140.2321</td><td>2,711.3064</td><td>2,851.5385</td><td>2,187.6503</td></tr>
<tr><td>2025</td><td>127.0973</td><td>2,980.0899</td><td>3,107.1872</td><td>2,928.9966</td></tr>
</table>
According to ISO 14064-1:2018 international standard, greenhouse gas emissions inventory certification is conducted, and the total emissions are verified by a certified verification company. In 2025, the emissions of Category 1 and Category 2 has increased, reaching 255.65 metric tons (an increase of approximately 9%); the calculation of carbon emissions for Category 3 to 6 is temporarily not comparable due to changes in verification methodology (changes in boundary checks and coefficient conversion). In addition to increasing the proportion of renewable energy through the use of solar power generation systems, replacing energy-consuming equipment with variable frequency energy-saving devices, and continuously implementing energy-saving measures through administrative management, the goal of reducing greenhouse gas emissions is achieved.</td><td></td></tr>
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Intensity of greenhouse gas emissions from products (Category 1+2)

Year	Operating revenue (in million NT$)	Intensity (Metric tons of CO_2e/ in million NT$)
2024	3,222.248	0.8850
2025	3,760.516	0.8263

2. **Water consumption (in thousand cubic meters)**

Year	Total water consumption
2024	20.074
2025	21.246

To implement water resource management, each site continues to monitor the use of tap water. DFI sites do not extract groundwater for operations. The water pollution prevention and control equipment at the Taoyuan plant is operated and maintained by professionals from Qisda Corp., as the plant is leased from the parent company Qisda Corp. The equipment utilizes the contact aeration method to treat domestic wastewater, and the treated wastewater is discharged into the government-managed sewage system. Perform better than the wastewater inlet standard in the Gueishan Industrial Zone in terms of sewage water quality testing.

3. **Power consumption (GJ)**

Year	Total electricity consumption (units)
2024	20,592.20
2025	22,633.59

In 2025, in alignment with the Group's energy-saving objectives and in accordance with the ISO 50001 management system, the Taoyuan plant increased the proportion of renewable energy usage by implementing solar power generation, optimizing the management of electricity-consuming equipment, and replacing outdated equipment.
However, due to the production structure and equipment operational requirements, some fixed energy consumption (such as air conditioning and public facilities) must be maintained in continuous operation. In 2025, electrical energy consumption increased by 2,041.39 GJ compared with the previous year, representing an increase of approximately 10%.

4. **Total weight of waste (Category D and E only):**

Year	hazardous waste	non-hazardous waste	Total Weight of Waste	Intensity (Metric tons of CO2e/ in million

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<table>
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<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td></td><td></td><td></td><td>NT$)</td></tr>
<tr><td>2024</td><td>4.828</td><td>72.09</td><td>76.918</td><td>0.0238</td></tr>
<tr><td>2025</td><td>2.620</td><td>68.25</td><td>70.870</td><td>0.0188</td></tr>
</table>
The Company effectively manages the production, removal, and disposal of waste by dedicated personnel in accordance with regulations on pollution prevention equipment. In addition to proactively managing waste and promoting energy-saving and waste reduction activities, we actively implement resource recycling and classification from the source, significantly reducing waste generation and increasing resource recycling to achieve waste reduction goals. In addition, source management measures such as reducing the amount of raw materials, managing waste at the design, manufacturing, and distribution stages, and reducing waste generation, are implemented to achieve waste reduction. Furthermore, active promotion of waste resource utilization, such as reusing packaging materials, replaces existing disposal methods through recycling and reuse, transforming garbage into useful resources. This not only achieves true resource circulation but also reduces the energy consumption and cost of waste disposal. The Company adheres to the concept of responsible production and annually monitors waste contractors. If a contractor breaches the contract or violates government regulations, appropriate measures such as counseling or replacement will be taken. In the fiscal year 2025, DFI did not experience any significant breaches or violations of contract with waste disposal contractors. The types of waste generated in the Company's various factory areas can be divided into general industrial waste, waste solvents, and unclassified waste electronic components. These hazardous waste materials, as defined by the Basel Convention, are not generated during our operations and production processes.
The impact on the environment, in addition to being addressed through equipment improvement and replacement, is also being mitigated through energy-saving and carbon reduction initiatives. A comparison of electricity consumption at the Xizhi headquarters, which has remained unchanged in recent years, shows a decreasing trend in total electricity consumption from 2017 to 2025 (excluding shared electricity consumption for the building). Effective energy management is not
</td><td></td></tr>
</table>

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			only beneficial for businesses, but also a standard. The project promotes energy management and implements ISO 50001 through systematic and third-party verification. To assist in confirming the effectiveness of energy conservation, reducing costs, and complying with environmental regulations, according to this international standard. DFI invested NT$5.77 million in 2023 to establish an 80.8KWH solar power facility at the Taoyuan plant. In 2025, the total electricity generated reached 86,736 kw, further increasing the proportion of renewable energy usage. To further implement the greenhouse gas inventory, DFI expanded the scope of inventory to Category 3 starting from 2022. This includes the carbon emissions generated by all employees' commuting. We continuously promote using public transportation to the employees. Since 2024, we will also improve our internal business travel reimbursement system to synchronously record the carbon footprint of employees' domestic and international business trips. We will expand the scope of inspection to include Category 3 employee travel and also calculate Category 4 electricity, tap water usage, and waste disposal, in order to have a more comprehensive understanding of the organization's greenhouse gas inventory. We will continue to cooperate with the group's energy-saving, carbon-reducing, and sustainable development policies.	
IV. Social Issues (I) Does the Company formulate the relevant management policies and procedures according to the relevant laws and regulations, and the international covenants of human rights?	V		(I) In order to implement the corporate social responsibility and protection of human rights, DFI declares that it protects the rights and interests of employees, complies with national labor laws and regulations in human rights management, and follows the principles enshrined in international human rights conventions such as the United Nations Universal Declaration of Human Rights and the International Labour Organization Conventions, in addition to providing a reasonable and safe workplace, and building an inclusive and friendly workplace. The Company declares its commitment to safeguarding employee rights and has established multiple communication channels. In response to internal employee complaints, a 'Communication Management Procedure' has been developed. If employees encounter any incidents of sexual harassment or inappropriate treatment, they can directly report to the Human Resources department in accordance with the 'Reporting and Complaint Handling Procedures', and the	No deviation

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			company ensures the confidentiality of the whistleblower's identity. If any external stakeholders have any concerns regarding this issue, they can file a complaint through the CSR mailbox on the company's official website. **The summary of the Company's human rights management policy and specific plans are as follows:** **1. Workplace Safety and Health** Personnel rules and regulations are formulated in accordance with the provisions of the national labor standard laws to protect the rights and interest of the employees and the company. The Company has passed the audits and verifications conducted by Bureau Veritas Certification (Taiwan), obtaining certifications for the Environmental Management System ISO 14001 (valid from November 2025 to November 2028) and the Occupational Health and Safety Management System ISO 45001 (valid from November 2025 to November 2028), thereby ensuring a safe working environment for employees. **2. Employee Renumeration and Benefits** New entry-level employees, regardless of gender, will receive a starting salary that is consistent and not lower than the minimum wage required by law. They will also have access to a complete and unobstructed promotion pathway. In addition, the Company adheres to the regulations and systems of social insurance in various countries around the world to safeguard the basic rights of employees. **3. Employee health management** Our company has a lactation room to meet the needs of our female employees. In accordance with the regulations of the Labor Health Protection Act, we have hired dedicated nursing staff to provide on-site health services for our employees. We have also engaged physicians who specialize in labor health services to provide on-site medical services. The Company provides regular employee health checks and occasional workplace health promotion lectures and activities. Employees with high-risk factors identified during the health checks are tracked and their privacy is ensured. The tracking rate reached 100% by 2025. At the same time, we periodically provide electronic newsletters related to health to remind colleagues of the importance of health.	No deviation

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	Yes	No	Abstract	
			4. **Eliminate Illegal Discrimination and Ensure Equal Employment Opportunities** According to the Employment Service Act and the Company's hiring principles, recruitment is conducted openly based on actual business needs, with a focus on matching the right talent to the right positions. The Company recruits employees through job posting based on the actual business needs, and appoint appropriate talents based on the employment principles. The Company has zero tolerance on any unfair treatment due to race, ethnicity, ethnic group, class, color, age, gender, sexual orientation, sex identification or expression, nationality or region, disability, pregnancy, religion, political stand, the group background, family responsibility, veteran status, genetic information, or marital status, and other factors expressly stipulated by laws. 5. **Prohibition of Forced Labor and Use of Child Labor** Child labor is prohibited. The Company shall not employ any children who are under the minimum working age. Any forms of slave labor are prohibited. To protect and safeguard the working environment, conditions, premises, and rights of workers, ensuring consistent conditions for workers in terms of health and safety, job security, and remuneration. Additionally, the contract with the supplier includes provisions that mandate compliance with human rights standards, social responsibility, and a code of business ethics. The Company complies with the legal requirements for working hours and overtime system, and pays at least the minimum wage as stipulated by the regulations. Implement the vacation system to encourage colleagues to pay attention to work-life balance.	
			In 2025, a total of 4,153 employees and new recruits attended courses related to regulatory compliance, accumulating a total of 4,790.5 hours. Course materials are uploaded in the online learning system and made available for all employees' reference to complete training related to human rights protection. The course content includes the prohibition of forced labor, the prohibition of child labor, anti-discrimination measures, anti-harassment policies, prevention of insider trading, anti-trust regulations, a code of conduct for integrity, information security protocols, personal data protection, and privacy rights, among others. Regarding the "Privacy Protection Policy", DFI adheres to the Personal Data Protection Act, establishing rigorous management and protective measures for personal data privacy and security. This ensures that access to and sharing of data are properly governed and	

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	Yes	No	Abstract	
			protected. Additionally, this includes the protection of relevant personal data collection and usage during the recruitment and hiring process, which encompasses, but is not limited to, all job applicants and subsequent personnel reporting. In 2025, DFI did not encounter any instances of personal data protection violations. **Employee Personal Data Protection Training Course** On December 15, 2025, DFI conducted a one-hour training and awareness program for all 656 employees. The pass rate for the post-training assessment was 100%.	
(II) Does the Company formulate and implement reasonable employee welfare measures (including remuneration, vacation and other benefits, etc.), and appropriately reflect the operation results or achievements in the employee's remuneration?	V		(II) The Company has always valued human dignity and cared for our employees as one of our guiding principles. The company has always taken respect for humanity and care for employees as one of its business philosophies. In order to fully take care of the physical and mental health of colleagues and their families and establish a living security system, the Company specially provides annual bonuses, performance bonuses, operating dividends, vacation, group insurance, health examinations, dormitories and employee training plans, and stipulates regulations for remuneration, leaves and various benefits in the work rules, so that colleagues can be open-minded and devoted to their work. 1. **Employee Renumeration** In order to attract and retain outstanding talents, DFI strictly abides by the labor law, provide renumeration not less than the basic salary specified by the law which is not differentiated based on genders, religions, races, nationalities and political parties. To offer employees a competitive compensation policy, salaries are adjusted based on individual qualifications, professional skills, and performance evaluations to ensure fairness and market competitiveness. DFI refers to annual salary surveys conducted by independent third-party compensation consulting firms and evaluates the company's operational status to review if the goals have been achieved. In the salary committee meeting, the annual performance indicators for executive compensation were reviewed and the annual compensation was regulated. 2. **Employee benefits** The Company has established an Employee Welfare Committee that allocates welfare funds on a monthly basis. In 2025, the total number of participants in the activities organized by the Employee Welfare	No deviation

<table>
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<tr><td></td><td></td><td></td><td>Committee reached 5,869. Additionally, for information regarding the various benefits provided to employees each year, please refer to the Employee Benefits Measures in the Labor Relations chapter (P.99-P.100).

3. <u>Diversity and Equal Opportunity</u>
DFI is committed to providing employees with a respectful and safe working environment. We uphold the principles of diversity in employment, fairness in compensation and promotion opportunities, and ensure that employees are not discriminated against, harassed, or treated unfairly based on race, gender, religion, age, political beliefs, or any other protected status under applicable laws and regulations.
<table>
<tr><th rowspan="2">Indicators of employment equality</th><th colspan="2">2025</th><th colspan="2">2024</th></tr>
<tr><th>Number</th><th>%</th><th>Number</th><th>%</th></tr>
<tr><td>Female employees in total workforce</td><td>346</td><td>52.7</td><td>349</td><td>54.5</td></tr>
<tr><td>Female managers in total managers</td><td>19</td><td>23.5</td><td>23</td><td>26.4</td></tr>
<tr><td>Female senior managers</td><td>5</td><td>27.8</td><td>6</td><td>31.3</td></tr>
</table>
Note: The definition of a senior manager refers to individuals holding managerial positions at the level of director or above.</td><td></td></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><th rowspan="2">Equal remuneration indicators</th><th colspan="2">2025</th><th colspan="2">2024</th></tr>
<tr><th>Difference of median salary</th><th>Difference of average salary</th><th>Difference of median salary</th><th>Difference of average salary</th></tr>
<tr><td>Direct Staff Male and Female Renumeration</td><td>13.7</td><td>13.4</td><td>19.4</td><td>13.9</td></tr>
<tr><td>Indirect Staff Male and Female Renumeration</td><td>26.4</td><td>23.8</td><td>25.1</td><td>22.4</td></tr>
</table>

4. <u>Operating performance is reflected in employee renumeration</u>
• Article 21 of the Articles of Association:
If the Company makes profit over a year, 5% to 20% of the profit shall be appropriated as employee remuneration, which shall be distributed in the form of stocks or in cash with the resolution of the Board of Directors. Such appropriated amount may be also distributed to employees of other companies under the control of or affiliated to the Company which satisfy certain conditions. In</td><td></td></tr>
</table>

Item	Implementation			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
			addition, no more than 1% of the profit shall be appropriated as directors' remuneration with the approval of the Board of Directors by resolution. The proposal for paying remuneration to employees and directors shall be presented at the shareholders' meeting. Nonetheless, in case of accumulated deficit in the Company, a proportion of the profit shall be reserved for recovering the loss before an amount is appropriated at the aforementioned ratio as remuneration to employees and directors. The distribution of compensation for entry-level employees shall not be less than 10% of the total employee compensation. • Overall Renumeration Policy: The Company participates in market salary surveys every year. Based on market salary levels, economic trends, and individual performance, we adjust salaries to maintain overall competitiveness. In 2025, the average annual salary increase for both managerial and non-managerial positions in our Taiwan region is 3%. The Renumeration Committee of our company holds at least two meetings per year and may convene additional meetings as needed. The Remuneration Committee shall, with the attention of a good manager, faithfully perform the following functions and submit its recommendations to the Board for discussion. The distribution of employee and director remuneration by the company is reported to the shareholders' meeting after being approved by the Renumeration Committee and the Board of Directors. This can be used as a measure of the management performance of the Company's highest management unit. The renumeration information of the board of directors and senior management is appropriately disclosed in the Company's annual report, allowing all stakeholders to fully understand the relationship between executive renumeration and company performance.	

Item	Implementation			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
(III) Does the Company provide the employees with a safe and healthy work environment, and regularly implement safety and health education for the employees?	V		(III) The Company has established an occupational safety and health management unit in accordance with the law, and has appointed occupational safety and health management personnel, special operation supervisors, and first aid personnel. The Company has set up leisure and sports facilities in the factory area for employees to exercise, and has arranged for doctors to be stationed for medical consultations. Every year, regular employee health checks and occasional health activities are conducted to maintain the physical and mental health of employees. The various plants of the Company conduct occupational safety and health education and training in accordance with the requirements and frequency specified by national laws and regulations. We carry out autonomous inspections of production equipment and operations, monitor the working environment, conduct fire system inspections, perform emergency response drills, and the occupational safety unit conducts regular or random checks and inspections to confirm the performance of each responsible unit. Additionally, we undergo annual external verification through ISO 45001 for auditing purposes. In terms of construction safety management, the contractor has established standard operating procedures and inspection record forms for various stages, including entry application, hazard notification, construction application, hazardous operation application, and pre, during, and post-operation inspections. In terms of chemical management, it is the focus of occupational safety and health management work. The Company follows the operating procedures 'Chemical Management Regulations' to store, transport, use, dispose, and manage chemicals. It also verifies and reports the monthly declaration numbers through the Chemical Cloud System administered by the central government. In the area of site safety, access control is managed through card permissions, supplemented by the patrols of security personnel to enhance safety management. Fire safety equipment and elevators are maintained by qualified organizations in accordance with regulations. In addition to conducting fire inspections every six months, employees are also designated to obtain fire management licenses. Every year, a fire and evacuation drill is conducted for all employees in all factory areas to enhance their knowledge of safety evacuation. In addition, periodic environmental sanitation and disinfection operations are carried out, and	No deviation

Item	Implementation			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
			relevant promotional activities are conducted in response to the government's announcement of major epidemics. In 2025, the Company experienced one occupational safety incident within the plant. The Company has completed follow-up corrective measures by removing the original handrail-less ladders and replacing them with newly designed fixed stairs equipped with handrails redesigning to provide safe access for employees, reduce fall risks, and strengthen the safety of operational flow. The Company also concurrently implemented an employee care mechanism. For employees who suffered work-related injuries, recuperation were arranged in accordance with the physician's instructions. Unit supervisors and the Human Resources Department conduct periodic telephone check-ins during the recovery period to confirm the employees' physical recovery and the status of follow-up appointments. After the employees return to work, the Company coordinates the content of returning employee's work according to the physician's recommendations and arranges a meeting with the Company's on-site attending physician to ensure that the employees' physical condition and work arrangements were appropriate upon their return. All of the Company's facilities have passed the audit and certification of the Occupational Health and Safety Management System ISO 45001 (valid until November 30, 2028). Please refer to the Labor Relations Special Chapter on Workplace Safety Facilities for information on related Operational Environment Safety Facilities (P.105-P.106).	
(IV) Does the Company establish effective career development training plan for the employees?	V		(IV) DFI has deeply engaged in talent cultivation and development, is committed to building sustainable value of talents, and had established a "three-in-one" training system coordinated by the human resources unit, planned by the dedicated training center, and implemented collaboratively by all departments. Through the annual "Training Needs Survey", the training center precisely identifies competency gaps in each unit. Following an assessment of course suitability, the training center consolidates and compiles the courses into the "Annual Training Plan", ensuring that education and training resources were precisely aligned with the Company's operational target. In addition to implementing internal training programs, DFI actively encourages employees, in line with organizational growth, competency requirements, and individual performance, to proactively participate in external training to broaden their professional horizons. At the same time,	No deviation

Item	Implementation			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
			through the introduction of the new "Training Management System (DTMS)", we have integrated diverse online learning resources to overcome the constraints of time and location. This establishes a flexible and agile digital learning ecosystem, further driving continuous improvements in work-related performance. Furthermore, employees are encouraged to participate in cross-domain seminars organized by the Qisda Group on an ad hoc basis, covering technology, lifestyle, and social welfare. These seminars are designed to inspire cross-domain thinking and equip employees with the relevant skills to balance work and life. Furthermore, to demonstrate DFI's commitment to corporate social responsibility and product quality, DFI has included the "Hazardous Substance Process Management System (IECQ QC 080000)" as mandatory training programs for all employees. To ensure the tangible effectiveness of investments in training resources, DFI implemented the "Four-Level Evaluation Model" proposed by American scholar Donald L. Kirkpatrick and validate effectiveness across the four dimensions: reaction, learning, behavior, and results. DFI adopts a differentiated assessment mechanism based on the attributes of the courses and the competency target, ensuring that the content of the training not only met the learning target but is translated into employees' professional behavior, thereby enhancing overall operational performance. In 2025, DFI demonstrates tangible results in talent development. The annual average training hours for all employees (including overseas), totaling 656 people, reaching 18.22 hours, thereby successfully achieving the annual short-term target 18 hours. Looking ahead, DFI will continue to develop multiple forward-looking courses in strategy fields such as key components, healthcare, and the Internet of Things. We will continue to implement the previously established short-, medium to long-term development target to maintain learning momentum of the talents and strengthen the competitive advantages of the Company. Please refer to the Employees continuing education and training in the Labor Relations chapter(P.100–P.104).	

Item	Implementation			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	
(V) Does the Company comply with the relevant laws, regulations and international standards, and formulate the relevant policies and complaint procedures for protection of the rights and interest of the consumers or customers with respect to the customer's health and safety, privacy, marketing, marking and other issues of the products and services?	V		(V) The Company's marketing and labeling of the products and services conform to the relevant laws and regulations, as well as the international standards, and shall not contain any behaviors that cheat, mislead, fenagle or otherwise damage the customer's trust, and prejudice the rights and interest of the consumers. In accordance with international regulations and customer requirements, the "Control List of Hazardous Chemical Substances" has been formulated. Through the strict control of the recognition of parts and materials and the inspection of finished products, a systematic management mechanism ensures that the products can meet international regulations and customer requirements. The Company's products have passed the QC 080000 and Green Product audits conducted by the Electronics Industry Research Institute of the Industrial Technology Research Institute, as well as audits from several international major factories. Our suppliers have also obtained certifications for the prohibition of substances and have successfully provided materials. WEEE has also been registered and entrusted to local operators for future product recycling in several countries in Europe. Based on the fundamental principles and common legal requirements of the General Data Protection Regulation (GDPR) under global personal data protection regulations, the Company has established a personal data protection management system and policy, and has set up a personal data protection project team to manage and protect customer privacy. Through internal data audits, external verification, crisis prevention, and education and training, we ensure the security of customer data. For the customer rights and complaints section, DFI conducts regular customer satisfaction surveys to ensure that customer needs are understood and met. Customers can also use this questionnaire to make complaints and provide feedback on areas where DFI can improve or assist. Every December, DFI conducts a comprehensive customer service satisfaction survey and sends a notification letter to customers' designated contact persons through the Marketing Department, requesting them to rate and fill out the survey. Furthermore, an appeal channel via email (Inquiry@dfi.com) is provided.	No deviation
(VI) Does the Company formulate the supplier	V		(VI) Suppliers of the Company are required to sign the "DFI Supplier Code of Conduct for Sustainable Development," which entails full compliance with the laws and regulations	No deviation

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation</th><th rowspan="2">Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td>management policies, demand the suppliers to comply with the relevant specifications in relation to environmental protection, occupational health and safety or labor human rights, and implement the same?</td><td></td><td></td><td>of their respective operating countries/regions. In addition, the code sets standards for business conduct in areas such as labor rights, health and safety, environment, corporate ethics, and management systems, aiming to establish sustainable procurement practices. Suppliers are also expected to communicate these requirements to their own downstream suppliers and monitor their compliance. Suppliers of raw materials are required to complete an ESG sustainability risk assessment questionnaire that covers regulatory compliance, sustainable management, supplier management, conflict mineral management, environmental protection, health and safety, labor rights, and human rights. This is done to understand the sustainability risks of the suppliers. If necessary, on-site audits will be conducted to ensure that the sustainability of the suppliers meets our standards. At the same time, we expect suppliers to continuously improve their sustainability performance. Therefore, we require/encourage both existing and new suppliers to obtain relevant international certification standards such as ISO 9001, IATF 16949, ISO 14001, ISO 45001, ISO 14064-1, and others.
<table>
<tr><td>Procedures for Supplier Promotion</td><td>1. Holding ISO 9001 verification and other registration letter of Company, factory, or business.
2. Assessment of suppliers in terms of quality, price, innovative technology, process capability and service.
3. New vendors are required to sign the Supplier Parts/Materials Quality Agreement during the assessment.
4. If the assessment result is qualified and approved, the supplier will be listed in the qualified supplier list.</td></tr>
<tr><td>Supplier Assessment</td><td>1. Regularly assess raw material suppliers semiannually.
2. Suppliers are assessed in terms of incoming quality, delivery date, price, etc.
3. Based on the assessment score, suppliers will have different treatment.</td></tr>
<tr><td>Supplier On-site Audit and Guidance</td><td>1. Regular/ad-hoc audit is carried out every year based on the material quality.
2. Audit covers quality system, manufacturing process, hazardous substances, and corporate social responsibility.
3. Consulting and review will be conducted based on the audit result.</td></tr>
<tr><td>Supplier Risk Management</td><td>1. Continuous operational risk assessment is conducted and sustainability management, the DFI sustainability risk assessment questionnaire and the CSR management self-assessment questionnaire, and the sustainable development code of conduct is signed.
2. Major risk investigations.
3. Investigation on accounts payable.
4. In accordance with the current lists of sanctioned countries and regions issued by international trade</td></tr>
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<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation</th><th rowspan="2">Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td></td><td></td><td></td><td>organizations, the Company regularly screens its ERP system’s trading counterparties (customers/suppliers) against these lists. The system automatically notifies designated personnel through alerts, thereby mitigating transaction risks.</td><td></td></tr>
<tr><td>V. Does the Company prepare the sustainability report and other reports that disclose the Company's non-financial information by reference to the international generally accepted report preparation standard or guidelines? Has the Company obtained confirmed or secured opinion on the foregoing reports from the third-party verification agency?</td><td>V</td><td></td><td>The Company prepared the “2022 DFI Sustainability Report” in accordance with the globally recognized GRI Standards. The report received Type 2 High Assurance under the AA1000 standard from Bureau Veritas Certification (Taiwan). The 2024 Sustainability Report was published in August 2025 and made available on the Company’s official website and the Market Observation Post System (MOPS). The annual report for 2025 is expected to be published in August 2026.</td><td>No deviation</td></tr>
<tr><td colspan="5">VI. If the Company has established its own Sustainable Development Guidelines pursuant to the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies,” please describe the implementation status and any material differences from the said Principles: The Company adopted its “Corporate Social Responsibility Policy” in March 2011. In November 2022, it was renamed as the "Guidelines for Sustainable Development Practices," and relevant articles were amended. The overall implementation is largely consistent with the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies,” with no material differences.</td></tr>
<tr><td colspan="5">VII. Other important information for understanding the implementation of sustainable development:
Environmental Conservation (E)
1. In 2025, we continued to cooperate with the "Direct Purchase from Farmers" and extend "Grow a Tableful" project. Through an adoption scheme, we support the eco-friendly cultivation of Koshihikari rice at "Heartfelt Rice Store"in Miaoli. Through continued adoption, farmers were supported in practicing farming methods that were friendly to the environment and in caring for their land. Assistance was provided to share the nature-related risk and the uncertainties encountered during agricultural production. These measures concretely supports the development of sustainable agriculture and deepens recognition of farming practices that are friendly to the environment.
2. Additionally, through the Organic Agriculture Promotion Center, we collaborated with "Me Zao-Ju", a local organic smallholder in Gongguan, Miaoli. We supported the organic cultivation of red dates through an adoption program. Although DFI originally planned to host agricultural volunteer activities, the in-person volunteer activities were canceled, considering typhoon-related climatic impact and operational safety. Instead, DFI replaced the activities with an adoption-based support approach to continue to assist farmers in stabilizing production and mitigate the impact of climate risks on agricultural operations. This demonstrates DFI's governance commitment to supporting</td></tr>
</table>

Item	Implementation			Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons thereof
	Yes	No	Abstract	

sustainable agriculture and development of local smallholders through concrete action, when faced with force majeure.

Social Care and Employee Health (S)

1. In October 2025, to prevent the transmission of influenza in the workplace, the Company invited the Neihu Sunshine Clinic to conduct a centralized influenza vaccination for employees, safeguarding their health.
2. In July 2025, the Company hosted the DFI Sports Fest, organizing internal sports competitions featuring regular events such as volleyball, badminton, basketball, table tennis and bowling. A total of 15 teams participated, with 65 individuals taking part in the activities.
3. In August 2025, the Group Sports Day featured team competitions among employees from various affiliated enterprises in regular events such as volleyball, badminton, and basketball. This event aims to promote sports participation among all employees and to foster positive sports habits.
4. The Group Singing Competition in August 2025 offers a platform for employees to showcase their individual talents through singing contests. This initiative encourages employees to express themselves in areas beyond their professional responsibilities, promoting a balance of physical and mental well-being.
5. In August 2025, the Eden Foundation invited visually impaired massage therapists to provide stress-relieving massages for employees at the Company. A total of 117 people participated to support visually impaired individuals in providing professional massage services to the public, contributing to society and promoting employee health.
6. In November 2025, the Group hosted a family day event titled "Green Wilderness Wonder, Journey with Loved Ones" at Pusin Ranch, inviting employees and their families to participate. The event integrated the farm's environmental features with diverse outdoor experiences, providing a platform for employees and their families to enjoy quality bonding time. This initiative not only promoted family interaction and physical and mental relaxation but also guided participants in understanding the natural environment and the principles of sustainable living. Through the organization of family day activities, we supported employees in balancing work and family responsibilities and further enhanced employees well-being, organizational cohesion, and employee identification and sense of belonging to the company.
7. In December 2025, DFI organized a day trip—the 'Jiaobanshan Hiking Day.' Through the hiking event, employees were encouraged to engage in moderate exercise in the natural environment to promote physical and mental health and relieve stress, thereby enhancing employees' awareness of healthy lifestyles. A total of 419 people registered for this event.
8. In 2025, four health screening events were held, covering basic health assessments and professional medical consultations. These initiatives aim to assist employees in the early detection of potential health issues and to enhance health management awareness. With regular health check-ups, the Company demonstrates its commitment to employee health and further fosters a safe and healthy work environment.
9. In 2025, a total of 12 on-site health care services were provided by contracted physicians, with a total of 84 consultations.
10. Continue to promote employee volunteer service and encourage employees to participate in social care through concrete actions. In 2025, DFI and its affiliates jointly participated in local food bank volunteer services, assisting with the sorting of supplies and pre-distribution operations. By providing labor support, we helped disadvantaged families obtain a stable and secure supply of goods. Through participation in volunteer service, employees gain a deeper understanding of the food bank's operations and the society's needs, and deepen their understanding of the issues related to society care. The Company will continue to combine corporate resources and manpower to promote employee volunteer activities, give back to society, strengthen its connections with the community, and practice corporate social responsibility.
11. In addition to responding to the Qisda Group's charitable initiatives, the Company launched its first self-initiated blood drive in 2025. The event received enthusiastic support from employees, and a total of 71 bags of blood were collected, providing tangible assistance in replenishing medical resources and meeting the demand for blood. Through as blood donation, the Company deepened employees' health awareness and demonstrated its commitment to giving back to society and to fulfilling social responsibility through concrete actions.
12. Attention was paid to the issue of age-friendliness and local community care. In 2025, employees participated in elder care volunteer activities, partnering with charitable organizations to reach out to communities, visiting elder

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living alone, and provide material support and companionship, thereby conveying the Company's commitment to the well-being of elderly. Through on-site care activities, we deepened employees' understanding of the aging issue and strengthened the Company's ties with local communities. We continued to practice corporate social responsibility through concrete actions and supported the development of an age-friendly and inclusive society.

13. DFI is committed to philanthropy. In 2025, DFI donated NT$2.5 million to the BenQ Foundations. By aligning the foundation's core values with our internal resources, we aim to promote the urban-rural divide, ecological conservation, and diverse social care. We are committed to fulfilling our corporate social responsibility to contribute to society.
14. To encourage local farmers to adopt organic and natural farming methods, promote the sustainable development of agriculture in Taiwan, DFI has continued to collaborate with Direct Purchase from Farmers to actively support small-scale farmers through concrete actions and promote eco-friendly local agricultural products. Through continuous procurement and support for local production and eco-friendly farming, we not only enhanced employees' recognition of domestic agricultural products, but also promoted the economy of smallholders and sustainable development of the agricultural environment.

Time	Purchased agricultural products	Direct Procurement Volume (kg)	Helped Producers and Collaborators	Expenditure Amount (NT$)
2025Q1	Taichung Xinshe Assorted Passion Fruit	75	3 people	18,750
2025Q2	Pingtung Fangshan Aiwen Mango	276	5 people	33,250
2025Q3	New Taipei Bali Pomelo	417	3 people	53,880
2025Q4	Taichung Fushoushan Honey Apple	102	4 people	35,490
Total		870	15 people	141,370

Note: This is calculated based on purchasing directly from farmers.

Purchased agricultural products	Direct Procurement Volume (kg)	Expenditure Amount (NT$)
Miaoli Yuanli Koshihikari Rice	480	98,800
Miaoli Gonguan Red Date	200	105,000
Total	680	203,800

15. The Company hires local manpower in the operating area to enhance community identification:

Factory	Local talent employed	Total number of employees in the factory	Proportion (%)
Xizhi	75	221	33.94%
Xindian	10	57	17.54%
Taoyuan	135	313	43.13%
Total	220	591	37.23%

Corporate Governance (G)

1. The ISO 14064-1 greenhouse gas inventory for 2025 was verified by Bureau Veritas Certification (Taiwan) from February 10 to February 12, 2026, as part of the Company's commitment to responsible carbon emissions management.
2. The Company's 2024 Corporate Sustainability Report participated in the 18th Taiwan Corporate Sustainability Awards (TCSA) in 2025 and won the Gold Award for in the Electronics Information Manufacturing Industry.
3. In 2025, the Company was honored by the Occupational Safety and Health Administration, Ministry of Labor as the Sustainable Leading Enterprise in Healthy Workforce and recognized as an outstanding enterprise in the voluntary evaluation of occupational health and safety performance.
4. The innovative "Multifunctional AI Retail Machine" has been awarded the 2025 Taiwan Excellence Award. The ECX700-ADP received the 2026 Taiwan Excellence Award.

(VII) Climate-related Information of Listed and OTC Companies

1. Climate-Related Information Implementation Status

Item	Implementation
1. The supervision and governance of climate-related risks and opportunities by the Board of Directors and management.	In accordance with the framework of the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we disclose climate-related risks in four dimensions: governance, strategy, risk management, and metrics and targets. We have published our climate governance achievements in recent years in our sustainability report. The Risk Management Committee focuses on identifying and assessing the Company's relevant risks on an annual basis. Risk management decisions are implemented following approval by the Board of Directors and the Audit Committee. The President, head of the Sustainable Risk Management Department, and other senior executives will conduct tracking and discussions during quarterly meetings and will report to the Board of Directors annually.
2. The impact of identified climate risks and opportunities on the business, strategy, and finances of the company (short-term, medium-term, long-term).	The Company has identified climate-related transition and physical risks, as well as opportunities. The key items that significantly impact the Company's business are as follows: The domestic and international regulations and laws concerning transition risks (medium to long term) have resulted in an increase in carbon fees, consequently raising operational costs. The focus on low-carbon product development (long-term) will lead to an increase in R&D expenditures. In terms of market risks (mid-term), new carbon reduction policies or regulations may restrict the export of the Company's products to target markets. To align with customers' carbon reduction goals, the Company is conducting comprehensive carbon footprint assessments and pursuing relevant certifications. Physical risks (short-term) such as increased severity of extreme weather events may lead to reduced or disrupted production capacity (e.g. shutdowns, transportation difficulties, supply chain interruptions), resulting in higher operating costs. The rising average temperature (long term) will lead to increased demand for air conditioning and insufficient electricity supply. This situation has resulted in a crisis characterized by power outages and restrictions. In terms of transformation opportunities (mid-term), the Company continues to develop ERP Lot 3 energy-efficient products and implement its green power initiatives. In 2023, a solar photovoltaic system was installed at the Taoyuan plant. The use of renewable energy is expected to reduce greenhouse gas emission costs, generating a positive and long-term financial impact.
3. The impact of extreme weather events and transition actions on finance.	In response to extreme weather events, the Company's facility has implemented disaster prevention measures and established a Business Continuity Plan (BCP) to address flooding. Additionally, we have transferred risks through insurance to mitigate the financial impact of heavy rainfall on the Company. The costs associated with the transition initiatives will primarily include the replacement of high-energy-consuming equipment, research and development costs for energy-saving products, the purchase of green electricity, and the installation of solar energy systems. Although this will increase costs and expenses, it will also generate positive benefits.

<table>
<tr><th>Item</th><th>Implementation</th></tr>
<tr><td>4. The integration of the process for identifying, assessing, and managing climate risks into the overall risk management system.</td><td>In alignment with the framework set forth in the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Company discloses climate-related risks through four key areas: governance, strategy, risk management, and metrics and targets. The Company reports recent progress in climate governance in its sustainability report, identifies climate change as a material topic in its sustainability agenda, and includes it as a key item in stakeholder surveys. In accordance with the Risk Management Committee's evaluation of the RA factors for each unit, risk factors will be managed and controlled on a quarterly basis. Through the committee's execution of operational planning, product management, and supply chain management measures, response strategies have been established, including the Business Continuity Plan (BCP).</td></tr>
<tr><td>5. If using scenario analysis to assess resilience to climate change risks, the context, parameters, assumptions, analysis factors, and major financial impacts should be explained.</td><td>The headquarters of the Company is located in the Xizhi District of New Taipei City, while the plant is in the Guishan District of Taoyuan City. According to the 3D Disaster Potential Map from the National Center for Disaster Prevention and Response Technology, neither the Company headquarters nor the Taoyuan factory is directly located within areas of rainfall potential or rockfall potential. Furthermore, there are no landslide potential streams or slopes in the vicinity of the Company. Therefore, the risk of flooding or landslides disrupting the Company's operations is minimal. However, for risk management purposes, the Company continues to assess the potential financial losses associated with property damage in the unfortunate event of climate-related incidents that lead to work stoppages in the short term. Given that our products are produced based on customer demand, any work stoppage would primarily result in losses concentrated in fixed costs and financial expenses.</td></tr>
<tr><td>6. If there is a transition plan for managing climate-related risks, please explain the content of the plan, as well as the indicators and objectives used to identify and manage physical risks and transition risks.</td><td>The Company has established short, medium, and long-term goals and carbon reduction strategies to mitigate climate risks associated with greenhouse gas emissions. By promoting energy-saving initiatives, implementing renewable energy solutions, and conducting product carbon footprint assessments, the Company aims to achieve a 60% share of renewable energy by 2030, meet RE100 requirements for renewable energy ratios by 2040, and reach net-zero emissions by 2050.</td></tr>
<tr><td>7. If using internal carbon pricing as a planning tool, the basis for price determination should be explained.</td><td>Not yet established.</td></tr>
<tr><td>8. If climate-related goals are set, the activities covered, greenhouse gas emissions scope, planning schedule, annual progress, and other information should be explained. If carbon offsetting or renewable energy certificates (RECs) are used to achieve the goals, the source and quantity of carbon offsetting or the quantity of RECs should be specified.</td><td>DFI has joined RE100, with the aim of achieving 100% renewable energy usage by 2040 and reaching net-zero emissions by 2050. The progress made in 2025 and the recent planning schedule are summarized in the table below. For further details, please refer to the Sustainability Report.
<table>
<tr><th>Climate Target</th><th>2024</th><th>2025</th><th>2026</th><th>2030</th><th>2025 Results</th></tr>
<tr><td>The scope of Climate Target 1 is based on the greenhouse gas emissions from DFI's individual operations in 2021, with Scope 1 and Scope 2 emissions totaling 3,301.66 metric tons CO2e.</td><td>10% reduction in GHG emissions.</td><td>20% reduction in GHG emissions.</td><td>10% reduction in GHG emissions.</td><td>50% reduction in GHG emissions.</td><td>1. 9% increase in GHG.
2. The increase in electricity consumption was attributable to optimization and adjustment of manufacturing equipment, longer working hours, and continued operation of public facilities.</td></tr>
</table></td></tr>
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Item	Implementation					
	The scope of Climate Target 2 is based on DFI's organizational boundary, focusing on the proportion of renewable energy usage.	0%	0%	0%	30%	Renewable energy (self-generated solar energy) accounts for 1%. Energy-saving measures will be prioritized before 2030, and from 2030 onwards, the purchase of certificates will be conducted.
9. Inventory and Confirmation of Greenhouse Gas Emissions, Reduction Targets, Strategies, and Action Plans (to be filled in Sections 1-1 and 1-2).						

1-1 Company Greenhouse Gas Inventory and Verification Status in the Past Two Years

1-1-1 Greenhouse Gas Inventory Information

The emissions (tCO2e), intensity (in tCO2e per NT$million), and data coverage of greenhouse gases in the past two years are presented.

2024

Direct emissions (category 1) tCO2e	Energy indirect emissions (category 2) tCO2e	Category 1+2 tCO2e	Parent company operating revenue (in million NT$)	Intensity (Metric tons of CO2e/ in million NT$)	Other indirect emissions (Scope 3 categories are employee commuting and business travel) tCO2e	Category 4 are upstream energy and waste disposal tCO2e
140.2321	2,711.3064	2,851.5385	3,222.248	0.8850	904.0312	1,283.6191

Total emissions were verified by a third-party verification company (Taiwan Wesley International Certifications Co., Ltd.). From February 11th to February 13th, 2025, ISO 14064-1:2018 verification was conducted. Categories one and two obtained reasonable assurance, while categories three and four had limited assurance.

The above verification of boundary setting method is based on the 'Operational Control Law'. Within the Company's scope, all emission sources disclosed on each floor are fully owned, and their facility-level greenhouse gas emissions and removals are aggregated using this method. The organizational site includes the Xizhi headquarters, Taoyuan factory, and Xindian research and development office. The site encompasses the Taoyuan factory dormitories and the external materials warehouse. The total emissions are calculated for the period from January 1 to December 31.

2025

Direct emissions (category 1) tCO2e	Energy indirect emissions (category 2) tCO2e	Category 1+2 tCO2e	Parent company operating revenue (in million NT$)	Intensity (Metric tons of CO2e/ in million NT$)	Other indirect emissions (Scope 3 categories are employee commuting and business travel) tCO2e	Category 4 are upstream energy and waste disposal tCO2e
127.0973	2,980.0899	3,107.1872	3,760.516	0.8263	212.1475	2,716.8491

Total emissions were verified by a third-party verification company (Taiwan Wesley International Certifications Co., Ltd.). From February 10th to February 12th, 2026, ISO 14064-1:2018 verification was conducted. Categories one and two obtained reasonable assurance, while categories three and four had limited assurance.

The above verification of boundary setting method is based on the 'Operational Control Law'. Within the Company's scope, all emission sources disclosed on each floor are fully owned, and their facility-level greenhouse gas emissions and removals are aggregated using this method. The organizational site includes the Xizhi headquarters, Taoyuan factory, and Xindian research and development office. The site encompasses the Taoyuan factory dormitories and the external materials warehouse. The total emissions are calculated for the period from January 1 to December 31.

Note 1: Direct emissions (Category 1, i.e., emissions directly from emission sources owned or controlled by the Company), energy indirect emissions (Category 2, i.e., indirect greenhouse gas emissions resulting from the use of purchased electricity, heat, or steam), and other indirect emissions (Category 3, i.e., emissions generated by company activities that are not energy indirect emissions but rather come from emission sources owned or controlled by other companies).

Note 2: The scope of direct emissions and indirect emissions from energy should be handled in accordance with the schedule specified in Article 10, Paragraph 2 of these guidelines. Other information on indirect emissions may be disclosed voluntarily.

Note 3: Greenhouse Gas Inventory Standard: The Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or revenue, but at least the data should be presented in terms of revenue (in million NT$).

1-1-2 Greenhouse Gas Assurance Information

Explanation of the confirmed situation for the two most recent fiscal years as of the date of printing of the annual report, including the scope of confirmation, confirming institutions, confirming criteria, and confirming opinions.
The greenhouse gas inventory results for the fiscal years 2024 and 2025 are believed to cover the entire year from January 1 to December 31, within the organizational boundaries under operational control. The verification of the institutions was conducted by Bureau Veritas Certification (Taiwan) Co., Ltd. The verification criteria were based on ISO 14064-1:2018 inventory, with evidence generated through on-site visits and examination of documents. The verification level for direct greenhouse gas emissions and removals, as well as for indirect greenhouse gas emissions from energy sources, is reasonable assurance. The verification level for other indirect greenhouse gas emissions is limited assurance. The materiality threshold is set at 5%.
2024 Annual Assurance Opinion: Based on the verification process and procedures conducted by Taiwan Wesley International Certification Co., Ltd., there is sufficient evidence to indicate that the declarations of category 1 and category 2greenhouse gases by DFI are materially correct and fairly present the greenhouse gas data and related information, and are prepared in accordance with ISO 14064-1:2018 to meet the level of reasonable assurance required by the verification protocol. There is no evidence to suggest that DFI Inc.'s Category 3 and Category 4 greenhouse gas statements are materially inaccurate, unfairly presented, or not prepared in accordance with ISO 14064-1:2018, or that they do not meet the limited assurance level of the verification agreement.
2025 Annual Assurance Opinion: Based on the verification process and procedures conducted by Taiwan Wesley International Certification Co., Ltd., there is sufficient evidence to indicate that the declarations of category 1 and category 2 greenhouse gases by DFI are materially correct and fairly present the greenhouse gas data and related information, and are prepared in accordance with ISO 14064-1:2018 to meet the level of reasonable assurance required by the verification protocol. There is no evidence to suggest that DFI Inc.'s Category 3 and Category 4 greenhouse gas statements are materially inaccurate, unfairly presented, or not prepared in accordance with ISO 14064-1:2018, or that they do not meet the limited assurance level of the verification agreement.

Note 1: The process should be carried out in accordance with the schedule specified in the order as stipulated in Article 10, Section 2 of these guidelines.

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

Explanation of the baseline year and data, reduction targets, strategies, specific action plans, and the achievement of reduction targets for greenhouse gas emissions.

2025 Greenhouse Gas Inventory Information

Direct emissions (category 1) tCO2e	Energy indirect emissions (category 2) tCO2e	Other indirect emissions (Scope 3 categories are employee commuting and business travel) tCO2e	Category 4 are upstream energy and waste disposal tCO2e	Total emissions (tCO2e)
127.0973	2,980.0899	212.1475	2,716.8491	6,036.1838

The Company follows the Group's Joint Initiative RE100 and sets the short, medium and long-term objectives as follows:

Benchmark year	Completion Year	Goals		
		Ratio of renewable energy and carbon offset:	Reduce water usage by:	Recovery rate of recycling:
2022	2023	1%	0%	80%
2023	2030	60%	5%	90%
2030	2040	100%	1%	100%
2040	2050	Net Zero Carbon Emissions	1%	100%

In collaboration with its parent company, Jia Shi Da Group, the company is jointly promoting the RE100 initiative. The reduction targets are set to achieve 60% reduction, 100% renewable energy and carbon offset, and net zero carbon emissions by 2030, 2040, and 2050, respectively.

2025 Greenhouse Gas Reduction Measures:

1. Policies and Promotion: Promote ISO 50001 energy management international certification; implement office environmental protection and energy-saving activities; encourage employees to choose public transportation for commuting.

Explanation of the baseline year and data, reduction targets, strategies, specific action plans, and the achievement of reduction targets for greenhouse gas emissions.
II. Environment and Equipment: Continuously evaluate the introduction of energy-saving equipment; improve the energy efficiency of plant and process facilities; evaluate the introduction of alternative energy technologies. III. Execution, Products: Conduct education and training on greenhouse gas inventory for subsidiary companies; implement product lifecycle management; promote product carbon footprint. In 2025, electrical energy consumption was 22,633.59 GJ, approximately 10% higher than the 20,592.2 GJ recorded in 2024. The increase can be attributed to optimization and adjustment of production equipment, increased working hours, and maintaining the operation of utility equipment, resulting in higher electricity consumption. To achieve the 2030 RE60 target, continuous promotion of energy saving and carbon reduction and green electricity measures was undertaken.

Note 1: The process should be carried out in accordance with the schedule specified in the order as stipulated in Article 10, Section 2 of these guidelines.

(VIII) Company's Integrity Management Situation and Measures

Evaluation item	Operation			Differences and reasons compared to the integrity management codes of publicly listed companies
	Yes	No	Abstract	
I. Establishing a Code of Conduct Policy and Program				No deviation
(I) Does the company have a code of conduct approved by the board of directors, and is it clearly stated in the regulations and external documents? Are the board of directors and senior management actively implementing the business policy?	V		(I) The Company has mentioned the Honest Management in the personnel management regulations, the Code of Ethical Conduct for the directors, the supervisors and the senior executives, and the white paper of the enterprise social responsibility, which has been approved by the management and the Board of Directors. It is prohibited to accept kickbacks or other illegal benefits by conduct of duty or conducts against the duty.	
(II) Does the Company establish a mechanism for assessing the risk of dishonest behavior, regularly analyzing and evaluating business activities with a higher risk of dishonest behavior within the scope of operations, and formulating measures to prevent dishonest behavior, at least covering the preventive measures for the behaviors specified in	V		(II) The Company shall implement any promotional activities, advertising, sponsorship materials and funds according to the Company's internal control procedures and authority table, and prevent operating activities causing dishonest behavior risks.	

Evaluation item	Operation: Yes	Operation: No	Operation: Abstract	Differences and reasons compared to the integrity management codes of publicly listed companies
Article 7, Section 2 of the Code of Conduct for Listed and OTC Companies? (III) Does the Company have established operating procedures, codes of conduct, disciplinary measures, and complaint mechanisms within its program to prevent dishonest behavior? Are these measures implemented and regularly reviewed and revised?	V		(III) The prevention measures are distributed in each internal control operation procedure, and punishment and appeal system are set forth in the Personnel Management Regulations.	
II. Implementing Integrity in Business Operations (I) Has the Company evaluated the integrity records of its business partners and included provisions for ethical behavior in the contracts signed with them?	V		(I) The Company has the supplier review management procedure. Before procurement and marketing, the Company will inquire about the operation status of the cooperative manufacturers through the website of the Ministry of Economic Affairs or other channels, or demand such manufacturers to provide the relevant data providing their legal operation, and pay special attention to the integrity related clauses while examining the contractual clauses.	No deviation
(II) Does the Company establish a dedicated unit under the board of directors to promote business integrity and regularly (at least once a year) report its integrity management policy, measures to prevent dishonest behavior, and the implementation and supervision to the board of directors?	V		(II) The company has established a part-time unit under the Board of Directors to promote business integrity (the company's administrative management department), and reports to the Board of Directors regularly every year. The execution status for 2025 was reported to the Board of Directors on March 3, 2026.	
(III) Does the Company have a policy in place to prevent conflicts of interest, provide appropriate channels for	V		(III) For conflicts of interest, the Company has developed the Integrity Handbook, the Code of Ethical Conduct for Directors and Managers, the Ethical Corporate Management Principles and the personnel management rules, which are	

Evaluation item	Operation: Yes	Operation: No	Operation: Abstract	Differences and reasons compared to the integrity management codes of publicly listed companies
disclosure, and ensure implementation? (IV) Has the company established effective accounting and internal control systems to implement ethical business practices? Does the internal audit unit develop relevant audit plans based on the assessment of dishonest behavior risks and use them to verify compliance with the anti-dishonesty program, or does it engage accountants to conduct audits? (V) Does the Company regularly hold integrity management education and training internally and externally?	 V V		implemented in all aspects of the code of conduct, misconduct prevention, reporting and investigation. (IV) The Company continues to revise its internal control system in accordance with legal requirements and conducts audits and evaluations of the effectiveness of the internal control system. The Audit Department will develop relevant audit plans and conduct regular audits based on the risk assessment results of dishonest behavior. All required items are included in the annual audit items, and the relevant audit results and improvement status are reported to the Audit Committee and the Board of Directors every quarter. The company's accounting system is established in accordance with legal requirements. The CPA also conducts audits or reviews of the Company's financial statements on a quarterly basis and issues a report, regularly reporting the audit or review results to the Audit Committee. (V) The Company implements integrity education and training for all colleagues every year, and 100% completes the training courses.	
III. Operation of the Company's Whistleblowing System (I) Does the Company have a specific reporting and reward system in place, as well as a convenient reporting channel, and assign appropriate personnel to handle reported cases? (II) Does the Company have established standard operating procedures for handling reported matters, procedures to be taken after completing the investigation, and relevant confidentiality mechanisms?	 V V V		(I) In accordance with the Company's integrity manual, whistleblowing will be submitted to the personnel department, and punishment shall be set forth in the personnel management rules; appeal shall be subject to the internal appeal channel. (II) The Company has formulated the standard investigation operation procedure. At present, the personnel department will work together with the relevant supervisors to review and investigate the relevant matters.	No deviation

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operation</th><th rowspan="2">Differences and reasons compared to the integrity management codes of publicly listed companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract</th></tr>
<tr><td>(III) Does the company take measures to protect whistleblowers from improper treatment as a result of their reports?</td><td></td><td></td><td>(III) The personnel department will work together with the relevant supervisors to review the whistle-blowing matters, and protect the informer from and against improper disposal due to whistle-blowing?</td><td></td></tr>
<tr><td>IV. Enhancing Information Disclosure
Does the company disclose the content and effectiveness of its integrity management code of conduct on its website and Market Observation Post System station?</td><td>V</td><td></td><td>The Company has disclosed the relevant contents of the ethical corporate management principles and the honest management status of the Company at the website (www.dfi.com) and the annual report for reference of the stakeholders. Please access to the Company's website for the relevant development. Please refer to the company website for details: Investor Relations/Stakeholder Zone.</td><td>No deviation</td></tr>
<tr><td colspan="5">V. If the Company has established its own integrity management code in accordance with the 'Integrity Management Guidelines for Listed Companies', please describe the operation and the differences from the established code:
On November 10, 2020, the Company revised the 'Code of Conduct' and abolished the 'Code of Conduct Operation Procedures and Behavioral Guidelines'. In addition, we established the 'Integrity Manual' as the standard and guideline for the integrity and ethical conduct of all employees. The overall operation is consistent with the 'Code of Conduct for Listed and OTC Companies'.</td></tr>
<tr><td colspan="5">VI. Other important information that helps understand the Company's integrity operation situation: (such as the Company's review and revision of its established code of conduct for integrity operation)
In 2025, the 1-hour online training course "Integrity Management" was attended by 659 employees across the Company. The course content is as follows:
<table>
<tr><td>§1 Corruption and Bribery</td><td>§9 Information Security</td><td>§17 Negative Information Reporting</td></tr>
<tr><td>§2 Conflicts of interest</td><td>§10 Privacy Rights</td><td>§18 Laws and Regulations Related to International Trade</td></tr>
<tr><td>§3 External Part-Time Employment</td><td>§11 Intellectual Property Rights</td><td>§19 Media Interview</td></tr>
<tr><td>§4 Fair Trade and Antitrust</td><td>§12 Human Rights</td><td>§20 Contract Signing and Electronic Signatures</td></tr>
<tr><td>§5 Insider Trading and Money Laundering</td><td>§13 Health and Safety</td><td>§21 The Authenticity and Accuracy of Information Disclosure and Company Records</td></tr>
<tr><td>§6 Political Donations and Activities</td><td>§14 Environment</td><td>§22 Maintenance of Company Resources</td></tr>
<tr><td>§7 Lobbying Activities</td><td>§15 Diverse, Equitable and Open Work Environment</td><td>§23 Whistleblowing Process (DFI)</td></tr>
<tr><td>§8 Charitable Donations</td><td>§16 Alcohol and Drugs</td><td></td></tr>
</table></td></tr>
</table>

(IX) Other important information sufficient to enhance understanding of the company's governance operations:

1. The Company resolved revision of the Procedure on Major Information Treatment and Insider Trade Prevention and abolishment of the Procedure on Prevention of Insider Trade at the board meeting dated Nov. 3, 2022, and made an announcement to the managers and employees in the special area for rules and systems at the internal public website.
2. The Company resolved appointment of the governance personnel to protect the shareholders' rights and interest and intensify the functions of the Board of Directors at the board meeting dated Nov. 1, 2018.
3. The new directors of the Company will be distributed the advocation manual prepared by the Company when they take office, including various decrees (including the foregoing Procedure on Major Information Treatment and Insider Trade Prevention) and the cautions, so that the new directors could comply with such rules.

(X) Recent Annual Continuing Education for Directors and Managers

Title	Name	Date	Organizer	Course Name	Hours
Chairman	Chen Chi-Hong	2025/06/19	Taiwan Institute for Sustainable Energy	Labor Rights Trends in Global Supply Chains and Sharing of Corporate Practices	3
		2025/11/13	Independent Director Association Taiwan	Significant updates to the financial statements! A Comprehensive Guide to IFRS 18 "Presentation and Disclosure in Financial Statements"	3
Director & President	Tien Chih-Yin	2025/06/19	Taiwan Institute for Sustainable Energy	Labor Rights Trends in Global Supply Chains and Sharing of Corporate Practices	3
		2025/08/22	Chinese International Chamber of Commerce	2025 TS Holding Net Zero Summit	3
Director	Tseng Wen-Hsing	2025/06/19	Taiwan Institute for Sustainable Energy	Labor Rights Trends in Global Supply Chains and Sharing of Corporate Practices	3
		2025/11/13	Independent Director Association Taiwan	Significant updates to the financial statements! A Comprehensive Guide to IFRS 18 "Presentation and Disclosure in Financial Statements"	3
Director	Wei Ren-Yu	2025/08/13	Taiwan Corporate Governance Association	How the Directors and Supervisors Review Internal Control and Internal Audit	3
		2025/09/19	Taipei Foundation Of Finance	Avoiding Cryptocurrency Risks — Lesson 1: A Strategy Guide for Directors and Supervisors	3
Independent Director	Yeh Te-Chang	2025/06/19	Taiwan Institute for Sustainable Energy	Labor Rights Trends in Global Supply Chains and Sharing of Corporate Practices	3
		2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	3
		2025/11/13	Independent Director Association Taiwan	Significant updates to the financial statements! A Comprehensive Guide to IFRS 18 "Presentation and Disclosure in Financial Statements"	3

Title	Name	Date	Organizer	Course Name	Hours
Independent Director	Chu Chih-Hao	2025/11/13	Independent Director Association Taiwan	Significant updates to the financial statements! A Comprehensive Guide to IFRS 18 "Presentation and Disclosure in Financial Statements"	3
		2025/12/08	Taipei Foundation Of Finance	Business Value and Digital Risks of Generative AI	3
Independent Director	Luo Bing-Kuan	2025/04/14	Securities & Futures Institute	Fair Treatment of Customers and Financial Consumer Protection	3
		2025/08/04	Independent Director Association Taiwan	The Outlook for the Development of Financial Supervision and Financial Innovation	3
		2025/09/26	Independent Director Association Taiwan	"Carbon Pricing, Carbon Trading, and the International Challenges and Business Opportunities of Responding to Climate Change"	3
		2025/11/13	Independent Director Association Taiwan	Significant updates to the financial statements! A Comprehensive Guide to IFRS 18 "Presentation and Disclosure in Financial Statements"	3
Accounting Supervisor	Huang Li-Min	2025/11/27 ~ 2025/11/28	Accounting Research and Development Foundation in Taiwan	Professional Continuing Education Program for Accountants of Issuers, Securities Firms, and Stock Exchanges	12

Note 1: Each director has completed specified hours of further education.
Note 2: The accounting supervisor has completed specified hours of further education.

(XI) Status of Internal Control System Execution

1. Statement on Internal Control System: Please refer to the Internal Control Statement announcement in the Internal Control section under corporate governance on the Market Observation Post System (MOPS).

   (Visit https://mopsov.twse.com.tw/mops/web/t06sg20)

2. The CPA entrusted to review the internal control system should disclose the CPA's review report: not applicable.

(XII) In the recent fiscal year and up until the date of printing of the annual report, important resolutions of the shareholders' meeting (including the implementation status) and the board of directors.

Date	2025 Conference Name	Content
2025.02.25	1st Board Meeting	I. Approval on the 2024 Statement on Internal Control and self-assessment result report II. Approval on the 2024 allocation of remuneration to the employees and directors III. Approval on 2024 Business Report, Financial Statements, and 2025 Business Plan IV. Approval on the Proposal for Distribution of Earnings in 2024 V. Approval on the allocation of cash dividends out of the earnings in 2024 VI. Approval of the definition for entry-level employees VII. Approval of amendment to the Articles of Association VIII. The "Internal Control System" amendment has been passed.

Date	2025 Conference Name	Content
		IX. Approval on discharging non-competition restriction for the incumbent directors and their representatives X. Approval of proposed determination of the date and agenda of the general shareholders' meeting for 2025 XI. Approval on addition and renewal of bank limit XII. Approval on the CPA service fees for 2025 XIII. Distribution of 2024 senior managers' remunerations XIV. Approval on the remuneration index for senior managers in 2025 XV. Approval of the bonus and renumeration adjustment policy for senior managers for 2025 XVI. Approval of the pension plan for appointed managerial officers XVII. Approval on donation of BenQ Foundations
2025.05.05	2nd Board Meeting	I. Approval on the 2025 Q1 Consolidated Financial Report II. Approval on renewal of bank limit
2025.05.30	Annual Shareholders' Meeting	I. Acknowledge of the business report and financial statements for 2024 II. Implementation: The resolution was approved. III. Acknowledge of the Distribution of Earnings in 2024 IV. Implementation: The resolution was approved. V. Approval of amendment to the Articles of Association VI. Implementation: The resolution was approved. VII. Approval on discharging non-competition restriction for the incumbent directors and their representatives VIII. Implementation: The resolution was approved.
2025.08.04	3rd Board Meeting	I. Approval on 2025 Q2 Consolidated Financial Report II. Approval on addition and renewal of bank limit III. Approval of the set up of the Sustainable Development Committee and to formulate the Sustainable Development Committee Organizational Charter. IV. Approval of the Appointment of the Sustainable Development Committee Members V. Approval of the amendment to the " Regulations on the Remuneration of Directors and Functional Committee Members" VI. Approval of the formulation of the link of remuneration of senior managers to ESG performance VII. Approval of the 2024 Sustainability Report
2025.11.03	4th Board Meeting	I. Approval on Internal Audit Plan for 2026 II. Approval on 2025 Q3 Consolidated Financial Report III. Approval on renewal of bank limit IV. Approval on appointment of CPAs for the Company's 2026 financial statements V. Approval on amendment to the "Corporate Governance Best Practice Principles"
2025.12.26	5th Board Meeting	I. The Company proposes to acquire right-of-use assets of property for business operations.

Date	2026 Conference Name	Content
2026.03.03	1st Board Meeting	I. Approval on the 2025 Statement on Internal Control and self-assessment result report II. Approval on the 2025 allocation of remuneration to the employees and directors III. Approval of the 2025 financial statements and business report IV. Approval of the 2026 implementation of the business plan

		V. Approval on the Proposal for Distribution of Earnings in 2025 VI. Approval on the allocation of cash dividends out of the earnings in 2025 VII. The motion to elect seven directors (including three independent directors) has been passed. VIII. Approval of the nomination of director and independent director candidates IX. Approval on discharging non-competition restriction for the incumbent directors and their representatives X. Approval of proposed determination of the date and agenda of the general shareholders' meeting for 2026 XI. Approval on renewal of bank limit XII. Approval on the CPA service fees for 2026 XIII. Distribution of 2025 senior managers' remunerations XIV. Approval on the remuneration index for senior managers in 2026 XV. Approval of the bonus and renumeration adjustment policy for senior managers for 2026 XVI. Approval on donation of BenQ Foundations XVII. Approval of the revision of the Pre-Approval Non-Assurance Service Policy XVIII. Approval of the Amendment to the "Sustainability Practice Guidelines" Case

(XIII) In the most recent annual report and up until the date of printing, directors or supervisors have expressed differing opinions on important resolutions passed by the board of directors, and there are records or written statements to support this. The main content of these opinions is: none.

III. CPA Public Expense Information

Unit: thousand NT$

Name of accounting firm	Name of CPAs:	Audit Period	Audit Public Expenses	Non-Audit Public Expenses	Total	Remarks
KPMG Taiwan	Kao Ching-Wen Chang Hui-Chen	2025.1.1~ 2025.12.31	2,380	755	3,135	

Note: Non-audit fees are for the tax compliance audit service, transfer pricing service and the service for filing relevant information to competent authorities.

(I) 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 change, and the reasons shall be disclosed: not applicable.

(II) If the audit fees are reduced by up to 10% compared with that of the previous fiscal year, the reduced amount, percentage and reasons of the audit fees shall be disclosed: none.

IV. Information on accountant change:

If the Company replaces the accountant during the most recent two fiscal years and subsequently, the following matters shall be disclosed:

(I) Regarding the former CPA.

<table>
<tr><th>Change Date</th><th colspan="3">Approved by the Board of Directors on November 3, 2025</th></tr>
<tr><td>Reasons for Replacement and Explanation</td><td colspan="3">To align with the internal job rotation at KPMG, the Company has appointed CPAs Kao Ching-Wen and Lin, Jyun-Bin to serve as the CPAs for the 2026 financial statements</td></tr>
<tr><td rowspan="3">Explanation of the termination or non-acceptance of appointment by the appointee or accountant.</td><td>The party involved / Situation</td><td>CPA:</td><td>Appointee</td></tr>
<tr><td>Voluntary Termination of Appointment</td><td>Not applicable.</td><td>Not applicable.</td></tr>
<tr><td>Cessation of Appointment</td><td>Not applicable.</td><td>Not applicable.</td></tr>
<tr><td>Audit report opinions and reasons issued within the past two years, excluding unqualified opinions.</td><td colspan="3">None</td></tr>
<tr><td>Different opinions with the issuer</td><td colspan="3">None</td></tr>
<tr><td>Other Disclosures (Article 10, Paragraph 6, Items 4 to 7 of these guidelines should be disclosed)</td><td colspan="3">None</td></tr>
</table>

(II) Regarding the former CPA.

Name of Firm:	KPMG Taiwan
Name of CPAs:	CPAs Kao Ching-Wen and Lin, Jyun-Bin
Date of appointment	2025.11.03
Consultation matters and results regarding the accounting treatment methods or accounting principles for specific transactions before appointment, as well as the opinions that may be issued on financial reports.	None
Written Opinion on Differences of Opinion with Predecessor Accountant	None

(III) The former CPA's response to the matters to be disclosed in the annual report of a publicly traded company, as stipulated in Article 10, Section 5, Subsections 1 and 2, Item 3 of the Guidelines for the Preparation of Annual Reports: Not applicable.

V. The Chairman, President, and managers responsible for finance or accounting of the company have not worked for any affiliated accounting firms or related enterprises in the past year.

VI. Recently, the annual and year-end reports have been printed. The changes in the transfer of shareholder equity and the pledge of equity by directors, supervisors, managers, and shareholders with a stake exceeding ten percent are recorded.

(I) Directors, supervisors, executives, and shareholders with a stake exceeding ten percent

Title	Name	For the year ended March 31, 2025		2025	
		Change in Number of Shares Held	Increase (decrease) in pledged shares	Change in Number of Shares Held	Increase (decrease) in pledged shares
Corporate Director	Qisda Corp.	0	0	0	0
Director of Legal Representative and Chairman of the Board of Directors	Chen Chi-Hong	0	0	0	0
Director of Legal Representative	Tseng Wen-Hsing	0	0	0	0
Director of Legal Representative and president	Tien Chih-Yin	0	0	21,000	0
Director	Wei Ren-Yu	0	0	0	0
Independent Director	Yeh Te-Chang	0	0	0	0
Independent Director	Chu Chih-Hao	0	0	0	0
Independent Director	Luo Bing-Kuan	0	0	0	0
Senior Director	Chang Chia-I	0	0	0	0
Senior Director	Huang Li-Min	0	0	0	0

Note: It is an annual newspaper published on the day of the referee.

(II) There are no related parties involved in the equity transfer.

(III) There are no related parties involved in the equity transfer.

VII. Information on shareholders who hold a proportion of shares among the top ten shareholders and have relationships with each other or are relatives within the second degree of consanguinity.

Shareholders holding a proportion of shares in the top ten, their interrelationship data

Record Date: 2026.03.29

Name (Note 1)	Shares held by themselves		Shares held by the spouse and minor children		Total shares held in the name of others		Among the top ten shareholders, those who are related parties, spouses, or relatives within the second degree of kinship, their names and relationships. (Note 2)	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relationship
Qisda Corporation	51,609,986	45.08%	0	0.00%	0	0.00%	None	None
Qisda Corporation Representative: Chen Chi-Hong	0	0.00%	0	0.00%	0	0.00%	None	None
British Virgin Islands GORDIAS INVESTMENTS LIMITED	11,226,997	9.81%	0	0.00%	0	0.00%	None	None
British Virgin Islands GORDIAS INVESTMENTS LIMITED Representative: Wang Li-Wei	0	0.00%	0	0.00%	0	0.00%	None	None
Darly2 Venture, Inc.	9,175,109	8.01%	0	0.00%	0	0.00%	None	None
Darly2 Venture, Inc. Representative: Hung Chiu-Jin	0	0.00%	0	0.00%	0	0.00%	None	None
Lin Chih-hung	4,773,000	4.17%	0	0.00%	0	0.00%	None	None
Darly Venture Inc.	2,293,778	2.00%	0	0.00%	0	0.00%	None	None
Darly Venture Inc. Representative: Hung Chiu-Jin	0	0.%	0	0.00%	0	0.00%	None	None
Taishin International Bank acting as custodian for employee stock ownership trust of DFI Inc.	1,150,212	1.00%	0	0.00%	0	0.00%	None	None
Huang Mu-Jhen	1,031,000	0.90%	0	0.00%	0	0.00%	None	None
Huang Mu-Chen	1,031,000	0.90%	0	0.00%	0	0.00%	None	None
Chang Ming-Huang	658,000	0.57%	0	0.00%	0	0.00%	None	None
Hsieh Nung-Mao	450,000	0.39%	0	0.00%	0	0.00%	None	None

Note 1: All the ten largest shareholders shall be listed, and those who are corporate shareholders shall be listed with their names and the names of their representatives separately.

Note 2: Relationship among the foregoing shareholders including corporate shareholder and natural person shareholder shall be disclosed according to the issuer's financial report preparation standards.

VIII. The number of shares held by the company, its directors, supervisors, managers, and businesses directly or indirectly controlled by the company in the same invested enterprise shall be combined and calculated as the comprehensive shareholding ratio.

As of December 31, 2025 / Unit: shares; %

Investment Project (Note 1)	The Company's investment		Directors, supervisors, managers, and investments in businesses directly or indirectly controlled		Integrated Investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
Yan Tong Technology Ltd.	1,100,000	100.00%	-	-	1,100,000	100.00%
Diamond Flower Information (NL) B.V	12,001	100.00%	-	-	12,001	100.00%
DFI AMERICA, LLC.	1,209,000	100.00%	-	-	1,209,000	100.00%
DFI Co., Ltd. (DFI-Japan)	6,200	100.00%	-	-	6,200	100.00%
Director of AEWIN Technologies Co., Ltd.	30,376,000	51.38%	-	-	30,376,000	51.38%
Ace Pillar Co., Ltd.	52,436,069	46.71%	-	-	52,436,069	46.71%
Transpak Equipment Corporation	3,165,218	31.65%	-	-	3,165,218	31.65%

Note 1: It is the investment of the company using the equity method.

Fundraising Status

I. Capital and Shares

(I) Source of Capital

March 31, 2026 Unit: NT$

Year and month	Issue Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares (1000 shares)	Amount (NT$1000)	Number of Shares (1000 shares)	Amount (NT$1000)	Capital source (in NT$)	Offsetting the share capital with assets other than cash	Others
1981.07	10	100	1,000	100	1,000	Incorporation	-	70.07.14 Build No. 105329
1983.04	10	250	2,500	250	2,500	Cash capital increase	-	72.04.29 Build No. 139643
1986.01	10	1,000	10,000	1,000	10,000	Cash capital increase	-	75.01.13 Build No. 139021
1987.03	10	3,000	30,000	3,000	30,000	Cash capital increase	-	76.03.20 Commercial (76) 12592
1987.12	10	6,000	60,000	6,000	60,000	Cash capital increase	-	76.12.15 Commercial (76) 63692
1989.09	10	12,000	120,000	12,000	120,000	Cash capital increase	-	78.09.07 Commercial (78) 127396
1990.12	10	15,600	156,000	15,600	156,000	Capital increase from earnings	-	79.12.29 Commercial (79) 126104
1991.08	10	19,600	196,000	19,600	196,000	Cash capital increase	-	80.08.23 Commercial (80) 117275
1995.07	10	40,000	400,000	40,000	400,000	Cash capital increase by NT$106,000,000 Capital increase from earnings by NT$98,000,000	-	84.7.06 84 Taiwan Finance Certificate (1) 39295; 84.10.24 Commercial (84) 116255
1998.07	10	52,000	520,000	52,000	520,000	Cash capital increase by NT$40,000,000 Capital increase from earnings by NT$40,000,000 Capital increase from capital surplus by NT$40,000,000	-	87.07.24 Commercial (087) 087120446; 87.7.1487 Taiwan Finance Certificate (I) 59370
1999.09	10	76,000	760,000	58,400	584,000	Capital increase from earnings by NT$64,000,000	-	88.10.12 Commercial (088) 88137314; 88.9.7 (88) Taiwan Finance Certificate (1) 80877
2000.07	10	177,200	1,772,000	98,120	981,200	Cash capital increase by NT$200,000,000 Capital increase from earnings by NT$197,200,000	-	89.07.26 Commercial (089) 089126353
2001.03	10	177,200	1,772,000	95,320	953,200	Reduction of capital by repurchasing treasury shares: NT$28,000,000	-	90.03.30 Commercial (090) 09001104890

Year and month	Issue Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares (1000 shares)	Amount (NT$1000)	Number of Shares (1000 shares)	Amount (NT$1000)	Capital source (in NT$)	Offsetting the share capital with assets other than cash	Others
2001.09	10	177,200	1,772,000	115,000	1,150,000	Capital increase from earnings by NT$120,544,000 Capital increase from capital surplus by NT$76,256,000	-	90.09.12 Commercial (090) 09001363040
2002.09	10	177,200	1,772,000	117,600	1,176,000	Capital increase from earnings by NT$26,000,000	-	91.09.09 Authorized by Commercial Document No. 09101368600
2003.09	10	177,200	1,772,000	116,860	1,168,600	Cancellation of treasury shares of NT$20,000,000 Capital increase from earnings by NT$12,600,000	-	92.09.04 Authorized by Commercial Document No. 09201264690
2004.06	10	177,200	1,772,000	114,010	1,140,100	Cancellation of treasury shares of NT$28,500,000	-	93.06.15 Authorized by Commercial Document No. 09301103130
2004.09	10	177,200	1,772,000	113,400	1,134,000	Cancellation of treasury shares of NT$17,500,000 Capital increase from earnings by NT$11,400,000	-	93.09.21 Authorized by Commercial Document No. 09301180670
2004.12	10	177,200	1,772,000	109,800	1,098,000	Cancellation of treasury shares of NT$36,000,000	-	93.12.28 Authorized by Commercial Document No. 09301245680
2005.09	10	177,200	1,772,000	109,760	1,097,600	Cancellation of treasury shares of NT$30,500,000	-	94.09.14 Authorized by Commercial Document No. 09401182050
2006.01	10	177,200	1,772,000	106,560	1,065,600	Cancellation of treasury shares of NT$32,000,000	-	95.01.03 Authorized by Commercial Document No. 09401267950
2006.03	10	177,200	1,772,000	104,960	1,049,600	Cancellation of treasury shares of NT$16,000,000	-	95.03.28 Authorized by Commercial Document No. 09501053500
2006.06	10	177,200	1,772,000	103,510	1,035,100	Cancellation of treasury shares of NT$14,500,000	-	95.06.30 Authorized by Commercial Document No. 09501126320
2006.09	10	177,200	1,772,000	108,316.9	1,083,169	Capital increase from earnings by NT$48,069,000	-	95.09.08 Authorized by Commercial Document No. 09501203530
2007.09	10	177,200	1,772,000	114,053	1,140,530	Capital increase from earnings by NT$57,361,000	-	96.09.12 Authorized by Commercial Document No. 09601224530
2008.09	10	177,200	1,772,000	119,033	1,190,330	Capital increase from earnings by NT$49,800,000	-	97.09.05 Authorized by Commercial Document No. 09701223560
2009.09	10	177,200	1,772,000	121,095	1,210,949	Capital increase from earnings by NT$20,619,000	-	98.09.02 Authorized by Commercial Document No. 09801198490

Year and month	Issue Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares (1000 shares)	Amount (NT$1000)	Number of Shares (1000 shares)	Amount (NT$1000)	Capital source (in NT$)	Offsetting the share capital with assets other than cash	Others
2010.11	10	177,200	1,772,000	120,275.9	1,202,759	Cancellation of treasury shares of NT$8,190,000	-	99.11.29 Authorized by Commercial Document No. 09901266650
2011.09	10	177,200	1,772,000	117,093.9	1,170,939	Cancellation of treasury shares of NT$31,820,000	-	100.09.02 Authorized by Commercial Document No. 10001202740
2012.01	10	177,200	1,772,000	114,839.9	1,148,399	Cancellation of treasury shares of NT$22,540,000	-	101.01.03 Authorized by Commercial Document No. 10001294210
2017.09	10	177,200	1,772,000	114,688.9	1,146,889	Cancellation of treasury shares of NT$1,510,000	-	106.09.30 Authorized by Commercial Document No. 10601137800
2022.01	10	177,200	1,772,000	114,488.9	1,144,889	Cancellation of treasury shares of NT$2,000,000	-	111.01.22 Authorized by Commercial Document No. 11101013810

(II) Type of Shares

2026.03.29

Type of Shares	Authorized Capital			Remarks
	Publicly Traded Shares	Unissued shares	Total	
Common Stock	114,488,857 shares	62,711,143 shares	177,200,000 shares	

(III) Name of major shareholders

2026.03.29

Name/Share of Major Shareholders	Number of shares held	Shareholding ratio
Qisda Corporation	51,609,986	45.08%
British Virgin Islands GORDIAS INVESTMENTS LIMITED	11,226,997	9.81%
Darly2 Venture, Inc.	9,175,109	8.01%
Lin Chih-hung	4,773,000	4.17%
Darly Venture Inc.	2,293,778	2.00%
Taishin International Bank acting as custodian for employee stock ownership trust of DFI Inc.	1,150,212	1.00%
Huang Mu-Jhen	1,031,000	0.90%
Huang Mu-Chen	1,031,000	0.90%
Chang Ming-Huang	658,000	0.57%
Hsieh Nung-Mao	450,000	0.39%

(IV) Company Dividend Policy and Implementation Status

1. The provisions of the Articles of Association of the Company on dividend policy are as follows:

   Article 21-1:

In the event of any earnings in the final accounts of the Company, an amount shall be first appropriated for paying taxes and recovering accumulated losses before 10% of the earnings are appropriated as legal reserve. However, the amount of earnings appropriated as legal reserve shall not exceed paid-in capital of the Company, and special reserve shall be appropriated or reversed with the remaining earnings. If there is still surplus which is equal to the accumulated undistributed earnings, the Board of Directors shall draft an earnings distribution proposal, which shall be presented at the shareholders' meeting for resolution on distribution of share dividends to the shareholders.

If cash dividends are distributed as specified by the foregoing earnings distribution proposal, the Board of Directors will be authorized to pass a resolution in respect of the distribution and report to the shareholders' meeting.

As the Company is in an industry with fierce competitions and changing environment, and in a stage of stable growth in its life cycle, general distribution amount shall be taken into account in the earnings distribution proposal drafted by the Board of Directors, and balanced dividend policies shall be adopted for earnings distribution based on conservatism principle, in order to effectively grasp the Company's future investment opportunities, working capital requirements and long-term financial plans. In case of any earnings in the final accounts of the Company and the distributable earnings of that year are up to 2% of the Company's capital, no less than 10% of the distributable earnings shall be distributed as dividends. The cash dividends distributed each year shall not be lower than 10% of the sum of the cash and stock dividends distributed in the same year.

Article 21-2:

The Company shall distribute new shares or cash in the form of legal reserve or capital reserve according to Article 241 of the Company Act. If the aforementioned is done in cash, is authorized to be resolved by the Board of Directors and reported to the Shareholders' Meeting.

2. Distribution of dividends proposed at the current shareholders' meeting:

   On March 3, 2026, the Board of Directors of the Company resolved to distribute dividends of NT$280,497,700 (NT$2.45 per share) in cash to shareholders, and will submit the distribution the 2026 Annual Shareholders' Meeting.

3. Any significant change in the expected dividend policy: None.

(V) Impact of the proposed bonus share issue on company performance and earnings per share discussed in this shareholders' meeting:

The Company does not disclose financial forecast information for 2025, so it is not applicable.

(VI) Compensation of employees and directors

1. The amount or scope of remuneration of employees and directors as set out in the Articles of Association of the Company

   Article 21:

   If the Company makes profit over a year, 5% to 20% of the profit shall be appropriated as employee remuneration, which shall be distributed in the form of stocks or in cash with the resolution of the Board of Directors. Such appropriated amount may be also distributed to employees of other companies under the control of or affiliated to the Company which satisfy certain conditions. In addition, no more than 1% of the profit shall be appropriated as directors' remuneration with the approval of the Board of Directors by resolution. The proposal for paying remuneration to employees and directors shall be presented at the shareholders' meeting.

   Nonetheless, in case of accumulated deficit in the Company, a proportion of the profit shall be reserved for recovering the loss before an amount is appropriated at the aforementioned ratio as remuneration to employees and directors. The distribution of compensation for entry-level employees shall not be less than 10% of the total employee compensation.

2. Basis for estimating the amount of employee and director compensation for the current period, the calculation basis for the number of shares distributed as employee compensation, and the accounting treatment when the actual distribution amount differs from the estimated amount:

   (1) Employee and director compensation for the current period: The estimated amount is calculated by multiplying the amount of pre-tax net income before deducting employee and director compensation by the distribution ratios of employee and director compensation that the Company intends to distribute. These amounts are reported as operating costs or operating expenses for the respective periods.

   (2) Calculation basis for the number of shares distributed as employee compensation: The number of shares is calculated based on the closing price of common stock on the day before the board resolution.

   (3) Difference between the actual distribution amount and the estimated amount: If the actual distribution amount of the following year is different from the estimate, the difference will be treated as an accounting estimate change and listed in the profit and loss of that following year.

3. Amount proposed by the Board of Directors for employee bonus and remuneration of the directors and supervisor, and the surplus per share are as follows:

   Approved by the Board of Directors on March 3, 2026

   (1) The proposed cash employee bonus is NT$26,315,000.

   (2) The proposed director's remuneration is NT$2,820,000.

   (3) After taking into account the proposed distribution of employee bonus and director's remuneration, the Company anticipates that the earnings per share for 2025 is still NT$2.49.

4. Actual distribution of remuneration of employees and directors in the previous year:

   (1) Employee bonus dividends of NT$36,219,000 in cash and director remuneration of NT$3,878,000 were distributed.

   (2) The proposed distribution situation and the actual distribution situation approved by the original board of directors: The actual distribution situation is the same as the proposed distribution situation approved by the original board of directors.

(VII) The company's repurchase of its own shares:

The Company has not repurchased shares of the Company in the last two years and as of the publication date of this annual report.

II. No corporate bonds were processed.

III. Situation regarding preferred shares: None

IV. No overseas depositary receipt transactions were conducted.

V. No employee stock option certificates were processed.

VI. Mergers and acquisitions or the issuance of new shares in the acquisition of other companies: None.

VII. Execution of Capital Utilization Plan: None.

Operating Overview

I. Business Content, Market, and Production and Sales Overview

(I) Revenue Proportion

Unit: thousand NT$

Business Items	2025 Net Sales Revenue	Revenue Proportion
Industrial computer cards and system	5,905,503	54.30%
Industrial automation control	1,937,594	17.81%
Equipment and consumables	1,405,001	12.92%
Others	1,627,848	14.97%
Total	10,875,946	100.00%

(II) In the past two years, the names of customers who accounted for more than 10% of the total sales amount in any given year, along with their sales amounts and proportions, and the reasons for the changes.

1. Main Suppliers

Unit: thousand NT$

Item	2025				2024			
	Name	Amount	Percentage of annual net purchase amount	Relationship with the issuer	Name	Amount	Percentage of annual net purchase amount	Relationship with the issuer
1	A supplier	880,880	10.57%	Non-related party	A supplier	599,396	9.53%	Non-related party
2	Others	7,451,198	89.43%		Others	5,690,925	90.47%	
Total	Net Purchase Amount	8,332,078	100.00%		Net Purchase Amount	6,290,321	100.00%	

Note: As the suppliers are diversified, the percentage of some suppliers is changed.

2. Main Sales Customers

Unit: thousand NT$

Item	2025				2024			
	Name	Amount	Percentage of annual net purchase amount (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchase amount (%)	Relationship with the issuer
1	Others	10,875,946	100.00%	-	Others	9,489,486	100.00%	-
Total	Net Sales Revenue	10,875,946	100.00%	-	Net Sales Revenue	9,489,486	100.00%	-

Note 1: As the product sale portfolio is different, the percentage of some customers is changed.
Note 2: In both 2025 and 2024, there were no individual customers accounting for 10% or more of the net operating revenue.

(III) Operating Overview

1. Business Content

(1) Scope of Business

A. Main Business Activities

The Company focuses on the research, development, manufacturing, and sales of embedded motherboards, edge computing systems, and industrial panel PCs. The application fields of the vertical market included factory automation, rail transportation and in-vehicle, smart medtech, defense and military, gaming and entertainment, smart retail, and smart energy. The Company is committed to deepening vertical market applications and provided diverse computing platforms featuring durability, high stability, wide-temperature operation, and resistance to harsh environments, in order to meet customers' diverse needs and to provide comprehensive solutions.

B. The main product items at present

- Edge Computing AI Systems
- Industrial Motherboards
- Embedded Computer Modules (System-on-Modules, SoM)
- Embedded Computer Systems
- Industrial Systems
- Value-Added Peripheral Modules
- Industrial Tablet PC (Industrial Panel PCs)
- Industrial Touch Monitors
- Medical Computing Systems
- Medical Displays
- In-Vehicle Computing Systems
- In-vehicle tablets (Vehicle-Mounted Terminals/Tablets)

C. Development of New Products

- High-Performance Edge AI Server
- AI Acceleration Modules
- NVIDIA Jetson Computing Platform System
- Railway AIOT computers
- High-efficiency compact water-cooled AI computers (Compact Liquid-Cooled AI Computer)
- AMD Ryzen™ Embedded 8000 (Hawk Point) edge AI computers
- Intel® Multi-Platform Computer with an IP67 High Waterproof and Dustproof Protection
- Gaming Logic Systems
- Edge AI computers with high-speed image transmission (GMSL)

(2) Industry Overview

A. Industry Status and Development: Transition from "Equipment Control" to "Autonomous Intelligent Nodes"

Most industry research institutions are gradually viewing 2026 as a key milestone for edge AI's transition from proof-of-concept to early-stage scaled deployment. According to estimation of the Research Nester, the global IPC market size was projected to reach USD6.36 billion by 2026, indicating that the industry was entering a new wave of growth driven by Edge AI. Industrial PCs (IPCs) are being repositioned from traditional equipment controls to intelligent edge nodes capable of making real-time decisions. IPCs are no longer merely an OT device; they have become the core carriers for AI inference and field computing

In its 2025 annual report, IoT Analysis stated that the development of industrial AI had been progressively moving toward "domain-specific industrial foundation models"—that is, creating dedicated models and system architectures tailored to specific industries and application scenarios rather than relying on a general-purpose model for all industrial requirements. This trend reflected significant differences among different industries in data types, operational workflows, and risk conditions. As the market shifted from specification-oriented to application-oriented, the competitive structure of the Edge AI and industrial computer industries also increasingly displayed "domain-specific" characteristics.

Under this structural transformation, major industrial computer manufacturers also deepened their competitive positioning by pursuing distinct domain-specific paths. Advantech leverages WISE-IoT as its core to advance its Orchestration strategy, gradually transitioning from a hardware provider to a platform integrator, with growth momentum focused on smart energy and green manufacturing while establishing ESG-driven value-added services. Getac benefits from sustained high global defense spending; shipments of rugged mobile computing remained robust, and high-margin military orders supported its revenue resilience. Ennoconn utilizes ESaaS and diversified platform layouts to promote software-hardware integration, cloud-edge synergy and AI empowerment, upgrading AI from a support tool to core value drivers. Meanwhile, Nexcom and Axiomtek have established high-sticky niches in vertical fields such as software-defined robotics and smart transportation, demonstrating a field-centric model of differentiated competition.

B. Correlation of upstream, midstream and downstream in the industry: structural shortage and regionalized production

In 2026, the supply chain environment exhibited dual characteristics: structural challenges and the relocation of production sites.

Upstream: Transitioned from "Cyclical Shortages" to "Structural Supply Constraints."

The surge in demand for AI servers and AI PCs continued to strain DDR5 and advanced-process chip capacity allocations, making high-end key components a scarce resource within the supply chain. Although the overall supply of the semiconductors have been stabilized, the supply-demand imbalance for advanced components remains unresolved, and the industry had shifted from "cyclical shortages" to "structural supply constraints." Lead times for high-end memory and advanced-process components were generally exceed 20 weeks at present, placing pressure on IPC's production flexibility and project delivery, and becoming a key factor in the differentiation of industry competitiveness in 2026.

In addition, according to TrendForce forecast, prices of memories will continue to face upward pressure in the first quarter of 2026. As resources tilted toward large groups with capital advantages, the disadvantages faced by small- and medium-sized IPC manufacturers in procurement bargaining and component allocation priority became more pronounced, forcing the industry to undergo a reshuffle.

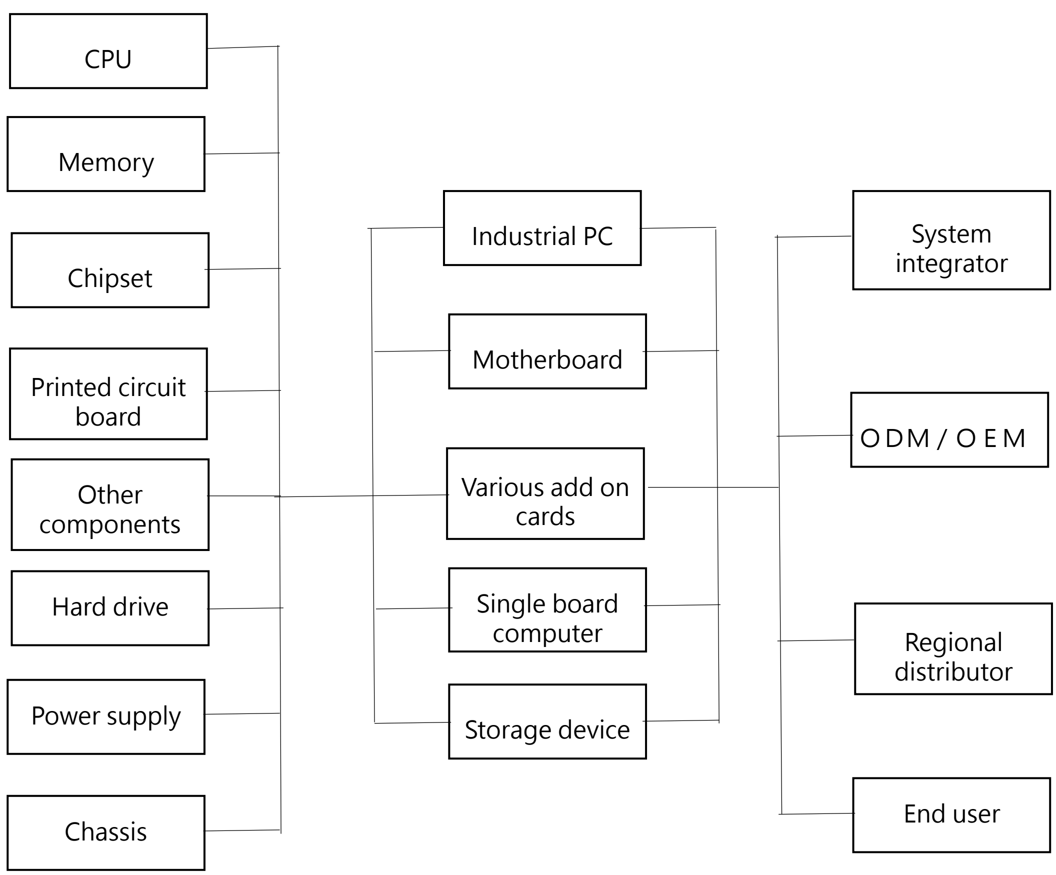
Midstream: Glocal (Glocalization)

2026 marks the formal transition into the inspection and acceptance period for Taiwanese manufacturers' '+USA' and 'Southeast Asia Short-chain' strategic deployments. Under the trend of glocalization (Glocal), Taiwanese manufactures actively leveraged the USMCA agreement to deepen their footprint in the U.S. and

Mexico. For example, they established high-end server assembly capacity in Texas and simultaneously strengthened supply chain nodes in Southeast Asia, successfully constructing a highly resilient short-chain supply system. According to Research Nester's observations, Taiwan-based OEM/EMS manufacturers had formed a highly mature, distributed production network. This system not only effectively offset operational risks arising from geopolitical conflicts, trade barriers, and tariff volatility, but also successfully transformed traditional "local production" into a strategic competitive advantage of "real-time delivery," thereby establishing a solid delivery foundation for companies in the volatile global market.

Downstream: Shifted from Hardware-Driven to Comprehensive System Solutions.

According to market forecasts by Global Market Insights, the global edge computing market is projected to grow from approximately $21.4 billion to nearly $28.5 billion by 2026, indicating a rapid expansion in overall spending on edge infrastructure. Meanwhile, demand for edge AI hardware continued to grow, indicating that terminal deployment and local computing demand were robust. This shift from hardware-driven models to integration of comprehensive system solutions (including software platforms, AI inference governance, and services) reflected a decreased willingness among downstream customers to procure hardware. Instead, downstream customers are prioritizing solution-based purchasing that features pre-installed AI algorithms and integrated services.



Printed circuit boards, chipsets, passive components, and memory are the main materials for industrial computers. The operational status of industrial computers, in addition to monitoring their order status, also depends on the control of components, which is a crucial factor for successful shipment.

C. Industry Trends and Competition

Transformation of Competitive Logic: From "Theoretical Computing Power" to "Effectiveness of Practical Application"

As Edge AI applications transition from proof-of-concept to actual deployment, the competitive landscape of the industrial computing and edge computing industries is undergoing a significant shift. Market evaluation criteria shifts away from relying on a single hardware specification or theoretical computing power as the main competitive indicators, and instead focusing on the overall system's performance density, energy efficiency, and long-term operational stability under real workloads. It gradually shifts from the pursuit of ultimate computing power to the selection of an "optimal computing power" solution that is sufficient to support specific workloads.

Data from Institute for Information Industry MIC indicated that, while the market penetration of AI Boxes has approached 20%, the focus of demand has shifted from stack specifications toward integrated designs that balance power consumption and heat dissipation. This signifies that the market had entered a period of rational maturity. The key factor in decision-making has shifted from technical demonstrations to evaluating whether a system can achieve long-term, zero-fault and stable operations in harsh environments.

Core Competitive Structure: Deepening Domain Specificity

Simultaneously, as the market shifted from specification-oriented to application-oriented, the competitive structure of the Edge AI and industrial computer industries also increasingly displayed "domain-specific" characteristics. The focus of competition was no longer concentrated on general-purpose computing power or a single hardware platform; instead, it shifted to whether it was possible to integrate computing platforms, system architectures, and long term operation and maintenance capability for specific application domains. The industrial computer market had clearly moved beyond the stage of mere "hardware specification competition." Corporate procurement decisions were no longer focused solely on the theoretical computing power of NPUs or GPUs; rather, greater emphasis is placed on whether a platform can provide optimized computing allocation tailored to needs of specific domains—such as smart production lines, medical imaging, and defense monitoring—controllable total cost of ownership (TCO), and ruggedized design and environmental adaptability necessary to sustain long-term stable operations. Deployment trends in 2026 exhibit a high degree of specialization, including the implementation of embodied intelligence (AMR/Unmanned Aerial Vehicle), energy management system in response to ESG demands, and demand for ruggedized platforms amid the regionalization of supply chains.

Divergence in Suppliers Strategies: Shifting from Manufacturing Capabilities to Domain Engineering

Under this competitive landscape, major industrial computer manufacturers also deepened their competitive positioning by pursuing distinct domain-specific paths. Some suppliers center their strategies on platformization and system integration, strengthening their positioning in applications such as smart energy and green manufacturing. Others, benefiting from demand in defense and high-reliability applications, focus on rugged mobile computing and long term supply capabilities. Additionally, certain suppliers advance field-based solutions through software-hardware integration, cloud-edge synergy, and AI empowerment, or establishing high-sticky niches in vertical applications such as robotics and smart transportations. Overall, industry competition had shifted from a focus on single hardware manufacturing capability to a differentiated competition model centered on field understanding, systems engineering, and long term operation and maintenance capability.

Conclusion: Based on overall observations, by 2026 the focus of competition of the industrial computer and Edge AI industries had shifted from “who could provide the highest computing power” to “who could provide the most stable, the most maintainable, and the most long term predictable AI computing foundation within specific fields.” The capability for domain specificity will become the pivotal watershed that determines the outcome of competition in an industry.

(3) Overview of Technology and Research and Development

A. Research and development expenses

The research and development expenses invested in the current fiscal year and up to the printing date of the newspapers are as follows: The research and development expenses invested in the fiscal year 2025 amount to NT$292,500,000. Please refer to DFI's individual financial report.

The Company has accumulated many years of rich experience in board design, and will continue making investments to improve the R&D and design capacity and expertise in response to increasing growth of the industrial computer business and customized development in the future and needs to improve the product design capacity (such as Module, firmware, software, architecture and embedded system).

B. Successfully developed technology or product

DFI invests a lot of resources in research and development, and attaches great importance to innovation in development. In recent years, DFI has enhanced the design quality through systematic integration of auxiliary software and hardware tools, also focuses on deepening technology for research and development in professional field of miniaturized AIoT generation demand, and RF ruggedized products, and cooperates with clients in developing intelligent in-vehicle products, intelligent medical care products and other vertical market products. In addition, in response to the unmanned applications derived from the AIoT era, a module technology for remote management has been developed. It will be gradually integrated into various product lines to assist customers in reducing the cost of after-sales service through remote management technology. For clients with exceptionally high demands for system boot-up time, we offer Slimboot, with a boot time of just one second. At WoA (Widows On Arm), we have also implemented this on the NXP IMX8 platform. Regarding future AI demand, a hybrid inference system will be developed to allow customers to select different hardware based on their actual computing power requirements. Due to demand for AI servers, DFI will deepen its development of server motherboards, including Intel and AMD platforms, and thereby offering complete systems to increase overall unit prices and gross profit. It also successfully established a foothold with customers in the military with multifunctional naval vessels. Additionally, DFI has incorporated solutions from the local prominent supplier MediaTek into its ARM platform. This provides customers with a more diversified range of platform options. DFI is currently actively entering into the international fitness equipment suppliers.

The Company has obtained a total of 10 patents at the end of 2025.

(4) Long and Short-Term Business Development Plan

A. Short-Term Business Development Plan: Ensuring Stable Growth and Delivery Credibility

The short-term operational strategy centers on "stabilizing cash flow, strengthening reliable delivery, and establishing a high-value market position." While global demand is subject to economic cycles and geopolitical influences, industrial AI and edge computing continue to exhibit structural growth. DFI will focus on markets and projects with predictable demand, stable gross margin structures, and long-term partnership potential, avoiding excessive resource dispersion. On the operational front, the Company will simultaneously advance brand building and market penetration through AI-driven marketing, generative search optimization, and the systematic showcasing of vertical application case studies, reinforcing the professional positioning of "Rugged AI" in global markets. On the product and technology side, DFI will focus on next-generation Edge AI platforms, incorporating cross-architecture computing capabilities while comprehensively elevating modularization and ruggedness standards to shorten deployment timelines and solidify competitive advantages in high-barrier markets. At the same time, the Company will strictly manage projects with low margins, fragmentation, or high uncertainty to ensure the overall health and sustainability of its business structure.

B. Medium to Long-term Business Plan: Platform-based Expansion and Replicable Growth Model

DFI will progressively enter a "platform-based expansion" phase, with the core objective of establishing a replicable, scalable, high-value growth model. Building on cross-architecture rugged AI edge platforms, the Company will integrate modular embedded design, system-level product architecture, and hardware-software integration tools to improve deployment efficiency across customers and application fields.

In terms of market strategy, DFI will accelerate localized development in emerging markets such as Southeast Asia, India, and the Middle East, establishing multi-site market penetration capabilities through regional sales and engineering support teams.

On the supply chain and manufacturing side, the Company will further strengthen multi-site manufacturing and regional proximity delivery models to mitigate cross-border supply risks and enhance delivery flexibility. By converting successfully deployed applications in transportation, healthcare, energy, and other sectors into platform-based product lines, DFI will gradually increase its recurring sales ratio and customer lifetime value; transitioning from a single-project orientation to long-term, system-level partnerships.

C. Market Trends and Future Outlook: From Product Competition to Enterprise Value Competition

Looking ahead, competition in the industrial AI and edge computing market will no longer be confined to product performance, but will increasingly become a contest of overall enterprise value and institutional standing. Companies with long product lifecycle management capabilities, a proven track record of stable delivery, and extensive compliance experience will continue to capture concentrated value in high-barrier global markets.

DFI's future development priorities will shift from the role of a hardware supplier toward becoming a critical system capability provider, deepening core competencies in BIOS, firmware, AI model optimization, and long-term operational management, while securing an irreplaceable position within customers' mission-critical operational processes. Concurrently, by deepening Edge AI ecosystem partnerships and building long-term collaboration structures that span platforms, industries, and regions, DFI will continue to enhance overall enterprise value through a predictable and sustainable operating model, solidifying its long-term competitive advantage in the global edge intelligent computing industry.

2. Market and production and sales overview

(1) Market Analysis

A. Major Sales (Region)

Unit: thousand units; thousand NT$

Item \ Year		2025		2024	
		Net Sales Revenue	Percentage (%)	Net Sales Revenue	Percentage (%)
Domestic Sales Revenue		2,053,907	18.88%	1,865,349	19.66%
International Sales Revenue	America	2,743,832	25.23%	2,227,391	23.47%
	Asia, Australia, Africa	3,610,249	33.20%	3,354,400	35.35%
	Europe	2,467,958	22.69%	2,042,346	21.52%
	Subtotal	9,096,382	81.12%	7,718,543	80.34%
Total		10,875,946	100.00%	9,489,486	100.00%

B. Market share

Industrial computers cover a wide range of vertical applications and extended fields. According to public market research data, the overall market structure is characterized by a high degree of fragmentation. Taking the applications in which the Company's shipment volume and profitability performed better for example, including factory automation, defense technology, intelligent transportation, and intelligent medical treatment, the products of DFI are mostly used in system components or as a part of the overall solution. The terminal application markets are extended through OEM/ODM models while also offering application-oriented standardized system products. Since the related products are shipped as system integration or project-based solutions, it is difficult for general market research to fully capture their actual application value and role in the market when estimating a single brand's market share.

Overall, the market concentration of the industrial computer industry is primarily seen in a small number of major global-scale corporates. The remainder of the market was composed of a large number of suppliers that focused on specific vertical applications, regional markets, and project-based requirements, resulting in a long-tail, highly fragmented market structure and the absence of a representative, precisely quantifiable distribution of market shares. Based on the industry characteristics described above, the Company does not use market share alone as its primary measurement indicator, but instead focuses on high-value vertical applications, the depth of system integration, long term project partnerships, and product life cycle management as the core bases for evaluating competitiveness and operational performance.

C. Future market supply and demand, and growth

The distinction between industrial computers and personal computers, as well as consumer products, has always been clear. Although the hardware and software architecture are similar, the main differences lie in stability, customization level, lifecycle, project customization, special requirements, and service content. The highest guiding principle that industrial computers adhere to in the production and manufacturing process is to maximize productivity at every stage of application.

On the industrial level, including but not limited to robotic arms, automated transport vehicles, visual inspection, conveyor belt sorting, production line automation, and remote maintenance, all fall within the scope of industrial computers. The government's promotion of the industrial Internet of Things (IoT) strategy also directly stimulates the computational demand brought about by industrial upgrading.

With the changes in the industry and the prevalence of AIoT, productivity projects have expanded from traditional manufacturing to business operations and daily life. This includes smart payment, traffic monitoring, KIOSK information stations, as well as scenarios arising from various transportation and logistics needs. This will pose higher challenges to the computing power and communication capabilities of hardware.

Based on the high stability of industrial computers, the deployment and adoption across industries are becoming increasingly common. As gaming machines require high levels of safety, medical equipment must have precise information presentation in accordance with strict regulations, and autonomous vehicles (ADAS) require high-speed and stable computing capabilities, all of which heavily rely on the design standards and operational efficiency of industrial computers. The Taiwanese industrial computer industry will continue to benefit from various new technologies such as AI, 5G, IoT, etc., which are being introduced into vertical industries. This will lead to diverse hardware demands for edge computing in various fields, as well as integrated software and hardware solutions for virtual and augmented reality applications. Additionally, there will be hardware demands for high-speed networks and applications related to electric vehicles, which will create new business opportunities in response to industry needs for AI integrations. The demand for industrial computers continue to grow in 2026. The core momentum stems from the deep integration of AI and 5G into vertical domains. Notably, the implementation of On-device Generative AI triggered a wave of replacements of high-performance industrial motherboards and systems.

D. Favorable competition base, favorable and adverse factors for development vision, and solutions

(A) Favorable competition base

- DFI has nearly 40 years of experience in research and design in industrial computers. It has developed a strategic core based on agility, quality, service, flexibility, and cost planning, and has become a trusted business foundation for its customers. Owing to good reputation, leading companies in various industries have actively adopted DFI products and promoted DFI as a collaborative solution. DFI is no longer just a hardware supplier, but a cross-domain solution provider, especially after becoming a member of the Qisda Corporation.
- Benefiting from solid customer’s feedback, DFI strives to become a market leader in the field of innovation, and masters the latest technology at an extremely rapid speed, to launch the motherboard and system equipped with the latest platform at the first time, and implement the strict requirements for the embedded application version control and long-term supply, and assist the customers in time-to-market, to guarantee consistency in product design.

(B) Favorable factors for development vision

- Industries are gradually shifting their focus towards strategies that involve the development of products or solutions through the use of integrated standardized products or outsourced ODM services, due to limitations in manpower, time, and other costs. In addition to promoting the market through the dual-track strategy of standard products (STD) and original design manufacturing (ODM), DFI can also quickly customize derivative models of standard products (DEV), replicate and apply experiences, effectively meet customers' standardization and differentiation needs, and reduce the possibility of customer churn.

- With successful experience of a number of large industry leaders in the vertical market, DFI becomes the leader in the field of communication, factory automation and medical treatment with the top growth rate, and has established in-deep cooperation with the strategic partners, to create a solid solution supply chain, and achieve efficiency in development of new applications or new markets.
- Strategic partnerships have been established with key suppliers of future AI application cores, including Intel, AMD, and Qualcomm. By deepening collaboration and integrating various AI application hardware and software supply chains, an AI strategy development alliance will be formed. DFI will act as a bridge to assist clients across different application domains in connecting with the AI industry chain. In response to global ESG trends, low-power, high-efficiency computing platforms is developed to meet customer demands for energy-efficient production lines.

(C) Adverse factors for development vision and solutions

- Industrial computers used to be stable and highly profitable products in previous years. However, in the face of fierce competition, increasing information transparency, and standardization of specifications, the value and cost of these products are subject to more stringent scrutiny and comparison. Indirectly, it has led to unhealthy practices by businesses to compete through resource integration, such as developing low-cost products (e.g. 'semi-industrial control' products that are 'consumed above but not fully controlled') and trading profit margins for revenue. These practices pose hidden concerns for industry development.
- In the past, DFI has already made significant progress in the vertical market. However, there has not been a strategic promotion and operation of parallel expansion in various vertical applications. Therefore, there is still a great potential for expansion in the market. Strategies such as strategic alliances and cross-application marketing and product design need to be accelerated in order to catch up with the market leader that has been operating at this level for a long time.
- Industry competition is a constant battle. Enhancing research and development capabilities, increasing market application and marketing efforts, and defining more precise product positioning, concentrating on high added value and long lifecycle management, and establishing entry barriers through information security certification are the quickest paths to attracting customers. In order to adjust our strategy within limited resources, we will focus on immediate task allocation and integrate a market-oriented approach. This is the primary policy for consolidating our existing business and expanding our range of applications.

(D) Strategies for Navigating the AI and IoT Era

- As the world enters the era of AI and IoT, industrial upgrades and transformation have become the “new normal.” Across regional markets, industry clients are increasingly seeking integrated AIoT solutions, with some expanding capital expenditures—further driving overall revenue momentum. On the other hand, DFI's research and development efforts have accelerated the positioning of products within vertical application fields and enhanced the integration platform for hardware and software, as well as modular development that feature AI equipped with NPUs

(Neural Processing Units) and support high-speed computing for real-time visual inspection.

- The rigor of network security regulations for IoT has increased. Remote management technology enables customers to perform remote AI model updates and security patching and effectively reduce operational management and after-sales service costs associated with network security updates and artificial intelligence algorithm updates. We will continue to strengthen the development of remote management technology and its related applications to provide integrated solutions for our customers.
- Through collaboration with the AI hardware and software supply chain, we are integrating virtualization and containerization software technologies with AI hardware and software. Various concept test samples will be utilized for initial evaluation and application development purposes, thereby enhancing the convenience and efficiency of our clients in developing AI-related products. This initiative aims to support client demands for industrial automation, vehicular intelligence, medical intelligence, and the intelligent deployment of public and communication facilities. Additionally, we will integrate our internal cybersecurity products, electromechanical integration, and other relevant strengths within the group, while also forming external alliances with more cross-disciplinary enterprises to strengthen our comprehensive capabilities. This will contribute to building a more robust corporate image and social value.

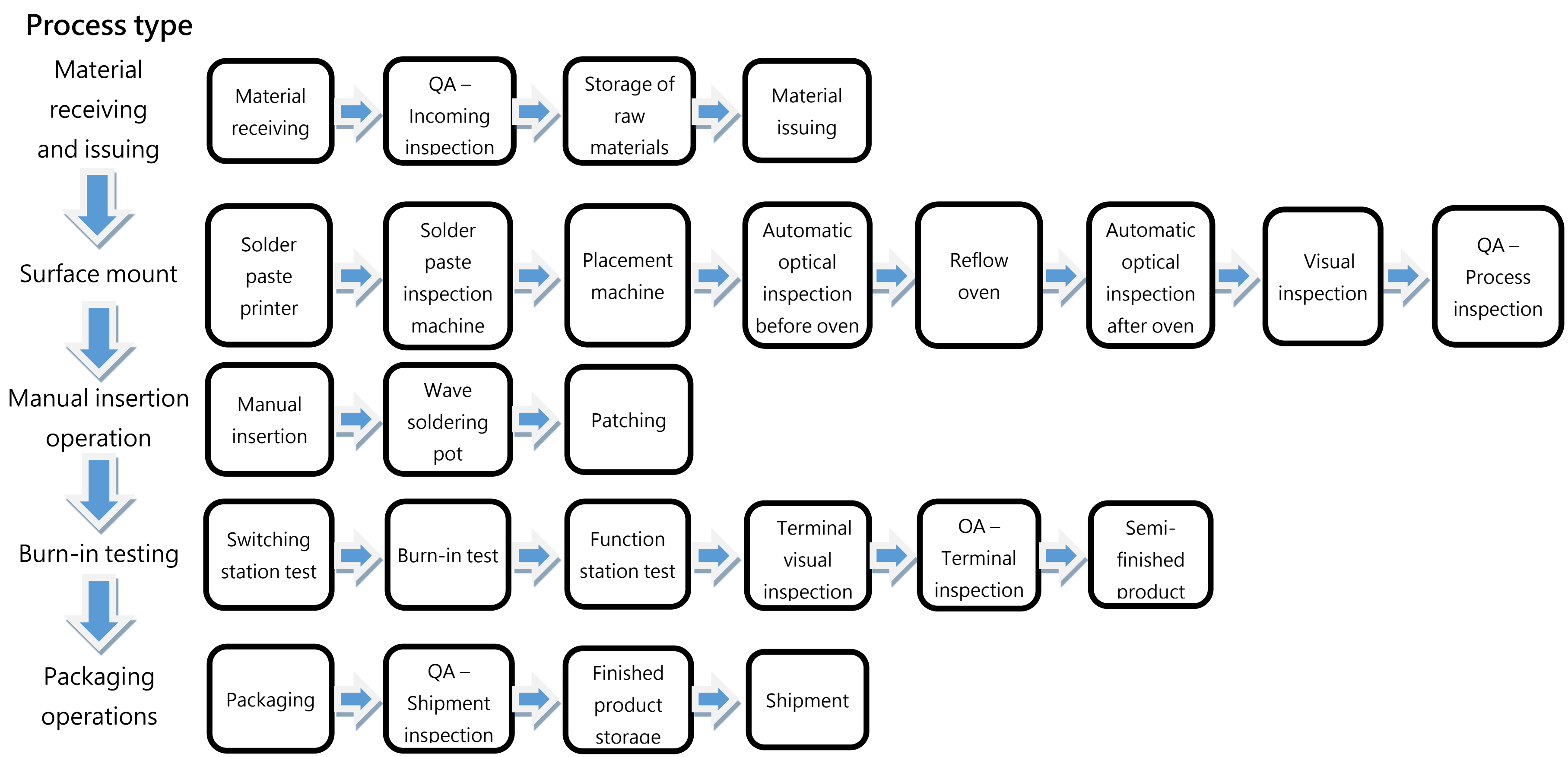
(2) Main product uses and production processes

A. Important use of the main products:

The board cards for the industrial computers are mainly used to provide a “platform” for connection and operation of the relevant parts and components assembled in the industrial computer, and are the most indispensable component in the industrial computer system.

B. Production process of the main products:

DFI Process Flowchart



(3) Supply Status of Key Raw Materials

Raw Material Name	Supply Status
Integrated circuits (including chipsets)	Satisfactory
Printed circuit board (PCB)	Satisfactory
Other important components	Satisfactory

II. Employee Data for the Last Two Fiscal Years and as of the Date of Printing of the Annual Report

Year		As of March 31, 2026 (Note)	2025	2024
Number of employees	Direct employees	192	181	181
	Indirect employees	476	475	484
	Total	668	656	665
Average Age		41.7	41.6	41.3
Average Length of Service		8.3	8.5	8.0
Percentage Distribution of Education	Doctorate degree	0.0%	0.0%	0.0%
	Master's degree	16.8%	17.0%	16.8%
	University (Specialist)	68.0%	67.0%	66.2%
	High School (Vocational)	12.7%	13.5%	14.2%
	Below high school	2.5%	2.5%	2.8%

Note: As of the publication date, April 10, 2026, in order to ensure data accuracy, only information up to March 31, 2026, is presented.

III. Environmental-protection expenditures

(I) The total amount of losses (compensation included) and penalties was suffered due to environmental pollution during the past year and as of the data of publication of the annual report:

None.

(II) Current and Future Countermeasures (Measures for Improvement Included) and Possible Expenditures

Our production processes are free from noise and the generation of process wastewater. We conduct assessments of the operational environment during production, perform noise testing, and submit the necessary reports. The handling and transportation of industrial waste is handled through licensed waste disposal and treatment facilities. During the transportation and treatment processes, a triplicate waste transportation form is issued in accordance with legal regulations to ensure that the flow of waste complies with relevant laws and regulations. Based on the future product development direction, it is expected that there will be no environmental pollution issues in the future. Regarding energy management, a systematic approach is employed to ensure effective energy usage and to conduct third-party verification for ISO 50001. This process guarantees the effectiveness of energy performance measures and compliance with international standards. Regarding RoHS, the Company has completed the purchase and update of production and testing equipment, which are now operating normally. In terms of manufacturing processes, the Company has passed the testing by the Electronics and Optoelectronics Research Laboratories of the Industrial Technology Research Institute (QC 080000) as well as audits by several major international companies (Green Product). As for suppliers, they have also completed the certification for banned substances and are supplying materials smoothly. WEEE has also been registered and entrusted to local operators for future product recycling in several countries in Europe.

To align with international green product requirements, the Company has made adjustments in its production environment and material usage. It has successively obtained certifications including ISO 14001 (valid 2025 to 2028), ISO 50001 (2024 to 2027), QC 080000 (valid 2024 to 2028), as well as major clients' Green Partner certification—demonstrating our continued commitment to environmental protection.

Environmental-protection expenditures concerned of the Company in the past two years:

Unit: thousand NT$

Year	2025	2024
Environmental Protection Expenditure	2,780	2,331

IV. Labor Relations

(I) The Company lists various employee welfare measures, continuing education, training, retirement system, and their implementation, as well as the agreements between labor and management and the situation of employee rights protection measures.

1. Employee benefits

(1) Insurance and Healthcare

- Comprehensive Insurance System: In addition to the statutory labor, health, and occupational insurance, employees are entitled to group insurance. This includes coverage for accidents, accident-related medical expenses, hospitalization, critical illnesses, cancer, occupational injuries, short-term travel, and overseas safety insurance, as well as overseas medical emergency and personal safety insurance.
- Health Promotion and Medical Care: Annual health check-ups, on-site nurses, contracted doctors providing on-site services, and periodic health promotion activities (such as walking, stress-relief massages, and seminars on physical/mental growth).

(2) Leisure benefits

- Welfare Committee: welfare points (for birthdays, Labor Day, and points or gift boxes given on festivals), occasional movie discount tickets, and various subsidies (for weddings, funerals, childbirth, club activities, departmental gatherings, etc.).
- Employee Recreational Activities: Birthday celebration afternoon teas, corporate family days, annual year-end parties, occasional dinner gatherings, periodic hiking excursions, various clubs, and a gym.
- Participation in Social Welfare: Periodic organization of various social welfare activities, such as blood donation drives, massage events for the visually impaired at social welfare organizations, group purchases of produce from small farmers, lectures on agricultural support tours, and activities to clean mountains and beaches.

(3) Work environment

- Workplace Environment: Spacious and elegant air-conditioned manufacturing plants and office settings, regular environmental inspections, free coffee machines with freshly ground coffee, and breastfeeding rooms.
- Work space: snack and beverage bars, coffee bars, staff lounges, fruit bars, buffet restaurants.

- Designated Childcare Institutions: In addition to providing well-equipped nursing rooms, the Company also entered into a childcare contract with the Pure Heart Workplace Mutual Assistance Childcare Service Center within the Company community. The organization offers childcare benefits for its employees that surpass those available to the general public, including:
  - A. Priority Admission: In cases where the quota is not full, employees may be granted priority admission based on their contract serial number, eliminating the need for a lottery process.
  - B. Flexible Drop-off Time: Parents can drop off their children half an hour earlier, offering greater convenience for their daily schedules.
  - C. Provide employees with parenting information and parenting education seminars to help them better cope with parenting challenges and enhance their parenting knowledge and skills. These measures aim to support employees' family lives and create a more friendly environment for child-rearing.

(4) Others

- Leave System: Two days off per week, additional leave benefits for new employees, and volunteer time off.
- Transportation shuttle: The Taoyuan Plant provided a free shuttle service for employee use (multiple routes directly served Keelung, Nangang, Xizhi, and Taoyuan Railway Stations).
- Overtime Dinner: Free overtime dinner provided.
- Flexible work policy: Provide employees with flexible start and finish times.
- Employee stock ownership trust: In addition to the provisions of Labor Standards Act and Labor Pension Act, the Company regularly allocates reserves to statutory accounts. In addition, a stock ownership trust committee was established, and all qualified colleagues can participate voluntarily in the committee; employees and the company contribute to each other and share the operating results and value added shares of the Company, strengthening employees' cohesiveness and stimulating their long term commitment, thereby enhance operational performance.

2. Further education and training of employees

DFI has deeply engaged in talent cultivation and development, is committed to building sustainable value of talents, and had established a "three-in-one" training system coordinated by the human resources unit, planned by the dedicated training center, and implemented collaboratively by all departments. Through the annual "Training Needs Survey", the training center precisely identifies competency gaps in each unit. Following an assessment of course suitability, the training center consolidates and compiles the courses into the "Annual Training Plan", ensuring that education and training resources were precisely aligned with the Company's operational target.

In addition to implementing internal training programs, DFI actively encourages employees, in line with organizational growth, competency requirements, and individual performance, to proactively participate in external training to broaden their professional horizons. At the same time, through the introduction of the new "Training Management System (DTMS)", we have integrated diverse online learning resources to overcome the constraints of time and location. This establishes a flexible and agile digital learning ecosystem, further driving continuous improvements in work-related performance. Furthermore, employees are encouraged to participate in cross-domain seminars organized by the Qisda Group on an ad hoc basis, covering technology, lifestyle, and social welfare. These seminars are designed to inspire cross-domain thinking and equip employees with the relevant skills to balance work and life. Furthermore, to demonstrate DFI's commitment to corporate social responsibility and product quality, DFI has included the "Hazardous Substance Process Management System (IECQ QC 080000)" as mandatory training programs for all employees.

To ensure the tangible effectiveness of investments in training resources, DFI implemented the "Four-Level Evaluation Model" proposed by American scholar Donald L. Kirkpatrick and validate effectiveness across the four dimensions: reaction, learning, behavior, and results. DFI adopts a differentiated assessment mechanism based on the attributes of the courses and the competency target, ensuring that the content of the training not only met the learning target but is translated into employees' professional behavior, thereby enhancing overall operational performance.

In 2025, DFI demonstrates tangible results in talent development. The annual average training hours for all employees (including overseas), totaling 656 people, reaching 18.22 hours, thereby successfully achieving the annual short-term target 18 hours. Looking ahead, DFI will continue to develop multiple forward-looking courses in strategy fields such as key components, healthcare, and the Internet of Things. We will continue to implement the previously established short-, medium to long-term development target (please refer to the table below) to maintain learning momentum of the talents and strengthen the competitive advantages of the Company.

Target indicators	1. Average hours of training per employee 2. The completion rate of courses with policy relevance (compliance) is 100%
Short-term Targets (by 2027)	1. The average hours increased by 7%, reaching 18 hours per year 2. The completion rate of courses with policy relevance (compliance) is 100%
Medium-term targets (by 2032)	1. The average hours increased by 13%, reaching 19 hours per year 2. The completion rate of courses with policy relevance (compliance) is 100%
Long-term targets (by 2040)	1. The average hours increased by 19%, reaching 20 hours per year 2. The completion rate of courses with policy relevance (compliance) is 100%

* Note: The increase in average training hours (16.89 hours) for short-, medium-, and long-term goals is calculated based on the 2024 average.

In 2025, DFI will continue to adhere to its "Employee Learning and Development Strategy." Through the four key dimensions of "Management Competencies," "Professional Competencies," "Self-Development," and "Onboarding for New Employees," we will consistently build upon and expand the learning opportunities at DFI. We encourage all colleagues to engage in continuous learning and self-improvement. The primary content of the training courses and data of key training courses for each dimension is outlined as follows:

- Managerial Competency: DFI continues to introduce group supervisors training programs (SLP, ALP), with themes covering "Situational Leadership," "Influence and Persuasion", "Building High-Performance Teams," and "Team Communication Skills.

Managerial Competency	Disclosure Location: Sustainability Report
Key Training Courses	Group Supervisors Training (SLP, ALP)
Training Participants	Each Department Supervisors
Training Target	Enhance the management and leadership skills, interpersonal communication skills, and efficiency of each department supervisors at all levels
Quantitative Data	In 2025, a total of 12 training sessions were held a total, with 104 participants completing the program, resulting in a total training duration

	of 728 hours.

- Professional Skills: DFI continues to collaborate closely with suppliers and customers to arrange seminars and courses, enabling all employees to understand industry and product development trends. Various internal training (knowledge sharing) courses were organized by each department in hopes of enhancing the diverse competencies of all employees. Meanwhile, several legal compliance series courses were conducted to ensure employees fully understand relevant regulations and avoid violations. Additionally, by participating in external courses to acquire new skills, employees can improve their job performance, and also enables the application of these skills in everyday life, creating a positive impact on society.

Professional Skills	Disclosure Location: Sustainability Report
Key Training Courses	Cross-departmental professional courses, such as seminars, specialized seminars, legal compliance, and external training.
Training Participants	All Employees
Training Target	Enhance the diverse competencies of all employees
Quantitative Data	In 2025, a total of 7,336 participants completed training, accumulating 9,551 training hours.

- Self development: DFI introduces the "Self-Learning and Diverse Development" training project, with course categories covering artificial intelligence, organizational development, sales, personal development, software development, information security, foreign languages for business, cloud technologies, and digital marketing, totaling nine major fields available for registration and learning.

Self Development	Disclosure Location: Sustainability Report
Key Training Courses	Project on Self Learning and Diverse Development Training Courses
Training Participants	All Employees
Training Target	Enhance the diverse competencies of all employees
Quantitative Data	In 2025, a total of 86 courses were offered with a total of 517 participants completed training, accumulating 1,214.58 training hours.

- New Employee Orientation: In addition to conducting in-person introductory courses for new employees, the "New Employee Online Training Courses" was introduced through the Company's education training system. By leveraging the advantages of the management system, cross-regional employees can access relevant orientation courses (including legal compliance) in real-time.

New Employee Orientation	Disclosure Location: Sustainability Report
Key Training Courses	Online Training Course for New Employees
Training Participants	New Indirect Employees
Training Target	In accordance with ISO management procedures, DFI ensures that new employees follow the regulations.

Quantitative Data	In 2025, a total of 53 participants completed training, accumulating 159 training hours.

In line with its aforementioned “Employee Learning and Development Strategy,” DFI has systematically expands its training landscape through four key areas—“Managerial Competency,” “Professional Competency,” “Self-Development,” and “New Employee Onboarding.” DFI firmly believes that learning is the cornerstone of progress. It remains committed to fostering a corporate culture of lifelong learning, supporting its employees in continuously breaking through their limits and pursuing excellence.

DFI is also committed to implementing fairness and depth in talent development, providing differentiated training pathways tailored to the diverse categories of its employees. Categorized by job attributes, direct labor recorded an average of 10.56 training hours, with a core focus on "Professional Skills" such as courses on production quality, occupational safety, and relevant legal compliance to ensure operational excellence. Meanwhile, indirect staff reached an average of 21.14 training hours, emphasizing "Professional Skills" in digital tool applications and product development trends, complemented by "Self-Development" courses on diverse and cross-domain knowledge to strengthen the resilience of the support system. Classified by managerial responsibility, employees in managerial positions recorded an average of 30.79 training hours, primarily investing in the “managerial competency” dimension; through courses such as leadership and strategy communication mindset, they guide the organization in responding to change. Employees in non-managerial positions recorded an average of 16.40 training hours; in addition to rapidly integrating into the corporate culture through new-employee orientation, they participated extensively in training related to self-development and professional skills.

- Online Learning

With the goal of establishing a learning environment in which employees could grow at any time and from any location, DFI comprehensively optimized the learning experience. By introducing the new Training Management System (DTMS), diverse digital resources were successfully integrated, physical boundaries were broken down, and a flexible, agile learning environment was realized.

The "Self-Learning and Diverse Development" training project, which officially launched in March 2025, represented an important milestone in advancing talent empowerment. It enables employees to access new knowledge in the most timely and convenient manner, continuously improve their professional skills, and thereby bolster the Company's competitive strength in meeting future challenges. In 2025, the cumulative number of self learning participants reached 517 (196 female participants and 321 male participants), with a combined total of 1,214.58 hours of self learning. The average self learning hour per participant was 2.35 hours (2.39 hours for females and 2.32 hours for males).

Furthermore, DFI leverages digital collaboration tools to their fullest potential. For specialized seminars where suppliers, clients, and industry experts are invited, DFI has fully implemented a "virtual and physical (Hybrid)" model. By recording and uploading the shared content to the system, these resources are made available for employees to learn and review it multiple times. This initiative substantially improves the convenience of learning and the coverage of employee participation.

Looking ahead to 2026, DFI will further dedicate efforts to deepening the digitalization of its training curriculum and broadening content diversity. DFI's goal is to construct a more precise and comprehensive knowledge repository, ensuring that every employee can easily access the learning resources best suited to their individual career needs.

- Problem Solving: Continuous Improvement Program (CIP)

  Since 2018, DFI has been implementing management mindset of the Six Sigma in collaboration with the group, and has established the Continuous Improvement Program (CIP) to empower employees with systematic improvement tools and methodologies. By holding the "DMAIC Awareness" training course, employees gain a command of precise understanding of the core concepts of continuous improvement and the five major techniques of DMAIC: Define, Measure, Analyze, Improve, and Control. From 2018 to 2025, a total of 379 participants completed training. (36 participants in 2025)

  Furthermore, through a curriculum designed for "learning by doing", we guide employees in transforming their acquired knowledge into the execution of practical projects. From 2018 to 2025, a total of 82 projects were implemented and executed, generating a cumulative financial benefits of NT$76.54 million. By scientifically applying the five major techniques of DMAIC, the application scope of multiple projects had been comprehensively expanded from research and development units to systems such as manufacturing, supply chain, and administration, thoroughly embedding a culture of improvement across individuals, departments, and the Company as a whole, and significantly improving organization operational efficiency.

  In 2025, DFI actively deepened its "continuous improvement" culture and implemented a total of 13 improvement projects: six in the first half of the year and seven in the second half. By guiding employees to review and optimize workflows through the DMAIC scientific framework, the Company has not only significantly enhanced operational efficiency but also generated a cumulative annual financial benefit of NT$18.71 million. This achievement fully demonstrates the tangible value of transforming talent empowerment into operating results. From the perspective of the historical benefit structure, DFI, through long term knowledge accumulation and project implementation, achieved significant results in 2025: the financial benefit for that single year accounted for nearly 1/4 of the historical cumulative benefits, with a contribution ratio of 24.4%. The data fully substantiated that the “Continuous Improvement Program (CIP)” possessed a high degree of sustainability and growth potential, and had become one of the core skills driving growth in the Company’s financial benefits.

3. Retirement system

   Regarding the employee retirement system, the Company operates in accordance with the Labor Standards Act (Old Labor Retirement System, Defined Benefit Plan) and the Labor Pension Act (New Labor Retirement System, Defined Contribution Plan) established by the government. For employees reassigned to affiliates due to organizational restructuring, their years of service are recognized and combined. By offering multi-layered protection, the Company ensures peace of mind for its employees and facilitates talent mobility within the Group. Meanwhile, pensions for overseas subsidiaries follow a defined contribution plan, with monthly contributions to various social security funds, including pension and medical, in accordance with local government regulations.

   - Retirement Fund System under the Labor Standards Act: In accordance with the Old Labor Retirement System regulations, the Company contributes 5% of the total monthly salary of eligible employees under the old labor retirement system to a retirement reserve fund, which is held at the Bank of Taiwan. At the end of each year, we regularly review the balance of this dedicated account. If the balance is assessed to be insufficient to cover the retirement payments for employees who meet the statutory requirements for retirement in the following year, we will make the top-up and contributions according to the regulations by the end of March of the subsequent year to ensure the rights and interests of employees under the old labor retirement system are protected. As of the end of 2024, the fair value of the plan assets amounted to NT$60,481 thousand. In accordance with relevant regulations, this balance is adequate to cover the retirement benefits for workers under the old labor retirement system. Retirement Pension System under the Labor Pension Act: The Company contributes 6% of employees' salaries to their individual accounts at the Labor Insurance Bureau on a monthly basis. In 2024, the amount recognized for pension contributions under the new retirement pension plan amounted to NT$22,238 thousand.

- Negotiated Extension of Retirement Age: In accordance with the relevant amendments to the Labor Standards Act, a system for extending the retirement age has been established by the Company. Employees who have served the company for 65 years may negotiate and agree to an extension with the employer. This policy was officially filed with and approved by the competent authority (New Taipei City Government, Labor Affairs Department, under document No. 1131920474), dated September 2024 and has been implemented accordingly.

4. Protection measures for employee's personal safety and work environment, and implementation thereof

DFI regards employees as the most important asset of the company. The working environment and safety of employees are of utmost importance to us. As we strive for company growth and fulfill our social responsibilities, we are committed to moving towards sustainability together with our employees. In addition to complying with relevant domestic regulations, we vigorously implement the following international standards and obtain certification from international verification companies:

(1) Environmental Management System (ISO 14001): Valid from November 2025 to November 2028.

(2) Occupational Health and Safety Management System (ISO 45001): Valid from November 2025 to November 2028.

(3) Energy Management System (ISO 50001): Validity from March 2024 to March 2027.

(4) Greenhouse Gas Inventory Standard (ISO 14064-1): Verified by a third-party organization in 2025.

(5) ESG Independent Institution Assurance Statement: Verified by a third-party organization in 2025.

(6) Its related management methods: formulate a safety and health management plan and implement it, regularly carry out operation environment monitoring, safety and health inspections and audits, safety and health education and training, fire education and training, etc., promote four major management plans: maternity protection, human factors engineering, illegal infringement, and abnormal workloads, and conduct annual employee safety and health hazard risk assessment to implement various employee safety and health matters, thereby improving the work environment and safety and health performance.

In addition to implementing a safe working environment, employee health is also one of the Company's high management priorities. The Company regularly conducts annual health check-ups for its employees. Analysis are made based on the results and any abnormal findings are highlighted and managed by groups to alert employees and implement a three-tier health management mechanism. This helps employees keep track of their health status and at the same time, arrange for those who require to receive professional medical consultation services. Looking ahead, we will continue to operate and improve various health management and related management systems to promote employees' health and achieve the target of continuous improvement.

Operational Environment Safety Facilities:

(1) Fire safety equipment inspections on each site are to be conducted once a year, and reports must be submitted in accordance with legal requirements. The reporting dates in 2025 were Xizhi on May 30, 2025, Xindian on December 22, 2025, and Taoyuan on October 27, 2025.

(2) Public safety inspections for buildings are to be reported once a year, conducted by the building management committee and the property owners. In 2025, all declarations were made in accordance with the law, and records were retained.

(3) Each site conducted an annual emergency evacuation drill once a year. The 2025 drill dates were Xizhi on November 20, 2025, Xindian on November 21, 2025, and Taoyuan on December 6, 2025.

(4) Environmental monitoring assessments are conducted biannually at each site, with reports submitted in compliance with legal requirements. The implementation dates for 2025 were in June and December.

(5) The organic solvent leakage drills are conducted annually at the Taoyuan Plant, with 2025's on July 10.

(6) General safety and health equipment inspections are conducted daily at the Taoyuan Plant, with records retained.

Employee Health Protection Measures:

(1) Employee health checks are conducted once a year, with the 2025 health check held in October to November 2025.

(2) The contracted physician consultation is conducted once a month, with records of each session retained.

(3) In addition to ensuring a safe working environment, employee health is also one of our management priorities. We provide annual health check-ups for our employees. Based on the results of these check-ups, any abnormal findings are highlighted and grouped together to alert employees and implement a three-tier management system. This helps employees understand their physical condition and arrange for those who require it to receive medical consultation services. The future will continue to operate through various management systems to achieve the goal of continuous improvement.

5. Code of Conduct for Employees

The Company has established the Integrity Handbook as the highest code of conduct for employees and regularly trained employees around the world through formal education and training courses, which covers "Conflicts of Interest", "Compliance with Regulations", "Trade Secrets and Company Assets" and "Involvement in Political Activities".

Employees of the Company shall comply with the following integrity declaration:

- We hold all ethical code according to the highest standards
- We respect both official laws and the company's regulations
- We must act with honesty in all our words and deeds.
- We strictly prohibit the abuse of privileges for illegal misconduct.
- We do our best to avoid being suspected for any tunneling.
- We will never engage in any violation of ethics.
- We will ask for help when we don't know how to choose.
- We will fully cooperate in the investigation of violations
- We will report any illegal incidents discovered immediately.
- We will develop business partners based on our Integrity Handbook.
- We are committed to upholding and safeguarding the rights of our employees with integrity.

6. System of unpaid leave with retention of employment supports employees personal life and family

The Company values the work-life balance of its employees and offers unpaid leave with retention of employment arrangements to accommodate both personal and family care needs. Under the Labor Standards Act and related regulations, an employee may apply for parental leave or unpaid leave with retention of employment for other statutory reasons. In addition, the Company provides an additional unpaid leave with retention system for personal matters. Employees with personal affairs or special needs requiring an extended period of leave may apply upon the supervisor's approval, may reinstate their positions following the expiration of the leave period in accordance with regulations, ensuring a flexible balance between work and life.

According to the law, employees can take maternity leave, paternity leave and parental leave, etc., the situation in 2025 is as follows:

Parental Leave	Number of male individuals	Number of female individuals	Total
Number of eligible applicants for parental leave in 2025 (A)	2	4	6
Number of employees who actually applied for parental leave in 2025 (B)	0	2	2
The estimated number of employees returning to work in 2025 after taking parental leave (C)	0	1	1
Number of employees who actually returned to work from parental leave in 2025 (D)	0	1	1
Number of employees who actually returned to work from parental leave in the previous year, 2024 (E)	1	0	1
Number of employees who continued working for one year after returning from parental leave in the previous year, 2024 (F)	1	0	1
Maternity Leave Application Rate B/A	0%	50%	33%
Maternity Leave Return-to-Work Rate D/C	-	100%	100%
Parental Leave Retention Rate = F/E	100%	-	100%

7. Current Status and Implementation of Major Labor-Management Agreements

To maintain a good relationship between the Company and its employees, we have established effective communication channels which include business briefings, welfare committee meetings, and labor-management meetings. These channels enable employees to stay updated on company information and encourage them to provide suggestions regarding the overall operations and development of the company, which can be considered by decision-making units. In the event of significant operational changes that may affect employee rights, a notice will be given at least 4 weeks in advance. These well-established communication channels not only foster labor-management relations but also allow the company to understand the needs of its employees better, thereby providing a more conducive work environment.

8. Employee Satisfaction Survey

The Administrative Management Department conducted the 2025 Employee Opinion Survey in December 2025 for the Taiwan region, which includes the Xizhi headquarters, the Xindian R&D unit, and the Taoyuan Plant. The purpose of this survey is to understand whether the services provided by the Company meet the expectations of our employees. We also hope that this survey will enhance employee loyalty and engagement with the Company. This will serve as a basis for us to understand and improve employee relations, as well as to engage in in-depth communication and interviews regarding significant issues and to formulate improvement plans.

- Subject: All Employees in Taiwan
- Topics: Direct Management, Employee Care and Family, Salary and Welfare, Organizational Relationships, Health Management, and Value Recognition/Engagement
- Respondents: 473
- Employee Coverage: 23%
- Investigating Unit: Administration Division

- Frequency: Once a year
- Survey Period: December 17–24, 2025
- Overall Satisfaction: 7.7 points (on a scale of 10)
- Survey Results: Among the six dimensions of services provided by the Company, health check received the highest satisfaction, reflecting employees' appreciation on various health check-ups, medical care promotions, and both the frequency and quality of physician consultations. Furthermore, employees rated their satisfaction with the value of employee care and work engagement highly.

In response to the survey results, the ongoing improvements and initiatives for 2026 are outlined as follows:

(1) Regular Adjustment of Work/Learning Direction

The company regularly reviews and adjusts employees' job responsibilities and learning directions. Based on individual circumstances, new tasks are assigned to different employees to boost motivation and engagement at work.

(2) Regular Review of Internal Work Processes

Regularly review all aspects of the workflow, and when opportunities for optimization are identified, develop targeted improvement plans to reduce time spent on repetitive tasks. This approach not only enhances employee satisfaction and sense of belonging but also improves overall organizational efficiency.

(3) Regular Confirmation of Internal Management Practices

Initiatives for employees' physical and mental well-being: blood donation, social care, and Employee Assistance Programs (EAP) provided relatively low sense of active participation among employees. Subsequently, the Company will expand the scope of participants, enhance promotional efforts, reinforce corresponding feedback and, whenever possible, communicate the contents of the activities with employees to improve employee recognition.

(4) Provide Employees with External Resources

Designing more comprehensive benefits programs for employees.

(II) In the recent fiscal year and up until the date of printing of the annual report, we incurred losses due to labor disputes. We also disclosed the estimated amounts and corresponding measures for the current and future potential losses. If it is not possible to reasonably estimate the losses, the report should explain the reasons for the inability to do so.

1. Losses arising out of labor disputes during the most recent fiscal year and up to the date of publication of the annual report: None
2. Possible estimated amounts at present and in the future and solutions

V. Information Security Management

(I) Information and communications security risk management framework, the information and communications security policy, the specific management plans, and the resources invested in information and communications security management.

1. Information Security Organization and Governance

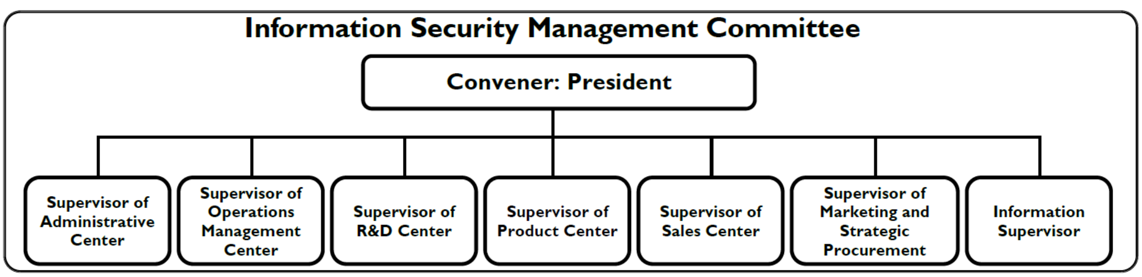
The Company set up an "Information Security Management Committee" as the core decision-making unit for information security governance. The committee will be chaired by the President and the members consist of the supervisors of various business centers and the IT supervisor. It is responsible for the review of all information security policies of the Company, the approval of significant information security operations, and interdepartmental resource coordination.

Operating mechanism: The committee held regular annual meetings and convened ad hoc meetings in response to information security threats or material changes.

Supervision of the Board of Directors: The Committee reports the annual information security governance performance to the Board of Directors on a regular basis, including policy implementation and resource allocation, to ensure the effectiveness of the governance mechanism.

Committee Authority:

- Review the information security policy and evaluate the development and implementation of the Company's overall information security management system
- Review and response measures for major information security incidents
- Approval of major information security maintenance matters
- Coordination of responsibilities and authority for cross-departmental information security matters
- The supervisory authority, the Board of Directors, and various cybersecurity policies contain additional regulations or requirements that necessitate reporting to the Board of Directors.



2. Information security strategy

   To ensure the security of our information and communication operations and prevent internal and external disturbances and threats, our Company has established an information and communication security policy. We follow the PDCA cycle and adopt the Cybersecurity Framework 2.0 (CSF) developed by the National Institute of Standards and Technology (NIST) in the United States. We have defined various security implementation tasks in the areas of security governance, security detection, defense in depth, and recovery and response, to ensure the confidentiality, integrity, availability, and legality of our information and communication operations. Our management is committed to maintaining information security and continuously improving the quality of information security and digital resilience to protect the rights of our customers.

3. Specific Implementation Direction for Information Security

   (1) Through regular internal education and practical exercises, we aim to enhance employees' awareness of information security.

   (2) External Service Provider Security Management: To protect the Company's rights and information security, establish a pre-assessment mechanism for external vendors and sign a Non-Disclosure Agreement (NDA) to safeguard the Company's confidential information and prevent unauthorized use or disclosure.

   (3) Information Device and Information Environment Access Management: The construction of fire control and environmental control systems in the information room, real-time video surveillance systems, and access control measures ensure the safety of the information room environment. The endpoint access control system (Network Access Control) has been

implemented to actively block unauthorized devices and equipment, ensuring the security of the internal network operating environment.

(4) Governance of Personal Data and Legal Compliance: The Company strictly adheres to the "Personal Data Protection Act" and relevant regulations. Furthermore, we have implemented the ISO/IEC 27001 Information Security Management System (ISMS) to establish a comprehensive mechanism for personal data protection and security maintenance. By formulating the "Personal Data Protection and Management Policy" and the "Personal Data Protection Statement and Consent for Collection, Processing, and Use", the Company implements the legality and security of collecting, processing and using personal data. The relevant regulations had been incorporated into the internal control system and were posted on the company's intranet to ensure that all employees were fully informed of and complied with them, and to ensure that collecting, processing and using personal data adhere to the principles of legality, accuracy, and security.

(5) Access and Authorization Control and Technical Defenses:

Regarding computerized information system controls, the Company implemented the following security mechanisms:

- Identity Authentication and Granting of Authorization: Active Directory (AD) accounts were adopted for unified identity authentication; a "Zero Trust" architecture and the "Least Privilege" principle were implemented; and an "account authorization deactivation control" procedure was executed through automated mechanisms.
- Rigorous Review Process: Various application for authorization must undergo an internal electronic approval process. Authorization involving sensitive data requires additional approval from the respective department supervisors to ensure the necessity of the granted authorization.
- Privileged Access Management (PAM): A dedicated management system was introduced for high-risk privileged accounts to implement segregation of duties (SoD) and dynamic monitoring.
- Implementation of the review mechanism: The audit department conducts annual internal-control audit procedures for electronic data processing and strictly complies with ISO 27001 review regulations. It periodically conducts comprehensive reviews of employees authorization and special accounts to ensure the reliability and effectiveness of access rights, and proactively prevents potential information security risks.

(6) Constructing a Cybersecurity Joint Defense: In addition to joining real-time notification networks for vulnerabilities and threat intelligence from various cybersecurity product vendors, we have also joined the TWCERT/CC (Taiwan Computer Emergency Response Team/Coordination Center) joint defense organization. This allows us to receive the latest international threat intelligence promptly. Furthermore, we have collaborated with leading cybersecurity firms to establish a Security Operations Center (SOC), integrating real-time intelligence and monitoring network activity. This ensures vulnerabilities are patched immediately and threats are handled promptly. Additionally, we conduct monthly reports on the findings from the SOC monitoring, continuously refining our management measures to ensure overall operational security.

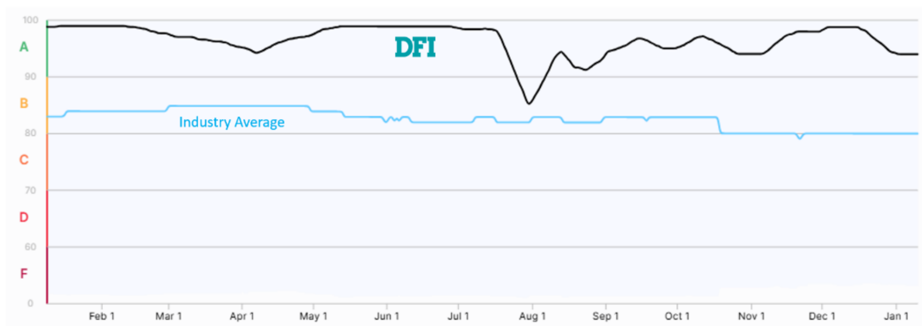
(7) Continuous Exposure Management: The Company has implemented internal endpoint antivirus protection systems, threat detection and response services (MDR), and host threat vulnerability scanning systems. Regularly perform the following risk management tracking tasks:

A. Through the antivirus system and MDR, real-time abnormal monitoring and detection are achieved.

B. Every week, a vulnerability scan is conducted on all terminal hosts, and an aggregated report is automatically generated for patching and tracking purposes.

C. Every month, perform operating system security patch updates or real-time updates for major zero-day vulnerabilities, and track the completion rate of endpoint updates.

D. In addition to implementing internal environmental safety measures, the Company has also implemented a third-party information security monitoring and assessment system for continuous monitoring. Every week, the system automatically generates the latest information security ratings and industry benchmarks, allowing for immediate remediation of potential risks. As a result, the Company's average score for the entire year is rated higher than the industry average, achieving a level A rating.



(8) Business Continuity Plan (BCP): Conduct Business Impact Analysis (BIA) for information system operations, implement hierarchical management for information services, develop and implement information backup and disaster recovery simulation exercises to ensure continuous operations; this year, conduct disaster recovery drills for key systems and document the results, achieving a completion rate of 100%.

4. Resources for investing in information and communication security management

Information security is an important issue for the Company's operations. The corresponding information security management matters and resource allocation are as follows:

(1) Dedicated personnel: the Computer Information Department has a dedicated security supervisor and security personnel responsible for the company's information security planning and various technology implementations. The Chief of the Information Department supervises and oversees the progress and execution of all security-related tasks.

(2) Education and Training: The investment and completion status of various training programs in the current year are as follows:

A. For new employees, the completion rate of the new employee cybersecurity training upon joining the Company is 100%.

B. Over the year, more than 10 cybersecurity updates or awareness bulletins were released to communicate key information security policies and operational safety guidelines.

C. Conduct a Social Engineering Test for all employees, provide additional cybersecurity training for non-compliant personnel, and have major violators submit a Security Improvement Program for approval by their supervisors. This year, a total of 4 executions were carried out, with a completion rate of 100% for both training and review.

D. This year, we have conducted and completed 1 comprehensive cybersecurity training for all employees, aiming to deepen their awareness of information security. In addition, the cybersecurity personnel have also completed 1 professional training session and produced 4 technical awareness documents for information professionals, further enhancing our cybersecurity capabilities.

(3) Customer satisfaction: No major cybersecurity incidents, no complaints regarding customer data loss in 2025.

5. Information Security Management System Certification

The Company has established an information security management system to enhance overall operational security and has successfully obtained ISO 27001:2022 certification in December 2024 and renewed the certification in September 2025. Moving forward, we will continue to reinforce the implementation of information security measures across systems, technology, and regulatory compliance.

6. Information Security Continuity Plan

The Company is committed to continuously enhancing the security of its information operations environment to protect customer rights and interests. We are developing a comprehensive cybersecurity development blueprint that includes short, medium, and long-term plans. Moving forward, we will continue to expand the construction of the zero-trust security access framework, implement system cloudification and cloud security measures, strengthen data leakage protection, and safeguard operational technology (OT) environments and safety of the supply chains. Simultaneously, we will assess external threats and continuously evaluate the introduction of tools or solutions that can effectively improve or strengthen the information security operations environment.

(II) Specify the losses, potential impacts, and response measures due to major information security incidents in the most recent year and up to the date of the annual report publication. If it is not possible to reasonably estimate, the reason should be stated.

1. Losses arising out of material information and communication security events during the most recent fiscal year and up to the date of publication of the annual report: None
2. Possible estimated amounts at present and in the future and solutions

VI. Important Contract

(I) As of the date of publication of this annual report, the important long-term borrowings and technical cooperation contracts of the Company that are still valid and expired in the most fiscal year are listed as follows:

2026.03.31

Nature of the contract	The party involved	Contract Start and End Date	Main content	Restrictions Clause
Software authorization	INSYDE SOFTWARE CORP.	2025.07.01-2027.06.30	MASTER LICENSE AND SERVICE AGREEMENT	None

VII. Litigation or non-litigation matters

(I) Major litigation, non-litigation or administrative dispute events that have been adjudicated or are pending during the most recent two fiscal years and up to the date of publication of the annual report: None

(II) Major litigation, non-litigation or administrative dispute events of the Company's directors, supervisors, President, and shareholders holding more than 10% of shares,

and the affiliated companies that have been adjudicated or are pending during the most recent two fiscal years and up to the date of publication of the annual report: None.

VIII. Intellectual Property Management

(I) Intellectual Property Management Plan

1. The Company places great importance on technological innovation and development. Intellectual property is core to protecting the Company's R&D results, and implementing intellectual property–related systems is necessary to safeguard core competitiveness. Therefore, the Company integrates its operational target with R&D resources, establishes an intellectual property management strategy, and continuously promotes intellectual property management to enhance corporate competitiveness.

1. The intellectual property strategies of the Company was primarily established by strengthening employees' awareness of intellectual property rights, as well as the enforcement and utilization of intellectual property rights after acquisition. To encourage employee R&D and innovation and to enhance the competitiveness of the Company, the Company established patent incentive regulations that provided proposal bonuses, bonuses for patent certifications, and bonuses for information-provision. These incentive measures ensure both the quality and quantity of the patents. This approach not only protects its proprietary R&D achievements and consolidates its competitive advantage but also allows for the flexible utilization of intellectual property rights to mitigate patent litigation risks.
2. The content of the implementation of 2025 Intellectual Property Management Plan is as follows:

   (1) Trademark Management: The Company, in support of domestic and international business development, conducted trademark searches, risk assessment, and application procedures, and established mechanisms for the application, maintenance, and management of trademark right. The Company regularly carries out trademark renewals and confirmations of use, and the related legal documents were centrally managed by a dedicated unit.

   (2) Patent management: The Company conducts patent searches and layouts according to business and R&D needs, plans patent application strategies, and keep track of patent protection regulations in each country. Maintenance of patent rights and management of related documents are handled by a dedicated unit.

   (3) Trade Secret Management: The Company implemented a trade secret management system. New employees were required to sign relevant documents on confidentiality and non-infringement. The Company continues to enhance employees' confidentiality on awareness. In instances of external disclosure of confidential information, the Company adopts appropriate protective measures and signs confidentiality agreements.

(II) Response Measures of Intellectual Property–Related Risks

The Company has established a comprehensive intellectual property management mechanism. It has continuously monitored patent and trademark announcements from competing competitors of the same industry and conducted trademark, patent, copyrights and other patent searches prior to product launches to mitigate infringement risks. At the same time, the Company implemented strict employee and access controls to secure the storage and usage of confidential data, and appointed an external professional intellectual property consultant to provide consultation services. It also regularly conducted intellectual property education and training to enhance employee awareness of infringement prevention. The Company will continue to strengthen related management measures to protect the Company and shareholders' rights and interests.

(III) Implementation Status of the Intellectual Property Management Plan

1. The Company did not find any instances of leakage of intellectual property rights or design files.
2. The Company held the following list of intellectual properties and outcomes: Valid patents: a total of 10 (domestic: 8; foreign: 2 effective trademarks). A total of 30 applications have been successfully reviewed and approved (domestic: 4; foreign: 26).

(IV) The Company's intellectual property management plan and matters related to the status of its implementation were reported to the Board of Directors by the Company on November 3, 2025.

Review and Analysis of Financial Position & Performance and Risks

I. Financial status

Comparative Financial Analysis Statement

Unit: thousand NT$

Item \ Year	2025	2024	Difference	
			Amount	%
Current assets	7,367,275	7,166,672	200,603	3%
Non-current assets	4,988,802	5,171,752	(182,950)	-4%
Total Assets	12,356,077	12,338,424	17,653	0%
Current liabilities	4,635,956	4,224,426	411,530	10%
Non-current liabilities	2,018,181	2,276,771	(258,590)	-11%
Total Liabilities	6,654,137	6,501,197	152,940	2%
Equity	1,144,889	1,144,889	0	0%
Capital surplus	898,872	898,131	741	0%
Retained earnings	1,432,841	1,538,288	(105,447)	-7%
Other equity	(73,691)	(69,566)	(4,125)	6%
Treasury shares	-	-	-	-
Non-controlling interests	2,299,029	2,325,485	(26,456)	-1%
Total Shareholders' Equity	5,701,940	5,837,227	(135,287)	-2%

Explanation of Changes in Increase and Decrease Ratios in the Past Two Years:

1. Increase in current liabilities is mainly due to the increase in accounts payable and long-term borrowings due within one year
2. Decrease in non-current liabilities is mainly due to distribution of dividend on preferred shares liabilities and repayment of long-term borrowings.

II. Financial Performance

Financial Performance Comparative Analysis

Unit: thousand NT$

Year / Item	2025	2024	Increase (Decrease) Amount	Percentage Change (%)
	10,875,946	9,489,486	1,386,460	15%
Operating costs	8,046,418	6,814,772	1,231,646	18%
Gross Profit	2,829,528	2,674,714	154,814	6%
Operating expenses	2,309,935	2,016,863	293,072	15%
Net operating income	519,593	657,851	(138,258)	-21%
Non-operating income and expenses	(63,857)	(5,847)	(58,010)	992%
Net profit before tax	455,736	652,004	(196,268)	-30%
Income tax expenses	126,644	158,969	(32,325)	-20%
Net Profit for the Current Operating Unit	329,092	493,035	(163,943)	-33%
Profit and Loss of the Closed Department	-	-	-	-
Net profit (loss) for the period	329,092	493,035	(163,943)	-33%

Analysis of the increase and decrease in the ratios:

1. Increase in operating revenue: Primarily due to the recovery of market demand and the acquisition of subsidiary Transpak Equipment Corporation.
2. Decrease in net operating income: Primarily due to the Company's subsidiary Tianjin ACE Pillar recognized expected credit losses.
3. Decrease in non-operating income and expenses: Primarily due to foreign exchange losses caused by currency fluctuations and increase in interest expense of convertible bonds this year.
4. Decrease in net profit for the period: Primarily due to the Company's subsidiary Tianjin ACE Pillar recognized expected credit losses.

III. Cash flows

(I) Changes in Cash Flow for 2025

Unit: thousand NT$

Cash Balance at the Beginning of 2025	Cash Inflow (Outflow) Amount in 2025	Cash Surplus (Deficiency) Amount
2,512,850	(109,549)	2,403,301

(II) Changes in Cash Flow for 2025

Unit: thousand NT$

	2025	2024	Change Amount	Percentage of Change
Cash flows from operating activities	711,745	937,868	(226,123)	-24%
Cash flows from investing activities	(172,075)	(1,152,459)	980,384	-85%
Cash flows from financing activities	(664,960)	1,200,526	(1,865,486)	-155%

1. Operating activities: Primarily due to the decrease in notes and accounts receivable compared to the previous year.
2. Investing activities: The variance is primarily due to the net cash outflow from the investment in consolidated subsidiaries and the acquisition of equity-method investment in investment companies last year, whereas no such transactions occurred this year.
3. Financing activities: Primarily due to the Company's subsidiaries distributing dividend on preferred shares liabilities this year, the issuance of convertible bonds in the prior year, and the disposal of a subsidiary's shares (without loss of control).

(I) Improvement Plan for Insufficient Liquidity: Insufficient Cash Situation.

(II) Cash Flow Liquidity Analysis for the Next Year: The Company aims to maintain stable cash liquidity, and will carefully plan based on the cash balance, cash flows from operating and investing activities, and the conditions of the financial markets.

IV. The Impact of Recent Annual Capital Expenditure on Financial Operations

(I) Usage and Source of Funds for Significant Capital Expenditures: None.

(II) Expected possible earnings: None.

V. Recent annual investment policy, main reasons for profit or loss, improvement plan, and future one-year investment plan.

The Company's reinvestment policy aligns with corporate business development strategies and operational needs. In 2025, the profit from reinvested subsidiaries was NT$103,425 thousand. Over the next year, the company will continue to focus on business developments and long-term strategic investments related to its core operations, carefully assessing reinvestment plans.

VI. Risk Management

(I) Risk Management Policy and Procedures:

On March 2, 2023, the Company revised the "Risk Management Policy and Procedures," which was approved by the board of directors as the supreme guiding principle for our risk management. According to the company's risk management policy, a Risk Management Committee was established and risk management procedures were formulated. These include steps for risk identification, risk analysis, and risk evaluation to create a risk radar chart, which helps identify risks that may affect the sustainable development of the enterprise.

(II) Scope of Risk Management:

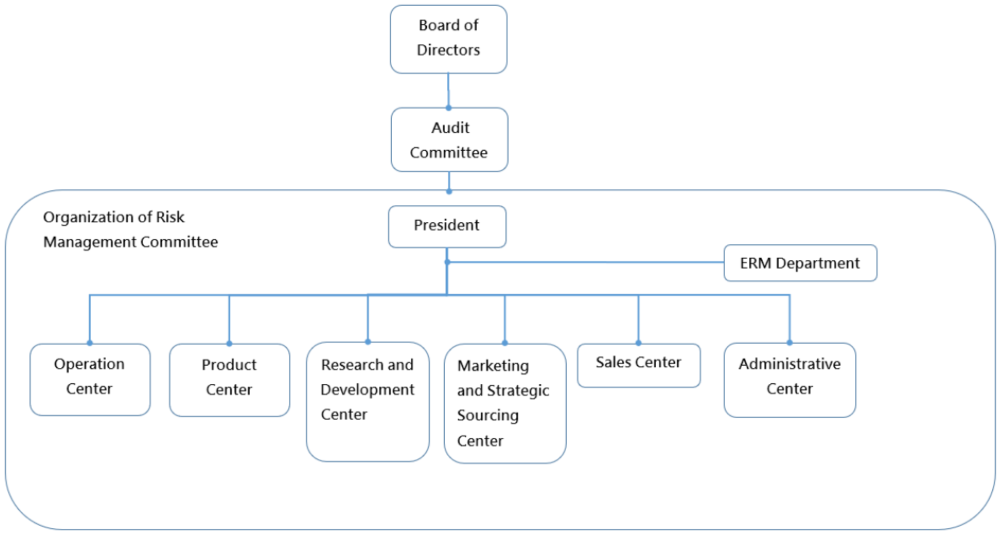
Risk management focuses on the risk management system and risk transfer planning of corporate governance, including strategic, financial, operational, and hazard risks, which are managed by the Risk Management Committee. The Company has established risk management policies and procedures to effectively manage risks that exceed the company's risk tolerance, and to optimize the overall cost of risk management through the use of risk management tools.

1. Commitment to continue to provide products and services to create long-term value for customers, shareholders, employees and the society.
2. Risk management requires systematic risk management procedures and organizations to identify, evaluate, handle, report and monitor timely and effective significant risks affecting the viability of the company, and to enhance the risk awareness of all employees.
3. Risk management is not the pursuit of "zero" risk, but the pursuit of maximum benefits to optimize the cost of risk management in the context of acceptable risks.
4. Before the occurrence of accidents, risks should be identified and controlled. Losses should be minimized during accidents, and the provision of products and services should be quickly restored after accidents. And establish business continuity management plans and emergency response manuals for major risk scenarios identified by the Risk Management Committee, and regularly update them.
5. For risks that do not exceed the risk tolerance, the risk management costs should be considered and different management tools should be used to deal with them, except for the following cases.
    - It has negative impacts on the safety of employees.
    - Causes violations of laws and regulations.
    - It has negative impacts on the company's reputation.

(III) Organization and Structure:

The Company established a management committee in 2020 to integrate various risk units according to the organization. The committee is chaired by the president, with the head of the sustainable risk management department serving as the secretary-general. The department heads of the company's primary units are committee members. The Director of Sustainable Risk Management refers to major internal and external events and external professional reports, and consolidates them according to the four major risk categories: strategy, finance, operations, and hazards. Every year, the risks that may have a negative impact on the company's operational objectives are identified, evaluated, managed, reported, and monitored. Each center conducts a check on the exposure and risk identification of important risks on an annual basis, and submits an annual risk management report to the Audit Committee and the Board of Directors in the first quarter of each year. The Audit Committee is composed of three independent directors and the report includes the execution status of the Risk Management Committee, risk distribution chart, major unacceptable risks, and significant incidents.

Organization of Risk Management Committee



(IV) Operation:

The Company actively promotes the implementation of the risk management mechanism, holds Risk Management Committee meetings regularly and reports to the Audit Committee and the Board of Directors on its operation once a year. The main operations in 2025 are as follows:

The Sustainable Risk Management Committee of the Company submits the "Risk Management Work Report" at the beginning of each year. On February 25, 2025, the report was presented to the Chief Risk Officer. The report summarized the risk management issues from the previous period, controlling a total of 27 risk items, with operational risks accounting for 61%, financial risks for 4%, strategic risks for 30%, and hazardous risk for 4%. The report also assessed the various risks faced by the Company in 2025, including the risk environment, key focuses of risk management, risk assessment, and response measures. For 2024, the committee plans to manage 25 risks, with operational risks comprising 65%, financial risks 12%, strategic risks 19%, and hazardous risks 4%. Furthermore, on February 3, 2026, the Audit Committee and the Board of Directors will be presented with a report on the operations of the Company's Risk Management Committee, including the evaluation of risk factors and the risk control measures taken, as well as the operation of risk management.

VII. Risk items should be analyzed and evaluated

(I) Impact of interest and exchange rate changes, and inflation on the Company's profit or loss, and future countermeasures:

1. Impact of interest rate changes in the most recent fiscal year on the company's profit or loss and future countermeasures

   All bank loans of the Company and its subsidiaries are based on floating interest rates. The measures taken by the Company and its subsidiaries in response to interest rate fluctuation risks include regularly assessing the interest rates of bank loans in various currencies and maintaining good relationships with financial institutions to secure lower financing costs. Additionally, by enhancing working capital management and other methods, we reduce our dependence on bank loans and diversify the risks associated with interest rate fluctuations.

2. Impact of exchange rate changes of the most recent fiscal year on the company's profit or loss and future countermeasures

As the Company's export transactions are mainly presented in USD, any changes to the exchange rate will have certain impact on the Company's profits. The following countermeasures are taken for any possible exchange risks from USD amounts:

(1) The financial department will keep contact with the financial institutions and collect real-time exchange rate information based on the international political and economic situation and development, in order to fully master the exchange rate trend.

(2) The company's hedging strategy involves signing forward foreign exchange contracts and currency swap contracts to manage the exchange rate risk of net foreign currency positions generated from sales and procurement transactions. To cope with future foreign currency payment needs, it is necessary to maintain an appropriate foreign exchange position to anticipate the future trend of exchange rates. Additionally, timely settlement of net foreign currency positions should be conducted to minimize the impact of exchange rate fluctuations on the company.

(3) The Company has formulated express foreign exchange operation strategies, and strictly controls the process. The Company has signed the forward foreign exchange contracts with the financial institutions to avoid the risks, but not make profits through active operation.

3. Impact of inflation on the company's profit or loss and future countermeasures:

In response to the price rising in the recent years, the Company and the subsidiaries will still pay close attention to the situation of inflation, adjust the product selling price and the inventory as appropriate to reduce impact of inflation on the Company and the subsidiary, and sign purchase contracts with the major raw material manufacturers.

(II) Policies regarding high-risk and high-leverage investments, loans to others, endorsement and guarantee, and derivative commodity trade, reasons for profit or loss, and future countermeasures.

The Company and its subsidiaries have always adhered to a policy of not engaging in high-risk and highly leveraged investments. Derivative trading is a strategy to mitigate risks and does not involve speculative trading.

The trading of derivative products by the Company and its subsidiaries in 2025 did not incur any operational risks, as it was conducted with a hedging principle in mind. In the future, the Company will continue to engage in derivative commodity trading to mitigate the risks caused by exchange rate and interest rate fluctuations. We will also regularly assess our foreign exchange positions and risks to reduce operational risks.

The Company and its subsidiaries engage in forward foreign exchange contracts and currency swap transactions primarily to hedge against the risk of exchange rate fluctuations affecting assets or liabilities denominated in foreign currencies. Highly negatively correlated derivative financial instruments are used as hedging tools to match the fair value fluctuations of the hedged items, and regular assessments are made. Due to not meeting the conditions for hedge accounting treatment, it is classified as financial assets or liabilities measured at fair value through profit or loss.

The Company and its subsidiaries engage in lending funds to others, endorsing guarantees, and trading derivative products. In addition to complying with relevant operational procedures, they also regularly make public announcements and declarations in accordance with the regulations of the regulatory authorities. As of the date of printing of the annual report, the recipients of loans and endorsements guaranteed by the Company and its subsidiaries are limited to the subsidiaries of the Company only.

(III) Future R&D plan and estimated investments in R&D expenses

1. Future Development Plan:

- Industrial computer motherboards

- Embedded computer module
- Industrial system
- Reinforced system
- Application field system
- Industrial tablet PC
- Rugged Tablet Computer
- Intelligent in-vehicle systems and tablets
- Intelligent medical systems and tablets
- AI Edge System

2. Estimated R&D expenditure: approximately 7% of sales revenue, with future adjustments planned based on global industry trends and the actual operational status of the Company.
3. Main influence factors for success of the future research and development:

   With years of experience, the Company has fully grasped the technology trend and have strong ability of integration and the ability to cope with the future technology changes. In addition to continuous and active recruitment of professionals and cultivation of senior technical talents, the Company also cooperates with the institutions that have know-how through projects. It is the main factor for the Company's success in the future research and development.

   Anticipating strong demand for Edge AI, DFI has developed a range of AI inference components, including Nvidia Jetson, MXM graphics cards, and M.2 Hailo and DeepX AI components. Customers can select and combine these components based on their technical requirements and budget.

(IV) Impact of changes to domestic and foreign important policies and laws, and countermeasures.

The Company's relevant units always pay close attention to and grasp the policies and decrees that might affect the Company's operation, and cooperates to adjust the Company's internal systems to guarantee smooth operation. There have been no significant impact of the changes to the domestic and foreign important policies on the Company's financial affairs in the recent years.

(V) Impact of changes to technology (including information security risks) and industry on the Company's financial affairs and countermeasures

The information industry has always been dynamic and fast-paced. Over the years, the Company has continuously adapted to industry changes, making adjustments to our products and strategies to find opportunities for growth and profitability. As a result, we have been profitable every year. The management team has been able to adapt well to the changes in technology and industry, with no significant impact on the company's financial operations.

(VI) Impact of change to enterprise image on the enterprise crisis management, and countermeasures.

The Company is committed to sustainable operation under principles of prudence and stability, valuing corporate image, and continuously improving quality management capabilities. To enhance corporate governance and strengthen the functions of the board of directors, our company established a Compensation Committee in November 2011 to assist the board in executing compensation management functions. Furthermore, on December 28, 2017, in accordance with Article 14-2 of the Securities Exchange Act, three independent directors were appointed. Therefore, in recent years and up to the publication date of the annual report, there have been no significant changes to our corporate image, nor have there been any market reports adversely affecting our corporate reputation. There is no danger of such a crisis occurring.

(VII) Expected benefits and potential risks of mergers and acquisitions and corresponding measures.

Currently, there are no ongoing mergers and acquisitions, thus no benefits or risks have been generated.

(VIII) Expected benefits, possible risks and countermeasures of expansion of factories.

The current focus of the Company and its subsidiaries regarding plant and equipment is on fully utilizing the existing production capacity to achieve maximum economies of scale. Therefore, there is no need for significant expansion of the plant facilities in the short term.

(IX) Risks arising from centralized purchases or sales, and countermeasures.

The Company's major suppliers and customers are distributed both domestically and internationally, and we have established long-term stable partnerships. Therefore, we do not have any issues or risks related to overly concentrated sales and purchases. The Company tracks customer payment status in a timely manner and manages it through insurance companies to protect the company's interests.

(X) The impact, risks, and countermeasures of a large transfer or change in shares held by directors, supervisors, or shareholders owning more than 10% of the Company's shares.

There have been no significant transfers or changes of stock ownership among the directors of the Company.

(XI) Impacts, risks, and countermeasures of changes in the management power on the Company.

The board of directors and management team of the Company have not undergone any significant changes, therefore this is not applicable.

(XII) For lawsuits or non-litigation events, if the Company, directors, supervisors, president, actual responsible persons, shareholders holding more than ten percent of the shares, and subsidiary companies have significant litigation, non-litigation, or administrative litigation events that are either concluded or ongoing, and the results of which may have a significant impact on shareholders' equity or the price of securities, the following should be disclosed: the disputed facts, the amount involved, the start date of the litigation, the main parties involved, and the status of the case up to the date of the publication of the annual report.

Up to the date of publication of the annual report, there are no other significant litigation, non-litigation or administrative dispute events that have been adjudicated or are pending and of which the results might have significant influence on the shareholders’ equity or securities price.

(XIII) Other important risks and countermeasures: None.

VIII. Other Important Matters: None

Special Notes

I. Related Information on Affiliated Companies

(I) Consolidated Business Report of Affiliated Enterprises:

Please refer to the Market Observation Post System (MOPS)/ Basic Information/ e-Books/ Three Major Statements of Affiliated Enterprises (Visit https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

(II) Consolidated Financial Statements of Affiliated Companies:

Please refer to the Market Observation Post System (MOPS)/ Basic Information/ e-Books/ Three Major Statements of Affiliated Enterprises (Visit https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

(III) Report on Affiliates:

Please refer to the Market Observation Post System (MOPS)/ Basic Information/ e-Books/ Three Major Statements of Affiliated Enterprises (Visit https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

II. No private placement of securities has been conducted in the current fiscal year and up to the date of printing of the annual report.

III. Additional explanatory information as required: None.

IV. In the most recent fiscal year and up to the date of publication of the annual report, there were no matters as specified in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act that had a material impact on shareholders' equity or the price of securities.

DFI INC.

Chairman：Chen Chi-Hong