

Innodisk Corporation

2024 Annual report

Publish Date: April 10, 2025

Annual report information query website: [https : //mops.twse.com.tw/](https://mops.twse.com.tw/)

The Company's website: [https : //www.innodisk.com](https://www.innodisk.com)

I. Name, title, contact telephone number and e-mail address of the spokesperson and acting spokesperson

Spokesperson: Wang Li-Cheng	Title: Vice President of Finance
Tel: (02)7703-3000	E-mail: licheng_wang@innodisk.com
Acting spokesperson: Yang, Fu-Ting	Title: Assistant Project Manager
Tel: (02)7703-3000	E-mail: flora_yang@innodisk.com

II. Address and telephone number of head office, branch and plant

Head Office Address: 5F, No. 237, Section 1, Datong Road, Xizhi District, New Taipei City Tel: (02) 7703-3000
Address of Yilan Branch: No. 128, Yike Road, Yilan City, Yilan County Tel: (03) 910-3300
Plant Address: 3F, 3F-1, 4F, No. 237, Section 1, Datong Road, Xizhi District, New Taipei City Tel: (02) 7703-3000
Hsinchu Science Industrial Park, No. 128, Yike Road, Yilan City, Yilan County Tel: (03) 910-3300

III. Name, address, website and telephone number of the stock transfer agency

Name: KGI Securities Co., Ltd.	Address: 5F, No. 2, Section 1, Chongqing South Road, Taipei City
Website: https://www.kgi.com.tw	Tel: (02)2389-2999

IV. Name, firm, address, website and telephone number of the CPA attesting the most recent annual financial statements.

CPAs: Yeh Tsui-Miao and Tu Chan-Yuan	
Firm name: PwC Taiwan	Address: 27F, No. 333, Sec. 1, Keelung Road Taipei City
Website: https://www.pwc.tw	Tel: (02)2729-6666

V. The name of any exchanges where the Company's securities are listed offshore, and the method by which to access information on the offshore securities: None.

VI. Company's website: <http://www.innodisk.com>

Innodisk Corporation

Table of contents of the Annual Report

Page
No.

One. Letter to Shareholders.....	1
I. Implementation results, budgeting, financial results, and achievements of research and development in the business plan for the previous year.....	1
II. This year's business operation strategies, expected sales quantities and key production and sales policies.....	2
III. Company's future development strategy and the impact from competitive environment, regulatory environment and overall operating environment.....	3
Two. Corporate Governance Report.....	5
I. Information on directors, supervisors, general managers, vice presidents, assistant general managers, and officers of departments and branches.....	5
II. Remuneration for directors, supervisors, general managers and vice presidents.....	17
III. Implementation of corporate governance.....	23
IV. Information on the CPA's audit fees.....	69
V. Information on the replacement of CPAs.....	69
VI. The chairman, general manager, or officer in charge of financial or accounting matters of the Company, who has worked in the firm of the CPAs or its affiliated companies within the last year.....	69
VII. Equity transfer and changes in equity pledge of directors, supervisors, managers, and shareholders who have more than 10% shareholdings.....	70
VIII. Information on the top ten shareholders who are related to each other or as spouses or relatives within the second degree of kinship.....	71
IX. Consolidated Shareholding Percentage.....	72
Three. Capital Raising.....	73
I. Source of capital.....	73
II. Name of major shareholders.....	75
III. Company dividend policy and implementation.....	75
IV. The effect of the proposed stock dividends of shares at the shareholders' meeting on the Company's operating results and earnings per share.....	76
V. Remuneration for employees, directors and supervisors.....	76
VI. Repurchase of the Company's Shares.....	77
VII. Disclosure of corporate bonds.....	77
VIII. Disclosure of preferred stocks.....	77
IX. Disclosure of overseas depository receipts.....	77
X. Disclosure of employee stock options.....	78
XI. Disclosure of Employee Restricted Stock.....	79
XII. Issuance of new shares in connection with merger and acquisition of shares of other companies.....	79
XIII. Disclosure on Use of Funds.....	79
Four. Operation overview.....	80
I. Business activities.....	80
II. Market, production, and sales overview.....	87
III. Information on employees for the last 2 years up to the date this annual report was published.....	93
IV. Information on environmental protection expenditure.....	93

V. Labor relations.....	93
VI. Information security management.....	98
VII. Important contracts.....	101
Five. Review and Analysis of Financial Status, Financial Performance, and Risk Factors...	102
I. Financial status.....	102
II. Financial performance.....	102
III. Cash flow.....	103
IV. Significant capital expenditures in the most recent year and the impact on finance and business matters.....	104
V. Investment policy for the most recent year, the main reasons for profit or loss, improvement plan, and investment plan for the coming year.....	104
VI. Risks.....	105
VII. Other important matters.....	107
Six. Special Record Items.....	108
I. Information on affiliates.....	108
II. Private placement of marketable securities in the most recent year and the current year up till the publication date of this annual report.....	112
III. Other Matters that Require Additional Explanation.....	112
V. Any of the situations listed in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholder equity or the price of the Company's securities, which has occurred during the most recent year or the current year up to the date of publication of the annual report.....	112

One.Letter to Shareholders

Dear shareholders:

Looking back at 2024, market demand recovery fell short of industry expectations. However, Innodisk still achieved revenue growth under its AI deployment and brand upgrade strategies, demonstrating operational resilience and competitiveness. Our company's continued investment in edge AI has gradually shown results, successfully expanding to multiple major clients and projects, becoming a key driver for the year. Meanwhile, in July 2024, the company launched the Yilan Phase II R&D and Manufacturing Center as scheduled, further strengthening production capacity. In the fourth quarter of the same year, we acquired a new office in Japan to enhance international business development.

Facing both opportunities and challenges of transformation in the AI era, Innodisk initiated a brand upgrade project in early 2024, establishing "Architect Intelligence" as our brand core. This integrates existing product lines with intelligent solutions and extends customized applications to assist various vertical markets in their smart transformation. Additionally, the company's core memory and storage business continued to innovate, developing multiple next-generation products including CXL memory and E1.S EDSFF solid state drives, solidifying our leading market position. These achievements were recognized with three Taiwan Excellence Awards. Looking ahead to 2025, we will continue to drive growth in our memory and storage business, while accelerating business development and case acquisition in edge AI, computer vision applications, and data center sectors. Through AI, we will establish a crucial third pillar for the company, and continue to strengthen our partnership ecosystem with global technology giants and independent software vendors (ISVs), ensuring a robust foundation for sustainable growth.

The Company's operating results for 2024 and the operating outlook for 2025 are as follows

I. The previous year's business plan implementation results:

(i) The previous year's business plan implementation results:

In 2024, to strengthen our core concept of driving practical AI implementation in industries, Innodisk formally established our new "Architect Intelligence" brand proposition. We introduced a diverse color palette in our visual identity, symbolizing both the potential of AI applications and Innodisk's innovative capabilities. Under this framework, our company has reorganized our extensive product lines - encompassing embedded storage, memory modules, Intelligent Peripherals, and Edge AI Computing Solutions - into nine distinct and meaningful intelligent product categories (Intelligence). Through the synergy of these intelligent components, combined with Innodisk's expertise in customization services, we co-create AI solutions with our customers that accelerate edge computing efficiency and enable real-time dynamic awareness in application environments, laying a solid foundation for future technological innovation.

The second phase of our R&D and Manufacturing Center in Yilan officially launched in 2024, injecting crucial momentum into Innodisk Group's AI deployment. In product development, Innodisk has steadily transformed from our initial focus on memory and storage sectors. Today, we have gradually expanded from our familiar industrial control market to broader application areas including AIoT, edge AI, computer vision, and data centers. Our product line has evolved from purely hardware sales at our founding to now include integrated software and hardware tools, cloud management solutions, one-stop solutions that simplify AI training and inference, and edge AI acceleration platforms. In industrial storage products, whether facing market price fluctuations or AI-driven changes in supply and demand, our company continues to prioritize stable supply and high customization as our service principles. This approach has enabled us to maintain our position as the global market leader in industrial SSDs and rank among the world's top ten DRAM brands.

Our company is committed to implementing ESG goals, having launched a three-year

sustainability impact plan at the beginning of 2023. In 2024, we further strengthened our focus on biodiversity issues by partnering with local organizations in Yilan County. We encouraged employees to personally understand wetland ecosystems and, through hands-on activities and experiences, jointly promote migratory bird conservation and habitat restoration. In research and manufacturing, our company actively aligns with international Net Zero carbon emission goals, including implementing green production from material sourcing, building a material approval management system, introducing halogen-free and lead-free processes, and realizing a green supply chain through supplier evaluation mechanisms. In terms of corporate governance, our company ranked in the top 20% of TWSE/TPEX listed companies in the 10th Corporate Governance Evaluation. We were also honored with the Commonwealth Sustainability Citizen Award, the Commonwealth Talent Sustainability Award, as well as the Happy Enterprise Award and Key Partner Award presented by the Taipei Exchange.

(ii) Budget implementation status:

The Company did not issue public financial forecasts for 2024, therefore there is no need to disclose budget implementation status.

(iii) Analysis on financial revenue & expenditure and profitability:

The Company's operating revenue last year was NT\$8,915,642 thousand, growing 7% compared to the previous year. Net profit attributable to owners of the parent company was NT\$1,106,172 thousand, with earnings per share of NT\$12.20, maintaining stable profitability. At the end of last year, net accounts receivable amounted to NT\$1,184,120 thousand, a decrease of NT\$149,507 thousand from the end of the previous year. To respond to upstream chip price fluctuations and increased demand, we gradually increased inventory throughout the year, with year-end inventory reaching NT\$1,643,775 thousand, an increase of NT\$484,527 thousand from the previous year-end. Current liabilities at year-end decreased by NT\$131,025 thousand compared to the previous year-end, while long-term liabilities remained relatively unchanged. The overall debt ratio decreased by 3% compared to the previous year, standing at 21%. Our financial structure remains robust, with normal financial operations. Overall, last year's external economic conditions showed only moderate recovery. While revenue increased slightly, operating profit decreased compared to the previous year due to continued investment expenses. Our company firmly believes in the potential of the AI intelligent computing market and continues to develop product technologies, while also maintaining work-life balance for all colleagues and creating maximum benefits for all stakeholders.

(iv) R&D:

Innodisk actively engages in technological innovation, adopting the NPDP research and development process commonly used by international electronics manufacturers, following principles that balance rigor with innovation. We continue to increase our R&D resources and financial investment, highlighting our strong emphasis on product research and innovation, enhancing our technical capabilities to achieve long-term goals of steady development. At the same time, our company has also implemented the Taiwan Intellectual Property Management System (TIPS), strengthening our innovation and knowledge management capabilities through comprehensive intellectual property management and strategic planning, thereby improving patent quality and R&D effectiveness to increase our competitive edge.

Under this policy, our company's recent R&D achievements have received significant industry recognition, earning three Taiwan Excellence Awards in 2024. Our innovative accomplishments include: CXL memory modules utilizing memory pooling technology, which break through existing computational performance barriers to provide server systems with more flexible and cost-effective expansion solutions that match the hardware requirements of AI computing. In storage devices, our company successfully developed E1.S solid state drives (SSDs) adopting the new EDSFF specification, which offer advantages over traditional M.2 and U.2 formats in performance, heat dissipation, storage density, and maintenance convenience. These are not only suitable for edge server environments but, due to their hot-swappable

functionality and multiple capacity options, are also ideal as boot disks for data centers, demonstrating Innodisk's forward-looking strategy in continuously expanding into high-end application markets.

In computer vision, Innodisk has expanded its embedded camera product lineup, introducing the industry's first "MIPI over Type-C" technology that combines the advantages of both MIPI cameras and USB cameras. This significantly extends the previously limited external cable distance while maintaining high bandwidth advantages, allowing equipment such as AGVs (Automated Guided Vehicles) and AMRs (Autonomous Mobile Robots) to overcome hardware limitations and unlock more application potential in smart manufacturing, logistics, and other fields.

To help customers seamlessly integrate AI technology into existing environments, our company has also developed multiple one-stop AI solutions. These include the InnoPPE safety equipment identification solution, which comprehensively covers hardware, software, and alert systems, as well as the InnoTracking intelligent people-tracking solution capable of connecting and supporting up to 20 IP cameras. Combined with software tools such as the iCAP cloud management platform independently developed by Innodisk's software team, these solutions help enterprises streamline AI deployment and management resources at the edge, enabling trained AI models to be rapidly implemented across numerous edge devices.

II. The business plan of this year is outlined as following:

(i) The current business policy:

This year, Innodisk will continue its development strategy centered on AI and its derivative applications, extending our core competitive advantage of "professional integration and efficient implementation" concretely into rapidly developing application fields including edge AI, computer vision applications, AI servers, and data centers. Through our Phase II R&D and Manufacturing Center, we will provide space and production capacity for the group and its subsidiaries to develop AI implementation projects and fulfill large-scale orders.

In brand operations, our company continues to be listed among Taiwan's International Brands organized by the Industrial Development Bureau of the Ministry of Economic Affairs. We will continue to comprehensively update our external company image through the "Architect Intelligence" brand management axis, including a new official company website and customer management system, which will be officially launched this year. Our company began with a solid reputation established over years in the industrial control field, and now we are using AI as the driving force for transformation to complete our brand reinvention. The company aims to continuously strengthen our image as an international AI brand, elevating our brand value to new heights.

(ii) Expected sales volume and basis thereof, and important production and marketing policy:

Our company has compiled sales forecasts for 2025 based on historical product line and regional market sales performance, taking into account existing orders for this year, delivery plans provided by customers, and project requirements. These forecasts have been approved by the Board of Directors. Our manufacturing units then arrange capacity and production schedules according to these expected sales targets.

In business development, Innodisk not only upholds a spirit of professional, highly customized service excellence to continue deepening cooperation with global partners and existing customers, but also extensively serves local markets through 25 locations spanning Asia, Europe, and the Americas. The acquisition of our new office in Japan further strengthens our local operational capabilities. This year, we will actively develop major customers, creating highlights in business expansion, with the expanded production capacity of our Yilan Phase I and II plants serving as powerful support for undertaking large global projects. At the same time, we will combine the specialized fields and primary markets of each subsidiary within the group to establish more vertical market types and AI business contact points beyond industrial control

manufacturing, injecting growth momentum into the group.

III. The Company's future development strategies:

Looking ahead to 2025, Innodisk will accelerate advancement in edge AI, computer vision, and data center fields, while working alongside group subsidiaries to continuously build breadth and depth of cooperation with international manufacturers and industry partners, connecting with advanced technologies and expanding AI ecosystem development. The expanded production capacity brought by our R&D and Manufacturing Center's second plant will also provide crucial support for the group's push into AI business and facilitate the undertaking of large-scale projects. This year, our company will continue to expand investment in industrial applications of edge AI, deploying in flourishing fields that respond to AI computing trends, including data centers and edge servers. We will also strengthen applications highly valued by industry such as LLMs (Large Language Models), VLM (Vision Language Models), and AMR (Autonomous Mobile Robots), actively introducing corresponding next-generation high-performance products.

Efficient data computing and storage are fundamental elements of AI development and essential components of our company's AI strategy. In response to the massive computational performance demands of various edge AI and generative AI applications, our company will continue to invest in product research and development. Through next-generation solutions such as CXL memory, MRDIMM, and PCIe Gen 5, we will help break through computational performance barriers, establishing a foundation at the hardware level for AI implementation. Simultaneously expanding applications in the computer vision domain, responding to sensor-side requirements, strengthening our embedded camera lineup and sensor-related expansion solutions. From data centers to edge devices, we are comprehensively building a more complete AI ecosystem.

IV. Impact from competitive environment, regulatory environment and overall operating environment:

In addition to business and profit growth, Innodisk Corporation also highly values corporate sustainability and implements ESG management, comprehensively focusing on environmental sustainability, talent sustainability, social responsibility, and strengthening corporate governance. The Company has obtained ISO9001 quality certification, IECQ: QC080000 HSF certification, ISO45001 occupational safety and health workplace certification, ISO27001 information security certification, and ISO14064-1 greenhouse gas inventory certification from third parties. Simultaneously, our company has referenced the TNFD framework to establish a three-year plan for Wuwei Harbor in Yilan County, dedicated to biodiversity and ecological conservation efforts. Furthermore, we are actively engaged in community involvement. Since 2016, we established the Innodisk Education Foundation, which continues to address educational challenges facing disadvantaged students, encouraging and assisting them in maintaining stable education paths and establishing clear learning directions. In terms of corporate governance, the Company has actively promoted and implemented the Corporate Governance 3.0 Roadmap proposed by the competent authority. We also continued to pay attention to industry competition and regulatory changes. The Company aims to maintain a high degree of concern and flexibility for possible future industrial changes in addition to strictly abiding by the law. The goal is to timely formulate countermeasures to cultivate and maintain the Company's long-term and stable competitive advantage. In the future, our company will continue to advance toward our long-term goal—becoming a world-class enterprise—guided by our corporate philosophy of “Innovation, Discipline, and Sharing.”

Chairman:

Manager:

Head of Accounting:

Two. Corporate Governance Report

I. Information on directors, supervisors, general managers, vice presidents, assistant general managers, and officers of departments and branches

(i) Information on directors and supervisors

1. Directors and supervisors

April 10, 2025

Title	Nationality or place of registration	Name	Gender & Age	Date elected or appointed	Term of office	Date first elected or appointed	Shareholding when elected or appointed		Shareholding now		Shareholding of spouse and minor children now		Shareholding in the name of others		Major Experience (Education)	Concurrent positions in the Company and other companies now	Spouse or relatives within the second degree of kinship who are officers, directors or supervisors of the Company			Remarks
							Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
Chairman	ROC	Chien Chuan-Sheng	Male 51~60	2024.05.31	3 years	2010.06.08	1,502,443	1.70%	1,587,491	1.73%	-	-	-	-	Department of Mechanical Engineering, Tamkang University Master of Mechanical Engineering, National Central University Entrepreneur Class, National Chengchi University General Manager of Innodisk Corporation	General Manager of Innodisk Corporation Chairman of Innodisk Shenzhen Corporation Director of Innodisk USA Corporation Representative and Director of Innodisk Japan Corporation Director of Innodisk Europe B.V. Director of Innodisk France SAS Director, Innodisk Germany GmbH Chairman of Mauritius Innodisk Global-M Representative of a corporate director/Chairman of Aetina Corporation Representative of a corporate director of Millitronic Co., Ltd. Representative of a corporate director of SysInno Technology Inc. Independent Director of ANPEC ELECTRONICS CORPORATION	-	-	-	Note 1
Director	ROC	Lee Chung-Liang	Male 61~70	2024.05.31	3 years	2005.03.16	1,982,298	2.24%	2,021,943	2.21%	724,406	0.79%	-	-	Department of Management Science, National Chiao Tung University Graduate School of Management Research, Tamkang University General manager of Power Quotient International	Chairman of Rui Ding Investment Co., Ltd. Director of I-Media Tech Co., Ltd. Director of Aetina Corporation	-	-	-	-
Director	ROC	Hsu Shan-Ke	Male 71~80	2024.05.31	3	2012.12.17	0	0.00%	0	0.00%	-	-	-	-	Department of Management Science, National Chiao Tung University	Chairman of 3R LIFE SCIENCES TAIWAN LTD Independent Director of NUVOTON	-	-	-	-

Title	Nationality or place of registration	Name	Gender & Age	Date elected or appointed	Term of office	Date first elected or appointed	Shareholding when elected or appointed		Shareholding now		Shareholding of spouse and minor children now		Shareholding in the name of others		Major Experience (Education)	Concurrent positions in the Company and other companies now	Spouse or relatives within the second degree of kinship who are officers, directors or supervisors of the Company			Remarks
							Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
					years									MBA, National Chengchi University Deputy Chief Executive Officer of the General Management Office of Yulon Group Chairman of Xinyang Management Consulting (Stock) Company	TECHNOLOGY CORPORATION Representative of Corporate Director of Acme Electronics Corporation Independent Director of Winbond Electronics Corp.					
Director	ROC	Chu Ching-Chung	Male 51~60	2024.05.31	3 years	2012.12.17	1,690,499	1.91%	1,724,308	1.88%	14,313	0.02%	-	-	Department of Management Science, National Chiao Tung University Master of Management Science, National Chiao Tung University General Manager of Kobayashi Optical Co., Ltd.	Adjunct Professor of the Department of Management Science, National Yang-Ming Chiao Tung University Director of Aetina Corporation Executive Director of Association Leader of Small & Medium Enterprise	-	-	-	-
Corporate director	ROC	Rui Ding Investment Co., Ltd.	-	2024.05.31	3 years	2010.06.08	6,821,307	7.72%	6,957,733	7.60%	-	-	-	-	-	-	-	-	-	-
	ROC	Wu Hsi-Hsi	Male 51~60	2024.05.31	3 years	2021.07.08	137,691	0.16%	111,180	0.12%	-	-	-	-	Department of Information Engineering, Fu Jen University Engineer of Power Quotient International Engineer of Jizhi Technology	Vice president of industrial control flash business division Innodisk Corporation	-	-	-	-
Independent Director	ROC	Wang Yin-Tien	Male 61~70	2024.05.31	3 years	2021.07.08	0	0.00%	0	0.00%	-	-	-	-	PhD in Mechanical Engineering, University of Pennsylvania, USA Associate Professor of the Department of Mechanical and Mechatronic Engineering, Tamkang University	Professor of the Department of Mechanical and Electrical Engineering and the Department of Artificial Intelligence, Tamkang University Independent Director of Chant Sincere Co. Ltd.				
Independent Director	ROC	Lin Wei-Li	Male 51~60	2024.05.31	3 years	2021.07.08	0	0.00%	0	0.00%	-	-	-	-	PhD, Graduate School of Information Management, National Chiao Tung University Chief Technology Officer of	General Counsel of Lane 55 Slow Workshop Corporate supervisor representative of NUWA ROBOTICS Chief Strategy Officer (CSO, Chief Strategy Officer), The Cayman Islands NUWA	-	-	-	-

Title	Nationality or place of registration	Name	Gender & Age	Date elected or appointed	Term of office	Date first elected or appointed	Shareholding when elected or appointed		Shareholding now		Shareholding of spouse and minor children now		Shareholding in the name of others		Major Experience (Education)	Concurrent positions in the Company and other companies now	Spouse or relatives within the second degree of kinship who are officers, directors or supervisors of the Company			Remarks
							Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
															TAILYN TECHNOLOGIES, INC. Vice president, GOOD WAY TECHNOLOGY CO., LTD. Chief Technical Officer of R&D General Management Office of New Jinpo Group Vice President of Business and Chief Assistant to General Manager of Unizyx Holding Corp./MitraStar Technology Corp. Vice president/Executive Vice president of Greater China of Groundhog Senior Manager of Asia Pacific Telecom	Robotics Corp. Hong Kong Subsidiary – Taiwan Branch				
Independent Director	ROC	Young Kai-Charn	Female 61~70	2024.05.31	3 years	2021.07.08	0	0.00%	0	0.00%	-	-	-	-	Department of Business Administration, National Chengchi University MBA, Kansas State University, USA Entrepreneur Class, National Chengchi University Senior Vice president and Head of Entrepreneurship and Industrial Investment Department of CDIB Capital Group. General Manager of CDIB Capital Management Corporation and CDIB Venture Capital Corporation	Independent Director of Sinopower Semiconductor Inc. Independent Director of WPG Holdings Director of Young Shine Electric Co., Ltd. Independent Director, ASPEED TECHNOLOGY INC.	-	-	-	-
Independent Director	ROC	Lo Shun-Su	Male 61~70	2024.05.31	3 years	2021.07.08	0	0.00%	0	0.00%	-	-	-	-	Department of Medicine, National Yang-Ming University Professor of Surgery, National Yang-Ming University Attending Physician of	Appointment Physician of National Yang-Ming Chiao Tung University Hospital	-	-	-	-

Title	Nationality or place of registration	Name	Gender & Age	Date elected or appointed	Term of office	Date first elected or appointed	Shareholding when elected or appointed		Shareholding now		Shareholding of spouse and minor children now		Shareholding in the name of others		Major Experience (Education)	Concurrent positions in the Company and other companies now	Spouse or relatives within the second degree of kinship who are officers, directors or supervisors of the Company			Remarks
							Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
														General Surgery of Taipei Veterans General Hospital Associate Dean of Yang-Ming University Hospital Dean of Yang-Ming University Hospital						

Note 1: There is one person to serve as the Chairman and General Manager of the Company due to the needs of the business operation; therefore, there are four independent directors appointed to serve; also, a majority of the directors is not a managerial office or an employee of the Company that helps the Board of Directors maintain objectivity and keep supervisory power intact.

2. Major shareholders of corporate shareholders

April 10, 2025

Names of corporate shareholders	Major shareholders of corporate shareholders
Rui Ding Investment Co., Ltd.	Lee Chung-Liang (27.97%), Huang Su-Fen (23.74%), Li Li-Hsuan (16.15%), Li Tai-Ju (15.99%)

3. Information on directors and supervisors

(1) Information on directors and supervisors

Name	Criteria	Professional qualification and experience	Independence	Number of other public companies in which the individual is concurrently serving as an independent director
Chien Chuan-Sheng		<ol style="list-style-type: none"> 1. Possess leadership (Chairman) and experience that needs by the Board of Directors and more than five years of experience in business operation. (See P.5~8 Director Profile) 2. Possess the ability and professional experience in business judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective, leadership, and decision-making. 3. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act. 	<ol style="list-style-type: none"> 1. Spouse or relatives within the second degree of kinship are not directors or employees of the Company or the Company's affiliates. 2. The principal, spouse, or a relative within the second degree of kinship who is not providing auditing service to the Company or affiliated enterprises, or a professional individual who provides business, legal, finance, accounting service or consultation, proprietorship, partnership, shareholders of a company or institution, partner, director (executive), supervisor, managerial officers and their spouses who received less than NT\$500,000 remuneration accumulatively in the last 2 years. 	1
Lee Chung-Liang		<ol style="list-style-type: none"> 1. Possess leadership (Chairman) and experience that needs by the Board of Directors and more than five years of experience in business operation. (See P.5~8 Director Profile) 2. Possess the ability and professional experience in business judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective, leadership, and decision-making. 3. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act. 	<ol style="list-style-type: none"> 1. Spouse or relatives within the second degree of kinship are not directors or employees of the Company or the Company's affiliates. 2. The principal, spouse, or a relative within the second degree of kinship who is not providing auditing service to the Company or affiliated enterprises, or a professional individual who provides business, legal, finance, accounting service or consultation, proprietorship, partnership, shareholders of a company or institution, partner, director (executive), supervisor, managerial officers and their spouses who received less than NT\$500,000 remuneration accumulatively in the last 2 years. 	0
Hsu Shan-Ke		<ol style="list-style-type: none"> 1. Have over 5 years of leadership experience as a member of the board of directors (chairman) or leadership experience required by the Company's operations. (See P.5~8 Director Profile) 2. Possess the ability and professional experience in business judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective, leadership, and decision-making. 3. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act. 	<ol style="list-style-type: none"> 3. Not a director (executive), supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company (however, if the specified company or institution holds 20% or more and no more than 50% of the total number of issued shares of the Company; also, independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company, the parent or subsidiary company, or a subsidiary of the same parent, this restriction does not apply). 	2
Chu Ching-Chung		<ol style="list-style-type: none"> 1. Possess leadership and experience that needs by the Board of Directors and more than five years of experience in business operation. (See P.5~8 Director Profile) 2. Possess the ability and professional experience in business judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective, leadership, and decision-making. 3. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act. 	<ol style="list-style-type: none"> 4. The shareholding and shareholding ratio of the principal, spouse, and relatives within the second degree of kinship see P.5~8 Director Profile. 	0
Rui Ding Investment Co., Ltd. Representative: Wu Xi-Xi		<ol style="list-style-type: none"> 1. Possess leadership and experience in business operation for more than 5 years. (See P.5~8 Director Profile) 2. Possess the ability and professional experience in business judgment, business management, crisis management, industry knowledge, international market perspective, leadership, and decision-making. 3. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act. 		0

Wang Yin-Tien	1. Possess leadership and experience that needs by the Board of Directors/remuneration committee/audit committee and more than five years of experience in business operation. (See P.5~8Director Profile) 2. Possess the ability and professional experience in business judgment, business management, crisis management, industry knowledge, international market perspective, leadership, and decision-making. 3. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act.		1
Lin Wei-Li	1. Possess over five 5 years of leadership and experience in business operations. (See P.5~8 Director Profile) 2. Possess the ability and professional experience in business judgment, business management, crisis management, industry knowledge, international market perspective, leadership, and decision-making. 3. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act.		0
Young Kai-Charn	1. Possess leadership and experience that needs by the Board of Directors and more than five years of experience in business operation. (See P.5~8 Director Profile) 2. Possess the ability and professional experience in business judgment, accounting and financial analysis, business management, crisis management, international market perspective, leadership, and decision-making. 3. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act.		3
Lo Su-Shun	1. Possess leadership and experience in business operation for more than 5 years. (See P.5~8 Director Profile) 2. Possess the ability and professional experience in business judgment, business management, crisis management, international market perspective, leadership, and decision-making. 3. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act.		0

(2) Diversity and Independence of the Board of Directors:

A. Diversity of the Board of Directors: According to the “Procedure for Election of Directors” that is formulated in accordance with Article 20 of the Company’s “Corporate Governance Best Practice Principle,” the composition of the Board of Directors should be with the factor of diversity taking into consideration. The number of directors who also serve as managerial officers of the Company shall not be more than one-third of the Board of Directors; also, an appropriate diversification policy should be formed by referring to the Company’s business operation, operation pattern, and development needs, which should include but not limited to the following two aspects:

- (A) Basic requirements and values: Gender, age, nationality, culture, etc.
- (B) Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, and/or technology), professional skills, industry experience, etc.

The members of the Board of Directors should generally have the necessary knowledge, skill, and experience to perform their duties; in order to achieve the desired objectives of corporate governance, it is desirable that the Board of Directors as a whole have the following competencies:

- (A) The ability to make judgments about operation;
- (B) Accounting and financial analysis ability;
- (C) Business management ability;
- (D) Crisis management ability;
- (E) Industry knowledge;
- (F) An international market perspective;
- (G) Leadership;
- (I) Decision-making ability.

Implementation: The Company’s independent directors account for 44% of the 8th Board of Directors; directors who are also an employee of the Company account for 22%, and female directors account for 11%; therefore, the Company has achieved the goal of having at least one female director. There is one director in the age group of 71~80 years

old (accounted for 11%), four directors in the age group of 61~70 years old (accounted for 44%), and 4 directors in the age group of 51~60 years old (accounted for 44%).

Core items of diversity Director's name	Nationality	Gender	An employee of the Company	Age			Seniority of being an independent director			Operational judgment capability	Accounting and financial analysis ability.	Business management ability.	Crisis management ability.	Industry Knowledge	An international market perspective.	Leadership capability	Decision-making capability
				51~60	61~70	71~80	Under 3 years	3~9 years	Over 9 years								
Chien Chuan-Sheng	ROC	Male	✓	✓						✓	✓	✓	✓	✓	✓	✓	✓
Lee Chung-Liang	ROC	Male			✓					✓	✓	✓	✓	✓	✓	✓	✓
Rui Ding Investment Co., Ltd. Representative: Wu Xi-Xi	ROC	Male	✓	✓						✓		✓	✓	✓	✓	✓	✓
Chu Ching-Chung	ROC	Male		✓						✓	✓	✓	✓		✓	✓	✓
Hsu Shan-Ke	ROC	Male				✓				✓	✓	✓	✓	✓	✓	✓	✓
Wang Yin-Tien	ROC	Male			✓			✓		✓		✓	✓	✓	✓	✓	✓
Lin Wei-Li	ROC	Male		✓				✓		✓		✓	✓	✓	✓	✓	✓
Young Kai-Charn	ROC	Female			✓			✓		✓	✓	✓	✓	✓	✓	✓	✓
Lo Su-Shun	ROC	Male			✓			✓		✓		✓	✓		✓	✓	✓

B. Board Independence: The company's 8th Board of Directors consists of 9 directors (including 4 independent directors). Independent directors represent 4/9 of the total board membership. There are no relationships among the directors that fall under Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act. For details, please refer to "(1) Disclosure of Information on Directors and Supervisors."

C. Measures to Enhance Gender Diversity When One Gender Represents Less Than One-Third of Board Seats: In selecting board members, the Company adheres to the principle of meritocracy. In the past, primary considerations have been professional background, experience, level of participation in the Company's future development, and contributions. No specific gender ratio was established. In future director nomination processes, the Company will promote gender equality among board members and has set a long-term goal of having directors of different genders represent at least one-third of the board.

(ii). Information on general managers, vice presidents, assistant general managers, and officers of departments and branches

April 10, 2025; Unit: Shares

Title	Nationality	Name	Gender	Date elected or appointed	Shareholding		Shareholding of spouse and minor children now		Shareholding in the name of others		Major Experience (Education)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
General Manager	ROC	Chien Chuan-Sheng	Male	2010.06.23	1,587,491	1.73%	-	-	-	-	Department of Mechanical Engineering, Tamkang University Master of Mechanical Engineering, National Central University Entrepreneur Class, National Chengchi University General Manager of Innodisk Corporation	General Manager of Innodisk Corporation Chairman of Innodisk Shenzhen Corporation Director of Innodisk USA Corporation Representative and Director of Innodisk Japan Corporation Director of Innodisk Europe B.V. Director of Innodisk France SAS Director, Innodisk Germany GmbH Chairman of Mauritius Innodisk Global-M Representative of a corporate director/Chairman of Aetina Corporation Representative of a corporate director of Millitronic Co., Ltd. Representative of a corporate director of SysInno Technology Inc. Independent Director of ANPEC ELECTRONICS CORPORATION	-	-	-	Note 1
Chief Operating Officer	ROC	Wang Chia-Ying	Male	2011.11.01	75,972	0.08%	70,693	0.08%	-	-	Attended Chung Yuan Christian University Business Administration Institute Department of Industrial Engineering, Xipu Industrial College Executive Vice President of Marketing/Executive Vice President of Sales Division, Innodisk Corporation Overseas Operations Center	Director of Innodisk Japan Corporation	-	-	-	-

Title	Nationality	Name	Gender	Date elected or appointed	Shareholding		Shareholding of spouse and minor children now		Shareholding in the name of others		Major Experience (Education)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
											Manager and Peripheral Products Sales Division Manager of Advantech Co., Ltd. Sales Division Chief of IBASE TECHNOLOGY INC. Sales Division Deputy Chief of VIA Technologies Industrial Computer Systems Product Division Assistant Vice Manager of AAEON Technology Inc.					
Sales Division - Vice president	ROC	Fu Hao	Male	2022.01.01	55,842	0.06%	-	-	-	-	Institute of Industrial Engineering and Management, National Chiao Tung University Department of Mechanical Engineering, National Taipei University of Technology Special Assistant to General Manager of Innodisk Corporation	None.	-	-	-	-
Industrial Control Flash Business Division - Vice president	ROC	Wu Yang-Hsi	Male	2012.08.01	111,180	0.12%	-	-	-	-	Department of Information Engineering, Fu Jen University International engineer of Power Quotient Engineer of Jizhi Technology	Representative of corporate director of Innodisk Corporation	-	-	-	-
Information Division Vice President	ROC	Liao Te-Chang	Male	2013.10.07	79,205	0.09%	-	-	-	-	Master of Information Management, Tamkang University Department of Industrial Engineering, Taipei Institute of Technology Assistant Vice Manager of AAEON Technology Inc. Vice president of ATECH OEM INC. EVA Air System Development and Integration Team Leader	None.	-	-	-	-
Industrial Control DRAM Business Division - Vice president	ROC	Chang Wei-Min	Male	2014.02.10	162,058	0.18%	7,999	0.01%	-	-	National Chengchi University Global Operations and Management Longhua University of Science and Technology	None.	-	-	-	-

Title	Nationality	Name	Gender	Date elected or appointed	Shareholding		Shareholding of spouse and minor children now		Shareholding in the name of others		Major Experience (Education)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
											General Manager of PATRIOT MEMORY INC. General manager of EVERYDAYCHINA.COM. CORP. Assistant Vice Manager of Synnex Technology International Corporation.					
R&D Center Senior Senior Assistant Vice President	ROC	Kuo Jin-Chong	Male	2009.05.18	32,196	0.04%	33,798	0.04%	178,500	0.19%	Department of Mechanical Engineering, National Ocean University Master's Program of Control Group, National Taiwan University Institute of Mechanical Engineering Doctoral Program of Control Group, National Taiwan University Institute of Mechanical Engineering RD Technical Chief of UNION BASE TECHNOLOGY LIMITED RD Senior Manager of Ultima Electronics Corporation RD Associate Manager of ASUSTEK COMPUTER INCORPORATION	None.	-	-	-	-
Manufacturing Division Vice president	ROC	Tsai Han-Tsang	Male	2011.06.27	82,863	0.09%	245	0.00%	80,000	0.09%	Department of Motivation, Tsinghua University Institute of Mechanical Engineering, National Central University Manager of UNIFORM INDUSTRIAL CORP. Assistant Vice Manager of TRANSCEND INFORMATION INC.	None.	-	-	-	-
Materials Division Vice president of	ROC	Ke Yu-Jun	Male	2005.03.22	311,755	0.34%	121,947	0.13%	-	-	Department of Philosophy, Soochow University University of Dallas Business Research Institute Special Assistant to Chairman of Jui Cheng Precision Technology Co., Ltd. Product Manager of POWER	None.	-	-	-	-

Title	Nationality	Name	Gender	Date elected or appointed	Shareholding		Shareholding of spouse and minor children now		Shareholding in the name of others		Major Experience (Education)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
											QUOTIENT INTERNATIONAL CO., LTD. Sales Chief of LEO SYSTEMS, INC. Senior Sales Specialist of WALSIN TECHNOLOGY CORP. Senior Sales Specialist of Nankang Rubber Tire Corp., Ltd.					
Intelligent Module Business Division Vice president	ROC	Wei Ting-Huang	Male	2021.05.10	61,438	0.07%	-	-	-	-	Bachelor of the Department of Mechanical Engineering, National Taiwan University Studied at the Department of Mechanical Engineering, Siegen University in Germany Vice president of NCG/DMSO/ISG/ECG of Advantech Co., Ltd. General Manager of DFI Inc.	Corporate director representative/chairman of Antzer Tech Co., Ltd. Chairman of FRANZ INVESTMENT CO., LTD.	-	-	-	-
Sales Division Assistant Vice President	ROC	Yu Li-Yin	Male	2014.07.01	196,326	0.21%	239,104	0.26%	-	-	Department of Information Management, Chung Yuan Christian University Sales division manager of GIGABYTE Technology	None.	-	-	-	-
Finance & Accounting Division/Administration Division Vice president Corporate Governance Officer	ROC	Wang Li-Cheng	Male	2012.04.14	159,276	0.17%	53,555	0.06%	-	-	Department of Industrial Management Science, Chenggong University Master of Business Administration, Rotterdam School of Management Finance Manager of BROWAVE CORPORATION Finance Senior Manager of PROLIFIC TECHNOLOGY INC. Litigation and non-litigation representative of Coland Pharmaceutical Co., Ltd.	Director of Innodisk USA Corporation Supervisor of Innodisk Japan Corporation Supervisor of Innodisk Shenzhen Corporation Supervisor of Aetina Corporation Supervisor of MilliTronic CO., LTD. Supervisor of SysInno Technology Inc.	-	-	-	-
Finance & Accounting Division Assistant Vice President	ROC	Kuo Kuang-Yao	Male	2024.09.02	5,060	0.01%	-	-	-	-	Master of Business Administration, National Chung Cheng University Director, Vice President and CFO of Alcor Micro Corp.	None.	-	-	-	-

Title	Nationality	Name	Gender	Date elected or appointed	Shareholding		Shareholding of spouse and minor children now		Shareholding in the name of others		Major Experience (Education)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with second degree of kinship			Remarks
					Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership			Title	Name	Relationship	
											CFO of Alcorlink Corp. Senior Special Assistant of Alcor Micro Corp. Manager of Financial Planning Department, Far EasTone Telecommunications Co., Ltd.					
Accounting Manager	ROC	Hsiao Wen-Kuei	Male	2022.08.05	10,000	0.01%	-	-	-	-	Soochow University double bachelor's degree in accounting and business management Assistant auditor of KPMG International Cooperative Manager of Zenitron Corporation	None.	-	-	-	-

Note 1: There is one person to serve as the Chairman and General Manager of the Company due to the needs of the business operation; therefore, there are four independent directors appointed to serve; also, a majority of the directors is not a managerial office or an employee of the Company that helps the Board of Directors maintain objectivity and keep supervisory power intact.

II. Remuneration for directors, supervisors, general managers and vice presidents

(i) Remuneration paid by the Company to directors (including independent directors) in the most recent year

December 31, 2024; Unit: Thousand NTD/Thousand Shares

Title	Name	Directors' remuneration								The sum of A, B, C and D as a percentage of net profit after tax		Remuneration for a concurrent position as an employee								The sum of A, B, C, D, E, F and G as a percentage of net profit after tax		Remuneration from invested enterprises outside subsidiaries or from the parent company
		Base remuneration (A)		Severance and pension (B)		Remuneration for directors (C)		Business execution expenses (D)				Salary, bonus, allowance (E)		Severance and pension (F)		Remuneration for employees (G)						
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
Chairman	Chien Chuan-Sheng	0	0	-	-	9,143	9,143	198	198	0.84	0.84	16,545	16,545	108	108	3,445	0	3,445	0	2.66	2.66	None.
Director	Lee Chung-Liang																					
Director	Chu Ching-Chung																					
Corporate director	Rui Ding Investment Co., Ltd.																					
Representative of corporate director	Wu Hsi-Hsi																					
Director	Hsu Shan-Ke																					
Independent Director	Wang Yin-Tien	1,440	1,440	-	-	3,657	3,657	156	156	0.47	0.47	-	-	-	-	-	-	-	-	0.47	0.47	None.
Independent Director	Lin Wei-Li																					
Independent Director	Young Kai-Charn																					
Independent Director	Lo Su-Shun																					
1. Please describe the policy, system, criteria and structure for the remuneration for independent directors, and the correlation to the amount of remuneration in terms of their responsibilities, risks, time spent and other factors: The Company has established the “Measures for the Distribution of Directors’ Remuneration,” which stipulates the calculation of remuneration. In addition, the Remuneration Committee is required to make recommendations to the Board of Directors for approval after considering the extent of participation in the Company’s operations and the value of contributions.																						
2. Except for the preceding disclosure, the remuneration received by the directors of the Company in the most recent year for providing services (such as serving as an independent consultant to the parent company/all companies included in the financial report/invested companies): None.																						

Remuneration ranges

Remuneration ranges paid to each director of the Company	Director's name			
	Total amount of the first four remunerations (A+B+C+D)		Total amount of the first seven remunerations (A+B+C+D+E+F+G)	
	The Company	All companies included in the financial statements I	The Company	All companies included in the financial statements J
Less than NT\$1,000,000	Rui Ding Investment Co., Ltd. Representative: Wu Hsi-Hsi	Rui Ding Investment Co., Ltd. Representative: Wu Hsi-Hsi	-	-
NT\$1,000,000 (inclusive)–NT\$2,000,000 (exclusive)	Lee Chung-Liang, Chu Ching-Chung, Hsu Shan-Ke, Rui Ding Investment Co., Ltd. Wang Yin-Tien, Lin Wei-Li, Young Kai-Charn, Lo Su-Shun	Lee Chung-Liang, Chu Ching-Chung, Hsu Shan-Ke, Rui Ding Investment Co., Ltd. Wang Yin-Tien, Lin Wei-Li, Young Kai-Charn, Lo Su-Shun	Lee Chung-Liang, Chu Ching-Chung, Hsu Shan-Ke, Rui Ding Investment Co., Ltd. Wang Yin-Tien, Lin Wei-Li, Young Kai-Charn, Lo Su-Shun	Lee Chung-Liang, Chu Ching-Chung, Hsu Shan-Ke, Rui Ding Investment Co., Ltd. Wang Yin-Tien, Lin Wei-Li, Young Kai-Charn, Lo Su-Shun
NT\$2,000,000 (inclusive)–NT\$3,500,000 (exclusive)	Chien Chuan-Sheng	Chien Chuan-Sheng	-	-
NT\$3,500,000 (inclusive)–NT\$5,000,000 (exclusive)	-	-	-	-
NT\$5,000,000 (inclusive)–NT\$10,000,000 (exclusive)	-	-	Rui Ding Investment Co., Ltd. Representative: Wu Hsi-Hsi	Rui Ding Investment Co., Ltd. Representative: Wu Hsi-Hsi
NT\$10,000,000 (inclusive)–NT\$15,000,000 (exclusive)	-	-	-	-
NT\$15,000,000 (inclusive)–NT\$30,000,000 (exclusive)	-	-	Chien Chuan-Sheng	Chien Chuan-Sheng
NT\$30,000,000 (inclusive)–NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 (inclusive)–NT\$100,000,000 (exclusive)	-	-	-	-
More than NT\$100,000,000	-	-	-	-
Total	10	10	10	10

2. Remuneration paid to the supervisor in the most recent year: The Company elected three additional independent directors at the extraordinary shareholders' meeting on December 17, 2012, and established an audit committee at the same time, and the supervisors were naturally dismissed.

3. Remuneration paid to the president and vice president by the Company in the most recent year

December 31, 2024; Unit: Thousand NTD/Thousand Shares

Title	Name	Salary (A)		Severance and pension (B)		Bonus and allowance (C)		Remuneration for employees (D)				A, B, C, and D as a % of the net profits after tax		Remuneration from invested enterprises outside subsidiaries or
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			

														from the parent company
General Manager	Chien Chuan-Sheng	21,222	21,222	971	971	42,039	42,039	10,190	0	10,190	0	6.72	6.72	None.
Chief Operating Officer	Wang Chia-Ying													
Vice president	Chang Wei-Min													
Vice president	Wu Hsi-Hsi													
Vice president	Liao Te-Chang													
Vice president	Tsai Han-Tsang													
Vice president	Wei Ting-Huang													
Vice president	Ke Yu-Jun													
Vice president	Fu Hao													
Vice president	Wang Li-Cheng													

Remuneration ranges

Remuneration ranges paid to each general manager and vice president of the Company	Name of general manager or vice president	
	The Company	All companies in the financial statements
Less than NT\$1,000,000	-	-
NT\$1,000,000 (inclusive)–NT\$2,000,000 (exclusive)	-	-
NT\$2,000,000 (inclusive)–NT\$3,500,000 (exclusive)	-	-
NT\$3,500,000 (inclusive)–NT\$5,000,000 (exclusive)	-	-
NT\$5,000,000 (inclusive)–NT\$10,000,000 (exclusive)	Wang Chia-Ying, Wu Hsi-Hsi, Liao Te-Chang Chang Wei-Min, Wang Li-Cheng, Tsai Han-Tsang Wei Ting-Huang, Ke Yu-Jun, Fu Hao	Wang Chia-Ying, Wu Hsi-Hsi, Liao Te-Chang Chang Wei-Min, Wang Li-Cheng, Tsai Han-Tsang Wei Ting-Huang, Ke Yu-Jun, Fu Hao
NT\$10,000,000 (inclusive)–NT\$15,000,000 (exclusive)	Chien Chuan-Sheng	Chien Chuan-Sheng
NT\$15,000,000 (inclusive)–NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive)–NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 (inclusive)–NT\$100,000,000 (exclusive)	-	-
More than NT\$100,000,000	-	-
Total	10	10

4. The name of the managerial officer in charge of the distribution of employee remuneration and the status of the distribution for the most recent year

December 31, 2024; Unit: Thousand NTD

Title		Name	Stock amount	Cash amount	Total	Total amount as a % of the net profits after tax (%)
Managerial Officer	General Manager	Chien Chuan-Sheng	0	11,835	11,835	1.07
	Chief Operating Officer	Wang Chia-Ying				
	Vice president	Wu Hsi-Hsi				
	Vice president	Liao Te-Chang				
	Vice president	Chang Wei-Min				
	Vice president	Tsai Han-Tsang				
	Vice president	Wei Ting-Huang				
	Vice president	Ke Yu-Jun				
	Vice president	Fu Hao				
	Vice president (Supervisor of Finance Division / Administration Division / Corporate Governance)	Wang Li-Cheng				
	Accounting Manager	Hsiao Wen-Kuei				
	Senior Assistant Vice Manager	Kuo Jin-Chong				
	Assistant Vice Manager	Yu Li-Yin				
	Assistant Vice Manager	Kuo Kuang-Yao				

- (ii) Compare and describe the total remuneration paid to directors, supervisors, presidents, and vice presidents in the most recent 2 years by the Company and all companies in the consolidated financial statements as a % of the net profits after tax, and explain the policies, criteria, combination, the procedures for determining remuneration and the correlation to operating performances and future risks.

1. Analysis of the total remuneration paid to the Company's directors, supervisors, general manager, and vice president as a percentage of net profits after tax for the last two years by the Company and all companies in the consolidated financial statements

December 31, 2024; Unit: Thousand NTD

Item Title	The Company				All companies in the consolidated financial statements			
	2023		2024		2023		2024	
	Total amount	Percentage of net profits	Total amount	Percentage of net profits	Total amount	Percentage of net profits	Total amount	Percentage of net profits
Directors' remuneration	15,386	1.34	14,594	1.32	15,386	1.34	14,594	1.32
Total remuneration for general managers and vice presidents	10,924	0.99	10,190	0.92	10,924	0.99	10,190	0.92

Explanation on the relevance and reasonableness of net profits after tax and remuneration change:

The Company's total net profits after tax in 2024 decreased slightly compared to 2023, and in relation, the total remuneration amount decreased proportionally.

2. The Company's policy, criteria and composition for the payment of remuneration, the procedures for setting remuneration, and the correlation with operating performance and future risks.

- (1) Policy, criteria and composition for the payment of remuneration, and the procedures for setting remuneration:

A. Directors: The Company has remuneration paid to the directors in accordance with Article 19 of the Articles of Incorporation. If any surplus remains after making up for any accumulated losses, remuneration shall be paid to directors at an amount that is, at most, 2% of the total net income before tax. Meanwhile, the weight ratio system is adopted based on the Company's "Measures for the Distribution of Directors' Remuneration." Different weights are assigned according to the position and the engagement in Company affairs to calculate the distributable remuneration. Furthermore, a reasonable remuneration shall be given depending on the personal contribution to the Company's operations, the Company's overall operational performance, and the future operational needs and development of the industry in accordance with the Company's "Measures for the Distribution of Directors' Remuneration," which should be considered by the Remuneration Committee and approved by the Board of Directors.

B. Total remuneration for general managers and vice presidents: According to Article 19 of the Company's Articles of Incorporation, the Company shall set aside at least 3% of the profits before tax for the current year before the distribution of remuneration with employees and directors as remuneration to employees if there is any remaining balance after making up for losses. The remuneration paid to the Company's managers is determined in accordance with the "Managers' Remuneration Regulations," based on comprehensive consideration of their level of participation in the Company's operations and performance evaluations, while also taking into account their other special contributions and market conditions. This remuneration is submitted to the Remuneration Committee for review and then presented to the Board of Directors for resolution and approval.

- (2) Correlation between operating performance and future risks: The Company's remuneration payments take into consideration future environmental changes and operating performance for evaluation and adjustment. Additionally, through the establishment of "Procedures and Guidelines for Ethical Corporate Management" and "Code of Ethical Conduct," the Company educates and reminds directors and managers not to engage in behaviors that

exceed the Company's risk appetite in pursuit of remuneration, thereby avoiding improper situations where the Company suffers losses after paying remuneration. If a director or employee is involved in a wrongful act that results in a loss to the Company, he or she may be disciplined as necessary by law.

III. Implementation of corporate governance:

(i) The operation of the board of directors

During the most recent fiscal year (2024) and up to the printing date of this annual report, the Board of Directors held 9 meetings (A). The attendance of directors and supervisors is as follows:

Title	Name	Actual no. of presence (in attendance) (B)	Number of attendance by proxy	Actual presence (attendance) rate (%) [B/A]	Remarks
Chairman	Chien Chuan-Sheng	9	0	100%	
Director	Lee Chung-Liang	8	1	88.89%	
Director	Chu Ching-Chung	8	1	88.89%	
Director	Rui Ding Investment Co., Ltd. Representative: Wu Xi-Xi	8	1	88.89%	
Director	Hsu Shan-Ke	9	0	100%	
Independent Director	Wang Yin-Tien	9	0	100%	
Independent Director	Lin Wei-Li	9	0	100%	
Independent Director	Young Kai-Charn	9	0	100%	
Independent Director	Lo Su-Shun	8	1	88.89%	

Other matters required to be recorded:

- I. If the operation of the Board of Directors is under any of the following circumstances, the date, period, proposal content, all independent directors' opinions and the Company's handling of their opinions should be described:
 - (i) Matters listed in Article 14-3 of the Securities and Exchange Act: See page 66
 - (ii) In addition to the previous matters, other board meeting resolutions that have been opposed or reserved by independent directors with records or written statements: No such situation.
- II. In the implementation of a director's recusal for being an interested party in a proposal, the director's name, the proposal content, the recusal reasons and his or her participation in voting should be stated:

Board of Directors meeting date	Director's name	Motion content	Reason for recusal	Participation in voting
2024.02.02	Chien Chuan-Sheng Wu Hsi-Hsi	Passed the proposal for the 2023 year-end bonus to the managerial officers and auditing officers of the Company	Concurrently serves as the Company's President/employee	The remaining directors present did not object to the passing of the motion, except for those who recused themselves from the discussion and vote in accordance with the law.
	Chien Chuan-Sheng Lee	Proposal to make donation to Innodisk Foundation by the Company	A director of Innodisk Foundation	

	Chung-Liang			
2024.05.09	Chien Chuan-Sheng Lee Chung-Liang Chu Ching-Chung Lin Wei-Li	Proposal for the company to make a donation to the Yilan County Hai-Yueh International Education Foundation	Director of the Yilan County Hai-Yueh International Education Foundation	The remaining directors present did not object to the passing of the motion, except for those who recused themselves from the discussion and vote in accordance with the law.
2024.08.07	Chien Chuan-Sheng	Proposal to pass the 2023 remuneration to the managerial officers and auditing officers of the Company. Plan to pass the proposal for the adjustment of remuneration to the managerial officers and auditing officers of the Company	Concurrently serving as the Company's general manager	The remaining directors present did not object to the passing of the motion, except for those who recused themselves from the discussion and vote in accordance with the law.
2025.01.17	Chien Chuan-Sheng Wu Hsi-Hsi Chien Chuan-Sheng Lee Chung-Liang Chu Ching-Chung Wu Hsi-Hsi	Passed the proposal for the 2024 year-end bonus to the managerial officers and auditing officers of the Company Proposal to make donation to Innodisk Foundation by the Company	Concurrently serves as the Company's President/employee A director of Innodisk Foundation	The remaining directors present did not object to the passing of the motion, except for those who recused themselves from the discussion and vote in accordance with the law.

III. Listed companies should disclose information on the periodicity and duration, scope, method and content of the self-evaluation (or peer evaluation) by the board of directors:

Evaluation frequency	Evaluation duration	Evaluation scope	Evaluation method	Evaluation content
Once a year	January 1, 2024 to December 31, 2024	Board of Directors	Board of Directors' Internal Evaluation	A. The extent of participation in the Company's operations. B. Improvement in the quality of the board's decision-making. C. Composition and structure of the board. D. Election and continuing education of directors. E. Internal control
		Individual board member	Board member self-evaluation	A. Alignment of the Company's objectives and tasks. B. Perception of directors' responsibilities. C. The extent of participation in the Company's operations. D. Internal relationship management and communication. E. Professionalism and continuing education of directors. F. Internal control

		Audit Committee	Functional committee members' self-evaluation	A. The extent of participation in the Company's operations. B. Perception of functional committees' responsibilities. C. Improvement in the quality of the functional committee's decision-making. D. Composition and member appointment of functional committees. E. Internal control
		Remuneration Committee	Functional committee members' self-evaluation	A. The extent of participation in the Company's operations. B. Perception of functional committees' responsibilities. C. Improvement in the quality of the functional committee's decision-making. D. Composition and member appointment of functional committees. E. Internal control

Evaluation results:

- (i) Board of Directors: The Board of Directors has fulfilled the responsibility of guiding and supervising the Company's strategy, major business, and risk management; also, has established an appropriate internal control system and improved the overall operation in compliance with the requirements of corporate governance.
- (ii) Individual board member: The efficiency and effectiveness of the operational indicators of each director are recognized and affirmed.
- (iii) Audit Committee: The overall operation of the Audit Committee is satisfactory and meets the requirements of corporate governance that help effectively enhance the functions of the Board of Directors.
- (iv) Remuneration Committee: The overall operation of the Audit Committee is satisfactory and meets the requirements of corporate governance that help effectively enhance the functions of the Board of Directors.

The performance evaluation of the Board of Directors for 2024 in the preceding paragraph was reported by the Board of Directors on February 26, 2025, with the relevant information filed accordingly.

IV. Evaluation of the objective for enhancing the functions of the Board of Directors (e.g., establishing an audit committee, enhancing information transparency, etc.) and its implementation in the current year and the most recent year:

- (i) Enhancing the functions of the Board of Directors: The Company has formulated the "Procedures for Board of Directors Meetings" in accordance with the "Regulations Governing Procedures for Board of Directors Meetings of Public Companies." The Company also executes the functions of the Board of Directors in accordance with relevant regulations with the Audit Committee formed on December 17, 2012.
- (ii) Improve information transparency: The Company has the financial information, major resolutions, and relevant information announced on the Market Observation Post System in accordance with regulations. The Company's website is designed with an "Investor Relations" page available to disclose financial, business, and corporate governance related information for the knowledge of the investors in a timely manner.

V. Attendance of Independent Directors at each Board Meeting:

◎: Attendance in person ☆: Attendance by proxy *: Absent

Date (meeting) Name	2024/02/02 (1st meeting)	2024/02/22 (2nd meeting)	2024/05/9 (3rd meeting)	2024/05/31 (4th meeting)	2024/06/27 (5th meeting)	2024/08/07 (6th meeting)	2024/11/07 (7th meeting)	2025/01/17 (1st meeting)	2025/02/26 (2nd meeting)
Wang Yin-Tien	◎	◎	◎	◎	◎	◎	◎	◎	◎
Lin Wei-Li	◎	◎	◎	◎	◎	◎	◎	◎	◎
Young Kai-Charn	◎	◎	◎	◎	◎	◎	◎	◎	◎
Lo Su-Shun	◎	◎	◎	◎	☆	◎	◎	◎	◎

(ii) Information on the operations of the Audit Committee:

During the most recent fiscal year (2024) and up to the printing date of this annual report, the Audit Committee held 7 meetings (A). The attendance of independent directors is as follows:

Title	Name	Number of attendance in person (B)	Number of attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Independent Director	Wang Yin-Tien	7	0	100%	
Independent Director	Lin Wei-Li	7	0	100%	
Independent Director	Young Kai-Charn	7	0	100%	
Independent Director	Lo Su-Shun	6	1	85.71%	

Other matters required to be recorded:

I. If the operation of the Audit Committee is under any of the following circumstances, the date, term, proposal content, all independent directors' dissented opinions, qualified opinion, or material suggestion content, the resolution of the Audit Committee, and the Company's handling their opinions should be described:

(i) Matters addressed in Article 14-5 of the Securities and Exchange Act:

Date/Term	Motion content	Resolutions of the Audit Committee	Independent directors' dissented opinions, qualified opinion, or material suggestion content	The Company's handling of the Audit Committee members' opinions
2024/02/22 4th term-14th meeting	1. The Company's issuing the 2023 "Statement of Internal Control System." 2. The Company's 2023 financial statements. 3. Proposal to replace the appointed CPAs of PwC Taiwan through internal rotation adjustment. 4. Evaluation of the independence and suitability of CPAs. 5. The Company's 2023 business report. 6. The Company's 2023 earnings distribution proposal. 7. The Company's capital increase from earnings with new shares issued in 2023 8. The stock release planning proposed in response to the future application for listing on TWSE/TPEX by the subsidiary, Aetina Corporation	Passed unanimously.	None.	Passed as proposed.
2024/05/09 4th Term - 15th Meeting	1. The Company's 2024 first quarter financial report.	Passed unanimously.	None.	Passed as proposed.
2024/06/27 5th term - 1st meeting	1. Set the Company's 2024 profit transfer to capital increase, new share issuance allotment base date, and cash dividend distribution base date. 2. Proposal to participate in the first cash capital increase of subsidiary Aetina Corporation in 2024, and to cooperate with its future IPO (or OTC listing) application by offering the relinquished subscription shares to company shareholders for priority subscription in proportion to their shareholdings. 3. Proposal for the Company to acquire real estate property in Japan.	Passed unanimously.	None.	Passed as proposed.
2024/08/07 5th term - 2nd meeting	1. The Company's 2024 second quarter financial report.	Passed unanimously.		Passed as proposed.
2024/11/07 5th term - 3rd meeting	1. The Company's 2024 3rd quarter financial report proposal. 2. Setting the base date for issuance of new shares for the Q3 2024 employee stock option certificates. 3. Proposal to amend the Company's "Internal control system."	Passed unanimously.	None.	Passed as proposed.

	4. Drafted the Company's 2025 audit plan.			
2025/01/17 5th term - 4th meeting	1. Proposal for the Company to sell real estate property in Japan. 2. Setting the base date for issuance of new shares for the Q4 2024 employee stock option certificates.	Passed unanimously.	None.	Passed as proposed.
2025/02/26 5th term-5th meeting	1. The Company's issuance of the "Statement of Internal Control System" for 2024. 2. The Company's 2024 financial statements. 3. Evaluation of the independence and suitability of CPAs. 4. The Company's 2024 business report. 5. The Company's 2024 earnings distribution proposal. 6. The Company's 2024 proposal to issue new shares through capitalization of earnings. 7. The Company's proposal to issue restricted employee shares.	Passed unanimously.	None.	Passed as proposed.

- (ii) Apart from the aforementioned items, there were no other resolution matters that were not approved by the Audit Committee but were approved by more than two-thirds of all directors: None.

II. In the implementation of an independent director's recusal for being an interested party in a proposal, the independent director's name, the proposal content, the recusal reasons and his or her participation in voting should be stated: No such situation.

III. Communication between independent directors, internal audit officer and CPA (major matters, methods and results of communication on the Company's financial and business conditions, etc. should be included):

- (i) After the audit report and tracking report are reported to the chairman of the board of directors, the internal audit officer of the Company sends them to each independent director for review via e-mail on a monthly basis, and communicates with and replies to each independent director's inquiries in person on a quarterly basis, and there is no objection after communication.
- (ii) The Company's internal audit officer sits in the Board of Directors' meetings and presents audit reports. Each independent director keeps abreast of the Company's internal audits in a timely manner, so the Company's independent directors have good communication with the audit officer.
- (iii) CPAs reported to the independent directors on the audit results of the Company's financial reports and other communication matters required by the relevant laws and regulations, and the finance officer and the audit officer were also present at each meeting, and the independent directors were able to raise and receive responses to any questions they had immediately. Therefore, the communication between the independent directors and the CPAs of the Company is good.

Date	Communication unit	Communication items	Result of communication
2024/02/22	CPA's report and communication with independent directors	1. According to No. 260 "Communication with the governing body of the auditee" of the ROC Auditing Standard, the audit results for 2023 were discussed. 2. The next communication meeting is scheduled for the audit and certification of the 2024 financial statements.	1. Independent Director informed. 2. Independent Director informed.
2024/08/07	Communications Between Internal Audit Director and Independent Directors	1. 2024 audit plan and implementation status. 2. Three-year work plan for the Internal Audit Office. 3. Establishment of medium and long-term audit management platform. 4. Overview of Internal Audit Office members' responsibilities.	1. Independent Director informed. 2. Independent Director informed. 3. Independent Director informed. 4. Independent Director informed.
2024/08/07	CPA's report and communication with independent directors	1. Discussion of the review results for the second quarter of 2024 and the audit planning for fiscal year 2024, in accordance with Statement of Auditing Standards No. 260 "Communication with the governing body of the auditee."	1. Independent Director informed.
2025/02/26	CPA's report and communication with independent directors	1. Discussion of the audit results for fiscal year 2024, in accordance with Statement of Auditing Standards No. 260 "Communication with the governing body of the auditee."	1. Independent Director informed.

(iii) Corporate Governance Implementation Status and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons for such Deviations:

Evaluation Items	The State of Operations			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
I. Has the Company formulated and disclosed its corporate governance practice principles according to the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has formulated a set of “Corporate Governance Best Practice Principles” and disclosed it on the Market Observation Post System and the Company website.	In compliance with the Corporate Governance Best Practice Principles
II. The Equity Structure and Shareholders’ Equity of the Company				
(i) Has the Company established internal operating procedures to handle shareholder recommendations, doubts, disputes, litigations, and implemented them according to the procedures?	✓		(i) The Company has a spokesperson system formulated to collect relevant questions raised by shareholders. The shareholder’s suggestions and doubts are to be handled and responded to by the spokesperson. The disputes and litigation matter with the shareholders shall be handled by the legal department. However, the relationship between the Company and its shareholders is harmonious and no dispute or litigation has occurred.	In compliance with the Corporate Governance Best Practice Principles
(ii) Does the Company have a list of the major shareholders who actually control the Company and those who ultimately have control over the major shareholders?	✓		(ii) The Company maintains good relations and contacts with its major shareholders, directors, employees and corporate shareholders, and is able to keep track of their shareholdings.	
(iii) Has the Company established and implemented risk control and firewall mechanisms between affiliated companies?	✓		(iii) The Company has established an “Internal Control System-Subsidiary Supervision and Management Practices” and “Operating Procedures Related to Financial Operations between Related Parties” to standardize the relevant matters.	
(iv) Has the Company formulated internal regulations to prevent insiders from trading securities using undisclosed information on the market?	✓		(iv) The Company has established “Procedures for Handling Material Inside Information” and communicates these procedures to employees and directors through confidentiality agreements or	

Evaluation Items	The State of Operations			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			through education sessions conducted at least once annually (the 2024 education session was held on December 17, 2024). These procedures require that individuals with knowledge of material inside information must not disclose such information to others or use non-public information to trade securities. Furthermore, those subject to Article 3 of these procedures who obtain material inside information that could affect the Company's stock price are prohibited from trading the Company's publicly traded shares or other equity securities before such information is made public or within 18 hours after its public disclosure. The Company's directors (including independent directors) are prohibited from trading the Company's shares during blackout periods, which extend from 30 days prior to the announcement of annual financial reports and 15 days prior to the announcement of quarterly financial reports. Notifications regarding these trading blackout periods were sent to directors on April 22, 2024, July 19, 2024, October 21, 2024, and January 21, 2025.	
III. Composition and Responsibilities of the Board of Directors (i) Does the board of directors formulate diversified policies, and specific management objectives and implementation?	✓		(i) The Company has established a diversity policy in the “Corporate Governance Best-Practice Principles” and “Procedure for Election of Directors” and has them disclosed on the Company’s website and on P.10 of the annual report.	In compliance with the Corporate Governance Best Practice Principles

Evaluation Items	The State of Operations			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
(ii) Does the Company voluntarily establish functional committees other than the Remuneration Committee and the Audit Committee?	✓		(ii) The Company currently has only a Remuneration Committee and an Audit Committee. Other functional committees will be established in the future depending on the legal requirements or practical needs.	In compliance with the Corporate Governance Best Practice Principles
(iii) Does the Company formulate a performance evaluation method for the Board of Directors, conduct performance evaluation annually and regularly, and report the performance evaluation results to the Board of Directors and apply it as a reference for the consideration of remuneration and nomination of each director?	✓		(iii) The Company has established "Board of Directors' Performance Evaluation Measures." For evaluation items and results, please refer to p.23 (III. Information to be disclosed by TWSE/TPEX listed companies regarding the evaluation cycle, period, scope, method, and content of the Board's self-evaluation or peer evaluation). These results, together with directors' self-evaluations, serve as reference for nominating directors and determining their compensation, and were reported to the Board of Directors on February 26, 2025.	
(iv) Does the Company regularly evaluate the independence of the attesting CPAs?	✓		(iv) On February 26, 2025, the Audit Committee and the Board of Directors conducted an assessment of the independence and suitability of the Company's CPA, with suitability criteria including 13 Audit Quality Indicators (AQIs). The goal was to require the CPAs to issue an independent statement. The Company confirmed that the CPAs and the Company have no other financial interests and business relationships except for certification and tax cases. The CPA's family members do not violate the independence requirements before the appointment of the CPAs. Please refer to (Note 1) for the evaluation of the independence and competency of the CPAs.	

Evaluation Items	The State of Operations			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
IV. Does the Company as a listed company have a suitable and appropriate number of corporate governance personnel and appoint a corporate governance officer to be responsible for corporate governance related matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors in complying with laws and regulations, conducting board meeting and shareholder meeting related matters in accordance with law, handling company registration and alteration registration, and preparing minutes of board meetings and shareholder meetings, etc.)?	✓		<p>The Company established a dedicated corporate governance unit, approved by the Board on May 7, 2021, with the Company's Finance/Administration Division Vice President serving as the Corporate Governance Officer, who possesses the requisite qualifications for this position.</p> <p>The main duties of the unit are to administer matters related to Board of Directors meetings and shareholders' meetings, prepare minutes of the Board of Directors and shareholders' meetings, assist directors in their appointment and continuing education, provide information necessary for directors to carry out their business, and assist directors in complying with laws and regulations. Please refer to (Note 2) for the continuing education of the corporate governance officer.</p>	In compliance with the Corporate Governance Best Practice Principles
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.) and a special section for stakeholders on the Company's website, and responded appropriately to important corporate social responsibility issues that are of concern to stakeholders?	✓		<p>To effectively communicate with various stakeholders, the Company has identified and categorized stakeholders according to the AA1000 SES Stakeholder Engagement Standard principles using a five-point scale. These stakeholders include: customers, employees, investors and shareholders, suppliers, media, academic institutions, and non-profit organizations. Please refer to (Note 3) for details.</p> <p>The Company has appointed a spokesperson and deputy spokesperson, and has established a dedicated stakeholder section on its ESG website with contact information for corresponding departments, enabling response to stakeholder concerns regarding corporate sustainability and social responsibility issues through various communication channels.</p>	In compliance with the Corporate Governance Best Practice Principles
VI. Has the Company appointed a professional stock affairs agency to handle matters for shareholder	✓		The Company's stock affairs agency is KGI Securities Co., Ltd.	In compliance with the Corporate

Evaluation Items	The State of Operations			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
meetings?				Governance Best Practice Principles
<p>VII. Information Disclosure</p> <p>(i) Has the Company set up a website to disclose finance and business matters and corporate governance information?</p> <p>(ii) Has the Company adopted other means of information disclosure (such as setting up an English website, appointing dedicated personnel responsible for the collection and disclosure of Company information, implementing a spokesperson system, posting the Company's earnings calls on its website, etc.)?</p> <p>(iii) Does the Company publicly announce and file annual financial statements within two months after the end of the fiscal year? The financial statements for the first, second and third quarters and the monthly operating status before the prescribed deadline?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(i) The Company has established an Investor Relations section on its official website, disclosing financial, operational, and corporate governance information, with links to the Market Observation Post System to facilitate investor inquiries.</p> <p>(ii) The Company has designated personnel to be responsible for the collection and disclosure of corporate information. It has also appointed a spokesperson to make external statements and implement the spokesperson system. Additionally, information and presentation materials from the Company's institutional investor conferences have been compiled and made available on the corporate website for public reference.</p> <p>(iii) On February 26, 2025, the Company announced and filed its 2024 annual financial report, and has announced and filed its first, second, and third quarter financial reports and monthly operational results ahead of regulatory deadlines.</p>	In compliance with the Corporate Governance Best Practice Principles
VIII. Does the Company have any other important information that helps understand the corporate governance operation (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, advanced study of directors and supervisors, the implementation of risk management policies and risk measurement standards, the implementation of	✓		(i) Employee rights and benefits: The Company protects the basic rights and benefits of employees (work rules) in accordance with the Labor Standards Act and related laws and regulations, such as establishing an employee welfare committee, encouraging employees to participate in various training courses and technical seminars and planning both domestically and internationally, arranging employee	In compliance with the Corporate Governance Best Practice Principles

Evaluation Items	The State of Operations			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
customer policies, the acquisition of the liability insurance by the Company for directors and supervisors, etc.)?			<p>group insurance and biennial government-funded health checkups, etc., emphasizing labor relations and providing equal employment opportunities.</p> <p>(ii) Employee Care:</p> <p>(1) To better care for and support employees, the Company has established Employee Emergency Care Procedures, Employee Childbirth Subsidy Procedures, and Employee Children Scholarship Procedures, enabling employees to feel valued by the Company.</p> <p>(2) The Administration Division arranges two one-on-one care sessions for new employees and conducts employee satisfaction surveys regularly every two years. The response rate for the 2023 survey was 77%. On a scale with a maximum score of 6, the average satisfaction score was 4.54. HR partners compiled the satisfaction data and reported relevant issues and extended questions to department heads in the first quarter of 2024, proposing corresponding improvement plans (such as: organizing team building activities to strengthen departmental teamwork and cohesion; regularly discussing and establishing personal development plans with employees to promote individual and overall departmental development, etc.).</p>	

Evaluation Items	The State of Operations			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			<p>(3) To promote employee physical and mental well-being, the Employee Welfare Committee has established relevant subsidies and actively organizes various care activities to support employee health and wellness.</p> <p>(iii) Investor Relations: The Company honestly discloses corporate information as required by laws and regulations to protect investors' fundamental rights. Investors can access the Company's public information through the Market Observation Post System or through the "Investor Relations" section on the Company's website, where financial, operational, and corporate governance information is available. The Company has also appointed a spokesperson, allowing investors to contact the spokesperson or provide suggestions at any time.</p> <p>(iv) Supplier relations: Through our green product management platform, we have smooth communication channels with our suppliers, maintain good relations, and uphold the principle of honesty and reciprocity in dealing with them.</p> <p>(v) Stakeholders' rights: Maintain smooth communication channels with stakeholders and fully respect and protect their legitimate rights and interests. Please refer to (Note 3) for issues of concern to the Company's stakeholders and the channels of communication and response.</p> <p>(vi) The continuing education of directors and supervisors: The number of hours of continuing education of directors (including independent directors) of the</p>	In compliance with the Corporate Governance Best Practice Principles

Evaluation Items	The State of Operations			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			<p>Company in 2024 is 6 hours per year. Please refer to Note 4 for details.</p> <p>(vii) Implementation of risk management policies and risk measurement standards: The Company focuses on its own business and has established various operating rules and internal control systems to reduce risks in accordance with various laws and regulations and business activities.</p> <p>(viii) Implementation of customer policy: The company upholds high quality and high efficiency to serve customers and create maximum benefits for customers.</p> <p>(ix) The Company is a computer peripheral manufacturer and is engaged in downstream assembly, which is a non-polluting industry and has not polluted the environment and has fulfilled its corporate social responsibility.</p> <p>(x) The Company's acquisition of liability insurance for directors is stipulated in the Company's Articles of Incorporation. Also, the Company acquired the said liability insurance for the first time in December 2018 and had the insurance renewed successfully, and reported to the Board of Directors in November 2024.</p>	
<p>IX. Please describe the improvements that have been made in response to the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange in the most recent year, and propose priorities and measures for those not yet improved:</p> <p>The Company has prepared improvement plans for each indicator of the results of the past corporate governance evaluations and has implemented the following improvement plans:</p> <p>(i) The Company has enhanced the comprehensiveness of corporate governance disclosures in its annual reports and official website.</p> <p>(ii) Strengthen the disclosure of ESG-related issues in the annual report and sustainability report.</p> <p>The Company intends to continue to improve and propose the following:</p> <p>(i) The Company will continue to formulate various measures in compliance with regulatory policies to improve corporate governance.</p>				

Note 1: Evaluation of the independence of the CPAs:

Evaluation Items	Evaluation result	Status of independence
Has the CPAs recused themselves from the assignment if they have a direct or material indirect interest that would affect their impartiality and independence?	Yes	Yes
Do CPAs maintain formal independence in addition to substantive independence when they perform audits, reviews, verification or project examination of financial statements and render an opinion?	Yes	Yes
Do members of the audit services, other CPAs or corporate accounting firm shareholders, CPA firms, their affiliates, and alliances maintain independence from the Company?	Yes	Yes
Do the CPAs perform professional services with integrity and rigor?	Yes	Yes
Do the CPAs maintain an impartial and objective position in performing professional services and have they avoided bias, conflict of interest or interest that would affect professional judgment?	Yes	Yes
Do the CPAs have a disciplinary record with the CPA Disciplinary Board for the last two years? Has the CPA firm been involved in any significant litigation in the last two years or currently?	Yes	Yes
Does the CPA firm have sufficient scale, resources and regional coverage to handle corporate audit services?	Yes	Yes
Does the CPA firm have a clear quality control process? Does the coverage include the level and key points of the audit process, the manner in which audit issues and judgments are handled, independent quality control reviews, and management of risk?	Yes	Yes
Has the CPA firm notified the Board of any significant issues and developments in risk management, corporate governance, financial accounting and related risk controls in a timely manner?	Yes	Yes

Note 2: The educational training for the Corporate Governance Office of the Company in 2024:

Name	Advanced study date	Course organizer	Course name	Training hours
Wang Li-Cheng	2024/07/10	Taipei Exchange (TPEX)	TPEX Family "AI Strategy and Governance"	3
	2024/09/13	Republic of China Accounting Research and Development Institute	Corporate Financial Awareness - Behavioral Finance and Corporate Decision-Making	3
	2024/10/18	Taipei Exchange (TPEX)	2024 World Investor Week: Special Seminar on Digital Finance and Sustainable Finance in the AI Era	3
	2024/12/04	Republic of China Accounting Research and Development Institute	Sustainability Committee and Chief Sustainability Officer Forum	3

Note 3: issues of concern to stakeholders and the channels of communication and response.

Stakeholder	Issues of concern	Channels of communication and response.	2024 Stakeholder Communication Performance
Customer	<ul style="list-style-type: none"> Completed annual satisfaction surveys in response to customer requests Completed the annual conflict mineral source survey and complied with the customer's requirement to declare that no mineral from the conflict area will be used. Implemented confidential information protection measures as required by customers Made Declaration of Prohibition of Child Labor and Declaration of Product Origin as requested by the customer Conducted Audits of suppliers as requested by customers Customer factory production flow guide 	<ul style="list-style-type: none"> Annual Customer Satisfaction Survey with Questionnaires Impromptu meetings for unexpected issues Conference calls for specific issues Regular customer visits every year Quarterly Business Reviews (QPRs) External communication mailbox VIP Meetings Customer field audits/visits <p>Contact Information: sales@innodisk.com</p>	<ul style="list-style-type: none"> Visiting customers from time to time Accepted 15 customer on-site factory audits so far Completed communication questionnaire survey in December 2024
Employees	<ul style="list-style-type: none"> Set up staff suggestion boxes in the cafeteria for staff to provide feedback at any time Organized labor-management meetings 	<ul style="list-style-type: none"> Recurring settings Quarterly meetings with representatives from both management and employees <p>Contact Information: inno_members@innodisk.com</p>	<ul style="list-style-type: none"> Held 8 labor-management meetings (Taipei + Yilan), on a quarterly basis Employee satisfaction statistics of all anonymous employees Promoted employee health promotion program and shared and interacted with employees through the company intranet platform

Investors/ Shareholders	<ul style="list-style-type: none"> ● Convened the shareholders' meeting, in which the chairman, directors and senior management reported the financial statements and operations of the Company to all shareholders. At the meeting, the earnings distribution proposal was adopted and important resolutions were approved. ● Financial statements and significant financial business information of the Company announced and disclosed on the Market Observation Post System 	<ul style="list-style-type: none"> ● Convene regular shareholders' meeting every year ● Regular disclosure of finance and business information ● Disclosure of significant information on the "Market Observation Post System" from time to time ● Established a spokesperson system to answer shareholders' questions ● Periodic hosting of or invitations to institutional investor conferences <p>Contact Information: inno_shareholders@innodisk.com</p>	<ul style="list-style-type: none"> ● Held 1 shareholders' meeting ● Invited to participate in two corporate presentations ● Completed communication questionnaire survey in December 2024
Suppliers	<ul style="list-style-type: none"> ● Qualified supplier certification ● Green Supply Chain GPM ● IQC inspection status 	<ul style="list-style-type: none"> ● New product acknowledgement ● Related quality document updates ● Occasional phone and email communication ● On-site audits/Semi-annually ● Audit of questionnaires/semi-annually <p>Contact Information: inno_vendor@innodisk.com</p>	<ul style="list-style-type: none"> ● Completed communication questionnaire survey in December 2024 ● 13 on-site audits of suppliers
Media	<ul style="list-style-type: none"> ● Product information release (including new products and technologies) ● Release of company information (relocation, awards, social welfare, etc.) 	<ul style="list-style-type: none"> ● From time to time, interview and have dinner with the media. ● On average, a press release is issued once a month to the relevant media. <p>Contact information: andy_chen@innodisk.com</p>	<ul style="list-style-type: none"> ● Issued 11 press releases
School	<ul style="list-style-type: none"> ● Industry-academia collaboration ● Reserve Talent Scholarship Program ● Scholarship for the disadvantaged ● Summer/educational internship 	<ul style="list-style-type: none"> ● Update the cooperation contract and regulations annually ● Ongoing communication via telephone and correspondence to align on partnership details <p>Contact Information: ivry_lo@innodisk.com</p>	<ul style="list-style-type: none"> ● Updated industry-academia collaboration agreements and procedures in May 2024 ● Updated Reserve Talent Scholarship Program procedures in January and September 2024 ● Arranged summer/semester internships based on departmental needs in 2024
Non-Profit Organizations	<ul style="list-style-type: none"> ● Charitable project collaboration and resource sharing ● Needs assessment of beneficiaries and resource allocation ● Training and volunteer exchanges ● Social impact and sustainable development 	<ul style="list-style-type: none"> ● Regular meetings with foundation staff and board members ● In-person events and workshops ● Documentation of related activities and social media exposure <p>Contact Information: inno_foundation@innodisk.com</p>	<ul style="list-style-type: none"> ● Collaborated with 21 various types of NPOs throughout the year, co-organizing over 40 social welfare, charity, and environmental activities ● The foundation posted 30 articles about these activities on Facebook, with over 5 related news reports ● Innodisk employees contributed over 2,000 hours of volunteer service throughout the year

Note 4: The educational training for directors (including independent directors) in 2024:

Title	Name	Advanced study date	Course organizer	Course name	Training hours
Chairman	Chien Chuan-Sheng	2024/10/30	Republic of China Accounting Research and Development Institute	Promoting Corporate Sustainability Through "Risk Management"	6
Director	Lee Chung-Liang	2024/12/11	The Institute of Internal Auditors	Financial Analysis Indicator Interpretation and Business Risk Prevention	6
Director	Chu Ching-Chung	2024/09/11	Republic of China Accounting Research and Development Institute	Sustainability Development Strategies and Planning for Listed Companies	3
				Shareholders' Meeting, Management Rights, and Equity Strategy	3
Director	Hsu Shan-Ke	2024/03/28	Taipei Foundation of Finance Research and Development	Corporate Governance - Addressing Stakeholders - How Listed Companies Can Bridge the Gap with Capital Markets	3
		2024/07/11	Securities and Futures Institute	Digital Transformation Creating New AI Futures - Generative AI Application Case Studies	3
Director	Rui Ding Investment Co., Ltd. Representative: Wu Hsi-Hsi	2024/09/05	Securities and Futures Institute	Latest Status, Strategies and Challenges for Taiwan Industry Managers (PMI/NMI)	3
		2024/09/19		Silicon Photonics Network Definition: Silicon Photonics (SiPh) and Co-Packaged Optics (CPO) Development Trends	3
Independent Director	Wang Yin-Tien	2024/08/08	Securities and Futures Institute	Corporate ESG Sustainability Governance Awareness and Content - Global Net-Zero Carbon Trends and Corporate Response Strategies	3
				Precisely Grasping the ESG Sustainability Equation	3
Independent Director	Lin Wei-Li	2024/09/04	Securities and Futures Institute	Enterprise Emerging Risk Management from the Perspective of Ransomware, Trade Secret Protection, and Ethical Corporate Management	3

		2024/09/13		Corporate Financial Awareness - Behavioral Finance and Corporate Decision-Making	3
Independent Director	Young Kai-Charn	2024/05/09	Taiwan Institute Of Directors	Creating Sustainable Performance Indicators and Compensation	3
		2024/08/13		Carbon Connectivity: Carbon Fees, Carbon Taxes, Carbon Credits and Carbon Trading	3
Independent Director	Lo Su-Shun	2024/09/04	Securities and Futures Institute	Enterprise Emerging Risk Management from the Perspective of Ransomware, Trade Secret Protection, and Ethical Corporate Management	3
				How Non-Financial Background Directors and Supervisors Should Review Financial Reports	3
		2024/09/11		Shareholders' Meeting, Management Rights, and Equity Strategy	3

(iv) If the Company has established a Remuneration Committee or Nomination Committee, the composition, duties and operation of the committee shall be disclosed:

1. Information on the members of the Remuneration Committee:

Identity Type	Criteria Name	Professional qualification and experience	Independence	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent Director (Convener)	Lin Wei-Li	1. Possess leadership and experience in business operation for more than 5 years. (See P.6~8Director Profile) 2. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act.	1. Spouse or relatives within the second degree of kinship are not directors or employees of the Company or the Company's affiliates. 2. The principal, spouse, or a relative within the second degree of kinship who is not providing auditing service to the Company or affiliated enterprises, or a professional individual who provides business, legal, finance, accounting service or consultation, proprietorship, partnership, shareholders of a company or institution, partner, director (executive), supervisor, managerial officers and their spouses who received less than NT\$500,000 remuneration accumulatively in the last 2 years.	0
Independent Director	Wang Yin-Tien	1. Possess leadership and experience in business operation for more than 5 years. (See P.6~8Director Profile) 2. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act.	3. Not a director (executive), supervisor, officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the Company (however, if the specified company or institution holds 20% or more and no more than 50% of the total number of issued shares of the Company; also, independent directors appointed according to the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company, the parent or subsidiary company, or a subsidiary of the same parent, this restriction does not apply).	1
Independent Director	Young Kai-Charn	1. Possess leadership and experience in business operation for more than 5 years. (See P.6~8Director Profile) 2. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act.	4. Please refer to P.6~8 for Director Profile on the shareholding and shareholding ratio of the principal, spouse, and relatives within the second degree of kinship (on shares held in the name of others).	3
Independent Director	Lo Su-Shun	1. Possess leadership and experience in business operation for more than 5 years. (See P.6~8Director Profile) 2. There is no occurrence of any of the circumstances as stated in Article 30 of the Company Act.		0

2. Information on the operations of the Remuneration Committee

- (1) The Company's Remuneration Committee consists of 4 members.
- (2) Current term of office: From June 27, 2024, to May 30, 2027. There were 6 Remuneration Committee meetings (A) held in the most recent year (2024) up to the publication date of the annual report. The qualifications and attendance of the Remuneration Committee members are as follows:

Title	Name	Number of attendance in person (B)	Number of attendance by proxy	Attendance rate in person (%) (Note)	Remarks
Convener	Lin Wei-Li	6	0	100%	
Member	Wang Yin-Tien	6	0	100%	
Member	Young Kai-Charn	6	0	100%	
Member	Lo Su-Shun	6	0	100%	
Other matters required to be recorded:					
I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, the date, term, proposal content, the resolution of the Board of Directors, and the Company's handling of the opinions of the Remuneration Committee members (such as the remuneration resolved by the Board of Directors is superior to the suggestion made by the Remuneration Committee should be described, including the deviation and the reasons): None.					
II. For the proposals by the Remuneration Committee. If any members have objections or reservations with records or written statements, the date, period, proposal content, and opinions of all members, its handling of the members' opinions should be stated: None.					
III. The operations of the Remuneration Committee in the most recent year					
Term - Meeting Date (MM/DD/YY)	Important discussion topics	Resolution	The Company's Handling of Members' Opinions		
5th-term-9th meeting 2024/02/02	1. Passed the proposal for the 2023 year-end bonus to the managerial officers and auditing officers of the Company.	Approved by the Remuneration Committee members present unanimously	Submitted to the Board of Directors for approval according to the resolution		
5th-term-10th meeting 2024/02/22	1. Discussed the 2023 employees' and directors' remuneration distribution	Approved by the Remuneration Committee members present unanimously	Submitted to the Board of Directors for approval according to the resolution		
6th Term - 1st Meeting 2024/08/07	1. Proposal to pass the 2023 remuneration to the managerial officers and auditing officers of the Company. 2. Plan to pass the proposal for the adjustment of remuneration to the managerial officers and auditing officers of the Company. 3. Proposal to pass the Company's 2023 remuneration for directors.	Approved by the Remuneration Committee members present unanimously	Submitted to the Board of Directors for approval according to the resolution		
6th Term - 2nd Meeting 2024/11/07	1. Plan to approve the remuneration proposal for the newly appointed managerial officer of the Company.	Approved by the Remuneration Committee members present unanimously	Submitted to the Board of Directors for approval according to the resolution		
6th Term - 3rd Meeting 114/01/17	1. Passed the proposal for the 2024 year-end bonus to the managerial officers and auditing officers of the Company.	Approved by the Remuneration Committee members present unanimously	Submitted to the Board of Directors for approval according to the resolution		
6th Term - 4th Meeting 114/02/22	1. Review of the Company's 2024 distribution of remuneration to employees and directors.	Approved by the Remuneration Committee members present unanimously	Submitted to the Board of Directors for approval according to the resolution		

3. Information on members of the Nomination Committee and its operation: The Company has not established a Nomination Committee yet.

(v) The implementation of the sustainable development and its deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the reasons:

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the reasons:
	Yes	No	Summary Description	
I. Has the Company established a governance structure to promote sustainable development, and designated a full-time (part-time) unit to promote sustainable development, which is to be handled by the senior management with the authorization of the Board of Directors, and the actual supervision of the Board of Directors?	✓		<p>The Company has commissioned the Quality Assurance Department to promote CSR-related activities and begin to prepare CSR reports since 2015. The Chairman had assigned and setup the “Sustainable Development Office” at the end of 2022, which is to be assumed by the senior managerial officer with a project team formed to handle the following duties and responsibilities:</p> <ol style="list-style-type: none"> 1. Formulate the goals, strategies, and action plans for the Company’s sustainable development policies and guide and track each action plan’s progress, performance, and improvement. 2. Identify sustainable issues of concern to stakeholders and formulate a communication plan. 3. Supervise the compilation of the Sustainability Report to be completed on time. <p>The Sustainable Development Office reports the implementation results and work plans for the coming year to the board of directors at least once a year, in addition to reporting sustainable development progress to the chairman through regular monthly meetings.</p> <p>The team's report to the Board of Directors on June 27, 2024 on the content of the sustainable report and the report on the sustainability issues are as follows:</p> <ol style="list-style-type: none"> 1. Status and Performance of Company Sustainability Activities in Environmental, Social, and Governance Aspects. 2. Greenhouse gas inventory. 3. Biological Diversity Support Action - Wuwei Harbor Biological Diversity 3-Year Plan 4. The Company's sustainable development actions in the future. <p>After listening to the management team's report, the Board of Directors fully understands the progress on sustainability strategy and expresses support for the team's various sustainability planning objectives.</p> <p>The company continues to target a 50% reduction in carbon emissions by 2030 and net-zero carbon emissions by 2050.</p> <p>In 2025, a report to the Board of Directors is planned for August.</p>	No significant difference.

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
II. Does the company conduct risk assessments on environmental, social, and corporate governance issues related to the Company’s operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies?	✓		<p>The “principle of materiality” defined by the Company mainly focuses on the head office, factories, and upstream and downstream operation, and it does not fully cover the data of affiliates and overseas information.</p> <p>The Company conducts risk assessment after understanding the ESG issues concerned by stakeholders and senior executives through questionnaires.</p> <p>Please refer to (Note 1) for the relevant risk management policies or strategies formulated based on the assessed risks.</p>	No significant difference.
III. Environmental issues (i) Has the Company set up an appropriate environmental management system based on the characteristics of its industry? (ii) Is the Company committed to improving energy efficiency and using recycled materials with reduced environmental impacts?	✓ ✓		<p>(i) The Company is committed to maintaining the cleanliness and hygiene of the surrounding environment, promoting the reuse of resources and continuously carrying out energy saving and carbon reduction actions. Meanwhile, the Company obtained ISO-14001 certification on September 29, 2023, valid until September 29, 2026. (Please refer to the official website of the Company for the certificate: https://www.innodisk.com)</p> <p>(ii) Our company strongly promotes and implements resource recycling, including various waste resource recovery programs.</p> <ul style="list-style-type: none"> ● In 2024, the Xizhi plant & Yilan plant transported a total of 7.843 metric tons of hazardous industrial waste and 28.6 metric tons of non-hazardous industrial waste. Please refer to (Note 2) for details by category. ● The Company promotes office paper reuse for photocopying, installs water-saving devices on water taps in tea rooms, and equips restrooms with sensor taps and automatic hand dryers to replace traditional disposable paper towels. Water dispensers are set to sleep mode during nighttime and holidays as water conservation measures. ● Timer control systems have been added to the central air conditioning chiller system, employing both flow and time controls. The chiller system automatically shuts down 	No significant difference.

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
			<p>when load decreases at night or after work hours. Additionally, a new remote monitoring system has been installed for more efficient management, along with optimization of the chiller's piping network.</p> <ul style="list-style-type: none"> • Offices are equipped with master switches for lights and air conditioning. The last employee to leave must turn off the master power switch to conserve energy. • Regarding electrical power, we have signed capacity contracts with Taiwan Power Company. For in-house laboratories and manufacturing areas, in addition to signing electricity capacity contracts, we also participate in time-of-use electricity pricing. We review the contract capacity annually and adjust according to current conditions to achieve energy-saving effects. • Continuous improvement in electronic form digitalization: Forms such as internal requisition forms, fixed asset purchase requisition forms, accounts payable vouchers, and document stamping application forms have been digitalized. Additionally, work processes continue to be improved by transforming paper-based operations to electronic systems (such as incident reporting management procedures and change management procedures). Occupational Safety and Health Act initiatives including middle-aged and senior workers programs, workplace night shift management, and the four major plans have been integrated into the health management system. These changes streamline processes for more convenient real-time tracking while effectively reducing paper usage, advancing toward the goal of a paperless operation and reducing greenhouse gas (GHG) emissions. • Continuously promoting water and electricity conservation habits among all employees to achieve energy-saving and carbon reduction objectives. • Providing reusable cups for visitors instead 	No significant difference.

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
(iii) Does the Company evaluate the potential risks and opportunities of climate change to the Company now and in the future, and take corresponding measures to respond to climate related issues?	✓		<p>of bottled water, supporting the concept of plastic reduction for environmental protection.</p> <p>(iii) The Company supports and responds to government green energy policies:</p> <ul style="list-style-type: none"> ● In 2024, the Company participated in bidding through the National Renewable Energy Certificate Center, obtaining solar power generation certificates for 145,000 kWh and purchasing bundled renewable energy (electricity with certificates) for 1,190,542 kWh. The total green electricity from renewable energy certificate bidding/green power procurement amounted to 1,335,542 kWh, equivalent to a carbon emission reduction of 659.758 kg CO₂e. ● The Yilan Plant 1 installed a solar photovoltaic power generation system, which generated 309,892 kWh of solar power in 2024, equivalent to a carbon emission reduction of 153.087 kg CO₂e. (Based on the Bureau of Energy's 2023 electricity carbon emission factor of 0.494 kg CO₂e). ● In 2024, the target for renewable energy usage was set at 20%, while the actual renewable energy usage ratio reached 22% (approximately 1.645 million kWh). ● Replacement of LED energy-saving lighting fixtures on Xizhi Plant 2F-1: electricity savings of 5,983 kWh, equivalent to a carbon emission reduction of 2,956 kg CO₂e. ● Replacement of LED energy-saving lighting fixtures for workstations on Xizhi Plant 4F: electricity savings of 2,541 kWh, equivalent to a carbon emission reduction of 1,453 kg CO₂e. ● Replacement of LED energy-saving lighting fixtures in the Hsinchu office: electricity savings of 1,201 kWh, equivalent to a carbon emission reduction of 593 kg CO₂e. ● 7F chiller system piping integration: electricity savings of 49,000 kWh, equivalent to a carbon emission reduction of 	

Promotion items	Status of implementation			Deviation from the "Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies" and the reasons:
	Yes	No	Summary Description	
			<p>24,206 kg CO₂e.</p> <ul style="list-style-type: none"> The Company sponsored the Taiwan Geographic Sustainability Regeneration Development Association with NT\$200,000 to title sponsor the "Innodisk Loves Earth Beach Cleanup Activity": This beach cleanup primarily removed small waste items and microplastics, totaling 429 kg (general waste: 30 bags = 215 kg + recyclable resources: 43 bags = 214 kg), equivalent to a carbon emission reduction of 883.74 kg CO₂e. (According to the Taiwan Carbon Footprint Information Platform of the Environmental Protection Administration, each reduction of 1 kg of waste output (or recycling 1 kg of resource waste) is equivalent to reducing carbon emissions by 2.06 kg CO₂e) In April 2024, our company organized a series of activities to "Respond to World Earth Day," including turning off lights for 1 hour, second-hand toy zero waste, carbon reduction through walking, and battery recycling with details as follows: <ol style="list-style-type: none"> A total of 80.5 kg of toys were collected, equivalent to reducing carbon emissions by approximately 165.8 kg/CO₂e; these were donated to the "Ai Heng Enablement Center & Yilan Women and Children's Center." The lights-off activity involved participants from Xizhi Plant, Yilan Plant, Taichung Office, Hsinchu Office, and affiliated companies (Aetina Corporation, Millitronic Co.,Ltd., WEI SHIN COMPANY LIMITED.), totaling 2,639 lights, equivalent to reducing carbon emissions by 26 kg/CO₂. The total amount of batteries recycled was 62 kg, equivalent to reducing carbon emissions by 9.92 kg/CO₂e. In 2024, we organized comprehensive activities aimed at enhancing employee awareness of safety and health, green environmental protection, and 	No significant difference.

Promotion items	Status of implementation			Deviation from the "Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies" and the reasons:
	Yes	No	Summary Description	
			<p>environmental sustainability concepts: We organized employee walking activities, promoting "walking" as a simple and economical form of exercise, encouraging carbon reduction through walking in daily life as the simplest practice of sustainability. In addition to contributing to the planet, participants also improved their own health during the process. The total accumulated step count of participating colleagues was 48,371,903 steps, equivalent to reducing carbon emissions by 6,869 kg/CO₂e. In 2023, our company converted the year's activity step count results into a donation of NT\$120,000 to the "Tse-Xin Organic Agriculture Foundation" for tree planting and forest protection actions in the Ji-Xin and Ji-Bao sections of Wujie Township, Yilan County. In October 2024, we completed the installation of windbreak fences, and by mid-December, we finished planting all seedlings (a total of 240 trees), further doubling our carbon reduction efforts.</p> <p>Combining all the above sustainability achievements and measures, in 2024 we reduced carbon emissions by a total equivalent of 37,977.365 kg/CO₂e.</p> <p>Furthermore, in the second quarter of each year, we conduct a comprehensive environmental assessment both internally and externally, compiling all significant environmental risks, covering key areas such as climate change, resource consumption, pollution prevention, and biodiversity protection. This allows us to identify and analyze potential environmental impacts and adopt corresponding risk management measures to minimize negative effects on the natural environment and society. We are committed to minimizing environmental hazard risks and continuously monitoring and improving the company's performance in environmental protection to</p>	No significant difference.

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:																																			
	Yes	No	Summary Description																																				
(iv) Does the Company make statistics on greenhouse gas emissions, water consumption and the total weight of waste for the past two years and formulate policies for energy conservation and carbon reduction, greenhouse gas reduction, water consumption reduction or other waste management?	✓		<p>ensure long-term sustainable development of the enterprise.</p> <p>(iv) Greenhouse gas emission in the past two years is as follows:</p> <div><div>Unit: Metric Tons/CO₂e</div><table><tr><th>Year</th><th colspan="2">Greenhouse Gas Emissions</th><th>Total Greenhouse Gas Emissions</th><th>Emissions per Unit of Revenue</th></tr><tr><td rowspan="3">2023</td><td>Scope 1</td><td>131.2309</td><td rowspan="3">9133.59</td><td rowspan="3">1.099</td></tr><tr><td>Scope 2</td><td>3421.007</td></tr><tr><td>Scope 3</td><td>5581.353</td></tr><tr><td rowspan="3">2024</td><td>Scope 1</td><td>277.2465</td><td rowspan="3">9021.011</td><td rowspan="3">1.012</td></tr><tr><td>Scope 2</td><td>3515.458</td></tr><tr><td>Scope 3</td><td>5228.307</td></tr></table><p>Note 1: Category 1 — Direct greenhouse gas emissions (statistical scope includes gasoline, diesel, refrigerants, CO2 fire extinguishers).</p><p>2. Category 2 — Indirect greenhouse gas emissions (statistical scope includes purchased electricity).</p><p>3. Category 4 — Indirect greenhouse gas emissions from product use (our company has identified through materiality assessment that the statistical scope should include upstream production of purchased energy, raw material procurement, and upstream production of purchased energy).</p><p>Scope of Coverage: The scope of greenhouse gas emission sources for 2023 and 2024 includes Innodisk Corporation's Xizhi Plant and Innodisk Corporation's Yilan Plant.</p><p>Description:</p><p>1. The primary greenhouse gases emitted by our company include carbon dioxide (CO2), methane (CH4), and nitrous oxide (N2O).</p><p>2. The inventory and verification were conducted based on operational control, with Global Warming Potential (GWP) values sourced from the IPCC Sixth Assessment Report. Both 2023 and 2024 data have been verified by SGS Taiwan Ltd., with the complete assurance report disclosed in the ESG section of the company's official website.</p><p>Water resource and waste management data for the past two years are as follows:</p><table><tr><th>Item</th><th>2023</th><th>2024</th></tr><tr><td>Water Consumption (metric tons)</td><td>13,312</td><td>20,739</td></tr><tr><td>Non-hazardous Industrial Waste (metric tons)</td><td>26.31</td><td>28.6</td></tr><tr><td>Hazardous Industrial Waste (metric tons)</td><td>7.28</td><td>7.843</td></tr></table><p>Scope Coverage: 2023 and 2024 data include Innodisk Corporation's Xizhi Plant and Innodisk Corporation's Yilan Plant. Please refer to (Note 2) for each category.</p><p>The Company's annual water consumption reduction</p></div>	Year	Greenhouse Gas Emissions		Total Greenhouse Gas Emissions	Emissions per Unit of Revenue	2023	Scope 1	131.2309	9133.59	1.099	Scope 2	3421.007	Scope 3	5581.353	2024	Scope 1	277.2465	9021.011	1.012	Scope 2	3515.458	Scope 3	5228.307	Item	2023	2024	Water Consumption (metric tons)	13,312	20,739	Non-hazardous Industrial Waste (metric tons)	26.31	28.6	Hazardous Industrial Waste (metric tons)	7.28	7.843	No significant difference.
Year	Greenhouse Gas Emissions		Total Greenhouse Gas Emissions	Emissions per Unit of Revenue																																			
2023	Scope 1	131.2309	9133.59	1.099																																			
	Scope 2	3421.007																																					
	Scope 3	5581.353																																					
2024	Scope 1	277.2465	9021.011	1.012																																			
	Scope 2	3515.458																																					
	Scope 3	5228.307																																					
Item	2023	2024																																					
Water Consumption (metric tons)	13,312	20,739																																					
Non-hazardous Industrial Waste (metric tons)	26.31	28.6																																					
Hazardous Industrial Waste (metric tons)	7.28	7.843																																					

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
			<p>target is 1%.</p> <p>Actual Water Usage: Total volume increased by 55.7% compared to the previous year</p> <p>The Company's annual waste reduction target is 1%.</p> <p>Actual Waste Generation: Total volume increased by 8.4% compared to the previous year</p> <p>Explanation for the increase in water usage and waste management indicators:</p> <p>In recent years, our company has increased production capacity at the Yilan plant, resulting in expanded production scale. The Company will continue to strengthen resource management efficiency to advance toward our reduction targets.</p> <p>Greenhouse Gas Management</p> <ol style="list-style-type: none"> 1. Reduction Target: The annual greenhouse gas emission reduction target is 1%. 2. Implementation Measures: Targeting our largest carbon emission source—purchased electricity—we are promoting self-generation and consumption of solar power and green electricity transfer, supplemented by the purchase of renewable energy certificates. We continue to implement energy-saving renovations, including supporting government policies for waste sorting, recycling and reduction, promoting the reuse of office paper for photocopying, replacing lighting with LED fixtures, upgrading chiller systems, and optimizing parallel piping systems to reduce electricity consumption. 3. Achievement Status: We are actively promoting renewable energy use and energy-saving improvement projects, continuously advancing toward our reduction targets, strengthening our capability for low-carbon operational transformation, and actively obtaining ISO 14064 greenhouse gas inventory verification. 4. Related Certifications: In 2023, our ISO 14064 (Greenhouse Gas Management System) received third-party verification from SGS. <p>ISO 14064 (Greenhouse Gas Management System) third-party verification is expected to be obtained in June 2024.</p> <p>Water Management:</p> <ol style="list-style-type: none"> 1. Reduction target: The annual water consumption reduction target is 1%. 	

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
			<p>2. Implementation Measures: Installation of water conservation signage and notices to strengthen employee water conservation awareness. Implementation of regular equipment inspection and prompt repair mechanisms. Introduction of rainwater recovery systems at the Yilan plant for non-potable purposes.</p> <p>3. Achievement Status: Due to expansion in production capacity and workforce, total water consumption increased compared to the previous year, falling short of the annual reduction target. We will continue to strengthen water conservation management and improve resource utilization efficiency.</p> <p>4. Related certification: Obtained ISO 14001 (Environmental Management System) certification. (Valid until: September 29, 2026)</p> <p>Waste Management:</p> <p>1. Implementation Measures: To reduce environmental impact and effectively control industrial waste, the company implements waste classification, collection, storage, management, and transportation. Through effective waste management, we conduct waste removal, treatment, and recycling operations in accordance with environmental protection regulations, continuously increasing the waste recycling rate and reducing environmental burden.</p> <p>2. Reduction Target: Actively obtaining verification for environmental-related certifications such as ISO 14001 management systems.</p> <p>3. Achievement Status: ISO 14001 management system has been maintained. Through the operation of the environmental management system, we review various environmental management operations and adopt a continuous improvement approach for long-term operations. We are strengthening waste management, increasing the frequency of waste transportation and treatment operation inspections, and continuously evaluating and planning feasibility options for various types of waste recycling, to advance toward the goals of waste reduction and increased recycling rates.</p> <p>4. Related certifications: Acquisition of ISO14001</p>	

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
			(Environmental Management System) certification. (Valid until: September 29, 2026)	
IV. Social issues (i) Has the company formulated relevant management policies and procedures according to relevant laws and regulations and the International Bill of Human Rights?	✓		<p>(i) Our company has established "Work Rules" and "Workplace Sexual Harassment Prevention Measures" in accordance with labor regulations, the Gender Equality in Employment Act, and the Guidelines for the Prevention of Sexual Harassment in the Workplace to protect the legal rights and interests of employees.</p> <p>We have adopted another action plan consistent with the RBA regarding basic regulations. We aim to follow the spirit and basic principles of human rights protection espoused by various international human rights conventions such as the “United Nations Global Compact,” and the “Declaration of Fundamental Principles and Rights at Work by the International Labor Organization.” The goal is to fully respect and protect human rights and treat all employees (including contract personnel and interns) with dignity and respect. In addition to formulating and announcing the “Human Rights Policy,” please see (Note 3) for the relevant implementation guidelines and their details.</p> <p>Business ethics reflect the core of corporate culture. Innodisk prohibits any form of corruption, extortion, blackmail, and embezzlement of public funds. The Company formulated the “Integrity Management Operation Procedures and Behavioral Guidelines” and the “Ethical Code of Conduct” provisions in 2012 according to the “Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies.”</p> <p>To ensure that colleagues have a clear understanding of the company's ethical business practices, anti-corruption policies, and whistleblower mechanisms, we have arranged for Taiwan-based colleagues to participate in related courses since 2022. To confirm that colleagues correctly understand these policies during the communication</p>	No significant difference.

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
(ii) Whether the Company has formulated and implemented reasonable employee welfare measures (including remuneration, vacation and other benefits, etc.), and appropriately reflects operating performance or results in employee remuneration?	✓		<p>process, the courses include not only videos/on-site explanations but also relevant questions designed to verify that each colleague's understanding aligns with company policies. In 2024, we continued to schedule training for 161 employees who had not completed training and new employees, with 143 individuals completing the training, achieving a completion rate of 88.82%. We will continue to offer online courses and schedule training for employees who have not completed training and new employees in the following year.</p> <p>(ii) Our company has established vacation policies that exceed labor law requirements and a reasonable compensation structure. We also allocate year-end bonuses and employee profit-sharing bonuses based on annual profitability. Please refer to P.76 for the percentages or ranges of compensation for employees, directors, and supervisors as stated in the company's articles of incorporation. In addition, our company provides employees with group insurance, critical illness insurance, emergency care consolation funds, childbirth subsidies (including pregnancy transportation allowances, childcare allowances, second child subsidies), scholarships for employees' children, as well as various allowances and benefits such as wedding gifts, pregnancy gifts, and funeral wreaths.</p>	
(iii) Has the Company provided a safe and healthy working environment for its employees, and provided regular safety and health education?	✓		<p>(iii) To ensure employee safety, in accordance with the Occupational Safety and Health Act regulations:</p> <ul style="list-style-type: none"> ● We implement maintenance and supervision of plant and office work environments, and quarterly review relevant regulations and update content to meet the latest requirements. Simultaneously, we conduct on-site environmental safety and health inspections, which include plant operation safety checks, equipment use and maintenance checks (such as chambers, ovens, steel plate cleaning machines, etc.), inspections of organic solvent use areas, 	

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
			<p>personal protective equipment use/storage checks, first aid kit checks, and emergency response equipment checks. We obtained ISO-45001 certification on February 25, 2025, valid until February 25, 2028.</p> <ul style="list-style-type: none"> ● In 2024, we conducted a total of 24 safety and health education training sessions (including 3-hour general safety and health education training for new employees, 3-hour hazardous chemical use awareness training, plant-wide fire evacuation drills, organic solvent leakage workshops, and health-related courses such as cancer prevention or workplace harassment prevention (general/advanced awareness), and complaint handling team training. The total training hours reached 2,620 hours with 2,416 participants. For colleagues who did not complete training and new employees in the following year, online courses continue to be offered for training. ● Our company has filed a fire protection plan in accordance with fire regulations. We conduct regular monthly self-inspections of daily fire sources and fire evacuation facilities, and complete inspection forms for reference by fire authorities. In accordance with the "Enforcement Rules of the Fire Services Act," we have established a self-defense fire brigade that conducts comprehensive drills every six months, after which reports are filed with local fire authorities for reference. Additionally, for all employees (including foreign nationals), we hold annual plant-wide evacuation drills as well as evacuation drills at foreign employee dormitories. These regular drills help colleagues strengthen their safety awareness and familiarize themselves with various fire evacuation measures to enhance fire safety awareness. The Xizhi Plant also cooperates with the building management committee and management center to conduct annual fire safety equipment inspections and reporting to 	

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
(iv) Does the company have an effective career development training program planned for employees?	✓		<p>ensure that all fire facilities operate normally. As such, there were no fires or injuries in the plant.</p> <ul style="list-style-type: none"> ● To promote employee health and well-being, we regularly hold health promotion seminars and activities annually, and conduct on-site visits and assessments by medical personnel to ensure that each employee performs optimally in a safe and healthy work environment. ● Through these measures, we are committed to preventing occupational diseases and incorporating employee health into the company's core values for sustainable development. ● Currently, our company has not had any diagnosed cases of occupational diseases, demonstrating the significant effectiveness of our health management system. We closely integrate health management with the company's sustainable development goals, demonstrating the company's long-term commitment to employee well-being. <p>(iv) The Company has constructed a comprehensive human training structure and system to fulfill its talent training principle. The goal is to cultivate the knowledge and skills needed by supervisors and colleagues in the workplace, build a responsible and aggressive work attitude, and improve overall performance and operational efficiency.</p> <p>The Company has also established an education and training platform to provide in-person and online internal training courses and encourage colleagues to apply for external training. Diversified courses include general education courses (training for newcomers, new trends, etc.), technical colleges (various subjects such as production and marketing), management colleges, language colleges, and international colleges. The goal is to comprehensively improve colleagues' and organizations' knowledge, skills, and professionalism. Please refer to P.93(v) Labor Relations for the advanced study and training information of the staff in 2024.</p>	No significant difference.

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPE x Listed Companies” and the reasons:
	Yes	No	Summary Description	
(v) Does the Company comply with relevant laws and international standards, and formulate relevant right and interest protection policies and grievance procedures to deal with customers for products and services, such as customer health and safety, customer privacy, marketing and labeling, etc.?	✓		(v) Our company consistently adheres to the principles of compliance with relevant regulations and international guidelines regarding important issues such as customer health and safety, customer privacy, marketing, and labeling. Through our QPCS000300 Customer Complaint Management Procedure and System, we have established a comprehensive grievance mechanism to ensure that customer feedback is effectively controlled and processed, while improving product and service quality. In addition, the company discloses on its sustainability website (https://esg.innodisk.com/zh/environment/green) not only our determination to comply with regulations and actively promote sustainable development, but also provides consumers or customers with timely feedback and responds within required timeframes to further enhance stakeholders' trust in Innodisk. Customer contact email: sales@innodisk.com Integrity management reporting mailbox: inno_supervisor@innodisk.com	
(vi) Has the Company formulated supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and monitor their implementation?	✓		(vi) The Company’s environmental safety and health policy: We are committed to strengthening environmental education, implementing energy conservation and carbon reduction, ensuring sustainable business operations, enhancing safety awareness, promoting employee health, controlling hazard risks, implementing regulations, and continuously improving to achieve waste reduction and zero-accident goals. The Company has established Innodisk’s International Supplier Code of Conduct, including requirements of environmental, environmental, energy, human rights, and occupational disasters in its communications with suppliers. Currently the Company has collected 97% of the agreements signed by the supplier. (Please refer to the Company’s corporate sustainability website at https://esg.innodisk.com/environment/supply-	

Promotion items	Status of implementation			Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the reasons:
	Yes	No	Summary Description	
			chain)	
V. Has the Company Prepared a Sustainability Report or Other Reports Disclosing Non-Financial Information with Reference to Internationally Accepted Reporting Standards or Guidelines? Has the aforementioned report obtained assurance or certification opinions from a third-party verification unit?	✓		The Company has prepared a sustainability report and placed it on the official website with reference to the internationally accepted reporting standards (GRI Standard 2021) or guidelines. Since April 2022, our sustainability reports have been verified by a third party (SGS) to increase the credibility of information disclosure, with the verification scope primarily covering the Xizhi Headquarters and Yilan Factory.	No significant difference.
VI. If the Company has the sustainable development best practice principles formulated in accordance with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” please describe the differences between its operation and the principles. To demonstrate our commitment to employees, shareholders, and the general public, in addition to implementing information transparency, our company actively engages in environmental protection and public welfare activities, which already complies with the spirit of the "Corporate Sustainability Development Best Practice Principles for TWSE/TPEX Listed Companies." In August 2024, we established the "Sustainable Development Practice Principles."				
VII. Other important information that helps understand the promotion of sustainable development: The Company’s fulfillment of the social responsibilities has been disclosed in this annual report.				

Note 1: Risk management policy or strategy

Major issues	Risk assessment items	Description
Environment	Environmental impact and management	1. The Company is mainly engaged in market of industrial control; therefore, in addition to product quality, the Company values the importance of environmental protection. The Company has obtained ISO14001 Environmental Management Systems and IECQ QC080000 Hazardous Substance Process Management System since 2012, and regularly obtains third-party certification. 2. Since 2020, our company has begun implementing ISO 14064-1 greenhouse gas inventory for the parent company, and since 2021, we have commissioned qualified third-party certification institutions (such as SGS) to conduct verifications. Based on the inventory results, we continue to implement carbon reduction measures, effectively reducing Scope 1 emission risks and Scope 2 indirect greenhouse gas emissions caused by electricity use. For Category 3 greenhouse gas emission, the Company also voluntarily discloses it and recommends the supplier to provide the correlation coefficient. We currently plan to complete the expansion of the inventory scope to include other subsidiaries within the consolidated financial statements and complete verification before 2028.

		<p>3. The Company has the climate risk identification process constructed by utilizing the TCFD structure in 2022 before the official request from the Financial Supervisory Commission; also, it is disclosed in the 2022 Sustainability Report.</p> <p>4. The routine annual internal audit plan aims at the Company's compliance with various relevant environmental laws and regulations, and auditing the operating procedures in compliance with the requirements.</p>
Social	Occupational safety	<p>1. The "ISO 45001 Occupational Health and Safety Management System" certification was obtained in 2021. Internal audits are conducted regularly once a year, followed by external audits by external third-party verification units.</p> <p>2. Fire drills and occupational safety education and training are held regularly every year to cultivate employees' ability to respond to emergencies and manage personal safety.</p> <p>3. Innodisk invites external fire brigade to conduct fire education training at the Company's premise and to share cases from a professional perspective.</p>
	Product safety	<p>1. The Company's products comply with the laws and governmental regulations, the EU RoHS specifications, and do not contain any hazardous substances. Also, a customer service hot line and communication website is setup to ensure the quality of customer service.</p> <p>2. Take the initiative to conduct customer satisfaction surveys regularly every year so as to enhance the cooperative relationship with customers.</p>
Corporate governance	Socioeconomic and legal compliance	<p>1. The Company establishes and implements an internal control system in accordance with relevant policies and regulations so as to ensure that all personnel and operations of the Company in compliance with relevant norms.</p> <p>2. Formulate various ethical code of conduct, establish a good corporate governance and risk control mechanism, and substantiate the policy of ethical corporate management.</p> <p>3. The Company has introduced the "ISO27001 Information Security Management System" with the relevant enforcement rules formulated. According to the verification specifications, an internal audit is carried out on a regular basis every year, and an external audit will be conducted by a third party subsequently. At the same time, a complete backup mechanism is constructed.</p> <p>4. The Company continues product research and development, maintains the innovation and research and development achievements, and continuously enhances the management of intellectual property rights so as to ensure the Company's rights and interests.</p>
	Reinforce the functions of the Board of Directors	<p>1. The Company acquires liability insurance policy for directors every year.</p> <p>2. The Company arranges advanced study programs for directors so as to help them understand the latest laws, systems, and policies.</p> <p>3. The Company's Board of Directors shall perform an internal performance evaluation within the Board of Directors at least once a year to ensure that the execution of the Board of Directors is effective.</p>
	Communication with stakeholder	<p>1. The Company regularly distributes questionnaires to stakeholders every year so as to analyze their needs and expectations for improvements. The relevant information is announced on the website and in the sustainability report.</p> <p>2. The Company also has a spokesperson appointed to serve the investors or to handle the suggestions proposed by the investors at any time.</p>

Note 2: Hazardous business waste: C-0301 waste liquid with flash point less than 60°C (Z05 liquid), C-0301 waste containers (Z06 solid), E-0221 waste printed circuit boards containing metals and their dust (Z06).

Non-hazardous business waste: R-category waste including scrap iron, aluminum, tin, fabric, paper, PET bottles, and plastics.

Note 3: Human rights policy

Diversity, Inclusion, and Equal Job Opportunities	<p>We are committed to creating a diverse, open, equal, and harassment-free working environment and will never allow human rights violations. The goal is to comply with the relevant national labor laws, prohibit child labor, forbid human trafficking, prevent forced labor, and ban all employment discrimination.</p> <p>The colleagues shall not receive discrimination due to personal gender (including sexual orientation), race, class, age, blood type, marriage, language, religion, party affiliation, place of origin, place of birth, appearance, physical and mental disabilities, etc.</p> <p>Implement fairness in employment, salary benefits, training, evaluation, and promotion opportunities. Provide effective and appropriate complaint mechanisms to prevent and respond to any harm against employee rights and interests.</p>
Provide a safe and healthy working environment.	<p>Provide a safe and healthy working environment and necessary health and first aid facilities, eliminate hazards in the working environment that may affect the health and safety of employees, and reduce the risk of occupational accidents.</p> <p>Take the initiative to care about and manage the abnormal workload of colleagues, avoid overtime work, and regularly implement education and training related to labor safety.</p>
Respect the employees' freedom of assembly and association	<p>Respect employees' basic human rights, safeguard the right of employees to organize trade unions and negotiate with groups, and provide diversified communication mechanisms and platforms to ensure a harmonious and win-win labor relationship.</p>
Help employees to maintain physical and mental health and work balance	<p>Provide care for employees' physical and mental health and actively hold health management lectures. Activities such as arts and literature, sports, and family day for parents and children are provided in addition to stress-relieving massage measures. All employees are encouraged to participate in clubs to expand interpersonal interaction among colleagues, enrich the concept of work-life balance, and take care of employees' physical and mental health.</p>

(vi) Climate-related Information:

1. Implementation of climate-related information:

Item	Status of implementation
<p>1. Describe the board of directors' management oversight, governance, and climate-related risks and opportunities.</p> <p>2. Describe how the identified climate risks and opportunities will affect the Company's business, strategy, and finances in the short-, medium-, and long-term.</p>	<p>1. Innodisk Corporation has included climate risk issues as one of the key topics of corporate sustainability and environmental governance. After the Sustainable Development Office is completed, the climate governance report shall be submitted to the sustainable director, who shall then submit it to the board of directors to ensure that these risk opportunities are controlled in a timely manner.</p> <p>2. Mainly report the climate-related background information, risk and opportunity identification results, quantitative conclusions for various financial information, risks and issues that must be continuously paid attention to when resolving risks, short-/medium-/long-term strategies and performance, and the difficulties faced. Following the meeting, the relevant response action plans, budgets, etc., shall be formulated or revised according to the opinions of directors/committees.</p>

Item	Status of implementation
<p>3. Describe the financial impacts of extreme climate events and transitional actions.</p> <p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p> <p>5. The scenarios, parameters, assumptions, analysis factors, and major financial impacts must be explained if scenario analysis is used to assess resilience to climate change risks.</p> <p>6. If there is a transition plan for managing climate-related risks, describe the plan's content and the indicators and goals used to identify and manage physical risks and transition risks.</p>	<p>3. Innodisk International Finance has taken certain transformational actions in response to the extreme climate-related risks.</p> <p>(1) Increase the proportion of renewable energy use</p> <p>(2) E-certificate integration</p> <p>(3) Greenhouse gas inventory of subsidiaries</p> <p>(4) Installation of Solar Photovoltaic Power Generation Systems in Self-built Factories</p> <p>These transformational actions may impact the Company, which in turn increases the Company's financial costs. These transformational actions may also bring opportunities for the Company, such as enhancing the Company's image and reputation and thereby increasing consumer loyalty and brand value while meeting investor and social expectations.</p> <p>4. In our comprehensive climate risk assessment, we first identify climate risks that may impact the company, such as extreme weather events, climate change, and policy changes. After identifying areas and operations that may be affected, we evaluate the identified climate risks, including the probability of risks, degree of impact, and potential financial and non-financial effects. Finally, manage the assessed climate risks, such as formulating risk response strategies and emergency plans while implementing risk monitoring and early warning.</p> <p>5. We used scenario simulations such as Intended Nationally Determined Contribution (INDC) and RCP to analyze the operational and physical shocks we may suffer. According to INDC's evaluation, the operating cost of Innodisk only increased by 0.14%, and the impact was slight. The physical risk profile identified by the RCP8.5 scenario. As the temperature rises, Innodisk's operating costs only increase by 0.01%, and the impact is slight.</p> <p>6. Risk Transformation Program</p> <p>(1) Increase the proportion of renewable energy use</p> <p>Renewable energy use will continue to increase by 5% per year.</p> <p>(2) E-certificate integration</p> <p>Contracts with suppliers have been signed and completed. For 2024, the target for renewable energy usage was 20%, and we actually achieved 22%. The target for renewable energy usage in 2025 is 25%, with plans to reach 50% renewable energy usage by 2030.</p> <p>(3) Greenhouse gas inventory of subsidiaries</p> <p>According to the FSC regulations, our</p>

Item	Status of implementation
<p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price must be stated.</p> <p>8. If climate-related goals are set, information such as the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress achieved each year must be explained. If carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the source and quantity of carbon reduction credits or RECs to be offset must be clarified.</p> <p>9. Greenhouse gas inventory and certification status, as well as reduction targets, strategies and concrete action plans.</p>	<p>Company has scheduled the introduction period of the subsidiaries' greenhouse gas inventory. It has been introduced to the first subsidiary, Aetina Corporation, in 2023 and to at least 2 strongholds per year.</p> <p>(4) Adding solar panels to the self-built factory buildings Innodisk's factory in the Yilan Science Park completed the installation of a solar photovoltaic power generation system at Yilan Plant I in 2023. In 2024, it generated a total of 309,892 kWh. Additionally, for Yilan Plant II, solar panel planning was incorporated during the design phase. This is currently under review and expected to be completed in August 2025.</p> <p>7. Innodisk currently plans to implement internal carbon pricing in 2027.</p> <p>8. Regarding climate-related goals, Innodisk has announced on its website that it will achieve a 50% reduction by 2030 and net zero carbon emissions by 2050.</p> <p>●Successfully Bid Certificates for 2024: Total of 145 certificates (1) Hakka Affairs Council: 44 certificates (2) Liudui Hakka Cultural Park: 58 certificates (3) Xinsheng Park Future Pavilion: 43 certificates</p> <p>●Electricity and Certificate Bundled Certificates for 2024: (1) ECOVE Solar Energy Corporation: 1,192 certificates</p> <p>●Self-Generated Self-Consumption Certificates for Yilan Plant 1 in 2024: 75 certificates They totaled 1412 certificates</p> <p>9. See Table 1-1 and 1-2 below for details</p>

1-1 Greenhouse Gas Inventory and Verification for the Past Two Years:

1-1-1 Information on greenhouse gas inventory:

State the emission volume (tons CO₂ e) and intensity (tons CO₂ e/million NTD) of greenhouse gas for the most recent two years, and data coverage.

The Company's direct greenhouse gas emissions in 113 were 131.2309 metric tons of CO₂e, accounting for 1.44% of the Company's total greenhouse gas emissions. Among them, the Xizhi headquarters' Category I emission amount was 36.3698 metric tons of CO₂e, and the Category I emission of the Yilan plant was 94.8611 metric tons of CO₂e. The intensity was 0.0147 metric tons of CO₂e/NTD million.

The Company's energy indirect greenhouse gas emission source is the purchased electricity sold by Taiwan Power Company. In 2023, Innodisk Corporation's indirect greenhouse gas emissions from imported energy were as follows: Scope 2 Emissions at the Xizhi Headquarters totaled 1,309.9667 metric tons of Co₂e, while Scope 2 emissions at the Yilan Plant amounted to 2,111.0398 metric tons of Co₂e. The Company's total indirect greenhouse gas emissions for the current year, quantified using the location-based method, reached 3421.0066 metric tons of Co₂e. The intensity was 0.1469 metric tons of CO₂e/NTD million. The company's inventory plan for fiscal year 2025 is scheduled for initial draft completion by the end of March, with external third-party verification to follow in April.

1-1-2 Information on greenhouse gas certification:

Describe the status of assurance in the last two years up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.

The company's boundary setting includes the direct greenhouse gas emissions and removals, as well as the large indirect greenhouse gas emissions of two Innodisk International Co., Ltd. sites as follows:

(1) Xizhi Headquarters: Floors 2-1, 1, 3, 4, 5, and 7, No. 237, Section 1, Datong Road, Xizhi District, New Taipei City

(2) Yilan Plant (Plant 1/Plant 2): No. 128, Yike Road, Yilan City

The Company has adopted the "operational control method" as its boundary-setting method. All emission sources from floors used by the Company are wholly owned and disclosed by the Company. The facility-level GHG emission and removal method is adopted to calculate the volume.

The external verification report is prepared based on Innodisk's inventory according to ISO 14064-1:2018 and verified by SGS in accordance with ISO 14064-3:2006. The verification level for direct greenhouse gas emissions and removals, as well as energy indirect greenhouse gas emissions, is reasonable assurance. Other indirect greenhouse gas emissions are verified at a limited assurance level, with a materiality threshold of 5%. The third-party external verification is currently scheduled for completion on April 10, 2025.

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

Describe the greenhouse gas reduction base year and its data, reduction goals, strategies, concrete action plans, and achievement of the reduction goals.

Greenhouse gas reduction targets and strategies:

Innodisk is committed to the continuous research and development of innovative technologies and the development of low-energy-consumption and environmentally-friendly products to reduce the Company's greenhouse gas emissions. The company has established a medium-term goal using 2024 as the baseline year, striving to achieve a 50% reduction in greenhouse gas emissions. In addition, Innodisk expects to achieve net zero emissions by 2050 more actively. In order to achieve this goal, the Company will continue to set a goal for 5% reduction per year, and use the base year as a reference for continuous improvement.

Concrete action plan:

Innodisk has begun to take several concrete actions to achieve our greenhouse gas reduction targets. First of all, the Company's self-owned factory in Yilan has obtained the green building label, which proves the Company's environmental protection efforts in building. In addition, Solar panels in Yilan Plant No. 1 have been put into operation since 2023, which will help reduce the Company's energy consumption and greenhouse gas emissions. Concurrently, the solar photovoltaic power generation system for the Yilan Phase II plant is scheduled for completion by the end of August. This will further enhance the company's production efficiency and energy utilization, thereby advancing greenhouse gas reduction efforts.

- In 2024, the company participated in bidding through the National Renewable Energy Certificate Center, obtaining solar power certificates for 145,000 kWh, and purchasing bundled renewable energy with certificates for 1,190,542 kWh. With a target of 20% renewable energy set for 2024, the combined procurement of renewable energy certificates/green power totaled 1,335,542 kWh. This renewable energy usage resulted in a carbon emission reduction equivalent to 659.758 tons of CO₂e.
- The Yilan Plant 1 has installed a solar photovoltaic module power generation system, which produced 309,892 kWh of solar power in 2024, equivalent to a carbon emission reduction of 153,087 tons of CO₂e.
- For 2024, the company set a renewable energy usage target of 20%, with an actual renewable energy utilization ratio of 22% (approximately 1.645 million kWh).

*Note: Calculations based on the Bureau of Energy's 2023 electricity carbon emission factor of 0.494 kg/CO₂e.

Through these actions, Innodisk will continue to work hard to achieve its greenhouse gas reduction targets, make positive contributions to environmental protection, and achieve sustainable development for the Company at the same time.

(vii) The Practice of Ethical Corporate Management and Related Policies and Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies:

Evaluation Items	The State of Operations			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Reasons.
	Y es	N o	Summary Description	
<p>I. Establishment of ethical corporate management policy and proposal</p> <p>(i) Has the Company formulated an ethical corporate management policy approved by the Board of Directors, and are the policy and practice of ethical corporate management stated in the Company’s regulations and external documents, as well as the commitment of the Board of Directors and the senior management to actively implement the policy?</p> <p>(ii) Whether the Company has established a mechanism for evaluating the risk of unethical conduct, regularly analyzes and evaluates the activities in the scope of business with a higher risk of unethical conduct, and on the basis of this, has formulated a plan to prevent unethical conduct, which covers at least the preventive measures for the conduct set out in Paragraph 2 of Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”?</p> <p>(iii) Whether the Company has specified operating procedures, conduct guidelines, and disciplinary and complaint systems for violations in the plan to prevent unethical conduct and implemented the plan as well as regularly reviews and amends it?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(i) The Company has established the “Operating Procedures for Ethical Management and Guidelines for Conduct” to implement its policy on ethical corporate management. It requires all directors and managerial officers, senior management and employees to comply with the procedures when engaging in any activity.</p> <p>(ii) The “Operating Procedures for Ethical Management and Guidelines for Conduct” and the “Code of Ethical Conduct” specify the scope of the prevention program and the authority and responsibility units, with solid implementation.</p> <p>(iii) In addition to the prohibition of unethical conduct as specified in the “Operating Procedures for Ethical Management and Guidelines for Conduct,” it also discloses the procedures that comply with laws and policies.</p>	No significant difference.
<p>II. Implementation of Ethical Corporate Management</p> <p>(i) Does the Company evaluate the</p>	✓		(i) The Company’s “Operating	No significant difference.

Evaluation Items	The State of Operations			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Company” and the Reasons.
	Y es	N o	Summary Description	
<p>ethical records of its counterparties and specify the ethical conduct clauses in the contracts signed with the counterparties?</p> <p>(ii) Does the Company have a dedicated unit under the Board of Directors to promote ethical corporate management and regularly report (at least once a year) to the Board of Directors on its ethical management policy and plan to prevent unethical conduct and monitor their implementation?</p> <p>(iii) Does the Company have the policy to prevent conflict of interest, provide appropriate channels for an explanation, and implement it?</p> <p>(iv) Whether the Company has established an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal audit unit draws up relevant audit plans based on the evaluation results of risk of unethical conduct, and audits the compliance of the plan to prevent unethical conduct or entrusts a CPA to perform the audit?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>Procedures for Ethical Management and Guidelines for Conduct” stipulates that when entering into a contract with another party, the Company should fully understand the other party’s integrity management status and should include integrity management in the contract terms or specify integrity matters.</p> <p>(ii) The Company’s “Operating Procedures for Ethical Management and Guidelines for Conduct” stipulates that the management office is responsible for the formulation of integrity management policies and prevention programs. Internal auditors are responsible for monitoring their implementation and preparing audit reports for the Board of Directors.</p> <p>(iii) The Operating Procedures for Ethical Management provides for the avoidance of relevant regulations, and each business has a window of authority and responsibility. The relevant regulations are announced on the official website for easy access and compliance.</p> <p>(iv) The Company has a dedicated audit unit that conducts regular internal control audits and controls, and the relevant operating rules are announced on the official website.</p>	

Evaluation Items	The State of Operations			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Company” and the Reasons.
	Y es	N o	Summary Description	
(v) Does the Company regularly organize internal and external education and training on ethical corporate management?	✓		(v) To ensure that all colleagues have a clear understanding of the company's integrity management, anti-corruption policies, and whistleblower mechanisms, we have arranged training courses for Taiwan-based colleagues since 2022. To confirm accurate comprehension of these policies during the communication process, the courses include both video/in-person explanations and relevant questions designed to verify that each colleague's understanding aligns with company policies. In 2024, we continued to schedule training for 161 employees who had not completed training and new employees, with 143 individuals completing the training, achieving a completion rate of 88.82%. We will continue to offer online courses and schedule training for employees who have not completed training and new employees in the following year.	No significant difference.
III. The operation of the Company’s whistleblower reporting system				
(i) Has the Company set up a specific whistleblower reporting and reward system and a convenient reporting channel, and designated appropriate personnel to deal with the reported matters?	✓		(i) The Company’s “Operating Procedures for Ethical Management and Guidelines for Conduct” provide a specific reporting and reward system and establish reporting channels and assign dedicated staff to receive reports.	No significant difference.
(ii) Has the Company formulated standard operating procedures for the investigation of the reported matters, follow-up measures to be taken after the completion of the investigation, and the relevant confidentiality mechanisms?	✓		(ii) The Company’s “Operating Procedures for Ethical Management and Guidelines for Conduct” set forth the standard operating procedures to investigate the reported matters, follow-up measures to be taken after the completion of the investigation, and the relevant	

Evaluation Items	The State of Operations			Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEx Listed Company” and the Reasons.
	Y es	N o	Summary Description	
(iii) Whether the Company takes measures to protect whistleblowers from being improperly handled due to reporting?	✓		confidentiality mechanisms. (iii) The Company’s “Operating Procedures for Ethical Management and Guidelines for Conduct” specifies measures to protect whistleblowers from improper treatment as a result of whistleblowing.	
IV. Intensification of Disclosure Does the Company disclose the content and effectiveness of its Ethical Corporate Management Principles on its website and the Market Observation Post System?	✓		The Company discloses the “Operating Procedures for Ethical Management and Guidelines for Conduct” on the Company’s website and Market Observation Post System, and the effectiveness of implementation.	No significant difference.
V. If the Company has related practice principles of its own in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” please state the differences between the two and the state of implementation: The Company works with various vendors and organizations based on the principle of ethical corporate management. The Company has established and approved by the Board of Directors the “Operating Procedures for Ethical Management and Guidelines for Conduct” and has implemented them in internal management and external business activities.				
VI. Any other essential information that may help us to under the ethical corporate management of the Company better: (such as the review and revision of the ethical corporate management best practice principles): The Company takes honesty and integrity as the foundation, and we make sure that all of our employees uphold the spirit of honesty and integrity and are responsible to our investors, customers and society. In addition, the Company has long-term cooperation with relevant manufacturers and partners, and we have dedicated staff to participate in them to maintain long-term and stable cooperation.				

(VIII) Other important information for understanding the operations of corporate governance may be disclosed: None.

(IX) Implementation of the internal control system:

1. Statement of internal control:

Innodisk Corporation
Statement of internal control system

Date: February 26, 2025

The Company states the following for its 2024 internal control system based on the results of self-assessment:

- I. The Company knows that establishing, implementing and maintaining an internal control system is the responsibility of the Company's Board of Directors and managerial officers, and the Company has established this system. Its purpose is to provide reasonable assurance of the achievement of objectives such as the effectiveness and efficiency of operations (including profitability, performance and asset security, etc.), the reliability, timeliness, and transparency of reporting, as well as compliance with relevant rulings, laws and regulations, etc.
- II. Internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance of the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company's internal control system has a self-monitoring mechanism. Once a defect is identified, the Company will take corrective actions.
- III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the criteria of the effectiveness of the internal control system stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria of the internal control system adopted in the "Regulations" are based on the process of managerial control and divide the internal control system into five components: 1. control environment, 2. risk evaluation, 3. control operations, 4. Information and communication, and 5. Monitoring operations. Each component consists of a number of items. Please refer to the "Regulations" for these items.
- IV. The Company has adopted the aforementioned criteria of the internal control system to evaluate the effectiveness of the design and implementation of its internal control system.
- V. The Company, based on the evaluation results in the preceding paragraph, concludes that the internal control system on December 31, 2024 (including the supervision and management of subsidiaries), including understanding the operational effect and the extent of efficiency realization, the reporting is reliable, timely, transparent, and complying with the relevant norms and relevant laws and regulations, the compliance with governing laws and regulations, and other design and implementation, is effective, which can reasonably ensure the achievement of the preceding objectives.
- VI. This statement will become the main content of the Company's annual report and prospectus and will be made public. If the above-mentioned disclosures have falsehood or concealment, legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act will be incurred.

VII. This Statement was approved by the Board of Directors on February 26, 2025, with no directors voicing dissent out of the eight attending directors. All directors approved the content of this Statement, as is declared here.

Innodisk Corporation

Chairman: Chuan-Sheng Chien

General manager: Chien, Chuan-Sheng

2. The review report of the CPAs should be disclosed if the internal control system is reviewed by the CPAs: None.

(x) Major resolutions of the shareholder and board meetings in the most recent year to the day this Annual Report was printed:

1. Major Resolutions at Shareholders' Meetings as follows:

Meeting Items	Meeting date	Resolutions at Shareholders' Meetings	Status of implementation															
Regular shareholder s' meeting	2024/05/31	1. 2023 Business Report and Financial Statements	1. The voting results are as follows, and the motion was adopted as proposed. The total number of rights represented by the attending shareholders: 68,197,690 voting rights, passed with 98.45% approving voting rights.															
		2. 2023 earnings distribution proposal.	<table><tr><td>Item</td><td>Number of approving voting rights</td><td>Number of objecti ng voting rights</td><td>Number of invalid voting rights</td><td>Number of abstaining/non-voting rights</td></tr><tr><td>Total</td><td>67,141,474</td><td>2,675</td><td>0</td><td>1,053,541</td></tr><tr><td>Among them, electronic voting</td><td>35,908,653</td><td>2,675</td><td>0</td><td>931,309</td></tr></table>	Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights	Total	67,141,474	2,675	0	1,053,541	Among them, electronic voting	35,908,653	2,675	0	931,309
			Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights											
			Total	67,141,474	2,675	0	1,053,541											
		Among them, electronic voting	35,908,653	2,675	0	931,309												
		3. The Company's capital increase from earnings with new shares issued in 2023	<table><tr><td>Item</td><td>Number of approving voting rights</td><td>Number of objecti ng voting rights</td><td>Number of invalid voting rights</td><td>Number of abstaining/non-voting rights</td></tr><tr><td>Total</td><td>67,236,518</td><td>3,145</td><td>0</td><td>958,027</td></tr><tr><td>Among them, electronic voting</td><td>36,003,697</td><td>3,145</td><td>0</td><td>835,795</td></tr></table>	Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights	Total	67,236,518	3,145	0	958,027	Among them, electronic voting	36,003,697	3,145	0	835,795
			Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights											
			Total	67,236,518	3,145	0	958,027											
		Among them, electronic voting	36,003,697	3,145	0	835,795												
		The distribution base date was scheduled on July 21, 2024, and the payment date was scheduled on August 16, 2024 (for a cash dividend of NT\$10.2 per share and a stock dividend of NT\$1.2 per share).																
3. The voting results are as follows, and the motion was passed as proposed. The total number of rights represented by the attending shareholders: 68,197,690 voting rights, passed with 98.58% approving voting rights.																		

Meeting Items	Meeting date	Resolutions at Shareholders’ Meetings	Status of implementation																																																		
		4. The stock release planning proposed in response to the future application for listing on TWSE/TPEX by the subsidiary, Aetina Corporation	<table><tr><th>Item</th><th>Number of approving voting rights</th><th>Number of objecti ng voting rights</th><th>Number of invalid voting rights</th><th>Number of abstaining/non-voting rights</th></tr><tr><td>Total</td><td>67,234,526</td><td>5,369</td><td>0</td><td>957,795</td></tr><tr><td>Among them, electronic voting</td><td>36,001,705</td><td>5,369</td><td>0</td><td>835,563</td></tr></table>	Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights	Total	67,234,526	5,369	0	957,795	Among them, electronic voting	36,001,705	5,369	0	835,563																																			
		Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights																																															
		Total	67,234,526	5,369	0	957,795																																															
		Among them, electronic voting	36,001,705	5,369	0	835,563																																															
		5. Amendments to the Articles of Incorporation	<p>4. The voting results are as follows, and the motion was passed as proposed. The total number of rights represented by the attending shareholders: 68,197,690 voting rights, passed with 98.58% approving voting rights.</p> <table><tr><th>Item</th><th>Number of approving voting rights</th><th>Number of objecti ng voting rights</th><th>Number of invalid voting rights</th><th>Number of abstaining/non-voting rights</th></tr><tr><td>Total</td><td>67,232,141</td><td>4,752</td><td>0</td><td>960,797</td></tr><tr><td>Among them, electronic voting</td><td>35,999,320</td><td>4,752</td><td>0</td><td>838,565</td></tr></table>	Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights	Total	67,232,141	4,752	0	960,797	Among them, electronic voting	35,999,320	4,752	0	838,565																																			
		Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights																																															
		Total	67,232,141	4,752	0	960,797																																															
		Among them, electronic voting	35,999,320	4,752	0	838,565																																															
		6. Amendment to the “Rules of Procedure for Shareholders’ Meetings”	<p>5. The voting results are as follows, and the motion was passed as proposed. The total number of rights represented by the attending shareholders: 68,197,690 voting rights, passed with 91.14% approving voting rights.</p> <table><tr><th>Item</th><th>Number of approving voting rights</th><th>Number of objecting voting rights</th><th>Number of invalid voting rights</th><th>Number of abstaining/non-voting rights</th></tr><tr><td>Total</td><td>62,157,804</td><td>4,481,868</td><td>0</td><td>1,558,018</td></tr><tr><td>Among them, electronic voting</td><td>30,924,983</td><td>4,481,868</td><td>0</td><td>1,435,786</td></tr></table>	Item	Number of approving voting rights	Number of objecting voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights	Total	62,157,804	4,481,868	0	1,558,018	Among them, electronic voting	30,924,983	4,481,868	0	1,435,786																																			
		Item	Number of approving voting rights	Number of objecting voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights																																															
Total	62,157,804	4,481,868	0	1,558,018																																																	
Among them, electronic voting	30,924,983	4,481,868	0	1,435,786																																																	
7. The re-election of directors (including independent directors) of the Company	<p>6. The voting results are as follows, and the motion was passed as proposed. The total number of rights represented by the attending shareholders: 68,197,690 voting rights, passed with 91.46% approving voting rights.</p> <table><tr><th>Item</th><th>Number of approving voting rights</th><th>Number of objecting voting rights</th><th>Number of invalid voting rights</th><th>Number of abstaining/non-voting rights</th></tr><tr><td>Total</td><td>62,378,178</td><td>4,261,714</td><td>0</td><td>1,557,798</td></tr><tr><td>Among them, electronic voting</td><td>31,145,357</td><td>4,261,714</td><td>0</td><td>1,435,566</td></tr></table>	Item	Number of approving voting rights	Number of objecting voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights	Total	62,378,178	4,261,714	0	1,557,798	Among them, electronic voting	31,145,357	4,261,714	0	1,435,566																																					
Item	Number of approving voting rights	Number of objecting voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights																																																	
Total	62,378,178	4,261,714	0	1,557,798																																																	
Among them, electronic voting	31,145,357	4,261,714	0	1,435,566																																																	
8. The proposal of releasing the newly elected directors (including independent directors) and their representatives from the non-compete clause.	<p>7. Election results are as follows:</p> <table><tr><th colspan="3">Innodisk Corporation The List of Directors (including independent directors) elected in the 2024 general shareholders’ meeting</th></tr><tr><th>Title</th><th>Name</th><th>Number of voting rights received to be elected</th></tr><tr><td>Director</td><td>Chien Chuan-Sheng</td><td>79,876,021</td></tr><tr><td>Director</td><td>Lee Chung-Liang</td><td>67,389,590</td></tr><tr><td>Director</td><td>Hsu Shan-Ke</td><td>66,892,034</td></tr><tr><td>Director</td><td>Chu Ching-Chung</td><td>64,601,801</td></tr><tr><td>Director</td><td>Rui Ding Investment Co., Ltd. Representative: Wu Hsi-Hsi</td><td>62,702,181</td></tr><tr><td>Independent Director</td><td>Wang Yin-Tien</td><td>47,877,122</td></tr><tr><td>Independent Director</td><td>Lin Wei-Li</td><td>47,688,316</td></tr><tr><td>Independent Director</td><td>Young Kai-Charn</td><td>47,763,145</td></tr><tr><td>Independent Director</td><td>Lo Su-Shun</td><td>47,302,772</td></tr></table> <p>8. The voting results are as follows, and the motion was passed as proposed. The total number of rights represented by the attending shareholders: 68,197,690 voting rights, passed with 96.25% approving voting rights.</p> <table><tr><th>Item</th><th>Number of approving voting rights</th><th>Number of objecti ng voting rights</th><th>Number of invalid voting rights</th><th>Number of abstaining/non-voting rights</th></tr><tr><td>Total</td><td>65,644,785</td><td>54,284</td><td>0</td><td>2,498,621</td></tr><tr><td>Among them, electronic voting</td><td>34,411,964</td><td>54,284</td><td>0</td><td>2,376,389</td></tr></table>	Innodisk Corporation The List of Directors (including independent directors) elected in the 2024 general shareholders’ meeting			Title	Name	Number of voting rights received to be elected	Director	Chien Chuan-Sheng	79,876,021	Director	Lee Chung-Liang	67,389,590	Director	Hsu Shan-Ke	66,892,034	Director	Chu Ching-Chung	64,601,801	Director	Rui Ding Investment Co., Ltd. Representative: Wu Hsi-Hsi	62,702,181	Independent Director	Wang Yin-Tien	47,877,122	Independent Director	Lin Wei-Li	47,688,316	Independent Director	Young Kai-Charn	47,763,145	Independent Director	Lo Su-Shun	47,302,772	Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights	Total	65,644,785	54,284	0	2,498,621	Among them, electronic voting	34,411,964	54,284	0	2,376,389				
Innodisk Corporation The List of Directors (including independent directors) elected in the 2024 general shareholders’ meeting																																																					
Title	Name	Number of voting rights received to be elected																																																			
Director	Chien Chuan-Sheng	79,876,021																																																			
Director	Lee Chung-Liang	67,389,590																																																			
Director	Hsu Shan-Ke	66,892,034																																																			
Director	Chu Ching-Chung	64,601,801																																																			
Director	Rui Ding Investment Co., Ltd. Representative: Wu Hsi-Hsi	62,702,181																																																			
Independent Director	Wang Yin-Tien	47,877,122																																																			
Independent Director	Lin Wei-Li	47,688,316																																																			
Independent Director	Young Kai-Charn	47,763,145																																																			
Independent Director	Lo Su-Shun	47,302,772																																																			
Item	Number of approving voting rights	Number of objecti ng voting rights	Number of invalid voting rights	Number of abstaining/non-voting rights																																																	
Total	65,644,785	54,284	0	2,498,621																																																	
Among them, electronic voting	34,411,964	54,284	0	2,376,389																																																	

2. Major Resolutions at Board Meetings as follows:

Term - Meeting Date (MM/DD/YY)	Important resolutions	Matters listed in Paragraph 14-3 of the Securities and Exchange Act	Independent Directors' Opinion and The Company's Handling of the Opinion	Resolutions of the Board of Directors
7th term-15th meeting 2024/02/02	1. The Company's 2024 business plan		None.	Passed by the directors present unanimously.
	2. Passed the proposal for the 2023 year-end bonus to the managerial officers and auditing officers of the Company.		None.	The proposal was passed by the directors present unanimously, except for those directors who had recused themselves from attending the meeting and voting according to the laws.
	3. The Company's donation to the Innodisk Foundation.		None.	The proposal was passed by the directors present unanimously, except for those directors who had recused themselves from attending the meeting and voting according to the laws.
7th term-16th meeting 2024/02/22	1. The Company's issuing the 2023 "Statement of Internal Control System."		None.	Passed by the directors present unanimously.
	1. 2023 employees' and directors' remuneration distribution		None.	Passed by the directors present unanimously.
	3. The Company's 2023 financial statements.		None.	Passed by the directors present unanimously.
	4. Proposal to replace the appointed CPAs of PwC Taiwan through internal rotation adjustment.	✓	None.	Passed by the directors present unanimously.
	5. Evaluation of the independence and suitability of CPAs.	✓	None.	Passed by the directors present unanimously.
	6. The Company's 2023 business report.		None.	Passed by the directors present unanimously.
	7. The Company's 2023 earnings distribution proposal.		None.	Passed by the directors present unanimously.
	8. The Company's capital increase from earnings with new shares issued in 2023	✓	None.	Passed by the directors present unanimously.
	9. The stock release planning proposed in response to the future application for listing on TWSE/TPEX by the subsidiary, Aetina Corporation		None.	Passed by the directors present unanimously.
	10. Amendments to the Articles of Incorporation		None.	Passed by the directors present unanimously.
	11. Amendment to the "Rules of Procedure for Shareholders' Meetings"		None.	Passed by the directors present unanimously.
	12. Amendment to the "Rules of Procedure for Board of Directors Meetings."		None.	Passed by the directors present unanimously.
	13. Amendments to the Company's "Audit Committee Charter."		None.	Passed by the directors present unanimously.
	14. Proposal to amend the Company's "Code of Ethical Conduct."		None.	Passed by the directors present unanimously.
	15. The full re-election of directors (including independent directors) of the Company.		None.	Passed by the directors present unanimously.
	16. Nomination of candidates for election as directors (including independent directors) at the 2024 regular shareholder meeting of the Company.		None.	Passed by the directors present unanimously.
	17. The proposal of releasing the newly elected directors (including independent directors) and their representatives from the non-compete clause.		None.	Passed by the directors present unanimously.
	18. Matters related to the convening of the 2024 regular shareholder meeting.		None.	Passed by the directors present unanimously.
	19. Application for renewal of the Company's current banking facilities.		None.	Passed by the directors present unanimously.
7th Term - 17th Meeting 2024/05/09	1. The Company's 2024 first quarter financial report.		None.	Passed by the directors present unanimously.
	2. Proposal to amend the Company's "Procedures for Handling Material Inside Information".		None.	Passed by the directors present unanimously.
	3. Application for renewal of the Company's current banking facilities.		None.	Passed by the directors present unanimously.
	4. The company proposes to make a donation to the Yilan County Hai-Yueh International Education Foundation.		None.	The proposal was passed by the directors present unanimously, except for those directors who had recused themselves from attending the meeting and voting according to the laws.
8th Term - 1st Meeting 2024/05/31	1. Proposal for the election of the Chairman and Vice Chairman by the 8th Board of Directors.		None.	Mr. Chien, Chuan-Sheng was elected to be the Chairman by all the directors present unanimously; also, they agreed unanimously not to elect the Vice Chairman temporarily.
8th Term - 2nd Meeting 2024/06/27	1. Set the Company's 2024 profit transfer to capital increase, new share issuance allotment base date, and cash dividend distribution base date.	✓	None.	Passed by the directors present unanimously.

Term - Meeting Date (MM/DD/YY)	Important resolutions	Matters listed in Paragraph 14-3 of the Securities and Exchange Act	Independent Directors' Opinion and The Company's Handling of the Opinion	Resolutions of the Board of Directors
	2. Proposal to participate in the first cash capital increase of subsidiary Aetina Corporation in 2024, and to cooperate with its future IPO (or OTC listing) application by offering the relinquished subscription shares to company shareholders for priority subscription in proportion to their shareholdings.		None.	Passed by the directors present unanimously.
	3. Proposal for the Company to acquire real estate property in Japan.	✓	None.	Passed by the directors present unanimously.
	4. Proposal to approve the company's 2023 Sustainability Report.		None.	Passed by the directors present unanimously.
	5. Proposal to appoint members to the 6th Remuneration Committee.		None.	Passed by the directors present unanimously.
	6. Proposal to approve changes to the custodian of the company seal registered with the Ministry of Economic Affairs.		None.	Passed by the directors present unanimously.
8th Term - 3rd Meeting 2024/08/07	The Company's 2024 2nd quarter financial report proposal.		None.	Passed by the directors present unanimously.
	Proposal to pass the 2023 remuneration to the managerial officers and auditing officers of the Company.		None.	The proposal was passed by the directors present unanimously, except for those directors who had recused themselves from attending the meeting and voting according to the laws.
	Plan to pass the proposal for the adjustment of remuneration to the managerial officers and auditing officers of the Company.		None.	The proposal was passed by the directors present unanimously, except for those directors who had recused themselves from attending the meeting and voting according to the laws.
	Proposal to pass the Company's 2023 remuneration for directors.		None.	Passed by the directors present unanimously.
	Propose to establish the "Sustainable Development Best Practice Principles" of the Company.		None.	Passed by the directors present unanimously.
	Proposal to establish the company's "Procedures for Preparation and Verification of Sustainability Reports".		None.	Passed by the directors present unanimously.
	Proposal to approve changes to the custodian of the company's secondary seal registered with the Ministry of Economic Affairs.		None.	Passed by the directors present unanimously.
	Application for renewal of the Company's current banking facilities.		None.	Passed by the directors present unanimously.
	The proposal for the Company's application to Chinatrust Commercial Bank for financial derivatives transactions.		None.	Passed by the directors present unanimously.
8th Term - 4th Meeting 2024/11/07	1. The Company's 2024 3rd quarter financial report proposal.		None.	Passed by the directors present unanimously.
	2. Setting the base date for issuance of new shares for the Q3 2024 employee stock option certificates.	✓	None.	Passed by the directors present unanimously.
	3. Proposal to amend the Company's "Internal control system."	✓	None.	Passed by the directors present unanimously.
	4. Drafted the Company's 2025 audit plan.		None.	Passed by the directors present unanimously.
	5. Plan to approve the remuneration proposal for the newly appointed managerial officer of the Company.		None.	Passed by the directors present unanimously.
	6. Application for renewal of the Company's current banking facilities.		None.	Passed by the directors present unanimously.
8th Term - 5th Meeting 2023/01/17	1. The Company's 2025 business plan		None.	Passed by the directors present unanimously.
	2. Proposal for the Company to sell real estate property in Japan.		None.	Passed by the directors present unanimously.
	3. Set the Company's 4th quarter 2024 employee stock option certificates to implement the new share issuance base date for capital increase.	✓	None.	Passed by the directors present unanimously.
	4. Passed the proposal for the 2024 year-end bonus to the managerial officers and auditing officers of the Company.		None.	The proposal was passed by the directors present unanimously, except for those directors who had recused themselves from attending the meeting and voting according to the laws.
8th Term - 5th Meeting 2025/01/17	5. The Company's donation to the Innodisk Foundation.		None.	The proposal was passed by the directors present unanimously, except for those directors who had recused themselves from attending the meeting and voting according to the laws.
	6. Proposal for the company to open a bank account at CTBC Bank's U.S. location.		None.	Passed by the directors present unanimously.
8th Term - 6th Meeting	1. The Company's issuance of the "Statement of Internal Control System" for 2024		None.	Passed by the directors present unanimously.

Term - Meeting Date (MM/DD/YY)	Important resolutions	Matters listed in Paragraph 14-3 of the Securities and Exchange Act	Independent Directors' Opinion and The Company's Handling of the Opinion	Resolutions of the Board of Directors
2025/02/26	2. The Company's 2024 distribution of remuneration to employees and directors		None.	Passed by the directors present unanimously.
	3. The Company's 2024 financial statements		None.	Passed by the directors present unanimously.
	4. Evaluation of the independence and suitability of CPAs.	✓	None.	Passed by the directors present unanimously.
	5. The Company's 2024 business report		None.	Passed by the directors present unanimously.
	6. The Company's 2024 earnings distribution proposal		None.	Passed by the directors present unanimously.
	7. Proposal for the company's 2024 capitalization of retained earnings for issuance of new shares.	✓	None.	Passed by the directors present unanimously.
	8. Proposal for the company to issue restricted employee stock awards.	✓	None.	Passed by the directors present unanimously.
	9. Amendments to the Articles of Incorporation		None.	Passed by the directors present unanimously.
	10. The proposal of releasing directors (including independent directors) from the non-compete clause.		None.	Passed by the directors present unanimously.
	11. Matters related to the convening of the 2025 regular shareholder meeting.		None.	Passed by the directors present unanimously.
	12. Application for renewal of the Company's current banking facilities		None.	Passed by the directors present unanimously.

(xi) During the most recent year or the current year up to the date of publication of the annual report, if board directors or supervisors had different opinions on important resolutions approved by the Board of Directors with records or written statements, the main content of the opinions: None.

IV. Information on the CPA's audit fees:

Unit: NT\$ thousand

CPA firm	CPA name	CPA audit period	Audit fee	Non-audit fee	Total	Remarks
PricewaterhouseCoopers, Taiwan	Tsui Miao Yeh	2024/01/01~2024/12/31	3,730	1,411	5,141	
	Huang, Shih-Chun	2024/01/01~2024/02/21				
	Chan-Yuan Tu	2024/02/22~2024/12/31				

Please specify the non-audit service fees in details:

1. Non-audit service fees are paid for the services of industrial and commercial registration, tax consultation, issuance of transfer pricing reports, etc.

(i) If the accounting firm for audit service is changed and the audit fee paid in the year of change is lower than the audit fee of the year before the change, please disclose the audit fee paid before and after the change and the reasons: None.

(ii) If the audit service fee is reduced by more than 10% from the year before, please disclose the amount, proportion, and reason for the reduction of the audit service: None.

V. Information on the replacement of CPAs: None.

VI. Any of The Company's Chairman, President, or managers involved in financial or accounting affairs being employed by the auditor's firm or any of its affiliated company within the recent year; disclose their names, job titles, and the periods during which they were employed by the auditor's firm or any of its affiliated company: None.

VII. Equity transfer and changes in equity pledge of directors, supervisors, managers, and shareholders who have more than 10% shareholdings:

Information disclosed in accordance with regulations on the Market Observation Post System (MOPS)
(Inquiry website: <https://mops.twse.com.tw>)

(i) Changes in the transfer of shares by directors, supervisors, managerial officers and shareholders with more than 10% shareholding:

Unit: shares

Title	Name	2024		As of April 10, 2025	
		Increase/decrease in the number of shares held	Increase/decrease in the number of shares pledged	Increase/decrease in the number of shares held	Increase/decrease in the number of shares pledged
Chairman/General Manager	Chien Chuan-Sheng	85,048	0	0	0
Director	Lee Chung-Liang	39,645	0	0	0
Director	Chu Ching-Chung	33,809	0	0	0
Corporate director Representative of Corporate Director/Vice president	Rui Ding Investment Co., Ltd. Wu Hsi-Hsi	136,426 (230,511)	0 (100,000)	0 0	0 0
Director	Hsu Shan-Ke	0	0	0	0
Independent Director	Wang Yin-Tien	0	0	0	0
Independent Director	Lin Wei-Li	0	0	0	0
Independent Director	Young Kai-Charn	0	0	0	0
Independent Director	Lo Su-Shun	0	0	0	0
Chief Operating Officer	Wang Chia-Ying	38,254	0	0	0
Vice president	Liao Te-Chang	1,553	0	0	0
Vice president	Chang Wei-Min	39,942	0	0	0
Vice president	Ke Yu-Jun	(11,280)	0	20,000	0
Vice president	Tsai Han-Tsang	18,291	0	0	0
Vice president	Wei Ting-Huang	35,518	0	0	0
Vice president	Fu Hao	35,408	0	0	0
Vice president	Wang Li-Cheng	32,436	0	5,000	0
Senior Assistant Vice Manager	Kuo Jin-Chong	631	0	0	0
Assistant Vice Manager	Yu Li-Yin	29,339	0	0	0
Assistant Vice Manager	Kuo Kuang-Yao	2,000	0	0	0
Accounting Manager	Hsiao Wen-Kuei	10,000	0	0	0

(ii) The counterparty to whom the shares are transferred is a related party: No such situation

(iii) The counterparty to whom the shares are pledged is a related party: No such situation

VIII. Information on the top ten shareholders who are related to each other or as spouses or relatives within the second degree of kinship:

March 28, 2025 Unit: Share

NAME	SHAREHOLDINGS OF THE PRINCIPAL		SHAREHOLDING OF SPOUSE AND MINOR CHILDREN NOW		SHARES HELD IN THE NAME OF OTHERS		THE TITLE OR NAMES AND RELATIONSHIPS OF THE TOP-TEN SHAREHOLDERS WHO ARE RELATED PARTIES, SPOUSE, AND RELATIVES WITHIN THE SECOND DEGREE OF KINSHIP AS DEFINED IN THE R.O.C. FINANCIAL ACCOUNTING STANDARDS NO. 6 SHOULD BE DISCLOSED		REMARKS
	Number of Shares	Ownership	Number of Shares	Ownership	Number of Shares	Ownership	Name (or name)	Relationship	
Rui Ding Investment Co., Ltd. Representative: Lee Chung-Liang	6,957,733	7.60%	-	-	-	-	Lee Chung-Liang	Director	
	2,021,943	2.21%	724,406	0.79%	-	-	Rui Ding Invest Co., Ltd.	Representative	
Cathay Life Insurance Company, Ltd. Representative: Hsiung Ming-He	4,809,592	5.25%	-	-	-	-	-	-	
	-	-	Data not available						
Lee Chung-Liang	2,021,943	2.21%	724,406	0.79%	-	-	Rui Ding Invest Co., Ltd.	Representative	
Picchu Investment Co., Ltd. Representative: Huang Pi-Hua	2,002,724	2.19%	-	-	-	-	Chu Ching-Chung	Representative Spouse of the above-mentioned	
	14,313	0.02%	1,724,308	1.88%	-	-			
Chu Ching-Chung	1,724,308	1.88%	14,313	0.02%	-	-	Representative of Picchu Investment Co., Ltd.: Huang Pi-Hua	Spouse	
Chien Chuan-Sheng	1,587,491	1.73%	-	-	-	-	-	-	
HSBC (Taiwan) Commercial Bank Co., Ltd. as custodian for the Carmignac Investissement investment account	1,418,189	1.55	-	-	-	-	-	-	
Standard Chartered International Commercial Bank Business Division as custodian for the RBC Emerging Markets Small-Cap Equity Fund investment account	1,396,398	1.52	-	-	-	-	-	-	
Standard Chartered International	1,353,204	1.48	-	-	-	-	-	-	

Commercial Bank Business Division as custodian for the RBC Emerging Markets Dividend Fund investment account									
HSBC (Taiwan) Commercial Bank Co., Ltd. as custodian for the Fidelity Emerging Markets Discovery Fund investment account managed by Fidelity Investments Trust	1,204,280	1.32	-	-	-	-	-	-	

IX. The total number of shares and the consolidated equity stake percentage held in any single reinvested enterprise by the Company, its directors, supervisors, managerial officers, or any companies controlled either directly or indirectly by the Company

Unit: shares; %

Reinvestment business	The Company's investment		Investment of the directors, supervisors, managers and business under direct or indirect control		Total investments	
	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio
Innodisk Global-M Corporation	665,000	100%	-	-	665,000	100%
Innodisk USA Corporation	2,046,511	100%	-	-	2,046,511	100%
Innodisk Japan Corporation	196	100%	-	-	196	100%
Aetina Corporation	25,762,726	67.06%	1,270,607	3.31%	27,033,333	70.37%
Innodisk Shenzhen Corporation	~(Note 1)	100%	-	-	~(Note 1)	100%
Innodisk Europe B.V.	50,000,100	100%	-	-	50,000,100	100%
Innodisk France SAS	5,000	100%	-	-	5,000	100%
Innodisk Germany GmbH	250	100%			250	100%
Millitronic Co., Ltd.	6,798,664	32.16%	1,010,927	4.78%	7,809,591	36.94%
Antzer Tech Co., Ltd.	58,400,000	100%	-	-	58,400,000	100%
Sysinno Technology Inc.	945,000	42.95%	-	-	945,000	42.95%
AETINA USA CORPORATION	200,000	100%	-	-	200,000	100%
Aetina Europe B.V.	100	100%	-	-	100	100%
Aetina (Shenzhen) Artificial Intelligence Co., Ltd.	~(Note 1)	100%			~(Note 1)	100%
Aetina Japan Corporation	500	100%			500	100%

Note 1: No shares issued

Three. Capital Raising

I. Source of capital: (i) Type of share

March 28, 2025 Unit: Share

Type of share	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common stock	91,574,595	8,425,405	100,000,000	Over the Counter

(ii) Capital formation:

March 28, 2025 Unit: Share

Year/Month	Issue price	Authorized capital		Paid-in capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Using property other than cash as payment of shares	Others
2005.03	@10	8,000,000	80,000,000	5,300,000	53,000,000	Established		
2005.05	@10	8,000,000	80,000,000	8,000,000	80,000,000	Capital increase of NT\$27,000,000 by cash		
2006.04	@10	20,000,000	200,000,000	11,000,000	110,000,000	Capital increase of NT\$30,000,000 by cash		
2007.07		20,000,000	200,000,000	11,400,000	114,000,000	Capital increase of NT\$4,000,000 for merger		Note 1
2007.08	@12	20,000,000	200,000,000	13,400,000	134,000,000	Capital increase of NT\$20,000,000 by cash		Note 2
2008.08	@25	20,000,000	200,000,000	16,000,000	160,000,000	Capital increase of NT\$26,000,000 by cash		Note 3
2010.01	@12	20,000,000	200,000,000	17,000,000	170,000,000	Capital increase of NT\$10,000,000 for employee subscription		Note 4
2010.08		30,000,000	300,000,000	21,586,000	215,860,000	Capital increase of NT\$45,860,000 from earnings		Note 5
2010.11	@12	30,000,000	300,000,000	22,586,000	225,860,000	Capital increase of NT\$10,000,000 for employee subscription		Note 6
2010.11	@25	30,000,000	300,000,000	25,586,000	255,860,000	Capital increase of NT\$30,000,000 by cash		Note 7
2011.05	@50	60,000,000	600,000,000	29,186,000	291,860,000	Capital increase of NT\$36,000,000 by cash		Note 8
2011.09		60,000,000	600,000,000	37,858,080	378,580,800	Capital increase of NT\$86,720,800 from earnings		Note 9
2012.01	@17	60,000,000	600,000,000	39,358,080	393,580,800	Capital increase of NT\$15,000,000 for employee subscription		Note 10
2012.07		60,000,000	600,000,000	45,961,792	459,617,920	Capital increase of NT\$66,037,120 from earnings		Note 11
2012.07	@17	60,000,000	600,000,000	47,461,792	474,617,920	Capital increase of NT\$15,000,000 for employee subscription		Note 12
2013.08		60,000,000	600,000,000	49,834,881	498,348,810	Capital increase of NT\$23,730,890 from earnings		Note 13
2013.12	@62	60,000,000	600,000,000	54,803,881	548,038,810	Capital increase of NT\$49,690,000 by cash		Note 14
2014.09		80,000,000	800,000,000	59,188,191	591,881,910	Capital increase of NT\$43,843,100 from earnings		Note 15
2015.08		80,000,000	800,000,000	62,147,600	621,476,000	Capital increase of NT\$29,594,090 from earnings		Note 16
2016.05	@55.98	80,000,000	800,000,000	62,544,600	625,446,000	Employee stock option conversion of NT\$3,970,000	None.	Note 17
2016.08	@55.98	80,000,000	800,000,000	62,596,600	625,966,000	Employee stock option conversion of NT\$520,000		Note 18
2016.09		80,000,000	800,000,000	65,703,980	657,039,800	Capital increase of NT\$31,073,800 from earnings		Note 19
2016.11	@51	80,000,000	800,000,000	65,830,480	658,304,800	Employee stock option conversion of NT\$1,265,000		Note 20
2017.02	@51	80,000,000	800,000,000	65,940,980	659,409,800	Employee stock option conversion of NT\$1,105,000		Note 21
2017.05	@51	80,000,000	800,000,000	66,394,480	663,944,800	Employee stock option conversion of NT\$4,535,000		Note 22
2017.08	@51	80,000,000	800,000,000	66,520,480	665,204,800	Employee stock option conversion of NT\$1,260,000		Note 23
2017.09		80,000,000	800,000,000	69,817,529	698,175,290	Capital increase of NT\$32,970,490 from earnings		Note 24
2017.11	@47	80,000,000	800,000,000	72,007,327	720,073,270	Employee stock option conversion of NT\$1,155,000		Note 25
	@84.7					Capital increase of NT\$20,742,980 for 1st unsecured corporate bonds conversion		
2018.02	@47	80,000,000	800,000,000	73,879,097	738,790,970	Employee stock option conversion of NT\$265,000		Note 26
	@84.7					Capital increase of NT\$18,452,700 for 1st unsecured corporate bonds conversion		
2018.05	@47	80,000,000	800,000,000	74,981,142	749,811,420	Employee stock option conversion of NT\$1,670,000		Note 27
	@84.7					Capital increase of NT\$9,350,450 for 1st unsecured corporate bonds conversion		
2018.08	@84.7	80,000,000	800,000,000	75,540,752	755,407,520	Capital increase of NT\$5,596,100 for 1st unsecured corporate bonds conversion		Note 28
2018.09		80,000,000	800,000,000	77,775,452	777,754,520	Capital increase of NT\$22,347,000 from earnings		Note 29
2018.11	@84.7	80,000,000	800,000,000	78,086,586	780,865,860	Capital increase of NT\$1,558,340 for 1st unsecured corporate bonds conversion		Note 30
	@79.2					Capital increase of NT\$1,553,000 for 1st unsecured corporate bonds conversion		
2019.02	@79.2	80,000,000	800,000,000	78,166,129	781,661,290	Capital increase of NT\$795,430 for 1st unsecured corporate bonds conversion		Note 31
2019.09		100,000,000	1,000,000,000	79,729,451	797,294,510	Capital increase of NT\$15,633,220 from earnings		Note 32

Year/Month	Issue price	Authorized capital		Paid-in capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Using property other than cash as payment of shares	Others
2020.09		100,000,000	1,000,000,000	81,324,040	813,240,400	Capital increase of NT\$15,945,890 from earnings		Note 33
2021.05	@92.8	100,000,000	1,000,000,000	82,459,040	824,590,400	Employee stock option conversion of NT\$11,350,000		Note 34
2021.08	@92.8	100,000,000	1,000,000,000	82,516,040	825,160,400	Employee stock option conversion of NT\$570,000		Note 35
2021.11	@89.8	100,000,000	1,000,000,000	82,628,040	826,280,400	Employee stock option conversion of NT\$1,120,000		Note 36
2022.02	@89.8	100,000,000	1,000,000,000	82,668,040	826,680,400	Employee stock option conversion of NT\$400,000		Note 37
2022.05	@89.8	100,000,000	1,000,000,000	83,722,540	837,225,400	Employee stock option conversion of NT\$10,545,000		Note 38
2022.07	@89.8	100,000,000	1,000,000,000	83,895,040	838,950,400	Employee stock option conversion of NT\$1,725,000		Note 39
2022.08		100,000,000	1,000,000,000	86,375,081	863,750,810	Capital increase of NT\$24,800,410 from earnings		Note 40
2022.11	@81.4	100,000,000	1,000,000,000	86,470,581	864,705,810	Employee stock option conversion of NT\$955,000	None.	Note 41
2023.01	@81.4	100,000,000	1,000,000,000	86,553,081	865,530,810	Employee stock option conversion of NT\$825,000		Note 42
2023.05	@81.4	100,000,000	1,000,000,000	86,666,581	866,885,810	Employee stock option conversion of NT\$1,135,000		Note 43
2023.09		100,000,000	1,000,000,000	88,397,642	883,976,420	Capital increase of NT\$17,310,610 from earnings		Note 44
2024.08		100,000,000	1,000,000,000	90,165,595	901,555,950	Capital increase of NT\$17,679,530 from earnings		Note 45
2024.12	@148.54	100,000,000	1,000,000,000	91,337,095	913,370,950	Employee stock option conversion of NT\$11,715,000		Note 46
2025.02	@148.54	100,000,000	1,000,000,000	91,456,095	914,560,950	Employee stock option conversion of NT\$1,190,000		Note 47
2025.04	@148.54	100,000,000	1,000,000,000	91,574,595	915,745,950	Employee stock option conversion of NT\$1,185,000		Note 48

Note 1: 2007.07.20 Approval Document: Fu-Jian-Shang-Zi No. 09687115200

Note 2: 2007.08.22 Approval Document No.: Fu-Jian-Shang-Zi No. 09688352700

Note 3: 2008.08.18 Approval Document No.: Fu-Chan-Shang-Zi No. 09787722110

Note 4: 2010.01.20 Approval Document No.: Fu-Chan-Ye-Shang-Zi No. 09980339710

Note 5: 2010.08.31 Approval Document Bei-Fu-Jing-Deng-Zi No. 0993151965

Note 6: 2010.11.23 Approval Document No.: Bei-Fu-Jing-Deng-Zi No. 0993171053

Note 7: 2010.11.23 Approval Document No.: Bei-Fu-Jing-Deng-Zi No. 0993171053

Note 8: 2011.05.26 Approval Document No.: Bei-Fu-Jing-Deng-Zi No. 1005030508

Note 9: 2011.09.15 Approval Document No.: Bei-Fu-Jing-Deng-Zi No. 1005057332

Note 10: 2012.01.16 Approval Document No.: Bei-Fu-Jing-Deng-Zi No. 1015003145

Note 11: 2012.07.18 Approval Document No.: Bei-Fu-Jing-Deng-Zi No. 1015041804

Note 12: 2012.07.18 Approval Document No.: Bei-Fu-Jing-Deng-Zi No. 1015041804

Note 13: 2013.08.28 Approval Document No.: Bei-Fu-Jing-Si-Zi No. 1025054039

Note 14: 2013.12.17 Approval Document No.: Jing-Shou-Shang-Zi No. 10201252970

Note 15: 2014.09.25 Approval Document No.: Jing-Shou-Shang-Zi No. 10301193020

Note 16: 2015.08.27 Approval Document No.: Jing-Shou-Shang-Zi No. 10401184420

Note 17: 05.17.2016 Approval Document No.: Jing-Shou-Shang-Zi No. 105020210030

Note 18: 08.10.2016 Approval Document No.: Jing-Shou-Shang-Zi No. 10501199180

Note 19: 09.10.2016 Approval Document No.: Jing-Shou-Shang-Zi No. 10501222990

Note 20: 11.29.2016 Approval Document No.: Jing-Shou-Shang-Zi No. 10501273320

Note 21: 02.06.2017 Approval Document No.: Jing-Shou-Shang-Zi No. 10601014250

Note 22: 05.18.2017 Approval Document No.: Jing-Shou-Shang-Zi No. 10601063850

Note 23: 08.18.2017 Approval Document No.: Jing-Shou-Shang-Zi No. 106020226930

Note 24: 2015.09.14 Approval Document No.: Jing-Shou-Shang-Zi No. 10601131520

Note 25: 2017.11.23 Approval Document No.: Jing-Shou-Shang-Zi No. 10601159130

Note 26: 02.12.2018 Approval Document No.: Jing-Shou-Shang-Zi No. 10701017920

Note 27: 05.15.2018 Approval Document No.: Jing-Shou-Shang-Zi No. 10701051270

Note 28: 08.20.2018 Approval Document No.: Jing-Shou-Shang-Zi No. 107020212920

Note 29: 09.21.2018 Approval Document No.: Jing-Shou-Shang-Zi No. 107020228470

Note 30: 11.27.2018 Approval Document No.: Jing-Shou-Shang-Zi No. 10701147520

Note 31: 02.20.2019 Approval Document No.: Jing-Shou-Shang-Zi No. 10801014930

Note 32: 09.17.2019 Approval Document No.: Jing-Shou-Shang-Zi No. 108020235890

Note 33: 09.14.2020 Approval Document No.: Jing-Shou-Shang-Zi No. 10901171470

Note 34: 05.21.2021 Approval Document No.: Jing-Shou-Shang-Zi No. 202101086400

Note 35: 08.18.2021 Approval Document No.: Jing-Shou-Shang-Zi No. 202101149360

Note 36: 11.24.2021 Approval Document No.: Jing-Shou-Shang-Zi No. 202101215080

Note 37: 02.15.2022 Approval Document No.: Jing-Shou-Shang-Zi No. 120211017690

Note 38: 2022.05.24 Approval Document No.: Jing-Shou-Shang-Zi No. 11101084800

Note 39: 2022.07.28 Approval Document No.: Jing-Shou-Shang-Zi No. 11101137570

Note 40: 2022.08.24 Approval Document No.: Jing-Shou-Shang-Zi No. 11101158970

Note 41: 2022.11.23 Approval Document No.: Jing-Shou-Shang-Zi No. 11101221890

Note 42: 2023.01.30 Approval Document No.: Jing-Shou-Shang-Zi No. 11230011750

Note 43: 05.23.2023 Approval Document No.: Jing-Shou-Shang-Zi No. 11230085540

Note 44: 09.12.2023 Approval Document No.: Jing-Shou-Shang-Zi No. 11230172600

Note 45: 2024.08.01 Approval Document No.: Jing-Shou-Shang-Zi No. 11330136340

Note 46: 2024.12.02 Approval Document No.: Jing-Shou-Shang-Zi No. 11330204920

Note 47: 2025.02.14 Approval Document No.: Jing-Shou-Shang-Zi No. 11430012380

Note 48: The conversion of 118,500 shares from employee stock options has not yet been completed for registration of changes.

II. Name of major shareholders:

Name, amount, and percentage of shareholding of the top ten shareholders or shareholders holding 5% or more shares.

March 28, 2025 Unit: Share

Names of major shareholders	Shares	Number of shares held	Shareholding ratio
Rui Ding Investment Co., Ltd.		6,957,733	7.60%
Cathay Life Insurance Company, Ltd.		4,809,592	5.25%
Lee Chung-Liang		2,021,943	2.21%
Picchu Investment Co., Ltd.		2,002,724	2.19%
Chu Ching-Chung		1,724,308	1.88%
Chien Chuan-Sheng		1,587,491	1.73%
HSBC (Taiwan) Commercial Bank Co., Ltd. as custodian for the Carmignac Investissement investment account		1,418,189	1.55%
Standard Chartered International Commercial Bank Business Division as custodian for the RBC Emerging Markets Small-Cap Equity Fund investment account		1,396,398	1.52%
Standard Chartered International Commercial Bank Business Division as custodian for the RBC Emerging Markets Dividend Fund investment account		1,353,204	1.48%
HSBC (Taiwan) Commercial Bank Co., Ltd. as custodian for the Fidelity Emerging Markets Discovery Fund investment account managed by Fidelity Investments Trust		1,204,280	1.32%

III. Company dividend policy and implementation:

(i) Dividend policy: In accordance with Article 19-1 of the Company's Articles of Incorporation, as follows

1. The earnings according to the Company's annual final accounts shall be distributed in the following order:

(1) Withholding taxes.

(2) Make up for past losses.

(3) The profits from annual final accounts shall have 10% allocated for legal reserve, but if the legal reserve has reached the total share capital, no further allocations will be conducted. A special reserve is also allocated or reversed in accordance with laws and regulations or the competent authority's requirements.

(4) With respect to the balance and the accumulated unappropriated retained earnings of the previous year, the board proposes a surplus distribution to the shareholders meeting for resolution.

The Company considers future needs for business operation, long-term financial planning and shareholders' interest in the dividend policy. As the Company is currently in the growing stage, considering the future capital expenditure budget and the need for cash, the annual cash dividends will not be less than 10% of the total of cash and stock dividends. The Company's total earnings distribution to shareholders shall not be less than 30% of the current year's earnings.

(ii) Dividend distribution resolved for the current year

The company's dividend distribution for fiscal year 2024 is based on the profit distribution proposal approved by the Board of Directors on February 26, 2025, which allocates a cash dividend of NT\$9.4 per share and a stock dividend of 0.02 shares per share to shareholders, totaling NT\$877,978,513.

(iii) Expected significant changes in dividend policy: None.

IV. The effect of the proposed stock dividends of shares at the shareholders' meeting on the Company's operating results and earnings per share:

Item		Year	2024 (Estimated)
Opening Paid-In Capital			914560950
Stock and Cash Dividends for the Year	Cash dividend per share		9.4 (Note 1)
	Allotment per share for capital increase through earnings (share)		0.02 (Note 1)
	Number of shares issued due to capitalization of capital surplus (shares)		—
Operating performance Change	Operating profit		Not applicable (Note 2)
	Year-on-year % increase (decrease) in operation profits		
	Net income after tax		
	Year-on-year % increase (decrease) in net income after tax		
	Earnings per share		
	Year-on-year % increase (decrease) in earnings per share		
Pro forma Earnings per share and price to earnings ratio	If all of the capital increase from earnings is changed to cash dividends	Pro forma earnings per share	Not applicable (Note 2)
		Pro forma annual average return on investment (%)	
	Without capitalization of capital surplus	Pro forma earnings per share	
		Pro forma annual average return on investment (%)	
	In the event of not implementing capital surplus and retained earnings capitalization, distributions will be made as cash dividends instead.	Pro forma earnings per share	
		Pro forma annual average return on investment (%)	

Note 1: To be resolved in the 2025 general shareholders' meeting

Note 2: Not applicable as the Company has not yet released the 2025 financial forecast information.

V. Remuneration to employees, directors and supervisors:

- (i) The percentage or range of remuneration for employees, directors and supervisors as set forth in the Articles of Incorporation.

Pursuant to Article 19 of the Company's Articles of Incorporation, the Company shall allocate the following amounts as employee bonuses and director remunerations if the income before taxes after the deduction to make up for losses still has a balance:

- (1) More than 3% as employee bonuses.
- (2) Less than 2% as remunerations for directors.

Employee compensation mentioned in the preceding paragraph shall be in the form of stocks or cash and shall be determined by the board resolution and reported to the shareholders' meeting. The recipients include the employees of subsidiaries in which the Company holds more than half of the shares with voting power or the total capital of the subsidiaries. Article 19-1: The Company considers future needs for business operation, long-term financial planning and shareholders' interest in the dividend policy. As the Company is currently in the growing stage, considering the future capital expenditure budget and the need for cash, the annual cash dividends will not be less than 10% of the total cash and stock dividends. The Company's total earnings distribution to shareholders shall not be less than 30% of the current year's earnings.

- (ii) The basis for estimating the amount of remuneration to employees, directors and supervisors, the basis

for calculating the number of shares for employee remuneration distributed in stock, and the accounting treatment if the actual amount distributed differs from the estimated amount.

The remuneration to employees and directors and supervisors is calculated in accordance with the Company's Articles of Incorporation. The basis for calculating the number of shares to be distributed as stock dividends is based on the fair value per share as estimated by professional valuation technique reports, with the effect of ex-rights taken into account. If the actual distribution amount subsequently resolved by the shareholders' meeting differs from the estimated amount, the difference is accounted for as a change in accounting estimate and recorded as profit or loss in the year of actual distribution.

(iii) Distribution of remuneration as approved by the Board of Directors.

- (1) The amount of employees' remuneration and directors' and supervisors' remuneration distributed in cash or stock. If the amount differs from the amount estimated in the year in which the expense is recognized, the difference, the reasons for the difference, and the circumstances under which the difference was handled should be disclosed.

The Company's Board of Directors had resolved the distribution of employees' remuneration for an amount of NT\$80,000,000 in cash and the directors' remuneration for an amount of NT\$12,800,000 in cash on February 26, 2025. The preceding distribution amounts are consistent with those recognized in the financial statements for the year ended on December 31, 2024, and there is no difference.

- (2) The percentage of the amount of employee remuneration distributed in stock to the total net profits after tax and total employee remuneration for the period: There was no employee stock bonus distribution for the period, so it is not applicable.

(iv) The actual distribution of remuneration to employees, directors and supervisors in the previous year (including the number of shares distributed, the amount and the price of the shares), the difference between the distribution and the recognition of remuneration to employees, directors and supervisors, and the amount of the difference, the reasons for the difference and the circumstances under which the difference was handled should be stated

- (1) The remuneration distributed to employees and directors for 2023 is NTD 84,078,900 and NTD13,700,000 in cash, respectively. The Company has established the Audit Committee, so there is no remuneration to supervisors. The preceding distribution amounts are consistent with those recognized in the financial statements for the year ended on December 31, 2023, and there is no difference.

- (2) The actual distribution amount is the same as the originally proposed amount approved by the Board of Directors.

VI. Repurchase of the Company's shares: None.

VII. Disclosure of corporate bonds: None.

VIII. Disclosure of preferred stocks: None.

IX. Disclosure of overseas depository receipts: None.

X. Disclosure of employee stock options:

(i) The Company's employee stock options that have not yet expired:

April 10, 2025

Type of employee stock options	2022 1st employee stock options
Filing Effective Date and Total Unit Number	July 26, 2022; 3,500,000 units
Issuance (handling) date	August 5, 2022
Number of units issued	3,500,000 units
Number of units still available	0 units
Ratio of subscribable shares to total issued and outstanding shares	3.8220%
Warrant exercise period	4 years after issuance
Contract Performance Method	Issuance of new shares
Restricted stock period and percentage (%)	The stock options exercisable by the stock option holders after two years from the date of grant of the employee stock options are 50% of the grant, and the stock options exercisable after three years are the full amount of the grant.
Number of shares exercised	1,409,000 shares
Amount of shares exercised	NT\$ 209,292,860
Number of unexercised stock options	3,286,000 units
Price per share for unexercised stock options	NT\$ 148.54
Ratio of the number of unsubscribed shares to the number of issued shares (%)	3.5883%
Effect on shareholders' equity	After the expiration of two years from the issuance date, the stock options will be executed according to the above schedule and percentage. The dilution effect on the original shareholders' equity is limited year by year.

(ii) The names of managerial officers and the top ten employees who acquired stock options as of the date of publication of the annual report and the acquisition and subscription status of the stock options:

April 10, 2025 Unit: Thousand NTD/Thousand Shares

	Title	Name	Number of stock options acquired	Number of stock options acquired as a percentage of the total number of shares issued	Executed				Unexecuted			
					Number of stock options	Price of stock options	Amount of stock options	Number of stock options as a percentage of the total number of shares issued	Number of stock options	Price of stock options	Amount of stock options	Number of stock options as a percentage of the total number of shares issued
Managerial Officer	General Manager	Chien Chuan-Sheng	887	0.97%	326	148.54	48,424	0.36%	561	148.54	83,331	0.61%
	Chief Operating Officer	Wang Chia-Ying										
	Vice president	Wu Hsi-Hsi										
	Vice president	Liao Te-Chang										
	Vice president	Chang Wei-Min										
	Vice president	Tsai Han-Tsang										
	Vice president	Wang Li-Cheng										
	Vice president	Ke Yu-Jun										
	Vice president	Fu Hao										
	Vice president	Wei Ting-Huang										
	Senior Assistant Vice Manager	Kuo Jin-Chong										
	Assistant Vice Manager	Yu Li-Yin										

	Manager	Hsiao Wen-Kuei										
Employees	Senior Director	Tai Tung-Chien	364	0.40%	150.5	148.54	22,355	0.16	213.5	148.54	31,713	0.24%
	Director	Liu Yun-Wei										
	Director	Huang Hsiao-Ching										
	Director	Kao Shu-Fen										
	Director	Chen Ming-Sheng										
	Director	Wu Chih-Ching										
	Manager	Po Lu-Hua										
	Special assistant	Chen, Qiu-Xiong										
	Special assistant	Yu, Po-Hung										
	Special assistant	Chang, Hsien-Wen										

XI. Disclosure of Employee Restricted Stock: None.

XII. Issuance of new shares in connection with mergers and acquisitions of shares of other companies: None.

XIII. Disclosure of Use of Funds:

As of the quarter up to the publication date of the annual report, previous issues or private placements of marketable securities that have not yet been completed or have been completed within the last three years and the benefits of the plans have not yet been realized: Not applicable.

Four. Operation overview

I. Operation of the Company

Innodisk has established a leading position in industrial-grade storage and established the Group's AI development strategy in 2022. Since then, Innodisk has continued to leapfrog into a leading brand of global AI solutions through its forward-looking layout and software and hardware integration strength. Innodisk provides global customers with industrial embedded storage devices (SSDs), industrial Dynamic Random Access Memory modules (DRAM), Edge AI Computing Solutions, and Intelligent Peripherals, comprehensively strengthening infrastructure from data center servers to edge devices. Furthermore, we collaborate with international manufacturers, ISVs (Independent Software Vendors), and industry partners to simplify AI training and inference processes through hardware and software integration, creating one-stop AI solutions specifically designed for industry scenarios, accelerating the implementation of AI applications in global vertical domains including smart cities, smart automotive, smart healthcare, and smart manufacturing.

(i) Business activities

1. Business scope

(1) The main contents of the business products

- A. Industrial embedded storage devices
- B. Industrial dynamic random-access memory module
- C. Edge AI Computing Solutions
- D. Intelligent Peripherals

(2) Sales percentage of major products

Unit: Thousand NTD

Item	2024	
	Sales	%
Industrial embedded storage devices	4,573,999	51.31
Industrial dynamic random-access memory module	3,461,821	38.83
Edge AI Computing Solutions	641,396	7.19
Others	238,426	2.67
Total	8,915,642	100.00

(3) Current products of the Company

A. Industrial embedded storage devices

The solid state drive has numerous designs to adapt to different application needs, including 2.5"SSD, Slim SATA, M.2, U.2, CFast, mSATA, SATADOM, nano SSD(BGA SSD), CF, SD Card/MicroSD Card, USB, CFexpress and EDSFF.

B. Industrial dynamic random-access memory module

Embedded System Series, Server Series, Wide Temperature and Extended Wide Temperature Series, Rugged Highly Customized Series, and AI High-Performance Memory Series.

C. Edge AI Computing Solutions

AI edge computing platform, AI software development kit, edge AI deployment and management platform, AI accelerator card, graphics processor, and software solutions

D. Intelligent Peripherals

Embedded camera module, virtual I/O expansion module, embedded storage expansion module, disk array (RAID) module, embedded display module, embedded communication module, and embedded vehicle communication module, IoT air sensing module, and remote out-of-band management module

(4) Expected new product development projects

A. Industrial embedded storage devices

(a) PCIe Gen5 Products

- (b) BiCs8 3D TLC Series Products
- (c) Data Center Storage Device Series
- (d) High-Speed/High-Capacity Storage Device Series
- (e) High-Speed Advanced Interface Storage Devices
- B. Industrial dynamic random-access memory module**
 - (a) CXL 3.0 Memory Expansion Modules
 - (b) DDR5 6400MT/s Ultra-High-Speed Industrial Memory
 - (c) DDR5 8800MT/s Ultra-Low Latency MRDIMM
 - (d) DDR5 LPCAMM2 Ultra-Low Power Slim Memory
 - (e) DDR5 CAMM2 New-Generation Slim Memory
- C. Edge AI Computing Solutions**
 - (a) Expansion of AI Edge Server Platform Product Line
 - (b) Expansion of AI Edge Computing Platform Vehicle Product Line
 - (c) AI Large Language Model (LLM) Software Development Kit
 - (d) Vision Artificial Intelligence Agent Development Kit
 - (e) Robotics Development Kit
 - (f) AI Software Development Kit Version Upgrade and Optimization
 - (g) Edge AI Deployment and Management Platform Version Upgrade and Optimization
 - (h) Edge AI On-Premise Device Solutions
 - (i) Smart Manufacturing Safety Identification Solutions
 - (j) Facial Recognition Security Solutions
 - (k) AI Visual Recognition System Solutions
- D. Intelligent Peripherals**
 - (a) High-Speed CAN Bus Module Product Line Expansion
 - (b) Fiber Optic Network Card Modules
 - (c) Embedded camera module product line expansion
 - (d) CAN Data Logger
 - (e) CAN Analyzer

2. Industry Overview

(1) Industry Current Status and Development

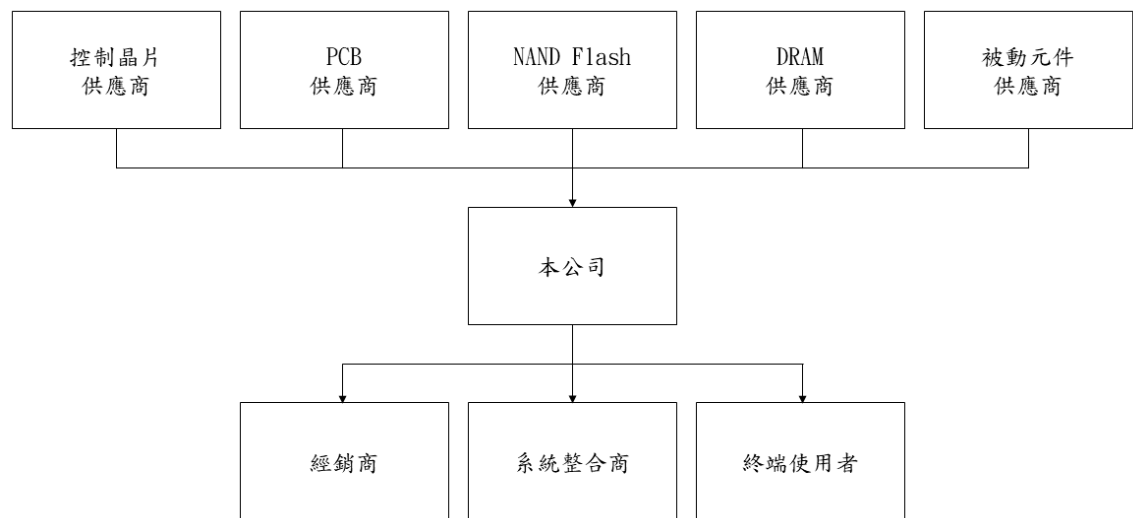
The Company has been deeply involved in the industrial control field for many years. When the Company was founded, it has focused on hardware storage, providing embedded storage and memory modules for industrial computer customers. By utilizing a highly customized, small-scale and diversified supply strategy, the Company achieved leadership in the global market with and have won high trust from customers. Following the evolution of IIoT and AIoT trends, Innodisk has continuously expanded the application possibilities and added value of traditional embedded storage by investing in software and intelligent embedded peripheral module development. By further integrating hardware and software to provide customized intelligent solutions, Innodisk has been advancing into the Edge AI application market since 2022. At the current stage, the industry anticipates that AI applications across various sectors will respond to enterprise data management needs by gradually shifting toward the edge. This future trend also aligns closely with our company's key AI development strategy.

Applications such as AMR (Autonomous Mobile Robots) and AGV (Automated Guided Vehicles) are receiving significant industry attention, while computer vision technology that enables visual recognition capabilities for robots will become a major development focus. According to research firm Statista, the computer vision market is projected to reach US\$29.27 billion by 2025 and continue expanding to over US\$46.9 billion by 2030. The sustained growth of this market will drive the robust development of AI visual recognition platforms, embedded camera modules, CAN Bus modules, and other solutions. These are key areas where our company has strategically positioned itself early and continues to invest significant R&D resources.

The widespread adoption of AI applications and 5G network infrastructure has created numerous opportunities for Innodisk's well-established industrial, memory, and storage modules.

Research indicates that AI computing power is doubling every 6 to 10 months, requiring global industries to expand investments in infrastructure such as servers and edge computing platforms. This trend will continue to generate strong demand for industrial-grade memory and storage devices. Simultaneously, the application scope of Innodisk's products has gradually extended from edge computing to cloud computing. In response to data center requirements, we continue to develop storage solutions suitable for enterprise-level applications, creating a more comprehensive AI computing strategy.

(2) Industry middle, upstream, and downstream correlation



(3) Various trends of product development

The IPC (Industrial PC) industry is viewed as the frontrunner driving the development of AI endpoint industrial applications. Our company has maintained long-term collaborations with IPC customers and partners, strategically positioning our product portfolio with a forward-looking vision to capitalize on AI business opportunities. Our company has developed profound understanding and firsthand insights into various vertical markets and global technology trends such as edge computing and 5G through the rich implementation experience accumulated by serving over four thousand global customers. This serves as the strategic foundation for our product development.

Furthermore, our company positions itself in the global AI market with "Ultimate Integration, Deep Application, and Intelligent Empowerment" as our core competitive advantages. Through decades of experience accumulated in the industrial control sector, Innodisk thoroughly understands the challenges faced by industries when attempting to implement AI applications. Therefore, our company not only provides high-performance, low-power edge AI platforms but also dedicates efforts to developing one-stop intelligent solutions for various vertical markets. These solutions integrate hardware infrastructure, cross-platform software and hardware connectivity, and management interfaces to lower the threshold for AI implementation and reduce operational complexity for enterprises.

Robot applications such as AGV (Automated Guided Vehicles) and AMR (Autonomous Mobile Robots) represent rapidly developing AI application areas in the current industrial sector. In response to the intelligent expansion needs of frontline equipment in this field, our company will continue to develop corresponding expansion modules in areas such as visual sensing and communication networks to enhance data collection and processing capabilities at various edge AI endpoints.

For the expansion of our industrial storage and memory product lines, to address highly data-intensive applications such as generative AI and LLMs, our company continues to align with the latest industry standards. We lead the industry in developing a series of next-generation solutions including CXL memory, DDR5 CUDIMM, and CSODIMM. Simultaneously, through a series of storage devices adopting the latest EDSFF standards, we are extending our

application scenarios from the edge upward to servers and data centers, providing enterprises with stable, efficient, and easily maintainable solutions. This product development strategy is accelerating our expansion from industrial-grade markets to enterprise-level applications, comprehensively supporting intelligent development requirements.

(4) Competitive Situation

The AI wave has swept across global industries since 2023, driving domestic and international manufacturers to actively invest in related fields and compete for enormous market opportunities. However, AI development cannot be achieved overnight and must consider multiple aspects including infrastructure deployment, platform compatibility, and how to manage numerous models. Through years of accumulated professional technical and service experience in the industrial control field, Innodisk has established a detailed understanding of customers and industry insights. The company proactively entered the intelligent application market starting in 2017, later solidifying its AI strategy and initiating the group's AI initiatives. This has enabled Innodisk to align with international AI market demands while gradually completing its product lines, R&D, and production resources. Today, the industry expects generative AI applications to address client-side data management needs by gradually moving toward the Edge. Innodisk, together with its subsidiaries, will focus on edge AI as its main battleground, collaborating with giants such as NVIDIA, Intel, and Qualcomm to connect with forward-looking technical architectures. Together, they aim to create solutions that truly resolve industry pain points and can be implemented for practical industrial use.

In the memory and storage sectors, most companies choose to focus their core operations on the consumer market, which has a massive market size but lower technical barriers. In contrast, our company has deeply cultivated high-barrier-to-entry fields, focusing on the relatively stable industrial control market and the rapidly growing server and data center markets driven by 5G and AI trends, while continuing to leverage our service and R&D innovation capabilities. Through advantages such as high customization, high reliability, high compatibility, and solid relationships with original manufacturers, our company can ensure long-term stable supply and support for the frontline needs of global customers despite economic cycle fluctuations.

3. Technology and R&D overview

Research and development expenses and technologies or products successfully developed for the most recent year and up to the date of publication of the annual report

(1) Research and development expenses

Item	2023	2024	Unit: Thousand NTD
			As of April 10, 2025
Research and development expenses	409,328	495,548	128,373

(2) Technologies or products successfully developed

Year	R&D results
2022	<p>1. Edge Server SSD: A high-end Server controller, the in-house developed firmware focusing on Edge server application that requires low transmission latency, sharing big data flow, reducing transmission costs, reducing cloud load, real-time computing, and local autonomy.</p> <p>2. Large-capacity SSD: Adopts Server-grade NVMe Gen4x4 controller to develop firmware in-house, targeting 8TB/16TB products. The demand for large capacity and application scenarios in the AIoT market is increasing gradually. In terms of capacity, only sever-level storage media or additional RAID assembled by customers can meet the demand.</p> <p>3. Semi-industrial 128 Layer 3D TLC SSD: The new product line meets the customers' needs for cost considerations and better quality than commercial SSDs.</p> <p>4. BGA SSD Gen 3x4 3D TLC: The integrated storage device enables system manufacturers to provide the most advanced edge computing experience.</p> <p>5. Camera module: For the image input source required by future AI application devices, the Company provides AI devices with the most suitable image quality when extracting images and provides Camera IQ tuning to improve the recognition rate of AI algorithms. In terms of products, USB and MIPI interfaces will be applied to meet the needs of the AI computing platform.</p> <p>6. FPGA AI module: The AI platform of FPGA is an indispensable product line for edge applications in the future. The IO needed for FPAG flexible modular design is even more suitable for applications in various vertical markets.</p> <p>7. DDR5 ultra-high-speed memory: In response to the high-precision, high-performance real-time calculation and multi-processing requirements of advanced graphics and AIOT, Innodisk has successfully mass-produced DDR5 SODIMM, UDIMM, wide temperature, and other specifications; also, introduced advanced ECC and RDIMM series, which provide more stable data transmission through advanced Error Correction Code (ECC) for servers, data centers, and HPC (High-Performance Computing).</p> <p>8. DDR4 ultra-wide temperature (-40°C to 125°C): Innodisk has launched the world's first "Ultra Temperature" DDR4 memory module, pushing the industrial-grade wide temperature standard to 125°C directly. High-end unmanned-driving vehicle market, fanless embedded computer, mission-critical, aerospace, and other application fields to solve harsh high-temperature application scenarios.</p>
2023	<p>1. Industrial-grade air-sensing module: It extends value-added applications to AI edge devices. It detects indicators such as air pollution and CO2 concentration. This module has high precision, low implementation threshold, and low computing power consumption, strengthening the deployment of smart cities, precision manufacturing and medical fields. It responds positively to ESG trends.</p> <p>2. NVIDIA Jetson series fanless system: The system is powered by NVIDIA Jetson AGX Orin™, Orin™ NX or Orin Nano™ modules, significantly outperforming the NVIDIA Jetson module from the previous generation. It is tailored to different applications, such as automation, transportation and safety monitoring. It supports a wide range of input voltage and temperature, making it the best choice for many applications, especially smart cities and smart agriculture.</p> <p>3. AOI AI intelligent manufacturing defect inspection solution for smart factories: AI manufacturing defects identification can be connected in series in the existing AOI system. This solution combines with the NVIDIA Metropolis for Factories technologies and passes through the AI computing platform, NVIDIA Certified Systems (NCS) 3.0. With integration of AI technology, this solution conducts in-depth learning analysis and makes the best decision to provide efficient and accurate double-check verification, thereby reducing the labor cost of re-inspection.</p> <p>4. Wide-temperature and ultra-high-capacity SSD: The Company develops its own firmware and develops a new FTL framework to overcome the addressing limitation of the controller and break through the limitation of original specifications by providing products with 16TB capacity and wide temperature and standard temperature range.</p> <p>5. BGA SSD Gen 4x4 3D TLC: The integrated storage device and the introduction of the latest FLIP CHIP packaging technology allow system manufacturers to provide the most advanced edge computing experience.</p>

	<p>6. Industrial NVMe Namespace SSD: Develop and introduce the advanced Namespace technology in the NVMe specifications to the industrial control PCIe SSD.</p> <p>7. Ultra iSLC technology: The exclusive technology breaks the upper limit of SSD erasing/writing cycles. Compared to traditional 3D TLC, the new-generation Ultra iSLC can extend the service life by more than 30 times.</p> <p>8. U-shaped vibration-resistant buckle for DRAM module: Made of impact-resistant industrial grade Panlite® PC, it can be fixed to both sides of the slot of the DRAM module to enhance the stability of the module on the motherboard and achieve high vibration resistance at a low cost.</p>
2024	<p>1. Air quality smart management system: The cloud-based smart management system integrates air sensing devices and edge servers and links with air conditioning/ventilation equipment to control air quality in real time.</p> <p>2. MIPI over Type-C: Innodisk's proprietary technology enables camera modules to maintain the high-bandwidth advantages of MIPI while converting to USB Type-C interface through a specialized adapter board. This breakthrough overcomes the original MIPI specification's 30-centimeter cable length limitation, significantly extending the external connection distance.</p> <p>3. Safety Equipment Identification Solution: This comprehensive solution covers hardware, software, and alert systems. A single edge AI host can simultaneously identify four or more real-time video streams, accurately detecting whether facility personnel are wearing safety equipment according to regulations. Integrated with real-time alert notifications, this enables enterprises to respond rapidly. The AI model, software operation interface, and hardware architecture can all be customized, and recognition items can be replaced according to site requirements, ensuring high flexibility.</p> <p>4. Intelligent People Tracking Solution: Using AI real-time tracking, this solution can precisely identify specific faces in crowds and quickly trace their movement patterns without requiring prior facial registration. It achieves image data integration and tracking across multiple camera devices and time periods. The system supports seamless integration of 2 to 20 IP cameras, providing flexible and scalable security solutions for enterprises of all sizes.</p> <p>5. EdgeEye Edge Device Cloud Management Platform Tool: Effectively manages all edge devices within its system, allowing users to monitor the operational status of edge devices in their intelligent application systems in real-time through web browsers on any smart device or computer. This enables quick detection of faulty systems and timely maintenance.</p> <p>6. AIP-FR68 AI Inference Platform: Equipped with high-end CPUs and supports graphics card expansion to enhance computing power. In addition, the unique casing design is highly aesthetic and functional, which greatly simplifies the difficulty of machine maintenance. Through the novel casing design, the user can more easily and quickly clean and replace the cooling fan, as well as install or remove expansion hardware in the platform.</p> <p>7. E1.S / E3.S EDSFF Solid-State Drives: Features capacities up to 8TB, providing approximately 2 to 3 times higher storage density than traditional SSDs, significantly improving internal space utilization efficiency in 1U servers. In terms of form factor, these drives adopt the innovative EDSFF standard which, compared to the general U.2 specification, overcomes performance bottlenecks and channel quantity limitations while more effectively addressing heat dissipation issues than the common M.2 format.</p> <p>8. CXL Memory Module: Utilizes the new CXL protocol, offering large capacity of 64GB per module and bandwidth up to 32GB/s. Adopting the E3.S 2T specification, it provides systems with a more flexible and cost-effective expansion method, enabling servers to meet the hardware specifications required for AI computing. Through the "shared memory resource" feature of CXL and PCIe interface, it breaks the bandwidth limitations of traditional memory channels, effectively resolving issues such as transmission latency and low memory utilization.</p> <p>9. DDR5 6400 64GB Memory Module: Features industry-leading capacity of 64GB per module. The product adopts the new CUDIMM and CSODIMM specifications, adding CKD chips to enhance transmission signal stability, and employs TVS to prevent component damage caused by voltage instability, ensuring high reliability. Widely applicable in high-precision image recognition scenarios</p>

	<p>such as autonomous vehicles, smart healthcare, and security monitoring; in the future, it will also support generative AI applications including LLM and MR.</p> <p>10. DDR5 Dedicated Heat Sink: Effectively reduces the temperature of DDR5 memory in systems through aluminum alloy fins and special thermal materials that completely cover the PMIC.</p>
2025	<p>1. CAN FD Module Flexible Data Rate Controller Area Network Solution: Provides high-speed data processing and reliable connectivity, offering professional solutions for industrial applications, AGVs, and AMRs. Through different model options and optional M.2 slots, the system can be expanded to a total of 6-8 CAN Bus ports, meeting the complex communication requirements of multi-node AI applications.</p> <p>2. Edge AI Training/Inference Platform: An AI system platform that accelerates model training and inference, offering diverse acceleration cards and computing capabilities. This includes models designed based on NVIDIA MGX modular architecture, equipped with the latest Intel Xeon 6 server high-end CPUs, and supporting graphics card expansion to enhance computing power. Through unique chassis design, it significantly simplifies machine maintenance and hardware expansion processes. The platform can run enterprise-grade private LLM training and inference, effectively processing sensitive data while providing AI computing solutions that combine data security with cost-effectiveness.</p> <p>3. Large Language Model Deployment and Fine-Tuning Tool: Provides an intuitive web interface operation for quickly configuring training parameters, dataset formats, and GPU resource allocation. Features built-in distributed training, model compression, and performance monitoring functionalities, suitable for academic research or commercial scenarios, significantly lowering the technical barriers from experimentation to production.</p> <p>4. Graphical LLM Interaction Interface: A graphical AI chat interface designed specifically for enterprises and individuals, allowing users to easily interact with large language models (LLMs) through simple web operations without requiring technical expertise. Can enhance customer service, internal knowledge management, and automated content creation efficiency, reduce operational costs, and rapidly integrate AI into daily business processes.</p> <p>5. PCIe Gen 5 Solution: PCIe Gen5 provides higher read/write speeds and supports greater capacity, meeting data storage requirements of data centers. When combined with Innodisk's customization services, it effectively enhances overall performance and stability.</p> <p>6. BiCs8 Solution: BiCs8 employs 218-layer stacking technology, enabling the stacking of more storage units to fulfill high-capacity storage needs while supporting faster read/write speeds. It is suitable for application environments requiring high-efficiency computing.</p>
2025	<p>7. MRDIMM Memory: Compared to current DDR5 RDIMM, MRDIMM can achieve transfer rates of up to 8800MT/s, improving bandwidth by nearly 40%. This effectively alleviates memory bandwidth pressure caused by increased processor core counts. It demonstrates superior performance in modern data-intensive tasks and is particularly suitable for specific scenarios such as small language model processing, deep learning, and AI applications.</p> <p>8. CAMM2 and LPCAMM2 Memory: Compressed Attached Memory Modules deliver lower power consumption, enhanced performance, and upgradeability while achieving more compact form factors. These modules are ideally suited for edge computing devices, fanless industrial computers, and ruggedized laptops.</p>

4. Long-term and short-term business development plans

(1) Short-term plan

- A. Product R&D: Enrich R&D capacity, expand the integrity of AI solutions, and accumulate more global implementation cases.
- B. Industrial collaboration: Strengthen the cooperation between industrial partners and the Group's subsidiaries regarding products, business, and marketing; and jointly create and improve the Innodisk AI intelligent architecture.
- C. Business development: Develop a detailed domestic and overseas business development network and technical support system, and preemptively deploy business opportunities in local markets worldwide.

- D. Marketing Strategy: We continue to drive brand image transformation through the development of a new official website and customer relationship management platform. By strengthening marketing technology applications and enhancing data value, we aim to communicate precisely and effectively convert interactions into potential business opportunities.
- E. ESG sustainability: Stay ahead of regulatory and customer demands by actively deepening ESG consensus and participation by colleagues at home and abroad while establishing a positive ESG brand image through major investments. Encourage stakeholders including industrial partners to join the sustainable action, and expand influence.

(2) Long-term plan

- A. Product R&D: Actively invest in R&D resources and talent cultivation to enrich the Group's AI smart solutions. We are deepening our engagement within the global ecosystem and aligning our technologies with international tech giants.
- B. Business development: Expand overseas service bases and professional talent networks at home and abroad to keep track of market trend in real time and strengthen the customer service.
- C. Marketing Strategy: We are positioning ourselves as a global leader in AI solutions by strengthening domestic and international marketing initiatives to enhance our global brand value. We are reinforcing industry partnerships and launching collaborative marketing campaigns to maximize communication synergies.
- D. ESG Sustainability: We are strengthening the connection between ESG initiatives and our core business by expanding the application of Innodisk's AI expertise and related resources to social welfare. We continue to partner with non-profit organizations, actively engaging in environmental, educational, and social welfare issues to jointly create ESG impact.

II. Market, production, and sales overview

1. Market analysis

(1) Main product sales area

Unit: Thousand NTD

Sales area \ Year		2023		2024	
		Sales amount	%	Sales amount	%
Domestic sales		2,621,083	31.53	2,697,012	30.25
Export sales	Asia	2,427,848	29.20	2,619,253	29.38
	Europe	1,934,982	23.27	1,834,615	20.58
	Americas	1,188,032	14.29	1,659,298	18.61
	Other Areas	141,833	1.71	105,464	1.18
	Subtotal	5,692,695	68.47	6,218,630	69.75
Total		8,313,778	100.00	8,915,642	100.00

(2) Market share, future supply and demand, and growth

A. Market share

Under our diversification and stable development guidelines, Innodisk continues to solidify the competitive advantage of our memory and storage products in the industrial control application market, while actively expanding our emerging intelligent product lines, intelligent expansion modules, and AI computing solutions. This approach helps mitigate the impact of single market business cycles on our corporate operations. The AI application market relies on highly customized and specialized division of labor, making market share difficult to estimate. However, through close technical cooperation with international manufacturers and Independent Software Vendors (ISVs), coupled with implementation experience accumulated from over 4,000 global customer cases, Innodisk enables rapid implementation of AI solutions across vertical markets, creating service-centered market opportunities.

The company is also developing next-generation solutions such as CXL memory and EDSFF

solid-state drives that match the performance requirements of AI for rapidly growing application fields including edge AI servers, data centers, and robotics applications. These initiatives strengthen our AI hardware infrastructure capabilities. Our diverse and forward-looking product deployment has allowed our storage and memory modules, which are the company's main revenue drivers, to maintain certain shipping momentum with customers despite the relatively slow market recovery pace. According to Gartner reports, our company has maintained the number one global market share for industrial SSDs for seven consecutive years since 2018. Additionally, since 2019, we have been ranked among TrendForce's global top ten memory module manufacturers for six consecutive years, and we remain the only supplier on that list focusing specifically on industrial control memory modules.

B. Future supply and demand, and growth

With the development of AI and 5G technologies, edge computing possesses enormous growth potential amid trends of significantly increased data throughput and increasingly fragmented processing requirements. As edge AI applications enter an acceleration phase, our company's cultivated industrial control market is poised to welcome a new wave of operational momentum alongside the development of Industrial PCs (IPCs). This will correspondingly drive up demand for related memory and storage devices, intelligent expansion modules, embedded cameras, and other peripheral equipment, creating opportunities for Innodisk's intelligent products. The supply capabilities of our intelligent product lines and AI solutions are expected to strengthen with the addition of the Yilan Second Factory's production capacity, enhancing order processing and production capabilities, and effectively accelerating implementation processes at client sites.

Meanwhile, generative AI application scenarios continue to extend, with trends including Large Language Models (LLMs) and Digital Twin technology receiving significant industry attention. According to TrendForce estimates, the global robotics and LLM market is expected to exceed US\$100 billion by 2028, achieving a Compound Annual Growth Rate (CAGR) of 48.2% between 2025 and 2028. As humanoid robots transition from industrial settings into daily life, AI model training has become key to enabling robots to meet more backend interaction requirements. In response to this demand, our company and group subsidiaries continue to expand our product lines for AI training and inference, edge AI device management, and visual computing acceleration. We maintain practical implementation as our development core, enhancing AI deployment flexibility and compatibility through heterogeneous platform integration. While meeting computing power requirements through hardware configurations, we are also reducing implementation barriers through software and service integration. We partner with Independent Software Vendors (ISVs) specializing in various vertical markets to create corresponding one-stop AI solutions.

(3) Competitive advantage

A. Rich industrial application experience

From R&D, technology, sales, marketing to manufacturing, all of Innodisk's members of departments in charge of each stage are experienced in industrial control and embedded system applications. They can quickly solve customer customization and compatibility needs. The software R&D team possesses professional functions and experiences in industrial implementation of AI applications. The company will take this as a competitive niche, further implement intellectualization of vertical market through AI intelligent solutions.

B. Effective patent

The company continuously strives for technological innovation and product breakthroughs. As of the end of 2024, we have accumulated and obtained more than 192 patents in Taiwan, the United States, Japan, and China, providing industry customers with forward-looking product solutions. The Company also implements the TIPS and arrange the complete IP management strategy layout, in order to improve the Company's innovation and knowledge management ability, continue to upgrade the patent quality and product R&D capacity, and enhance the corporate competitiveness.

C. Professional firmware R&D team

Unlike most competitors that outsource their R&D and design of firmware, we have established a professional firmware development team. The Company aims to provide high-reliability and high-stability products, enhance product performance through firmware, create exclusive functions according to customer needs, enhance product value, and establish long-term customer relationships.

D. Access to major global markets

The company has long concentrated on the industrial control niche market and in recent years has expanded to selling AI-related expansion peripherals and solutions to diverse vertical markets under our own brand globally. The company implements customized market strategies tailored to different global regions. In some areas, we collaborate with distributors, while in many regions we maintain dedicated sales personnel, product managers, FAE technical support engineers, and marketing staff to capitalize on global market opportunities and provide customers with the most timely local support. At the same time, in terms of marketing, we also work with local consultants at multiple locations around the world to establish more timely market insights and communication strategies that are tailored to local conditions.

E. High flexibility and customization capability

The industrial control market diversity tests the industry's product customization flexibility and development capabilities. Under the spirit of ultimate integration and service, the Company is committed to providing customers with hardware, firmware, or application software customization and integration services. We strive to complete product design, manufacturing, and test verification in the shortest time possible to enhance implementation efficiency for customer applications. This principle can be further applied to the AI application field, which is generally considered to have high entry barriers by the industry. We help customers shorten the transition period to industrial intelligence by implementing AI in an efficient, low-cost manner to facilitate transformation.

F. Stable source of supply

The Company has maintained long-term and stable cooperative relations with several domestic and foreign suppliers to ensure stable, high-quality raw material supply. The goal is to ensure long-term supply sources and provide clients with stable product technical support when the market condition changes.

G. Our own production line and factor

Innodisk has built its own industrial-grade production lines and plants. Through self-owned SMT and strict verification test processes, Innodisk meets the premium quality required by highly intensive applications such as industrial control and AI. Innovative technologies such as the AOI AI defect detection solution have been introduced to Improve product quality and production line efficiency. Through the self-owned factories, Innodisk can ensure the flexibility of production and meet the delivery time specified by customers. Regarding production capacity expansion, Innodisk maintains sufficient space to add production lines as needed. With the promising growth in AI project orders in recent years, our company will utilize the Phase II factory area, which was activated in 2024, to contribute production capacity for large customers and projects.

H. Brand management strategy that leads the industry

Innodisk has long valued brand management and strengthened its differentiation from competitors, establishing a solid brand image in the industrial storage sector. Now, as the group moves toward AI development, Innodisk is actively upgrading and restructuring its brand on the existing foundation to change established market perceptions. We have reorganized our numerous product lines into nine "Intelligence" categories, conveying a clearer and more comprehensive product layout and strategy. This enhances the company's overall positioning and brand value in AI development, strengthens differentiation, and widens the gap with competitors in new markets and application fields. We aim to accelerate business development through international visibility and an AI pioneer image.

(4) Favorable and unfavorable factors of development prospect and countermeasures.

A. Favorable factors

(A) Ability to customize hardware, firmware, and software technologies

The Company has a comprehensive R&D team and has overall production efficiency and quality from hardware, firmware, and software self-development capabilities to introducing smart production management systems and AOI AI defect detection in production and manufacturing. The goal is to provide comprehensive support for industrial clients' diversified customized product development demands.

(B) Continuous innovation and refinement of R&D technology

The Company has focused on the industrial control application market, actively

increasing product diversity and integration through product innovation and technological R&D. In all vertical markets, the Company works with professional ISV partners, integrates with the latest technology architecture of major international companies. It is dedicated to offering clients more comprehensive and simple-to-implement smart solutions.

(C) Global marketing distribution channels

The Company's services are distributed worldwide. In addition to the global operating headquarters in Taiwan, we have established 25 business bases in the United States, Japan, China, Europe, etc., and continues to build more business bases. The goal is to be close to the needs of various markets and provide clients with immediate local support and services.

B. Unfavorable factors

(A) Fluctuations in the prices of key raw materials increase operational risks such as procurement and inventory delivery.

Countermeasures:

- a. Regularly review business sales supply and demand to strengthen inventory and purchasing management.
- b. Maintain good cooperative relationships with suppliers to strengthen the flexibility and cooperation of factory supply.
- c. Keep abreast of the market information of major raw materials to obtain the market price trend to adjust the inventory control.

(B) High foreign sales percentage, vulnerable to changes in foreign exchange rates that affect profitability

Countermeasures:

We have adopted a stable foreign exchange income strategy. Our product export or major raw material procurement transactions are primarily conducted in USD to reduce the market exchange rate fluctuation risks.

(C) The increase in the number of competitors entering the market in recent years

Countermeasures:

- a. The Company shall utilize its niche advantages to customize development and professional services, actively grasp industry development trends, and work with strategic partners to create flexible and diverse product solutions to create market differentiation and expand competitive advantages.
- b. Compared to the consumer market, the industrial control market has a higher barrier of entry. The Company will continue accumulating professional know-how in R&D, manufacturing, production, and sales; and use the most refined industry understanding and customized services to continuously enhance the clients' trust and loyalty.
- c. Possessing the awareness of managing international brands from the inside out, marketing to the world with a clear AI brand transformation guideline, breaking through the industrial framework, laying a broader corporate development layout and establishing market segmentation. We leverage digital tools to precisely target brand and product information. While developing new customer segments, we also deepen existing customer relationships through segmented communication and comprehensive CRM strategies.

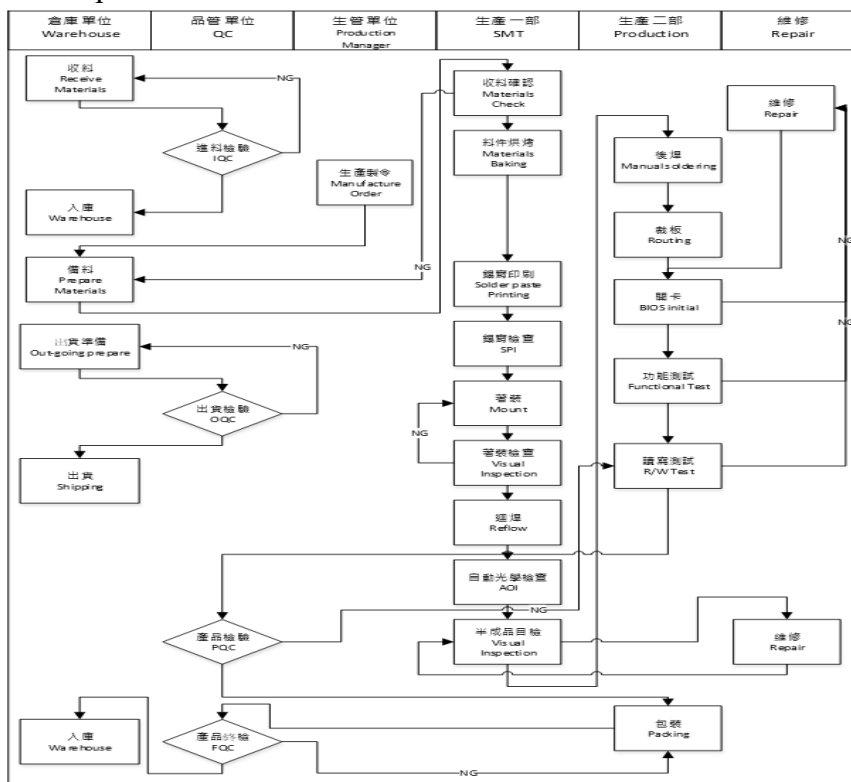
(1) Important applications of major products

(1) Important applications of major products

Product	Important application
Industrial embedded storage devices	The non-volatile flash memory is used as the storage medium. It is mainly used as the data storage device in the computer. The industrial control market can be applied to various products, such as industrial computers, automation equipment, intelligent traffic control systems, endpoint sales systems, security surveillance equipment, protection systems, medical equipment, digital signage, gaming machines, servers, aerospace, and other markets.
Industrial dynamic random-access memory module	This product is a volatile semiconductor technology, mainly used to expand the processing capacity and speed up the computing speed of various industrial equipment. The diverse application fields include smart manufacturing, servers, edge computing, fanless embedded computers, mission-critical, and aerospace markets.
Edge AI Computing Solutions	We aim to drive smart industry development and create highly integrated AIoT intelligent solutions by integrating the AI edge computing platform, AI software development kit, edge AI deployment and management platform, AI accelerator card and graphics processor, software application, and other solutions. We are committed to advancing the global smart city, smart transportation, smart medical care, smart retail, smart factories, and smart energy industries and infrastructures.
Intelligent Peripherals	With a core focus on enhancing AI endpoint application integrity and deployment performance, we are introducing the latest technologies into customer systems and application fields, developing highly integrated and compatible expansion modules to increase product application flexibility and usage scope for customers, thereby meeting various AI requirements.

(2) Production process

The Company has constructed an industrial-grade high-quality R&D and manufacturing center. Its sophisticated SMT production lines use automated smart equipment verification testing techniques to improve production efficiency and quality. Its mission is to serve the world with locally made high-quality products and fully meet the industrial clients' diverse product development customization demands.



3. Supply of major raw materials

Supply of major raw materials		
Raw material name	Main supplier	Supply condition
Flash IC DRAM IC	KIOXIA, Micron, Samsung	Normal
Controller IC	┐ Company, Marvell, Silicon Motion	Normal
PCB	≡ Company, Dosun, Brain Power	Normal
AI module	NVIDIA	Normal
Other Electronic Components	TI, ON, Yageo, Walsin Technology, Samsung, Rambus, Sunrise, WT Microelectronics, Koryo	Normal

4. List of major suppliers and customers

(1) The names of suppliers who have accounted for more than 10% of the total purchases in any of the most recent 2 years

Unit: Thousand NTD; %

Item	2023				2024				As of the previous quarter of 2025 (Note 1)			
	Name	Amount	As a percentage of net purchases for the year (%)	Relationship with the Issuer	Name	Amount	As a percentage of net purchases for the year (%)	Relationship with the Issuer	Name	Amount	As a percentage of net purchases for the year (%)	Relationship with the Issuer
1	Company A	1,606,535	31.73	None.	Company A	2,220,849	37.69	None.				
2	Company O	1,197,136	23.65	None.	Company O	1,309,722	22.23	None.				
3												
	Others	2,258,722	44.62			2,361,244	40.08					
	Net purchase	5,062,393	100.00			5,891,815	100.00					

Note 1: There was no financial information available that had been verified, certified, or reviewed by a CPA prior to the publication date of the annual report.

Reasons for the increase and decrease: Except for the increase or decrease in the purchase amount due to changes in market supply and demand, there was no significant change in the Company's major suppliers.

(2) List of major sales customers who accounted for more than 10% of total sales in any of the last two years:

Unit: Thousand NTD; %

Item	2023				2024				As of the previous quarter of 2025 (Note 1)			
	Name	Amount	As a percentage of net sales for the year (%)	Relationship with the Issuer	Name	Amount	As a percentage of net sales for the year (%)	Relationship with the Issuer	Name	Amount	As a percentage of net sales for the year (%)	Relationship with the Issuer
1												
	Others	8,313,778	100.00	None.	Others	8,915,642	100.00	None.				
	Net sales	8,313,778	100.00		Net sales	8,915,642	100.00					

Note 1: There was no financial information available that had been verified, certified, or reviewed by a CPA prior to the

publication date of the annual report.

Reasons for the increase and decrease: No customer accounted for more than 10% of the total sales in 2023 and 2024.

III. Information on employees for the last 2 years up to the date this annual report was published

Unit: People; %

Year		2023	2024	As of April 10, 2025
Number of employees	Director labor	307	323	325
	Indirect labor	710	766	757
	Total	1,017	1,089	1,082
Average age		36	37	37
Average service years		4.38	5.03	5.13
Education distribution percentage	Doctorate degree	0.10%	0.09%	0.09%
	Master's degree	19.76%	21.40%	21.16%
	College	59.10%	58.49%	58.97%
	High school and below	21.04%	20.02%	19.78%

*Personnel statistics encompass Innodisk Corporation globally, as well as its subsidiary, Aetina Corporation.

IV. Information on environmental protection expenditure

1. Total amount of losses or damages suffered due to environmental pollution in the most recent year and the current year up to the date of publication of the annual report: NT\$0 thousand
2. Future responses to improvement measures and possible expenses: Not applicable.

V. Labor relations

1. The Company's employee welfare programs, continuing education, training, retirement systems and their implementation, as well as labor-management agreements and various employee rights protection measures.

(1) Employee welfare programs

A. Insurance:

In addition to the statutory labor and health insurance, each employee is also covered by a group insurance that covers group injury medical insurance, cancer medical health insurance, hospitalization medical health insurance, multiple accident insurance, and occupational hazard insurance. The expenses of the group insurance are fully paid by the Company.

B. Health and safety:

(A) Employees are entitled to a company-funded health checkup every two years. The Company attaches great importance to the health checkup results and, with employees' consent, takes the initiative to assist employees with abnormalities or special conditions in the checkups to ensure their health by providing them with follow-up treatment observation.

(B) Monthly "Health Report" is sent out to help colleagues improve their knowledge of health management.

(C) Set up a full-time factory nurse and a monthly doctor's visit to provide consultation on workplace safety and employee health, reminders on the appropriateness of the schedule of the review of servicemen and work schedule, and provide medical consultation on injuries and illnesses of employees.

(D) The employment of visually impaired masseurs, in addition to providing work opportunities for the visually impaired, also provides staff massage and stress relief services.

(E) Implement health promotion programs, such as holding power walk competitions, weight loss programs, physical fitness activities, healthy eating seminars, etc.

(F) Place automated external cardiac defibrillators (AEDs) at the workplace and arrange

employee education training for emergency medical needs. In the year 2023, 70% of personnel from two facilities completed training and obtained a two-year valid certification for a safe place. In 2024, training for 54 colleagues will continue, enabling them to acquire basic first aid skills.

- (G) Provide a comfortable, safe and independent space for breastmilk collection so that colleagues can be rest assured.
- (H) Provide fitness equipment so that employees can relieve work-related stress through exercise while at work.

C. Benefits stipends

In addition to providing employees with a comfortable and pleasant working environment, the Company also provides statutory welfare measures in accordance with the Labor Standards Act, and has established the Employee Benefits Committee. A series of benefits have been provided to meet employee needs from the employee's perspective, extending benefits from employees to employee's family. The Company arranged the following employee benefit events regularly or irregularly:

- (A) Three festivals, weddings, childbirth, labor day, and birthday gifts.
- (B) Pregnancy transportation allowance (after 6 months), childbirth subsidy, and childcare allowance (for children under 6).
- (C) Employee hospitalization and bereavement benefits.
- (D) Children's education scholarships.
- (E) Emergency assistance funds.
- (F) Free insurance consultation.
- (G) Wedding and pregnancy gifts, funeral flower arrangements.
- (H) Affiliated childcare institutions.
- (I) Employee Assistance Programs (EAPs).
- (J) Flexible shift options.
- (K) Five days of newlywed leave.
- (L) Departmental dining events.
- (M) Club activity subsidies.
- (N) Year-end celebration dinner and lucky draw activities.
- (O) Monthly departmental birthday celebrations.
- (P) Art corridor installation.
- (Q) Family day or factory anniversary events.
- (R) Optional beverages (nearly half-price vending machine drinks/free capsule coffee/free tea bags).
- (S) Free afternoon tea snacks.
- (T) Stress-relief massage services.
- (U) Sports facilities.

(2) Employee training and development:

The Company has constructed a comprehensive human training structure and system to fulfill its talent training principle. The goal is to cultivate the knowledge and skills needed by supervisors and colleagues in the workplace, build a responsible and aggressive work attitude, and improve overall performance and operational efficiency.

The Company has also established an education and training platform to provide in-person and online internal training courses and encourage colleagues to apply for external training. Diversified courses include general education courses (training for newcomers, new trends, etc.), technical colleges (various subjects such as production and marketing), management colleges, language colleges, and international colleges. The goal is to comprehensively improve colleagues'

and organizations' knowledge, skills, and professionalism.

In 2024, our company accumulated a total of 16,974.5 training hours with 8,738 total participant instances. The total training expenditure amounted to approximately NT\$4,714,969.

(A) 2024 Employee Education Hours and Growth Rate:

Category	2022	2023	2024	Previous year's growth rate
Internal face-to-face courses	7,440.5 hours	8,641.5 hours	12,103.5 hours	40.06%
Internal online courses	3,090 hours	4,077 hours	3,426 hours	(15.97%)
External training	1,288 hours	1,210 hours	1,445 hours	19.42%
Total	11,818.5 hours	13,928.5 hours	16,974.5 hours	21.87%

*Personnel statistics cover Innodisk Corporation (Taiwan) and its subsidiary, Aetina Corporation.

In response to continuous organizational growth and post-pandemic era demands, we have accelerated the application of digital learning tools. In addition to continuing to produce digital learning courses in-house, we have also assisted colleagues in utilizing the communication tool Teams to participate in synchronized online face-to-face courses. Over the past 5 years, significant continuous growth can be observed in both overall learning hours and accumulated course participation.

(B) New Employee Training:

Every new colleague, after reporting to their department, must receive comprehensive training on work system operations, professional knowledge, practical training, and work verification to ensure they can quickly engage in their position and demonstrate capabilities. Furthermore, to help new colleagues quickly familiarize themselves with products, quality policies, background culture, and company regulations, all new employees are scheduled to complete new employee basic and advanced courses, as well as related general education courses, from their first day of employment to within three months.

Item	Total reading hours	Number of people who passed
New Employee Basic & Advanced Courses	731 hours	272 people
Information Security Regulations & Promotion	29 hours	109 people
Intellectual Property Management Guidelines	318 hours	151 people
RBA obligations and interests of the Company's employees	13 hours	151 people
Overview of green products	45 hours	148 people
ESG Education and Training	60 hours	114 people

*This course simultaneously includes current employees who did not pass in 2023; the statistical hours and headcount are not limited to new employees.

*Calculation scope includes Innodisk Corporation (Taiwan) and its subsidiary, Aetina Corporation.

(C) Management Education and Training:

To assist managers at all levels in continuous learning and growth, the Company thoroughly understands managers' learning needs in leadership and management, planning relevant training for various job categories and management levels. Through enhancement of leadership and management capabilities, the Company aims to improve employee performance and satisfaction. Managers may also apply for relevant external training

according to their personal development goals to strengthen specific leadership and management competencies.

Item	Number of sessions	Total training hours	Number of people who passed the training
Production Line Management Leadership	8	59 hours	37 people
Project Management Leadership	2	920 hours	81 people
Team Management Leadership	1	70 hours	33 people
Operation Management Leadership	5	1,931 hours	86 people

(a) Production Line Management Leadership:

For production line instructors and supervisors, provide guidance for work arrangement, work relationship, work management, and other related courses, to assist production line, supervisors and instructors, improve job teaching and counseling skills, reduce learning frustration for new production line operators, and help adapt to work, the supervisors' instructions, and the environment. The efforts will also create a better working atmosphere.

(b) Project Management Leadership:

Help improve the quality of cross-departmental communication, enhance each other's "teamwork" and "conflict handling" capabilities, and organize courses "Horizontal Management" and "Project Management Case Practice." Strengthen the tacit understanding of the interaction between units, promote a cooperative atmosphere from the work and interpersonal communication aspects, and prevent negative conflicts when exchanging opinions.

(c) Team Management Leadership:

- For new Company supervisors, the chairman shall personally share the role and mentality that senior supervisors must cultivate with the new supervisors every year. The management offices shall explain the recruitment process, training, performance evaluation, and share common difficult cases in practice.
- Arrange recruitment interview skills courses for interview supervisors to help them create excellent teams. Recruit partners with similar corporate values and goals to join and continue to grow.
- Hold regular "downward management" and "leadership exercises" courses to help supervisors learn correct management concepts and behaviors. The goal is to help supervisors guide people to solve doubts through numerous common discussions with trainees and individual cases, which can indirectly improve employee satisfaction and team productivity.

(d) Business Management Leadership:

- EMBA is encouraged for management team managers. Continue to interact with academic and business circles to help the Company's management to keep pace with the progress of time and society.
- We "prepare courses and seminars" with different themes every year in conjunction with the "Supervisor Annual Meeting," e.g. Business Model Canvas, OGSM, etc., to develop the Company's product strategy or review and improve the Company's internal management processes or systems.
- Improve and pass on business management capabilities and experience: Senior executives

shall serve as Mentors, and 10–20 executives shall be selected as Mentees for each ladder. Courses, workshops, or internships shall be arranged for about one year.

(D) Trend lecture:

Regarding new industry trends, industry experts are invited to share the latest information and development directions with colleagues through in-person/online training courses, helping each team member prepare to meet future challenges.

Item	Course hours	Total training hours	Number of people who passed the training
AI Development and Sharing	1 hours	49 hours	49 people
From Data to Language Models: Understanding the Operating Principles and Applications of LLMs	2 hours	168 hours	84 people

(E) AI workshop:

In 2024, Innodisk Corporation held its first two-month AI workshop aimed at enhancing colleagues' knowledge and skills in artificial intelligence and applying them to daily work to address business challenges. This workshop invited not only R&D and IT teams but also back-office departments including manufacturing, finance and accounting, administration, and marketing to conceptualize practical AI application solutions through ideas from different units.

"Event Overview"

- Opening Event: The activity kicked off with the theme "GAI Promotion – Helping Colleagues Understand GAI Concepts." A total of 3 workshops were held, attracting 99 colleagues who exercised creative implementation, learning to integrate AI technology with daily work processes.

- Subsequent Applications: Participating colleagues not only gained a preliminary understanding of large language models but also personally built knowledge bases and created chatbots for frequently asked questions, achieving greater efficiency through automated handling of common issues and services.

"Outcomes of the activity, harvest and prospect"

The workshop achieved substantial results, generating 41 bot applications, helping colleagues gain deeper insights into AI applications across various fields and learning how to effectively utilize these tools in their actual work. Additionally, the workshop promoted cross-departmental collaboration and communication among colleagues, strengthening connections between the company and its employees while enhancing identification and sense of belonging. Innodisk will continue to provide more diverse training opportunities for colleagues to address constantly changing technology trends and drive the company's continuous development and innovation.

(3) Retirement system and implementation status.

According to the Labor Pension Act, the Company and its domestic subsidiaries shall allocate 6% of the salary to the employee's personal Bureau of Labor Insurance pension account monthly from July 1, 2005. For those who wish to contribute to the pension voluntarily, the voluntary contribution rate shall be withheld from the employee's monthly salary to the individual's Bureau of Labor Insurance pension account. Meanwhile, pensions for subsidiaries in overseas regions are paid monthly to the pension, medical, and other social security funds according to local government regulations.

To protect the employees' labor rights and interests, the Company set up an "old-system labor pension account" with lawful appropriation and payment made on time for employees who applied for the old-system labor pension system before July 2005.

In 2024, the company incurred expenses of NT\$32,732 thousand under the Labor Pension

Act (new system) and NT\$214 thousand under the Labor Standards Act (old system).

(4) Agreements between labors and management

The Company holds labor-management meetings every three months according to the law to build a platform for regular communication and interaction and establish reciprocal, win-win labor-management relations.

(5) Employee rights protection measures.

In addition to the spirit of “sharing results,” the Company has established the Employee Benefits Committee to coordinate the appropriation and utilization of employee benefits. In addition, through the labor-management coordination meeting, labor and management representatives will communicate with each other with the management concept of coexistence and common prosperity to build consensus and build a quality working environment.

2. The losses suffered by the Company due to labor disputes in the most recent year and the current year up to the date of publication of the annual report, and the estimated amount of current and potential future losses and countermeasures

The Company has properly planned the principles of human resources management, timely responded to changes in the social and economic environment, reviewed the relevant personnel system, paid attention to employee benefits, provided a good working environment, and maintained smooth communication channels and harmonious labor relations. Therefore, there is not any loss resulted from labor disputes.

VI. Information security management

1. Describe the information security risk management structure, information security policy, specific management plan, resources invested in the information security management, etc.:

(1) Information security risk management structure:

The Company’s Information Division is responsible for coordinating and implementing the Company’s information security policy, publicizing information security information, and enhancing employees’ awareness of information security. Implement the effectiveness of the Company’s internal control of information operations, and ensure the confidentiality, integrity, and availability of information. Deliver a presentation on information security outcome for the General Manager and Chairman regularly. The Company has formulated relevant regulations on the contingency measures for various major information security incidents to provide employees with a basis for handling information security incidents. In order to enhance employees’ awareness of information security risks, the Company regularly conducts information security risk inspections to achieve effectiveness of information security management measures. It is the responsibility of all the Company’s employees to comply with the “Information Security Policy.” The Company’s employees who have violated the information security policy will be held accountable for civil, criminal, and administrative responsibilities or punished according to the Company’s relevant regulations in order to reduce the Company’s information security risk in business operation.

The Company has complied with regulations by establishing a dedicated information security unit that includes a Chief Information Security Officer, IT managers, and information security engineers. The dedicated information security unit effectively manages information security technology and resilience to execute relevant security protection tasks, working in conjunction with the company's organizational structure, management systems, and relevant technologies to ensure company resilience, uninterrupted operations, and supply chain security with upstream, midstream, and downstream vendors. (2) Information security policy:

Ensure the security of the Company’s information and data, systems, equipment, and network communications; effectively reduce the risk of information assets theft, improper use, leakage, tampering, or destruction due to human negligence, intentional or natural disasters, etc. Also, protect the aforementioned assets of the Company from internal and external intentional or accidental threats. Formulate information security policies and regulations and ensure the confidentiality, integrity, and availability of the Company’s business information.

(3) Specific management plans:

A. Information security governance:

The Company has introduced the “ISO/IEC 27001 Information Security Management System” with the relevant enforcement rules formulated for the implementation of information security operations. At the same time, the Company strictly manages application system access, file data authorization control, and security maintenance based on the “Information Security Policy Handbook.” Deploys the network micro-segmentation to include the operational applications in the scope of protection, builds firewalls, email anti-virus and anti-hacking systems, and electronic file encryption systems, and audits the access rights and records of relevant users to reduce the Company’s information security risks.

In accordance with ISO/IEC 27001 verification standards, the Company conducts regular internal audits annually, followed by external audits performed by third-party verification bodies. No significant deficiencies have been identified in recent years, and the Company obtained the ISO/IEC 27001:2022 transition certificate in May 2024. The Company has established a disaster recovery mechanism in Xizhi and Yilan, implemented a comprehensive backup plan operation in daily work based on the plan, and regularly exercised emergency response plans to ensure the normal operation of the information system and data preservation, and to reduce the system interruption risk resulting from sudden natural disasters and human negligence, secured the expected system recovery time, and ensure the Company’s operations remain uninterrupted.

B. Risk improvement:

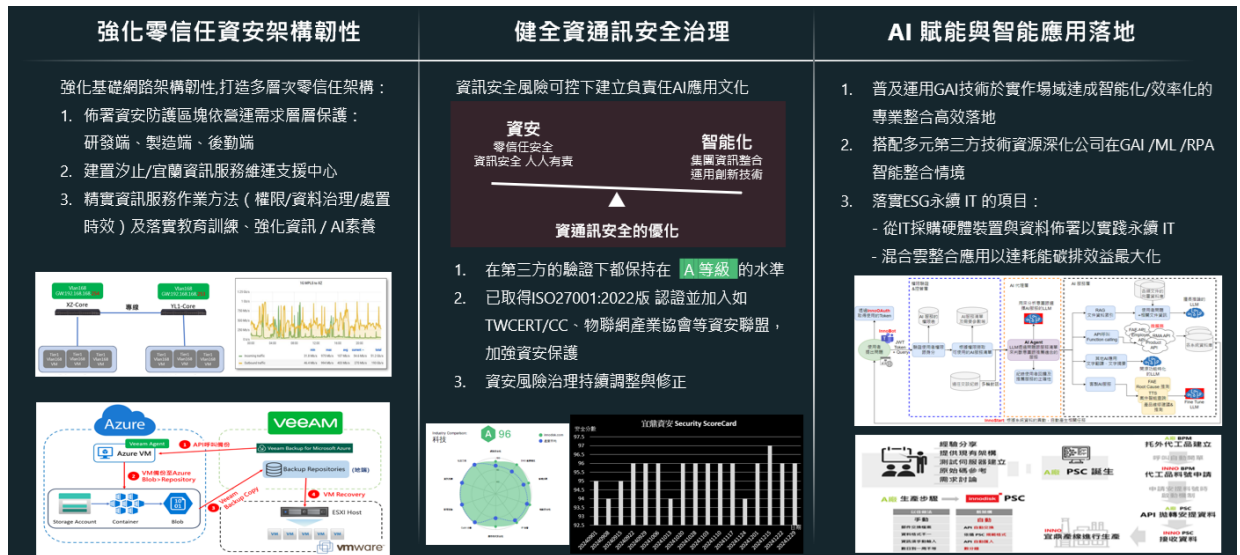
Regularly conduct internal audits on information security to ensure the implementation of information security. Verify the actual implementation through an external audit, introduce information security defense solutions, and improve internal information maintenance procedures. The Company has progressively established comprehensive security protection measures for its network, edge endpoint devices, and computers. However, it cannot guarantee that these controls or the computer systems that maintain critical corporate functions such as manufacturing operations and accounting can completely avoid network attacks from any third parties that may disable systems. These cyber attacks are used to illegally hack into the company’s internal network systems to disrupt the company’s operations and damage its reputation. In the event of a serious cyber attack, a company’s system operations could lose important company data and production lines could be shut down as a result. The RiskEye system was introduced in September 2021. The Company can maintain the grading at Level A (above 90 points) for the score in all of the third-party security summary reports through continuous monitoring and analysis of the Company’s information security risks and vulnerabilities to fix risk defects. The effort can establish a safe service environment worthy of customer trust while effectively improving the overall security of suppliers and industrial supply chains. The Company has joined information security alliances such as Taiwan CERT/CSIRT and the Cloud Computing & IoT Association in Taiwan to exchange information security information and discuss and share information security issues. The Company endeavors to achieve cybersecurity joint defense and enhance overall cybersecurity protection for Taiwan.

C. Risk control:

The Company complies with relevant government regulations and policies, continuously reviewing related operational and information security risks, and evaluating and adjusting various information security rules and procedures to ensure their appropriateness and effectiveness, minimizing potential losses and damages. However, the Company cannot guarantee that an IoT company will remain unaffected by emerging risks and attacks amid rapidly evolving information security threats. Cyber-attacks may also attempt to steal a company's business secrets and other confidential information, such as the proprietary information of customers or other interested parties and the personal information of company employees. Malicious hackers can also attempt to introduce computer viruses, destructive software, or ransomware into a company's network systems to interfere with company operations, extort or blackmail companies, gain control of computer systems, or snoop on confidential information. These attacks could result in the Company being required to compensate customers for delayed or disrupted orders; or incur significant costs to implement remedial and improvement measures to strengthen the Company's network security systems; or expose the Company to significant liability in connection with legal cases or regulatory investigations arising from leaks of information about the Company's employees, customers or third parties to whom the Company has confidentiality obligations.

(4) Resources invested in information security management:

The Company continues to invest in fields associated with information security. The Information Division is responsible for coordinating and planning the Company's information security education, training, and drills. It conducts information security announcements and propaganda monthly to enhance employees' information security awareness. The information security notification themes of the Information Division include the prevention of email social engineering fraud attacks, the prevention of and countermeasures of personal information leakage, the prevention of phishing websites and email viruses, etc. This year's information security education and training content included the importance and responsibility of information security, security reporting channels, security trends and threat analysis, domestic and international case studies, introduction to personal data protection laws, personnel information security guidelines and information security orientation for new employees, generative AI/ChatGPT information security awareness, TIPS intellectual property management and trade secret protection, etc. The total number of trainees reached 1,973 person-times with a total of 1,348 training hours. Facing the rapid increase in global information security threats, the Company places great emphasis on overall information security protection and continues to invest more resources and manpower to strengthen information security resilience by building a multi-layered zero-trust architecture, improving information security governance, and enabling AI and intelligent integration. Therefore, in addition to enhancing employee information security awareness, the Company continues to revise relevant information security management regulations and carefully evaluates and plans information security equipment while deploying zero-trust architecture in a timely and targeted manner with information security risk factors in mind. The Company plans network micro-segmentation and implements internal and external firewall mechanisms, inventories and tests the appropriateness of various backup plans, and strengthens offline restoration backup capabilities to ensure stable company operations.



2. Illustrate the losses, possible impacts and countermeasures of major information security incidents occurred in the most recent year and up to the publication date of the annual report. Describe the fact that it cannot be reasonably estimated, if any, in details:

In 2024, the Company did not experience any major cyber attacks impacting company operations, and no significant deficiencies were identified in external audits conducted by third-party verification units.

VII. Important contracts:

Contract nature	Parties involved	Contract starting and ending date	Main content	Restricted clauses
Lease contract	Hsinchu Science Park Bureau	2016.11.06 ~2036.11.15	Yilan Science Park Yike Section 9.10 land lease	None.
Lease contract	Hsinchu Science Park Bureau	2020.08.01 ~2039.12.31	Yilan Science Park Yike Section 9-1.10-1 land lease	None.

Five. Review and Analysis of Financial Status, Financial Performance, and Risk Factors

I. Financial status

Unit: Thousand NTD

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	6,096,489	6,140,332	(43,843)	(0.71)
Property, plant and equipment	2,866,833	2,677,880	188,953	7.06
Intangible assets	52,760	39,375	13,385	33.99
Other assets	739,911	504,119	235,792	46.77
Total assets	9,755,993	9,361,706	394,287	4.21
Current liabilities	1,494,681	1,625,706	(131,025)	(8.06)
Non-current liabilities	588,157	592,715	(4,558)	(0.77)
Total liabilities	2,082,838	2,218,421	(135,583)	(6.11)
Share capital	914,561	883,977	30,584	3.46
Capital surplus	1,654,047	1,416,781	237,266	16.75
Retained earnings	4,914,506	4,727,670	186,836	3.95
Cumulative translation adjustments	8,928	10,354	(1,426)	(13.77)
Non-controlling interest	182,012	106,368	75,644	71.12
Total shareholders' equity	7,673,155	7,143,285	529,870	7.42
Description:				
Explanation for significant changes in the percentage of increase or decrease: (For changes of 20% or more in the preceding and following periods, and changes amounting to NT\$10 million)				
1. Increase in intangible assets: Primarily due to the acquisition of computer software for R&D and information security purposes.				
2. Increase in other assets: Acquisition of land and buildings in Chuo City, Tokyo, Japan for operational use.				
3. Increase in non-controlling interests: Aetina Corporation conducted a cash capital increase on September 5, 2024. Our company did not subscribe according to its shareholding ratio, resulting in an increase in non-controlling interests of NT\$72,782.				

II. Financial performance:

- (i) Major changes in operating revenues, net operating profits and net profits before income tax for the last two years.

Unit: Thousand NTD

Item \ Year	2024		2023		Amount of increase or decrease	Change (%)
	Subtotal	Total	Subtotal	Total		
Total operating revenues	8,979,960		8,405,707		574,253	6.83
Less: Sales returns	(38,449)		(50,487)		(12,038)	(23.84)
Sales discounts	(25,869)		(41,442)		(15,573)	(37.58)
Net operating revenues		8,915,642		8,313,778	601,864	7.24
Operating costs		(6,090,393)		(5,467,866)	622,527	11.39
Gross profit		2,825,249		2,845,912	(20,663)	(0.73)
Operating expenses		(1,646,753)		(1,465,884)	180,869	12.34

Net operating profits		1,178,496		1,380,028	(201,532)	(14.60)
Non-operating income and expenses		170,643		51,060	119,583	234.20
Net profits before tax from continuing operations		1,349,139		1,431,088	(81,949)	(5.73)
Income tax expense		(244,595)		(286,921)	(42,326)	(14.75)
Net profits after tax from continuing operations		1,104,544		1,144,167	(39,623)	(3.46)

For the last two years, explanation for items with change in the percentage of increase or decrease reaching 20%.

- (1) Increase in Non-operating Income and Expenses: Due to increased net foreign currency exchange gains compared to the previous period.
- (ii) Estimated sales quantity in the coming year and its basis, possible impact on the Company's future financial and business matters and countermeasures

1. Estimated sales quantity in the coming year and its basis

Based on our past performance, current order status, market supply and demand conditions, and improved production capacity of outsourced manufacturers, our estimated sales volume for major products in 2025 is as follows:

Products	Unit	Projected Sales Volume for 2025
Industrial embedded storage devices	Thousand Piece/Each	3,284
Industrial dynamic random-access memory module	Thousand Piece/Each	3,993
Edge AI Computing Solutions	Thousand Piece/Each	59

2. Possible impact on the Company's future financial and business operations: The Company's results have grown steadily over the past few years. The above estimates for the coming year have no significant impact on the Company's future financial and business operations.

3. Countermeasures: Not applicable

III. Cash flow

- (i) Analysis of changes in cash flows for the most recent year

Cash balance at the beginning of the period	Net cash inflow from operating activities for the year	Cash outflow for the year	Estimated cash balance (shortfall)	Unit: Thousand NTD	
				Remedies for cash shortfall	
				Investment plan	Financing plan
3,557,022	854,476	1,411,241	3,000,257	-	-

Analysis of changes in cash flows for the most recent year

- (1) Net Cash Inflow from Operating Activities: Net cash inflow from operating activities was NT\$854,476 thousand, mainly attributed to the contribution from net operating profit in 2024.
- (2) Annual Cash Outflow: Primarily consisted of cash dividends of NT\$901,656 thousand distributed from 2023 earnings and the purchase of equipment for the Yilan Plant II as well as real estate acquisition in Japan for operational use in 2024.
- (ii) Improvement plan for the lack of liquidity: None.
- (iii) Cash liquidity analysis for the coming year.

Unit: Thousand NTD

Cash balance at the beginning of the period	Net cash inflow from operating activities for the year	Cash outflow for the year	Estimated cash balance (shortfall)	Remedies for cash shortfall	
				Investment plan	Financing plan
3,000,257	1,344,661	1,166,264	3,178,654		

(1) Operating Activities: Cash inflow is primarily projected based on stable revenue and profitability expected in 2025.

(2) Investment Activities: The main outflow will result from fixed asset acquisitions in 2025

(3) Financing Activities: The main outflow will come from cash dividend distribution from 2024 earnings.

IV. Impact of Major Capital Expenditures on Financial Operations in the Most Recent Year:

Unit: Thousand NTD

Projects	Actual Source of Funds	Actual Completion Date	Total funds needed	Actual Fund Utilization		
				2022	2023	2024
Construction of factory – Stage II of Yilan Plant	Proprietary fund and bank loan	Finished in September 2024	583,315	202,693	221,418	159,204
Construction of a factory – Stage II of Yilan Plant: To accelerate the deployment of AIoT application market, the Stage II center will be expanded continuously in Yilan Science Park, which will help increase production capacity after its completion. Also, continue cultivating local R&D resources to provide greater energy for the further and more comprehensive integration of software, hardware, and firmware.						

V. Recent Investment Policies, Main Reasons for Profits or Losses, Improvement Plans, and Investment Plans for the Coming Year:

Item	Description	Investment policy	Main Reasons for Profits or Losses in 2024	Improvement plan	Investment plan for the coming year
Innodisk Global-M Corporation		Investment holdings	Recognition of investment income of Innodisk Shenzhen Corporation	None.	None.
Innodisk USA Corporation		Actively develop the U.S. market and expand market share.	The market was affected by the slowdown in demand resulted in lower-than-expected operating profits.	Continue market development.	None.
Innodisk Japan Corporation		Actively develop the Japan market and expand market share.	Provide quality services and maintain reasonable profitability.	None.	None.
Innodisk Shenzhen Corporation		Actively develop the Mainland market and expand market share.	The market was affected by the slowdown in demand resulted in lower-than-expected operating profits.	Continue market development.	None.
Aetina Corporation		Expand the general-purpose graphics processor (GP GPU) and Edge AI Computing Solutions products.	The market was affected by the slowdown in demand resulted in lower-than-expected operating profits.	Continue market development.	None.
Innodisk Europe B.V.		Actively develop the Europe market and expand market share.	Provide quality services and maintain reasonable profitability.	None.	None.
Innodisk France SAS		Actively develop the Europe market and expand market share.	Provide quality services and maintain reasonable profitability.	None.	None.
Innodisk Germany GmbH (Note 1)		Actively develop the Europe market and expand market share.	Established in October 2024	None.	None.

Millitronic Co., Ltd.	Entering the IoT market	Continue to develop innovative network solutions.	Actively develop products and customers.	None.
Antzer Tech Co., Ltd.	Expansion into AIoT solution product sectors	Continue to develop in-vehicle communication solutions.	None.	None.
Sysinno Technology Inc.	Sensor-related product design, application and service	Continue to develop sensor application solutions.	Actively develop products and customers.	None.
AETINA USA CORPORATION (Note 1)	Actively develop the U.S. market and expand market share.	Provide quality services and maintain reasonable profitability.	None.	None.
AETINA Europe B.V (Note 2)	Actively develop the Europe market and expand market share.	Provide quality services and maintain reasonable profitability.	None.	None.
Aetina (Shenzhen) Artificial Intelligence Co., Ltd. (Note 3)	Actively develop the Mainland market and expand market share.	Provide quality services and maintain reasonable profitability.	None.	None.
Aetina Japan Corporation (Note 4)	Actively develop the Japan market and expand market share.	Provide quality services and maintain reasonable profitability.	None.	None.

Note 1: Innodisk Europe B.V. established a subsidiary Innodisk Germany GmbH in October 2024.

VI. Risks

- (i) The impact of change in interest rate, exchange rate change and inflation on the Company's profit and loss and future countermeasures

1. The effect of changes in interest rates.

The recent market interest rate hike cycle is gradually coming to an end. To avoid the impact of interest rate fluctuations on the Company's cost of capital, the Company has been monitoring interest rate movements, maintaining close contact with banks, and enhancing its capital to reduce interest expenses and dependence on financial institutions.

2. The effect of changes in exchange rates.

The Company's sales and raw material purchases are mainly denominated in U.S. dollars, so the impact of exchange rate fluctuations on the Company's profitability should be limited. However, the Company still pays attention to exchange rate fluctuations in international financial markets and engages in forwarding foreign exchange contracts in a timely manner to reduce the risk caused by exchange rate fluctuations, but not for the purpose of making profits.

3. The effect of inflation:

The Company's principal activities have not yet been significantly affected by inflation. Still, the Company continues to monitor changes in price indices to guard against the risks that may arise from inflation.

- (ii) Policies, Main Reasons for Profits or Losses, and Future Response Measures Regarding High-Risk and High-Leverage Investments, Lending Funds to Others, Endorsements, Guarantees, and Derivative Financial Instrument Transactions:

The Company operates on a conservative and prudent financial basis and does not engage in high-risk and highly leveraged investments. The Company's lending funds to others and endorsement and guarantee are restricted to subsidiaries only. They are governed by the Company's operating procedures for lending funds to others and endorsement and guarantee. The company has not engaged in derivative financial instrument transactions and has established relevant regulations for handling derivative product transactions.

- (iii) Future research and development plans and estimated research and development expenses.

1. Future R&D plan

(1) Industrial embedded storage devices

- A. PCIe Gen5 products
- B. BiCs8 3D TLC Series Products
- C. Data Center Storage Device Series
- D. High-Speed/-Capacity Storage Device Series
- E. High-Speed Advanced Interface Storage Device

(2) Industrial dynamic random-access memory module

- A. CXL 3.0 Memory Expansion Modules
- B. DDR5 6400MT/s Ultra-High-Speed Industrial Memory
- C. DDR5 8800MT/s Ultra-Low Latency MRDIMM
- D. DDR5 LPCAMM2 Ultra-Low Power Slim Memory
- E. DDR5 CAMM2 New-Generation Slim Memory

(3) Edge AI Computing Solutions

- A. Expansion of AI Edge Server Platform Product Line
- B. Expansion of AI Edge Computing Platform Vehicle Product Line
- C. AI Large Language Model (LLM) Software Development Kit
- D. Vision Artificial Intelligence Agent Development Kit
- E. Robotics Development Kit
- F. AI Software Development Kit Version Upgrade and Optimization
- G. Edge AI Deployment and Management Platform Version Upgrade and Optimization
- H. Edge AI On-Premise Device Solutions
- I. Smart Manufacturing Safety Identification Solutions
- J. Facial Recognition Security Solutions
- K. AI Visual Recognition System Solutions

(4) Intelligent Peripherals

- A. High-Speed CAN Bus Module Product Line Expansion
- B. Fiber Optic Network Card Modules
- C. Embedded Camera Module Product Line Expansion
- D. CAN data Logger
- E. CAN Analyzer

2. Estimated Research and development expenses

The company places high importance on the development of new products and technologies. R&D expenses for 2024 were NT\$495,548 thousand, and the projected R&D expenses for 2025 are NT\$571,955 thousand.

(iv) The impact of important domestic and foreign policy and legal changes on the Company's finance and business and countermeasures:

The Company complies with changes in domestic and foreign policies and laws, and pays close attention to possible changes in the future and prepares countermeasures at any time.

(v) The impact of technological changes (including information security risks) and industry changes on the Company's financial business, and the countermeasures:

As an electronic manufacturer, the Company invests a lot of money in research and development every year. It keeps an eye on technological changes and the evolution of technology in the industry to provide new products to meet customers' needs every year. To date, technological changes and industry changes have not had a significant impact on the Company's finance and business matters. In response to information security risks, the Company has introduced the "ISO27001 Information

Security Management System.” Please see P 74 (vi) Information security management for details.

(vi) The impact of change in the corporate image on corporate crisis management and countermeasures:

The Company has been operating with integrity, and in recent years there has been no crisis in corporate management due to the change in image.

(vii) Expected benefits and possible risks of mergers and acquisitions and countermeasures: None.

The Company has no plans for mergers and acquisitions to date.

(viii) Expected benefits, possible risks, and countermeasures of plant expansion:

Throughout rapid development of AI application around the world and the increasing demand for intelligent IoT, a construction scale of 17299 m² has been planned for the Stage II R&D Center of Yilan Plant. The Stage I and Stage II R&D Center of Yilan Plant will together become a large-scale R&D and manufacturing park with an area of nearly 33,058 square meters in the future. They will become an important base for Innodisk’s connection to international research and development and Yilan’s largest landscape corridor of smart green building.

The Yilan Phase II R&D and Manufacturing Center was activated in the third quarter of 2024. The currently planned facility can satisfy operational development needs for the next 3 to 5 years. Production equipment investments will continue gradually based on business growth to meet the requirements of product structure types with smaller quantities, ensuring stable development of capacity utilization.

(ix) Risks of concentrations of purchases or sales and countermeasures:

1. Purchase:

The company's main raw material is memory chips, with the primary suppliers being Samsung Electronics of South Korea and Kioxia of Japan. The procurement is conducted through their agents in Taiwan, Company A and Company Yin, with purchase ratios of 37.69% and 22.23% in 2024, respectively. The memory supply is stable with no risk of supply interruption.

2. Sales:

The Company’s main sales targets are domestic and overseas distributors or end-users, and the sales targets are quite diversified and there is no risk of concentration of sales.

(x) The impact on the Company and risks of the massive transfer or change of shares by directors, supervisors, or major shareholders with a 10% stake or more and countermeasures: None.

(xi) The impact on the Company and risks of change in management rights and countermeasures: None.

(xii). Litigation or non-litigation events:

1. For the most recent year and the current year up to the date of publication of the annual report, if the Company has been convicted by final and binding judgments or is still bound by significant litigation, non-litigation or administrative disputes, the results of which may have a significant impact on shareholder interests or securities prices: There was no significant impact.

2. For the most recent year and the current year up to the date of publication of the annual report, if the Company’s directors, supervisors, general managers, persons in charge of the Company, substantial shareholders holding more than 10% of the shares, and affiliated companies have been convicted by final and binding judgments or is still bound by significant litigation, non-litigation or administrative disputes, the results of which may have a significant impact on shareholder interests or securities prices: None.

(xiii) Other important risks and countermeasures: None.

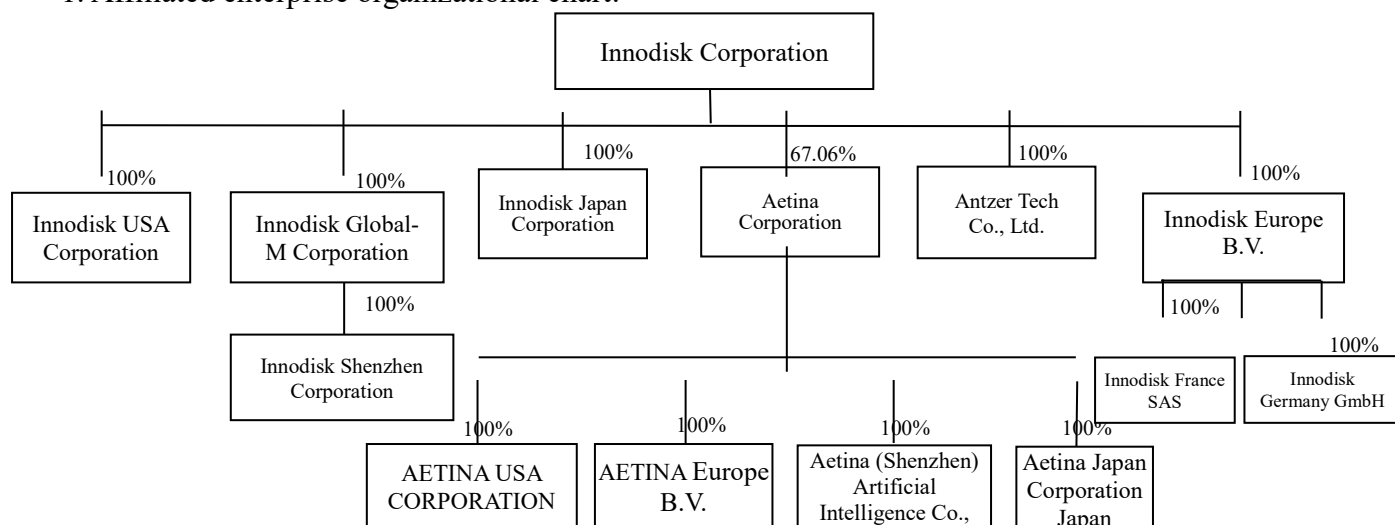
VII. Other important matters: None.

Six. Special Record Items

I. Information on affiliates:

(i) Consolidated affiliation reports:

1. Affiliated enterprise organizational chart:



2. Industries Covered by the Overall Business Operations of Affiliated Companies: Sales and after-sales service and support of industrial embedded storage devices; manufacturing, sales, and after-sales service and support of industrial display cards; electronic components manufacturing; and investment holding. The division of labor is as follows:

Enterprise name	Principal business or production items
Innodisk USA Corporation	Sales of Industrial embedded storage devices
Innodisk Global-M Corporation	Investment holdings
Innodisk Japan Corporation	After-sales services and support of industrial embedded storage devices
Aetina Corporation	Manufacturing and sales of industrial graphics cards
Innodisk Shenzhen Corporation	Sales of Industrial embedded storage devices
Innodisk Europe B.V.	After-sales services and support of industrial embedded storage devices
Innodisk France SAS	After-sales services and support of industrial embedded storage devices
Innodisk Germany GmbH	After-sales services and support of industrial embedded storage devices
Antzer Tech Co., Ltd.	Electronics Components Manufacturing
AETINA USA CORPORATION	After-sales service and support for industrial graphics cards
AETINA Europe B.V.	After-sales service and support for industrial graphics cards
Aetina (Shenzhen) Artificial Intelligence Co., Ltd.	After-sales service and support for industrial graphics cards
Aetina Japan Corporation	After-sales service and support for industrial graphics cards

3. Basic information on affiliates

Unit: Thousand NTD

Enterprise name	Date of establishment	Address	Paid-in capital	Principal business or production items
Innodisk USA Corporation	2008/10	42996 Osgood Road, Fremont, CA 94539 USA	62,051	Sales of Industrial embedded storage devices
Innodisk Global-M Corporation	2010/10	5F, No. 237, Section 1, Datong Road, Xizhi District, New Taipei City	20,154	Investment holdings

Enterprise name	Date of establishment	Address	Paid-in capital	Principal business or production items
Innodisk Japan Corporation	2010/2	1-1-14 Nihonbashi Ningyocho, Chuo-ku, Tokyo	3,533	After-sales services and support of industrial embedded storage devices
Aetina Corporation	2013/9	17F, No. 237, Section 1, Datong Road, Xizhi District, New Taipei City	384,197	Manufacturing and sales of industrial graphics cards
Innodisk Shenzhen Corporation	2011/1	807, Block B, Hengyu Center, Dengliang Road, Nanshan District, Shenzhen	18,168	Sales of Industrial embedded storage devices
Innodisk Europe B.V.	2015/01	Pisanostraat 57, 5623 CB, Eindhoven, The Netherlands	17,470	After-sales services and support of industrial embedded storage devices
Innodisk France SAS	2021/01	Immeuble Arago 1, 41 boulevard Vauban, 78280 Guyancourt	175	After-sales services and support of industrial embedded storage devices
Innodisk Germany GmbH	2024/10	Am Hardtwald 6-8, 76275 Ettlingen, Germany	868	After-sales services and support of industrial embedded storage devices
Antzer Tech Co., Ltd.	2015/11	7F-7, No. 237, Section 1, Datong Road, Xizhi District, New Taipei City	58,400	Electronics Components Manufacturing
AETINA USA CORPORATION	2021/09	42996 Osgood Road, Suite A, Fremont CA 94539, USA	6,098	After-sales service and support for industrial graphics cards
AETINA Europe B.V.	2022/01	Pisanostraat 57, 5623 CB Eindhoven. The Netherlands	-	After-sales service and support for industrial graphics cards
Aetina (Shenzhen) Artificial Intelligence Co., Ltd.	2023/07	Room 1929, Dongfang Science and Technology Building, No. 16, Keyuan Road, Science and Technology Park Community, Aohai Street, Nanshan District, Shenzhen	1,360	After-sales service and support for industrial graphics cards
Aetina Japan Corporation	2023/10	1-1-14 Nihonbashi Ningyocho, Chuo-ku, Tokyo	1,087	After-sales service and support for industrial graphics cards

4. Information on the common shareholder information for those presumed to be in a controlling and subordinate relationship: Not applicable.

5. Information on directors, supervisors and managerial officers of affiliates

Unit: Thousand NTD; shares; %

Enterprise name	Title	Name or representative	Shareholding	
			Number of Shares	Shareholding ratio
Innodisk USA Corporation	Chairman	Chien Chuan-Sheng	-	-
	Director	Wang Li-Cheng	-	-
	Director	LE VICTOR KHANH	-	-
Innodisk Global-M Corporation	Chairman	Chien Chuan-Sheng	-	-
Innodisk Japan Corporation	Representative Director	Chien Chuan-Sheng	-	-
	Director	Kitajima Takahide	-	-
	Director	Wang Chia-Ying	-	-
	Supervisor	Wang Li-Cheng	-	-
Aetina Corporation	Chairman	Representative of Innodisk Corporation: Chien, Chuan-Sheng	25,762,726	67.06%
	Director	Representative of Innodisk Corporation: Chen, Qiu-Xiong	25,762,726	67.06%
	Director	Lo Chih-Jung	1,712,207	4.46%
	Supervisor	Wang Li-Cheng	20,947	0.05%

Innodisk Shenzhen Corporation	Chairman	Chien Chuan-Sheng	-	-
	Supervisor	Wang Li-Cheng	-	-
Innodisk Europe B.V.	Director	Chien Chuan-Sheng	-	-
	Director	Po Lu-Hua	-	-
Innodisk France SAS	Director	Chien Chuan-Sheng	-	-
	Director	Po Lu-Hua	-	-
Innodisk Germany GmbH	Director	Chien Chuan-Sheng		
	Director	Po Lu-Hua		
Antzer Tech Co., Ltd.	Director	Representative of Innodisk Corporation: Wei Ting-Huang	58,400,000	100%
AETINA USA CORPORATION	Director	LE VICTOR KHANH		
AETINA Europe B.V.	Director	Lo Chih-Jung		
	Director	Po Lu-Hua		
Aetina (Shenzhen) Artificial Intelligence Co., Ltd.	Chairman	Lo Chih-Jung	-	-
	Supervisor	Hsu Tsung-Chuan	-	-
Aetina Japan Corporation	Representative Director	Kitajima Takahide	-	-
	Director	Lo Chih-Jung	-	-

6. Operating profile of affiliates

Unit: Thousand NTD

Enterprise name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit	Net profit and loss (after tax)	Earnings per share (NTD) (after tax)
Innodisk USA Corporation	62,051	399,815	328,983	70,832	1,345,014	(11,426)	(46,344)	(22.65)
Innodisk Global-M Corporation	20,154	839	29,403	(28,564)	0	(146)	(25,933)	(39.00)
Innodisk Japan Corporation	3,533	25,443	13,103	12,340	36,564	2,070	1,607	8,197.28
Aetina Corporation	384,197	754,030	210,699	543,331	624,037	(28,309)	(3,137)	(0.08)
Innodisk Shenzhen Corporation	18,168	199,208	228,611	(29,403)	587,304	(23,609)	(25,800)	(Note 1)
Innodisk Europe B.V.	17,470	79,291	20,841	58,450	106,502	8,493	9,245	0.18
Innodisk France SAS	175	13,860	8,617	5,244	25,234	1,707	1,179	235.77
Innodisk Germany GmbH (Note 2)	868	-	-	-	-	-	-	-
Antzer Tech Co., Ltd.	58,400	39,483	2,514	36,969	17,259	8,053	7,150	0.12
AETINA USA CORPORATION	6,098	13,330	6,087	7,243	12,068	792	296	1.48
AETINA Europe B.V.	-	5,416	3,335	2,081	18,939	1,239	817	8,170.00
Aetina (Shenzhen) Artificial Intelligence Co., Ltd.	1,360	2,265	1,028	1,237	2,389	131	111	(Note 1)
Aetina Japan Corporation	1,087	1,839	686	1,153	6,246	265	204	408.00

Note 1: No shares issued

Note 2: Innodisk Europe B.V. established a subsidiary Innodisk Germany GmbH in October 2024.

(ii) Affiliated Enterprise Consolidated Financial Statements

Innodisk Corporation

Declaration of Consolidated Financial of Affiliated Enterprises

For the year ended December 31, 2024 (from January 1, 2024 to December 31, 2024), pursuant to “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises,” the Group that is required to be included in the consolidated financial statements of affiliates, is the same as the Group required to be included in the consolidated financial statements of the parent and subsidiary companies under International Financial Reporting Standard 10. If all relevant information that should be disclosed in the consolidated financial statements of affiliates has been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

Company Name: Innodisk Corporation

Responsible Person: Chuan-Sheng Chien

February 26, 2025

(iii) Affiliation report: None.

II. Private placement of marketable securities in the most recent year and the current year up till the publication date of this annual report: None.

III. Other Matters that Require Additional Explanation: None.

IV. Any of the situations listed in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholder equity or the price of the Company's securities, which has occurred during the most recent year or the current year up to the date of publication of the annual report: None.

Innodisk Corporation

Chairman: Chuan-Sheng Chien