

Promotion and implementation of sustainable development, and the differences in the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Description	
1. Does the company have a governance framework in place to promote sustainable development and a dedicated (concurrent) unit for fulfilling sustainable development, with the board of directors authorizing senior management to handle such efforts, and having relevant progress supervised by the board of directors?	V		<p>Foxtron has designated the Chairman of the Board as the highest governing authority for sustainability and has established a "Sustainable Development Promotion Office" chaired by the CEO serving as the Chairperson. The office's dedicated team is responsible for formulating and driving the company's sustainability policies, setting short-, medium-, and long-term sustainability development plans, and monitoring the execution progress and effectiveness of various projects.</p> <p>The "Sustainable Development Promotion Office" convenes internal meetings focused on material sustainability topics to identify sustainability issues affecting the company's operations and of interest to stakeholders. It formulates corresponding strategies and work plans, allocates sustainability-related budgets across organizations, plans and implements annual initiatives, and tracks the effectiveness of execution to ensure the full integration of sustainability strategies into the company's daily operations.</p> <p>The "Sustainable Development Promotion Office" reports quarterly to the Board of Directors on the results of sustainability initiatives and future work plans. In 2024, five meetings were held, covering the following agenda items: (1) identifying key sustainability issues and formulating action plans; (2) revising sustainability-related objectives and policies; (3) overseeing the implementation of sustainability practices and evaluating performance. The Board reviews strategic progress and success probability, and advises management to make timely adjustments when necessary.</p>	No significant differences
2. Does the company perform risk assessments on environmental, social	V		The disclosure information has reported the company's sustainable development performance at major locations for the period January to	No significant differences

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and corporate governance issues related to the company's operation based on the materiality principle and develop relevant risk management policies or strategies?			<p>December 2024. The boundary and scope of risk assessment primarily cover the company's operations in Taiwan.</p> <p>The "Sustainable Development Promotion Office" conducts analysis in alignment with the materiality principle outlined in the Sustainability Report, communicates with internal and external stakeholders, and evaluates significant ESG issues by reviewing domestic and international research reports, literature, and integrating evaluation data from various departments and subsidiaries. This process leads to the establishment of effective risk management policies for identifying, measuring, assessing, supervising, and controlling risks, along with specific action plans to mitigate the impact of related risks. Based on the assessed risks, the following relevant risk management policies/strategies are established:</p> <p>I. Environmental Material Sustainability Topic:</p> <ol style="list-style-type: none"> 1. Climate Change Management <p>II. Social Material Sustainability Topic:</p> <ol style="list-style-type: none"> 1. Labor-Management Relations and Talent Retention and Development 2. Workplace Diversity and Equality 3. Occupational Safety and Health <p>III. Governance Material Sustainability Topic:</p> <ol style="list-style-type: none"> 1. Corporate Governance and Financial Performance 2. Legal Compliance and Integrity Management 3. Information Security and Privacy Management 4. Technology Research and Innovation 5. Product Quality Management and Customer Relations 6. Sustainable Supply Chain Management <p>Details of these policies and strategies will be further disclosed in the Company's 2024 Sustainability Report.</p>	
3. Environmental Issues (1) Does the company	V		The company is mainly engaged in electric vehicle technology research and development, vehicle and	No significant differences

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have an appropriate environmental management system developed based on its industry characteristics?			<p>component manufacturing management, and sales services, and outsources assembly production to contract manufacturers, without directly engaging in production manufacturing itself, so environmental pollution incidents should not occur.</p> <p>The company's "Sustainable Development Promotion Office" serves as the leading unit responsible for supervising climate change governance issues within the company. It is convened by CEO, leading the team to convene various units to identify climate-related risks and opportunities, formulate response strategies, manage goals, and implement corporate goal execution. Progress is reviewed regularly each year and implementation results are reported to the board of directors.</p> <p>In 2023, a climate risk and opportunity identification mechanism is introduced to identify important environmental issues, establish environmental sustainable development strategies and goals. It follows and implement the Greenhouse Gas Protocol (GHG Protocol) for greenhouse gas inventory and assurance by external parties to achieve carbon reduction goals. Relevant management systems and performance will be disclosed on the company's official website and the Company's 2024 Sustainability Report.</p>	
(2) Is the company committed to improving energy efficiency and using renewable materials that have a low impact on the environment?	V		<p>The company is committed to promoting energy saving, carbon reduction, and improving the efficiency of various resources, such as: Promoting electrification of official vehicles, setting time switches to effectively control the electricity consumption of air conditioning, continuously digitizing to reduce paper usage, and implementing office resource recycling measures to reduce environmental impact. The goal for 2024 is to reduce the fuel consumption of official vehicles compared to the baseline year. In 2023, the reduction was 15%, with a decrease of 21,063.7700 liters of fuel. In 2024, the company began transitioning its fleet from fuel-powered official vehicles with electric ones, converting 8 traditional vehicles into electric vehicles. This resulted in a fuel consumption of 7,564.8900 liters,</p>	No significant differences

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			achieving a reduction of 13,498.8800 liters of fuel consumption (approximately 39%), thus meeting the reduction target.																																													
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the business now and in the future, and take appropriate action to address them?	V		The company's Sustainable Development Promotion Office follows the TCFD climate risk and opportunity framework to identify and assess the potential impacts of climate change on the company’s operations. After internal meetings and discussions with various departments regarding operational conditions, 8 climate risks and 4 climate opportunities relevant to the company were selected. From these, 3 were chosen as the key climate risk and opportunity issues for the year. Detailed information will be disclosed in the company's 2024 Sustainability Report.	No significant differences																																												
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	V		<p>To mitigate the impacts of climate change and reduce greenhouse gas emissions, the company has established short-, medium-, and long-term reduction targets for 2026, 2028, 2030, and 2050. Starting in June 2024, the company will replace 8 fuel-powered vehicles and purchase 17 electric official vehicles. In the same year, the company will also conduct a greenhouse gas inventory following the Greenhouse Gas Protocol (GHG Protocol) and undergo external verification (Assurance Report date: April 11, 2025).</p> <p style="text-align: center;">Greenhouse Gas Emissions in the Past Two Years</p> <table><tr><th colspan="2" rowspan="2">Scope/ Year</th><th colspan="2">2023</th><th colspan="2">2024</th></tr><tr><th>GHG Emissions (tCO₂e)</th><th>Carbon Intensity (tCO₂e/ NT\$ million)</th><th>GHG Emissions (tCO₂e)</th><th>Carbon Intensity (tCO₂e/ NT\$ million)</th></tr><tr><td rowspan="2">Scope 1</td><td>Parent Company</td><td>170.5341</td><td>0.1646</td><td>248.9208</td><td>0.0292</td></tr><tr><td>Subsidiary</td><td>-</td><td>-</td><td>3.4521</td><td>0.0004</td></tr><tr><td colspan="2">Total</td><td>170.5341</td><td>0.1646</td><td>252.373</td><td>0.0296</td></tr><tr><td rowspan="2">Scope 2</td><td>Parent Company</td><td>938.4218</td><td>0.9057</td><td>1,672.9170</td><td>0.1963</td></tr><tr><td>Subsidiary</td><td>-</td><td>-</td><td>20.8323</td><td>0.0024</td></tr><tr><td colspan="2">Total</td><td>946.3890</td><td>0.9057</td><td>1,693.749</td><td>0.1987</td></tr></table>	Scope/ Year		2023		2024		GHG Emissions (tCO ₂ e)	Carbon Intensity (tCO ₂ e/ NT\$ million)	GHG Emissions (tCO ₂ e)	Carbon Intensity (tCO ₂ e/ NT\$ million)	Scope 1	Parent Company	170.5341	0.1646	248.9208	0.0292	Subsidiary	-	-	3.4521	0.0004	Total		170.5341	0.1646	252.373	0.0296	Scope 2	Parent Company	938.4218	0.9057	1,672.9170	0.1963	Subsidiary	-	-	20.8323	0.0024	Total		946.3890	0.9057	1,693.749	0.1987	No significant differences
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			Scope 1 + Scope 2 as Proportion of Total Emissions	1,108.956	1.0703	1,946.122	0.2283	
			Total Revenue (NT\$ million)	\$1,036.0840		\$ 8,520.6110		
			Note 1: Foxtron adopts the operating control approach to define the organizational boundary for our greenhouse gas (GHG) inventory. In 2023, the inventory covered operating sites in Taiwan. In 2024, we expanded it to include our operating sites in Taiwan as well as subsidiaries in the consolidated financial statements, including offices in China (Hangzhou and Fuzhou) and the United States.					
			Note 2: The 2024 GHG inventory assurance scope covers only the parent entity’s operations in Taiwan; it does not yet include subsidiaries in the consolidated financial statements. We plan to obtain assurance for consolidated emissions data in future years.					
			Note 3: Carbon intensity is calculated based on the annual revenue, with the unit in NTD million.					
			In terms of water resource protection and management, the company’s policy focuses on water conservation, reduction, and the installation of water-saving devices. For waste management policies and initiatives, the company advocates for a circular supply chain and resource recycling, continuing to promote waste reduction at the source and strengthening waste classification and recycling.					
			Detailed information will be disclosed in the company's 2024 Sustainability Report.					
4. Social Issues (1) Does the company establish its management policies and procedures in accordance with relevant regulations and the International Bill of Human Rights?	V		The company establishes "work rules" in accordance with Labor Standards Act to protect the legitimate rights and interests of employees. The company also follows internationally recognized labor human rights and does not discriminate in the use of human resources based on gender, race, socio-economic status, age, marital status, or family situation, to ensure equality and fairness in employment, employment conditions, remuneration, benefits, training, performance evaluation, and promotion opportunities. In order to prevent workplace sexual harassment, the company has formulated the “Regulation for Establishing Measures of Prevention, Correction,					No significant differences

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			<p>Complaint and Punishment of Sexual Harassment at Workplace and established a Complaint Handling Committee responsible for handling related complaints.</p> <p>Provide effective and appropriate complaint mechanisms for incidents that harm workers' rights, ensuring equality and transparency in the complaint process.</p>	
(2) Has the Company established and implemented reasonable employee welfare measures (including salary/compensation, leave, and other benefits, etc.), and are business performance or results appropriately reflected in employee salary/compensation?	V		<p>1. Employee welfare measures: The company has established and implemented reasonable employee welfare measures (including salaries, group insurance, holiday bonuses or gifts, and marriage, funeral, and maternity subsidies etc.), and set up an Employee Welfare Committee to coordinate welfare activities.</p> <p>The company's leave policies are handled in accordance with the Labor Standards Act, labor leave regulations, and other regulations specifying dates for holidays designated by central authorities, encouraging employees to take adequate rest and balance work and life.</p> <p>2. Business performance reflected in employee remuneration: According to Article 26 of the Company's Articles of Incorporation, 5% ~ 7% of profit (if the Company gains profits) of the current year shall be set aside as the employees' compensation.</p> <p>Details will be disclosed in the Company's 2024 Sustainability Report.</p>	No significant differences
(3) Does the company provide a safe and healthy work environment for its employees and conduct regular safety and health training for its employees?	V		<p>1. The company has established an occupational safety and health plan, including plans to prevent human-induced hazards, protect maternal health, prevent unlawful infringement in performing duties, and prevent diseases caused by abnormal workloads, in pursuit of the goal of zero disasters, zero occupational diseases, and zero accidents. Safety and Health educational training are also conducted to new employees and current employees to enhance employees' safety awareness, with a total of 2,998 hrs in 2024.</p> <p>2. In 2024, there were 12 occupational disasters in</p>	No significant differences

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			<p>the workplace, while no major occupational accidents. The company conducted an accident investigation for each occupational disaster, identify the main causes of accidents, and strengthen necessary safety and health educational training to reduce the occurrence of similar accidents, strengthen personnel safety and health concepts to reduce disaster risks for employees and property.</p> <p>3. The company has established the "Labor Safety and Health Work Guidelines" for employees to follow, and to improve the safety and health work environment of employees, the following methods are implemented:</p> <ul style="list-style-type: none"> (1) Conduct regular and irregular on-site inspections to reduce risks at the factory. (2) Arrange regular monitoring of the working environment to ensure workplace safety. (3) Organize annual employee health check-ups and provide on-site medical services, offering health consultations to employees. (4) Conduct AED+CPR training courses to enhance employees' first aid skills. (5) Hold irregular employee health promotion activities and recreational events to enrich employees' leisure activities and foster camaraderie. (6) Promote a smoke-free workplace to ensure employees work in a comfortable and healthy environment. <p>Details will be disclosed in the Company's 2024 Sustainability Report.</p>	
(4) Does the company have an effective professional competency development training program for employees?	V		<p>The Company provides training programs tailored to job roles, competencies, and development needs, while supporting employees through internal training and encouraging external learning to enhance their professional capabilities and self-cultivation. In 2024, total employee training hours amounted to 8,094.</p> <p>Details will be disclosed in the Company's 2024 Sustainability Report.</p>	No significant differences
(5) Do the company's products and services comply with relevant	V		<p>The company follows relevant laws and international standards in providing products and services, and places importance on the protection</p>	No significant differences

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laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling, and are relevant consumer protection or customer rights protection and complaint procedure policies implemented?			<p>of related intellectual property rights.</p> <p>There is a "Personal Data Protection Regulation" to ensure that the collection, processing, and utilization of data comply with regulations; Confidential measures are taken for customer data, and employees are required to sign documents such as "Employee Self-Discipline Agreement," "Service Agreement," "Commitment to Compliance with Personal Data Protection Laws and Other Relevant Regulations," "Confidentiality Agreement," and "Integrity and Intellectual Property Rights Agreement" upon employment to implement the principle of customer data confidentiality.</p> <p>Through customer satisfaction surveys, objective methods are used to understand whether the products and services provided can meet customer needs from different customer groups, as a basis for continuous improvement.</p> <p>The company's official website has a contact person responsible for customer inquiries or complaints, and major issues are discussed at management meetings and dealt with promptly.</p>	
(6) Does the company have a supplier management policy that requires suppliers to follow relevant norms on issues, such as environmental protection, occupational safety and health, or labor human rights? If so, describe its implementation status.	V		<p>The company requires suppliers to comply with local laws and the company's corporate social responsibility code of conduct. In procurement activities, social responsibility and environmental benefits are fully considered, prioritizing the purchase of environmentally friendly products and services, balancing economic and environmental benefits. Optimize and improve green procurement standards and management systems, jointly implement environmental protection, energy conservation, carbon reduction, zero waste, green product management with upstream and downstream suppliers. Therefore, in 2024, the company established the "Supply Chain Management Policy" and the "Social and Environmental Sustainability Commitment Letter", and formulated 25 sustainability risk assessment items to effectively monitor and audit suppliers. In 2024, a total of 221 qualified suppliers signed the "Social and Environmental Sustainability Commitment Letter" and completed</p>	No significant differences

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			the sustainability self-assessment. Details will be disclosed in the Company's 2024 Sustainability Report.	
5. Does the company refer to the international standards or guidelines for the preparation of reports to prepare Sustainability Reports and other reports that disclose non-financial information? Does the aforementioned reports acquire the assurance or guarantee of the third-party certification unit?	V		The company's Sustainability Report is prepared in accordance with the Global Reporting Initiative (GRI) Standards for Sustainability Reporting, United Nations Sustainable Development Goals (SDGs), and other indicators, disclosing strategies, goals, and specific performance on environmental, social, and corporate governance aspects, as well as major thematic policies. Some performance data in the company's 2024 Sustainability Report and the assurance criteria and assurance level have been audited by PwC Taiwan in accordance with the Assurance Standard No. 3000 of the Republic of China "Assurance Engagements Other Than Historical Financial Information Audit or Review," providing a limited assurance report on the selected key performance indicators (Assurance Report date: August 13, 2025).	No significant differences
6. Describe the differences between actual practice and the sustainable development principles, if the company has formulated such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies: The company has established the "Sustainable Development Best Practice Principles" and will continue to implement it in accordance with its regulations, with no significant differences in the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies".				
7. Other important information to facilitate a better understanding of the Company's implementation of sustainable development: The status of other sustainable development initiatives is disclosed in the Company's 2024 Sustainability Report.				