2024 SUSTAINABILITY REPORT

CONTENTS

About this Report

Foxtron Vehicle Technologies Co., Ltd. (below, "Foxtron", "the Company", or "Us") issued our first Sustainability Report in 2024. As a leading company in the electric vehicle industry, we are committed to promoting sustainable development and disclosing sustainability information to all stakeholders. By doing this, we help realize the Company's vision of "promoting the popularization of electric vehicles through the Open EV Platform". Foxtron publishes a sustainability report annually to continue strengthening our information disclosure in the areas of governance, environment, and society.

Reporting Scope

The reporting period for Foxtron's 2024 Sustainability Report is from January 1, 2024, to December 31, 2024. Unless otherwise specified in this Report, the scope of disclosure covers all levels and structures of the Company, including the Company itself and its subsidiaries. The boundary for the sustainability information disclosed in this Report is consistent with the boundary and fiscal year of the Company's consolidated financial statements.

Management Approach and External Assurance

All data was reviewed at multiple levels by departmental supervisors and approved by senior management. The Sustainable Development Promotion Office compiled and drafted this Report, which was submitted to and approved by the Board of Directors prior to publication. In 2024, the Sustainability Report Compilation and Assurance Procedures were formulated, then approved by the Board of Directors. These procedures serve as a basis for compilation and assurance work, and are incorporated into the Company's internal control system. Internal audit personnel periodically ascertain the compliance status and compile this into audit reports.

Specific indicators and text in this Report were subject to independent limited assurance by PwC Taiwan in accordance with the Standard on Assurance Engagements 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" of the Republic of China. Please refer to this Report's Appendices for the assurance report.

Reporting Guidelines

The information disclosed in this Report is compiled based on the latest GRI Universal Standards 2021 issued by the Global Reporting Initiative (GRI). A Global Reporting Initiative Index is attached at the end of this Report for stakeholder cross-reference. This Report's statistical data and information are derived from Foxtron's own investigations and statistics from daily operational management across all departments. They are expressed in accordance with local regulatory requirements, international common indicators, industry standards, and industry practices.

Issuance of the Report

Foxtron publishes a sustainability report annually. To support paperless operations, this Report is disclosed electronically on the Company's website for stakeholders to view.

Current issue: Published in August 2025
Next issue: Expected to be published in August 2026

Feedback

If you have any comments or suggestions regarding this Report, we welcome you to share your valuable feedback with us. Contact details are as follows:

Foxtron Sustainable Development Promotion Office

Address: 7F., No. 26, Baogao Rd., Xindian District, New Taipei City

Phone: (02) 5590-6168 ext. 1051

Email: sustainability@foxtronev.com

Letter from the Chairman

Since Foxtron's establishment in 2020, we have focused on environmentally-friendly electric vehicles as our core focus for development. Through the teamwork and efforts of all employees, and through the more than four years since Foxtron was established, we have independently developed six electric vehicle models. For this, we have gained attention from every sector of society, and received support and recognition from our customers. As Foxtron continues to grow, we deeply understand the importance of being a corporate citizen and fulfilling our corporate social responsibility. Therefore, with a spirit of gratitude and giving back, we follow Hon Hai Technology Group's philosophy of "Sustainable Operations = EPS + ESG". Foxtron continues to deepen sustainability actions in the three aspects of ESG: corporate governance, environmental protection, and social responsibility. We demonstrate our commitment to, and achievements in, promoting corporate responsibility and sustainable development.

In the Governance aspect, we have established the Sustainable Development Promotion Office, and incorporated sustainability indicators into managers' performance evaluation mechanisms. At the same time, we have also promoted internal ESG awareness, establishing a spirit and culture of sustainable development, and enhancing awareness and practical capabilities on sustainability issues. By formulating the Social and Environmental Sustainability Commitment and our Supply Chain Management Policy, we have strengthened cooperation with our supply chain. We have also completed 25 sustainability risk assessments, assisting suppliers in identifying and responding to climate and operational risks, thus moving toward sustainability goals together.

In the Environmental aspect, we uphold the vision of "promoting the popularization of electric vehicles through the Open EV Platform". We continue to develop zero-carbon electric vehicle products, and are making full electrification of our corporate vehicles fleet a reality, as our concrete response to sustainable development. Starting in 2023, we followed the Task Force on Climate-related Financial Disclosures (TCFD) framework, completing inventories and external assurance of the Company's direct and indirect greenhouse gas emissions; in 2025, we will expand our inventory boundary to Scope 3, while also setting 2030 and 2050 net-zero emissions goals for our operating sites.

In terms of the Social aspect, we firmly believe that talent is the foundation of corporate sustainable development. Through formulating our Human Rights Policy and our Occupational Safety and Health Policy, we establish employee protections, promote a culture of diversity and inclusion, and provide a superb, healthy work environment. At the same time, we implement employee incentive systems and training programs to establish a robust talent cultivation environment. In industry-academia collaboration, we cooperate with multiple universities to jointly promote education and R&D collaboration; in social participation, we engage in public welfare activities, with the aim of deepening social inclusion and talent cultivation, further demonstrating our corporate citizenship and positive social influence.

Looking ahead, Foxtron will continue to promote sustainable operations, adhering to the business philosophy of "Integrity, Professionalism, and Openness". We aim to infuse positive energy into society, actively respond to the demands and expectations of all stakeholders, and build competitiveness in sustainability for the Company.

Foxtron Vehicle Technologies Co., Ltd.
Chairman
Young Liu

2024 Highlights

Zero-Emission Electric Vehicle Development

- Obtained 104 patents in Taiwan, China, and the United States.
- Unveiled the electric Model U commercial vehicle and the Model D passenger vehicle at Hon Hai Tech Day.
- Model T electric bus debuted at 2050 Net Zero City Expo and was shown at the New Taipei City EV Industry Dream Factory.

Supply Chain Management

- Formulated the Supply Chain Management Policy and the Social and Environmental Sustainability Commitment.
- Added 25 sustainability risk assessment items (incl. human rights, environmental protection, energy efficiency, ethical management, and more) to the supplier selection and evaluation mechanism.
- In 2024, 100% of qualified suppliers completed the self-assessment process.

Sustainability Governance

- Total ESG education and training participation reached 169.75 hours.

Business Performance

- Revenue grew by 716%.

Corporate Governance Outcomes

- Board of Directors' self-assessment averaged 4.71 out of 5, with results rated excellent.

Information and Communication Security

- 99% pass rate for online awareness course.
- No occurrence of information security incidents.
- No occurrence of unethical behavior or customer privacy breach incidents.

Net-Zero Emissions Targets

- By 2028: All operating sites to reduce emissions by 40% compared to base year.
- By 2030: All office locations to achieve net-zero; the share of green electricity will reach ≥50%.
- By 2050: All operating sites to achieve net-zero.

Participation in Carbon Reduction Initiatives

- Awarded the Green Level Net-Zero Label Certification by the TANZE.
- Participated in the My Carbon Reduction Passbook citizen campaign; recognized as the top model enterprise for Q1 to Q3 at Baogao Science and Intellectual Industrial Park in Xindian District, New Taipei City.

Transitioned to Low-Carbon Corporate Vehicles

- Fully electrified the corporate fleet vehicle. Replaced 8 gasoline-powered cars and procured 17 electric vehicles. Energy intensity decreased by 80% from previous year.

Water Resource Management and Reuse

- Conducted water stress risk assessments at all operating sites.
- Introduced water treatment systems for AC cooling towers and installed rainwater harvesting systems. Water intensity decreased by 83% from the previous year.

Waste Management

- Waste recycling rate increased by 26% over the previous year; waste intensity decreased by 75%.

Governance (including products)

Social

Environmental

Industry-Academia Collaboration

- Collaborated with National Taipei University of Technology on research and testing for the Advanced Driver Assistance Systems. Jointly developed automatic parking system, and donated an electric vehicle for laboratory research.

Social Engagement

Participated in activities at the Baogao Science and Intellectual Industrial Park in Xindian District, New Taipei City:

- 3 corporate blood donation drives with 181 employee participants; with other park enterprises, contributed 886 units of blood.
- Collected second-hand goods.
- Promoted domestic fruits through food and agriculture education.

Accident-free Work Hours Record Competition

- As of 2024, 3,140,116 accident-free work hours; no occurrence of major occupational injuries or fire incidents during the reporting period.

Internal Employee Referral Program

- 27 employees referred 33 candidates, NT$1,397,000 in referral bonuses.

Outstanding Engineer Cultivation Program

- Identified outstanding master's and doctoral students from universities; benefitted 3 students NT$341,333 in scholarships.

Foxtron Human Rights Policy

- No occurrence of discrimination, child labor, or forced labor at any operating site.
- No occurrence of sexual harassment since the Company's inception.

Employee Health Checkups that Exceed Legal Requirements

- 691 employees participated, with a statutory examination rate of 100%.

Employment that Exceeds Legal Requirements

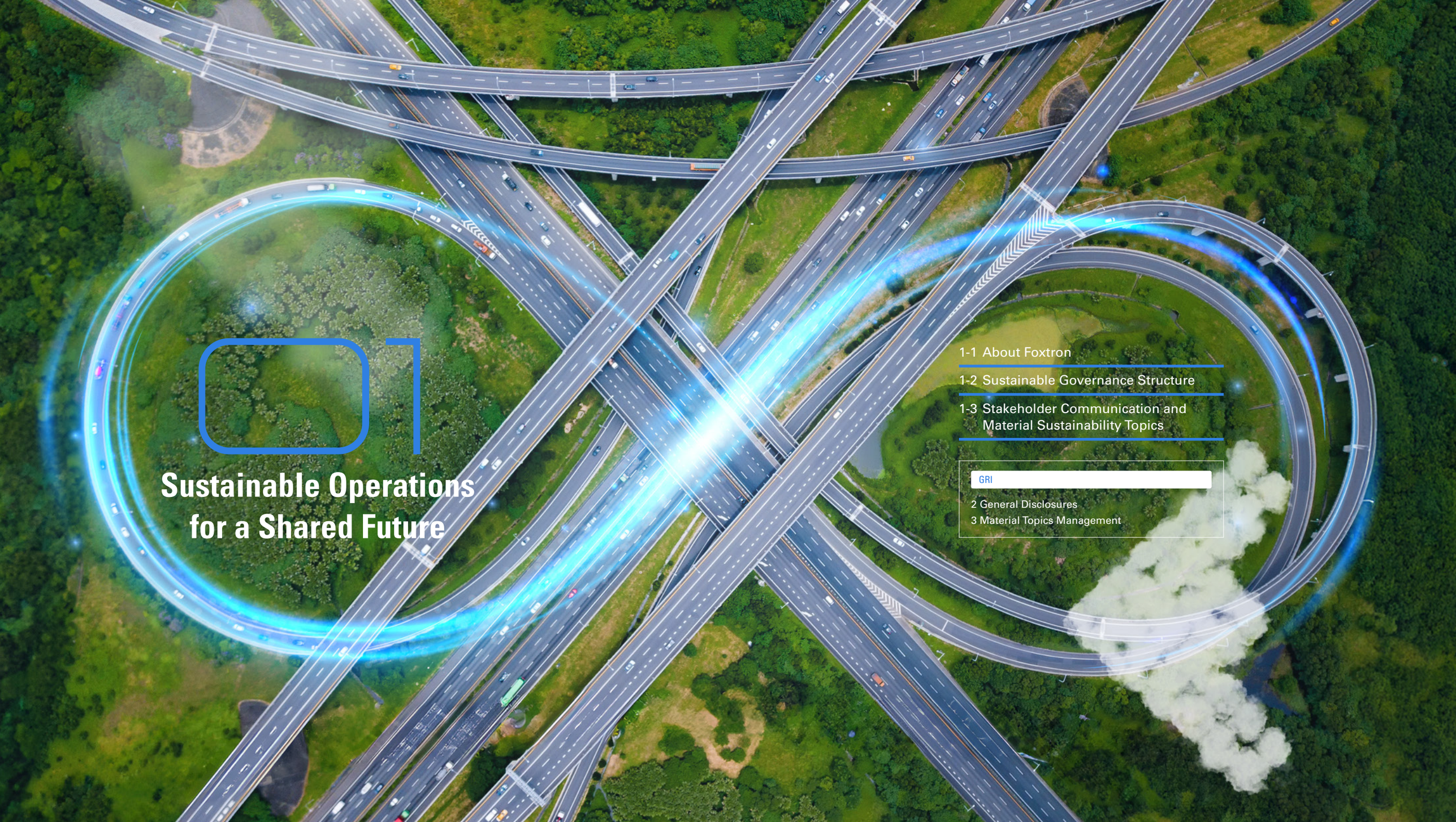
- Employed 10 persons with disabilities and 6 foreign nationals.

Foxtron Responds to SDGs

As a pioneer in Taiwan's electric vehicle industry, Foxtron actively responds to the United Nations Sustainable Development Goals (SDGs). We have identified 8 SDG goals and their specific targets that are most relevant to our business characteristics. Utilizing our core competencies and related resources, we undertake corresponding actions and responses.

SDGs Targets	Response and Actions	Section on ESG Strategies (for details, refer to corresponding section)
3.4 Reduce mortality from non-communicable diseases and promote mental health 3.6 Reduce road traffic accidents 3.9 Reduce diseases and deaths caused by hazardous chemicals and pollution	◆ Product quality management ◆ Product safety management ◆ Occupational injury and disease prevention ◆ Health promotion actions	3-2 Product Quality Management and Customer Relations 4-4 Occupational Safety and Health
4.3 Ensure equal access to affordable, vocational, and high-quality education 4.4 Increase the number of people with relevant financial success skills	◆ On-the-Job Training Program ◆ Outstanding Engineer Cultivation Program Scholarship ◆ Industry-Academia Collaboration	4-3 Talent Cultivation and Development Chapter 4, "Annual Highlights"
8.2 Diversify, innovate, and upgrade economic productivity 8.3 Promote policies that support job creation and enterprise growth 8.5 Achieve full employment and equal pay for equal work 8.6 Promote youth employment, education, and training 8.7 End modern slavery, trafficking, and child labor 8.8 Protect labor rights and promote safe working environments	◆ Remuneration policy ◆ Employee welfare ◆ Diverse talent recruitment channels ◆ Human rights policy ◆ Occupational Safety and Health Policy ◆ Chapter 4, "Annual Highlights"	2-1 Sound Corporate Governance 4-1 Labor Relations and Talent Retention 4-2 Workplace Diversity and Equality 4-4 Occupational Safety and Health

SDGs Targets	Response and Actions	Section on ESG Strategies (for details, refer to corresponding section)
9.5 Enhance research and improve industrial technology 9.B Support domestic technology development and industry diversification	◆ Innovation culture and R&D achievements ◆ Electric vehicle development, key technologies, and services ◆ Intellectual property and patent achievements	3-1 Technology R&D and Innovation
10.2 Promote the social, economic and political inclusion of all 10.3 Ensure equal opportunities and eliminate discrimination 10.4 Adopt fiscal and social policies that promote equality	◆ Human rights risk assessment ◆ Communication channels for human rights issues ◆ Social and Environmental Sustainability Commitment ◆ Supplier Sustainability Risk Assessment	4-2 Workplace Diversity and Equality 3-3 Sustainable Supply Chain Management
11.2 Provide affordable and sustainable transportation systems	◆ Electric vehicle development, key technologies, and services	3-1 Technology R&D and Innovation
13.1 Strengthen resilience and adaptive capacity to climate-related hazards 13.2 Integrate climate change measures into policies and planning 13.3 Build knowledge and capacity to respond to climate change	◆ Climate change risk Management ◆ Greenhouse Gas Emissions Management	5-1 Climate Change Management
16.5 Substantially reduce corruption and bribery 16.7 Ensure responsive, inclusive, and representative decision-making 16.B Promote and enforce non-discriminatory laws and policies	◆ Board operations ◆ Ethical management ◆ Risk management	2-1 Sound Corporate Governance 2-2 Legal Compliance and Ethical Management



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Sustainable Operations for a Shared Future

GRI

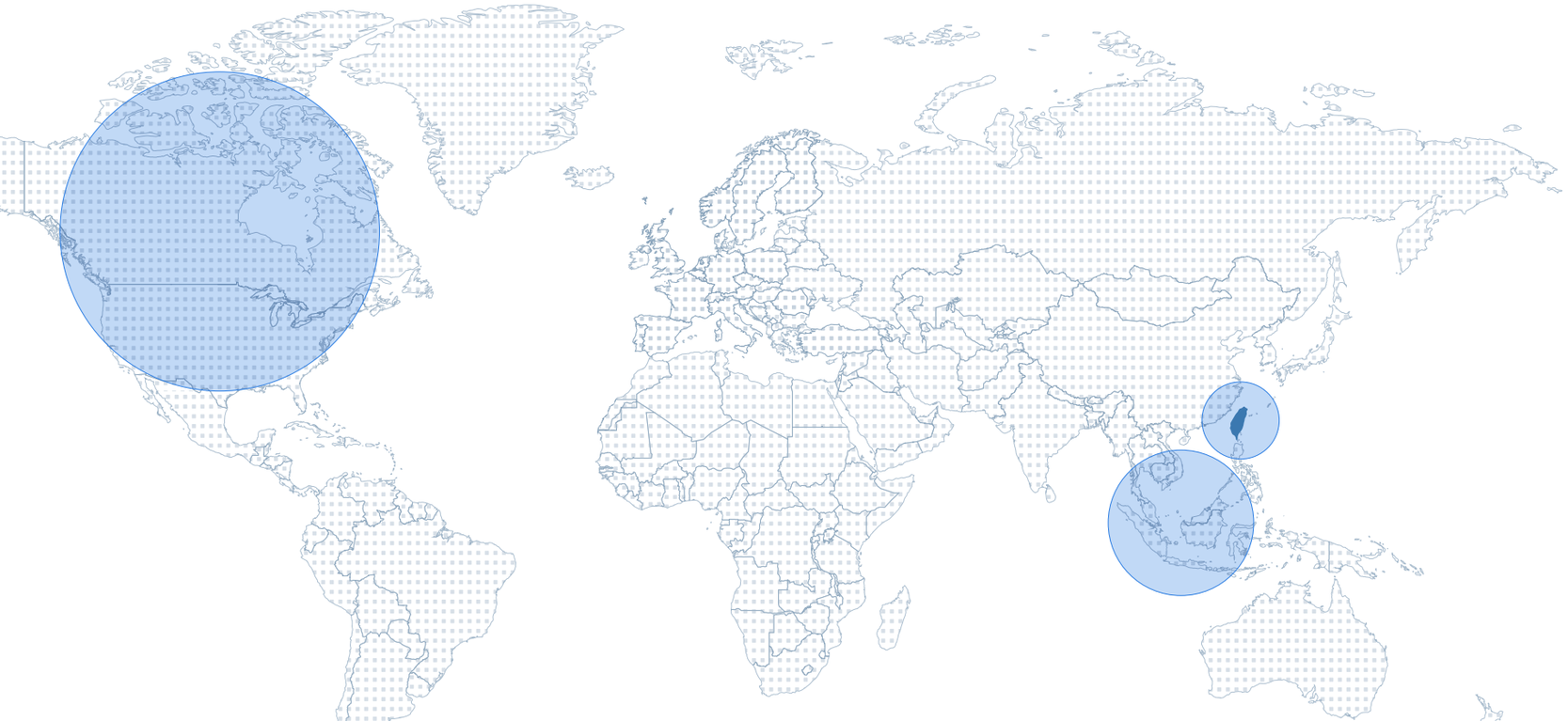
2 General Disclosures

3 Material Topics Management

1-1 About Foxtron

Foxtron Vehicle Technologies Co., Ltd. (below, "Foxtron") is one of the few companies in Taiwan with a team that has accumulated years of experience in vehicle development. We are a listed startup company with capabilities in electric vehicle design and related technology development. Foxtron builds on Yulon Group's experience in automotive design, development, and production, and combines Hon Hai Group's experience and technology in the Information and Communication Technology (ICT) industry. We focus on vehicle R&D, vehicle and component manufacturing management, and platform sales services. Our main products include electric vehicle platforms, vehicles, and components. We offer an EV innovation platform that ranges from Key Vehicle Modules to Vehicle System Integration. Through one-stop service, we provide customers with rapid, cost-effective solutions for mobility applications.

Through our Contract Design and Manufacturing Services (CDMS) business model, Foxtron provides vertically integrated services for multiple automotive brands, all the way from product design and production to supply chain management. We also promote an open platform operating model, continuously advancing innovation in the electric vehicle sector through industry alliances and open standards. Our aim is to join hands with Taiwan's ICT and automotive industries to go global; promote the popularization of electric vehicles; build a next-generation electric vehicle industry ecosystem; and move toward net-zero transportation.



Company Name

Foxtron Vehicle Technologies Co., Ltd.

Industry

Automotive Industry

Stock Code

2258.TW

Date Established

November 2020

Headquarters

7F, No. 26, Baogao Rd., Xindian District, New Taipei City

Capital

NT$17,413,140,000

Main Business

The Company provide services for the electric vehicle industry, from Key Vehicle Modules to Vehicle System Integration, focusing on the R&D of electric vehicle technology, product design, manufacturing management, sales, and service while offering electric vehicle products, platforms, systems, and components and other products.

Chairman

Young Liu

CEO

Andy Lee

Main OperatingRegions

Taiwan

Main Markets

Taiwan; Southeast Asia; North America

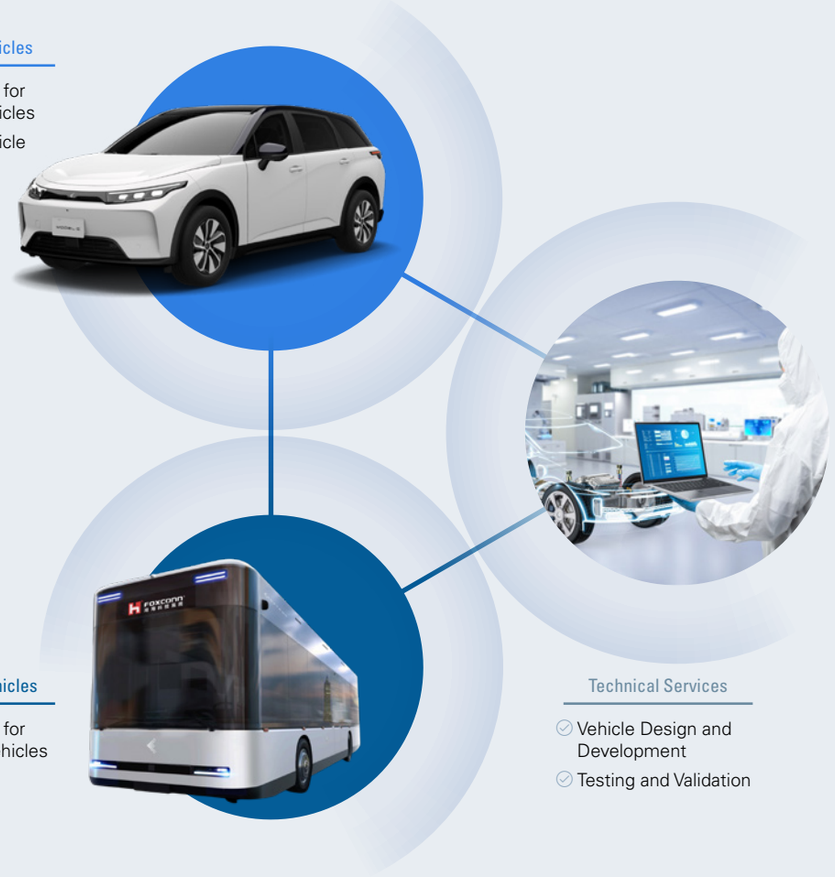
2024 Revenue

NT$8,520,611,000

Number of Employees

948 (Taiwan and Hangzhou)

Our Development Orientations



Product Value Chain

The upstream of the Company's product supply chain consists of semiconductor and automotive electromechanical material suppliers, as well as process consumable suppliers. They provide semiconductor and automotive batteries, motors, automotive components R&D and production, and mold procurement. The midstream involves the Company conducting technology R&D, assembling and selling key components, and assembling test vehicles, after which the manufacturing and production of vehicles are commissioned to OEMs (such as Yulon and Shung Ye Motors). Once production is complete, we collaborate with downstream distributors and automotive-related entities to assist in the sale of vehicles, customer service, and the sale of components on automotive platforms. This also includes logistics, distribution, and after-sales service. For more information on the Company's product supply chain management, please refer to "3.3 Sustainable Supply Chain Management".

Supply Chain	Supplier type	Supply chain activities	Quantitative data
Upstream	Semiconductor, battery, electric motor, and automotive component manufacturers and suppliers	◆ Procurement of semiconductors, batteries, electric motors, automotive-related components, and molds	221 suppliers
Midstream	The Company, our OEMs, and vehicle prototyping companies	◆ Vehicle design and technology R&D ◆ Vehicle assembly ◆ Vehicle testing and verification ◆ Sales of after-sales service parts for vehicles	3 suppliers
Downstream	Distributors/Customers	◆ Sales of vehicles ◆ Sales of components ◆ Customer service	7 suppliers

1-2 Sustainable Governance Structure

1-2-1 Sustainable Development Promotion Organization

Foxtron has designated the Chairman of the Board as the highest governing authority for sustainability. In 2023, Foxtron established the Sustainable Development Promotion Office (below, the "Office"), with the CEO serving as Chairperson and the CEO Office Vice President acting as Executive Secretary. Members of the Office are the core personnel responsible for advancing and implementing sustainability strategies.

There are six working groups under the Office: the Sustainability Group; Finance and Accounting Group; Risk Management Group; Legal Compliance Group; Audit Group; and Social Group. It also brings together representatives from departments involved in specific projects, serving as a cross-departmental platform for both vertical integration and horizontal connection. Through occasional internal meetings, the Office facilitates the implementation of sustainability strategies and coordinates the identification and collection of sustainability issues within each group.

As the core department for promoting sustainability within Foxtron, the Office is responsible for drafting and revising sustainability policies, planning related initiatives, supervising project implementation and effectiveness within each group, monitoring stakeholder concerns regarding sustainability issues, and overseeing communication plans. The Office compiles and discloses Foxtron's sustainability performance annually in the Sustainability Report.

The Office reports quarterly to the Board of Directors on the progress, outcomes, and future plans of sustainability projects. In 2024, six internal meetings were convened, with five reports submitted to the Board. To strengthen the integrity, accuracy, effectiveness, and appropriate access control of sustainability information management, Foxtron formulated the "Sustainability Information Management Procedures," incorporated into its internal control system. These procedures were approved by the Audit Committee and subsequently adopted by the Board of Directors.

2024 Quarters

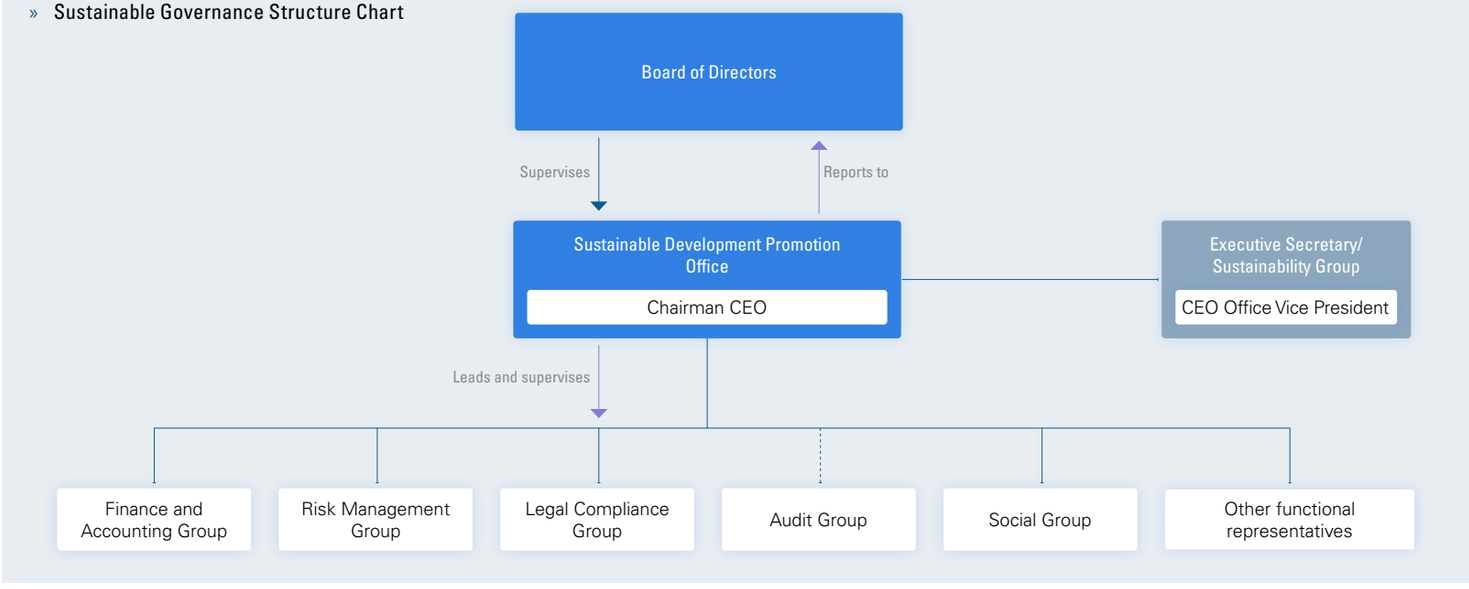
Q1
- 2024/02/29
  - GHG Inventory Planning

Q2
- 2024/05/08
  - Progress of GHG Management

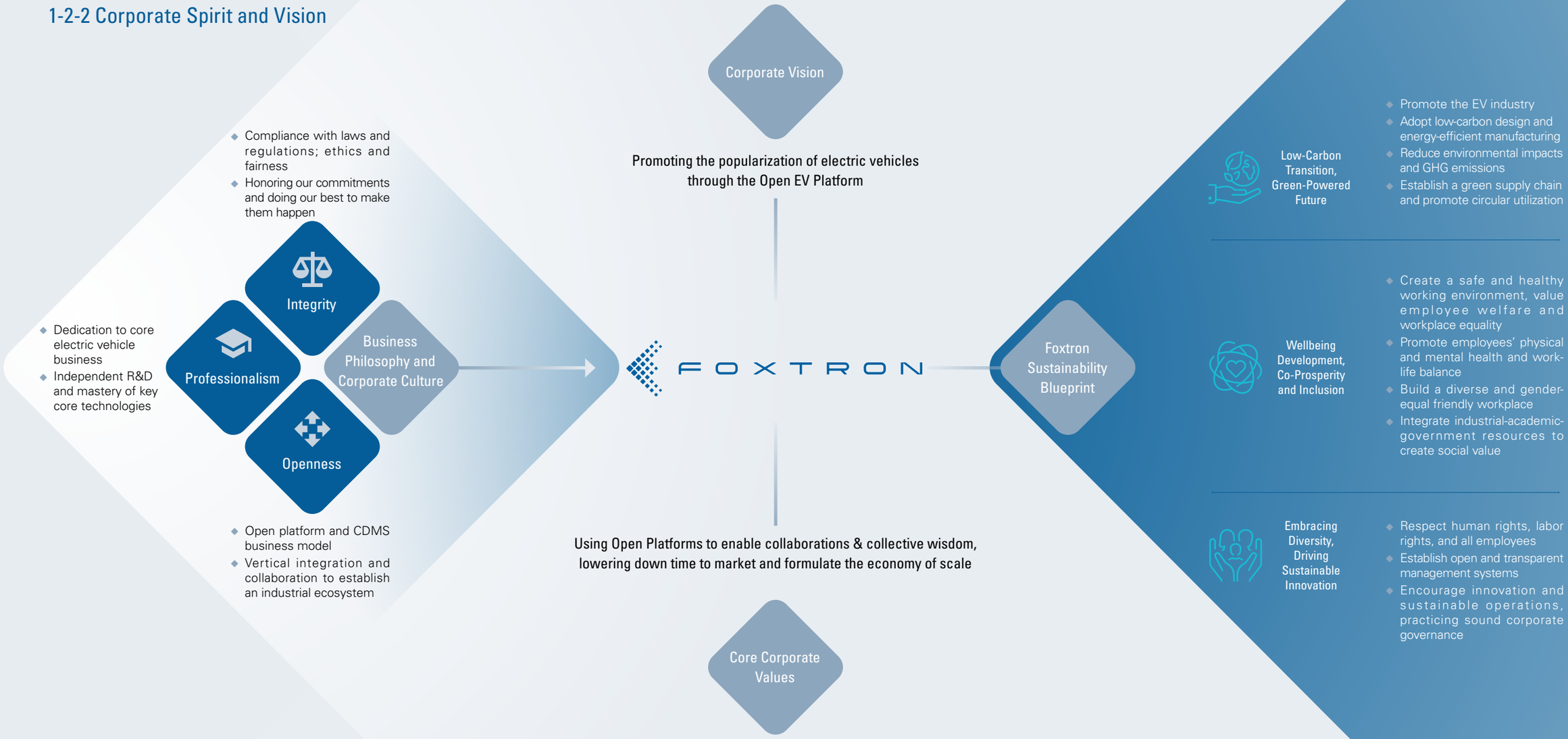
Q3
- 2024/08/06
  - 2023 Sustainability Report (Chinese Version)
  - Progress of GHG Management

Q4
- 2024/11/08
  - 2023 Sustainability Report (English Version)
  - Summary of Sustainability Promotion Efforts
  - Stakeholder Engagement Overview
  - Progress of GHG Management
  - Formulated the "Sustainability Report Compilation and Assurance Procedures"
- 2024/12/18
  - Formulated the "Sustainability Information Management Procedures"

» Sustainable Governance Structure Chart



1-2-2 Corporate Spirit and Vision



1-3 Stakeholder Communication and Material Sustainability Topics

1-3-1 Stakeholder Engagement

Foxtron follows the five principles of the AA1000 Stakeholder Engagement Standard (AA1000 SES): Dependency, Responsibility, Tension/Attention, Influence, and Diverse Perspectives. We have identified and categorized the following seven types of stakeholders closely related to the Company's operations, including shareholders/investors, customers, employees, government agencies, suppliers/contractors, media, and society. Our stakeholder engagement activities for 2024 were reported to the Board of Directors on November 8, 2024.

Stakeholder Type	Importance to Foxtron	Issues of Concern	Engagement Methods	Communication Frequency	2024 Engagement Performance	2024 Engagement Topics
Shareholders/ Investors	The Company values the transparent disclosure of financial and non-financial information and business decisions to effectively communicate with shareholders/ investors, gaining their support for business expansion and development to create value together.	◆ Corporate governance ◆ Financial performance ◆ Legal Compliance ◆ Privacy management ◆ Climate change management	Annual General Meeting	Once per year	5/23	◆ Business operations ◆ Financial status ◆ GHG management
			Distributing the Annual Report	Once per year	5/2	
			Investor conferences	Twice per year	8/12, 12/23	
			Material information disclosure on the Market Observation Post System (MOPS)	Occasional	19 posts	
			Board of Directors meetings	Quarterly	5 meetings	
Customers	Customers directly impact the Company's market position. The Company continues to develop high-quality products and provide services that exceed customer satisfaction. Constant improvement in patented technology is crucial for the Company's sustainable operations.	◆ Customer relationship management ◆ Product quality management	Visits with customers/ conference calls	Regular/ Occasional	◆ Monthly production and sales coordination meetings ◆ Weekly quality meetings	◆ Product and specification setting and adjustments ◆ Quotation and pricing negotiations ◆ Project and sales contract negotiations ◆ Production/sales coordination, sales targets, and promotions ◆ Quality issue resolution and improvements ◆ 2024 Hon Hai Tech Day
			Customer Satisfaction Survey	Once per year	Conducted once; average customer satisfaction: 83.8%	◆ Product quality, delivery periods, services, and technical performance

Stakeholder Type	Importance to Foxtron	Issues of Concern	Engagement Methods	Communication Frequency	2024 Engagement Performance	2024 Engagement Topics
Employees	Employees are the key to the Company's performance growth.	◆ Labor relations ◆ Workplace diversity and equality	Labor-management meetings	Quarterly	8 sessions	◆ Workplace environment improvements ◆ Company regulations and policies ◆ Compensation and benefits
			Workplace human rights issue management	Since 2024	Announced on May 20	◆ Management and promotion status of the Foxtron Human Rights Policy
			Online/in-person forums	Occasional	5 sessions	◆ Human rights ◆ Preventing workplace sexual harassment ◆ Diversity, equality, and inclusion ◆ Health promotion
		◆ Occupational safety and health	Regulations of Occupational Safety and Health Management	Annual	◆ 1 new regulation introduced ◆ 5 regulations updated	◆ Foxtron Occupational Safety and Health Policy ◆ Legally-mandated updates to the Occupational Safety and Health Management Plan
			Occupational Safety and Health Management Plans	Regular/ Occasional	◆ 3 Management plans	◆ Preventive measures for hazards related to machinery, equipment, or materials ◆ Investigation of occupational injury incidents and assessment for return-to-work ◆ Environmental monitoring of Baogao Industrial Park buildings
			Occupational safety and health trainings/promotions	Regular/ Occasional	◆ 5 training sessions ◆ 10 awareness promotions	◆ Fire drills in Xindian and Sanyi ◆ Emergency response drill for electric vehicle fires ◆ Training on workplace violence prevention ◆ Refresher training for occupational safety and health certifications
			Workplace health promotion services	Regular/ Occasional	◆ 1 on-site physician service per quarter ◆ 8 health e-newsletters ◆ 2 health seminars	◆ On-site physician services ◆ Health promotion activities ◆ Health e-newsletters ◆ Health seminar videos
		◆ Information Security	Information security promotion and drills	Occasional	Conducted 1 drill	◆ Conducted a drill focused on phishing email security and social engineering
Government Agencies	Government agencies influence the Company's development and competitiveness. Maintaining good relationships with government agencies, complying with regulations, avoiding any form of illegal activities, and actively communicating with government agencies will ensure the Company's operating compliance and sustainability.	◆ Corporate governance ◆ Financial performance ◆ Legal Compliance	Official correspondence	Occasional	Average 30 per month	◆ Current and future regulations ◆ Company operations
			Designated point of contact		Occasional emails, phone calls, and visits to competent authorities	
			Participation in competent authorities' policy seminars and regulatory forums		On average, 1 session per quarter	

Stakeholder Type	Importance to Foxtron	Issues of Concern	Engagement Methods	Communication Frequency	2024 Engagement Performance	2024 Engagement Topics
Suppliers / Contractors	Suppliers/contractors play a key role in providing the essential raw materials and components for the Company's product and service development. Through supplier/contractor management, we maintain a mutually trusting and cooperative relationship to ensure stable supply quality.	◆ Sustainable Supply Chain Management	Supplier ESG Management Guidelines	Since 2024	2 new guidelines introduced 221 suppliers signed the commitment	◆ Supply Chain Management Policy ◆ Social and Environmental Sustainability Commitment ◆ Supplier Sustainability Risk Assessment
			ESG audits	Occasional	25 sustainability self-assessments conducted	◆ Waste compliance management ◆ Greenhouse gas and energy management ◆ Water resource management ◆ Human rights and labor rights ◆ Occupational safety and health
			Product showcase event	Annual	1 event	◆ 2024 Hon Hai Tech Day
			Email-based awareness promotion	Occasional	1 time	◆ Security regulations for outsourced information services
		◆ Occupational safety and health	Self-inspection for hidden hazards and deficiencies Joint safety and health inspections with contractors	Occasional	22 self-inspections conducted 10 joint inspections conducted	◆ In 2024, 30 hidden hazards were identified; all 30 have been rectified
Media	The media serves as a communication bridge between the Company and the public, shaping the public's brand image of the Company, which indirectly affects the Company's sales and market value. Through occasional media exposure, the Company's achievements are publicly disclosed, increasing public trust in the Company.	◆ Corporate governance ◆ Financial performance	Media press releases	Occasional	21 releases	◆ Monthly revenue announcements ◆ Shareholders' meetings ◆ Foxtron corporate events ◆ Group joint activities
		◆ Customer relations management	Company website updates	Occasional	37 updates	◆ Revenue announcements ◆ Shareholders' meetings/investor conferences ◆ News releases ◆ Corporate sustainability information ◆ Document updates required by public company regulations
			Media interviews Press conferences Test drive events	Occasional	6 media sessions	◆ Media interactions after shareholders' meetings and investor conferences ◆ On-site engagement with media during events
Society	The Company establishes partnerships with universities, leveraging our expertise to address environmental and social issues. This collaboration aims to inspire students' passion and interest in the electric vehicle industry, nurturing future industry talent while enhancing sustainability awareness on campus, thereby contributing to environmental sustainability.	◆ Social Inclusion	Industry-academia collaboration	Annual	Partnerships with 3 universities	◆ Collaborated with a National Taipei University of Technology vehicle laboratory ◆ Provided scholarships to master's and doctoral students at National Taiwan University and National Taipei University, with NT$341,333 awarded over the years

1-3-2 Material Sustainability Topic Identification Process

The steps for identifying Foxtron's material sustainability topics in 2024 are as follows:

Step 1 Identification

Following the GRI Universal Standards 2021, material topics are identified based on the principles of inclusivity, materiality, responsiveness, and impact. This involves analyzing environmental and industry trends and considering the latest regulations from regulatory authorities and the material sustainability topics of global automotive peers. Through this process, 13 sustainability issues relevant to the Company's concerns were selected and identified.

Step 2 Impact Assessment

Identify and analyze the positive and negative impacts of each sustainability topic across four dimensions: governance/economy, product, environment, and society. Design and distribute a material topic survey questionnaire to assess the likelihood and level of the positive and negative impacts of each sustainability issue. Based on the responses from stakeholders, calculate the overall impact scores and rank the sustainability issues in accordance with their impact levels.

Step 3 Confirmation

Based on the ranking results from the survey, the Company's 10 material sustainability topics for the year were identified. The Sustainable Development Promotion Office reports these topics to the CEO for final confirmation. In addition, the impact boundaries for each material sustainability topic were defined and the corresponding management approach was established.

Step 4 Continuous Review

Regularly review the management status and performance of material sustainability topics, and continuously collect feedback from stakeholders on the Company's performance regarding these material sustainability topics. This feedback serves as the basis for improving the Company's sustainability actions in the following year.

List of Sustainability Issues of Concern

Governance/Economic Aspect (G)
- Information Security and Privacy Management
- Corporate Governance and Financial Performance
- Legal Compliance and Ethical Management
- Risk Management

Product Aspect (P)
- Technology R&D and Innovation
- Product Quality Management and Customer Relations
- Sustainable Supply Chain Management

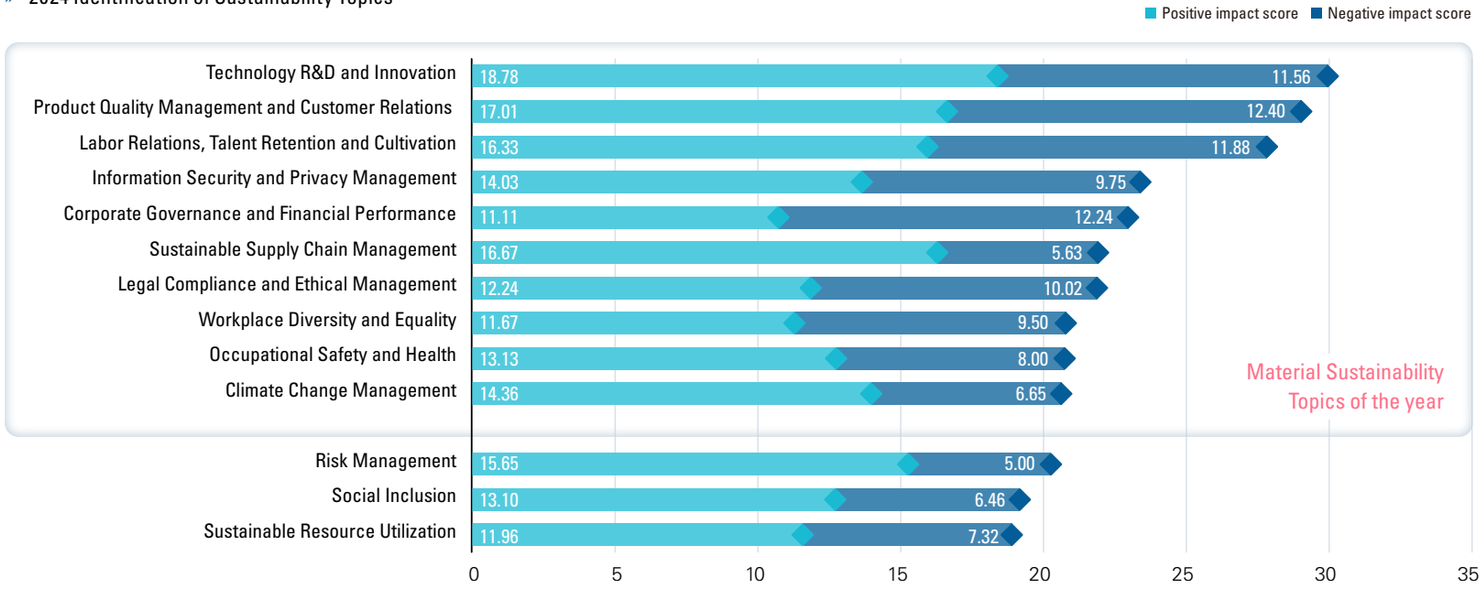
Environmental Aspect (E)
- Climate Change Management
- Sustainable Supply Chain Management

Social Aspect(S)
- Labor Relations, Talent Retention and Cultivation
- Workplace Diversity and Equality
- Occupational Safety and Health
- Social Inclusion

Material Sustainability Topics

Referring to the GRI Universal Standards 2021, Foxtron conducted a material survey in early 2024 and carried out a peer benchmarking comparison of material sustainability topics at the end of the year. Through this process, Foxtron has identified 13 sustainability issues. Based on the potential and actual positive or negative impact on Foxtron in terms of economics, products, environment, and society (including human rights), a chart showing the identified material sustainability topics for 2024 has been created. The ranking of these material sustainability topics is as follows:

» 2024 Identification of Sustainability Topics



Impact Boundaries of Material Sustainability Topics

Foxtron has analyzed the potential impacts of the 10 material sustainability topics identified for 2024 on both internal and external stakeholders. Referencing the GRI Standards' requirements for specific topics, the corresponding actions and performance are disclosed in the respective sections of the sustainability report. This ensures the Company effectively manages the actual or potential impacts of each sustainability issue.

Rank	ESG Aspect	Material Sustainability Topic	Stakeholders							Specific GRI Standards Topics	Corresponding Section in Report
			Internal	External							
			Employees	Shareholders/ Investors	Clients	Government Agencies	Suppliers/ Contractors	Media	Society		
1	P	Technology R&D and Innovation	✓	✓	✓	✓	✓		✓	Customized topic	Chapter 3 Open EV Platform and Partner Collaboration
2	P	Product Quality Management and Customer Relations	✓		✓		✓	✓		416 Customer Health and Safety	Chapter 3 Open EV Platform and Partner Collaboration
3	S	Labor Relations, Talent Retention and Cultivation	✓			✓				401 Employment	Chapter 4 People-centric, Inclusive and Sharing
4	G	Information Security and Privacy Management	✓	✓	✓					418 Customer Privacy	Chapter 2 Management and Governance
5	G	Corporate Governance and Financial Performance	✓	✓	✓	✓	✓	✓		201 Economic Performance	Chapter 2 Management and Governance
6	P	Sustainable Supply Chain Management	✓				✓			204 Procurement Practices 308 Supplier Environmental Assessment 414 Supplier Social Assessment	Chapter 3 Open EV Platform and Partner Collaboration
7	G	Legal Compliance and Ethical Management	✓	✓	✓	✓	✓	✓		205 Anti-corruption	Chapter 2 Management and Governance
8	S	Workplace Diversity and Equality	✓			✓				405 Diversity and Equal Opportunity 406 Non-discrimination	Chapter 4 People-centric, Inclusive and Sharing
9	S	Occupational Safety and Health	✓			✓		✓		403 Occupational Health and Safety	Chapter 4 People-centric, Inclusive and Sharing
10	E	Climate Change Management	✓	✓	✓	✓		✓		201 Economic Performance 305 Emissions	Chapter 5 Environment and Green Policy

1-3-3 Management Approach to Material Sustainability Topics

After evaluating the material sustainability topics, Foxtron has formulated its sustainability management framework and defined management approaches. These cover the positive and negative impacts of each topic, commitments and policy advancement, action plans, targets, and effectiveness assessments, aimed at advancing the Company's sustainability practices and related initiatives. By regularly reviewing sustainability performance and reporting on work progress, the Company fulfills its responsibilities in corporate governance, environmental sustainability, and social inclusion. This ensures the alignment of each material sustainability topic with the Company's policies, management, and evaluation. The detailed management approach for Foxtron's 2024 material sustainability topic is as follows:

Corporate Governance and Financial Performance

Positive & Negative Impacts

A sound governance structure and effective internal control mechanisms enable robust oversight of strategy execution while safeguarding the interests of relevant stakeholders, thereby gaining investor confidence. Failure to implement proper corporate governance or incurring operational losses may undermine operational efficiency, harm stakeholder interests, and negatively impact capital raising and investor willingness to invest.

Commitments/ Policies

Foxtron upholds the business philosophy of integrity, professional, and openness. Through information disclosure, transparent control mechanisms, and board supervision of overall operations, the Company implements and strengthens a culture of corporate sustainability governance.

Policies Established by Foxtron:

1. Sustainable Development Best Practice Principles
2. Sustainability Information Management Procedures
3. Eight Internal Control Cycles
4. Corporate Governance Best Practice Principles
5. Director Election Rules
6. Rules of Procedure for Board of Directors Meetings
7. Director and Manager Remuneration Regulations
8. Board and Manager Performance Evaluation Regulations

2024 Actions and Achievements

1. Implement corporate governance policies, establish comprehensive whistleblowing channels, conduct internal audits, and follow up on findings.
2. Regularly conduct performance evaluations for Directors; in 2024, the average self-assessment score of the Board of Directors reached 4.71.
3. Incorporate corporate sustainable development indicators into manager performance evaluations.
4. Sales of electric commercial vehicles and passenger vehicles increased significantly compared to the previous year.

Targets & Effectiveness Assessments

Short-term (2025~2027)

1. Annually implement an audit plan to assess corporate governance status and performance.
2. The Sustainable Development Promotion Office shall report ESG work progress and implementation achievements to the Board of Directors on a quarterly basis.
3. Continue launching new electric vehicle models and expanding markets to ensure stable growth in operations and profitability.

Mid- to- long-term (2028~2030)

Enhance communication with external stakeholders and seek diverse investment channels.

Legal Compliance and Ethical Management

Positive & Negative Impacts

Identifying potential legal compliance risks and establishing sound regulations and procedures as early as possible help ensure employee compliance and stabilizes the organization's sustainable development. Failure to properly manage violations and penalties may result in potential or even actual fines, damage the Company's image, even potentially impact the Company's market competitiveness.

Commitments/ Policies

Foxtron embeds the philosophy of ethical management into organizational operations and corporate culture to reduce the risk of unethical behavior, enhance corporate reputation, and pursue sustainable business operations.

Policies Established by Foxtron:

1. Ethical Corporate Management Best Practice Principles
2. Procedures for Ethical Management and Guidelines for Conduct
3. Procedures for Handling Material Inside Information
4. Prevention of Insider Trading Operation Procedures
5. Code of Ethical Conduct

2024 Actions and Achievements

1. 100% of suppliers signed the Ethical Operations Commitment Letter; ethical management was included in the Social and Environmental Sustainability Commitment. 221 suppliers signed during the reporting period.
2. 100% signing of the Ethical Operations Commitment Letter: All directors, senior executives, and employees have signed the Letter.
3. 100% completion rate for employee integrity management training: 920 participations in training on the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct.
4. No ethical operations-related whistleblowing cases occurred during the reporting period.

Targets & Effectiveness Assessments

Short-term (2025~2027)

1. Report implementation of Integrity Management to the Board of Directors at least once annually.
2. 100% of directors, senior executives, and employees sign the Ethical Commitment Letter.
3. Achieve a 100% completion rate for integrity management training.
4. Implement an annual audit plan and produce reports to monitor and track implementation.

Mid- to- long-term (2028~2030)

1. Report on implementation of Integrity Management to the Board of Directors more than once annually.
2. 100% of directors, senior executives, and employees sign the Ethical Commitment Letter.
3. Achieve a 100% completion rate for integrity management training.
4. 0 major violation incidents.

Information Security and Privacy Management

Positive & Negative Impacts

Enhancing the Company's information and communication security systems and strengthening customer privacy protection measures help to gain customer trust. Failure to properly manage information security will increase the likelihood of confidential company information being leaked, harm customer rights, lead to legal litigation, and undermining customer trust.

Commitments/ Policies

Foxtron actively promotes information security policies and management actions to prevent information security incidents and customer privacy breaches, protecting customer rights and ensuring uninterrupted operations for the Company.

Policies Established by Foxtron:

1. Risk and Opportunity Assessment Procedures
2. Personal Data Protection Regulations
3. Customer Property Management Regulations
4. Information Security Manual
5. Major Information Disaster Incident Reporting and System Reconstruction Procedures
6. Information System Security Incident Reporting Procedures
7. Information Business Outsourcing Security Management Regulations
8. Cybersecurity Operation Procedures

2024 Actions and Achievements

1. Employees sign a Confidentiality Agreement, and the Company arranges annual information security training. The 2024 information security training completion rate was 99%.
2. Establish various information security-related policies, such as Information System Security Incident Reporting Procedures, Information Security Manual, and Personal Data Protection Regulations, and regulate that all information disclosed on the Company's external website must be approved by authorized supervisors.
3. Promote network security risk management programs; conduct annual internal audits and risk assessments of information security policies, and submit information security reports to management every year. In 2024, a report on information security operations status was submitted to the Board of Directors on November 8.

Targets & Effectiveness Assessments

Short-term (2025~2027)

1. Promote ISO 27001 Information Security Management System and other risk management mechanisms; obtain third-party ISO 27001 certification for information security management by 2026.
2. Ensure information system downtime is less than 1%.
3. Conduct 2 information security training sessions annually with a completion rate ≥ 99%.
4. Starting 2025, report on information security to the Board each quarter and strengthen information security audits; maintain 0 information security incidents.

Mid- to- long-term (2028~2030)

1. Conduct quarterly reviews of information security protection policies and measures to ensure that they align with operating environment changes, and make timely adjustments as needed.
2. Ensure information system downtime is less than 1%.
3. Achieve a 100% completion rate for information security training.
4. Maintain 0 information security incidents.

Technology R&D and Innovation

Positive & Negative Impacts

The Company should provide a diverse range of zero-carbon products and services while expanding its business scope to meet customer needs, and drive growth in the electric vehicle market. Failure to continuously develop new products and services may result in a decline in market competitiveness.

Commitments/ Policies

Foxtron is committed to providing low-pollution, long-range, and intelligent electric vehicles, increasing opportunities for collaboration with innovative technology industries, and striving to offer affordable electric vehicles for everyone. Additionally, the Company actively implements patent management to protect intellectual capital and enhance industry competitive advantages.

Policies Established by Foxtron:

1. Organizational Knowledge Management Regulations
2. Confidential Drawing Application Procedures

2024 Actions and Achievements

1. Developed a modular platform and launched different range of electric vehicles models. In 2024, introduced the pure electric LMUV, Model D, and the electric midi-sized bus, Model U.
2. Independently develop electric motors to master core electric vehicle technologies.
3. Investment in innovative research and development accounted for 43% of the annual revenue.
4. The Company has obtained 104 patents: 44 in Taiwan, 49 in China, and 11 in the United States.

Targets & Effectiveness Assessments

Short-term (2025~2027)

Continue mass production of pure BEVs, and enter international markets.

Mid- to- long-term (2028~2030)

Continue to promote technological innovation in Taiwan's electric vehicle industry and create forward-looking products.

Product Quality Management and Customer Relations

Positive & Negative Impacts

By enhancing product and service quality, providing product design support and solutions, the Company can strengthen customer experience and increase customer trust. However, if product quality is poor or major accidents occur, it will impact future sales and overall brand image.

Commitments/ Policies

Foxtron values customer relations and product quality. By understanding customer needs and setting high-standard product verification benchmarks, the Company develops quality control policies and measures to pool collective wisdom and provide customized products and services that exceed customer expectations.

Policies Established by Foxtron:

1. Customer Communication Management Regulations
2. Customer Satisfaction Management Guidelines
3. Quality Manual
4. Functional Safety Manual
5. Prototype Vehicle Operation Procedures for New Model Development
6. Vehicle Testing Procedures
7. Market Quality Improvement Procedures

2024 Actions and Achievements

1. The Company controls the quality of design, parts, and vehicles and has obtained ISO 9001 Quality Management System and ISO 26262 Road Vehicle Functional Safety certifications.
2. Following development and management procedures, the Company ensures quality control in product design, development, and prototyping, and prepares test reports based on issues, holding monthly quality management meetings to ensure internal vehicle testing quality control.
3. Conduct annual customer satisfaction surveys, with evaluation items including professional quality, service attitude, speed/ timing, etc.; the average customer satisfaction score was 83.8%.

Targets & Effectiveness Assessments

Short-term (2025~2027)

Annually conduct surveys in accordance with the Customer Satisfaction Management Guidelines, with a target of achieving average customer satisfaction scores of 80% or more.

Mid- to- long-term (2028~2030)

Adhere to the quality policy of Customer Satisfaction, Continuous Improvement, Employee Engagement, continuously improve quality management and vehicle verification technologies, and meet quality evaluation standards.

Sustainable Supply Chain Management

Positive & Negative Impacts

The Company strengthens supply chain resilience through strategies such as supplier diversification, risk management, and ESG integration, thereby reducing potential risks such as supply chain disruptions and delivery delays. If the Company fails to properly manage supply chain risks and regulate suppliers, this could result in suppliers neglecting environmental protection, occupational safety, and human rights infractions; this would lead to negative public opinion, impacting the Company's operations, and damaging Foxtron's brand image.

Commitments/ Policies

Foxtron commits that suppliers and contractors should comply with local laws and regulations, sign the Social and Environmental Sustainability Commitment, and prioritize purchasing eco-friendly products and services to balance economic and environmental benefits.

Policies Established by Foxtron:

1. Supply Chain Management Policy
2. Supplier Parts Advanced Quality Planning Management Procedures
3. Supplier Quality Assurance Manual
4. Social and Environmental Sustainability Commitment
5. Supplier Sustainability Risk Assessment Items

2024 Actions and Achievements

1. Formulate the Supply Chain Management Policy and the Social and Environmental Sustainability Commitment, and require both existing and new suppliers to comply and sign.
2. Incorporated sustainability risk assessments into the supplier selection and evaluation mechanism; required suppliers to complete self-evaluations.

Targets & Effectiveness Assessments

Short-term (2025~2027)

1. 100% of each year's newly-qualified suppliers sign the Commitment.
2. 100% of qualified suppliers complete the supplier sustainability risk assessment.

Mid- to- long-term (2028~2030)

1. Signing the Commitment is a prerequisite for qualified supplier selection.
2. A supplier's total points on the sustainability risk self-evaluation must be more than 60. Suppliers scoring in the lower range will receive guidance; those who fail to complete corrective actions within the designated timeframe will be deemed unqualified and will no longer be eligible for future contracts.

Labor Relations, Talent Retention and Cultivation

Positive & Negative Impacts

Enhancing the working environment and establishing diverse, clear communication channels to promote labor-management communication; using comprehensive employee career development plans and objective, fair evaluation mechanisms, to cultivate high-quality talent, increase employee retention willingness, and ensure the organization's sustainable development. If the Company fails to prioritize talent development and labor-management communication, it will directly impact operating efficiency, increase operating costs, and weaken industry competitiveness.

Commitments/ Policies

Foxtron values technological talent, as well as fair and just hiring practices, providing employees with professional training and development opportunities, along with competitive compensation and benefits to meet employee expectations.

Policies Established by Foxtron:

1. Employee Stock Option Issuance and Subscription Regulations
2. Internal Talent Referral Bonus Regulations
3. Improvement Proposal Regulations
4. Outstanding Engineer Cultivation Regulations
5. New Employee Orientation Handbook
6. Employee Performance Evaluation Regulations

2024 Actions and Achievements

1. Held 8 labor-management meetings and addressed employee needs through annual human rights policy issue management.
2. Issuance of employee stock options.
3. Provided 8,094 hours of training for new and existing employees.
4. Implemented an annual performance evaluation system; 916 employees were evaluated, with a 100% participation rate.

Targets & Effectiveness Assessments

Short-term (2025~2027)

Review talent turnover status annually and discuss response strategies.

Mid- to- long-term (2028~2030)

Through industry-academia collaboration, provide internship opportunities for students to cultivate future industry talent.

Workplace Diversity and Equality

Positive & Negative Impacts

Foster a fair, just, and inclusive corporate culture to enhance employee cohesion and diverse perspectives, thereby improving the Company's reputation and operating performance. An unequal workplace environment will hinder recruitment and retention of top talent, ultimately reducing the Company's competitiveness and damaging its reputation.

Commitments/ Policies

Foxtron provides employees with dignified job opportunities, ensures internal fairness and reasonableness of salary structures, strictly prohibits any form of discrimination, workplace harassment, and illegal activities, and establishes diverse and smooth communication channels to create a diverse, friendly, and inclusive workplace.

Policies Established by Foxtron:

1. Foxtron Human Rights Policy
2. Sustainable Development Best Practice Principles
3. Improvement Proposal Regulations
4. Regulations for Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace

2024 Actions and Achievements

1. Employed 10 persons with disabilities and 6 foreign nationals, exceeding legal requirements.
2. Managed annual human rights issues in accordance with the Foxtron Human Rights Policy; no human rights-related reports occurred during the reporting period.
3. Set up a 24/7 anonymous hotline and complaint mailbox; formulate complaint and disciplinary regulations, and establish a Complaint Handling Committee to address employee complaints. No employee complaints were reported during the reporting period.
4. Respected employee privacy in accordance with the"Code of Ethical Conduct"; no privacy breach incidents occurred during the reporting period.

Targets & Effectiveness Assessments

Short-term (2025~2027)

1. Prevent risks at each site to avoid incidents that violate the human rights policy, such as discrimination, child labor, forced labor, and any sexual harassment-related events.

Mid- to- long-term (2028~2030)

1. Conduct employee satisfaction surveys to understand employees' perspectives and use their feedback as future improvement actions.
2. Implement plans to create a diverse, equal, and inclusive workplace and talent development programs, and increase the percentage of female employees.

Occupational Safety and Health

Positive & Negative Impacts

By strengthening health and safety awareness, implementing occupational safety and health management mechanisms, enhancing workplace safety culture, and reinforcing risk control, the Company safeguards the safety and health of employees, contractors/suppliers, and enhance corporate social responsibility. Conversely, if occupational safety and health are not properly managed and workplace accidents occur, the Company may face compensation liabilities, and employee morale may be affected, impacting work efficiency, organizational atmosphere, and increasing operating pressure or even leading to operating interruptions.

Commitments/ Policies

Foxtron values workplace safety and is committed to "Zero Injuries, Zero Accidents". The Company has established safety control mechanisms, and actively improves and implements relevant measures to create a safe and healthy workplace environment and corporate culture.

Policies Established by Foxtron:

1. Occupational Safety and Health Policy
2. Occupational Safety and Health Management Plan
3. Labor Safety and Health Work Rules
4. Prevention Plan for Unlawful Infringement While Performing Duties

2024 Actions and Achievements

1. Each department regularly reports occupational injury statistics to the Human Resources Department. In 2024, a total of 12 occupational injuries involving employees were recorded.
2. Regularly held occupational safety and health coordination meetings with contractors and conducted safety inspections. In the reporting year, 22 self-inspections and 10 joint inspections were carried out.
3. In 2024, formulated and updated 6 Foxtron's occupational safety and health management regulations.
4. New and current employees completed 2,998 hours of general occupational safety and health training. 12 employees participated in specialized certification/re-certification training programs related to occupational safety and health and fire protection.
5. Organized 1 women's cancer screening and 2 online health seminars; issued 8 health e-newsletters throughout the year.
6. Participated in an accident-free work hours competition, reaching a record 3,140,116 hours with zero accidents in 2024.

Targets & Effectiveness Assessments

Short-term (2025~2027)

Establish a dedicated occupational safety and health management unit, aiming for zero injuries and zero accidents, and creating a safer, more healthy working environment.

Mid- to- long-term (2028~2030)

1. Regularly review the occupational safety and health policy and related regulations; hold management review meetings to discuss and enhance occupational health and safety performance, making the goal of zero major occupational accidents a reality.
2. Obtain third-party certification for ISO 45001 Occupational Health and Safety Management System.

* No activities or business practices involving negative impacts have occurred for any material sustainability topics this year.

Climate Change Management

Positive & Negative Impacts

Enhance Foxtron's climate resilience and adaptability to meet stakeholder expectations; reduce potential and actual financial impacts; actively develop low-carbon products and services to seize green business opportunities. Failure to effectively manage low-carbon transition issues will hinder Foxtron's ability to cope with the impacts of climate change; impact operations; make us unable to achieve the emission reduction targets that stakeholders expect; and may possibly result in regulatory penalties, thereby affecting investor confidence.

Commitments/ Policies

Foxtron is committed to mitigating climate change, assessing the impact of climate change on operations, and formulating related climate strategies to improve carbon reduction performance. The Company also actively develops low-carbon and high-efficiency products to promote the popularization of electric vehicles.

Policies Established by Foxtron:

1. Sustainable Development Best Practice Principles
2. Social and Environmental Sustainability Commitment.

2024 Actions and Achievements

1. Reported climate-related management progress to the Board of Directors 5 times; 2024 implementation results were approved during the Q4 board meeting.
2. Completed organizational GHG inventory and obtained a third-party GHG assurance statement.
3. Received a Net-Zero Commitment Label-Green label certification from the TANZE.
4. All corporate fleet vehicles have been transitioned to electric vehicles.
5. Participated in the Keelung, Taipei City, New Taipei City, and Taoyuan My Carbon Reduction Passbook citizen campaign; awarded first place in the Q1 to Q3 Model Enterprise rankings for Baogao Science and Intellectual Industrial Park in New Taipei City.

Targets & Effectiveness Assessments

Short-term (2025~2027)

1. Reduce Scope 1 and Scope 2 emissions from Taiwan office operations by 40% compared to the 2023 baseline year.
2. Report climate-related management progress to the Board of Directors at least once per year.
3. Complete installation of renewable energy and green building construction at the Kaohsiung Ciaotou Plant, and apply for Silver Label certification for green buildings.

Mid- to- long-term (2028~2030)

1. Achieve net-zero emissions for all office locations by 2030; achieve net-zero for all operating sites by 2050.
2. Report climate-related management progress to the Board of Directors at least once per year.
3. Achieve a green electricity usage rate of ≥50% at Taiwan operating sites by 2030.
4. At the Kaohsiung Qiaotou factory, establish and maintain third-party certification for environmental and energy management systems, while also obtaining green building certification at Gold Label or above.

02

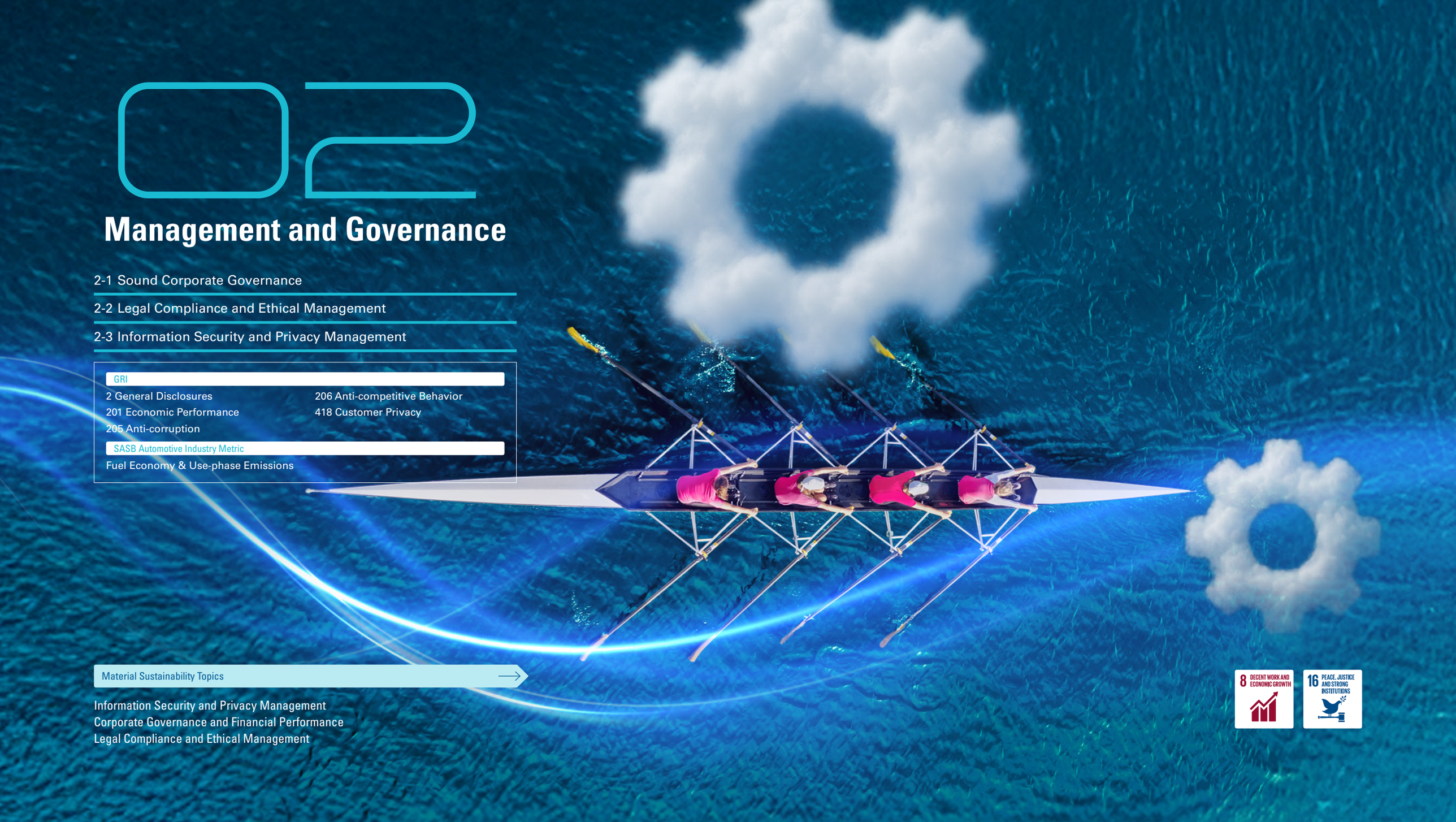
Management and Governance

GRI

2 General Disclosures
201 Economic Performance
205 Anti-corruption
206 Anti-competitive Behavior
418 Customer Privacy

SASB Automotive Industry Metric

Fuel Economy & Use-phase Emissions



Material Sustainability Topics

Information Security and Privacy Management
Corporate Governance and Financial Performance
Legal Compliance and Ethical Management

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Topic	2024 Target	2024 Implementation Status	Short-term (2025-2027)	Mid- to- long-term (2028-2030)
Sound Corporate Governance	100% of Directors completed corporate governance education and promotion	100% of Directors completed 6 hours of continuing education	Directors' annual corporate governance training hours ≥ 6 hours	Directors' annual corporate governance training hours ≥ 6 hours
	Board performance self-evaluation average score 4 points or higher	Board performance self-evaluation average score reached 4.71	Maintain board performance self-evaluation average score ≥ 4.0	Maintain board performance self-evaluation average score ≥ 4.0
Legal Compliance and Ethical Management	1 ethical management implementation report to the Board	1 report to the Board	≥ 1 report to the Board and 0 incidents of unethical conduct	≥ 1 report to the Board and 0 incidents of unethical conduct
	100% of Directors to sign the Ethical Commitment Letter	100% Director signing rate	Maintain 100% Director signing rate	Maintain 100% Director signing rate
	All Foxtron employees to sign the Ethical Commitment Letter	100% of senior executives and employees signed the Code of Conduct	Maintain 100% senior executive and employee signing rate	Maintain 100% senior executive and employee signing rate
	100% employee integrity management training	100% employee completion rate	100% employee completion rate	100% employee completion rate
Information Security and Privacy Management	Conduct annual information security education	99% completion rate	Completion rate ≥ 99%	Completion rate 100%
	0 information security incidents	Completed 1 report to the Board; 4 internal meetings; 0 incidents	Starting 2025, report information security to the Board every quarter and strengthen audits; maintain 0 incidents	Maintain 0 information security incidents

Annual Highlights

Foxtron Making Corporate Sustainability a Reality

Reporting Sustainability Implementation Status to the Board of Directors

Since Foxtron was established, we have placed strong emphasis on corporate sustainability. The Company has established a Sustainable Development Promotion Office and integrated sustainability actions into our core operating strategies. The Sustainable Development Promotion Office reports every quarter to the Board of Directors on progress, results, and future plans for sustainability projects. With the Board's support, sustainability initiatives are able to secure more resources, accelerate decision-making for related strategic goals, and motivate greater employee participation and alignment, thereby enhancing the overall effectiveness of our sustainability efforts.

In 2024, the Board focused on multiple topics encompassing environmental, social, and governance (ESG) dimensions, demonstrating the Company's strong commitment to sustainability governance. In particular, four topics – Business and Financial Status; Professional Qualifications and Independence of Independent Directors; Ethical Management Practices; and Internal Control Audits – were the focuses for Governance, strengthening the Board's oversight of sound operations and integrity management.

In terms of the Environment, the Board reviewed corporate greenhouse gas management as a key basis for promoting climate governance and carbon reduction strategies. And on the Social front, we paid attention to the implementation status of stakeholder engagement, to ensure that all sectors' concerns are addressed effectively. Looking at sustainability promotion status, the Board deliberated on policies, procedures, implementation activities, and external advocacy outcomes. They also reviewed the content of the annual sustainability report, to demonstrate the Company's concrete actions in transparency, diverse communication, and sustainability strategy implementation.

ESG Topics Covered in 2024 Regular Board Meetings

Topic	Environmental Aspect	Social Aspect	Governance Aspect
Business and Financial Status			✓
Professional Qualifications and Independence of Independent Directors			✓
Ethical Management Practices			✓
Internal Control Audits			✓
Sustainability Development Implementation Status (policies, procedures, activities, and external advocacy outcomes)	✓	✓	✓
Annual Sustainability Report	✓	✓	✓
The Implementation Status of Stakeholder Engagement	✓	✓	✓
Greenhouse Gas (GHG) Management	✓		

External ESG Training

Foxtron schedules Sustainable Development Promotion Office personnel to participate in sustainability-related courses, seminars, and forums. By attending sessions led by external experts and learning from their experience, employees enhance their expertise, thereby supporting the Company's efforts in managing and engaging with environmental, social, and governance (ESG) issues.

In 2024, the Sustainable Development Promotion Office participated in 24 ESG-related lectures, courses, and seminars, covering diverse topics such as greenhouse gas management, human rights practices, and sustainability governance training. A total of 31 participants attended, accumulating 169.75 person-hours. These training courses not only strengthened the Office's personnel grasp of international sustainability trends but also enhanced the Company's practical capabilities in addressing ESG issues, forming a solid foundation for driving sustainable development.

2024 External ESG Training

Aspect	Course Topics	Participants	Hours Invested	Organizers
E	◆ Greenhouse Gas Inventory Standards and Advocacy ◆ Product Carbon Footprint Inventory ◆ CBAM Reporting Guidelines ◆ Carbon Trading ◆ Carbon Reduction Tools and Practices ◆ Smart Transportation and Net-Zero Solutions ◆ Sustainable Finance and Net-Zero Transition	12	99.5	BCSD Taiwan, Taiwan Institute for Sustainable Energy (TAISE), Telecommunication & Transportation Foundation (TWSE), Taiwan Stock Exchange, Industrial Development Administration, Ministry of Economic Affairs (MOEA), Industrial Technology Research Institute (ITRI), Cathay Financial Holdings (Cathay FHC), etc.
S	◆ Human Rights Practice and Development ◆ Workplace Friendliness Policies ◆ New Regulations to Prevent Sexual Harassment ◆ Talent Development through AI Integration	9	29	Taiwan Institute for Sustainable Energy (TAISE), Ernst & Young (EY), and EY Attorneys-at-Law (EY Law).
G	◆ Standards and Assurance Practices for Sustainability Disclosure ◆ Voluntary Reviews for the Sustainable Development Goals ◆ Internal Control Systems for Sustainability Information Management ◆ Corporate Development and Opportunities in Net-Zero Emissions	5	24.25	Taiwan Institute for Sustainable Energy (TAISE), Taiwan Stock Exchange (TWSE)
ESG	◆ ESG-Related Legal Practices ◆ New Disclosure Requirements for Sustainability Reporting ◆ Taiwan Corporate Sustainability Awards	5	17	Taiwan Institute for Sustainable Energy (TAISE), Formosa Transnational Legal Foundation

In 2024, the Sustainable Development Promotion Office participated in 24 ESG-related lectures, courses, and seminars, covering diverse topics such as greenhouse gas management, human rights practices, and sustainability governance training. A total of 31 participants attended, accumulating 169.75 person-hours.

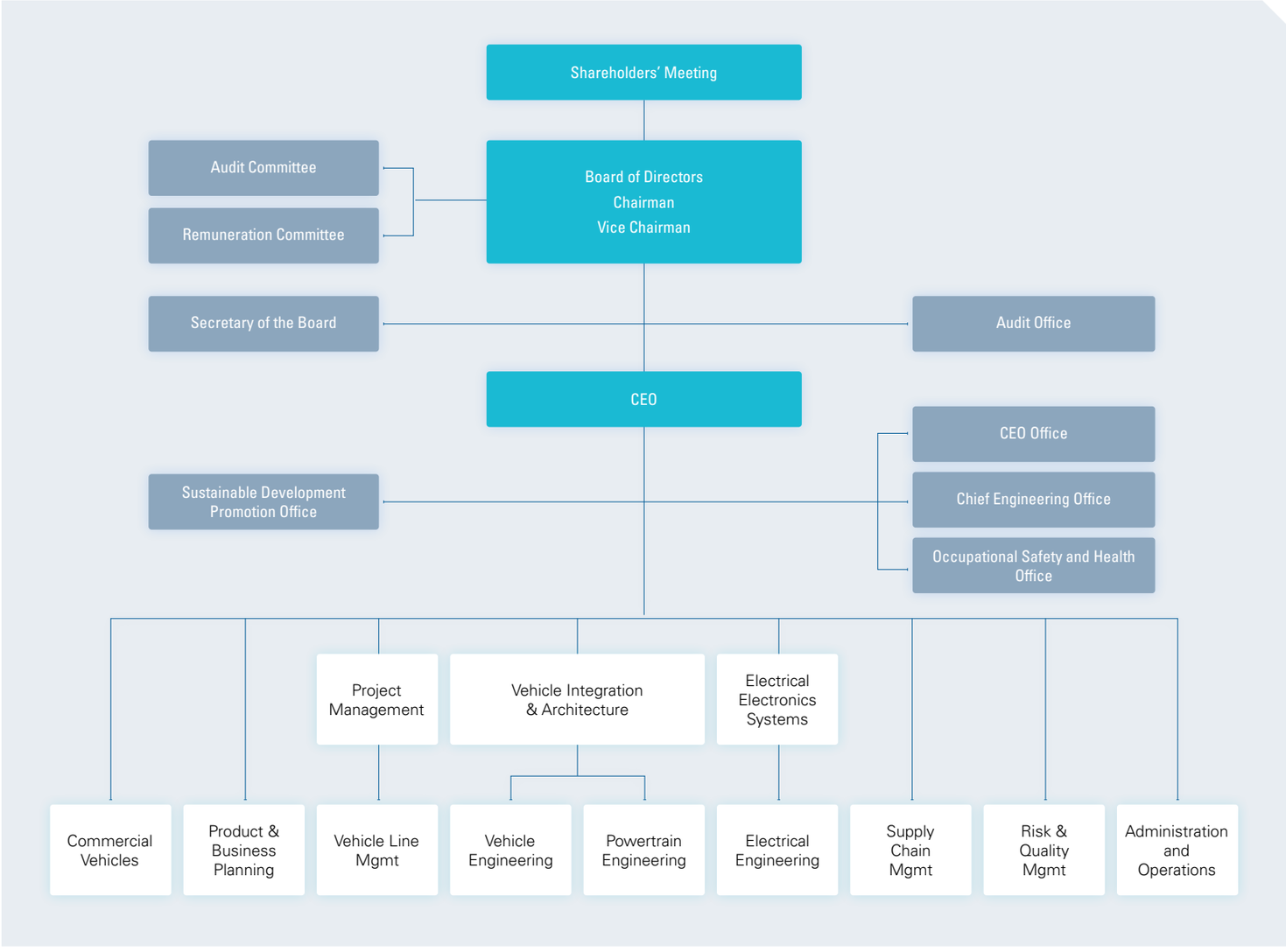
2-1 Sound Corporate Governance

Foxtron upholds the principles of ethics and expert management throughout our operations, ensuring the implementation of corporate governance and operating risk management. **Since the Company's establishment and up to the publishing date of this Report, no negative incidents have occurred that would impact the Company's corporate image.**

2-1-1 Corporate Governance Structure and Operations

Foxtron has established a robust corporate organizational structure, with the Board of Directors responsible for overall business strategy and for implementing resolutions adopted at the Shareholders' Meeting. To ensure effective functioning of the Board, the Company has established an independent Audit Committee and Remuneration Committee. The Audit Office conducts internal control audits, and reports recommendations for improvement and suggested follow-up to the Board of Directors, thereby mitigating actual and potential operating risks.

Daily business management is handled by the CEO of the Company, who reports directly to the Board of Directors. Under the CEO, there are four main offices: the CEO Office, the Chief Engineering Office, the Sustainable Development Promotion Office, and the Occupational Safety and Health Office. These Offices are respectively responsible for new businesses development, future policy development, and research on advanced technologies, the promotion of corporate sustainability initiatives, and the safety and health of employees and the working environment. The operations of the Company's business divisions are carried out soundly under the leadership of the CEO. The three major business groups (Project Management, Vehicle Integration & Architecture, and Electrical Electronics Systems) demonstrate that the Company possesses adequate R&D capabilities and human resource allocation, ensuring the quality of product delivery and agility in timely adjustments.



2-1-2 Board of Directors and Functional Committees

Organizational Structure of the Company

Foxtron's Board of Directors serves as the highest governance body. The second-term Board is made up of nine members, serving three-year terms. Under the Board are two functional committees: the Audit Committee, and the Remuneration Committee. They are tasked with ensuring the effective formulation and implementation of the Company's remuneration and internal control policies. In 2024, the Board held five meetings with an overall attendance rate of 88.9%. Foxtron's Board addresses ESG-related issues, incorporating multiple ESG-related agenda items in our regular 2024 meetings (see Chapter 2 Annual Highlights), to meet stakeholder expectations.

Board members are appointed purely on a merit basis and in accordance with the Director Election Rules and the Corporate Governance Best Practice Principles. Diversity (in terms of, e.g., gender, age, nationality, and culture) and interdisciplinary professional backgrounds are taken into account. Currently, the Board includes three female directors, representing 33% female representation. This is higher than the average for Taiwanese listed companies[1]. Detailed information on the diverse industry backgrounds and specialized expertise of the Board members can be found in the Director Profiles on the Company's website.

In 2024, Directors participated in continuing education covering a range of management topics, including global political and economic strategies; ESG project management and sustainable development; enhanced information security governance strategies; and digital transformation and AI empowerment. Each director completed at least 6 hours of training, fully complying with the Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers.

Board Independence

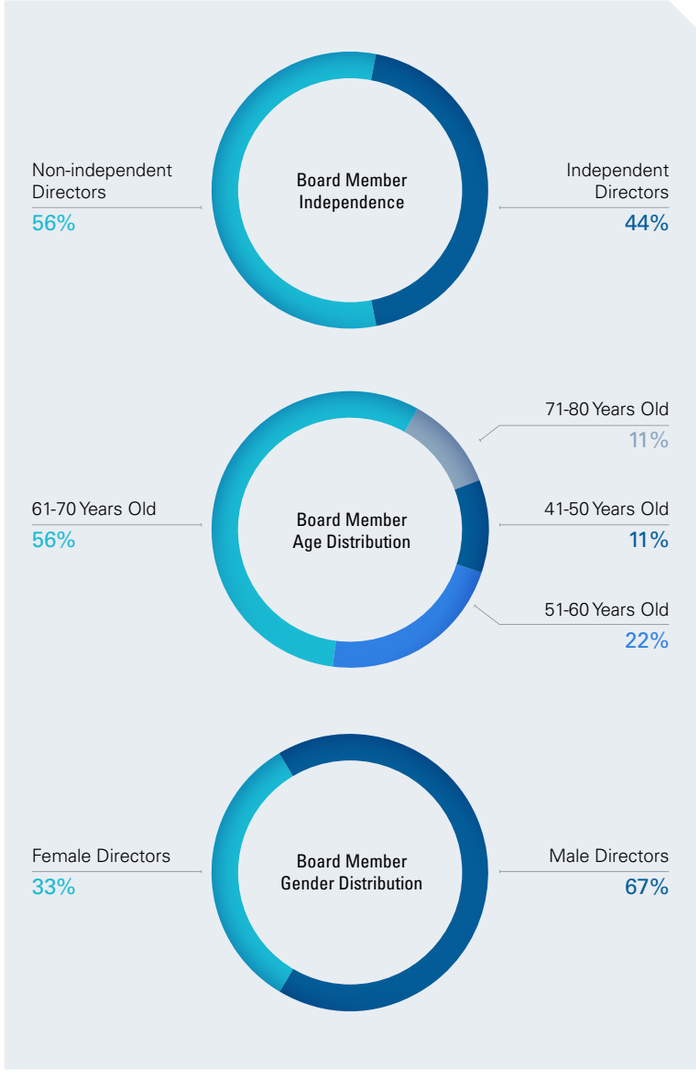
Foxtron requires that the Board of Directors have a certain level of independence, to uphold their fiduciary duties without being affected by external conflicts of interest. Among the 9 Board members, four serve as Independent Directors, accounting for 44%. The Company has established a policy requiring that more than half of the Board members must not have spousal or second-degree kinship relationships, and strictly adheres to the independence requirements outlined in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." In addition, the Company has incorporated conflict of interest avoidance clauses into the "Rules of Procedure for Board of Directors Meetings." When a Director encounters a conflict of interest, they are prohibited from participating in the discussion or voting on the relevant proposal, and may not act as a proxy for other Directors in exercising voting rights. **Foxtron's Directors strictly uphold these principles, and no lawsuits or violations of law occurred in 2024.**

The selection and evaluation of Board members also follow the Company's internal independence and diversity principles. The election of Directors is conducted in accordance with the Director Election Rules approved by the shareholders' meeting, adopting a candidate nomination system and a cumulative voting system. The establishment and appointment process of Independent Directors complies with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. None of Foxtron's Directors hold employee status within the Company, and Chairman Young Liu did not concurrently hold any senior management positions in the Company during 2024.

The members of the Company's Board of Directors must possess the required abilities[2]

1. Operating judgement ability
2. Accounting and financial analysis ability
3. Operating and management ability
4. Crisis management ability
5. Industrial knowledge
6. International market perspective
7. Leadership
8. Decision-making ability

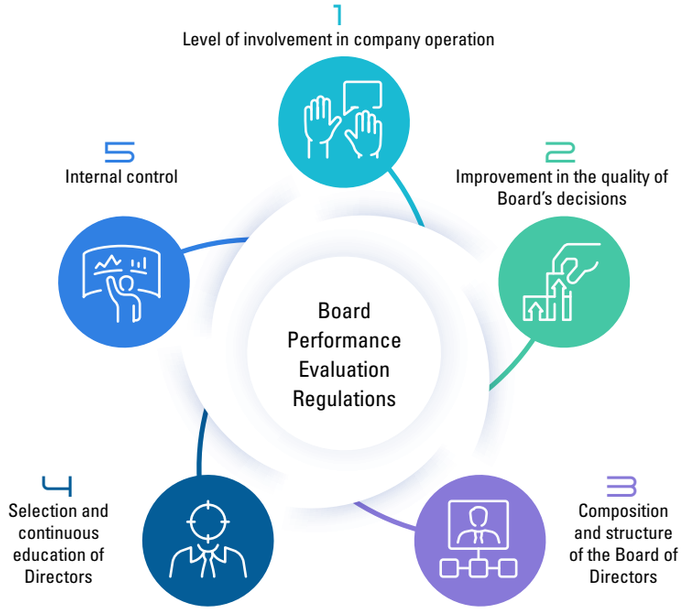
- At least 2 members of the Board must possess at least 1 of the above abilities.
- Individual Directors must possess at least 5 of the above ability.



Note 1: According to the Financial Supervisory Commission's "Gender analysis for directors of public companies in Taiwan in 2022-2023", as of the end of 2023, there were 2,899 female directors (including independent directors), accounting for 16.79% of the total; and 14,365 male directors (including independent directors), or 83.21% of the total, resulting in a female-to-male ratio of 1:4.96.
Note 2: See Board Member Diversity and Independence on the Company's official website.

Board Performance Evaluation

Foxtron has established the Board and Manager Performance Evaluation Regulations to assess the performance of Directors and managers. The evaluation scope includes the overall Board of Directors (including individual Directors and the performance of each functional committee). The evaluation regulations specify that performance evaluations must be conducted at least once a year and that the evaluation results must be reported to the Board of Directors before the end of the first quarter of the following year. Indicators for the Board performance evaluation include the following five aspects:



In 2024, the overall average score for the Board performance self-assessment was 4.71 (out of 5), with the results rated as excellent. The overall average score for individual Directors' self-assessment was 4.69 (out of 5). The Audit Committee had an overall average self-assessment score of 4.98 (out of 5). The Remuneration Committee had an overall average self-assessment score of 4.99 (out of 5). The overall performance evaluation results indicate that the Board of Directors is operating effectively.

Disclosure That Exceeds Legal Requirements

Foxtron prioritizes transparency and regulatory compliance in corporate governance. We require information disclosure standards that exceed legal requirements, ensuring that stakeholders receive timely and accurate updates on the Company's operations.

Disclosure	Foxtron Practice	Regulatory Requirement
Revenue announcements	Announced by the 5th of every month	Before the 10th of every month
Financial statement upload	Uploaded on February 29	By March 15 each year
Shareholders' meeting schedule	2024 Shareholders' Meeting held on May 23	By the end of June each year
Annual Report and Meeting Handbook upload	2024 Annual Report and Meeting Handbook uploaded on May 2 and April 22, respectively	Uploaded to the Market Observation Post System 14 days and 30 days prior to the Shareholders' Meeting, respectively

Functional Committees

Audit Committee

5 meetings held, with a 100% attendance rate by committee members and an overall average performance self-assessment score of 4.98

Foxtron's Audit Committee is composed of four Independent Directors, and at least one of the Independent Directors has financial and accounting expertise. The Audit Committee Charter stipulates that meetings shall convene at least once per quarter. The committee is responsible for supervising the fair presentation of the Company's financial statements, compliance with laws and regulations, the effectiveness of internal control and risk management systems, and other significant matters specified by other companies or regulatory authorities. In 2024, the Committee held 5 meetings, with a 100% Director attendance rate.

Remuneration Committee

4 meetings held, with a 100% attendance rate by committee members and an overall average performance self-assessment score of 4.99

Foxtron's Remuneration Committee is composed of four Independent Directors and is appointed by the Board of Directors. The Remuneration Committee Charter stipulates that meetings must be held at least twice a year, and one performance evaluation shall convene annually. The Committee is responsible for regularly evaluating the achievement of performance goals by the Company's Directors, Supervisors, and managers; determining the content and amount of their individual remuneration; and reviewing the performance evaluation criteria, as well as the remuneration policies, systems, standards, and structure. The Committee provides expert, objective recommendations to the Board of Directors. In 2024, the Committee convened four meetings, with a 100% member attendance rate. The Auditing Office conducts an annual audit in accordance with the annual plan to assess the effectiveness of the Remuneration Committee's operation and management. During the reporting period, there were no issues requiring improvement.

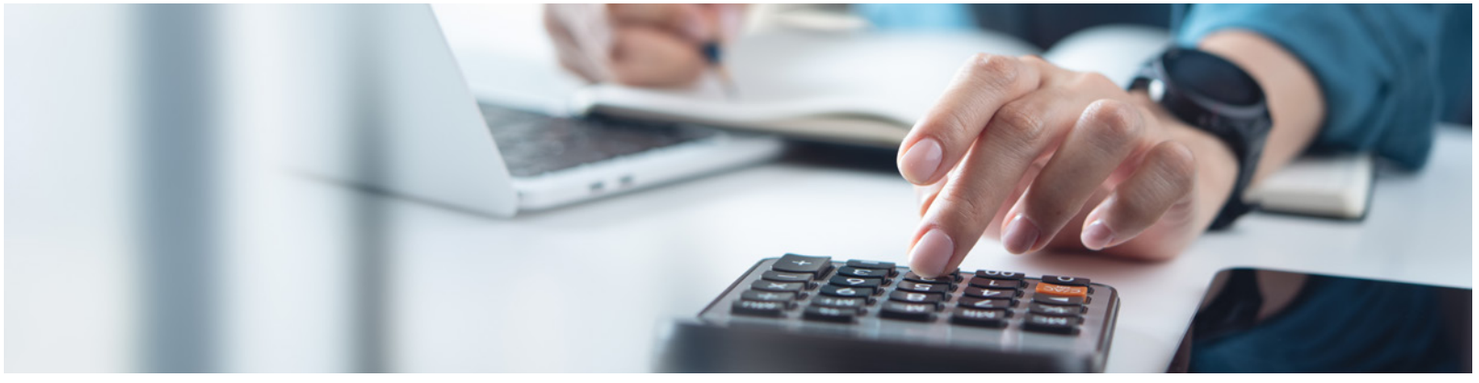
Note: For details on functional committee self-assessment items, it can be found in the 2024 Annual Report, P.22.

2-1-3 Remuneration Policy

The remuneration of the Company's Directors and senior management team is handled in accordance with the Director and Manager Remuneration Regulations and is supervised by the Remuneration Committee. The committee regularly evaluates the performance of Directors and managers in achieving their performance goals and determines their compensation. According to Article 26 of the Company's Articles of Incorporation, the annual remuneration for the Company's Directors is zero. Therefore, during 2024, they only received expenses related to business implementation. Independent Directors receive fixed remuneration and business-related expenses paid by the Company each quarter in accordance with the Director and Manager Remuneration Regulations for their duties and do not participate in the annual distribution of Directors' remuneration. Managers receive fixed and variable compensation based on their performance, which may include cash compensation, stock options, profit-sharing, retirement benefits or severance pay, allowances, and other substantial incentives.

The Company's employee remuneration is composed of salary, share distribution, compensation, and bonuses. Salary adjustments are made in a timely manner based on the Company's operating performance and overall salary competitiveness. In 2024, the overall average salary adjustment range for employees was 5% to 7%, while individual adjustment rates depended on a comprehensive range of factors, including job performance and market competitiveness. The Company regularly refers to industry salary survey reports to review and adjust employee salary levels and reward systems. Due to ongoing recruitment driven by the Company's overall development, overall employee salaries showed a downward trend in 2024. The Company also provides long-term incentives to grassroots employees. In accordance with the Company's Articles of Incorporation, if there is a profit after deducting accumulated losses for the year, 5% to 7% of the remaining profit must be allocated as employee remuneration. As the Company had not yet turned a profit in 2024, no employee remuneration was allocated. However, the loss has significantly decreased and is expected to return to profitability within two years.

In accordance with the Remuneration Regulations, manager remuneration is divided by financial performance indicators and other metrics, with ongoing reviews in response to actual business conditions and applicable laws and regulations. Linking the remuneration structure of managers with the Company's ESG performance helps advance sustainable management. In 2024, Foxtron included "Corporate Governance Evaluation Score above 80" as a manager ESG performance indicator, accounting for 5% of the evaluation. For details regarding remuneration, please refer to the Company's 2024 Annual Report, P.19.



Foxtron's Total Remuneration Ratios for 2024	
Ratio of annual total remuneration for highest-paid individual to median annual total remuneration for other employees	15.80 : 1
Percentage increase in annual total remuneration for highest-paid individual to median percentage increase in average annual total remuneration for other employees	0.17 : 1

» Salary Information for Full-time Employees in Non-Managerial Positions

Category	2023	2024
Total salary paid to full-time employees in non-managerial positions (NT$ thousand)	920,328	946,944
Number of full-time employees in non-managerial positions	711	905
Average salary of full-time employees in non-managerial positions (NT$ thousand)	1,294	1,046
Median salary of full-time employees in non-managerial positions (NT$ thousand)	1,083	1,010

Note 1: "Managerial positions" refer to the Company's managers. In accordance with a directive from the competent authority, the scope of "managers" includes: CEOs and equivalent positions; Deputy CEOs and equivalent positions; Assistant Vice Presidents and equivalent positions; Finance Department heads; Accounting Department heads; and other personnel who are authorized to manage Company affairs and have signing authority.

Note 2: The annual salary of full-time employees in "Non-Managerial Positions" includes salary, stock-based compensation, profit-sharing, and bonuses.

2-1-4 Business Performance

Strong operating performance is the cornerstone of the Company's sustainable development. In 2024, Foxtron sold a total of 8,210 zero-emission[1] vehicles. Benefiting from substantial increase in deliveries of the Model C passenger vehicle and gross margins at par with international automakers, the Company's operating revenue grew by 716% compared to the previous year. However, as the Company remains in the R&D investment stage, we have not yet reached breakeven. With the Model T electric bus obtaining national subsidy certification at the end of 2024, mass deliveries are expected to begin in 2025. Also, the North American version of the Model C is scheduled to enter mass production by the end of 2025, and the Company's total deliveries in 2025 are expected to grow exponentially. In light of Taiwan's limited market size, Foxtron continues to expand our footprint in secondary overseas markets; we are pursuing orders in North America and entering the Japanese market, expanding our operating scale and international visibility.

As a key component in advancing Taiwan's net-zero transition, the electric vehicle industry also benefits from government industrial subsidy policies. In 2024, Foxtron continued our participation in the Taiwan Industry Innovation Platform (TIIP) Program of the Ministry of Economic Affairs and was selected for the A+ Industrial Innovation R&D Program, receiving nearly NT$110 million in subsidies. This demonstrates the Company's key contribution to domestic industrial upgrading and value creation through technological innovation.

Note 1: Foxtron defines zero-emission vehicles (ZEVs) in accordance with the Sustainability Accounting Standards Board (SASB) Automotive Industry Standard TR-AU-410a.2 as vehicles powered by electric motors and advanced technology batteries or hydrogen fuel cells that do not produce exhaust emissions throughout their entire lifecycle.

» Generation, Distribution, and Retention of Economic Value

Unit: NT$1,000

Direct Economic Value Generated	Account	2023	2024
Revenue	Operating Revenue	1,043,992	8,520,611
	Interest Revenue	27,298	82,893
	Other Revenue	144,339	110,399
Total Economic Value Generated (A)		1,215,629	8,713,903
Direct Economic Value Distributed	**Account**	**2023**	**2024**
Operating Costs	Operating Costs	886,894	6,910,735
Employee Salaries and Benefits	Employee Benefits Expenses	1,144,616	1,367,320
Community Investments	Donations	20	20
Payments to Government	Income Tax Benefits	265,473	336,351
	Taxation	6,814	15,173
	Fines	60	100
Total Economic Value Distributed (B)		1,772,931	7,956,997
Retained Economic Value (A) - (B)		(557,302)	756,906
Net Loss for the Period		(2,137,329)	(1,927,201)

Note 1: Information for 2023 and 2024 is based on consolidated financial statements audited by certified public accountants.

Note 2: Foxtron did not have any profit allocations or distributions for 2023 or 2024.

» Total Monetary Value of Government Subsidies Received in the Past Two Years

Unit: NT$1,000

Financial Support Provided by the Government	2023	2024
A+ Industrial Innovation R&D Program, MOEA	-	18,785
Taiwan Industry Innovation Platform Program, MOEA	134,826	89,097

2-1-5 Industry Associations and External Initiatives

Foxtron is an active participant in Semiconductor Equipment and Materials International (SEMI). By integrating the latest semiconductor technologies, the Company effectively enhances the performance of electric vehicle components. In addition, we collaborate with the Taiwan Automotive Research Consortium (TARC) and the Society of Automotive Engineers (SAE), Taipei Section through joint meetings, exhibitions, and industry-academia cooperation to jointly advance the development of Taiwan's vehicle industry.

Moreover, Foxtron remains committed to corporate sustainability by joining the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) and the Information Service Industry Association of R.O.C (CISA). Through these memberships, we stay informed of the latest domestic and international cybersecurity intelligence and collaborate with members to establish information analysis and exchange platforms. In 2024, we also supported the Taiwan Alliance for Net-Zero Action (TANZE) initiative, set our net-zero emissions targets, and obtained the Net-Zero Commitment-Green label certification.

» List of Industry Association Participation

Name of Association/Organization	Membership Status
Semiconductor Equipment and Materials International (SEMI)	Member
Taiwan Automotive Research Consortium (TARC)	Member
Society of Automotive Engineers (SAE), Taipei Section	Member
Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC)	Member
Information Service Industry Association of ROC (CISA) – Chief Information Security Officers Club	Member
Taiwan Alliance for Net Zero Emission (TANZE)	N/A[2]

Note 2: Since 2024, the Company has responded to the TANZE initiative and obtained the Net Zero Label-Green Level.

2-2 Legal Compliance and Ethical Management

2-2-1 Ethical Management

Ethical Management Policy and Commitment

Foxtron values ethics, and has established the Ethical Corporate Management Best Practice Principles, the Code of Ethical Conduct, and the Procedures for Ethical Management and Guidelines for Conduct. In particular, the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct have been approved by the Board of Directors. All employees must strictly adhere to these guidelines, fulfill their duties, ensure that the Company's operations comply with all regulatory requirements in the business environment, and integrate the culture of ethical management into the Company's daily operations. Internally, the Company implements our commitment to ethical management policies; externally, we uphold the principles of integrity in business conduct, engage with all business partners based on fairness and transparency, and proactively avoid conducting business with parties involved in unethical behavior.

Ethical Management Procedures

In management practice, the Administration and Operations Office serves as the dedicated unit for matters related to ethical management. Since 2024, the Office has been tasked with reporting the implementation status of ethical management to the Board of Directors on an annual basis. During the reporting period, the Company's implementation of integrity management was reported and approved at the 7th meeting of the second-term Board of Directors on November 8, 2024. Related implementation details have also been disclosed on the Company's official website.

» Ethical Management Reporting Items for 2024

Reporting Topic	Reporting Content	2024 Implementation Status
Declaration of Ethical Management by Directors and Senior Executives	Directors and senior executives signed the Ethical Commitment Letter	100% of Directors and senior executives completed the signing
Supplier Ethical Management Commitment	Incorporated ethical management provisions into the Social and Environmental Sustainability Commitment, requiring suppliers to sign	221 suppliers signed: signing rate 94%
Employee Training and Education	Conducted training courses on the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct	920 participants; completion rate 100%
Ethical Management Orientation for New Employees	New employees signed the Integrity and Intellectual Property Rights Agreement and completed the employee integrity management training upon onboarding.	100% of new employees completed signing and orientation
Whistleblower Mechanism	In accordance with the Ethical Corporate Management Best Practice Principles, established a whistleblower mailbox and contact number	No reports were received during the reporting period

Communication and Promotion of Ethical Management Guidelines

To implement ethical management policies and communicate standards of integrity and ethical behavior to employees, all employees at Foxtron's operating sites are required to sign behavior guideline documents upon onboarding. These include the Employee Self-Discipline Agreement; Service Agreement; Commitment to Comply with Personal Data Protection Laws and Other Relevant Regulations; Confidentiality Agreement; and the Integrity and Intellectual Property Rights Agreement. These requirements explicitly stipulate that Foxtron prohibits employees from accepting any improper benefits, whether actively or passively, in the course of their duties. In addition, non-compete clauses prohibit employees from engaging in any competitive activities related to their duties, in any form, during their period of employment.

To ensure that all Foxtron personnel fully understand and comply with the above-mentioned guidelines, the Company regularly conducts integrity management training courses to provide detailed explanations of daily operating procedures and the implementation of ethical standards. The courses cover the Company's ethical management policies, applicable laws and regulations, and case studies, enabling all employees to recognize the importance of ethical management and how to practice it effectively.

Note 1: In consideration of the inapplicability of this guideline in the Hangzhou region, the statistics for Foxtron's employee ethical operations education cover only employees in Taiwan.

Ethical Management Grievance Mechanism

The Company's Procedures for Ethical Management and Guidelines for Conduct provide clear procedures for raising complaints and reports related to violations of ethical principles; conflicts of interest and avoidance; fair trade; bribery; and improper payments. Effective grievance and reporting mechanisms are established on both internal and external company websites, and these procedures are integrated into employee performance evaluations and human resources policies. These channels are available for all stakeholders to promptly report any violations of the Company's ethical conduct and moral standards. In addition, the Company prioritizes the protection of whistleblowers' rights. The identities of whistleblowers and the details of their reports are kept strictly confidential by the Company, which also commits to protecting whistleblowers from any unjust treatment as a result of their reporting actions.

» Whistleblower and Grievance Handling Flowchart

Report Submission	Escalation and Investigation	Action Taken and Outcome	Review and Reporting
The whistleblower is required to provide: Identifiable information (or may choose to report anonymously); contact information; the name of the reported party or other identifiable characteristics; and specific evidence that can support an investigation.	If the reported matter involves a general employee, it must be escalated to the department supervisor. If it involves a Director or senior executive, it must be escalated to an Independent Director.	If a violation is confirmed, the reported party must be immediately required to cease the relevant behavior and be subject to appropriate disciplinary actions; legal action shall be taken if necessary. If no violation is found, the reporting procedure shall be closed. The acceptance, investigation process, and results of the report must be documented in writing and retained for five years.	If the reported matter is verified to be true, the responsible departments must be instructed to review the internal control system, and the reported matter, handling process, and subsequent corrective measures must be reported to the Board of Directors.

Foxtron Complaint Channels

Internal Channels:

To ensure the implementation of the Company's Ethical Corporate Management Best Practice Principles and Code of Ethical Conduct, the Administration and Operations Office is responsible for handling complaints related to misconduct, fraud, actions harmful to the Company's interests, and violations of the Company's regulations.

Complaint Email: amy.hsu@foxtronev.com

External Channels

Complaint Email: foxtronev.service@foxtronev.com

Feedback channels for all stakeholders can be found on the Company's website 'Corporate Sustainability'

Insider Trading Prevention and Awareness Promotion

The Company has also established the Prevention of Insider Trading Operation Procedures, which prohibit insiders and their related parties from using their positions to gain access to significant information of the Company and engage in any insider trading activities that violate the Securities and Exchange Act. In addition, the Company conducts at least one educational session on regulations each year for all Directors, managers, and employees to protect the interests of investors and safeguard the Company's rights. Through a comprehensive management mechanism and smooth complaint channels, **no incidents of unethical behavior occurred at Foxtron in 2024.**

Note 1: In consideration of the inapplicability of this guideline in the Hangzhou region, the statistics for Foxtron's employee insider trading prevention cover only employees in Taiwan.

2-2-2 Legal Compliance

Foxtron continuously enhances our compliance mechanisms to ensure adherence to the regulatory requirements of our operating regions and business environment. The Administration and Operations Office is the dedicated unit responsible for the Company's compliance matters, contract reviews, and handling of related litigation. The Audit Office conducts annual audits based on the yearly plan to verify whether the Company's operations comply with regulations issued by competent authorities and industry laws.

To establish a sound internal mechanism for the management and disclosure of material information, Foxtron has implemented the Procedures for Handling Material Inside Information to prevent improper information leakage and to ensure the consistency and accuracy of externally disclosed information. To effectively communicate with stakeholders, we disclose information related to corporate governance, major resolutions of the Board of Directors, the Shareholders Section, and financial information in the Investors section of our official website. In addition, detailed financial data is disclosed in the Company's Annual Report to mitigate risks associated with negative events and to reduce stakeholders' concerns. During the reporting period, 19 material disclosures were issued by the Company.

In the event of significant damage or impact, or when cumulative penalties reach the threshold of a major violation, the Procedures for Handling Material Inside Information will be activated in accordance with regulations. **During the reporting period, no critical incidents with negative impact occurred, nor were there any events that met the criteria of a major violation. According to the Audit Office's verification, there were no corrective actions required or fines imposed during the reporting period.**

» Material Inside Information Handling Process

Report submitted

Department heads must report material information within three hours of becoming aware (no later than the end of the workday), notify related departments, and make a submission to the CEO.

Discussion initiated

The CEO's Office convenes a discussion meeting and determines the material information content to be disclosed on the MOPS.

External disclosure

The material information is disclosed on the MOPS.

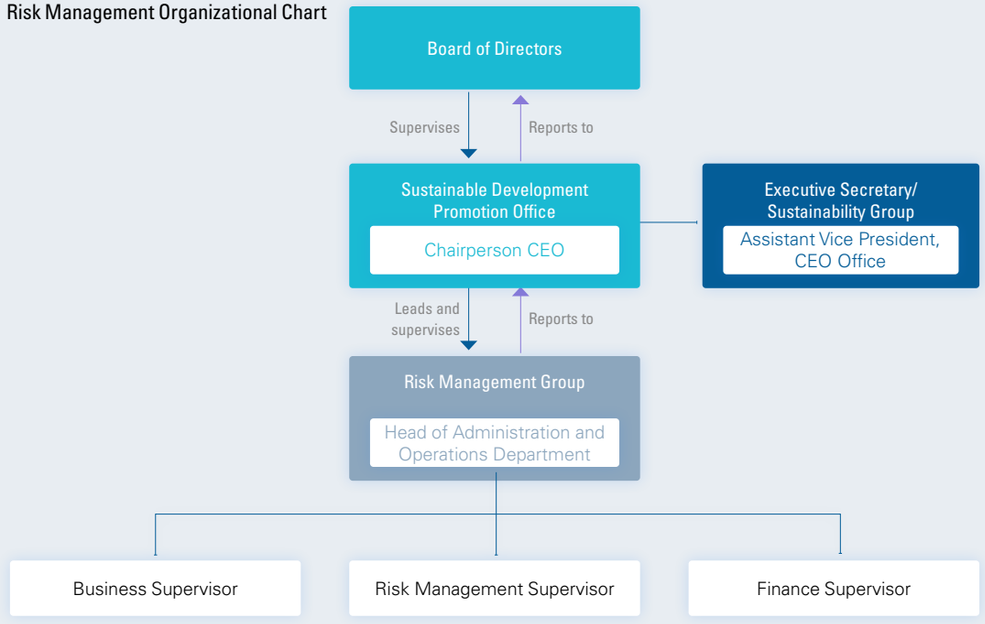
2-2-3 Risk Management

Risk Management Organization

Foxtron has established a comprehensive risk management framework. The CEO serves as the highest-level coordinator, responsible for allocating necessary resources such as personnel and training. The Administration and Operations Department oversees the coordination and control of risk issues across the Company, while the Audit Office conducts audits based on the annual audit plan to review and supervise the effectiveness of the Company's overall risk management and internal control systems.

Under the Sustainable Development Promotion Office, a Risk Management Group has been established. The group is led by the head of the Administration and Operations Department and comprises leaders from three key domains (business, risk management, and finance), each responsible for identifying, assessing, and managing risks within their respective areas. This structure aims to reduce both actual and potential risks, including those related to ethical management.

» Risk Management Organizational Chart



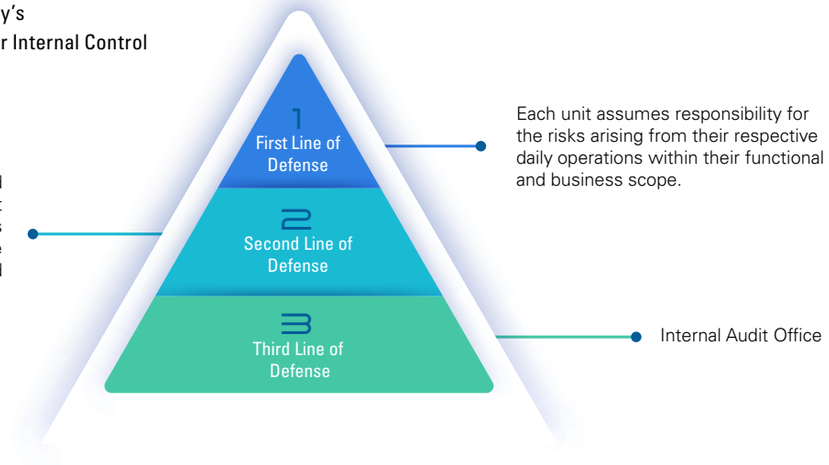
Risk Management Mechanism

The Company adopts a Three-Lines-of-Defense framework for Internal Control as our risk management mechanism. The first line of defense consists of each business department, which assumes responsibility for the risks arising from their respective daily operations and conducts information security risk assessments for core business activities. The second line of defense falls primarily under the responsibility of the Administration and Operations Department, which assists and supervises the first line of defense in risk identification and management. The third line of defense is the independent internal Audit Office, which acts as the final checkpoint, inspecting, supervising, and tracking the progress of improvements for the first two lines of defense. The internal Audit Office reports comprehensively and regularly to the Board of Directors to ensure the effective implementation of the Company's risk management system. The Audit Office formulates the audit plan for the following year on an annual basis. During the reporting period, audits were conducted on items required by the competent authorities. Most of the improvement items have been completed, with a completion rate of 83%. Follow-up actions are ongoing, with full completion expected in the first quarter of 2025.

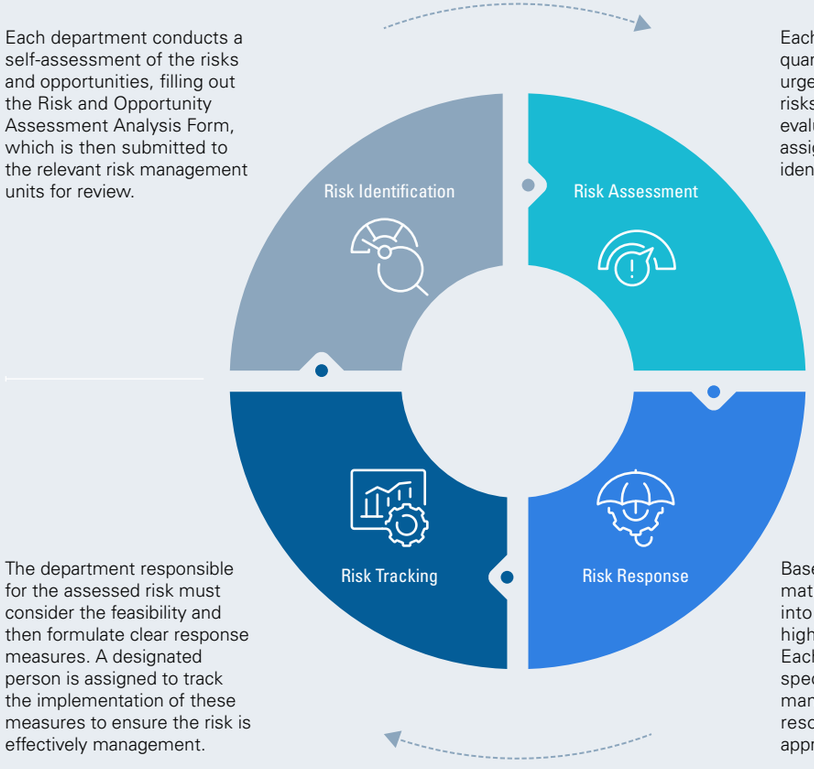
In 2024, the Company also promptly responded to changes in internal and external environments by adjusting the design of our internal control system. The adjustments were approved at the 7th meeting of the 2nd Board of Directors on November 8, 2024, and involved revisions to the eight major cyclical and management procedures to enhance the effectiveness of internal control design and implementation.

On the other hand, to effectively reduce the impact and frequency of risks on the Company's operations and optimize the allocation of corporate resources, the Company follows the Risk and Opportunity Assessment Procedures to regularly (at least once a year) evaluate internal and external risk and opportunity factors. This results in the preparation of a Risk and Opportunity Assessment Analysis Report. If there are significant organizational adjustments or changes in laws and regulations related to the quality control system during the year, the risk management departments will increase the number of risk and opportunity assessments for that year as needed.

» **Strengthening the Company's Three-Lines-of-Defense for Internal Control**



» **Risk Management Process**



Note 1: During the risk assessment phase, the criteria for determining the severity of a risk may include: (1) legal and regulatory requirements, product and customer requirements, (2) the extent of personal injury caused when the risk occurs, (3) the degree of property loss, (4) whether it leads to operating interruptions, and (5) the extent of damage to the corporate image.

Note 2: During the risk assessment phase, the urgency of a risk is categorized based on its frequency of occurrence into five levels: negligible, preventive, general, urgent, and very urgent.

Risk Management Assessment Results

In 2024, through our risk management procedures, Foxtron identified four major risk categories: strategic risk; operating risk; financial risk; and climate risk. Strategic, operating, and financial risks are primarily managed and supervised by the Administration and Operations Department, while climate risk is managed by the Sustainable Development Promotion Office. Beginning in 2025, the Company will regularly report the management outcomes of these risks to the Board of Directors.

» **Four Major Risks Identified by Foxtron in 2024**

Risk Category	Strategic Risk		
Risk	Market Risk	Policy Risk	Technological Risk
Description	The electric vehicle (EV) market presents multiple challenges, including demand volatility, competitive pressure, and insufficient infrastructure. The pace at which consumers transition from internal combustion engine vehicles to hybrid or electric vehicles may fall short of expectations, resulting in fluctuating market demand. Price competition from low-cost Chinese EV manufacturers, accelerated transformation by traditional automakers, and the entry of new EV brands have all placed pressure on existing market share. Additionally, the uneven distribution and slow development of charging infrastructure may weaken consumer willingness to purchase EVs, thereby impacting market growth and the Company's operations.	The development of the EV market relies, to a certain extent, on government subsidy policies. A reduction or termination of subsidies in the future may significantly impact market demand. In addition, increasingly stringent carbon emission regulations across countries have raised compliance costs for automakers. Some nations may also impose higher tariffs or establish non-tariff barriers to limit the competitiveness of foreign brands, further increasing uncertainties and challenges in the international market.	Technological innovation plays a critical role in the EV industry, particularly in battery and charging technologies. High battery costs or the lack of unified charging standards may hinder technological breakthroughs and industry collaboration, thereby weakening product competitiveness. Moreover, the commercialization of next-generation technologies such as solid-state batteries remains uncertain. If competitors are first to launch disruptive innovations, it could affect the Company's brand market share.
Risk Impact	Medium	High	Medium
Market Conditions	Despite the lag in charging infrastructure development affecting market expansion, overall demand still holds growth potential. However, Chinese automakers' low-price strategies have disrupted global pricing structures, exerting substantial pressure on the industry's competitive landscape.	Government policy support plays a critical role in determining the pace of EV industry development. In early-adopter regions such as China and Europe, subsidies are gradually being phased out. In order to shield domestic EV industries from foreign competition, many governments are raising tariffs or tightening subsidy eligibility to favor local manufacturers.	EV-related technologies are advancing rapidly, including improvements in battery performance and safety, next-generation battery technologies, and advanced solutions to enhance charging efficiency. However, the high cost of raw materials for batteries remains a major barrier to industry growth. In the field of autonomous driving, there are still no unified technical standards, and the future direction remains highly uncertain.
Response Strategies	**Agile Market Deployment and Differentiated Product Strategy:** ◆ The Company adopts a Contract Design and Manufacturing Services (CDMS) model to provide design and manufacturing services for multi-brand clients, effectively diversifying market concentration risk. In terms of market expansion, priority is on North America (where Chinese EVs face higher entry barriers), and emerging EV-friendly markets such as Southeast Asia to capture growth opportunities. To enhance market adaptability, our product designs comply with regulatory requirements in many different regions (including Taiwanese, US, and European standards), and support both left-hand and right-hand driving, along with compatibility with mainstream charging interfaces (including CCS2, CCS1, and NACS). This reduces charging barriers and increases market acceptance. ◆ On the product side, we employ modular and shared design strategies to improve product commonality, reduce development costs, and minimize capital investment. Furthermore, we focus on intelligent vehicle technologies, leveraging our proprietary Electronic and Electrical Architecture (EEA) and software capabilities to realize vehicle intelligence and cloud-based update functionality, thereby strengthening market competitiveness.	**Strengthening Local Partnerships and Reducing Policy Dependence:** ◆ The Company implements the BOL ("Build, Operate, Localize") strategy to deepen partnerships with local stakeholders, support the establishment of a comprehensive EV industry ecosystem, and promote localized operations to gain a strong foothold in target markets. In parallel, the Company closely collaborates with government agencies and industry associations to contribute to the rational development and improvement of EV-related regulations. ◆ To reduce reliance on policy subsidies, the Company continues to adopt modular and shared design approaches to lower production costs and maintain product competitiveness even in the absence of incentives. Additionally, by strengthening brand value and driving service innovation, the Company aims to attract consumers and shift away from single-price-based competition, thereby building a sustainable market advantage.	**Technological Innovation and Agile Market Adaptation:** The Company has established a specialized R&D team dedicated to staying abreast of future technological trends, focusing on the development of intelligent operating systems and enhancing battery charging efficiency to ensure that R&D outcomes deliver market value. We also collaborate with suppliers, research institutions, and industry partners to share risks and accelerate the deployment of innovative technologies. In addition, the Company adopts modular and upgradeable design architectures to mitigate the impact of technological shifts on production processes and costs.

Operating Risk

Risk Category	Production Risk	Supply Chain Risk	High R&D and Capital Expenditure Risk
Description	Overcapacity or insufficient capacity in EV production may impact operations. Overexpansion may result in idle assets, while under-capacity could affect market share. Furthermore, quality issues in key components such as batteries and drive systems may lead to product recalls, damaging brand reputation. Balancing product quality and cost control has become a major challenge.	The EV industry relies heavily on global supply chains and thus faces challenges such as fluctuations in raw material prices, supply chain disruptions, and logistics delays. For instance, key battery materials such as lithium and cobalt may experience significant price volatility due to supply constraints or geopolitical risks, thereby impacting overall production costs. Additionally, the global supply chain is vulnerable to pandemics, wars, and natural disasters, which may lead to shortages or delivery delays of critical components, further increasing production uncertainty. Given the EV industry's high demand for supply chain timeliness, any logistics disruption may affect product delivery schedules and, in turn, Company operations.	The EV industry is capital-intensive, requiring substantial financial investment, particularly in key areas such as battery technology and autonomous driving. In addition, constructing manufacturing facilities and charging infrastructure involves significant upfront capital expenditures. If R&D projects experience setbacks or market acceptance falls short of expectations, such investments may fail, posing serious risks to the Company's financial stability and market competitiveness.
Risk Impact	Low	Low	Low
Market Conditions	During the initial delivery phase of passenger vehicles, delivery progress was affected by factors such as quality control and the stability of supplier deliveries, resulting in slower rollout. However, the prices of key materials have since stabilized, production partners have become more reliable, and the issues have been gradually resolved, leading to the successful completion of vehicle deliveries.	Currently, the prices of key raw materials and components, such as batteries, are trending downward due to oversupply. In 2024, the Company encountered delays caused by typhoon-induced port congestion and shipping reroutes due to the Israel-Palestine conflict. However, these issues have gradually eased, and supply chain operations have now stabilized.	Currently, the Company operates under a light-asset model, focusing on vehicle design and development while outsourcing manufacturing to external partners. For each vehicle model and target market, a preliminary investment assessment and market positioning review with its market competitiveness is conducted before launch. During project implementation, internal mechanisms are employed to strictly control investment costs and reduce potential risks.
Response Strategies	**Optimizing Production and Quality Management:** The Company coordinates closely with manufacturing partners to plan production based on market dynamics, ensuring production capacity is both stable and adaptable to changes. In terms of quality, we implement systematic inspection mechanisms to rigorously control production quality and ensure vehicle reliability and performance stability. Additionally, the introduction of platform-sharing design helps reduce design and development costs, simplifies the production process, enhances manufacturing efficiency, and further achieves economies of scale.	**Enhancing Supply Chain Resilience and Stability:** To mitigate supply risks, the Company develops a diversified supplier network to reduce reliance on single sources and ensure material supply stability. At the same time, we have moderately increased reserve levels of critical components to balance supply interruption risks with inventory costs. Looking ahead, the Company will continue to promote localized production strategies by establishing manufacturing bases in key global markets, in order to reduce long-distance logistics risks and further enhance overall supply chain resilience and stability.	**Investment Control Mechanisms:** The Company adopts a phased investment strategy, allocating capital gradually based on market feedback and the clarity of business opportunities, thereby minimizing the risks associated with large, one-time capital expenditures. For project spending, a robust internal approval system is in place, requiring all major project expenses or capital expenditures to be evaluated and authorized by designated departments before implementation. Additionally, the Company applies for government R&D grants under technology initiatives to optimize the use of research resources and reduce the financial burden on internal funds.

Risk Category	Financial Risk			Climate Risk	
Risk	Financing Risk	Tax Risk	Asset Impairment Risk	Cap/Carbon Tax and Fee Imposition Risk	Environmental Backlash Risk
Description	The Company may face funding shortfalls due to capital market fluctuations, interest rate volatility, or difficulties in refinancing.	Profit allocation among multinational affiliated enterprises must be reasonable; otherwise, the Company may face tax reassessment risks from local tax authorities.	Fixed assets (such as equipment and plants) and intangible assets (such as patents) may face impairment risks due to technological advancements or declining market demand. In addition, prolonged inventory buildup may lead to a decrease in inventory value, thereby impacting financial statement performance.	Governments require enterprises of a certain scale to regularly conduct carbon inventories and disclose emissions data. In addition, internal carbon pricing mechanisms, carbon trading schemes, GHG reduction targets, and the development of low-/zero-carbon products are being promoted. These regulations not only affect corporate compliance but are also expected to serve as the basis for future carbon fee collection, which may increase operating costs.	If a company fails to proactively and effectively address climate change issues raised by stakeholders, or is involved in environmental pollution during product development or manufacturing, our reputation and brand image may be adversely affected. This could, in turn, impact market acceptance of our products and sales performance.
Risk Impact	Low	Low	Low	Medium	Low
Market Conditions	Currently, the Company's funding requirements for operating plans can be met through a combination of existing capital and available bank credit facilities.	Currently, the Company has established clear plans for related-party transactions with our subsidiary in mainland China, reserving reasonable profits for local operating needs. Business activities in North America have not yet formally commenced.	Currently, there are no indications of impairment risks for the Company's fixed or intangible assets, and inventory levels remain within a reasonable range, with no significant risk of inventory valuation losses.	The Company is not currently among the first group of entities subject to carbon fee collection. However, we have already completed GHG inventory and information disclosure in accordance with regulatory timelines. The Company continues to plan emission reduction targets and implement energy-saving and carbon-reduction management practices to mitigate potential risks arising from climate regulations.	The Company's current product developments are all zero-emission electric vehicles. No adverse environmental events were reported during the operating period.
Response Strategies	**Sound Financial Policy:** The Company explores diversified financing channels, including both equity and debt financing, while maintaining a strong credit rating. We have also established contingency reserves to enhance overall financial stability.	**Sound Tax and Transfer Pricing Management:** The Company formulates transfer pricing policies in accordance with arm's-length principles and prepares comprehensive transfer pricing documentation. We also collaborate regularly with tax advisors to review business models and tax arrangements, thereby effectively mitigating potential tax risks and ensuring legal and compliant cross-border transactions.	**Asset and Inventory Risk Control:** In terms of asset management, the Company conducts quarterly impairment testing and engages external experts annually to provide asset impairment assessments to ensure asset valuation accuracy. For inventory management, the Company regularly reviews long-cycle inventory to mitigate buildup risk and maintain asset utilization efficiency.	**Climate Governance and Environmental Commitment:** The Company adopts the TCFD framework to set GHG reduction targets and implement energy conservation and carbon reduction measures. We participate in environmental initiatives and regularly review progress and performance to ensure effective implementation.	**Strengthening Climate Issue Response and Communication Management:** The Company continues to monitor developments in domestic and international climate policies and environmental regulations, and reinforces employee awareness through internal education and promotion. In addition, we regularly survey and respond to stakeholder concerns, value external feedback, and use a rolling management mechanism to refine our climate response strategies and related practices, thereby enhancing overall environmental governance capabilities.

2-3 Information Security and Privacy Management

Information and communication systems, as well as information assets, are critical capital for the Company's operations and development. Foxtron has appointed a Chief Information Security Officer (CISO), who regularly sets goals for managing cybersecurity issues, formulates and implements related policies, and communicates approved policy directives internally.

The dedicated department for information security is the IT Department, which is staffed with one Information Security Manager and two designated personnel responsible for planning, monitoring, and executing cybersecurity management tasks. Policies and objectives are reviewed annually to ensure alignment with the evolving operating environment; and adjustments are proposed as needed, and implemented once approved by the CISO.

The Audit Office conducts annual internal audits and risk assessments related to information security policies and submits an information security report to management each year. The information security department also reports the status of cybersecurity implementation to the Board of Directors or senior management annually. For 2024, this report was submitted to the Board on November 8. Beginning in 2025, the cybersecurity department will report to the Board on a quarterly basis, further strengthening the audit mechanism.

The Company organizes training and awareness initiatives related to information and communication security. Annual training sessions and social engineering drills are conducted, supplemented by periodic bulletins and poster campaigns to enhance employee awareness. In 2024, the completion rate for information security training reached 99%. Since the start of operations, Foxtron has not incurred any losses due to cybersecurity incidents. The Company also plans to obtain third-party ISO 27001 Information Security Management System certification by 2026, to further reinforce our cybersecurity management framework and implementation practices.

2-3-1 Information Security Management Strategy

In accordance with the Information and Communication Security Guidelines for TWSE/TPEx Listed Companies, Foxtron has established the Cybersecurity Operation Procedures as our principles for implementing cybersecurity policies and strategies. The Information Security Manual serves as the principal policy document for cybersecurity issues, while the Information System Security Incident Reporting Procedures outline the response processes in the event of a cybersecurity incident.

To regulate the conduct and responsibilities of outsourced vendors handling company information, the Company has also formulated the Information Business Outsourcing Security Management Regulations, which require vendors to sign cybersecurity-related clauses. Additionally, any vendor seeking access to the Company's network or systems must first submit an application to the responsible staff member, and their access permissions will be subject to restrictions.

Management Category	Management Approach	2024 Implementation Status	Short-Term Goals (0–3 Years)	Mid- to Long-Term Goals (4–5 Years)
Core Information and Communication Systems	◆ Cybersecurity Operation Procedures ◆ Information Security Manual ◆ Information Business Outsourcing Security Management Regulations	Achieved a Recovery Time Objective (RTO) of 8.5 hours and a Recovery Point Objective (RPO) of 24 hours for core systems, with system availability of 99% or higher.	Ensure RTO of 12 hours and an RPO of 24 hours for core systems, with system availability of 99% or higher.	Ensure an RTO of 12 hours and an RPO of 24 hours for core systems, with system availability reaching 99.9%.
Information Security Awareness Training	Cybersecurity Operation Procedures	Conducted 1 information security training session; training pass rate reached 99%, social engineering drill completion rate was 82%, with an error click rate was 18%. Will continue to enhance training for employees who did not pass and increase drill frequency for them.	Conduct 2 training sessions annually; achieve a training pass rate of 99%, social engineering drill completion rate of 95%, and error click rate below 5%.	Conduct two training sessions annually; achieve a training pass rate of 100%, social engineering drill completion rate of 95%, and error click rate below 5%.
System Patch Management and Restoration	Cybersecurity Operation Procedures	A system restoration drill was conducted once. Antivirus software coverage for information equipment reached 96%, while the 7-day virus definition update rate reached 89%. The Company will conduct a comprehensive inspection of antivirus software versions, enhance virus definition updates for employees on business trips/working offsite, and explore establishing a cloud-based management center to strengthen oversight.	Conduct system restoration drills annually and regularly update software vulnerability patches. Ensure antivirus software coverage reaches 95% and the 14-day virus definition update rate reaches 95%.	Conduct system restoration drills annually and regularly update software vulnerability patches. Ensure antivirus software coverage reaches 100% and the 14-day virus definition update rate reaches 95%.
Security Incident and Disaster Response	◆ Major Information Disaster Incident Reporting and System Restoration Procedures ◆ Information System Security Incident Reporting Procedures	A system restoration drill was conducted.	Conduct system restoration drills annually and implement daily off-site backup management.	Conduct system restoration drills annually and implement daily off-site backup management.

2-3-2 Information Security Management Practices

Foxtron controls information security across four major dimensions: documents; hosts; the Internet; and clients. This includes not only regulating the confidentiality of documents provided to suppliers, but also regularly inspecting the security of network operating environments. Backups are implemented in accordance with system backup cycles, including local backups, offsite backups, and remote backups. Each year, host backup file restoration drills and data verification are conducted to maintain the integrity and availability of information systems. To prevent unauthorized personnel from accessing sensitive information, we use firewalls to separate internal and external networks, while internal departments are separated via virtual networks. In addition, external design personnel operate through terminal-based cloud desktops, with all engineering data stored within the data center. The Company regularly reviews our information security labor allocation and recruits specialists as needed. To enhance our information security intelligence analysis and resilience and to collaborate with the private sector in cybersecurity defense, Foxtron has joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC). The Company also participates in the Chief Information Security Officers Club under the Information Service Industry Association of R.O.C (CISA) to exchange and share network security intelligence.

- Encrypted documents are enforced via a document encryption system when shared with suppliers, with restrictions on the number of openings, printing, editing, and document validity period.

- Hosts are backed up regularly, including offsite backups.
- Hosts automatically update antivirus definitions, scan for malware, and regularly apply system patches.

- All external computers and information devices must be reviewed and approved by the IT department before connecting to the internal network.
- A malicious website and ad-blocking system is implemented to block suspicious websites.
- An intrusion prevention system is in place; firewalls are configured to only allow specific network ports for designated services.
- Firewalls segregate internal and external networks; internal departments are further segmented using virtual networks.

- Computers automatically update to the latest system patches, with scheduled forced updates.
- Users are restricted from installing software independently; all software must be reviewed and approved by the IT department prior to installation.
- Offsite design personnel use terminal-based cloud desktops, with all engineering data stored within the data center.

Information Security Management Measures for Security Incidents and Accidents Response

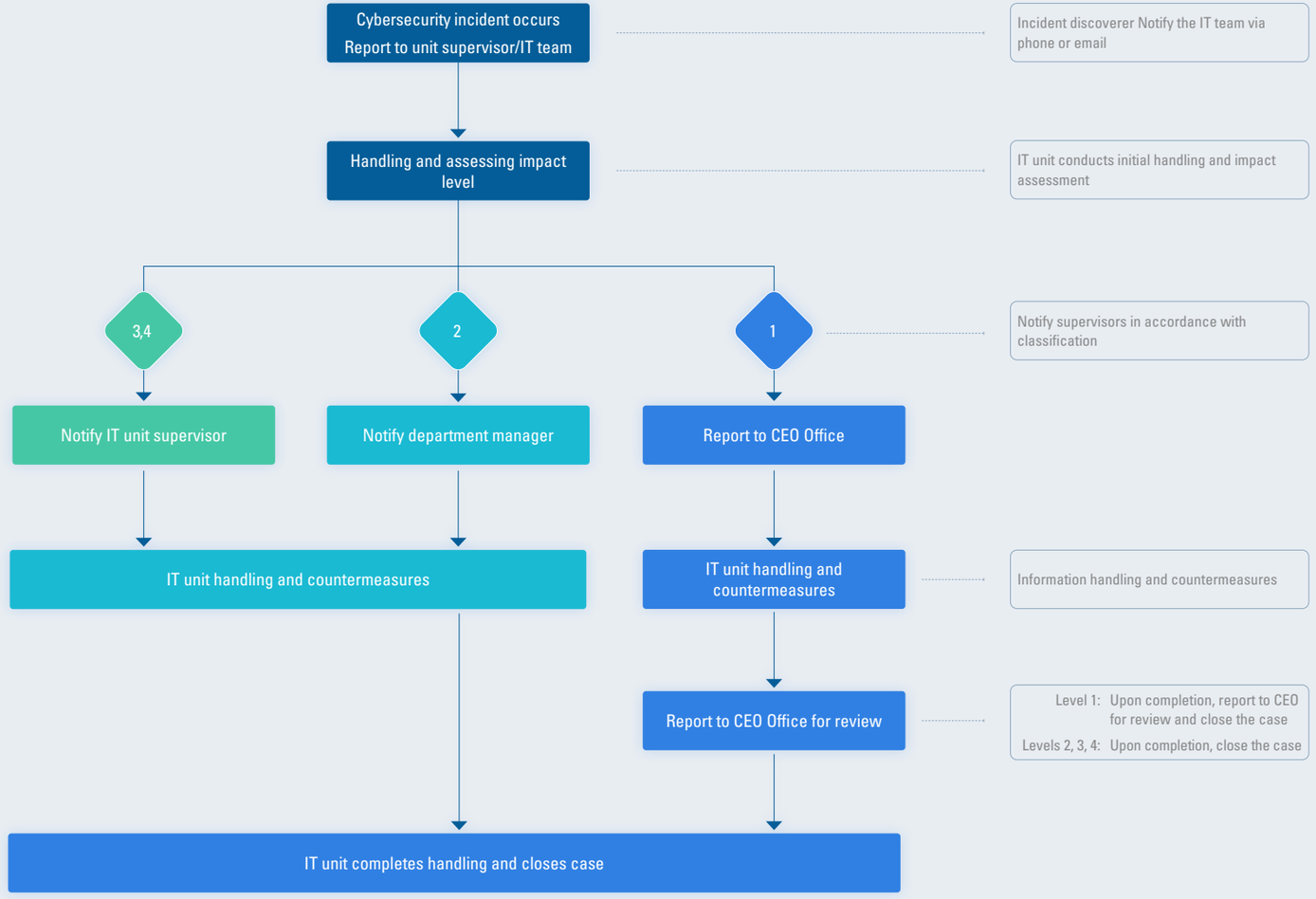
In accordance with Foxtron's Major Information Disaster Incident Reporting and System Restoration Procedures and with the Information System Security Incident Reporting Procedures, the Company conducts annual system restoration drills and implements daily offsite backup management.

When an information security incident occurs, the person who discovers the incident must immediately notify the IT department. The Information Security Department will conduct a preliminary assessment of the severity of the incident and notify/report to different supervisory levels based on the severity of the incident. If the incident has severely disrupted the Company's systems and affected business operations, it will be reported to the CEO Office. After the incident is addressed, it must be reviewed by the CEO Office before the incident can be closed.

In the event of a major disaster that disrupts data center operations, related personnel must respond and report in accordance with the Major Information Disaster Incident Reporting and System Restoration Procedures immediately, in order to minimize the impact of the disaster on data center equipment and the Company's operations. If the disaster has severely affected the facilities and operations of the data center, the Company will immediately establish a Disaster Recovery Task Force. The CISO will serve as the convener of the recovery plan, coordinating with all responsible departments to carry out the tasks outlined in the Major Information Disaster Incident Reporting and System Restoration Procedures and implement response and recovery measures.

No occurrence of information security incidents.

» Information Security Incident Workflow



Information Security Awareness and Educational Training

The Company conducts information security awareness promotion from time to time, sharing practical cybersecurity case studies to enhance employees' vigilance during business operations and reduce the risk of information being stolen by hackers. At the same time, the Company continuously promotes our information security policies and management objectives to related external stakeholders (such as IT service providers and institutions connected to the Company's systems), aiming to enhance their cybersecurity awareness and reduce the Company's potential information security risks.

Personnel responsible for information security are required to complete at least 12 hours of specialized cybersecurity or competency-based training annually. The Company also formulates an annual cybersecurity education and training plan. Taking into account the different needs of each business department, the plan includes cybersecurity policies, legal requirements, operating content, and technical training. In 2024, the Company carried out 5 rounds of phishing email drills, recording an 18% click-through rate and an 82% pass rate for social engineering exercises. The online cybersecurity awareness course achieved a 99% completion rate.

Participants
882

Completion Rate
99%

Participants
864

Completion Rate
82%

Note 1: The Company's information security awareness promotion was conducted in August 2024. The number of participants is based on the number of employees on duty as of August 2024, and the statistics include employees in mainland China.

Note 2: The Company's Social Engineering Drill was conducted in August 2024. The number of participants is based on the number of employees on duty as of August 2024. The training participants include managerial-level and below employees, and the statistics also include employees in mainland China.

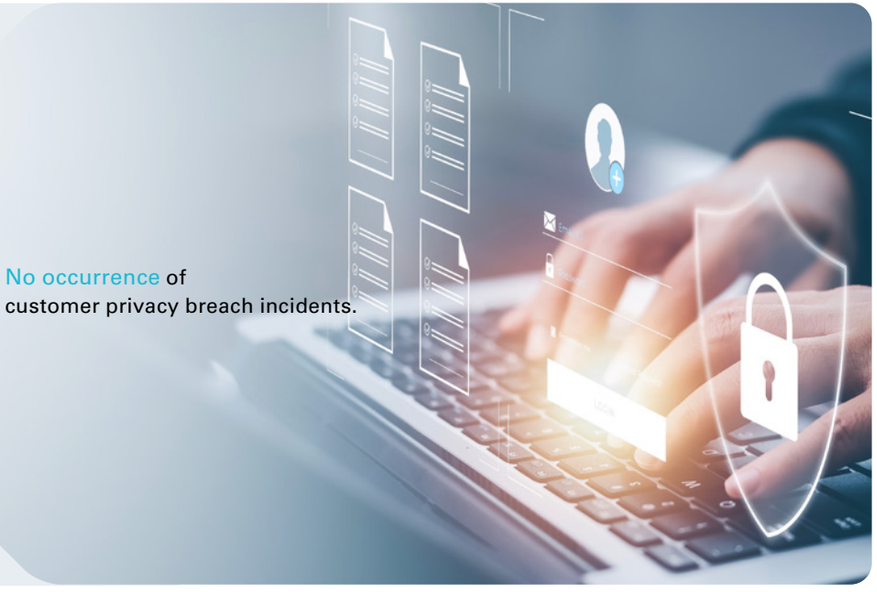
2-3-3 Customer Privacy Management

Foxtron takes stringent measures to safeguard customer information. The Company has established the Customer Property Management Regulations. Furthermore, all employees are required to sign a Confidentiality Agreement as well as a Commitment to Comply with Personal Data Protection Laws and Other Relevant Regulations upon joining the Company. Regardless of whether employees actively or passively learn about customer privacy during the course of their duties, they are obligated to protect and not disclose customers' trade secrets, strictly adhering to regulatory standards. If an employee violates the terms of these agreements, they will be held accountable for breach of contract and bear the civil and criminal liabilities prescribed by law, and they will be fully responsible for any losses incurred by the Company and our customers.

The Company's handling of personal data and cross-border data transmission operations complies with the Personal Data Protection Act promulgated by the Executive Yuan. Internally, we have established the Personal Data Protection Regulations which clearly define the scope and management procedures for the collection, processing, and use of personal data. Additionally, through awareness-building and training, ensuring responsible personnel are equipped with the correct and comprehensive knowledge to handle privacy data appropriately. Relevant audit mechanisms are in place to ensure the Company is in compliance with personal data protection laws. **In 2024, the Company experienced no customer privacy breach incidents.**

Information Security

No occurrence of customer privacy breach incidents.



Open EV Platform and Partner Collaboration

3-1 Technology R&D and Innovation

3-2 Product Quality Management and Customer Relations

3-3 Sustainable Supply Chain Management

GRI

204 Procurement Practices
308 Supplier Environmental Assessment
414 Supplier Social Assessment
416 Customer Health and Safety

SASB Automotive Industry Metric

Product Safety
Raw Material Procurement

Material Sustainability Topics

Technology R&D and Innovation
Product Quality Management and Customer Relations
Sustainable Supply Chain Management

Topic	2024 Target	2024 Implementation Status	Short-term (2025-2027)	Mid- to- long-term (2028-2030)
Technology R&D and Innovation	Training Course on the Three Electric Systems	As of 2024, a total of 55 EV-related training courses have been established, totaling 55 hours	◆ Course materials are continuously updated to incorporate the latest Three Electric System Technologies (battery, motor, and electronic control) ◆ Training completion rate reached 90% ◆ Technical sharing sessions and feedback evaluations are held on a monthly or quarterly basis ◆ Each department formulates specific learning plans and objectives	◆ Expand the number of courses in line with mass production of vehicle models, with content reorganized accordingly ◆ Continuously update and deepen the Three Electric Systems Technologies training framework ◆ Promote cross-departmental technical collaboration and joint lectures ◆ Establish a technical database and practical implementation phases
Product Quality Management and Customer Relations	Customer satisfaction surveys are conducted annually, with the average customer satisfaction maintained at ≥ 80%	The average customer satisfaction score reached 83.8%	Maintain average customer satisfaction ≥ 80%	Maintain average customer satisfaction ≥ 80%
	Maintain zero incidents of regulatory violations.	No incidents related to product and service health and safety regulations occurred.	Continue maintaining zero incidents of regulatory violations.	Continue maintaining zero incidents of regulatory violations.
Sustainable Supply Chain Management	Increase the number of qualified suppliers signing the Social and Environmental Sustainability Commitment	100% signing rate among qualified suppliers.	100% of newly qualified suppliers in the current year signed the Commitment.	Signing of the Commitment included as one of the mandatory criteria for qualifying suppliers.
	Incorporate sustainability risk assessment into the supplier selection and evaluation mechanism.	Newly added sustainability risk assessment item for suppliers: 100% of qualified suppliers completed a 25-item sustainability risk self-assessment.	◆ 100% of qualified suppliers completed document review for sustainability risk self-assessment. ◆ Provide sustainability guidance for low-ranking suppliers[1].	Suppliers with a total sustainability risk self-assessment score >60 points are included as qualified suppliers[2].

Note 1: Definition of low-ranking suppliers: Environmental assessment score less than 9 (out of 36), Social assessment score less than 7 (out of 28), Governance assessment score less than 9 (out of 36).

Note 2: Low-ranking suppliers that fail to improve within the specified timeframe after receiving guidance will be classified as unqualified suppliers and will no longer be eligible for future contract awards.

Annual Highlights

New Vehicle Showcase at 2024 Hon Hai Tech Day

At the 2024 Hon Hai Tech Day, Foxtron officially unveiled two new vehicle models: the Model D, a new-generation Lifestyle Multipurpose Utility Vehicle (LMUV), and the Model U, a new, midi-sized electric bus. Also, the North American version of our Model C, developed for our US partner, was officially revealed and is scheduled to enter mass production by the end of 2025.

Model D- Lifestyle Multipurpose Utility Vehicle (LMUV)

Foxtron has unveiled the Model D, developed under the Lifestyle Multipurpose Utility Vehicle (LMUV) design concept. This model combines the sporty characteristics of an SUV with the versatile functionality of an MPV, addressing diverse needs for both business and personal use. Integrating advanced technology with design aesthetics, the Model D offers high performance with low energy consumption, and embodies Foxtron's commitment to sustainable development and delivering an innovative solution for green mobility. Key features of the Model D include:

Innovative Platform and Vehicle Design:
Built on a all-new modular platform, the Model D measures 5.195 meters in length with a wheelbase of 3.2 meters, providing a spacious and comfortable cabin environment.

Design Aesthetics:
The exterior design, jointly developed by Foxtron and Italian design firm Pininfarina, adopts a minimalist family style that is both grand and harmonious.

Advanced Technology Configuration:
Equipped with an air suspension system offering adjustable height, enhancing driving stability and comfort. Incorporating S-ducts and air curtains effectively reduces aerodynamic drag and improves energy efficiency, achieving a balance between luxury and sustainability.

Sustainable Mobility Solution:
The Model D combines high performance with low energy consumption, demonstrating Foxtron's innovative practices and commitment to responsibility in the field of sustainable mobility, and offering an innovative option for green transportation.

Model D exterior dimensions


Front view of Model D


The Model D is equipped with an air suspension system that allows height adjustment based on different needs


The Model D's body design incorporates S-ducts and air curtains to reduce aerodynamic drag


Rear taillight design of Model D


Model D dashboard interior


Interior seating of Model D


Interior atmosphere of Model D

New, Midi-Sized Electric Bus- Model U

Foxtron continues to deepen our presence in the electric bus sector with the launch of the Model U, a new, midi-sized electric bus. Designed specifically for narrow urban streets and remote rural areas, the Model U offers a low-carbon, high-efficiency transportation solution. Through continuous innovation and product development, Foxtron aims to advance both transport efficiency and environmental sustainability, fostering inclusive development between cities and outlying regions, and generating long-term value for public transportation. Key features of the Model U include:

High Flexibility and Versatile Applications:
With a moderate vehicle size and customizable interior space, The Model U is ideal for urban shuttle services, business reception, mobile offices, outdoor leisure, and other diverse scenarios.

Outstanding Performance:
Offers a driving range of over 250 kilometers, a maximum climbing capability of 20% at full load, and a top speed of 120 km/h—delivering excellent performance across varied road conditions.

Advanced Driving Technology:
Equipped with Foxtron's independently developed integrated Fusion Domain EEA (Electrical/Electronic Architecture) and driver assistance systems, including blind spot detection, electronic rear-view mirrors, lane departure warning, and lane keeping assist, enhancing driving safety and ride comfort.

Energy-Efficient, Sustainable Design:
The aerodynamic body design and optimized structure improve energy efficiency to meet low-carbon transportation demands.

Premium Customization Options:
The flagship version offers VIP seating zones, a minibar, coffee machine, and other upscale amenities—meeting high-end shuttle and mobile business needs.

Model U exterior dimensions


Front and side view of Model U


Exterior view of Model U


Interior atmosphere of Model U


Model U offers a customizable luxury flagship version featuring a VIP area, minibar, and coffee machine—ideal for VIP transport, mobile offices, and other versatile scenarios

3-1 Technology R&D and Innovation

Foxtron's business development is focused on three major areas: passenger vehicles, commercial vehicles, and technical services. The Company is committed to our corporate vision of "promoting the popularization of electric vehicles through the Open EV Platform." As global transportation shifts toward low-carbon solutions, electric vehicles are increasingly seen as a key answer to environmental pollution due to their zero-emission advantages. In response to this trend and growing market demand, Foxtron leverages a shared platform to reduce development costs, shorten development timelines, and achieve economies of scale. Under the CDMS (Contract Design and Manufacturing Service) model, the Company provides design and modular management services to support partners in focusing on product planning and brand management. Through vertical industry integration and professional specialization, Foxtron continues to strengthen our technological capabilities, enhance R&D efficiency, reduce development costs, and expand market share. We are committed to ongoing R&D of passenger vehicles that meet consumer needs and commercial vehicles suited for public transport transformation—driving forward vehicle electrification and net-zero transition.

3-1-1 Innovation Culture and R&D Achievements

Foxtron recognizes that innovation is the key to advancing the electric vehicle industry. We invest R&D resources, nurture professional development talent, and continuously introduce innovative technologies to meet diverse customer needs and market challenges. In addition, we incorporate the concept of sustainability into our product design and manufacturing processes, continually exploring the application of green technologies and eco-friendly materials. Through the dedication of our R&D team, specialized training, and technical exchanges with partners, we have designed a series of products, including the Model C, Model E, Model B, Model T, Model D, and Model U. These products have won numerous awards domestically and internationally, reflecting our stringent requirements for design, quality, and performance.

Innovative R&D System

As Taiwan's first electric vehicle manufacturer with fully independent R&D capabilities, Foxtron adopts vertical integration, platform application, customized development, and key component advancement as our core development strategies. Following the V-Model concept, we have established a rigorous product development framework that starts from market and customer needs, and independently carries out the design, development, verification, and testing of each vehicle model.

In the vehicle design phase, we use a top-down development process, comprehensively considering vehicle specifications and complying with sales market regulations, gradually refining the design and development of system functions and components. During the verification and validation phase after confirming the product prototype, we adopt a bottom-up approach, progressing from component to systems and ultimately to vehicle verification, ensuring that the new product meets design specifications at every level. Throughout the development process, we also adhere to the Advanced Product Quality Planning (APQP) principles, implementing strict quality control at each stage of product development to ensure that new vehicle models meet or even exceed regulatory quality standards and customer expectations.

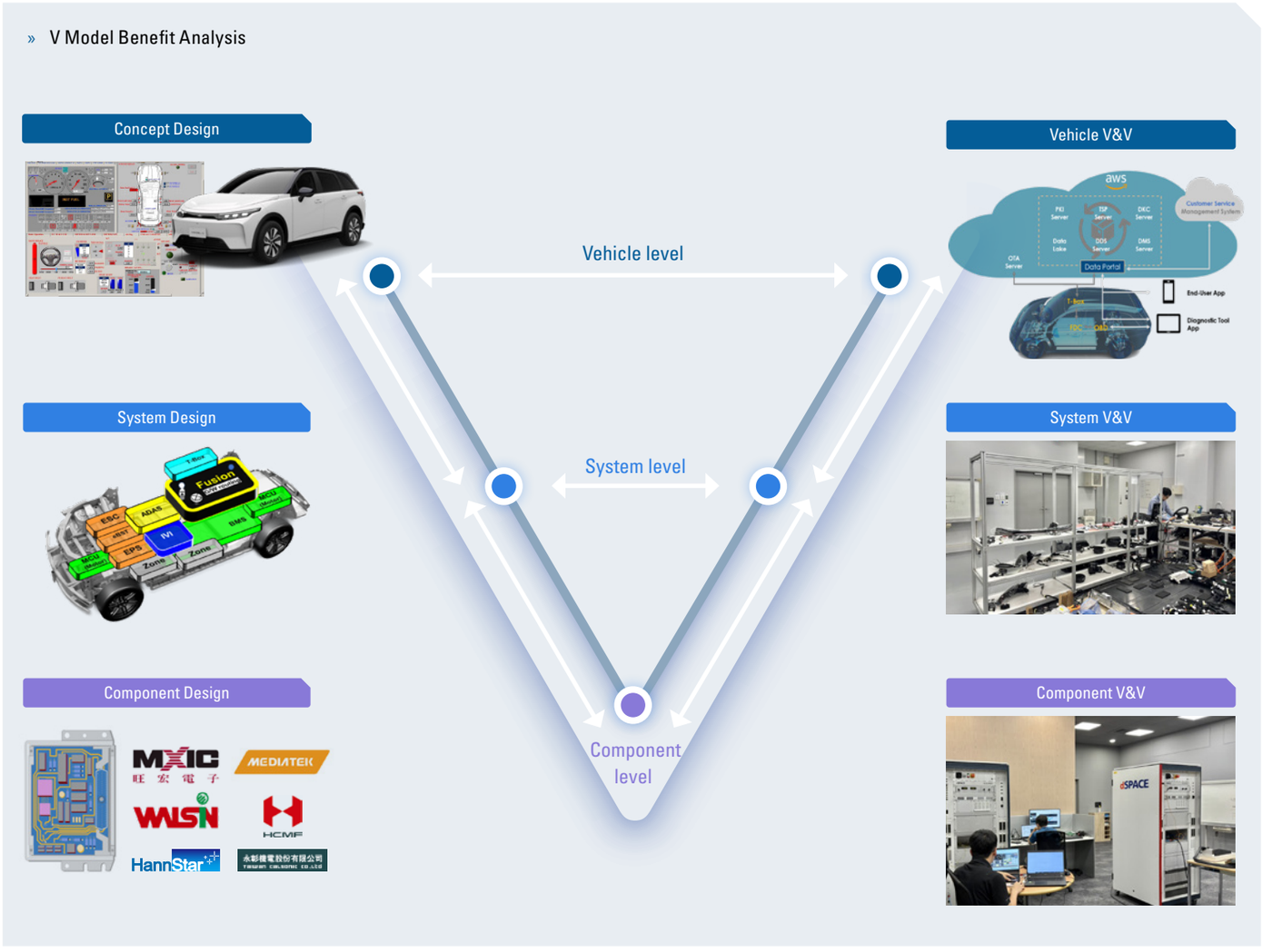
Innovative R&D Investment

Foxtron focuses on developing electric vehicle products and cutting-edge technologies. Through the CDMS collaboration model, we work hand in hand with our clients to accelerate the growth of the EV market, consistently striving to deliver innovative and high-quality EV products that meet the rapidly growing market demand under the global net-zero trend.

We are also expanding into global markets, with Taiwan as the development hub, advancing into North America, Europe, Southeast Asia, and Northeast Asia. By leveraging the advantages of vehicle modularization, we aim to increase our market share. In 2024, we invested NT$3.638 billion in R&D to strengthen the development of electric vehicle models, software development, and technology integration, driving the progress of product mass production.

Year	R&D personnel (ppl)	R&D expenses (NT$ billion)	R&D expenses as proportion of annual revenue (%)
2022	507	1,382	467%
2023	579	2,070	198%
2024	673	3,638	43%

» V Model Benefit Analysis



Foxtron's Flagship Vehicles

Since its establishment, Foxtron has launched multiple electric vehicle models. Our representative lineup includes:

Passenger Vehicles

Model C

Extended Range Version | Pure Electric SUV LUXGEN n7

An all-electric SUV with outstanding sales performance in Taiwan, featuring flexible 5+2 seating that combines practicality with stylish design. In 2024, an extended-range version was launched, retaining the original model's well-received design and signature full-width taillight while significantly upgrading range and overall refinement. The interior incorporates wood grain trim and ambient lighting to enhance the cabin experience. The IVI system offers increased customizability to improve user interaction. Its range has been significantly extended, from 505 km to 711 km, fully meeting long-distance driving needs with premium experience.

Model B

Intelligent Sporty Crossover

A mainstream crossover SUV with a sporty and versatile design, tailored for the younger generation.

Model E

Technologically Innovative & Business Luxury SEDAN

Co-developed with Italian design firm Pininfarina, this technologically innovative luxury flagship sedan is crafted for high-end consumers and serves as a premium mobility choice for business professionals.

Model D

a new-generation Lifestyle Multipurpose Utility Vehicle LMUV

Positioned as a new-generation Lifestyle Multipurpose Utility Vehicle (LMUV), co-developed with Pininfarina and built on a brand-new modular platform, combining spacious interiors with practical and innovative design.

Commercial Vehicles

Model T

Smart Fashion Metropolitan Transport

A Smart Fashion Metropolitan Transport designed for next-generation intelligent public transit. The Model T features a high-rigidity body structure and is equipped with a maximum 400 kWh battery module, offering a driving range of up to 400 km.

Model U

Midi-Sized Electric Bus

Introduced in 2024 as a new platform for midi-sized electric buses, the Model U, offers highly customizable mobile space, making it well-suited to many different use cases such as business shuttles, mobile offices, and outdoor leisure.

Innovation and R&D Achievements

We continue to leverage innovative technologies to develop diverse range of EV models tailored to customer needs, maintaining our competitive advantage in the market. As of 2024, we have unveiled six all-electric vehicle models, including our Model T and Model U commercial vehicles, as well as our Model C, Model B, Model E, and Model D passenger vehicles. These models have been promoted in Taiwan and Southeast Asian markets. In 2024, Foxtron sold a total of 8,210 zero-emission vehicles, securing second place in Taiwan's EV market.

Our independently developed EVs have received numerous awards both domestically and internationally, recognizing their achievements in energy efficiency, design aesthetics, and technological innovation:

Our **Model C** won the Best Energy-Saving SUV Award at the 2021 Bangkok International Motor Show (BIMS) in Thailand, and our **Model E** was awarded Best Concept Sedan at the same show.

Model E was awarded the Best Concept Sedan for technological innovation

Model C was awarded the Best Energy-Saving SUV for outstanding performance

43rd Bangkok International Motor Show (BIMS)

Ministry of Economic Affairs -Taiwan Excellence Gold Award

Model T has won the 2024 Taiwan Excellence Gold Award

Japan Good Design Award

Our **Model T electric bus** received the Good Design Award in Japan in 2022 and was later honored with the 2024 Taiwan Excellence Gold Award by the Ministry of Economic Affairs in 2023. It was showcased at the 2022 Balloon Festival in Taitung and the 2023 Kaohsiung Smart City Summit & Expo, and was featured internationally as a shuttle vehicle during the 2022 G20 Summit.

Model T received the Good Design Award

Chicago Good Design Awards

Our **Model B hatchback** and the **Model D LMUV** were recognized for their outstanding exterior and interior design, winning a 2024 Good Design Awards in the Transportation category and a Green Good Design Awards in the Green Vehicles category, respectively, at the Chicago Good Design Awards.

Model B was awarded a Good Design Awards in the Transportation Category

Model D was awarded a Green Good Design Awards in the Green Vehicles Category

To further increase product visibility, Foxtron has sponsored and participated in a range of events, including 2050 Net Zero City Expo; TAIPEI AMPA; the New Taipei City EV Industry Dream Factory; Hon Hai Tech Day; golf tournaments at the Orient Golf and Country Club; the Geneva International Motor Show (GIMS); international rally events; and Consumer Electronics Show (CES) 2025. At events like these, we showcase our innovative product achievements to various stakeholders.

GIMS

New Taipei City EV Industry Dream Factory

International rally events

HHTD

TAIPEI AMPA

Golf tournament at the Orient Golf and Country Club

CES 2025

3-1-2 Electric Vehicle Development

Electric Vehicle Development and Management

Foxtron builds upon nearly two decades of R&D foundations laid by Haitec (Hua-Chuang Automobile Information Technical Center) and draws on the extensive experience of Hon Hai Technology Group and Yulon Group in the information and communication technology (ICT) and automotive industries. By mastering electric vehicle–related patented technologies, we offer comprehensive, end-to-end customized electric vehicle development services—from design and development to testing.

Our seasoned vehicle development team possesses robust capabilities in forward design and system integration. From conceptual design, engineering simulation, prototype manufacture, and verification and validation to pilot production, we offer end-to-end development support. We assist our clients in realizing their electric vehicle development blueprints step by step and are committed to delivering high-performance products that align with market demands.

During the development process, Foxtron adheres to a systematic development workflow—from product planning, platform construction, and configuration optimization to simulation analysis—ultimately delivering prototype vehicles for customer validation and evaluation. Based on market and customer feedback, we continuously optimize designs to help clients precisely define their products. Once specifications and regulatory requirements are confirmed, we assist with design refinement and validation to ensure readiness for mass production. We also plan appropriate manufacturing solutions based on customer market regulations and coordinate with partner suppliers to ensure component quality and production efficiency.

Foxtron values long-term collaboration with our clients. We strictly manage each stage from R&D to mass production, maintaining flexibility in response to market changes, and continue to innovate and grow steadily in the highly competitive electric vehicle industry.

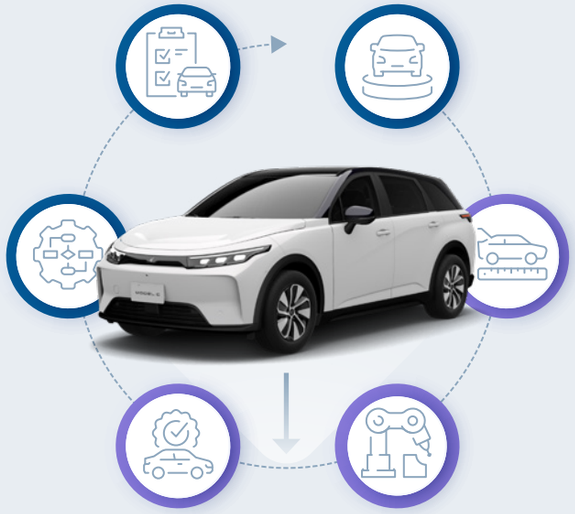
For example, the early-stage development of the Model C covered vehicle design, production, and validation. Vehicle design included system analysis, electrical system design, chassis system design, Three Electric Systems design, and body system development. Vehicle production development encompassed production planning, trial assembly, and pilot run management. Vehicle validation involved testing, regulatory certification, and low-volume pilot production verification. The complete development process was managed under the Advanced Product Quality Planning (APQP) framework.

» Phases of Vehicle Development

Product Planning
Market research
Product concept

Production Management
Production Process
Parts, Quality, and Cost Control

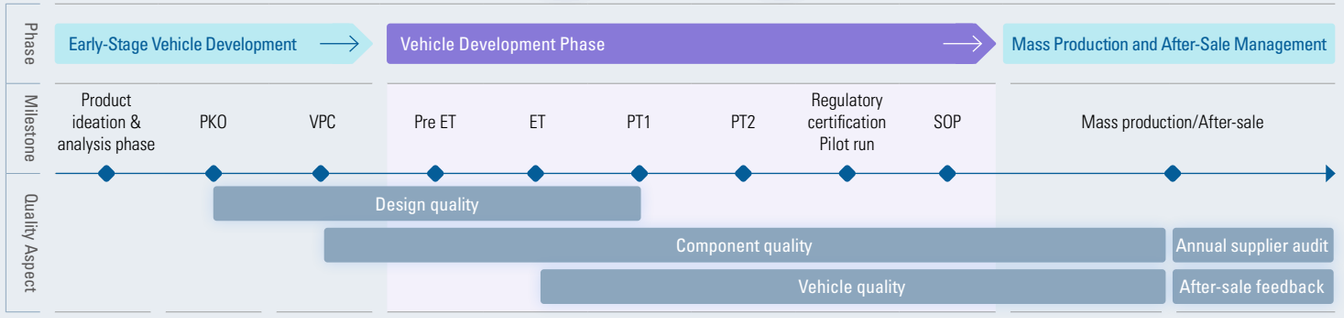
Vehicle Validation
Vehicle validation
Regulatory certification
Low-volume pilot production validation



Platform Development
Platform architecture
Spatial configuration

Vehicle Design
Vehicle system analysis
Electrical systems/Three Electric Systems
Body system/Chassis system

Vehicle production
Production planning
Vehicle trial assembly
Pilot production ramp-up management



Note 1: PKO: Program Kick-off.

Note 2: VPC: Vehicle Program Confirmation.

Note 3: Pre ET: Pre Engineering Trial. This phase involves functional trial assembly using prototype or partially molded parts to verify the implementation of target vehicle performance and system-level technical specifications.

Note 4: ET: Engineering Trial, ET is the full-module engineering validation phase, using fully production-intent molded parts to comprehensively verify whether the vehicle's target performance and system specifications are met. This phase includes corrective testing for issues identified during Pre-ET, and simultaneously inspects for assemblability, maintainability, and disaster safety during the trial build process, serving as the basis for subsequent engineering design adjustments.

Note 5: PT: Production Trial, this phase involves pilot production operations, with trial assembly conducted on the production line to assess the maturity of both the product and manufacturing processes, the production capacity of the manufacturing plant, and whether process capabilities meet the quality requirements for mass production consistency.

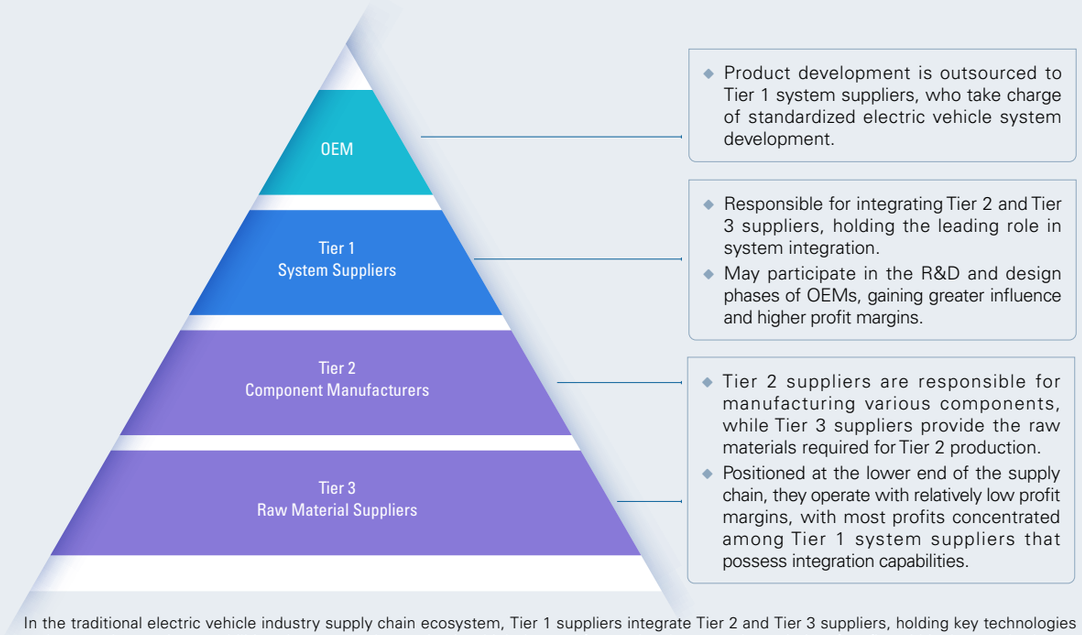
Note 6: SOP (Start of Production): This phase verifies component suppliers' manufacturing capabilities as production ramps up and at specific vehicle production speeds.

Vertical Integration and Management

Under the Group's CDMS collaboration strategy, Foxtron provides key services such as design and supply chain management. Our management team combines backgrounds in the ICT industry and with years of experience in automotive electronics. Within the framework of developing next-generation electric vehicle open platforms, we effectively drive vertical integration of hardware and software, thereby strengthening our overall technological and service capabilities.

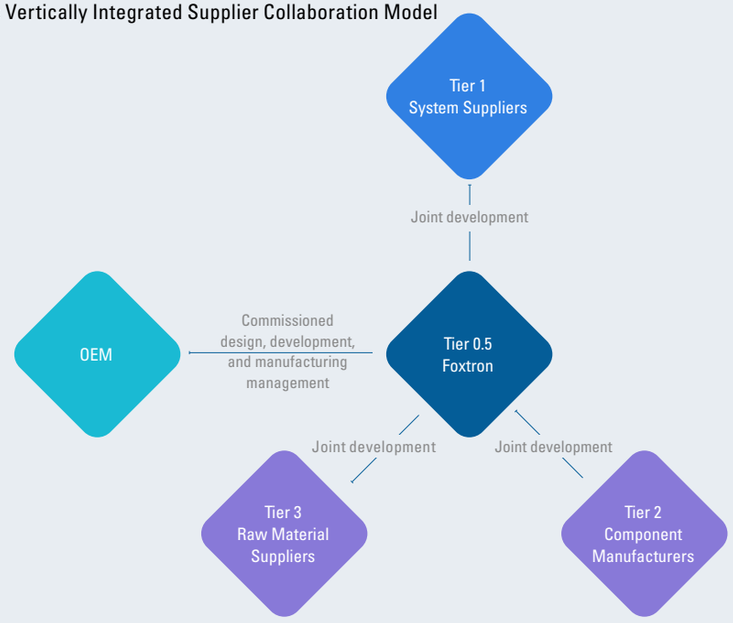
Electric vehicles involve complex components and supply chains, making supply chain integration and a well-coordinated partnership system major challenges for the industry. Leveraging extensive experience in ICT manufacturing management, Foxtron enhances component management efficiency and boosts vertical integration across the platform ecosystem. In traditional EV industries, OEMs typically commission Tier 1 system suppliers to develop standardized EV systems, with Tier 1 further coordinating Tier 2 and Tier 3 suppliers. Foxtron continues to identify and assess suitable suppliers through collaborative development of open vehicle modules, while also aligning with appropriate key components such as hardware and software components, and batteries, thereby deepening partnerships. In the future, automakers can not only commission us for vehicle design but also rely on us as a vertically integrated supplier. By breaking traditional Tier 1 system supplier boundaries, Foxtron plays the role of a "Tier 0.5" partner—offering vehicle design and supplier integration management services, and becoming the invisible backbone for automakers.

» Traditional EV Industry Supply Chain Ecosystem



In the traditional electric vehicle industry supply chain ecosystem, Tier 1 suppliers integrate Tier 2 and Tier 3 suppliers, holding key technologies and system integration capabilities. As a result, they maintain a high degree of control and capture the majority of profits within the supply chain.

» Foxtron's Vertically Integrated Supplier Collaboration Model



Foxtron is positioned as a Tier 0.5 player with vertical integration capabilities. We evaluate and collaborate with suitable suppliers for joint development, matching appropriate software, hardware, components, and battery solutions based on their characteristics. This model deepens cooperative relationships and breaks the traditional Tier 1 system integrator-led supply chain framework.

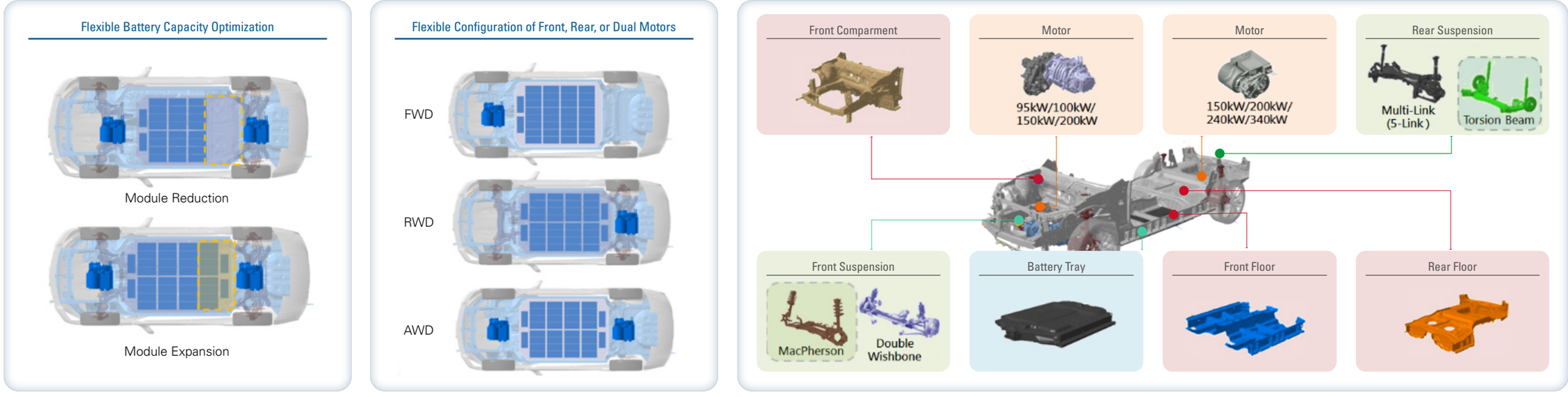
3-1-3 Key Technologies and Services for Electric Vehicles

3-1-3-1 Vehicle Platform Modularization

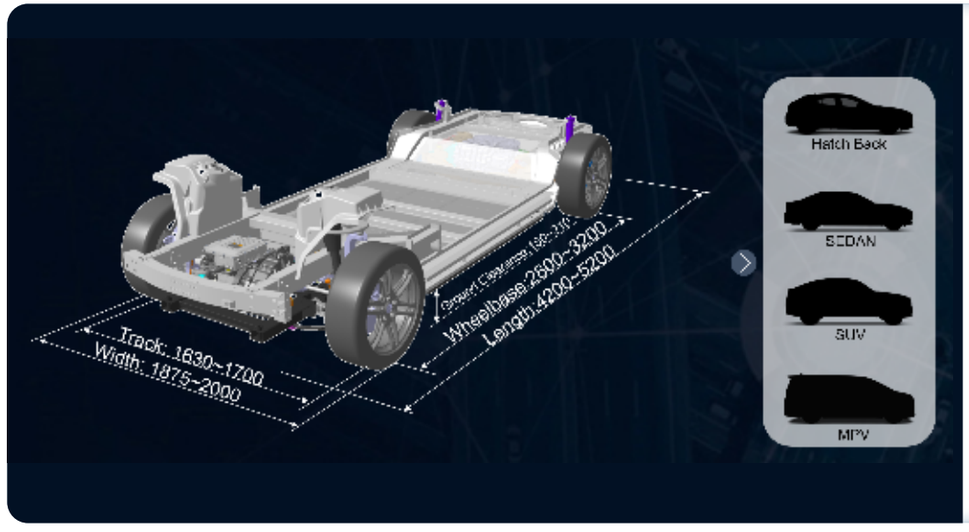
Modular Platform Design

Foxtron breaks away from the traditional closed development mindset of "individual brand, individual development" prevalent in the automotive industry. Instead, we are committed to building an open platform model based on Multi-Brand, Joint Development. This model integrates industry resources, creates economies of scale, and accelerates the growth of the electric vehicle industry. At the core of this strategy is modular design, which enables high flexibility and customization to meet diverse customer product needs.

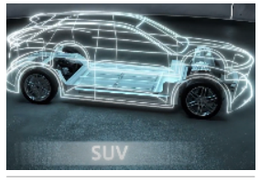
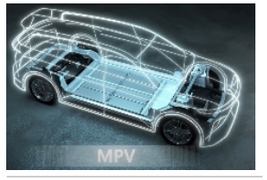
Foxtron's modular platform design strategy allows flexible platform configurations for vehicle body, suspension, motor, and battery systems according to varying customer demands. The chassis platform can be adjusted in terms of wheelbase, front/rear overhangs, and track width. Powertrain layout supports front-motor, rear-motor, or dual-motor configurations with a highly flexible power module. Battery compartment layout is optimized based on battery pack requirements, ensuring efficient energy capacity and spatial flexibility. The platform supports multiple vehicle types including Hatchbacks, Sedans, Sport Utility Vehicles (SUVs), and Multi-Purpose Vehicles (MPVs). Following the principles of modularization, standardization, flexibility, and customization, customers can freely select chassis layout, drivetrain configuration, battery modules, and other core components based on their target market positioning, enabling the creation of differentiated products.



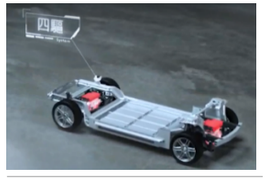
Platform Modularization allows customizing the wheelbase, powertrain configuration, and layout based on customer requirements.



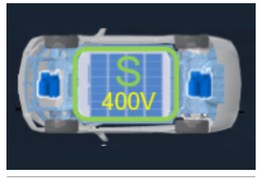
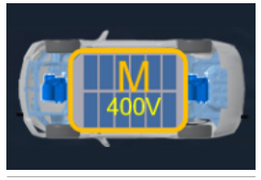
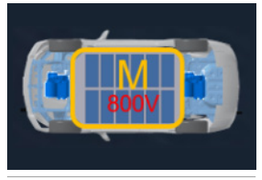
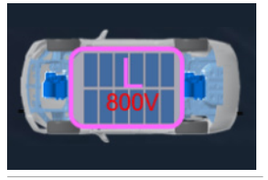
» Chassis Platform

Vehicle Type	HatchBack	Sedan	SUV	MPV
Signature Product	Model B	Model E	Model C	Model D
Features	Combines sedan-like handling with SUV-level practicality, offering flexible space utilization.	Offers a comfortable ride and elegant styling to meet consumer expectations for comfort and aesthetics.	Spacious cabin tailored to consumers' needs for outdoor versatility and multifunctionality.	Flexible seat configurations and ample cargo capacity support family or business mobility needs.
Illustration				

» Drivetrain Type

Drivetrain Type	Front Wheel Drive (FWD)	Rear Wheel Drive (RWD)	4-Wheel Drive (4WD)
Advantages	High space efficiency	Better handling, strong acceleration, superior climbing ability	Excellent traction, outstanding acceleration, strong adaptability to complex terrains
Disadvantages	Weaker handling, limited climbing ability, prone to torque steer	Lower space efficiency	Highest cost, lowest space efficiency, poorest energy efficiency
Illustration			

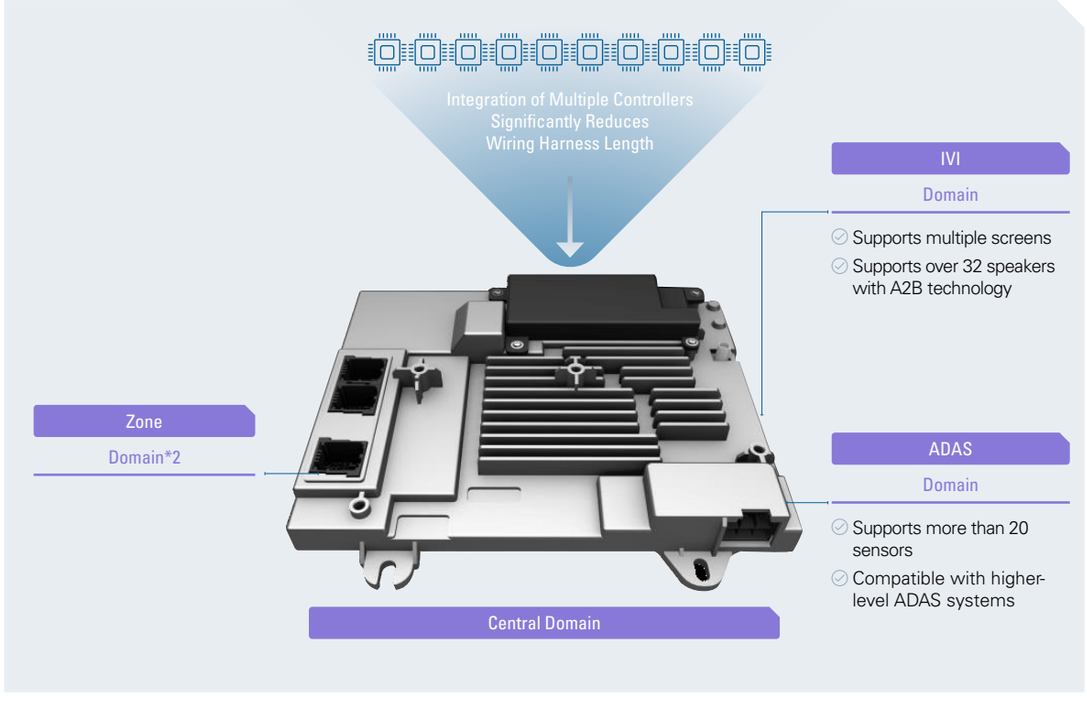
» Battery Pack

Type	Small	Medium		Large
Voltage Architecture	400V	400V	800V	800V
Models Used In	Model B, Model C	Model C Extended Range Version	Model D, Model E	Model D, Model E
Illustration				

» EEA – Advanced Electrical/Electronic Architecture

Traditionally, automakers have relied on hardware configurations as the primary means of product differentiation. However, with the rapid advancement of electrification, vehicle connectivity, and autonomous driving technologies, vehicle functions are increasingly realized through software. As a result, product definitions are gradually shifting from hardware-centric to software-centric. In line with the trend toward intelligent vehicles, Foxtron is actively investing in the development of Software Defined Vehicles (SDVs), continuously enhancing our capabilities in intelligent design and software development. The Company also integrates major electronic control systems and has comprehensively adopted our self-developed advanced Electrical/Electronic Architecture (EEA).

Advanced EEA (Electrical/Electronic Architecture) shifts from traditional distributed design to a centralized architecture, integrating multiple system controllers. This approach simplifies wiring and reduces harness length, while also supporting modular designs for systems such as In-Vehicle Infotainment (IVI), Advanced Driver Assistance Systems (ADAS), and Zone Domains. Through the implementation of over-the-air (OTA) software update mechanisms, vehicle owners can continuously optimize system performance and upgrade functionalities (such as infotainment systems, hardware/software platforms, and vehicle-related data) anytime, anywhere, without the need to visit a service center. This ensures a more seamless user experience and enables the realization of Software Defined Vehicle (SDV) technology.



Centralized architecture integrates multiple controller functions and supports OTA updates

Pre-update software version: SW1.04B

Post-update software version: SW1.05B

OTA software version upgrade with functional optimizations

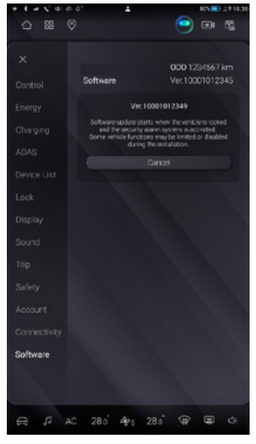
3-1-3-2 Smart Cockpit

The Company is dedicated to developing intelligent electric vehicles. Our smart cockpit adopts a modular interface design strategy, leveraging multi-display support enabled by the advanced Electrical/Electronic Architecture (EEA) to deliver a flexible and customizable interface configuration. Through a shared modular design, the smart cockpit achieves both intuitive operation and refined visual aesthetics, significantly enhancing the overall user experience.

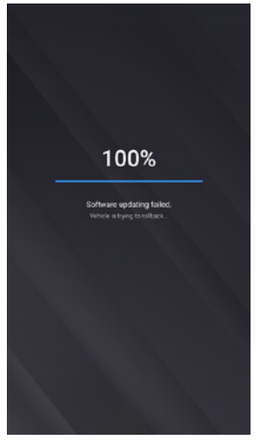
Smart cockpit modular interface design integrated with advanced EEA, enhancing overall user experience

We are also dedicated to enhancing the driver's sense of immersion and convenience. With Over-the-Air (OTA) technology, the central control screen allows users to perform remote updates anytime and anywhere. The operation process is extremely simple. Through these intelligent design features, every driving experience is filled with a sense of technology and surprise.

Step 1



Step 2



Step 3

The central control screen and a user-friendly interface design, make operation simple

3-1-3-3 Vehicle Safety

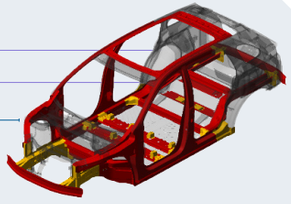
Body Structure Safety

In terms of body structure safety, we adopt a multi-airbag configuration to mitigate collision impacts. The vehicle body is reinforced with high-strength steel and a crash-resistant structural design, including crumple zone simulation. Optimization is carried out using Computer Aided Engineering (CAE) software to simulate crash behavior, structural strength, and durability. Additionally, the vehicle undergoes over 100 rigorous tests, including 24-hour water immersion testing, 200,000-kilometer accelerated durability testing, high-speed performance calibration, and full-vehicle impact testing on rough roads. These measures ensure the structural integrity of the body and the durability of components, ultimately enhancing occupant survival rates in the event of an accident.

» Body Structure Safety Design

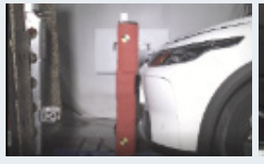
EV-Specific High-Strength Passenger Cabin Design

The vehicle body structure (including A-pillars, B-pillars, and interior cross beams) uses high-strength steel panels. Critical load path areas are reinforced with 1740MPa press-hardened steel, ensuring integrity of the passenger cabin during collisions and enhancing occupant safety.



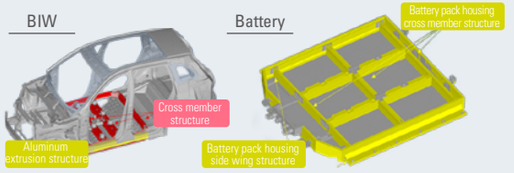
Pedestrian Protection Design

The hood and bumper have been reinforced to reduce injury severity in the event of a pedestrian collision.



Aluminum Extrusion Structural Design

The vehicle structure near the battery adopts an aluminum extrusion design, with reinforced rocker beams to protect the battery area and enhance the battery pack's structural integrity.

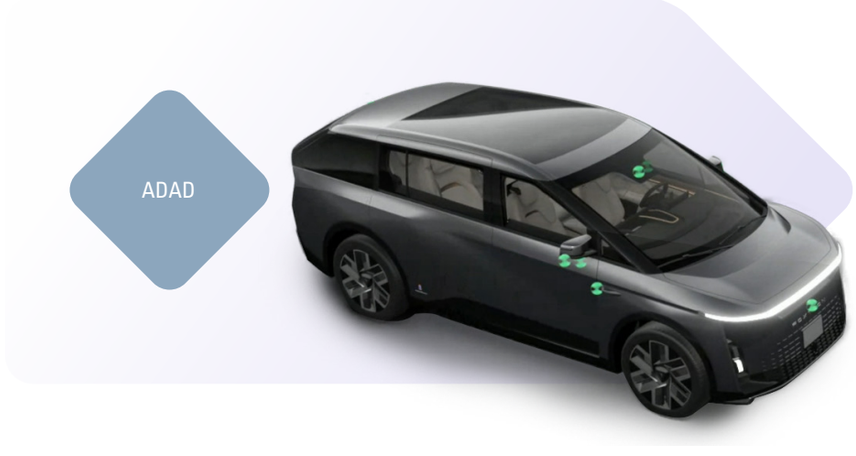


Battery Safety

In terms of battery safety, we conduct a wide range of verification tests, including overcharge, discharge, short-circuit, and insulation evaluations. We also perform environmental simulations to test for high and low temperatures, saltwater exposure, dust ingress, and water submersion, ensuring the integrity of the battery pack's protective structure. Additionally, thermal runaway safety tests are carried out to verify that the battery will not explode or catch fire under conditions such as impact, vibration, puncture, or rollover. The vehicle's structural design is also engineered to minimize the risk of direct impact to the battery. Last, we continuously monitor battery data throughout the entire lifecycle. If an abnormal cell voltage difference is detected, the system immediately alerts the driver to initiate battery calibration.

Advanced Driver Assistance Systems (ADAS)

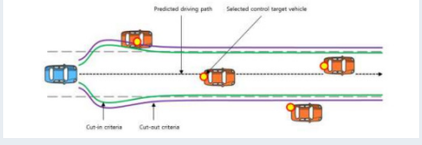
Foxtron's self-developed Advanced Driver Assistance Systems (ADAS) incorporate a variety of features: Adaptive Cruise Control (ACC); Electronic Stability Control; Lane Keeping Assist; Autonomous Emergency Braking (AEB); Adaptive Cruise Control (ACC); Surround View Blind Spot Detection; and more. These functions enhance driving safety, reduce driver fatigue, ensure vehicle stability during both driving and parking, and comprehensively improve overall driving safety.



ADAS Features

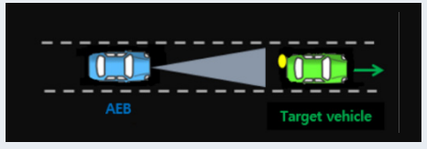
Adaptive Cruise Control (ACC)

Also known as an Automatic Following System, ACC uses front-facing radar to maintain a safe distance from the vehicle ahead and automatically adjusts speed. This reduces driver fatigue during long-distance driving at medium to high speeds and enhances driving safety.



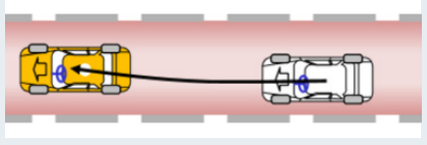
Autonomous Emergency Braking (AEB)

With radar and camera sensors to determine information on obstacles ahead, the system then uses its controller to determine the level of danger. When the driver is distracted and the distance to the preceding vehicle becomes too short, resulting in a detected collision risk, the system promptly issues visual and auditory warnings. If necessary, it directly intervenes by applying the brakes to reduce the risk of accidents caused by driver inattentiveness.



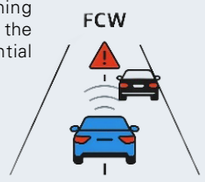
Lane Following Assist (LFC)

Uses cameras to identify lane markings, keeping the vehicle centered within the lane and automatically adjusting lateral speed. This helps reduce driver fatigue during highway driving.



Forward Collision Warning (FCW)

Issues an audible warning to alert the driver when the vehicle detects a potential frontal collision scenario.



Lane Departure Warning (LDW)

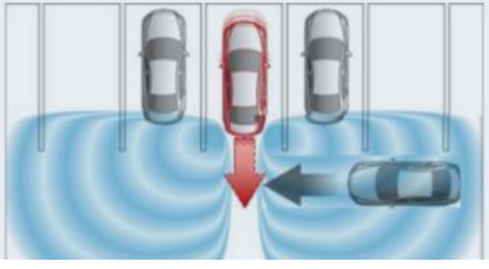
Recognizes lane markings using front-facing cameras and calculates the vehicle's relative position and direction. If the lane departure is detected, an audible warning is emitted from the corresponding side to alert the driver.

Leave Vehicle Departure Alert (LVDA)

In situations where the vehicle is stationary (such as waiting at traffic lights or during traffic congestion), the system uses the onboard front camera and millimeter-wave radar to detect the preceding vehicle. When the lead vehicle has departed and the vehicle remains stationary, the system issues a reminder via an alert display and warning sound to prompt the driver.

Rear Cross Traffic Alert (RCTA)

The Rear Cross Traffic Alert (RCTA) system is designed to assist drivers while reversing by using millimeter-wave radar to detect vehicles approaching from the left or right side of the rear. This helps reduce the risk of traffic accidents caused by blind spots during reversing maneuvers.



Functional Safety

Functional safety is an indispensable part of the automotive product development phase. From specification to design, new functions increasingly extend into the domain of system safety engineering. Foxtron is committed to designing and developing electric vehicles with a strong emphasis on safety. To establish a robust functional safety development process, we collaborated with third-party consultants and certification body SGS. Under the guidance of professional consultants, we formulated internal methodologies and procedures for functional safety development, completed all related documentation in December 2022, and passed the SGS Process Audit in the same month. In June 2023, we obtained an ISO 26262 Road Vehicles Functional Safety Certification issued by SGS.

ISO 26262 mitigates risks by providing appropriate requirements and processes. To support this, we have implemented the JAMA system as a requirements management tool and established an online platform for managing functional safety requirements. In accordance with the ISO 26262 standard, the vehicle system development is divided into four design levels: Vehicle Level, System Level, Hardware Level, and Software Level. For each level, corresponding safety requirements are defined, and the interrelationships among these items are established to ensure the proper development and management of functional safety systems.


SGS
SGS TÜV SAAR
CERTIFICATE NO.: FS/71/220/23/1104 PAGE 1/1
LICENCE HOLDER
FOXTRON VEHICLE TECHNOLOGIES CO., LTD.
2F/6F/8F., NO. 3, SEC. 3, ZHONGXING RD., XINDIAN DIST.,
NEW TAIPEI CITY 23144,
TAIWAN (R.O.C.)

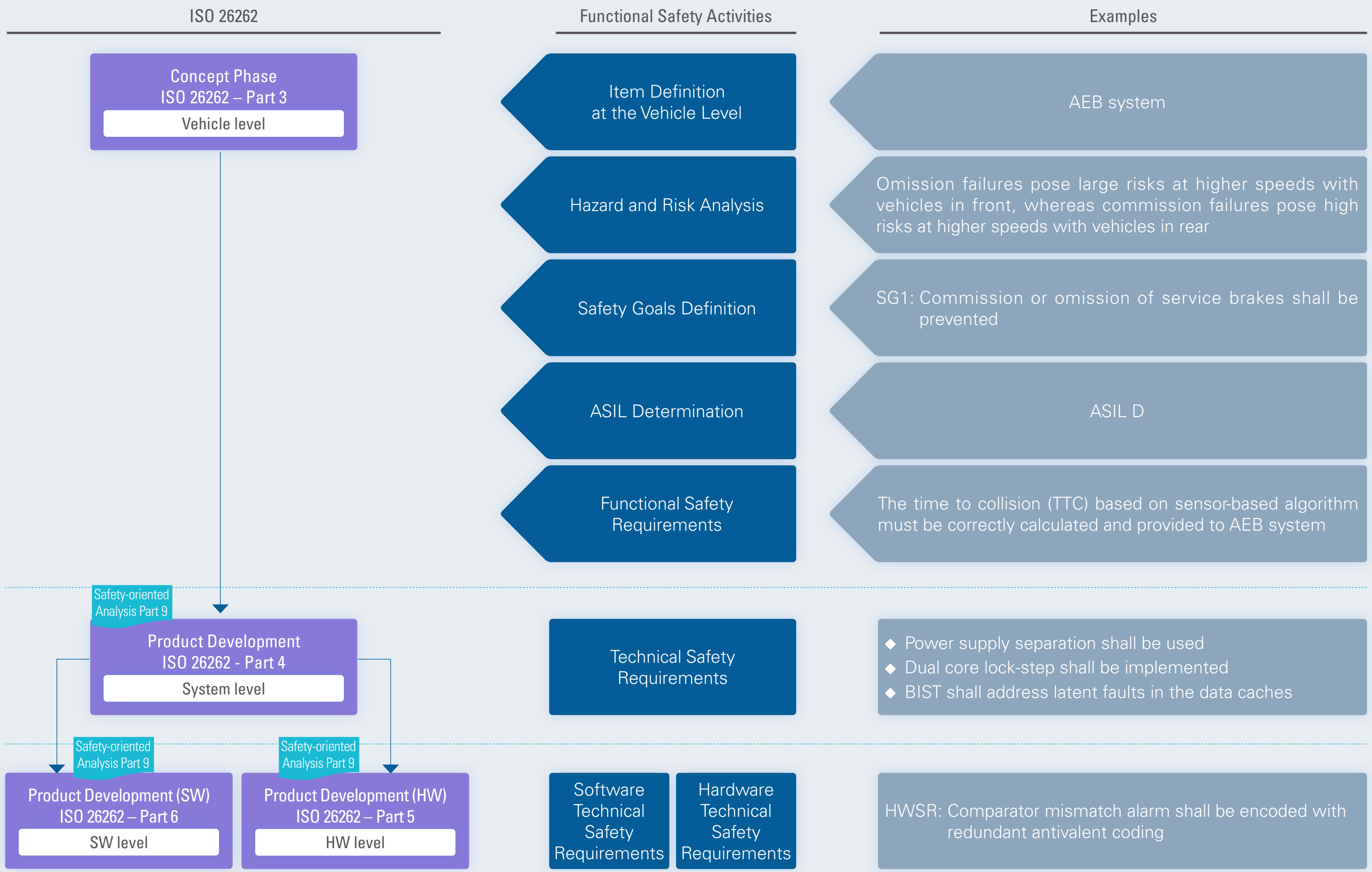
Project-No/ID	LICENSED TEST MARK	Report No.
S362	SGS TÜV SAAR FUNCTIONAL SAFETY APPROVED	S3520002

Tested according to: ISO 26262:2018 (Parts 2, 3, 4, 5, 6, 7, 8, 9)
Certified Product(s): Development Processes of Foxtron Version V1.0 / 20230417
Technical Data/Parameter: The audited development process complies with the ISO 26262 standard part requirements
Specific Requirements: The certificate is created for the purpose of providing conformity of the development and support process in accordance with ISO 26262. The certificate report is an integral part of this certificate. Changes which are not covered in the audit report have to be reconsidered.

Certification Body for Functional Safety SGS-TÜV Saar GmbH
Munich, June 12th, 2023
Marcus Rau
The validation status is documented via SGS Certification Database
The test mark regulation is an integral part of this certificate
CERTIFICATE

ISO 26262 Road Vehicles Functional Safety

» The four ISO 26262 design levels, using the Autonomous Emergency Braking (AEB) system as an example.



Note: The four levels are: Vehicle Level (corresponding to Part 3); System Level (corresponding to Part 4 and Part 9); Hardware Level (corresponding to Part 5 and Part 9); and Software Level (corresponding to Part 6 and Part 9).

3-1-3-4 Driving Range Optimization

Aerodynamic Optimization

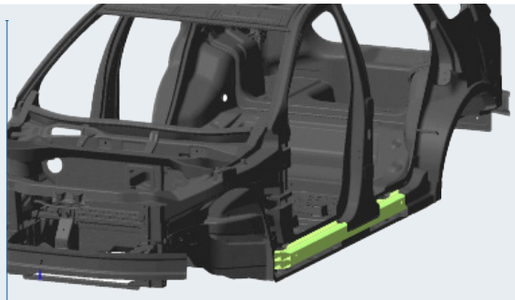
Foxtron has optimized the vehicle body shape and design details to guide airflow, reduce driving resistance, minimize energy loss, and improve energy efficiency. Through computer simulations and repeated testing, we refined elements such as body lines, wheel rims, and side mirrors to achieve an optimal balance between aerodynamics and aesthetic design. The vehicle is also equipped with an Active Grille Shutter (AGS), which automatically adjusts its angle of attack to enhance drag control and thermal management performance.

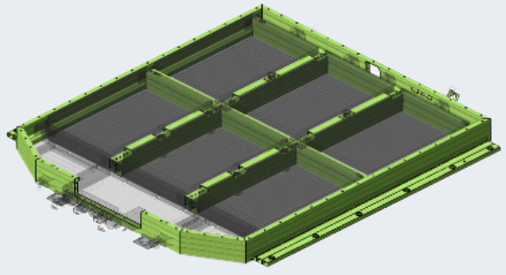
Lightweight Engineering

To reduce vehicle weight and enhance driving range performance, Foxtron adopts lightweight design strategies. Based on our self-developed open platform and modular hardware platform, we introduce new technologies such as hot stamping and dissimilar material joining techniques (including Self-piercing Rivets (SPR) and Flow Drill Screws (FDS)). While ensuring structural strength and safety, we replace traditional steel with composite materials such as aluminum alloys, and further reduce weight with lightweight aluminum wheels. By utilizing integrated aluminum casting instead of multi-panel assembly, we simplify components, improve rigidity, and enhance torsional resistance to optimize vehicle structure. Several models have already adopted lightweight designs such as aluminum-cast steering knuckles, aluminum-cast suspension towers, front and rear aluminum torque boxes, and extruded aluminum front and rear bumper beams, fully realizing our weight-minimization objectives.

The Model C features a trapezoidal air intake located below the front bumper, equipped with an Active Grille Shutter (AGS). At low speeds, the air intake opens to allow airflow for cooling. As vehicle speed increases, the intake gradually closes to reduce aerodynamic drag.

Our latest vehicle, Model D, launched in 2024, extensively adopts aerodynamic design features, including S-duct air intakes and air curtains.





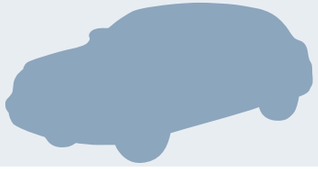
Aluminum-extruded structures are used to protect the battery area, not only enhancing battery safety but also offering greater lightweight advantages compared to steel crash beam structures.

The Model C uses 18-inch lightweight, low-drag aluminum wheels to reduce vehicle weight.

3-1-3-5 Environmental Benefits of EV Products

Environmental sustainability is a critical component of corporate sustainable development. Foxtron incorporates environmental sustainability into our corporate policies, striving to enhance energy conservation and carbon reduction benefits. Starting from the product life cycle, we aim to build environmentally friendly electric vehicles that minimize carbon footprint across the stages of production, usage, and recycling. Throughout the product design process, we fully integrate environmental thinking, from material selection to structural design. Our focus on carbon reduction and high efficiency creates a design philosophy that balances performance, safety, and sustainability.

Foxtron prioritizes using low-pollution, human-friendly, and eco-friendly materials, and tracks the carbon footprint across each stage of the product life cycle to assess the environmental benefits of EVs during their use phase with data. According to the 2023 Executive Yuan Gazette's guidelines on carbon reduction benefits for replacing fuel vehicles with EVs, the Model C (LUXGEN n^7) Five-Seater Pure Edition, for example, has an energy efficiency of 7.6 km/kWh (as per regulatory certification), meaning it can travel 7.6 kilometers per kilowatt-hour of electricity. Based on an average gasoline vehicle emission of 0.23 kgCO_2e per vehicle-kilometer, the Model C (LUXGEN n^7) Five-Seater Pure Edition in Taiwan can reduce approximately 0.17 kgCO_2e per vehicle-kilometer. Assuming the average annual driving distance and a ten-year service life, the Model C (LUXGEN n^7) is estimated to achieve a total carbon reduction of 23,740.9 kgCO_2e over ten years of driving.

	Average Gasoline Vehicle	Model C (LUXGEN n^7) Five-Seater Pure Edition
		
Average carbon emissions per vehicle-kilometer (kg/km)	0.23	0.06
Estimated carbon emissions over 10 years (kgCO_2e)	32,855.89	9,114.95

Difference

Compared to gasoline vehicles, the Model C (LUXGEN n^7) Five-Seater Pure Edition emits 0.17 kgCO_2e less per kilometer traveled.

Note 1: The calculation method, average gasoline vehicle emission rate, and annual average mileage data are based on the *Executive Yuan Gazette*, Volume 29, Issue 192 (2023), Guidelines for Carbon Reduction Benefits from Replacing Conventional Vehicles with EVs.

Note 2: Calculation formula: MRE (kg) = [OC (kg/km) - (BEVE (kWh/km) × EF (kg/kWh))] × VKT (km/year) × T (year).

Note 3: MRE: Carbon reduction benefit per vehicle.

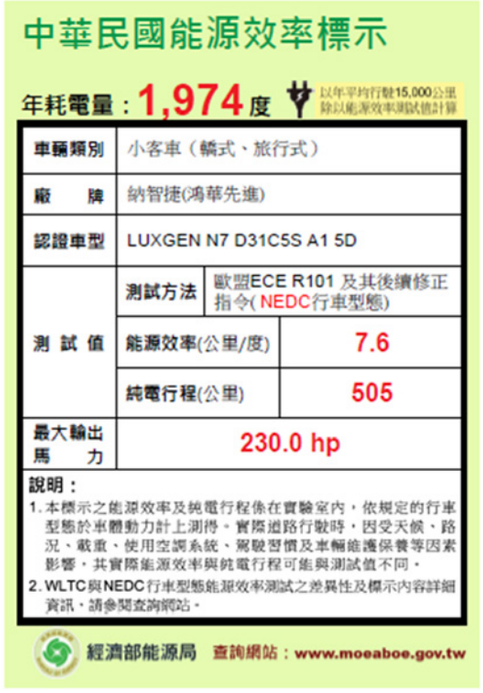
Note 4: OC: Average gasoline vehicle emission rate, calculated as 0.2343 kg/km.

Note 5: BEVE: Electricity consumption of electric vehicles; for the Model C Five-Seater Pure Edition with an energy efficiency of 7.6 km/kWh, converted to approximately 0.13 kWh/km.

Note 6: EF: Electricity emission factor, based on the 2023 emission coefficient of 0.494 kgCO_2e/kWh.

Note 7: VKT: Average annual mileage for small passenger/light-duty vehicles, calculated as 14,023 km/year.

Note 8: T: Vehicle service life, assumed as 10 years.



MOEA Energy Administration Electric Vehicle Energy-Efficiency Label, Model C (LUXGEN n^7)

3-1-4 Intellectual Property and Patent Achievement Management

Intellectual Property Management

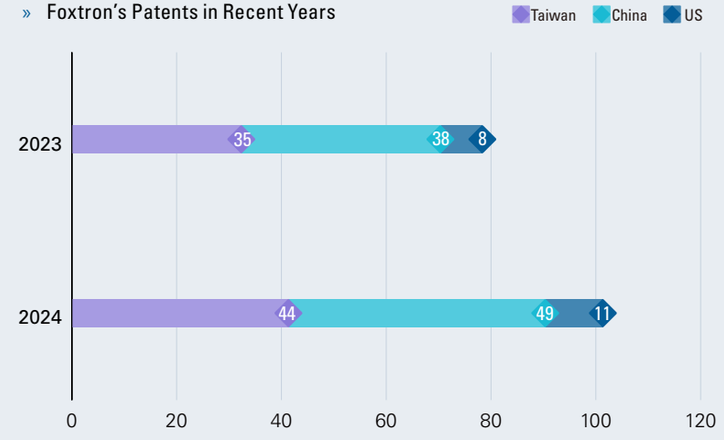
To ensure the comprehensive management and protection of the Company's intellectual assets, Foxtron has established the Organizational Knowledge Management Regulations for knowledge management processes. Organizational information is classified based on its importance and confidentiality, with defined access and editing permissions, and outdated information is regularly updated and eliminated to effectively control the Company's intangible assets. When external organizations need to view knowledge documents controlled by other department for business purposes, the requesting department must fill out a Document and Data Authorization Application Form and submit it to the department responsible for managing the knowledge document. The supervisor of the office receiving the application will then review and decide whether to approve the request, before sharing the knowledge documents in accordance with the corresponding confidentiality management procedures. We have also formulated the Confidential Drawing Application Procedures; these ensure that confidential drawings, such as vehicle design sketches produced during the in-house R&D stage, are used correctly while safeguarding against any risk of information leakage. Through internal standardized operating management guidelines, the Company strengthens employees' awareness of protecting intangible corporate assets, effectively controlling key organizational knowledge assets, and preventing the loss of organizational experience and value due to personnel turnover or retirement.

Patent and R&D Achievements

Foxtron pursues a robust patent strategy in our core markets, covering technologies related to vehicle models, interior and component design, and a variety of automotive systems. As of the publication date of this report, the Company has obtained 104 patents in Taiwan, China, and the United States. These achievements not only highlight Foxtron's strong R&D capabilities but also demonstrate our commitment to enhancing the driving experience of electric vehicles.

For instance, in the area of regenerative braking systems, we have developed control technologies that optimize safety and comfort. Such technologies can effectively prevent vehicle instability on slippery roads and in emergency situations, while also reducing jolts during energy recovery to enhance passenger comfort. In terms of safety systems, we have developed intelligent safety technologies capable of detecting the parking brake status and preventing vehicle roll-away, thereby delivering a safer, more comfortable, and more convenient driving experience for EV users.

» Foxtron's Patents in Recent Years



» Representative Patents

Patent Technology	Main Function	Pain Point Addressed	Product Advantage	Models Used In
Control Method for Vehicle Dynamics Protection During Energy Recovery	Enhances safety and reduces the risk of loss of control during regenerative braking, while improving passenger comfort	Regenerative braking in EVs may lead to vehicle instability (e.g., skidding, sliding, or fishtailing) under low-traction or slippery road conditions	◆ Multi-source data fusion for more precise vehicle dynamic control ◆ Balances safety and comfort	Model C Model C Extended Range Version
Safety Protection System for Automatic Parking	Automatically activates the parking system when the parking brake is not engaged, preventing vehicle roll-away and ensuring driving safety	In large commercial vehicles, accidents often occur when drivers forget to engage the parking brake. Existing solutions mostly rely on warning sounds and lack effective active intervention. Even when such systems exist, they are often unreliable and costly	◆ Zero-turn mechanism to maintain vehicle stability and provide backup protection ◆ No acceleration sensor required, reducing development costs	Model T
G-Pedal: Intelligent Torque and Regenerative Braking Calibration Technology	Enables direct control of vehicle acceleration via the accelerator pedal. Using a G-sensor to detect gradients, the software automatically adjusts torque, reducing the need for frequent pedal adjustments. The system also allows customizable levels of regenerative braking to support intelligent driving control	Conventional power control methods consume significant controller memory and require extensive calibration. Drivers must frequently adjust the pedal due to road conditions or vehicle load to maintain desired acceleration	◆ Reduces controller memory usage and alleviates the pain point of excessive calibration workload ◆ Customizable, stepless Regen settings ◆ Intelligent control eliminates the need for frequent pedal adjustments	Upcoming new vehicle models

3-2 Product Quality Management and Customer Relations

Foxtron understands that the performance of electric vehicles is crucial to user safety. By establishing a robust quality management system, we continuously improve our electric vehicle products and services. We expand our customer base and maintain close interactions with customers to better understand their needs and concerns. This ensures that our products and service models provide customers with the best driving experience, thereby maintaining long-term cooperative relationships with our customers.

3-2-1 Product Quality Management

Through multiple internal and external product management policies and mechanisms, we strictly control product quality at every stage to ensure that our products and services meet market and regulatory standards. This also ensures that vehicle users' needs for automotive safety, health, and comfort are met.

Product Quality Management Policy

Foxtron has established management policies and methods for vehicle development and testing. Our Functional Safety Manual serves as the guiding principle for overall functional safety management of automotive electronic products, product project development management, and production and after-sales management. We follow the internal Prototype Vehicle Operation Procedures for New Model Development. We can thus maintain product quality at a stable level while flexibly adjusting the development process. In addition, our personnel adhere to the Vehicle Testing Procedures during the vehicle design, development, and testing phases.

In terms of quality improvement, we have established the Market Quality Improvement Procedures as an internal control process for vehicle quality improvement. This helps us monitor the quality information of products on the market and promptly address any issues that arise during product use.

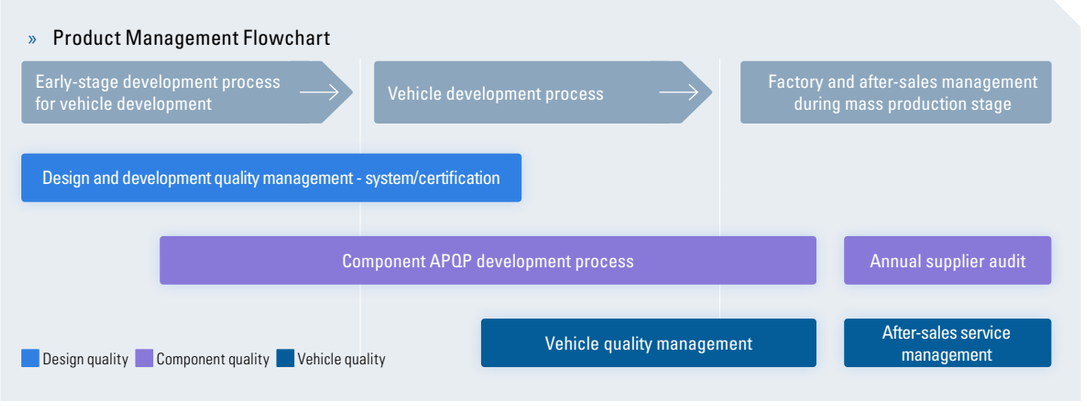
Product Quality Management Process

During the vehicle production process, we have established a rigorous product quality management mechanism, controlling through three main aspects: Design Quality, Component Quality, and Vehicle Quality. The manufacturing development and verification process of vehicle components strictly follow the APQP (Advanced Product Quality Planning) mechanism, ensuring quality control at each production stage. Continuous feedback, evaluation, and correction are conducted throughout the product development stages to ensure the product quality meets customer requirements.

To enhance internal operational efficiency, strengthen market competitiveness, and build customer trust, we have implemented the ISO 9001 Quality Management System. Through standardized procedures, we ensure consistency in product quality. In response to organizational expansion, personnel changes, and the establishment of new departments, we periodically organize training programs on quality education to strengthen employees' knowledge and skills in quality management throughout the development process. In 2025, each department is expected to nominate one employee to undergo training as an internal ISO liaison.

As of the end of 2024, 49 employees have obtained certification as internal auditors for the ISO 9001 Quality Management System. In 2025, we plan to train an additional 30 employees to acquire the same certification. Furthermore, 10 employees have obtained the rare ISO 26262 certification for functional safety in road vehicles. We also plan to complete ISO 21434 certification for cybersecurity engineering in road vehicles by 2025, ensuring that all vehicle products released by the Company meet international safety standards.

» Product Management Flowchart



» Status of Quality Management-related ISO Certifications

ISO Certification	Number of Certified Employees
ISO 9001 Quality Management Internal Auditor Certification	49
ISO 26262 Road Vehicles – Functional Safety Certification	10

3-2-2 Product Safety Management

Foxtron has established a rigorous product safety management mechanism and procedures. The Market Quality Handling Procedures serve as the guiding principle for product safety management, ensuring that effective response measures are taken promptly when product-related safety issues arise after sales. Dealers are required to report customer complaints daily to the Company, which then conducts project-based evaluations and notifications for any identified product safety issues. If a reported defect is determined to affect driving safety, corrective measures will be implemented for affected vehicles in the market. When necessary, a proactive recall will be initiated, and the Quality Department will issue a project notification to the Customer After-sales Service Department.

In 2024, the Company received no product safety complaints from consumers. However, there were two complaints from dealer partners regarding abnormal noise from the brake pedal and the drive shaft. Although these issues did not result in actual safety risks during driving, the Company still conducted return inspections and component replacements for the affected vehicles to prevent potential safety concerns. Neither case was subject to investigation by the competent authority. Additionally, **no major vehicle recall incidents occurred in 2024, and the Company did not violate any health or safety regulations related to products or services.**

Foxtron's self-developed Model C vehicle, has participated in the Taiwan New Car Assessment Program (TNCAP) initiated by the Ministry of Transportation and Communications. Although the official results have not yet been announced, we already sent the Model C to the Calspan laboratory in the United States during the engineering development phase. At this specialized facility, four full vehicle crash tests required by TNCAP (frontal offset impact, side pole impact, full-width frontal impact, and side impact) were conducted. The results met all safety standards, and dummy injury reports were in line with TNCAP scoring criteria. In 2024, additional product testing was conducted at the Automotive Research & Testing Center (ARTC) in Taiwan, covering vehicle crash tests, seat whiplash tests, child restraint system installation, and pedestrian protection evaluations. Foxtron will continue participating in the TNCAP working group discussions in 2025 to keep pace with the latest safety requirements and further enhance overall road safety.

» **Customer Complaint Handling Flowchart for Product Safety Issues**

Customer After-sales Service Department sends the DTR information bulletin via email to Quality Department; Quality Department convenes review with responsible departments, confirms primary and supporting departments, and formally registers complaint for tracking.

Responsible department analyzes issue; formulates countermeasures; produces market condition improvement report; and issues design change documents if necessary.

Quality Department holds monthly quality meetings chaired by CEO or designated representative to discuss complaint registration and progress of corrective actions. Upon review, Quality Department issues project/technical notification.

After receiving notification, Customer After-sales Service Department reports implementation rate to Quality Department every month. Complaint is closed when implementation rate reaches 95% or higher.

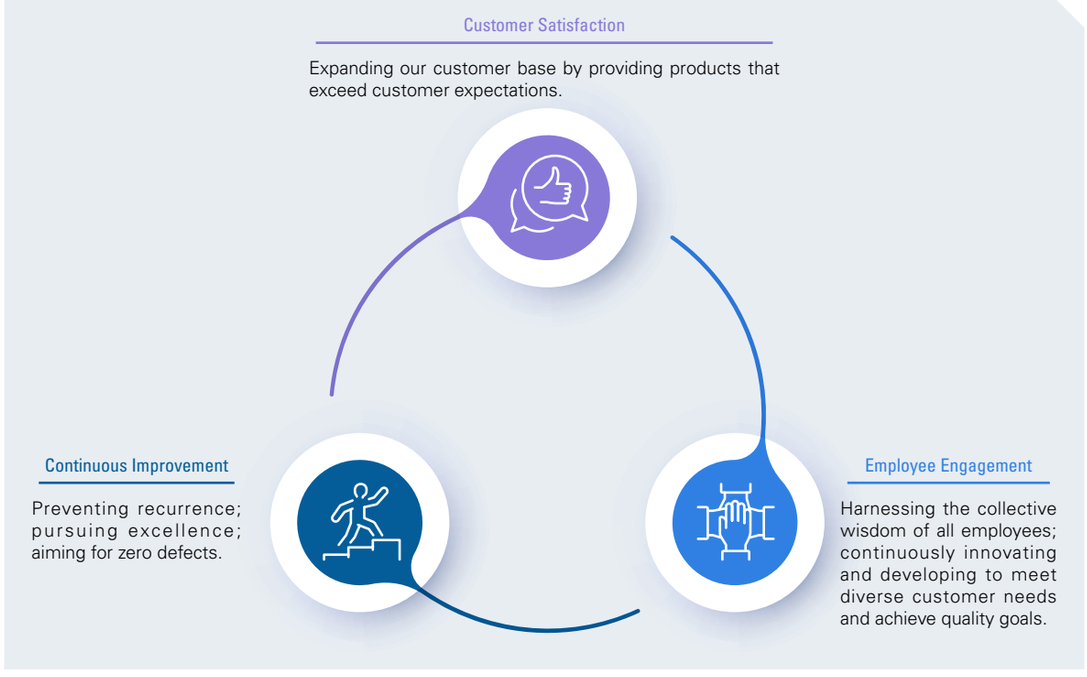
Quality Department conducts audits in accordance with procedures for warranty claims and inspections related to after-sales service parts.

3-2-3 Customer Relationship Management

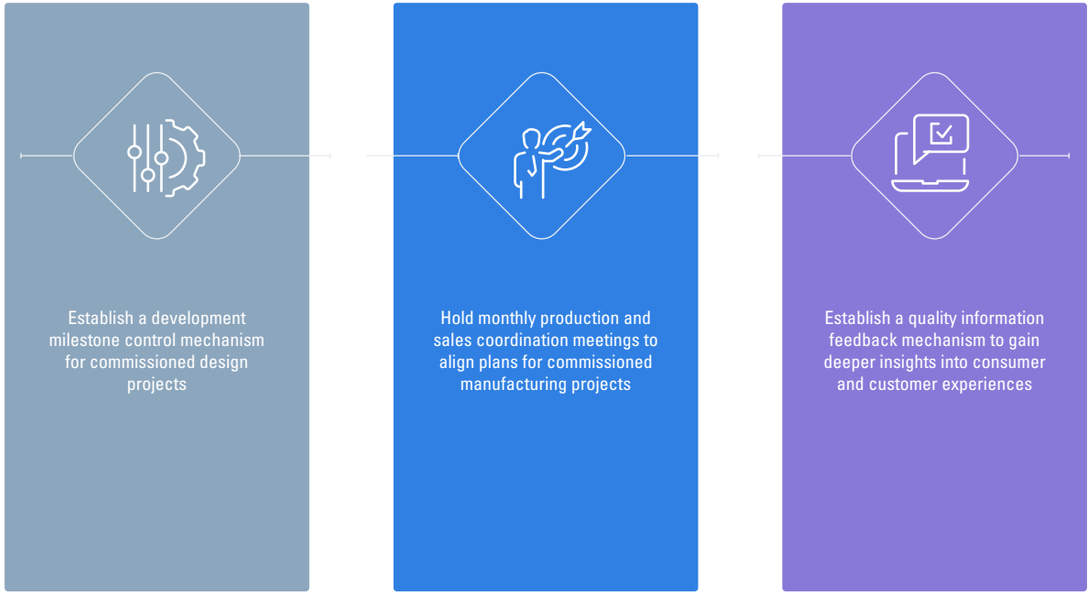
Customer Relationship Management Mechanism

Foxtron upholds our quality policy as the highest principle for functional safety management. We adopt three core strategies – Customer Satisfaction, Continuous Improvement, and Total Participation – as the foundation of our customer relationship management. Throughout the product design, development, and production phases, the Company maintains close communication and collaboration with customers, allowing for real-time revisions and solution adjustments to deliver products that meet customer needs.

To effectively manage customer-commissioned design and development projects, Foxtron has established a development milestone control mechanism to ensure that project progress during the development phase is strictly monitored. Monthly production and sales coordination meetings are held to align production capacity with market demand. To better understand the needs of consumers and clients, the Company has also implemented a quality information feedback mechanism. This system enables continuous improvement of product quality in response to market changes, thereby enhancing product competitiveness and customer satisfaction.



» Specific Action Plans for Maintaining Customer Relationships



Customer Satisfaction Survey

Foxtron has established the Customer Satisfaction Management Guidelines and conducts customer satisfaction surveys annually, with a target satisfaction rate of 80%. The survey covers two main areas—products and technical services—evaluated across five factors for products (quality, delivery time, service, technology, and price), and three factors for technical services (professional quality, service attitude, and response speed). Based on the annual results, a Customer Satisfaction Trend Analysis Report is prepared. Each responsible department must formulate improvement measures for items that fall short of targets and regularly follow up to ensure customer satisfaction remains at a stable level.

In 2024, the Company surveyed seven product clients and three technical service clients. The overall satisfaction rate for product clients was 86.7%, slightly lower than 2023, mainly due to variations with new clients and lower satisfaction regarding pricing. The satisfaction rate for technical service clients was 81%, with room for improvement in professional quality and response speed. The overall average customer satisfaction rate was 83.8%, meeting the annual target, though showing a slight decrease from the previous year. This decline is attributed to lower-than-expected sales performance amid global market competition and the expansion of project scopes, which led to labor shortages in sales and engineering, delaying some customer feedback responses. To address these issues, the Company will continue optimizing our customer feedback handling process, enhancing response efficiency, providing timely product and technical support, and developing more competitive products to deliver differentiated advantages for customers.

» Satisfaction Survey Items

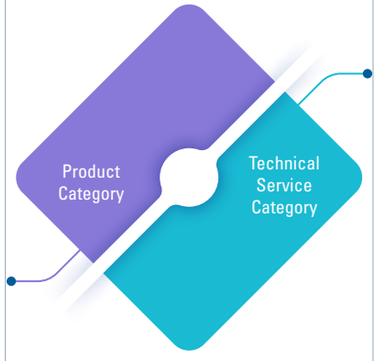
Quality:
Overall evaluation of product stability, issue resolution efficiency, and engineering change notifications

Delivery:
Overall evaluation of delivery timeliness and schedule flexibility

Service:
Overall evaluation of customer service, responsiveness to requests/documents/reports, and digital services

Technology:
Overall evaluation of development capability and problem-solving ability

Price:
Overall evaluation of cost-performance ratio and price competitiveness

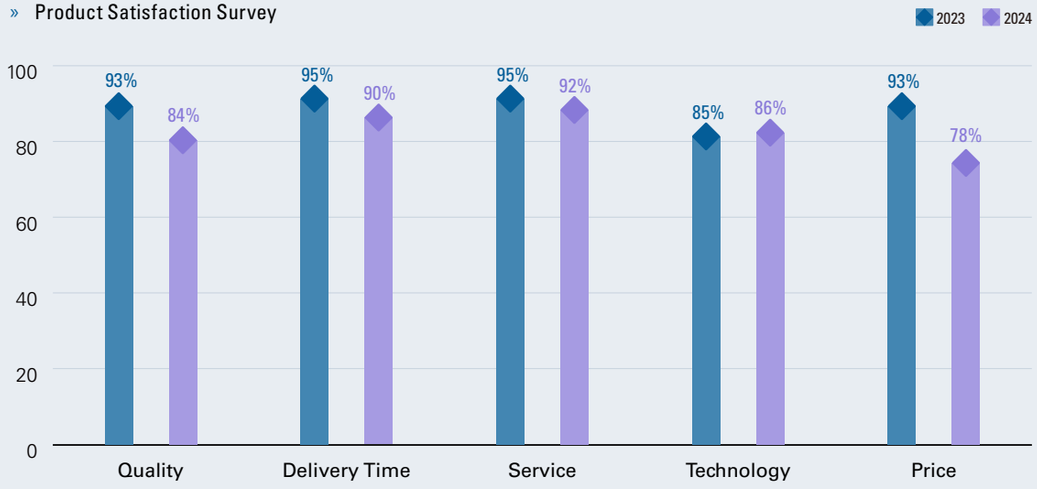


Professional Quality:
Overall evaluation of expertise, communication and coordination skills, problem-solving ability, and clarity of explanation

Service Attitude:
Overall evaluation of service enthusiasm and responsiveness to customer complaints

Response Speed:
Overall evaluation of operational simplicity, communication efficiency, overall response performance, and digitalization of documentation and email

» Product Satisfaction Survey

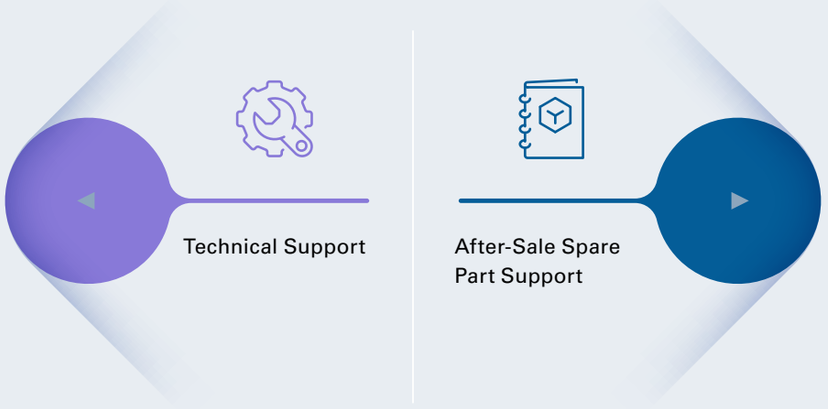


» Technical Service Satisfaction Survey

After-Sales Service

Foxtron has established a comprehensive after-sales service system, which includes:

Foxtron provides maintenance manuals to distributors and assigns professional personnel from each engineering team to deliver seed instructor training on the D31 (Model C) electric vehicle at distributor service centers. This ensures that distributor service technicians possess adequate maintenance capabilities. We have also developed diagnostic software to support fault detection, improving both accuracy and efficiency of repairs. In 2024, we conducted 12 EV seed training sessions, with 9 employees as instructors. The training covered general information, the Three Electric Systems (Battery, Motor, and Electronic Control System), thermal management system, body system, driving information and multimedia systems, and diagnostic tools, with a total of 15 training hours.



Foxtron has created electronic parts manuals to help service centers quickly locate necessary components. The DMS system enables fast ordering and dispatch, reducing wait time and ensuring part accuracy. In parallel, we have established an after-sales parts warehouse, regularly reviewing inventory and demand to maintain adequate stock levels. This ensures timely supply to distributors while preventing excessive inventory and potential obsolete parts.

D31 Electric Vehicle Seed Instructor Training

3-3 Sustainable Supply Chain Management

As electric vehicles increasingly dominate the automotive market, Foxtron recognizes the critical importance of supplier management and raw material procurement. We are committed to building a transparent, responsible, and sustainable supply chain. Through supplier evaluation and selection mechanisms, we ensure that suppliers meet high standards of environmental and social responsibility. For key materials such as lithium and other scarce metals, we implement risk management measures to safeguard supply and maintain production stability. In addition, we promote local procurement and prioritize domestic suppliers to reduce transportation-related carbon emissions, support the local economy, and foster the development of related industries. These efforts lay a solid foundation for long-term business growth while generating positive impacts for society and the environment.

3-3-1 Supplier Management

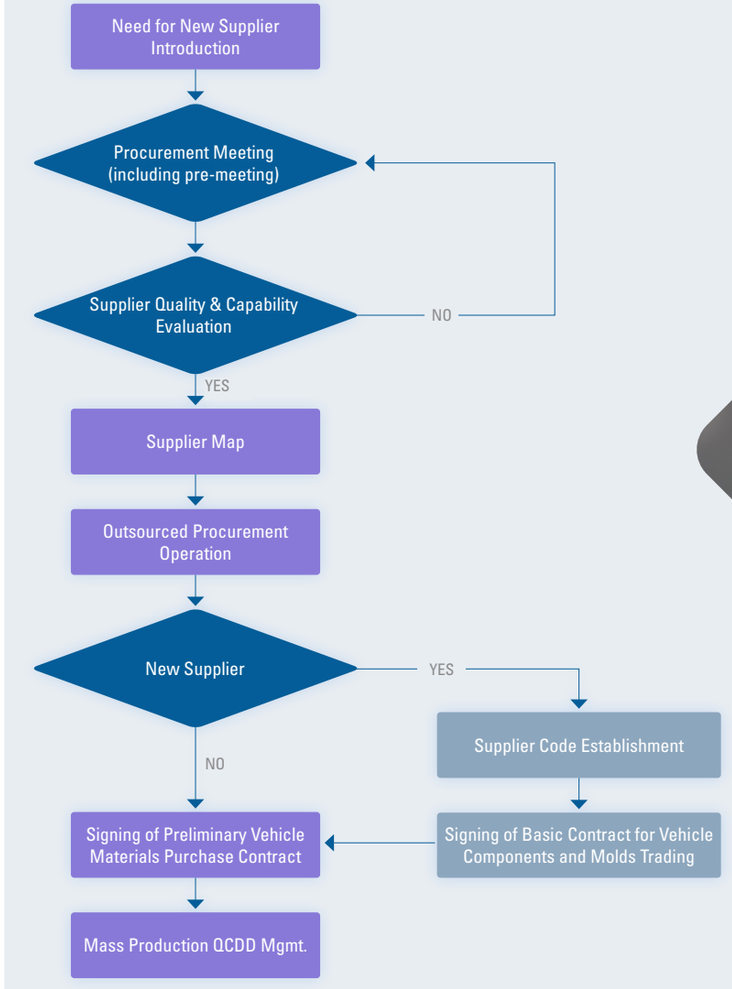
Supplier Management Mechanism

Suppliers are key partners in Foxtron's pursuit of sustainable development. We adhere to the principles outlined in the Supply Chain Management Policy, gradually incorporating corporate social responsibility clauses into supplier contracts. These clauses require compliance with labor conditions (including human rights), occupational safety and health, and environmental protection standards. All new suppliers must sign the Social and Environmental Sustainability Commitment as a preliminary ESG performance assessment.

We conduct annual audits of partner suppliers, evaluating their performance in quality, cost, delivery, R&D, social responsibility, and environmental impact. Through procedures such as the Supplier Quality Management Guidelines and the Supplier Procurement Management Procedures, we have standardized the processes for irregular outsourced procurement. We also hold supplier quality management meetings on an ad hoc basis to establish consistent quality management standards.

In 2024, we formulated the Social and Environmental Sustainability Commitment along with 25 sustainability risk assessment items. Qualified suppliers are required to complete a self-assessment of sustainability risk, with attention given to support and resolution measures for downstream suppliers. Foxtron continues to enhance our supply chain management practices, driving suppliers to fulfill their commitments to corporate social responsibility and environmental protection, and reinforcing the Company's sustainable brand value.

» Supplier Procurement Management Process



Supply Chain Management

Added 25 sustainability risk assessment items to the supplier selection and evaluation mechanism.

In 2024, 100% of qualified suppliers completed the self-assessment process.

As of 2024, 100% of all suppliers have completed and signed the Social and Environmental Sustainability Commitment.

Supplier Sustainability Commitment

Foxtron enforces corporate social responsibility among our supplier partners through the Social and Environmental Sustainability Commitment. This document requires suppliers to comply with the Company's code of conduct policies and ESG regulations, covering six key areas: labor and human rights, health and safety, product safety, business ethics, environmental protection, and compliance with policies and laws. Should a supplier violate any regulations, the code of conduct, or the terms outlined in the commitment, particularly in ways that cause significant environmental or social impact or involve dishonest conduct, Foxtron reserves the right to terminate or rescind the contract at any time. As of 2024, 100% of all suppliers have completed and signed the Social and Environmental Sustainability Commitment.

Specification for the Social and Environmental Sustainability Commitment

E Environmental Aspect	S Social Aspect	G Governance Aspect
1. Establish environmental protection and energy-saving management procedures. 2. Promote a sustainable supply chain. 3. Implement pollution prevention for water, air, and waste.	1. Comply with labor standards 2. Uphold human rights protection 3. Prohibit child labor 4. Oppose forced labor 5. Eliminate discrimination. 6. Ensure health and safety 7. Ensure freedom of association and collective bargaining mechanisms	1. Adhere to business ethics and the highest standards of integrity, anticorruption and anti-bribery 2. Antitrust & Competition 3. Anti-money laundering 4. Countering-financing of terrorism 5. Ensure information security protection 6. Liability for breach of contract

Supplier Selection and Evaluation

Foxtron has established a supplier audit system whereby cross-functional teams comprising procurement, quality, and engineering personnel conduct annual assessments of partnering vendors. These evaluations cover four dimensions: Quality, Cost, Delivery, and R&D. Suppliers rated as non-compliant must submit a corrective action plan with a detailed recovery schedule. Based on the evaluation results, suppliers rated A to C may continue providing services; suppliers rated D are prohibited from manufacturing new vehicle models; suppliers rated E must cease new model production and have their current mass-production orders reassigned.

In 2024, we expanded the evaluation scope by incorporating 25 sustainability risk assessment items into our existing supplier review framework. These cover environmental management, labor rights, legal compliance, and stakeholder engagement. When two suppliers receive similar ratings, the one with a higher sustainability risk score is given priority. Suppliers with significant actual or potential adverse impacts on society or the environment will not be retained. Downstream suppliers who fail to improve within a designated period following guidance will be deemed non-compliant and disqualified from future projects [1].

In 2024, Foxtron completed evaluations for all new suppliers and audits for existing ones. A total of 221 existing suppliers were audited, while 44 new suppliers achieved a 100% pass rate in both environmental and social criteria. In environmental assessments, three suppliers were identified as having significant actual or potential negative impacts—two refused to conduct self-evaluations and will be replaced following second-source evaluations. One supplier lacked environmental management planning and will be provided with guidance; failure to improve will lead to replacement sourcing. In the social dimension, two suppliers were identified as having significant actual or potential negative impacts, and both refused self-assessment; they will also be evaluated for replacement through second-source suppliers.

Note 1: low-ranking suppliers are defined as those scoring below 9 in environmental evaluation (out of 36), below 7 in social evaluation (out of 28), or below 9 in governance evaluation (out of 36).

» Supplier Sustainability Risk Assessment Items

Assessment Dimension	Sustainability Risk		Assessment Scope
Environmental	◆ Regulatory Compliance ◆ Waste Management ◆ Hazardous Substance Management ◆ Greenhouse Gas Management ◆ Product Carbon Footprint	◆ Green Low-Carbon Procurement ◆ Renewable Energy Management ◆ Water Resource Management ◆ System Certification	Focuses on suppliers' practical actions and transparency in climate change and resource management. Assesses whether suppliers have been penalized for environmental violations and if internal policies and corrective measures are in place. Also evaluates implementation of environmental controls like waste, hazardous materials, water resources, GHGs, carbon footprint, and lifecycle management, including target setting, carbon reduction, renewable energy practices, and introduced product carbon footprint management. Third-party certification such as ISO 14001, ISO 50001 is considered preferred.
Social	◆ Regulatory Compliance ◆ Human Rights and Labor Rights ◆ Occupational Health and Safety ◆ Training and Education	◆ System Certification ◆ Conflict Minerals ◆ Social Insurance	Focuses on suppliers' fulfillment of social responsibilities related to human rights, labor, and occupational health and safety. Assesses involvement in penalties or occupational accidents and whether corresponding policies and remedial actions are in place. Includes checks on human rights policies, grievance mechanisms, education, OHS promotion, drills, and health initiatives. Third-party certification such as ISO 45001 is preferred.
Governance	◆ Regulatory Compliance ◆ Stakeholder Communication ◆ Personal and Sensitive Data Protection ◆ Ethical Management ◆ Supply Chain Management	◆ Signing of Integrity and IP Protection Agreement ◆ Signing of Social and Environmental Sustainability Commitment ◆ System Certification ◆ Audits and Deficiency Correction	Focuses on suppliers' capabilities and implementation in internal controls, regulatory compliance, ethical management, and information protection. Evaluates involvement in governance-related violations, related policies and improvement measures, stakeholder engagement, data protection, goal setting, and performance tracking. Confirms adoption of ethical management policies, signing of agreements and commitment, and ongoing internal audits with follow-ups. Suppliers holding third-party certifications—such as quality management systems, information security management systems, or automotive quality management systems—are preferred.

3-3-2 Raw Material Procurement

In response to the rapid development of the global electric vehicle market, the demand for automotive batteries has surged, driving exponential growth. As rare metals are key materials for batteries, the importance of managing risks and establishing procurement strategies for critical materials has become increasingly apparent. Foxtron implements risk management measures for key materials, particularly lithium, a core raw material for batteries, formulating both preventive and responsive strategies to ensure operational stability. As a local Taiwanese EV brand, we are committed to local procurement, prioritizing domestic suppliers to reduce carbon emissions and Product Carbon footprint generated during the transportation of components and materials. This also supports the development of the domestic economy and promotes the growth of related industries.

Key Materials Risk Management

Foxtron identifies key materials that may pose significant operational risks and formulates corresponding measures to mitigate their impact. As the battery is a critical component of electric vehicles, price volatility for lithium (as the core material in battery assemblies) can have a substantial influence on overall operational costs and supply chain stability. The rising prices of lithium and the high dependence on its supply chain pose potential risks such as surging raw material costs and interruptions or delays in supply. To address this, Foxtron continuously monitors market price trends for raw materials and initiates internal budgeting and procurement processes in advance, based on sales forecasts, to ensure suppliers can prepare materials in a timely manner. This helps maintain supply stability and meet delivery deadlines. Additionally, we have established a flexible pricing adjustment mechanism with suppliers to align battery assembly pricing with market fluctuations, thereby minimizing the risks associated with key materials.

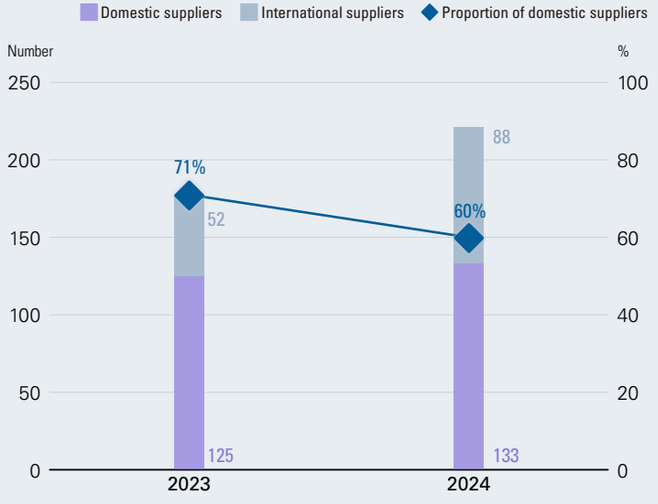
Local Procurement

We believe that local procurement is a win-win strategy that not only helps achieve our environmental goals but also promotes the development of local industries. Except for certain key materials—such as batteries—that are not yet available domestically with both quality stability and sufficient economies of scale, we prioritize domestic suppliers for other materials. Currently, Foxtron's local procurement focuses on systems such as electronic control components, body sheet metal, resistor controllers, capacitor controllers, and interior/exterior trims. Domestic suppliers account for 60% of our total supplier base.

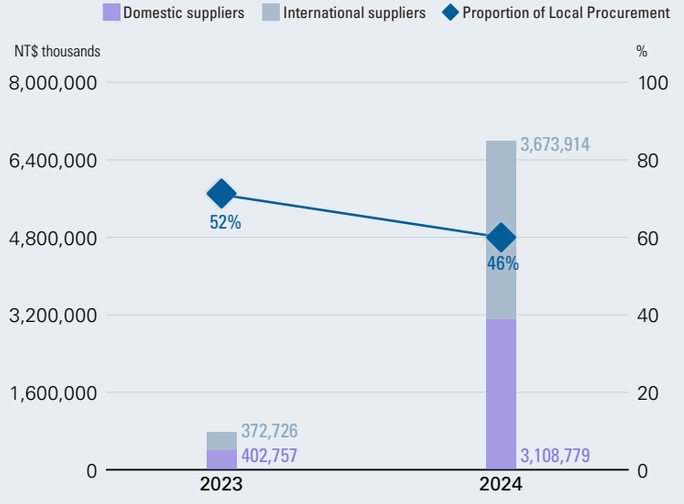
To reduce the risks of material shortages and supplier disruptions, we work with at least two qualified suppliers for the same type of material. This diversification helps minimize the risk of production interruptions caused by physical supply chain risks or geopolitical issues. By continuously investing in local procurement and integrating sustainable supply chain standards, we aim to encourage local partners to prioritize social responsibility and environmental protection, thereby driving the transformation and sustainable development of Taiwan's automotive supply chain.

In recent years, both the amount and number of local procurements by Foxtron have gradually declined. This trend is primarily due to the focus on commercial vehicles as our main procurement target in the 2022–2023 period, which could largely be manufactured by domestic suppliers. In contrast, there is currently a lack of domestic suppliers able to provide passenger vehicle components (such as batteries, motors, and connectivity control units, CCUs) at both stable quality and economic scale. Furthermore, procurement for passenger vehicles only commenced after the end of 2023, resulting in a lower overall local procurement ratio in 2024. Nevertheless, the local procurement ratio for passenger vehicles still exceeded 45%, surpassing the 35% localization value ratio required by the Industrial Development Administration of the Ministry of Economic Affairs for the third year after market launch. This also enabled us to successfully obtain the safety certification issued by the Ministry of Transportation and Communications. Despite these challenges, Foxtron remains committed to maximizing local procurement opportunities and advancing domestic production and supply chain development.

» Number of suppliers



» Procurement Amount



04

People-centric, Inclusive and Sharing

GRI

2 General Disclosures
201 Economic Performance
401 Employment
403 Occupational Health and Safety
404 Training and Education
405 Diversity and Equal Opportunity
406 Non-discrimination

SASB Automobiles

Labor Practices

Material Sustainability Topics →

Labor Relations, Talent Retention and Cultivation
Workplace Diversity and Equality
Occupational Safety and Health

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Topic	2024 Target	2024 Implementation Status	Short-term (2025-2027)	Mid- to- long-term (2028-2030)
Labor Relations and Talent Retention	Review talent turnover annually and discuss countermeasures	Overall turnover rate of 12%	Overall turnover rate ≤ 15%	Overall turnover rate ≤ 15%
	Plan and implement employee satisfaction survey	Plan and implement employee satisfaction survey	Conduct employee satisfaction survey with a target score of 80	Employee satisfaction score ≥ 80
Workplace Diversity and Equality	Ensure 100% of domestic operating sites complete annual human rights risk assessments	100% of domestic operating sites complete annual human rights risk assessments	100% of domestic and overseas operating sites complete annual human rights risk assessments	100% of domestic and overseas operating sites complete annual human rights risk assessments
Occupational Safety and Health	No major occupational injuries or diseases reported	12 employee occupational injury incidents; no major occupational injuries; 3,140,116 occupational accident-free work-hour record	Zero incidents of occupational injuries or diseases; enhance accident-free working hour records	Zero incidents of occupational injuries or diseases; enhance accident-free working hour records
	Conduct occupational safety and health educational courses for employees and contractors	Total annual hours of occupational safety and health training reached 2,998 hours	Plan and conduct at least 5 occupational safety and health training courses per year to reinforce employee safety awareness	Occupational safety and health training coverage rate reaches 100%
	Zero fire and chemical spill incidents	Number of fire and chemical spill incidents: 0	Maintain incident count at 0	Maintain incident count at 0

Annual Highlights

Foxtron Provides Electric Vehicle for University Research

As a leading company in the electric vehicle industry, we have promoted industry-academia collaboration since Foxtron was established, leveraging our expertise in vehicle development to give back to society and foster academic-industry exchange and development. Through the Outstanding Engineer Cultivation Program, we identify outstanding master's and doctoral students. In 2024, we selected three scholarship recipients, and awarded NT$341,333 in scholarships throughout the year. We continue to deepen research collaboration with academia to jointly develop technologies and cultivate industry talent.

In 2024, Foxtron donated a Model C (Luxgen n⁷) electric vehicle prototype to a National Taipei University of Technology vehicle laboratory and granted access to the communication protocol for the development of the Automated Valet Parking (AVP) system. This prototype vehicle will assist in verifying the feasibility of vehicle signals and algorithms in real-world environments. The R&D results will be provided to Foxtron's internal development team for reference and future improvement.

In the automated parking experiment, researchers from National Taipei University of Technology utilized Visual SLAM technology for vehicle localization and deployed cameras throughout the test environment to detect the status and positional information of parking spaces. This data was combined with vehicle-based localization information and parking lot Road Side Uni (RSU) data to achieve cooperative localization. When the vehicle enters the parking lot, it receives positioning information and designated parking space location via wi-fi communication from the RSU. Using communication between the onboard unit and the RSUs deployed in the field, the system completed path planning and control, enabling autonomous navigation into the target parking space. The results of this test will accelerate validation of the Automated Valet Parking (AVP) system's performance in real-world driving environments.

In 2025, Foxtron will expand our academic collaborations. In addition to donating one electric vehicle prototype to our existing partner National Taipei University of Technology, the Company also plans to donate two electric vehicle prototypes each to National Taiwan University and National Taiwan University of Science and Technology. This initiative will be paired with launching an open platform for vehicle signal access, enabling faculty and students to more easily apply these signals in electric vehicle research, testing, and course instruction. This effort not only promotes the application of electric vehicles but also enhances university faculty and student interest in vehicle technologies while helping the Company attract related experts.

We continue our research and testing of Advanced Driver-Assistance Systems (ADAS) in collaboration with National Taipei University of Technology. In partnership with the National Taiwan University of Science and Technology Smart Electric Vehicle (SEV) Research Center, the center provides testing equipment to support Foxtron's engineering team, accelerating technology validation and innovative applications. Additionally, the electric vehicles donated to National Taiwan University will support the Department of Mechanical Engineering's Design and Practice of Intelligent Vehicles class to promote knowledge of electric vehicle technologies.

Foxtron Assistant Vice President Chen Jung-Kuei (left) with Professor Chen Bo-Chiuan of the Advanced Vehicle Control Laboratory at National Taipei University of Technology.

Presenting the Electric Vehicle Technology Key.

4-1 Labor Relations and Talent Retention

4-1-1 Employee Overview

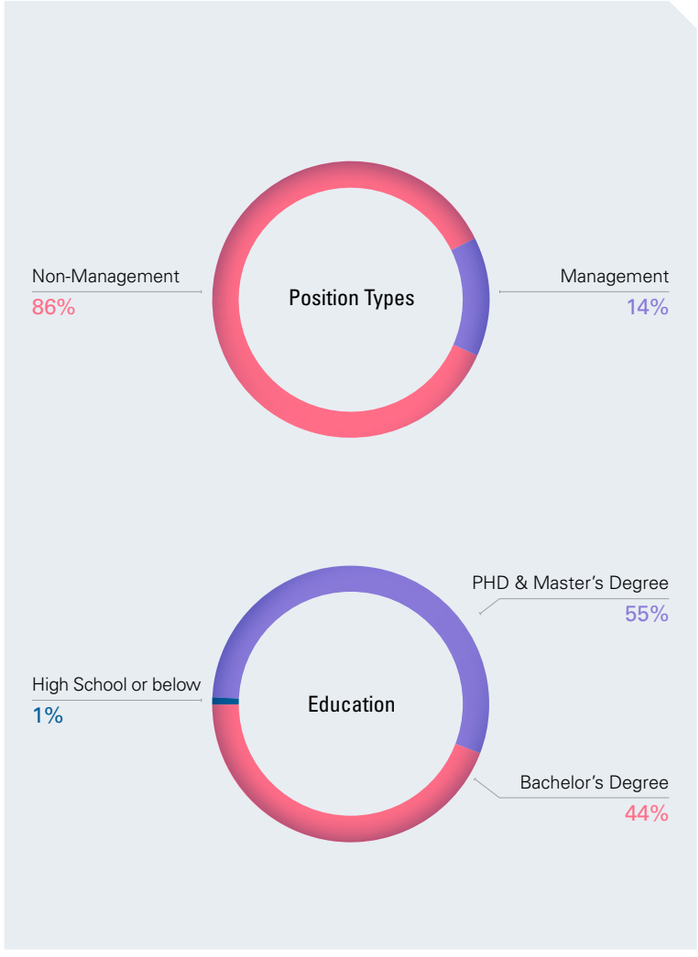
Foxtron regards our employees as the core of the Company's growth. In 2024, the total number of employees in Taiwan and Hangzhou was 948. Among them, four were temporary employees hired as contracted drivers, and three were non-employees engaged as outsourced cleaning personnel. The Company also implements a diverse employment policy, employing 10 persons with disabilities and 6 foreign nationals–exceeding legal requirements.

» Employee Type

Category		Male		Female		Total	
		Number of Employees	Percentage	Number of Employees	Percentage	Number of Employees	Percentage
Contract Type	Full-time employee	788	99.49%	156	100%	944	99.58%
	Temporary employees	4	0.51%	0	0%	4	0.42%
	Non-guaranteed hours	0	0.00%	0	0%	z 0	0%
	Full-time	792	100%	156	100%	948	100 %
Position Types	Middle-to-senior Management	3	0.38%	0	0%	3	0.32%
	Junior Management	118	14.90%	12	7.69%	130	13.71%
	No-management	671	84.72%	144	92.31%	815	85.97%
Region	Taiwan	768	96.97%	152	97.44%	920	97.05%
	China	24	3.03%	4	2.56%	28	2.95%
Age	<30 Years Old	160	20.20%	33	21.15%	193	20.36%
	31–50 Years Old	513	64.77%	106	67.95%	619	65.30%
	>51 Years Old	119	15.03%	17	10.90%	136	14.35%
Total		792	83.54%	156	16.46%	948	100%

Note 1: Full-time employees refer to personnel hired on a full-time basis by the Company. Temporary employees are those employed under fixed-term contracts. Non-guaranteed hours employees include hourly workers and temporary laborers who are not guaranteed fixed working hours per day or per week. "Part-time employees" include all non-guaranteed hours employees.

Note 2: Middle-to-senior management refers to managers; Junior management refers to section supervisors and above, but below the managerial level.



4-1-2 Talent Attraction and Retention

Talent Recruitment Strategy

Foxtron regards talent as the key to technological R&D and attracts potential candidates through diverse recruitment channels. Internally, the Company has implemented the Internal Talent Referral Bonus Regulations, encouraging employees to recommend outstanding professionals to join the team. Externally, we collaborate with professional organizations and utilize online platforms, media exposure, campus recruitment, and industry-academia collaboration programs to recruit experts in many different fields. In 2024, a total of 27 employees recommended 33 candidates, for total referral bonus payments of NT$1,397,000. For more details on our industry-academia collaboration efforts, please refer to the Annual Highlights and 4-5, "Social Inclusion", in Chapter 4.

Internal Employee Referral Program

27 employees referred 33 candidates, NT$1,397,000 bonuses awarded.

Talent Retention Strategy

To ensure stable and healthy employee retention, Foxtron offers competitive salaries, with an annual salary equivalent to 14 months' pay for employees who have completed one year of service, and performance bonuses are awarded based on individual performance (excluding contract and special project hires). In addition, the company implements a performance-based stock option program and encourages employee stock ownership. We have formulated the Employee Stock Option Issuance and Subscription Regulations. The conditions for employee stock options are based on factors such as job performance, overall contribution, special achievements, position level, or years of service, to calculate the number of shares an employee can subscribe to. The first round of employee stock options was issued in 2023 in three phases; currently, there are no plans for a second round of stock options.

To encourage all employees to reach their full potential, the Company has implemented the Improvement Proposal Regulations, which allow any employee to submit proposals. Employees are encouraged to suggest concrete improvement plans that enhance the Company's competitiveness; adopted proposals receive rewards. We assess the proposals, confirm the allocation of resources, and validate feasibility. This initiative aims to incubate innovative technologies, transform employees from executors into project drivers, enhance organizational participation and sense of belonging, and ultimately strengthen cohesion and improve work efficiency.

For employees considering a career change, the Company conducts exit interviews to understand their reasons for leaving, using the feedback to inform ongoing improvements in sustainable operations. In 2024, a total of 94 employees left the Company, resulting in a turnover rate of 10%.

» Number and Percentage of New Employees

Gender	Age	2023		2024	
		Total New Employees	New Employee Rate	Total New Employees	New Employee Rate
Female	<30 Years Old	11	50%	21	64%
	31–50 Years Old	17	21%	27	25%
	>51 Years Old	1	6%	1	6%
Male	<30 Years Old	58	59%	73	46%
	31–50 Years Old	88	19%	73	14%
	>51 Years Old	5	5%	8	7%
Total		180	23%	203	21%

Note: In 2024, the total number of employees was 948, of which 203 were new employees.

» Annual Turnover (Voluntary and Involuntary)

Types of Employee Turnover		2023		2024	
Category	Subcategory	Departing Employees	Turnover Rate	Departing Employees	Turnover Rate
Gender	Female	9	1.15%	23	2.43%
	Male	63	8.05%	71	7.49%
Full-time Employees	Full-time Employees	37	4.73%	54	5.70%
	Full-time Employees Excluding Retirees	34	4.34%	46	4.85%
Employees in Taiwan	Full-time Employees in Taiwan	37	4.73%	54	5.70%
	Full-time Employees Excluding Retirees in Taiwan	34	4.34%	46	4.85%
Involuntary Turnover		0	0%	2	2%
New Employees Within One Year		40	22.22%	40	19.74%

Note 1: Turnover Rate = (Annual number of departing employees ÷ Annual average number of employees) × 100.
Note 2: Involuntary Turnover Rate = (Annual number of involuntary departures ÷ Annual average number of employees) × 100.
Note 3: Turnover Rate of New Employees within One Year = (Number of new employees who left within one year ÷ Annual total number of new employees) × 100.

4-1-3 Employee Welfare

Welfare Measures

Foxtron is committed to safeguarding employee welfare by designing comprehensive welfare measures. These include annual health checkups, group insurance, and subsidies for childbirth and relocation, as well as flexible working hours, a well-structured leave system, and a sound retirement program. We have established an Employee Welfare Committee to coordinate welfare activities, organizing employee events and travel activities on an irregular basis to enrich employees' leisure time and enhance camaraderie. Starting in 2024, the company has been providing weekly afternoon snacks as a gesture of appreciation for employees' hard work and to foster a relaxed and pleasant work environment.

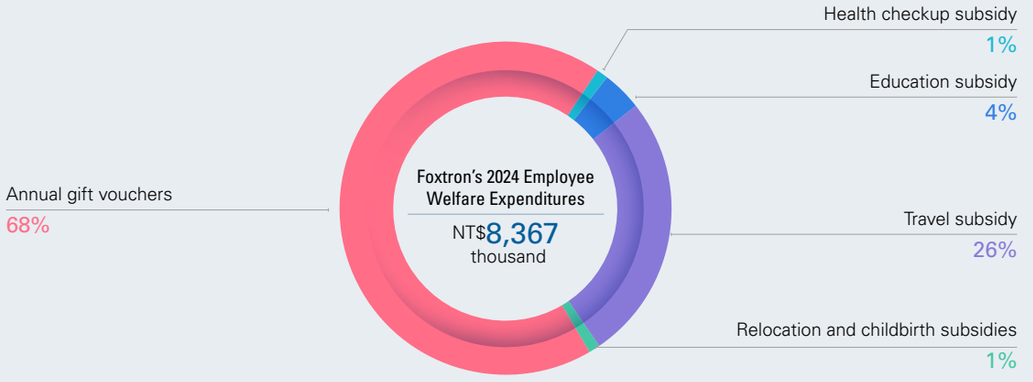
Xindian Headquarters Flexible Work Periods	
Start time	End time
08:30	17:30
08:45	17:45
09:00	18:00

With regard to welfare subsidies, employees who have served for six months or more are eligible to apply each year to the Employee Welfare Committee for a flexible welfare allowance. Benefits include education subsidies, health checkup subsidies, travel subsidies, department store vouchers, and more. If they have had a childbirth, an employee may also receive a wedding gift of NT$2,000 and a childbirth subsidy of NT$1,000 per child. In 2024, a total of 869 flexible welfare allowance claims were filed, with total annual welfare expenditures totaling NT$889,173.

» Employee Welfare Measures

Category	Item	Description
Employee Group insurance	Life insurance	Coverage for death or total disability.
	Accident insurance	Coverage for accidental death or disability.
	Medical insurance	Including cancer treatment, overseas disease treatment, injury treatment, and hospitalization coverage.
Flexible welfare funds	Annual gift vouchers	Department store vouchers provided as birthday gifts and bonuses for traditional holidays.
	Health checkup subsidy	Encourages employees to undergo annual health examinations.
	Relocation and childbirth subsidies	Congratulatory allowances for marriage and childbirth, including wedding gifts and childbirth subsidies.
	Education subsidy	Schooling subsidies for employees' children, giving employees peace of mind.
	Travel subsidy	Encourages employees to travel and relax outside of work.
Leave System		Includes maternity leave, paternity leave, family care leave, and more.

» Foxtron's 2024 Employee Welfare Expenditures



» Welfare Expenditures Over the Past Two Years

Item	Amount Invested (NT$ thousand)		Number of Beneficiaries	
	2023	2024	2023	2024
Annual Gift Vouchers	4,550	5,680	455	568
Travel Subsidy	1,868	2,169	188	217
Health Checkup Subsidy	55	100	6	10
Education Subsidy	40	360	40	36
Relocation and Childbirth Subsidies	28	58	18	38
Total	6,541	8,367	707	869

Retirement System

To ensure a stable post-retirement life for employees, Foxtron administers a retirement pension system in accordance with the Labor Standards Act and the Labor Pension Act. The Company allocates 6% of our employees' monthly salaries as a contribution to their individual retirement pension accounts. At the end of each year, the Company estimates the balance in the retirement fund account, and if it is insufficient to cover the estimated retirement pensions, the Company will make up the shortfall by the end of March of the following year.

Employees of the Company are subject to the retirement pension standards under the Labor Standards Act, with calculations based on the laws in force at the time. In the absence of applicable laws, calculations are based on the Company's regulations or through negotiation. In addition, in line with the enterprise annuity program the Company has separately established a retirement benefits plan applicable to employees who meet retirement conditions after November 6, 2020.

Maternity Benefits

Foxtron protects employees' rights to maternity leave, family care leave, etc. Through appropriate parental leave without pay and attendance management systems, the Company enables employees to more flexibly manage childcare and balance work with family responsibilities. Furthermore, we also provide parent-friendly facilities in our workplaces. In the Baogao Science and Intellectual Park, we have a lactation room, equipped with refrigeration and sterilization facilities to support the breastfeeding and milk storage needs of female employees.

The Company provides female employees with 8 weeks of maternity leave before and after childbirth, and male employees are entitled to 5 days of paternity leave. Both parents can apply for parental leave without pay until their child reaches the age of 3. Furthermore, for female employees who are pregnant or within one year postpartum, the Company offers physician consultations, work suitability assessments, and hazard control recommendations. In 2024, the Company's retention rate was 100% for those who remained employed one year after returning, and the post-parental leave reinstatement rate was 75%.

In 2024, the Company's retention rate was **100%** for those who remained employed one year after returning, and the post-parental leave reinstatement rate was 75%.

» Parental Leave Statistics

Criterion	Number of Male Employees	Number of Female Employees	Total
Employees eligible for parental leave this year (A)	73	10	83
Employees who took parental leave this year (B)	6	1	7
Employees expected to return to work after parental leave this year (C)	4	0	4
Employees who returned to work after parental leave this year (D)	4	0	4
Employees who returned to work after parental leave in the previous year (E)	4	0	4
Employees who were still employed twelve months after returning from parental leave in the previous year (F)	3	0	3
Application rate of parental leave without pay (B/A)	8%	10%	8%
Reinstatement rate (D/C)	100%	N/A	100%
Retention rate (F/E)	75%	N/A	75%

Note: The statistics cover the period from January 1, 2024, to December 31, 2024, for employees currently in service.

Lactation room

4-2 Workplace Diversity and Equality

4-2-1 Human Rights Policy

Foxtron supports and references the labor standards set forth in the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organization Conventions in formulating the Foxtron Human Rights Policy, which is signed by the CEO and announced publicly. The Company is committed to creating a dignified work environment, ensuring that all stakeholders-both within Foxtron and across its value chain, are treated with equality and dignity. We focus on key human rights issues and regularly reviews and assesses human rights risks within our business operations. Mitigation and remediation measures are implemented accordingly. In 2024, all domestic operational sites completed risk assessments across five key human rights topics. The implementation results are presented in the table on the right.

Workplace Bullying Prevention Awareness

Workplace Unlawful Infringement Training

Foxtron Human Rights Policy

Human Rights Topics	Policy Description	2024 Implementation Results
Fairness and Non-discrimination	The Company strictly prohibits any form of harassment and discrimination in the workplace, ensuring equal employment opportunities and a fair compensation system.	In compliance with labor laws and international standards, all forms of preferential or discriminatory treatment are prohibited. No incidents of discrimination were reported in 2024.
Respect for Free Labor Rights, Prohibition of Forced Labor	The Company respects the free labor rights of all workers, strictly prohibiting the employment of workers under any form of coercion. The Company has zero tolerance for any form of forced or inhumane treatment of employees and prohibits the employment of child labor.	All employee contracts are formulated and signed in accordance with local regulations. No incidents of forced labor or child labor occurred in 2024.
Fostering Good Labor Relations	The Company provides diverse and open communication channels, striving to promote harmonious labor relations. We also respect employees' rights to association and collective bargaining to foster positive labor relations.	In accordance with the Regulations for Implementing Labor-Management Meetings, eight labor-management meetings were held in 2024, four each at the Xindian headquarters and Sanyi plant.
Providing a Safe and Healthy Work Environment	The Company is committed to workplace health and safety, focusing on the physical and mental well-being of employees and work-life balance. We work to reduce the risk of occupational accidents to provide a healthy and sound work environment.	◆ Foxtron has established the Labor Safety and Health Work Rules and the Occupational Safety and Health Management Plans for employees to follow. ◆ Annual inspections of fire safety equipment are conducted, along with biannual fire drills. Monthly occupational injury reports are issued, and health promotion activities are carried out periodically. ◆ In 2024, five general occupational accidents and seven traffic-related incidents were reported. For details, refer to "4-4 Occupational Safety and Health".
Information Security	The Company respects the data privacy of employees and customers, ensuring that data collection and use comply with legal requirements. The Company has established information security mechanisms to protect both commercial and personal information.	◆ In accordance with the Cybersecurity Operation Procedures, annual awareness campaigns on information security are implemented. ◆ Employees are required to sign the Confidentiality Agreement and the Commitment to Comply with Personal Data Protection Laws and Other Relevant Regulations. ◆ In 2024, one information security awareness session and one social engineering drill were conducted. No incidents of data breaches or information security issues occurred.

» Human Rights Awareness Training

Training Course	Target Participants	Participants Trained	Training Hours	Completion Rate
Workplace Sexual Harassment Prevention Training	All employees in Taiwan	920	1	100%
Workplace Bullying Prevention Awareness	Voluntary participation	24	2	N/A
Workplace Unlawful Infringement Training	HR, Legal, and Occupational Safety personnel	13	2	N/A

Note 1: Due to the absence of regulatory requirements for human rights training in Hangzhou, China, this table reflects only statistics of operational sites in Taiwan. The completion rate is calculated based on the total number of employees in Taiwan.

Note 2: To uphold workplace human rights, the Company has designated Workplace Sexual Harassment Prevention as a mandatory annual training. For high-risk groups or departments with potential occupational hazards, additional sessions such as Workplace Bullying Prevention Awareness and Workplace Unlawful Infringement Training are arranged.

Note 3: The Workplace Bullying Prevention Awareness course and Workplace Unlawful Infringement Training course are voluntary; therefore, they are not included in the completion rate statistics.

4-2-2 Equality and Non-discrimination

Foxtron striving to create a diverse and inclusive workplace. In line with the Foxtron Human Rights Policy, we integrate internationally recognized values (including equal employment, human rights values, diverse hiring practices, and prohibiting child labor and forced labor) into our talent recruitment principles and daily operations. We ensure that no employee is subjected to discriminatory treatment based on gender or sexual orientation. In 2024, we went beyond legal requirements by employing 10 individuals with disabilities and 6 foreign nationals. Due to the nature of the industry, the percentage of male employees is higher; however, we continue to proactively recruit outstanding female talents. In 2024, the proportion of female employees reached 16.46%, marking a 1.13% increase over the previous year. For details, see 4-1-1, "Employee Overview". We will continue striving to build a more supportive and women-friendly work environment.

Employee Category	Female-to-Male Salary Ratio
Management	0.15
R&D Personnel	0.10
General Employees	0.32

Note: The above salary calculation includes basic salary and remuneration.

Human Rights Issues Communication Channels

Foxtron values employees' feedback and concerns and has established around-the-clock complaint channels, including an internal employee complaint mailbox, a sexual harassment prevention hotline, and a designated complaint mailbox. In accordance with the Regulations for Implementing Labor-Management Meetings, we hold quarterly labor-management meetings. There are 10 committee members, 5 of whom are labor representatives, accounting for 50% of the committee. 2024 discussion topics included R&D innovation, personnel systems and attendance, compensation and benefits, occupational safety drills, training systems, and information software and systems. In 2024, Foxtron reported no human rights-related complaints, no incidents of sexual harassment, and no strikes or work stoppages at any operational site.

Complaint hotline: (02) 5590-6168, ext. 2223

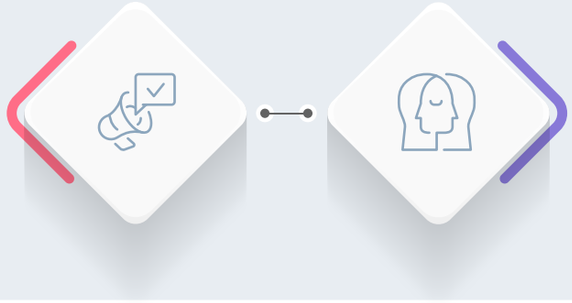
Complaint fax: (02) 5590-0505

Complaint email: amy.hsu@foxtronev.com

» Foxtron's Complaint Handling Procedure

General Complaints

Upon receiving a complaint, an investigation is conducted in accordance with regulations. If the complaint is found to be valid, appropriate remedial actions and responses are taken. To protect the complainant's rights, all complaint handlers are required to maintain confidentiality. The Company is committed to not disclosing the complainant's name or any other information that could identify them. In 2024, **Foxtron received no human rights-related complaints.**



Sexual Harassment Prevention

If an employee or job applicant experiences sexual harassment in the workplace, they may file a complaint with the HR supervisor of the respective business department. In addition to providing designated complaint channels for sexual harassment, the Company has also included sexual harassment prevention training in our human rights education programs. **Since Foxtron was established, we have had no reported incidents of sexual harassment.**

Employment that Exceeds Legal Requirements

Employed 10 persons with disabilities and 6 foreign nationals.

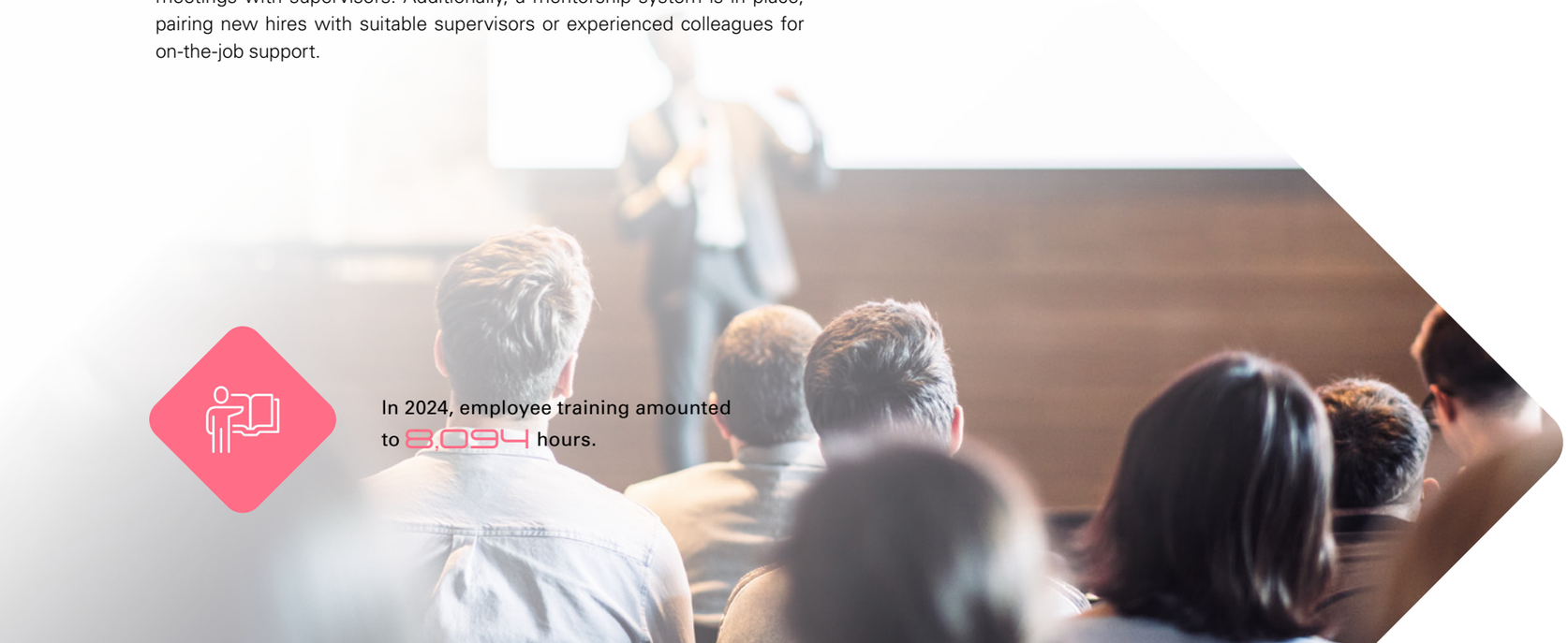
4-3 Talent Cultivation and Development

4-3-1 Talent Training and Competency Development

Foxtron has developed comprehensive training and development strategies for both new and current employees, with training programs tailored to job roles, required competencies, and development needs. These programs are categorized into general, specialized, and managerial training.

New employees receive orientation on corporate culture, organizational history, work regulations, employee benefits, and the workplace environment on their first day. They are required to complete the training content outlined in the New Employee Orientation Handbook within three months of joining and finish general knowledge courses on product design and automotive fundamentals within six months. To support quick adaptation and familiarity with company policies, Foxtron utilizes the New Employee Training Schedule to track training progress. Progress is also monitored through weekly learning reports and monthly one-on-one meetings with supervisors. Additionally, a mentorship system is in place, pairing new hires with suitable supervisors or experienced colleagues for on-the-job support.

For current employees, Foxtron offers a variety of internal and external specialized and management training programs. Special topic courses and experience-sharing sessions are held annually to enhance specialized knowledge and skills, encourage cross-departmental exchange, and strengthen both team and individual performance. For managerial staff, training is aligned with the required competencies for each level of leadership. These programs support new supervisors in developing employee coaching and communication skills, fostering continued growth for both managers and their teams. All employees are required to complete general training courses covering topics such as ethical management practices, insider trading prevention, information security, workplace unlawful infringement, and sexual harassment prevention, with the aim of preventing workplace misconduct and reducing operational, financial, and legal risks.



In 2024, employee training amounted to 8,094 hours.

» Talent Training and Development Planning by Category

Category	Participants	Training content description
General Education	New employees	◆ Orientation on corporate culture, organizational history, work regulations, employee benefits, and workplace environment provided on the first day of employment. ◆ Completion of training listed in the New Employee Orientation Handbook within three months of onboarding, with progress tracked via the New Employee Training Schedule. ◆ A mentorship system is in place with support from designated supervisors or experienced colleagues. ◆ Weekly learning reports and monthly supervisor check-ins help monitor the new employee's progress and adaptation.
	All employees	◆ General training programs provided to all employees, including information security, workplace unlawful infringement, insider trading prevention, ethical management, and material information handling.
Specialized	Employees from specific departments	◆ To enhance employees' specialized capabilities in specific functions, we provide training courses on automotive fundamentals and innovations, product quality management, and occupational safety certification. ◆ Related special topic courses and experience-sharing sessions are planned annually based on the Company's development direction.
Management	All employees	◆ Training courses on communication skills, time management, and problem-solving techniques are conducted to ensure smooth cross-departmental communication and enhance teamwork efficiency.
	Managerial employees	◆ Thematic training programs are planned on an as-needed basis according to the managerial competencies required at each leadership level.

» Key Courses for 2024

Category	Course	Participants	Purpose	Course Hours	Number of participants
Specialized	Basic Training on CATIA Software for Automotive Design and Manufacturing	New employees	Develop new hires' fundamental skills in automotive design	35	44
	Panel Sharing –Beijing International Automobile Exhibition and Geneva International Motor Show	Free to attend	Share insights gained from attending Auto China and the Geneva International Motor Show	4	31
General Education	Information Security Education and Training	All employees	Raise employee awareness of information security	1	920
	Preventing Insider Trading	All employees	Raise awareness of disciplinary actions related to violations of insider trading regulations	1	920

» Education and training related statistics

Employee/ Education and training	Male			Female			All Employees			Input cost (NT$)
	Total Training Hours	Total Male Employees	Average Training Hours per Employee	Total Training Hours	Total Female Employees	Average Training Hours per Employee	Total Training Hours	Total Employees	Average Training Hours per Employee	
Management	13	3	4.33	63	2	31.5	75	5	15	27,500
R&D Personnel	5,445	583	9.34	230	72	3.19	5,676	655	8.67	26,800
General Employees	1,910	184	10.38	432	76	5.68	2,343	260	9.01	150,797
Total	7,368	770	9.57	725	150	4.83	8,093	920	8.80	205,097

Note 1: Training participant numbers include only employees from Taiwan-based locations.

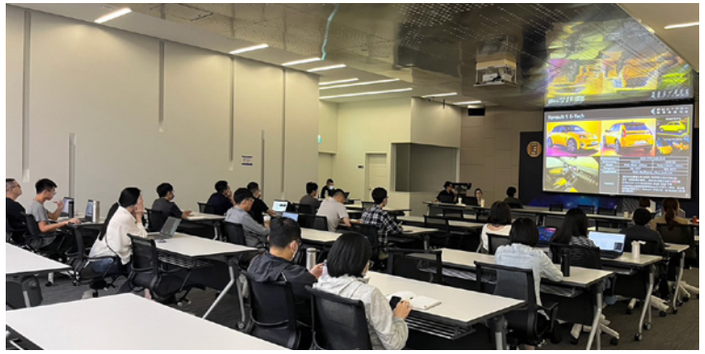
Note 2: Management includes senior executives, the Chief Financial Officer, and the Chief Accounting Officer.

4-3-2 Performance Management

Foxtron has established the Employee Performance Evaluation Regulations and conducts annual performance evaluations for employees. These evaluations assess employees' work performance and competencies, serving as the basis for decisions regarding salary adjustments, bonuses, promotions, and work assignments. To promote positive communication between supervisors and employees, we encourage supervisors to regularly provide feedback on employees' work progress and task completion. If employees have objections to the approved evaluation results, they can appeal through the Company's grievance mechanism. In 2024, Foxtron completed performance evaluations for 916 employees, achieving a 100% completion rate.

Employee/ Performance Evaluations	Male			Female			All Employees		
	Number of Employees Evaluated	Total Employees in Category	Percentage of Employees Evaluated	Number of Employees Evaluated	Total Employees in Category	Percentage of Employees Evaluated	Number of Employees Evaluated	Total Employees in Category	Percentage of Employees Evaluated
Management	3	3	100%	2	2	100%	5	5	100%
R&D Personnel	577	577	100%	73	73	100%	650	650	100%
General Employees	184	184	100%	77	77	100%	261	261	100%
Total	764	764	100%	152	152	100%	916	916	100%

Note: The statistics cover employees who have been employed for three or more months as of the end of 2024.



Panel Sharing-Beijing International Automobile Exhibition Forum

Panel Sharing-Geneva International Motor Show

Information Security Education and Training

Prevention of Insider Trading

4-4 Occupational Safety and Health

Employees are the Company's most valuable asset, and Foxtron is committed to creating a safe and healthy work environment. By referencing occupational safety and health management systems, the Company has established comprehensive management frameworks and developed physical and mental health care measures to ensure the development of a healthy workforce. In 2025, the Company plans to establish an Occupational Safety and Health Office to further strengthen our safety and health management practices. Additionally, an Occupational Safety and Health Committee will be formed to review Company policies and management plans. The committee is scheduled to convene in the second quarter of 2025 to help realize the ultimate goal of "zero harm, zero accidents".

4-4-1 Occupational Safety and Health Management

Foxtron has established an Occupational Safety and Health Policy as the highest guiding principle for the organization's safety and health management. The Labor Safety and Health Work Rules are also formulated for employees to follow. Upholding the belief in Respecting Life & Caring for Health, Foxtron is committed to preventing occupational accidents and creating a healthy workplace. By achieving five key objectives – Regulatory Compliance, Prevention, Full Participation, Continuous Improvement, and an Eco-Friendly – we aim to reduce potential hazards and safety risks, while enhancing employee safety awareness.

In line with the industry's specific characteristics, Foxtron has formulated the Occupational Safety and Health Management Plans. These cover safety regulations for specific operations personnel, educational training, machinery and chemical substance management, workplace environment monitoring, as well as supplier selection and contractor management during the procurement phase. To enhance occupational safety management, we conducted 22 internal hazard inspections and 10 joint safety and health inspections with contractors in 2024. All 30 identified hazards have been fully rectified, achieving a 100% improvement rate.

In terms of contractor management, we conduct pre-construction reviews and qualifications control for on-site personnel of engineering and labor contractors. Contractors are reviewed in accordance with the Contractor Management Technical Guidelines, covering aspects such as risk identification, subcontracting system management, pre-construction meetings, contracting and signing, safety and health organizational meetings, site access management, on-site construction management, and supervision of safety and health performance throughout the construction period.

- Does a pre-work audit; site access requires professional qualifications.
- Conducts contractor reviews in accordance with the Contractor Management Technical Guidelines. The process includes risk identification and contractor system management, pre-construction meetings, contracting and signing, safety and health organizational meetings, site access management, on-site construction management, and supervision of safety and health performance.

- Appoint first aid personnel as required and arrange regular training sessions.
- Access control systems are in place and coordinated with the park's security team. In case of any abnormal alarms, security personnel promptly contact the designated emergency contact to ensure the safety of Company personnel and assets.
- Foxtron provides car insurance for company cars used by employees, schedules regular maintenance, and conducts electric vehicle fire emergency drills.
- Monthly reporting of occupational injury statistics.

- A work safety risk assessment is conducted every six months, including environment monitoring for offices with central air conditioning, along with regular public safety inspections and reporting for buildings.
- All electrical and fire safety equipment undergo maintenance at least once a year. Monthly checks are conducted on fire sources, evacuation facilities, and safety equipment, with self-defense fire drill training held every six months.
- We conduct drinking water quality testing on a quarterly basis. Annually arrange for the detection of Legionella in central air conditioning systems.
- First aid kits are updated semiannually across all sites. AEDs are installed, and fire blankets are procured.

4-4-2 Occupational Accident and Occupational Disease Prevention Management

Hazard Identification and Risk Assessment

The Company has established a process for identifying and assessing occupational accident risks. This process focuses on the proactive control and prevention of potential accidents, occupational injuries, and risks to financial assets and facilities during operations and work processes. We carry out risk identification and assessment based on operational cycles, work environments, machinery and equipment, and the use of energy or chemical substances. We take existing engineering, administrative, and personal protective measures into account to evaluate the risk level of each operation. After implementing risk-reduction measures, the Company reassesses the level of risk to ensure that all operational risks remain within a controllable range.

In 2024, Foxtron identified three occupational health and safety risks: lithium battery storage and usage areas; unlawful infringement in the workplace; and earthquake evacuation. In response, we developed corresponding measures and provided health promotion services aimed at mitigating these work-related risks.

Risks	Risk Description	Response Measures	Providing services to reduce risk to workers
Lithium Battery Storage and Usage Areas	Improper handling of lithium batteries may lead to fire accidents.	Procured lithium battery fire extinguishing equipment and conducted drills to enhance emergency response capabilities.	Completed procurement and instruction on the use of fire blankets and other equipment for lithium battery storage and usage areas; drills were conducted in high-risk areas to strengthen employees' emergency response capabilities.
Unlawful Infringement in the Workplace	Workers may suffer physical or psychological harm due to verbal, physical, or other unlawful acts by outsiders or internal personnel during work.	Enhanced workplace friendliness and safety awareness through educational training.	Established a reporting process and contact window to promote a friendly workplace and prevent unlawful infringement.
Earthquake Evacuation	With frequent recent earthquakes, unawareness of response procedures may hinder successful evacuation.	Conducted evacuation drills to familiarize employees with evacuation routes and earthquake response measures.	Organized evacuation drills and earthquake simulation activities to help employees familiarize themselves with evacuation routes and response actions during earthquakes.

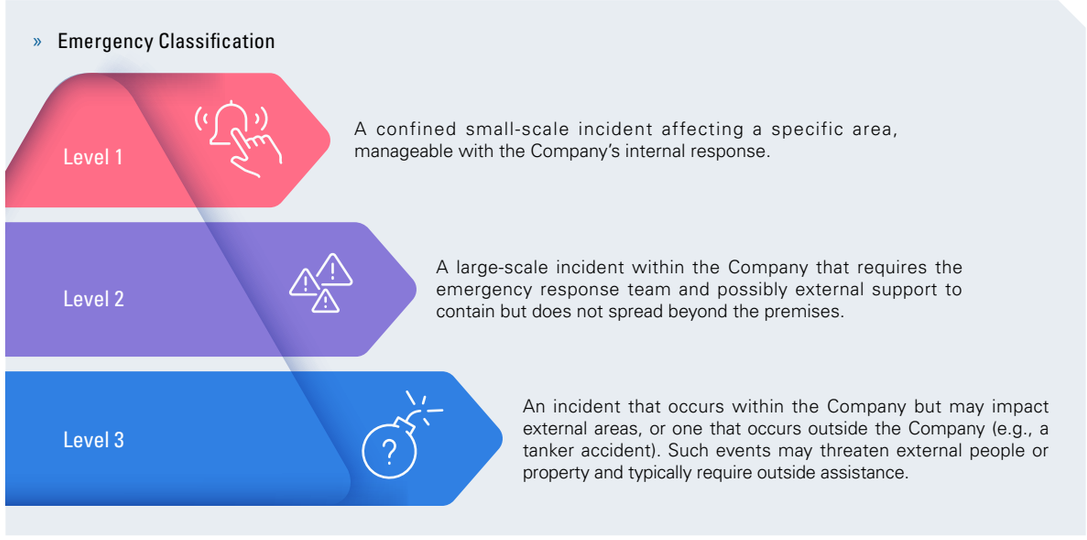
Occupational Safety Risk Reporting Process

The Company has established comprehensive mechanisms for occupational accident prevention and reporting. For instance, in the case of summer high-temperature hazards, we have implemented a heat hazard prevention mechanism for workers. Some outdoor testing tasks require long periods of testing inside non-air-conditioned vehicles. To address this, we refer to the Ministry of Labor's Guidelines for Preventing Heat Hazards for Outdoor Workers in High Temperatures and thoroughly plan and prepare before and during the implementation of testing operations. We provide items or equipment such as insulated water containers, ice, drinking water, sports drinks, salt water, cooling towels, ice packs, baby powder, and thermometers. Designated personnel conduct regular inspections to ensure the effectiveness of preventive measures and monitor employee health. Open communication is maintained to allow discussions and adjustments to the implementation process. If an employee raises concerns about heat hazards while performing work, the Company will handle it in accordance with the Guidelines for Preventing Workplace Misconduct and will not impose any adverse actions against workers who cease operations or retreat to a safe place due to the perceived risk of bodily harm or life-threatening situations encountered during the performance of their duties.

Accident Investigation and Emergency Response

The Company has formulated the Emergency Accident Handling Work Specifications as the basis for reporting and handling accidents. In the event of a personnel accident, the responsible department must immediately notify occupational safety personnel. These personnel are responsible for identifying all possible emergency situations, types of damage, and severity of consequences. They categorize the emergency level accordingly and initiate an accident investigation with the department supervisor to plan follow-up actions, thereby preventing the recurrence of similar incidents.

» Emergency Classification



» Emergency Incident Response Procedure

Incident Occurrence

Witnesses must immediately report to the on-site supervisor. Injured personnel must proceed to a hospital for diagnosis and obtain a diagnosis certificate. The department involved in the incident must promptly notify the occupational safety personnel. If the incident occurs during nighttime, the security guard on duty must be notified.

Incident Scene Handling

Apart from necessary rescue operations, the incident scene must be preserved intact to help investigators to collect evidence.

Incident Cause Reconstruction

Upon receiving the report/notification, occupational safety personnel must inspect the site immediately during work hours, understand the preliminary cause of the accident, and assess emergency preventive measures. For any incident categorized as a major accident, the occupational safety personnel must report it to the inspection authority within eight hours.

Notification of Related Departments

Major fatal occupational accidents must be reported online per Article 37, Paragraph 2 of the Act. Other cases should be reported through the system under Article 73 of the Labor Occupational Accident Insurance and Protection Act.

Investigation & Judgment

The investigation team conducts a preliminary review to determine if the case qualifies as a work-related injury. If so, it is handled by personnel management regulations.

Report & Improvement

After the investigation, the responsible department must complete an incident report. Based on this, occupational safety personnel issue an EHS abnormality handling form, request improvements, and oversee verification. If the corrective actions are inadequate or ineffective, further revisions may be required. Once effectiveness is confirmed, relevant documentation is submitted to the department supervisor and CEO for case closure.

Post-Incident Closure Operations

The HR department, in collaboration with the insurance company, handles compensation procedures based on the incident investigation report.

Occupational Injuries and Occupational Diseases

In accordance with the regulations, the Company engages doctors, nurses, occupational safety and health management personnel, and fire prevention management personnel. To reduce the risk of employee exposure to hazards and the development of occupational diseases, we have established the Prevention Plan for Unlawful Infringement While Performing Duties. Occupational safety and health personnel conduct periodic inspections of the workplace and implement management measures addressing four key areas: ergonomics, unlawful infringement, excessive work demands, and maternity protection. Workplace health risks are assessed through employee surveys, and improvement measures are planned accordingly. In 2024, we conducted three maternal health protection initiatives, including one work suitability consultation and quarterly medical consultations. The results indicated no risk and no need for further improvement at this time.

In 2024, a total of 12 occupational injuries involving employees were reported, including seven traffic-related incidents and five general occupational injuries. **No major occupational injury incidents occurred.** Following each incident, the Company arranged for physicians to conduct comprehensive occupational injury and return-to-work assessments, and handled insurance claims based on the circumstances. Additionally, we continued to review each incident to formulate improvement measures.

This year's occupational injuries incidents fell into four categories: Traffic Accidents; Slips and Falls; Improper Actions; and Cuts. To enhance workplace and personnel safety, we improved lighting and movement flow in work areas, strengthened safety awareness on traffic and the use of personal protective equipment, and procured safety helmets and cut-resistant gloves for engineering departments. Furthermore, the Company participated in the Accident-free Work Hours Record Competition, after excluding traffic incidents, we accumulated 3,140,116 accident-free work hours from 2024. Foxtron will continue to promote occupational safety activities, striving to ensure that employees work in a safe and hazard-free environment.

Item	Employees	Non-employee Workers	Total
a. Total Work Hours	1,681,944	7,024 [5]	1,688,968
b. Number of General Occupational Injuries	12	0	12
c. Number of Severe Occupational Injuries	0	0	0
d. Number of Fatalities	0	0	0
Severe Occupational Injury Rate	-	-	-
Fatality Rate from Occupational Injuries	-	-	-
Recordable Occupational Injury Cases (b+c+d)	12	0	12
Recordable Occupational Injury Rate (b+c+d)*1,000,000/a	7.13	0	7.10

Note 1: Disabling Injury Frequency Rate (FR) = (Total number of disabling injury incidents × 10^5) ÷ Total Work Hours.
Note 2: Disabling Injury Severity Rate (SR) = (Total number of days lost due to disabling injuries × 10^6) ÷ Total Work Hours.
Note 3: Total Injury Index = √(FR × SR) ÷ 1,000.
Note 4: Total actual hours worked by all employees/workers, in line with the Ministry of Labor's definition.
Note 5: The total hours worked by non-employee workers at each site are as follows: 6,024 hours by cleaning staff and 1,000 hours by construction workers at the Xindian Baogao Science and Intellectual Industrial Park.

Accident-free Work Hours Record Competition

As of 2024, 3,140,116 accident-free work hours; no occurrence of major occupational injuries or fire incidents during the reporting period.

Fire Prevention and Statistics

The Company has implemented multiple fire prevention measures, including Fire Safety Management Organization; Fire Equipment Inspection and Maintenance; Fire Prevention Measures; and Self-Defense Firefighting Activities. Through these activities, we reduce the likelihood of fire incidents and ensure effective emergency response which safeguards the safety of our employees and minimizes the potential losses. **In 2024, Foxtron reported zero fire incidents, and zero employee injuries or fatalities related to fire hazards.**

Fire Safety Management

- **Organization Management:** The Fire Prevention Management Organization is responsible for routine fire prevention and preventing fires during earthquakes.
- **Assigning Responsibility:** We appoint fire prevention managers for each area of the Company, with designated responsibility areas and assigned fire source managers.

Fire Equipment Inspection and Maintenance

- **Installation and Maintenance:** In compliance with fire safety regulations, we have installed the necessary fire safety equipment at our operating sites. Every November, we commission external expert institutions to inspect these systems, and within 15 days of the inspection, we report the results to the local fire department for record-keeping.
- **Regular Inspection:** Fire prevention management personnel and fire source managers are required to regularly inspect fire sources, electrical equipment, fire evacuation facilities, and fire safety equipment. Daily checks are conducted on fire sources, while fire evacuation facilities and fire safety equipment are inspected monthly.

Self-Defense Firefighting

- **Command:** When a fire incident occurs, a command center is set up and personnel are assigned directing the self-defense firefighting team and oversee response efforts.
- **Notification and Contact:** Notifier will contact external fire departments to report the details of the incident, notify internal departments, and keep the fire prevention management personnel and team leader updated on the latest situation.
- **Fire Fighting:** Initial firefighting efforts will focus on using indoor fire hydrants and extinguishers to prevent the fire from spreading.
- **Evacuation Guidance:** Evacuation guidance personnel guide evacuees to use emergency exits in the direction opposite to the fire. Higher floors get reinforced drills and countermeasures.
- **First Aid:** A first aid team at the command center provides emergency treatment, coordinates with EMS if needed, and records casualty details.
- **Safety Protections:** Ensure fire doors are closed, maintain the availability of emergency power supply, and designate restricted areas for safety.

Fire Prevention Measures

- **Prohibition of Open Flames:** Fire sources are strictly prohibited at all company operating sites without approval, and smoking or open flames are only allowed in designated areas.
- **Electrical Usage Permits:** Any installation or modification of electrical equipment, and use of fire or electricity for events, must be approved by fire prevention. Use of hazardous materials or electrical appliances requires prior approval and post-use inspection.
- **Maintaining Clear Passageways:** Emergency exits, corridors, stairwells, and escape routes must always remain clear of any obstructions or stored items to prevent slip or trip hazards. Emergency escape doors must be easy to open, while safety doors should remain closed and kept free from surrounding flammable materials.
- **Familiarity with Fire Safety Equipment:** Escape routes and fire safety equipment locations must be posted visibly, and all related personnel must be informed and familiarized with the locations of these facilities and escape routes.

4-4-3 Occupational Safety Training and Drills

In accordance with Article 32 of the Regulations of Occupational Safety and Health Act, Foxtron has established a comprehensive program to provide all employees with necessary safety and health education, as well as accident prevention training within the scope of operations. This includes specific safety and health training for employees operating hazardous machinery or equipment. We have arranged multiple occupational safety education courses, requiring regular refresher training for employees. The effectiveness of the training is evaluated through tests, practical drills, and the implementation of job duties. In 2024, the total number of training hours related to occupational safety and health at Foxtron reached 2,998 hours. Moreover, through external training courses, we assist occupational safety and health personnel and supervisors in obtaining certifications. In 2024, a total of 5 certifications were obtained, enhancing employees' knowledge and skills in safety and health, and preventing occupational hazards.




In 2024, Foxtron conducted various occupational safety training and drill activities, including AED+CPR courses, earthquake preparedness training, fire extinguishing instruction, and thermal runaway response training for lithium batteries, aiming to enhance employees' safety awareness and emergency response capabilities.

Occupational Safety Training Programs	Participants	Course Content Overview	Number of Participants	Training Hours
General Safety and Health Educational Training for New and Current Employees	All employees	Overview and concepts of the Act, safety and health work rules, and knowledge related to self-inspection	920	920
Self-Defense Fire Drill	All employees	Evacuation drill conducted every 6 months	486	1,944
AED+CPR	Participation voluntary	AED operation, practical training in external chest compressions, and emergency first aid knowledge	13	39
Occupational Safety and Health Affair Manager-Refresher Training	OSH affairs managers	6-hour refresher course every 2 years	4	24
Occupational Safety and Health Management Personnel- Refresher Training	OSH management personnel	12-hour refresher course every 2 years	1	6
Occupational Health Nurse- Refresher Training	Nursing personnel	12-hour refresher course every 3 years for health nurses	1	9
Fixed Crane Operators- Initial Training	Engineering department personnel	Initial training for equipment 0.5 tons or more	1	18
Fixed Crane Operators- Refresher Training	Engineering department personnel	3-hour refresher training every 3 years for equipment 0.5 tons or more	1	3
Forklift Operation Training	Engineering department personnel	Initial training	1	18
Fire Prevention Management Personnel- Initial Training	Fire prevention manager	12-hour initial training	1	12
AED Manager Training	AED manager	3-hour refresher course every 2 years, covering AED operation	2	6

Note: Due to the absence of regulatory requirements for occupational safety training in Hangzhou, China, this table reflects only statistics of operational sites in Taiwan.

» Occupational Safety Certifications for Employees

Professional Occupational Safety Personnel Certification	Certification Overview	Number of Certification
Occupational Safety and Health Affair Manager	Courses on occupational safety and health regulations and occupational accident case studies	5
Occupational Safety and Health Management Personnel	Courses on occupational safety and health regulations and occupational accident case studies	1
Occupational Health Nurse	Courses on labor health protection regulations, occupational injury and disease compensation regulations, Introduction to Occupational Safety and Health, workplace inspection visits, and Introduction to Occupational Medicine	1
Forklift Operation Over One Ton	Courses on forklift operation regulations and occupational accident case studies	5
Crane Operation	Courses on crane operation regulations and occupational accident case studies	5
Fire Prevention Manager	Fire prevention management at worksites	2
AED Manager	AED+CPR Training	3

4-4-4 Health Promotion Actions

Besides the legally mandated health insurance system, Foxtron provides additional group insurance for employees, which includes medical and accident insurance, covering not only the employees themselves but also their spouses and children, with the Company covering the premiums.

Furthermore, the Company offers annual on-the-job health checkups that exceed regulatory requirements. Based on the results, Foxtron arranges physician consultations and provides health and hygiene guidance. One-on-one report explanation services are also available to help employees understand their health indicators and corresponding conditions. In 2024, a total of 29 employees used this service.

In 2024, Foxtron promoted employee health awareness and physical and mental wellness through health information campaigns, wellness seminars, vaccination programs, and gynecological cancer screenings.

Health Information Promotion

We distributed 8 health e-newsletters, covering topics such as influenza and COVID-19 vaccine awareness; mental health promotion; understanding measles and gastroenteritis; the harms of alcohol; and knee joint exercises.

Knee strengthening exercises

Physical and Mental Health Seminars

One lunchtime music salon was held, featuring internationally-renowned violinist Hu Nai-Yuan and three other musicians from Taiwan Connection, who shared the beauty of music with employees on-site. Additionally, two online health seminars were conducted on topics including colorectal cancer prevention and allergy care, with 100 total participants.

Lunchtime music concert

Annual Health Checkups

691 employees participated, achieving a 100% participation rate.

Annual health checkups

On-Site Health Services by Medical Personnel

Held every three months; four sessions were conducted throughout the year, benefiting 41 employees.

Telemedicine evaluation for return-to-work

Gynecological Cancer Screenings

Cervical smear tests and mammogram screenings were provided. 39 people participated.

Gynecologic cancer screenings: Mobile mammogram and pap smear services

COVID-19 Vaccine administration service

COVID-19 XBB vaccine administration service was provided, with 87 participants.

COVID-19 XBB vaccine service

4-5 Social Inclusion

4-5-1 Community Participation

Foxtron upholds the spirit of social responsibility and compassion by participating in a diverse range of philanthropic activities. We joined the Corporate Co-Prosperity Alliance at the Baogao Science and Intellectual Industrial Park, an initiative launched by the New Taipei City Economic Development Department in collaboration with AAEON Technology and the AAEON Foundation, and participated in a variety of charitable campaigns. In support of efforts by the Ministry of Agriculture's Agriculture and Food Agency to promote domestically grown fruit and food and agricultural education, we enhanced employees' understanding of agricultural products and encouraged support for the local economy. We also took part in the park's blood donation campaigns, rallying employees to participate and demonstrating care for health and life.

In addition, Foxtron responded to the "Corporate Compassion" campaign initiated by the New Taipei City Environmental Protection Department by collecting and co-donating secondhand items to support underprivileged groups, thus promoting resource circulation and community prosperity. These philanthropic efforts not only strengthen employee unity but also embody Foxtron's ongoing commitment to social care and responsibility.

Supporting Local Agriculture: Practicing Food and Agricultural Education

Foxtron supports domestically grown fruit and echoed the Ministry of Agriculture's "Corporate Unity for Local Support" campaign by assisting in organizing food and agricultural education events in 2024. The activities centered on seasonal fruits and aimed to help employees, who rarely come into contact with agriculture, understand the journey of agricultural products from farm to table, the traceability certification system, and their nutritional value. The event also included DIY sessions to deepen employees' understanding. Through concrete actions, we aim to support and promote mutually beneficial cooperation with local agriculture.


農業部農糧署
AGRICULTURE AND FOOD AGENCY, MINISTRY OF AGRICULTURE

感　謝　狀

Certificate of Appreciation

茲感謝 鴻華先進科技股份有限公司
協助辦理國產水果食農教育推廣活動 成效良好
特頒此狀 以表謝忱

農業部農糧署 代理署長 蘇茂祥

中華民國 113 年 6 月 20 日

Foxtron received a certificate of appreciation for supporting domestically grown fruit and took a commemorative photo with Huang Shao-Hsing (left), Deputy Director-General of the Ministry of Agriculture's Agriculture and Food Agency

Love for Life, Passion for Public Welfare

Foxtron really leads by example in our social welfare commitment by participating in and supporting the joint blood donation drives organized by the Baogao Science and Intellectual Industrial Park. The Company encourages employees to participate enthusiastically. In 2024, the park held three blood drives; 181 Foxtron employees took part, contributing to the grand total of 886 units of blood collected by the drive. Through this life-saving initiative, Foxtron aims to inspire our employees to value health and life, while demonstrating the Company's care and responsibility toward society.

Social Engagement

3 drives, 181 employees,
886 units of blood donated
(with other park enterprises)

Foxtron employees respond to the park-wide joint blood donation drive, contributing warmth and care

Breathing New Life into Old Items: Foxtron in Action for Public Welfare

At the end of 2024, Foxtron responded to the New Taipei City Government Environmental Protection Department and co-organize the "Enterprise Compassion: Second-Hand Goods Collection" event together with the Corporate Alliance for the Common Good, the AAEON Foundation, and the department. Through collecting second-hand items, we breathe new life into idle resources, reduce waste, and transform forgotten belongings into treasured items for new owners.

We collected toys, clothing, books, stationery, small appliances, and small furniture, then sold them at the "Christmas Eco Treasure Hunt" secondhand item exchange during the New Taipei Christmasland. All proceeds were donated to the New Taipei City Good Day Compassion Platform to support underprivileged children and youth. Foxtron employees contributed by assisting with packing and logistics, helping to ensure the success of the sale, fostering community interaction and cooperation, and embodying the spirit of social inclusion and collective benefit.

Foxtron participates in secondhand goods donation and charity activities, creating positive cycles for a sustainable society.

05

Environment and Green Policy

5-1 Climate Change Management

5-2 Energy Resource Management

GRI	
201 Economic Performance	305 Emissions
302 Energy	306 Waste
303 Water and Effluents	

Material Sustainability Topics

Climate Change Management

13 CLIMATE ACTION

Topic	2024 Target	2024 Implementation Status	Short to Mid-term (2025-2029)	Long-term (≥2030)
Climate Change Management	Reduce electricity use by 1% compared to previous year.	Electricity use increased by 79% compared to previous year [1]	By 2028, reduce Scope 1 and Scope 2 emissions at Taiwan operating sites by 40% compared to the 2023 baseline year.	Achieve the goal of Net Zero Emissions for all offices by 2030; and Achieve Net Zero GHG Emissions for all service and production sites by 2050.
	The manage progress of climate-related issues is reported to the Board of Directors at least annually.	Reported climate issue management progress to the board four times.	The manage progress of climate-related issues is reported to the Board of Directors at least annually.	The manage progress of climate-related issues is reported to the Board of Directors at least annually.
	Establish renewable energy generation and energy storage systems for new office and operating facilities to increase green electricity usage.	Implementing plans for renewable energy generation and energy storage systems at the Kaohsiung Qiaotou Plant.	By 2028, Taiwan operating sites use ≥30% green electricity compared to baseline year.	By 2030, Taiwan operating sites use ≥50% green electricity.
	Planning new construction projects to achieve green building certification (LEED etc.).	Kaohsiung Qiaotou Plant projected to be complete by 2025; green building certification to be obtained as part of follow-up planning.	Finish renewable energy facility installation and green building construction at Kaohsiung Qiaotou Plant; apply for Green Building Silver Label certification.	Obtain Green Building Gold Label certification or higher for Kaohsiung Qiaotou Plant.
	Implement ISO 50001 Energy Management System in existing office and operating facilities.	Kaohsiung Qiaotou Plant projected to be complete by 2025; Energy Management System to be introduced as part of follow-up planning.	Install environmental and Energy Management Systems (ISO 50001) at Kaohsiung Qiaotou Plant; obtain third-party certification.	Maintain Kaohsiung Qiaotou Plant's third-party environmental and Energy Management Systems certification.

Note 1: The significant increase in electricity consumption primarily results from the full electrification of our corporate fleet vehicle, our expanded electric vehicle R&D capacity, and workforce growth.

Receive Net Zero Label-Green Level

Foxtron is responding to the global Paris Agreement initiative and Taiwan's 2050 Net Zero emissions targets. In addition to inventorying our greenhouse gas (GHG) emissions and getting verification for this, we also review our emissions annually. In 2024, we submitted an institutional net zero commitment plan to the Taiwan Alliance for Net Zero Emissions (TANZE). By committing to short, mid, long term, and ultimate net zero goals, we successfully passed TANZE's voluntary Net Zero Label guidelines and target verification, to earn a Net Zero Commitment Label-Green label certification.

As part of our carbon reduction actions, we completely replaced our corporate fleet vehicle in 2024 with our self-developed Model C electric vehicle. In addition to the already-installed charging stations at Baogao Science and Intellectual Park (hereinafter referred to as "Baogao Science Park"), we added our own extra chargers to create a user-friendly charging environment. Building on our core electric vehicle business and aligning with the Ministry of Transportation and Communications goal to fully electrify urban buses by 2030, we extended our electric bus product line to enter the mid-size (midi) bus market. Our Model T electric bus now operates in 10 counties and cities across Taiwan, and serves as the shuttle connecting Baogao Science Park with the Qizhang Taipei Metro station, providing transportation for all Baogao Science Park employees.

We will continue investing in carbon reduction initiatives and making steady progress toward net zero. We aim to achieve ever-higher levels of Net Zero Labels, from Bronze to Silver, then Gold, and even Diamond, while strengthening both our operating and product level decarbonization efforts. This reflects our determination and commitment to advancing meaningful carbon reduction actions.

Annual Highlights

Foxtron Carbon Reduction Initiatives

In October 2024, we received a certificate for Voluntary Compliance with the Net Zero Label Application Guidelines and a Net Zero Label - Green Level from the TANZE.

Model T serves as the shuttle bus between the Baogao Science Park and MRT Qizhang Station

My Carbon Reduction Passbook

Foxtron continues to integrate carbon reduction into daily operations. In 2024, we responded to the My Carbon Reduction Passbook citizen campaign jointly launched by the Transportation Department of Taipei City, New Taipei City, Keelung, and Taoyuan. We encouraged employees to use public transportation more frequently for commuting. Our HR department provided consultation for participation, and employees developed a sense of friendly competition around reducing carbon emissions. With strong support from all staff, we earned first place in Q1, Q2, and Q3 in the Model Enterprise category at Xindian's Baogao Science Park. Foxtron will continue to carry out operating carbon reduction actions and lead by example as a low-carbon product company.

In the 2024 My Carbon Reduction Passbook citizen campaign, Foxtron's carbon reductions far surpassed those of our competitors.

As part of Taipei City, New Taipei City, Keelung, and Taoyuan's My Carbon Reduction Passbook citizen campaign, Foxtron was named First Place in the Q1, Q2, and Q3 in the Model Enterprise category at Xindian's Baogao Science Park.

Model Enterprise in Carbon Reduction — Foxtron

Executive Secretary Chen Jung-Kuei (right) of the Sustainable Development Promotion Office receives the certificate on behalf of Foxtron from New Taipei City Mayor Hou You-yi.

Human Resources Department Section Chief Grace Yang receives the certificate on behalf of Foxtron from New Taipei City Vice Mayor Chen Chwen-jing.

5-1 Climate Change Management

5-1-1 Climate Change Risk Management

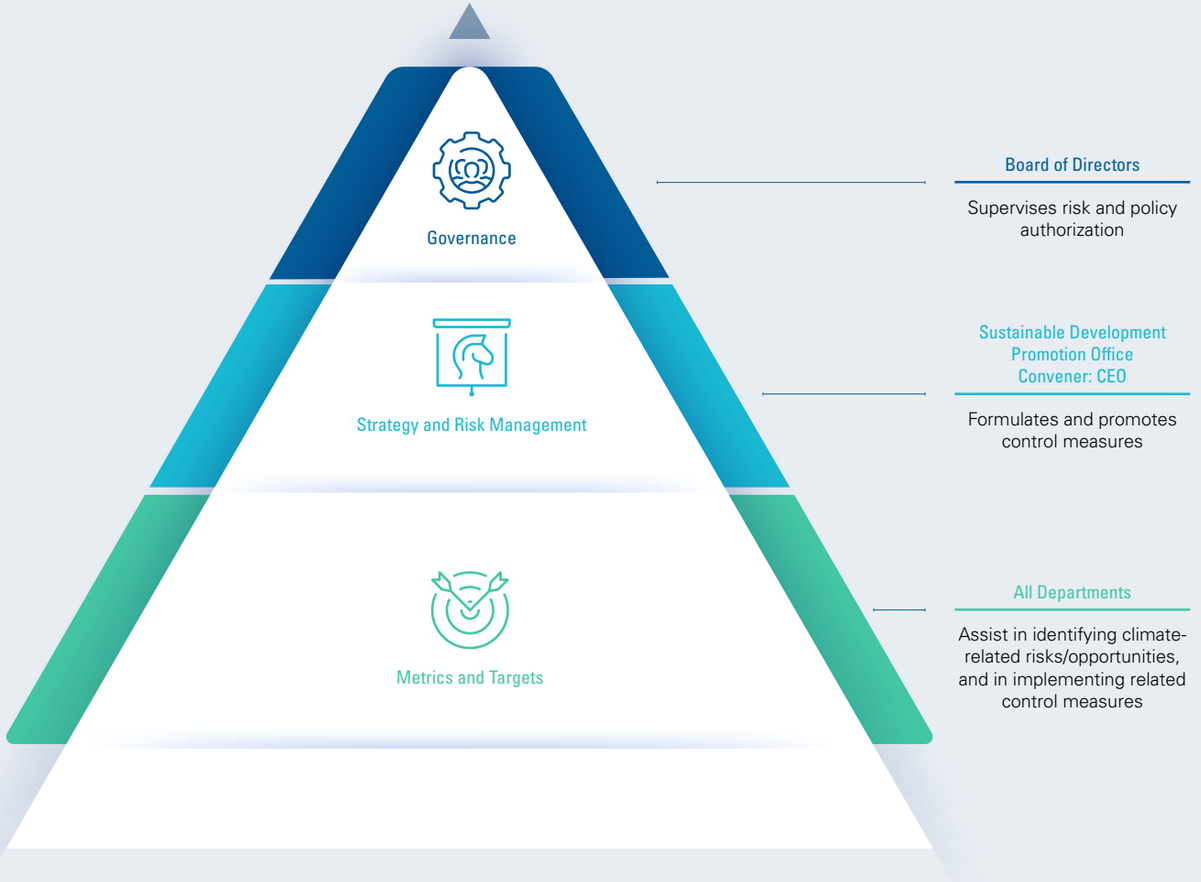
In the World Economic Forum's Global Risks Report 2024, five of the top ten global risks are related to the Environment, with extreme weather events ranking first. This highlights the urgency of the global climate crisis. In response, governments worldwide have introduced mandatory regulations requiring companies to assess the financial impacts of climate issues. Taiwan's Financial Supervisory Commission has also followed international trends, referencing the Task Force on Climate-related Financial Disclosures (TCFD) to amend regulations. These changes require listed companies to analyze the impacts of climate risks and opportunities, develop response strategies, and disclose climate-related information.

As a listed company in Taiwan, Foxtron is committed to addressing international trends in corporate sustainability, complying with government regulations, and meeting stakeholder expectations. We followed the TCFD framework, focusing on four core elements, namely Governance, Strategy, Risk Management, and Metrics and Targets. We conducted an analysis of climate-related risks and opportunities, identifying key climate risks and opportunities based on internationally recognized climate issues. We also analyzed the financial impacts of past and potential future events, setting corresponding strategies and management goals to mitigate the negative effects of climate issues on our operations. This approach enhance our resilience in operations and climate governance.

I. Governance

At the Board level, Foxtron's Board of Directors serves as the highest supervisory body for the overall management and progress tracking of climate-related issues. At the management level, the Sustainable Development Promotion Office under the board acts as the main unit for coordinating and managing climate-related matters. The Sustainable Development Promotion Office is led by the CEO, who provides regular oversight and guidance. Our senior executives lead team members in coordinating with internal and external stakeholders and communicating on climate issues. The office brings together representatives from all departments to identify climate-related risks and opportunities; develop response strategies and management goals; implement corporate objectives; and report results to the Board every year. Starting in 2024 Q2, the Sustainable Development Promotion Office began submitting quarterly reports to the Board covering sustainability topics such as climate issues. The office submitted five reports in 2024.

» Foxtron's Climate Governance Organizational Structure



II. Strategy and Risk Management

Foxtron integrates climate risk into our enterprise risk management framework by regularly conducting risk identification, assessment, monitoring, and auditing procedures to ensure effective management of key risks. In 2024, through internal evaluation, we identified four major risk categories: Strategic risk, operating risk, financial risk, and climate risk. The Administration and Operations Department oversees all risk topics except climate risk, which is managed by the Sustainable Development Promotion Office. Starting in 2025, the Business Management Department will regularly report on the progress of risk management items to the Board to ensure the effective operation of our risk management system. For detailed information on risk management and related measures, please refer to 2-2 "Legal Compliance and Ethical Management". Foxtron follows the TCFD framework to identify climate change-related risks and opportunities, and to develop response strategies and actions.

1. Foxtron's Signicant Climate Risk and Opportunity Assessment Process

Collect Climate Risks/Opportunities for Automotive Industry

- Based on our industry's characteristics, Foxtron studies and compiles publicly disclosed information from domestic and international benchmark companies. Through third-party research reports such as the CDP questionnaire, the Company consolidates related regulations and climate trends in our operating locations.
- Screening and listing of climate risks and opportunities relevant to Foxtron.

Inventory and Assess Foxtron's Climate Risks/Opportunities

- The Sustainable Development Promotion Office convenes departments within the Company to discuss climate issues related to company operations, and to inventory risks and opportunities. The Office also studies and explores domestic and international regulations, market trends, and technological developments.
- Each climate issue is analyzed by assessing factors such as its likelihood of impact, severity of impact, and timing of occurrence, to understand the potential impact and influence of climate issues on Foxtron.

Identify Foxtron's Major Climate Risks/Opportunities

- After evaluating the risk value based on the likelihood of impact and the severity of impact, discussions are held to summarize the major climate risks and opportunities identified by the Company.
- Implementing an inventory of climate-related risk and opportunity information, as well as management strategies.
- Climate risks and opportunities are then ranked in order of materiality.

Manage Major Climate Risks/Opportunities

- Based on Foxtron's overall business operations, development status, and strategic planning, management strategies are formulated to address major risks and opportunities.

2. Identification of Significant Climate Risks and Opportunities

In 2023, Foxtron introduced a climate risk and opportunity identification mechanism. This involved conducting a preliminary evaluation based on the Company's current development strategy, industry characteristics, market trends, and the local regulations at the Company's locations, combined with the latest international research reports and factors such as geographical climate characteristics. Through climate issue workshops held across departments, the Company assessed the current operating status, identify and evaluate various climate-related risks and opportunities. The evaluation covered the estimated impact timeline, the scope of the affected value chain, the likelihood of occurrence, and the potential severity of impact. Ultimately, 6 transition risks, 2 physical risks, and 4 opportunity topics relevant to Foxtron were selected, as detailed in the table below:

» **Evaluation of Foxtron's Significant Climate Risks and Opportunities**

Climate Risk			Risk Description	Impact Timeframe	Scope of Affected Value Chain	Likelihood of Impact	Severity of Impact
Transition Risk	Policies & Regulation	Cap/carbon tax/ carbon fee regulation	◆ The EVs in which we operate is not currently included in the categories subject to carbon fees under Taiwan's proposed government policy. However, with increasing pressure from the government's Net Zero emissions targets, regulations related to GHG reduction and energy conservation are becoming more stringent, which may lead to higher operating costs for Foxtron. In addition, Taipower's future power generation costs may rise due to government-imposed carbon fees, potentially causing electricity price fluctuations that could indirectly increase our energy procurement costs. At the same time, upstream metal raw materials may be affected by the EU Carbon Border Adjustment Mechanism (CBAM) and other countries' carbon pricing policies, further driving up the cost of raw material procurement.	Mid-term (4–5 years)	◆ Own operations ◆ Upstream suppliers	High	Moderate
		Product and service mandatory regulations	◆ Foxtron's main products include EVs technology R&D, vehicle and component manufacturing management, and EVs platform sales and services. While global regulations that encourage or mandate EVs adoption provide market expansion and sales opportunities, the popularization of electric vehicles also presents challenges. These include the gradual reduction of government incentives (e.g., super credits) for EVs, and the tax exemptions for new energy vehicles (e.g., Taiwan's halved commodity tax and full license tax exemption for EVs). Furthermore, manufacturers are now required to recycle batteries, pay higher disposal fees, extend warranty periods, and maintain production records could all potentially increase operating costs and risks for the organization.	Mid-term (4–5 years)	◆ Own operations ◆ Upstream suppliers ◆ Downstream customers	Moderate	Moderate
	Technology	Cost of transition to low-carbon technology	◆ Foxtron is a startup focused on the design and development of electric vehicles, components, and EVs platform sales and services. If the products fail to secure certain market share, the significant upfront investments in new technology development may result in lower returns and longer payback periods, thereby affecting the Company's profitability, potentially resulting in loss risks.	Long-term (5+ years)	◆ Own operations ◆ Downstream customers	Low	Low
	Market	Changes in customer behavior	◆ In the early stages of EVs development, consumers may hesitate to purchase due to the high price of Battery Electric Vehicles (BEVs) and insufficient charging infrastructure, opting instead to continue buying internal combustion engine (ICE) vehicles or hybrid vehicles. This could prolong the shift in purchasing intentions until EVs supply becomes sufficient and the charging environment becomes more user-friendly, at which point EVs might become the preferred choice for consumers. During this transition period, the Company's sales growth may slow down due to consumer indecision, posing a potential risk to business development. Foxtron will continue to monitor market trends to maintain competitiveness.	Mid-term (4–5 years)	◆ Own operations ◆ Downstream customers	High	Moderate
		Increase in raw material and energy resource costs	◆ Risk of rising raw material costs: In the highly competitive global EVs market, prices of critical rare metals used in batteries (e.g., lithium, cobalt, and nickel) may increase due to growing market demand, which would raise Foxtron's procurement costs. If extreme weather events such as floods, heavy rain, or snowstorms occur in supplier regions, this may disrupt raw material supplies, requiring us to switch to substitute parts or urgently replace suppliers. Under time-sensitive conditions, we may need to shift from sea freight to air freight, significantly increasing transportation costs. Delays in delivery may also expose us to the risk of penalty fees for breach of contract. ◆ Risk of energy and carbon fee costs: As carbon pricing policies and green energy transition initiatives advance, if Foxtron fails to adopt sufficient renewable energy or effectively manage energy efficiency, we will face the dual financial burden of carbon fees and green energy procurement. Even if we installed solar power equipment to reduce emissions, we would still need to bear the upfront investment and ongoing operation and maintenance costs, which would cause the Company's overall operating expenses to rise.	Short-term (0–3 years)	◆ Own operations ◆ Upstream suppliers ◆ Downstream customers	High	High
	Reputation	Stakeholder concerns and negative feedback	◆ If the Company's inability to respond properly to climate risks results in significant losses, we may face negative public attention that damages our brand image. This could weaken investor confidence and reduce consumer recognition of the brand, negatively impacting product sales and market share.	Mid-term (4–5 years)	◆ Own operations	Moderate	Moderate

Climate Risk			Risk Description	Impact Timeframe	Scope of Affected Value Chain	Likelihood of Impact	Severity of Impact
Physical Risk	Acute	Extreme weather events caused by climate change (including floods and typhoons)	◆ Disasters caused by extreme weather events (e.g., typhoons or flooding) may prevent employees from reporting to work, delaying project timelines and affecting product delivery. Such events could also cause property/equipment damage, increasing repair and operating costs. At the same time, they may disrupt the stability of upstream suppliers, affect contract manufacturer operations, and further delay delivery schedules.	Short-term (0–3 years)	◆ Own operations ◆ Upstream suppliers ◆ Downstream outsourced manufacturers and customers	Moderate	Moderate
	Chronic	Changes in rainfall (water) patterns and long-term shifts in climate, leading to events such as water scarcity, uneven rainfall distribution and rising average temperatures	◆ As global warming intensifies, temperatures continue to rise, and extreme climate fluctuations occur, we project increased usage of electricity, water, and gas, which will drive up energy expenditures and overall operating costs in our operations. ◆ Abnormal rises or drops in temperature caused by global warming will require enhancements to vehicle material designs and specification standards (e.g., heat and cold resistance), to adapt to climate change. This will increase the complexity of research, development, and testing processes, thereby raising R&D and product validation costs. ◆ Changes in rainfall patterns may affect upstream suppliers' shipping routes and logistics arrangements, leading to unstable supply and delayed delivery times. Water shortages may also affect the production capacity of specific components manufacturers (such as automotive computer chips), further affecting vehicle assembly schedules and supply stability.	Mid-term (4–5 years)	◆ Own operations ◆ Upstream suppliers ◆ Downstream contract manufacturers and customers	Moderate	Moderate

Note: Based on each risk/opportunity's position in the TCFD risk/opportunity matrix, scores from 0 to 4.5 are divided into three equal ranges: 1.5 or less is considered Low; greater than 1.5 but less than 3 is Medium; and 3 or more is High. This scoring is used to assess the likelihood and impact level of each risk or opportunity.

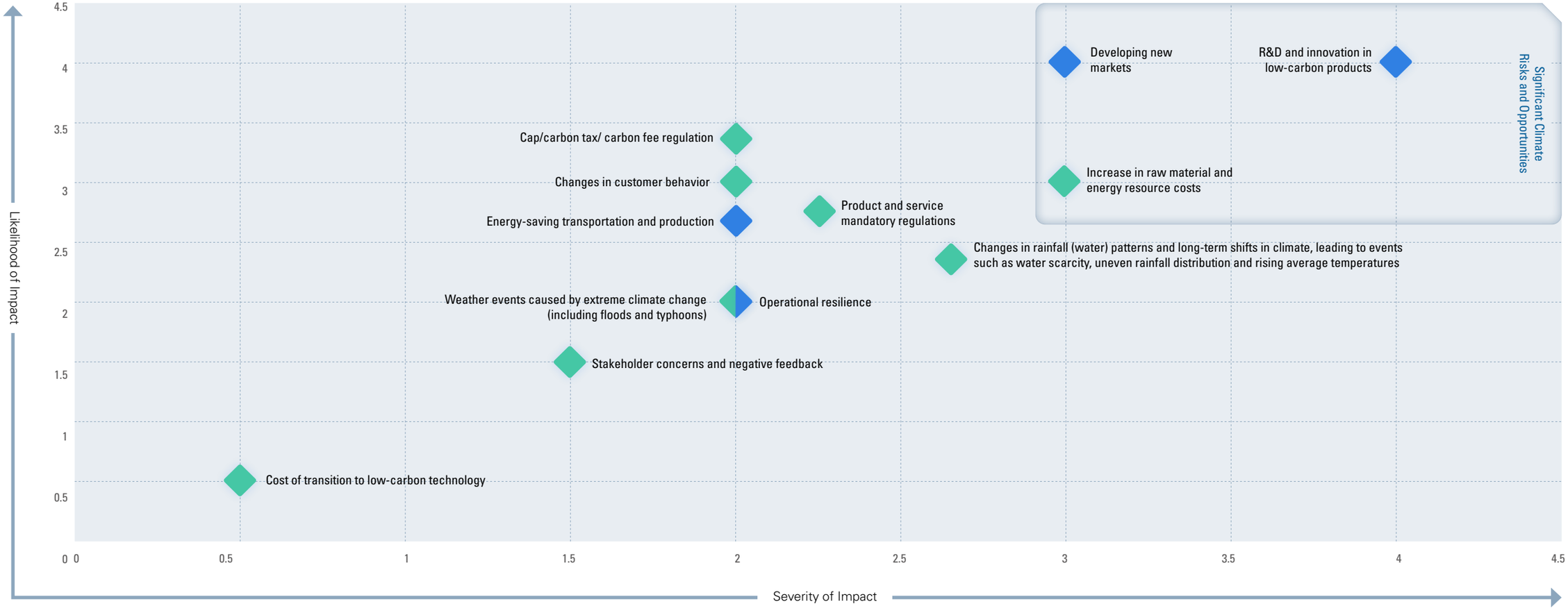
Climate Opportunities		Opportunities Description	Impact Timeframe	Scope of Affected Value Chain	Likelihood of Impact	Severity of Impact
Market	Developing new markets	◆ Foxtron is introducing low-carbon, high-performance, modular passenger vehicles (electric vehicles) as the main product for eco-friendly transportation. ◆ As public awareness of environmental issues increases, consumer behavior tends to favor transportation options that have a lower environmental impact and cause less pollution. Moreover, the rise of the sharing economy has made public transportation an increasingly important low-carbon travel option. Foxtron is developing commercial electric vehicles, such as electric buses, with the goal of leading in the electric vehicle market under the sustainability trend.	Short-term (0–3 years)	◆ Own operations ◆ Downstream customers	High	High
Innovative Products and Services	R&D and innovation in low-carbon products and services	◆ Foxtron is developing zero-carbon emission EVs products and continuously innovating and optimizing our product line (e.g., connectivity, intelligence, lightweight design) to meet consumer expectations and enhance the Company's performance. Significant R&D investment is also directed toward different types of vehicles to ensure ongoing technological innovation and competitiveness, enabling consumers to choose vehicle models with varying power capacities in accordance with their needs, thereby optimizing resource utilization.	Short-term (0–3 years)	◆ Own operations ◆ Downstream customers	High	High
Resource Efficiency	Energy-saving transportation and production	◆ Foxtron adopts low-energy consumption technologies, optimizes distribution systems, and prioritizes local procurement to enhance transportation efficiency. By using energy-saving, high-efficiency equipment and enhancing processes, the Company can achieve energy-saving and carbon reduction goals, thereby reducing production and logistics costs.	Mid-term (4–5 years)	◆ Own operations ◆ Upstream suppliers and logistics	Moderate	Moderate
Operational Flexibility	Operational resilience	◆ Foxtron collaborates with suppliers to enhance climate change risk management measures, thereby improving resistance and recovery capabilities when faced with uncontrollable factors and ensuring smooth operations and uninterrupted supply chains. This strengthens Foxtron's overall operating resilience along with that of the supply chain.	Mid-term (4–5 years)	◆ Own operations ◆ Upstream suppliers ◆ Downstream contract manufacturers	Moderate	Moderate

Note: Based on each risk/opportunity's position in the TCFD risk/opportunity matrix, scores from 0 to 4.5 are divided into three equal ranges: 1.5 or less is considered Low; greater than 1.5 but less than 3 is Medium; and 3 or more is High. This scoring is used to assess the likelihood and impact level of each risk or opportunity.

3. Significant Climate Risks and Opportunities: Financial Impact and Response Measures

Foxtron has identified the top three climate risks and opportunities based on a comprehensive scoring system, designating them as the material climate risk and opportunity topics for the year. These are: R&D and Innovation in Low-Carbon Products and Services; Developing New Markets; and Increased Raw Material, Energy, and Resource Costs. Based on the dynamics of the electric vehicle market, international trends, external research reports, and the practical experience of department heads, we have conducted further analysis of these topics. This process includes a further assessment of both the past and potential future impacts of climate change on the Company and formulated of response strategies and action plans.

» Foxtron TCFD Risk and Opportunity Matrix



» Foxtron's Key Climate-Related Risks and Opportunities Topics

Material Climate Risks and Opportunities

Climate Opportunities

R&D and Innovation in Low-Carbon Products and Services

Climate-Related Financial Impact Assessment

In response to the government's 2050 Net-Zero Emissions policy, Foxtron launches low-carbon products and the popularization of EVs through its Open Platform. By enabling platform sharing, we reduce development costs, shorten timelines, and leverage collective expertise to achieve economies of scale, while realizing the goal of cross-customer platform sharing. Under the Group's CDMS strategy, Foxtron plays a key role in providing design and supply chain management services to multiple brand customers. With vertical industry integration and professional specialization, we aim to strengthen technical capabilities, enhancing R&D efficiency, reducing costs, and expanding the market.

Adaptation and Response Measures

Foxtron continuously refines connectivity, intelligence, and lightweight design to enhance customer driving experience. We improve aerodynamic design to reduce energy consumption and enhance vehicle power; we adopt lightweight vehicle bodies and system upgrades to increase driving range; and Foxtron deepens the CDMS business model to strengthen technical capabilities, enhance R&D efficiency, reduce costs, and expand the market.

Developing New Markets

Climate-Related Financial Impact Assessment

In line with the trend toward net zero emissions, Foxtron is developing low-carbon passenger and commercial vehicles to meet the regulatory requirements of target markets and expand both domestic and international sales channels.

Adaptation and Response Measures

Beyond the domestic market, we also explore opportunities abroad:

1. Passenger Vehicles:
   We are launching our first model in the C-range vehicles, which has the highest market demand, and will subsequently develop B-range vehicles to expand the market. For example, we are actively developing Model B to target the B-range vehicles SUV market, leveraging a modular platform that reuses many C-range components to reduce development costs. In addition, we are advancing the development of D-range vehicles, introducing Model D—a new-generation LMUV— to meet the needs of the North American market. Foxtron continues to monitor demand in major markets and is building its presence in North America and Southeast Asia.
2. Commercial vehicles:
   In line with the government's 2030 policy goal of full urban bus electrification and rising market demand, Foxtron is actively investing in the R&D and production of electric buses, working with public transportation operators to obtain government procurement subsidies. Building on the large electric bus Model T, we are expanding into the midi-sized electric bus segment with the Model U. Designed for flexibility and multifunctionality, the Model U meets the needs of navigating urban alleys and driving in remote areas. At the same time, we are targeting Southeast Asian markets such as Thailand and Indonesia, introducing a right-hand-drive option in addition to the existing left-hand-drive configuration to better meet local requirements, accelerate regional market penetration and product deployment.

Climate Risks

Increased Raw Material, Energy Resource Costs

Climate-Related Financial Impact Assessment

The rise in raw material procurement costs is influenced by increased market demand and decreased supply. As green consumer awareness grows and demand for electric vehicles continues to rise, prices of key battery metals (e.g., lithium, cobalt, and nickel) have increased. If extreme weather events (e.g., typhoons or floods) occur in supplier regions, they may cause supply disruptions and delivery delays. Foxtron would then need to urgently replace suppliers or switch from sea freight to higher-cost air freight, which could also increase indirect greenhouse gas emissions.

Energy costs have also risen due to government implementation of carbon fees and renewable energy transition policies.

Adaptation and Response Measures

To manage raw material costs, we sign long-term procurement contracts with suppliers and establish raw material price adjustment mechanisms to avoid sharp price increases caused by market fluctuations; we increase the number of key component suppliers to stabilize the supply of raw materials; and we promote standardization and modularization to reduce the demand for critical raw materials and strengthen supply resilience.

In terms of energy use, we have built our own factories to establish an electric vehicle ecosystem and a full battery production chain, in order to expand capacity and reduce production costs. We continue to promote departmental participation in energy-saving and carbon reduction programs; and we are gradually upgrading workplace lighting, air conditioning, and water systems to smart energy-conserving systems to improve efficiency. We have installed a rooftop solar power system at our Xindian Baogao office and are planning solar installations on the rooftops of future plants to increase the use of renewable energy, lower long-term energy costs, and reduce carbon emission risks.

III. Metrics and Targets

Foxtron continues to set and advance climate-related targets. Using 2023 as the baseline year, we have established a short-term goal of reducing electricity consumption at all operating sites by 3% by 2026 (1% reduction per year). Our medium-term goal is to reduce Scope 1 and Scope 2 emissions at all operating sites by 40% by 2028 compared to the baseline year; our long-term goal is to achieve net-zero at all office locations by 2030, and at all operating sites by 2050. In 2024, we were awarded the Net Zero Commitment Label-Green Label certification by the Taiwan Alliance for Net Zero Emissions (TANZE). Starting in the second quarter of 2024, our Sustainability Development Promotion Office has submitted quarterly reports to the board on the implementation and achievement of climate-related targets. The execution results for 2024 were approved by the board in the fourth quarter.

» **Foxtron's Climate-Related Metrics and Targets**

Item	2024		2025 - 2029	≥ 2030
	Targets	Implementation	Short to Mid-term	Long-term
GHG Emissions Management	Decrease 2024 electricity consumption by 1% as compared to the baseline year, 2023.[1]	Electricity consumption increased by 79% compared to the previous year. This was primarily due to the full electrification of the corporate fleet vehicle, expansion of electric vehicle R&D capacity, and workforce growth.	By 2028, reduce Scope 1 and Scope 2 emissions at Taiwan operating sites by 40% compared to the baseline year 2023.	Achieve net-zero at all office locations by 2030, and at all operating sites by 2050.
	The progress of GHG emissions management is reported to the Board of Directors at least annually.	Reported GHG emissions management progress to the board four times.	Provide updates on GHG emissions management progress to the Board of Directors quarterly.	Provide updates on GHG emissions management progress to the Board of Directors quarterly.
	Gradually phase out internal combustion engine (ICE) corporate fleet vehicles.	Starting in June 2024, we replaced 8 ICE corporate fleet vehicles and added 17 electric vehicles; achieving full electrification of the corporate fleet vehicle in 2024.	Maintain full electrification for the corporate fleet vehicle.	Maintain full electrification for the corporate fleet vehicle.
	Promote internal carbon reduction awareness among employees.	In 2024, participated in the "My Carbon Reduction Passbook" campaign organized by Taipei City, New Taipei City, Keelung, and Taoyuan, and was named First Place in the Model Enterprise category for Q1, Q2, and Q3 at Xindian's Baogao Science and Intellectual Park. Also joined media interviews and a promotional video.	Continuously promotes internal carbon reduction awareness among employees.	Continuously promotes internal carbon reduction awareness among employees.
	Participate in environmental initiatives and apply for Net Zero Label.	In October 2024, obtained a certificate for Voluntary Compliance with the Net Zero Label Application Guidelines and a Net Zero Label-Green-Level Label from the TANZE.	Respond to domestic and international environmental initiatives; obtain certification for such.	Respond to domestic and international environmental initiatives; obtain certification for such.
Promotion of Low-Carbon Products	Continue to launch low-emission, high-efficiency electric vehicles for both passenger and commercial use.	In 2024, the Model C achieved annual sales of 8,187 units, resulting in an estimated carbon reduction of approximately 11,871 metric tons. Cumulative sales of the Model T exceeded 150 units, contributing an estimated carbon reduction of 5,166 metric tons. In 2025, the new Model B was launched, and exports of Model C are being promoted, which are expected to significantly boost overall sales.[2]	Continue to launch low-emission, high-efficiency electric vehicle models.	Continue to launch low-emission, high-efficiency electric vehicle models.
Energy Efficiency Management	Implement ISO 50001 Energy Management System in existing office and operating facilities.	Kaohsiung Qiaotou Plant projected to be complete by 2025; Energy Management System to be introduced as part of follow-up planning.	Install environmental and Energy Management Systems (ISO 50001) at Kaohsiung Qiaotou Plant; obtain third-party certification.	Maintain Kaohsiung Qiaotou Plant's third-party environmental and Energy Management Systems certification.
	Planning new construction projects to achieve green building certification (LEED etc.).	Kaohsiung Qiaotou Plant projected to be complete by 2025; green building certification to be obtained as part of follow-up planning.	Finish renewable energy facility installation and green building construction at Kaohsiung Qiaotou Plant; apply for Green Building Silver Label certification.	Obtain Green Building Gold Label certification or higher for Kaohsiung Qiaotou Plant.

Note 1: The 2024 target of reducing electricity consumption by 1% compared to the previous year was set considering that Foxtron was established in 2020; our main sites consist of newly-constructed buildings; most equipment already incorporates energy-saving features; and the Company's core business focuses on R&D and design, primarily conducted in office spaces, followed by laboratories. As a result, the potential for carbon reduction is relatively limited. At the same time, our operations are in a growth phase with an increasing number of vehicle models under development, electricity consumption is expected to continue rising to support expanded testing capacity.

Note 2: In accordance with the Ministry of Transportation's presentation on "Carbon-free & Electric Vehicles", based on the Twelve Key Strategies and on Taiwan's Pathway to Net-Zero Emissions in 2050, the electrification of urban buses can reduce carbon emissions by 34.44 tons per bus per year; replacing a small passenger vehicle with an electric vehicle can reduce carbon emissions by 1.45 tons per vehicle per year.

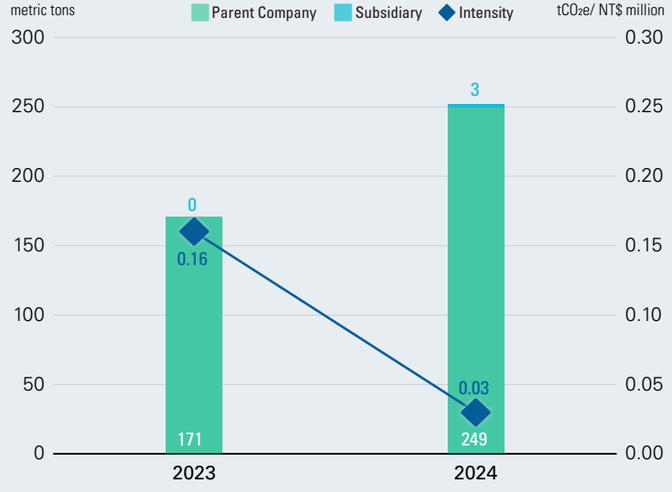
5-1-2 GHG Management

Since 2023, Foxtron has conducted greenhouse gas (GHG) inventories in accordance with the GHG Protocol and has obtained third-party external assurance. 2023 was our first full-year inventory and was designated as the baseline year. This serves as the basis for identifying and analyzing our main emission hotspots and developing corresponding carbon reduction plans.

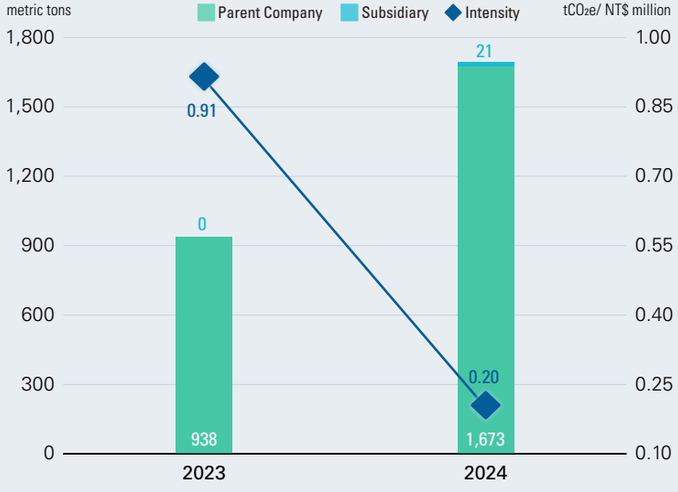
Following external assurance for 2024, the total Scope 1 and 2 GHG emissions for the parent entity amounted to 1,921.837 tCO_2e. Purchased electricity under Scope 2 was the primary source of emissions, covering electricity used at operating sites, charging for electric corporate fleet vehicle, and electricity for electric vehicle (EV) R&D and testing. Due to full electrification of our corporate fleet vehicle in 2024, expanded EV R&D capacity, and workforce growth, overall electricity demand increased significantly. Additionally, the expansion of inventory coverage sites in 2024 led to a 73.30% increase in the parent entity's Scope 1 and Scope 2 emissions compared to the baseline year.

In compliance with Financial Supervisory Commission (FSC) regulations, we completed GHG inventories for subsidiaries included in the 2024 consolidated financial statements. The total Scope 1 and Scope 2 emissions from all operating sites within the consolidated scope amounted to 1,946.122 tCO_2e, with Scope 1 accounting for 12.97% and Scope 2 for 87.03%. For emission trends, please refer to the chart below; for detailed emission data, please see Appendix 2: Environmental Data Summary Table.

» Scope 1 Direct GHG Emissions



» Scope 2 Indirect GHG Emissions (From Purchased Energy)



Note 1: The year 2023 serves as the inventory baseline year; 2023 inventory coverage included operating sites in Taiwan.

Note 2: In 2024, additional operating sites under the parent company were added, along with new subsidiaries included in the consolidated financial statements. These locations comprise the Hangzhou subsidiary in Mainland China and its Fuzhou office, as well as the U.S. subsidiary.

5-2 Energy Resource Management

Foxtron continues to strengthen energy and resource management by adopting electricity- and water-saving equipment, developing efficiency optimization systems, and reducing waste of raw materials and office supplies in daily operations. We are also installing energy storage systems at new operating sites and planning to introduce an ISO 50001 Energy Management System to improve energy information distribution efficiency and reduce idle time and resource overuse. In addition, we have set a goal for 50% of electricity used at Taiwan operating sites to come from green energy by 2030. We will expand renewable energy procurement to reduce energy-related carbon emissions.

In 2024, began construction on a new plant at the Kaohsiung Qiaotou Science Park, designed with low-carbon green building methods and ecological landscaping; we project the plant to be completed by the end of 2025. This site is planned to obtain Silver-level Green Building certification to support the development of an industrial park that integrates smart technology and environmental sustainability.

5-2-1 Energy Management

Foxtron continues to implement multiple energy-saving and carbon-reduction measures. In 2024, we replaced our entire corporate fleet vehicle of internal combustion engine (ICE) corporate fleet vehicles with electric vehicles (EV), resulting in a significant decrease in gasoline consumption. Total energy consumption in 2024 was 12,610.15 gigajoules (GJ), with an energy intensity of 1.48 GJ per NT$ million. Although overall energy use increased by 64% compared to 2023, energy intensity dropped by 80% from the previous year. This decline not only reflects a significant increase in 2024 revenue but also demonstrates the effectiveness of our ongoing energy-saving initiatives. The increase in purchased electricity use was mainly due to our status as a growing startup. As both our workforce grew and EV development activities expanded, overall electricity demand increased accordingly.

In 2024, Foxtron's corporate fleet vehicles switched entirely to EVs.

1. Equipment Efficiency

When investing in equipment, we prioritize products with energy-saving labels and have fully adopted LED lighting in newly renovated office areas, for a total investment of NT$1,668,330. In addition, starting in October 2023, we began registering newly added electric vehicles, and by 2024 completed the purchase of 17 electric corporate fleet vehicles while fully retiring 8 legacy ICE vehicles, demonstrating our commitment to low-carbon transportation.

2. Daily Energy Savings from Employees

The Company internally promotes the My Carbon Reduction Passport campaign organized by the Taipei, New Taipei, and Taoyuan governments; and we encourage employees to commute via mass transit. By registering through the app, and linking to their EasyCard, they accumulate Carbon Reduction Point. For details, see the "Annual Highlights in Chapter 5".

3. Installation of Renewable Energy Facilities

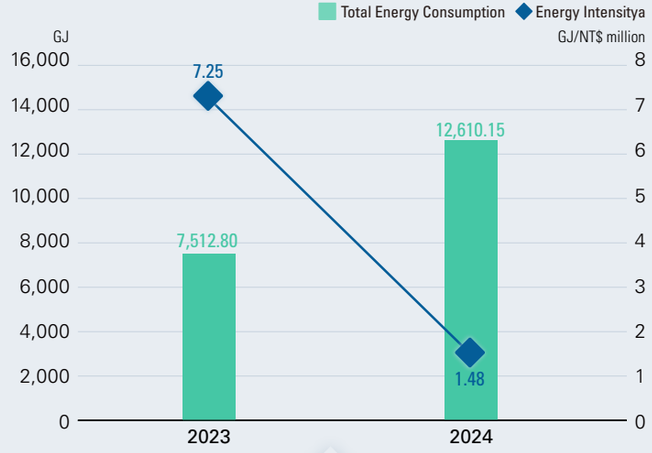
At the end of 2023, the Company began installing solar panels and related power distribution systems on the rooftop of Building A in the Baogao Science and Intellectual Park, which became operating in 2024. A total of 28 solar panels cover 51 square meters in area and have a total installed capacity of 10.64 kW. The total investment amounted to NT$3,438,411. It is estimated that the system will reduce approximately 4,668.69 $kgCO_2$ emissions per year[1].

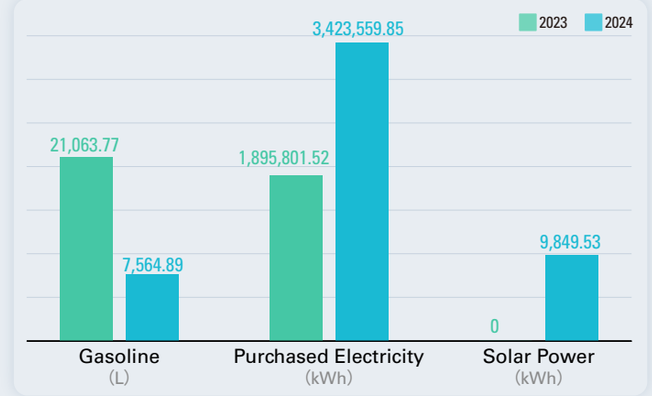
Solar power inverters on the rooftop of our Baogao Science Park building.

Solar panels on the rooftop of our Baogao Science Park building.

Note 1: In accordance with the 2024 data published by the Ministry of Economic Affairs' Energy Administration, the emission factor for electricity is 0.474 $kgCO_2/kWh$. Each solar panel installed by Foxtron generates 351.77 kWh of electricity per year, which is equivalent to an annual reduction of approximately 166.71 $kgCO_2e$ per panel. Based on this initial estimate, then, the solar panel system installed by the Company can reduce approximately 4,668.69 $kgCO_2e$ of emissions per year.

» Energy-Related Data Disclosure





Note: 2023-2024 statistics cover operating locations in Taiwan, including the corporate headquarters, regional and temporary offices, laboratories, warehouses, dormitories, and other facilities. In 2024, the scope was expanded to include additional operating sites under the parent company, along with newly added to the consolidated financial statements. These locations comprise the Hangzhou subsidiary and its Fuzhou office, as well as the U.S. subsidiary.

5-2-2 Water Resource Management

Taiwan ranks as the eighteenth most water-scarce country in the world, with per capita rainfall being only one-sixth of the global average. To assess whether our operating sites face water-related risks, Foxtron uses the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI) to evaluate the water risk levels of the regions where each site is located. We will continue to monitor water stress at each site every year to ensure that our operations do not pose potential impacts on local communities and ecosystems.

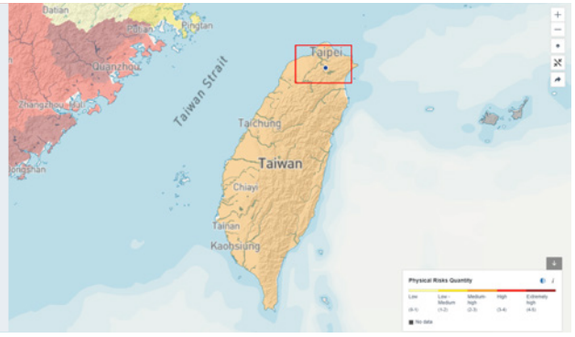
In daily operations management, we regularly promote water conservation awareness among employees. At our Xindian headquarters building, water-saving equipment such as sensor-activated faucets and low-flow toilets are installed. In 2024, we invested NT$185,000 to implement a water treatment system in the air conditioning system cooling towers. This replaced manual management and monitoring of office water usage and water quality. The Baogao Science Park is also equipped with a rainwater harvesting system, which works with a water-saving irrigation system to reduce water use when watering plants. At the same time, we are planning the wastewater treatment system for our new Kaohsiung Qiaotou plant. All domestic wastewater will be directed to public sewers or treatment systems to minimize environmental impact.

Foxtron's current water supply comes from municipal sources, and there have been no incidents of environmental damage to surrounding water resources. Our Hangzhou and Fuzhou offices are used for administrative purposes, consume relatively small amounts of water, and draw from municipal tap water systems rather than natural water bodies. As such, their water use has not affected local water availability or quality. However, the Miaoli Sanyi office and the Changhua vehicle testing lab both draw groundwater. Both are located on leased premises where water is shared with the landlord, and because independent water meters are not installed, we do not have separate water usage data for them.

Considering our continued expansion of new operating sites and scale, along with the water demand required for R&D scenario testing processes, significant water usage is sometimes unavoidable. We assist each site in developing water-saving plans and have set a goal to reduce the water intensity of all operating sites in Taiwan by 3% compared to the previous year. In 2024, Foxtron total water consumption was 11,412 metric tons, with a water intensity of 1.34 metric tons per NT$ million. Although water intake increased this year due to company expansion and workforce growth and the annual target was not achieved, water intensity decreased by 83% compared to the previous year. This was not only due to the substantial revenue growth from official Model C deliveries but also reflected the effectiveness of our water-saving initiatives. Please refer to Appendix 2, Environmental Performance Data Table, for detailed data.

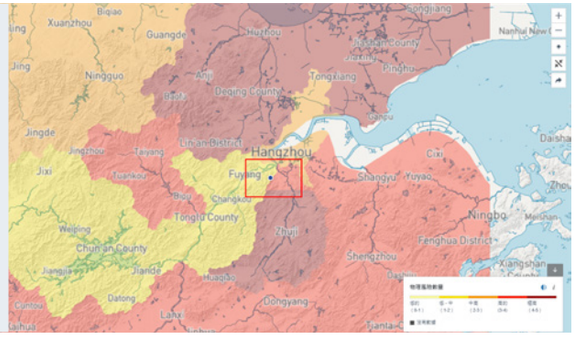
Taiwan headquarters

Foxtron's Taiwan headquarters is located in Xindian District, New Taipei City, Taiwan. The water source is tap water supplied by the Feitsui Reservoir. According to the WRI Aqueduct Water Risk Atlas, the overall water risk level for this area is classified as low risk, with no significant water stress.



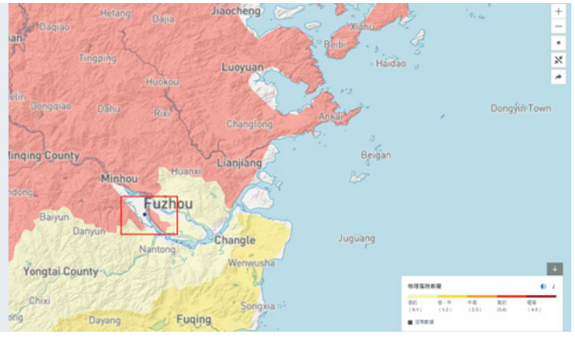
Hangzhou Office Subsidiary

Our Hangzhou subsidiary is located in an area classified as having low to medium overall water risk, adjacent to a high-risk zone. We will continue to monitor changes in water resource stress to prevent potential issues such as water shortages or flooding.



Fuzhou Office of Hangzhou Subsidiary

Our Fuzhou office is located in a low-risk area. However, similar to the Hangzhou site, it is adjacent to a region with high water stress. We will continue to monitor related water resource pressures to prevent potential future challenges such as water scarcity or flooding.



» **Water Resource Usage and Water Intensity Over the Past Two Years**

Note 1: Total water withdrawal for 2023 includes tap water from the Taiwan Headquarters (Baogao Science and Intellectual Park), New Taipei Yulon City, the Guanyin Laboratory in Taoyuan, and the Changhua Dormitory.

Note 2: In 2024, in response to the competent authority's requirement, the inventory scope was expanded to include the parent company and subsidiaries covered by the consolidated financial statements. Accordingly, the water usage boundary in Taiwan was adjusted to align with this change and further extended to include the Hangzhou subsidiary in Mainland Chain and its Fuzhou office, as well as the U.S. subsidiary.

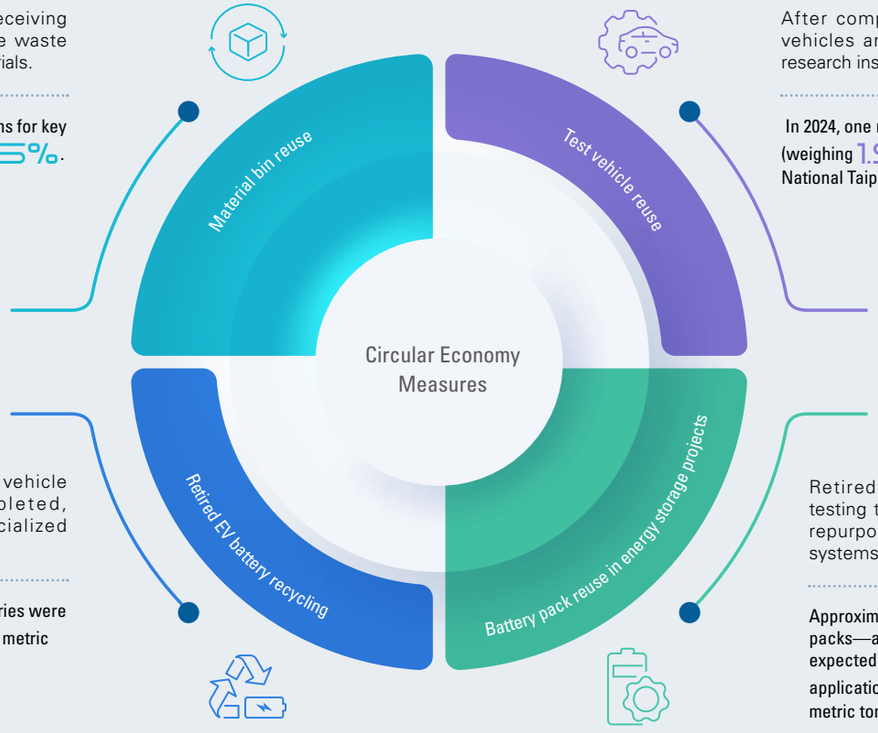
5-2-3 Waste Management

Foxtron continues to enhance its material and waste management efforts, aiming to reduce waste of raw materials and office supplies in our daily operations. We promote circular economy initiatives, including reusing material bins used for receiving vehicle components; reusing R&D test vehicles; and recycling and repurposing retired vehicle batteries. For example, batteries that have been retired from vehicle R&D and testing which retain a certain degree of efficiency are planned for use in the energy storage system at the new Kaohsiung Qiaotou plant. This helps extend battery life and further improve energy and resource efficiency.

We have established comprehensive waste disposal procedures. All industrial waste disposal must be reported and approved by the responsible supervisor before disposal, and is collected and treated by contracted waste management companies. For scrap generated during the R&D testing phase, we perform internal disassembly and sorting before recycling. Valuable waste is sold to recyclers to promote resource circularity. In 2024, the scrapped-material recycling rate was 64%.

We reuse material bins for receiving vehicle components to reduce waste from single-use packaging materials.

In 2024, the reuse rate of material bins for key material procurement reached 85%.



After completing testing, we refurbish vehicles and provide them to academic research institutions for R&D applications.

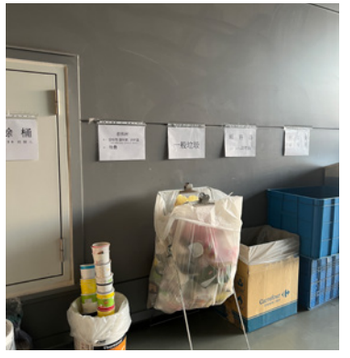
In 2024, one refurbished vehicle (weighing 1.9 metric tons) was provided to National Taipei University of Technology.

Once retired batteries from vehicle R&D testing are fully depleted, we hand them over to specialized recyclers.

In 2024, a total of 38 retired EV batteries were recycled, amounting to 17.16 metric tons.

Retired batteries from vehicle R&D testing that pass safety inspections are repurposed for use in energy storage systems at newly constructed plants.

Approximately two containers of battery packs—around 60 retired batteries—are expected to be repurposed for second-life applications, reducing around 34.2 metric tons of battery waste.



Implementing general waste sorting.

Reusing material bins originally used for the delivery of car body components.

After scrapping, the BIW is handled by a specialized recycler.

A vehicle's BIW.

To effectively manage our volume of operating waste generated, Foxtron set an absolute reduction target, using 2023 as the baseline year, to reduce the total weight of non-hazardous waste by 1% per year as compared to the previous year. In 2024, the total waste volume was 472.23 metric tons, with a waste intensity of 0.06 metric tons per NT$ million. Of this, hazardous waste amounted to 0 metric tons; non-hazardous waste included 344.53 metric tons sent for incinerated and 127.70 metric tons recycled. Although overall waste volume increased this year due to company growth and workforce expansion, waste intensity decreased by 75% compared to the previous year, and our recycling rate improved by 26%. This was not only due to significant revenue growth in 2024 but also reflects the results of our waste reduction and circular economy efforts. Please refer to Appendix II, Environmental Performance Data Table, for detailed data.

» Scrapped Material Recycling Statistics

Wooden pallets

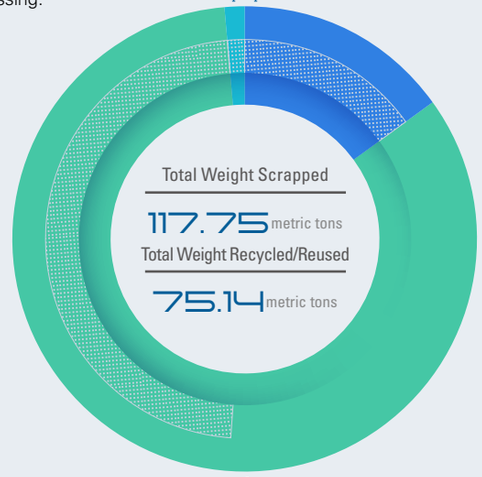
- Total Weight: 1.76 metric tons
- Recycling: 1.76 metric tons

The total weight of wooden pallets used for vehicle battery packs is calculated based on single pallets and the quantity recycled. Once sorted, they are handled by specialized recyclers for recovery and processing.

BIW

- Total Weight: 17.58 metric tons
- Recycling: 17.58 metric tons

35 bodies-in-white (BIW) recycled. The interior is first removed from the steel chassis and sorted, then the chassis itself is provided to a recycler for collection and reuse.



Test vehicles

- Total Weight: 98.41 metric tons
- Recycling: 55.85 metric tons

The scrapped weight for test vehicles is calculated as the overall weight when the vehicle is transferred to the recycler. Undamaged components such as the reinforced steel frame and battery are handled by specialized recyclers for recovery and processing.

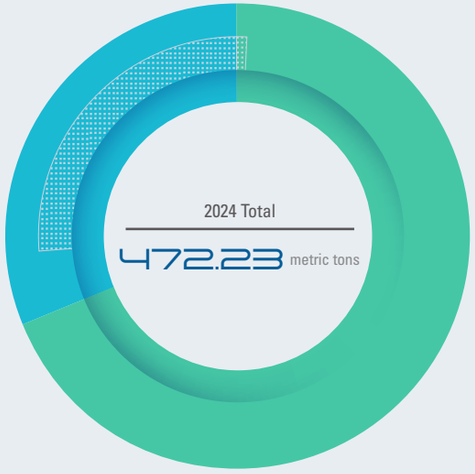
» Waste Statistics for the Reporting Year

Non-hazardous Waste

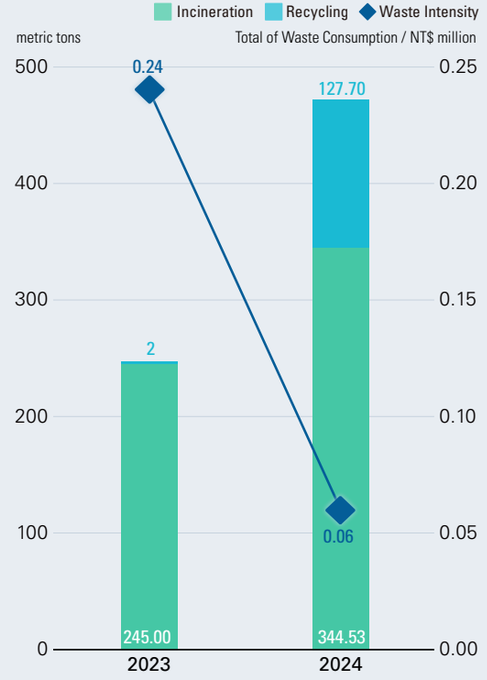
- Total: 147.17 metric tons
- Recycling: 123.07 metric tons

Hazardous Waste

- Tota: 326.06 metric tons
- Recycling: 4.63 metric tons



» Waste Data Over the Past Two Years



Note 1: 100% of waste is handled off-site by qualified contractors; the statistical scope includes only Foxtron's own operations and does not cover our upstream or downstream value chains.

Note 2: The scope of 2023 waste statistics includes New Taipei Yulon City; the Sanyi Laboratory (office) in Miaoli; the Guanyin Laboratory in Taoyuan; and the Vehicle Laboratory in Changhua. Starting in November 2023, Foxtron started moving into Baogao Science and Intellectual Park. As waste data from this site was not yet available, Baogao Science Park is not included in the above statistics.

Note 3: In 2024, the competent authority required enlarging the inventory scope to include the parent and subsidiary companies covered by the consolidated financial statements; the waste data boundary was aligned accordingly, covering not only operating sites in Taiwan but also the Hangzhou subsidiary in Mainland China and its Fuzhou office.

Appendices

Appendix 1: Global Reporting Initiative Index

GRI Content Index	
Statement of Use (SOU)	Foxtron has reported content for the period Jan. 1, 2024 to Dec. 31, 2024 in accordance with the GRI Standards.
GRI 1 applied	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Not applicable

GRI Standard Disclosure Topics			
GRI Standard	Disclosure topic	Page	Supplementary explanation
General Disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	P.7-8	
	2-2 Entities included in the organization's sustainability reporting	P.2	
	2-3 Reporting period, frequency and contact point	P.2	
	2-4 Restatements of information	-	There were no restatements of information this year.
	2-5 External assurance	P.2, 117	
	2-6 Activities, value chain and other business relationships	P.7-8	
	2-7 Employees	P.7, 72-73	
	2-8 Workers who are not employees	P.72	
	2-9 Governance structure and composition	P.25-27	
	2-10 Nomination and selection of the highest governance body	P.26	
	2-11 Chair of the highest governance body	-	The Company's Chairman of the Board does not simultaneously serve within the highest governance body.
	2-12 Role of the highest governance body in overseeing the management of impacts	P.25	
	2-13 Delegation of responsibility for managing impacts	P.9	
	2-14 Role of the highest governance body in sustainability reporting	P.9	
	2-15 Conflicts of interest	P.26	

GRI Standard Disclosure Topics			
GRI Standard	Disclosure topic	Page	Supplementary explanation
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	-	In 2024, no critical concerns have occurred.
	2-17 Collective knowledge of the highest governance body	P.26	
	2-18 Evaluation of the performance of the highest governance body	P.27	
	2-19 Remuneration policies	P.28	
	2-20 Process to determine remuneration	P.28	
	2-21 Annual total compensation ratio	P.28	
	2-22 Statement on sustainable development strategy	P.3, 10	
	2-23 Policy commitments	P.30-31, 37-40, 61-68, 76-77	
	2-24 Embedding policy commitments	P.30-32, 37-40, 61-68, 76-77	
	2-25 Processes to remediate negative impacts	P.30-31, 37-40, 61-65, 76-77	
	2-26 Mechanisms for seeking advice and raising concerns	P.30-31, 37-40, 61-65, 76-77	
	2-27 Compliance with laws and regulations	P.32	
	2-28 Membership associations	P.29	
	2-29 Approach to stakeholder engagement	P.11-13, 16-20, 22, 42, 70, 90	
	2-30 Collective bargaining agreements	-	In 2024, there were no collective bargaining agreements.

GRI Standard Disclosure Topics			
GRI Standard	Disclosure topic	Page	Supplementary explanation
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	P.14	
	3-2 List of material topics	P.14-15	

GRI Standard Disclosure Topics			
GRI Standard	Disclosure topic	Page	Supplementary explanation
Corporate Governance and Financial Performance			
GRI 3: Material Topics 2021	3-3 Material Topics Management	P.16-20, 22, 42, 70, 90	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	P.29	
	201-4 Financial assistance received from government	P.29	
Legal Compliance and Ethical Management			
GRI 3: Material Topics 2021	3-3 Material Topics Management	P.22	
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	P.30-31	
	205-3 Confirmed incidents of corruption and actions taken	-	In 2024, there were no incidents of anti-corruption behavior.
Information Security and Privacy Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	P.22	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	In 2024, there were no incidents of customer privacy leaks.
Technology R&D and Innovation			
GRI 3: Material Topics 2021	3-3 Material Topics Management	P.42	
Product Quality Management and Customer Relations			
GRI 3: Material Topics 2021	3-3 Management of material topics	P.42	
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	P.62	
Sustainable Supply Chain Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	P.42	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	P.68	

GRI Standard Disclosure Topics			
GRI Standard	Disclosure topic	Page	Supplementary explanation
Labor Relations, Talent Retention and Cultivation			
GRI 3: Material Topics 2021	3-3 Material Topics Management	P.70	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	P.73	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P.74-75	
	401-3 Parental leave	P.75	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	P.78-79	
	404-2 Programs for upgrading employee skills and transition assistance programs	P.73	
	404-3 Percentage of employees receiving regular performance and career development reviews	P.79	
Workplace Diversity and Equality			
GRI 3: Material Topics 2021	3-3 Management of material topics	P.70	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	P.72-73	
	405-2 Ratio of basic salary and remuneration of women to men	P.28	
Occupational Safety and Health			
GRI 3: Material Topics 2021	3-3 Material Topics Management	P.70	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	P.80	
	403-2 Hazard identification, risk assessment, and incident investigation	P.81-82	
	403-3 Occupational health services	P.86	
	403-4 Worker participation, consultation, and communication on occupational health and safety	P.80	
	403-5 Worker training on occupational health and safety	P.85	
	403-6 Promotion of worker health	P.86	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P.83	
	403-8 Workers covered by an occupational health and safety management system	P.80, 83	
	403-9 Work-related injuries	P.83	
	403-10 Work-related ill health	P.83	

GRI Standard Disclosure Topics			
GRI Standard	Disclosure topic	Page	Supplementary explanation
Climate Change Management			
GRI 3: Material Topics 2021	3-3 Material Topics Management	P.90	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	P.100, 112	
	305-2 Energy indirect (Scope 2) GHG emissions	P.100, 112	
	305-4 GHG emissions intensity	P.112	
	305-5 Reduction of GHG Emissions	P.100	

GRI Standard Disclosure Topics			
GRI Standard	Disclosure topic	Page	Supplementary explanation
Other topics			
	GRI 300: Environmental		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	P.100-101, 113	
	302-3 Energy intensity	P.113	
	302-4 Reduction of energy consumption	P.100-101, 113	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	P.102, 113	
	303-3 Water withdrawal	P.102, 113	
	303-4 Water discharge	P.102, 113	
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	P.103-104, 114	
	306-3 Waste generated	P.103-104, 114	
	306-5 Waste directed to disposal	P.103-104, 114	

Appendix 2: Environmental Data Summary Table

Climate-related Information of Listed Company

	Items	Corresponding section	Page
1	Describe the board of director's and management's oversight and governance of climate-related risks and opportunities.	5-1-1 Climate Change Risk Management – Governance	P.93
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short-, mid-, and long term).	5-1-1 Climate Change Risk Management – Strategy and Risk Management	P.94-98
3	Describe the financial impact of extreme weather events and transformative actions.	5-1-1 Climate Change Risk Management – Strategy and Risk Management	P.94-98
4	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	5-1-1 Climate Change Risk Management – Strategy and Risk Management	P.94-98
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Scenario analysis is not used for evaluation	-
6	If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	5-1-1 Climate Change Risk Management – Metrics and Targets	P.99
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Internal carbon pricing tools are not used	-
8	If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	5-1-1 Climate Change Risk Management – Metrics and Targets	P.99

Items	Corresponding section	Page
Greenhouse gas inventory, assurance status, reduction targets, strategies, and concrete action plans 1-1 Company's greenhouse gas inventory and assurance status for the most recent two fiscal years	5-1-2 GHG Management	P.100

1-1-1 Greenhouse gas inventory information

Scope/Year		2023 GHG Emissions (tCO_2e)	2023 Carbon Intensity (tCO_2e/ NT$ million)	2024 GHG Emissions (tCO_2e)	2024 Carbon Intensity (tCO_2e/ 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
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: Seven types of GHGs are included in the 2024 inventory: Carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

Note 4: Emission factors are sourced from the Ministry of Environment's GHG Emission Factor Management Table, version 6.0.4, and the MOENV's Carbon Footprint Information Platform. GWP values are based on IPCC AR6 (2021). Scope 1 emissions are calculated using calorific values from the MOEA Energy Administration's Heat Content of Energy Products table.

Note 5: Scope 2 emissions from purchased electricity in 2024 are calculated using location-based methodology. For Taiwan, the emission factor used is 0.494 $kgCO_2e$/kWh, based on the MOEA Energy Administration's 2023 figures, as the 2024 value has not yet been announced. For mainland China, the factor used is 0.5617 $kgCO_2e$/kWh, from Ministry of Ecology and Environment/National Bureau of Statistics Announcement No. 33 (2024), based on East China's 2022 regional grid.

Note 6: Emission intensity is calculated based on annual operating revenue, with the unit expressed in NT$ million.

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◆ Summary of Foxtron's GHG Emissions in 2024

GHG Category	CO_2	CH_4	N_2O	HFCs	PFCs	SF_6	NF_3	Total (metric tons CO_2e)
Scope 1+Scope 2	1,710.4504	8.7013	0.3750	226.5955	0.0000	0.0000	0.0000	1,946.1222

1-1-2 Greenhouse gas assurance information

Items	2024
Assurance boundary	Parent Company (Taiwan)
Assurance Institutes	PwC Taiwan
Assurance standard	Assurance standard 3410 Greenhouse Gas Statement Assurance Engagement (TWSAE 3410) limited assurance
Assurance opinion(s)	No conclusion reserved
Comment(s)	

1-2 Greenhouse gas reduction targets, strategies, and concrete action plans, please see 5-1-2 GHG Management

Energy-Related Data Disclosure

» Energy Consumption and Energy Intensity Over the Past Two Years

Energy Type			2023	2024
Nonrenewable Energy	Gasoline	L	21,063.77	7,564.89
	Diesel	L	0	0
	Purchased Electricity	kWh	1,895,801.52	3,423,559.85
Renewable Energy	Solar Power	kWh	0	9,849.53
Total Energy Consumption		GJ	7,512.80	12,610.15
On-site Renewable Energy Self-Consumption Rate		%	0%	0.28%
Percentage of Purchased Electricity		%	90.86%	97.76%
Total Revenue		NT$ million	$1,036.08	8,520.61
Energy Intensitya		GJ/NT$ million	7.25	1.48

Note1: 2023-2024 statistics cover operating locations in Taiwan, including the corporate headquarters, regional and temporary offices, laboratories, warehouses, dormitories, and other facilities. In 2024, the scope was expanded to include additional operating sites under the parent company, along with newly added to the consolidated financial statements. These locations comprise the Hangzhou subsidiary and its Fuzhou office, as well as the U.S. subsidiary.

Note2: Purchased Electricity: 1,000 kWh = 3.6 GJ; gasoline is referenced from the Heat Content of Energy products and Abbreviation & Equivalents of Energy Units of the Ministry of Economic Affairs' Energy Administration, specifically: (1) Gasoline: 1 L = 7,800 kcal (2) 1 kcal = 4.184 kJ. (3) Solar Photovoltaic and Electricity Consumption: 1 kWh = 860 kcal.

Note3: Purchased electricity is sourced from Taiwan Power Company (Taipower).

Water Resource-Related Data Disclosure

» Water Resource Usage and Water Intensity Over the Past Two Years

Items			2023	2024
Water Withdrawal	Third-party Water-Tap Water	metric tons	10,485	11,412
	Groundwater	metric tons	-	-
	Total Water Withdrawal	metric tons	10,485	11,412
Wastewater Discharge		metric tons	0	0
Water Consumption		metric tons	10,485	11,412
Total Revenue		NT$ million	$1,036.08	$8,520.61
Water Intensity		Water consumption/ NT$ million	10.12	1.34

Note1: Total water withdrawal for 2023 includes tap water from the Taiwan Headquarters (Baogao Science and Intellectual Park), New Taipei Yulon City, the Guanyin Laboratory in Taoyuan, and the Changhua Dormitory.

Note2: In 2024, in response to the competent authority's requirement, the inventory scope was expanded to include the parent company and subsidiaries covered by the consolidated financial statements. Accordingly, the water usage boundary in Taiwan was adjusted to align with this change and further extended to include the Hangzhou subsidiary in Mainland Chain and its Fuzhou office, as well as the U.S. subsidiary.

Note3: The Sanyi Office in Miaoli and the Vehicle Laboratory in Changhua use groundwater. However, since water meters have not been installed, data has not yet been recorded. The Kaohsiung Qiaotou office is a temporary site for the new plant under construction. Currently, control of the site belongs to the construction contractor, so we have no independent water usage statistics for this location.

Waste-Related Data Disclosure

» Scrapped Material Recycling Statistics

Scrapped Material	Total Weight (metric tons)	Total Weight Recycled/Reused (metric tons)	Recycling rate	Explanation
BIW	17.58	17.58	100%	35 bodies-in-white (BIW) recycled. The interior is first removed from the steel chassis and sorted, then the chassis itself is provided to a recycler for collection and reuse.
Test vehicles	98.41	55.85	57%	The scrapped weight for test vehicles is calculated as the overall weight when the vehicle is transferred to the recycler. Undamaged components such as the reinforced steel frame and battery are handled by specialized recyclers for recovery and processing.
Wooden pallets	1.76	1.76	100%	The total weight of wooden pallets used for vehicle battery packs is calculated based on single pallets and the quantity recycled. Once sorted, they are handled by specialized recyclers for recovery and processing.
Total	117.75	75.14	64%	-

» Waste Data Over the Past Two Years

Waste Type			2023	2024
Non-hazardous Waste	Incineration	metric tons	245.00	344.53
	Landfill	metric tons	0	0
	Recycling	metric tons	2	127.70
	Total	metric tons	247.00	472.23
Hazardous Waste	Incineration	metric tons	0	0
	Landfill	metric tons	0	0
	Total	metric tons	0	0
Total		metric tons	247.00	472.23
Percentage of Recycling		%	0.81%	27.04%
Total Revenue		NT$ million	$1,036.08	$8,520.61
Waste Intensity		Total of Waste Consumption / NT$ million	0.24	0.06

Note 1: 100% of waste is handled off-site by qualified contractors; the statistical scope includes only Foxtron's own operations and does not cover our upstream or downstream value chains.

Note 2: The scope of 2023 waste statistics includes New Taipei Yulon City; the Sanyi Laboratory (office) in Miaoli; the Guanyin Laboratory in Taoyuan; and the Vehicle Laboratory in Changhua. Starting in November 2023, Foxtron started moving into Baogao Science and Intellectual Park. As waste data from this site was not yet available, Baogao Science Park is not included in the above statistics.

Note 3: In 2024, the competent authority required enlarging the inventory scope to include the parent and subsidiary companies covered by the consolidated financial statements; the waste data boundary was aligned accordingly, covering not only operating sites in Taiwan but also the Hangzhou subsidiary in Mainland China and its Fuzhou office.

» Waste Statistics for the Reporting Year

Category	Waste Type	Disposal Method	Weight (metric tons)
General Waste	Operational Waste	Incineration	41.06
	Office equipment	Incineration	280.37
	Office equipment	Recycling	4.63
Non-Hazardous Commercial Waste	Packaging Waste and Offcuts	Incineration	24.10
	Large Equipment and Furniture	Recycling	4.13
	Wooden pallets	Recycling	1.76
	Body shells (Commercial vehicles)	Recycling	15.64
	Body-in-white (Passenger vehicles)	Recycling	17.58
	Batteries	Recycling	2.94
	Model and test vehicles	Recycling	81.02
Total			472.23

Note 1: 100% of general and commercial waste is handled off-site by qualified contractors; the statistical scope includes only Foxtron's own operations and does not cover our upstream or downstream value chains.

Note 2: In 2024, the competent authority required enlarging the inventory scope to include the parent and subsidiary companies covered by the consolidated financial statements; the waste data boundary was aligned accordingly, covering not only operating sites in Taiwan but also the Hangzhou subsidiary in Mainland China and its Fuzhou office.

Appendix 3: Sustainability Accounting Standards Board (SASB) Index

SASB Industry Standards Index – Automobile Industry

» Accounting Metric

Topic	Code	Accounting Metric	Nature	Chapter	Page	Explanation
Product Safety	TR-AU-250a.1	Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region	Quantitative	3-2-2 Product Safety Management	P.62	Foxtron Model C has undergone the Taiwan New Car Assessment Program (TNCAP) evaluation, but the final TNCAP results have yet to be officially released.
	TR-AU-250a.2	Number of safety-related defect complaints, percentage investigated	Quantitative	3-2-2 Product Safety Management	P.62	There were no safety-related defect complaints from consumers in 2024. However, there were 2 complaints from marketing partners. Neither complaint has undergone investigation by the competent authority.
	TR-AU-250a.3	Number of vehicle recalled	Quantitative	3-2-2 Product Safety Management	P.62	There were no major vehicle recalls in 2024.
Labor Practices	TR-AU-310a.1	Share of employees represented by a trade union or falling under collective agreements	Quantitative	-	-	There were no collective agreements in 2024.
	TR-AU-310a.2	(1) Number of work stoppages and (2) total days idle	Quantitative	4-2-2 Equality and Non-discrimination	P.77	There were no work stoppages or strikes in 2024.
Fuel Economy & Use-Phase Emissions	TR-AU-410a.1	Sales-weighted average passenger fleet fuel economy, by region	Quantitative	-	-	Foxtron does not sell internal combustion engine (ICE) vehicles; so this is not applicable.
	TR-AU-410a.2	Number of (1) zero-emission vehicles (ZEV), (2) hybrid vehicles and (3) plug-in hybrid vehicles sold	Quantitative	2-1-4 Business Performance	P.29	Zero-emission vehicle sales in 2024 was 8,210 units. Foxtron sells neither hybrid nor plug-in hybrid vehicles.
	TR-AU-410a.3	Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities	Qualitative	-	-	Foxtron does not sell internal combustion engine vehicles; so this is not applicable.
Raw material sourcing	TR-AU-440a.1	Description of the management of risks associated with the use of critical materials	Qualitative	3-3-2 Raw Material Procurement	P.68	Foxtron continuously monitors market price trends for raw materials and initiates internal budgeting and procurement processes in advance. We establish pricing adjustment mechanisms with suppliers to minimize the risks associated with key materials.
Materials Efficiency and Recycling	TR-AU-440b.1	Total amount of waste from manufacturing, percentage recycled	Quantitative	-	-	Foxtron is not a manufacturer; so this is not applicable.
	TR-AU-440b.2	Weight of end-of-life material recovered, percentage recycled	Quantitative	5-2-3 Waste Management	P.103, 114	A total of 117.75 metric tons of scrap were recycled; with a recycling rate of 64%.
	TR-AU-440b.3	Average recyclability of vehicles sold	Quantitative	-		Foxtron uses a CDMS business model; we do no after-sale recycling.

» Activity Metrics

Code	Accounting Metric	Nature	Chapter	Page	Explanation
TR-AU-000.A	Number of vehicles produced	Quantitative	-	-	Foxtron is not a manufacturer; in 2024, we had no production quantity.
TR-AU-000.B	Number of vehicles sold	Quantitative	2-1-4 Business Performance	P.29	Only calculated in terms of 8,210 vehicles sold; sales figures cannot be calculated for labor, service, or part replacement.

Appendix 4: Summary of Subject Matter Assured

Number	Select Matter Information	Applicable Criteria	Corresponding section	Page Number
1	In 2024, Foxtron's Total Sales Volume of Zero-Emission Vehicles (ZEVs) was 8,210 units.	Among the vehicle models sold by Foxtron, those classified as zero-emission vehicles (ZEVs) include the electric buses (Model T) and the electric passenger vehicles (Model C).	2-1-4 Business Performance	P.29
2	In 2024, Foxtron invested NT$3.638 billion in innovative, and had 673 innovative R&D personnel.	In 2024, the total of personnel and the sum of expenses invested in innovative R&D on the definitions provided by Foxtron's internal management guidelines.	3-1-1 Innovation Culture and R&D Achievements	P.46
3	In 2024, Foxtron total water consumption was 11,412 metric tons.	The water withdrawal data (measured in kiloliters) for Foxtron in 2024 is based on the water bills from Taiwan Water Corporation, and the total water withdrawal allocated according to the leased floor area by landlords (including Mainland China).	5-2-2 Water Resource Management Appendix 2: Environmental Data Summary Table –Water Resource-Related Data Disclosure	P.102 P.113
4	2024 Foxtron had 0 deaths resulting from occupational accidents; 0 serious injuries; and 12 recordable occupational injuries. The rate of death resulting from occupational accidents was 0; the rate of serious injuries resulting from occupational accidents (excluding deaths) was 0; and the rate of recordable occupational injuries was 7.13 over a total work-hour record of 1,681,944. For non-employee workers in 2024, the deaths resulting from occupational accidents; serious injuries; occupational injuries; rate of death resulting from occupational accidents; rate of serious work-related injuries (excluding deaths); and rate of recordable work-related injuries were all 0, over a total work-hour record of 7,024.	For Foxtron's 2024 employees and non-employees, the total number of hours worked, the total number of fatalities as a result of occupational injuries, the total number of serious occupational injuries, the total number of recordable occupational injuries; and, in accordance with GRI 403: Occupational Health and Safety 2018, the rate of fatalities as a result of occupational injuries, the rate of serious occupational injuries (excluding fatalities), and the rate of recordable occupational injuries. Note: The employee occupational injury data is reported by Foxtron to the Occupational Safety and Health Administration (OSHA)'s Smart Cloud for Safety and Health Resume as part of "Monthly Occupational Accident Reporting" for 2024.	4-4-2 Occupational Accident and Occupational Disease Prevention Management	P.83
5	Total energy consumption in 2024 was 12,610.15 gigajoules (GJ), with an energy intensity of 1.48 GJ per NT$ million.	In 2024, the total energy consumption of Foxtron and its subsidiaries (including operating sites in Hangzhou and the United States), measured in gigajoules (GJ), and included fuel usage, self-generated renewable energy, and purchased energy. 2024 non-renewable energy use within Foxtron included automotive gasoline; 2024 renewable energy use within Foxtron came from self-installed solar energy panels;2024 purchased energy referred to externally sourced electricity. ◆ Automotive gasoline use = Total automotive gasoline purchase amount ÷ Average national gasoline/diesel price for the period ◆ Self-installed solar energy use = Rated power per solar panel × Average daily sunlight duration × Days used × Number of panels installed 1. Based on the product specifications provided by the supplier, the rated power per solar panelinstalled at Foxtron is 0.375kW. 2. According to the 2024 report published by the Taipower, the average daily sunlight duration in northern Taiwan was 2.57 hours per day. 3. Days used is calculated as the full year of 2024, totaling 365 days. 4. As of December 31, 2024, a total of 28 solar panels has installed at Foxtron's Baogao headquarters rooftop. ◆ The data for externally purchased electricity is based on the total kilowatt-hours from Taipower electricity bills, the usage apportioned by rental area, and the average electricity rate per kilowatt-hour.	5-2-1 Energy Management Appendix 2: Environmental Data Summary Table – Energy-Related Data Disclosure	P.100 P.113

Appendix 5: Independent Auditor's Limited Assurance Report

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Independent Limited Assurance Report

PWCR24000793

To Foxtron Vehicle Technologies Co., Ltd.

We have been engaged by Foxtron Vehicle Technologies Co., Ltd. ("**Company**") to perform assurance procedures in respect of the key performance indicators identified by the Company and reported in the 2024 Sustainability Report (hereinafter referred to as the "**Identified Key Performance Indicators**") and have issued a limited assurance report based on the result of our work performed.

Subject Matter Information and Applicable Criteria

The subject matter information is the Identified Key Performance Indicators of the Company. The Identified Key Performance Indicators and the respective applicable criteria are stated in the "Summary of Subject Matter Assured" of the Sustainability Report. The scope of the aforementioned Identified Key Performance Indicators is set out in the "About this Report" of the Sustainability Report.

Management's Responsibility

The Management of the Company is responsible for the preparation of the Identified Key Performance Indicators disclosed in the Sustainability Report in accordance with the respective applicable criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Identified Key Performance Indicators that are free from material misstatement, whether due to fraud or error.

Inherent Limitations

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial data. Qualitative interpretations of the relevance, materiality and the accuracy of data are more dependent on individual assumptions and judgments.

Compliance of Independence and Quality Management Requirement

We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the Standard on Quality Management 1, "Quality Management for Public Accounting Firms" of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Key Performance Indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" of the Republic of China. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Key Performance Indicators are free from material misstatement.

Under the requirements of the aforementioned standards, our limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the criteria as the basis for the preparation of the Identified Key Performance Indicators, assessing the risks of material misstatement of the Identified Key Performance Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Key Performance Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Made inquiries of the persons responsible for the Identified Key Performance Indicators to obtain an understanding of the processes, and the relevant internal controls relating to the preparation of the aforementioned information to identify the areas where there may be risks of material misstatement; and
- Based on the above understanding and the areas identified, samples of the Identified Key Performance Indicators have been tested through inquiries, observations, inspections, and other procedures to obtain evidence for limited assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Key Performance Indicators have been prepared, in all material respects, in accordance with the respective applicable criteria.

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We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls. Furthermore, our assurance does not extend to information disclosed in the Sustainability Report for the period ended December 31, 2023 or prior periods.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Key Performance Indicators in the Sustainability Report are not prepared, in all material respects, in accordance with the applicable criteria.

Other Matter

The Management of the Company is responsible for maintaining the Company's website. We have no responsibility to re-perform any procedures regarding the Identified Key Performance Indicators after the date of our assurance report, even if the Identified Key Performance Indicators or the applicable criteria have been subsequently modified.

Chao, Yung-Chieh

CHAO, YUNG-CHIEH

Partner
For and on behalf of PricewaterhouseCoopers, Taiwan
September 30, 2025

Appendix 6: Independent Auditor's Limited Assurance Report on GHG Inventory

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Independent Limited Assurance Report

PWCR24000794

To Foxtron Vehicle Technologies Co., Ltd.

Report on Greenhouse Gas (the "GHG") statement

We have undertaken a limited assurance engagement of the accompanying GHG statement of Foxtron Vehicle Technologies Co., Ltd.('the Company') for the year ended December 31, 2024, comprising the Emissions Inventory and the Explanatory Notes.

The Company's responsibility for the GHG statement

The Company is responsible for the preparation of the GHG statement in accordance with the GHG protocol applied as explained in Chapter 1 to the GHG statement. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of a GHG statement that is free from material misstatement, whether due to fraud or error.

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our independence and quality management

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies the Standard on Quality Management 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" of the Republic of China. This Standard requires the firm to design, implement, and operate the system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to express a limited assurance conclusion on the GHG statement based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Assurance Engagements 3410, "*Assurance Engagements on Greenhouse Gas Statements*" of the Republic of China ("TWSAE 3410") . This standard requires that we plan and perform this engagement to obtain limited assurance about whether the GHG statement is free from material misstatement.

Under the aforementioned assurance standards, our limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the GHG protocol, assessing the risks of material misstatement of the GHG statement whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG statement. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

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1. Through inquiries, obtained an understanding of the Company's control environment and information system relevant to emission quantification and reporting, but did not evaluate the design of specific control procedures, obtain evidence about their implementation, or test their operating effectiveness.
2. Evaluated the appropriateness and consistency of the Company's methods for developing estimates. However, our procedures performed did not include testing the data underlying the estimates or separately developing our own estimates against which to evaluate the estimates made by the Company.
3. Conducted site visits at 3 significant operational site to assess the completeness of emissions sources, data collection methods, emission source data, and the relevant assumptions applicable to this site. The selection of sites for site visits took into consideration the contribution of emissions from this site in relation to total emissions, the nature of emission sources, and the sites selected in previous periods. Our procedures performed did not include testing the information systems to collect and aggregate facility data, or the controls used at these sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Accordingly, we do not express a reasonable assurance opinion about whether The Company's GHG statement has been prepared, in all material respects, in accordance with the applicable criteria.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that The Company's GHG statement for the year ended December 31, 2024, is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matter

The Management of the Company is responsible for maintaining the Company's website. If the GHG statement is modified after this limited assurance report is issued, we are not obliged to re-perform the assurance work.

Chao, Yung-Chieh

CHAO, YUNG-CHIEH

For and on behalf of PricewaterhouseCoopers, Taiwan

September 30, 2025

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