



LINGSEN PRECISION INDUSTRIES, LTD.



2025

SUSTAINABILITY REPORT

ENVIRONMENTA•SOCIAL•GOVERNANCE

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01

Management's Commitment

1.1 A Word from Management

We are entering an AI-empowered world, where artificial intelligence not only runs in Data Centers, but will run in PCs, Smartphones, Automobiles, and even Internet-of-Things devices in the future. Recent developments, such as the recovery of the economy, the reshaping of global IC supply chains inventory, AI is expected to continue to drive the global semiconductor industry to enter a period of healthy growth in the coming years. At the same time, as the intensifying competition in the quest for AI supremacy, geopolitical uncertainties persist.

However, as we now face rapid market transformation and significant technological advancements, the Company is prepared to embrace. The Company will continue to build upon our foundation to achieve steady growth, continue to invest to support our customers' growth, collaborating with partners and embracing an AI-empowered Era.

■ Economic and Operational Development

In the management aspect, we commit to our main business, make continuous technological innovations, develop new products and improve old products by sticking to the concepts of energy-saving, waste-reducing and green assembly, and join hands with our suppliers to improve quality, lower cost and acquire customers' support and appreciation together.

■ Environmental Sustainability

The company is dedicated to improving the utilization efficiency of each energy source and building and reinforcing relevant environmental protection treatment facilities to avoid polluting water, air and land. Meanwhile, we adopt the best and feasible pollution prevention treatment and control technical measures. As for environmental sustainability, we deem issues like climate change, and water and energy resource management as our challenges and opportunities and we will continually making efforts to realize the goals of electricity and water saving, carbon reduction and waste reduction.

The new factory of the company obtained LEED silver certification from U.S. Green Building Council in January 2015, which was an important and remarkable achievement. In 2019, we further acquired an updated SONY Green Partner certificate.

■ Social Care

When pursuing growth and profits, Lingsen is also continuously dedicated to building and maintaining a human-oriented and safe work environment to perform its social responsibilities. Specific achievements have been acquired, including plans for cooperation between industry and academics, mountain-cleaning and street-cleaning activities, and establishment of charity community, to jointly attend community activities, care about our neighbors, improve the quality of life of employees and communities, and promote competitive advantages centering on corporate responsibilities, thus making efforts to the corporate sustainable development.

02 Sustainable Development

2.1 A Word from Director of Corporate Sustainability Committee

Lingsen Precision, as a pioneer in the semiconductor assembly industry, and it has been established for more than 50 years since establishment in 1973. We attentively pursue the stable development of core business, stick to the vision of “Economic Sharing, Coexistence with Environment and Co-prosperity with Society” and practice 17 SDGs of the United Nations (refer to the appendix) as well as the Ten Principles of the United Nations Global Compact (refer to the appendix).

Under the background of climate and environment change and continuous worsening of global warming, Lingsen has also adhered to the vision of harmony between enterprises and the earth. When pursuing of its profits, we also give equal consideration to our responsibilities as a corporate citizen and pays continual attention to the environmental and social issues. Lingsen continues to demonstrate its emphasis on green products and carbon reduction in production processes, and is committed to the recycling and reuse of waste and wastewater. In 2025, a total of 880.598 tons of waste and 584,096 tons of wastewater were recycled, which not only achieved environmental protection but also saved costs. In addition, Lingsen actively promoted the use of green energy in production electricity. In October 2015, a 483KW solar power generation system was completed at the Lingsen Chungkang Plant. As of December 31, 2025, it has provided 6,954,290KW of green electricity, also contributing to environmental protection. As for public welfare, our colleagues initiate monthly ordering of bakery products from Eden Social Welfare Foundation and provide people with mental and physical disabilities with jobs and help them blend in the society more easily.

In order to implement the concept of corporate sustainable development, Lingsen has been deeply engaged in the four major fields of Corporate Social Responsibility for “Corporate Governance, Corporate Commitment, Social Contribution and Environmental Protection”, and aims to integrate ESG into the operations to create shared value for a sustainable future.



**Social
Involvement**



**Corporate
Governance**



**Environmental
Protection**



**Enterprise
Commitment**

2.2 Corporate Sustainable Development Promotion Organization

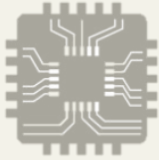
Lingsen Precision established “Corporate Sustainability Committee” in 2013, involving five issues, i.e., corporate governance, sustainable supply chain, human rights and social inclusion, environmental sustainability and social care. The representative of sustainable development committee is served by “General Manager” of the company. The sustainable development team integrates sustainability issues from three aspects, namely, economy, environment and society, and reports the execution performance of sustainable development management system as well as demands for improvement suggestion actions to the top management every year.

In order to practice corporate social responsibilities, urge the progress of economy, environment and society, and fulfill the goals of sustainable development, the General Manager’s Office will generally plan and integrate the annual promotion achievements of corporate sustainable development and work plans for the next year so as to make sustainable development one of the processes in the corporate decision-making.



Issue	Topic	Responsible Department
Corporate Governance	• Sustainability Management • Corporate Governance • Compliance with the Regulations • Technological Innovation • Risk management	• General Manager’s Office • Finance Division • R&D Engineering Division • Audit Office
Sustainable Supply Chain	• Customer Relationship • Supplier Management • Product Liability	• Business Division • Purchasing Department • Quality Assurance Division
Human Rights and social Inclusion	• Employment Benefits • Educational Training • Occupational Safety and Health • Human Rights Management	• Human Resources Department • Occupational Safety Office
Environmental Sustainability	• Climate Change and Environmental Policy • Water Resource Management • Waste Recycling Management	• Factory Affairs Department • Manufacturing Division • R&D Engineering Division • Business Division
Social Care	• Community Care • Environmental Protection • Actively Engagement	• General Manager’s Office

2.3 Sustainable Performance



Economic

Revenue \$

Revenue reached NT\$ **4.838 billion** in 2025.

R&D Investment

R&D investment reached NT\$ **81 million** in 2025.

Output Value Per Capita

Output value per capital reached NT\$ **2,087,547** in 2025.



Environmental

Waste Recycling

Recycling of **880.598** tons of waste

Energy-saving

Saving of **6,784,000** kWh/year of energies.

Wastewater recycling

Recycling of **584,096t** wastewater in total.



Social

Cooperation between Industry and Academics

20 consecutive years' industry-academics cooperation with National Taiwan University of Science and Technology and provision of opportunities for both employment and learning.

Public Welfare Activities

Long-term support for the **Slow-Flying angel bakery products** of Eden Social Welfare Foundation.

Long-term Support

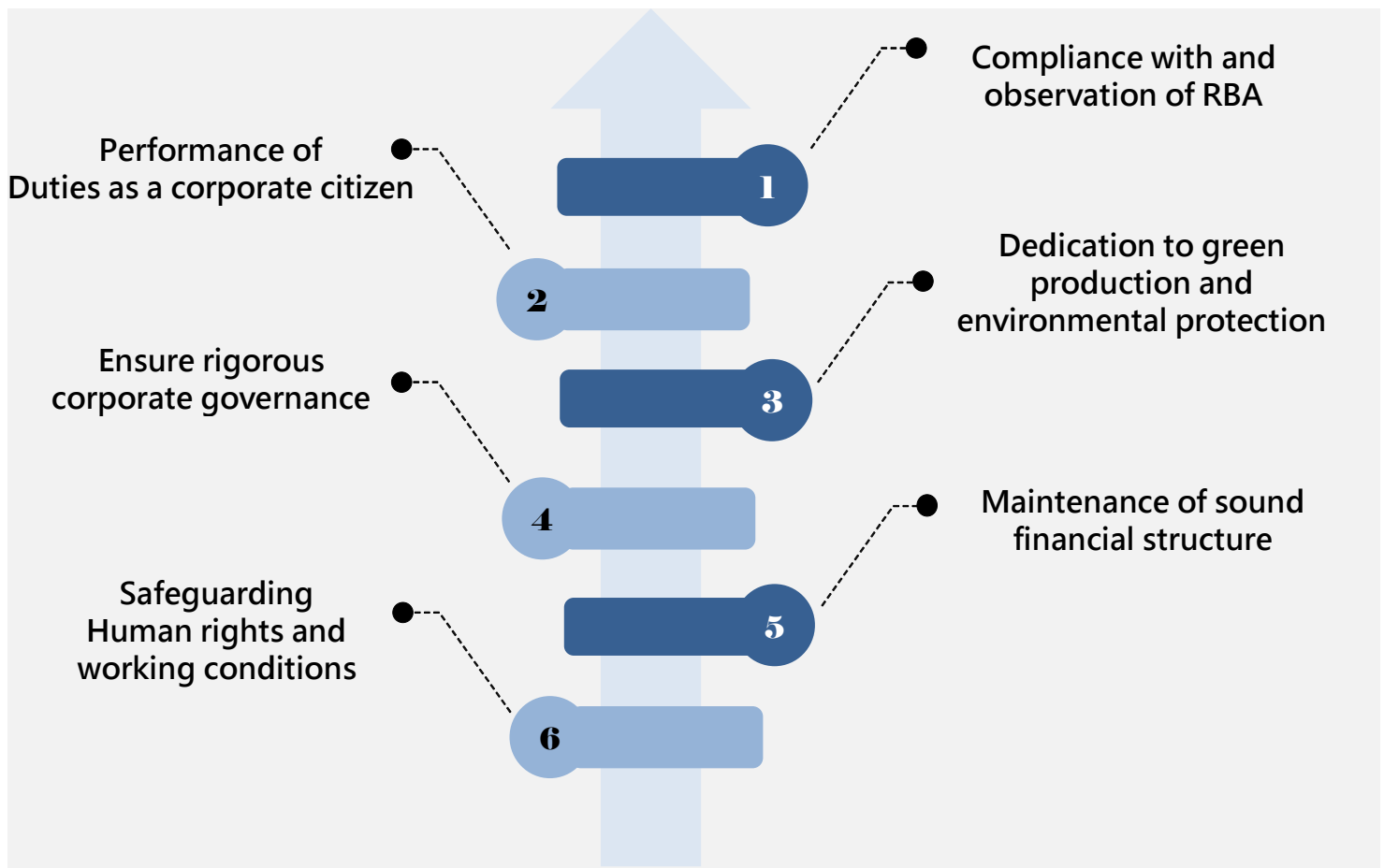
Long-term support for faith, hope and love. **Donation box**

2.4 Sustainable Development Strategies

Lingsen, as a member of global market citizens, adheres to the operation philosophies of integrity and commitment and sustainable management, commits to the performing of its responsibilities as a global corporate citizen, continually makes innovation and improves production capacity, assists customers in producing better products, and join hands with the supplier to improve the value and quality of materials together so as to create a better living environment.

To practice the concept of corporate sustainable operation, duly perform the responsibilities as a corporate social citizen, take care of our living environment and cherish the limited resources in the earth, Lingsen actively coordinate with each requirements of RBA (Responsible Business Alliance) and the Ten Principles of the United Nations Global Compact to ensure the realization of each goal involving human rights, care for the laborers, safety in workplace, anti-corruption, and environmental protection.

■ Aspects of sustainable development strategies



2.5 Corporate Sustainability Policy

菱生精密工業股份有限公司

Lingsen Precision Industry, Ltd

企業永續政策

Corporate Sustainability Policy

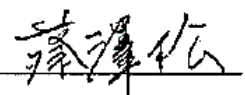
菱生精密工業股份有限公司乃半導體封裝業先驅，我們不僅用心追求核心業務穩健發展，秉持「經濟共享、環境共生與社會共榮」的願景。本公司提供員工友善、人道、安全工作環境，致力環境保護、崇尚誠信廉潔、遵循台灣適用之法令法規、RBA 行為準則，並承諾：

As a pioneer of Semiconductor Assembly Industry, Lingsen not only make our effort to pursue steady development to core business but also uphold the vision of "co-existence of economy and environment and social co-prosperity." Lingsen provide friendly, humane and safe working place, and have been committed to protect environment, advocate integrity and honesty, abide by the laws and regulations and code of conduct of RBA, and promise to:

- 提倡人權，禁用童工、不使員工遭受歧視、霸凌等不人道對待
Advocate Human Rights, Prohibit child laborers, Protect employees from inhumane treatment such as discrimination and bullying.
- 合法合理之工時與報酬
Offer legal and reasonable working hour and salary.
- 嚴守商業道德倫理規範，維持良好公司治理
Observe the code of Business ethics and maintain well corporate governance.
- 符合政府及國際相關法規並持續追求改善進步
Abide by related Government and International laws and regulations, and keep making improvement.
- 提供員工安全健康的工作環境及合理的薪資與福利
Provide employees with safe and healthy working environment and reasonable salary and benefits.
- 提倡環保愛地球活動、減少污染與碳排放，致力社會公益
Promote eco-friendly activities, Reduce pollution and carbon emission, and Be Committed to charitable and public welfare.
- 教育員工，使其了解並支持公司善盡企業社會責任
Impart CSR (Corporate Social Responsibility) to employees to get their recognition and support.
- 不直接或間接採購來自衝突地區之鉭、錫、鎢、金、鈷、雲母
Not purchase directly or indirectly the Conflict Minerals such as Ta (Tantalum), Sn (Tin), W (Tungsten), Au (Gold), Cobalt (Co), and Mica.
- 與客戶、供應商溝通交流企業社會責任，彼此學習、共同進步
Interchange CSR (Corporate Social Responsibility) with customers and suppliers to learn from each other and make common progress.

菱生精密工業股份有限公司
Lingsen Precision Industry, Ltd

總經理 General manager



3.1 Environmental Management

Since October 1998, Lingsen has taken the Environment Management System (ISO14001) as seriously as production and product quality. Tse-Sung Tsai, our General Manager, shortly after determined that our environment policy which base on 4 features, “manufacturing green and eco-friendly products; adhering to applicable laws; saving energy, reducing waste, and preventing pollution; and continuing to improve sustainable development”, would proceed in parallel with the related ISO-14001 regulations and further encouraged all employees to manage the environment using PDCA in each factory. Furthermore, he requested all of us to continue to periodically inspect the impact of air pollutants, waste water, noise, and waste on the environment and continuously review the resources used in the production to improve the company’s energy saving efforts in the hopes of achieving balance and co-prosperity between product quality and our surrounding environment.

Under the environmental issues of Global Warming and Climate Change, various countries declare their long-term target of Net Zero Emissions by 2050 in rapid succession. Lingsen also had declared the environmental target and set short, medium and long-term target of energy saving, carbon reduction, water saving , etc., not only to be devoted to cope with climate change and the risk brought by climate impact but also to practice the Environmental Sustainability Policy in an attempt to protect our shared Global Environment.

Environmental Policy of Lingsen



菱生精密工業股份有限公司
Lingsen Precision Industry, Ltd

日期：108.07

環境政策
Environmental Policy

本人以書面正式宣示，本公司之環境政策如下：
I declared the environmental policy of our company by official document as follows:

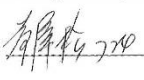
菱生及其子公司為從事半導體封裝測試之企業，除了致力於本業的成長，在環境系統之污染控制已獲得良好成效後，我們將秉持一貫之傳統，於本公司之活動、產品或服務中更進一步地進行能源節約、資源保育及良好環境的維持及改善，為達成上述目標，並基於回饋社會的企業文化，我們將致力於：

Lingsen and its worldwide branches are working in the assembly and test business. Besides the growth of business, the pollution controlled of the environment system also got good effect. We will take the same traditional way and promote further to save energy, protect resource, maintain and improve the good environment. For above objectives and contribution of the society, we will devote to:

1. 綠能環保產品生產。Manufacture the products of green energy and environmental protection.
2. 遵守適用法令規章。Compliance with applicable laws and regulations.
3. 節能減廢污染預防。Save energy, reduce waste and prevent pollutions.
4. 持續改善永續經營。Continual improvement, achieving sustainable management.

本公司對環境管理系統之運作負全部之責任並提供必要的資源，同時各部門主管應給予必要的協助，提供環境考量調查評估資訊，並以環境政策為導向，經由環境管理委員會訂定年度環境目標與指標，且須確保本公司之環境系統相關資訊為全體員工所了解、實施與維持，且向社會大眾公開。

For the operation of environmental management system, we do our duty and supply necessary resources. According to the environment policy, every top manager of the departments shall provide the inspection and evaluation of environment aspect, the environment management committee will establish annual environmental objectives and targets to make sure the relevant information will be known, executed, maintained by every employee. And the information will be opened to the public.

總經理 General manager: 

公佈時間：108.07
Announce Time: 108.07

*註：公佈期間請勿拆除，公佈後由環境管理委員會回收存檔。
*ps. Please do not remove the bulletin in this period. Environmental Management Committee will recovery this bulletin after announcement.

Rev. 9

In light of the climate impact to Taiwan, Lingsen focused on environmental issues such as energy saving and discussed the datum target in the environmental management inspection meeting in 2023. The bullet points are as follows:

Lingsen set the carbon reduction and energy saving target based on the carbon dioxide emissions and energy consumption in 2021.

For the carbon reduction target:

Reduce 10% by 2030 as short-term target.

Reduce 50% by 2040 as medium-term target.

Achieve Net Zero Emissions by 2050.

For the energy saving:

Save 10% by 2030 as short-term target.

Save 40% by 2050.

Furthermore, to protect the precious water resources in Taiwan, Lingsen will save water more than 400 thousand metric ton every year.

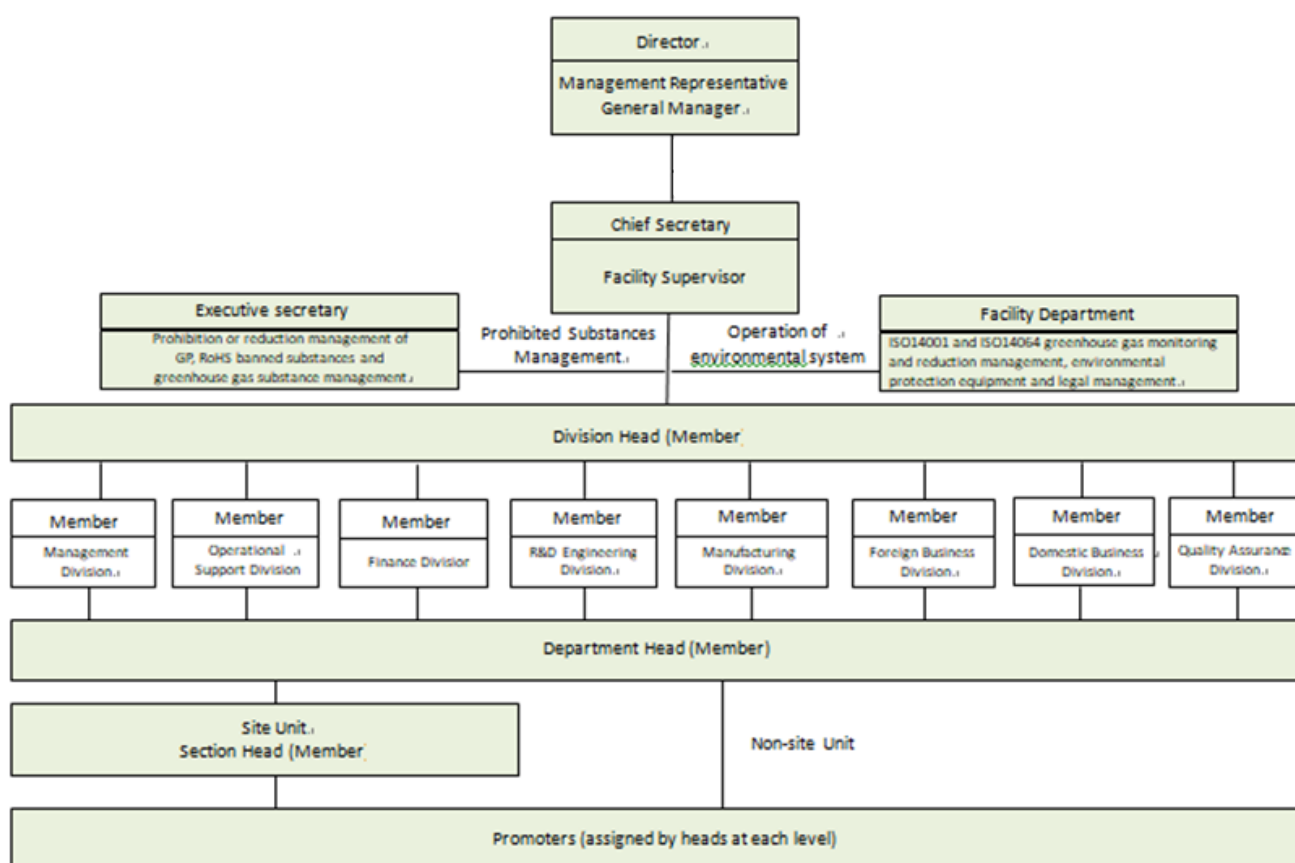
Our Environmental Goals



Structure of Environmental Management Committee

Our company has five production buildings and one raw material warehouse. All of the production buildings are consistently managed by the Environmental Management Committee, which is chaired by the General Manager and has each unit head as a member. The General Manager annually convenes all unit heads to an environment target review conference to evaluate the environmental incidents and the degree of completeness of the previous year's target, discuss the impact caused by deficiencies, determine environmental targets for the current year, request related units and heads to manage and track the programs for which they are responsible, and monitor them through the quarterly environmental management committee meeting. Furthermore, each unit head is responsible for evaluating environmental hazards and managing the areas with major environmental hazard with special projects to reduce their impact on the environment.

Structure of Environmental Management Committee



Remarks:

- (1) Member in charge of site unit is division, department or section head.
Member in charge of non-site unit is division or department head.
- (2) Site promoters are assigned by heads at each level.

Operation of the Environmental Management System and Risk Management

We are committed to communicating the importance of environmental protection to all of our employees in the hopes that everyone in our company will do their best to protect our environment. Furthermore, the Environmental Management Committee is held at the beginning of each year ,meeting with each unit head to determine environmental goals and management programs for the current year. Such goals are generally related to waste reduction or saving energy. Once the goals are determined, each unit head will promote them to his/her employees and get their feedback to learn how to better improve the environment together in order to enhance the company's environmental protection efforts.

Integration Table of Our Environmental Goals, Objectives and Management Programs in 2025

EP policy	Program code	Environmental management program	Environmental goal	Environmental target	Unit in charge
Energy saving and waste reduction	1401	Reduce the amount of waste resin in product A.	The number of machines to be started is determined based on the material condition. Unused resin from non-operating machines is packaged and recycled for reuse to reduce the amount of waste resin.	It is estimated that the monthly scrap volume will decrease by 20%.	2nd Section, Manufacturing Department II
Energy saving and waste reduction	1402	Reduce the amount of waste resin in product B.	Materials are processed in a centralized mode to reduce the amount of expired resin that needs to be scrapped.	It is estimated that the monthly scrap volume will decrease by 20%.	3rd Section, Manufacturing Department I
Energy saving and waste reduction	1403	Recycling of cartons of waste lead frame.	The cartons of waste lead frame are recycled regularly and reused by manufacturers for packaging, reducing disposal costs and environmental impact.	An average of 100 boxes are estimated to be recycled each month.	Material Management Section, Materials Department
Energy saving and waste reduction	1404	Recycling of empty tube reduces costs and waste of resources.	For package sent for testing at T5, after the testing is completed at T4, the empty tubes are returned to T5 for recycling.	Save 6,000 NTD per quarter.	Testing Department
Energy saving and waste reduction	1405	Reduce the consumption of lead frames of mold cleaning in molding station.	The lead frames of mold cleaning in molding station is replaced with scraps from trim& form station.	Monthly consumption decreased by 432 strips.	Manufacturing Department II, T5
Energy saving and waste reduction	1406	Increase the utilization rate of metal caps.	For expired metal caps, after the procedures of conducting expiration trial production and engineering trial production to reduce the wastage of metal cap.	The average of usage rate of metal caps is 75%.	Manufacturing Department II, T6
waste reduction and carbon reduction	1407	Replace chiller units and chilled water pumps with new ones to save energy and reduce carbon emissions in T1 and T2	Replace the chiller units and chilled water pumps, improve its efficiency, reduce power consumption, and thus reduce electricity bills and carbon dioxide emissions.	Annual electricity savings of 1,100 kWh and carbon reduction of more than 540 tons.	Facility Department

We have passed ISO-14001 verification in October 1998 and completed the edition-changed certification of ISO14001:2015 in 2017. However, in order to prevent our perceptions of our self-review of the company's environmental protection measures from diverging from the truth, we annually invite external verification agencies to assist in our audit and re-verification process. With different points of view from senior auditors at external verification agencies, we can continue to improve our environmental quality.

Our ISO14001 Certificate



Major Environmental Risk Assessment

RISK ASPECT	MAJOR RISK ISSUE	RESPONSIVE MEASURES
Laws and policies	1. The standards of environmental protection regulations are gradually stricter. 2. Energy declaration and energy conservation 3. Requirement for power brownout is added in the local regulation of Taichung.	1. Strengthen testing and production control and add pollution improvement equipment based on status quo. 2. Improve the inspection of the company's energy equipment and prepare a budget annually to execute energy-saving projects. 3. Check the service status of plant area of the company, and use a part of the plant for solar power generation system to improve the ratio of green power used by the company.
Environmental resources	1. Due to the climate change, there is no rain for a long term, resulting in the shortage of water resources. 2. Removal of wastes	1. List annual environmental protection management projects, implement recycling of process wastewater, adjust production water consumption and cherish water resources. 2. Recycling waste, improving waste recycling rate promoting suppliers to recover and re-utilize packing materials. 3. Propose environmental management programs every year and seek the reduction of raw materials used in production processes.
Customers and suppliers	1. The raw materials used in production contain substances listed by international conventions or regulations of Taiwan for management. 2. Reduction of greenhouse gasses and product carbon fingerprint.	1. Conduct sampling inspection of incoming raw materials which may be put into site for production after being recognized by the environmental protection unit. 2. Certify greenhouse gas inspection report ISO14064-1 and assist customers in the product carbon footprint investigation. 3. Spend expenditure every year for improvement and execute green procurement to lower the emissions of greenhouse gases.
Employees and the general public	1. The employees do not have a concept of environmental protection to cause environmental pollution. 2. Residents around give a full amount.	1. Establish ISO14001 environmental management system, integrate environmental protection to employees' daily life in a systematic way, offer educational training on environmental protection to employees, and perform regular and irregular environmental audits over production units. 2. Set up an environmental communication management system and establish public communication access. 3. Carry out irregular patrolling of surrounding environment to lower the influence of environmental pollution on the public.

In recent years, transnational environmental protection treaties and government laws and regulations are gradually raising the requirements for environmental protection of enterprise production, which is not only a challenge but also an opportunity for change. Lingsen has also considered and evaluated the major environmental risks generated nowadays and review the influences and opportunities brought by environmental risks one by one. We still look forward good changes made to the environment in Taiwan under these autonomous and non-autonomous external impacts.

■ Table of Environmental Risks and Opportunities

Opportunity	Change caused	Responsive measures
Green energy	Increase the ratio of green power. Improve the energy utilization efficiency of production equipment.	Three sites have already been developed for the setting of solar power generation system. High-efficiency equipment is a direct consideration factor to replace the old equipment.
Climate change	Production response in dry period regarding water acquisition sources.	Improve the efficiency of wastewater recycling system and lower the dependence of production on water consumption. Set up large water storing facilities and fully store water when the water resources are sufficient. Coordinate with tanker manufacturers and include them in emergency response drills.
Products and services	Green products Customer environmental protection design services	Engage in R&D design to continually improve product efficiency. Strengthen the close cooperation with customers and launch green products.

3.2 Carbon Management

Because of Climate Change led by Global Warming, the extreme weather causes enormous impact on the sensitive biophysical environment. To decrease the disasters brought by effects of climate change, every country set their clear-cut Net Zero Emissions schedule in rapid succession. And, our government has not only passed a bill to revise “Greenhouse Gas Reduction and Management Act” as “Climate Change Response Act” on January, 2023, but also integrated Net Zero Emissions by 2050 into long-term target to show our determination toward Net Zero Emissions.

Lingen has been absolutely devoted to executing inspection and control of greenhouse gas emissions based on the concept of sustainable management and CSR. In 2010, after building a “greenhouse gases inspection and voluntary reduction steering group”, our General Manager declared Lingsen’s greenhouse gases inspection and voluntary reduction declaration to look forward to achieving resources saving and sustainable development of global biophysical environment.

■ Our Greenhouse Gas Inspection and Voluntary Reduction Promotion Organization

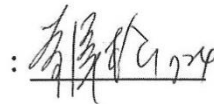
菱生精密工業股份有限公司

Lingsen Precision Industries, Ltd. Greenhouse Gas Inspection and Voluntary Reduction Statement

We recognize that the climate and environment suffer from the negative impact of greenhouse gases and understand that the capacities of the earth's resources are limited. They are not endless, and unfortunately, we are moving toward the critical point. As a responsible corporate citizen, we are committed to carrying out the following activities:

- ◎ Regularly inspecting greenhouse gases.
- ◎ Controlling greenhouse gas emissions.
- ◎ Improving the efficiency of machinery and equipment to reduce greenhouse gas emissions.

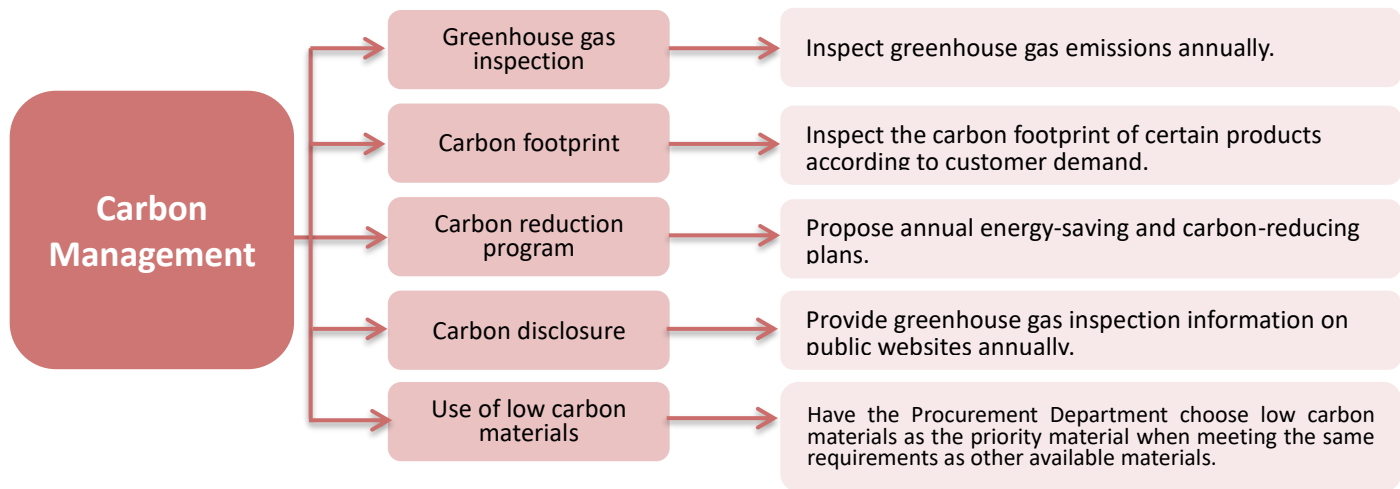
General Manager :



July 23, 2019, ROC

After the declaration from General Manager and the setting up of steering group, Lingsen integrated the steering group into Environment Stewardship Council. In the carbon emission reduction meeting on July, 2010, the council considered that we should catch up on the greenhouse gas emission condition first to find the right antidote to reduce greenhouse gas emissions. After discussion, General Manager declared the resolution that Lingsen would annually execute the organization level greenhouse gas inspection work from 2010, following up ISO14064 Greenhouse gas verification standard. After being certificated by external CB (Certification Body) to define the greenhouse gas emissions and the major emitter, Lingsen would take measures to improve the greenhouse gas emission condition. Furthermore, since 2021, Lingsen has gradually started the Carbon Footprint Verification. At present, Lingsen provides carbon emission information of each raw material used in Assembly process to customers and Carbon Footprint Verification for specific product to support customer catching up on production-related information.

Carbon Management Method



Greenhouse Gas Inspection

Since 2009, Lingsen has phased in the Greenhouse Gas Verification system, and finished hitherto Greenhouse Gas Verification for 17 years (2009-2025), and pass the ISO 14604-1:2018 revision certification in 2022. To earn recognition for verification results from intended user, all of the inspection work and document should follow up ISO-14064-1, and furthermore, be verified by internal and external verification process. At present, the range of executing greenhouse gas inspection includes 1st, 2nd, 4th, 5th, 6th production site, and the dormitory of 6th production site, and a raw material warehouse in Taichung, Taiwan. Lingsen's greenhouse gas verification results of project 1 and project 2 for the last 5 years are as follows:

Annual Greenhouse Gas Emissions from 2021 to 2025

Year	Scope 1	Scope 2	Total greenhouse gases (t)
2021	1,846.7307	65,725.4404	67,572.1711
2022	1,750.4530	63,035.3240	64,785.7770
2023	1,690.9313	59,980.8035	61,671.7348
2024	1,495.8513	56,271.0235 (location-based)	57,766.8748 (location-based)
		56,197.0795 (market-based)	57,692.9308 (market-based)
2025	1,587.6330	52,957.5332 (location-based)	54,545.1662 (location-based)
		53,898.9878 (market-based)	55,486.6208 (market-based)

In accordance with our inspection information in 2025, Scope 1 refers to the direct emission of greenhouse gases, which includes fixed combustion sources, process emission sources, mobile combustion sources, and fugitive greenhouse gas emission sources with emission volume of 1,587.6330t CO₂e/year. With main source in Lingsen as Scope 2 refers to the indirect emission of greenhouse gases, including input of electricity, heat, steam, or other derivative energies such as fossil fuel with emission volume of 52,957.5332t CO₂e/year(location-based approach) , taking up a ratio of 78.06%. Taking into account the green electricity certificates purchased (market-based approach), Scope 2 is 53,898.9878 t CO₂e/year. Scopes 3-5 refer to other kinds of indirect emission of greenhouse gases which are mainly generated by outsourcing activities. The emission sources include employees' business trips, outsourced transportation (including wastes), procurement of raw materials (resins) and energies, solidification/physical treatment/incineration of downstream wastes as well as greenhouse gas emissions generated customers' leases with emission volume of 13,295.9617t CO₂e/year.

If other indirect emission parts (Scope 3-Scope 5) were not taken into account, the indirect emission of greenhouse gases of Scope 2 could even take up a ratio of 97.09%. Therefore, execution of energy conservation, improvement of equipment energy efficiency and waste reduction is a primary direction for the company to achieve the goal of greenhouse gas emission reduction at present, and it can also help lower the long-term operating cost.

Compared with 2024, the greenhouse gas emissions in 2025 will drop slightly, the main reasons are replacement of old air conditioning equipment, actively promoting energy conservation measures, and the lower carbon coefficient of electricity announced by the Energy Bureau in 2025 compared to previous years.

■ Our Annual Electricity Consumption from 2021 to 2025

Year	2021	2022	2023	2024	2025
Total electricity consumption (kWh)	131067128	127515756	121583950	119078412	116346108

Because the emission of greenhouse gases is closely related to energy consumption, we introduced Energy Management System (ISO50001) verification in order to more efficiently manage our energy consumption. Many employees have been sent for educational training designed for energy managers and have already obtained relevant qualification certificates. Our goals are to better plan our energy consumption, determine a consumption standard, develop a consumption policy, and promote improvement measures and thus continuously improve our energy consumption under P-D-C-A, ISO's management core.

2024 ISO14064 Verification Statement of Greenhouse Gas Inspection

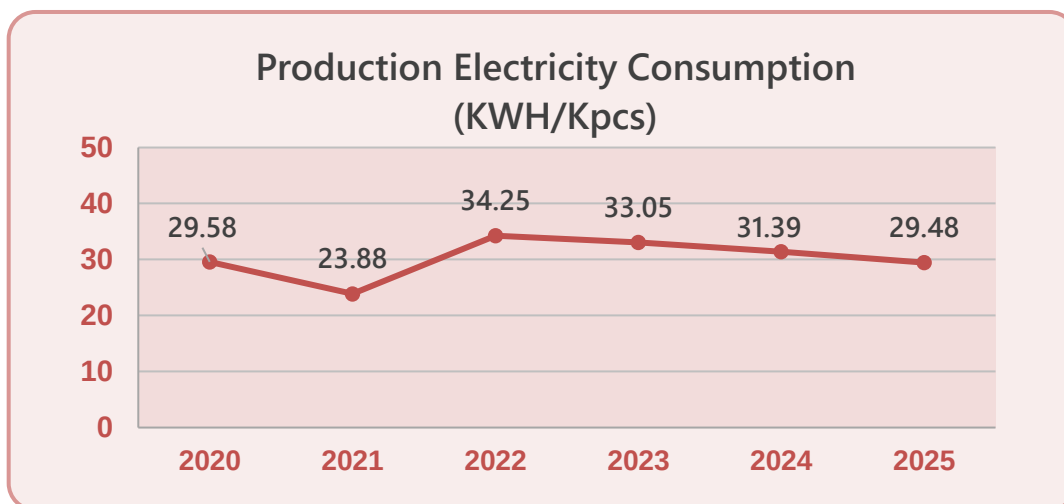
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2025 ISO14064 Verification Statement of Greenhouse Gas Inspection

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Promotion of Production Energy Saving and Carbon Reduction Program and Development of Renewable Energy Sources

Year	2020	2021	2022	2023	2024	2025
Production Electricity Consumption(kWH/Kpcs)	29.58	23.88	34.25	33.05	31.39	29.48



In consideration of the consumption of social and environmental resources during corporate production, Lingsen requires its employees to propose manufacturing process energy conservation every year and carbon reduction programs through brainstorming and continuously improves its production efficiency as well as invites experts from the Industrial Research Institute, Green Productivity Foundation and SinoTech Company to assist the diagnosis of operation conditions of production equipment inside the company and put forward opportunities for improvement. Also, we order heads in charge of production site to supervise, guide and manage. We further require the reduction of energy consumption of site production equipment, including electric power, air pressure, vacuum and exhaust equipment without compromising of product quality. It was calculated that Lingsen saved 6,784,000 kWh/year of energies in 2025, reduced CO2 emissions by 3,351.2 t/year and lowered annual CO2 emissions by 5.8% in total. Table below indicates the execution status of energy-saving programs of Lingsen in 2025.

■ Our Energy Saving and Emission Reduction Programs from 2024 to 2025

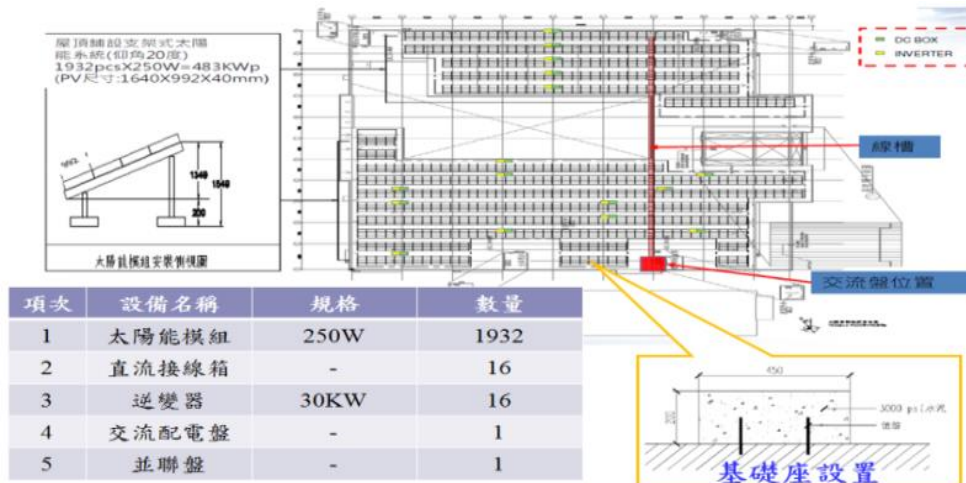
From 2024 to 2025, Lingsen proposed a project to replace air conditioning chiller units, cooling water, and circulating pumps. We have completed the replacement of two high-efficiency chiller units and multiple cooling water and circulating pumps. Actual verification shows that in 2025, we saved 6,784,000 kWh/year of electricity, reduced CO2 emissions by 3,351.2 t/year, and saved more than 30.05 million dollars in electricity costs.

In 2026, our company's Energy Saving Performance Guarantee Project of the Ministry of Economic Affairs and the Energy Administration will carry out energy-saving replacement of high-energy-consuming chillers for air conditioners. It is expected that the replacement of air compressors can be completed in March 2027, and the annual electricity saving will reach 1 million kWh.

Given the gradual intensified influence imposed by greenhouse gases on the earth's environment and temperature, Lingsen has actively promoted the increase of the ratio of green power used in production. In October 2015, Lingsen Chungkang Plant completed 483kW solar power generation system and already provided 6,954,290KW of green power as of December 31, 2025.

Year	Air pressure power (KWH)	Production energy consumption (KWH/KPCS)
2023	121,583,950	33.05
2024	119,078,412	31.39
2025	116,346,108	29.48

Design Drawing/Aerial Photograph of 483kW Solar Power Generation of Lingsen Chungkang Plant



Aerial Photograph of Solar Power Generation System of Lingsen Chungkang Plant

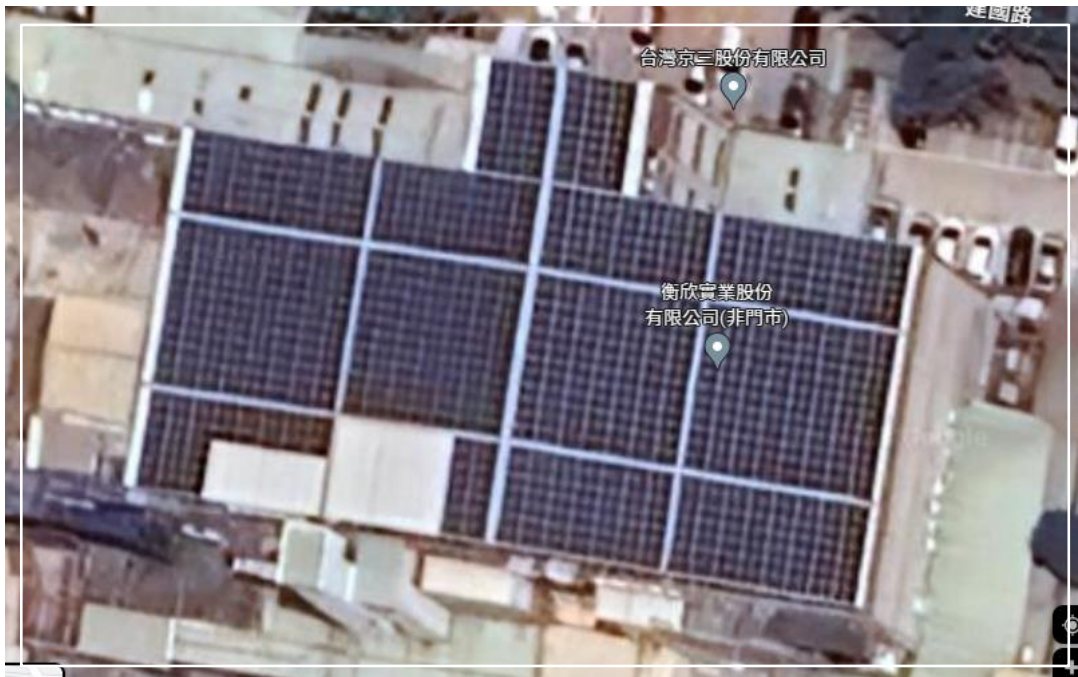
In the beginning of 2019, we established a partnership with Export Processing Zone Administration Division Taichung Branch and rented out the common land of T1 located on No. 5-1, South 2nd Rd., Tanzi Dist., Taichung City to a solar energy manufacturer for building of a solar power generation system. The total generating capacity established reached 278.16kW

Aerial Photograph of Solar Power Generation System of T1(278.16KW)



In 2022, Lingsen will cooperate with manufacturers and companies in the Technology Industrial Park, the T3 factory is located at No. 3, Jianguo Road, Tanzi District, Taichung. It is leased to a solar manufacturer to build a solar power generation system. The total installed power generation capacity is 252KW. It will officially generate electricity in June 2022. At present, the total green power capacity developed by Lingsen Company has reached 761.16KW, the amount of green energy development has reached 6.14% of the total electricity consumption (compared with the contracted capacity of Taipower).

■ Aerial Photograph of Solar Power Generation System of T3252KW



3.3 Green Products

In response to global trends and the widespread demand for environmental protection, we are committed to providing excellent solutions to protect the environment, promote safety, and encourage health. During our manufacturing processes, we do not use hazardous materials, but only materials that meet the RoHS. Also, we send samples to SGS for testing periodically to meet the halogen-free limits set by the RoHS.

In addition to the products that we have always traditionally assembled, technologies including stack technology, multi-chip modules, systems in packages, optical products and MEMS component packaging have already been under mature volume production; among these additional products, the MEMS component has great potential because it is light, thin, and compact, with a broad range of applications due to its functions of perception, calculation, and action. Furthermore, we are currently mass producing MEMS accelerometers, pressure devices, gyroscopes, and MEMS microphones, all of which are main products for market growth. In order to respond to the “Waste Electrical and Electronic Equipment Directive (WEEE Directive)”, the “Restriction of the Use of Hazardous Substance Directive (RoHS Directive)”, and the “Directive of Eco-design Requirement of Energy-using Products (EuP Directive)” from the European Commission, green products have already been introduced to the company, and we are dedicated to environment-friendly assembly. Furthermore, environmental consideration review process has been added to the process design stage of APQP in principles of improvement of utilization efficiency of raw materials and reduction of environmental pollutants. Currently, green products have entered our standard BOM of products

(excluding custom-made products), of which halogen-free materials are also used in substrates and resins. The most recent annual R&D topics are as follows:

- (1) Power component module package test, thin/thick aluminum wire & Clip Bonding included
- (2) Cellphone/mobile device with ambient optics sensing module package test
- (3) MEMS induction module packages, e.g., MEMS accelerometer, gyroscope, pressure gauge, altimeter, tire pressure gauge, MEMS microphone...
- (4) Multi-functional MEMS module package
- (5) Small form optical sensor module package
- (6) Multi-functional optical sensor module package
- (7) Power Module IGBT(450A/1200V) package
- (8) QFN 0.3mm thinning package
- (9) Flip Chip on QFN/TSOT package
- (10) Pulse detector sensor package
- (11) Blood oxygen concentration sensor package
- (12) Stacked microphone (Lamination)
- (13) Power module MOSFET 100V/100A package
- (14) Light sensors of a variety of thickness package
- (15) Low-power module IPM/SPM package
- (16) MIS Like package
- (17) Water Proof Pressure Sensor package
- (18) Intelligent door lock identification sensing Sensor package
- (19) TWS light sensor package
- (20) Thermal pile temperature sensor package
- (21) MEMS Auto Focus Sensor package
- (22) Silicon Carbide Discrete Diodes TO package
- (23) MEMS Speaker package
- (24) Skin Sensor package

In addition to continually developing new products that comply with market demand, we have added green planning and evaluation as whether there is a chance to reduce consumption of raw materials, use renewable raw materials and implement energy-saving design upon design of development products, and are dedicated to make persistent improvements to improve product efficiency and lower material loss and wastage.

Recently, the increasingly serious damage on the environment has caused people around the world to pay more attention to environmental protection. Reducing carbon emissions has become a focus for all countries. Carbon dioxide, such as exhaust from vehicles, is the main cause for the greenhouse effect. Moreover, the excessive exploitation of oil has caused a global energy problem due to its limited inventory. Therefore, the development of electric vehicles has also become a key global issue. From September 2012 to September 2014, we became involved in the industrial technology development program (TDP) of the Ministry of Economic Affairs and the Automotive High Current IGBT Power Module Assembly Technology Development Program and began cooperating with the Industrial Technology Research Institute (ITRI). The high-current and high-voltage IGBT in this program was developed for product system application that can be applied to critical parts of electric vehicles and hybrid vehicles. In addition to being applied to electric vehicle motor modules, IGBT can also be applied as a power module for car windows, air conditioners, and headlights with different current requirements.

In response to the initiation of new global mandatory carbon reduction regulation in 2020, a silicon carbide power module was applied to realize system motivation power saving. Our company passed official reviews from the Industrial Development Bureau, Ministry of Economic Affairs at the end of 2015. Along with Shihlin Electric, we have been devoted to high-power and high-value semiconductor silicon carbide power module program. Digital, consumable, and industrial products can be widely applied to power-saving, high-frequency, and high-temperature electric/electronic systems. Furthermore, silicon carbide can be used to reduce 85% of silicon component switching loss. Through electric/electronic technology, energy switching efficiency can be greatly improved, making it the first choice for energy shortage and industrial equipment power saving. The first set of full-bridge silicon carbide power module was completed in Taiwan upon closure of this program. Lead-free process manufacturing technology was used all the way, which could improve system efficiency, lower energy consumption and carbon emissions and reduce environmental hazards.

With the rise of global awareness of environmental protection, governments of a variety of countries have successively formulated timetables for elimination of petroleum cars in order to realize the goals of carbon neutrality and net zero carbon emission. To comply with the provisions of such policies, automobile manufacturers have to pay more intangible cost in the traditional petroleum car field, thus further promoting them to accelerate their development in the field of electric cars. SiC/GaN will become the materials used for power components of electric cars in the future. Since the third-generation semiconductors are suitable for producing high-frequency, high-voltage, high-power and radiation-resisting products, they can be applied to car chargers, quick charging piles and wireless charging systems.

In response to this demand, Lingsen will expand its third-generation semiconductor process capacity and increase its automotive chip packaging capacity in 2022. By 2025, it will have built an engineering production line to actively verify the feasibility of its products in electric vehicles and other high-voltage power applications. In the future, it will continue to work closely with customers to jointly develop high-efficiency, low-loss power modules, which will not only enhance its market competitiveness and product differentiation, but also promote energy-saving and carbon reduction technologies. With practical actions, it will support the global net-zero carbon emission goal and contribute to environmental sustainability.

3.4 Management and Procurement of Raw Materials

Before procuring of a qualified primary raw material (e.g., adhesive material, Au/Cu wire, substrate, lead frame, resin, and lid), a Material Safety Data Sheet (SDS) or ingredient list must be attached to the application, which must be approved by our Environmental Management Committee through a sampling recognition procedure after verifying that it meets customer demands; upon arrival of such material at our company, X-ray fluorescence is also used to monitor and ensure that no environmental controlled substance is present; secondly, Suppliers who have obtained ISO17025 certification are requested to provide an ICP test report from a third-party certification agency to guarantee that their raw materials do not contain environmental controlled substances. We manage the timeliness of materials through the "Supplier Certification Information System".

■ Incoming Material Quality of Lingsen in 2025

(All test results in 2025 met our environmental substance control requirements.)

XRF test items	Adhesive material	AU/CU wire	Substrate	Lead frame	Resin	Lid
2025 Lot	379	292	880	2416	612	276

Meanwhile, we regularly audit our system and review our management policies to ensure that we continue to adhere to international laws, as well as customers' non-hazardous substance. We also regularly collect and identify laws and regulations regarding hazardous substances related to products (e.g., international, regional and national laws and regulations such as RoHS and REACH SVHC, etc.) and complete the investigations of our suppliers and production units to ensure that products from our suppliers meet the relevant requirements of regulations on hazardous substances.

3.5 Air Pollution and Waste Recycling Management

Our manufacturing processes generally refer to semiconductor assembly and testing, in which the raw materials primarily used are wafers, lead frames, and epoxy. To prevent environmental pollution during manufacturing, we installed a carbon absorption tower and scrubber to handle the air pollution problem. For wastewater, water is continuously recycled until it can no longer be used and is then discharged to the wastewater treatment plant. Through resource recovery, the recoverable parts will be recycled and non-recoverable parts will be sent to legal treatment firms to be handled appropriately in an attempt to effectively reduce environmental pollution and use resources more effectively.

3.5.1 Air Pollution Management

The air pollutants created by our manufacturing process are mainly volatile organic compounds and acid gas. To effectively reduce our production of air pollutants, we have adopted the Best Available Control Technology (BACT). Our main air pollution control equipment includes the carbon absorption tower and the scrubber. We also were granted an Operation Permit of Stationary Pollution Source by the local environmental protection agency to meet the requirements of relevant environmental protection laws.

■ Our 2025 Regulatory Compliance and Self-evaluation with Regards to Air Pollution Testing

Inspected production building	Inspected air pollutant (kg/hr)					
	THC	Sulfuric acid droplet	phosphoric acid	Nitric acid	hydrochloric acid	Nox
T1	0.01	-	-	-	-	-
T2	0.01	-	-	-		-
T6	0.04	0.02	0.000988	0.01	0.00107	0.02
Compliance with regulatory standards	V	V	V	V	V	V

Among all air pollutants under regular testing, THC test was required for T1 and T2 of Taichung factory and THC, sulfuric acid droplets, phosphoric acid, nitric acid, hydrochloric acid and Nox tests were required for T6 of Taichung factory. Based on testing data in 2025, the highest test values of air pollutants were compared with the emission standards of fixed pollution sources and senior-conductor volatile organic emissions. Our volatile organic emissions was more than 10 times lower than the emission standards, and the acid gas (sulfuric acid droplets and nitric acid) pollutants were more than 10 times lower than the statutory discharge standards, thus showing our determination to maintain air quality.

Our Air Pollution Control Equipment



3.5.2 Waste Recycling and Treatment

With regards to waste management, we have abandoned the traditional approach of transport of waste to treatment plant for treatment. This management method is currently our final approach which could not reduce waste volume by recycling. We firmly believe that waste reduction must start from the proper management of raw materials. Therefore, at the annual environmental management conference, we request the production unit to submit an improvement proposal for site production to reduce the usage of raw materials, thus reducing waste.

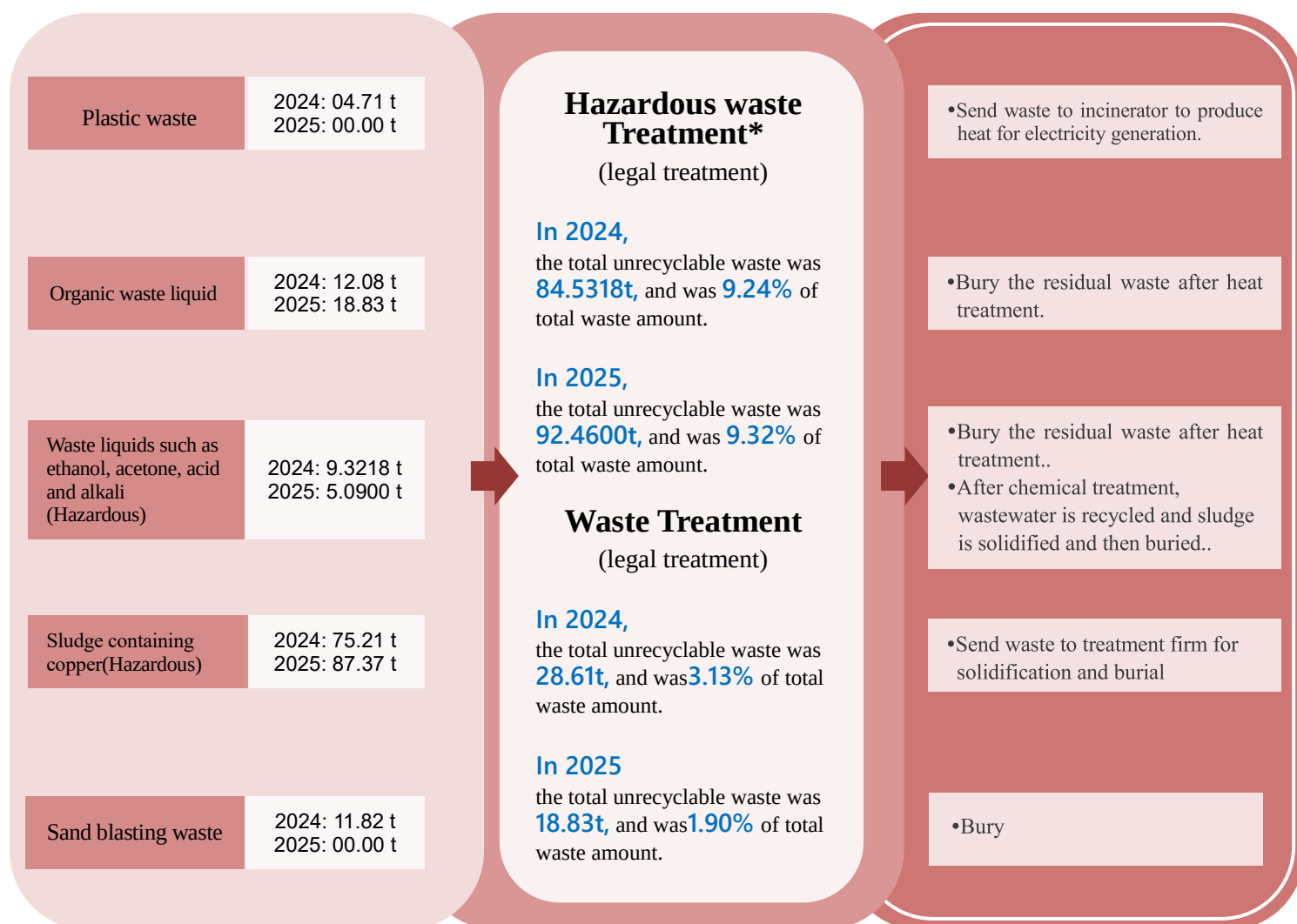
2025 Waste Reduction Program

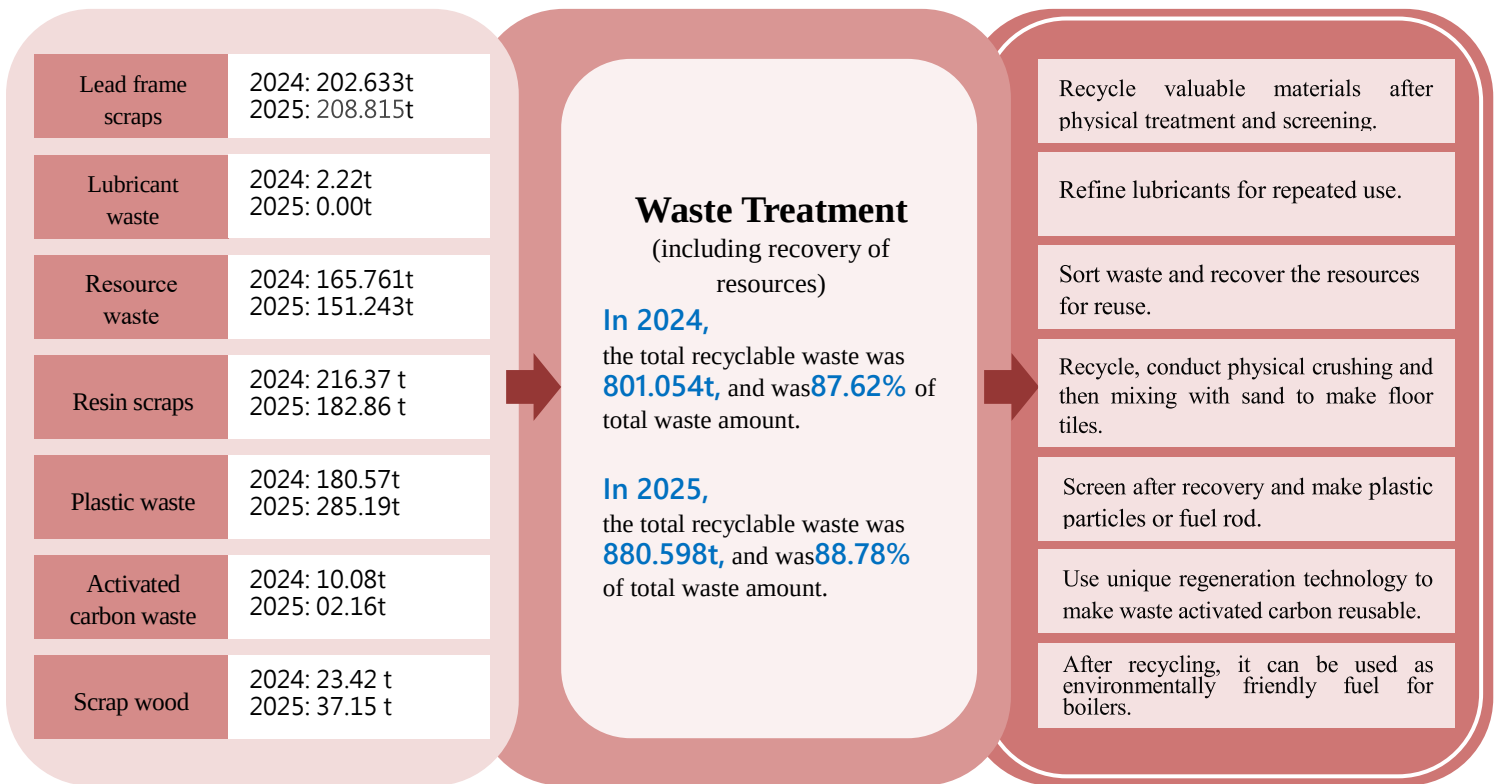
Waste reduction program		Achievement
1	Reduce the amount of waste resin in product A.	Unused resin from machines that are not in operation is recycled to reduce the amount of resin scrap. On average, this reduces scrap by 8,478 kg per month, a decrease of approximately 21%.
2	Reduce the amount of waste resin in product B.	By adjusting the operating mode to reduce the amount of expired resin. The annual scrapping volume decreased by 12.9 kg, a reduction of approximately 33%.
3	Recycling of cartons of waste lead frame.	The cartons of waste lead frame are recycled and reused by manufacturers for packaging. This reduces processing costs and environmental impact, with an average of 197.25 boxes recycled per month.
4	Recycling of empty tube reduces costs and waste of resources.	For package sent for testing at T5, after the testing is completed at T4, the empty tubes are returned to T5 for recycling. Average cost savings of NT\$9,625 per quarter.

Waste reduction program		Achievement
5	Reduce the consumption of lead frames of mold cleaning in molding station.	The lead frames of mold cleaning in molding station is replaced with scraps from trim& form station. On average, this can reduce consumption by 353 strips per month.
6	Increase the utilization rate of metal caps.	For expired metal caps, after the procedures of conducting expiration trial production and engineering trial production to increase the usage rate of metal cap to 89.4%.

Since the waste that the manufacturing process generates may impact the environment, we cooperate with recycling firms as much as possible in an attempt to at least maintain the residual value of waste to reduce pollution. We schedule at least two audits annually of our treatment firms by environmental protection professionals to ensure that we are reducing environmental pollution caused by waste treatment firms' improper treatment.

Our Waste Production and Resource Recycling from 2024 to 2025





Our Internal Recycling Truck



In order to save the use of natural resources, implementation resource circulation to reduce waste, and achieve minimization of waste generation and maximization of resource recycling to lower environmental load and establish a sustainable resource utilization society, Lingsen has actively cooperated with each reutilization agencies to reuse the recyclable waste.

Since April 2020, we recycled resin scraps and transported them to reutilization agencies for the production of high-pressure concrete floor tiles . In 2023, the recycling plan will be implemented in the Wuqi factory, and the amount of waste resin recycled every year is estimated to be 200-300 tons.

In July 2021, we cooperated with Styrofoam company to recycle and rebuilt the waste styrofoam and we could recycled about 150kg styrofoam waste every month; in October 2021, we cooperated with reutilization agency again to recycle and make plastic waste to plastic particles.

Now at least 350-500 tons of waste plastic enter the recycling pipeline every year, greatly improving the recycling rate of waste plastic resources.

According to the statistics, we generated 991.888t waste in 2025, and 880.598t was recycled in total, accounting for about 88.78% of the total waste. That shows Lingsen dedication to the recycling of social resources.

To continuously improve the waste recycling rate, Lingsen has also set up a special resource recycling mobile vehicle to conduct daily recycling of common recyclable waste, such as paper, aluminum (iron) cans, and plastics, within the factory area, thereby improving resource recycling.

3.6 Water Resource Management

Research has indicated that the average temperature of Taiwan has increased around 1.4 degrees in the past 100 years due to the recent global climate change. Global warming has also brought heavier and more concentrated rain and has increased the frequency of droughts in Taiwan. According to the simulated data of Academia Sinica, every one-degree increase will result in 20 more non-raining days in Taiwan. Although Taiwan's annual average rainfall is around 2,500mm, which is three times the global average rainfall of 880 mm, the actual rainfall utilization rate is less than 20%. Therefore, water recycling is one of the challenges that the Taiwanese government currently needs to face. This is a sensitive issue for us so we had our overall water resource inspected and have implemented many water saving measures in the hope of reducing our impact on Taiwan's water resources. The following is Lingsen's water consumption status from 2021 to 2025:

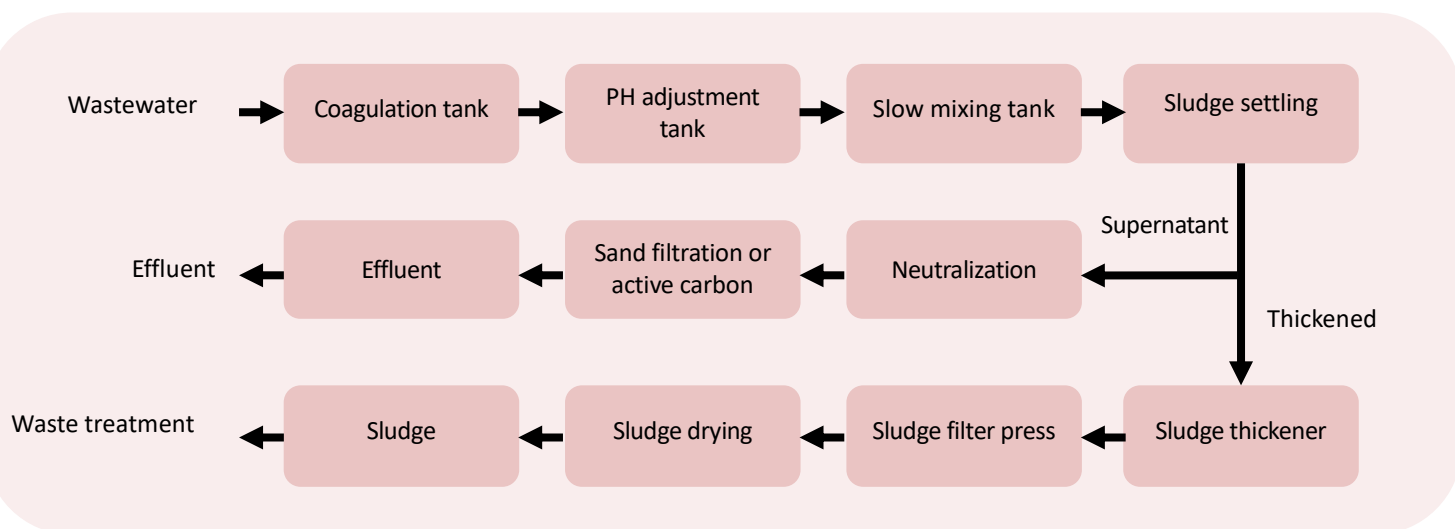
Factory	T1	T2	T3	T4	T5	T6	water consumption
2021	57.721	63.266	0.671	22.926	47.634	27.954	220.172
2022	70.015	71.192	0.604	27.612	40.542	42.938	252.903
2023	78.648	88.524	0.625	31.158	33.269	27.147	259.371
2024	73.622	68.524	0.599	23.178	35.718	66.739	268.380
2025	70.936	49.336	0.527	22.948	26.641	35.455	205.843

Unit: thousand m³

3.6.1 Wastewater Treatment

The company produced approximately 808.911 thousand m³ of wastewater in 2025, and the wastewater was treated in the wastewater plant of the export processing zone for the second time and then discharged to the sewage sewers. Wastewater generated in manufacturing processes was the main source. Our policy is to recycle as much wastewater as possible and discharge the rest to a wastewater treatment plant. The primary pollutants in our wastewater are SS, COD and some heavy metal substances. Therefore, the wastewater treatment treats the wastewater in a designed form of chemical coagulation. The related treatment procedure and subsequent inspection results are as follows:

Waste treatment process



Our 2025 Wastewater Inspection Results

Inspected production building	Regular effluent inspection items									
	PH	SS	COD	F	Pb	Cu	Nitrate	Ammonia	TTO	Ag
T1	7.9	4.1mg/L	93.7mg/L	0.49mg/L	ND	0.25mg/L	2.37mg/L	2.63mg/L	ND	ND-
T2	7.7	8.2mg/L	21.9mg/L	<0.1mg/L	ND	0.028mg/L	0.3mg/L	ND	< 0.181mg/L	ND
T5	8.4	5.2mg/L	71.6mg/L	<0.1mg/L	ND	0.094mg/L	4.86mg/L	<0.05 mg/L	< 0.181mg/L	ND
T6	7.9	11.3mg/L	17.7mg/L	1.18mg/L	ND	0.741mg/L	5.62mg/L	1.37 mg/L	ND	-
Effluent standard										
	6~9	30 mg/L	100 mg/L	15 mg/L	1 mg/L	1.5 mg/L	50 mg/L	30mg/L	1.37mg/L	0.5mg/L

3.6.2 Recycling of Wastewater from the Manufacturing Process

In order to effectively use water resources, we believe it is necessary to reuse the wastewater generated from manufacturing processes. In 2025, our Industrial-use water withdrawn was 1,014,754t based on water meter readings, with main consumption sources as cooling tower, manufacturing processes of wafers including cutting, grinding and singulation, and air-conditioning. Repeated experiments and testing led us to use UF membrane and RO anti-fouling membrane to recycle wastewater, and introduce recycled water to the site process for reuse in order to reduce the attrition of water. Currently, for production building with the highest water consumption in manufacturing processes, we have set up 5 sets of UF membrane recycling system and 3 sets of ROR recycling system and these systems recycled 584,096t wastewater in total in 2025. If viewed from the manufacturing processes of each plant, the recycling efficiency reached 45% to 90% (depending on the design of wastewater recycling system).

Our UF Wastewater Recycling System



Wastewater Recycled Volume and Efficiency from 2016 to 2025

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Wastewater saved from manufacturing processes (t)	465,377	610,673	541,848	536,454	521,079	684,149	591,734	577,027	490,858	584,096
Recycling efficiency %	60~80	60~80	60~80	65~83	65~83	65~87	60~80	60~80	45~80	45~90

Water withdrawn from 2019 to 2025

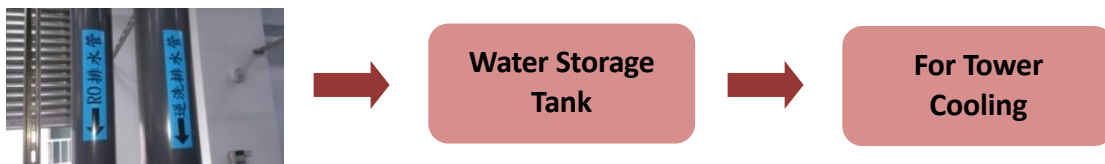
Factory	T1	T2	T3	T4	T5	T6	Water withdrawn
2019	111.555	267.066	0.422	32.597	104.276	271.405	787.321
2020	115.958	294.152	0.656	24.496	112.737	313.943	861.942
2021	134.630	286.914	0.671	22.926	127.416	375.804	948.361
2022	154.586	244.711	0.604	27.612	99.348	369.912	896.773
2023	154.235	256.268	0.625	31.158	106.414	368.436	917.136
2024	161.076	220.721	0.599	23.178	119.948	489.337	1014.859
2025	161.762	252.511	0.527	22.948	103.104	473.902	1,014.754

Unit: thousand m³

3.6.3 Other Water Saving Methods

In addition to our dedication to the recycling of wastewater from manufacturing processes, we have also been actively reducing water resource wastage through other methods. The RO drainage and backwash drainage from the water purification system do not directly run to a wastewater treatment plant; instead, they travel through the underground storage tank and be pumped to the cooling tower to reduce water consumption there. The water will be discharged to the wastewater treatment plant only after it is concentrated and cooled in the cooling tower until it cannot be used. A total of 584,096 tons of tap water will be saved in 2025.

Recycled Water Used in the Cooling Tower

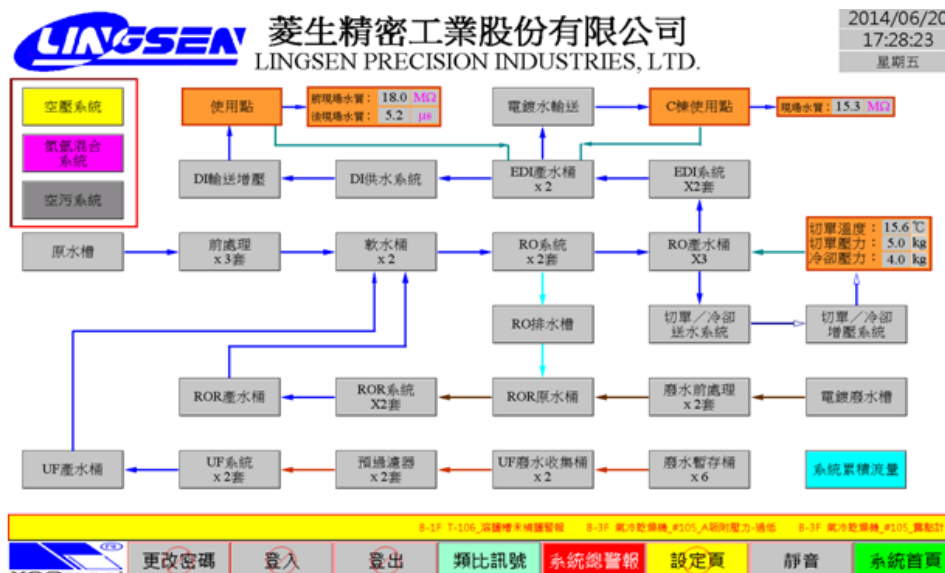


A rainfall recycling system and domestic wastewater filtration system were incorporated to the T6 production building in Taichung factory in the hopes that this new water recycling system can plan and develop new water resources. Furthermore, in order to effectively and reasonably use and control water resources, we have incorporated a water resource monitor system into the fundamental equipment of the new plant to effectively allocate rainfall and reduce water waste with reasonable controls.

Rainwater Tank and Sewage Recycling System



Our Water Resource Management and Control System



04 Interactions with Stakeholders and Operation

4.1 Stakeholder Identification and Communication

In our pursuit of sustainable development, we have established a variety of effective communication methods for stakeholders so that we can understand their demands and expectations as an important reference for developing corporate social responsibility policies and other relevant programs. Our stakeholders' management procedures have four steps: identification of stakeholders, analysis of stakeholders and concerning issues, programs relevant to stakeholders, and interactions and operations of stakeholders.

4.1.1 Identification of Stakeholders

We define stakeholders as any internal or external group or individual who either impacts on the company or is affected by the company. Accordingly, we consider the following our stakeholders: shareholders (investors), customers, suppliers, employees, government agencies, communities, competitors, media, non-government organizations, and research organizations. Considering the worldwide trend toward sustainable development and current operation demands, as well as discussions with related internal units, this report considers shareholders (investors), customers, suppliers, employees, and communities as our main communicating stakeholders.

4.1.2 Process to Determine Material Topics

① Collecting Sustainability Issues

With reference to GRI Standards, Sustainability Accounting Standards Board(SASB), Sustainability Disclosure Indicators, Sustainable Development Goals (SDGS) and other standards, and taking into account current sustainable development trends and company operational demand, a total of 26 sustainable issues are listed.

② Stakeholders' Topics of Concern Survey and Evaluation

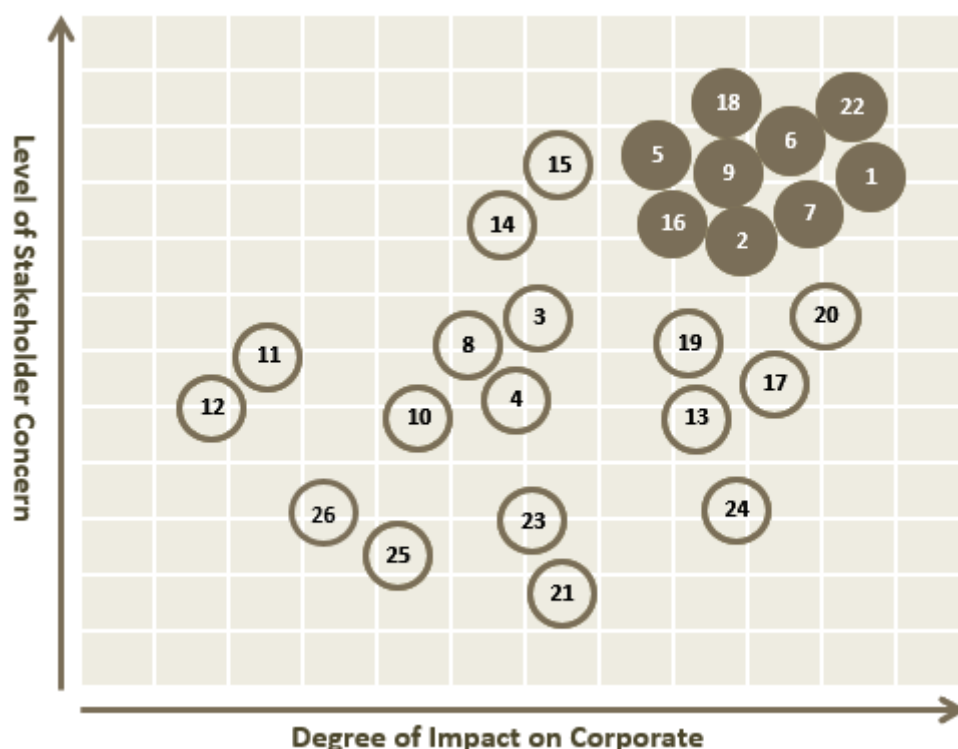
Through the communication channels established by the responsible departments within the company, we understand the level of concern of stakeholders on Lingsen's sustainable development issues. Based on the feedback, we determine the level of concern of the issue and the possible impact on the company and conduct a materiality assessment and analysis.

③ Decision of Material Issue

After discussion by the Sustainability Team and reporting to senior management, 9 key sustainability themes were determined, and relevant information was compiled to develop management systems and processes for disclosure.

4.2 Significance Analysis of Stakeholders

■ Analysis Results of Key Issues that Concern Stakeholders



■ Analysis Results of Key Issues that Concern Stakeholders

Level of Concern over Major Issues		
1. Regulatory Compliance	10. Protection of Confidential Information	19. Raw Material Use and Recycled Materials
2. Corporate Governance	11. Recruiting and Maintaining Talent	20. Energy Management
3. Sustainable Development Policy	12. Salary and Employee Benefits	21. Product Carbon Footprint
4. Risk Management	13. Human Rights Related to Labor	22. Greenhouse Gas Management
5. Product Quality and Technology R&D	14. Career Development and Educational Training	23. Green Products
6. Operation Financial Performance	15. Occupational Safety and Health	24. Waste Management
7. Supply Chain Management	16. Water Resource Management	25. Environmental Policy/Management System
8. Community Involvement and Charity Work	17. Hazardous Substance Management	26. Geopolitical Risk
9. Customer Services and Satisfaction	18. Air Pollution Control	

Significance Analysis of Issues that Concern Stakeholders

Principal issue	Relevant report chapter	Page
Regulatory Compliance	Corporate Governance/Personnel Training and Harmony and Safety in the Workplace	59/37
	Environmental Protection/Customer Service and Supplier Management	8/50
Corporate Governance	Corporate Governance	59
Product Quality and Technology R&D	Business Profile /Green Products	61/21
Operation Finance Performance	Business Profile	61
Supply Chain Management	Supplier Management	51
Customer Services and Satisfaction	Customer Services and Satisfaction	50
Water Resource Management	Water Resource Management	28
Air Pollution Control	Air Pollution and Waste Recycling Management	24
Greenhouse Gas Management	Carbon Management	14

Major Aspects and Boundaries Identification

Type	Sustainable issues	Major aspects	Internal corporate boundary	External corporate boundary		
			Lingsen	Customer	Supplier	Community
Corporate Governance	Business Performance	Business Performance	✓			
	Corporate Governance	Corporate Governance	✓			
	Legal Compliance & Moral Standards	Legal Compliance	✓			
		Code of Conduct & Moral Standards	✓			
	Risk Management	Risk Management	✓			
Environment	Environmental Protection	Waste	✓			
		Effluent	✓			
		Products & Services	✓			
		Environmental Rules Compliance	✓			

Type	Sustainable issues	Major aspects	Internal corporate boundary	External corporate boundary		
			Lingsen	Customer	Supplier	Community
	Ecological Efficiency	Greenhouse Gas Emissions	✓			
		Water	✓			
Employee Care and Development	Employee Care	Employee Welfare	✓			
		Educational Training	✓			
		Training & Education	✓			
		Diversity and Equal Opportunity	✓			
		Equal Remuneration for Men and Women	✓			
	Supply Chain Development	Purchasing Policy and Approach	✓		✓	
		Conflict Resources	✓		✓	
	Supplier Management	Supplier Environmental Assessment	✓		✓	
Social Engagement	Community Development	Local Community Development Plan	✓			✓
	Stakeholder Communication	Stakeholder Engagement	✓	✓	✓	✓

Stakeholder-relevant Programs

All of our relevant units are incorporated into our daily work or annual plan through the aforementioned analysis results to serve as an important reference for sustainable operation strategies.

Interactions and Operations of Stakeholders

When interacting with stakeholders, we employ a performance indicator for different issues based on different stakeholders in order to regularly review ongoing improvement measures. We firmly believe that good interaction with stakeholders can help us to overcome economic, social, and environmental challenges, as well as enhance our operational ability to establish ourselves as a sustainable company.

Our Communication Access with Stakeholders

Stakeholder	Issue of concern	Communication access	Relevant events and highlights of 2025
Shareholders (investors)	Operation performance	1. Annual shareholders' meeting	Operation performance report of 2025
	New product development and scheduling	2. Spokesman system	New product development status report of 2025
Customers	Green products	1. Quarterly customer satisfaction survey	
	Conflict-free metal investigation	2. Quarterly customer business review meeting	Top 15 customer satisfaction surveys
	RBA	3. Irregular customer audit	
Suppliers	Product quality/technology R&D	1. Suppliers' meeting (monthly)	Supplier CMRT/EMRT Survey
	Supply chain management	2. Suppliers' information investigation (yearly)	Operation performance of 2025
	Operation financial performance	3. Suppliers' audit	Supplier risk management
	Hazardous material management		Supplier review/Supplier audit
Employees	Corporate governance	1. Company announcement	Immediate announcement of new policies
	Compliance with regulations	2. HR representative in each factory	One HR representative in each factory to handle employees' problems in a timely manner
	Labor relations	3. Regular/irregular communication meetings in each unit	Regular labor-management conference
	Salary and benefits	4. Mailbox of the General Manager and mailbox of the HR representative	Participation in the government's disabled career fair
	Occupational safety and health	5. Regular occupational safety and health committee conference	Occupational safety and health committee conference
Government	Compliance with environmental regulations	1. Visits by competent authorities	Periodic coordination with competent authority's work safety/environmental protection audits
	Compliance with social regulations	2. Regulation/policy explanation session	Periodic participation in explanation sessions by competent authorities
		3. Official correspondences	Irregular official correspondence
Communities	Community engagement and charity work	1. Industry-academics cooperation	Establishment of industry-academics special session
			Participation in campus micro-talent activities held in each school
		2. Charity care	Ordering of loving commodities
			Donation box in each factory

05 Personnel Training and Harmony and Safety in the Workplace

5.1 Salary and Benefits

Our employees are our most important assets. In addition to providing our employees with a humanistic and safe working environment, we also share our business profits with our employees by providing them with compensation that is better than the industry standard, based on business performance.

5.1.1 Performance-oriented Compensation System

Outstanding talents deserve first-class compensation. In order to attract, encourage, and retain superior talents, our company provides impressive and highly competitive compensation packages that are determined by work importance and difficulty, as well as different salaries and bonuses based on individual performance. For example, a performance bonus may be given irregularly depending on both the company's performance and an individual's performance.

We not only follow the basic requirements stipulated by labor laws, but also participate in local salary gatherings to ensure that competitive compensation is provided. An employee's compensation is further determined based on his/her education, experience, performance, and market standards, without discrimination on gender, race, religion, political position, or marital status and we also encourage and retain excellent talents. In 2025, the average salary of full-time employees who were not supervisory positions was NT\$599,625, and the median was NT\$542,392. In 2024, the average salary of full-time employees who were not supervisory positions was NT\$590,280, and the median was NT\$539,295.

5.1.2 Remuneration Committee

Lingsen has established a Remuneration Committee in accordance with the law, composed of three independent directors, to evaluate the compensation policies and systems for the directors and managers of Lingsen in a professional and objective manner. The Remuneration Committee sets and regularly reviews the annual and long-term performance targets and remuneration policies, systems, standards, and structures for Lingsen's directors and managers, and regularly assesses the achievement of the directors' and managers' performance targets. In 2025, the ratio of the highest-paid individual's annual salary to the median annual salary of other employees was 11.9; the ratio of the percentage increase in the highest-paid individual's total annual income to the median percentage increase in the total annual income of other employees was 0.027.

5.1.3 Comprehensive Insurance System

We provide all of our employees with labor insurance, national health insurance, and group insurance (fully paid by the company) starting from their registration day to provide more complete guarantee for our employees. Overseas travel insurance is further provided for any employees on business trips in order to protect their work and ensure their safety.

5.1.4 Sound Retirement System

Since November 1986, we have complied with the Labor Standards Act and established a Supervisory Committee of Labor Retirement Reserve to allocate retirement reserves to a special account in the Central Trust of China every month. As of the end of 2025, the balance of this pension account was NT\$ 685,510,000. An employee of this company can apply for a pension once meeting the requirements of retirement; thus, the rights of employees are protected and they can be free to work without worries. Thanks to the help of a professional accounting consultant, we are able to provide our employees actuarial pensions to ensure allocation with full amounts to protect the rights of employees who apply for their pensions in the future.

Since July 1, 2005, in accordance with the Labor Pension Act, we have offered our employees a retirement system that complies with the Labor Standards Act, have provided an actuarial allocation rate of the retirement reserve considering the factors of labor numbers, wage, years of service, and turnover rate applicable to the years of service prior to the promulgation of the Labor Pension Act, and have allocated retirement reserves with a full amount every month within five years in accordance with provisions of paragraph 1, Article 56 of Labor Standards Act. For those to which the Labor Pension Act applies, we contribute 6% of their monthly employee salary towards their pension accounts opened in Bureau of Labor Insurance in accordance with the Wages Classification List. For those who voluntarily pay pension, we will also withhold and remit relevant amount from their compensation according to the voluntary payment ratio.

5.1.5 Parental Leave without Payment

The Labor Standards Act dictates all of our leave systems and we fully support the government policy of parental leave without payment; all colleagues have the right to apply for maternity leave, paternity leave and parental leave. In addition to the freedom from gender difference or discrimination of each of employees' welfare, colleagues who are unable to engage in work for the time being may suspend their work per parental needs and then resume work for career development after they are able to get involved in the work fully. We attach great importance to the issues of infant care and babysitting. An HR representative interviews the employees applying for the leave in person and then applies for an allowance relevant to labor insurance on their behalf. Furthermore, employees can voluntarily reinstate themselves earlier or later than scheduled, which will be handled on a case-by-case basis. All of the employees who have taken advantage of this program are very grateful for this comprehensive measure of parental leave without payment.

Statistics of applying for maternity/paternity/parental leave in 2024

Number of applicants	Maternity/paternity leave		Parental leave	
Category	Male	Female	Male	Female
Subtotal	19	13	5	15
Total	32		20	

Statistics of applying for maternity/paternity/parental leave in 2025

Number of applicants	Maternity/paternity leave		Parental leave	
Category	Male	Female	Male	Female
Subtotal	10	18	6	9
Total	28		15	

Reinstatement and Retention Rate of Parental Leave in 2024

Number of employees that applied for parental leave in 2024	Total	Male	Female
	20	5	15
Expected reinstatement numbers in 2024(A)	15	3	12
Actual reinstatement numbers in 2024(B)	9	2	7
Reinstatement Rate (B/A)	60%	67%	58%
Reinstatement numbers in 2023(C)	8	2	6
Numbers of employees reinstated in 2023 and retained for at least one year as of 2024 (D)	3	2	1
Retention Rate (D/C)	38%	100%	17%

Reinstatement and Retention Rate of Parental Leave in 2025

Number of employees that applied for parental leave in 2025	Total	Male	Female
	15	6	9
Expected reinstatement numbers in 2025 (A)	11	6	5
Actual reinstatement numbers in 2025(B)	8	5	3
Reinstatement Rate (B/A)	73%	83%	60%
Reinstatement numbers in 2024 (C)	9	2	7
Numbers of employees reinstated in 2024 and retained for at least one year as of 2025 (D)	7	0	7
Retention Rate (D/C)	78%	-	100%

5.1.5 Employee Benefits

- ① Listed Stock and ESOP Trust
- ② Gift coupons for employees' birthday and three holidays, congratulation gift money on wedding/maternity and condolence payments for hospitalization/bereavement
- ③ Diverse company trips
- ④ Employee check-ups
- ⑤ Nursery room, plant infirmary, field doctor for consultation, and contracted hospital
- ⑥ Labor and health insurance and labor pension fund.

5.1.6 No Forced Labor

Each labor contract between an employee and the company adheres to the required laws and regulations. Once a recruitment relationship is established, a written labor contract has to be signed by law and must be agreed to by both parties, with an opposition to slave labor, as well as without forced labor or illegal human trafficking. Overtime work is voluntary and specifically prohibited in our regulations. We have established a reminder about overtime in our attendance system, and the HR Department further inspects and controls employee schedules every day and then reminds each employee not to work overtime so as to care about the health of each colleague.

5.1.7 Clubs, Work-related Learning Events, and Leisure Activities

We have a variety of clubs and work-related learning activities for colleagues to pursue their various interests and relax outside of work. Family is also one of the company's priorities so we try to improve family relationships and encourage togetherness under the company through a variety of irregular family activities. As a result, not only the relationships among family members are improved, but also the sense of belonging of Lingsen family is enhanced.

5.2 Equal Employment Opportunities, Labor

5.2.1 Status Quo of Recruitment

■ Talent Recruitment

The company recruits employees on the basis of talent orientation and right person in the right place and sticking to the principles of equal opportunities, values the diversity of employees' backgrounds, and treats job applicants fairly without discrimination on their race, age, hierarchy, language, beliefs, religion, political party, place of origin, gender, sexual orientation, marital status, appearance, nationality, five sense organs and disability; meanwhile, we prohibit the employment of minor workers aged below 16 and comprehensively follow the basic recruitment principles of open recruitment, fair selection and hiring the best. As a result, the company's talent demands can be satisfied through completely planned recruitment procedures.

"Talent" is our most important asset, so we aim to actively recruit, encourage, and retain talent, and this goal guides us most in our recruitment process; due to a variety of methods for finding new staff, such as online, introduction by employees, recruitment events, print media, and industry-university cooperation and internship projects promoted by the Ministry of Education, we are capable of recruiting the best talents in the world.

■ Our Recruitment Access

Recruitment access	Method
Online	Job bank website
Introduction by employees	Introduction of relatives and friends can earn employees an introduction bonus
Recruitment event	Cooperation with all local employment service stations for single or joint recruitment activities to recruit on campus
Print media	Place local employment advertisements in print media
Industry-university cooperation	Actively discuss industry-university cooperation and internship projects with many universities

Talent Retention

We aim to cultivate, cherish, and care for our employees so that they will provide us with their greatest potential; this is what guides us most in our talent retention. We try to promote employee retention relying on diversified employee communication accesses, competitive compensation and welfare and a comfortable and safe working environment. With regards to outstanding colleagues, we initiatively develop their career plans and arrange turnover to give them the space for diverse growth and play.

For employees who decide to leave the company, in addition to interviewing them to comprehend and evaluate their reasons for leaving, the HR Department urges them to stay on and cares about them first, and subsequently works to resolve the problems that are discovered through resignation reason analysis. A turnover list is provided weekly to each unit officer to assist him/her to immediately understand said unit's turnover condition. The HR Department also takes the initiative to contact each unit officer depending on the condition and require each organization to improve abnormal turnover.

Current Status

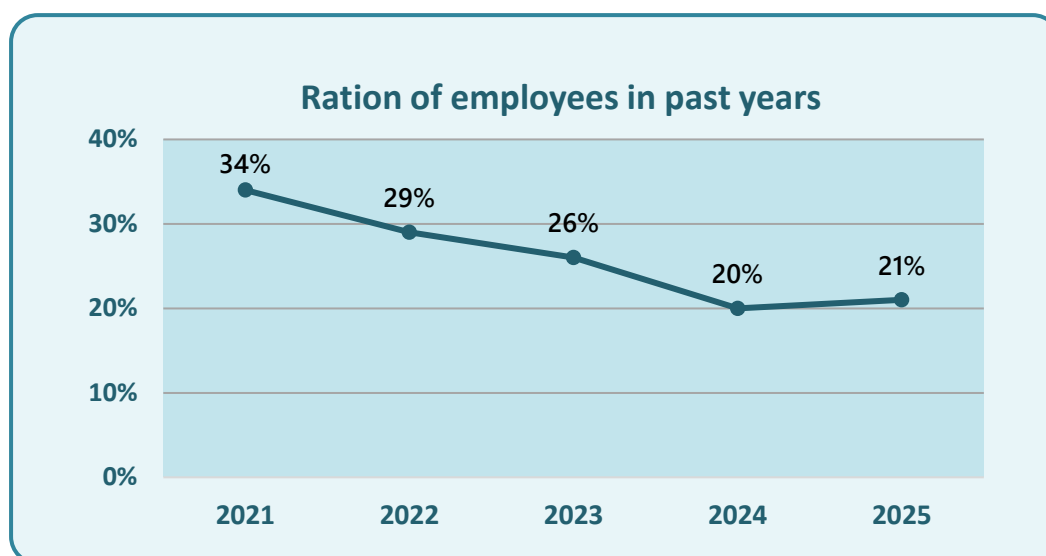
Until year end of 2025, there were 2,318 employees in total, with 978 male employees (42%) and 1,340 female employees (58%); 1,585 native employees (68%) and 733 foreign employees (32%). All native employees were full time workers instead of contract workers.

With regards to job type, there were 1,559 direct employees and 759 indirect employees. The percentage of employees under 30 years of age was 45%, percentage of employees 30-50 years of age was 38%, and the percentage of employees over 50 years of age was 17%. At the same time, we value the working rights and interests of people with disabilities. There are currently 24 colleagues with mental or physical disabilities working with us.

Category	male		female		Subtotal	
	number of people	ratio	number of people	ratio	number of people	ratio
direct employees	393	25%	1,166	75%	1,559	67%
indirect employees	585	77%	174	23%	759	33%
under 30 years of age	400	38%	639	62%	1,039	45%
30-50 years of age	428	48%	456	52%	884	38%
over 50 years of age	150	38%	245	62%	395	17%
native employees	827	52%	758	48%	1,585	68%
foreign employees	151	21%	582	79%	733	32%
Subtotal by gender	978	42%	1,340	58%	2,318	100%
Total					2,318	100%

5.2.2 New Employee

Until the end of 2025, there are 476 new colleagues (176 male/300 female), accounted for 21% of the total number of the company, among them, employees under the age of 30 are the main newcomers, accounted for 86% of the total new recruits.



01 / Distribution of new employees in past years<By Gender >

Year	male		female		Subtotal	
	number of people	ratio	number of people	ratio	number of people	ratio
2023	274	25%	346	27%	620	26%
2024	233	22%	249	19%	482	20%
2025	176	18%	300	22%	476	21%

Note: New hire rate is calculated as the number of new recruits for the year divided by the total number of employees of the same gender during the year.

02 / Distribution of new employees in past years<By Age>

Year	under 30 years of age		30-50 years of age		over 50 years of age		Total	
	number of people	ratio	number of people	ratio	number of people	ratio	number of people	ratio
2023	465	50%	154	14%	1	0.3%	620	26%
2024	361	39%	119	12%	2	0.5%	482	20%
2025	407	39%	67	8%	2	0.5%	476	21%

Note: New hire rate is calculated as the number of new recruits for the year divided by the total number of employees of the same category during the year.

03 / Distribution of new employees of 2025

Category		number of people	ratio
Gender	male	176	37%
	female	300	63%
Age	under 30 years of age	407	85.5%
	30-50 years of age	67	14.1%
	over 50 years of age	2	0.4%
Nationality	native employees	160	34%
	foreign employees	316	66%
Position	direct employees	397	83%
	indirect employees	79	17%
Total		476	100%

5.2.3 Resignation

There are 530 departed employees in 2025(248 male/ 282 female), resignation in past years in below table.

01 / Distribution of departed employees in past years < By Gender >

Year	male		female		Total	
	number of people	ratio	number of people	ratio	number of people	ratio
2023	249	22%	285	23%	534	22%
2024	283	27%	193	15%	476	20%
2025	248	25%	282	21%	530	23%

Note: The turnover rate is calculated as the number of annual resignations for the year divided by the total number of employees of the same gender during the year.

02 / Distribution of departed employees in past years < By Age >

Year	under 30 years of age		30-50 years of age		over 50 years of age		Total	
	number of people	ratio	number of people	ratio	number of people	ratio	number of people	ratio
2023	303	33%	214	20%	17	4%	534	22%
2024	270	29%	179	18%	27	6%	476	20%
2025	284	27%	216	24%	30	8%	530	23%

Note: The turnover rate is calculated as the number of annual resignations for the year divided by the total number of employees of the same category during the year.

03 / Distribution of departed employees of 2025

Category		number of people	ratio
Gender	male	248	47%
	female	282	53%
Age	under 30 years of age	284	54%
	30-50 years of age	216	41%
	over 50 years of age	30	6%
Nationality	native employees	323	61%
	foreign employees	207	39%
Position	direct employees	371	70%
	indirect employees	159	30%
Total		530	100%

5.3 Occupational Safety and Health

We firmly believe that a safe and healthy workplace is the only way to create better products and quality for all of our stakeholders. In order to provide such a workplace, we comply with local related laws for the management of a variety of daily operations and have introduced the Occupational Health and Safety Management System (ISO 45001:2018) to continue improving our workplace through documentation, planning, implementation, auditing, improvement, and prevention of the management system to satisfy all internal and external customers.

People, building/machinery/equipment, raw material/waste, and operation environment were selected as the four focuses in our promotion of the occupational safety and health management. We endeavor to prevent occupational accidents through the following: controlling hazard identification and risk evaluation; safety procurement management of machinery, equipment, and materials; safety management of contractor entrances; safety and health education of employees; providing and managing protective gear; sampling and testing in the workplace; health promotion of employee care; emergency management; and project management, as well as the ongoing improvement of all of the aforementioned matters by the PDCA management cycle.

5.3.1 Organization

A level-1 special safety and health management unit is established in each factory to take charge of establishment, implementation and promotion of safety and health management goals of the factory area. Moreover, in order to strengthen communication between employees, our General Manager acts as a chairperson to convene cadres, related technical staff, and employee (trade union) representatives to create a safety and health committee; the number of employee (trade union) representatives must account for 33.3% of the total members to meet legal requirements. Each quarter, we will propose plans to address occupational safety and health issues in an effort to continue to construct a safe and healthy workplace through employee involvement and communication.

5.3.2 Management Procedures

- **Safety management of machines and equipment:** Providing safe and healthy machinery and equipment for employees to operate and produce is one of our procurement principles. Therefore, safety and health requirements and standards will be listed before obtaining a new machine or piece of equipment. Identification, inspection, and acceptance will be performed when the machine arrives to determine the intrinsic safety of the machinery and equipment.
- **Safety management of chemicals:** Any procurement of chemicals shall be previously evaluated by the Department of Industrial Safety and Environmental Protection to ensure that we can control this chemical's hazardous risks with regards to the law, environment, and employee health. After procurement, hazard communication, inventory control of public hazardous substances, routine visits of the storage and use locations, and usage and waste treatment control shall be performed to reduce the hazards of chemicals into an acceptable range for both the environment and human health.
- **Safety management of contractors:** Contractors are important partners in assisting us in our successful operations. Therefore, we have invested many resources to guarantee the work safety of contractors while in our factory. All contractors will receive any hazard notice before entering the factory and are required to fully participate in our safety and health agreement organization. Our personnel will confirm the risk level of this operation environment prior to their entrance and proceed with the accident prevention agreement to avoid operational risks in an unfamiliar environment and together prevent occupational accidents.
- **High-risk operation management:** To prevent major industrial accidents, we have specifically categorized certain operations as high-risk operation items, such as hot work, hanging, overhead, and confined spaces, all of which can cause major injuries and property damage and require the adoption of critical and special management procedures, including pre-approval, notification of the influenced unit, inspection during operation, and confirmation after completion.

5.3.3 Educational and Emergency Training

We believe that our labor force has the right to know about safety and health in the workplace. We will only be able to prevent accidents if our employees have a thorough understanding of the hazards of operations. Therefore, we have adopted the “we aren’t afraid that you know, but you don’t want to know” method to edit materials and arrange training sessions regarding occupational safety and health education. Occupational safety training will be scheduled for the first day of work for each employee so that they can learn all about possible hazards of operation before starting. Furthermore, OTJ training for industrial safety will be regularly held in the workplace. The training content of each unit included the notification of hazard identification results of mechanical equipment, the knowledge for chemical hazard, and the route of emergency evacuation and assembly point. To implement the basic rights of employees.

Emergency response is another part of OHSAS educational training. We will have the chance to minimize disasters upon occurrence of major accidents only by carrying out drills in advance. Therefore, the company has established an emergency response organization and responsibility chart for each production line with the factory director as the commander. Notification training, accident reduction, and asylum guidance will be held annually in each factory location. Furthermore, chemical leaks, fire extinguisher practice, and crew evacuation are listed among the annual routine exercises.

In 2025, the performance of OHSAS and emergency response training was as follows:

- Common occupational safety training lecture before employment for new employees : **115** times
- Emergency response notification, accident reduction, asylum guidance, and crew evacuation exercises: **20** times
- Response to a chemical leak : **6** times

5.3.4 Statistical Analysis of Occupational Accidents

Our occupational accident analysis includes frequency rate (the number of disabling injuries of given types resulting from industrial accidents per million man-hours worked, FR), severity rate (the number of lost work days experienced per million man-hours worked, SR), and the frequency-severity indicator (FSI) as the primary basis for statistical comparison. These statistics also exclude traffic accidents that occur outside the plant. After analyzing our company's past occupational safety and health risks and our competitor's goal, a frequency-severity indicator (FSI) below 0.86 was established. With all employees' active participation in and commitment to disaster prevention, the plant had only 0 industrial accident with 0 day lost, 0 of FR, 0 of SR and 0 of FSI in 2025, thus realizing the annual indicator goals established.

5.3.5 Health Management and Promotion for Employees

With the continuous social progress and changes, it becomes more difficult to recruit employees. If existing employees have any health problems, stable manpower cannot be provided and HR costs will increase. Therefore, to ensure the occupational health of employees, Lingsen has hired professional nursing staff, including arranging physical examination for new employees, and conducting regular health checkups and health checkups for special operation every year. Meanwhile, we also cooperate with professional medical and health institutions to provide monthly doctor on-site services and proactively conduct employee health management. In the health promotion part, occupational health nurse actively understand and actively arrange visits and care for people from special groups, such as the middle-aged and elderly, those at risk of overwork, those with physical and mental disabilities, those with abnormal health examinations, or employees who take occupational sickness leave or abnormal sick leave. The work include mentioning daily precautions, arranging appropriate work and coordination, or arranging for consultation with factory service doctors, etc. We hope that all employees can work healthily and stably in Lingsen, creating a win-win situation between the company and employees.

5.4 Educational Training

Since talent is the foundation of our operation, we emphasize employee educational training in the hopes that their professional skills and quality, as well as our management structure, can be strengthened through a variety of training programs. Therefore, the educational training committee, which consists of executives from each department, is responsible for proposing training focuses for the following year based on the training demand of each unit and company policy. Furthermore, standard courses that respond to competence and position have been established to serve as a learning map of talent cultivation with the hope that the training outcome and operation vision can be combined.

Additionally, as for employees' career development, the educational training is also combined with comprehensive performance assessment forms. Each unit head is responsible for regularly evaluating employees' performance and career development annually, assisting them in finding contents for improvement and training suggestions on development and providing appropriate educational training resources.

5.4.1 Comprehensive Educational Training System

We have developed a comprehensive competence training system to determine competency requirements for each position and provide the appropriate training courses for those with insufficient ability. Regardless of position, from general administrative staff to engineer, any employee can enhance his/her own ability step by step to meet the competency requirements of said position. Meanwhile, a technical training system was also developed specifically for engineers to assist them in achieving technical certification at each level through a variety of professional skill training courses.

5.4.2 Diverse Educational Training System

In order to combine company training and annual target so that employees can immediately apply what they have learned to the job, we have designed the training systems below in accordance with employee personality, training location, and learning effectiveness to quickly teach employees fundamental knowledge, skills, and attitudes that they need to utilize to work effectively and achieve the company's targets.

■ Educational Training for New Employees

Pre-employment training and fundamental training are both provided to assist our new employees in quickly understanding our corporate culture, core values, work environment, and issues relevant to corporate social responsibility. Furthermore, we offer a comprehensive mentoring system in which each new employee is assigned a mentor to help him/her fit in and meet the company's requirements.

■ On-the-job Training (OJT)

OJT training is provided to help employees on the production line to learn the knowledge, skills, and attitude that they need on the job, as well as to assist them in achieving certification to operate specific machines.

■ Plant Educational Training

This includes quality, process, problem analysis and solution, and management courses, all of which aim to cultivate leadership of management and develop a common technical language in the plant.

■ External Educational Training

To encourage employees to pursue learning outside of the company, we send staff to participate in technical seminars and lectures with special issues held by a variety of professional organizations. Furthermore, they shared what they learned with relevant employees in each department through their feedback reports, thus spreading their new knowledge.

Average Employee Training Hours

In order to enable employees to meet their job requirements, the company organizes various training courses based on each employee's training map. A total of 8,910 hours of training will be provided to all employees in 2025.

	Male	Female	Total
Number of people	857	1,373	2,230
Training Hours	3,424.5	5,485.5	8,910
Average Employee Training Hours	3.99	3.99	3.99

5.5 Labor Relations

We believe that respecting employees and hearing their opinions can promote their cohesiveness, as well as their desire to work together with the company. We put a great deal of focus on the opinions and issues brought by every employee in order to develop relevant regulations to protect their rights and create a harmonious environment.

Respect Human Rights

We always regard employees as our most important assets and partners and we are committed to giving them hope, providing them with a bright and pleasant workplace, and achieving the following based on our respect for human rights:

01 / Freedom of Assembly and Association

Employees have the legal right to organize and associate by his/her freewill to promote the coordination of labor relations and protect employee rights. A trade union has been formed by our employees with a 38% participation rate.

02 / Treatment with Discrimination

We have developed a non-discrimination policy to ensure that employees do not experience any discrimination due to a variety of traditions and customs during recruitment, registration, business execution, promotion, appointment, reward, or resignation.

03 / Prevention of Sexual Harassment

We adhere to all laws with regards to specifying and actively promoting the Act of Gender Equality in Employment and have introduced a variety of policies relevant to sexual harassment prevention to promote gender equality in the workplace.

04 / Prohibition of Child Workers

We comply with all regulations relevant to the Labor Standards Act and prohibit all those who are under the age of 16 from working for our company.

05 / Work Hours

We do not force employees to work beyond the maximum work time regulated by law each day; furthermore, we follow the wage requests or necessary compensation for overtime work.

Diverse Communication Methods

We emphasize harmonious labor relations and value the two-way communication between company and our employees. In addition to the provision of a forum for employees to exchange opinions, we also hold labor relations conferences on an irregular basis where they can directly share their ideas in order to establish a good labor-capital interactive relationship, enhance our colleagues' sense of identity and sense of belonging and keep employees' passion for their jobs. We try to realize the goals of full communication and effective problem solving through various methods including labor relations conferences, General Manager's mailbox and a variety of employee complaint mechanism.

Furthermore, we regularly participate in the promotion of labor relations and related seminars held by government agencies in order to maintain good labor relations and promote good interactions between the company and its employees.

01 / Labor Relations Conference

To create harmonious labor relations, increase the understanding of both parties, promote cooperation between labor and capital, enhance work efficiency, and safeguard each colleague's rights and interests, we periodically hold labor relations conferences to share and discuss issues together to solve problems based on harmony and integrity.

Lingsen's labor union has been established for more than 30 years. The company continues to communicate with labor union representatives and respects their opinions, and regularly discusses colleagues' opinions at quarterly labor-management meetings. The rights and obligations of both labor and management are clearly stipulated in work rules and related measures. As of the end of 2025, the union has not yet requested a group agreement.

02 / Employee Complaint Handling System

To safeguard employees' rights and interests and assist them in solving problems related to the damages caused to their personal rights and interests, we provide "employee opinion mailbox" and an "employee complaint handling system" to report issues involving labor relations, human rights and sexual harassment. Also, we provide access for employees to offer their suggestions so as to effectively solve their problems and create a friendly work environment. The employees' suggestion and complaint methods are as follows:

- (a). Oral complaint: Oral complaints will be recorded by a responsible person in each department and immediately reported and handled.
- (b). Written complaint: Employees may submit their complaints through the complaint form or other written methods by the administrative system if his/her rights were damaged or he/she has any other opinions. Each unit officer shall investigate and report immediately and respond to the applicant with the results or handling of the issue in writing.
- (c). General Manager's mailbox and trade union's mailbox in each factory: Employees' privacy is emphasized during communication and subsequent handling processes to provide employees with a confidential communication method to freely express their opinions.
- (d). HR representative's email graceliu@lingsen.com.tw: Employees can fully express any problem in a timely manner with management to ensure a harmonious workplace.

06

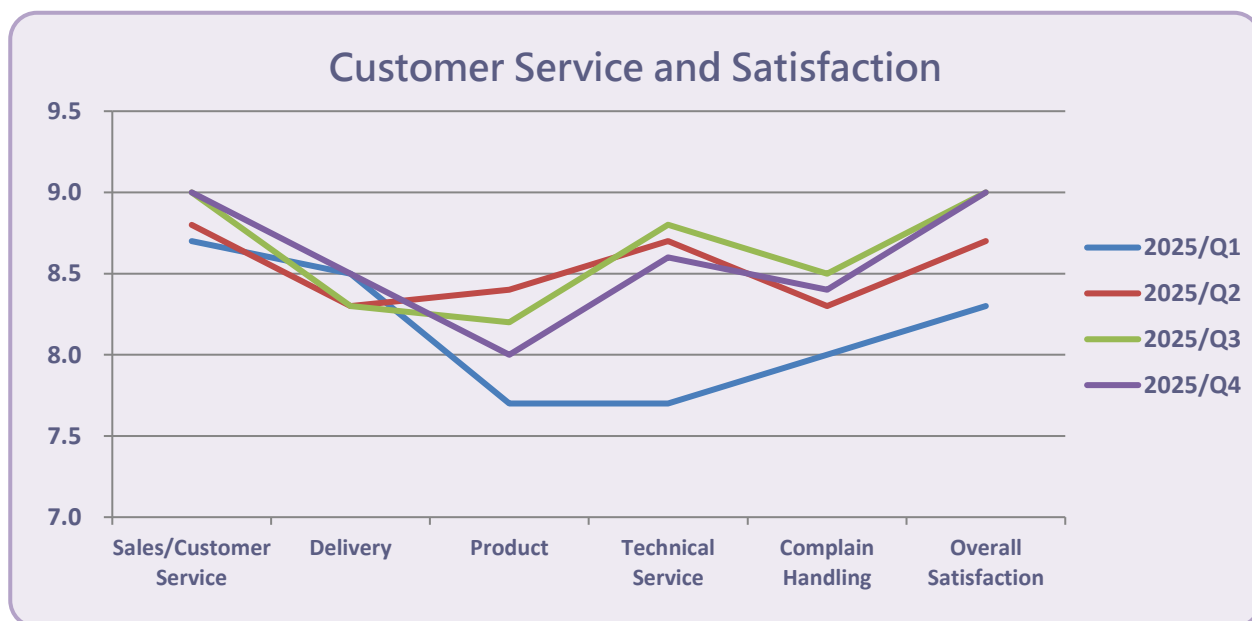
Customer Service and Supplier Management

6.1 Customer Service and Satisfaction

We are committed to providing our customers with the best services and truly believe that customer service is the key to maintaining customer loyalty. Customer loyalty can help improve customer relationships and expand business. Our goal is maintaining our status as a professional integrated circuit assembly and testing facility, and we believe that the aforementioned goal can be achieved to build a strong relationship between existing customers, attract potential customers, and enhance customers' trust.

To enhance customer satisfaction, we conduct customer satisfaction evaluation and survey every quarter to guarantee that customers' demands are heard and properly handled. Customer feedback is also an important basis for improving our ongoing operation procedures. Therefore, we provide our customers with a customer satisfaction survey so that we can understand their specific demands and expectations, as well as receive an official and direct response with which to measure our performance and identify our deficiencies as a basis for our improved strategies.

Thanks to the efforts of our business units, the average grades of each item in the 2025 customer satisfaction surveys were between 7.5 and 9.0. The total survey grades for each quarter were all above 8.2(out of 10 points).



6.1.1 Customer Privacy

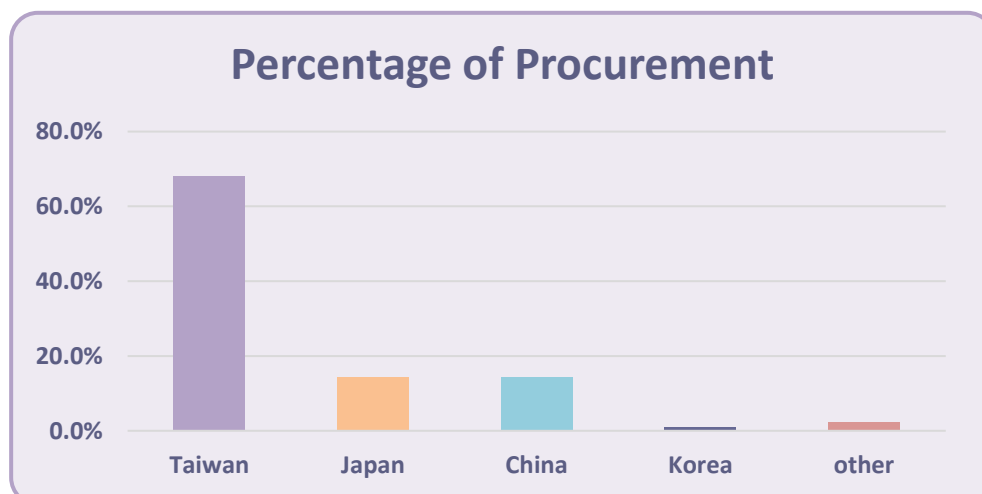
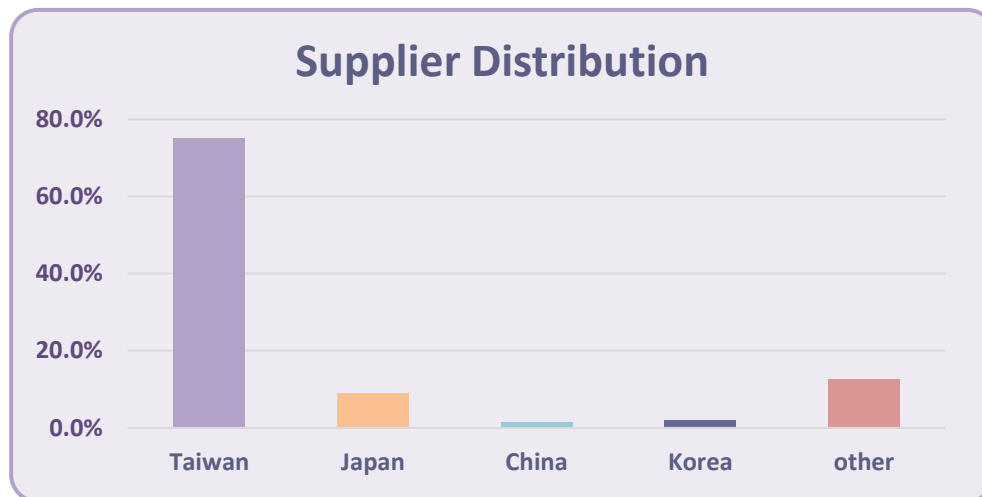
We value customers' confidential information and privacy. Their exclusive technology, business secrets, the personal information of employees and other confidential or sensitive information will be kept confidential and protected by all of our colleagues in accordance with our internal guidelines.

As part of our management system, we sign a non-disclosure agreement with all of our customers to inform them of our guarantee to protect their confidential information; we have also established an internal document management center that will allow customers' confidential

information to be used only internally according to its level of confidentiality. Moreover, we strictly control the providing and printing of files to prevent customers' confidential information from being divulged. Thanks to these strict control mechanisms, we did not receive any complaints related to customer privacy or lost information in 2025.

6.2 Supplier Management

Our suppliers are an important resource of our operations. To ensure that raw material suppliers can continually satisfy our operation strategies and demands, we regularly review their performance regarding quality, price, delivery, and services every month; we are also committed to maintaining long-term relationships with domestic and foreign suppliers to establish a stably developing sustainable supply chain. In addition to giving equal consideration to the product quality, prices and delivery of suppliers, we also urge suppliers to implement environmental protection measures, value employees' safety and health, fulfill their corporate social responsibility and properly manage their risk management and sustainable development plans. We also promote local production and prioritize local suppliers' development in Taiwan in order to reduce our transportation costs and thus carbon emissions and risks, as well. In 2025, the percentage of suppliers in Taiwan reached 75%, and the percentage of procurement amount reached 68%. We will continue to support local suppliers and encourage foreign suppliers to establish factories in Taiwan in order to both reduce production costs and risks and enhance the company's competitiveness.



6.2.1 Supply Chain Risk Management

■ A Review of Dependence on Core Packaging Materials

Since the core packaging materials for IC packaging and testing include substrates, lead frames, precious metal wires, resins, and process-specific chemicals, any disruption in the supply or quality variation of any critical material can significantly impact operational continuity and customer delivery. Therefore, we use ERP to establish a critical materials list and a multi-dimensional tracking mechanism to understand the material supply chain structure, market supply and demand dynamics, and geographical distribution, serving as a cornerstone for strengthening supply chain resilience and risk management.

■ Risk Identification and Assessment

Lingsen has established a routine supply chain risk identification and assessment mechanism targeting three main areas: geopolitical risk, climate change risk, and high concentration risk. This allows us to comprehensively understand the potential threats to the operational continuity of our key material suppliers.

Regarding "geopolitical risk", in response to the regionalization of the global semiconductor industry and trade restrictions, we closely assess the impact of cross-border logistics disruptions, tariff changes, and national policies on the export of key components.

Regarding "climate change risk", extreme weather events such as floods, droughts, and heat waves often lead to water and power outages in supplier locations, impacting their production capacity and delivery times. Therefore, we assess the climate resilience of each production site and plan corresponding contingency plans.

Regarding "high concentration risk", as shown in the table below, for core materials, we have at least two qualified suppliers in different countries or production locations to choose from. This avoids over-reliance on a specific region or single source, preventing supply chain disruptions in the event of unforeseen circumstances and thus comprehensively strengthening our risk defense capabilities.

Geographic Locations of Sources of Supply of Main Raw Materials

Material/origin	Taiwan	Japan	China	South Korea	Malaysia	Singapore
Adhesive material	V	V	◎			
Au/Cu wire	V			◎		V
Substrate	◎	V	◎			
Lead frame	◎	V	V		V	◎
Resin	◎	V	V			
Lid	V		◎			
◎ : Primary origin V : Secondary origin						

6.2.2 Supplier Management Requirements

We request that all of our suppliers follow local laws, social norms, and environmental protection regulations, and pass our supplier review and approval operation, which includes the investigation of suppliers' basic information, products, information regarding manufacturing and inspection equipment, major customers, financial situation, certificate of non-use environmental managed substances, quality control program, and contracts on procurement responsibilities and obligations, suppliers' social responsibilities as well as specifications regarding environment, safety and health, workers' human rights and labor conditions, so as to meet the environmental and social requirements.

■ Supplier Management Survey Form

Aspect	Management item	Basis of standard
Management	Quality, price, delivery, service and technology	ISO9001:2015 IATF16949:2016 Quality System
Environment	Prohibited and controlled substances	SS-00259/RoHS/REACH/ISO14001 Relevant local regulations
Society	Labor safety and health and ethical norms	ISO45001 RBA Responsible Business Alliance

To improve the overall competitiveness of the supply chain, we perform a monthly review of suppliers in terms of their quality, delivery, price, and service and hold a review conference based, as well as organize an audit program based on suppliers' annual reviews to ensure that they meet our requirements, and our supply chain is maintained with the best competitiveness.

According to customers' requirements, as well as international non-hazard standards such as RoHS and REACH SVHC, we have created the Environmental Substance Management Guidelines, notified suppliers to submit their green procurement policies based on the appeal for environmental protection, and request that raw materials suppliers sign a "Certification of Non-use of Environmental Managed Substances" and provide a test report from a third-party certification agency. We further feel that it is our responsibility to remind suppliers to provide their latest test reports through the "Supplier Certification Information System" to achieve the goal of complete non-use of environmental prohibited substances.

6.2.3 Supplier Evaluation

- (1). Object: Main raw material suppliers (e.g., adhesive materials, Au/Cu wire, lid, substrate/lead frame, resin, and solder products)
- (2). Management unit: Procurement Section, Materials Department
- (3). Implementation: The ERP system will collect information on a monthly basis regarding the actual performance of suppliers (quality, delivery, and price) that was evaluated by procurement employees based on feedback from the using units and cooperation of suppliers and will then notify the supplier as a reference for the procurement policy. Furthermore, an annual supplier audit program will be proposed based on their annual quality evaluation results.

■ Implementation Record of Annual Supplier Audit

Procurement policy	2025	2024
Procurement with priority	30	45
Procurement with second priority	5	11
Procurement with reduced quantity and requirement for improvement	0	0
Procurement with a little quantity and requirement for improvement (prohibition of new product development)	0	0
Requirement for improvement and no further procurement before the improvement is made	0	0

6.2.4 Supplier Audit

Our annual supplier audit program and the TS16949:2009 quality system/environmental management system were expected to be listed among our corporate social responsibility in 2014. The annual supplier audit program in 2025 is presented below, and all the implementation results can comply with the requirements of our quality and environmental management systems.

2025 audit program	Lead frame	Substrate	Lid	Resin	Packaging tube
Number of suppliers	8	3	1	3	1

6.2.5 Conflict-free Metal Guarantee

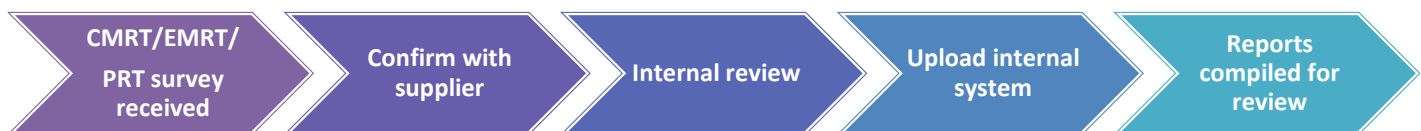
■ Conflict Minerals Procurement Management Policy

In response to global control measures regarding conflict minerals, we strongly request that suppliers of such materials as Au, Sn, Ta, Wu, Co, Mica, Cu, C, Li and Ni do not get their supplies directly or indirectly from areas of conflicts, including the Democratic Republic of Congo (DRC), Angola, Burundi, Central African Republic, Republic of Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia since such countries have been identified as countries with minerals from the DRC by the United Nations Security Council. Furthermore, we conduct surveys on suppliers to establish management mechanisms for conflict minerals.

■ Conflict Minerals Management Process

Through investigation (CMRT, EMRT, PRT), after receiving the response from the supplier, Lingsen needs to confirm whether the smelter used by the supplier is a qualified smelter; if an unqualified smelter is used, it needs to confirm with the supplier and request qualified smelters must be used instead.

There were 42 raw material suppliers that contained Au, Sn, Ta, Wu, Co, Mica, Cu, C, Li and Ni in their processes, packaging, or products. All of them stated that they would not directly or indirectly use metal materials from conflict areas. In the future, existing and new suppliers will continue to be required to ensure that they do not use metal materials from conflict areas, and suppliers are also expected to purchase from smelters that are accredited through independent third-party audit program inspections.



7.1 Cooperation between Industry and Academics

7.1.1 Origin of Cooperation between Industry and Academics

In response to the manpower shortage in the advanced mechanical, electrical, optical, and information fields and in order to realize our corporate social responsibility to care for children who want to pursue higher education, but come from disadvantaged families, we have actively participated in the industry-university cooperation project since 2006.

7.1.2 Current Status

Since the active promotion of industry-university cooperation since 2006, we have collaborated with universities including Hsiuping University of Science and Technology, Overseas Chinese University, National Chin-Yi University of Technology, Ta Hwa University of Science and Technology, and Chienkuo Technology University. We have maintained a close relationship with the above schools in order to successfully share our image, effectively contribute to the local community, develop a talent database, and cultivate superior management associates that can grow with us as a company.

Due to the Ministry of Education's Model University of Technology Development Program, internship courses have become mandatory courses. Since 2012, we have actively coordinated with such schools as Overseas Chinese University and National Chin-Yi University of Technology. Recently, we have experienced a great demand for cadres at the basic level due to our annually expanding operations. Through the internship program, students can learn workplace skills and management knowledge to ensure that a manpower shortage will not arise.

Our Industry-university Cooperation and Campus Events

Item	Key project	Content
Industry-university cooperation	National Chin-Yi University of Technology	Develop a special class for industry-university cooperation.
	Chienkuo Technology University	Develop a special class for industry-university cooperation.
	Ta Hwa University of Science and Technology	Develop a course that offers credits.
	Hsiuping University of Science and Technology	Develop a course that offers credits.
Campus events	Campus recruitment	Actively participate in campus recruitment events at each school
	Campus seminar	Position internal head to share our philosophy and semiconductor related career development opportunities in the school.

	Interview with faculty and students	Make domestic and foreign students understand the working environment of the semiconductor field at an early age and promote interactions between industry and academics.
	Offer part-time job opportunities	Provide a part-time job program so that students can experience actual work in the company and reduce the difference between academics and practice.

7.2 Charity Care



Loving Ordering of Bakery Products from Eden Social Welfare Foundation

Eden Sheltered Workshop provides people with disabilities with professional support and services regarding both employment and life. This place enables those who are unable to enter general workshops or get supportive employment due to disabilities to continue their training, enhance their working skills, develop their potentials and obtain vocational training in the sheltered employment environment; or different sheltering measures are supplemented to enable these people to eventually find suitable jobs.

Eden always believes that people with disabilities can also be self-dependent and return to society through support and coaching, thus reflecting the truth of "Every man have his gift". Enterprises may take a different path in public welfare. It is better to teach fish than to feed fish. Lingsen chooses to invest a part of its resources to support social enterprises and create a self-sufficient environment. Relying on the long-term ordering of bakery products from Eden, we try to provide our best support for Eden Sheltered Workshop so as to enable those with disabilities to make a living on their own and blend in and get closer to society.

Eden Social Welfare Foundation

Ms. Liu Hsia, a deceased wheelchair writer, due to the call of the God and with an empathetic heart for persons with disabilities, donated her years' contribution fees and joined hands with six friends who shared her vision to found an Eden garden that belonged to friends with disabilities, i.e. "Eden Social Welfare Foundation". Sticking to the concept of "Serving the Weak to Witness Christ, Promoting Gospel and Welfare to Bring People to God", Eden provides people with disabilities with a variety of social welfare services, passes on the message of the Christ's redemption, and implements its mission with emphasis equally placed on welfare and Gospel. Eden was originally founded to speak for people with disabilities and strive for their rights and interests, later entered a non-operating business management model and now has entered the international community. Currently, it has more than 100 service bases in Taiwan and serves 60,000 families with disabled and disadvantaged members every year.

Eden provides direct and professional social services for different service objects including children, people with disabilities and the elderly and has expanded its service scope from vocational training, employment counseling and spiritual rebuilding of adults with disabilities to the early-stage treatment and care services for developmentally delayed children and home care for the very elderly.

Adhering to the concept of "All People and All Career Care", Eden provides service users with physical, psychological and spiritual support.



感謝狀

伊甸社會福利基金會 114176028 號

茲感謝 菱生精密工業股份有限公司
長期訂購台中市迎南園烘焙庇護工場西
點餐盒，造福身心障礙朋友，此仁心義
行，可為社會大眾之表率特此致狀，以資
讚揚。

財團法人伊甸社會福利基金會

董事長 陳宇昭

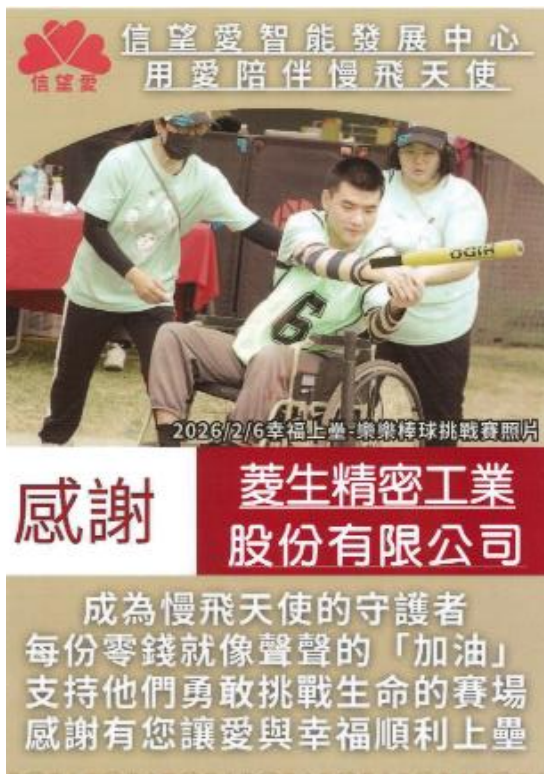
中華民國 一四四年 十月 七日



Taichung Faith, Hope and Love Intellectual Development Center-Loving Donation Box

Different children have their different merits. Ms. Lin Baozhen gave birth to a daughter with cerebral palsy due to difficult laborer. In consideration of the fact that there was no non-governmental agency providing services for the people with disabilities in Taichung county back then and parents had to spend more than half a day in going to place for such services, and children could only receive 1 or 2 hours' rehabilitation services, Ms. Lin began to have the idea of establishing a welfare institution for the disability.

Therefore, at the end of 1993, seven parents with handicapped children founded "Faith, Hope and Love Intellectual Development Center" and successively established multiple community-oriented small service bases in the Greater Taichung Region; over the years, this center has already provided professional services for nearly 10,000 children with disabilities and their families. The logo of Faith, Hope and Love is combined with three hearts. The heart in the middle represents the incompleteness of people with disabilities, which extends the expectations of parent groups. The hearts on the two sides represent the care and support from the general public and government so that people with disabilities can grow gradually and vigorously just as the core values of this center, i.e., "Love" and "Accompany".



Lingsen has coordinated with this center for a long time and set up a loving donation box in the company and invited colleagues to engage in public welfare activities and donate so as to make their contributions.

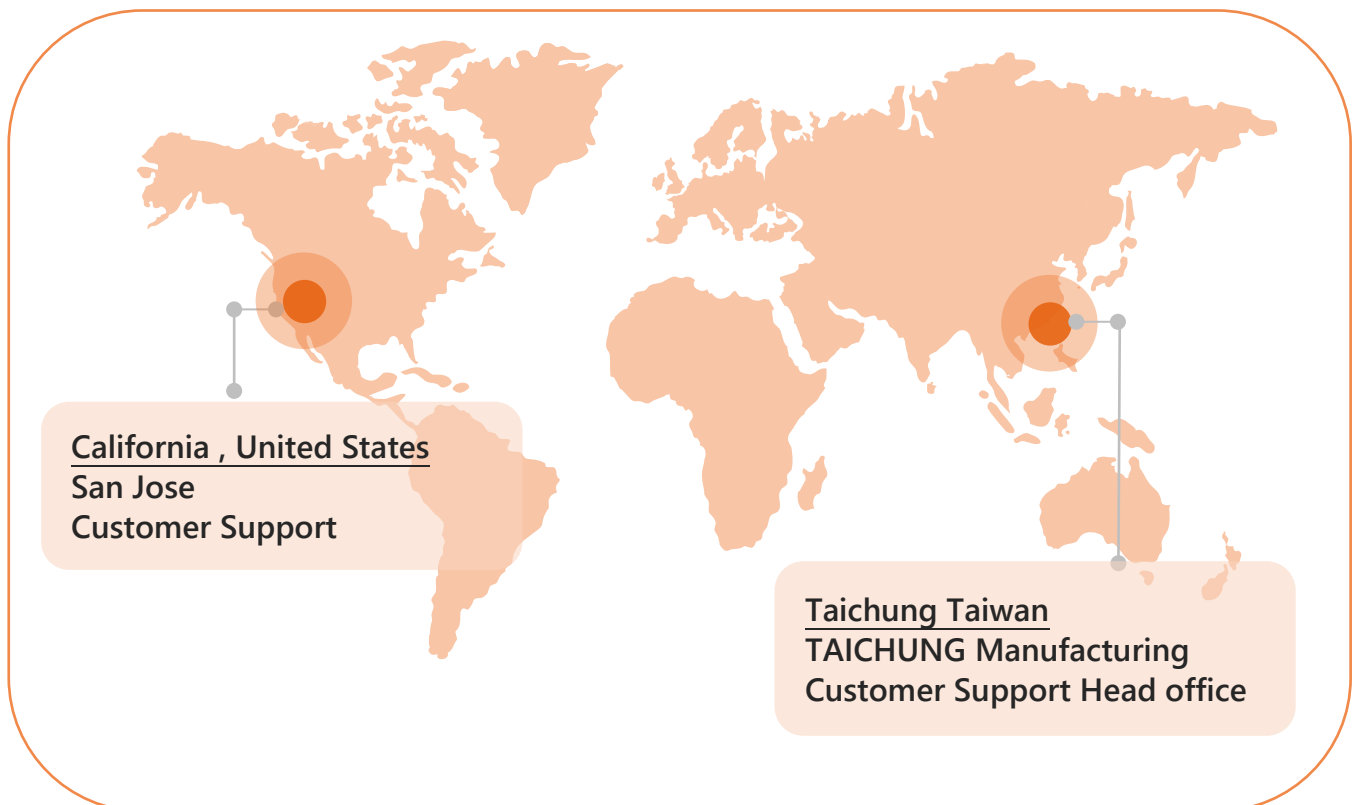
8.1 About Us

Established in 1973, the main operations of Lingsen Precision Industries, Ltd. include the “assembly, processing and testing of integrated circuits and a variety of semiconductor parts”. Both R&D and manufacturing teams of Lingsen Precision are renowned for their quality production lines and process reliability and are favored by relevant enterprises in the world. The sophisticated assembly ability has been further verified by companies throughout the US, Europe, Japan, and China.

Currently, the company has five production buildings and one warehouse for raw materials with 107,444 square meters in its Taichung factory. Our factories have state-of-the-art technology production facilities to carry out assembly and testing. We are also fully capable of manufacturing such assembly products as those in the Dual Family, Quad Family, Under Lead Family, Optics Family, Discrete Family, and MEMS.

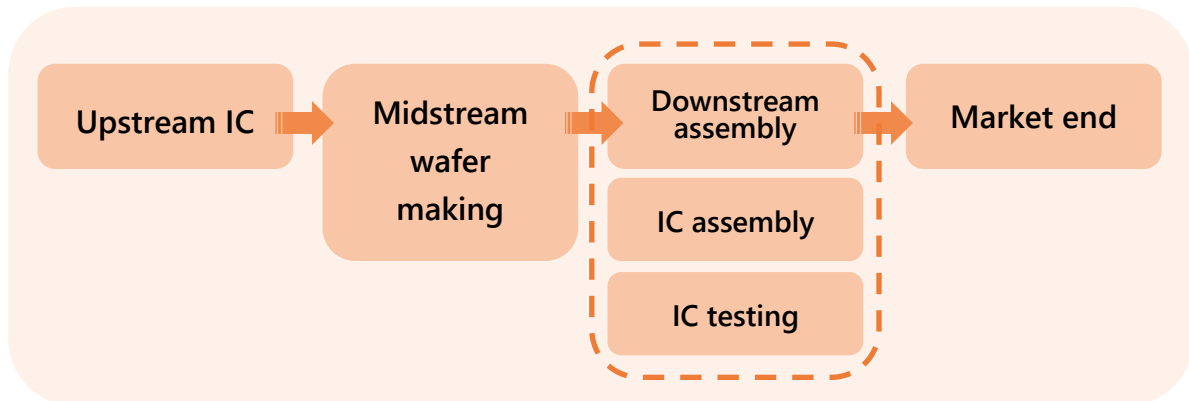
■ Production and Operation Locations

Based in Taiwan, we have set up customer service locations in both Taichung, Taiwan and California, US. Our head office is located in the Tanzi District of Taichung City and our production center is located in our Taichung factory.



Service Scope

In the industrial structure of semi-conductors, our company provides customers with downstream IC assembly and testing services.



Company Profile

Name	Lingsen Precision Industries, Ltd.
Establishment date	1973
Industry category	Assembly and testing of integrated circuits
Head Office	Tanzi Technology Industrial Park, Taichung City, Taiwan
Chairman	Shu-Chyuan Yeh
General Manager	Tse-Sung Tsai
Total Number of Employees within Disclosed Scope	2,318 (2025/12/31)
Lingsen Stock Code	2369 (listed on the Taiwan Stock Exchange)
Capital	NT\$3,801,023,440

8.2 Philosophy

By practicing the philosophies of “Innovation with a proactive attitude”, “Integrity & commitment” and “Excellence & sharing”, all Lingsen people work together to take the initiative to innovate in this industry, be honest and practical with customers, and promote excellent among our colleagues, to thus create win-win-win situation for the company, our customers, and our employees.



Excellence & sharing



Integrity & commitment



Innovation with proactive attitude

8.3 Business Profile

8.3.1 Technology and R&D Profile

In 2025, Lingsen devoted NT\$ 81,506,000 in research and development, which accounted for 1.68% of total revenue. Despite the fact that the scale of Lingsen cannot be compared with world-class assembly factories, we own a well-experienced R&D and engineering groups in the field of assembly technology to continually seek perfection with regards to assembly structure technology. In addition to the products that we have always traditionally assembled, technologies including stack technology, multi-chip modules, systems in packages, optical products and MEMS component packaging have already been under mature volume production; among these additional products, the MEMS component has great potential because it is light, thin, and compact, with a broad range of applications due to its functions of perception, calculation, and action. In order to respond to the “Waste Electrical and Electronic Equipment Directive (WEEE Directive)”, the “Restriction of the Use of Hazardous Substance Directive (RoHS Directive)”, and the “Directive of Eco-design Requirement of Energy-using Products (EuP Directive)” from the European Commission, green products have already been introduced to the company, so as to commit to eco-friendly assembly.

8.3.2 Operation Performance

Table of Financial Performance over the Past Five Years

Operation performance item	IFRS				
	2021	2022	2023	2024	2025
Operating income	6,489,676	5,113,539	4,725,754	4,611,858	4,838,933
Net income or loss for current period	873,849	207,291	(156,458)	(168,228)	(394,253)
Earnings per share (Loss) (NTD)	2.35	0.56	(0.42)	(0.45)	(1.05)
Return on shareholders' equity (%)	16.18	3.58	(2.80)	(3.13)	(7.82)
Total assets	8,399,125	7,781,781	6,939,505	6,617,766	6,733,200
Capital expenditure	1,120,226	568,756	177,483	112,530	394,463
Debt ratio (%)	30.31	26.60	21.51	20.23	28.69
R&D expenses	143,554	131,024	101,360	94,995	81,506

Unit: NT\$ thousands

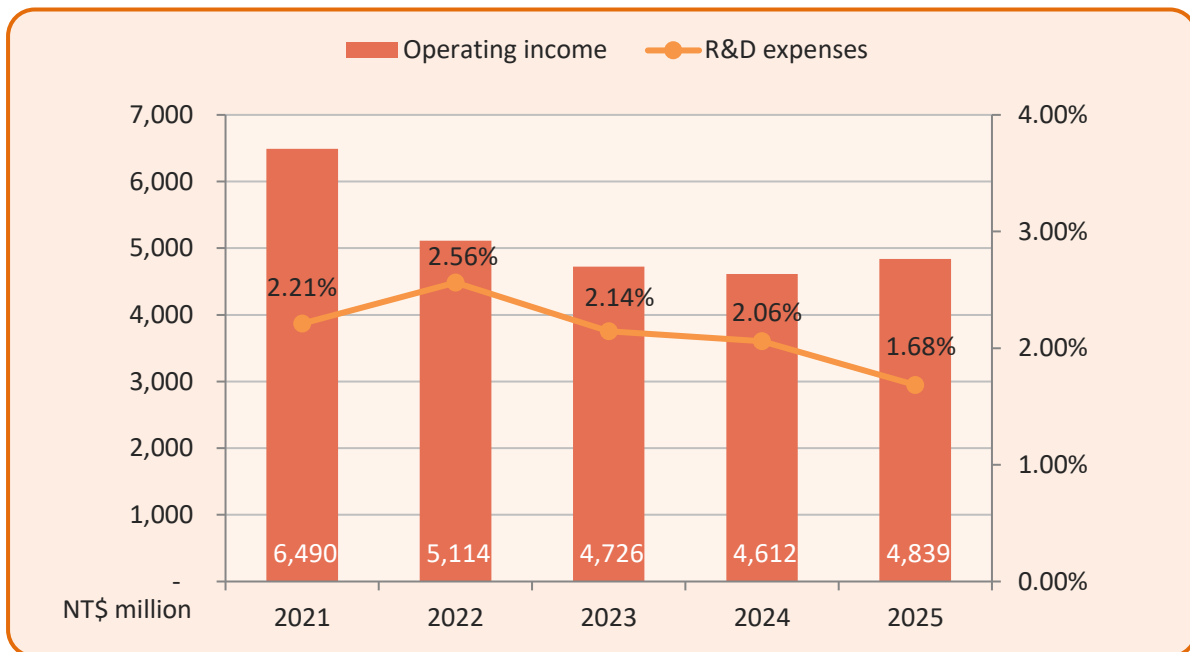
Table of Sales Volume over the Past Three Years

	2023	2024	2025
Assembly and Test	4,509,276	4,706,439	5,148,072
Others	Note1	Note1	Note1
Total	4,509,276	4,706,439	5,148,072

Note1: Because the units of quantity are inconsistent, the quantity is not disclosed.

Unit: thousand pcs

Financial Performance Chart for the Past Five Years



8.3.4 Future Development and Competition

- (1) Provide customers with all-round services and actively engage in customer development and relationship management.
- (2) Committed to environmental protection, complying with environmental protection regulations, and fully introducing green construction products.
- (3) Actively innovate and take the lead in developing new technologies and new products in line with market trends and needs.
- (4) Continue to strengthen cost and expense control of existing production lines.
- (5) Deeply engage in the four major areas of corporate social responsibility of "corporate governance, corporate commitment, social participation, and environmental protection".

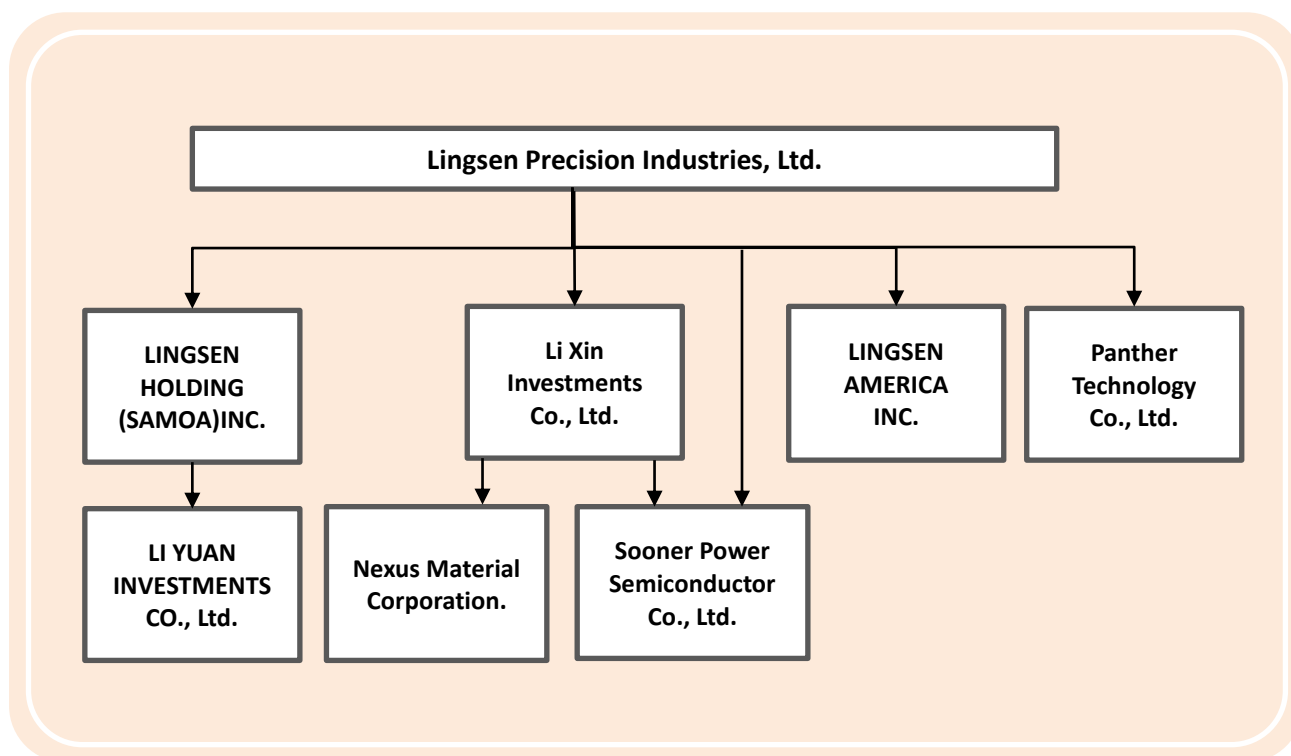
8.3.5 Involvement with External Organizations

Membership in the following external organizations

External organization in which Lingsen is a member	
◆	Taiwan Semiconductor Industry Association
◆	Taiwan Electrical and Electronic Manufacturers' Association
◆	Taiwan Optoelectronic Semiconductor Industry Association
◆	Chungkang Technology Industrial Park Association

8.3.6 Affiliates

Affiliates Organization Chart



Affiliate Profiles

Name	Establishment Date	Address	Main Operation or Production Item
Lingsen America Inc.	Mar. 1998	1525 McCarthy Blvd Ste 1000, Milpitas, CA 95035 California, USA	Agency business
Li Xin Investment Co., Ltd.	Oct. 1998	No. 5-1, South 2nd Rd., Tanzi Dist., Taichung City	General investment
Nexus Material Corporation	Mar. 2001	5F, No. 32-1, Guangfu Rd., Hsinchu Industrial Park, Hukou Township, Hsinchu County	Production and trade of electronic materials
Lingsen Holding(Samoa)Inc.	Aug. 2001	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, Samoa	General investment
Li Yuan Investments Co., Ltd.	May 2001	4th Floor, Harbour Place, 103 South Church Street, George Town, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands. CaymanIslands, British West Indies	General investment
Panther Technology Co., Ltd.	May 1997	No. 32-1, Guangfu Rd., Hsinchu Industrial Park, Hukou Township, Hsinchu County	Testing of integrated circuits
Sooner Power Semiconductor	Nov. 2007	5F, No. 32-1, Guangfu Rd., Hsinchu Industrial Park, Hukou Township, Hsinchu County	Production of electronic components

Note: As of December 31, 2025

8.4 Market Overview

According to Gartner, the global semiconductor revenue reached US\$ 793 billion in 2025, reflecting an annual growth rate of 21%, riding on AI semiconductor demand and memory price surge. The momentum will continue in 2026, with the market crossing the 1 Trillion US dollars milestone.

In this ever-changing global market, Taiwan's IC industry has already established a key partner and strong support to high-tech innovative R&D around the globe. From up-stream IC design to down-stream IC manufacturing and IC packaging & testing, Taiwan's IC industry is a comprehensive industry chain with unique professional and specialized business models.

IEK estimates that the output value of Taiwan's IC industry can reach to NT\$7,715 Billion in 2026, the growth rate is about 18.3%. The main growth driver is AI applications diverse, such as AI mobile, AI PCs. These factors have fueled the expansion of advanced manufacturing processes and related packaging and testing businesses, ensuring that Taiwan's semiconductor industry maintains a stable growth.

8.4.1 Future Supply, Demand, and Growth

According to the latest forecast report released by WSTS, the global semiconductor market reached US\$ 791.7 billion in 2025 with 25.6% growth. The upward revision is mainly driven by Logic and Memory, boosted by AI-related applications and continued demand in computing and data center infrastructure. Looking ahead to 2026, WSTS predicts that the global semiconductor market will grow by more than 26.3%, reaching a market size of \$999.9 billion.

Benefit from the development of emerging semiconductor applications, such as AI, HPC and electric vehicles, which drive the demand for high-end chips. From the perspective of new trends, has become the main driving force for semiconductor innovation.

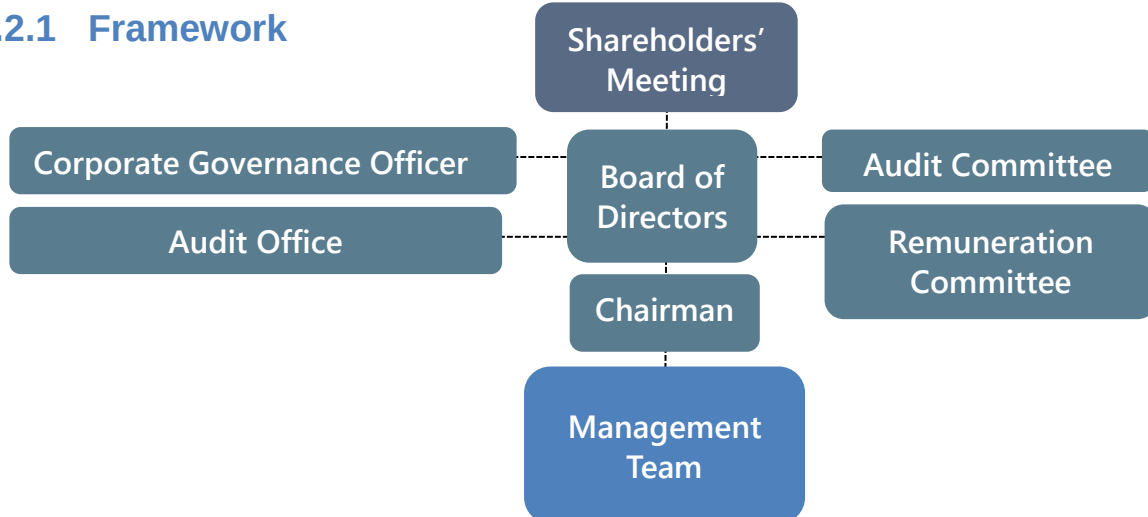
9.1 Principles

In accordance with the Company Act, the Securities and Exchange Act, and other related regulations of the R.O.C. regarding corporate governance, we established the Articles of Incorporation and our organization's structure. In addition to adhering to the above regulations and laws, the corporate governance system of Lingsen is based on the following principles:

- | | |
|---|--|
| 1. In order to establish an effective corporate governance framework. | 4. Fulfill the function of Audit Committee. |
| 2. Protect the rights and interests of shareholders. | 5. Respect the rights and interests of stakeholders. |
| 3. Strengthen the powers of the board of directors. | 6. Enhance information transparency. |

9.2 Profile

9.2.1 Framework



Our corporate governance is led by shareholders' meetings and the board of directors. To protect shareholders' basic rights and decision participation rights, as well as to treat all major and minor as well as foreign shareholders fairly, shareholders may exercise their voting rights through shareholders' meeting to participate in major operation decisions. Furthermore, with the board of directors' strategic guidance and effective supervision, we actively work toward the creation of wealth and jobs and improvement of finance regarding the legal rights and roles of stakeholders. Meanwhile, we ensure that the company's financial status, performance, ownership, and other important information are always correctly disclosed and kept transparent.

9.2.2 The Board of Directors and Supervisors

Job Title	Name	gender	Date of election (appointment)	Term of service	Initial date of appointment	Major experience (education)
Chairman	Shu-Chyuan Yeh	Male	May 29, 2025	3 years	Apr. 30, 1987	• Graduated from Department of Psychology, Taiwan University • Chairman of the company
Director	Tse-Sung Tsai	Male	May 29, 2025	3 years	Jun. 12, 2019	• Graduated from Department of Physics, Fu Jen Catholic University • General Manager of the company
Director	Shun-Ching Yang	Male	May 29, 2025	3 years	Jun. 15, 2011	• Graduated from Department of Physics, University of Culture • Assistant manager of Siliconware Precision Industries
Director	Pin-Wen Fang	Male	May 29, 2025	3 years	Jun. 12, 2019	• Department of Industrial Management, New Taipei Municipal Tamsui Commercial Industrial Vocational Senior High School • Chairman of YiLiDe Business Administration Consultant Co., Ltd. • Chairman of Ming Yuan Sports Leisure Co., Ltd.
Director	Pin-Chi Wei	Male	May 29, 2025	3 years	Jun. 15, 2016	• Department of Finance and Tax, National Chengchi University • MBA of New York University • Director and general manager of Fu Chu Knitting Co., Ltd. • Director and general manager of Chin Fu Long Industries Co., Ltd.
Director	Te-Tung Yeh	Female	May 29, 2025	3 years	May 29, 2025	• Master's Degree in Psychology, St. Andrews University • Chairman, Xi Jun Investment Co., Ltd.
Independent director	Shun-Te Wen	Male	May 29, 2025	3 years	May 29, 2025	• Master's Degree in Business Administration, National Chung Cheng University • Director, Changhua Branch, NTBCA, Ministry of Finance.
Independent director	Yu-Hsien Lee	Male	May 29, 2025	3 years	May 29, 2025	• Ph.D. in Electrophysics, National Chiao Tung University • Director, Winesoon Co., Ltd.
Independent director	Kuei-Yuan Wang	Male	May 29, 2025	3 years	May 29, 2025	• Ph.D. in business Administration, National Taiwan University of Science and Technology. • Associate Professor, Asia University

■ Responsibilities of the Board of Directors.

On May 29, 2025, the company elected the 21th board of directors in the general shareholders' meeting. Acting with loyalty, precaution, a highly attentive attitude and the best interests of the company, the members of the Board of Directors shall evaluate operation strategies, risk management, the annual budget, and business performance, as well as supervise major capital expenditures, M&A, and investment disposal. Furthermore, they shall ensure the appropriateness of the accounting system and financial reports so that no behavior of the members of the Board of Directors can damage the company or its interest or cause conflicts between shareholders. The Board of Directors shall exercise prudence in selecting and supervising the management team, making objective judgments regarding company affairs, and selecting a capable internal audit officer to guarantee the effectiveness of the internal control process to prevent malpractice.

Currently, a meeting of the Board of Directors is held at least once a quarter, at which the management team will present reports about operation performance and the board will decide future operation directions and major policies of the company. Audit Office and Remuneration Committee that deliberates senior managers' remuneration are established under the Board of Directors. Matters reviewed and suggested by the Audit Office and the Remuneration Committee will be submitted to the Board of Directors for discussion so as to assist its decision-making.

9.2.3 Directors' Continuing Education

Lingsen's directors all have industrial background and business management experience, and continuously participate in professional skills and sustainable development-related training courses to strengthen the board's functions and enhance communication. For more information on the continuing education of board members in 2025, please refer to MOPS.

9.2.4 The Principle of Interests Avoidance for the Board of Directors

Lingsen established "Rules of Procedure for Board of Directors Meetings" to comply with "Regulations Governing Procedure for Board of Directors Meetings of Public Companies". Directors shall avoid discussing and voting on proposals that intersect with their personal interests as stipulated.

9.2.5 Remuneration Committee

■ Members

In accordance with a resolution of the Board of Directors passed on December 8, 2011, the Remuneration Committee and its regulations were established. A member's professional qualifications, performance of duties, establishment of organization regulations, and other relevant issues shall be based on the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded over the Counter". The list of incumbent members is shown as follows:

Job Title	Name	Date of appointment	Actual attendance rate in 2025
Convener	Shun-Te Wen	May 29, 2025	100%
Member	Yu-Hsien Lee	May 29, 2025	100%
Member	Kuei-Yuan Wang	May 29, 2025	100%

Major Responsibilities

- ① Regularly review the company's Remuneration Committee's organizational charter and make amendment recommendations.
- ② Establish and regularly review the policies, systems, standards and structures for the company's annual and long-term performance targets and salary remuneration for directors and managers.
- ③ Regularly evaluate the achievement of performance targets of the company's directors and managers, and determine the content and amount of their individual salary remuneration.

9.2.5 Internal Audit

A comprehensive internal control system will be developed and effectively implemented in order to improve company operations and aid the Board of Directors and management to properly perform their duties. The adequateness and effectiveness of our internal controls will be reviewed and rechecked to ensure that our internal audit system properly performs self-evaluations in order to aid the Board of Directors and management to guarantee the appropriateness, reliability, and timeliness of financial, management, and operation data. The Board of Directors and management shall also annually review the self-evaluation results from each unit and the audit reports from the audit unit in order to prepare an internal control statement that will be periodically reported to the competent authorities. Furthermore, the internal audit unit shall periodically audit all departments to determine whether they are following the relevant laws and regulations. Once both routine and periodic audits have been completed, the results shall be reported to the Board of Directors which will continue to track any follow-up improvement measures.

9.2.6 Improve Information Transparency

We use a spokesman system and the Market Observation Post System (MOPS) to properly inform shareholders and stakeholders regarding our financial matters and the impact that the exercise of corporate governance had on shareholders' equity. Our financial information is disclosed in accordance with Article 36 of the Securities and Exchange Act. Regarding material information that has a major impact on shareholders' equity, announcements are made through the MOPS in a timely manner to prevent damaging shareholders' interests.

9.3 Ethical Management (Code of Conduct and Moral Standards)

In order to ensure the sustainable management and development of the company, Lingsen Precision formulates an integrity-based policy and establishes a sound corporate governance and risk control mechanism by sticking to the management concepts of honesty and transparency so as to continuously carry on the corporate culture of integrity management. Lingsen has already formulated "Ethical Corporate Management Best Practice Principles" and "Code of Ethics" in 2014

for all directors, managers and colleagues to follow, with the purpose of improving the behavioral quality and professional ethics of the company and all colleagues from top to bottom.

■ Formulation and Observation of Regulations



For details of relevant regulations, please refer to the rules and regulations pertaining to corporate governance. <http://www.lingsen.com.tw/webc/html/investor/CorporateGovernance.aspx?#IR33>

■ Educational Training

In order to ensure that all the colleagues in the company learn “Ethical Corporate Management Best Practice Principles” and implement “Code of Ethics”, all new colleagues (100%) shall receive relevant educational training and advocacy in rookie training. The training contents include important topics such as prohibition of dishonesty, prohibition of improper interests, prohibition of bribery and disciplinary measures.

■ Statistics of Violations

Lingsen periodically convenes “Meeting for Establishment of Employees’ Behavioral Moral Management Objectives” every year to review the number and conditions of violations committed by employees in current year, as well as necessity to add or revise the contents of relevant principles and codes and stipulate the objectives of next year.

Number of violations of moral standards in 2025 “0”; objective for 2026: “0”

■ Complaint Methods

Prevent and avoid major misconducts, encourage the open communication with employees and third parties, and submit reports through the following approaches when any unfair treatment in the workplace is doubted, discovered or encountered:

◆ Internal

General manager’s mailbox (physical mailbox in each factory area)
HR email: graceliu@lingsen.com.tw

◆ External

Email of General Manager’s Office: rogerliu@lingsen.com.tw

10 Appendix

10.1 Report Overview

Lingsen Precision Industries, Ltd. began releasing “Corporate Social Responsibility Report” since 2013 and renamed it as “Sustainability Report” in 2022 based on the government provisions to completely disclose the impacts faced by Lingsen during its operations regarding ESG (Environment, Social and Governance) as well as relevant information on the issue of sustainability. Lingsen continually notifies its concerns over environmental protection, social justice and employees’ benefits to each stakeholder.

■ Scope

This report addresses matters regarding sustainability that are relevant to both our operation development and stakeholders from January 1, 2025 to December 31, 2025. The discoveries herein pertain only to our Taichung factory, where our Taiwan headquarters is maintained (any subsidiaries in Taiwan are not included). Any financial statements herein are expressed in NT dollars. This report is updated once every year. No situation of information reassembly exists in this year’s “2025 Sustainability Report”.

■ Compilation Principles and Outlines

Lingsen prepares this report in accordance in GRI Standards as the basis for information disclosure, and issues concerned by stakeholders have been substantially analyzed and comprehended as the content structure of this corporate social responsibility report. Please refer to Comparison Table of GRI Standards in the appendix for further details.

■ Contact Us

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10.2 Comparison Table of GRI Standards

Standard	Main content of indicator	Relevant chapter/note in this report	Page
GRI 1: Foundation 2021			
GRI 2: General Disclosures 2021			
1. The organization and its reporting practices			
2-1	Organizational details	8.1 About Us	59
2-2	Entities included in the organization's sustainability reporting	8.1 About Us	59
2-3	Reporting period, frequency and contact point	10.1 Report Overview	70
2-4	Restatements of information	10.1 Report Overview	70
2-5	External assurance	NA	NA
2. Activities and workers			
2-6	Activities, value chain and other business relationships	8.1 About Us	59
2-7	Employees	5.2 Equal Employment Opportunities, Labor Restriction	40
2-8	Workers who are not employees	5.2 Equal Employment Opportunities, Labor Restriction	40
3. Governance			
2-9	Governance structure and composition	9.2 Profile	65
2-10	Nomination and selection of the highest governance body	9.2 Profile	65
2-11	Chair of the highest governance body	9.2 Profile	65
2-12	Role of the highest governance body in overseeing the management of impacts	9.2 Profile	65
2-13	Delegation of responsibility for managing impacts	9.2 Profile	65
2-14	Role of the highest governance body in sustainability reporting	9.2 Profile	65
2-15	Conflicts of interest	9.2 Profile	65
2-16	Communication of critical concerns	4.2 Significance Analysis of Stakeholders	33
2-17	Collective knowledge of the highest governance body	9.2 Profile	65
2-18	Evaluation of the performance of the highest governance body	9.2 Profile	65
2-19	Remuneration policies	9.2 Profile	65
2-20	Process to determine remuneration	9.2 Profile	65
2-21	Annual total compensation ratio	5.1 Salary and Benefit	37
4. Strategy, policies and practices			
2-22	Statement on sustainable development strategy	2.4 Sustainable Development Strategies	6
2-23	Policy commitments	2.4 Sustainable Development Strategies	6
2-24	Embedding policy commitments	2.4 Sustainable Development Strategies	6

Standard	Main content of indicator	Relevant chapter/note in this report	Page
2-25	Processes to remediate negative impacts	9.3 Ethical Management	68
2-26	Mechanisms for seeking advice and raising concerns	9.3 Ethical Management	68
2-27	Compliance with laws and regulations	9.3 Ethical Management	68
2-28	Membership associations	8.3 Business Profile	61
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement	4.2 Significance Analysis of Stakeholders	33
2-30	Collective bargaining agreements	5.5 Labor Relations	48
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	4.1 Stakeholder Identification and Communication	32
3-2	List of material topics	4.2 Significance Analysis of Stakeholders	33
3-3	Management of material topics	4.2 Significance Analysis of Stakeholders	33
GRI 201 Economic Performance 2016			
201-1	Direct economic value generated and distributed	8.3 Business Profile	61
201-2	Financial implications and other risks and opportunities due to climate change	3.1 Environmental Management	8
201-3	Defined benefit plan obligations and other retirement plans	5.1 Salary and Benefit	37
GRI 204 Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	6.2 Supplier Management	51
GRI 205 Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	9.2 Profile	65
205-2	Communication and training about anti-corruption policies and procedures	9.3 Ethical Management	68
205-3	Confirmed incidents of corruption and actions taken	9.3 Ethical Management	68
GRI 206 Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	9.3 Ethical Management	68
GRI 301 Materials 2016			
301-1	Materials used by weight or volume	3.4 Management and Procurement of Raw Materials	23
301-2	Recycled input materials used	Lingsen does not use recycled materials	NA
301-3	Reclaimed products and their packaging materials	3.5 Air Pollution and Waste Recycling Management	24
GRI 302 Energy 2016			
302-1	Energy consumption within the organization	3.2 Carbon Management	14
302-2	Energy consumption outside of the organization	3.2 Carbon Management	14
302-3	Energy intensity	3.2 Carbon Management	14
302-4	Reduction of energy consumption	3.2 Carbon Management	14

Standard	Main content of indicator	Relevant chapter/note in this report	Page
302-5	Reductions in energy requirements of products and services	3.3 Green Products	21
GRI 303 Water and Effluents 2018			
303-1	Interactions with water as a shared resource	3.6 Water Resource Management	28
303-2	Management of water discharge-related impacts	3.6 Water Resource Management	28
303-3	Water withdrawal	3.6 Water Resource Management	28
303-5	Water consumption	3.6 Water Resource Management	28
GRI 305 Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	3.2 Carbon Management	14
305-2	Energy indirect (Scope 2) GHG emissions	3.2 Carbon Management	14
305-3	Other indirect (Scope 3) GHG emissions	3.2 Carbon Management	14
305-4	GHG emissions intensity	3.2 Carbon Management	14
305-5	Reduction of GHG emissions	3.2 Carbon Management	14
305-6	Emissions of ozone-depleting substances (ODS)	3.5 Air Pollution and Waste Recycling Management	24
306-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	3.5 Air Pollution and Waste Recycling Management	24
GRI 306 Waste 2020			
306-1	Waste generation and significant waste-related impacts	3.5 Air Pollution and Waste Recycling Management	24
306-2	Management of significant waste related impacts	3.5 Air Pollution and Waste Recycling Management	24
306-3	Waste generated	3.5 Air Pollution and Waste Recycling Management	24
306-4	Waste diverted from disposal	3.5 Air Pollution and Waste Recycling Management	24
306-5	Waste directed to disposal	3.5 Air Pollution and Waste Recycling Management	24
GRI 308 Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	6.2 Supplier Management	51
308-2	Negative environmental impacts in the supply chain and actions taken	6.2 Supplier Management	51
GRI 401 Employment 2016			
401-1	New employee hires and employee turnover	5.2 Equal Employment Opportunities, Labor Restriction	40
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.1 Salary and Benefit	37
401-3	Parental leave	5.1 Salary and Benefit	37
GRI 402 Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	5.5 Labor Relations	48
GRI 403 Occupational Health and Safety 2018			

Standard	Main content of indicator	Relevant chapter/note in this report	Page
403-1	Occupational health and safety management system	5.3 Occupational Safety and Health	44
403-2	Hazard identification, risk assessment, and incident investigation	5.3 Occupational Safety and Health	44
403-3	Occupational health services	5.3 Occupational Safety and Health	44
403-4	Worker participation, consultation, and communication on occupational health and safety	5.3 Occupational Safety and Health	44
403-5	Worker training on occupational health and safety	5.3 Occupational Safety and Health	44
403-6	Promotion of worker health	5.3 Occupational Safety and Health	44
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.3 Occupational Safety and Health	44
403-8	Workers covered by an occupational health and safety management system	5.3 Occupational Safety and Health	44
403-9	Work-related injuries	5.3 Occupational Safety and Health	44
403-10	Work-related ill health	5.3 Occupational Safety and Health	44
GRI 404 Training and Education 2016			
404-1	Average hours of training per year per employee	5.4 Educational Training	46
404-2	Programs for upgrading employee skills and transition assistance programs	5.4 Educational Training	46
404-3	Percentage of employees receiving regular performance and career development reviews	5.1 Salary and Benefit	37
GRI 405 Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	5.2 Equal Employment Opportunities, Labor Restriction	40
GRI 406 Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	5.5 Labor Relations	48
GRI 407 Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.5 Labor Relations 6.2 Supplier Management	48 51
GRI 408 Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	5.5 Labor Relations 6.2 Supplier Management	48 51
GRI 409 Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.5 Labor Relations 6.2 Supplier Management	48 51
GRI 413 Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	7.2 Charity Care	57
GRI 414 Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	6.2 Supplier Management	51
414-2	Negative social impacts in the supply chain and actions taken	6.2 Supplier Management	51

Standard	Main content of indicator	Relevant chapter/note in this report	Page
GRI 416 Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	5.3 Occupational Safety and Health	44
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	NA	NA
GRI 418 Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	6.1 Customer Service and Satisfaction	50

10.3 Sustainability Accounting Standards Board index

Topic	Code	Metric	Relevant chapter/ note in this report	Page
Greenhouse Gas Emissions	TC-SC-110a.1	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	3.2 Carbon Management 3.5 Air Pollution and Waste Recycling Management	14 24
	TC-SC-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	10.5 Climate-Related Information of TWSE/TPEX Listed Company	78
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	3.2 Carbon Management	14
Water Management	TC-SC-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	3.6 Water Resource Management	28
Waste Management	TC-SC-150a.1	(1) Amount of hazardous waste from manufacturing, (2) percentage recycled	3.5 Air Pollution and Waste Recycling Management	24
Workforce Health & Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	5.3 Occupational Safety and Health	44
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	5.3 Occupational Safety and Health	44
Recruiting & Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees that require a work visa	5.2 Equal Employment Opportunities, Labor Restriction	40
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	0%	-
	TC-SC-410a.2	Processor energy efficiency at a system level for: (1) servers, (2) desktops and (3) laptops	Not applicable. (Lingsen is not a terminal product manufacturer)	-
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	6.2 Supplier Management	51
Intellectual Property Protection & Competitive Behaviour	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	There will be no legal proceedings related to anti-competitive conduct regulations in 2025.	-

10.4 Sustainability Disclosure Indicators-Semiconductor Industry

No.	Indicator	Indicator type	Unit	Annual Disclosure
1	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy)	Quantitative	Gigajoules (GJ) , percentage (%)	•The total energy consumption is 418,845.9888 GJ. •100% purchased electricity. •Renewable energy usage is 0.4031%.
2	Total water withdrawn, total water consumption	Quantitative	Thousand cubic meters (1000m3)	•The total water withdrawal is 1,014.7540 thousand m³. •The total water consumption is 205.8430 thousand m³.
3	Total hazardous waste generated and percentage recycled	Quantitative	Metric tons (t), percentage (%)	•The total hazardous waste is 92.4600 metric tons. •The recycling percentage is 0% for hazardous waste.
4	Types of, number of employees in and rate of occupational accidents	Quantitative	Percentage (%), quantity	•No occupational accident types. •In occupational accidents, the number of employees is 0 and the rate of employees is 0%.
5	Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage recycled (Note 1)	Quantitative	Metric tons (t), percentage (%)	Not applicable. (Lingsen is not a terminal product manufacturer)
6	Description of the management of risks associated with the use of critical materials	Qualitative description	Not applicable	Please refer to 6.2 Supplier Management .
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Reporting currency	There will be no legal proceedings related to anti-competitive conduct regulations in 2025.
8	Production by product category	Quantitative	Varies by product category	Total production of assembly and test was 5,148,072 thousand pcs.

Note 1: Descriptions including the sale of scraps and the recycling and processing of waste shall be provided.

10.5 Climate-Related Information of TWSE/TPEX Listed Company

10.5.1 Implementation status of climate-related information

Item	Implementation status			
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	Climate Change Governance and Management Framework Framework for the strategies to promote climate change and sustainable management, the Board plays the supervising and guiding role by authorizing the Corporate Sustainability Committee to assist in supervising management practices related to corporate sustainability and climate change. The Committee, chaired by the General Manager, is a cross-department communication platform that integrates climate action resources, guides the climate change adaptation and mitigation management plans, shall report to the Board annually on the progress of climate-related issues. The CSR Committee oversees the Environmental Sustainability Sub-Committee to improve environmental management performance, led by senior executives, formulates management plans, reviews implementation status, and discusses future plans periodically. The company also incorporates internal audit and internal control functions to ensure that the risks associated with operations are effectively controlled.			
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The risks and opportunities are distinguished based on short-term (within the next 3 years), medium-term (within the next 5 years), and long-term (more than 5 years in the future) occurrences. (1) Transition Risks Based on the issues of "Operational Emission Reduction", the company evaluated the impact of different risk content on operations.			
	Climate Risk	Risk content	Operational impacts	Financial Impacts
	Increasing GHG emissions, regulations against GHG emissions, and other requirements	Implementation of mandatory emission reduction regulation	Carbon pricing legal control	•Increased cost of carbon fee.
	Customers' requirements to save energy and reduce carbon emissions	Voluntary business reduction (Trend or customer request)	Renewable energy procurement	•Increase operating cost, •Increased procurement costs for Power Purchase Agreements (PPA) or REC.
	Power shortage or outage	Unstable power supply will limit production capacity	Impact operations and ability to meet customer demand	•Decrease operating revenue.
	Key response measures: Set ambitious carbon reduction targets, implements GHG reduction practices (2) Physical risk			
	Climate Risk	Risk content	Operational impacts	Financial Impacts
	Drought	Operational disruptions due to drought	Production interruption	•Production disruptions are caused to decrease operating revenue
	Heavy rainfall	Heavy rainfall exceeding the maximum capacity	Production interruption	•Increase operating cost due to damaged equipment and personnel absent.
	Temperature rise	Increase in electricity consumption, cost, and carbon emissions.	Increase in electricity consumption, cost, and carbon emissions.	•Increase operating cost
	Key response measures: Establish a water monitoring system and emergency response processes and hold regular drills. Led by senior executives to reduce greenhouse gas emissions.			

Item	Implementation status			
	(3) Climate Opportunities			
	Climate Risk	Risk content	Operational impacts	Financial Impacts
	Emission reduction measures to improve production efficiency	Replacement of High energy-consuming equipment	Improve the efficiency of energy and resource Use	•Operational costs reduction
3. Describe the financial impact of extreme weather events and transition actions.	Please refer to Item.2 of this table.			
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Please refer to “Item.1 Climate Change Governance and Management Framework” of this table.			
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The company has not yet conducts climate-related scenario analysis.			
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Energy Conservation and Carbon Reduction in Operations 1. Climate Change Mitigation Management Strategy (1) Reduction targets Through ISO 14064 annual inventory and disclosure of greenhouse gas emissions, review the impact on the company's operations, and assess the risks of Scope 1 and 2 and the mitigation strategies. The reduction targets for 2030 are to reduce Scope 1 and Scope 2 greenhouse gas emissions by 10% compared to the 2021 baseline year. And to reduce 50% by 2040. The target is to achieve Carbon Neutral by 2050. (2) Main Initiatives Based on the Carbon Neutral, the company actively implements GHG reduction measures following the emissions roadmap, including low-carbon manufacturing, use of renewable energy, and energy efficiency improvements. (3) Amount invested in environmentally sustainable machinery equipment related to energy conservation or green energy, and corresponding projects in 2025 : ① NT\$2,774,500 invested into reducing GHG emissions, which includes (a) purchased 469 T-RECs and (b) green electricity to reduce power consumption by 469,000 kWh/year. Total reduced 222 tons of CO ₂ e. ② NT\$1,119,700 invested into energy improvements of the air conditioner chiller system, resulting in an estimated energy saving of nearly 540,000kWh/year in electricity. Total reduced 255.56 tons of CO ₂ e with energy-saving measures in facility equipment.			

Item	Implementation status	
	2. Climate Change Adaptive Management Strategy (1) Targets ①The company adheres to the concept of sustainable utilization of water resources and will continue to improve efficiency for use of water resources. Set target for water reclaimed by the overall recycling system reached 0.4 million m3 each year, to improve its water resource management. ②Increase energy efficiency, saving rate reaches 10% between 2021 and 2030 through energy-saving measures. The target is to achieve 40% cumulative energy-saving rate by 2050. (2) Main Initiatives ①Implements water conservation and use practices in strengthening the company's climate resilience, such as improved usage efficiency of recycled water and purchasing backup water sources. ②Implements energy saving practices, such as lighting energy savings, A.C. energy savings & increased its performance, manufacturing tools standby energy savings.	
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The company has not yet conducts internal carbon pricing as a planning tool. The company will considered the international carbon market prices, the carbon prices of GHG relevant regulations and the costs of reducing greenhouse gas emissions of the company to set an internal carbon price. The company will use it as a reference for carbon reduction management and planning.	
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	Please refer to Item.6, item 9 of this table.	
9.Greenhouse gas inventory and assurance status.	Baseline year	The baseline year for greenhouse gas reduction is 2021, with total emissions of 67,572.1711 tons of CO2e for Scope 1 and Scope 2.
	Reduction targets	The reduction targets for 2030 are to reduce Scope 1 and Scope 2 greenhouse gas emissions by 10% compared to the 2021 baseline year. And to reduce 50% by 2040. The goal is to achieve Carbon Neutral by 2050.
	Reduction strategies	(1) Renewable energy adoption. (2) Reducing direct emissions.
	Specific action plans	(1) Replace old equipment to improve energy efficiency. (2) Promote various energy-saving measures. (3) Install solar photovoltaic system. (4) Promote the purchase of renewable energy. (5) Carry out ISO 14064 GHG inventory and promotes the product carbon footprint inventory program to grasp GHG emissions hotspots and reduction potential. (6) Promote the GHG inventory and verification program of subsidiaries.

Item	Implementation status	
	Results	The Company has control over GHG emissions in all of its Parent company sites, following ISO 14064 standards. In 2024, the Scope 1 and Scope 2 emissions, calculated based on Market-based approach, total amounted to 57,692.9308 tons of CO₂e. The absolute reduction in Scope 1 and Scope 2 (Market-based) from the 2021 base year to 2024 was 14.6 %. The greenhouse gas emissions inventory and assurance results are shown in <u>10.5.2 Greenhouse Gas Inventory and Assurance Status</u> °

10.5.2 Greenhouse Gas Inventory and Assurance Status

■ GHG Emissions

Year	Scope (Note1)	Total emissions (Metric tons CO ₂ e)			Intensity (Metric tons CO ₂ e/NT\$ 1 million)
		Scope 1(Note2)	Scope 2(Note2)	Scope 3(Note2)	Scope 1+2
2025	Parent company -Lingsen	1,587.6330	52,957.5332 (location-based)	13,295.9617	11.27
			53,898.9878 (market-based)		11.47
2024	Parent company -Lingsen	1,495.8513	56,271.0235 (location-based)	12,015.4478	12.53
			56,197.0795 (market-based)		12.51

Note1: According to the regulations of Sustainable Development Roadmap for TWSE/TPEX Listed Company, the company shall at least disclose the parent company's inventory information this year.

Note2: Scope 1: Direct emissions, i.e. sources owned or controlled by the Company.

Scope 2: Indirect emissions, i.e. those arising from externally purchased electricity, heat or steam.

Scope 3: Other indirect greenhouse gas emissions, i.e. emissions from company activities that are not energy indirect emissions but come from other owned or controlled emission sources.

■ Verification Status

Year	Scope		Verification Party	Standards	Verification Status
2025	Parent company -Lingsen	Scope 1	BSI	ISO14064-3	Reasonable Assurance
		Scope 2			Reasonable Assurance
		Scope 3			Limited Assurance
2024	Parent company -Lingsen	Scope 1	BSI	ISO14064-3	Reasonable Assurance
		Scope 2			Reasonable Assurance
		Scope 3			Validation & agreed-upon procedures

For the Greenhouse Gas Emission Verification Opinion Statement of the company, please refer to the company's website at: <https://www.lingsen.com.tw/webe/html/about/about08.aspx>

10.5.3 Greenhouse gas reduction targets, strategies and specific action plans

Please refer to item 9 of "10.5.1 Implementation status of climate-related information".

10.6 Comparison Table of Execution of Sustainable Development Goals (SDGs) of the United Nations

SDGS	Execution achievement	Page
	◆ Lingsen has hired professional nursing staff, including arranging physical examination for new employees, and conducting regular health checkups and health checkups for special operation every year. ◆ Visits from the factory nurse are scheduled, including a reminder of considerations in daily life, coordination of the appropriateness of work scheduling, and a field doctor consulting	44
	◆ Until year end of 2025, there were 2,318 employees in total, with 978 male employees (42%) and 1,340 female employees (58%). ◆ We recruit talents in principles of gender equality and strives to realize gender equality without discrimination on employees' welfare.	40
	◆ The whole factory recycled 584,096t of wastewater in 2025 to continually improve the reutilization rate of recycled water.	28
	◆ We values employees' health and rights and implement the policy of prohibition of child labor. ◆ We attract talents to join us through industry-university cooperation and campus recruitment. ◆ We hire employees with disabilities through employment coaching institutions of the government and continually pay attention to their experience.	48 56 40
	◆ We abide by relevant domestic laws and regulations regarding gender equality, right to work and prohibition of discrimination and follow RBA Responsibility Business Alliance with regards to freedom of association, prohibition of child labor, human treatment, etc. ◆ The salaries we pay our employees comply with relevant remuneration laws and regulations.	48 7 37
	◆ Implement environmental management system and improve environment coexistence and co-prosperity. ◆ We generated approximately 880.598t of waste in 2025 and conducted recycling of such waste as stipulated.	8 24
	◆ We continually execute greenhouse gas emission reduction program and reduce the emissions of greenhouse gases through adjustment of manufacturing processes. Also, we lower the impact of climate and environment through water-saving and energy-saving measures. ◆ It is our social responsibility to lower environmental load through complete management and joint involvement of all our colleagues. We will implement the concepts of safety, health and environmental protection and become a green and sustainable enterprise.	8 21
	◆ With diverse communication accesses, we provide two-way communication between the company and its employees. ◆ We periodically hold labor relations conferences to communicate and negotiate with each other to solve problems. Also, we have an employee complaint handling system to assist employees in solving problems that damage their personal rights and interests.	48

10.7 Ten Principles of the United Nations Global Compact

Classification	Ten Principles	Description	Page
Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights;	Lingsen adheres to its human rights policies and Ten Principles of the United Nations Global Compact, implements RBA Responsibility Alliance and treat and respect all incumbent colleagues, contract workers and temporary workers in a dignified way.	7 40
	Make sure that they are not complicit in human rights abuses.	We advocates the moral standards in RBA Responsibility Alliance and implement responsible supply chain management and procurement of conflict-free materials.	7 51
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Lingsen respects employees' right to freedom of association and periodically convenes labor relations coordination conferences. Please refer to "5.5 Labor Relations".	48
	The elimination of all forms of forced and compulsory labour;	"Prohibition of Forced Labor" is stipulated in our executive guideline of "No Forced Labor in Salary and Benefits".	37
	The effective abolition of child labour	"Prohibition of Child Workers" is stipulated in our executive guideline of "Respect Human Rights in Labor Relations".	48
	The elimination of discrimination in respect of employment and occupation.	"Elimination of Illegal Discrimination to Ensure Equal Employment Opportunities" is a criterion adopted in our "Equal Employment-Talent Recruitment".	40
Environment	Businesses should support a precautionary approach to environmental challenges;	"Continually Promoting Green Plant, Green Manufacturing and Green Supply Chain and Controlling Environmental Protection Risks" is our environmental protection strategy.	14 21
	Undertake initiatives to promote greater environmental responsibility; and	Work with suppliers and customers to lower environmental impact together.	51
	Encourage the development and diffusion of environmentally friendly technologies.	Continually improve energy resource consumption, waste management and pollution prevention and control performance and establish a semiconductor green supply chain with suppliers and customers together.	24 51
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	"Integrity Management" is our criterion and we prohibit any form of unlawful bribery among employees.	68



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