

clientron

Clientron Corp., 2024 Sustainability Report



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About this report

This is the first “Sustainability Report” published by Clientron Corp. (referred to as “Clientron”, “the Company”, or “we” in the report). In this report, we have adopted a transparent and honest approach to exploring sustainability issues, outlining our current plans and future development goals across the environmental (E), social (S), and governance (G) domains. By publishing this report, we aim to showcase Clientron’s efforts in sustainable development and communicate our overall progress in economic, environmental, and social sustainable development to all our stakeholders. We continuously listen to the expectations and feedback of stakeholders, using this as a guiding principle to advance our efforts in corporate social responsibility and corporate sustainable development.

Boundary domain

The data and information disclosed in this report are consistent with the annual report, covering the full year from January 1, 2024 to December 31, 2024. The content includes specific practices and performance data across the economic, governance, social, and environmental domains. To provide a more comprehensive annual report and activity performance, some of the information may include data before January 1, 2024 and after December 31, 2024. The domain of this report primarily covers the operations in Taiwan, with some information also including the operations at the plant in Xiamen, China. If there is any speculation or information recompilation with the previous version, it will be noted in each relevant section.

The report outlines the domain as shown in the table below:

Consolidated Financial Report of Subsidiaries of Clientron	
The entity revealed in the report	<ul style="list-style-type: none">● Clientron Corp. (Taipei Headquarters)● Bcom Technology (Xiamen) Co., Ltd. (Xiamen Factory)
Entity that was not disclosed in the report	<ul style="list-style-type: none">● Bcom Technology (Shanghai) Co., Ltd.

Compiled in accordance with regulations

This report follows the GRI Universal Standards 2021 as a reference for disclosure, and aligns with the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). The data and information in this report were provided by various departments at the Taipei headquarters and the Xiamen factory, compiled and edited by the responsible units. The initial draft was reviewed and revised by the relevant units, then reviewed and revised by department heads, and finally approved by the general manager before publication based on the administrative procedure.

During the editing and writing of the Company’s 2024 Sustainability Report, Jianchyun Esgbooster Co., Ltd. was entrusted to provide guidance on the structure, content, and data of this Sustainability Report, and the data sources were conducted using rigorous procedures. Before the official issuance, Evershine CPAs Firm was specially commissioned to audit the data mentioned in the content on “water, energy, and greenhouse gas inventory” and issue an assurance report. To ensure the accuracy of the content of this report, the financial report data source has been audited by PwC, and the financial/annual report information is reported in New Taiwan Dollars. To ensure quality and environmental management performance, international standard indicators will be used for presentation. Some data is also cited from publicly available information on government websites, presented using common numerical descriptions. Any estimates will be noted in the relevant sections.

Item	Adhere to the certification standards	Third-party certification institution
Financial information	Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant, and Generally Accepted Auditing Standards	PricewaterhouseCoopers (PwC)
Quality/Customer Relationship Management	ISO 9001:2015 Quality Management System	AFNOR Certification
	IATF16949:2016 Automotive Quality Management System	AFNOR Certification
	ISO 26262:2018 Road Vehicle Functional Safety	DEKRA Testing and Certification Co., Ltd.
Environmental management	ISO 14001:2015 Environmental Management System	United Registrar of Systems Taiwan Ltd.
	ISO 14064-1:2018 Greenhouse Gas Inventory	United Registrar of Systems Taiwan Ltd. (Taiwan) SGS Taiwan Limited (Xiamen)
Corporate Governance	ISO 45001 Occupational Safety and Health Management System	United Registrar of Systems Taiwan Ltd.
	ISO 14067 Product Carbon Footprint System	SGS Taiwan Limited
※Company website link: https://www.clientron.com/zh-tw/governance_responsibility.php		

Date of release

This is the second sustainability report published by Clientron Corp. The company will release a “Sustainability Report” on an annual basis going forward.

- Current released version: Released in July 2025.
- Next released version: Expected to be published in July 2026.

Contact Details

If you have any questions, comments or suggestions about this report, please feel free to contact us. We highly appreciate your feedback and look forward to hearing from you. The contact information is as follows:

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A message from the General Manager

Reflecting on 2024, the world encountered numerous challenges such as the ongoing Russia-Ukraine war, conflicts in the Middle East, and frequent extreme weather events, all of which strained the global economy. However, Taiwan's economy has demonstrated strong resilience, with steady domestic demand and ongoing export growth. Thanks to the hard work of all employees at Clientron, revenue in 2024 grew by 26% compared to 2023, demonstrating that the market demand for high-value, high-margin products remains robust.

Looking towards 2025, information security and low maintenance costs will continue to be the top priorities for regional teams. This creates a strong market opportunity for Thin Client endpoint solutions. We plan to keep promoting our own brand, UltrArmor, with a focus on increasing its global visibility and expanding deeply into European markets including Germany, the UK, France, the Netherlands, Spain, and Sweden, while steadily building and strengthening local channel partnerships. Meanwhile, in the Southeast Asian market, we will actively leverage IGEL's software solutions and 10ZiG's software and hardware products to expand our business and establish a more comprehensive regional distributor network. By implementing the strategies mentioned above, the Thin Client business division's revenue is projected to maintain steady growth in 2025, further strengthening our competitive position in the global market.

At this year's CES exhibition, numerous manufacturers displayed a variety of automated equipment, including tractors, lawn mowers, and golf bag carts, creating opportunities for the global growth of automotive electronic products. In 2025, the Clientron Vehicle Electrical Business Division will focus on continuing to invest in R&D and building software and hardware platforms, expanding into various specialized vehicle types (such as school buses, camper vans, and charging stations), and entering the global market. Domestically, it will target the passenger car Pre Dealer Install (PDI) business to grow the near-pre-installation automotive market. Lastly, it aims to develop a three-electric system platform to facilitate the conversion of fuel-powered vehicles to electric ones (such as agricultural machinery and vintage cars). With three initiatives launched simultaneously, the Vehicle Electrical Business Division's performance is expected to keep improving.

Since the European economy started to decline in 2023, the Clientron POS business has encountered challenges. However, as demand in the European market rebounds in 2024, the POS revenue growth rate has significantly increased thanks to the efforts of our sales team. This remarkable achievement has established a solid foundation for business growth in 2025. Looking forward, the POS department will continue to introduce market-competitive models to further boost performance.

Looking ahead, we will continue to embrace a spirit of innovation, change, and progress, showing relentless determination, expanding new strategic partnerships, seizing key opportunities, and working hard to maintain the company's strengths and market competitiveness. Amid the dramatic changes in the global economic landscape, Clientron has been relentless in its efforts to invest in various sustainable development resources related to the company's operations to promote ESG (Environmental, Social, and Governance). With even higher ESG standards, we are carefully navigating the volatile market and diversifying risks, working hand in hand with our supply chain and customers to collectively uphold our responsibilities as global citizens. We have the following three key focus areas:

- I. For environmental protection, Clientron designs and produces products that meet safety standards and aims to minimize the environmental impact during the manufacturing process. Our environmental protection policies involve proactive measures to reduce energy consumption and greenhouse gas emissions. In Q4 of 2024, we once again obtained the 2023 ISO 14064-1 Greenhouse Gas Inventory Assurance. The environmental protection measures focus on the manufacturing and service processes, aiming to implement the principles of "Full utilization, waste recycling, and circular reuse". With the global green industrial revolution driving the rise of electric vehicles, since 2019, Clientron has invested heavily in strengthening its established automotive electronics product line of over 20 years. The company has nurtured internal talent in sustainable management, and developed smart driving cockpit solutions that

comply with domestic regulations as well as the development processes and management systems of international automakers. In 2023, Clientron successfully achieved the highest ISO 26262 Automotive Functional Safety, ASIL-D certification.

II. For social care, Clientron has long been actively caring for and supporting disadvantaged groups and farmers. Each quarter, the company invites factory or farm of Yu-Cheng Social Welfare Foundation to hold tasting events, charity sales, and product sales within the company. The employee welfare committee also organizes group purchases from local farmers and fishermen, directly supporting the local industries through these practical actions without a fixed schedule. Additionally, employees are encouraged to participate in various external foundations or volunteer activities, or organizing the team on weekends to actively and voluntarily engage with and provide assistance to the neediest members of the community.

III. Clientron is committed to creating a happy, diverse, and healthy workplace as part of its sustainable management approach. The company uses a flat management structure and open communication and implements two-way resource integration to provide employees with more opportunities for growth and promotion, create a comfortable working environment, care about employee psychology in a timely manner and continuously improve employee benefits. The employee welfare committee also organizes employee activities, such as monthly birthday parties (colleague get together to celebrate the birthday), yearly sports events (increase the physical activities during work), and fun activities without a fixed schedule (such as “word chain”, “spring couplets section/calligraphy” and “day trip for employees”) to foster a positive work environment and strengthen team bonding.

Clientron adheres to the corporate philosophy of “Steady growth and sustainable management”, following ESG standards to implement corporate sustainable operation. Through continuous R&D and innovation, the company aims to improve quality and meet customer expectations, while working with supply chain partners to achieve mutual prosperity. Committed to protecting the global environment and ecology, we strive to achieve a balanced and sustainable development that considers the interests of investors, customers, employees, suppliers, the environment protection, and social responsibility, in order to create maximum synergies.

General Manager Kelly Wu



ESG Performance Highlights

E - Environmental domain
The electricity consumption at the Taipei headquarters dropped by 4.5% in 2024, a reduction of 2.0548 kWh compared to 2023, leading to a decrease of 2.6574 tons of CO _{2e} .
The Taipei headquarters reduced its greenhouse gas emissions by 2.6574 tons of CO_{2e} in 2024.
The Xiamen Factory reduced its water consumption by 0.349 million liters in 2024.
All products manufactured in 2024 have been verified to comply with the RoHS international environmental protection standards, achieving a 100% compliance rate.
In 2024, the company completed the greenhouse gas inventory in accordance with ISO 14064-1.
In 2024, 100% of suppliers signed the “Declaration of Hazardous Substances”.
S - Social domain
In 2024, the employment rate at the Taipei headquarters reached 14.29% . The new employee recruitment rate of the Xiamen factory reached 12.31% .
In 2024, the company complied with the amfori BSCI standards and did not experience any human rights violations.
In 2024, Clientron invested a total of NT\$ 1,556,309 in electronic education and training, with a total training time of 1,915.5 hours.
In 2024, there were no reported cases of occupational diseases, major occupational accidents, and fatalities.
In 2024, Clientron achieved certification for the ISO 45001 Occupational Safety and Health Management System.
In 2024, suppliers signed the “Integrity and Confidentiality Commitment” and the “Conflict-Free Mineral Declaration” , achieving 100% compliance.
G - Governance domain
The company’s proportion of female directors reached 44% in 2024.
In 2024, the average attendance rate of directors at board meetings was more than 90% , and two board’s functional committees held 8 meetings.
In 2024, there were no reported incidents of violations related to integrity, anti-competitive practices, or anti-trust and monopolistic behavior.
In 2024, there were no incident of missing or compromised customer data privacy.
In 2024, the company invested NT\$ 185.379 thousand in R&D, which accounts for 21.97% of its net revenue.

Awards or Honors Received in 2024

In August 2024, Luxgen Motor partnered with Clientron to obtain certification for Apple CarPlay and Android Auto.

Obtained ISO 45001 Occupational Safety and Health Management Systems certification on October 2024.

Chapter I Clientron’s sustainability, accomplishing the mission

1.1 Clientron Moving Towards Sustainability

Board’s Sustainability Planning

Clientron is actively working to promote the sustainable development of enterprises and has established functional committees in accordance with the law. In March 2024, a “Sustainable Development Committee” was established under the Board of Directors to oversee corporate social responsibility and sustainable development-related matters. The committee regularly reviews performance and progress towards targets to ensure the successful implementation of all initiatives. Also leads various departments in addressing corporate ethics-related issues, implementing process reforms, and is responsible for driving the execution of sustainable development and corporate social responsibility strategies, as well as supporting the preparation of the sustainability report. The finalized version of the sustainability report will be submitted to the general manager for review and publication. We will continue to drive the company’s sustainable development, fulfill our corporate social responsibility, and create greater value for our stakeholders, society, and the environment.

To fulfill its corporate social responsibility, align with international trends, and actively address stakeholders’ concerns about environmental, social, and governance risks, with the goal of sustainable operations, Clientron set up a Sustainability Development Committee in March 2024 to further enhance its influence on sustainable development. The Sustainable Development Committee will analyze environmental, social, governance and other sustainability issues, and develop strategic sustainable development initiatives that integrate the company’s core operations, product innovation, and services and promote the project. The committee has a convener who serves as the unit management representative, responsible for monitoring the global sustainability landscape, managing sustainability policy goals, and overseeing specific actions. Based on the appointment by the Board of Directors, the Sustainable Development Committee shall consist of at least one director member, with a minimum of three members, and the committee members shall elect one of the director members as the chairperson, who shall serve as the convener and chair of the meetings. The members of this committee serve for the same term as the Board of Directors, and they may be re-elected. The committee meets at least annually, and may convene additional meetings as necessary. It is hoped that Clientron will continuously improve its level of sustainable development and human rights protection, in order to achieve the company’s long-term sustainable development.

Our company prepares an annual sustainability report based on consolidated results, which is issued only after approval by the committee to ensure transparency and rigor in decision-making.

Organizational Structure of Sustainable Development Committee	
➤	Based on the appointment by the Board of Directors, it shall consist of at least one director member, with a minimum of three members, and the committee members shall elect one of the director members as the chairperson, who shall serve as the convener and chair of the meetings.
➤	The members of this committee serve for the same term as the Board of Directors, and they may be re-elected.
Scope of Responsibilities of the Sustainable Development Committee	
I	Drafting the company’s sustainable development policy.
II	The company’s objectives, strategies, and review of progress toward sustainable development, as well as tracking and updating these initiatives.
III	Review the company’s sustainable operation strategy and sustainability report.
IV	Oversee and instruct the company’s involvement in various corporate governance assessments.
V	Monitor the issues of various stakeholders and oversee the communication plan.

1.2 Stakeholder engagement

Regarding stakeholders, in addition to the five principles of “dependence, responsibility, influence, diversity of perspectives, and tension of concerns” of the AA1000 Stakeholder Engagement Standards (AA1000 SES) adopted by our company, we also refer to the spirit of the GRI standards to ensure the completeness of stakeholder identification. The company’s potential stakeholders include stakeholders and other investors, financial institutions, government, employees and other personnel, customers, consumers, business partners, suppliers, local communities, non-governmental organizations, social welfare organizations, industry associations, as well as those of peer companies. After external experts evaluate the actual and potential positive and negative impacts of the company on its stakeholders, and discuss the results with senior management based on the AA1000 SES identification, those with an overall score greater than 10 points are considered the company’s important stakeholders for 2024.

In discussion with external experts and by referring to the results of the AA1000 SES identification, the company has identified six key stakeholder groups: customers, employees and other personnel, government, stakeholders and other investors, suppliers/contractors, and business partners.



Stakeholder communication channels

Stakeholder communication channels and their effectiveness						
Stakeholder	The significance to Clientron	Issues of concern		Communication channel	Frequency	Communication effectiveness
Customer	Customers are the primary source of revenue and profit for the company. Satisfying customer needs and providing valuable services, while building long-term partnerships, helps maintain existing customers and attract new ones. This also provides guidance on future product development and enhances Clientron's competitiveness, making a crucial contribution to the company's sustainable development.	<ul style="list-style-type: none"> ● Material ● Energy ● Emissions ● Occupational Safety and Health ● Non-discrimination 	<ul style="list-style-type: none"> ● Freedom of association and collective bargaining ● Child labor ● Forced and Coerced Labor ● Customer health and safety ● Marketing and labeling ● Customer privacy 	<ol style="list-style-type: none"> 1. email 2. Virtual meeting 3. Visit 4. Customer satisfaction survey 5. Customer's SCM platform 6. Audit of customer companies and their manufacturing facilities 	<ol style="list-style-type: none"> 1. Real-time 2. Unscheduled 3. Annually 4. Annually 5. Unscheduled 6. Unscheduled 	<ol style="list-style-type: none"> 1. The results of the 2024 customer satisfaction survey showed a score of 97.3. 2. The company did not receive any customer complaints in 2024. 3. Revenue in 2024 increased by 26% compared to 2023. 4. Achieve 100% of the 2024 quality goals.
Employees and other personnel	The employees are the cornerstones of Clientron's sustainable operation. Their professional expertise is the driving force behind our ongoing growth. We are dedicated to creating a positive work environment and growth opportunities to inspire our employees, as we collectively work towards the company's sustainable development objectives.	<ul style="list-style-type: none"> ● Economic performance ● Market position ● Employment relations ● Labor-Management relations ● Occupational Safety and Health ● Training and Education 	<ul style="list-style-type: none"> ● Workforce diversity and equal opportunity ● Non-discrimination ● Freedom of association and collective bargaining ● Forced and Coerced Labor 	<ol style="list-style-type: none"> 1. e-mail 2. Telephone communication 3. Website 4. Labor-Management conference 5. Negotiation conference 6. OSH Meeting 	<ol style="list-style-type: none"> 1. Real-time 2. Real-time 3. Once per quarter 4. Quarterly 5. Unscheduled 6. Quarterly 	<ol style="list-style-type: none"> 1. The average employee performance review score in 2024 was 86.9. 2. Quarterly labor-management communication meetings were held throughout 2024, with a total of 4 such meetings. 3. Regular visits by company nurses to check on the health and well-being of employees, conducted 48 times in total. 4. The employee welfare committee organized 5 employee welfare events in 2024. 5. In 2024, the company invested a total of NT\$ 1,556,309 in employee education and training, with a total training time of 1915.5 hours.
Government	The products and services we offer, as well as our related marketing activities, are all subject to review and oversight by the relevant regulatory authorities.	<ul style="list-style-type: none"> ● Economic performance ● Taxation ● Energy 	<ul style="list-style-type: none"> ● Employment/Labor-Management relations ● Occupational 	<ol style="list-style-type: none"> 1. e-mail 2. Official letter 3. Meeting 4. Telephone 	<ol style="list-style-type: none"> 1. Real-time 2. Real-time 3. Unscheduled 4. Real-time 	<ol style="list-style-type: none"> 1. In 2024, there were 6 meetings held on matters related to OHS, environmental protection, and fire safety.

Stakeholder communication channels and their effectiveness						
Stakeholder	The significance to Clientron	Issues of concern		Communication channel	Frequency	Communication effectiveness
	Maintaining good relations with the government and complying with regulations are essential for the company's operations.	<ul style="list-style-type: none"> ● Emissions ● Water and Discharged Water ● Waste 	<ul style="list-style-type: none"> ● Safety and Health ● Customer health and safety ● Marketing and labeling ● Customer privacy 	5. Visit	5. Unscheduled	<ul style="list-style-type: none"> 2. Attended 4 meetings organized by the regulatory authorities in 2024. 3. There were no labor-related violations or penalties recorded in 2024. 4. There were no environmental protection-related penalties recorded in 2024.
Shareholders and other investors	Investors are supporters of the company, and the company should safeguard their interests and treat all investors equitably. It should ensure that investors have adequate awareness, participation, and decision-making rights regarding the company's important matters.	<ul style="list-style-type: none"> ● Economic performance ● Anti-corruption ● Anti-competitive practices ● Taxation 	<ul style="list-style-type: none"> ● Energy ● Emissions ● Occupational Safety and Health ● Customer privacy 	<ul style="list-style-type: none"> 1. Shareholders' Meeting 2. Investor mailbox and telephone 3. Market Observation Post System 	<ul style="list-style-type: none"> 1. Annually 2. Unscheduled 3. Unscheduled 	<ul style="list-style-type: none"> 1. The Market Observation Post System announced 12 major updates in 2024. 2. The annual reports and financial statements are disclosed on the Market Observation Post System. 3. The company held 1 shareholders' meeting in 2024.
Supplier/ Contractor	Suppliers are key partners of Clientron, and we build a long-term, mutually prosperous relationship to ensure the sustainable development of the supply chain. We aspire to have a symbiotic relationship with our suppliers, where we can mutually support and grow together.	<ul style="list-style-type: none"> ● Economic performance ● Procurement practice ● Occupational Safety and Health ● Marketing and labeling 	<ul style="list-style-type: none"> ● Customer privacy ● Supplier environmental evaluation ● Supplier social evaluation 	<ul style="list-style-type: none"> 1. Supplier audit 2. Supplier conference 3. e-mail 4. Telephone 5. Supplier complaint mailbox 	<ul style="list-style-type: none"> 1. Annually 2. Unscheduled 3. Real-time 4. Real-time 5. Real-time 	<ul style="list-style-type: none"> 1. The supplier annual audit was completed at a rate of 100% in 2024. 2. 100% of suppliers signed the 2024 Conflict-Free Mineral Declaration. 3. 100% of the 2024 Declaration of Hazardous Substances were signed.
Business partner	Establishing a cooperative relationship with business partners can jointly drive business growth, increase customer sources, and boost profits. Maintaining a good working relationship with business partners is crucial for the company's long-term development.	<ul style="list-style-type: none"> ● Economic performance ● Procurement practice ● Material ● Energy ● Emissions 	<ul style="list-style-type: none"> ● Occupational Safety and Health ● Marketing and labeling ● Customer privacy ● Supplier environmental evaluation ● Supplier social evaluation 	<ul style="list-style-type: none"> 1. The company's website is updated with product information at any time 2. e-mail 3. Virtual meeting 	<ul style="list-style-type: none"> 1. Unscheduled 2. Real-time 3. Unscheduled 	<ul style="list-style-type: none"> 1. Attended 4 overseas trade shows with business partners in 2024. 2. The company's official website was updated 48 times at irregular intervals in 2024.

1.3 Identification of material topics

To ensure the information disclosed in the sustainable development report meets the needs of stakeholders, the material sustainability topics are determined through four key steps, “understanding the organizational context”, “identifying the actual and potential impacts of sustainability issues”, “evaluating the significance of those impacts”, and “disclosing and reporting on the sustainability issues”.

<p>STEP 1 Understanding the organizational context</p>	<p>Clientron has compiled a reference package of 33 sustainability issues, drawing from GRI standards and SASB standards.</p>
<p>STEP 2 Identifying the actual and potential impacts of sustainability issues</p>	<p>The content is scored by external consultants on the company’s actual or potential positive and negative impacts on economic, environmental, and social (people and human rights) for sustainability issues. The scores for actual and potential positive and negative impacts in the economic, environmental, and social (people and human rights) aspects are summed, and topics with a total score over 30 are identified as the company’s material topics. However, the topics listed by SASB are prioritized as material topics after the scoring process.</p>
<p>STEP 3 Evaluating the significance of those impacts</p>	<p>The scoring results were approved after a discussion in the Sustainable Development Group meeting involving external experts and managers from the company’s first-level and direct second-level units. Drawing on past operational experience, they examined the degree of impact and likelihood of the issues, and confirmed 5 material sustainability issues of Clientron.</p>
<p>STEP 4 Disclosing and reporting on the sustainability issues</p>	<p>The company conducted a materiality analysis of sustainability issues, with input from external experts and a comprehensive assessment across internal departments. The 5 major sustainability issues were finally categorized into 5 major thematic management contents, which are then disclosed in the sustainability report to communicate with and respond to stakeholders.</p>

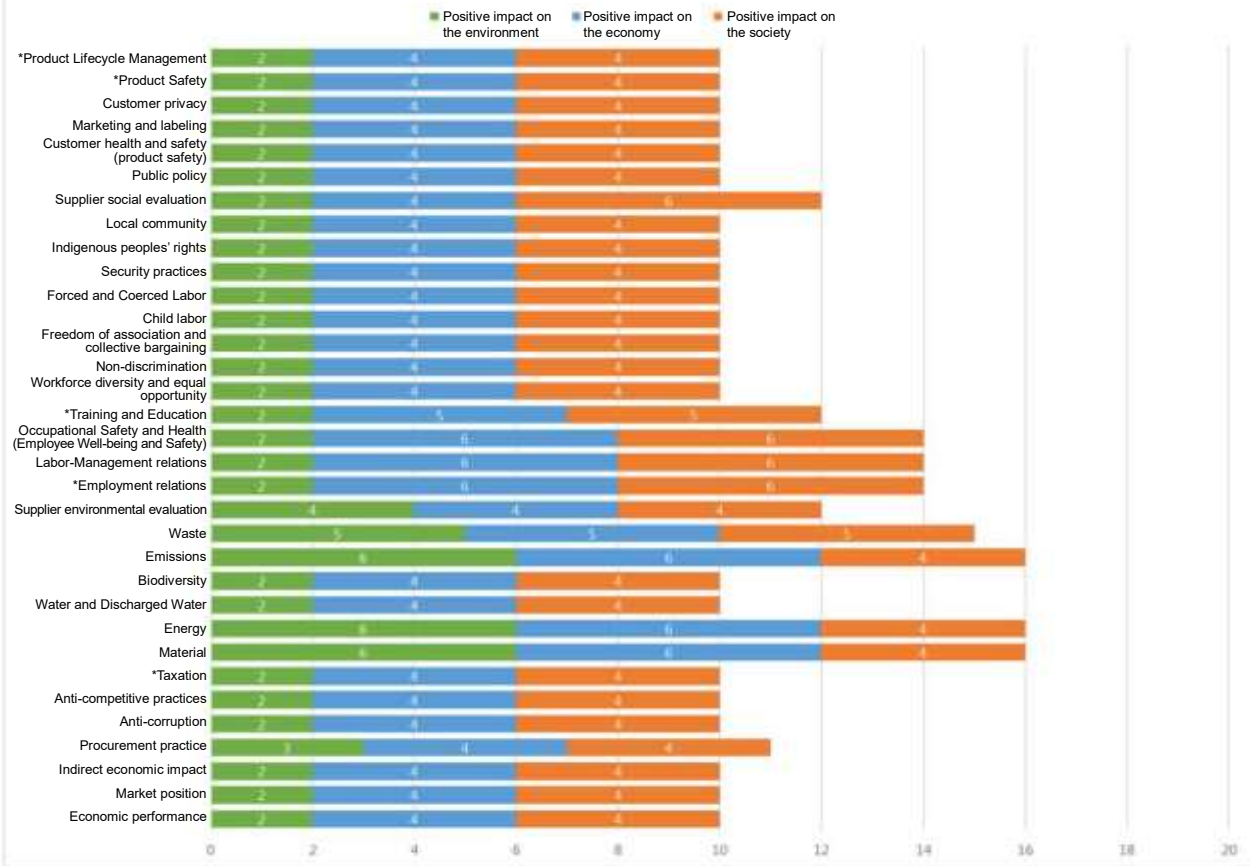
Our company has identified 5 material topics: employment relations, product safety, training and education, taxation, and product lifecycle management.

Identification Result of material topics

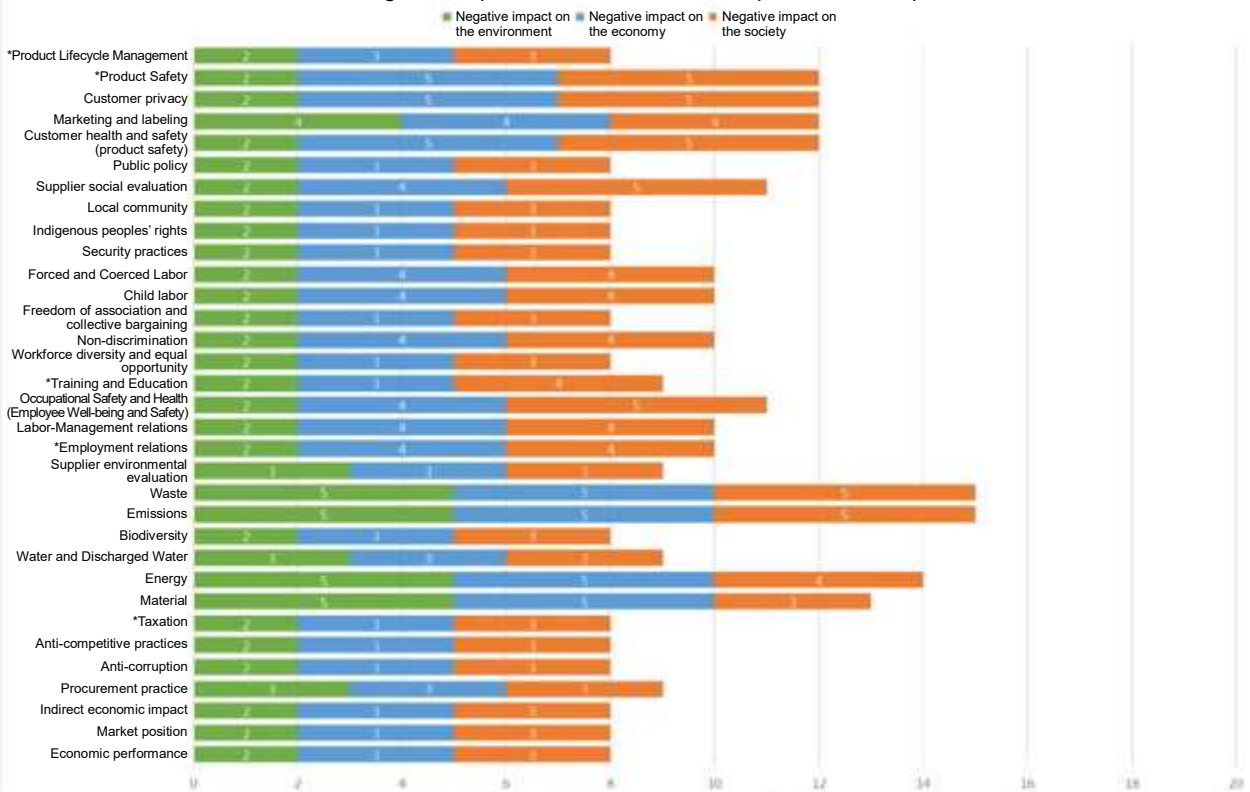
Based on the analysis carried out in the preceding steps, this report will outline the material issues of concern for Clientron in 2024. The content of this report presents the performance and management outcomes related to each material topic, as the strategic objectives for the company’s sustainable operation planning and implementation in 2024.

Identification Result of material topics					
Material topic					
1 Employment relations	2 Product Safety	3 Training and Education	4 Taxation	5 Product Lifecycle Management	
Secondary topic					
6 Emissions	7 Energy	8 Waste	9 Material	10 Occupational Safety and Health	11 Labor-Management relations
12 Supplier social evaluation	13 Customer health and safety	14 Marketing and labeling	15 Customer privacy	16 Supplier environmental evaluation	17 Procurement practice
18 Non-discrimination	19 Child labor	20 Forced and Coerced Labor	21 Water and Discharged Water	22 Economic performance	23 Market position
24 Indirect economic impact	25 Anti-corruption	26 Anti-competitive practices	27 Biodiversity	28 Workforce diversity and equal opportunity	29 Freedom of association and collective bargaining
30 Security practices	31 Indigenous peoples’ rights	32 Local community	33 Public policy		

The positive impact level of Clientron Corp.'s material topics



The negative impact level of Clientron Corp.'s material topics



List of material topics

ESG domains	List of material topics	Description of the organization's policies or commitments related to material topics (and explain their significance)	Description of the impact and influence (economic, environmental, human (including their human rights))	The main affected object (groups affected by the organization's operational activities)	Corresponding section
Environmental domain	Product Safety	Product safety is critical, as it impacts not only customer interests, but also the corporate image. Ensuring the safety and compliance of products with customer requirements is a fundamental prerequisite for Clientron to develop products and provide services. We have established a comprehensive functional safety process system that covers functional safety management, concept development, system security development, software and hardware development, process safety, and product release.	<p>Actual positive impact on the environment: For meeting the current trend, in addition to regulatory compliance, we also implement a circular economy and carbon reduction when manufacturing products, in order to mitigate the environmental impact of plastic products.</p> <p>Actual positive impact on the human rights: Putting in place design management, supply chain management, and quality systems to ensure product safety and environmental responsibility can bolster the company's competitiveness and build customer trust.</p> <p>Potential negative impact on the economy: If the provided product fails to comply with safety-related regulations, it will not only result in fines and financial losses for the company, but also damage the corporate image.</p>	<ul style="list-style-type: none"> ➤ Our company (Caused) ➤ Shareholders and other investors (Enabled) ➤ Employees and other personnel (Caused) ➤ Supplier/Contractor (Enabled) ➤ Customers (Directly related) ➤ Government (Enabled) ➤ Business partner (Caused) 	Chapter IV Production and Supply Management
Environmental domain	Product Lifecycle Management	Product lifecycle management encompasses a comprehensive set of corporate responsibilities, which must be considered from the product design stage, including the product's environmental impact, cost control, market competitiveness, and regulatory compliance. With growing consumer focus on sustainability and environmental protection, the company needs to actively manage the product lifecycles in order to meet consumer expectations, which has become a critical business objective.	<p>Actual positive impact on the economy: Proper lifecycle management can help reduce waste of resources and energy consumption, protecting natural resources, decreasing the environmental burden, and also lowering energy expenses.</p> <p>Actual positive impact on the environment: Optimizing product design and increasing recycling can reduce the amount of waste generated during product use, which benefits environmental protection.</p> <p>Actual positive impact on the human rights: Lifecycle management can drive technological updates and innovation, encouraging the company to continuously improve the product design and manufacturing processes, establishing a sustainable corporate image and attracting more consumers.</p> <p>Potential negative impact on the economy: Implementing comprehensive lifecycle management may involve additional investments, such as updating</p>	<ul style="list-style-type: none"> ➤ Our company (Caused) ➤ Employees and other personnel (Caused) ➤ Supplier/Contractor (Caused) ➤ Shareholders and other investors (Enabled) ➤ Government (Enabled) ➤ Business partner (Directly related) ➤ Customers (Directly related) 	Chapter IV Production and Supply Management

			<p>technology, covering material costs, and monitoring expenses, potentially leading to an increase in the company's overall costs.</p> <p>Potential adverse impact on people and human rights: Failure to properly manage the lifecycle could result in losing customer and a loss of market competitiveness.</p>		
Social domain	Employment relations	<p>Internal talented individuals are the cornerstone of Clientron for sustainable development, their value surpasses any asset. Clientron values harmonious employment relations and strictly complies with labor laws. It even provides benefits and compensation that exceed legal requirements, with the aim of creating a stable and harmonious work environment. This helps the company attract and retain talented employees, enabling it to operate and grow sustainably.</p>	<p>Actual positive impact on people and human rights: Maintain a certain compensation level to attract talent, emphasize corporate social responsibility, and strengthen employee care, so that employees feel respected at work and develop a sense of belonging.</p> <p>Actual positive impact on the economy: Positive employment relations can help create a stable work environment and increase employee satisfaction. This can help lower employee turnover, in turn reducing the company's expenses related to hiring and training new staff.</p> <p>Potential adverse impact on people and human rights: Non-compliance with Labor Standards Act and other regulations can lead to labor disputes, causing employee dissatisfaction and impacting the public's perception of the company.</p>	<ul style="list-style-type: none"> ➢ Our company (Caused) ➢ Employees and other personnel (Directly related) ➢ Government (Enabled) ➢ Shareholders and other investors (Enabled) 	Chapter III Hire the best people, treat partners kindly
Social domain	Training and Education	<p>Clientron places a strong emphasis on human resource and talent development, aiming to enhance the professional expertise and competitiveness of its team by improving employee skills. This allows the company to more effectively address the challenges it faces in the market. Provide a variety of on-site and virtual learning channels to develop the skills and capabilities of employees, tailored to their evolving needs at different stages of their careers. By continuously learning and growing, employees can better adapt to changes in the work environment, thereby bringing more value to the company.</p>	<p>Actual positive impact on people and human rights: When employees are well-trained, they can deliver higher-quality products and services, leading to greater customer satisfaction and stronger competitiveness in the market.</p> <p>Actual positive impact on the economy: Employees who have undergone training typically exhibit higher work efficiency and productivity, allowing them to resolve issues more quickly and enhance output to generate greater profitability.</p> <p>Potential adverse impact on people and human rights: Without proper training, employees may not be able to access appropriate working conditions and benefits, such as limited opportunities for advancement and inadequate safety protections.</p>	<ul style="list-style-type: none"> ➢ Our company (Caused) ➢ Employees and other personnel (Directly related) ➢ Government (Enabled) ➢ Shareholders and other investors (Enabled) ➢ Customer (Enabled) ➢ Business partner (Enabled) ➢ Supplier/Contractor (Enabled) 	Chapter III Hire the best people, treat partners kindly

Governance domain	Taxation	<p>Adhering to tax laws and regulations not only helps maintain the corporate image, but also ensures the company's legal operations and reduces risk burden. Our company is committed to tax compliance and the spirit of corporate sustainable development to mitigate tax risks, aiming at creating value for the company and reaching the goal of effective tax risk management. Ensure the company's financial stability through a robust tax management mechanism, which builds confidence among investors and business partners, and promotes the company's sustainable development.</p>	<p>Actual positive impact on the economy: Clientron helps company save on taxes, increase their profitability, and ensure compliance with tax regulations at their various operating locations through a comprehensive tax management mechanism. This allows them to avoid fines and strengthen the company's competitiveness.</p> <p>Actual positive impact on people and human rights: Adhering to tax laws and regulations can safeguard the stable growth of businesses, protect the interests and employment stability of employees, and enhance the company's reputation.</p> <p>Potential negative impact on the economy: Clientron has operational bases overseas. If it faces tax risks due to local legal issues, it may incur fines and suffer damage to its corporate image.</p>	<ul style="list-style-type: none"> ➤ Our company (Caused) ➤ Government (Enabled) ➤ Employees and other personnel (Directly related) ➤ Shareholders and other investors (Directly related) 	<p>Chapter II Upholding credit and adhering to the rule of law</p>
<p>Description of the main affected object:</p> <ol style="list-style-type: none"> 1. Caused: The company's actions and inactions can potentially have adverse consequences. 2. Enabled: Organizational activities cause, promote, or encourage the emergence and recognition of material topics. 3. Directly related: This directly impacts the relevant stakeholders. 					


Chapter II Upholding credit and adhering to the rule of law

2.1 About Clientron

Management guidelines	Taxation		
Respond to sustainability principles (issues)	GRI 207 Tax	Stakeholders Impacted	The government, employees and other personnel, shareholders and other investors
Significant reason	Adhering to tax laws and regulations not only helps maintain the corporate image, but also ensures the company's legal operations and reduces risk burden. Our company is committed to tax compliance and the spirit of corporate sustainable development to mitigate tax risks, aiming at creating value for the company and reaching the goal of effective tax risk management. Ensure the company's financial stability through a robust tax management mechanism, which builds confidence among investors and business partners, and promotes the company's sustainable development.		
Impacts	<p>By implementing an effective tax management mechanism, the company can save on taxes and improve profitability, while ensuring compliance with tax laws and regulations across all its operations. This helps mitigate legal risks and strengthens the company's competitiveness.</p> <ul style="list-style-type: none"> ●: Ensuring the stable development of the enterprise and the stable employment of the employees. ●: Establish a positive corporate image. ▲: Fined for breaking the law, which led to a fraudulent incident. <p style="text-align: right;">●: Positive impact ▲: Negative impact</p>		
Policy/Strategy	Comply with the tax policies of the local tax authorities where the operations are located. Within the framework of tax laws and regulations, ensure the company's tax practices are legal and reduce related risks and burdens through tax optimization, enhanced transparency and accountability, establishing management systems, and active participation in tax cooperation.		
Objectives and Targets	<ul style="list-style-type: none"> ● Short-term objective: Timely file monthly VAT, Dutch VAT, commodity tax and other relevant tax filing to ensure compliance with deadlines, and also ensure annual income tax and enterprise income tax are filed and paid within the legal timeframe. ● Mid-term objective: Proactively enforce tax regulations, establish a robust tax management mechanism, and ensure the company's tax compliance. Enhance the professional expertise in taxation, strengthen the training and development of the internal taxation team, in order to better adapt to the evolving tax environment. ● Long-term objective: Cultivate a corporate tax culture of transparent information-sharing, mutual trust, and honest communication to ensure the transparency of tax-related matters. Carefully evaluate tax-related risks and impacts, and develop a more comprehensive tax strategy to minimize risks to the greatest extent. 		
Management assessment mechanism	Clientron has established clear processes and responsibility systems to ensure that all tax filings are completed and taxes are paid on time, and also conducts internal control and oversight. Avoid violating major laws and regulations to prevent the company from incurring penalties or other adverse consequences.		
Performance and Adjustment	<ol style="list-style-type: none"> 1. The enterprise income tax for 2024 was filed on time and the associated taxes were paid punctually. 2. The tax-related information for 2024 was audited through PricewaterhouseCoopers. 		
Preventive mechanism	When we are unsure about the applicable laws, we reach out directly or through an accounting firm to the government agencies to inquire about the proper handling procedures. Upon receiving a notice for a tax audit, we promptly prepare the necessary information to cooperate fully with the tax authorities during the inspection. Additionally, we regularly participate in discussions or workshops hosted by the regulatory authorities to stay informed of their perspectives on tax governance, thereby improving our tax compliance capabilities.		
Corrective measures	Conduct an assessment to identify issues, such as unclear processes, insufficient employee training, or deficient internal controls. Provide personnel with relevant education training to ensure they are well-versed in tax regulations and filing processes, and understand their significance and implications. Establish more stringent internal control mechanisms, including review processes, double-checking, and internal audits, to ensure the accuracy of tax filings.		

Company Overview

Clientron was established in 1983 and is dedicated to becoming a global provider of professional smart platform solutions. We offer high-quality design, manufacturing, and support capabilities. Our products include thin clients, POS sales systems, automotive electronics, and IoT integrated solutions with embedded operating systems. Our sales and services span the globe, and we have extensive experience as an ODM/OEM manufacturer, making us a highly trustworthy partner as you venture into the smart platform market.

Company profile			
Company name	Clientron Corp.		
Market sector	Emerging stock	Stock symbol	8119
Industry sector	Manufacturing industry of consumer electronics/computer peripherals		
Time of establishment	Founded as Shanwen Limited Company in 1983, the company was later renamed to Bcom Electronics Inc. in 1993		
Headquarters location	3F., No. 75, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City		
Other operating locations	Bcom Technology (Xiamen) Co., Ltd.: No.26, Tianyang Road, Jimei North Industrial Park, Xiamen		
Paid-in capital	NT\$ 636,615,990	Employee headcount	189 people (as of the end of December 2024)
Company Exterior	Taipei Headquarters		Xiamen Factory
			

Directors Serve as Major Shareholders of Major Corporate Shareholders:

Name of corporate shareholder	Major Shareholders of Corporate Shareholders
Action Electronics Co., Ltd.	Peng-Chiun Ping (7.46%), Da Bo Invest Limited (5.56%), Chin-Chih Hsu (2.16%), Li Li (1.87%), Chiu-Chi Liu (1.84%), Rechi Investments Co., Ltd. (1.64%), Ting-Yu Peng (1.56%), Kuan-Bo Liu (1.25%), JPMorgan Chase Bank NA, custodian for JP Morgan Securities Co., Ltd. investment account (1.19%), Standard Chartered International Commercial Bank, business department custodian for Mizuho Securities Co., Ltd. investment account (0.91%)

Major Shareholders of Major Corporate Shareholders:

Name of Corporate	Major Shareholders of Corporate
Da Bo Invest Limited	Li Li (31.11%), Peng-Chiun Ping (24.45%), Ting-Yu Peng (22.22%), and Bo-Chang Peng (22.22%)
Rechi Investments Co.,Ltd.	Rui-En Peng (50%)

Chronicle of Important Events for Clientron

Year	Significant Historical Milestones
1983	"Shanwen Limited Company" was established with a capital of NT \$2 million, which is the predecessor of our company. The company is located on the 6F., No. 102, Sec. 5, Nanjing E. Rd., Taipei City, and it specializes in the export trade of microcomputer-related products.
1993	Received ISO-9002 TUV certification.
1993	The company was renamed to Bcom Electronics Inc.
2000	Received QS-9000, ISO9001 URS certifications.
2001	Invest in and establish a subsidiary company in Xiamen, China.
2002	Products such as car multimedia computers, car DVD multimedia computers, and ultra-thin multimedia window-based terminals have won the "Taiwan Excellence Award".

2003	Received ISO-14001 certification.
2004	Received ISO/TS 16949 certification.
2006	Established "Bcom Technology Co., Ltd." to focus on the automotive electronics business previously operated by Bcom Electronics Inc. Bcom Electronics Inc. changed its English name to Clientron Corp., while continuing its thin client business.
2010	Establish a POS product line and create a dedicated POS product development and sales team.
2011	The Xiamen subsidiary company has purchased additional SMT equipment. Obtained new factory registration in the Xizhi District of New Taipei City.
2012	The Xiamen subsidiary increased equipment purchases to align with the Lenovo Project.
2014	The chairman had been re-elected, and Mr. Duen-Chian Cheng assumed the role. The company reduced its capital by NT\$ 180 million to offset losses, with the paid-in capital now standing at NT\$ 720 million. Ms. Kelly Wu has joined the Clientron and taken on the role of General Manager. Issue employee stock options.
2015	The shareholders' regular meeting approved the merger with "Bcom Technology Co., Ltd." Through this merger, 2,848,940 new ordinary shares were issued, increasing the paid-in capital to NT\$ 748,489,400. A 15-inch fanless thin point-of-sale machine and a 15.6-inch fanless wide-screen point-of-sale system, the products have won the "Taiwan Excellence Award".
2016	Received BSCI certification. The company has publicly issued its stocks.
2017	Register to trade on the emerging stock in July.
2018	The company reduced its capital by NT\$ 112,273,410, resulting in a decrease in paid-in capital from NT\$ 748,489,400 to NT\$ 636,215,990. The IT900 is a multi-functional fanless embedded computer that has been recognized with the 2019 Taiwan Excellence Award, thanks to its innovative research and development, flexible design, high-quality management, and international marketing capabilities.
2019	The multi-functional integrated point-of-sale (POS) system, designed with an innovative structure that also features safety, environmental protection, and energy-saving concepts, has once again been awarded the "Taiwan Excellence Award". The chairman had been re-elected, and Mr. Chuei-Ji Tzeng assumed the role. Clientron and Haitec have jointly developed the Luxgen URX vehicle's OBU and FRD V2X smart driving platform, which has been officially launched and released.
2021	The chairman had been re-elected, and Mr. John Hsuan assumed the role. Issue employee stock options.
2022	Clientron has collaborated with a strategic partner, FamilyMart, to introduce "Electric Retail Vehicles". The Smart Virtual Onboard Unit was awarded the 31st Taiwan Excellence Award.
2023	Achieved ISO 26262 Road Vehicle Functional Safety certification. The smart driving cockpit of the electric vehicle was recognized with the 32nd Taiwan Excellence Award.
2024	Issued the ESG sustainability report for the first time. Obtained ISO 45001 Occupational Safety and Health Management Systems certification.

Vision and Mission

Chairman John Hsuan encouraged Clientron's employees to "Be bold and try new things, break out of the framework". General Manager Kelly Wu also urged colleagues to continuously "Seeking innovation, seeking change, seeking progress", and expressed hope that everyone would break through traditional mindsets and dare to experiment with new ideas and approaches. This embodies the corporate spirit of Clientron! With unity of purpose, we bravely take on new challenges, work together to progress, and strive to earn Clientron, all while shaping a brighter future.

Vision	To become a leading provider of global IoT terminal solutions
The Mission of T.C.	Offering comprehensive, energy-efficient, and competitive Thin Client products and professional customized services to help customers establish a secure cloud-connected infrastructure.
The Mission of P.O.S.	Dedicated to delivering POS solutions with innovative and customer-friendly HMI that enhance the user experience and diversify service applications.

The Mission of Automotive Electronic Products	Design, manufacturing and system integration services for automotive electronics in-vehicle terminals, with the development of in-vehicle infotainment systems as its core, combined with smart driving assistance systems and V2X applications, making it a leading provider of smart cockpit platforms and V2X solutions.
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Core Competency

Product Innovation	Continuously develop core professional technologies and offer a variety of product portfolios tailored to different product lines.
	Possessing know-how in leading-edge system platform design.
	Flexible and adaptable manufacturing services.
	Rigorous quality control.
	Customer-oriented ODM/OEM services.
Customer satisfaction	Our goal is to achieve customer satisfaction by consistently providing stable and high-quality products.
	The flexible and optimized product distribution plan can help speed up product time-to-market.
	Fast customer response service.
Collaborative partnership	Maintains strong partnerships with industry leaders (such as Intel, AMD, Microsoft, Teradici, and others).
	Build a lasting and meaningful partnership with the customer.
	Collaborate with partners to build a mutually beneficial relationship based on trust, loyalty, and commitment.

Investment allocation and research and development situation

Clientron plans to gradually transition into a system solutions provider. Since 2023, we launch our own thin client hardware, which is paired with the well-known brand endpoint device software systems we represent. This will allow us to offer a comprehensive range of endpoint device software and hardware integration solutions, as we seek to expand into the Asian smart office market. Additionally, we are continuously developing a more cost-effective POS system to support our existing customers in enhancing their competitiveness. This helps strengthen our existing customer base and maintain close engagement, thereby sustaining our growth momentum. In the automotive electronics field, the focus is on the medium and small vehicle markets, working to build a second niche product line. Leveraging the existing design and manufacturing capabilities as a foundation, the company is deepening investments in research and development technology to strengthen its automotive electronics research and development expertise and project management team. Initiate industry-academia collaboration to share technical resources and nurture exceptional research and development talent for the national automotive industry. Complete government research projects to support the development of emerging technology sectors. The company has a strong management team and staff, and will continue to leverage the collaborative efforts across various product lines to further strengthen the business. With the aim of achieving the maximum operating profit, and distributing it to all shareholders.

Short-term business development plan	
Endpoint security hardware and software	Fully support 10ZiG and establish strategic partnerships, implement cooperative plans that integrate 10ZiG OS software and hardware, and promote the Clientron's own UltrArmor hardware featuring 10ZiG software. Develop a comprehensive product line, including desktop types, All-in-One (AIO), and mobile thin clients to fully support the promotion of the our own brand of thin client UltrArmor, foster close partnerships with distributors, and increase brand recognition in the market. Additionally, in the software agency business, we will continue to promote the use of 10ZiG and IGEL OS in the VDI/DaaS/cloud markets across Southeast Asia, while expanding our network of agents in different countries.
POS system	Launch a low-cost POS system to enhance the competitiveness of existing customers. Collaborating closely with exclusive European agents to strengthen and grow the European market, deepening partnerships with agents of different countries to expand the global market.
Automotive electronic products	In 2019, Clientron's automotive electronics products were shipped to only 3 customers. By 2023, this number had grown to 14 customers, and in 2024, it reached 16 customers. In 2025, we will continue striving to expand our customer base and begin participating in automotive electronics exhibitions in Europe and the US to better develop those markets. Product development focuses on electronics and electronic control technologies, integrating available internal and external resources to build a more comprehensive intelligent cockpit integration platform and expand special vehicle products, aiming to serve more customers and pave the way for growth in international markets.
Long-term business development plan	
Endpoint security hardware and software	Develop Clientron's own branded hardware, continue to expand IGEL software sales, and also work to develop new agency business for 10ZiG software and hardware, providing complete software and hardware solutions. Only by adding value through both systems and services can profits be compounded.
POS system	Collaborating closely with exclusive European agents to strengthen and grow the European market, deepening partnerships with US agents to expand the North American market.
Automotive electronic products	Focusing on modular and standardized component development to enhance the technical integration capabilities of the product, thereby expanding the production value of electric buses.
	Transitioned from a parts-oriented approach to an electronic vehicle platform kit, building an integrated system encompassing a central control platform + BCM body control unit + VCU vehicle control unit. Partnered with battery, electromechanical, and body manufacturers to develop products and platforms for passenger and specialty vehicles, collaborating to create an electric vehicle platform.
	Continuously participate in assisting the government in developing vehicle communication system standards, ensuring that the developed vehicle electronics products comply with government road regulations, integrate with a variety of cloud-based backend services, and extend the capabilities of the vehicle electronic software and hardware platform to create new business opportunities. For promoting operations, the focus is on the medium and small vehicle markets, working to build a second niche product line. Leveraging the existing design and manufacturing capabilities as a foundation, the company is deepening investments in research and development technology to strengthen its automotive electronics research and development expertise and project management team. Initiate industry-academia collaboration to share technical resources and nurture exceptional research and development talent for the national automotive industry. Complete government research projects to support the development of emerging technology sectors.

Operation strategy

Key Points of Clientron's Operational Strategy:

- (1) Thin client software and hardware solutions: Continuously strengthen the promotion of our own brand UltrArmor to increase its visibility. Implement an integrated sales model while continuously expanding applications across various industries and growing distribution channels in Southeast Asia.
- (2) Automotive electronics: Continue investing in R&D and design capabilities, building hardware and software platforms to expand into a variety of specialized vehicle types. Focus on the passenger car Pre Dealer Install (PDI) business to expand the domestic market for nearly pre-installed vehicles. Develop a three-electric system platform to promote the transition from fuel vehicles to the electric vehicle market.
- (3) Point of sale system: Collaborating closely with exclusive European agents to strengthen and grow the European market, deepening partnerships with agents of different countries to expand the Southeast Asian and New Zealand and Australia markets.

New product under development

Looking ahead to 2025, our company recognizes that information security and low maintenance costs remain the top priorities for regional teams, creating an excellent market opportunity for Thin Client endpoint solutions. We plan to keep promoting our own brand, UltrArmor, with a focus on increasing its global visibility and expanding deeply into European markets including Germany, the UK, France, the Netherlands, Spain, and Sweden, while steadily building and strengthening local channel partnerships. Meanwhile, in the Southeast Asian market, we will actively leverage IGEL's software solutions and 10ZiG's software and hardware products to expand our business and establish a more comprehensive regional distributor network. By implementing the strategies mentioned above, the Thin Client business division's revenue is projected to maintain steady growth in 2025, further strengthening our competitive position in the global market.

At this year's CES exhibition, numerous manufacturers displayed a variety of automated equipment, including tractors, lawn mowers, and golf bag carts, creating opportunities for the global growth of automotive electronic products. In 2025, the Clientron Vehicle Electrical Business Division will focus on continuing to invest in R&D and building software and hardware platforms, expanding into various specialized vehicle types (such as school buses, camper vans, and charging stations), and entering the global market. Domestically, it will target the passenger car Pre Dealer Install (PDI) business to grow the near-pre-installation automotive market. Lastly, it aims to develop a three-electric system platform to facilitate the conversion of fuel-powered vehicles to electric ones (such as agricultural machinery and vintage cars). With three initiatives launched simultaneously, the Vehicle Electrical Business Division's performance is expected to keep improving.

Since the European economy started to decline in 2023, the Clientron POS business has encountered challenges. However, as demand in the European market gradually rebounds in 2024, the POS revenue growth rate has reached 62% thanks to the collective efforts of our sales team. This remarkable achievement has established a solid foundation for business growth in 2025. Looking forward, the POS department will continue to introduce market-competitive models to further boost performance

Involvement in industry associations

To improve its market competitiveness, Clientron not only focuses on developing its own business, but also actively participates in related industry association activities. By engaging in close exchange with industry peers, we can not only enhance our company's core capabilities and establish strong partnerships, but also gain a deeper understanding of industry trends, allowing us to continually pursue innovation and development. The table below lists the industrial associations that our company has currently joined:

Industry associations, member organizations, and national or international advocacy groups	Membership Eligibility
Taiwan Telematics Industry Association (TTIA)	Member, Director
Taipei Computer Association	Member
Taiwan Advanced Automotive Technology Development Association (TADA)	Member
Taiwan Industry-Academia Technology Alliance for Energy Digital Transformation	Member
MIH Consortium and Open EV Alliance	Member

Operation performance

As customer demand for smart solutions continues to grow, Clientron will focus more on integrating intelligent technology and connectivity to offer a more convenient and intelligent user experience, maintaining its competitiveness in the market.

The main product, thin client, generated approximately NT\$574 million in revenue in 2024, increased by 33% from 2023. Point of sale system grew by 62% compared to 2023, reaching around NT\$138 million in revenue. Automotive electronics recorded annual revenue of about NT\$132 million, decreased by 16% from 2023.

The following is an overview of the main revenue and profitability status for 2024:

1. Revenue in 2024 increased by 26% compared to 2023.
2. Gross profit margin in 2024 increased by 6% compared to 2023.
3. Operating loss rate for 2024 was 18%, representing a 19% reduction in losses compared to 2023.

Parent company's net loss rate after tax for 2024 was 8%, representing a 17% reduction in losses compared to 2023.

Here are the company's key financial details for the past three years:

Summary of the operation performance over the past three years			
Item/Year	2022	2023	2024
Operating revenue (in thousands NT\$)	1,776,301	671,758	843,767
Operating costs (in thousands NT\$)	1,331,966	546,580	635,570
Gross operating profit (in thousands NT\$)	444,335	125,178	208,197
Operating income (loss) (in thousands NT\$)	66,081	(246,437)	(151,567)
Non-operating revenue and expense (in thousands NT\$)	56,807	46,804	63,343
Net profit before tax (in thousands NT\$)	122,888	(199,633)	(88,244)
Profit after tax for the period (in thousands NT\$)	88,603	(165,344)	(66,980)
Total comprehensive income for the period (in thousands NT\$)	104,010	(178,522)	(28,990)
Earnings per share (in NT\$)	1.39	(2.60)	(1.05)
Employee welfare amount (in thousands NT\$)	2,520	1,430	1,924
Dividends (in thousands NT\$)	63,622	0	0

Note:

1. Payments to investors refer to the distribution of dividends to all shareholders and the payment of interest to lenders (including any type of debt and loan interest). These funds should be allocated to cover the unpaid dividends of preferred stock shareholders.
2. Payments to government refer to all tax payments (including business tax, income tax, property tax) as well as fines and penalties.
3. The "employee welfare amount" refers to the welfare expenses that the company allocates to the employee welfare committee, such as company travel, health checkups, festival presents, and the total amount of non-monetary welfare provided to employees.
4. The currency is in New Taiwan Dollars.

※The directly generated economic value: Revenue.

※Distributed economic value: Operating costs, employee wages and benefits, loan payments, and government payments by country.

Market share

The number and complexity of cybersecurity threats are constantly rising. Hackers, organized crime groups, and both malicious and accidental insider attacks can lead to the loss of a company's confidential business data, operational failures, and significant reputational damage. Due to the impact of the COVID-19 pandemic, the hybrid work model has become the new normal for businesses. Clientron aims to help various industries create a secure cloud working environment through a more comprehensive endpoint solution (endpoint computers + endpoint security operating systems). Enterprises implement VDI virtual desktops by moving primary computing tasks to cloud servers, which allows endpoint computers to have simpler specifications. With features like read-only access, tamper-proofing, and real-time remote management, companies can create a more flexible and resilient cybersecurity network in cloud environments (VDI, DaaS, Cloud), enhancing endpoint security management and safeguarding information security. According to Research Nester's global market analysis report, the global endpoint security market is valued at over US\$28.5 billion in 2024 and is projected to reach US\$100 billion by 2037. The compound annual growth rate (CAGR) from 2025 to 2037 is approximately 10.2%. In 2025, the endpoint security industry is estimated to be worth US\$30.31 billion.

Overall, the demand for replacing old machines in thin clients or POS systems, as well as the need for installing new features in new markets, is expected to provide growth momentum for the market. The company's automotive electronics product line initially focuses on the Chinese and Taiwanese markets. According to the latest statical data from TrendForce, global sales of new energy vehicles—including battery electric vehicles (BEVs), plug-in hybrid electric vehicles (PHEVs), and hydrogen fuel cell vehicles—

are expected to reach 16.29 million units in 2024, a 25% year-on-year increase, with China accounting for 67% of the market. It is estimated that global new energy vehicle sales will grow by 18% annually in 2025. The Chinese market is expected to continue expanding, while policy changes in the United States could introduce several factors that may lower sales forecasts. The electric vehicle (EV) itself, with its four key systems “battery, motor, electronics, and electric control” along with the integration and ongoing advancement of various software and hardware technologies used in in-car information and entertainment systems, has disrupted the traditional automotive supply chain. Additionally, innovations in EV charging system configurations and how EVs connect with smart grids to maximize energy storage and utilization efficiency are major hot topics in today’s market development.

Unit: Thousands of New Taiwan dollars; %

Main sales region for the products						
Sales area	2022		2023		2024	
	Net sales revenue	Proportion (%)	Net operating revenue	Proportion (%)	Net operating revenue	Proportion (%)
Germany	910,904	51.28	99,837	14.86	140,557	16.66
The United States	622,309	35.03	334,403	49.78	493,993	58.55
Taiwan	111,539	6.28	130,166	19.38	74,920	8.88
Italy	23,219	1.31	31,834	4.74	28,111	3.33
China	49,049	2.76	50,582	7.53	74,883	8.87
Others	59,281	3.34	24,936	3.71	31,303	3.1
Total	1,776,301	100	671,758	100	843,767	100

Research and development expenditures

Clientron has extensive industry experience and highly sophisticated technology, enabling it to continuously conduct R&D and produce high-quality products. For many years, we have maintained a steady and prudent operation, earning a good reputation in the industry. Our R&D team has extensive industry experience and can quickly and flexibly design products that meet customer needs. We offer a comprehensive product line and can rapidly develop customized products based on the customers’ requirement while maintaining cost-effectiveness.

Our company primarily focuses on the manufacturing and sales of thin clients, point-of-sale systems, and automotive electronic products. Research and development have been a crucial foundation for our development. We remain focused on understanding customer requirements in order to deliver the high-quality products they expect. In the future, we plan to expand our POS and automotive electronics product lines. We will strengthen our module design and integration capabilities to save time and costs for designing, and accelerate the timeline for mass production. The R&D expenses invested in 2024 are approximately 21.97% of the company’s revenue. In 2024, Clientron has invested a total of NT\$ 185,379 thousand in technology research and development. For details on the new technologies or products successfully developed in recent years, please refer to the 2024 annual report.

Unit: Thousands of New Taiwan Dollars

Research and development expenses invested over the years		
Item	2023	2024
Research and development costs (A)	217,598	185,379
Net operating revenue (B)	671,758	843,767
[A/B]	32.39%	21.97%

Overview of invested businesses

Clientron is expanding its business overseas to meet the growing sales demand. As of the end of 2024, the company primarily invests in the manufacturing, contract manufacturing, and sales of automotive electronic products and other products, as well as overseas manufacturing facilities. Currently, our company has 5 overseas private enterprise subsidiaries or sub-subsidiaries, all of which are related to Clientron’s core business. The choice and management of these invested companies are subject to the oversight and guidance of the company’s internal control policies. The financial and business management policy is centered around the company’s internal control system and related management regulations, which provide the framework for managing the financial operations of overseas subsidiaries. In accordance with the “Regulations on the Supervision and Management of Subsidiaries”, we execute supervisory and management operations for our invested companies to ensure that they can create the maximum value for the company’s overall business. Additionally, the company is dedicated to maintaining its management structure to ensure the smooth operation of its invested businesses. We conduct regular risk assessments and monitoring to adapt to market changes and risk challenges, and achieve the company’s long-term, stable development goals.

Name of the invested business	Main business operations	Ratio of shares held
Excellent Built Technology Limited	General investment industry	100%
Bestforce International Limited	General trading industry	100%
Favor Auto Technology Limited	General investment industry	100%
Bcom Technology (Xiamen) Co., Ltd.	Manufacture, contract manufacture, and sell automotive electronic products and other products	Affiliated limited company with no issued shares
Bcom Technology (Shanghai) Co., Ltd.	Research, develop and sell automotive electronic products and other products	Affiliated limited company with no issued shares

Tax policy

Clientron is dedicated to building a robust and comprehensive business environment through its operations. The finance department is responsible for tax management, ensuring that tax policies are aligned with relevant laws and regulations. We maintain close coordination with the accounting firm and National Taxation Bureau, and communicate the received tax information through our finance department to the corporate governing entity, enabling them to better understand internal risks and tax trends. We strictly adhere to all applicable tax-related regulations, including the “Securities Transaction Tax”, “Futures Transaction Tax”, “Business Tax”, and the “Company Act”. All major operational decisions of the company are made in compliance with laws and regulations, and their impact on tax risks is evaluated. Transactions are not conducted in low-tax countries for the purpose of tax avoidance. Our financial report comprehensively discloses tax-related information and complies with applicable laws and regulations. Establish a relationship of mutual respect and good communication with the tax authorities of the tax jurisdiction where the operation site is located, based on integrity, to jointly maintain market order and protect the legitimate rights and interests of the enterprise. These efforts are not only the foundation for Clientron’s continued growth and development, but also our commitment to sustainable development. By building a transparent, legitimate and responsible corporate image, a stable relationship has been established with stakeholders, working together to ensure the sustainable development of the ecological environment and social interests. The tax policy established by Clientron is as follows:

Tax policy	
Principle of Compliance with Laws and Regulations	Comply with tax regulations and legislative intent, accurately report and pay tax obligations, and have supporting documentation ready.
Comprehensive Principle of Decision-Making	Keep a close eye on evolving local and global tax regulations, thoroughly assess their implications, and develop appropriate strategies in response.
Principle of Information Transparency	Regularly disclose tax information through public channels like financial statements and annual reports to ensure information transparency.

Principle of Active Communication	Engage in open and honest communication with tax authorities to help improve the tax environment and system.
Principle of Reasonable Tax Mitigation	Utilize legal and transparent tax incentives rather than employing methods that circumvent the law to reduce taxes.
Principle of Reasonable Architecture	The corporate structure and transaction arrangements are economically substantive and do not involve tax mitigation through specific arrangement.
Principle of Risk Management	When making and executing tax-related decisions, evaluate the associated risks and implement suitable strategies.
Principle of Commercial Substance	The related party transaction is economically substantive, with the decision-maker taking on risk and receiving reasonable compensation.
Standard Transaction Principles	The price and terms of related party transactions should be comparable to those of similar transactions with unrelated parties.

Clientron actively engages with stakeholders through various channels and participates in tax advocacy and other actions to support the implementation of new tax policies, jointly building a favorable tax environment. Additionally, since the company's total revenue did not reach NT \$27 billion, there is no requirement to prepare a country-specific report. The financial reports of Clientron can be accessed on the following website:

Website URL related to Clientron	
Annual report website	https://www.clientron.com/zh-tw/financial_annual.php
Financial statement website	https://www.clientron.com/zh-tw/financial_quarterly.php

Government financial subsidy

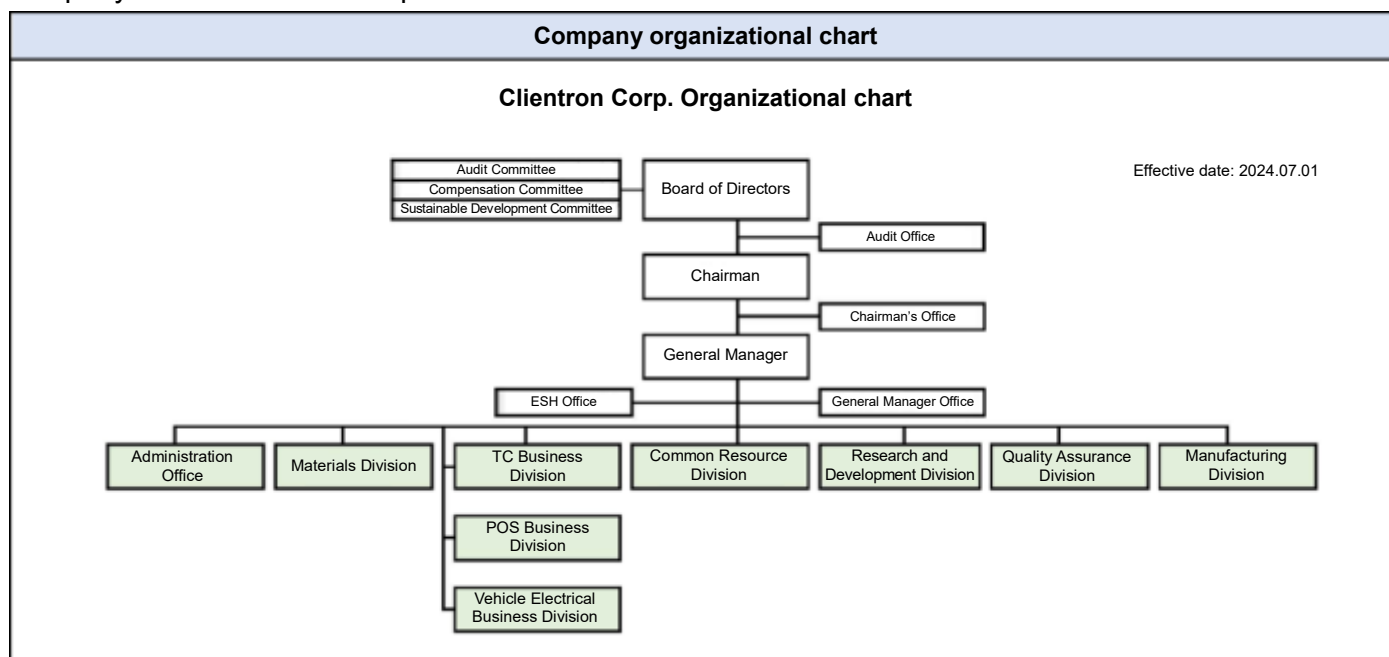
In 2024, Clientron received NT\$ 41,120,000 in government financial subsidies, which were primarily used to support its research and development of smart transportation technologies and the promotion of their applications. This funding will help the company drive innovation in smart transportation, enhance its technological levels, and strengthen the competitiveness of its products. It also helped to promote the development of Taiwan's smart transportation industry. The supplementary information is detailed below:

Summary of Government Subsidy			
Project Type	Project Name	Subsidy unit	Subsidy amount (in NT\$)
A+ Corporate Innovation and R&D Refinement Program	Development and verification program of integrated smart vehicle technology for adaptive transparent display window information fusion and human-machine interaction system	Department of Industrial Technology, Ministry of Economic Affairs	13,120,000
Industry Upgrading and Innovation Platform Assistance Program	Open Electric System Development Project for Smart Buses	Industrial Development Administration, Ministry of Economic Affairs	28,000,000
Total			41,120,000

2.2 Integrity in governance

Company organizational structure

The Board of Directors is the highest governing entity of Clientron, playing a crucial role in the company's decision-making and development. To ensure the effective operation of the board of directors, we have established an audit committee and a compensation committee in accordance with the law. This strengthens the company's internal supervision and control mechanism, ensuring the enterprise complies with regulations, fulfills its social responsibilities, and achieves sustainable development. We aim to establish an effective governance mechanism that will provide a strong and reliable foundation for the company's sustainable development.



Primary department/division	Core business responsibilities
Audit Office	<ol style="list-style-type: none"> 1. Assess the internal control system. 2. Develop an audit plan. 3. Conduct an internal audit. 4. Suggest improvements.
General Manager Office	<ol style="list-style-type: none"> 1. Matters related to the evaluation, planning, and establishment of management policy guidelines. 2. Track and manage the progress of the annual plans for each department. 3. Project promotion and management. 4. The top-level manager responsible for overseeing product quality and functional safety management, and organizing the senior management team.
ESH Office	<ol style="list-style-type: none"> 1. Occupational Safety and Health Management and related matters. 2. Promotion of environmental sustainability initiatives.
Administration Office	<ol style="list-style-type: none"> 1. Oversee the company's accounting operations, including collecting and analyzing cost data. 2. Manage the financial management and oversee the allocation of funds for the planning and execution company. 3. Prepare financial statements and establish and analyze management-oriented financial information. 4. Oversee the company's tax planning, implementation, and compliance with all applicable tax laws and regulations. 5. Import and export customs clearance. 6. Human resources management, asset management, occupational safety and fire protection.

	<ol style="list-style-type: none"> 7. Manage and maintain information systems. 8. Project management for IT systems.
Materials Division	<ol style="list-style-type: none"> 1. Formulate procurement management and policies. 2. Formulate and execute the annual procurement plan. 3. Develop a raw material management system. 4. Coordinate production scheduling and align sales and operations. 5. Warehouse management. 6. Outsourcing and supplier management.
Vehicle Electrical Business Division	<ol style="list-style-type: none"> 1. Maintain customer relationships, develop new products, and promote products. 2. Develop marketing business strategies and set operating goals. 3. Product after-sales service and customer technical support. 4. Analyze changes in the global market. 5. Review and manage customer orders and contracts. 6. Confirm and assess customer market demand.
TC Business Division, POS Business Division	<ol style="list-style-type: none"> 1. Maintain customer relationships, develop new products, and promote products. 2. Develop marketing business strategies and set operating goals. 3. Product after-sales service and customer technical support. 4. Analyze changes in the global market. 5. Review and manage customer orders and contracts. 6. Confirm and assess customer market demand. 7. Product marketing planning and marketing channels integration. 8. Progress monitoring and control for product development. 9. Analyze the product cost structure and profit.
Common Resource Division	<ol style="list-style-type: none"> 1. Gather and analyze information on market products. 2. Develop marketing strategies and marketing plans. 3. Brand development and management. 4. Implement marketing initiatives (e.g., exhibitions, website, online marketing). 5. Media relations management (news release). 6. Creation and distribution of marketing materials. 7. Maintain file documents and database systems.
Research and Development Division	<ol style="list-style-type: none"> 1. Research, development testing of new products. 2. Establish the research and development strategy. 3. Develop research and development directions for new technologies, and new product development directions. 4. Develop the product development plan and define the technical research and development direction. 5. Patent application. 6. Planning, input, output, confirmation, verification, and review control for design. 7. Technical advisory service. 8. Establish and maintain testing and verification requirements for the technology development phase. 9. Conduct testing and validation activities for the product and technology development phase.
Quality Assurance Division	<ol style="list-style-type: none"> 1. Establish a quality assurance system. 2. Introduction, implementation, and maintenance of the ISO system. 3. Oversee the internal auditing and external certification of the ISO system. 4. Quality control management. 5. Establish quality standards. 6. Promote and implement quality consciousness. 7. Analyze and manage the measurement system. 8. Inspect and manage the inspection and testing equipment. 9. Corrective and preventive measures for quality issues during the production process.

Manufacturing Division	<ol style="list-style-type: none"> 1. Execute and achieve production targets. 2. Improve manufacturing process. 3. Establish and maintain the SOP of process. 4. Conduct on-site quality management. 5. Control production cost. 6. Maintain and manage production equipment.
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Board structure and diversity

To establish a sound corporate governance system for its board of directors, enhance its supervisory function and strengthen its management capabilities, and assist directors in performing their duties to improve the board’s effectiveness, Clientron has formulated “Rules of Procedure for Board of Directors Meetings” in accordance with the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” and the “Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board’s Exercise of Powers”. In addition, the company is chaired by Mr. John Hsuan, while Ms. Kelly Wu serves as the general manager, jointly leading and overseeing the company’s operations and management. Since the chairman does not hold the positions of general manager or CEO concurrently, there is no conflict of interest.

This company’s board of directors has a total of eight seats, with a three-year term. The shareholding ratio of all directors is handled in accordance with the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” published by the competent authority. The number of independent directors must be at least three and not less than one-fifth of the total number of directors. Independent directors are selected through a candidate nomination process, where shareholders elect from the nominated slate at the shareholders’ meeting. The professional qualifications, shareholding, restrictions on concurrent positions, and nomination and election procedures of independent directors shall be handled in accordance with the relevant regulations of the securities regulatory authority. This company’s director election uses a cumulative voting system, where each share carries voting rights equal to the number of directors to be elected. Shareholders can either concentrate their votes to elect a single director, or distribute their votes to elect multiple directors, with the candidate receiving the most votes ultimately serving in the position. The current term runs from June 23, 2022 to June 22, 2025. To implement our board diversity policy, the current board has nine directors and four of them are female, making up 44% of the board. We are dedicated to promoting gender equality and encouraging a wider range of perspectives to be discussed in the meeting. This helps to enhance the company’s governance level and also encourages more women to realize their potential in corporate leadership roles. We will continue to ensure the diversity of the board of directors, promoting the company’s sustainable development. The table below provides the details of each board member:

Information about the members of the Board of Directors						
Occupation	Name	Gender	Age	Date of initial (selected) inauguration	Main academic and professional background	Currently holds multiple positions, including at the company and other companies
Chairman	John Hsuan	Male	Aged 50 and above	2005/04/19	<ul style="list-style-type: none"> ● Honorary Doctorate, National Chiao Tung University ● Department of Electronics Engineering, National Chiao Tung University ● Chairman of United Microelectronics Corp. ● Chairman of Faraday Technology Corporation 	<ul style="list-style-type: none"> ● Chairman of Taiwan Innovation Memory Company ● Chairman of Fusionvax, Inc. ● Chairman of Taiwan Wenchuang No. 1 Co., Ltd ● Chairman of Life Pioneer Investment Co., Ltd. ● Chairman of Maxima Ventures II, Inc. ● Chairman of Zhi Cheng Retro-style EV-mobility Design Co., Ltd. ● Director of Meridigen Biotech Co., Ltd. ● Director of Meribank Biotech Co., Ltd. ● Director of HTSensorTEK Co., Ltd.

Information about the members of the Board of Directors						
Occupation	Name	Gender	Age	Date of initial (selected) inauguration	Main academic and professional background	Currently holds multiple positions, including at the company and other companies
						<ul style="list-style-type: none"> ● Director of Sipp Technology Corporation ● Director of Angeluca Science Ltd. (Republic of Seychelles) ● Director of Pacgen Biopharmaceuticals Corp. (Canada) ● Director of Allied Focus Holding Corp. (Seychelles) ● Director of Bohe Biopharma Global Corp. (Cayman) ● Director of Moral Express Holding Corp. (Seychelles) ● Director of Orilitia Biopharma Ltd. (Hong Kong)
Director	James Tsai	Male	Aged 50 and above	2002/06/18	<ul style="list-style-type: none"> ● EMBA, National Chiao Tung University ● Institute of Communications Engineering, National Chiao Tung University ● Chairman of Kimpson Corporation ● Director/Supervisor of Clientron Corp. 	<ul style="list-style-type: none"> ● Chairman of Kimpson Corporation
Director	Action Electronics Co., Ltd.: Ting-Yu Peng	Female	Aged 50 and above	2005/04/19	<ul style="list-style-type: none"> ● MBA, University of Southern California ● General Manager of Action Electronics Co., Ltd. ● Consultant of Taiwan Electrical and Electronic Manufacturers' Association ● Director of Next Generation Charity Association 	<ul style="list-style-type: none"> ● Chairman and President of Action Electronics Co.,Ltd ● Chairman of Action Industries (Malaysia) SDN BHD ● Chairman of Action Asia (Shenzhen) Co., Ltd. ● Director of Shanghai Action Technology Co., Ltd. ● Representative of juristic person director of Realise Tech-Service Co., Ltd ● Representative of juristic person director of Clientron Corp.
Director	Kelly Wu	Female	Aged 50 and above	2016/11/14	<ul style="list-style-type: none"> ● Department of Statistics, National Chengchi University ● General Manager of Intel Taiwan Branch ● Vice President of Phoenix Technologies Ltd ● Vice President of Advansus Corp. ● Vice President of VIA Technologies, Inc. 	<ul style="list-style-type: none"> ● General Manager of Clientron Corp. ● Chairman of Bcom Technology (Xiamen) Co., Ltd. ● Chairman of Bcom Technology (Shanghai) Co., Ltd. ● Independent director of Uni Travel Services Co., Ltd. ● Independent director of AES-KY
Director	Sheng-Yui Wang	Male	Aged 50 and above	2014/05/30	<ul style="list-style-type: none"> ● MBA, University at Buffalo, The State University of New York ● Director, Finance Division of UMC 	<ul style="list-style-type: none"> ● Independent Director of Unimicron Technology Corp. ● Supervisor of Bcom Technology (Xiamen) Co., Ltd. ● Supervisor of Bcom Technology (Shanghai) Co., Ltd.
Director	Vivienne Weng	Female	Aged 50 and above	2022/06/23	<ul style="list-style-type: none"> ● Weber State University Marketing ● Sales assistant manager of Chou-Chin Industrial Co., Ltd 	<ul style="list-style-type: none"> ● Deputy General Manager of Clientron Corp. ● Director of Bcom Technology (Xiamen) Co., Ltd. ● Director of Bcom Technology (Shanghai) Co., Ltd.

Information about the members of the Board of Directors						
Occupation	Name	Gender	Age	Date of initial (selected) inauguration	Main academic and professional background	Currently holds multiple positions, including at the company and other companies
Independent director	Kuang-Shih Yeh	Male	Aged 50 and above	2020/08/20	<ul style="list-style-type: none"> ● Ph.D, Carnegie Mellon University ● BA, Department of Political Science, National Taiwan University ● Deputy Mayor, Kaohsiung City Government ● Minister, Ministry of Transportation and Communications, Republic of China (Taiwan) ● Professor, Institute of Technology, Innovation & Intellectual Property Management, NCCU ● Professor, Department of Business Administration, National Sun Yat-sen University 	<ul style="list-style-type: none"> ● Director of Xue Xue Institute Co., Ltd. ● Independent Director of Synnex Technology International Corporation ● Independent Director of Fubon Financial Holding Co., Ltd. ● Supervisor of Taiwan Nano & Micro-Photonics Co., Ltd.
Independent director	Jui-Ching Hu	Female	Aged 50 and above	2020/08/20	<ul style="list-style-type: none"> ● EMBA, National Chiao Tung University ● MS, Stanford University ● Vice President of Hermes Microvision, Inc. ● Vice President of Metrodyne Microsystem Corp ● Director, Strategic Investment Department of Intel Corporation 	<ul style="list-style-type: none"> ● Legal Representative Chairman of SwiRoc Corp. ● Legal Representative Chairman of Energetic Technologies Corp. ● Director of Gudeng Equipment Co., LTD. ● Vice President of Hermes-Epitek Corporation ● CEO of GlintMed Innovation Co., Ltd.
Independent director	Yong-Gui You	Male	Aged 50 and above	2024/06/06	<ul style="list-style-type: none"> ● MA, Institute of Mechanical Engineering, National Chiao Tung University ● BA, Department of Mechanical Engineering, National Cheng Kung University ● Manager of Investment Department at CDIB Capital Group ● Chairman and President of Hung Ding Venture Capital Corp. 	<ul style="list-style-type: none"> ● Chairman and President of TGWest Capital Inc. ● Director of Song Chuan Precision Company Ltd. ● Director of TriKnight (Two) Investment Co., Ltd. ● Director of TriKnight (Three) Investment Co., Ltd. ● Director of TriKnight Associates (Two) Co., Ltd. ● Director of T Blossom Investment, Inc. ● Director of TriKnight Asia (One) Investment Co., Ltd. ● Director of TriKnight Asia (Two) Investment Co., Ltd. ● Director of Yisheng Associates Co., Ltd ● Director of TGWest Capital II, Ltd. ● Director of Orient-Online Investment Limited ● Director of Taiwan Maeden Innovation Co., Ltd. ● Director of TXOne Networks Inc. ● Director of TXONE NETWORKS INC. ● Independent Director of Ubiquconn Technology Inc. ● Supervisor of Yida Associates Co., Ltd

Note: 1. The members of the board of directors are aged 50 and above, numbering 9 in total.

Name		Core of Diversification		Basic Composition					Professional Background		Professional Knowledge and Skills					
				Nationality	Gender	Employee Identity	Age				Industry Experience	Academic Background	Operation management	Leadership	Industry Knowledge	Finance and accounting
							41 to 50 years old	51 to 60 years old	61 to 70 years old	71 to 80 years old						
Director	John Hsuan	Republic of China	Male					✓	✓		✓	✓	✓			
Director	James Tsai	Republic of China	Male					✓	✓		✓	✓	✓			
Director	Representative of Action Electronics Co., Ltd.: Ting-Yu Peng	Republic of China	Female			✓			✓		✓	✓	✓			
Director	Kelly Wu	Republic of China	Female	✓				✓	✓		✓	✓	✓			
Director	Sheng-Yui Wang	Republic of China	Male					✓	✓		✓	✓	✓	✓		
Director	Vivienne Weng	Republic of China	Female	✓		✓			✓		✓	✓	✓			
Independent director	Kuang-Shih Yeh	Republic of China	Male					✓	✓	✓	✓	✓	✓	✓		
Independent director	Jui-Ching Hu	Republic of China	Female			✓			✓		✓	✓	✓	✓		
Independent director	Yong-Gui You	Republic of China	Male			✓			✓		✓	✓	✓			

Board of Directors Operations

From 2024 to Q1 of 2025, the Board of Directors and shareholders held 6 meetings, and the attendance of the directors is as follows:

Occupation	Name	Attendance in Person	Delegated attendance count	In-person attendance rate	Note
Chairman	John Hsuan	5	1	83%	
Director	James Tsai	5	1	83%	
Director	Representative of Action Electronics Co., Ltd.: Ting-Yu Peng	4	2	67%	
Director	Kelly Wu	6	0	100%	
Director	Sheng-Yui Wang	6	0	100%	
Director	Vivienne Weng	6	0	100%	
Independent director	Kuang-Shih Yeh	5	1	83%	
Independent director	Jui-Ching Hu	6	0	100%	
Independent director	Yong-Gui You	4	0	100%	Newly elected on 2024/6/6 (expected to attend 4 times)

Director independence and the avoidance of conflicts of interest

Clientron currently has 3 independent directors who meet the relevant independence requirements, and they have not served consecutive terms exceeding 3 terms (for details on the independence of the directors, please refer to pages 14 - 15 of the 2024 annual report). To meet the needs of operation development and practical operation requirements, two directors are also serving as the company's managers, and there is no familial relationship among the directors. The company's "Rules of Procedure for Board of Directors Meetings" clearly state that if a board resolution meets any of the following conditions, it must be recorded in the minutes and announced on the designated information reporting website within two days of the board meeting: when independent directors raise objections or reservations with corresponding records or written statements, and when it is approved by more than two-thirds of all directors without being approved by the company's audit committee.

Directors who have an interest in the matters to be discussed at the meeting, either personally or on behalf of the legal entity they represent, must disclose the material details of their interest at the board meeting. If there is a risk of harm to the company's interests, they must not participate in the discussion and voting, and must recuse themselves from the discussion and voting, and cannot act as a proxy for other directors to exercise their voting rights. The spouse, second-degree blood relatives, or companies with a controlling relationship of a director who have an interest in the matters discussed in a meeting shall be considered as having a personal interest in that matter. The board of directors' resolution regarding directors who are not permitted to vote under the regulations shall be handled in accordance with the provisions of the "Company Act". The execution status of directors' recusal on matters involving their interests as of the end of 2024. See page 14 of the 2024 annual report.

Board of Directors	Session	Proposal Content	Name of director	Reasons for conflict of interest avoidance and details of voting participation
2024.7.31	The 11th meeting of the 14th session	1. Annual Salary Adjustment Plan of the company in 2024.	Director Kelly Wu Director Vivienne Weng	All individuals with a personal interest in the case recused themselves from voting.
2024.12.25	The 13th meeting of the 14th session	1. The performance bonuses for managers of the Company for 2024.	Director Kelly Wu Director Vivienne Weng	

Major Sustainability Communication Events

The Clientron's Board of Directors typically holds quarterly meetings to discuss the company's sustainable development conditions. During these meetings, the corporate governing entity presents proposals to the Board, to discuss about the protection of stakeholder interests and promote the company's sustainable development. Discussing issues related to corporate social responsibility and sustainable development can enhance the effectiveness of the board of directors and establish a more robust culture of sustainable operation. From 2024 to Q1 of 2025, the company held a total of 6 board meetings, with an average director attendance rate of 90%. In 2024, the board of directors reviewed 24 cases, mostly concerning governance (G) matters. These included reports on operational performance, financial statements, amendments to the company's articles of association, replacement for independent directors, lifting restrictions on directors' competition, internal control systems, budgets, audit plans, and director re-elections. The goal is to foster the company's long-term development through ongoing communication, ultimately realizing wider social contributions and sustainable benefits.

The following are the key resolutions from this year's shareholders' and board of directors' meetings:

Meeting Name	Date	Major resolution
Board of Directors	2024.03.06	<ol style="list-style-type: none"> 1. The Company's 2023 Business Report, Consolidated Financial Report and Individual financial Report. 2. The Company's 2023 profit or loss off-setting proposals. 3. It is proposed to be passed the Company's "Statement of Internal Control System" for 2023. 4. Revision of the Company's "Articles of Incorporation".

Meeting Name	Date	Major resolution
		5. Replacement of one independent director. 6. Plan the date, venue, and related arrangements for the Company's 2024 annual shareholders' regular meeting.
Board of Directors	2024.05.15	1. Our company's certified public accountant change for 2024. 2. Delegation of the Company Deputy Spokesperson.
Shareholders' regular meeting	2024.06.06	1. To accept the Company's 2023 Business Report and Financial Statements (including Consolidated Financial Statements). 2. To accept the Company's 2023 profit or loss off-setting proposals. 3. Revision of the "Articles of Incorporation" was approved. 4. Replacement of one independent director. 5. Approval of the removal of the non-competition restriction for the company's newly appointed director.
Board of Directors	2024.07.31	1. Report on the Company's consolidated financial statements for the 2nd quarter of 2024. 2. Case regarding the directors' liability insurance expenses for 2024.
Board of Directors	2024.12.25	1. The Company's 2025 Corporate Budget. 2. The Company's 2025 Audit Plan.
Board of Directors	2025.03.12	1. The Company's 2024 Business Report, Consolidated Financial Report and Individual financial Report. 2. The Company's 2024 profit or loss off-setting proposals. 3. It is proposed to be passed the Company's "Statement of Internal Control System" for 2024. 4. Revision of the Company's "Articles of Incorporation". 5. Complete re-election of all directors (including independent directors). 6. Plan to conduct a private placement of common stock or domestic convertible bonds. 7. Plan the date, venue, and related arrangements for the Company's 2025 shareholders' regular meeting.

Audit Committee

According to the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies", the company has established relevant organizational regulations. The main purpose of this committee is to oversee the company's operations, including ensuring the accuracy and transparency of the financial statements, supervising the independence and performance of the certified public accountant, ensuring the effective implementation of the company's internal control system, monitoring the company's compliance with relevant laws and regulations as well as regulatory system, and assessing and managing the various existing or potential risks faced by the company. The oversight of the audit committee helps ensure the company's operations are legal, transparent and robust, thereby protecting the interests of shareholders and investors and promoting the company's sustainable development. The company's audit committee consists of three independent directors, with independent director Kuang-Shih Yeh serving as the primary convener. The committee holds at least one meeting per quarter, and the main responsibilities and activities of the committee this year are as follows.

I.	Established or amended the internal control system as required by Article 14-1 of the Securities and Exchange Act.
II.	Assessment of the effectiveness of the internal control system.
III.	The processing procedures for major financial and business actions, such as the acquisition or disposal of assets, engaging in derivative transactions, lending funds to others, and providing endorsements or guarantees for others, are formulated or amended in accordance with the provisions of Article 36-1 of the Securities and Exchange Act.
IV.	Matters that involve the personal interests of the directors.
V.	Major asset or derivatives transactions.
VI.	Significant loans, endorsements, or provision of guarantees.
VII.	Raising, issuing, or privately placing securities of an equity nature.
VIII.	Appointment, dismissal, or remuneration of a certified public accountant.
IX.	Appointment and removal of financial, accounting, or internal audit department heads.
X.	Annual financial reports signed or stamped by the chairman, managers, and accounting department heads, and the second-quarter financial statement that has been audited and certified by an accountant.
XI.	Material matters as specified by other companies or competent authorities.

The Audit Committee operates in accordance with the “Audit Committee Organizational Regulations”. It meets at least quarterly and may convene additional meetings as necessary. For 2024 and Q1 of 2025, the Audit Committee held a total of 5 meetings, the attendance details of independent directors are as follows:

Information on the functioning of the Audit Committee				
Occupation	Name	Actual attendance count	Delegated attendance count	Actual attendance rate (%)
Convener	Kuang-Shih Yeh	4	1	80
Member	Jui-Ching Hu	5	0	100
Member	Yong-Gui You	3	0	100

Note:

- The company’s Audit Committee was established on November 8, 2019 as a replacement for the supervisor.
- The current Audit Committee’s term runs from June 23, 2022 to June 22, 2025.
- The content and implementation details of the recusal of independent directors’ proposals will be disclosed in the 2024 annual report.
- Independent director Yong-Gui You was newly appointed as a member of the Audit Committee on June 6, 2024.
- Independent Director Kuang-Shih Yeh took on the position of convener after August 2, 2023.

Remuneration Committee

To enhance its corporate governance and strengthen the remuneration management function of the board of directors, and to protect the rights and interests of investors, Clientron has established the “Remuneration Committee Organizational Regulations” in accordance with the “Regulations Governing Appointment and Exercise of Powers by Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter” in June 2017, and officially set up a “Remuneration Committee” at the same year. This committee’s role is to objectively and professionally evaluate the compensation policies and systems for the company’s directors and managers, and to provide recommendations to the board of directors to assist in their decision-making. If a member is dismissed for any reason, the board must hold a meeting within three months from the date of the incident to appoint a replacement. The company’s remuneration committee is composed of three independent directors, with independent director Kuang-Shih Yeh serving as the primary convener. This committee should fulfill the following duties with the diligence of a good administrator and submit its recommendations to the board of directors for discussion:

I	Regularly review this regulation and propose amendments.
II	Establish and regularly review the company’s performance evaluation standards, annual and long-term performance targets, and compensation policies, systems, standards, and structures for directors and managers, and disclose the content of the performance evaluation standards in the annual report.
III	Regularly assess the performance targets of the company’s directors and managers, and based on the evaluation results from the performance assessment criteria, determine the content and amount of the individual compensation. The annual report should disclose the individual performance evaluation results of the directors and managers, as well as the content and amount of their individual compensation and its correlation to their performance evaluation and rationality. This information should then be reported at the shareholders’ meeting.

Note:

- The remuneration referred to includes cash compensation, stock options, profit sharing, retirement benefits or severance pay, various allowances, and other substantive incentive measures. The scope should be consistent with the standards for the matters to be recorded in the annual report of a public company regarding the remuneration of directors and managers.
- If the remuneration of directors and managers of the company’s subsidiaries are subject to approval by the company’s board of directors according to the subsidiaries’ hierarchical authorization procedures, this committee should first provide recommendations, which will then be submitted to the board of directors for discussion.

The company’s Remuneration Committee operates in accordance with the company’s “Remuneration Committee Organizational Regulations” and holds at least two meetings a year. The Committee held a total of 3 meetings in 2024, the attendance rate and attendance details for the Committee members are as follows:

Occupation	Name	Attendance in Person	Delegated attendance count	In-person attendance rate	Note
Convener	Kuang-Shih Yeh	2	1	67%	
Member	Jui-Ching Hu	3	0	100%	
Member	Yong-Gui You	3	0	100%	

Compensation Structure

The remuneration policy for the directors of Clientron is based on the Company Act and the company's articles of association, which stipulate that the company should distribute director's remuneration not exceeding 3% of the annual profit. When a company has accumulated losses, these should be covered.

Deliberation process

According to the company's "Remuneration Committee Organizational Regulations" and "Regulations for Remuneration of Directors and Managers", the content and amount of remuneration of directors and managers should be determined based on its rationality. The remuneration should not significantly deviate from the company's financial performance. If the company experiences significant profitability decline or long-term losses, the remuneration should not be higher than the previous year. If it is still higher, the company should disclose the rationality in the annual report and report it at the shareholders' meeting.

Risk connection

The company has a "Regulations for Remuneration of Directors and Managers". The manager's remuneration includes salary and bonuses. The salary is determined based on the manager's level of involvement and contribution to the company's operations, with reference to industry salary standards. The bonuses are paid irregularly, and the year-end bonus is distributed at the end of each year, based on the manager's contributions to the company and their annual performance evaluation results.

The relationship between compensation and performance

The company has established a "Regulations for Remuneration of Directors and Managers". The compensation of managers is based on their contribution to the company of the year and the results of their annual performance review, which serves as the basis for determining their compensation.

Internal audit

The purpose of Clientron's audit system is to assist the board of directors and managers in reviewing the internal control system's deficiencies, evaluating the efficiency and effectiveness of operations, and providing timely improvement recommendations. This ensures the continuous and effective implementation of the internal control system, and serves as a basis for reviewing and revising the internal control system. The internal audit function is an independent unit that reports directly to the Board of Director. The current internal audit team, including the supervisor and proxy, consists of two individuals who meet the required qualifications. The appointment and dismissal of the audit supervisor must be approved by the board of directors.

The main focus of the audit work is to execute the audit plan approved by the Board of Directors, and to conduct project-specific audits as necessary, in order to identify potential deficiencies in the internal control system and provide recommendations for improvement. The relevant audit report is presented by the audit supervisor to the board of directors to report on the status and results of the audit implementation. The audit office's scope includes reviewing the company's overall financial, business, and operational aspects, as well as evaluating the implementation of the internal control system in accordance with regulatory requirements. The audit office also urges each unit to perform annual self-audits, ensuring the implementation of the company's self-monitoring mechanism. The audit team then reviews the self-audit results, which serve as the basis for the company's board of directors to issue the internal control statement along with the audit report.

The audit unit reported to the Board of Directors and Audit Committee fourth times each by holding a meeting in 2024. They also submitted internal audit reports to the independent directors to discuss the company's internal control matters. For information on the communication between independent directors, the internal audit supervisor, and the accountants, please refer to the 2024 annual report.

Continuing Education for Director

To effectively strengthen its corporate governance, Clientron arranged for its directors to undergo relevant training courses in order to improve their understanding of the principles of good governance. To keep up with the ever-evolving business landscape and regulatory demands, continuing education for director is a crucial path for directors to continuously learn and enhance their professional expertise. By attending professional training courses, directors can not only stay informed about changes in relevant regulations, but also gain broader management knowledge and insights into market trends, allowing them to apply the knowledge to their corporate governance practices. Continuing education for director not only helps to enhance individual expertise and leadership qualities, but also promotes the company's long-term development and value creation, providing the company with more effective decision-making solutions. In 2024, the company's independent directors participated in a total of 21 hours of continuing education activities for director.

Director Continuing Education Overview						
Occupation	Name	Date of continuing education	Organizer	Course Title	Training hours	Total hours
Independent director	Kuang-Shih Yeh	2024/06/19	Taiwan Institute of Directors	Identifying the international competitiveness of Taiwanese companies in the context of global competition	3.0	9.0
Independent director	Kuang-Shih Yeh	2024/07/03	Taiwan Stock Exchange Corporation	2024 Cathay Forum on Sustainable Finance and Climate Change - First Half	3.0	
Independent director	Kuang-Shih Yeh	2024/09/13	Independent Director Association Taiwan	A new approach to corporate net zero transformation! The hidden powerhouse of carbon reduction — ocean blue carbon	3.0	
Independent director	Jui-Ching Hu	2024/07/09	Taipei Exchange	AI Strategy and Governance	3.0	6.0
Independent director	Jui-Ching Hu	2024/09/23	Taiwan Corporate Governance Association	Regulations related to corporate governance and securities	3.0	
Independent director	Yong-Gui You	2024/05/29	Corporate Operating and Sustainable Development Association	Challenges of ESG sustainable development and carbon emissions	3.0	6.0
Independent director	Yong-Gui You	2024/09/20	Securities and Futures Institute	2024 Insider Trading Prevention Awareness Propaganda	3.0	

Board Performance Evaluation

To strengthen corporate governance and enhance the effectiveness of the board of directors, the company may set performance evaluation criteria of the board based on its specific circumstances and needs, covering the following areas:

- I. Involvement in the company's operations.
- II. Enhance the quality of decision-making by the Board of Directors.
- III. Composition and structure of the Board of Directors.
- IV. Appointment and Ongoing Training for Directors.
- V. Internal control.

The performance evaluation criteria of board members (self or peers) includes the following measurement criteria, covering the following areas:

- I. Understanding the company's objectives and purpose.

- II. Understanding the duties of Directors.
- III. Involvement in the company's operations.
- IV. Managing internal relationships and communication.
- V. Expertise and Ongoing Training for Directors.
- VI. Internal control.

The performance evaluation criteria of Functional Committee, covering the following areas:

- I. Involvement in the company's operations.
- II. Understanding the duties of Functional Committee.
- III. Enhancing the decision-making quality of the Functional Committee.
- IV. The composition of Functional Committee and selection of members.
- V. Internal control.

The performance evaluation criteria of the board, covering the following areas:

Evaluation Item	Assessment result
I. Involvement in the company's operations	Excellent questionnaire evaluation
II. Enhance the quality of decision-making by the Board of Directors	
III. Composition and structure of the Board of Directors	
IV. Appointment and Ongoing Training for Directors	
V. Internal control	

The performance evaluation criteria of board members, covering the following areas:

Evaluation Item	Assessment result
I. Understanding the company's objectives and purpose	Excellent questionnaire evaluation
II. Understanding the duties of Directors	
III. Involvement in the company's operations	
IV. Managing internal relationships and communication	
V. Expertise and Ongoing Training for Directors	
VI. Internal control	

The performance self-evaluation criteria of Functional Committee, covering the following areas:

Evaluation Item	Assessment result
I. Involvement in the company's operations	Excellent questionnaire evaluation
II. Understanding the duties of Functional Committee	
III. Enhancing the decision-making quality of the Functional Committee	
IV. The composition of Functional Committee and selection of members	
V. Internal control	

Human Rights Due Diligence

Clientron commits to complying with the amfori BSCI Code of Conduct, local laws and regulations, international agreements, and all regulations signed with the company. Our company is committed to fulfilling its social responsibilities. If we ever fall short in this regard, we will continuously strive to improve and publicly disclose this through appropriate channels. We comply with the laws and regulations of the locations where our operations are based, adhere to international standards, and integrate relevant policies into our operational management. This strengthens our organizational sustainability practices and serves as a guiding principle for the company's sustainable development, helping us to advance on the path of sustainability. Important policies are approved by the Board of Directors and publicly announced. Each functional team then develops corresponding articles and guidelines based on the integrated strategies and objectives outlined in these policies.

Commitments related to the human rights policy of Clientron	
I	The company adheres to national labor laws, environmental protection regulations, and other relevant laws and regulations.
II	Prohibit the use of child labor and forced labor, and do not work with any suppliers or subcontractors that employ child workers, prison labor, or forced labor.
III	All employees are treated equally, regardless of gender, race, religion, or social background. We oppose discrimination and respect the basic human rights of our employees. Any form of offensive behavior is strictly prohibited.
IV	Provide safe and hygiene working and living condition to ensure the health and safety for employees.
V	Promote cooperation between labor and management, and respect the employees' freedom of association and collective bargaining rights.
VI	Properly schedule production plans and workers' work hours and time off.
VII	Offer fair and competitive compensation and benefits that comply with applicable laws and regulations.
VIII	Continuously improve working conditions and employee benefits.
IX	Conserve energy, reduce emissions, protect the environment, build a harmonious society, and benefit the community.

The company communicates its policies and conducts training for employees through various channels, such as “new employee orientation” and the “EIP employee information portal”. It also regularly holds internal seminars and training courses to improve employees’ understanding and adherence to company policies. New hires are required to sign the “Employment Contract” and “Confidentiality Agreement” upon joining the company, to ensure they understand and adhere to the company’s regulations and requirements. Additionally, we require our suppliers to sign the “Integrity and Confidentiality Commitment” and the “Conflict-Free Mineral Declaration” to ensure they adhere to the company’s business ethics standards and relevant regulations, as well as to maintain transparency and traceability throughout the supply chain. We aim to establish a corporate culture through these policies that aligns with ethical standards and regulatory requirements, ensuring the relationships between the company and its stakeholders are built on a foundation of integrity and transparency.

Besides, we place great emphasis on the effectiveness of our risk management and internal control systems to ensure the overall interests of the company are safeguarded and advanced. The executing and responsible units shall regularly assess risks, and the administration office and audit department provide oversight to ensure the ongoing effectiveness of the internal control system and being executed. Each year, we develop an annual audit plan in accordance with laws and regulations, and audit the company’s sustainability initiatives. The related reports and findings are then submitted to the Board of Directors and Audit Committee for their review and approval. By leveraging relevant systems, we can promptly identify and address risks, ensuring the stability and sustainability of the company’s operations, and enabling the achievement of its long-term development goals.

Clientron has incorporated the regulatory requirements of various countries into its enterprise development and supervision, ensuring the effective implementation of corporate regulations. The company has established diverse communication channels to more effectively listen to and address the concerns of stakeholders, ensuring that any potential problems or improper conduct can be resolved promptly.

2.3 Climate risk emergency preparedness

Financial risks associated with climate change

As the world faces increasingly severe climate change, Clientron is keenly aware that the potential risks of climate change can have a major impact on business operations. We understand that these challenges may affect our supply chains, operations, and insurance costs. As such, we will persist in our efforts to identify, assess, and manage these risks in order to mitigate their potential impact on our operations and ensure the company's sustainable development. To this end, we have reinforced our adaptation measures to address climate change risks. In this respect, we referenced the four core pillars of the Task Force on Climate-related Financial Disclosures (TCFD) framework. Through this framework, we identified the potential impacts, risks, and opportunities the company might face during operations, and took appropriate measures to manage them.

Disclosure Framework for Climate Change-related Risks and Opportunities			
Governing entity	Clientron established a "Sustainable Development Committee" in March 2024 and develop a climate change response strategy. This will involve setting management targets, coordinating cross-departmental collaboration, and integrating sustainable strategy and climate action into product, operations, and value chain management.		
Strategy (risk category)	Confronted with the growing financial risks posed by climate change, we recognize this is not merely an environmental issue, but a significant challenge that directly impacts business operations. The impacts of climate change, such as increased frequency of extreme weather events and natural disasters, can have adverse effects on supply chains, infrastructure operations, and insurance costs, ultimately impacting the company's financial performance and business operations. Nearly 140 countries worldwide have committed to reaching net-zero emissions by 2050, reflecting the pressing global demand for climate action. We will work to improve energy efficiency, expand the use of renewable energy, and reduce carbon emissions. Actively promote the development and use of renewable energy, reduce reliance on fossil fuels, and gradually transition the entire value chain towards net zero emissions. Aiming to effectively address the financial risks of climate change, while achieving the company's sustainable development objectives and making a positive contribution to society and the environment.		
	Short-term	Mid-term	Long-term
	<p>[Transformation Risk] Strengthen the company's adherence to policies and regulations to ensure compliance with emission reporting requirements.</p> <p>[Transformation Risk] Leverage low-emission technologies and low-carbon services to navigate the challenges of technological transformation.</p> <p>[Physical Risk] The increasing severity and frequency of extreme weather events pose a serious threat to the physical infrastructure of businesses.</p> <p>[Market Opportunity] Conduct market research to understand the trends in energy costs and identify methods to lower costs.</p>	<p>[Transformation Risk, Physical Risk] Start increasing carbon-reducing equipment to lower the company's carbon emissions.</p> <p>[Transformation Risk] Actively drive the transition to low-carbon technology to establish a foundation for the company's sustainable development in the future.</p> <p>[Transformation Risk and Market Opportunity] Innovate existing product technology to boost the company's revenue and market share.</p> <p>[Transformation Risk and Market Opportunity] Improving a company's environmental protection image can help establish a positive corporate reputation.</p>	<p>[Transformation Risk, Physical Risk] Install carbon reduction equipment to lower the company's carbon emissions and help protect the environment.</p> <p>[Transformation Risk] Ensure that social, environmental, and governance factors are considered during operations, effectively conduct human rights and environmental due diligence to achieve sustainable development management.</p> <p>[Physical Risk] Seek alternative materials to replace plastic products, gradually reduce the use of plastic and increase the recycling rate, in order to solve the pollution problem caused by plastics and realize a circular economy.</p>

Risk Category	Risk Item		Potential impact	
	<p>[Policies and regulations] Obligation to strengthen emission reporting. [Technology] Transitioning to low-emission technologies (low-carbon services). [Market] Increase energy-related expenses. [Immediate/Physical] The severity and frequency of extreme weather events have been rising.</p>		<p>[Increase in cost] Increase the capital expenditure for installing carbon reduction equipment. [Increase in cost] Transitioning to low-carbon technologies requires significant investment. [Increase in cost] Increase the cost of acquiring renewable energy. [Reduce revenue] The transfer of customers resulted in a decline in revenue. [Reduce revenue] Extreme weather events can potentially damage facilities or disrupt operations.</p>	
Opportunity type	Opportunity item		Potential impact	
	<p>[Resource efficiency] Reduce the use of paper. [Products and services] Developing low-carbon products and services. [Resilience] Participate in renewable energy initiatives and implement energy-efficient practices.</p>		<p>[Lowering costs] Lowering the company's operational costs, reducing its reliance on natural resources, and strengthening the company's corporate social responsibility image. [Increase revenue] Satisfying consumers' needs for environmental protection and sustainability to enhance the company's market competitiveness. [Image improvement] Lowering energy costs and enhancing the company's environmental protection profile.</p>	
Risk Management	<p>The company is dedicated to establishing and maintaining emergency response procedures to address any potential accidents or emergency situations. As a reference for developing emergency response procedures and plans, include human-caused, natural disasters, and other major unexpected events in order to promptly reduce or mitigate the impact and damage caused by such emergencies, such as personnel injuries, property losses, and business disruptions, as well as to quickly restore normal operations. Our risk management goal is to thoroughly understand the risks associated with the global economy, climate change, and energy supply, and proactively take preventive measures. We aim to formulate the company's development strategy and adjust our operations in advance to effectively address potential risks. We are committed to closely monitoring global industry trends and climate change, and will adjust our development goals and operation strategies in a timely manner to minimize potential risks as much as possible. To effectively address various operational risks, we hold management meetings regularly to discuss countermeasures and adjust our operational direction, preempting risks to ensure the stability and reliability of the company's ongoing operations.</p>			
Metrics and objectives	<p>In order to fulfill its commitment to sustainable development, Clientron is actively promoting relevant initiatives. We have set green management strategy goals, initiated various projects, and carried out green management and performance assessment. Review performance results through external verification in order to achieve the goal of protecting the environment. These efforts are not just a promise to future generations, but also a responsibility to the planet. Through our actions, we will build a cleaner, more sustainable future. Work together with stakeholders to realize the sustainable development objectives and make greater contributions to environmental protection.</p>			
	Item	Short-term objective	Mid-term objective	Long-term objective
	Greenhouse gas inventory	<ul style="list-style-type: none"> Carbon emissions can be reduced by 3% in 2025. Implement the 2023 greenhouse gas inventory plan, conduct the inventory, and obtain third- 	<ul style="list-style-type: none"> The goal is to reduce carbon emissions by 10% by 2030. 	<ul style="list-style-type: none"> Reach net zero emissions by 2050.

		party verification since 2023, continuing to disclose the results.		
		The energy-saving achievements are as follows: The Taipei Headquarters consumed 454,667 kWh of electricity in 2024, which is 20,548 kWh less than the 475,215 kWh used in 2023, representing a 4.5% reduction in electricity consumption.		
	Water Resources Management	Water usage is expected to decrease by 10% by 2025.	Water usage is expected to decrease by 20% by 2030.	Water usage is expected to decrease by 40% by 2050.
		Specific actions and outcomes: In accordance with the ISO 14001 environmental management system, enhance the management of water use and water resources. The Xiamen factory's water consumption in 2024 was 5.361 million liters, a 6.1% decrease from the 5.71 million liters used in 2023.		
Financial Impact	Imposing a carbon tax will undoubtedly increase operating costs, but the current impact is relatively minor. As such, the company has not yet planned and implemented an internal carbon pricing system. Instead, we will adhere to the government's and relevant policies' standards for carbon fees and taxes. Going forward, the Sustainable Development Committee will monitor climate-related matters and propose timely strategies to mitigate operational risks.			
Fundamentals of Carbon Pricing	The company has not yet developed an internal carbon pricing system. In the future, we will pay the carbon fees and taxes as per the standards set by the government and relevant policy regulations.			
Greenhouse Gas Inventory Plan	The company has established a greenhouse gas inventory plan for 2024, and the Taipei headquarters and Xiamen Factory will undergo ISO 14064-1 verification in 2024.			
External guarantee or confirmation	The data on water, energy, and greenhouse gas inventories in the 2024 ESG sustainability report has been verified by an independent third-party organization. In 2024, we conducted ISO 14064-1 greenhouse gas verification for our Sijhih headquarters and undertake the first ISO 14064-1 verification at our Xiamen Factory. Obtained ISO 45001 Occupational Safety and Health Management Systems certification and ISO 14067 Product Carbon Footprint in 2024. The plan is to obtain ISO 50001 energy management system certification in 2025. Clientron is steadfastly moving towards the goal of sustainable development, further strengthening our commitment to environmental protection.			

Risk Management

Risk category	Responsible unit	Risk management approach
Legal risk	Administration Office	Clientron conducts its daily operations in compliance with relevant domestic and international laws and regulations. We closely follow the trends in domestic and foreign policies and regulatory changes, gather related information to support management's decision-making, and adjust the company's operational strategies accordingly.
Interest rate risk	Administration Office	Clientron and its subsidiaries regularly assess the deposit interest rates of various bank projects, and closely monitor the impact of financial market interest rate changes on the company's funds, in order to take timely measures to adjust the position of idle funds. As a result, interest rate changes are not expected to have a significant impact on the company's profit and loss.
Exchange rate risk	Administration Office	The Finance Department of Clientron maintains close relationships with financial institutions, closely monitoring exchange rate fluctuations and closely following international exchange rate trends and changes. This allows the company to respond in a timely manner to the impact of exchange rate changes and to manage and adjust its foreign exchange positions accordingly, in order to reduce the risks that exchange rate fluctuations pose to the company's operations.
Investment risk	Administration Office	Clientron has always maintained a focus on its core business and a pragmatic approach to operations. Its financial policies are characterized by a conservative and risk-averse approach, without engaging in high-risk, highly leveraged investment activities.
Risk of currency inflation	Administration Office	Clientron constantly monitors changes in upstream product prices, maintains good relationships with suppliers and customers, anticipates market trends, mitigates the impact of price increases, adjusts sales strategies, and avoids significant effects on the company due to inflation.
Risks associated with raw materials and the supply chain	Materials Division	Clientron has long-term, stable relationships with its various suppliers. If a supplier is unable to provide a stable source of goods or meet delivery times, the company will first seek out alternative manufacturers or suitable substitute raw materials. The company has built strong, long-term cooperative relationships with its suppliers. Additionally, the company's main procurement items have more than two suppliers, ensuring stable supply sources without interruption, so there is no risk of concentrated procurement.
Occupational health and safety risks	ESH Office	Clientron strictly adheres to relevant occupational safety and health laws and regulations, and has set up a risk identification, assessment management procedure, and risk management system to create a safe and healthy work environment. Establish an emergency response management procedure, create an emergency response team responsible for addressing various emergency situations and handling the aftermath to mitigate the company's production losses during emergencies. We prioritize the physical and mental well-being of our employees. Through regular training and awareness campaigns, we aim to enhance their understanding and implementation of occupational safety and health. "Please refer to 3.3 for detailed information on workplace health and safety".
Tax risk	Administration Office	Clientron is dedicated to building a robust and comprehensive business environment through its operations. The finance department is responsible for tax management, ensuring that tax policies are aligned with relevant laws and regulations. We maintain close coordination with the accounting firm and National Taxation Bureau, and communicate the received tax information through our finance department to the corporate governing entity, enabling them to better understand internal risks and tax trends. We strictly adhere to all applicable tax-related regulations, including the "Securities Transaction Tax", "Futures Transaction Tax", "Business Tax", and the "Company Act". All major operational decisions of the company are made in compliance with laws and regulations, and their impact on tax risks is evaluated. Transactions are not conducted in low-tax countries for the purpose of tax avoidance.

Risk category	Responsible unit	Risk management approach
Corporate image change	Common Resource Division	Clientron has operated with integrity and a solid, stable spirit since its founding, maintaining a positive corporate image and complying with all relevant local and international laws and regulations.
Technological changes and industrial transformations	Research and Development Division	Clientron closely monitors the technological changes and advancements in its industry, stays informed about market trends and industry peers, and adjusts its product offerings in a timely manner to meet market demands, ensuring the company maintains its competitiveness.
Information Security Risk	Administration Office	Clientron's information security management policy includes specific management plans and related resource allocation. These policies aim to ensure the effectiveness and continuity of the various information systems, while also maintaining the security and proper functioning of the physical information environment. <u>"For more details, please refer to the information security management"</u> .

2.4 Regulatory compliance and management

Integrity

To deepen Clientron's culture of integrity management, establish a robust development system, and build a sound business framework, the "Code of Ethics" has been specially formulated. At our company, we strictly adhere to the law and maintain disciplined operations across all business functions, including execution, product design, and procurement. Our Code of Ethics clearly prohibits bribery, corruption, illegal political contributions, inappropriate charitable donations or sponsorships, unreasonable gifts, hospitality or other improper benefit, and infringement of trade secrets, trademark rights, patent rights, copyright, and other intellectual property rights, engaging in acts of unfair competition. We also ensure that the development, procurement, manufacturing, provision and sale of our products and services do not directly or indirectly harm the interests, health, or safety of consumers or other stakeholders. These preventive measures and handling procedures are in place to protect customer rights, safeguard company assets, prevent from fines and maintain our reputation.

To guide the conduct of the company's directors and managers in line with ethical standards, and to help the company's stakeholders better understand the company's ethical standards, the "Code of Ethical Conduct" has been specially formulated. Directors or managers should avoid using the company's assets, information, or their position for personal benefit. May compete with the company. When the company has a profitable opportunity, the directors or managers have a responsibility to maximize the company's legitimate and lawful profits. The company will timely reinforce ethical principles and encourage employees to report any suspected violations of laws, regulations, or ethical codes to managers, internal audit supervisor, or other appropriate personnel. We will handle the reported information confidentially and responsibly. We will allow anonymous reporting and do our utmost to protect the safety of those who report in good faith, ensuring they are not subjected to any threats. Manage internal controls by conducting internal audits and reviews of all company units and subsidiaries in accordance with the company's internal control system, and disclose the results in the company's annual report. To safeguard customer interests, prevent corporate asset losses, and maintain the company's reputation, the responsible unit is tasked with developing and overseeing the implementation of an integrity management policy and preventive measures. The key responsibilities include the following, with regular reporting to the Board of Directors:

The duties of the responsible unit for the Code of Ethics of Clientron	
I	Integrate integrity and ethical values into the company's operation strategy, and develop relevant anti-fraud measures in alignment with laws and regulations to ensure ethical business practices.
II	Establish an anti-corruption plan and define standard operating procedures and behavioral guidelines for the associated work tasks within each plan.
III	Plan the internal organization, staffing, and responsibilities, and establish a mutual supervision and control mechanism for business activities with a higher risk of unethical behavior within the scope of operations.
IV	Promote and coordinate the implementation of integrity policy training.
V	Develop a complaint reporting system to ensure its effective execution.
VI	Assist the board of directors and management team in auditing and evaluating the effectiveness of the preventive measures established for ethical business operations, and periodically assess compliance with relevant business processes, composing a report.

The company is committed to maintaining gender equality in the workplace and ensuring that employees or service recipients are free from sexual harassment or unfair treatment based on race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, beliefs, political affiliation, club membership, or marital status. Employees can file a complaint to restore their rights and prevent further harm. To report any and all forms of corruption, extortion, and misappropriation of public funds, and to commit, provide, authorize, give, and accept bribes or other forms of improper gain, the "Complaint and Reporting Management Measures" have been formulated and applied to events occurring between the company's employees, suppliers and customers, or between employees and their service recipients. If the perpetrator is not an employee of our company, we will assist the victim in exercising their legal rights. The administrative responsibilities include overseeing the investigation and resolution of any reports or

complaints, analyzing the root causes, and managing the relevant statistics. The responsibility of each department is to communicate the prohibition of any form of retaliation against reporting and filing complaints, and to prevent further harm. If a corruption incident occurs in our company, we will hold the relevant personnel administratively accountable and propose reform recommendations to address the shortcomings. In addition to continuing to gather intelligence and forwarding the case for prosecution, we also fully cooperate with the investigative unit.

Process for Handling Complaint Cases:



Internal Regulations of Clientron			
01.	Articles of Association of Clientron	06.	Director Election Procedure
02.	Remuneration Committee Organizational Regulations of Clientron	07.	Regulations Governing Board of Directors Meetings
03.	Asset Acquisition or Disposal Handling Procedures	08.	Operating Procedures for Lending Money to Others
04.	Regulations for the Shareholders' Meeting	09.	Code of Ethics
05.	Endorsement Guarantee Operating Procedures	10.	Code of Ethical Conduct

Note: The above-mentioned regulations and procedures have been disclosed on the company's official website. You can find them under "Investor Information → Corporate Governance → Company Regulations" at the following link: https://www.clientron.com/zh-tw/governance_policies.php.

Safeguarding of Employee Rights

Clientron complies with relevant laws and regulations, including the Labor Standards Act, the Gender Equality in Employment Act, and the Employment Service Act, to ensure the company's operations are legally compliant. Develop a "employee handbook", "Social Responsibility Management Manual" that prohibits any harassment or illegal discrimination in the workplace. Ensure fair treatment in hiring and employment (e.g., wages, promotions, rewards, training opportunities) regardless of race, color, age, gender, sexual orientation, gender identity, ethnicity, nationality, disability, pregnancy, religion, political affiliation, group membership, veteran status, protected genetic information, or marital status. Additionally, in accordance with relevant laws and regulations, employees are prohibited from using their position or authority to mistreat others, including through physical attacks, verbal insults, intimidation, threats, or other forms of bullying or violence, which may cause mental or physical harm. The company did not have any incidents of discrimination, sexual harassment, or complaints filed against it in 2024. The Xiamen Factory has established "Recruitment and Employment Management Regulations" and "Procedures for Preventing Discrimination and Harassment" in accordance with relevant laws and regulations. These policies explicitly prohibit the use of child labor and forced labor, eliminate unlawful discrimination, and ensure equal employment opportunities, fostering an equitable work environment.

To ensure the implementation and compliance with the "Labor Standards Act" and the "Gender Equality in Employment Act" of the Republic of China, we will irregularly review the implementation of issues such as child labor and underage workers, forced labor, sexual harassment, workplace bullying, labor-management communication, and freedom of expression according to the customer's requirements. Our company adheres to relevant laws and regulations, and does not employ anyone under the age of 15 to perform work. There were no incidents of employing child labor in 2024. The company complies with the relevant regulations of the International Labor Organization Convention and Labor Union Act of Republic of China, allowing all employees to engage in collective bargaining and freely organize and join unions as per the law. At the Xiamen Factory, the company has established a "Freedom of Association Guideline" to promote work safety, prevent accidents, improve the work environment, and safeguard employee health. It also has an employee suggestion box, respecting the legal right of employees to freedom of assembly and

association, and striving to provide effective communication channels between labor and management.

Clientron prioritizes the labor rights of its employees and strictly complies with local labor laws to ensure that their working hours are within the legal limits. To monitor employee working hours, we have implemented a clocking system that precisely records their arrival and departure times. This ensures that weekly working hours do not exceed the maximum limit set by the Labor Standards Act. If overtime is needed, we obtain the employee’s consent and provide either overtime pay or compensatory leave afterwards to safeguard their rights. Clientron did not engage in any forced or compulsory labor practices in 2024.

Regulatory Compliance

Clientron considers an event where the cumulative single-event penalty fine amount exceeds NT\$1 million to be a significant event. During the reporting period, the company continued to comply with relevant corporate governance regulations, including the “Company Act”, “Securities Transaction Tax Act”, “Futures Transaction Tax Act”, and “Business Tax Act”, and did not have any violations. We strictly manage to ensure no corruption incidents occur, and guarantee the products we produce comply with relevant laws and regulations, without any violations resulting in fines, nor any related anti-competitive, anti-trust, or monopolistic behavior and violations of ethical corporate, which brings an excellent corporate image to Clientron.

Regulations related to corporate governance	Regulations related to labor rights
<ul style="list-style-type: none"> ● There is no violation of the Company Act ● There is no incident of violation of the Securities Transaction Tax Act ● There is no violation of the Futures Transaction Tax Act ● There is no violation of the Business Tax Act ● There is no political contribution ● There is no incident of corruption 	<ul style="list-style-type: none"> ● There is no violation of the Gender Equality in Employment Act ● There is no forced labor ● There is no child labor used ● There is no comprising freedom of association and collective bargaining ● There is no incidents of discrimination or human rights violations ● There is no incident of violation of indigenous rights ● There is no violation of Occupational Safety and Health Act
Regulations related to products	Laws and regulations related to environmental protection
<ul style="list-style-type: none"> ● Products with no known restrictions or controversies ● Events that comply with marketing-related laws and voluntary codes ● The company has not incurred any substantial fines for violating laws or regulations related to the provision and use of its products and services ● Legal disputes not involving anti-competitive, anti-trust and monopolistic practices ● There is incident of violation of customer privacy 	<ul style="list-style-type: none"> ● There is no incident of violation of the environmental protection laws
<p>Note:</p> <ol style="list-style-type: none"> 1. According to the Financial Supervisory Commission’s definition of significant penalties under Article 26, Paragraph 3, the single cumulative amount does not exceed 1 million. 2. Under the Occupational Safety and Health Act, a fine of over 300,000 is considered a severe punishment. 	

Reporting channel

Clientron, as required by law, provides assistance to victims in exercising their rights, and has established a reporting procedure for stakeholders to ensure they can effectively participate in oversight and express their opinions. If any stakeholder discovers an event that may violate ethical integrity, they can file a complaint or communicate through the following means:

Reporting channel	
Handling unit	General Manager Office
Mailing address	3F., No. 75, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City
Reporting tel	02-26987068
Email	ceo@clientron.com

Chapter III Hire the best people, treat partners kindly

3.1 Talent development

Management guidelines	Employment relations		
Respond to sustainability principles (issues)	GRI 401 Employment relations	Stakeholders Impacted	Employees and other personnel, government, shareholders, and other investors
Significant reason	Talented individuals are the cornerstone of Clientron for sustainable development, their value surpasses any asset. Clientron values harmonious employment relations and strictly complies with labor laws. It even provides benefits and compensation that exceed legal requirements, with the aim of creating a stable, harmonious and healthy work environment. This helps the company attract and retain talented employees, enabling it to operate and grow sustainably.		
Impacts	<p>Clientron maintains a competitive wage level, prioritizes corporate social responsibility, and focuses on employee care, fostering positive employment relations and improving the stability of the work environment and employee satisfaction. Failure to comply with relevant regulations may lead to labor disputes and other incidents that could harm the company's reputation.</p> <ul style="list-style-type: none"> ●: Fostering a stronger sense of belonging among employees ●: Decrease employee turnover ●: Lowering costs associated with hiring and training employees ▲: Labor disputes and related events <p style="text-align: right;">●: Positive impact ▲: Negative impact</p>		
Policy/Strategy	Hire employees in compliance with local labor laws, adhering to the principles of diversity and equal opportunity to ensure fair and just employment practices. We are committed to supporting the career development of our employees by providing and supporting a range of development opportunities and resources to meet their needs. To align with the company's operational development direction, we will attract top talent and leverage the MBO performance management system to regularly assess performance and develop and take care of our key personnel. It can boost employee performance and drive the company's ongoing development and competitiveness.		
Objectives and Targets	<ul style="list-style-type: none"> ● Short-term objective: The target employee turnover rate is set at less than 8% for direct personnel and less than 5% for indirect personnel. The target is to maintain the overall monthly average turnover rate below 3%. Continue to provide education and training to enhance employees' skills and workplace adaptability. ● Mid-term and long-term objectives: The salary increase for high-performing employees is at least 10% higher than the average increase, in order to retain and incentivize top talent, and attract skilled personnel to meet operational needs. Maintain ongoing collaboration with domestic universities to offer more favorable employment terms for graduates, drawing in young talent to join Clientron. 		
Management assessment mechanism	Carry out quarterly MBO goal management, setting and reviewing to ensure the team's work objectives are clear and can be effectively assessed. Concurrently review the execution effectiveness of the previous season's MBO, and make any necessary adjustments and improvements. Annual employee performance reviews are conducted in July, and the results impact salary increases, promotions, and performance-based bonuses. The goal is to motivate employees to actively participate in their work and ensure they receive appropriate compensation for their efforts.		
Performance and Adjustment	<ol style="list-style-type: none"> 1. The company adjusts its management policies and compensation systems annually based on its business performance: Performance evaluations, salary adjustments, and promotions will be conducted in July, followed by the distribution of employee cash bonuses in September. 2. Distribute year-end and performance bonuses during the Lunar New Year to strengthen employee retention. 		
Preventive mechanism	Clientron complies with relevant laws and regulations, such as the Labor Standards Act, the Gender Equality in Employment Act, the Occupational Safety and Health Act and the Employment Service Act, to ensure the company's operations are legally compliant. The company also has an employee suggestion box and complaint system to respect the rights granted to employees by law, and is dedicated to providing effective communication channels between labor and management.		
Corrective measures	If changes in operations require terminating employment relations and laying off employees, Clientron will communicate thoroughly with employees. For any actual negative incidents, the company will develop a remedial plan for each case, such as providing career transition guidance, job placement referrals, or mental health counseling, to help employees find new job opportunities or cope with life's difficulties, and to minimize negative impacts.		

Management guidelines	Training and Education		
Respond to sustainability	GRI 404 Training and Education	Stakeholders Impacted	Employees, other workers, government, shareholders and other investors, customers, business partners,

principles (issues)		suppliers/contractors
Significant reason	Clientron places a strong emphasis on talent development, aiming to enhance the professional expertise and competitiveness of its team by improving employee skills. This allows the company to more effectively address the challenges it faces in the market. Provide a variety of on-site and virtual learning channels to develop the skills and capabilities of employees, tailored to their evolving needs at different stages of their careers. By continuously learning and growing, employees can better adapt to changes in the work environment, thereby bringing more value to the company.	
Impacts	<p>Through on-site and online education training, the employees can improve work efficiency and productivity, enable the company to provide higher-quality products and services, enhance its competitive edge in the market, and increase customer satisfaction. Lack of education training can impact an employee's chances for promotion and job security.</p> <p>●: High customer satisfaction ●: Boosting work efficiency and productivity ▲: Regulatory violations and safety concerns</p> <p style="text-align: right;">●: Positive impact ▲: Negative impact</p>	
Policy/Strategy	Invest in human resources and strengthen the integration of training and application by providing employees with learning opportunities and appropriate job assignments, ensuring they can thrive in the areas best suited to their strengths. Provide ongoing professional development for employees to support their personal growth, enhance their skills, and improve the company's technical and operational performance. This not only supports the professional development of employees, but also improves the overall team performance and competitiveness, promoting the company's sustainable development.	
Objectives and Targets	<ul style="list-style-type: none"> ● Short-term objective: The target for offering education training courses is to exceed 90% attendance. ● Mid-term and long-term objectives: Enhance employees' professional techniques and core skills through the education training system, improve work performance and achieve organizational goals, and establish individual development plans (I.D.P.) for employees. 	
Management assessment mechanism	Annually survey the previous year's education training needs across departments to understand the training requirements of each department. The investigation results are consolidated by the human resources unit, which then formulates the annual education training plan. During the execution of skill training, the progress and outcomes of each department must be reported to the human resources unit to enable tracking and management. To ensure the effectiveness and comprehensiveness of the education training, thereby enhancing the employees' capabilities.	
Performance and Adjustment	<ol style="list-style-type: none"> 1. In 2024, Clientron provided 1,915.5 hours of education training in total, focusing on training for new hires, various functional roles and ISO. 2. In 2024, we will enhance the skill education training of R&D personnel, focusing on IATF five core tools and increasing the number of employees certified in ISO 26262 Functional Safety. 	
Preventive mechanism	The education training related program manual has been made available on section of the EIP employee information portal, ensuring that all staff can easily access the relevant information in real time. All employees can share their opinions, consultations, suggestions or objections through a variety of communication channels, such as on-site consultation, telephone communication, email, and discussions during various meetings.	
Corrective measures	Training organizer will provide individual follow-up and reminders to personnel who should have participated in the training but did not, understand the reasons for their absence, and offer assistance. Arrange additional training (make-up lesson) opportunities or allocate extra training time. Inform the department head and relevant personnel about the subsequent handling measures, including the arrangements for additional training and the implications for the annual performance assessment. Quarterly monitor and track the implementation of the additional training plan to ensure that all personnel who have not yet completed the training are able to do so in a timely manner.	

Uphold human rights

Clientron pledges to safeguard the fundamental human rights of all its employees and will not tolerate any incidents of human rights abuses or violations. Our company has previously joined amfori BSCI and adhered to its code of conduct as well as local laws and regulations. We also support international legal instruments and guidelines such as the United Nations Global Compact (UNGC), the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), the International Labor Organization Conventions (ILO Conventions), and the Responsible Business Alliance (RBA). Empower employees to thrive in a fair, safe, and respectful work environment, upholding our steadfast commitment to human rights. Here is how we are implementing our policies:

Human Rights Policy and Implementation Status of Clientron	
Item	Implementation status
Employee labor rights	In accordance with relevant laws and regulations, Clientron handles employment matters based on the Employment Contract and management regulations, which clearly define the rights, obligations,

	and benefits of employees, in order to protect the interests of the employees. In 2024, our company did not experience any incidents of labor rights violations.
Prohibition of Forced and Coerced Labor	Clientron prioritizes the labor rights of its employees and strictly complies with local labor laws to ensure that their working hours are within the legal limits. To monitor employee working hours, we have implemented a sensory clocking system that precisely records their arrival and departure times. This ensures that weekly working hours do not exceed the maximum limit set by the Labor Standards Act. If overtime is needed, we obtain the employee's consent and provide either overtime pay or compensatory leave afterwards to safeguard their rights legally. The company did not engage in any forced or compulsory labor practices in 2024.
Non-bonded labor	We firmly oppose slavery, forced labor, bonded labor, and involuntary labor. We do not charge workers any recruitment fees, provide clear and transparent employment contracts (agreements), and ensure that workers are not exploited and threatened. Meanwhile, we respect the workers' personal freedom of movement, do not retain and keep their personal ID documents, and provide free, comprehensive, and accurate working condition regulation. Workers have the right to freely terminate their employment contract (agreement), change employers, and return home safely. They are also entitled to free dispute resolution and effective remedies. The company did not have any relevant incidents in 2024.
Child labor and underage workers	To ensure the implementation and compliance with the "Labor Standards Act", we will irregularly review the implementation of issues such as child labor and underage workers according to the customer's requirements. Our company adheres to relevant laws and regulations, and does not employ anyone under the age of 15 to perform work. There were no incidents of employing child labor and underage workers or injuries to them in 2024.
Fair remuneration	The company ensures that all employees' starting salaries meet the minimum wage standard and comply with the Labor Standards Act and other relevant regulations. We adhere to the principle of fair and equitable compensation and ensure that the remuneration meets legal requirement in order to attract top talent. We have a strict policy against using salary reduction as a form of punishment, in order to maintain positive labor-management relations. In 2024, the salaries and benefits paid by our company to employees were fully compliant with the company's regulations and applicable laws.
Unsecured employment	We ensure that all our work is conducted in compliance with relevant national laws, customs, and international labor standards, under recognized and documented employment relations. The company will never engage in any illegal or deceptive practices, such as offering meaningless training or seasonal work, or using informal employment contracts or substitutes. The company did not have any relevant incidents during 2024.
Oppose sexual harassment and discriminatory behavior	Clientron complies with the Gender Equality in Employment Act and the Employment Service Act, and implement anti-discrimination and sexual harassment prevention measures. In accordance with the regulations of the Employment Service Act, "For the purpose of ensuring national's equal opportunity in employment, employer is prohibited from discriminating against any job applicant or employee on the basis of race, class, identity". Dedicated to eliminating any form of discrimination based on gender, age, health conditions, pregnancy, nationality, or religious beliefs. Our company did not experience any incidents of sexual harassment and discriminatory behavior in 2024.
Freedom of association and collective bargaining	The company complies with the International Labor Organization's Conventions and the Labor Union Act of Republic of China and other applicable regulations, allowing all employees to collectively bargain and freely organize and participate in labor unions as per the relevant regulations. The Xiamen factory has established a labor union to promote harmonious labor relations, drive business development, and safeguard the labor rights and interests of its employees. The employees' rights are protected by relevant labor laws and regulations. In 2024, as of the reporting period, the Taipei headquarters has not joined or established any unions, nor has it signed any collective agreements, and there have been no violations of freedom of association and collective bargaining.

Employee Profile

Clientron has always believed that employees are its most important asset, and the professional skills they possess are the key to the company's continued growth. As such, we are committed to seeking out the most talented individuals, providing them with a supportive work environment and growth opportunities, as well as comprehensive training and support to motivate our employees to continuously improve and innovate. We aim to establish a corporate culture of mutual trust and shared growth through collaboration and interaction with employees.

The Taipei headquarters employs a total of 189 full-time staff. In 2024, the company hired 27 new employees, with 19 males and 8 females, resulting in an employment rate of 14.29%. In the same year, a total of 28 employees resigned, comprising 20 males and 8 females, resulting in a turnover rate of 14.81%.

The Xiamen Factory employs a total of 130 full-time staff. In 2024, the company hired 16 new employees, with 11 males and 5 females, resulting in an employment rate of 12.31%. In the same year, a total of 10 employees resigned, comprising 7 males and 3 females, resulting in a turnover rate of 7.69%.

The stable employee turnover rate is attributed to the impact of the economic downturn, as well as a reduction in the industry's supply chain and decreased job opportunities. Additionally, the non-employee workers at the Xiamen factory include security guard and canteen service staff. The situation regarding employees and non-employees this year is as follows.

Overview of employee headcount							
Region	Contract type	2023			2024		
		Female	Male	Total count	Female	Male	Total count
Taiwan	Number of employees	74	116	190	74	115	189
	Number of full-time employees	74	116	190	74	115	189
	Number of casual employees	0	0	0	0	0	0
Xiamen	Number of employees	83	41	124	87	43	130
	Number of full-time employees	83	41	124	87	43	130
	Number of casual employees	0	0	0	0	0	0

Note:

1. The total number of employees combines the data from the Taipei headquarters and the Xiamen factory.
 2. This table calculates the number of people as of December 31, 2024.
 3. The company has no other employees with different genders, those who do not disclose their gender, and those without guaranteed work hours.
 4. Employee: Individuals who establish an employment relations with the organization as per national laws or applicable requirements.
 5. Full-time: Individuals who have signed an indefinite-term contract and are covered by the Labor Standards Act, working no more than 8 hours per day and 40 hours per week, are considered full-time employees.
- Casual: Individuals who sign fixed-term contracts and have agreed to work hours that are less than the standard work hours are considered part-time employees.

The non-employee workers at the Xiamen factory are outsourced personnel who are not company employees. In 2024, there were 8 such workers, which is unchanged from the previous year.

Number of employees			
Worker type	Contractual relationship with the company	2023	2024
Security guard	Outsourcing	6	6
Canteen service staff	Outsourcing	2	2
Total headcount		8	8

Gender percentage (%) of employees at Clientron								
Year	2023				2024			
	Taiwan Headquarters		Xiamen Factory		Taiwan Headquarters		Xiamen Factory	
Gender	Male	Female	Male	Female	Male	Female	Male	Female
Management level	63	37	46	54	66.67	33.33	45	55
Technician	13	87	80	20	12.5	87.5	80	20
All employee	61	39	33	67	60.85	39.15	33.33	66.67

Employment rate

Number of new hires in 2023								
Region	Taiwan				Xiamen			
Gender	Male		Female		Male		Female	
Age/Item	Number of People	Employment rate (%)	Number of People	Employment rate (%)	Number of People	Employment rate (%)	Number of People	Employment rate (%)
30 years old and below	5	2.63	1	0.53	0	0	0	0
30 to 50 years old	23	12.11	7	3.68	0	0	0	0
Aged 51 and above	3	1.58	0	0.00	0	0	0	0
Total number of new hires	39				0			
Total number of employee	190				124			
Total employment rate (%)	20.53				0			

Note:

1. The number of new hires do not account for those who left the organization during the period.
2. The employment rate for male (female) employees in this age group is calculated as the number of new male (female) hires in this age group during the year divided by the total number of employees at the operation site at the end of the year.
3. The total new hire rate is calculated as the number of new employees hired during the year divided by the total number of employees at the operation site at the end of the year.

Number of new hires in 2024								
Region	Taiwan				Xiamen			
Gender	Male		Female		Male		Female	
Age/Item	Number of People	Employment rate (%)	Number of People	Employment rate (%)	Number of People	Employment rate (%)	Number of People	Employment rate (%)
30 years old and below	5	2.65	0	0	8	6.15	3	2.31
30 to 50 years old	11	6.35	8	4.23	3	2.31	2	1.50
Aged 51 and above	3	1.59	0	0.00	0	0.00	0	0.00
Total number of new hires	27				16			
Total number of employee	189				130			
Total employment rate (%)	14.29				12.31			

Note:

1. The number of new hires do not account for those who left the organization during the period.
2. The employment rate for male (female) employees in this age group is calculated as the number of new male (female) hires in this age group during the year divided by the total number of employees at the operation site at the end of the year.
3. The total new hire rate is calculated as the number of new employees hired during the year divided by the total number of employees at the operation site at the end of the year.

Given the evolving needs of society, an increase in the company's workforce is inevitable. Our company recruits new employees through a variety of channels, including job bank, industry-academia collaboration, online communities, and internal employee referrals, in order to attract a diverse pool of talent.

Employee turnover rate

Number of departing employee for 2023								
Region	Taiwan				Xiamen			
Gender	Male		Female		Male		Female	
Age/Item	Number of People	Employee turnover rate (%)	Number of People	Employee turnover rate (%)	Number of People	Employee turnover rate (%)	Number of People	Employee turnover rate (%)
30 years old and below	5	2.63	1	0.53	0	0	0	0
30 to 50 years old	23	12.11	7	3.68	0	0	0	
Aged 51 and above	3	1.58	0	0	0	0	0	0
Total number of departing employee	39				0			
Total number of employee	190				124			
Total employee turnover rate (%)	20.53				0			

Note:

1. Categorizing the employees who have left the company Resignation, termination, layoff, retirement, etc.
2. The turnover rate for male (female) employees in this age group is calculated as the number of new male (female) departs in this age group during the year divided by the total number of employees at the operation site at the end of the year.
3. The total employee turnover rate is calculated as the number of employees who left the company during the year divided by the total number of employees at the operation site at the end of the year.

Number of departing employee for 2024								
Region	Taiwan				Xiamen			
Gender	Male		Female		Male		Female	
Age/Item	Number of People	Employee turnover rate (%)	Number of People	Employee turnover rate (%)	Number of People	Employee turnover rate (%)	Number of People	Employee turnover rate (%)
30 years old and below	5	2.65	0	0.00	4	3.07	2	1.54
30 to 50 years old	12	6.35	8	4.23	3	2.31	1	0.77
Aged 51 and above	3	1.59	0	0.00	0	0.00	0	0
Total number of departing employee	28				10			
Total number of employee	189				130			
Total employee turnover rate (%)	14.81				7.69			

Note:

1. Categorizing the employees who have left the company Resignation, termination, layoff, retirement, etc.
2. The turnover rate for male (female) employees in this age group is calculated as the number of new male (female) departs in this age group during the year divided by the total number of employees at the operation site at the end of the year.
3. The total employee turnover rate is calculated as the number of employees who left the company during the year divided by the total number of employees at the operation site at the end of the year.

Employees are the company's most important partners. Although some employees had to leave the company in 2024 due to family or health reasons which makes us feel sad, we still hope they can grow and apply their talents in their future careers. To create a stable work atmosphere, our company encourages work-life balance, remote work, and leave without pay to reduce employee turnover rate. This helps build a stable team, foster work synergy, and drive the company's business forward.

Hiring a diverse workforce

Clientron is committed to fostering a diverse and inclusive work environment, while also emphasizing its responsibility and concern for the society. In accordance with the "People with Disabilities Rights Protection Act" and relevant labor laws, we have set up designated quotas to support the employment of minority and underprivileged groups with the ability to work. Aimed at promoting equal employment

opportunities and fostering a fair work environment. This represents not only respect for everyone’s rights, but also the company’s steadfast commitment to social responsibility. We hope to bring more diverse talent to the company and provide more valuable opportunities for the personal growth and development of each employee. The following table shows the distribution of employees from diverse ethnic groups:

Distribution of a diverse workforce				
Year		2023		2024
Item/Gender	Age	Number of People		
Minority or underprivileged groups	Male	30 years old and below	0	0
		30 to 50 years old	1	0
		Aged 51 and above	0	0
	Female	30 years old and below	0	0
		30 to 50 years old	0	0
		Aged 51 and above	0	0

Note: Minority or underprivileged groups: Groups with specific conditions or characteristics (such as economic, physical, political, social) that may be more impacted negatively by organizational activities than general ones.

Employ local residents

Clientron actively strengthens its harmonious relationship with the local community during the recruitment process, ensuring the job stability of employees and supporting the local economic development. We give priority to hiring local residents, and consider the people living in the areas where our operations are located as our primary recruitment pool. Additionally, the company exclusively hires local residents to fill managerial roles of assistant manager level and above at the Taipei headquarters, as well as deputy director level and above at the Xiamen factory, in order to foster the growth and development of local talent. This approach not only recognizes the local talent, but also strengthens the connection with the local community, helping to create a harmonious and stable environment, and achieve the goal of shared prosperity with the community. The employee job distribution in 2024 was as follows:

Composition of the workforce in 2024				
Region		Taiwan		Xiamen
Item/Gender	Age	Number of People		Number of People
Manager	Male	30 years old and below	0	0
		30 to 50 years old	13	0
		Aged 50 and above	9	0
	Female	30 years old and below	0	0
		30 to 50 years old	5	1
		Aged 50 and above	6	0
Total number of manager		33	1	
Non-managerial staff	Male	30 years old and below	8	3
		30 to 50 years old	66	39
		Aged 50 and above	19	0
	Female	30 years old and below	1	7
		30 to 50 years old	50	76
		Aged 50 and above	12	4
Total number of non-managerial staff		156	129	
Total number of full-time staff		189	130	

Note: 1. Employees with the rank of assistant manager or above at the Taipei headquarters are considered senior management.
2. At the Xiamen factory, the deputy director position and above are considered senior management.

Education training

In 2024, Clientron developed a diverse education training program to enhance the professional skills and management capabilities of its employees. Our company is committed to providing a diverse range of learning resources, including extensive on-site and online courses, to allow employees to freely choose the learning content and methods that best suit their individual needs. With the goal of helping employees improve their job performance and strengthen their sense of self-value. To embed the company's philosophy into the capabilities and knowledge required for different roles and positions, we have transformed the general education and various specialized courses offered to Clientron's employees into online learning. This allows our colleagues to more flexible schedule their learning and work time, and to continue their professional and diverse training. New hires will attend a training program that covers the company's background, core values, and basic policies. They will also participate in courses on information management, use of internal system platform, and training on occupational safety and fire drills. For employees currently in service, professional programs will be planned based on their respective job duties and skill requirements, including in-house or external training. In-house training courses focus on exchanging professional techniques within the company, to enhance employees' work capabilities. External training courses will be arranged for employees to attend seminars based on the company's needs, providing good opportunities for specialized training to enhance their professional capabilities. For managers and supervisors, they will participate in the management program, which focuses on strategic thinking, organizational development, and human resource planning, to continually enhance their management abilities.

Additionally, we place great importance on training and encouraging our internal lecturers. "Talents" are the core of a company's competitiveness, so we encourage the internal staff to share their knowledge and experience to promote knowledge transfer and create value. We have implemented various incentive measures, such as public recognition and rewards, to acknowledge the contributions of our internal lecturers in sharing the company's knowledge. Furthermore, the certification of internal instructors is considered a key requirement for promotion to management roles, and is used as a reference point in performance assessments. By providing training and encouragement from internal instructors, we aim to not only facilitate the transfer of knowledge, but also to enhance our employees' capabilities and sense of self-value in the workplace.

The education training hours vary due to the different nature of departments and job responsibilities. Since the management positions in the R&D department are predominantly held by men, they attend education training sessions together with the indirect personnel (RD). As a result, the education training hours of male managers are higher than those of their female counterparts. The majority of women in managerial roles are concentrated in functions such as procurement, production, and sales, which contributes to the discrepancy in education training hours between male and female managers and supervisors. We will continue our efforts in education training to enhance the overall professional standards and competitiveness of the team. In 2024, Clientron invested a total of NTD 1,556,309 in education training, with a total training time of 1,915.5 hours. The total average training time was 10.13 hours per person for management and non-management roles, and 10.14 hours per person for direct and indirect personnel.

Explanation of the education training classification									
Item/Category		Management		Non-management		Direct personnel		Indirect personnel	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Number of People	Person	22	11	93	63	2	14	113	60
Total hours of training	Hour	530.5	135.5	889.5	360	0	6	14.20	491.5
Total average hours of training	Hour per person	24.09	12.31	9.56	5.71	0	0.42	12.56	8.19
Training cost	NTD	472,339	120,104	562,512	401,355	0	0	1,034,851	521,459

Note:

- The total number of employees at the operational site is equal to the sum of the number of management positions and the number of non-management positions.
- The total number of employees at the operational site is equal to the sum of the number of direct personnel and the number of indirect personnel.

Clientron fire safety training



Fair performance management system

Clientron follows the “Labor Standards Act” and other relevant regulations, and has established an employee performance assessment system to ensure the protection of employee rights and interests. Coupled with a system of rewards and penalties to ensure the fairness of the assessment. All our employees undergo an annual performance review, which serves not only to assess their work performance, but also as an important audit mechanism for the company’s operations. The 2024 performance assessment results will be factored into salary adjustments, promotions, and coaching. The positive assessment outcomes demonstrate the company’s focus on employee performance and the employees’ acceptance of the assessment system. By conducting audits, we can gain a more comprehensive understanding of employee performance, identify potential problems, and address them promptly. This helps ensure the company’s operations and work environment continue to improve and progress.

Item	Management	Non-management	Direct personnel	Indirect personnel
Proportion of male employees undergoing performance assessment (%)	100	100	100	100
Proportion of female employees undergoing performance assessment (%)	100	100	100	100
Note: If the acceptance ratio of the assessment is less than 100%, please explain the excluded parties and the reasons (e.g., the chairperson, new hires with less than three months of service).				

Security guard training

The Clientron’s Taipei headquarters is located in an office building, and the security duties are carried out by the building’s security guard. The Xiamen factory’s security is outsourced to the Jimei Security Company. The hired security guards are required to comply with local security management regulations and receive relevant professional training every year as per the Occupational Safety and Health Act. The course content covers disaster prevention and rescue, along with practical training related to security duties, which includes learning duty skills, fire safety training, first aid knowledge, and practical exercises in counter-terrorism. This is to enhance the guards’ skills and raise the security standards. Some of the company’s security system operations are outsourced to a professional security agency, which employs 6 security guards. The security personnel hired by Clientron in 2024 have all received training on human rights policies or procedures.

Duty skill learning



Practical exercises in counter-terrorism



Health and rescue knowledge learning



Education on basic knowledge of security laws









3.2 Employee Welfare

Enhancing Employee Welfare

Clientron offers a comprehensive employee welfare package, including regular health checkups, birthday celebrations and cash gifts, end-of-year parties, company travel, holiday bonuses, profit-sharing, stock ownership plans, parking and transportation subsidies, fuel subsidy for personal cars for public use, as well as support for continued education and training. Employees can also apply for various welfare benefits such as marriage, funeral, celebration, and childcare subsidies, and there are also employee education training and other welfare measures in place. Additionally, the company provides group insurance for employees to offer them greater living protection. These welfare measures not only demonstrate the company's care and support for its employees, but also help to boost employee motivation to work and quality of life, and strengthen their sense of belonging and loyalty to the company. We are committed to continuously enhancing and refining our welfare system, in order to provide our employees with an even better work environment and to jointly pursue the sustainable development of both the company and our employees.



Welfare Measures of the Taipei Headquarters Employee Welfare Committee	
1	Hold the end-of-year parties.
2	Organize ball games and fun competitions to foster greater interaction and team spirit among employees.
3	Offer free group insurance coverage for employees and their dependents.
4	Birthday celebrations are held monthly, where employees receive birthday cash gifts.
Welfare Measures of the Xiamen Factory Employee Welfare Committee	
1	Mid-autumn festival dice game for mooncakes (bo bing)
2	Birthday celebration or distribution of birthday presents.
3	Company trips on an irregular basis.
4	End-of-year parties, featuring activities such as singing, dancing, and comedy sketches.
5	A gold necklace in recognition of 10 years of service and contributions.
Clientron E-Sports Tournament	Employees in Xiamen Factory travel to Nanjing
	

<p>Employees in Xiamen Factory travel to Nanjing</p>	<p>Employee birthday gifts</p>
	
<p>Mid-autumn festival dice game for mooncakes (bo bing)</p>	<p>Mid-autumn festival dice game for mooncakes (bo bing)</p>
	
<p>10-Year Service Award</p>	<p>20-Year Service Award</p>
	

Compensation system

Clientron is dedicated to creating a positive work environment and complying with Labor Standards Act and related regulations. The company adheres to the principle of fair and equitable compensation and ensures that the remuneration meets legal requirement in order to attract top talent. We regularly review global market trends and industry compensation standards, and flexibly adjust our compensation policy to ensure the company remains competitive in a challenging environment. We also place great importance on ensuring fair internal compensation, as this helps to build a stable work environment. The aim of this compensation strategy is to foster a sense of unity among employees, so that we can work together to promote the company's sustainable development and create a brighter future for both the employees and the enterprise.

The starting salaries at Clientron are the same regardless of gender, and fully comply with the minimum wage requirements of the Labor Standards Act. However, salaries will still take into account factors such as an employee's tenure and job performance, so there may be disparities in position-based compensation. The company's salary policy follows the principle of equal pay for equal work. Employees' compensation is not differentiated based on race, ideology, religion, political affiliation, gender, appearance, and physical/mental disabilities. The 2024 employee salary ratios across different professions are as follows:

Employee Compensation Statistics								
Salary ratios across different professions	Number of People				Compensation ratio			
	2023		2024		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
Management	11	19	11	22	1	1.08	1	1.04
Non-management	63	97	63	93	1	1.31	1	1.29
Direct personnel	13	2	14	2	1	0.97	1	0.97
Indirect personnel	61	114	60	113	1	1.15	1	1.13

Note:

- The average annual salary for female in this category is calculated by dividing the total annual salary of female in this category by the number of female in this category. The average annual salary for male in this category is calculated by dividing the total annual salary of male in this category by the number of male in this category.
- Ratio of women's to men's annual salaries (annual salary ratio): "Average annual salary for male in this category divided by the average annual salary for female in this category"

Clientron is dedicated to maintaining its competitiveness in the market. To achieve this, it conducts an annual international salary survey and adjusts employee compensation based on the market rates for each role and individual performance. In Taiwan, the standard salary of male entry-level workers is 1.09 times the national minimum wage, while the standard salary of female entry-level workers is 1.04 times the minimum wage. At the Xiamen factory, the standard salary of male entry-level workers is 1.68 times the local minimum wage, while the standard salary of female entry-level workers is 1.47 times the minimum wage. The ratio of highest salary to median employee salary is 4.99 times. We will continue to work diligently, constantly improving and adjusting our compensation policies. This includes making our salary structure more transparent, providing more benefits and incentives, to ensure the well-being and interests of our employees.

Region/Year	The ratio of standard salaries for male entry-level employees to the local minimum wage		The ratio of standard salaries for female entry-level employees to the local minimum wage	
	2023	2024	2023	2024
Taiwan	1.12	1.09	1.02	1.04
Xiamen	1.6	1.68	1.5	1.47

Region/Year	The ratio of the annual total compensation of the highest-paid individual in the company to the median annual total compensation of employees (excluding the highest-paid individual)	The annual total compensation of the highest-paid individual in the company and the increase ratio in the annual total compensation of employees (excluding the highest-paid individual)
Taiwan	4.99	-5.14

Note:

- The chairman's remuneration is not the highest individual, unless they also hold the position of general manager or CEO.
- Formula for calculating the median annual salary ratio: The highest individual annual salary in the year divided by the individual annual salary at the median in the year.
- Formula for calculating the annual salary increase ratio: The increase percentage of highest individual annual salary in the year divided by the increase percentage of individual annual salary at the median in the year.

Execution of parental leave

Clientron recognizes that childbirth is a critical issue for employees and their families. The Taipei headquarters has implemented a parental leave system in line with the Labor Standards Act, enabling employees to retain their positions during the childbirth period so they can focus on having a child without concerns about their job. Employees who meet the eligibility criteria can apply for parental leave, which can last up to two years. After parental leave ends, we are committed to supporting employees in successfully returning to work and staying with the company. The Xiamen factory offers its employees a generous maternity leave policy, providing 158 days of maternity leave and one year of nursing leave. As of the end of 2024, the company has no employees who have applied for parental leave. Here is the company's parental leave information for the past three years:

Statistics on Parental Leave in Clientron									
Year	2022			2023			2024		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
The number of employees eligible for parental leave application A	9	10	19	8	11	19	6	1	7
The number of employees who actually applied for parental leave this year B	0	2	2	0	2	2	0	0	0
The number of employees who should have returned to their jobs after taking parental leave that year C	0	0	0	0	0	0	0	0	0
The number of employees who actually resumed their positions after taking parental leave that year D	0	0	0	0	0	0	0	0	0
The number of employees who actually returned to work after taking parental leave the previous year E	0	3	3	0	0	0	0	0	0
The number of employees who took parental leave in the previous year and returned to work, continuing employment for one year thereafter F	0	3	3	0	0	0	0	0	0
The ratio (%) of employees returning to work after taking parental leave that year (D/C)	0	0	0	0	0	0	0	0	0
The ratio (%) of employees retaining the job after parental leave that year (F/E)	0	100	100	0	0	0	0	0	0

Calculation method:
1. The number of employees who should have returned to their jobs is referred to as the expected return-to-work figure.
2. The number of employees retained in the Year N is the number of employees who actually returned to work in Year (N-1) and were still employed as of December 31 in Year N.

Employee retirement system and its implementation

Clientron has set up an employee retirement plan in accordance with the “Labor Standards Act”, formed a labor pension fund supervisory committee, and deposited the labor pension fund in a dedicated account at Bank of Taiwan to cover future employee retirement benefits. Pursuant to the “Labor Pension Act”, employees who previously participated in the old pension scheme and have opted for the new scheme, or new hires after the implementation of the new scheme, their service years are now calculated under the defined contribution system. Pursuant to the fixed pension contribution system, our company contributes no less than 6% of each employee’s monthly salary to their personal pension account at the Bureau of Labor Insurance, as required by the Labor Pension Act. The Xiamen factory processes the relevant retirement matters in accordance with the “Labor Law of the People’s Republic of China” and “Civil Code of the People’s Republic of China”.

Clientron is dedicated to providing comprehensive retirement and project-based retirement care services, ensuring that employees can smoothly transition into and enjoy a fulfilling life after retirement. For employees nearing retirement, we offer consultations and support to understand their retirement readiness and needs. We provide career development guidance to help them prepare for the next stage of their lives. We also offer volunteer opportunities, allowing them to remain engaged in the community and enrich their lives after retirement. We continue to care for our retired employees and welcome their participation in company events, in order to maintain their connection with the company. Moreover, we support and welcome the rehiring of retired employees. If they are willing to return to work, their rich professional skills and valuable experience are invaluable resources for Clientron. They can pass on their abundant knowledge to new employees, thereby driving the company’s ongoing development. By implementing these care initiatives, we aim to foster a warm and harmonious work environment, where every employee can receive the necessary support and care at different stages of their journey.

Safeguarding employee rights and interests

Clientron has established a labor union to promote harmonious labor relations, drive business development, and safeguard the labor rights and interests of its employees. The employees’ rights are protected by relevant labor laws and regulations. The Xiamen factory labor union is formed by employees, with the union committee as the highest decision-making body. It has a union chairman, a finance review committee, and a women’s committee. The union committee meets at least once a year. The current committee’s term is 5 years, from June 5, 2023 to June 4, 2028. 99% of the employees at the company’s Xiamen factory are union members. In 2024, the company held a total of 4 labor-management conferences, during which it exchanged views with the union and labor representatives on various issues and engaged in extensive communication. Quarterly, the company’s safety officer, labor union chairman, and safety manager collaborate to inspect the company’s facilities, ensuring the safety of the employees’ work environment and reinforcing stable labor-management relations.

The Taipei headquarters has not currently joined or established any labor unions, nor has it signed any collective agreements. However, to continue protecting the rights and interests of employees and promote the company's development, the company held 4 labor-management conferences in 2024. It also shares labor-related information through other communication channels, such as by setting up an announcement section on the company's internal website to strengthen labor-management relations, and provides a confidential and secure complaint channel for employees to voice any related opinions. Please refer to the details provided in "Stakeholder Communication Channels".



Minimum notice period for operational changes

Clientron complies with the government's Labor Standards Act and adheres to internationally recognized basic labor and human rights principles, including the "United Nations Guiding Principles on Business and Human Rights", the "Declaration on Fundamental Principles and Rights at Work", and the "Universal Declaration of Human Rights". The company has also established relevant work rules and personnel management regulations to safeguard the legal rights and interests of its employees. To ensure the protection of employees' labor rights, if the company undergoes major operational changes, such as reorganizing, relocating or consolidating units, or terminating employment relationships, the company shall inform employees of the changes in advance. If, due to changes in the nature of the business, there is no suitable work available to reassign employees, or if employees are unable to perform their assigned work, the advance notice period prescribed by the Labor Standards Act will be followed for termination. The notice period varies depending on the employee's years of service, as stipulated in the following regulations:

- I. Employees who have worked for more than 3 months but less than 1 year must provide 10 days' notice before leaving their job.
- II. Employees who have worked for more than 1 year but less than 3 years must provide 20 days' notice before leaving their job.
- III. Employees who have worked for more than 3 years must provide 30 days' notice before leaving their job.

The Xiamen factory adheres to the Labor Law of the People's Republic of China, employee handbook, and relevant personnel policies to safeguard the employment rights and interests of its workers. If the company undergoes significant operational changes or decides to terminate the employment relationship with employees, the labor contracts with employees will be terminated in accordance with government regulations, and the notice period will be as follows:

- I. Employees who have worked for more than 1 week but less than 3 months must provide 3 days' notice before leaving their job.
- II. Employees who have worked for more than 3 months must provide 30 days' notice before leaving their job.

3.3 Workplace Health and Safety

Occupational Safety and Health Management

Occupational safety and health are crucial for the well-being of employees, the productivity of businesses, and the sustainable development of society. Clientron is currently planning to implement an occupational safety and health management system. However, our company already strictly adheres to relevant occupational safety and health laws and regulations, and has set up a risk identification, assessment management procedure, and risk management system to create a safe and healthy work environment. We prioritize the physical and mental well-being of our employees. Through regular training and awareness campaigns, we aim to enhance their understanding and implementation of occupational safety and health. In our safety management system, we not only focus on preventing accidents and responding to emergencies, but also on addressing occupational diseases and providing mental health support for our employees. We encourage our employees to provide suggestions for improvements. Through regular safety meetings and communication channels, we facilitate the exchange of information both within the company and with external stakeholders, ensuring the effective operation of our occupational safety and health management system. The scope of covered workers includes all Clientron employees, non-employee workers, and suppliers, without any exclusion. All personnel are subject to the same level of safety management and protection.

Our company has obtained ISO 45001 Occupational Safety and Health Management System certification by Q4 of 2024. We aim not only to comply with regulations, but also to significantly improve the overall level of occupational health and safety in our company, to meet international professional standards. This will also help bolster our market competitiveness, showcasing Clientron's commitment and accountability to occupational safety and health to our customers, business partners, and employees.

Accident reporting and investigation procedures

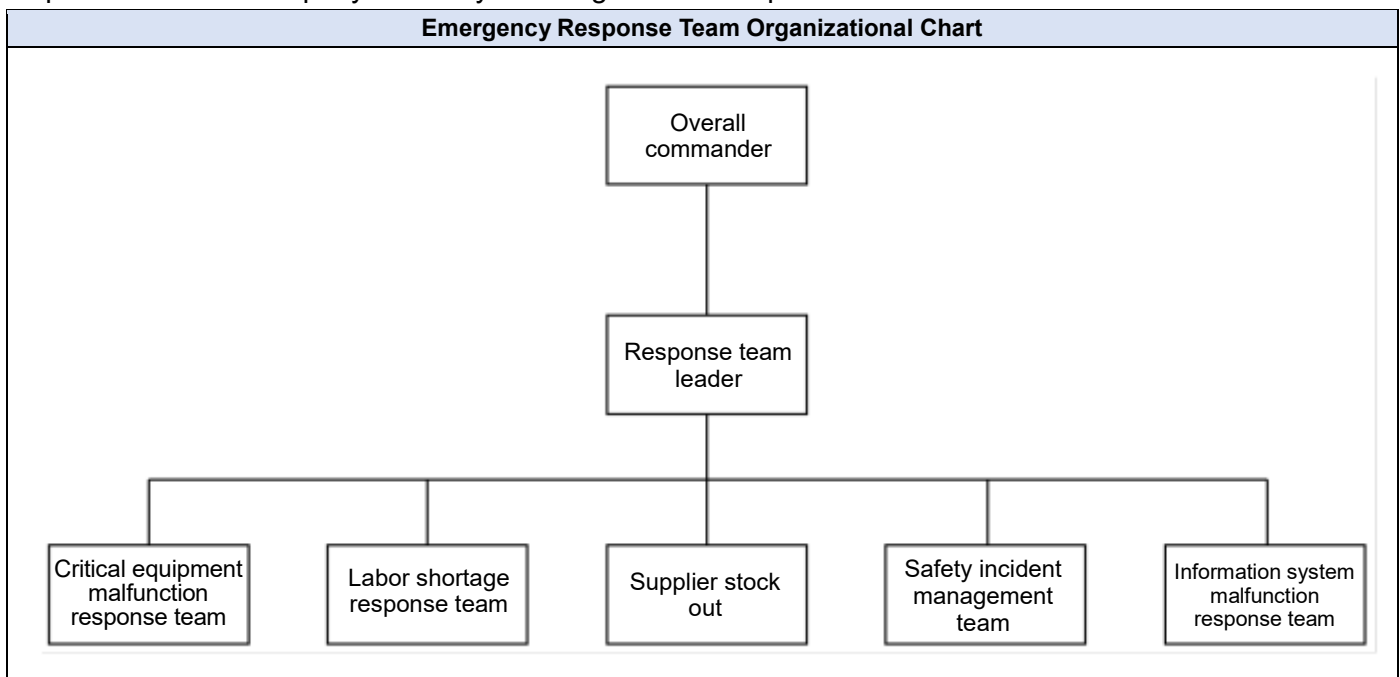
Clientron has established an Occupational Safety and Health Committee as required by regulations. We continue to work with our work safety personnel and department managers to regularly review, identify and discuss potential safety risks. The work safety personnel raise important safety concerns at the weekly management meetings or quarterly occupational safety and health meetings, and collaboratively develop strategies to address them. The company incorporates unacceptable medium and high-level risks into its management plan, implements improvement measures to lower the risk level, and continuously enforces risk control to ensure the effectiveness of the management system. Additionally, the administration office is responsible for planning and promoting occupational safety and health-related initiatives, as well as implementing environmental, health and safety policies to improve the work environment. The work safety personnel are responsible for conducting regular and irregular inspections to ensure the workplace meets safety and health standards, prevent accidents, maintain company assets, and improve employees' safety and health awareness.

If employees encounter issues while working, they can immediately report them to their supervisors. If employees believe the work environment poses an immediate safety risk, they have the right to stop working or leave the area to ensure their own safety. These measures are in place to safeguard the health and safety of our employees. We respect and support our staff's right to protect themselves at all times. In addition, through supplier audits, it is also possible to communicate directly with vendor personnel to resolve issues. To encourage employees to report unethical behavior, we offer protection for whistleblowers, including keeping their identity confidential and not disclosing any information that could identify them. And prohibit dismissing, discharging, demoting, reducing the salary of, or otherwise taking adverse actions against the whistleblower that would damage the rights and interests they are entitled to by law, contract, or custom. We aim to cultivate a safe and equitable work environment where employees can freely voice their opinions, allowing us to collectively uphold the company's values and spirits.

Implementing effective safety management systems and risk control measures can help reduce the risk of workplace accidents and occupational illnesses. Balancing employee safety with maintaining business operations and productivity. Occupational safety and health reflect a company's social responsibility and legal compliance, demonstrating care and respect for the value of employees' lives and public interests. As a result, Clientron has made occupational health and safety a key priority in its corporate development. Through establishing a robust management system, enhancing training and education, encouraging employee participation, and continuously improving, the company is committed to creating a safe and healthy work environment, thereby aligning the interests of employees, the company, and society.

Emergency response team

Clientron has established the comprehensive emergency response management procedure, create an emergency response team responsible for addressing various emergency situations and handling the aftermath to mitigate the company’s production losses during emergencies. The emergency response team is responsible for addressing situations such as labor shortages, disruptions to public infrastructure, critical equipment failures, insufficient supply from suppliers, cyber attacks, natural disasters, and unexpected work safety accidents. Based on the estimated severity of the situation, we have divided the response mechanism into three main categories, with each responsible manager or assigned personnel tasked with notifying the relevant parties, such as customers, suppliers, and third-party vendors. If necessary, we will contact the local police station, fire department, Taiwan Power Company, Taiwan Water Corporation, labor inspection agency and other government functional departments to request assistance. The overall command of the team is led by the general manager or their substitute, while the leader of the emergency response team is appointed from the top-level manager of relevant responsible department based on the nature of the emergency. At the factory, it is the responsibility of the highest-ranking factory manager, their substitute, or the general manager’s authorized personnel. Additionally, we will establish individual functional groups based on the nature of the emergency events, with the response team leader assigning responsible parties to ensure the timeliness and effectiveness of the response measures. By establishing emergency response management procedures and forming an emergency response team, we strive to effectively address various emergency situations and safeguard the company’s operations and production. We place great importance on employee safety and the protection of company assets. When faced with challenges, we will address the issues rapidly and effectively, ensuring smooth communication to safeguard the company’s interests and public safety. This helps maintain the company’s stability and long-term development.



Emergency Response Measures	
Unexpected incident	Response measures
Cyber intrusions and virus attacks	Identify the source of the intrusion and attack, which is coming from the external network. Locate the IP address and port of the intruder, promptly close the port on the firewall, and restrict access from the IP address of the intruder.
	The attack originated from the internal network. Identify the source of the intrusion, disconnect the corresponding switch port, and remediate the compromised device.
Labor shortage	Allocation from the company’s internal support departments.
	We are recruiting temporary workers.
	Enable partial or full outsourced production.
Supplier’s unexpected situation preventing timely delivery	Optimize the production plan.
	Arrange the shipment with the alternative supplier and confirm the availability of the replacement material.

Power outage	Immediately notify Taiwan Power Company to conduct emergency repair work and promptly restore power.
	Enable partial or full outsourced production.
Water outage	Immediately notify Taiwan Water Corporation to conduct emergency repair work and promptly restore water.
A fire incident occurred	Establish a fire emergency response team, with the manufacturing department manager taking the role of overall commander.
	Enable partial or full outsourced production.
Flood and typhoon preparedness	Established a flood/typhoon emergency response team, with the manufacturing department manager taking the role of overall commander.
Serious work injury accident	Establish a work safety emergency response team, with the human resource department manager taking the role of overall commander.

Supplier Management Procedures

Clientron is committed to the safety and well-being of workers involved in our operations, products, or services. For this reason, we have established the “Clientron Corp. Supplier Code of Conduct” to ensure a safe work environment for our suppliers. This guideline applies not only to suppliers, but also encourages suppliers to require their downstream suppliers, contractors, and service providers to embrace and adopt this guideline, in order to establish a reassuring supply chain. Additionally, we require all suppliers, third-party vendor, and contractors to adhere to our environmental, health and safety standards, and we will incorporate these requirements into our procurement management procedures.

Suppliers who enter our operational site will also be subject to the company’s security regulations. We will provide the necessary training and guidance to ensure they understand and adhere to our safety standards, protecting their safety while working on our operational site. Beyond simply following laws and regulations, Clientron is dedicated to helping its suppliers and contractors improve their work environments, and to instill a core philosophy of safety and health, and sustainable management practices. It includes promoting awareness of safety and health regulations as well as occupational accident legal liability, and assisting suppliers in establishing a robust safety management system to ensure that all activities within the factory comply with safety standards and reduce accident risks.

To ensure safety and well-being, we help our suppliers and contractors enhance their safety awareness and comply with regulations. We simultaneously help establish a robust safety management system, minimize accident risks, and ensure the work environment meets safety standards. We hope that through these efforts, we can build a safe work environment where all the relevant workers can be safeguarded.

Occupational safety education training

Occupational safety and health are essential in the modern work environment. Ensuring the safety and health of employees is the top priority for companies, whether in a factory, office, or other workplace. Clientron deeply understands this point, so we provide comprehensive occupational safety and health training to ensure that our employees can effectively address various potential risks and unexpected incidents. The training covers topics such as first aid personnel, fire prevention managers, occupational safety and health managers, safety and health for Class-1 manager of occupational safety and health affairs, and fire safety drills. In 2024, Clientron spent NT\$ 7,500 on occupational safety and health external training. These trainings equip employees with the knowledge and skills needed to quickly and effectively respond to various security challenges, ensuring the safety of themselves and their colleagues. Clientron works hard to provide a high-quality work environment to ensure the well-being of its employees. By continuously strengthening our training efforts, we are confident that we can establish a safe and healthy work environment, providing a strong foundation for the company’s development.

Statistics on the topics covered in occupational safety and health training		
Training program name	Number of persons undergoing training	Training Costs (in New Taiwan Dollars)
Refresher training for first aid personnel	4	3,200
Refresher training for occupational safety and health managers	1	2,800
Fire safety drill (Xizhi headquarters)	120	0
Lead work supervisor	1	1,500
Occupational Safety Hazardous Chemicals (Nangang Factory)	33	0
Fire safety drill (Nangang Factory)	33	0

Note:

1. It includes workers whose work and/or workplace are under the organization's management, regardless of whether they are employees or not.
2. Workers whose work and/or workplace are under the organization's management, regardless of whether they are employees or not, such as: security guards, cleaners, construction workers, contractors, and outsourced personnel.
3. The occupational safety and health related education training here covers general safety education as well as training on specific job-related hazards and risk scenarios.

Fire drill - evacuation



Fire drill - evacuation



Fire drill - gathering



Statistics on occupational injuries and occupational diseases

At Clientron, we have always prioritized the safety and health of our employees. We strictly adhere to regulations and have established an occupational safety and health management system, with the aim of reducing the risk of occupational injuries. We have placed first aid kits in all departments of the factory to ensure prompt emergency medical assistance can be provided when needed. There were no reported incidents of occupational injury or occupational diseases involving employees or non-employees during the 2024 reporting period. We will continue to provide more training and resources to further raise employees' awareness of occupational diseases and injuries, and strengthen their ability to respond, ensuring workplace safety. This reflects not only our care and support for our employees, but also our aim to foster a safe and trustworthy environment for the public, so that Clientron can become a company that people can depend on and have confidence in.

Employee occupational injury statistics			
Category	Item	2023	2024
Total work hours	Total work hours for female	143,264	140,303
	Total work hours for male	224,576	219,937
	Total accumulated work hours	367,840	360,240
Mortality ratio (%) due to work-related injuries		0	0
Serious occupational injury ratio (%)		0	0
Recordable occupational injury ratio (%)		0	0

Note:

- The mortality ratio due to occupational injury is (number of occupational injury fatalities divided by work hours) * 1,000,000.
- The serious occupational injury ratio is [the number of serious occupational injuries (excluding fatalities) divided by work hours] * 1,000,000.
- The recordable occupational injury ratio is calculated as the number of recordable occupational injuries (including the number of fatalities and serious occupational injuries divided by work hours) * 1,000,000.
- Serious occupational injury refers to an injury sustained in the workplace that prevents full recovery within 6 months.
- Occupational injuries that can be recorded do not include those caused by the daily commute to and from work.

Caring for the health of employees

Clientron is deeply committed to the physical well-being of all its employees. We prioritize building a healthy and secure corporate culture, aiming to create a fundamentally safe work environment. We firmly believe that only physically and mentally healthy employees can better achieve a work-life balance. To this end, we collaborate with various stakeholders to collectively reduce the risks to workplace safety and health. We plan and implement comprehensive annual health checks that exceed regulatory requirements, in order to care for the physical well-being of all our employees. By regularly tracking the health status of employees, we can monitor their well-being and provide timely self-care management recommendations, enabling preventive measures rather than reactive treatment, and creating a safe work environment.

We offer a range of comprehensive examination services that go beyond regulatory requirements, including ECG, thyroid, heart, abdominal, prostate, uterus and ovarian ultrasound scans. The company covers the expenses, and if any abnormal situation is discovered, a dedicated professional will be brought in to closely monitor and care for the employee's health, ensuring their well-being is fully taken care of. In 2024, a total of 168 of our employees underwent the health check, with a completion rate of 93.9%. For employees who did not attend the health check, they can schedule an appointment to visit the contracted hospital that year to undergo the check-up, ensuring that every employee can benefit from the comprehensive health care services.

Summary of employee health check-up numbers and costs	
Regular health checkup	
Inspection item	Physical examination, vision test, hearing test, urine routine test, blood routine test, liver function test, kidney function test, blood lipid test, metabolic system screening, chest X-ray, thyroid ultrasound, ECG, abdominal ultrasound, prostate ultrasound, uterus and ovarian ultrasound, and other examinations.
Number of people inspected (people)	168
Inspection fee (in NT\$ per person)	3,000

Employee health checkup



Employee health checkup



Comprehensive health and wellness promotion activities

Clientron is dedicated to building a physically and mentally healthy work environment, actively promoting workplace wellness initiatives. We offer a range of mental and physical health consultation services, including nurse monitoring of health abnormalities and workload assessments for high-risk individuals identified in the annual health check-up report, to ensure the well-being of our employees. Doctors provide 2 hours of on-site services per visit, while nurses provide 4 visits of 2-hour on-site services per month. In addition, the nursing staff will proactively provide care based on the employees' risk profile, offer on-site services, schedule one-on-one meetings with doctors or nurses, and provide health guidance and care. They will also invite those who have declined visits to receive customized health education. In 2024, Clientron provided 4 on-site medical services and 48 on-site nursing services, with a total of 88 people participating in the consultations.

We also regularly organize health promotion activities, such as weight management (weight loss) classes and employee sports events in each department, to encourage employees to actively engage in physical activity and maintain a healthy lifestyle. Regarding healthcare, we offer health check-up services that exceed regulatory requirements. Employees and their family members can select appropriate check-up items to ensure their health is comprehensively monitored and cared for. Clientron is committed to creating a vibrant, caring, and secure work environment that allows every employee to maintain a healthy, happy, and energetic state at work. Going forward, we will continue to work diligently to deliver excellent healthcare services, partnering with our staff to build a brighter future together.

Clientron E-Sports Tournament



Chapter IV Production and Supply Management

4.1 Product Quality Management

Management guidelines	Product Safety		
Respond to sustainability principles (issues)	GRI 416 Customer Health and Safety SASB Product Safety	Stakeholders Impacted	Shareholders and other investors, employees and other workers, suppliers/contractors, customers, government, and business partners
Significant reason	Product safety is critical, as it impacts not only customer interests, but also the corporate image. Ensuring the safety and compliance of products with customer requirements is a fundamental prerequisite for Clientron. We have established a comprehensive functional safety process system that covers functional safety management, concept development, system security development, software and hardware development, process safety, and product release.		
Impacts	<p>Comply with relevant regulations while promoting a circular economy and reducing carbon emissions to minimize environmental impact. Putting in place design management, supply chain management, and quality systems to ensure product safety and environmental responsibility can bolster the company's competitiveness and build customer trust.</p> <p>●: Offer legal and secure products to earn customer trust. ▲: Facing penalties that could impact the company's image.</p> <p style="text-align: right;">●: Positive impact ▲: Negative impact</p>		
Policy/Strategy	By continuously investing in research and development, we constantly enhance our technical capabilities to meet the needs of our customers in product development, design, testing, and after-sales support. Implemented the industry-leading IATF 16949 automotive quality management system and seamlessly integrated it into the product development and design management workflows. We aim to ensure that our products not only meet industry standards, but also excel in terms of quality and performance.		
Objectives and Targets	<ul style="list-style-type: none"> ● Short-term objective: The average customer satisfaction score exceeds 90, and full compliance is achieved with all relevant regulations and customer requirements ● Mid-term objective: The average customer satisfaction score exceeds 90.5, and full compliance is achieved with all relevant regulations and customer requirements ● Long-term objective: The average customer satisfaction score exceeds 91, and full compliance is achieved with all relevant regulations and customer requirements 		
Management assessment mechanism	Clientron has implemented management systems such as ISO 9001, ISO 26262, and IATF 16949 to enhance their product quality and safety. During the product development and design stage, strictly adhere to safety standards and regulations to ensure the product complies with the relevant safety requirements. Meanwhile, to ensure we continue providing excellent service, we regularly conduct customer satisfaction surveys to gather feedback and recommendations from our customers. The survey findings will be discussed and reviewed during the annual management review meeting.		
Performance and Adjustment	<ol style="list-style-type: none"> 1. In 2024, the customer satisfaction score was 97.3, exceeding the target of 90. 2. No customer complaints were received in 2024. 3. Complete the design and modification of electric transport vehicles and agricultural branch shredders in 2024. 		
Preventive mechanism	To ensure the safety of our products, we have established a quality management system and adhere to relevant standards and regulations. This ensures that our products meet high-quality standards throughout the design, manufacturing, and delivery processes. Each product also has a dedicated customer service FAE unit that is responsible for resolving customer issues and providing technical support. We continuously monitor the performance of our products and customer satisfaction, regularly conduct security assessments and testing, and make improvements based on feedback.		
Corrective measures	During the design and manufacturing process, we adhere to relevant standards and regulations, and have established a dedicated team of safety engineers to ensure product safety. They are responsible for overseeing whether the products comply with safety regulations and making any necessary adjustments and improvements. The company reviews the achievement of its goals at the annual management review meeting, and provides explanations and improvement measures for any targets that were not met. If a customer raises a complaint that falls under Clientron's accountability, the customer service FAE will respond to the customer using an 8D Report format to ensure the issue is addressed and resolved in a timely manner.		

Management guidelines	Product lifecycle		
Respond to sustainability principles (issues)	SASB Product Lifecycle Management	Stakeholders Impacted	Employees and other workers, suppliers/contractors, shareholders and other investors, government, business partners, customers
Significant reason	Product lifecycle management encompasses a comprehensive set of corporate responsibilities, which must be considered from the product design stage, including the product's environmental impact, cost		

	control, market competitiveness, and regulatory compliance. With growing consumer focus on sustainability and environmental protection, the company needs to actively manage the product lifecycles in order to meet consumer expectations, which has become a critical business objective.
Impacts	<p>Proper lifecycle management can not only help reduce waste of resources and energy consumption, protecting natural resources, decreasing the environmental burden, but also raising corporate image and attracting more consumers.</p> <ul style="list-style-type: none"> ●: Reduce waste of resources and lower costs ●: Develop a strong and positive corporate image ▲: Losing competitiveness, losing customer sources <p style="text-align: right;">●: Positive impact ▲: Negative impact</p>
Policy/Strategy	To offer products aligned with sustainable development principles, we implement the following measures: using materials with long lifespan and supply availability to ensure the products have excellent durability and a stable supply chain. In the manufacturing of plastic parts, 30% of recycled material is used to reduce the demand for raw resources and lower the environmental burden. Our products are designed to meet Energy Star energy-saving efficiency standards and the safety regulations of each sales region. This ensures that our products save energy and reduce carbon emissions during use, while also safeguarding the safety and health of our customers.
Objectives and Targets	<ul style="list-style-type: none"> ● Short-term objective: Enhance product quality and reliability, optimize production workflows, boost manufacturing efficiency, and grow market share through marketing and sales initiatives. ● Mid-term objective: Continuously optimize the cost structure to reduce production and marketing expenses. Provide excellent products and services, enhance customer satisfaction and loyalty, build a strong brand image and reputation. ● Long-term objective: Maintain a leading market position with a stable market share and customer base. Continuously innovate in technology and upgrade products to maintain the competitiveness and industry-leading position of the products.
Management assessment mechanism	<p>Our assessment mechanism includes various indicators:</p> <ul style="list-style-type: none"> ● Product quality indicator: The product return rate and customer complaint rate reflect the quality of the product. ● Performance indicator for production: This indicator reflects the efficiency and cost control of the production process, including factors such as production efficiency, production costs, and production cycle. ● Market share indicator: This indicator reflects the product's competitiveness and impact in the market, including factors such as market share, market growth rate, and customer satisfaction. ● Brand indicator: This indicator reflects the company's position and competitiveness in the market, including factors such as brand awareness and competitor analysis
Performance and Adjustment	<ol style="list-style-type: none"> 1. 2024 Value of merchandise production (NT): TC 573,421,000; POS 137,975,000; Auto 132,371,000. 2. All of our thin clients products comply with the IEC 62474 and Energy Star regulations, and this product accounts for 67.69% of our annual revenue.
Preventive mechanism	Prior to implementing lifecycle management, conduct a comprehensive risk assessment to evaluate potential negative impacts and risks, and take appropriate mitigation measures to minimize the negative impact as much as possible. Ensure the enterprise's lifecycle management policy aligns with relevant laws and standards to avoid legal violations and minimize potential legal risks.
Corrective measures	Reevaluate market demand and competitive landscape, and undertake product improvements and innovations to provide more appealing offerings. Ensure the design and functionality of products remain effective and competitive, in order to meet the evolving needs of customers. Optimize the service process to improve customer satisfaction and loyalty, and build a good reputation in the market.

Business activities and product sales

Clientron's main production is centered at its Taipei headquarters and Xiamen factory, with the Taipei headquarters occupying an area of around 290 Taiwanese pings. The Xiamen factory occupies a site of 5,895.60 square meters and has a total built-up area of 13,935.94 square meters. It features a five-story building that houses both production facilities and office space, covering an area of 12,126 square meters. The factory facilities are well-equipped, and all production work is carried out within our own facilities to ensure efficient and high-quality production. The Taipei headquarters estimates that it can produce 5,000 units of thin clients, 1,500 units of POS systems, and 4,000 units of automotive electronics products per month for the company. The Xiamen factory estimates that it can approximately produce 20,000 units of finished goods for thin clients, 38,000 units of semi-finished goods, 3,300 units of semi-finished goods for POS systems, and 40,000 units of automotive electronics products annually. The company's production capacity has met the demand for various product categories, which has helped Clientron to develop a strong presence in the global market and provide high-quality computer and peripheral products.

Clientron is a company in the computer and peripheral equipment industry. We offer a range of quality products, including thin clients, retail and service POS systems, and automotive electronics products. Thin clients are widely used in schools, finance, healthcare, government, travel and other industries, providing an efficient computing environment for counter staff and management. POS systems are widely used in the retail, catering, and aviation industries. They provide fast and accurate sales management capabilities, covering everything from product scanning to reporting, helping enterprises enhance their operational efficiency.

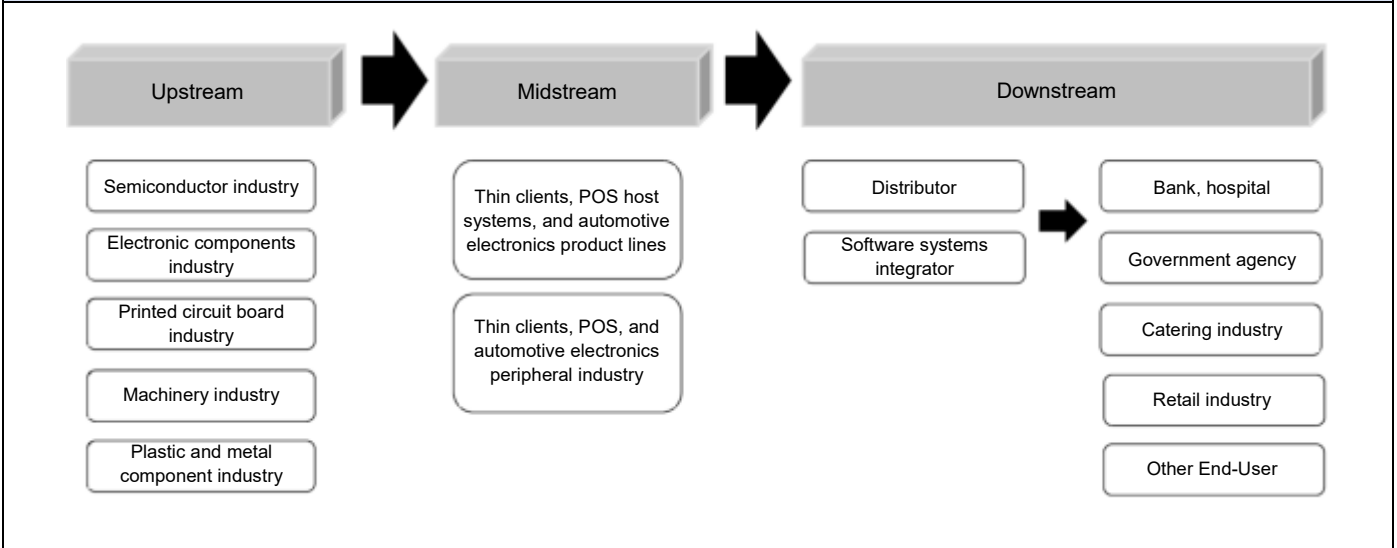
Clientron has accumulated years of experience in automotive electronics and is committed to delivering smart driving cockpits across four major automotive electronics markets: bus manufacturers, passenger/commercial vehicle manufacturers, system integrators, and specialty vehicle makers. Our company's automotive electronics product line has primarily focused on the front installation market. We will continue to invest in R&D and design capabilities, building hardware and software platforms to expand into a variety of specialized vehicle types. Focus on the passenger car Pre Dealer Install (PDI) business to expand the domestic market for nearly pre-installed vehicles. Develop a three-electric system platform to promote the transition from fuel vehicles to the electric vehicle market, and continuously expand the global electric vehicle customer base.

Clientron offers its customers comprehensive solutions through its professional and innovative products. Clientron's primary sales markets are global, with products being sold to countries such as Germany, the United States, Taiwan, Italy, and China. The company's main sales regions and sales figures for 2024 are as follows.

Sales area \ Year	2023		2024	
	Net sales revenue	Proportion of net sales revenue	Net sales revenue	Proportion of net sales revenue
Germany	99,837	14.86	140,557	16.66
The United States	334,403	49.78	493,993	58.55
Taiwan	130,166	19.38	74,920	8.88
Italy	31,834	4.74	28,111	3.33
China	50,582	7.53	74,883	8.87
Others	24,936	3.71	31,303	3.71
Total	671,758	100	843,767	100

The company's main business is the production and sale of thin clients, POS systems and their peripherals, as well as automotive electronics products, which positions it in the midstream industry. The company's upstream industries include the semiconductor, electronic components, printed circuit board, machinery, metal components, and plastic components industries. In the downstream, for the thin clients and POS systems product line, the company's products are sold through global value-added distributors, software system integrators, or OEM/ODM customers to end customers such as banks, hospitals, government agencies, catering, retail businesses and other terminal customers. For the automotive electronics product line, the company is a Tier 1 supplier to car manufacturers. The overall industry structure for upstream, midstream and downstream is depicted in the figure below:

Organizational chart of the upstream, midstream, and downstream suppliers of Clientron



Security Certification Standards

The industry requires products to operate continuously for long periods, with excellent heat dissipation or uninterrupted power supply. Therefore, we impose strict standards on product quality, durability, and stability. Given the diverse application environments, features like dustproofing, waterproofing, and shock resistance are fundamental design considerations. To ensure our products remain competitive internationally, we must maintain manufacturing capabilities that guarantee product stability and safety. Leveraging years of design experience, we enhance product quality and longevity through optimized design and material selection. Additionally, we have obtained ISO 9001, ISO 14001, and the ISO/TS16949 certification from the International Automotive Task Force (IATF). By implementing a robust quality management system, we have established an environmental management system in our factories to improve product quality and meet international environmental standards. In January 2023, Clientron was awarded the DEKRA ISO 26262:2018 ASIL-D functional safety process certification, which demonstrates that the company meets the development process and management system requirements of international automakers. This certification enables Clientron to provide a safe, reliable, and interconnected intelligent cockpit platform solution for V2X. In 2024, our company successfully passed the ISO 45001:2018 Occupational Safety and Health Management System audit, obtained the ISO 14064-1 Carbon Inventory Certification, and developed an ESG sustainability report, all dedicated to reducing carbon emissions and building a sustainable environmental ecosystem.

Our company is committed to constantly upholding our corporate social responsibility. We continuously drive forward green and environmentally-friendly technologies, and ensure the safety, reliability, and compliance of our products through a rigorous quality management system. We will continue to work hard to deliver safer, more reliable, and more intelligent solutions.

Statistics on the international certification system and safety requirements for products			
International Certification System and Security Certification Standards	Product name		
	Thin clients	POS systems	Automotive electronic products
ISO 9001 Quality Management System	✓	✓	✓
IATF 16949 Automotive Quality Management System			✓
ISO 26262 Road Vehicle Functional Safety			✓
ISO 14001 Environmental Management System	✓	✓	✓
ISO 14067 Product Carbon Footprint (N370 Model)	✓		
RoHS test report	✓		
Energy Star	✓		
EU CE Certification	✓	✓	✓
FCC Certification	✓	✓	✓
The proportion of products or services that the customer has evaluated	100	100	100

Note: The percentage is calculated by dividing the total quantity of products or services evaluated by the customer by the total quantity of products or services provided to the customer, and then multiplying the result by 100.

The following is the external certificate of Clientron:

Certificate image	
EU CE Certification	FCC Certification
 <p>ATTESTATION OF CONFORMITY</p> <p>Manufacturer: Clientron Corp., 2014 St. Louis, MO 63103</p> <p>Product: Computers</p> <p>Standard: CE</p> <p>Signature: [Signature]</p>	 <p>ATTESTATION OF CONFORMITY</p> <p>Manufacturer: Clientron Corp., 2014 St. Louis, MO 63103</p> <p>Product: Computers</p> <p>Standard: FCC</p> <p>Signature: [Signature]</p>
Energy Star	ISO 26262 Road Vehicle Functional Safety
 <p>Certificate of Conformance</p> <p>Energy Efficiency Certification</p> <p>Certificate No. 479111342</p> <p>Issue date: 2024-10-25</p> <p>Revision date: -</p> <p>Product: Computers</p> <p>Brand: Clientron</p> <p>Model Name: (USA)</p> <p>Model Number: N370</p> <p>UL Energy Verified</p>	 <p>Certificate</p> <p>Product: Road Vehicle Functional Safety</p> <p>Standard: ISO 26262</p> <p>Signature: [Signature]</p>

RoHS test report



IATF 16949 Automotive Quality Management System



ISO 9001 Quality Management System



ISO 14001 Environmental Management System



ISO 45001 Occupational Safety and Health Management System



ISO 14067 Product Carbon Footprint



Product information and labeling

The products and packaging produced by Clientron detail the place of origin, storage and usage conditions, environmental protection regulations, safety standards, and instructions for use, enabling consumers to understand the relevant information of each product. They also provide a dedicated consumer service email to address any inquiries. The labeling and descriptions of all products and services comply with relevant regulations to ensure consumers can purchase with confidence. In 2024, Clientron did not incur any penalties for violating health and safety regulations for its products and services, and there were no incidents of non-compliance with regulations regarding product information or labeling. This indicates that we are highly focused on ensuring the product meets the required standards and quality specifications. In the future, we will continue to strictly adhere to regulatory requirements, consistently elevating our quality standards to ensure customers enjoy the safest and most excellent experience when using our products. Our aim is to provide customers with even more outstanding products and services, leaving them feeling secure and satisfied. At Clientron, customer satisfaction and safety are our top priorities.



Customer satisfaction

Clientron primarily uses email to conduct customer satisfaction surveys. The process involves widely distributing electronic questionnaires, collecting the responses, and then analyzing the data to ensure we thoroughly understand our customers' perceptions of our products and services. In 2024, the company achieved a customer satisfaction score of 97.3, exceeding the target score of (90) for that year. This satisfaction survey was conducted through a questionnaire, covering five key areas: product, quality, price, shipping processing, and customer service. Our customer satisfaction survey covers a range of assessment items, including the reasonableness of prices, the competitiveness of quality requirements, the value for money of products, the ability to meet demand with production capacity, the timeliness of deliveries, the accuracy of shipments, and the performance of delivery time arrangements. In 2024, Clientron had no customer complaints, validating our commitment to providing high-quality products that meet customer needs. This will inspire us to continue upholding the highest standards to ensure customers have a safe and satisfactory experience using our products.

Customer satisfaction evaluation criteria of Clientron	
Product	Product design skills and product innovation.
	Product innovation.
	Appearance and UI design.
	Competitiveness of the product.
	Schedule for product development.

Quality	Our products are highly reliable (with a low failure rate).
	Our company's products are of higher quality than those of our competitors.
	Quality performance of the delivered parts.
	Impact on customers.
	Disruptions caused to customers (e.g., customer complaints, product returns).
	Customer notification regarding quality-related concerns.
Price	Based on the company's quality standards, you believe the product price is fair.
	Our products are competitively priced to meet your company's quality standards.
	On the whole, the company's products provide excellent value for money.
Shipping processing	Timely delivery.
	The supply can meet the demand.
	Accuracy of the shipment.
	The performance of delivery time arrangements (including cases of excess freight costs).
	Notify customer service regarding the delivery problem.
Customer service	Our customer service can quickly provide the necessary technical information to meet your requirements
	This company is able to effectively resolve customer complaints
	The customer service staff of this company are highly dedicated and service-oriented

Customer privacy

In 2024, Clientron's independent audit department conducted a review, including an assessment of the company's and individuals' data retention practices. The audit results showed no issues with the use of customer data this year, confirming our commitment to customer data protection. Our company will continue to diligently safeguard customer data and use it cautiously. In 2024, the company was not penalized by the regulatory authority for any personal data incidents. In the future, we will regularly inspect and strengthen our auditing processes to quickly identify and address any issues.

Information security management

Clientron has established a comprehensive information security management structure, assigning specific duties to the IT department and the audit office. The IT department is responsible for establishing, implementing, and promoting the company's information security management practices, as well as raising awareness of information security. The audit office is responsible for overseeing the implementation of information security management, conducting regular audits, and identifying any deficiencies. When issues are found, they will require the relevant units to propose improvement plans and take specific actions, continuously tracking the progress to mitigate information security risks. Our company's information security management policy includes specific management plans and related resource allocation. These policies aim to ensure the effectiveness and continuity of the various information systems, while also maintaining the security and proper functioning of the physical information environment. We are dedicated to safeguarding our company's confidential data from leakage. We proactively implement measures to prevent hacker and virus instruction, as well as damage to the information system, in order to protect our information systems from data loss. The company has invested adequate resources in information security management to effectively control and manage information and communication security risks. These measures help safeguard the company's information systems and data, preventing the unauthorized disclosure of confidential information and mitigating other potential information security risks

Concrete information security management plan	
Strengthening network and server protection	Deploy a network firewall to enhance network segmentation.
	Regularly review the appropriateness of the firewall rules.
	Server warehouse management, enhanced server security protection.
	Regularly update the server system security.
	Install anti-virus software on the server.
Computer endpoint management and protection	Install computer endpoint anti-virus software.
	Joining the company network from the computer endpoint, for centralized management.
	Enforce mandatory periodic changes of computer passwords and use complex password policies.
Data protection and backup	Regularly back up critical data.
	Data is backed up and stored in an off-site location.
Availability and continuous operation of IT equipment	The servers are housed in the server room and securely mounted in racks to prevent them from falling during an earthquake.
	All equipment in the server room is connected to an uninterruptible power supply (UPS) to ensure that the servers continue to operate in the event of a power failure.
	Regularly replace aging servers and IT equipment to minimize the risk of breakdowns and service disruptions.

4.2 Supply chain management

Overview of procurement at operational site

In 2024, Clientron conducted transactions with 312 suppliers, who provided us with the key raw materials needed for our production, such as central processing units (CPUs), integrated circuits (ICs), cases, printed circuit boards (PCBs), power supplies, liquid crystal display screens (LCD panels), and memory and storage devices. To ensure the stability of our supply chain, we conduct regular annual assessment of our suppliers and make unscheduled on-site visits to verify that their production and delivery processes meet our quality standards and delivery requirements. The suppliers' supply situation in 2024 has been consistently normal and stable.

Besides conducting transactions, we maintain a close collaborative relationship with our suppliers. We engage in regular communication with our suppliers to share insights into market trends and changing demands, and work together to identify methods for enhancing efficiency and reducing costs. We are dedicated to delivering high-quality, competitive products to meet the evolving needs of the electronics products market.

Clientron's procurement percentage from suppliers					
Year		2023		2024	
Contract type	Procurement region	Household count	The percentage (%) of the procurement amount relative to the total procurement amount	Household count	The percentage (%) of the procurement amount relative to the total procurement amount
Labor services (contracting and services)	Domestic	7	1.71	7	2.0
	Overseas	0	0	0	0
Goods (raw materials)	Domestic	165	73.98	165	72.0
	Overseas	140	24.31	140	26.0
Engineering (construction and equipment)	Domestic	0	0	0	0
	Overseas	0	0	0	0
Total		312	100	312	100

Explanation:
1. Domestic refers to Taiwan, while overseas refers to areas outside of Taiwan (such as the United States or Vietnam).

Supplier management and assessment

Clientron proactively addressed environmental protection regulations and customer demands across countries, successfully acquiring the ISO 14001 International Certification. We have established a "Green Product Management Process" to ensure that our supply chain and production chain continue to meet environmental protection regulations. In accordance with the "Supplier Survey and Assessment Regulations", the relevant assessment content is used to evaluate new and annual suppliers. Suppliers with a score of 60 or above are considered qualified, while those scoring below 60 are deemed unqualified. For suppliers that do not meet our requirements, we give them a deadline to improve. We then re-evaluate them within that timeframe. If they still fail to meet our standards, we will cancel their supplier status. It applies to both domestic and foreign suppliers. They can produce and sell materials, components, or assembled products for the company's use. They can also accept the company's outsourcing of processing and manufacturing (with or without our materials provided), as they have their own processing, manufacturing, and inspection capabilities. They are long-term or intended to be long-term third-party vendor.

Requirements for Approved Suppliers of Clientron
1. The source must have obtained ISO 9001 series certification or IATF 16949 series approval, and provide the relevant documentation as proof.
2. Special component suppliers must undergo a recognized review and approval process of Clientron or be specified by the customer, without being restricted by ISO certification.
3. The supplied materials must comply with the laws and regulations of each country, such as FCC, CE, UL, and others.
4. If the customer has special requirements, the supplied minerals must comply with the requirements for non-conflict areas.
5. The design of parts, materials, and packaging should be environmentally friendly, with a focus on continuous improvement and the ability to recycle and reuse.

Note:

Supplier categories that are not subject to evaluation:

1. Supplier of consumables.
2. The supplier has already satisfied the ISO certification requirements, so no additional evaluation is necessary.
3. Supplier of packaging materials.

In 2024, Clientron conducted transactions with a total of 312 suppliers, all of whom were qualified suppliers that had passed the evaluation process. In addition, these suppliers have all signed the “Integrity and Confidentiality Commitment”, the “Conflict-Free Mineral Declaration”, and the “Declaration of Hazardous Substances” to ensure the management of raw material sources and compliance with restricted substance requirements. To strengthen the sustainable management mechanism of our suppliers, we regularly audit and visit key suppliers based on our “Supplier Survey and Assessment Regulations”. We then fill out the “Third-party Vendor Survey and Assessment Report” to verify their quality, environmental management, and corporate social responsibility practices.

In our 2024 key supplier audit plan, we scheduled 27 suppliers for on-site inspections, including 5 new and 22 existing suppliers. After the evaluations, we did not find any significant issues or major changes, and all 27 suppliers scored above 60, meeting the requirements for qualified third-party vendor. In summary, we have strict requirements for managing and evaluating our suppliers to ensure the stability and reliability of our supply chain, while also upholding our commitment to environmental protection and quality.

Supplier assessment process

In the supplier assessment process, the procurement unit schedules the date and time for the supplier to be assessed, and notifies the survey and assessment team members to attend promptly. Next, the team members will fill out the “CLIENTRON Vendor Survey Data Sheet”, which can be completed by the vendor or the team members, to establish the vendor’s basic information. The team members assess the third-party vendor’s capabilities based on their respective managerial responsibilities, and document any shortcomings and improvement suggestions in the “Vendor Survey and Assessment Form”. They then score the subcontractors according to the evaluation criteria in the form, which cover areas such as procurement, quality assurance, and technology. The convener then compiles the “Third-party Vendor Survey and Assessment Report”, calculates the scores, and submits it to the procurement supervisor for approval. After completing the “Third-party Vendor Survey and Assessment Report”, it must be approved, and a copy of the report must be provided to the vendor to be assessed. Finally, the manuscript, along with the “CLIENTRON Vendor Survey Data Sheet,” is transferred to the procurement unit for their own filing. The supplier survey and assessment will be conducted according to the following schedule:

I	When a new product is being developed, it may be necessary to onboard a new supplier to support the effort.
II	When the original supplier cancels for any reason or adjusts the procurement strategy, it becomes necessary to onboard a new supplier.
III	Suppliers may need to be re-evaluated when they relocate, expand, or have management changes.
IV	In any other necessary situations, survey and assessment are required to be carried out.
V	If time is limited, you can start by evaluating the key supplier factories, which usually refer to the important component suppliers, such as those for peripheral components, computer cases, vehicle device panels, and vehicle device buttons.

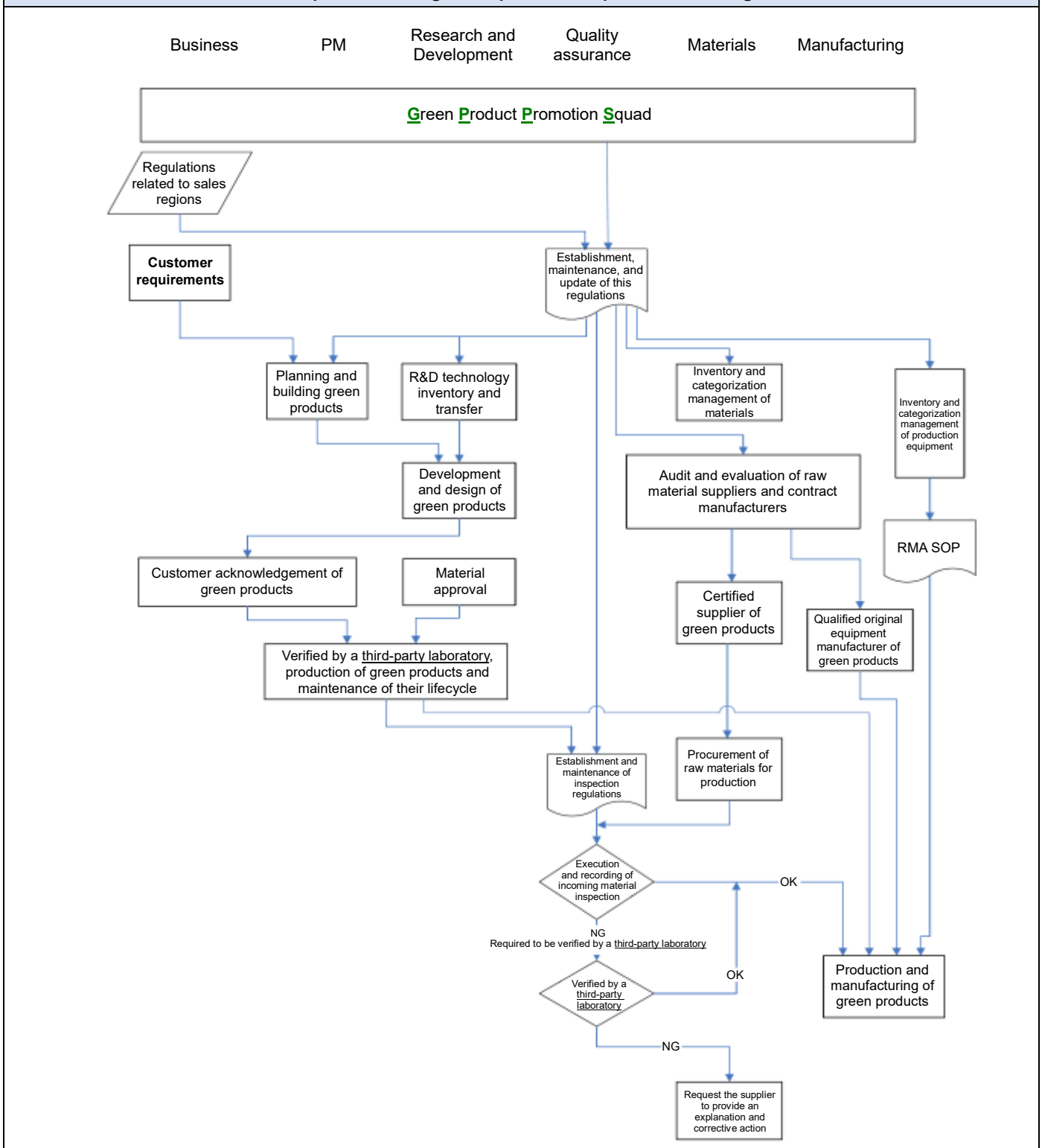
For unqualified third-party vendors, we will implement the following measures: The existing third-party vendor will be asked to make improvements within the specified timeframe and reapply for evaluation during that period. If they still fail to meet the requirements after being reevaluated, they will be removed from the list of qualified suppliers. Over the next six months (from the date of re-evaluation), they will be unable to apply for re-evaluation. The procurement unit needs to bring in alternative suppliers within the deadline to ensure uninterrupted production and enhance product quality. For new third-party vendor, we also require them to make necessary improvements within a specified timeframe and reapply for evaluation during that period. If they continue to fail the re-evaluation, they will be designated as unqualified suppliers. We will not purchase products from them, and they are also not permitted to reapply for evaluation for the next six months (starting from the date of the next evaluation).

Green Product Management

To comply with environmental protection regulations and address unique customer requirements worldwide, Clientron has implemented a green product management system. This management policy governs our green products, raw materials, supplies, and packaging. The highest-level quality assurance manager has been designated as the person in charge of green product management, responsible for managing and overseeing the implementation. To effectively implement the management policy, our company has formed a “Green Product Promotion Squad” consisting of representatives from each department, led by the top-level manager of the Quality Assurance Department. This squad is responsible for coordinating the division of work and tasks. They irregularly convene meetings based on the actual needs of each department to ensure the effective implementation of the policies. Clientron will prioritize compliance with relevant EU directives and industry regulations as a primary principle. If the customer has special requirements to restrict the use of certain harmful substances, the company will collaborate closely with the customer to develop an appropriate project plan. We guarantee that the components and parts used in our products do not exceed the harmful substance limits set by the EU RoHS directive. We also strictly adhere to the special standards required by our customers to ensure the environmental friendliness and quality of our products.

Responsibility and content of the Green Product Promotion Squad	
Quality assurance unit	Conduct research on the latest updates to the EU RoHS and REACH regulations, and perform the necessary maintenance and updates of this procedure.
	Conduct inspections to monitor the use of restricted substances.
	Conduct an audit to assess the green product management practices of this company and its suppliers.
Materials unit	Request the supplier to provide Declaration of Hazardous Substances.
	Responsible for purchasing green products.
Manufacturing unit	Produce green products that meet the requirements of this procedure, avoiding material mixing and pollution.
	Manage returned and repaired products after sales.
	Responsible for managing process-related variation detection, waste reduction, and energy savings.
Research and development unit	Request the supplier to submit material certification documents.
	Responsible for developing new products and approving the use of new or alternative materials, ensuring compliance with green product design requirements.
	Conduct RoHS, REACH, and other environmental compliance testing on the company’s new products or materials at an external third-party laboratory.
Business unit	Collect and provide information on the environmental protection regulations and customer-specific requirements in the countries or regions where the company’s products are sold.
Product management unit	Plan and build green products that meet international environmental protection regulations and customer needs, get customer approval, and then integrate them into the formal production and sales process.
Document management unit	Register the product and ensure that supporting documentation demonstrates compliance with environmental protection requirements.
	The retention period for relevant data is determined in accordance with the “Product Technical Data Management Regulations”.

Green product management procedure - process flow diagram



In product supply chain management, material supplier or original equipment manufacturer must sign Declaration of Hazardous Substances, while packaging suppliers need to sign a commitment of non-toxic components and provide the corresponding material composition declaration and test reports from a laboratory accredited to ISO/IEC17025 or an equivalent national standard. The documents will be submitted to the document management center for filing. The Declaration of Hazardous Substances remains permanently valid, while the material laboratory test report must be valid within the past two years. To ensure the product meets the requirements for restricted substances, the quality assurance unit should coordinate with the company's internal audits and supplier evaluations to regularly conduct audits on the

management of restricted substances. When managing product waste, non-hazardous materials should be used, and the product should be designed with an easy-to-disassemble structure to meet relevant regulations and customer requirements for recycling, reuse, and regeneration rates. The product packaging must comply with the relevant laws and regulations, as well as the specific material and labeling requirements of the customer. In product ecological design, in addition to complying with relevant management regulations, it is also important to reduce material usage, conserve energy, and minimize waste emissions. Maintaining relevant technical documentation is also crucial to meet the requirements for future green product certification.

Clientron is committed to environmental protection and quality, and is continuously working to improve its green product management. We will continue to adhere to EU regulations and international standards, collaborating with our customers to ensure our products meet the highest environmental protection requirements and their specific needs, thereby establishing a more eco-friendly and sustainable production process. Clientron will continue to strive for excellence, delivering customers more eco-friendly and reliable products and services.

Conflict-Free Mineral Declaration

Clientron is committed to not supporting or using tin (Sn), tantalum (Ta), tungsten (W), and gold (Au) extracted from mines in the Democratic Republic of the Congo and its neighboring countries that are affected by armed conflict, illegal mining, and poor working conditions, also known as “conflict minerals”. However, due to the complex metal supply chain, we are currently unable to verify the origin of all metals used in our products. But as a member of the electronics industry supply chain with corporate social responsibility, we are committed to:

1. Suppliers must ensure that they do not accept conflict minerals and the products they provide do not contain conflict minerals.
2. Suppliers must fulfill their corporate social responsibility by continuously investigating and confirming the origin of their minerals.
3. The supplier should communicate this requirement to its upstream suppliers.



Chapter V Sustainable Use of the Environment and Resources

5.1 Energy Management

Energy usage

Clientron primarily relies on electricity to power its daily operations, run production equipment, and operate the air conditioning system. By making statistics on the energy used, we can evaluate the company's energy usage and develop effective energy-saving policies to reduce the environmental impact and improve energy efficiency. Energy management is not merely an operational aspect of the company, but rather our commitment to environmental protection. We will continue to focus on energy consumption, integrating sustainable development into our business operations to achieve environmental protection and sustainable development, in order to reinforce a positive corporate image. The energy consumption at each of our operational sites in recent two years is as shown in the table below:

Status of energy use				
Quantitative metric	Region	Unit	2023	2024
Gasoline usage	Taipei Headquarters	Liter	619.68	620.2442
		GJ	20.2234	20.2418
Electricity usage		kWh per year	475,215	454,667
		GJ	1,710.774	1,636.8025
Total energy usage		GJ	1,730.9974	1,657.0443
Metric value specific to the organization		Total number of employees (people)	190	189
Energy Intensity		GJ/Total number of employees (people)	9.1105	8.7674
Gasoline usage		Xiamen Factory	Liter	1,760.05
	GJ		317.5673	84.5336
Electricity usage	kWh per year		1,224,286	1,305,871
	GJ		4,407.4296	4,701.1356
Total energy usage	GJ		4,724.9969	4,785.6692
Metric value specific to the organization	Total number of employees (people)		124	130
Energy Intensity	GJ/Total number of employees (people)		38.1048	36.8128

Note:

1. This table provides statistics on the energy usage of the Taipei headquarters and the Xiamen factory. It includes the use of both gasoline and electricity.
2. Heat value of electricity is converted at 1 kWh=0.0036GJ.
3. The conversion factors used by the Taipei Headquarters are calculated according to the "Energy Product Unit Calorific Value Table" published by the Energy Bureau of the Ministry of Economic Affairs: gasoline 7,609 kcal/L; diesel 8,642 kcal/L; natural gas 8,000 kcal/m³; with 1 kcal equal to 4.1868 kJ.
4. The conversion coefficients used in the Xiamen factory are based on the GBT 2589-2020 General Rules for Calculation of the Comprehensive Energy Consumption. The values used are: 43,124 kcal/L for gasoline, 42,705 kcal/L for diesel, 1 kcal = 4.184 KJ, and 1 GJ = 1,000,000 KJ.

Energy-saving achievements

As a global citizen, Clientron has a responsibility to design and produce information products that meet safety standards, and aim to minimize the environmental impact during the manufacturing process. Besides taking proactive measures to reduce energy consumption and greenhouse gas emissions. For the

environmental protection measures, we put more focus on the manufacturing and service processes, aiming to implement the environmental protection principles of “Full utilization, waste recycling, and circular reuse”. As a manufacturer designing and manufacturing intelligent industrial computer platform solutions, we actively improve the pollutants generated during research, development, and production, based on the principle of pollution prevention. We are committed to adhering to relevant environmental protection regulations, implementing control measures to ensure compliance with environmental protection requirements. We also focus on recycling PCBs, tin slag, waste batteries, and other waste materials to achieve our pollution prevention objectives. We will make full use of recycling to reduce waste of resources and protect our limited resources. Provide employees with appropriate environmental protection training and encourage their participation in government environmental protection initiatives to raise their environmental protection awareness. We will enhance communication with our raw material suppliers and outsourcing partners to co-develop pollution-free products.

Clientron actively responds to the national energy-saving goals, continuously investing in various energy-saving measures and equipment for carbon reduction, pollution reduction, and reusing. We actively adhere to regulations to ensure environmental safety. Within the company, we have implemented a resource sorting and recycling system. We have also effectively utilized energy through air-conditioning control, optimized the energy management E-system platform, conducted a comprehensive energy survey to ensure proper utilization of each energy source. We plan to complete the ISO 50001 energy management system certification at the Taipei headquarters and Xiamen factory by 2025. I hope that through energy platform management, we can uncover more opportunities to improve energy efficiency and reduce carbon emissions, and make a greater contribution to environmental protection. Thanks to the diligent efforts of our colleagues, the Taipei headquarters’ electricity consumption in 2024 decreased by 8.0% compared to 2023, a reduction of 3.7873 kWh and 7.9896 tonnes of CO₂e.

Additionally, the lighting in the first and third-floor manufacturing workshops of the Xiamen Factory was replaced with LED lights, a total of 620 lamps. This saves 12.4W of electricity per hour and can save 25,800 kWh per year. At the same time, the traditional screw air compressor was replaced with a permanent magnet two-stage variable-frequency air compressor, which is estimated to save 100,000 kWh of power per year.

The energy-saving products manufactured by our company use low-power electronic components and feature a thin client design without cooling fans. According to statistics, these products saved 22,959 kWh of energy in 2024. Our product consumes approximately 16.15% less energy than traditional desktop computers. This energy-efficient design helps reduce energy consumption, aligning with the company’s commitment to environmental protection and sustainability. We believe that through ongoing innovation and effort, we can contribute to environmental protection while also offering our customers superior choices. Helping customers maintain the environment while using the product, and develop a sustainable lifestyle. Clientron’s goal is to jointly build a sustainable living and working environment, to protect the earth we inhabit.

5.2 Greenhouse gas emissions management

Clientron has conducted a basic greenhouse gas inventory for its organization. This involved identifying emission sources, establishing activity intensity data, and collecting emission data in order to calculate the greenhouse gas emissions. In 2023, we passed and introduced ISO 14064-1 for voluntary greenhouse gas inventory, with the goal of improving our energy usage and steadily reducing our greenhouse gas emissions. As the company's headquarters in Taipei and the factory in Xiamen only use electricity as an energy source, the total greenhouse gas emissions are calculated within the scope of indirect greenhouse gas emissions, resulting in only Scope 2 greenhouse gas emissions.

Clientron has pledged to reduce its greenhouse gas emissions, thereby supporting the company's sustainable development. Greenhouse gas emissions not only impact the climate, but also directly affect the Earth's ecological environment. Therefore, in order to protect the Earth and our future living environment, we will work to improve energy efficiency, reduce the environmental impact of greenhouse gas, maintain ecological balance, and promote green development. We aspire to contribute to the creation of a healthier and cleaner future.

Statistics on greenhouse gas emissions			
Region	Item	2023	2024
Taipei Headquarters	Scope 1: Direct greenhouse gas emissions (tonnes of CO ₂ e)	18.1911	35.2528
	Scope 2: Indirect greenhouse gas emissions (tonnes of CO ₂ e)	235.2314	215.5123
	Total gas emissions = Scope 1 + Scope 2 (tonnes of CO ₂ e)	253.4225	250.7651
	Greenhouse gas emission intensity (tonnes of CO ₂ e/total number of employees (people))	1.33	1.33
Xiamen Factory	Scope 1: Direct greenhouse gas emissions (tonnes of CO ₂ e)	37.47	31.72
	Scope 2: Indirect greenhouse gas emissions (tonnes of CO ₂ e)	727.47	700.73
	Total gas emissions = Scope 1 + Scope 2 (tonnes of CO ₂ e)	764.94	732.45
	Greenhouse gas emission intensity (tonnes of CO ₂ e/total number of employees (people))	5.88	6.05

Note:

1. This table provides the greenhouse gas emissions data (tonnes of CO₂e) for the Taipei headquarters and the Xiamen factory.
2. Types of greenhouse gas emissions: Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).
3. Scope 1: Calculate emissions from mobile sources (gasoline for vehicles), as well as fugitive emissions from sources (like fire extinguishers, refrigerant in cooling equipment, and methane from septic tanks).
4. Scope 2 are those associated with the energy sources used, such as purchased electricity. The electricity carbon emission factor announced by the Energy Administration, Ministry of Economic Affairs was: The carbon emissions are 0.494 kilograms CO₂e per kWh in 2023 and 0.474 kilograms CO₂e per kWh in 2024. The power grid emissions factor for eastern China adopted by Xiamen Factory was 0.5617 kgCO₂e/kWh.
5. The greenhouse gas inventory data for the Xiamen Factory is still being compiled and calculated. Once this process is complete, the information will be included in the 2025 sustainability report.

5.3 Water Resources Management

Water management

The use and management of water resources has become a critical issue that companies cannot afford to overlook in their operations. As industrialization has accelerated, water resources are facing formidable challenges, such as declining water levels, deteriorating water quality, and ecosystem damage. Water resource demand is steadily increasing, so companies must implement effective water resource management. For water resource management, in accordance with the ISO 14001 environmental management system, Clientron enhances the management of water use and water resources. To showcase our steadfast commitment to environmental protection to our stakeholders, we will continue to manage water resources and exhibit our sense of accountability towards the environment.

The Clientron factory and office use tap water as their water source, and due to the nature of the industry, they only discharge general domestic wastewater. The company's headquarters are located in Xizhi District, New Taipei City, with the Feitsui Reservoir as its primary water source. The Xiamen plant is situated in the northern industrial area of Jimei District, Xiamen City, and draws water from the Bantou Reservoir. The water resource risk assessment tool indicates that the water resource risk in our region is at a medium-low level. We have long focused on water resource conservation and environmental protection, and are dedicated to implementing water conservation initiatives. Begin by thoroughly implementing water conservation in everyday life, and also actively improve water consumption in the manufacturing process, in order to maximize the utilization of water resources.

The Clientron's Taipei Headquarters is located within an office building, which is for household water use, so there is no need to undertake wastewater management operations. The use of water resources adheres to the relevant regulations established by the office park management committee. The Xiamen factory is a production and manufacturing facility, and they will focus on implementing water-saving initiatives. In 2024, our water consumption was 5.361 million liters, a 6% reduction from 5.71 million liters in 2023. This reflects our ongoing efforts and achievements in water conservation. In the future, we will continue to strengthen water resource management, develop more comprehensive water conservation plans, and do our utmost to protect water resources, ensuring that future generations can continue to enjoy clean water sources.

Statistics on water usage in Clientron			
Region	Year	2023	2024
Taipei Headquarters	Water intake (in millions of liters)	2.68	2.76
	Water discharge (in millions of liters)	2.68	2.76
	Water consumption (in millions of liters)	0	0
	Metric value specific to the organization (Unit)	Total number of employees	Total number of employees
	Metric value specific to the organization	190	189
	Water usage intensity	0.014	0.015
Xiamen Factory	Water intake (in millions of liters)	5.71	5.361
	Water discharge (in millions of liters)	5.71	5.361
	Water consumption (in millions of liters)	0	0
	Metric value specific to the organization (Unit)	Total number of employees	Total number of employees
	Metric value specific to the organization	124	130
	Water usage intensity	0.046	0.041

Note:

1. Water consumption equals water intake minus water discharge.
2. The water recycling and reuse rate is calculated as the factory's internal recirculation water divided by the sum of the water intake and the factory's internal recirculation water, multiplied by 100%.
3. The calculation method for water usage intensity is: Water intake (in million liters) divided by metric value specific to the organization.
4. Xizhi office (cost shared based on 9 out of 757 households in the park) + Nangang factory (separate water meter)

Wastewater discharge conditions

Clientron is dedicated to environmental protection and sustainable development. The company actively monitors and manages the wastewater and water quality produced through its operations. We are deeply aware that water is the Earth's most precious resource, playing an essential role in our lives. Implementing effective control over water quality can increase the utilization rate of water intake, reduce consumption in the production process, improve the product qualification rate, and achieve a win-win situation of sustainable environmental protection and long-term development. We will ensure that the use of water resources not only meets current needs, but also preserves a beautiful living environment. Protecting our water resources is a responsibility we all share. Let's work together to safeguard this precious resource that we are fortunate to have.

The water quality testing results for the Xiamen Factory in 2024 are as shown in the table below. The factory's wastewater discharge for the year was 5.361 million liters, and the test results indicate that the discharged wastewater were lower than the emission standards for all parameters. These data demonstrate that our wastewater management system is able to effectively treat and reduce the discharge of pollutants, ensuring that the wastewater we release meets environmental protection standards. Clientron is committed to complying with local environmental protection regulations and standards, while also making every effort to minimize the environmental impact of our production activities. We will continue to optimize our production process in order to achieve a higher standard of environmentally sustainable protection.

Wastewater Discharge Standards and Monitoring Values for Xiamen Factory				
Year	2023		2024	
Examination item	Discharge standards (ppm)	Annual average monitoring value (ppm)	Discharge standards (ppm)	Annual average monitoring value (ppm)
PH	9.00	6.90	9.00	7.2
SS	400.00	40.00	400.00	52.0
COD	500.00	95.00	500.00	208.0
BOD5	300.00	23.50	300.00	51.2
Ammonia nitrogen	45.00	29.10	45.00	41.8
Vegetable and animal oils	100.00	0.07	100.00	2.15

5.4 Material management

Raw material

The resources used by Clientron in its operations include both renewable and non-renewable materials, with the main raw materials being aluminum, iron, plastics, electronic components, and paper. We adhere to the ISO 14001 management cycle and risk assessment, focusing on minimizing waste of raw materials, while also closely monitoring their usage. We aim to reduce the environmental impact through managing raw materials, promote the recycling of resources, and work to sustain the Earth's resources. Clientron is committed to reducing raw material waste and maximizing resource utilization. The company regularly and irregularly audits its raw material usage, working towards the goal of using low-carbon and sustainable resources. The raw materials and non-renewable materials consumed by our company are as shown in the table below:

2024 Clientron Materials Usage Statistics			
Unit: Kilogram			
Raw material name	Is it renewable	2023	2024
Aluminum	Non-renewable	718.04	788.87
Iron (SGCC)		1,526.25	1,618.08
Plastic (ABS+PC)		913.58	958.50
Plastic (PC)		0.18	0.19
Electronic components		572.12	641.795
Paper	Renewable	1,491.85	1,586.135

Note: Using the N370 as an example

- The materials include: Raw natural resources such as minerals, iron, wood, and plastic pellets; lubricating oils used in machinery, semi-finished parts or components; packaging materials.
- Non-renewable resources are those that cannot be easily replenished, such as metals, minerals, and oil, whereas renewable resources are those that can be replenished after being used.

Renewable raw material

In 2024, Clientron produced 3,850 units of the N370 thin clients, utilizing recycled plastic pellets. During the manufacturing process, we have chosen to use renewable raw materials as a key ingredient in order to reduce the demand on natural resources and lower the environmental burden. Statistical data shows that the total weight of recycled and reused materials used in the production of N370 thin clients in the year was approximately 971.32 kilograms, with each product using 253 grams of recycled and reused materials, which accounts for 24.6% of the total. This indicates that we have consciously incorporated the use of sustainable resources into our manufacturing process and integrated this principle into the production of our products. Through these efforts, we hope to achieve effective management of raw material resources and contribute to the sustainable development of resources.

5.5 Waste management

Waste management

Clientron strictly manages the waste generated at each of its operational sites. The headquarters in Taiwan generates relatively less waste from manufacturing processes, mainly consisting of general office waste from daily activities. However, the Xiamen factory generates a relatively large amount of waste during the printed circuit board assembly (PCBA) process, accounting for 90% of the total waste. Of these waste, discarded printed circuit board edges make up 40%, while SMD component trays account for 50%. To effectively manage waste, our company strictly adheres to the relevant regulations set by the Xiamen Environmental Protection Bureau. We engage qualified waste disposal companies, such as Quanzhou Feilong Hongye Environmental Protection Industry Co., Ltd., Xiamen Huihong Environmental Resources Technology Co., Ltd., and Fujian Province Chuxin Environmental Protection Co., Ltd. All our partners have installed GPS tracking systems to ensure the proper handling of the waste.

To achieve the goals of a circular economy and waste reduction, we have taken concrete actions. The tin slag generated from wave soldering furnaces is chemically treated, melted, and reduced. The resulting molten tin is then cooled and solidified into tin blocks, which are reintroduced into the production cycle, enabling the reuse of waste. In addition to the measures mentioned above, Clientron is also actively pursuing other environmental protection initiatives, such as optimizing production processes to reduce waste, providing recommendations on source reduction and waste recycling technologies, and enhancing waste sorting and recycling and reusing efforts. We hope that through these efforts, we can effectively reduce the amount of waste generated, increase the recycling rate, do our part for environmental protection, and achieve the goal of sustainable development. We are committed to ensuring Clientron's reliable production operations continue on a sustainable path, as we work together to benefit society and create a green, clean environment.

The waste management model of Clientron is described as follows. In order to reduce the environmental impact of our operations and effectively manage waste, we follow the ISO 14001 Environmental Management System and relevant local regulations. We have our general industrial waste collected and processed by local environmental protection agencies and waste management companies. As of 2024, Clientron has not experienced any serious leakage incidents. The main hazardous wastes generated by our company are waste circuit board edges, waste oil, and used cleaning agent containers. Currently, the waste circuit board edges are professionally recycled and processed by "Quanzhou Feilong Hongye Environmental Protection Industry Co., Ltd." All of the company's hazardous waste is registered on the official website and handled by certified third-party contractors, in compliance with the Xiamen Environmental Protection Bureau's requirements. This management approach ensures that waste is disposed of in an environmentally responsible and safe manner, allowing us to both benefit economically and uphold our commitment to environmental protection.

Waste Generation and Handling Situation at the Xiamen Factory							
Components of waste composition	Hazardous/ non- hazardous	Leaving					
Year		2023			2024		
Item		Generation of waste (tonnes)	Subtotal	Processing method	Generation of waste (tonnes)	Subtotal	Processing method
Waste circuit board edge	Harmful	1.50	1.50	Incineration (including energy recovery)	1.237	1.237	Incineration (including energy recovery)
Waste oil		0.15	0.33	Incineration (excluding energy recovery)	0	0	0
Used cleaning agent containers		0.15			0		
Cleaning cloth		0.03			0		
Used chemical containers		0.04	0.04	Prepared for reuse	0.092	0.092	Prepared for reuse
Activated carbon		0.28	0.28	Buried	0	0	0
SMD parts tray	Harmless	0.76	0.76	Incineration (including energy recovery)	0.984	0.984	Incineration (including energy recovery)
Electronic products		0.65	3.95	Recycling and reusing	0	1.956	Recycling and reusing
Cardboard box		1.80			1.46		
Plastic		1.50			0.5		
Total		6.86			4.269		

Note:

- The waste disposal represents the accumulated waste that will be processed in the next 1 - 2 years, rather than the amount of waste generated in 2023.
- The amount of waste disposed of in 2024 is 4.269 tons.

Appendix

Appendix I: GRI Sustainability Reporting Standards (GRI Standards) Reference Table

Declaration of use	Clientron Corp. has referenced the information provided in the GRI Standards for the period from January 1, 2024 to December 31, 2024, in line with the GRI Standards.
Using the GRI 1	GRI 1: Foundation 2021
Applicable to GRI Sector Standard	n/a

GRI Standards Category/Topic	Number	GRI Standards Disclosure Content	Corresponding section	Page number	Abbreviated/ Note
1. Organizational and Reporting Practices					
GRI 2 General Disclosures 2021	2-1	Organization Details	2.1 About Clientron	16	
	2-2	Entities included in corporate sustainability reporting	About this report	2	
	2-3	Reporting period, frequency, and contact person	About this report	3	
	2-4	Information Restructuring	About this report	2	
	2-5	External guarantee/confirmation	About this report	2	
2. Activities and Workers					
GRI 2 General Disclosures 2021	2-6	Business operations, value chain, and other commercial relationships	4.1 Product Quality Management	69	
	2-7	Staff	3.1 Talent development	49	
	2-8	Workers who are not employees	3.1 Talent development	50	
3. Governance					
GRI 2 General Disclosures 2021	2-9	Governance structure and makeup	2.2 Integrity in governance	26	
	2-10	Nomination and selection of the highest governing entity	2.2 Integrity in governance	28	
	2-11	Chairperson of the highest governing entity f	2.2 Integrity in governance	28	
	2-12	The highest governing entity's role in overseeing impact management	1.1 Clientron Moving Towards Sustainability	7	
	2-13	The person responsible for impact management	1.1 Clientron Moving Towards Sustainability	7	
	2-14	The highest governing entity's role in sustainability reporting	1.1 Clientron Moving Towards Sustainability	7	
	2-15	Conflict of interests	2.2 Integrity in governance	32	
	2-16	Critical communication events	2.2 Integrity in governance	32	
	2-17	Collective intelligence of the highest governing entity	2.2 Integrity in governance	36	
	2-18	Performance evaluation of the highest governing entity	2.2 Integrity in governance	36	
	2-19	Compensation policy	2.2 Integrity in governance	33	
	2-20	Compensation determination workflow	2.2 Integrity in governance	34	
2-21	Annual total compensation ratio	3.2 Employee Welfare	59		
4. Strategies, Policies, and Practice					
GRI 2 General Disclosures 2021	2-22	Declaration on Sustainable Development Strategy	A message from the General Manager	4	
	2-23	Policy commitments	2.2 Integrity in governance	38	
	2-24	Embedding policy commitments	2.2 Integrity in governance	38	
	2-25	Procedures to remedy negative impacts	2.2 Integrity in governance	38	
	2-26	Mechanisms for seeking advice and expressing concerns	2.4 Regulatory compliance and management	46	
	2-27	Regulatory Compliance	2.4 Regulatory compliance and management	46	
	2-28	Membership eligibility in industry associations	2.1 About Clientron	21	
5. Stakeholder engagement					
GRI 2 General Disclosures 2021	2-29	Stakeholder Engagement Strategy	1.2 Stakeholder communication	8	
	2-30	Collective agreement	3.2 Employee Welfare	57	

Material topic

GRI Number	Topic	GRI Sector Standard Ref. No.	Number	GRI Standards Disclosure Content	Corresponding section	Page number	Abbreviated/Note
GRI 3: Material topic 2021	Management guidelines	-	3-1	The process of determining material topic	1.3 Identification of material topics	11	
GRI 3: Material topic 2021	Management guidelines	-	3-2	List of material topics	1.3 Identification of material topics	13	
Material Topic: Taxation							
GRI 3: Material topic 2021	Management guidelines	-	3-3	Material topic management	2.1 About Clientron	16	
GRI 207	Disclosure on Tax Management 2019	-	207-1	Taxation policy	2.1 About Clientron	24	
		-	207-2	Taxation Governance, Oversight, and Risk Management	2.1 About Clientron	24	
		-	207-3	Stakeholder communication and management on tax-related matters	2.1 About Clientron	24	
		-	207-4	Country Report	2.1 About Clientron	24	
Material Topic: Employment relations							
GRI 3: Material topic 2021	Management guidelines	-	3-3	Material topic management	3.1 Talent development	47	
GRI 401	Disclosure on Labor/ Management Relations Topic 2016	-	401-1	New hires and departing employees	3.1 Talent development	51	
		-	401-2	Benefits offered to full-time employees (excluding casual or part-time employee)	3.2 Employee Welfare	57	
		-	401-3	Maternity leave	3.2 Employee Welfare	59	
Material Topic: Training and Education							
GRI 3: Material topic 2021	Management guidelines	-	3-3	Material topic management	3.1 Talent development	47	
GRI 404	Disclosure on Training and Education Topic 2016	-	404-1	Average annual training hours per employee	3.1 Talent development	54	
		-	404-2	Program to enhance employee skills and provide transition support	3.1 Talent development	54	
		-	404-3	Percentage of employees who regularly undergo performance and career development reviews	3.1 Talent development	55	
Material Topic: Product Safety							
GRI 3: Material topic 2021	Management guidelines	-	3-3	Material topic management	4.1 Product Quality Management	68	
GRI 416	Disclosure on Customer Health and Safety 2016	-	416-1	Evaluate the impact of product and service categories on health and safety	4.1 Product Quality Management	71	
		-	416-2	Incident involving the violation of health and safety regulations for products and services	4.1 Product Quality Management	71	
Material Topic: Product lifecycle							
GRI 3: Material topic 2021	Management guidelines	-	3-3	Material topic management	4.1 Product Quality Management	68	

Other Topics Revealed

GRI Number	Topic	GRI Sector Standard Ref. No.	Number	GRI Standards Disclosure Content	Corresponding section	Page number	Abbreviated/Note
Guidelines for Specific Topics: 200 Series (Economic Topic)							
Economic performance							
GRI 201 Disclosure on Economic Performance 2016	201-1			The direct economic value generated and distributed by the organization	2.1 About Clientron	21	
	201-2			The financial impacts and other risks and opportunities arising from climate change	2.3 Climate risk emergency preparedness	39	
	201-3			Defined benefit obligation and other retirement plans	3.2 Employee Welfare	60	
	201-4			Obtained from government financial support	2.1 About Clientron	25	
Market position							
GRI 202 Disclosure on Market Presence 2016	202-1			The ratio of standard salaries for entry-level employees of different genders to the local minimum wage	3.2 Employee Welfare	59	
	202-2			The proportion of local residents employed in senior management team	3.1 Talent development	53	

Indirect economic impact					
GRI 203	203-1	The development and impact of investments in and support services for infrastructure	-	-	Not disclosed
Disclosure on Indirect Economic Impacts 2016	203-2	Significant indirect economic impact	-	-	Not disclosed
Procurement practice					
GRI 204 Disclosure on Procurement Practices 2016	204-1	Percentage of procurement spending from local suppliers	4.2 Supply chain management	77	
Anti-corruption					
GRI 205 Disclosure on Anti-corruption 2016	205-1	Operational sites that have undergone corruption risk assessments	2.4 Regulatory compliance and management	44	
	205-2	Communication and training on anti-corruption policies and procedures	2.4 Regulatory compliance and management	44	
	205-3	Confirmed cases of corruption and the actions taken in response	2.4 Regulatory compliance and management	44	
Anti-competitive practices					
GRI 206 Disclosure on Anti-competitive Behavior 2016	206-1	Legal actions against anti-competitive, anti-trust, and monopolistic practices	2.4 Regulatory compliance and management	46	
Guidelines for Specific Topics: 300 Series (Environmental Topic)					
Material					
GRI 301 Disclosure on Materials 2016	301-1	The weight or volume of the materials used	5.4 Material management	87	
	301-2	Using recycled and reused materials	5.4 Material management	87	
	301-3	Recycled products and their packaging materials	-	-	Not applicable
Energy					
GRI 302 Disclosure on Energy 2016	302-1	Energy consumption within the organization	5.1 Energy Management	82	
	302-2	Energy consumption from external sources	-	-	Information is difficult to obtain
	302-3	Energy intensity	5.1 Energy Management	82	
	302-4	Decrease energy usage	5.1 Energy Management	82	
	302-5	Lower the energy requirements of products and services	5.1 Energy Management	82	
Water and Discharged Water					
GRI 303 Disclosure on Water and Effluent Management 2018	303-1	The influence of shared water resources on each other	5.2 Water Resources Management	85	
	303-2	Management of impacts related to water discharge	5.2 Water Resources Management	86	
GRI 303 Disclosure on Water and Effluent 2018	303-3	Water intake	5.2 Water Resources Management	85	
	303-4	Water discharge	5.2 Water Resources Management	85	
	303-5	Water consumption	5.2 Water Resources Management	85	
Biodiversity					
GRI 304 Disclosure on Biodiversity 2016	304-1	The organization's operational sites or their surrounding areas are located in environmentally protected areas or other areas of high biodiversity value	-	-	Our company's operational sites are not located in any national protected areas or wildlife habitats
	304-2	Significant impact on biodiversity from activities, products, and services	-	-	
	304-3	Protected or rehabilitated habitat	-	-	
	304-4	Species listed in the IUCN Red List and national conservation registry that are impacted by operational activities in their habitats	-	-	
Emissions					
GRI 305 Disclosure on Emissions 2016	305-1	Direct (Scope 1) greenhouse gas emissions	5.3 Greenhouse gas emissions management	84	
	305-2	Energy indirect (Scope 2) greenhouse gas emissions	5.3 Greenhouse gas emissions management	84	
	305-3	Other indirect (Scope 3) greenhouse gas emissions	-	-	Not applicable

	305-4	Greenhouse gas emission intensity	5.3 Greenhouse gas emissions management	84	
	305-5	Reduction of greenhouse gas emissions	5.1 Energy Management	82	
	305-6	Emissions of ozone-depleting substances (ODS)	-	-	It does not use ozone-depleting substances (ODS), and there are no nitrogen oxide (NOx), sulfur oxide (SOx), or other significant gas emissions
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other notable gas emissions	-	-	
Waste					
GRI 306 Disclosure on Waste Management 2020	306-1	Generation of waste and its significant associated impacts	5.5 Waste management	88	
	306-2	Management of significant impacts related to waste	5.5 Waste management	88	
GRI 306 Disclosure on Waste 2020	306-3	Generation of waste	5.5 Waste management	88	
	306-4	Disposal and transfer of waste	5.5 Waste management	88	
	306-5	Direct disposal of waste	5.5 Waste management	88	
GRI 306 Disclosure on Effluents and Waste 2016	306-3	Severe leak	5.5 Waste management	88	
Supplier environmental evaluation					
GRI 308 Disclosure on Supplier Environmental Assessment 2016	308-1	Use standard environmental criteria to screen new suppliers	4.2 Supply chain management	77	
	308-2	The negative environmental impacts in the supply chain and the actions taken to address them	4.2 Supply chain management	77	
Guidelines for Specific Topics: 400 Series (Social Topic)					
Labor-Management relations					
GRI 402 Disclosure on Labor/Management Relations 2016	402-1	The shortest notice period for operational changes	3.2 Employee Welfare	61	
Occupational Safety and Health					
GRI 403 Disclosure on Occupational Health and Safety Management 2018	403-1	Occupational Safety and Health Management System	3.3 Workplace Health and Safety	62	
	403-2	Hazard identification, risk assessment, and accident investigation	3.3 Workplace Health and Safety	62	
	403-3	Occupational health services	3.3 Workplace Health and Safety	66	
	403-4	Worker participation, consultation, and communication on occupational safety and health	3.3 Workplace Health and Safety	62	
	403-5	Training for communication on occupational safety and health	3.3 Workplace Health and Safety	64	
	403-6	Promoting the health of workers	3.3 Workplace Health and Safety	66	
	403-7	Preventing and mitigating the impact of occupational safety and health issues directly related to business relationships	3.3 Workplace Health and Safety	62	
GRI 403 Disclosure on Occupational Health and Safety 2018	403-8	Workers encompassed by the Occupational Safety and Health Management System	3.3 Workplace Health and Safety	62	
	403-9	Occupational injury	3.3 Workplace Health and Safety	65	
	403-10	Occupational illness	3.3 Workplace Health and Safety	65	
Workforce diversity and equal opportunity					
GRI 405 Disclosure on Diversity and Equal Opportunity 2016	405-1	Diversity in governing entity and among employees	3.1 Talent development	52	
	405-2	The ratio of basic salary and compensation between female and male	3.2 Employee Welfare	58	
Non-discrimination					
GRI 406 Disclosure on Non-discrimination 2016	406-1	Incident of discrimination and the corrective actions taken by the organization	2.4 Regulatory compliance and management	45	
Freedom of association and collective bargaining					

GRI 407 Disclosure on Freedom of Association and Collective Bargaining 2016	407-1	Operations sites or suppliers that may face risks related to freedom of association and collective bargaining	2.4 Regulatory compliance and management	45	
Child labor					
GRI 408 Disclosure on Child Labor 2016	408-1	Major risk of child labor use in operation site and supplier	2.4 Regulatory compliance and management	45	
Forced or Coerced Labor					
GRI 409 Disclosure on Forced or Compulsory Labor 2016	409-1	Operation sites and suppliers with a high risk of forced and coerced labor incidents	2.4 Regulatory compliance and management	45	
Security practices					
GRI 410 Disclosure on Security Practices 2016	410-1	Security guard receive training on human rights policies or procedures	3.1 Talent development	55	
Indigenous peoples' rights					
GRI 411 Disclosure on Rights of Indigenous Peoples 2016	411-1	There is incident of violation of indigenous rights	There is no incident of violation of indigenous rights	-	Not applicable
Local community					
GRI 413 Disclosure on Local Communities 2016	413-1	Engaging with the local community, conducting impact assessments, and operational activities of development plan	-	-	Not disclosed
	413-2	Operational activities with a substantial real or potential negative impact on the local community	-	-	Not disclosed
Supplier social evaluation					
GRI 414 Disclosure on Supplier Social Assessment 2016	414-1	Use standard social criteria to screen new suppliers	4.2 Supply chain management	77	
	414-2	The negative social impacts in the supply chain and the actions taken to address them	4.2 Supply chain management	77	
Public policy					
GRI 415 Disclosure on Public Policy 2016	415-1	Political Contribution	-	-	Not disclosed
Marketing and labeling					
GRI 417 Disclosure on Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	4.1 Product Quality Management	74	
	417-2	Incident of not following regulations on product and service information and labeling	4.1 Product Quality Management	74	
	417-3	Incident of not following regulations on marketing and communication	Not applicable, so it is not disclosed	-	Not applicable
Customer privacy					
GRI 418 Disclosure on Customer Privacy 2016	418-1	Confirmed complaints of violations of customer privacy or loss of customer data	4.1 Product Quality Management	75	

Appendix 2: TCFD Climate-related Financial Disclosures

Item	Corresponding section	Page number
1. Describe the oversight and governance by the board of directors and management regarding climate-related risks and opportunities.	2.3 Climate risk emergency preparedness	39
2. Describe how the identified climate-related risks and opportunities impact the company's operations, strategy, and financial performance over the short-term, mid-term, and long-term.	2.3 Climate risk emergency preparedness	39
3. Describe the financial impacts of extreme climate events and actions taken to address them.	2.3 Climate risk emergency preparedness	39
4. Describe how the process of identifying, assessing and managing climate risks is integrated into the overall risk management system.	2.3 Climate risk emergency preparedness	39
5. When using scenario analysis to assess the resilience to climate change risks, the used scenarios, parameters, assumptions, analysis factors, and key financial impacts should be explained.	-	
6. If there is a plan in place to address climate-related risk management, please provide details on the plan's content, as well as the indicators and targets used to identify and manage both physical and transition risks.	-	
7. If using an internal carbon pricing system as a planning tool, the basis for setting the price should be explained.	-	
8. If climate-related targets have been set, please provide information on the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress made. If carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, please explain the source and quantity of the carbon reduction credits or the number of renewable energy certificates (RECs).	-	
9. Greenhouse gas inventory and confirmation. (Tables 1-1 and 1-2)	5.3 Greenhouse gas emissions management	85

● 1-1 Greenhouse gas inventory and confirmation

Company profile	According to the requirements for listed companies' sustainable development roadmap, at least the following should be disclosed
<input type="checkbox"/> Companies with a capital of over NT\$10 billion, the steel industry, the cement industry <input type="checkbox"/> Companies with a capital between NT\$5 and 10 billion <input checked="" type="checkbox"/> Companies with a capital under NT\$5 billion	<input checked="" type="checkbox"/> Parent company's individual inventory <input type="checkbox"/> Consolidated financial report of subsidiaries inventory <input type="checkbox"/> Parent company's individual confirmation <input type="checkbox"/> Consolidated financial reporting of subsidiaries confirmation

1-1-1 Greenhouse gas inventory data

Provide the greenhouse gas emissions (tonnes of CO ₂ e), the intensity (tonnes of CO ₂ e per million NTD), and the coverage of the data for the last two years.					
Item	Site	Taipei Headquarters		Xiamen Factory	
		2023	2024	2023	2024
Scope 1: Total gas emissions (tonnes of CO ₂ e)		18.1911	35.2528	4.1488	31.72
Scope 1: Intensity (tonnes of CO ₂ e per million NTD)		0.0271	0.04178	0.0062	0,03759
Scope 2: Total gas emissions (tonnes of CO ₂ e)		235.2314	215.5123	969.76	700.73
Scope 2: Intensity (tonnes of CO ₂ e per million NTD)		0.3502	0.2554	1.4436	0.8305
Note 1: Direct emissions (Scope 1, i.e., direct emissions from sources owned or controlled by the company), energy indirect emissions (Scope 2, i.e., indirect emissions from the generation of purchased electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions that are a consequence of the activities of the company, which is not indirect emissions of energy, but occur from sources not owned or controlled by the company). Note 2: The scope of direct emissions and energy indirect emissions data should be handled according to the schedule specified in Article 4-1, Paragraph 2 of the "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" (hereinafter referred as the Regulations). Other indirect emissions information may be voluntarily disclosed. Note 3: Greenhouse Gas Inventory Standard: ISO 14064-1 published by the International Organization for Standardization (ISO).					

Note 4: The intensity of greenhouse gas emissions is calculated based on turnover (NT\$ million) 2024: \$843.767, 2023: \$671.785 million.

1-1-2 Greenhouse gas confirmation data

Scope of confirmation	2024 emissions (tonnes of CO ₂ e)		Verification institution	Explanation of the verification status	Verification opinion/ conclusion
Taipei Headquarters	Scope 1: Direct greenhouse gas emissions	35.2528	URS Taiwan Ltd.	ISO 14064-3:2018 provides reasonable assurance for limited assurance/reasonable assurance categories one and two	Unreserved conclusion/ opinion
	Scope 2: Indirect greenhouse gas emissions	215.5123			
	Total	250.7651			
Xiamen Factory	Scope 1: Direct greenhouse gas emissions	31.72	SGS Taiwan Ltd.	- ISO 14064-3:2018 provides reasonable assurance for limited assurance/reasonable assurance categories one and two	Unreserved conclusion/ opinion -
	Scope 2: Indirect greenhouse gas emissions	700.73			
	Total	732.45			

Note 1: It should be processed in accordance with the schedule specified in Article 4-1, Paragraph 3 of the Regulations.

Note 2: The confirmation institution should comply with the sustainability report confirmation requirements set by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note 3: Please refer to the best practice examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange Corporation for the relevant content.

Note 4: The greenhouse gas inventory data for the Xiamen Factory is still being compiled and calculated. Once this process is complete, the information will be included in the 2025 sustainability report.

● 1-2 Targets, strategies, and specific action plans for greenhouse gas reduction

<p>Company profile</p> <ul style="list-style-type: none"> □ Companies with a capital of over NT\$10 billion, the steel industry, the cement industry □ Companies with a capital between NT\$5 and 10 billion ■ Companies with a capital under NT\$5 billion 	<p>According to the requirements for listed companies' sustainable development roadmap, at least the following should be disclosed</p> <ul style="list-style-type: none"> □ Reveal the reduction target, strategy, and specific action plan from the previous year in 2025 □ Reveal the reduction target, strategy, and specific action plan from the previous year in 2026 ■ Reveal the reduction target, strategy, and specific action plan from the previous year in 2027
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Strategy for greenhouse gas reduction

1. Save energy by turning off unnecessary power.
2. Replace energy-consuming equipment.
3. Implement the ISO 50001 energy management system.

Greenhouse gas reduction target

Short-term objective	Mid-term objective	Long-term objective
➤ Carbon emissions will be reduced by 3% in 2025.	➤ Carbon emissions will be reduced by 10% in 2030.	➤ Achieve net-zero carbon emissions by 2050.

Progress on achieving reduction targets in 2024

Energy and greenhouse gas emissions reduction	<p>Since no greenhouse gas inventory was conducted in 2022, and the first inventory will be done in 2023, there is no baseline to compare reduction values. 2023 has been designated as the baseline year for greenhouse gas inventory, and it is anticipated that the progress in greenhouse gas emission reduction will be evaluated in 2024. The Taipei Headquarters emitted 250.7651 tons of carbon in 2024, which is 2.6574 tons less than in 2023, representing a 1% reduction.</p>
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Note 1: It should be processed in accordance with the schedule specified in Article 4-1, Paragraph 4 of the Regulations.

Note 2: The baseline year should be the year in which the inventory survey is completed based on the consolidated financial reporting boundaries. For example, according to Paragraph 2 of Article 4-1 of the Regulations, companies with a capital of NT\$10 billion or more should complete the inventory survey of 2024 consolidated financial report by 2025, so the baseline year is 2024. If the company has completed the consolidated financial report inventory survey earlier, the earlier year can be used as the baseline year, and the data of the baseline year can be calculated based on the average value of a single year or multiple years.

Note 3: Please refer to the best practice examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange Corporation for the relevant content.

Appendix 3: SASB Sustainability Accounting Standards Reference Table

Industry sector: Technology and Communications/Hardware					
Reveal the topic	Indicator number	Disclosure indicator	Disclosure of information in 2024	Correspondence between report content sections	Page number
Product Safety	TC-HW-230a.1	Methods for identifying and addressing product data security risks	Not applicable, as our company's production of thin client is a pure hardware product without any software installed that can be directly operated by users, there are no information security risks to identify or manage.	-	
Workforce Diversity and Inclusiveness	TC-HW-330a.1	The percentage of gender and racial/ethnic representation among (1) manager, (2) technician, and (3) all other employees	For details, please refer to the " Employee Profile ".	3.1 Talent development	47
Product Lifecycle Management	TC-HW-410a.1	Percentage of income-segmented products that contain IEC 62474 declarable substances	IEC 62474-compliant products make up 67.69% of the company's annual revenue.	4.1 Product Quality Management	68
	TC-HW-410a.2	The percentage of products that meet the EPEAT registration or equivalent requirements (based on revenue)	Not yet eligible, not applicable.	-	
	TC-HW-410a.3	The percentage of products that meet ENERGY STAR® standard (based on revenue)	Energy Star-compliant products make up 67.69% of the company's annual revenue.	4.1 Product Quality Management	68
	TC-HW-410a.4	Weight and percentage of discarded products and recycled electronic waste	Our products are intended for B2B customers, so they do not apply in this context.	-	
Supply chain management	TC-HW-430a.1	The percentage of (a) all suppliers and (b) high-risk (conflict minerals) suppliers at the tier 1 that have passed the Responsible Business Alliance (RBA) Validated Audit Process (VAP) or a comparable process	Not applicable, scheduled to be implemented in 2025.	-	
	TC-HW-430a.2	The non-compliance rate of (1) the Responsible Business Alliance (RBA) Validated Audit Process (VAP) or equivalent procedure of tier 1 suppliers, and (2) the relevant corrective action rate for (a) priority non-conformities and (b) other non-conformities	Not applicable, scheduled to be implemented in 2025.	-	
Tracing the source of the raw materials	TC-HW-440a.1	Description of risk management measures for the use of key contentious raw materials	For details, please refer to the " Conflict-Free Mineral Declaration ".	4.2 Supply chain management	77

Number	Performance indicator	Disclosure of information in 2024	Corresponding section	Page number
TC-HW-000.A	Number of production units by product category	The Taipei headquarters estimates that it can produce 5,000 units of thin clients, 1,500 units of POS systems, and 4,000 units of automotive electronics products per month for the company. The Xiamen factory estimates that it can produce 20,000 units of finished goods for thin clients, 38,000 units of semi-finished goods, 3,300 units of semi-finished goods for POS systems, and 40,000 units of automotive electronics products annually.	4.1 Product Quality Management	68
TC-HW-000.B	The area where the production equipment is located	The Taipei headquarters occupies an area of approximately 290 Taiwanese ping. The Xiamen factory occupies a site of 5,895.60 square meters and has a total built-up area of 13,935.94 square meters. It features a five-story building that houses both production facilities and office space, covering an area of 12,126 square meters.	4.1 Product Quality Management	68
TC-HW-000.C	Percentage of production from self-owned facilities	All production work is conducted entirely within our own facilities.	4.1 Product Quality Management	68

Appendix 4: Sustainable Disclosure Indicators of the Financial Supervisory Commission - Computer and Peripheral Equipment Industry

Number	Indicator	Indicator type	Unit	Annual disclosure of information	Corresponding section structure	Page number
I	Total energy consumption, percentage of purchased electricity, and renewable energy utilization rate	Quantification	Gigajoules (GJ), percentage (%)	In 2024, the total energy use was 1,657.0443 GJ, with electricity consumption 1,636.8025 GJ making up the entire amount, accounting for 98.78% of the total energy use. Our company does not utilize renewable energy.	5.1 Energy Management	82
II	Total water intake and total water consumption	Quantification	Cubic meter (m ³)	In 2024, the Taipei Headquarters had a total water intake of 2.76 cubic meters, while the Xiamen Factory had a total water intake of 5.361 cubic meters. Both have a water consumption of zero cubic meters.	5.2 Water Resources Management	84
III	The weight of hazardous waste generated and the percentage of recycle	Quantification	Tonnes (t), percentage (%)	In 2024, the total amount of hazardous waste was 1.329 tonnes, of which used chemical containers that can be reused accounted for 6.92% of the total weight.	5.5 Waste management	88
IV	Explain the categories of occupational accidents, the number of incidents, and ratio	Quantification	Ratio (%), number	In 2024, there were no reported incidents of occupational injury or occupational diseases involving employees or non-employees.	3.3 Workplace Health and Safety	62
V	Disclosure of product lifecycle management The weight of discarded products and electronic waste, and the percentage of recycling (Note 1)	Quantification	Tonnes (t), percentage (%)	Our products are intended for B2B customers, so they do not apply in this context.	-	
VI	Description of risk management associated with the use of critical materials	Qualification description	Not applicable	Clientron is committed to not supporting or using tin (Sn), tantalum (Ta), tungsten (W), and gold (Au) extracted from mines in the Democratic Republic of the Congo and its neighboring countries that are affected by armed conflict, illegal mining, and poor working conditions, also known as "conflict minerals". For details, please refer to the "Conflict-Free Mineral Declaration".	4.2 Supply chain management	77
VII	Total monetary losses due to legal proceedings related to the anti-competitive practices	Quantification	News on currency	No such incident occurred.	2.4 Regulatory compliance and management	44
VIII	Main product output by product type	Quantification	Source depends on the type of product	The Taipei headquarters estimates that it can produce 5,000 units of thin clients, 1,500 units of POS systems, and 4,000 units of automotive electronics products per month for the company. The Xiamen factory estimates that it can produce 20,000 units of finished goods for thin clients, 38,000 units of semi-finished goods, 3,300 units of semi-finished goods for POS systems, and 40,000 units of automotive electronics products annually.	4.1 Product Quality Management	68

Note 1: It includes the sale of by-products or other recycling/processing, and relevant explanations should be provided.



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Independent Validation Opinion Report

會計師有限確信報告

To: [Clientron Management]

公信電子股份有限公司 公鑒

Scope and Objectives

服務範圍與目的

We have been engaged by [Clientron] to provide independent validation of the information related to water, energy, and Scope 1 and Scope 2 carbon emissions as reported in the 2024 [Clientron] ESG Report. Our responsibility is to express an independent validation opinion based on our review in accordance with the AA1000 Assurance Standard (AA1000AS v3), ensuring compliance with Criterion 4.9.2.1 for Corporate Environmental Performance Reporting.

本會計師受公信電子股份有限公司（以下簡稱「貴公司」）之委任，對 貴公司民國 113 年度永續報告書所報導之水、能源及溫室氣體範疇一與範疇二環境數據執行確信程序。本會計師基於 AA1000 保證標準(AA1000AS v3)對 貴公司依 4.9.2.1 要求所選定之環境數據，作成未存有重大不實表達取得有限確信之結論。

Responsibilities

管理階層之責任

The management of [Clientron] is responsible for the preparation and presentation of the ESG report. Our responsibility is to express an independent opinion on the report based on our validation procedures performed in accordance with the AA1000AS, focusing on verifying each environmental aspect, including water, energy, and greenhouse gas emissions, as required by Criterion 4.9.2.1.

貴公司管理階層之責任係編製永續報告書及溫室氣體內部報告，包含 4.9.2.1 要求所選定之環境數據。本會計師之責任係依照 AA1000 保證標準 (AA1000ASv3) 規劃及執行有限確信案件，基於所選定之環境數據取得有限確信，並作成有限確信之結論。

Assurance Standard

確信準則

Our validation was conducted in accordance with the AA1000 Assurance Standard (AA1000AS v3), focusing on the principles of inclusivity, materiality, responsiveness, and impact, while ensuring compliance with the specific requirements of Criterion 4.9.2.1.

依照 AA1000 保證標準 (AA1000AS v3)，本有限確信案件審核包括 貴公司報告編製範疇、重大性適用、環境數據資料使用者回應以及影響，環境數據是否符合 4.9.2.1 要求。

Methodology

審核方法

Our validation procedures included, but were not limited to:

- Reviewing the 2024 [Clientron] ESG Report and associated documentation related to water usage, energy consumption, and Scope 1 and Scope 2 carbon emissions.
- Performing analytical procedures and evaluating the consistency of the reported information with our understanding of the company and the industry, ensuring that each environmental aspect is verified as per Criterion 4.9.2.1.

本有限確信案件程序包括：

核閱 貴公司民國 113 年度永續報告書及報告所報導之水、能源及溫室氣體範疇一與範疇二環境數據。

執行報導兩個連續年度數據分析，核閱依據環境數據之報導是否符合 4.9.2.1 要求。

Conclusion

結論

The reports adequately represent the material sustainability issues pertinent to [Clientron]'s water usage, energy consumption, and Scope 1 and Scope 2 carbon emissions. Our verification confirms that no material issues have been overlooked or understated.

貴公司民國 113 年度永續報告書及報告所報導之水、能源及溫室氣體範疇一與二環境數據經本會計師執行有限確信程序，未存有重大不實表達。

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the information on water, energy, and Scope 1 and Scope 2 carbon emissions in the 2024 [Clientron] ESG Report does, in all material respects, adhere to the AA1000 Account Ability Principles. Our opinion is given with the reported information and in compliance with Criterion 4.9.2.1 requirements.

經本會計師執行有限確信程序，所選定之水、能源及溫室氣體範疇一與二環境數據環境數據未存有重大不實表達。依照 AA1000 保證標準 (AA1000ASv3) 本會計師業已確信竣事，並依據結果出具有限確信報告。

[Signature]

王怡璇 Judy Wang

[Judy Wang]

[CPA]

[Evershine CPAs Firm]

[June 27, 2025]

