



ITH

2024

**Corporation
Sustainability Report**

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About the Sustainability Report

This report is the second Sustainability Report issued by ITH Corporation (hereinafter referred to as "the Company" or "ITH"), aiming to present key strategies and implementation status for sustainable development in 2024 with the principles of honesty and transparency. For stakeholders, this report helps understand how ITH integrates the core philosophy of "Building a Better World Together" into its business operations and provides concrete responses to important issues such as corporate governance, environment, and society. Looking ahead, we will strengthen interaction with all stakeholders through multiple communication channels, solicit feedback and continuously optimize sustainability initiatives, with the expectation of deeply embedding sustainability in ITH's core values and creating lasting positive impact together with stakeholders.

Feedback

If you have any questions or suggestions regarding this report, please feel free to contact us. Contact information:

Sustainable Development Office of ITH Corporation

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Scope and Boundaries

This report discloses ITH's performance outcomes on various key sustainability development issues for 2024 (from January 1, 2024 to December 31, 2024). The boundaries of this report cover ITH and its subsidiaries (ILI Technology Corp., Granda Microelectronics (Xiamen) Co., Ltd., ILITEK Holding Inc., WI Technology Co., Ltd., Howdi Microelectronics (Shenzhen) Co., Ltd., and Hefei Howdi Microelectronics Co., Ltd.), with ILI Technology's Hsinchu headquarters building as the core of information disclosure. The operating locations are Taiwan (Hsinchu, Taipei, and Tainan offices) and China. Except for environmental data which only covers ILI Technology's Hsinchu headquarters building, any adjustments to data scope will be explained within the report content. In the future, we will continue to expand the scope of our reports to include overseas branches (Beijing, Shanghai, Shenzhen, Xi'an, Hefei, Wuhan, Xiamen, Chengdu, Chongqing, Korea, and Europe-Germany, etc.) as well as investee companies.

Regarding restatements of information

Compared to the previous year's report, the statistical method of the "Patent Application Granted Status Statistics Table" has been adjusted this year to enhance information clarity.

The original "number of granted" referred to the number of patent cases applied for during the Year and subsequently granted in later periods. However, as this method could cause confusion, starting this year we have adjusted it to compile statistics on all patent cases actually granted during the year (regardless of the application year).

At the same time, to avoid misunderstandings, the "granted rate" column has been removed to prevent the misconception that applications and approvals occurred in the same year, which could lead to misunderstanding of the patent examination process.

Report Publication

ITH Corporation publishes its Sustainability Report on an annual basis.

Current publication version: August 2025.

Next publication version: August 2026.

Compilation Principles

The 2024 ITH Sustainability Report was compiled with reference to the GRI Standards published by the Global Reporting Initiative (GRI), the industry standards set by the Sustainability Accounting Standards Board (SASB), and the TCFD framework released by the Task Force on Climate-related Financial Disclosures (TCFD) working group established by the Financial Stability Board (FSB).

Third-Party Verification

To enhance the overall credibility of ITH's sustainability information reporting, ensure information quality, and maintain momentum for improving corporate responsibility and sustainability performance, we will gradually plan to obtain third-party verification in the future.

Management Process



Message from the Chairman

2024 has been an extremely meaningful year for ITH. Our successful listing is not only an affirmation of our brand value and operational achievements, but also signifies an evolution of corporate governance and social responsibility. ITH will play the role of an ethical operator and strive to become a leader in corporate social responsibility.

Chairman

◆ Upholding Integrity in Governance, Strengthening Corporate Resilience

Ethical governance is the foundation of a company's stable development. ITH continues to strengthen the functions and organizational structure of the Board of Directors by establishing three dedicated committees: the Audit Committee, Remuneration Committee, and Sustainable Development Committee, to ensure more transparent decision-making systems and more professional operational processes. In terms of product innovation, ITH achieved a 9.5% reduction in energy consumption across main products in 2024, enhancing competitiveness by continuously improving technological capabilities and optimizing the user experience. We believe that establishing a professional and highly trustworthy governance culture is essential to meet the expectations of the capital market and stakeholders for ITH's long-term development.

◆ From talent development to social inclusion, realizing our vision of sustainable growth

Organizational growth is not just the pursuit of financial figures, but also stems from igniting employees' passion and achieving mutual prosperity with society. ITH continues to invest resources dedicated to employee learning and growth, while also promoting charitable participation to connect societal needs with corporate actions. In 2024, we invested a total of 339 person-times in promoting 7 philanthropic project initiatives. In the health care sector, we donated a robotic suspension arm to China Medical University Hospital Hsinchu Branch, supporting the enhancement of community medical care quality. In education support, we sponsored the C.K. Robotics FRC international competition program, nurturing future talents. In vulnerable community care, we supported multiple programs including the Taichung Heping District Tbulan Elementary School baseball team training program, sponsored the Happy Work Association benefits meal and learning program for children with disabilities, and the establishment of Happy Work Community Long-term Care Institution, among other initiatives. Through these diverse social investments, we practice multifaceted social engagement, allowing positive impact to extend from within our organization to every corner of society.

◆ Embracing Climate Challenges, Deepening Green Actions

The promotion of global net-zero policies has made carbon reduction a core issue in the value chain. We regard climate change as a significant issue that cannot be ignored in our operations. It is both a risk and an opportunity to create value. Internally, we have integrated climate change into our overall risk management framework to implement climate action through systematic operations; externally, we disclose transparent and high-quality climate risk management information in our reports according to TCFD guidelines, allowing the public to understand ITH's strategies and actions on climate change. In 2024, we used the EMS system to digitize energy consumption management as the starting point for carbon reduction. Moving forward, we will conduct a comprehensive inventory of greenhouse gas emissions, expand the scope of actions, and reduce carbon emissions during the operational process. With persistent actions, we will enhance the responsibility of corporate environmental sustainability.

◆ Looking Ahead to 2025, We Will Drive Corporate Evolution Through a Sustainable Perspective

Facing the dynamic industrial environment of 2025, we deeply understand that a company's core competitiveness stems from its ability to internalize the spirit of sustainability into its business mindset. ITH will continue to collaborate with customers and suppliers to build a responsible and resilient supply chain system. With compliance as the foundation, employees as the core, environment as the responsibility, and society as the mission, we will steadily implement sustainable strategies and advance toward long-term value-oriented corporate goals.

In the future, we will fulfill our commitments to society and the environment with greater determination and steadfastness, taking action to build a sustainable and mutually beneficial future.

Sustainability Performance Highlights In ESG

Sustainability Aspect	Material Topics	Performance Highlights	Link to the UN Sustainable Development Goals (SDGs)
Economic/ Governance Aspect	Innovation and R&D	44 domestic and international patent applications were filed in 2024, and 16 new domestic and international patents were granted, with 1 trade secret maintained under internal management. Cumulatively through 2024, we have filed a total of 448 patents and maintained 313 valid patents. In 2024, ITH did not have any patent infringement cases or patent litigation cases.	 Goal 8.2 Diversification, Innovation, and Upgrade of Economic Productivity  Goal 12.6 Encourage companies to adopt sustainable practices and sustainability reporting.
	Information Security	In 2024, NT\$2.5 million was allocated to information security management. Resource investment items included: improving the infrastructure of governance and technical aspects, enhancing information security defense equipment, incident response and attack-defense exercises, and education training, comprehensively enhancing information security capabilities and improving information security protection. No information security or data leakage incidents occurred in the reporting year.	
	Sustainable Supply Chain	In 2024, 100% of all outsourced processing suppliers obtained ISO 9001 certification, and 100% completed surveys confirming that suppliers do not use conflict minerals.	
		In 2024, 100% of suppliers complied with RoHS and REACH regulations. The supplier audit completion rate in 2024 reached 100%, and the supplier audit pass rate was 100%.	
	Corporate Governance	In 2024, a total of nine meetings were held, with an average attendance rate of 100% among directors. Board	
Ethical Management and Anti-Corruption	In 2024, ITH experienced no major legal violations or corruption incidents, and no whistleblower cases occurred.		
Environmental Aspect	Energy management	In 2024, the ITRI EMS Air Conditioning Energy Management System was implemented to collect and monitor energy consumption data across the facility. In 2024, 1,011 LED energy-saving lighting fixtures were replaced, with an investment of NT\$1.55 million.	 Goal 13.3 Climate Change Mitigation, Adaptation, and Impact Reduction
	Waste management	Implement office waste recycling actions. Promoted a paperless workplace environment.	
Crowd Aspect	Product Quality and Safety Management	In 2024, ITH did not experience any major quality management anomalies.	 Goal 9.4 Upgrade all industries and infrastructure for sustainability.  Goal 3.8 Achieve universal health coverage.  Goal 4.5 Eliminate all discrimination in education  Goal 8.5 Full employment and work with equal pay
	Customer Relationship and Privacy Management	Customer satisfaction exceeded 80 points across all five aspects.	
	Talent Attraction and Retention	Through adjustments to the remuneration system, the talent retention rate was improved. Annual investment in social welfare activities amounted to approximately NT\$1.57 million.	
	Social welfare	Annual employee participation in social welfare activities totaled 339 people. Seven social welfare project initiatives were implemented during the year. Donated a robotic suspension arm to China Medical University Hsinchu Hospital, with funding reaching NT\$1.5 million.	

CHAPTER

1

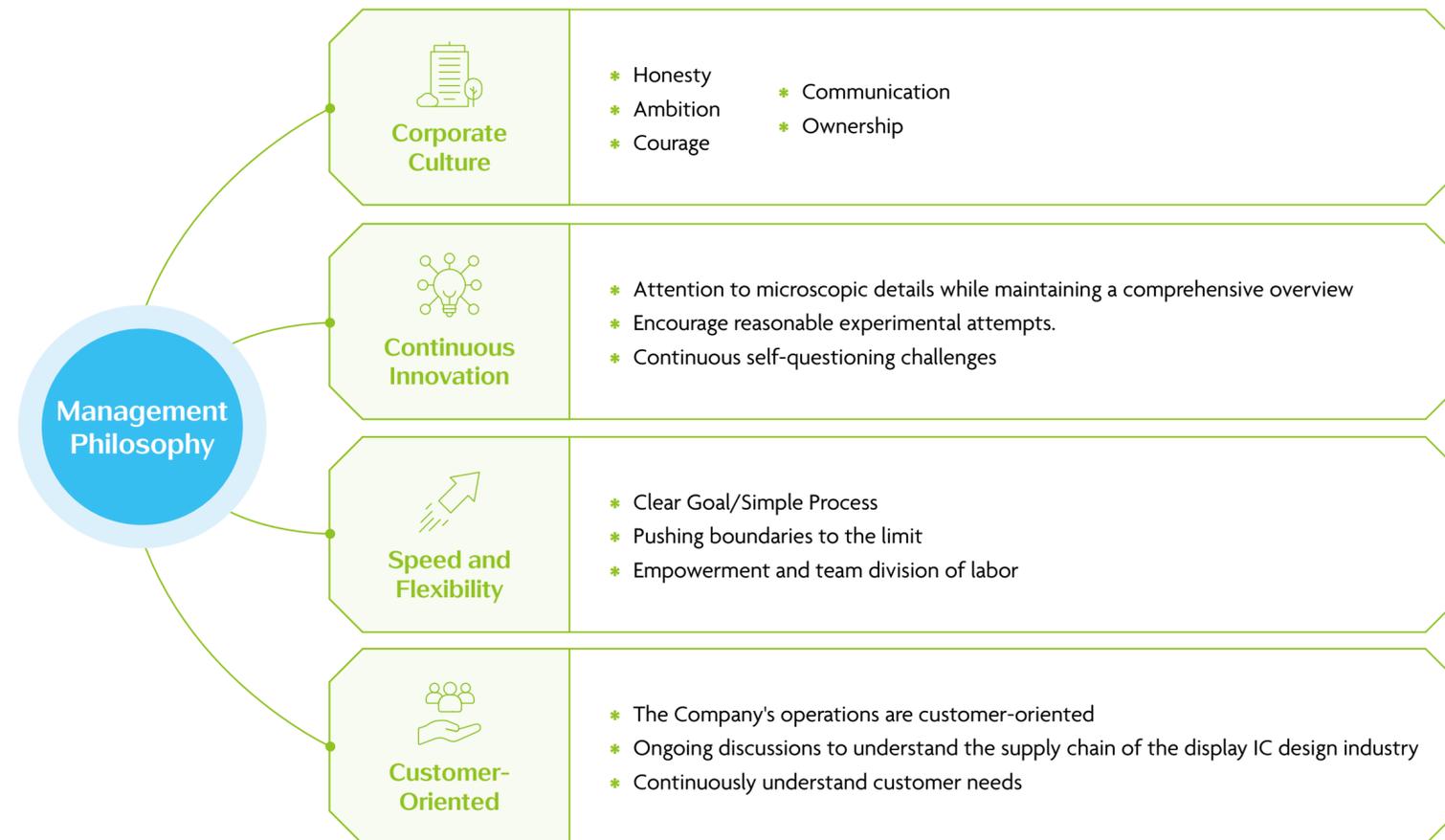
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1.1 Corporate Management Philosophy and Sustainable Vision

Company Overview

ITH Corporation (hereinafter referred to as ITH) is a holding company established in January 2019 in the Cayman Islands. Its subsidiary, ILI Technology Corp., is a professional panel display driver and touch IC design company, possessing two core technologies in display and touch applications. For years, it has focused on the integration of panel display and touch-related technologies. The Group's primary customers include major panel suppliers from Taiwan, China, Japan, and Korea, as well as globally renowned brand customers. The product portfolio encompasses consumer product applications across large, medium, and small sizes, including mobile phones, tablets, notebook computers, industrial control, gaming, wearables, televisions, and automotive applications. The Group maintains precise control over market conditions and future industry trends to sustain its leading position across all sectors. ITH, through a people-oriented corporate culture, fulfills its mission as a sustainable enterprise, achieving the goal of deepening ESG governance while pursuing product innovation.



Company Background

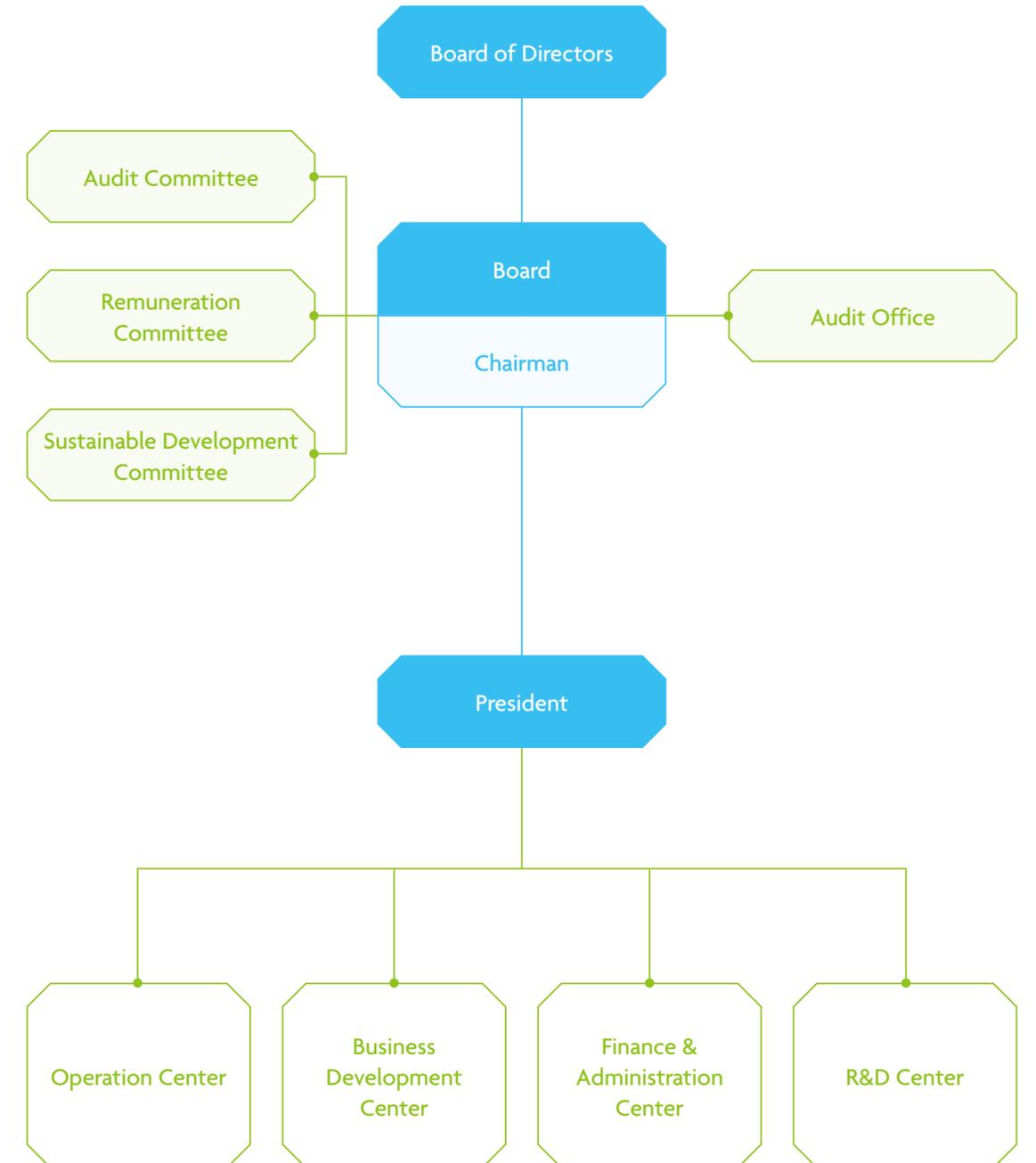
ITH uses Taiwan as its R&D base and core technology talent development hub. Through the Group's subsidiaries establishing operational bases worldwide, the Company provides local customers with the most immediate and robust service resources. ITH's superior products and services have earned the trust of major international brand manufacturers, opening up a continuously expanding market territory. ITH upholds management philosophy of integrity and customer-oriented principles, establishing domestic and overseas sales and technical service branches in Beijing, Shanghai, Shenzhen, Xi'an, Hefei, Xiamen, Wuhan, Korea, and Europe-Germany. This approach aims to closely understand customers, satisfy customers' evolving needs for innovation and change, providing immediate local technical support services to continuously create win-win situations with customers.

Company Full Name	ITH Corporation
Establishment Date	January 2019
Paid-in Capital	NT\$4,923,966 thousand
Chairman	Wayne Liang
President	Bruce Chen
Headquarters	10th Floor-1, No. 1, Taiyuan 2nd Street, Zhubei City, Hsinchu County
Number of Employees	969 People
Subsidiaries and Affiliates	ILI Technology Corp., Granda Microelectronics (Xiamen) Co., Ltd., ILITEK Holding Inc., WI Technology Co., Ltd., Howdi Microelectronics (Shenzhen) Co., Ltd., Hefei Howdi Microelectronics Co., Ltd.
Operating Locations	Taipei, Hsinchu, Tainan, Beijing, Shanghai, Shenzhen, Xi'an, Hefei, Wuhan, Chengdu, Chongqing, Xiamen, Korea, Europe-Germany.



◆ ITH Organizational Structure

ITH has a comprehensive corporate operational structure with clear delineation of responsibilities and authority. The Chairman makes corporate strategic decisions, while the President manages overall operational execution. The organization is further subdivided into various business centers to implement the Company's decentralized management approach.

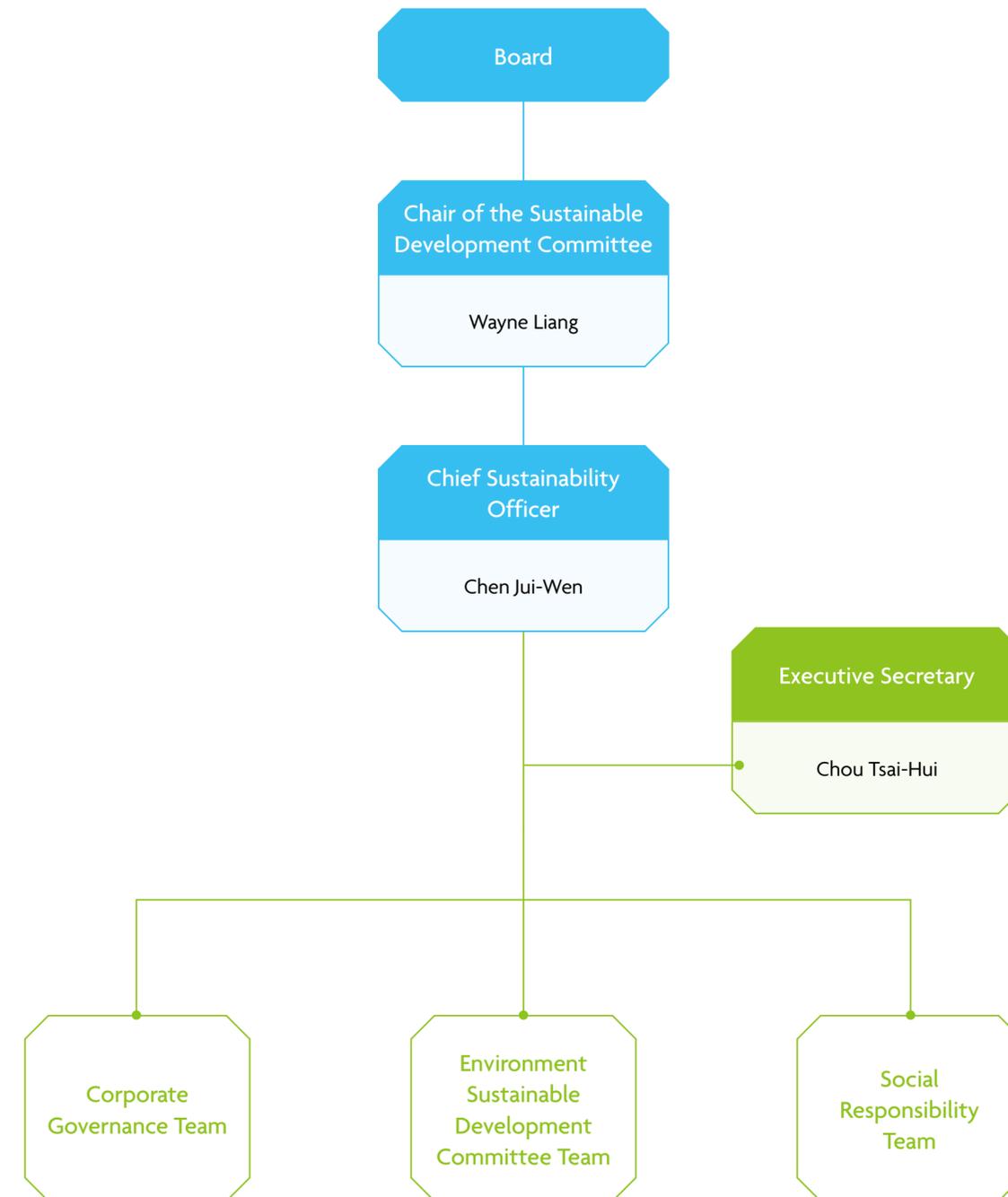


1.2 Sustainable Development Committee

On April 22, 2022, ILI Technology Corp. established a dedicated unit for sustainable development, with the Center for Corporate Sustainability Development as the managing unit. This move aligns with global sustainable development trends and the Company's growth vision, and it takes action to implement sustainable thinking to continuously create value for stakeholders. Following ITH-KY's successful listing in 2024, on November 7 of the same year, the Board of Directors authorized the establishment of a group-level Sustainable Development Committee, continuing the mission of the Center for Corporate Sustainability Development and further strengthening the implementation of sustainability actions.

The Sustainable Development Committee is chaired by the Chairman, with a Chief Sustainability Officer and an Executive Secretary reporting to the Chair, responsible for integrating core operational resources to manage the Company's sustainable action results, and formulating sustainable strategic directions and project initiatives based on international sustainable development trends and understanding stakeholder needs. The Committee has set up working groups for corporate governance, environmental sustainability, and social responsibility, responsible for formulating goals and implementation plans for material cross-departmental topics.

The Sustainable Development Committee regularly convenes meetings to track project progress and implementation results, and submits the Sustainability Report to the Board of Directors annually. This includes stakeholder engagement, material topics, risk assessments, response strategies, and other non-financial information related to business operations, ensuring that sustainable management receives appropriate oversight.



∴ Responsibilities and Authorities of the Sustainable Development Committee ∴



◇ ITH Sustainability Policy

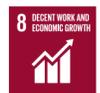
With its outstanding innovative R&D technologies and flexible market positioning strategy, ITH has emerged as a prominent player in the global touch and display driver IC sector. With the accelerated development of emerging technologies such as smart living, 5G networks, AI (artificial intelligence), smart cabins, and the Internet of Things (IoT), display screens as important interfaces for human-machine interaction will become a core component of future smart living.

ITH, with the core philosophy of sustainable coexistence with society and the environment, is committed to providing customers with green solutions and working together with suppliers to grow in the realm of social responsibility management, continuously enhancing ITH's organizational resilience.



◇ Important Resolutions of the Sustainable Development Committee in 2024

The ITH Sustainable Development Committee regularly convenes internal meetings to discuss the implementation results of ESG action plans. The agenda includes the Group's climate change adaptation plans, employee well-being plans, social care plans, and the formulation of future strategies and goals. The Committee submits the Sustainability Report to the Board of Directors annually.

Theme	Project Items	Performance Highlights	Link to the UN Sustainable Development Goals (SDGs)
Climate Change Adaptation Plan	Greenhouse Gas Inventory Plan	Given the more severe than expected impacts of climate change, and in active response to global carbon reduction initiatives, we initiated greenhouse gas inventory planning in 2024. The Company plans to conduct a comprehensive inventory of the greenhouse gas emissions produced during its operations in 2025, setting it as the baseline for formulating future carbon reduction strategies and actions.	
	Set carbon reduction goals	We plan to use 2025 as the baseline year to evaluate the replacement of outdated major carbon-emitting equipment, implementing an Energy Management System (EMS), upgrading air conditioning systems, and promoting employee energy-saving initiatives. The goal is to reduce Scope 2 greenhouse gas emissions by 15% compared to the baseline year by 2030.	 Goal 13.2 Integrate climate change measures into policies and planning
	Task Force on Climate-related Financial Disclosures (TCFD)	To enhance the transparency and comparability of climate change information and assist investors in effectively evaluating the Company's capability to address climate risks and opportunities, we identify and manage climate-related risks and opportunities based on our existing risk management framework while referencing the TCFD (Task Force on Climate-related Financial Disclosures), and incorporate them into our operational decision-making processes.	
Employee Well-Being Plan	EAPFC program	ITH cares about the physical and mental well-being of employees, and has implemented comprehensive employee well-being plans, aiming to provide the most comfortable working conditions. Through survey outcomes and collaboration with external institutions, we have developed the EAPFC care programs and goals. We regularly review the implementation progress and achievement effectiveness of the plans.	 Goal 3.4 Promote Mental Health and Well-Being
Social Care Plan	Improvement of community health care quality.	ITH has implemented social care plans to contribute to societal well-being:	 Goal 3.8 Achieve universal health coverage.
	Assistance Program for Children with Disabilities	<ul style="list-style-type: none"> * Donated a robotic arm to the China Medical University Hsinchu Hospital * Sponsored the fundraising for Happy Work Community long-term care facility at Happy Work Association, as well as meal and learning programs for children with disabilities * St. Francis Children's Home Autonomy Enhancement Program * C.K. Robotics FRC international competition program * The Heping District Tbulan Elementary School baseball team training program in Taichung City. 	 Goal 4.5 Eliminate all discrimination in education
	Disadvantaged Institutions Assistance Program	<ul style="list-style-type: none"> * Charity Sale Event on Children's Day * Celebrate Mid-Autumn Festival Together, Cherish Your Pets 	 Goal 8.5 Full employment and work with equal pay

1.3 Stakeholder Engagement and Material Topics Identification

AA1000 Stakeholder Engagement Standards

Dependency + Accountability + Closeness + Influence + Communication Frequency

« Identification of 5 stakeholder groups »

GRI Materiality Analysis

Identification: Compile Topics

Implementation Approach

23 sustainability topics

Prioritization: Analyze Topics

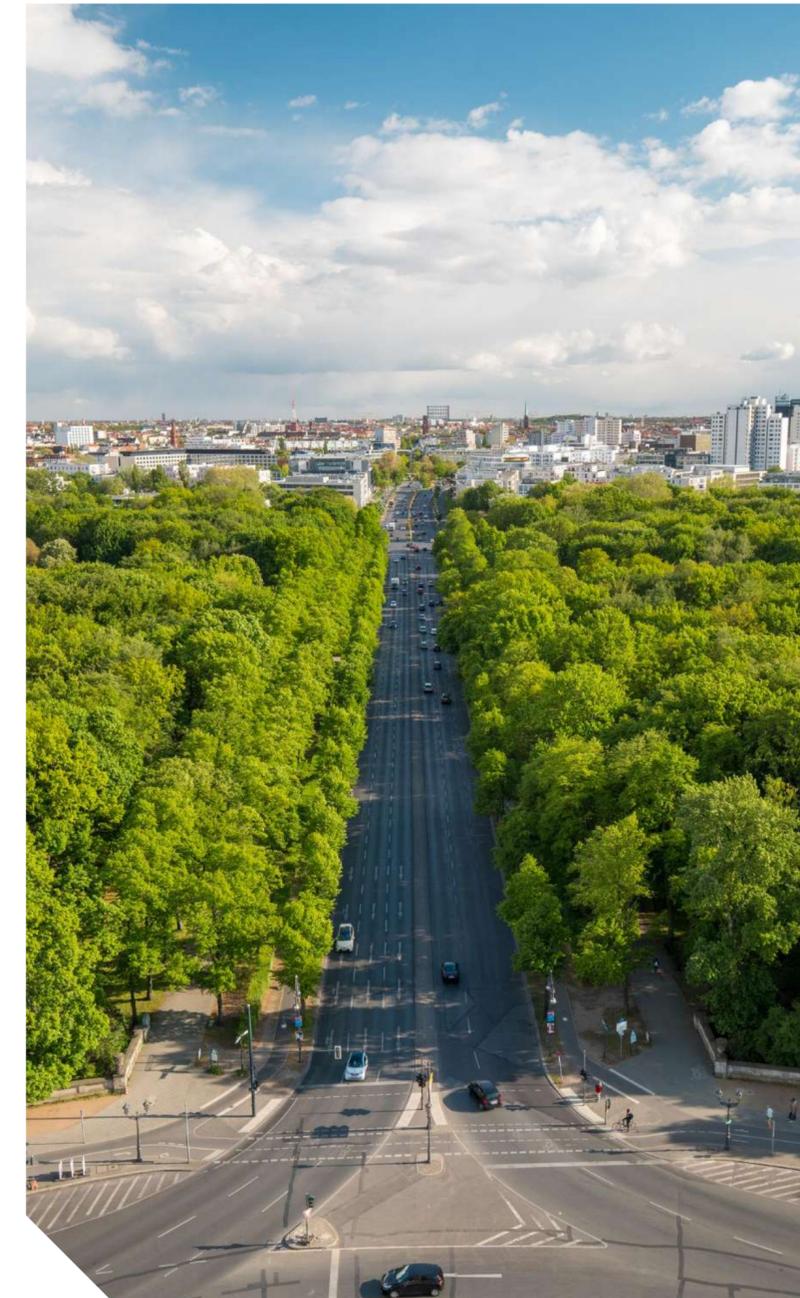
Implementation Approach

79 survey participants

Confirmation: Material Topics

Implementation Approach

9 material topics



◆ Stakeholder Engagement

The main stakeholders of this report are identified by referencing the five characteristics of "dependency, responsibility, tension, influence, and frequency" from the AA1000 SES Stakeholder Engagement Standard, and through comprehensive identification by internal management discussions, resulting in five major categories of stakeholders, including employees, customers, suppliers, government agencies, and shareholders/investors.

∴ AA1000 SES Stakeholder Engagement Standard ∴



Responsibility

Refers to stakeholders who have legal, economic, operational, and ethical responsibilities regarding current or future issues with ITH Corporation.



Influence

Refers to stakeholders who have strategic or decision-making influence on ITH operations.



Tension

Refers to stakeholders who have mutual concerns with ITH on financial, economic, social, and environmental issues.



Dependency

Refers to stakeholders who directly or indirectly rely on ITH's activities, products, and services.



Frequency

Refers to stakeholders who have a highly frequent communication with ITH.

Stakeholder	Significance to ITH	Communication Methods/Frequency	Topics of Concern	Yearly Communication Highlights and Results	
 Employees	<p>Employees are regarded as ITH's most important stakeholders, and the Company has a responsibility to take care of each one by providing a safe and healthy working environment, offering quality remuneration and benefits, strengthening internal communication channels, and effectively listening to employees' voices.</p>	<ul style="list-style-type: none"> * Electronic bulletin board and email announcements (immediately) * Reporting or complaint mechanisms (immediately) * Departmental meetings (weekly) * Labor-management meetings (quarterly) * Employee benefits committee (quarterly) 	<ul style="list-style-type: none"> * Training programs (irregularly) * Performance interviews (annually) * Occupational safety and health promotion (irregularly) * Evaluation of new colleagues (irregularly) 	<ul style="list-style-type: none"> » Talent attraction and retention » Talent development and cultivation, implementing education and training and skills development » Communication on company development strategy » Occupational safety and health 	<ul style="list-style-type: none"> * A total of 4 employee welfare committee meetings were held throughout the year, with 76 participants. * The average total training hours per employee over the entire year was 7.2 hours, with a total of 5,135.5 learning hours. * Organized a safety and health advocacy training attended by 48 people, with a total 86 hours of participation.
 Customers	<p>ITH follows a customer-oriented business philosophy, standing at the front line to understand customer needs, ensuring product quality and safety, and creating higher economic value.</p>	<ul style="list-style-type: none"> * Meetings, phone calls, and email correspondence (immediately) * Customer satisfaction survey (quarterly) * Customer quality meetings (semi-annually) * Customer audit meetings/on-site audits (annually) 	<ul style="list-style-type: none"> * Customer and supplier conferences (annually) * QTR, QBR, technology exchange meetings (irregularly) * External customer seminars (irregularly) 	<ul style="list-style-type: none"> » Customer relationship and privacy management » Business continuity management » Product quality and safety management » Innovation and R&D » Market image » Sustainable supply chain 	<ul style="list-style-type: none"> * 11 questionnaires were returned from the customer satisfaction survey, with an average customer satisfaction score as high as 90 points. * No major faults were identified in the annual customer audit. * Invited to participate in 12 QTR sessions organized by brand customers, and 4 sessions of annual customer and supplier conferences.
 Suppliers	<p>Suppliers are our important partners in sustainable operation, and in the future, we will work together with supplier partners to create new business models and enhance sustainability competitiveness.</p>	<ul style="list-style-type: none"> * Meetings, phone calls, and email correspondence (immediately) * Quality meetings (quarterly) 	<ul style="list-style-type: none"> * Supplier audits (quarterly/annually) * Customer grievance channel (irregularly) 	<ul style="list-style-type: none"> » Customer relationship and privacy management » Product quality and safety management » Sustainable supply chain » Market image » Financial performance » Business continuity management 	<ul style="list-style-type: none"> * 100% of suppliers comply with RoHS and REACH regulations, and 100% have signed conflict minerals non-usage survey forms.
 Government agencies	<p>We focus on the latest government regulatory trends, strictly implement compliance with laws and regulations, and work together with government policies to strengthen overall industry development.</p>	<ul style="list-style-type: none"> * Official correspondence and letter exchanges (irregular) 	<ul style="list-style-type: none"> » Green products » Water resource management » Waste management 	<ul style="list-style-type: none"> » Talent attraction and retention » Talent development and cultivation » Social welfare 	
 Shareholders/ investors	<p>ITH's operations must be accountable to investors. We constantly monitor ITH's value and management to safeguard shareholder interests.</p>	<ul style="list-style-type: none"> * Shareholders' meeting, Board of Directors * Phone 	<ul style="list-style-type: none"> * Email correspondence * Corporate website 	<ul style="list-style-type: none"> » Energy management » Green products » Human rights maintenance » Information security » Innovation and R&D » Business performance 	<ul style="list-style-type: none"> * In 2024, there was 1 general shareholders' meeting, 1 extraordinary shareholders' meeting, and 9 Board meetings. * Corporate Governance: Disclose corporate governance-related information to investors and communication thereon. * Business Strategy: Explanation of the Company's medium- and long-term development direction and corresponding strategies.

◆ Compilation of Sustainability Topics

ITH places great importance on the voices of stakeholders. To identify material topics related to ITH, we have referred to industry-critical issues presented in GRI Standards, the United Nations Sustainable Development Goals (SDGs), and domestic and international semiconductor industry cases. These issues are categorized into three major aspects: economic, Environment, and Society. A total of 23 sustainability topics have been collected.

1 Survey on the Impact of Sustainability Topics on Stakeholders

Following the definition of materiality by the GRI Standards, we extensively collected opinions from stakeholders. This year, we referred to sustainability assessment agencies (CDP, S&P Global Corporate Sustainability Assessment, Corporate Governance evaluations) and based on the results from the previous survey on the Impact Level of Sustainability Topics among ITH's key stakeholders. We received a total of 79 valid responses, including employees (27), customers (29), suppliers (17), government agencies (3), and shareholders/investors (3).

79 Stakeholders Participate in the Surveys

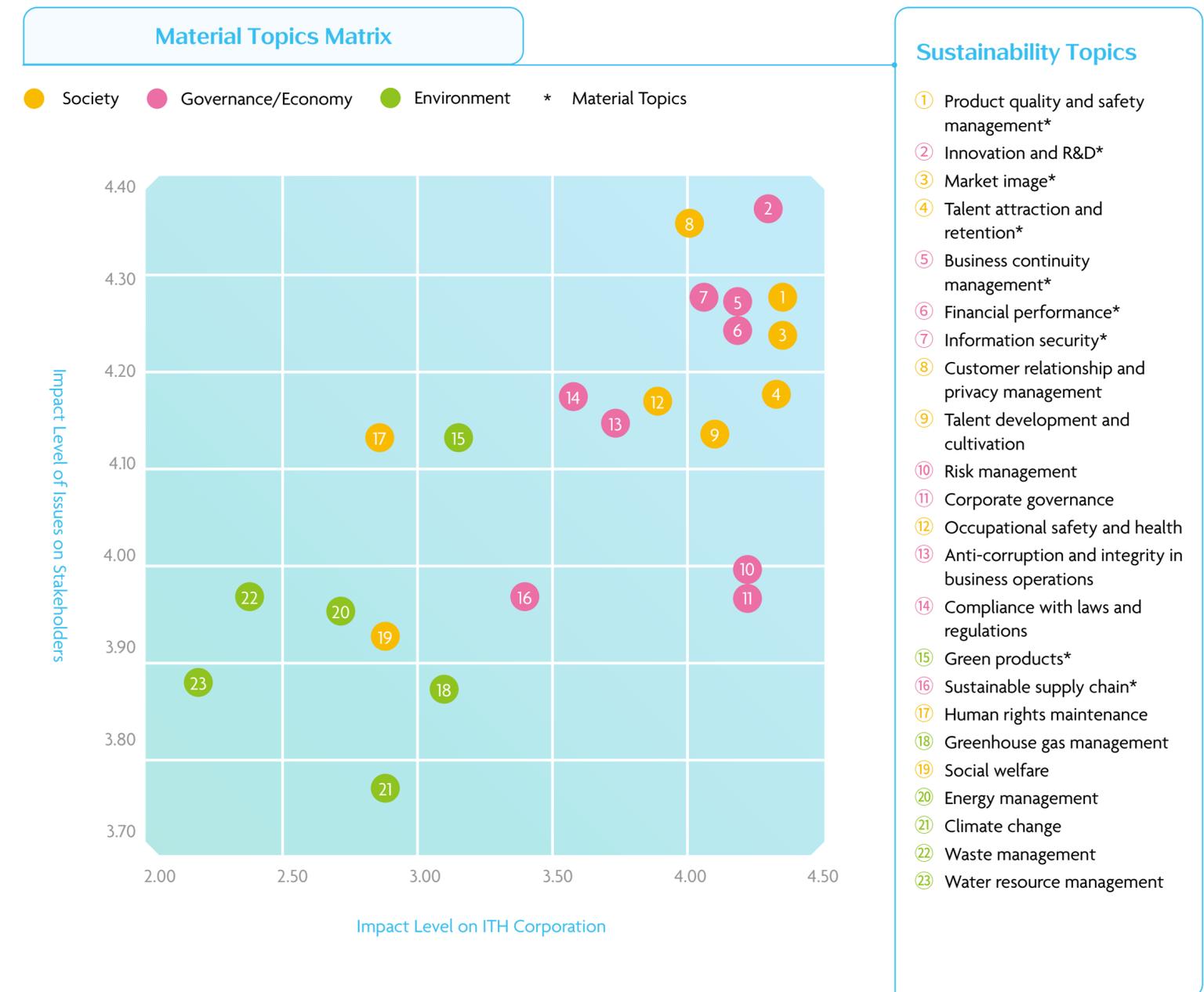
- Employees: 27
- Customers: 29
- Suppliers: 17
- Government agencies: 3
- Shareholders/investors: 3

2 Investigation of the Impact Level on Operations

In addition to the participation of major stakeholders in the investigation, we also invited ten colleagues, including department heads and the ESG Sustainability Committee, to assess and provide feedback on the impact level of each issue on ITH's operations, thereby integrating both internal and external perspectives to identify the impact level of each ESG issue.

◆ Material Topics Ranking

Comprehensive consideration and analysis of the ratings from 79 stakeholders and 10 executives on "Impact Level of Issues on Stakeholders" and "Impact Level of Issues on Business Operations" were conducted to create a "Material Topics Matrix." The material topics are first reviewed by the Chief Sustainability Officer and the Sustainable Development Committee. They are then ranked based on the context of sustainable development, industry environment, and opinions from external experts. Ultimately, the Sustainable Development Committee approves nine material topics that require response. In accordance with GRI reporting standards, internal information, data, and management approaches are collected and disclosed.



◆ Boundaries of Material Topics

ITH examines the impact boundaries of the 9 material topics from the perspective of supply chain, including both direct and indirect aspects.

Aspect	Material Topics	GRI Standards	Company Operations		Downstream Manufacturing			Management Approaches Disclosure Section
			IC Design	Wafer Fabrication	Assembly & Testing	End Use		
 -E- Environmental aspect	Green products	* Industry issues	●	●	●	●	3.4 Innovation and R&D and energy-efficient product design	
	Sustainable supply chain	* GRI 308 * GRI 414	●	●	●	●	3.1 Supply chain management	
 -S- Society aspect	Market image	* Industry issues	●	-	-	●	3.3 Customer service management	
	Talent attraction and retention	* GRI 401 * GRI 404 * GRI 405	●	-	-	-	5.1 Talent attraction and retention	
	Product quality and safety management	* GRI 416	●	●	●	-	3.2 Product quality management	
	Information security	* GRI 418	●	-	-	-	2.5 Risk management	
 -G- Governance aspect	Financial performance	* GRI 201	●	-	-	-	2.2 Financial performance	
	Innovation and R&D	* Industry issues	●	●	●	●	3.4 Innovation and R&D and energy-efficient product design	
	Business continuity management	* Industry issues	●	●	●	-	2.5 Risk management 3.1 Supply chain management	

● Direct Impact ● Indirect Impact - No correlation

CHAPTER 2

Corporate Governance

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CORPORATE GOVERNANCE

Yearly Performance Highlights



A total of 9 Board meetings were held, with an average attendance rate of 100% among directors.



0 major legal violations or corruption incidents occurred, and no whistle-blowing cases were reported.



In 2024, \$2.5 million was invested in information security management. Resource investments included: improving governance and technical infrastructure, strengthening cybersecurity defense equipment, incident response and attack-defense drills, and education and training, comprehensively enhancing information security capabilities and perfecting cybersecurity protection. No information security or data leakage incidents occurred in the reporting year.



44 domestic and international patent applications were filed in 2024, and 16 new domestic and international patents were granted, with 1 trade secret managed internally. As of 2024, ITH has filed a total of 488 patent applications and maintained 313 valid patents. In 2024, ITH did not have any patent infringement cases or patent litigation cases.

2.1 Corporate Governance Framework

To enhance corporate governance and create a diverse Board of Directors, ITH expects directors to possess core competencies such as international perspective, leadership, influence, communication and coordination skills, and implementation ability to strengthen the independence of corporate governance. Members of the Board of Directors provide professional and objective opinions with a high degree of self-discipline and a prudent attitude.

In addition to the establishment of the Board of Directors, the Company has also formed functional committees such as the Audit Committee and the Remuneration Committee. These committees are responsible for overseeing and guiding the Company's decision-making in economic, environmental, and social aspects, confirming the performance goals and remuneration structures for directors and managers, and effectively implementing internal controls and risk management to address potential corporate risks.

Core Competencies of Directors



◆ Board Member Diversity and Independence

The current Board of Directors of the Company is composed of seven directors, including industry experts and professionals in finance and accounting. There are a total of seven director seats, including three corporate directors, three independent directors, and one female director, with a term of three years.

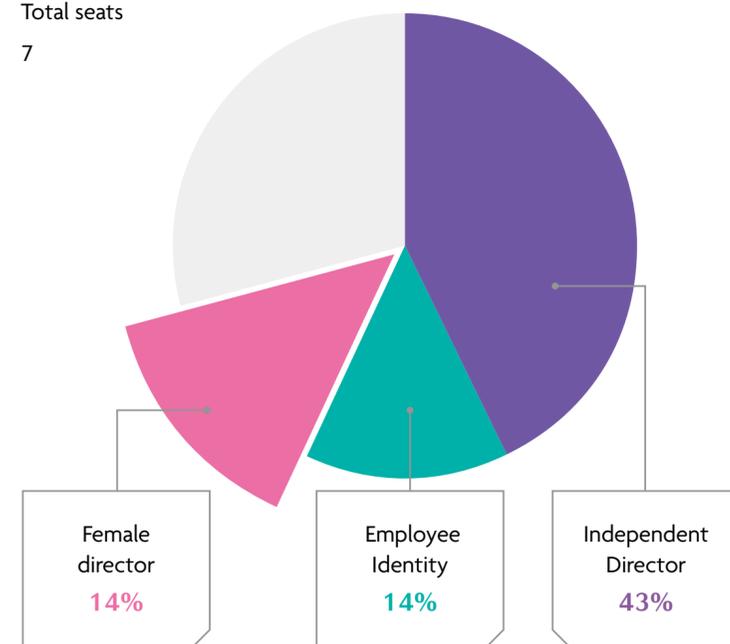
The Board of Directors convenes at least once a quarter to ensure the effective operation of independent supervision and check-and-balance mechanisms. All major proposals are reported to, discussed by, and resolved by the Board of Directors to maintain fairness and transparency of corporate governance. The Company evaluates the independence of directors based on actual circumstances, considering their constructive opinions toward the management team and other directors, their ability to express independence, and whether they meet social ethical standards. The Company continuously reviews the independence of the Board of Directors.

The Company currently has 7 directors, with ages ranging from 41 to 70 years old, all of whom hold Taiwan nationality. Only 1 director is concurrently serving as an employee (accounting for 14%). The Company has 3 independent directors, accounting for 43% of the Board of Directors., None of the directors are subject to the circumstances specified in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act, and there are no spousal or second-degree kinship relationships among the directors. Directors who concurrently serve as company managers do not exceed one-third of the director seats. All independent directors meet professional criteria and are external individuals independent of the Company.

The Company is committed to the diversification of the Board of Directors and has designed a diversity policy based on the "Corporate Governance Practice Guidelines." This policy covers two major aspects: basic criteria and value (gender, age, nationality, and culture) and professional knowledge and skills (law, accounting, industry, finance, marketing, technology, etc.), ensuring that the directors possess the knowledge, skills, and expertise necessary to fulfill their duties. The current Board of Directors possesses diverse professional backgrounds in finance, industry, technology, operations management, accounting, and financial analysis, supporting the Company's sustainable development.

Additionally, the Company values gender equality, with currently 1 female director, accounting for 14% of the Board of Directors. In the future, we will continue to enhance the diversity and professionalism of Board members to ensure governance effectiveness and corporate sustainability development.

Total seats
7

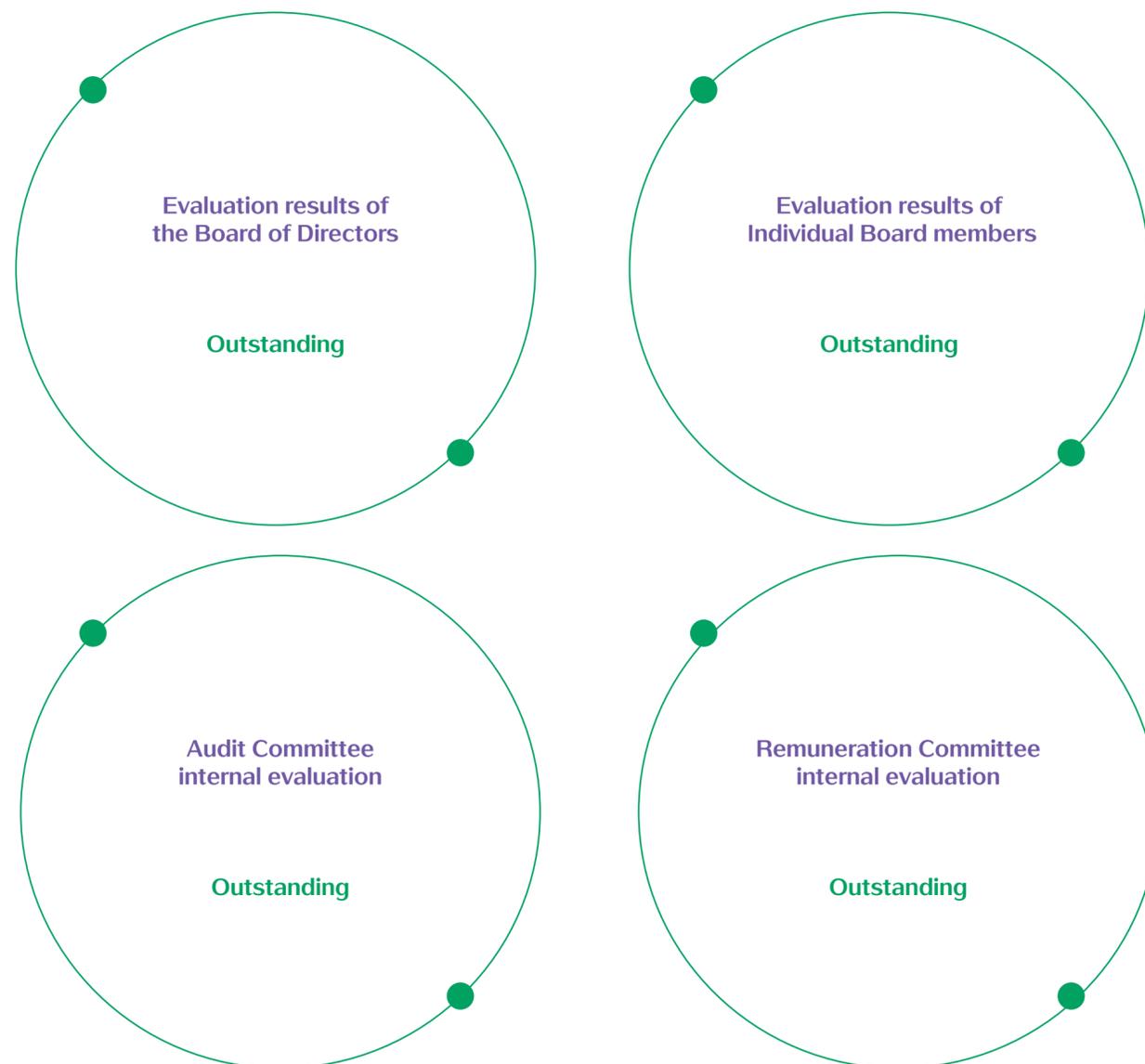


Title	Name	Gender/Age	Term	Employee Identity	Business Management and Operational Judgment	Finance and Accounting	Crisis Management	Industry Knowledge	International Market Perspective	Leadership and Decision-Making Abilities
Chairman	Milehigh Investments Holding Limited (Representative: Wayne Liang)	♂ 61-70		-	✓	✓	✓	✓	✓	✓
Directors	Nelpus Investments Limited (Representative: Justin Wang)	♂ 41-50		-	✓	✓	✓	✓	✓	✓
Directors	ACIT Limited (Representative: Bruce Chen)	♂ 41-50		●	✓		✓	✓	✓	✓
Directors	Lydia Chen)	♀ 51-60	3	-	✓	✓	✓	✓	✓	✓
Independent Director	Ted Lee	♂ 51-60		-	✓	✓	✓	✓	✓	✓
Independent Director	Sam Chen	♂ 51-60		-	✓	✓	✓	✓	✓	✓
Independent Director	Peter Teng	♂ 41-50		-	✓		✓	✓	✓	✓

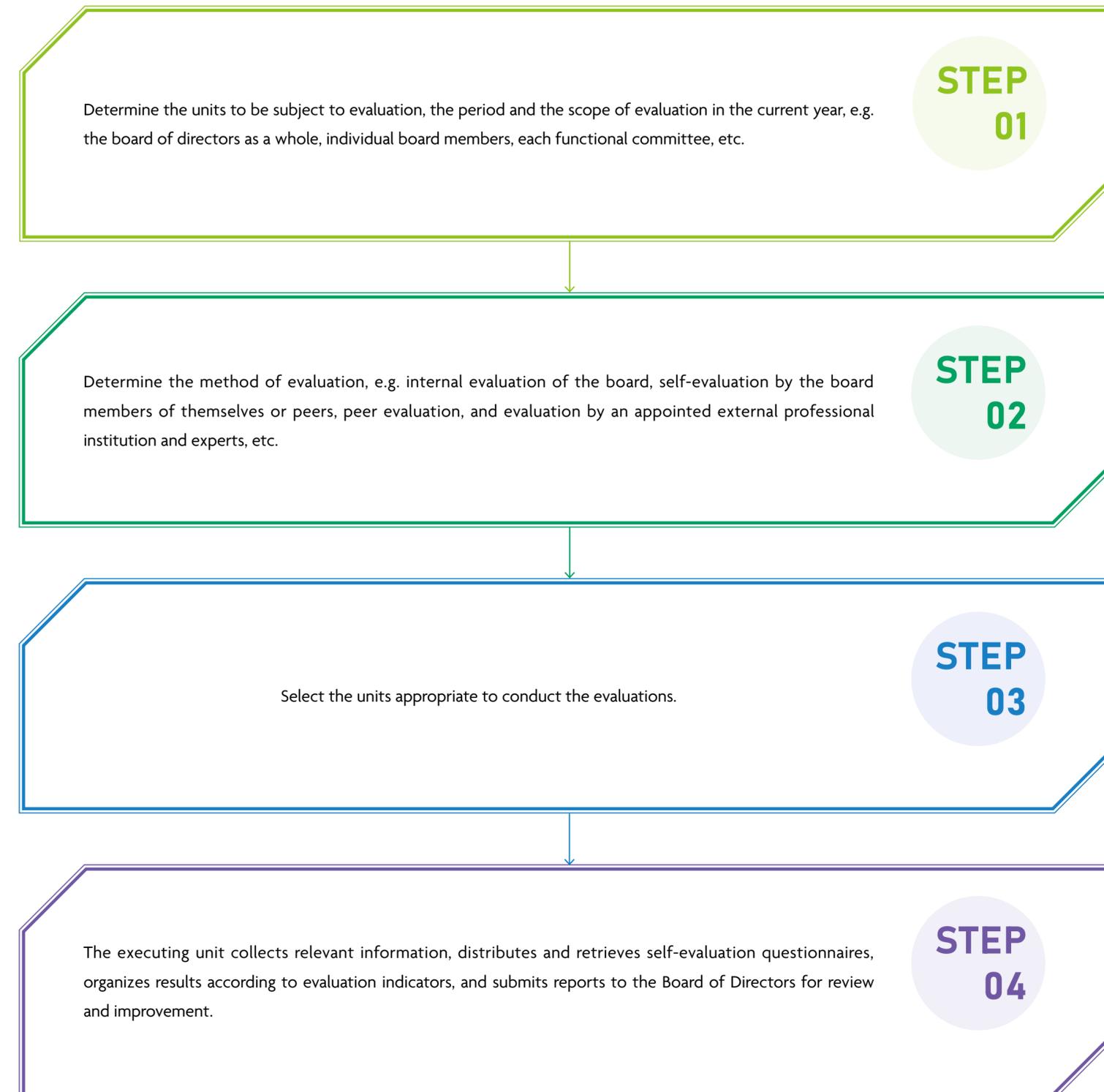
For information on Board Member Diversity and Independence, please refer to the shareholders' meeting annual report on "Board Diversity Policy and Independence."

◆ Directors Performance Evaluation

On January 16, 2024, the Board of Directors approved the "Rules for Performance Evaluation of Board of Directors," mandating at least one internal self-assessment annually of the Board, functional committees, and individual directors. The evaluation can be conducted by external independent professional institution or a panel of external experts and scholars. It must be completed by the end of the first quarter of the following year, with the evaluation results reported to the Board of Directors. The internal evaluation results for 2024 for the overall Board of Directors, individual Board members, and the Audit Committee were rated as "Outstanding," with the Remuneration Committee also rated as "Outstanding." The evaluation indicated that the overall operations of the Board of Directors and each functional committee were excellent, meeting corporate governance requirements, and effectively enhancing the functions of the Board while protecting shareholders' interests.

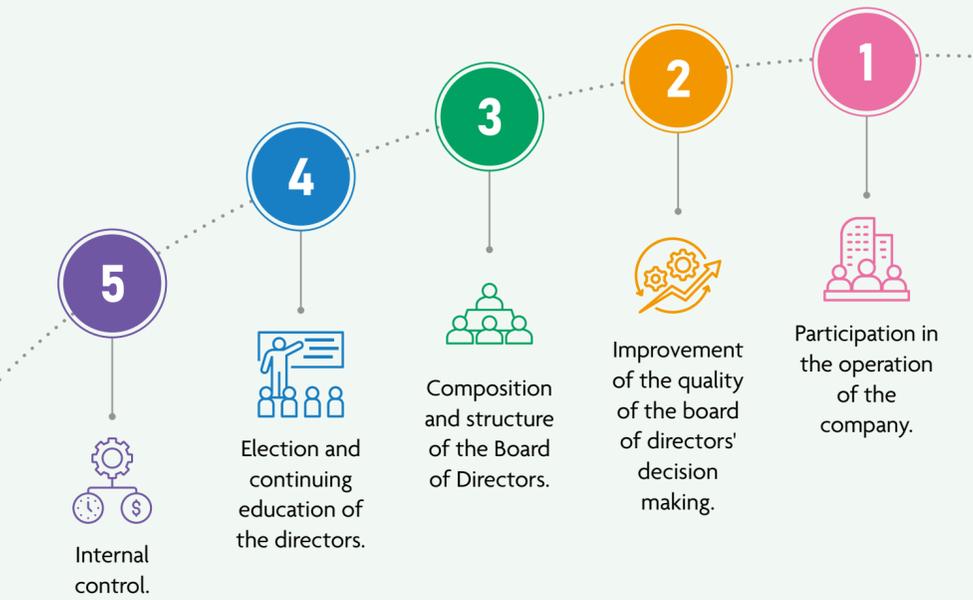


Evaluation Procedures



Evaluation Indicators

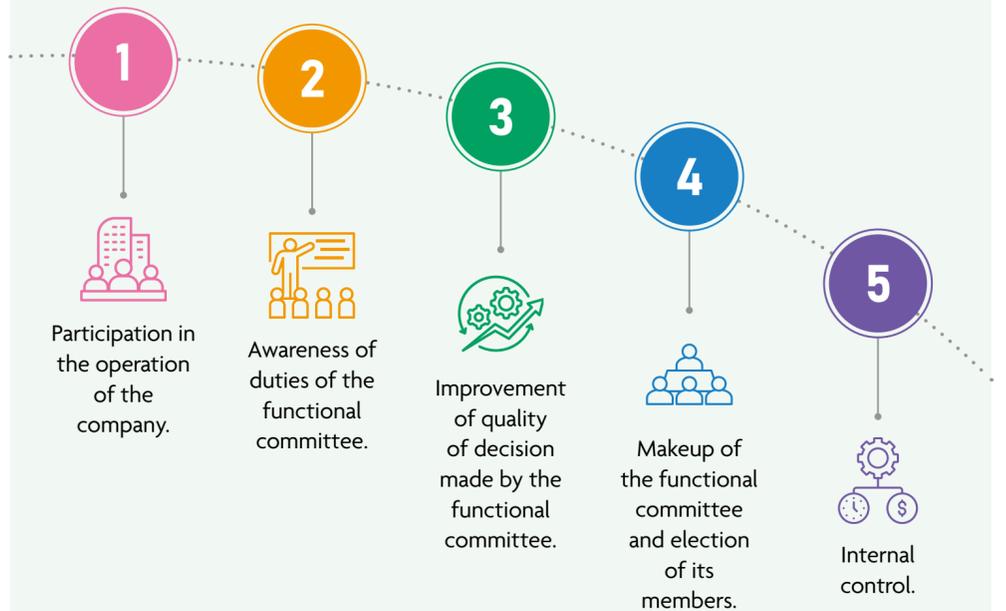
The Company shall take into consideration its condition and needs when establishing the criteria for evaluating the performance of the board of directors, which should cover, at a minimum, the following five aspects



The criteria for evaluating the performance of the board members (on themselves or peers), should cover, at a minimum, the following six aspects



The criteria for evaluating the performance of functional committees should cover, at a minimum, the following five aspects

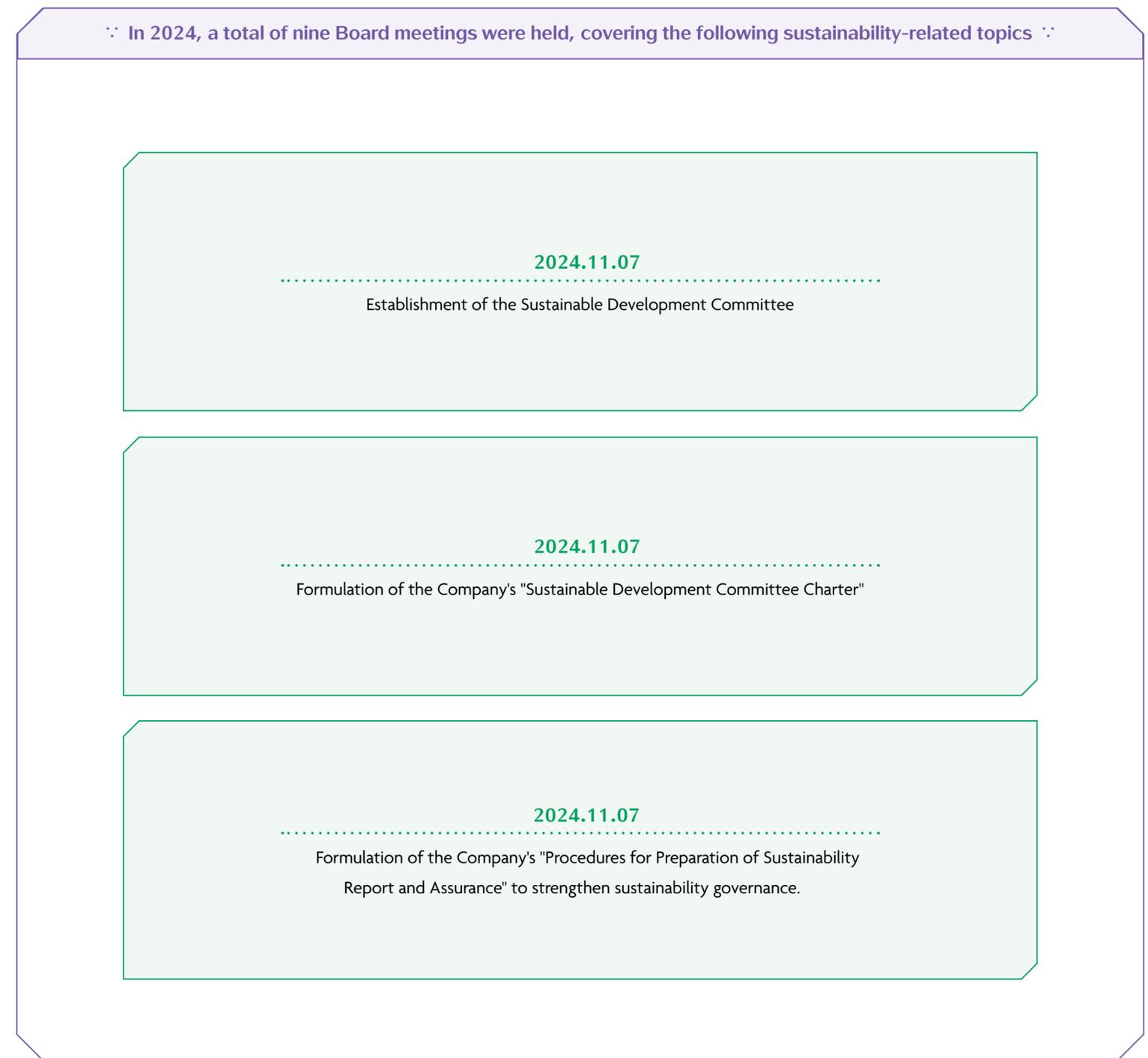


◇ 2024 Board Operations Status

The Board of Directors is the Company's highest governance body and ultimate decision-making center, overseeing overall operation management. The Company conducts the nomination and selection of members of the highest governance body based on the principles of fairness, impartiality, and transparency, taking into account the overall composition and diversity of the Board of Directors. On January 16, 2024, the Board approved the "Director Nomination and Election Procedure." The Company's Articles of Incorporation clearly stipulate the adoption of a cumulative voting system and a candidate nomination system. It considers the diverse backgrounds and independence of nominees in terms of professional knowledge, skills, experience, and gender, considering the following key factors comprehensively:



The nomination of Board members undergoes a rigorous selection process, and is reviewed by the Board of Directors and elected by shareholders' meeting through voting to ensure that the Board can effectively perform its supervisory and decision-making functions, thereby promoting the Company's steady development and sustainable operation.



◆ Members of the Board of Directors and Meeting Attendance

The Board of Directors held 9 (A) meetings in 2024. The attendance of directors was as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) (B/A)	Remarks
Chairman	Milehigh Investments Holding Limited	9	-	100%	
	Song High Investment Holding Co., Ltd. Representative: Wayne Liang				
Directors	Nelpus Investments Limited	9	-	100%	
	Representative: Justin Wang				
Directors	ACIT Limited	9	-	100%	
	Representative: Bruce Chen				
Directors	Lydia Chen	9	-	100%	
Independent Director	Ted Lee	9	-	100%	
Independent Director	Sam Chen	9	-	100%	
Independent Director	Peter Teng	6	-	100%	Elected on March 14, 2024. Number of times required to attend: 6 times
Independent Director	Sun Shih-Wei	2	-	100%	Elected on December 29, 2023. Resigned on February 19, 2024. Number of times required to attend: 2 times

◆ Remuneration Policies for Directors and Managerial Officers

Director compensation includes remuneration, business execution expenses, and director fees. Directors who concurrently serve as managers or consultants do not receive a monthly remuneration. The monthly remuneration for external directors and independent directors is determined based on their level of participation in company operations, contribution value, supervision of the Company's sustainable development plans, and reference to industry standards. Business execution expenses are transportation allowances paid based on attendance.

According to Article 34 of the Company's Articles of Incorporation, if there is a profit for the year, the Company may allocate up to 1% of the pre-tax net profit before deducting employee and director remuneration for director remuneration. This has been approved by the Remuneration Committee and the Board of Directors, and reported to the shareholders' meeting.

The remuneration for managers is determined based on the "Regulations for Remuneration of Directors and Managers" and by referencing industry standards for similar positions. It includes fixed remuneration, performance bonuses, employee compensation, and other remuneration. Performance bonuses and employee compensation are linked to business performance. Performance bonus evaluation criteria include management capabilities and achievement of work goals. The Human Resources formulates year-end bonus distribution recommendations based on the Company's annual profit and annual performance evaluation results of managers. These recommendations are submitted for approval by the Chairman and then reviewed by the Remuneration Committee before implementation with the agreement of the Board of Directors. Employee remuneration takes into consideration of the Company's business performance, future operations, and risks. The Remuneration Committee formulates allocation recommendations, which are decided by the Board of Directors and reported at the shareholders' meeting.

For information on directors and managers' remuneration in 2024, please refer to the shareholders' meeting annual report on "Remuneration paid to Directors, Supervisors, President, and Senior Executive Vice Presidents in the most recent year."



◆ Board of Directors' Avoidance of Conflicts of Interest

The Company clearly stipulates conflict of interest prevention policies and operational procedures for personnel at all levels in its "Operational Procedures for Ethical Management and Guidelines for Conduct" and "Corporate Governance Best Practice Principles," providing appropriate channels for disclosure and ensuring effective implementation.

01

Directors, independent directors, managers, and other stakeholders attending or present at Board meeting shall, when agenda items listed for the Board meeting involve matters in which they or the legal entities they represent have vested interests, explain the material content of such interests at that Board meeting. If there is concern that such interests may be detrimental to the Company's interests, they shall not participate in the discussion and voting, and shall recuse themselves during the discussion and voting process, and may not exercise voting rights on behalf of other directors.

02

When company personnel discover a conflict of interest related to themselves or the legal entities they represent while conducting company business, or when there is a possibility that they, their spouse, parents, children, or stakeholders could gain improper benefits, they shall report the relevant situation to their immediate supervisor and the Company's Human Resources Unit. The immediate supervisor is also required to provide appropriate guidance.

03

Company personnel shall not use company resources for business activities outside the Company, and shall not let participation in external business activities affect their work.

◆ Continuing Education of Directors and Managerial Officers

The Company places great emphasis on enhancing directors' professional competencies and governance capabilities. In 2024, all directors completed the required continuing education hours as stipulated. The annual training courses for directors include topics related to corporate governance and business integrity. In 2024, courses on corporate governance and securities regulations were arranged with 13 participants, including directors, senior executives, and other employees, and a total of 78 training hours. These courses covered core issues such as corporate governance, Board performance evaluation, global economic trends, corporate M&A strategies, and information security governance, effectively enhancing governance literacy and decision-making capabilities.

Participant	Course Name	Total Training Hours
Board Members	<ul style="list-style-type: none"> * Corporate Governance and Securities Regulations * Board of Directors Performance Evaluation Best Practices Seminar * Current Global Economic and Financial Situation * Enterprise Merger and Acquisition Strategy and Planning 	30
Corporate Governance Officer	<ul style="list-style-type: none"> * Corporate Governance and Securities Regulations * Directors and Supervisors (Including Independent Directors) and Corporate Governance Supervisor Practical Training Seminar * Executive Series Course - How Non-Financial Background Directors and Supervisors Review Financial Statements 	18
Chief Research and Development Officer / Acting Accounting Officer	<ul style="list-style-type: none"> * Corporate Governance and Securities Regulations 	6
Chief Internal Audit Supervisor/Chief Information Security Officer	<ul style="list-style-type: none"> * Pre-employment Training Course for New Corporate Internal Audit Personnel * Information Security Awareness, Essential Knowledge, and Responsibilities * Description of the Information Security Incident and Preventive Measures * TWSE/TPEX-listed Companies Information and Communication Security Control Guidelines Explanation 	24



◆ Board Governance Structure

To enhance the effectiveness of Board operations, the Company has established the Audit Committee, Remuneration Committee, and Sustainable Development Committee. These committees assist the Board of Directors in fulfilling their supervisory responsibilities by formulating and reviewing the implementation and execution of relevant policies and systems, strengthening the operations of the Board of Directors, and regularly reporting their execution status and resolutions to the Board of Directors. The Company has established the "Corporate Governance Practices Guidelines" and, in accordance with the competent authority's regulations, appointed a Corporate Governance Supervisor to protect shareholders' rights and enhance the functions of the Board of Directors. The Company has a Corporate Governance Supervisor appointed by a resolution of the Board of Directors. The Supervisor's main responsibilities include handling meeting-related matters of the Board of Directors, Audit Committee, Remuneration Committee, and shareholders' meetings in accordance with the law, preparing minutes, assisting Directors with onboarding and continuing education, providing necessary information for Directors to perform their duties, and assisting Directors in complying with laws and other matters set forth in the Articles of Incorporation or contracts, to enhance corporate governance and strengthen the functions of the Board of Directors.

Board of Directors

Full re-election in December 2023 7 directors, including 3 independent directors.

Responsibilities

- * Actively implementing supervisory responsibilities.
- * The Board of Directors meets at least once every quarter. Assisting management in guiding corporate strategy.
- * Long-term and short-term strategic planning for shareholders and stakeholders.
- * Maintain good communication with management.

Performance Highlights

- * Set at least three independent directors
- * At least one female director
- * At least one independent director holds certified public accountant license, or a professional credential in finance or business administration.
- * Directors who concurrently serve as managers do not exceed one-third of all director seats
- * The term of independent directors does not exceed three terms
- * The average attendance rate among directors reaches 100%.

Remuneration Committee

Established in December 2023 Composed of 3 independent directors

Responsibilities

- * Establish and regularly review the annual and long-term performance goals for directors and managers.
- * Hold at least two meetings per quarter
- * Policies, systems, standards, and structures for performance evaluation and remuneration
- * Regularly evaluate and establish remuneration for directors and managers.

Performance Highlights

- Evaluation of the Company's remuneration policies and systems for directors and managers from a professional and objective standpoint, with recommendations submitted to the Board of Directors as a basis for decision-making.
- * Establish fair remuneration: Ensure that the remuneration plan is fair to motivate employees' performance.
- * Ensure transparency: Enhance the transparency of remuneration decisions to increase employees' trust.
- * Regular evaluation: Regularly assess the remuneration of directors and managers to maintain market competitiveness.

Audit Committee

Established in December 2023 Composed of 3 independent directors

Responsibilities

- * Supervision of the Group's operations and finances.
- * Proper presentation of financial statements.
- * Effective implementation of internal control.
- * Supervision of compliance with relevant laws and regulations.
- * Management of existing and potential corporate risks.

Performance Highlights

- * Safeguard financial transparency: Ensure that financial statements are accurate and transparent, meeting international standards
- * Strengthen risk management: Supervise risk management and internal controls to protect company assets.
- * Maintain compliance standards: Ensure the Company adheres to laws, regulations, and ethical standards, preserving its market image.

Sustainable Development Committee

Established in November 2024 Composed of the Chairman and 2 company members

Responsibilities

- * Plan the Group's sustainable development vision, policies, and goals.
- * Approve sustainable development charters and regulations.
- * Identify the risks and opportunities of sustainability topics, determine response strategies and investment directions
- * Supervise the planning and implementation of sustainable strategies
- * Supervise sustainability performance and information disclosure.

Performance Highlights

- * Enhance sustainability management systems: Establish the Sustainable Development Committee Charter, Procedures for Preparation of Sustainability Report and Assurance, and Sustainability Information Management Systems.
- * Non-financial information transparency: Apply international standards such as GRI, TCFD, SASB, and continuously enhance the completeness of the Sustainability Report content.

2.2 Financial Performance ☆



ITH not only pursues the advancement of quality technology but also places great emphasis on its financial indicators. We understand that corporate financial data is the foundation for investors to build confidence in a company. Therefore, the Company sets annual and long-term goals for its financial status. Under the governance and leadership of the management team, the Finance and Accounting Department communicates financial matters with internal departments to conduct financial control and review, and regularly reports the Company's budget to the management to maintain financial stability.

Material Topics

Management Approach for Financial Performance

Policy and Commitment

ITH continues to focus on driver IC product development, product integration, and profitability structures, aiming to attract more talented personnel, boost revenue goals, and achieve sustainable operations.

Adjustment Measures

Continuous innovation and pursuit of excellence allow us to leverage the positive impacts brought by the economic environment. Through supply chain management, we mitigate the financial pressure arising from slower inventory turnover.



Positive Opportunities

Influenced by the economic climate, the purchasing willingness of end customers has increased, indirectly driving stable growth in business revenue.



Negative Risks

Affected by the overall economic environment, factors such as inflation, interest rate and exchange rate fluctuations, and wars, have caused financial impacts and thereby affected the Company's profit and loss.



Short-term goals

- * Enhance market investigation and customer demand analysis, improve R&D efficiency, and shorten time-to-market for products to quickly capture market share.
- * Strengthen marketing and sales management, expand market share, and achieve stable short-term revenue growth.
- * Ensure that the Company's financial structure is sound to provide sufficient funding support for various R&D and business needs.



Medium- to long-term goals

- * Continue to maintain advantages in the high-end driver IC product field, strengthen technological innovation, improve product quality and added value to increase revenue and gross margin.
- * Enhance product integration and design capabilities, develop highly competitive products, and increase market share and profitability.
- * Expand into emerging markets, enhance the Company's level of internationalization, and achieve long-term sustainable growth and sustainable operations.

Financial Data

Unit: NT\$ thousand

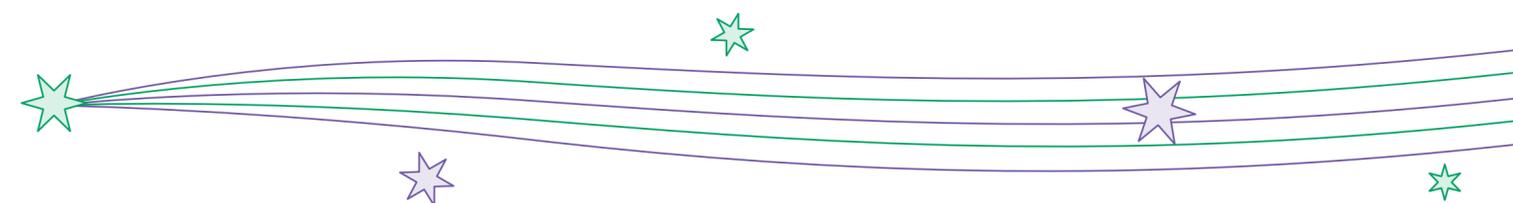
Items		2022	2023	2024
Direct Economic Value Generated	Operating revenue	22,187,806	22,397,637	22,461,565
	Operating costs	16,012,467	17,850,064	16,437,777
Distributed Economic Value	Employee remuneration & benefit expenses	3,330,952	2,285,358	2,873,709
	Payments to investors (distribution of stock and cash dividends in the year)	1,498,937	1,148,186	488,588
	Social investment	1,793	729	2,458
	Tax expenses	3,325,690	1,113,225	315,418
Total Distributed Economic Value		24,169,839	22,397,562	20,117,950
Retained Economic Value		(1,982,033)	75	2,343,615

Note 1: The scope of financial data covers ITH and its subsidiaries.

Product Sales Region Information

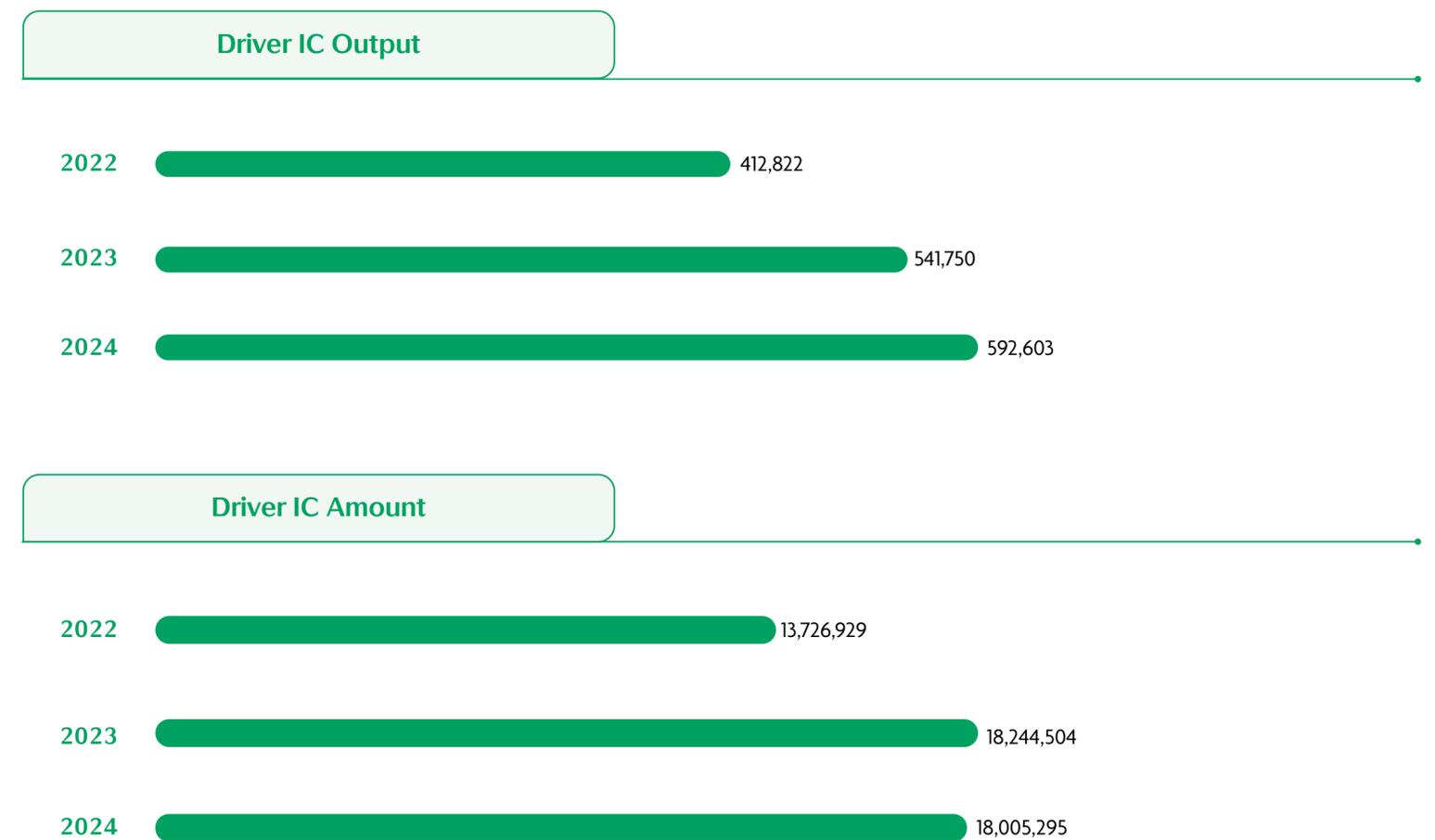
Unit: NT\$ thousand

Year	2022		2023		2024	
	Amount	Sales Amount Percentage	Amount	Sales Amount Percentage	Amount	Sales Amount Percentage
Taiwan	1,035,371	4.67%	772,382	3.45%	711,722	3.17%
Other regions	21,152,435	95.33%	21,625,255	96.55%	21,749,843	96.83%
Total	22,187,806	100%	22,397,637	100.00%	22,461,565	100%



Annual Production Value Information

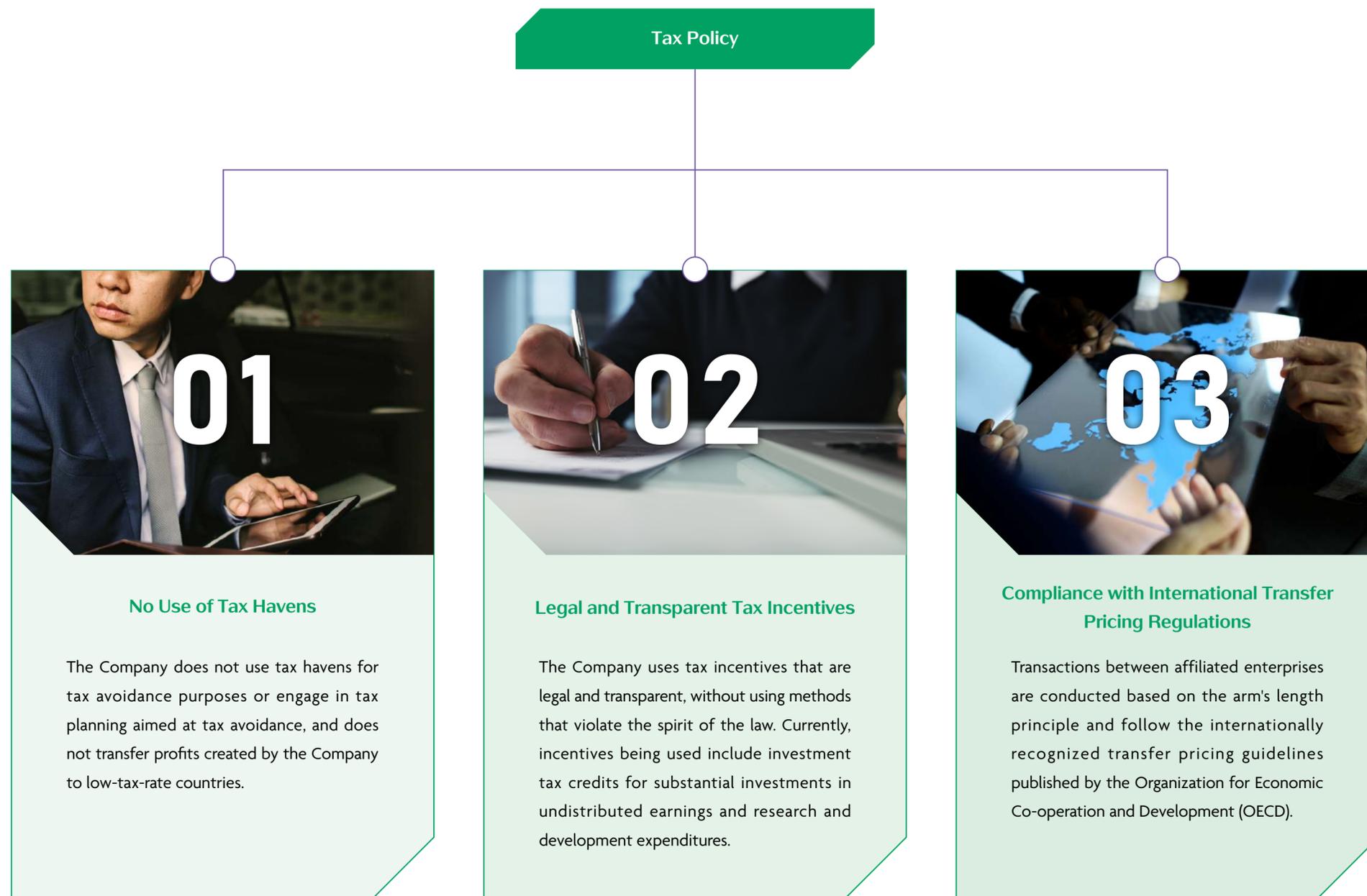
Unit: thousand pieces; NT\$ thousand



◆ Tax Policies

The Company conducts effective risk management through tax governance mechanisms, aiming to create value with a sound tax management model and to mitigate unspecified tax legal risks and costs with appropriate management expenses.

The Board of Directors is the highest tax management and decision-making unit, with the Finance and Accounting Department serving as the tax management unit. To enhance the tax expertise and capabilities of colleagues responsible for tax matters, employees are encouraged to regularly participate in tax courses, seminars, and courses organized by competent authorities, or occasionally engage in discussions on tax-related issues with external tax consulting agencies.



Tax Risk Management



Tax communication risk

Upon receiving a letter from competent authorities requesting supplementation of tax-related data or explanations, the Company fully cooperates by providing the required data with explanatory documentation to help the National Taxation Bureau understand the reasonableness of the Company's transactions. In the past, there has never been a need for administrative appeals or remedies due to differences in tax opinions between the parties.

Compliance with tax laws and regulations

If ITH has any concerns about the applicability of laws in tax matters, it will proactively consult and discuss with accountants and tax authorities to clarify the legal regulations that apply.



2.3 Ethics and Integrity ☆

Establishing a governance system and corporate culture that are transparent and grounded in integrity is crucial. To create a sound business operational framework, ITH has established the "Ethical Corporate Management Best Practice Principles" and the "Operational Procedures for Ethical Management and Guidelines for Conduct." The human resources and administrative unit acts as the dedicated unit. These principles explicitly prohibit bribery and corruption, the offering of illegal political donations, improper charitable donations or sponsorships, unreasonable gifts or hospitality, or other improper benefits; prohibit infringement of intellectual property rights, engage in unfair competition, and prevent products and services from harming stakeholders. The applicable stakeholders include the Company's and the group's directors, managers, employees, appointees, and individuals with substantial control capabilities.

In addition, ITH has also established the "Corporate Governance Best Practice Principles," which include content on preventing conflicts of interest, avoiding opportunities for self-gain, confidentiality responsibilities, fair trading, protection and proper use of company assets, complying with laws and regulations, encouraging the reporting of any illegal activities or violations of the Principles, and disciplinary measures. The applicable stakeholders include the Company's directors and managers.

ITH believes that upholding the principles of integrity and probity in operations, maintaining a reputation for fairness and honesty, has always been ITH's most important core value and asset. In 2024, ITH experienced no major legal violations or corruption incidents, and no whistleblower cases occurred.

∴ Anti-corruption Awareness and Promotion ∴

ITH values anti-corruption and related ethical behavior. New employees are required to thoroughly read and sign the Integrity and Confidentiality Agreement and the Personal Data Protection Notification and Consent Form on their reporting day. Related regulatory links are included in the new employee assessment to confirm that they have read the relevant regulations. The signing rate among all employees reached 100%. Annual training sessions for new employees are also held to reinforce awareness, including courses related to trade secrets and intellectual property rights. Participation in 2024 courses is detailed in the table below:



◇ Whistle-Blowing System Channels

Email reporting	Mail-in reporting	Phone reporting
Contact Methods audit@ith.ltd	Contact Methods 10th Floor-1, No. 1, Taiyuan 2nd Street, Zhubei City, Hsinchu County	Contact Methods 03-5600099
Receiving Department Automatic forwarding to the Audit Department	Receiving Department Audit Department	Receiving Department Audit Department

ITH has established transparent whistle-blowing mechanisms and channels to actively prevent dishonest conduct, fraud, and illegal activities. Employees who identify any related misconduct within the Company may file reports and complaints, with the audit department leading the relevant investigation and handling procedures. During the investigation process, the personal data and reporting information provided by the whistle-blower will be kept confidential by the Company in accordance with the law, and appropriate protective measures will be taken in compliance with legal requirements. Once any violation is verified, it will be handled according to the Company's relevant management regulations and local legal provisions.

2.4 Internal Audit ☆

ITH has established an audit unit, which reports to the Board of Directors. Based on the results of the risk assessment, specific operational cycles and control processes are included in the annual audit items for examination, in order to effectively manage risks and establish a risk management-oriented internal audit system. According to the annual audit plan approved by the Board of Directors, various audit tasks are executed.

The purpose of the audit system is to assist the Board of Directors and managers in inspecting and reviewing deficiencies in the internal control system and measuring the effectiveness and efficiency of operations. It also provides timely recommendations for improvement to ensure the continued effective implementation of the internal control system, and serves as a basis for reviewing and revising the internal control system.

The Company has established that the appointment and dismissal of the Internal Audit Supervisor must be reviewed by the Audit Committee and the submitted to the Board of Directors for approval. Internal audit personnel must meet statutory qualifications and continue professional development to fulfill required hours. By the end of January each year, they are required to report their names, ages, educational backgrounds, experience, years of service, and training status via the internet information system for verification purposes.

Independent directors, internal audit, and certifying CPAs have direct communication channels and maintain good communication. The Internal Audit Supervisor executes various audit tasks according to the annual audit plan. Audit reports and follow-up reports are submitted to each independent director for review after approval, and reported during the quarterly Board meetings and Audit Committee meetings.

The communication situation between independent directors and the Internal Audit Supervisor.

1

The Company holds a Board of Directors meeting every quarter, with independent directors and the Internal Audit Supervisor attending. The Internal Audit Supervisor reports on internal audit operations at each Board of Directors meeting.

2

The audit unit regularly sends audit reports and follow-up report outcomes to independent directors for review.

3

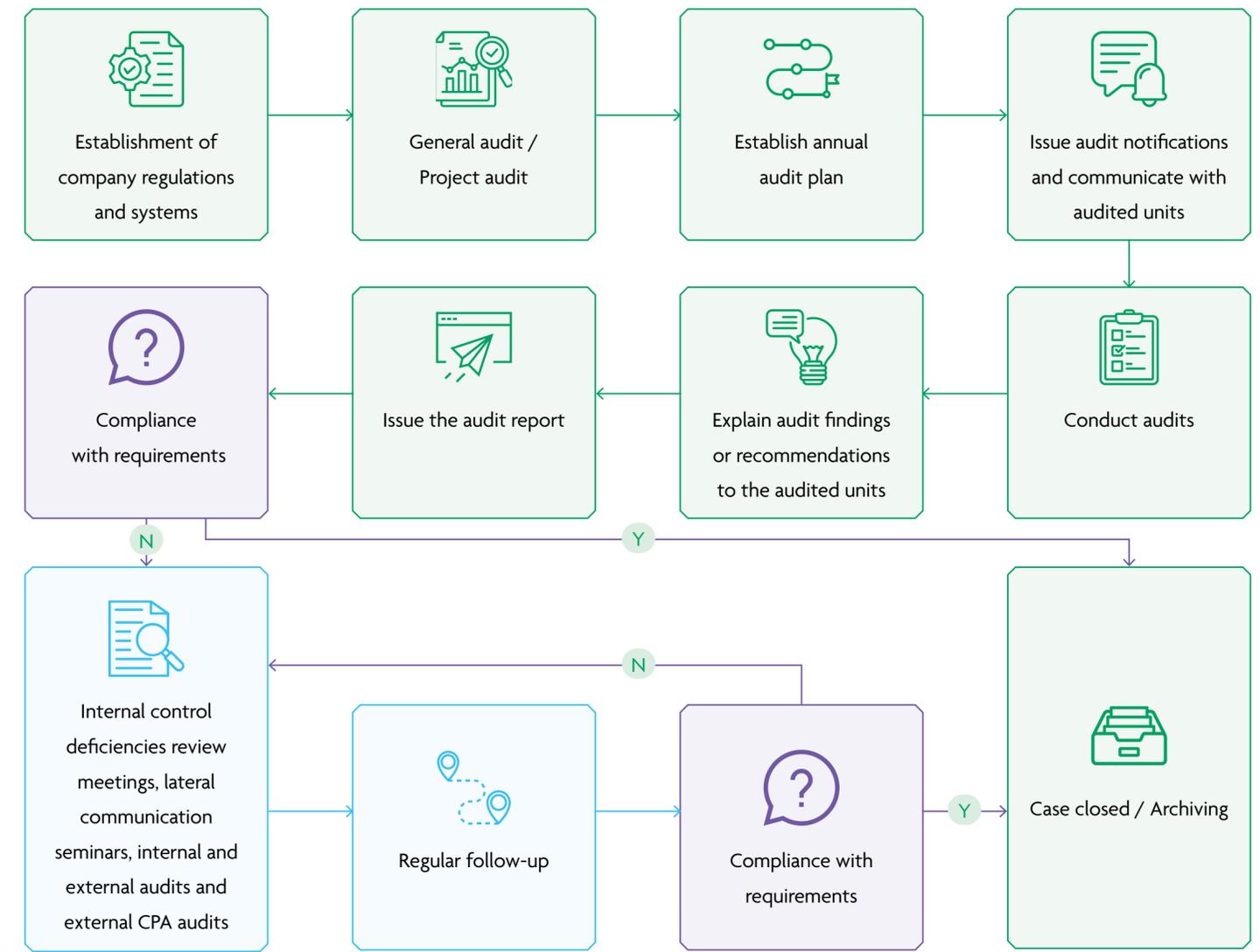
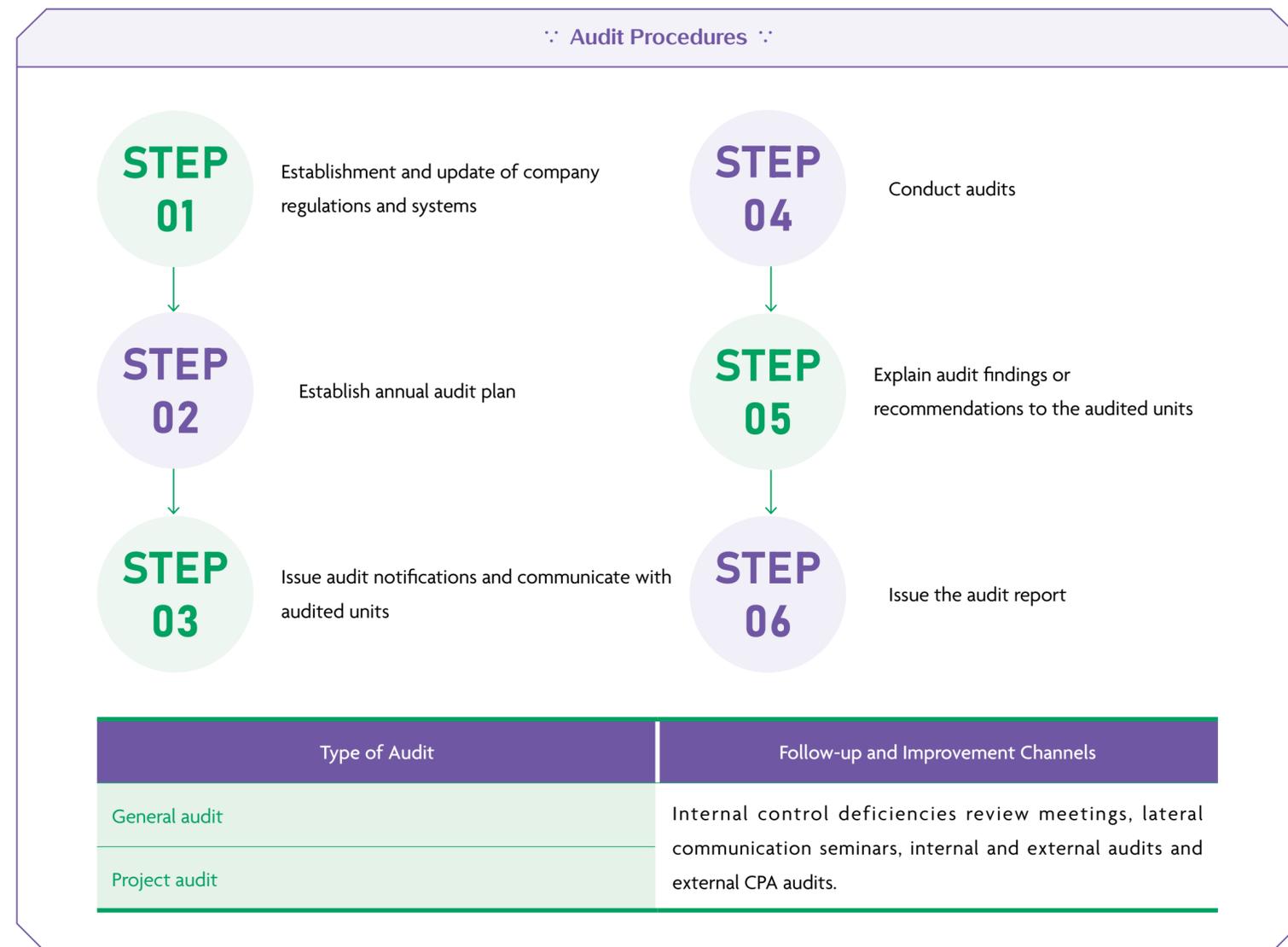
The Audit Supervisor and CPAs can directly contact independent directors at any time as needed, ensuring smooth communication channels.

The communication situation between independent directors and CPAs

Date	Communication Summary	Communication Results
2024.04.24	The CPAs provided an explanation and communication regarding the review of the consolidated financial statements for the first quarter of 2024.	The consolidated financial statements for the first quarter of 2024 were reviewed by the Audit Committee and approved by resolution of the Board of Directors.
2024.08.06	The CPAs provided an explanation and communication regarding the audit of the consolidated financial statements for the second quarter of 2024.	The consolidated financial statements for the second quarter of 2024 were reviewed by the Audit Committee and approved by resolution of the Board of Directors.
2024.11.07	The CPAs provided an explanation and communication regarding the review of the consolidated financial statements for the third quarter of 2024.	The consolidated financial statements for the third quarter of 2024 were reviewed by the Audit Committee and approved by resolution of the Board of Directors.
2025.03.13	The CPAs provided an explanation and communication regarding the audit of the consolidated financial statements for the fourth quarter of 2024.	The consolidated financial statements for the fourth quarter of 2024 were reviewed by the Audit Committee and approved by resolution of the Board of Directors.

◆ Internal Audit Plan and Process

The Company and its subsidiaries determine the effectiveness of the design and implementation of their internal control systems based on the evaluation items specified in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The evaluation items for internal control systems adopted by the "Regulations" categorize the process of management control into five components: control environment, risk assessment, control activities, information and communication, and monitoring operations. To inspect and evaluate deficiencies in the internal control system and measure the effectiveness and efficiency of operations, timely recommendations for improvement are provided to the Company's Board of Directors and managers to ensure that the internal control system is continuously and effectively implemented and management performance is enhanced. The Company has established the "Internal Audit System" to explain the audit scope, responsibilities, and the management method of the audit unit, and has developed a comprehensive internal audit process. The internal audit executes planned audits periodically and occasionally, presenting audit reports to the management.



◆ Compliance with Laws and Regulations

To establish a corporate culture of business integrity and sound development as well as a reference framework for good business operations, the Company complies with government regulations. On January 16, 2024, the Board of Directors approved the "Ethical Corporate Management Best Practice Principles," the "Corporate Governance Best Practice Principles," and the "Procedures for Handling Material Internal Information and Preventing Insider Trading" to guide the behavior of the Company's directors, managers, and employees in alignment with ethical standards. This is to prevent improper disclosure of information and ensure regular review and tracking of changes in government legislation, with revisions carried out by consulting relevant units such as advisors and CPAs on any differences in legal changes. In 2024, the Company strengthened advocacy of various laws and regulations, irregularly conducted education and training, and published and announced related documents, ensuring that each unit complies with regulatory systems to enhance employees' understanding of legal concepts.



◆ Dividend Distribution Policy

The Company is in a growth phase, and based on the need for capital expenditures, business expansion, and sound financial planning to seek sustainable development, the Company's dividend policy will be determined according to the Company's future capital expenditure budget and funding needs, as well as economic and industry changes. Dividends will be distributed to the company's shareholders in the form of cash dividends and/or stock dividends. If the Board of Directors resolves to distribute profits, it should draft a plan and have it approved at the shareholders' meeting through an ordinary resolution for profit distribution. The Board of Directors should draft the profit distribution plan as follows:

A	B	C	D
The Company shall allocate the taxes payable in accordance with the law.	Firstly use the annual net profit to offset past losses (if any).	In accordance with the regulations governing public companies, allocate the legal reserve, but this does not apply when the legal reserve has reached the Company's paid-in capital.	Allocate special reserve in accordance with regulations governing public companies or as required by the Competent Authority.

Unless otherwise stipulated by laws and regulations for public companies, the earnings for the year, after deducting the amounts specified in items (a) to (d) above, plus the accumulated undistributed earnings from the previous period, will be the distributable earnings. The Board of Directors may draft a profit distribution plan based on the distributable earnings to be submitted to the shareholders' meeting for resolution. The distribution of earnings may be in the form of cash dividends or stock dividends (allocating shares to shareholders through earnings capitalization on a proportional basis). If the Board of Directors decides to distribute profits, the total amount of dividends to shareholders must be at least 10% of the current year's earnings after deducting the amounts specified in items (a) to (d) above, with the total amount of cash dividends distributed not less than 10% of the total dividends distributed to shareholders.

Investor Services

The Company has appointed "Sinopac Securities Corporation" to handle matters related to stock services, ensuring transparency of information according to regulations and allowing shareholder participation. The Company has a spokesperson and an Investor Relations contact to answer daily inquiries from investors.

Unit: NT\$/share

Items	2023	2024
Earnings per share (NT\$)	3.5	5.61
Distribution of dividends per share (NT\$)	1.08	2

2.5 Risk Management

Financial Risks

Risk Issues	Impact Description	Risk Management Mechanisms	Opportunity Benefits
<p>Interest Rate Risk</p>	<p>Market interest rate changes will cause the effective interest rates on short-term and long-term borrowings to fluctuate, resulting in fluctuations in future cash flows.</p>	<p>Closely monitor market interest rate changes and bank preferential schemes at all times to secure the most favorable rates and terms from banks.</p>	<p>Obtain more favorable interest rates when planning financing needs.</p>
<p>Exchange Rate Risk</p>	<p>The Company's primary foreign currency holdings are USD. When market exchange rates rise/fall, it can cause significant appreciation or depreciation of the Company's financial assets.</p>	<p>Balance the USD positions on both the asset and liability sides of balance sheet to achieve a natural hedging effect.</p>	<p>Effectively reduce the impact of exchange rate fluctuations on the Company's financial profit and loss.</p>
<p>Credit Risk</p>	<p>The risk of financial losses to the Company due to counterparties' breach of contractual obligations primarily arises from accounts receivable generated by operating activities, as well as bank deposits and fixed income investments generated from investment activities.</p>	<p>The credit risk evaluation of all counterparties comprehensively considers factors such as the financial status of the counterparty, credit ratings from rating institutions, historical transaction experience, current economic environment, and the Company's internal rating standards. The Company also uses certain credit enhancement tools (such as advance payments) at appropriate times to reduce credit risk of specific counterparties.</p>	<p>Appropriate credit risk evaluations for counterparties effectively reduces the risk of subsequent noncollectable payments.</p>

◇ Business Continuity Management



To mitigate the risk of operational disruption caused by climate change, we have developed a business continuity management approach to stabilize design, production, and shipping, and maintain long-term relationships with customers. We have also established a second supplier mechanism to address supply chain risks such as shortages or disruptions, striving to stabilize product quality and delivery schedule..

ITH commits to continuously enhancing disaster response capabilities in the future and establishing appropriate response mechanisms to reduce the possibility of supply disruptions. In the event of an incident, ITH aims to restore operations within the target recovery time, striving to maintain the supply to customers and ensure that their rights and interests are not compromised.

Material Topics
Management Approach for Business Continuity Management

Policy and Commitment

- * Regularly evaluate potential climate risks and opportunities that may be encountered in operations through the TCFD (Task Force on Climate-related Financial Disclosures) framework.
- * Reduce the negative impact of unexpected events on the Company, promptly and appropriately respond to potential crises, and pursue sustainable operations.
- * Continuously strengthen disaster response capabilities and establish appropriate response mechanisms to reduce the likelihood of supply disruptions. This ensures that production can recover within the target recovery time in the event of an incident, striving to maintain supply to customers.

Adjustment Measures

- * Enhance the installation of damage prevention equipment, backup generators, and water storage facilities, and conduct off-site data backups to ensure operational continuity in emergency situations.
- * Develop response measures, such as establishing internet connection methods for working from home during epidemic prevention periods, employee health care, and epidemic prevention care packages to cope with unexpected situations.
- * Plan production schedules and adjust according to market demand and capacity requirements to ensure production efficiency and product quality.

 **Positive Opportunities**

- * Plan contingency measures in advance to prevent operational disruptions.
- * Accelerate the virtualization and digital transformation to respond to sudden market demand situations.
- * Stabilize supply output and establish long-term partnerships to maintain stable revenue.

 **Negative Risks**

If a secondary supplier or buffer stock is not established, the risk of operational disruption due to unforeseen events will increase, affecting the Company's production and operations.

 **Short-term goals**

- * Establish emergency mechanisms and prepare small quantities of inventory to meet urgent order demands, ensuring sustainable production capacity.
- * Establish a production schedule based on order demands to prevent overproduction and the associated inventory risks.

 **Medium- to long-term goals**

- * Establish a Business Continuity Management Committee responsible for coordinating the evaluation and management of company operations interruption risks, and developing contingency plans.
- * Based on projected long-term demand provided by business units, establish sufficient capacity and backup equipment to address the risks posed by unforeseen events, enhance the Company's operational resilience, and build a stable business model.

◇ Information Security Management



As a leading IC design company, ITH has deeply involved in the display and touch chip design fields for many years, owning numerous technological patents, which represents the Company's most valuable assets. Therefore, the management of information security is particularly important. The information security risks faced by the Company include internal data leaks, external network attacks, and even non-human events such as power outages or flooding. To prevent the occurrence of various potential risks, the Company has invested significant funds in implementing relevant drills, using anti-virus software, and establishing information confidentiality mechanisms to fully safeguard corporate and customer information and maintain core values.

Material Topics

Management Approach for Information Security

Policy and Commitment

In order to establish confidential information protection services that meet customer needs, we conduct regular simulated information security attack drills to assess information security maturity, ensuring the appropriateness and effectiveness of information security regulations and procedures. At the same time, we reduce corporate information security threats from the system, technical, and procedural aspects, and establish contingency measures to prevent operational disruptions.

Adjustment Measures

- * Continuously review and evaluate the Company's information security regulations and procedures to ensure the effectiveness and appropriateness of information security.
- * Review the applicability of information security policy and protection measures, and regularly report implementation results to the dedicated information protection committee.

Positive Opportunities

- * Strengthen the depth of information security defense by introducing advanced solutions for detection and response, and continuously enhance information security protection measures to safeguard the Company from malware and cyberattacks.
- * Enhance network firewalls and controls to prevent viruses and cyberattacks from spreading across machines and plant premises, reducing the risk of system damage and downtime.

Negative Risks

- * The computer systems for critical company functions such as research and development, operations, and finance and accounting are subject to cyberattacks from third parties, which disrupt operations and damage the Company's reputation.
- * The attacks may cause the Company to incur compensation to customers due to delays or disruptions in orders. It may also result in the Company bearing significant legal liabilities due to involvement in legal cases, or regulatory investigations related to the leakage of information, for which the Company is obliged to maintain confidentiality, concerning its employees, customers, or third parties.

Short-term goals

Establish a comprehensive Information Security Management System (ISMS) to ensure the effectiveness of information security policy, procedures, and control measures, and implement information security risk evaluation.

Medium- to long-term goals

- * Supervision and evaluation of the Company's information and network security management mechanism and direction by Audit Committee members with backgrounds in information security.
- * Promote international information security management system certification (ISO/IEC 27001) for plant premises to enhance information security management standards and strengthen information security protection.

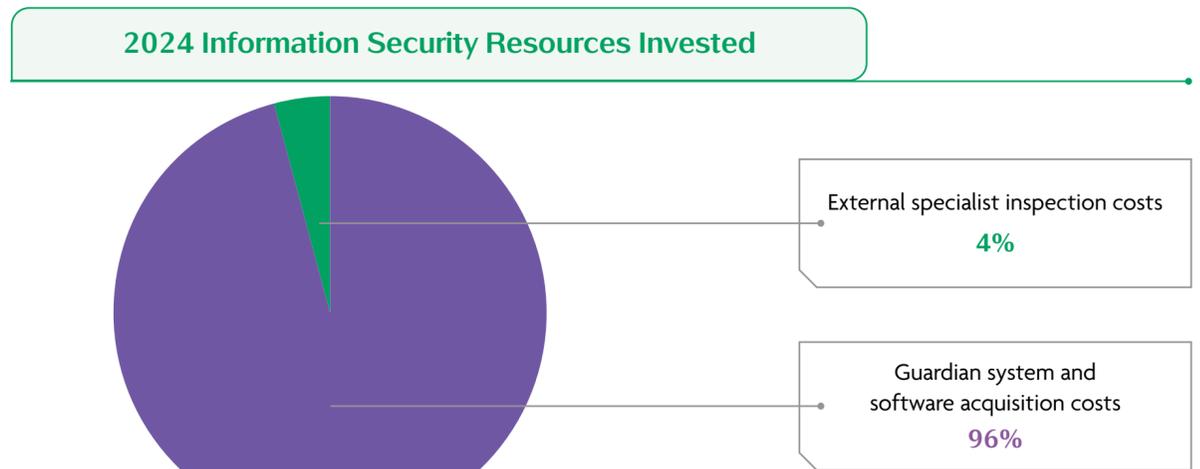
Information Security Risks

<p>Cyberattacks</p> <p>In the event of cyberattacks, corporate data may be encrypted and inaccessible; data may be stolen, circulated, and sold on the internet, or the Company may suffer from a DDOS (Distributed Denial of Service) attack, causing external network disruptions.</p>	<p>Response Strategies</p> <ul style="list-style-type: none"> * Conduct routine information security assessments. * Enhance the performance and specifications of the service system equipment. * Adjust the access rules of protective equipment. * The implementation of EDR and NDR protects critical hosts and detects abnormal network activities.
<p>Internal employees stealing data</p> <p>If internal employees exploit their positions to steal confidential information of the Company and customers, it will result in reputation damage and loss of customer orders, and provide competitors with an advantage.</p>	<p>Response Strategies</p> <ul style="list-style-type: none"> * Employee information security education. * Audits on data ingress and egress. * Sign a confidentiality agreement.
<p>Power outages</p> <p>Power outages cause all systems in the data center to shut down, potentially leading to data loss and preventing R&D personnel from working properly, which can result in inability to deliver products or delayed shipments.</p>	<p>Response Strategies</p> <ul style="list-style-type: none"> * Off-site backups are supplemented with a UPS system to protect critical information.
<p>Chilled water interruption</p> <p>If the internal chilled water function of the air conditioning fails, it will be unable to provide cooling for the data center, causing all systems to shut down. This could potentially lead to data loss and prevent R&D personnel from working properly, resulting in inability to deliver products or delayed shipments.</p>	<p>Response Strategies</p> <ul style="list-style-type: none"> * Chiller, dual host backup.



Resources Invested in Information Security

Continue to invest resources in the field of information security. In 2024, NT\$2.5 million was also allocated, with resources invested included improving governance and technical infrastructure, enhancing security defense equipment, incident response and attack-defense exercises, and information security training, to comprehensively enhance information security capabilities and protection.



Personal Data Protection

To ensure the security and privacy rights of all stakeholders' personal data, the Company has established a "Personal Data Protection Management Method" which clearly defines the procedures for collecting, processing, and utilizing personal data, and implements control measures in accordance with the "Personal Data Protection Act" and other relevant regulations. In 2024, the Company did not experience any substantiated incidents of customer data loss or privacy breaches, nor did it receive any related complaints.

CHAPTER 3

Supply Chain and Products

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Yearly Performance Highlights



- ★ In 2024, **100%** of all outsourced processing suppliers obtained ISO 9001 certification, and **100%** completed the investigation, confirming no use of conflict minerals.
- ★ In 2024, **100%** of suppliers complied with RoHS and REACH regulations.
- ★ The supplier audit completion rate in 2024 reached **100%**, and the supplier audit pass rate was **100%**.
- ★ In 2024, ITH **did not** experience any major quality management anomalies.
- ★ Customer satisfaction in the five key aspects all scored above **80** points.

3.1 Supply Chain Management ★

Material Topics Management Approach for Sustainable Supply Chain

Policy and Commitment

Through the selection, training, auditing, and guidance of suppliers, we establish a more resilient operating model that aligns with ESG criteria, and share resources with suppliers to enhance sustainability performance and amplify sustainable impact.

Adjustment Measures

Formulate corresponding management policies and ensure that supplier selection and audits are strictly enforced. These adjustment measures will help establish a stable and sustainable supply chain, ensuring that suppliers meet our sustainable development goals.

Positive Opportunities

Stabilize the supply chain, improve product quality, and enhance customer trust. This will help establish a sustainable value chain and create a positive cycle of supply chain sustainability.

Negative Risks

Supply chain anomalies can negatively impact customer trust and, in severe cases, lead to the loss of orders.

Short-term goals

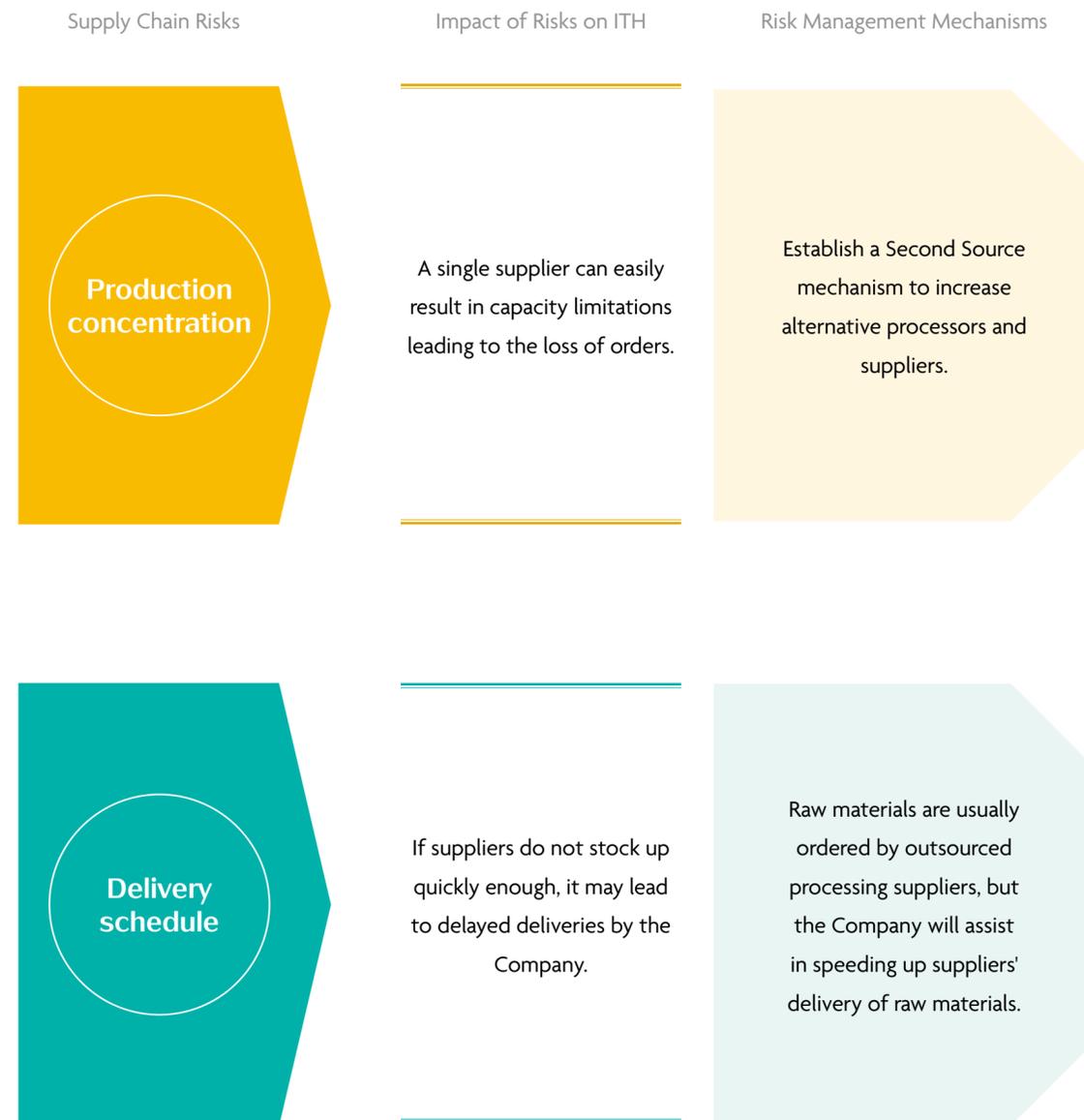
Understand sustainable supply chain management and environment management-related information, and sign relevant policies and commitments with suppliers. Simultaneously ensure that supplier audit results and improvement conditions reach 100%, enhance suppliers' awareness and capability for sustainable development, and promote the establishment of a sustainable supply chain.

Medium- to long-term goals

Continually maintain close collaborative relationships among customers, suppliers, and us to establish a complete sustainable supply chain, become a supplier of green products, and further promote the sustainable development of the value chain.

◆ Responsible Supply Chain

When selecting suppliers, ITH considers engineering capability, quality, delivery, cost, capacity, and customer expectations. Suppliers are required to have relevant international certifications such as ISO 9001, ISO 14001, or IATF 16949, and are requested to provide information on key raw materials and conflict minerals to facilitate sustainable supply chain management. In 2024, 100% of all outsourced processing suppliers obtained ISO 9001 certification, and 100% completed the investigation, confirming no use of conflict minerals.

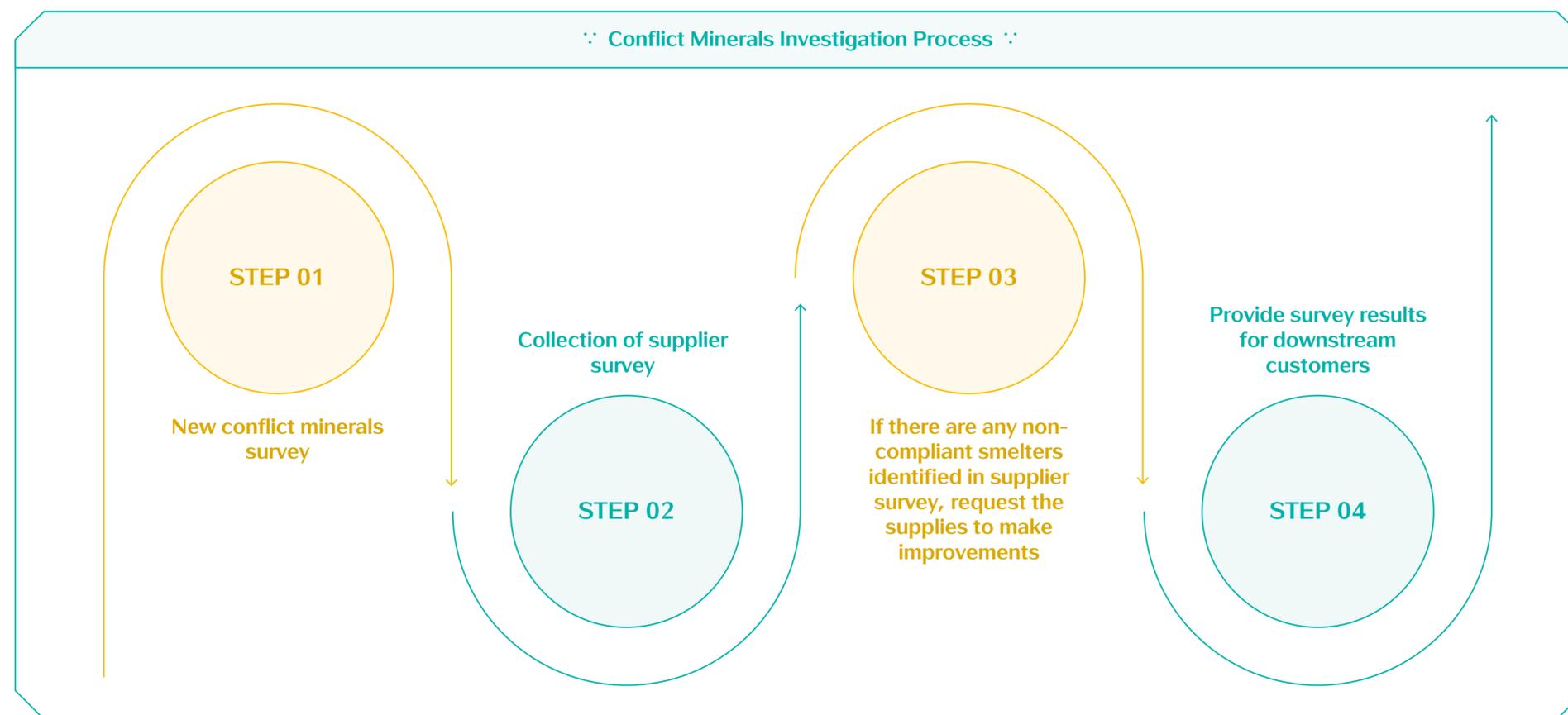


Key Raw Material Risk Management

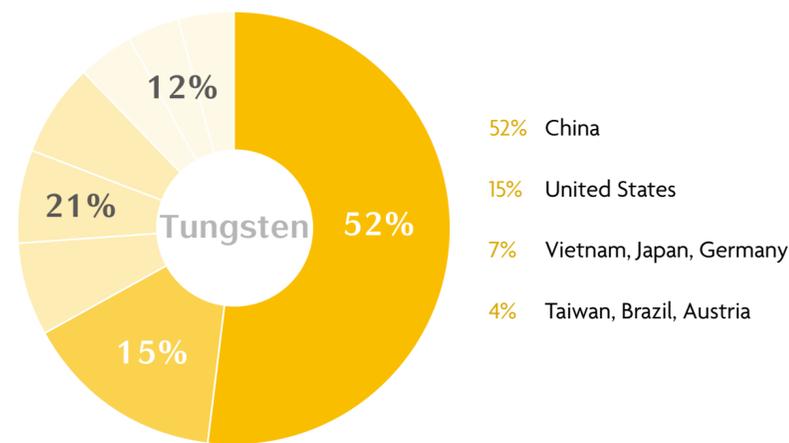
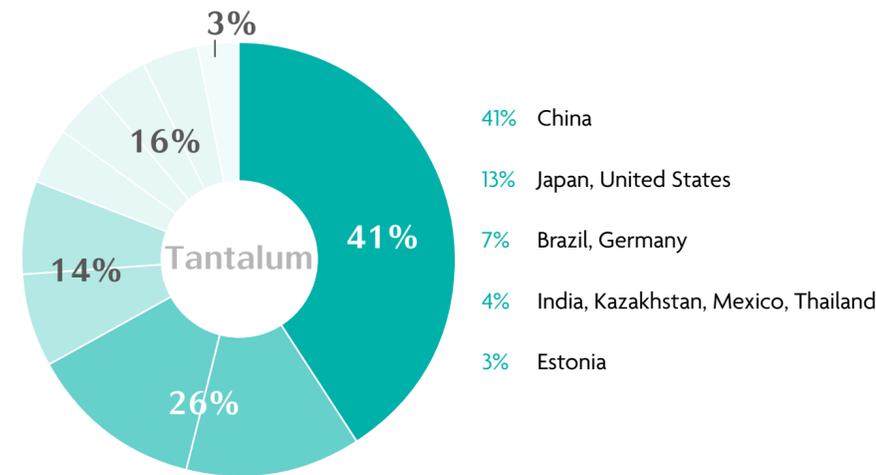
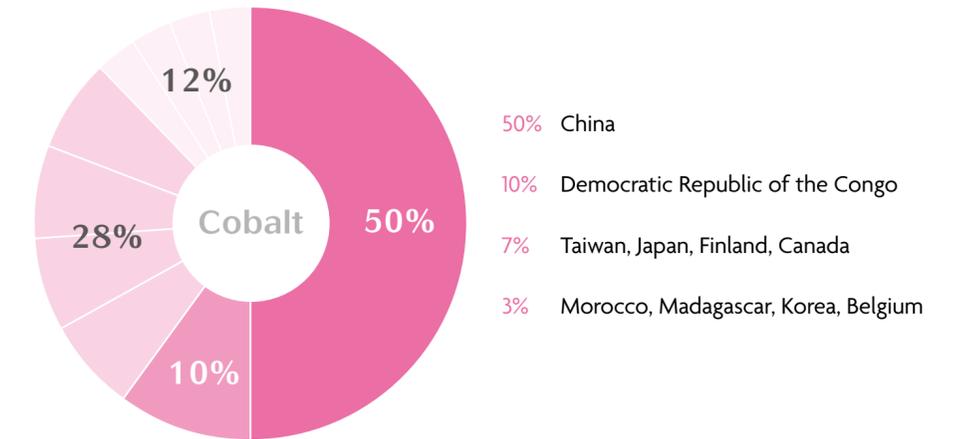
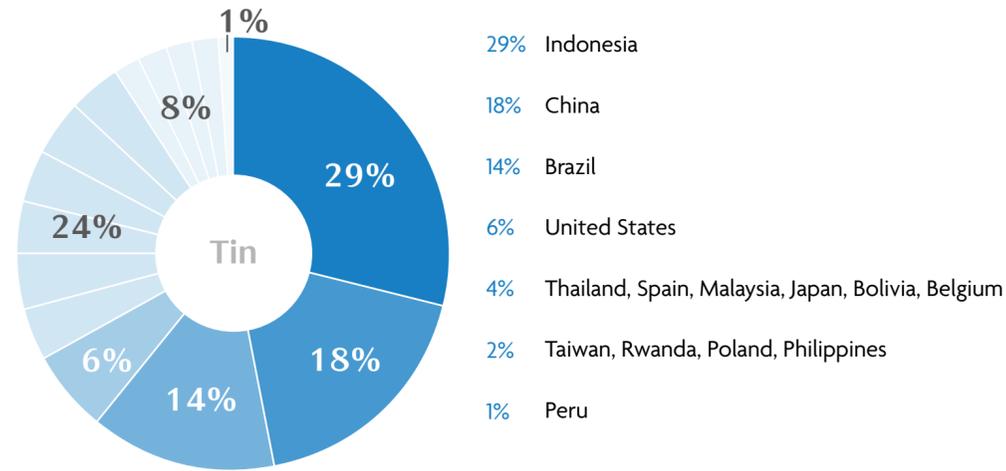
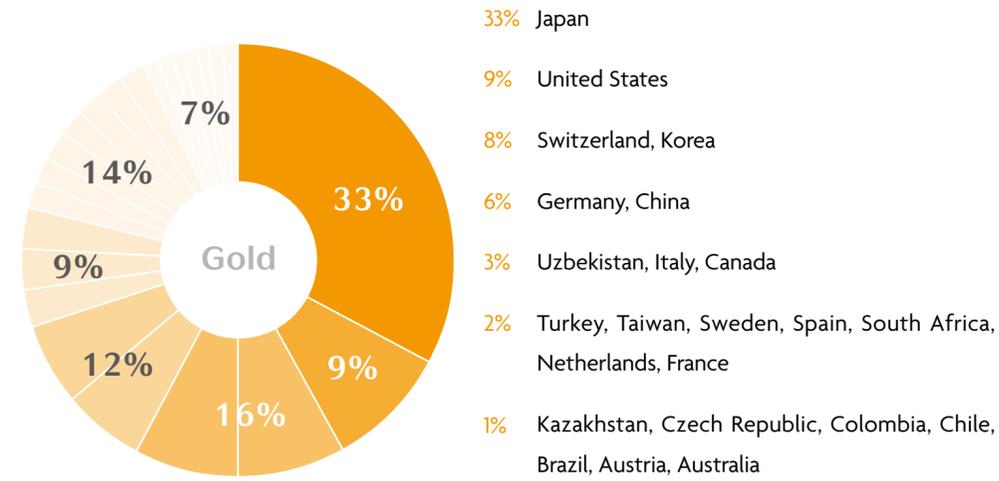
In Key Raw Material Risk Management, suppliers are required to provide RoHS test reports regularly. Additionally, if regulations or international guidelines are adjusted, suppliers will be asked to investigate whether the materials used comply with standards such as REACH, the EU Registration, Evaluation, Authorisation and Restriction of Chemicals. ITH's suppliers are currently 100% compliant with RoHS and REACH regulations.

Conflict Minerals Management

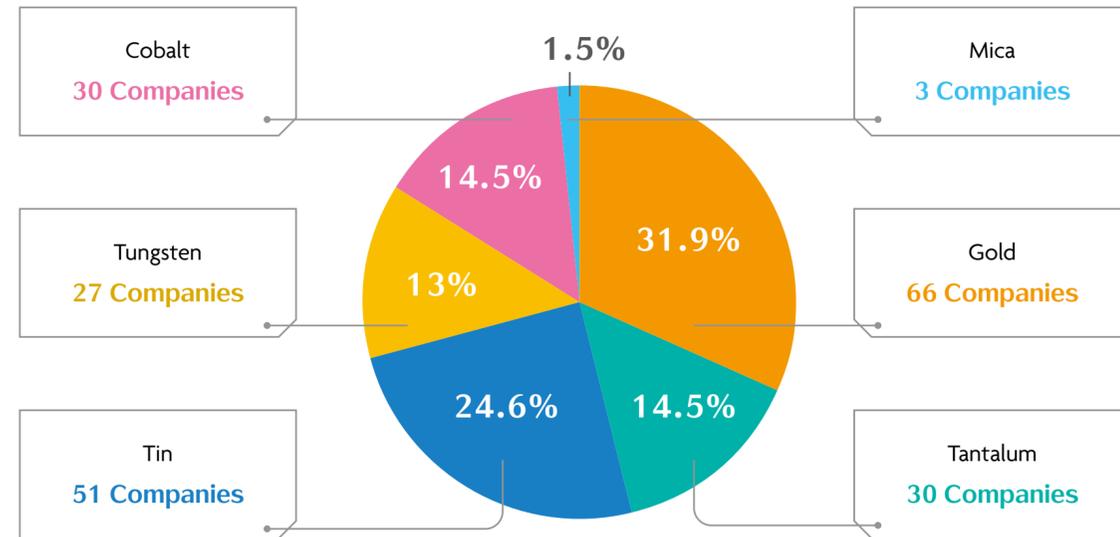
In recent years, non-governmental military groups in the Democratic Republic of the Congo and its surrounding regions have armed control over metals such as cobalt, gold, palladium, tantalum, tungsten, tin, and mica, leading to the deterioration of society, the environment, human rights. The Company will continue to adopt a conflict-free minerals procurement policy, support EICC and GeSI's strategies and practices on conflict minerals, and has adopted the conflict minerals reporting template jointly published by the EICC-GeSI working group to investigate whether our suppliers have implemented the aforementioned policy.



Distribution Status of Conflict Minerals Sources in 2024 :

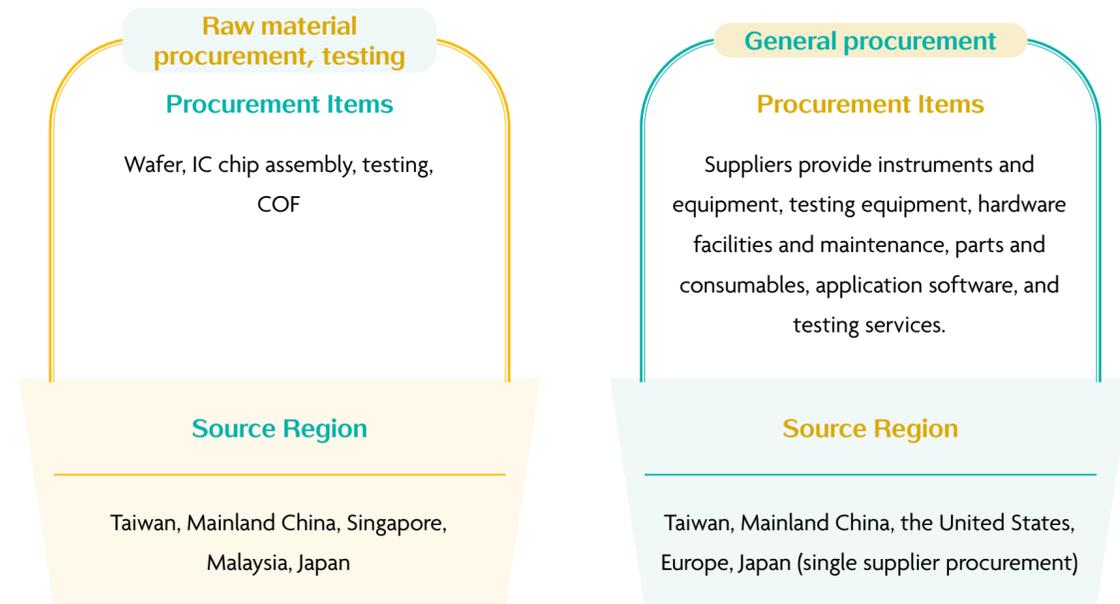


A total of 207 smelters were recognized by RMI:



Local Procurement

The Company procures from local suppliers in Taiwan, aiming not only to reduce carbon emissions during the transportation of raw materials, but also contribute to Taiwan's economic growth, focusing on both financial and non-financial development aspects.



Note: Due to the technical specialization of certain equipment, procurement can currently only be made from specific suppliers, resulting in a single vendor procurement situation.

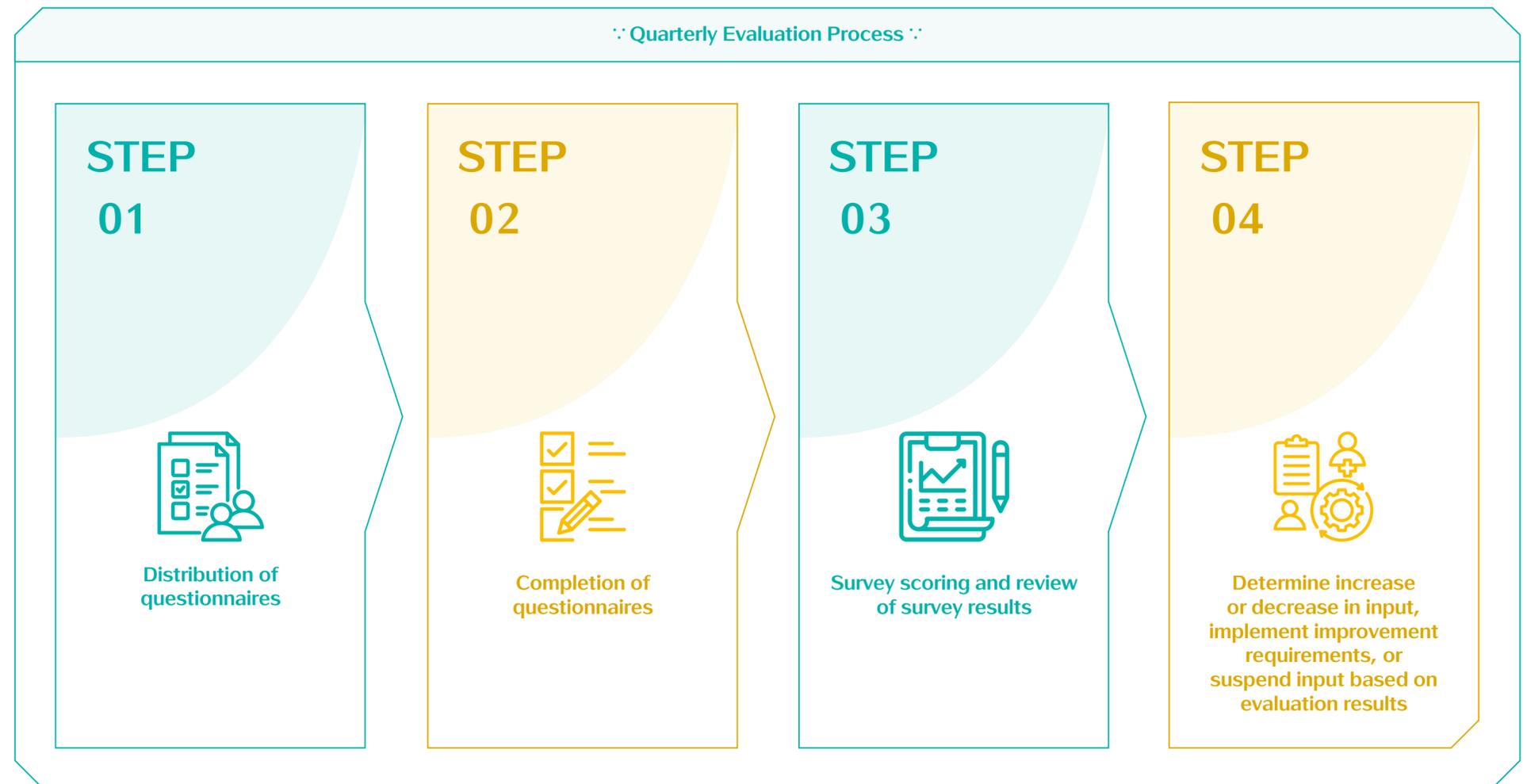
Supply Chain Management

ITH hopes to drive the supply chain in jointly implementing sustainable development strategies. Currently, we primarily manufacture finished products through outsourced wafer foundries and processing plants. Therefore, we aim to reduce the waste of Earth's resources and ensure a sustainable future for the next generation through green procurement and management.

ITH conducts a green management evaluation of suppliers, requiring them to provide audited proof of quality management, including ISO 14001 certification, carbon emission reduction actions, and data. Suppliers unable to provide the relevant proof will have their partnerships with ITH terminated. Currently, our main suppliers are located in Taiwan and China. We conduct regular on-site visits to assess whether Taiwanese suppliers actively implement environmental health management. For suppliers in China, we employ rigorous document audits to ensure their active efforts towards sustainable development.

Supplier Evaluation

Supplier evaluation is conducted quarterly, with the system sending questionnaires to relevant departments for assessing related matters. Evaluation items include quality, delivery schedule, continuous improvement of production yield, data accuracy, technical capability, service cooperation and other aspects. Finally, the system lists the supplier's quarterly evaluation ranking. If improvement is needed, suppliers are asked to undertake subsequent actions.



2024 Supplier evaluation results:



Note 1: Among the suppliers listed in the table, some suppliers are evaluated separately due to offering different service items, resulting in a slight discrepancy with the actual total number of companies audited in the year.

Supplier Audits

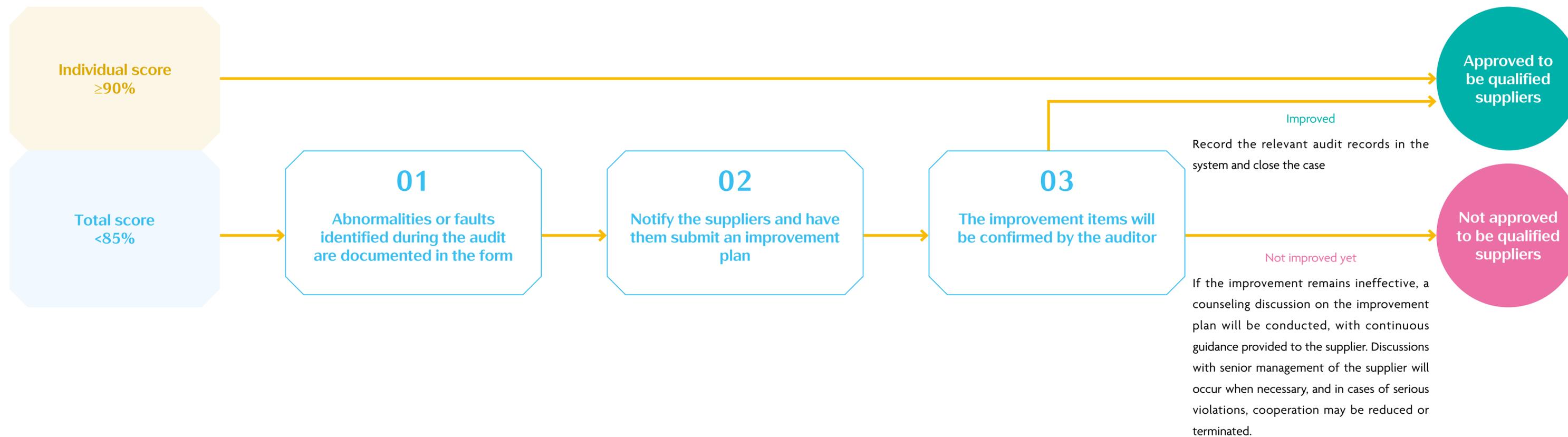
In addition to quarterly supplier evaluation, an annual supplier audit plan is conducted each year, involving on-site visits to suppliers. The audits are based on seven major aspects: operational processes, customer grievances, document control, maintenance management, quality system management, raw material warehouse management, and hazardous substances management. If any abnormalities or fault items are identified, the auditors will record them in a fault form, and then request suppliers to submit improvement plans or measures for subsequent follow-up or guidance. 27 suppliers were audited in 2024, with a supplier audit completion rate of 100% and a supplier audit pass rate of 100%.



∴ Annual supplier audit process ∴

Scoring is conducted based on the contractor Quality System Audit Form. If a contractor's total audit score falls below 90 points or any individual item scores below 85 points, the contractor cannot qualify as an approved supplier. After the contractor has effectively completed improvements, a re-audit of the contractor product quality system will be conducted.

Scoring Results of Outsourced Product Quality System Audit Form



27 suppliers were audited in 2024, with a supplier audit completion rate of 100% and a supplier audit pass rate of 100%

3.2 Product Quality Management ✨



Material Topics

Management Approach for Product Quality and Safety Management

Policy and Commitment

ITH ensures that all products undergo a strict quality management process inspection and resolves supplier issues promptly through a supplier exception handling process, establishing a high-quality product supply chain.

Adjustment Measures

Continuously ensure product quality and safety by implementing quality assurance processes to ensure products meet customer requirements and relevant regulations. Utilize quality assurance methods and technologies to reduce defect rates and establish a comprehensive tracking system to enforce the monitoring of product quality and safety.



Positive Opportunities

Ensure product quality and safety to enhance customer satisfaction with products



Negative Risks

Due to defective products, claims from downstream customers arose, leading to a loss of downstream customer confidence and subsequent loss of orders.



Short-term Goals

- * Customer product information feedback, promptly respond to customer needs and opinions.
- * Execute rigorous quality control processes to ensure product quality and safety.
- * Work closely with suppliers to establish an exception handling mechanism and effectively control quality risks.



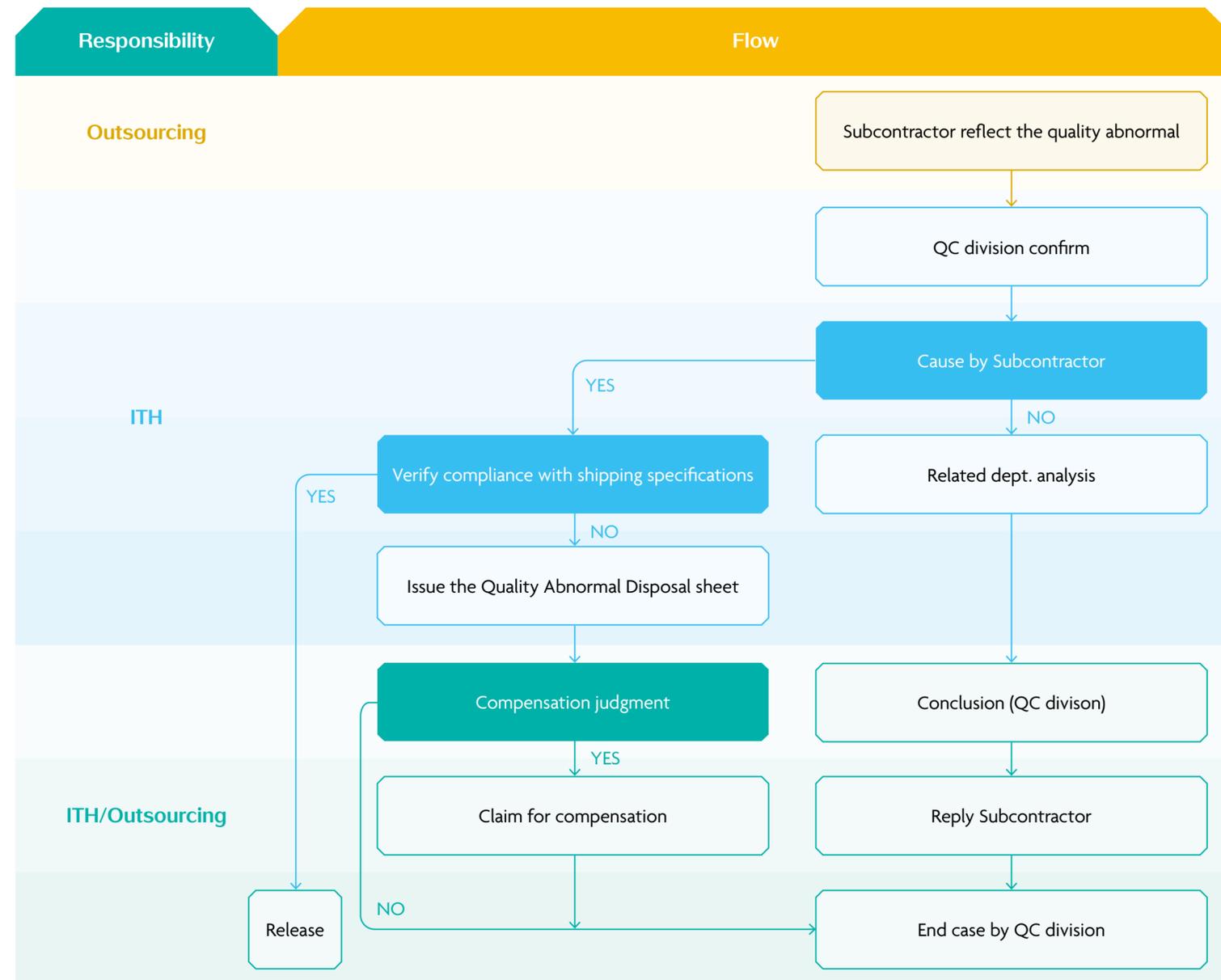
Medium- to Long-term Goals

- * Continuously enhance product quality, strengthen product safety and stability.
- * Establish a comprehensive quality management system and promote full employee participation in quality management.

Quality Management

The Company is an IC design company. After designing ICs, we outsource production and manufacturing to contractors before shipping. If a contractor discovers product quality deficiencies, the contractor's quality assurance unit will conduct an initial inspection. If it is determined to be the contractor's responsibility, the Company will issue a quality abnormality report to the contractor and seek compensation. If it is not the contractor's responsibility, our relevant units will conduct an analysis, and the quality assurance unit will summarize the findings, reply to the contractor, and then close the case. In 2024, ITH did not experience any major quality management anomalies.

Quality Management Process



Quality Certification

ITH, through an efficient management system and strong research and development capabilities, is committed to providing customers with safe and reliable products and services.

We maintain ISO 9001 management system certification, established by the International Organization for Standardization (ISO), based on several management principles including a focus on customer needs, management governance objectives, process approaches, and continuous improvement, ensuring that ITH can deliver stable product and service quality that meets customer requirements.

Additionally, the automotive chips developed by ITH are industry-leading in terms of both technology and safety, having obtained dual certification for ISO26262 ASIL D process and ASIL B product. This certification is an international standard for functional safety in the automotive industry and applies to automotive electronic and electrical systems, including hardware and software components. It defines safety-related functions, processes, methods, and tool requirements that must be met during development, enabling our products to meet the stringent safety requirements for autonomous vehicles and smart cockpits. Furthermore, our products feature ambient light adaptive display adjustment, excellent temperature control capabilities, waterproof performance, and thick cover plate support, all of which comprehensively enhance product competitiveness.



ITH obtained ISO 9001 Management System certification



ITH maintains the SGS-TÜV Saar ISO 26262 ASIL D Process Certificate



ITH maintains the SGS-TÜV Saar ISO 26262 ASIL B Ready Certificate

3.3 Customer Service Management



To provide better services for customers, the Company continuously improves product research and development capabilities and quality yield. In addition to striving to meet customer needs, we actively respond to customer feedback on product or service-related issues. ITH values the overall supply chain partners, viewing customer feedback as an opportunity for improvement and progresses together with supply chain partners.

Material Topics
Management Approach for Market Image

Policy and Commitment	Adjustment Measures
Establish a professional and highly trustworthy brand image through brand positioning and customer relationship management strategies, increasing consumer confidence in the Company's products and services.	Appropriately expose and promote collaboration results with customers, actual market performance, and the final product of end brands, deepening the positive impression of potential customers, shareholders, and consumers on the company brand.

Positive Opportunities

A brand image characterized by professionalism, superior technical capabilities, and excellent service will increase customer satisfaction and loyalty, helping to boost orders and revenue. This positions the Company as a preferred partner for new projects and gradually establishes it as a market leader.

Negative Risks

Failure to fulfill commitments and establish a brand image of professionalism, superior technical capabilities, and excellent service may affect the Company's performance, leading to a loss of orders and facing a price-cutting competition scenario, thereby affecting the confidence of investors and shareholders in the brand.

Short-term Goals

Deeply understand customer needs and strive to provide them with superior products and services to enhance customer satisfaction.

Medium- to Long-term Goals

Build ITH's carefully crafted, customer-assured sustainable brand value.

Customer Satisfaction

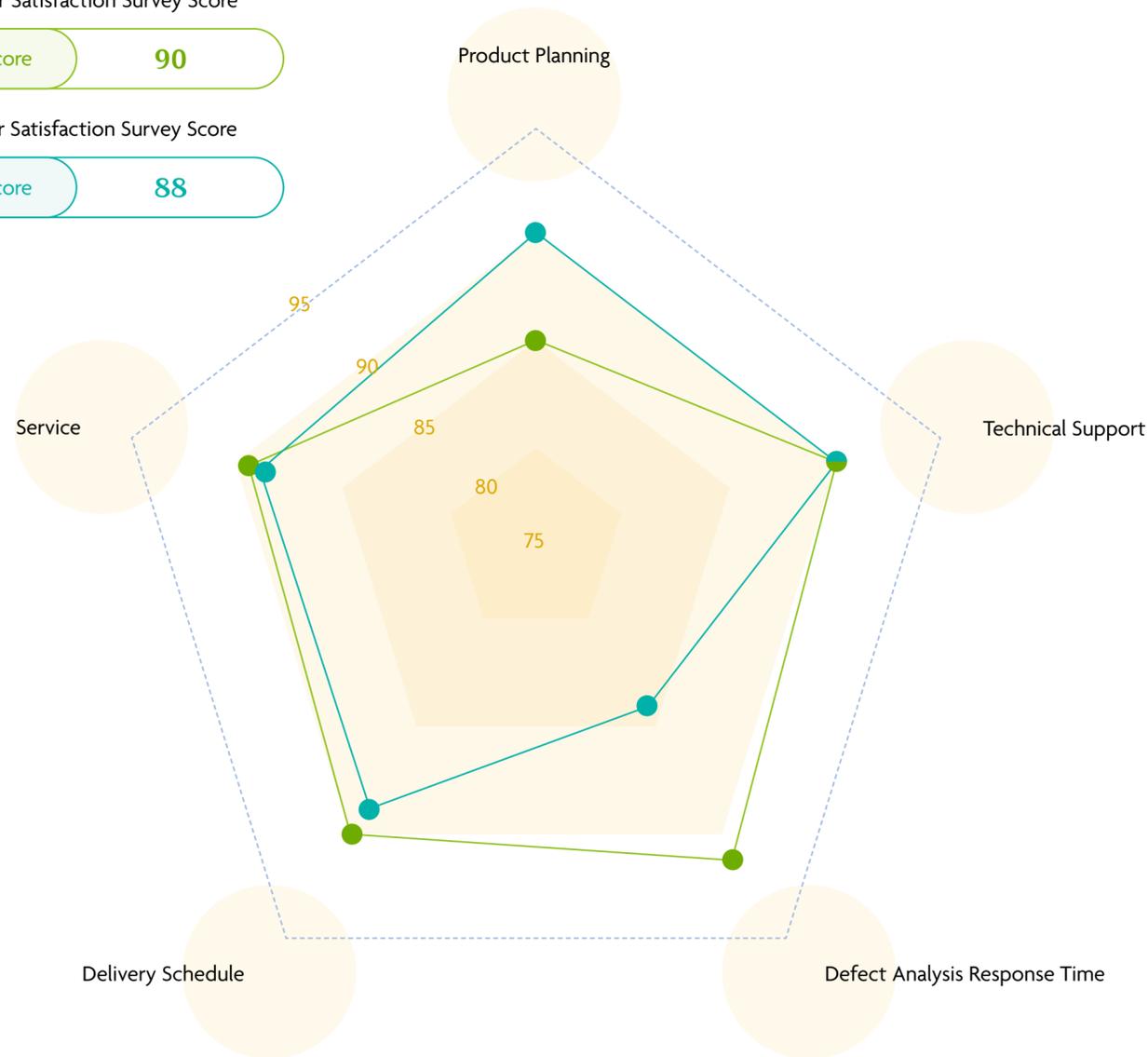
ITH conducts an annual customer satisfaction survey at the end of each year. The survey targets the top ten customers in annual sales as provided by the sales department (if there are any special customers that need to be surveyed, the sales department must propose them additionally). The survey is designed and distributed to customers using five major aspects: product planning, technical support, defect analysis response time, delivery time, and service. After collecting the completed questionnaires from customers, the quality assurance unit compiles statistical analyses. If the average survey score is below 75 points or does not meet the annual customer satisfaction target, a quality abnormality handling notice will be issued to the responsible unit for further analysis and improvement.

The Customer Satisfaction Survey results are as follows:

● 2024 Customer Satisfaction Survey Score

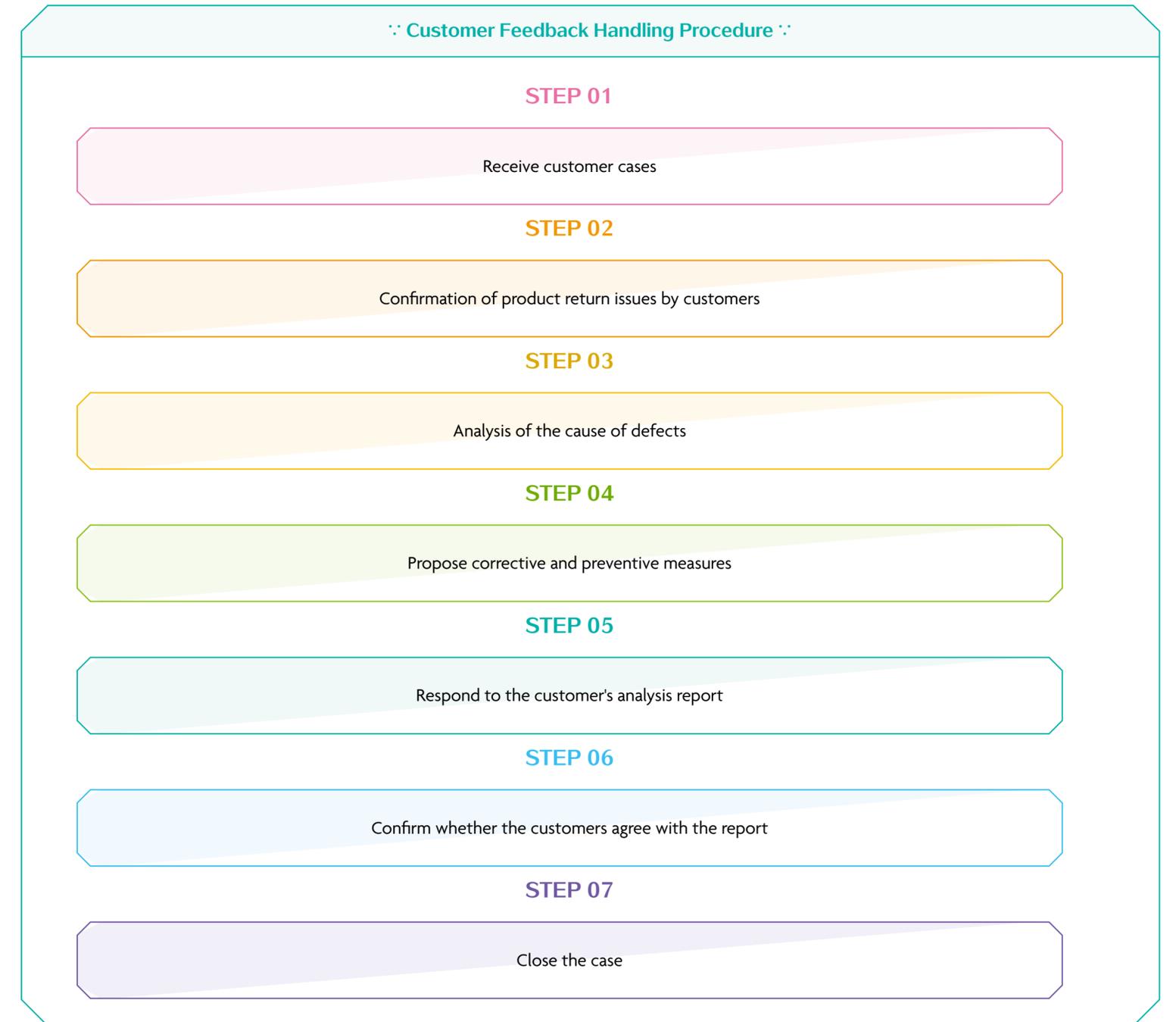


● 2023 Customer Satisfaction Survey Score



2024 Customer Service Status

In recent years, the Company has not received any major customer complaints, only general or production-related inquiries. In 2024, the Company received 293 customer feedbacks, primarily inquiries regarding the technical aspects of product production process seeking support-related issues, mostly addressed by the Quality Assurance unit.



3.4 Innovative R&D and Energy-Efficient Product Design ✨

Material Topics

Management Approach for Innovation and R&D

Policy and Commitment	Adjustment Measures		
<p>Focus on core business, strengthen key technologies and proprietary patent portfolios, clearly understand customer value propositions, and deliver effective solutions. While sustaining momentum in innovation and R&D, uphold the goal of green energy and carbon reduction, and fulfill sustainability responsibilities toward employers, partners, and corporate society.</p>	<p>Innovative Technology</p> <p>Develop solutions featuring compact chip size, low power consumption, high performance, customization, and optimized customer experience. Emphasize technology advancement, patent portfolio expansion, cost-effectiveness, and alignment with green energy and low-carbon goals.</p>	<p>Innovative Process</p> <ul style="list-style-type: none"> * Examine the deficiencies in the product development process, continuously refine the product development process, and accurately allocate R&D resources. * Conduct regular field research to stay close to customers, clearly grasp customer value propositions, and consider products with green design and manufacturing. * Drive digital transformation by implementing diverse learning channels, cultivating a growth-oriented culture, and becoming a learning organization. 	<p>Innovative Services</p> <ul style="list-style-type: none"> * Collaborate with customers and suppliers to co-create value. * Identify areas within the value chain that can be optimized to enhance efficiency, reduce waste, create mutual benefits, and achieve success with partners. * Deepen cooperation with key partners, consider the key partner satisfaction indicators.

Positive Opportunities

Innovation and R&D cover aspects such as technology, services, processes. While utilizing innovation and R&D to achieve customer value propositions, the Company can achieve sustainable operations through a positive cycle characterized by recognition from employers, partners, and corporate citizens, economically mutually beneficial outcomes, lean and efficient resource investment, and reduced environmental impact.

Negative Risks

In the rapidly changing world of technology and intense industrial competition, maintaining momentum in innovation and R&D is crucial for corporate survival. In the dynamic competitive process, if innovative technology, processes, services fail to keep pace with the times, they risk becoming disconnected from the value chain and being eliminated, resulting in wasted R&D and supply chain resources.

Short-term Goals

Short-term Product Strategy

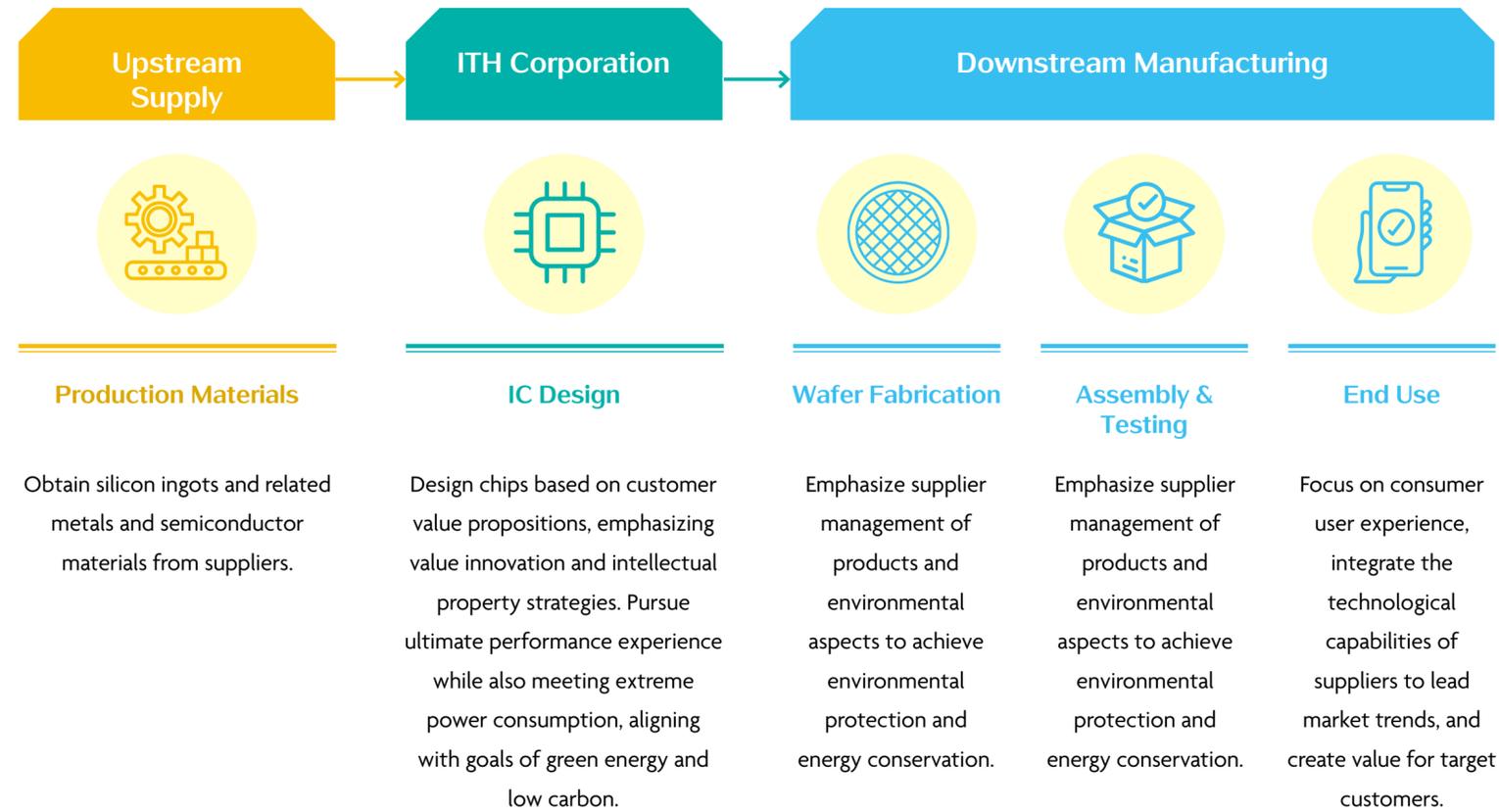
- * Increase the proportion of R&D for flagship and mid-to-high-end products. Continue investing in display driver ICs and touch control ICs with market potential.
- * Expand the product portfolio, strengthen key technologies and patent portfolios.
- * Committed to balanced development of product lines and optimization of product development process to reduce the impact of economic cycles on company operations.

Medium- to Long-term Goals

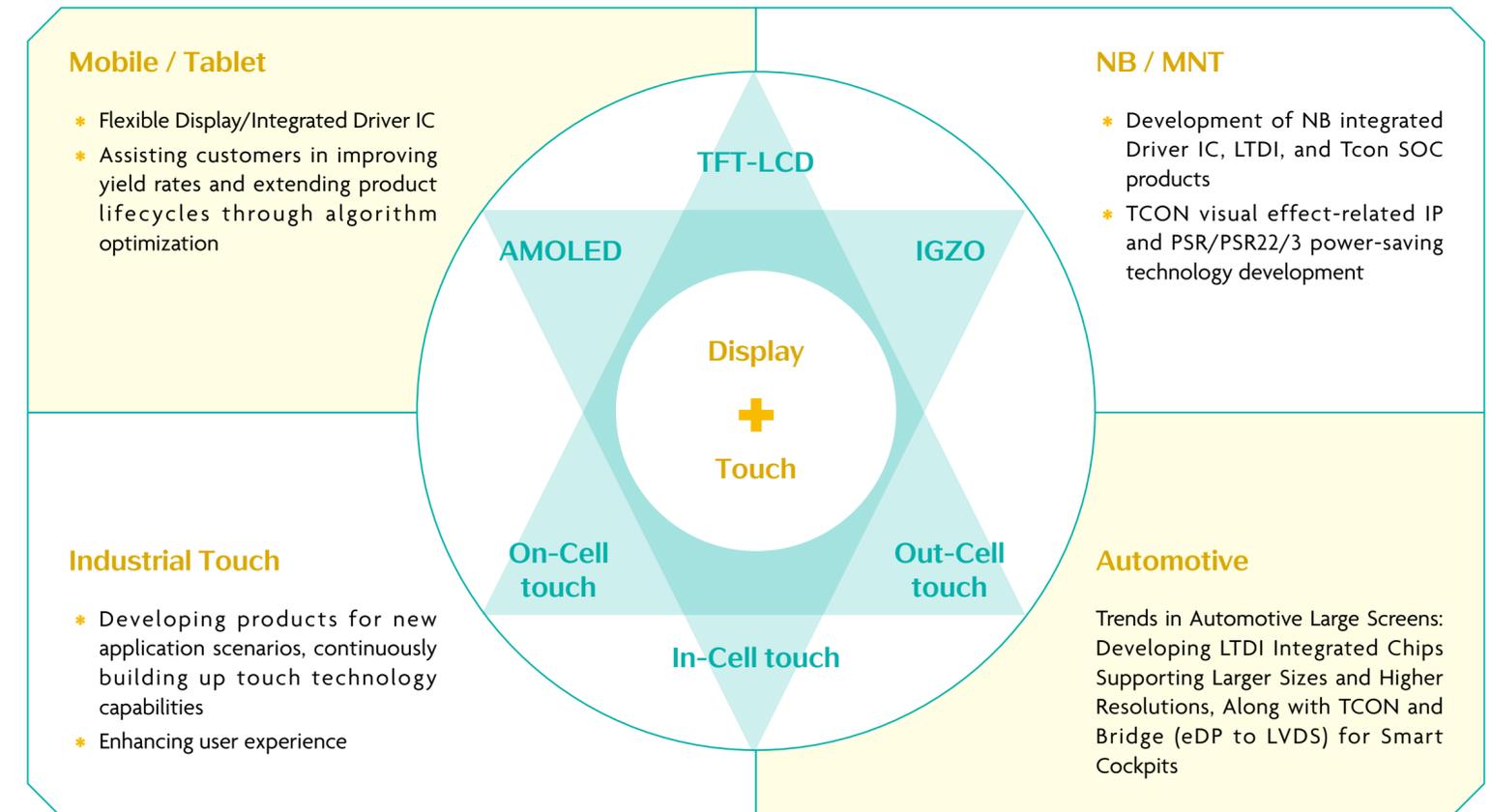
Medium- to Long-Term Product Strategy

- * Continuously invest in R&D of new-generation products, expand diverse product lines, and aim to become a supplier of diverse components.
- * Regularly review and optimize the product value chain, improving efficiency and reducing waste through enhancements in raw materials, design, manufacturing, and testing to achieve mutually beneficial outcomes and foster long-term, stable partnerships.

◆ Products Value Chain of ITH Corporation



◆ Core Technology, Product Research and Development

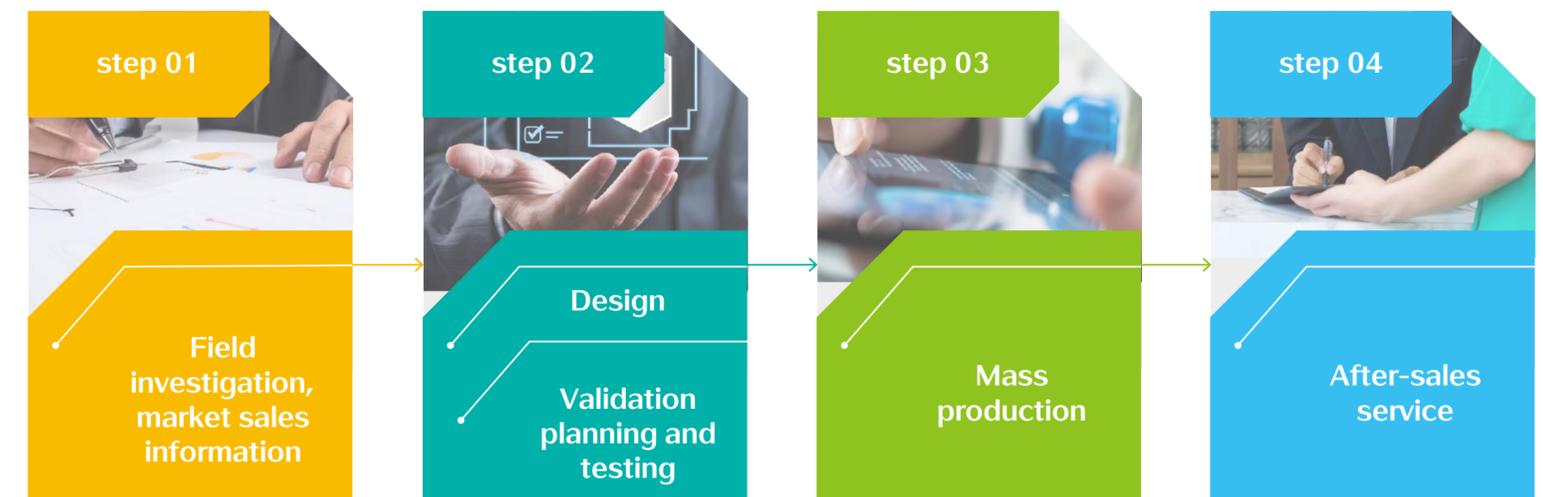


◆ Innovative Products

In 2024, ITH developed innovative products across seven major product areas: timing controller embedded driver IC for notebook application (TED), timing controller for notebook application (TCON), AMOLED display driver IC for mobile application, AMOLED display driver IC for notebook application, touch control IC for AMOLED panel, display and touch integration IC for automotive application (TDDI), and display and touch integration IC with stylus pen support for tablets. The designs emphasize lower power consumption, higher noise resistance, improved signal-to-noise ratio, and cost efficiency, along with ultra-narrow bezels. This approach delivers greater value to customers and enhances the user experience.

The display and touch integration IC for automotive application (TDDI) complies with the ISO 26262 development process and meets the ASIL B standard. It is the first in the industry to integrate an Ambient Light Sensor (ALS) into the panel. By analyzing the intensity of ambient light through driver IC, it reduces the number of system components required by customers, offering cost benefits and increased flexibility for structural design changes. This innovation provides unique added value for customers.

Product Development Flowchart

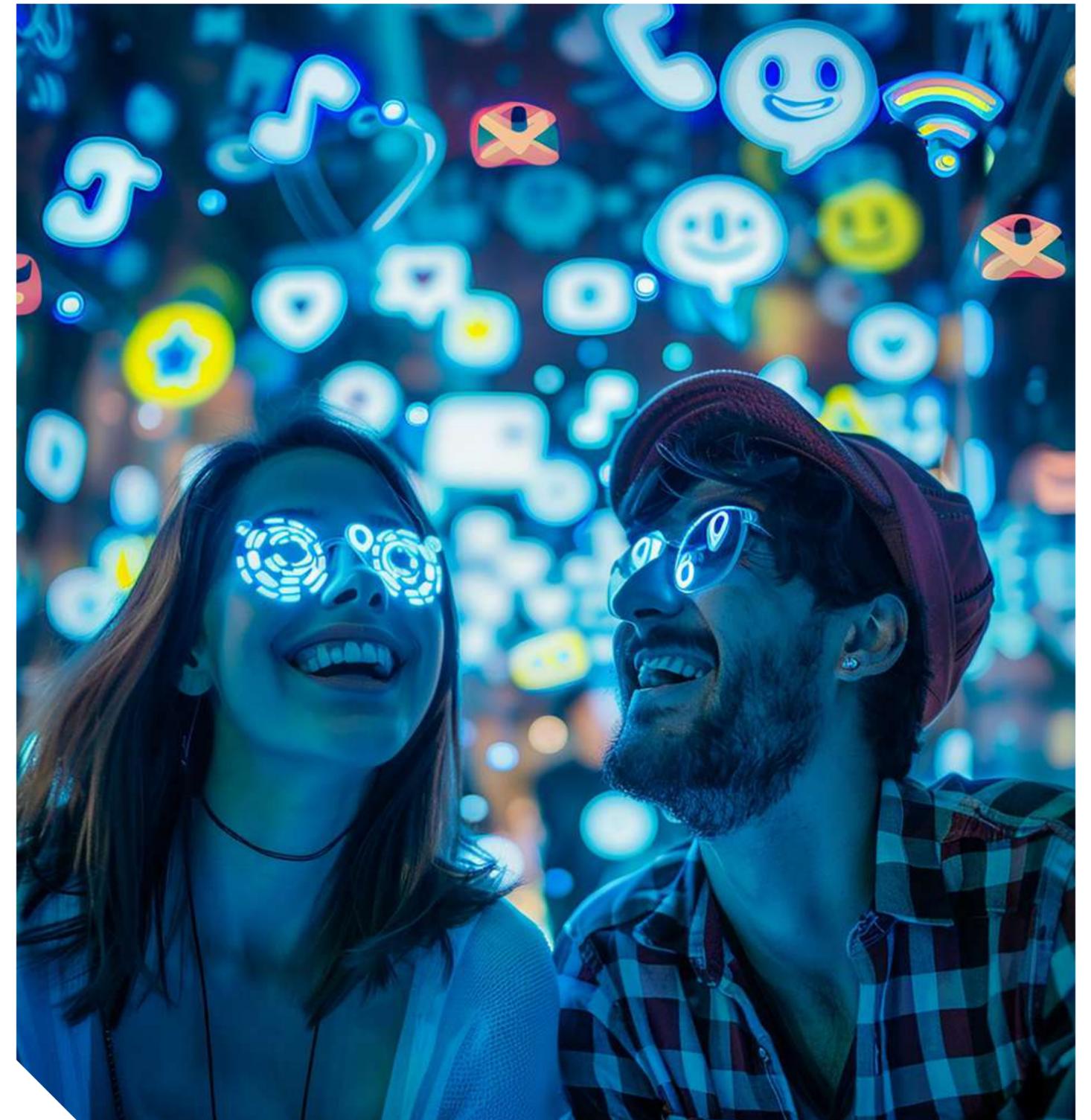


Primary Products

Product Type	Primary Product Name	Application Areas and Features
Mid-to large-size	Display driver IC for mid- to large-size notebook panels	<p>LCD: Applied to gaming notebooks, featuring a narrow bezel, high refresh rate, high resolution, and support for high contrast. Achievements in this application area include:</p> <ul style="list-style-type: none"> * In the LTPS/IGZO panel gaming notebook market, it has the most optimized power consumption performance. * The industry's first panel supporting a recessed notebook, applied to ultra-narrow bezel gaming notebooks. <p>OLED: Applied to high-end notebooks, it offers high resolution, higher color saturation and contrast, and faster response time for a smoother visual experience. It supports dynamic refresh rate adjustment to reduce operating power consumption.</p>
	Touch control IC for notebook application	<p>Introduces active pen requirements, supporting the latest USI/MPP protocols and featuring waterproof false touch prevention, characterized by low power consumption and long standby time. Superior anti-interference and waterproof capabilities, supporting up to 10-finger touch.</p> <p>Achievements in this application area include:</p> <ul style="list-style-type: none"> * Industry-leading power consumption performance. * Supports multiple active pens with automatic switch, and is Microsoft certified.
	Timing controller embedded driver IC for notebook application (TED)	In response to full screen, narrow bezel design, and simplified material costs, it is the best cost solution in this application area.
	Timing controller for notebook application (TCON)	Applied to display screens, it is the control core of the display, providing high-speed transmission, color and image processing, and low power consumption.
Small-size	AMOLED display driver IC for mobile application	<p>Applied to full-screen mobile phones, featuring high frame rates, dynamic frame rate switching, high resolution, low power consumption (supporting multi-zone display and vertical/horizontal multi-zone variable refresh rate driving), high PPI, and high brightness applications.</p> <p>Achievements in this application area include:</p> <ul style="list-style-type: none"> * World's first 2K Oriental display. * The industry's first complete support for LTPO dynamic refresh rate solutions. * The industry's first single IC (HPC) that supports foldable screens and multi-zone display frame rate driving function.
	Touch control IC for AMOLED panel for mobile application	Applied to high-end smartphones, it supports AMOLED flexible screens, up to 480Hz touch refresh rate, use with gloves, display high noise resistance/waterproof, and display water ripple interference prevention.
	Display and touch integration IC for mobile application	Applied to LCD screen mobile phones, featuring a high signal-to-noise ratio, high frame rate, high resolution, low power consumption, high PPI, and integration of ALS.
	AMOLED display driver IC for wearable application	In wearable device applications, it extends battery life, showcasing exceptional power consumption.
	Display and touch integration IC for wearable application	
Display and touch integration IC for tablet application	Applied to tablet devices, featuring high resolution, high frame rate, a high signal-to-noise ratio, and automatic detection of various active pen specifications, as well as integration of ALS.	
Industrial control	Touch control IC for industrial application	Applied to fitness equipment, smart home appliances, IWB whiteboards, POS, and vending machines. Featuring a high signal-to-noise ratio, waterproof and anti-fog capabilities, and compatibility with various active pen specifications.
Automotive-related products	Display and touch integration IC for automotive application (TDDI)	Applied to the automotive field, featuring a high signal-to-noise ratio, high ESD and EMI protection, ASIL specifications, integration of ALS, and support for large panel touch.
Consumer	Touch control IC for consumer specifications	Applied to e-paper related products, featuring a high signal-to-noise ratio, low power consumption, and support for the latest active pen protocols.

Planned Products

Product Line	Future R&D Plans
R&D roadmap for mid-to large-size notebook panels	<ul style="list-style-type: none"> * High-end gaming notebook driver IC, supporting high resolution and a refresh rate of up to 480Hz. * eDP Tcon Embedded Integrated Driver IC * OLED NB Driver Solution * In cell Touch Solution
R&D roadmap for small-size panels	<ul style="list-style-type: none"> * Products supporting high resolution, such as WQHD and 4K2K. * Development of new display products, such as AMOLED and wearable products. * In-cell touch Driver IC * Development of 2-port MIPI interface, CPHY MIPI interface * Development of image algorithms such as sub pixel rendering, scaling up, dynamic C.R enhancement. * Low power consumption applications * Data compression technology
R&D roadmap for touch control IC	<ul style="list-style-type: none"> * Development of new high-channel platforms, such as AIO, IWB, and new generation touch solutions for extra-large sizes, etc. * Development of electronic paper application products. * Development of notebook application products. * High SNR and enhanced noise immunity are highlights of innovative products. * Low power consumption design * Simultaneous Pen and Touch Solution
R&D roadmap for automotive IC	<ul style="list-style-type: none"> * Compliant with ISO 26262 and AEC-Q100 for automotive ICs. * TDDI Solution for 1920 Channel & 1440 Channel * Supporting the development of larger size and high resolution products, such as LTDI integration chips. * Timing Controller and Bridge for Local dimming \ Interface transferring (LVDS to eDP) and High Resolution * OLED Driver Solution

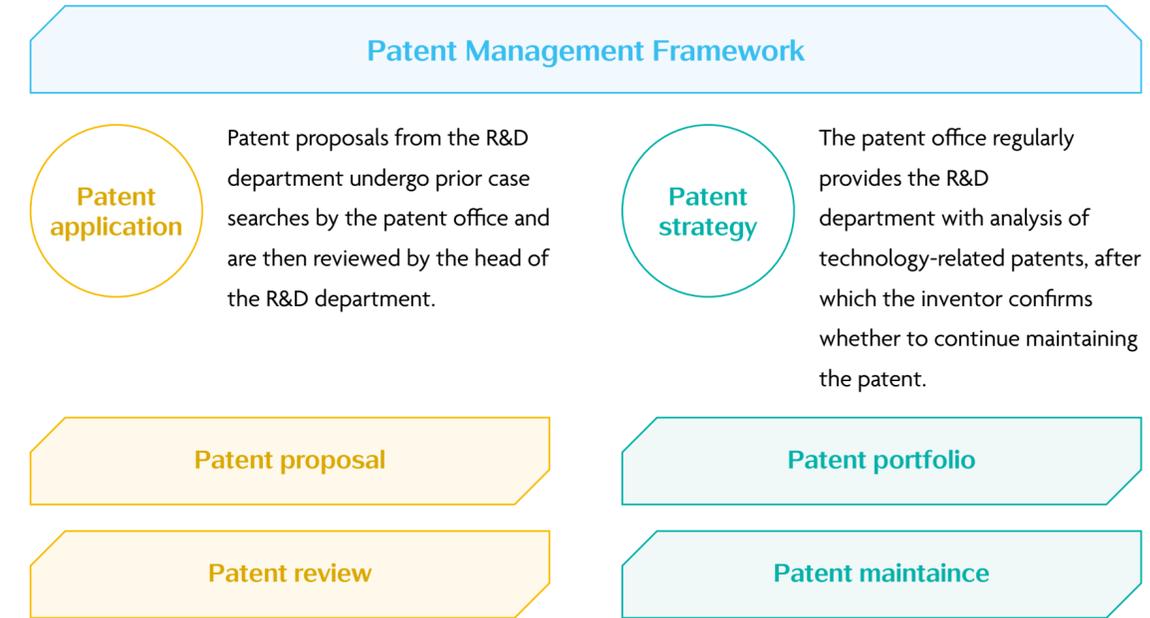


◆ Intellectual Property Management

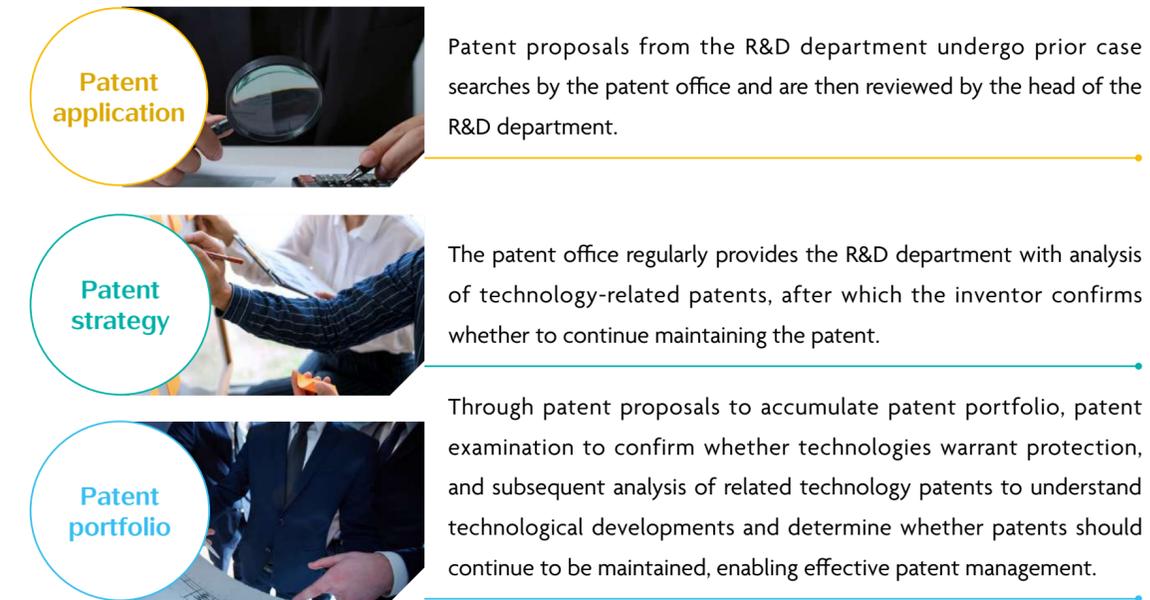
Innovation and R&D are the driving force and cornerstone of ITH's progress. To properly protect research outcomes and enhance competitiveness and market position, the Company established the "Invention and Patent Rights Management Regulations" in 2006, with the most recent revision in 2024. From the initial review and application, evaluation strategy, to subsequent portfolio management, we have designed corresponding deployment policies. Through systematic management, regular patent meetings, and a patent bonus system, we pursue the most appropriate resource allocation to maximize the benefits of patent applications.



Patent Management Framework



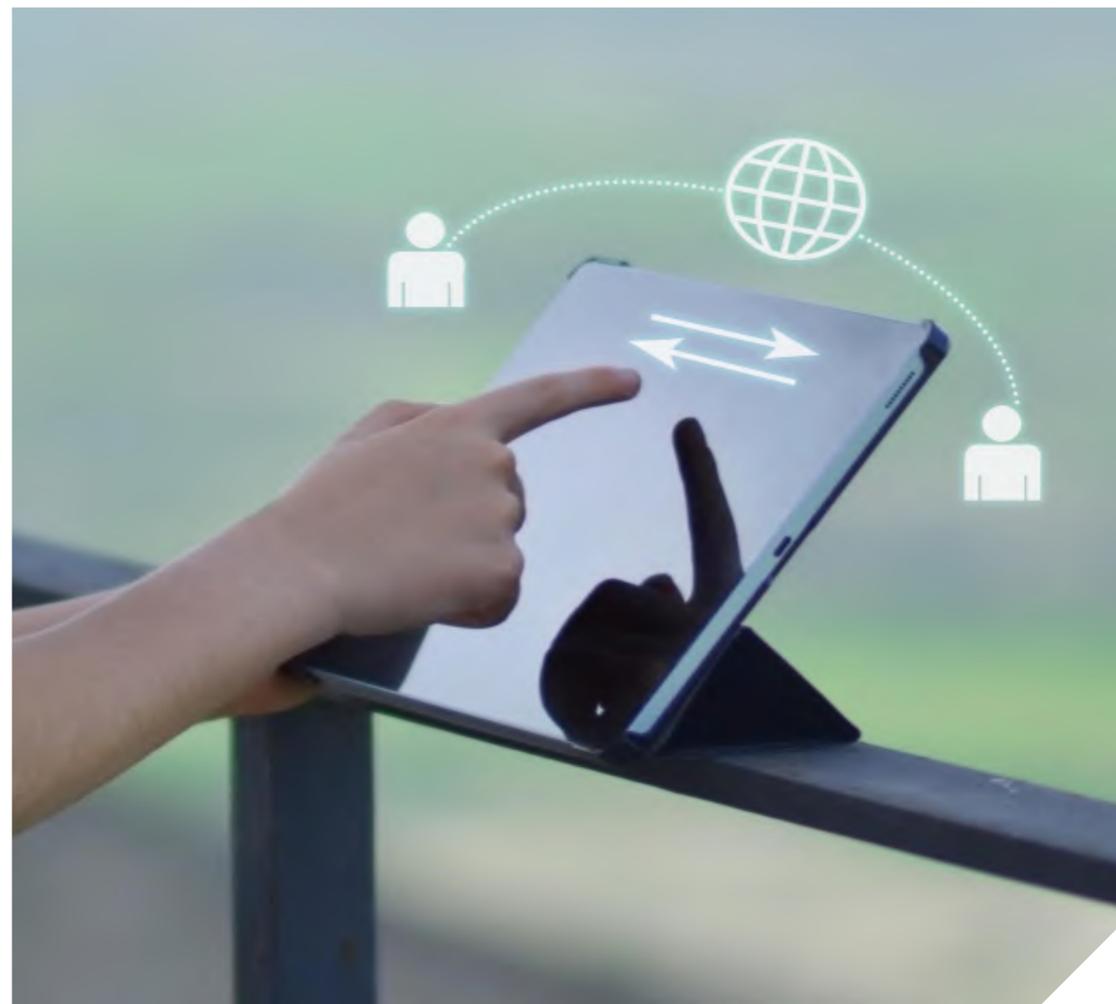
Patent Application



ITH continues its patent portfolio in related technological fields. 44 domestic and international patent applications were filed in 2024, and 16 new domestic and international patents were granted, with 1 trade secret managed internally. As of 2024, we had filed a total of 488 patent applications and maintained 313 valid patents. In 2024, ITH did not have any patent infringement cases or patent litigation cases.

Patent Application Granted Status

Number of Patent Application/Granted from 2021 to 2024				
Year	Number of Domestic Patents		Number of Foreign Patents	
	Number of Applications	Number of Granted	Number of Applications	Number of Granted
2021	18	13	20	14
2022	9	10	10	10
2023	11	8	13	11
2024	19	11	25	5



Green Product Design

Material Topics

Management Approach for Green Products

Policy and Commitment

Integrate sustainability with core business, refine and optimize the product development process and implement robust talent cultivation and management strategies. Continuously innovate and enhance the performance of green products, while conducting regular reviews and periodic training programs to ensure more effective utilization of R&D resources. Manage the supply chain in compliance with ISO 14001, RoHS, Quality Management Process, and supplier evaluation standards.

Adjustment Measures

Upholding the principles of sustainable development, we collaborate with key partners to become part of the green component supply chain, aiming to pursue shared values to mitigate risks and increase demand, thereby creating economic returns. Set green product goals to improve energy efficiency and achieve energy-saving objectives. Implement rigorous quality management practices to strengthen our position within the green supply chain and invite suppliers to sign relevant sustainability policies and commitments.

Positive Opportunities

Countries worldwide are progressively setting carbon neutrality targets, and financial regulations are evolving accordingly. As energy conservation and carbon reduction become universal values, carbon emissions represent a significant long-term challenge for businesses. These global trends create strong growth potential for green products, making them an increasingly important opportunity for the future.

Negative Risks

As the financial system increasingly values ESG sustainability indicators, investors make decisions based on the information disclosed through these metrics. Companies that fail to meet their ESG responsibilities risk jeopardizing their operations. Major suppliers also emphasize sustainable practices, making participation in the green supply chain critical for future business success. Failure to invest in green product development constitutes an indirect exploitation of environmental public goods and necessitates sharing the costs of establishing a fair and sustainable supply chain.

Short-term Goals

- * Optimize the product development process to achieve energy conservation and environmental protection, improve product energy efficiency, and minimize environmental impact.
- * Continuously cultivate and manage R&D talents to strengthen the team’s capabilities in green product development.

Medium- to Long-term Goals

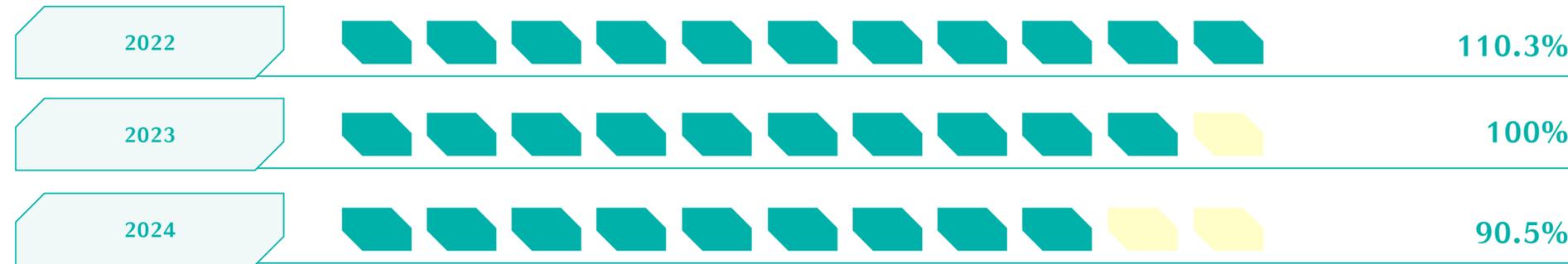
Improve the production and supply chain management of green products to become a supplier of green components, ensuring that the production processes comply with the environmental protection principles and sustainable development standards.

ITH sets annual goals for reducing product energy consumption and product size in mobile phone, automotive, industrial control, and notebook products. The achievement status in 2024 is as follows:

Aspect	2024 Results (% Increase/Decrease Compared to Previous Generation)	Goals
Reduce Product Energy Consumption	-9.5%	-5%
Product Size	-9%	-5%

Changes in Product Energy Consumption over the years

ITH continuously reduces product energy consumption each year from 2022 to 2024 in mobile phone, automotive, industrial control, and notebook products to meet customer and market requirements.



Core Technologies of Green Products

Product Name	Key Technology	Development Costs Invested (NT\$ million)
Notebook-related products	<ul style="list-style-type: none"> * Optimize the electrical design architecture to achieve power consumption levels on par with both the N generation and N-1 generation processes * Integrated GOA driver solution for bezel reduction * Dynamic refresh rate driving support * Ultra-narrow bezel IC-saving solution * A Reduced-IC solution for high-end narrow bezel gaming notebooks 	30
Mobile-related products	<ul style="list-style-type: none"> * Pioneered the adoption of the 22nm process, reducing digital power consumption by 30% compared to the previous generation. * Optimize circuit design architecture, reducing digital power consumption by 25%. * Dynamic refresh rate driving, vertical/horizontal partition driving * QHD/WFHD shared platform, streamline IC material requirements 	50
Industrial-related products	<ul style="list-style-type: none"> * Optimize IP performance, streamline the number of operations, and achieve electricity-saving targets * Hibernate mode power saving 	10
Automotive-related products	Integrating an ambient light sensor can reduce material requirements	20

Training for R&D Personnel

To strengthen R&D capabilities, meet customer needs, and support the long-term professional development of ITH's R&D team members, the Product Development Department conducted seven training programs in 2024. In addition, the ITH HR Department offered courses on soft skills development and workplace health and safety. These initiatives ensure that the R&D team advances in both technical expertise and interpersonal skills while maintaining strong awareness of workplace safety.

In 2024, the Product Development Department focused its professional training on AMOLED, touch, and automotive-related courses to engage expertise in display and touch technologies. This is complemented by on-the-job training, enabling team members to learn and grow through hands-on R&D design work.

For soft skills development, provides diverse learning opportunities through instructor-led training and online learning platforms, including Da Da Academy, SAT. KNOWLEDGE, and YanGuo Learning. Key areas of focus include management, communication, and execution—critical components of annual quality development—helping R&D colleagues broaden their skill sets and strengthen self-learning capabilities.

Additionally, senior executives of the R&D team also actively participated in the strategic consensus workshop co-organized by ITH and Harvard Business Review, enabling the R&D team to better understand the needs of other management teams from a strategic perspective. Through collaborative discussions, operational consensus was achieved, allowing ITH to move forward in a more unified direction.



CHAPTER

4

Environmental Sustainability

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Yearly Performance Highlights



4.1 Environment Management Policies

While developing innovative products, ITH also strives to manage the impact of its operations on the environment, anticipating collaboration with peers, suppliers, or other partners to implement energy conservation and carbon reduction strategies.

We have always committed to promoting sustainable environmental development, encouraging all colleagues to conserve energy, reduce carbon emissions, and minimize resource waste. This year, the Company introduced paperless initiatives, procured LED energy-saving light tubes, established an air conditioning system replacement plan, and constructed a power monitoring system, among other environmental management measures.

As an IC design company with only office space and no manufacturing plants, ITH's main energy used is electricity, gasoline (for company cars), tap water, and general waste. Therefore, our primary goal is to reduce operational energy consumption, thereby lowering greenhouse gas emissions and minimizing the impact on climate change.

In 2024, ITH introduced new environmental management measures

- ★ In 2024, the ITRI EMS Air Conditioning Energy Management System was implemented to collect and monitor energy consumption data at plants.
- ★ Going paperless in the workplace environment
- ★ 1,011 LED energy-saving lamps were replaced, with an investment of NT\$ 1.5 million.
- ★ Implement office waste recycling actions



Climate Change Response

Policy	Communication Mechanism
Evaluate climate-related opportunities and risks the Company might face by referencing the Task Force on Climate-related Financial Disclosures (TCFD) framework, and formulate climate-related strategies and goals.	<p>Internal</p> <p>Regular monthly meetings for exchange</p> <hr style="border-top: 1px dashed #ccc;"/> <p>External</p> <p>Sustainable Development Committee</p>
Commitment	
Reduce resource use and greenhouse gas emissions to minimize the impact on climate change.	

Short- to Medium-term Goals

ITH optimizes and enhances energy efficiency in lighting, air conditioning, and chilled water systems to meet the demands of sustainable development.

- * Evaluate the current energy usage situation and seek directions for improvement.
- * Evaluate the possibility of equipment and system upgrades based on data.
- * Develop an overall energy management strategy, incorporating cost-effectiveness considerations.
- * Establish carbon reduction and energy conservation principle goals, gradually moving towards optimized energy use.
- * Annually review the effectiveness of energy management and adjust the implementation pace accordingly.

Long-term Goals

We hope to expand the positive impact on the natural environment by exerting influence on stakeholders.

Employees (internal stakeholders)

- * Establish sustainable development awareness and continuously promote employee participation in environmental and energy-saving initiatives.
- * Strengthen green workplace culture and low-carbon awareness through education, training, and internal communication.
- * Provide sustainability-related growth opportunities and encourage employees to participate in the corporate sustainability transition process.

Suppliers (external stakeholders)

- * Encourage suppliers to adopt green operational processes and gradually establish a responsible supply chain management mechanism.
- * Introduce the principles of supplier sustainability assessment principles to promote joint growth of long-term partners.

◇ 2024 Environment Management Goals and Implementation Status

ITH continued to promote energy-saving actions in 2024, implementing energy-saving improvement measures, replacing LED lighting equipment in office areas, and evaluating the replacement of air conditioning or other office space equipment. In the future, the goal is to fully switch to energy-saving equipment while continuously assessing feasibility.



01



Environment Performance Goals

In the medium- and long-term plan, it is expected to save 30% of energy consumed by air condition equipment.

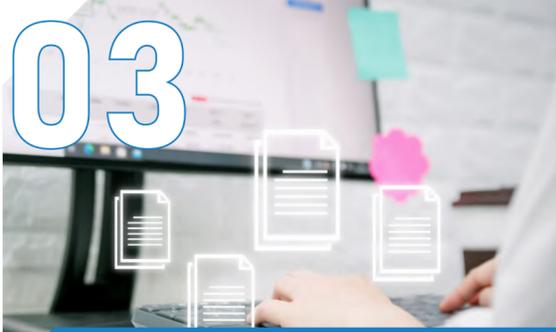


02



Environment Performance Goals

Water saving rate of 1%



03



Environment Performance Goals

Strengthen waste recycling and classification management

4.2 Climate Change Response

◇ Implementation Overview of the Climate Change Management Framework (TCFD)

Governance

The Board of Directors is the highest governance body for climate change management, and it authorizes the Sustainable Development Committee to be responsible for the identification of climate change risks and opportunities, impact level evaluation, formulation of response strategies, and oversight of the implementation by relevant units.

To ensure the comprehensiveness of the management framework, the Sustainable Development Committee convenes relevant units based on their responsibilities to form working groups, with the Sustainability Office coordinating execution and compilation. The Sustainability Office compiles the results annually and reports to the Chairman at the Sustainable Development Committee to ensure that climate-related issues are incorporated into the management's decision-making mechanisms and continuously supervised.

Strategy

ITH, based on the worst-case scenario related to climate change, assesses the potential financial impact on the Company from both transition risks and physical risks, considering the timeline of impacts (short-, medium-, long-term), affected links in the value chain, and the likelihood of occurrence. The results of the above analysis is incorporated into the strategy resilience evaluation, leading to the formulation of four core strategies: enhancing energy efficiency, developing and designing low-carbon products, supply chain management, and strengthening the group's climate resilience.

Transition risk: Referring to Taiwan's Pathway to Net-Zero Emissions in 2050 and its strategies, a carbon tax is set as a parameter. The analysis simulates the potential impact on the Company's policy and legal, market, technological, reputational, financial, and operational aspects under a carbon tax scenario of NT\$300 per tonnes.

Physical risk: Referring to SSP5-8.5, using the maximum daily high temperature TXx and the change in the total number of days per year with daily rainfall exceeding 200 millimeters as parameters, the future climate conditions of the locations of operating sites are simulated to serve as physical risk parameters.

Risk Management

The Company manages climate change-related risks and opportunities based on the existing overall risk management framework and with reference to the TCFD framework, incorporating climate change risks into the operational decision-making process.

To enhance professionalism, external experts were engaged during the initial phase to provide assistance. The Sustainability Office convened relevant departments to form a promotion team, identifying physical risks and transition risks through workshops, and assessing their materiality based on the likelihood of occurrence and potential financial impact, serving as a basis for subsequent strategy and goal adjustments.

This assessment initially evaluated acute and chronic physical risks, as well as transition risks related to policies and regulations, technology, market, and reputation. Each unit is responsible for risk identification and formulation of response measures within its operational scope, which were then consolidated by the Sustainability Office and submitted to the Sustainable Development Committee for review. The process combines internal discussions and external expert advice to evaluate the potential impact of climate change on operations.

The Sustainable Development Committee reviews the risk evaluation results biennially and adjusts response measures according to internal and external circumstances to ensure the effectiveness and appropriateness of risk response strategies. Through systematized processes and cross-departmental cooperation mechanisms, we have initially established risk identification and response capabilities. Moving forward, governance and operations will be continuously strengthened to enhance the maturity of climate risk management.

Indicators and Targets

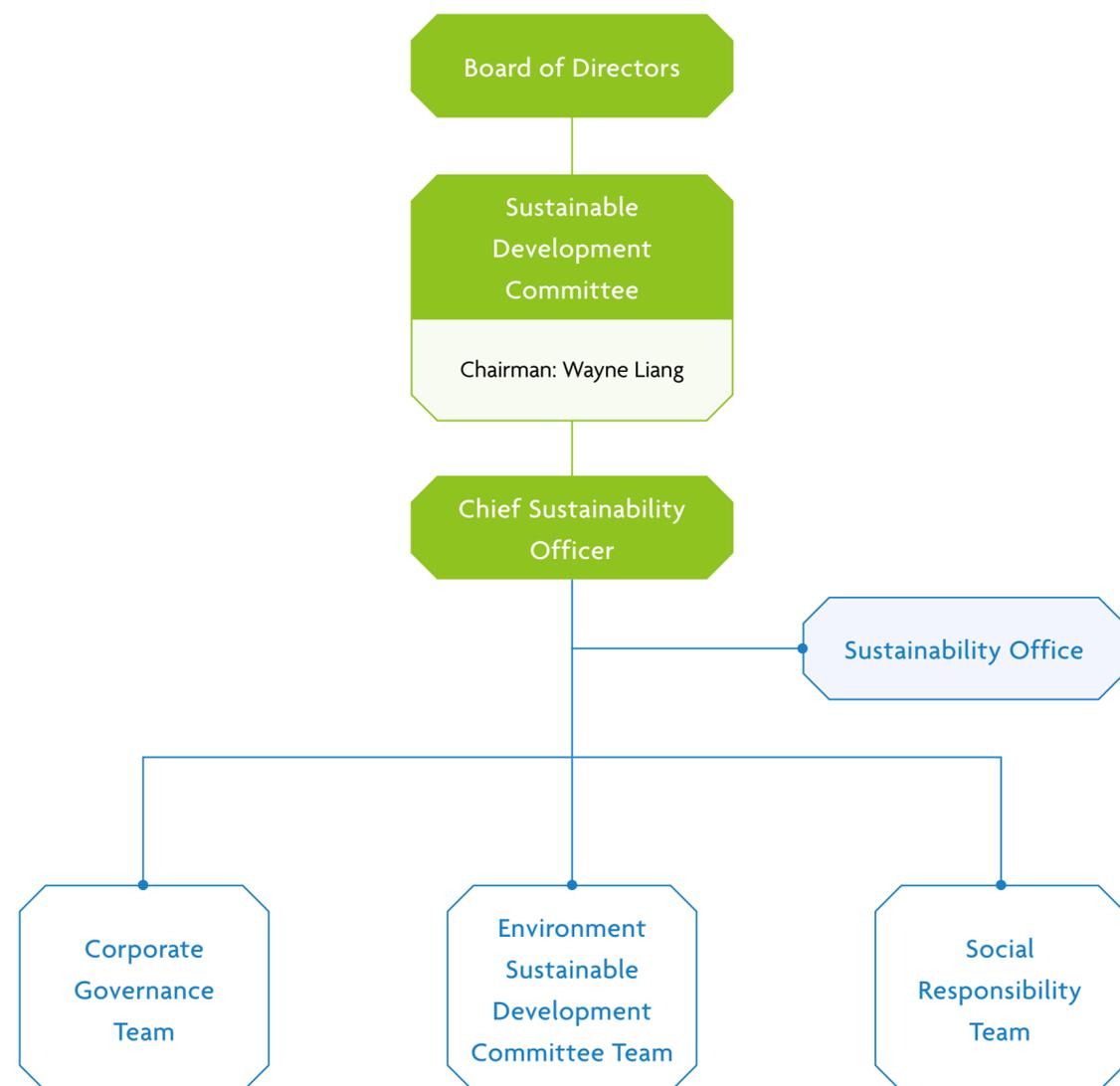
In response to the evaluated risks and opportunities, the Company has outlined the following key action directions, with each unit developing specific indicators and phased goals. The Sustainable Development Committee regularly confirms the implementation status to ensure the implementation of the strategy:

- I. Improve energy efficiency: Replace high-energy-consuming equipment, improve energy efficiency, and reduce energy consumption.
 - II. Development and design of low-carbon products: In response to the low-carbon transition trend, the R&D unit is engaging in the development of low-carbon products, actively reducing the carbon emissions of products.
 - III. Supply chain management: Leverage corporate influence to encourage suppliers to consider social, economic, and environmental impacts.
 - IV. Strengthen the Group's climate resilience: Understand the impacts of climate change and establish an uninterrupted power backup mechanism.
- Subsequently, action plans will be continuously adjusted based on implementation status.

◆ Climate Governance Framework

The Board of Directors authorized the establishment of the Sustainable Development Committee, which is chaired by the Chairman. The Committee includes a Chief Sustainability Officer and a Sustainability Office, responsible for integrating core operational resources to manage the company's ESG performance and for setting sustainable strategic directions and project implementation. The committee comprises working groups for corporate governance, environmental sustainability, and social responsibility, responsible for formulating goals and implementation plans for important cross-departmental sustainability topics.

The Sustainable Development Committee is the dedicated unit for TCFD, responsible for managing climate-related risks and opportunities, and regularly evaluating the effectiveness of strategy implementation. It reports the implementation results of climate risk management to the Board of Directors annually.



◆ Strategies and Goals

The Company closely monitors global climate change trends and international response directions, incorporating this topic into the material topics of corporate sustainability. We continuously conduct analysis and management, with the key points of strategy implementation outlined as follows:

<p>01 Improve energy efficiency</p> <p>Replace high-energy-consuming equipment, improve energy efficiency, and reduce energy consumption.</p>	<p>02 Development and design of low-carbon products</p> <p>In response to the low-carbon transition trend, the R&D unit is engaging in the development of low-carbon products, actively reducing the carbon emissions of products.</p>	<p>03 Supply Chain Management</p> <p>Leverage corporate influence to encourage suppliers to consider social, economic, and environmental impacts.</p>	<p>04 Strengthen the Group's climate resilience</p> <p>Understand the impacts of climate change and establish an uninterrupted power backup mechanism.</p>
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<p>Strategy</p> <p>Improve energy efficiency</p> <ul style="list-style-type: none"> * In 2026, electricity consumption will decrease by 15% compared to 2025. * Plan to fully implement LED lighting in the new Tainan office. * Confirm the virtual workstation requirements every five years and replace outdated servers. * Annually assess the compatibility, stability, and suitability of the virtualization platform. 	<p>Development and design of low-carbon products</p> <ul style="list-style-type: none"> * In 2025, we optimized the design architecture to reduce overall power consumption. * A shared driver IC development platform for FHD and QHD panels will be completed in 2025. 	<p>Supply chain management</p> <ul style="list-style-type: none"> * Completion of key supplier corporate social responsibility risk assessments in 2026. * Conduct quarterly supplier evaluation. * Conduct an annual supplier audit and guidance. 	<p>Strengthen the Group's climate resilience</p> <ul style="list-style-type: none"> * Insurance policies for relevant disasters are maintained on a regular basis. * Monthly assessments are conducted on server criticality, allowable downtime (SLA), and expected load to ensure that the UPS wattage and amperage capacity can meet server power consumption needs. * Select and implement appropriate UPS systems to prevent equipment failure caused by short-term power dips. * Conduct irregular UPS switchover tests to ensure seamless operation. * Set up monitoring tools to continuously track UPS power levels and operation status.
<p>Future Goals</p>			

◆ Identification Process of Climate Risks and Opportunities

The Company's Sustainable Development Committee is responsible for collecting information on climate change and energy-related risks and opportunities, and conducts reviews every two years. Considering transition risks (policy and legal/market/technology/company reputation) and physical risks (chronic and acute), a risk evaluation is conducted for potential events, including the degree of financial impacts, the impact timeline (short, medium, long-term), affected parties in the value chain, and the likelihood of risks.

When devising opportunity scenarios, we consider resource efficiency, energy sources, products and services, markets, and adaptability. Opportunity evaluation is conducted for potential events, including the degree of financial impacts, the timeline of impacts (short, medium, long-term), affected parties in the value chain, and the likelihood of opportunities.

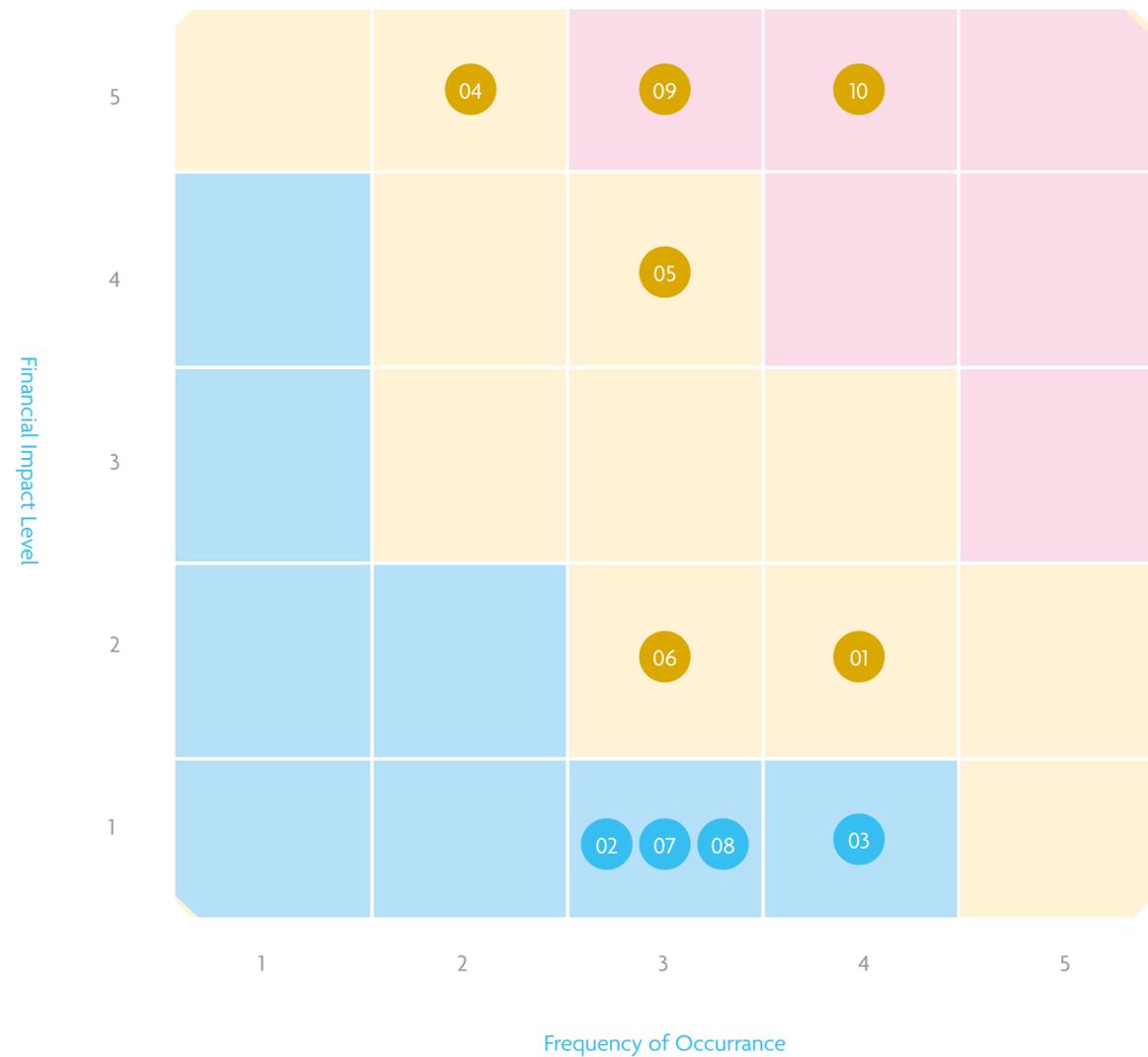


◆ Evaluation of Risks and Opportunities

The Company uses the financial impact level and frequency of occurrence to determine the impact levels of risks and opportunities based on identified risks and opportunities. A score of less than 5 indicates low risk/opportunity, a score of 5-14 indicates moderate risk/opportunity, and a score of 15-25 indicates high risk/opportunity.

Methods for Measuring Risks and Opportunities	Financial impact level and frequency of occurrence
Category of Risks and Opportunities	Transition risks: Policy and legal, market, technology, company reputation Physical risks: Chronic and acute Opportunities: Resource efficiency, energy sources, products and services, market, and adaptability
Risk/Opportunity Level	High, Moderate, Low
Scenario Analysis	Transition risk: A carbon tax of NT\$300 per tonne Physical risk: SSP5-8.5 scenario, warming +3.0-3.6° C scenario
Frequency of Occurrence	Frequent: Within 1 year (excluding 1 year) Likely: 1-2 years Possible: 3-5 years Unlikely: 6-9 years Highly unlikely: over 10 years
Risk Level	< 5 points: Low Risk/Opportunity 5-14 points: Moderate Risk/Opportunity 15-25 points: High Risk/Opportunity

Climate Risk and Opportunity Matrix



- Moderate to High Risk/Opportunity Level
- ① Changes in domestic and international policies and legal regulations.
- ④ Innovation and technology development
- ⑤ Increase in negative feedbacks from stakeholders
- ⑥ Increase in frequency of extreme weather events
- ⑨ Increase in demand for low-power consumption products
- ⑩ The application of driver ICs in new energy vehicles is growing rapidly

- Low Risk/Opportunity Level
- ② National goal of net zero by 2050
- ③ Taiwan Stock Exchange's regulatory requirements
- ⑦ Rising global average temperatures
- ⑧ Unstable power supply



Types of Risks/Opportunities	Overview of Risks/Opportunities	Value Chain Segments Affected	Timeframe of Impact	Possibility	Potential Financial Impact	Risk/ Opportunity Level
Transition risk	<p>Changes in Domestic and International Policies and Legal Regulations</p> <p>The international promotion of carbon taxes and carbon border adjustment mechanisms, along with the domestic government's imposition of carbon fees, is increasing the operating costs of the supply chain, which may lead to the costs being passed on and causing an increase in the Company's procurement expenses.</p>	Direct operations, customers, supply chain	3-5 years	Likely	Low	Moderate
	<p>National Goal of Net Zero by 2050</p> <p>In response to the country's future commitment towards the net-zero goal, the power structure will increase low-carbon and renewable energy, which may lead to electricity price hikes in the future, resulting in increased production costs.</p>	Direct operations	3-5 years	Possibility	Extremely low	Low
	<p>Regulatory Requirements by the Taiwan Stock Exchange</p> <p>In response to the FSC's "Sustainable Development Roadmap for TWSE-/TPEX-Listed Companies," the Company must also commission a consulting firm to assist with greenhouse gas guidance and annually request a third-party organization for verification; otherwise, the Company will be subject fines.</p>	Direct operations	Within 1 year	Likely	Extremely low	Low
	<p>Innovation and Technology Development</p> <p>If new products fail to meet customer specifications for energy consumption in next-generation low-carbon products, this will result in declining revenue for the product line and potentially render development costs unrecoverable.</p>	Direct operations, customers	4-10 years	Unlikely	Extremely high	Moderate
	<p>Increased Negative Stakeholder Feedback</p> <p>Customers in the value chain periodically conduct stakeholder material topic investigations, fill out social responsibility questionnaires, and sign the vendor code of conduct, requiring management of greenhouse gases and carbon footprint. If relevant indicators and actions are not incorporated into operational considerations, it may affect customer order demand, leading to decreased revenue for the product.</p>	Direct operations, customers	3-5 years	Possibility	Low	Moderate



Types of Risks/Opportunities		Overview of Risks/Opportunities	Value Chain Segments Affected	Timeframe of Impact	Possibility	Potential Financial Impact	Risk/Opportunity Level
Physical risk	Acute	<p>Increased Frequency of Extreme Climate Events</p> <p>The supply chain is affected by extreme climate such as typhoons and flooding, impacting the plants, equipment operation and safety, leading to operational disruptions.</p>	Direct operations, supply chain	3-5 years	Possibility	Low	Moderate
	Chronic	<p>Rising Global Average Temperatures</p> <p>Climate change will life future average temperature, leading to increased electricity usage for chillers and air conditioners as heat load rises.</p>	Direct operations	3-5 years	Possibility	Extremely low	Low
	Chronic	<p>Unstable Power Supply</p> <p>The Company's servers are currently centralized in Hsinchu. If the government's energy policy leads to unstable power supply, and power rationing measures cause regional power outages, servers will not be operational.</p>	Direct operations	3-5 years	Possibility	Extremely low	Low
Opportunity	Products and services	<p>Increased Demand for Low-Power Consumption Products</p> <p>The Company's IC products are manufactured using advanced processes at wafer foundries, and optimized through the R&D team's design, effectively reducing the power consumption of IC products. This advantage is leveraged to expand into consumer markets such as the notebook market.</p>	Direct operations, customers	4-10 years	Possibility	Extremely high	High
		<p>Rapid Growth in Application of Driver ICs in New Energy Vehicles</p> <p>The global goal of net zero emissions by 2050 has driven countries to formulate carbon reduction policies, such as banning the sale of fuel vehicles and subsidizing electric vehicles, accelerating the development and adoption of electric vehicle technology. The Company is actively developing display and touch integration ICs (TDDI) for the automotive market, which helps simplify circuit design and shorten development time. For customers, it simplifies the supply chain structure and makes procurement more convenient, which helps increasing customer order demand.</p>	Direct operations, customers	4-10 years	Likely	Extremely high	High

◆ Climate Risk Scenario Analysis



Based on TCFD guidelines, the Company utilizes the worst-case scenario faced by both transition and physical types of risks, incorporating analysis results into strategy resilience evaluation.

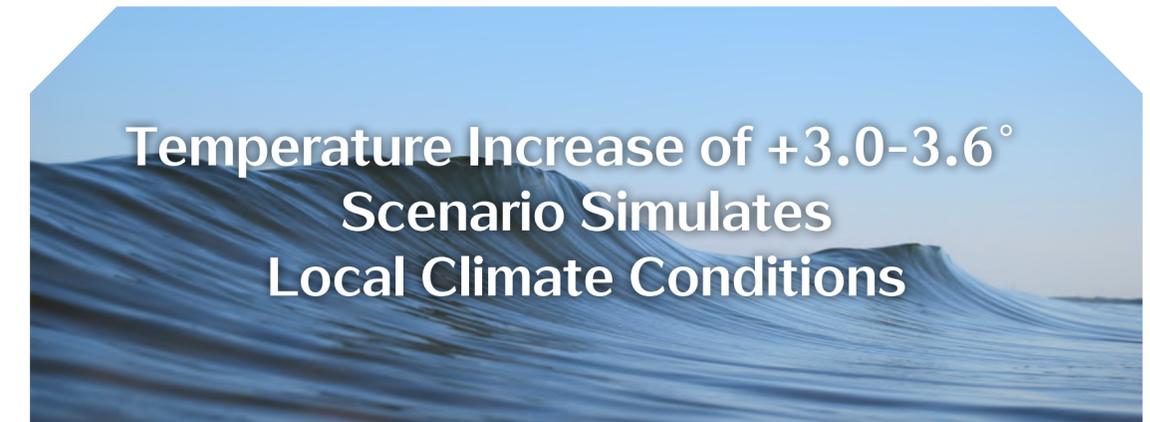
Transition risk: Referring to Taiwan's Pathway to Net-Zero Emissions in 2050 and its strategies, a carbon tax is set as a parameter. The analysis examines the impact on the Company's policy and legal, market, technology, reputation, financial, and operational aspects under a carbon tax scenario of NT\$300 per tonnes.

Physical risk scenarios refer to SSP5 - 8.5, using the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and the National Science and Technology Center for Disaster Reduction, collecting the maximum daily high temperature (TXx) and the change in the total number of days per year with daily rainfall exceeding 200 millimeters as parameters to simulate the future climate conditions of the locations where operating sites are situated.



Evaluation Factors	Operating Region	Observation Base Period 1995-2014	2041-2060 Estimated Maximum Change
Maximum daily temperature TXx	Hsinchu	31.6°C	2.5°C
	Taipei	35.2°C	2.4°C
	Tainan	34.8°C	2.5°C
Average change in the total number of days per year with daily rainfall exceeding 200 millimeters	Hsinchu	0.8 天	0.5 天
	Taipei	0.8 天	0.9 天
	Tainan	0.9 天	1.3 天

Note: SSP emission scenarios: Depending on future socio-economic assumptions, emissions reduction level, aerosol pollutants and other factors resulting in different GHG emission levels can be simply divided into the following four representative scenarios from low to extremely high GHG emissions: SSP1-2.6 (low emissions), SSP2-4.5 (moderate emissions), SSP3-7.0 (high emissions), SSP5-8.5 (extremely high emissions).



Evaluation Factors	Operating Region	Hsinchu	Taipei	Tainan
	Sea level rise		Not affected	Affected
Areas below the tidal line (at risk of flooding)		Not affected	Not affected	Not affected
Areas below the 2050 flood level		Not affected	Not affected	Not affected
Average drought duration		4 months	4 months	4 months

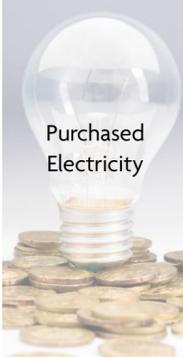
In addition, the physical risk scenario refers to a temperature increase of +3.0-3.6° C, using parameters collected by Climate Central and Carbon Brief such as sea level rise, areas below the tidal line (flood risk areas), areas below the 2050 flood level, and average drought duration to simulate the future climate conditions at operating locations.

4.3 Energy Management

In the IC design industry chain, ITH focuses on design, while wafer fabrication, assembly, and testing are done by external professional foundries. The Company's main energy usage is for office buildings and residential needs, with electricity being the largest component. The Company commits to continuously implementing energy-saving and carbon reduction solutions in the future. Current plans focus on energy-saving measures for air conditioning systems and chilled water pipelines, with the expectation of increasing the percentage of electricity savings in air conditioning systems to 30%. We will continue to utilize the EMS system for effective energy consumption management to improve energy efficiency.



◇ Electricity and Energy Usage of the Business Unit

Types of Energy	Source	Purpose	2022	2023	2024	Unit	Compared to 2023 (%)
 Purchased Electricity	Taiwan Power Company	Plant-wide electricity facilities	2,703,800	2,834,234	2,742,130	kWh	-3.3%
			9,733,680	10,203,242	9,871,668	MJ	
 Gasoline	Taiwan CPC Corporation	Company cars	1,512	1,332	916	Liters	-31.2%
				43,490	29,907	MJ	
Total (Total Energy Consumed)			9,783,047	10,246,732	9,901,575	MJ	-3.4%
Purchased Electricity/Total (Total Energy Consumed)			99.5%	99.6%	99.7%	%	-

Note 1: The conversion for electricity is 1 kWh = 3.6 MJ, and for gasoline is 1 liter = 32.65 MJ.

Note 2: The scope of data disclosure is ITH's headquarters in the Hsinchu Tai Yuen Hi-Tech Industrial Park, excluding other operating sites.

◆ Performance of Energy Conservation and Carbon Reduction Projects

In 2024, the Company implemented the "Office Lighting Energy-Saving Improvement Plan," replacing the 1,011 original traditional T5 grille lamps, and fully introduced LED recessed panel lights, achieving the goal of 100% LED lighting equipment in office areas. The project invested a total of NT\$1,550,000, which not only improved lighting quality and extended equipment life, but also resulted in significant energy-saving effects.

According to the 2024 electricity consumption data, the annual electricity usage of LED lighting equipment was 180,342 kWh, significantly reduced from 469,799 kWh before the replacement in 2022. The proportion of lighting electricity in the overall energy consumption also decreased from 17.4% in 2022 to 6.4%, demonstrating a tangible energy saving rate of 5.3%. The implementation of this project effectively improved energy efficiency and reduced indirect carbon emissions, marking an important milestone for the Company in moving towards low-carbon operations.

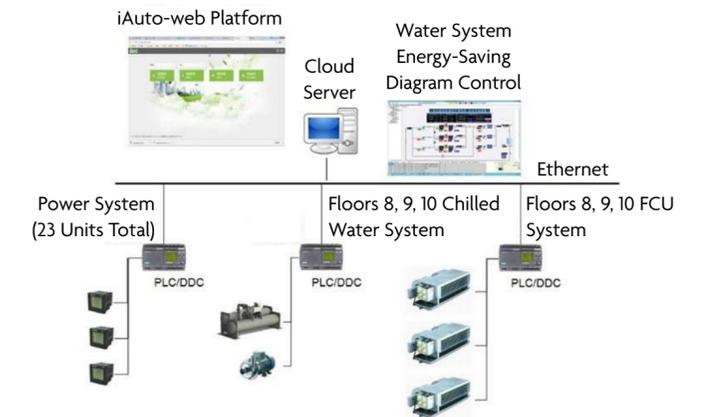
Year	Lighting specifications	Percentage	Electricity Usage	Total (kWh)	Lighting/ Total Energy Consumption	Energy-saving Benefits
2022	Traditional T5 grille lamps	100%	469,799	469,799	17.4%	0%
	LED recessed panel light	0%	0			
2023	Traditional T5 grille lamps	52.5%	246,576	332,265	11.7%	5.7%
	LED recessed panel light	47.5%	85,689			
2024	Traditional T5 grille lamps	0%	0	180,342	6.4%	5.3%
	LED recessed panel light	100%	180,342			

Energy Management Platform Construction for 2023-2024 Load Energy Consumption Database Establishment

Existing Air Conditioning Architecture



Optimization of Air Conditioning Architecture



Project Name
Office lighting energy-saving improvement plan



In 2024,
1,011
T5 fixtures were replaced, achieving the goal of full adoption of LED energy-saving lighting.

Cost Invested
NT\$1,550,000

4.4 Greenhouse Gas Management

In the future, ITH will conduct a greenhouse gas emissions inventory within its operational scope and actively promote various energy conservation and carbon reduction solutions based on inventory results. This aims to minimize the impact on the earth's environment, continuously improve overall environmental performance indicators, and subsequently become a leader in sustainable development.

:: Greenhouse Gas Inventory Method ::

Organizational Boundary

Establish the organizational boundary content in accordance with the ISO 14064-1 standard and the EPA Greenhouse Gas Inventory Guidelines.

Type of Inventory

According to the greenhouse gases defined by ISO 14064-1, the inventory items include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), nitrogen trifluoride (NF₃), etc.

Inventory Timeline

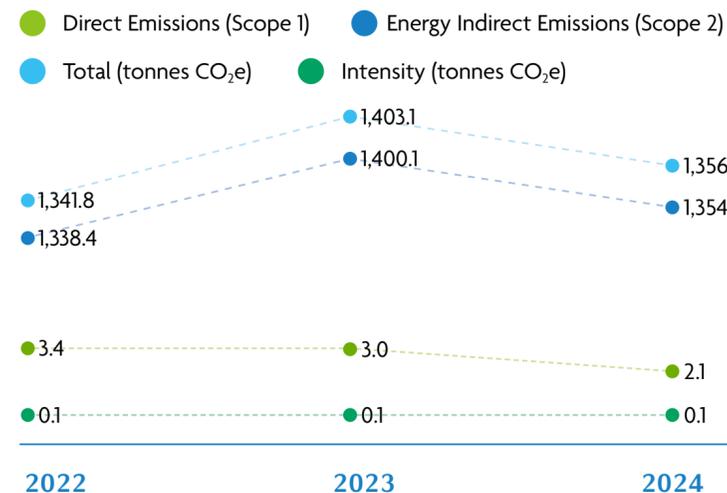
Starting from 2025, we consult external experts to conduct the greenhouse gas inventory for the headquarters.

Calculation Method

According to the "Greenhouse Gas Emissions Inventory Guidelines" published by the EPA, we set the organizational boundary before conducting a greenhouse gas inventory, determine the scope of inventory, and identify emission sources, focusing primarily on direct emissions and emissions from purchased electricity.

We will collect annual usage data from various emission sources, such as purchase receipts for gas and natural gas, annual refrigerant refilling amounts, as well as electricity bills, and use carbon inventory estimation tools to calculate greenhouse gas emissions.

Greenhouse Gas Emissions



Note 1: The carbon emission factor for electricity in this table is calculated with reference to the annual carbon emission factors for electricity promulgated by the Bureau of Energy, Ministry of Economic Affairs; the carbon emission factor for oil is referenced from the Greenhouse Gas Emission Factor Management Table announced by the Environmental Protection Administration, calculated as 2.2631 kg per liter CO₂e of gasoline. Only carbon dioxide emissions are calculated, excluding methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride, and other greenhouse gases.

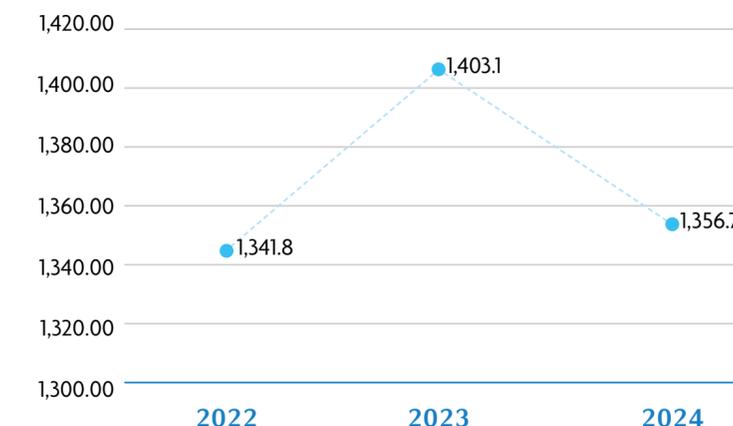
Note 2: Referencing the IPCC Fourth Assessment Report (2007), carbon dioxide was calculated using a GWP value of 1.

Carbon Reduction Plan

ITH has not yet conducted third-party verification of greenhouse gas inventory. In the future, verification will be completed in accordance with the timeline stipulated by the competent authority or earlier if needed, to enhance the transparency and credibility of information disclosure. To establish specific and feasible carbon reduction goals, the Company has commissioned a consulting firm to assist in conducting greenhouse gas inventory for each operating location, and is continuously planning verification operations to enhance the credibility of carbon emission data.

We plan to use 2025 as the baseline year to evaluate the replacement of major carbon-emitting equipment, implement an Energy Management System (EMS), upgrade air conditioning systems, and promote employee energy-saving initiatives. The goal is to reduce Scope 2 greenhouse gas emissions by 15% compared to the baseline year by 2030. In the future, strategies and carbon reduction goals will be adjusted on a rolling basis based on the completeness and accuracy of the inventory data to continually advance low-carbon operations.

Greenhouse Gas Emissions (CO₂e equivalent)



Goal

Reduce Scope 2 greenhouse gas emissions by 15% compared to the baseline year by 2030.

4.5 Waste Management

Waste generated from ITH's operational activities is general municipal waste. Employees are encouraged to conduct waste sorting and recycling. The importance of waste recycling classification is continuously promoted to strengthen employees' awareness of waste recycling and reuse, thereby implementing waste management.

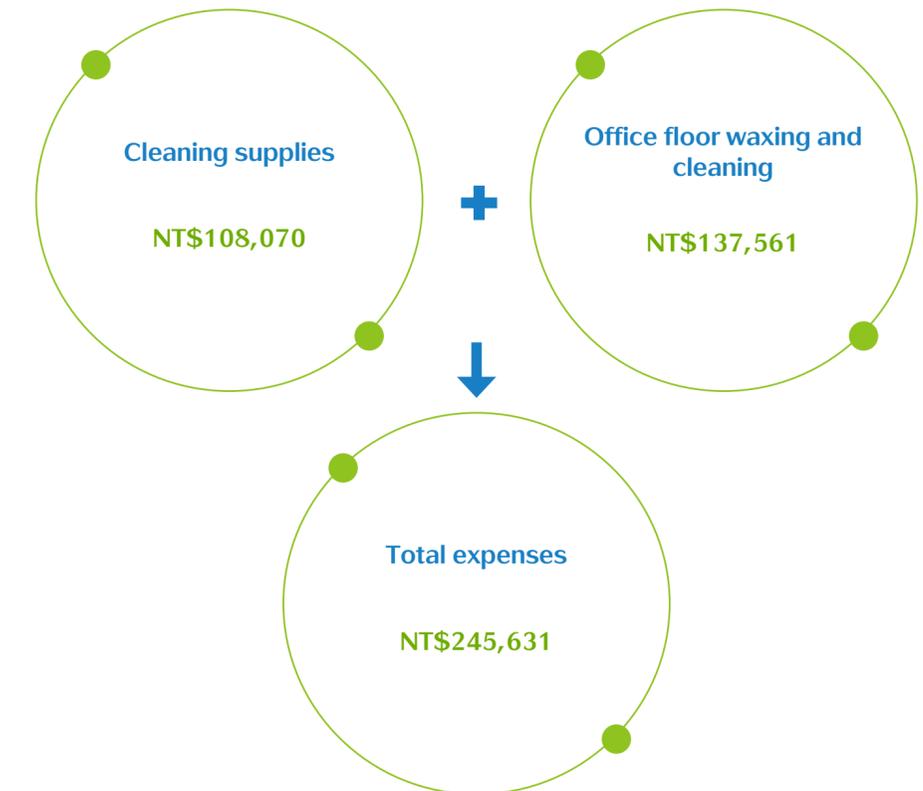
To achieve green operations, the Company is currently gradually going paperless. Internal systems are used for billing changes and signatures to minimize paper waste, implementing a policy to reduce paper usage. We also enhance the implementation of resource recycling management, limiting the use of paper products to the greatest extent possible without affecting operations. This aligns with international sustainable trends, fulfilling our responsibility and obligations as a corporate citizen and contributing to sustainable development.

Three-Year Waste Disposal Volume

Yearly Waste Statistics			2022		2023		2024	
Category	Types of Waste	Treatment Method	Processing Volume (tonnes)	%	Processing Volume (tonnes)	%	Processing Volume (tonnes)	%
General waste	Municipal waste	Incineration	6.2	60.6%	11.6	63.7%	11.9	63.1%
	Waste paper, waste iron, waste aluminum containers, waste lighting sources	Resource recycling	2.4	23.5%	3	16.5%	3.5	18.5%
	E-waste	Classification and recycling	0.1	1%	0.5	2.7%	0.2	1.1%
Industrial waste	Discarded electronic components	Outsourced treatment	1.5	14.5%	2.1	11.6%	3.1	16.5%
	Scrap and defective products		0.4%	1	5.5%	0.1	0.8%	
Total			10.2	100%	18.2	100%	18.9	100%

Note 1: The scope of general waste data includes only the Hsinchu Tai Yuen headquarters.

Environmental Expenditures



4.6 Water Resource Management ☆



The water resources for ITH primarily come from third-party suppliers, and most of the water is used in the public areas of the Tai Yuen Technology Park, which has water-saving mechanisms. These include rainwater harvesting for plant irrigation within the park, installation of dosing devices in cooling towers to reduce cleaning frequency, and the installation of water-saving devices throughout the park to prevent water wastage. The total water withdrawal in 2024 came in at 14.24 million liters. To enhance water resource use efficiency and reduce waste, we promoted the importance of reducing water waste through emails to colleagues, reinforcing the concept of water conservation among staff.

Total water withdrawal in 2024 was 14.6 million liters

:: Two-Year Water Usage Data ::

Year		2023	2024
 Water Withdrawal (Unit: Megaliters)			
From third-party water supply	Tap water	6.61	6.88
	Others (air conditioning, shared public water)	6.99	7.36
Total water withdrawal		13.6	14.24
 Water Discharge (Unit: Megaliters)			
Total water discharge		13.6	14.24
 Water Consumption (Unit: Megaliters)			
Total water consumption (Total water withdrawal - Total water discharge)		0	0

Note 1: The scope of data disclosure includes only the Hsinchu Tai Yuen headquarters.

CHAPTER 5

Employee Well-Being

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Yearly Performance Highlights



Material Topics

Management Approach for Talent Attraction and Retention

Policy and Commitment

The Company attracts and retains talent by continuously monitoring industry trends, establishing competitive compensation and benefits policies, and demonstrating its development potential, promotion pathways, and diverse learning, growth, and training opportunities.

Adjustment Measures

To attract talent and enhance the Company's competitiveness, we offer compensation, benefits, and a work environment that surpass peers. We continuously improve and adjust to meet employee needs and expectations.



Adjust the reward system to increase talent retention rates



Positive Opportunities

Providing good remuneration, benefits, and working environment assists in employee retention, thereby stabilizing human resources and mitigating the impact of manpower shortages on the Company.



Negative Risks

Increased turnover rates will negatively impact companies by increasing recruitment and new employee training costs, and also affect corporate image.



Short-term Goals

- * We continuously attract outstanding talents through various recruitment channels.
- * Provide a variety of training opportunities to help employees continuously enhance their professional skills and managerial roles.
- * Develop a competitive compensation and benefits policy.



Medium- to Long-term Goals

- * Plan diversified education and training to assist employees in comprehensive development, enhance competitiveness, and grow together with the Company.
- * Create a decent workplace environment and provide employees with comprehensive life care to enhance employee loyalty and satisfaction.

5.1 Talent Attraction and Retention

ITH values employee compensation and implements multiple talent recruitment programs to create a harmonious work environment and labor-management relations. Through various recruitment channels, we continuously attract outstanding talents and provide a variety of training opportunities to help employees continuously enhance their professional skills and managerial roles. Coupled with the development of a competitive compensation and benefits policy, we aim to increase workplace retention rates. In the future, we will continue to monitor industry trends and uphold the principle of internal fairness to develop competitive remuneration and benefits policies. We aim to create an excellent training system and work environment, and provide employees with comprehensive life care.

◆ Diversity and Inclusion

ITH upholds the core philosophy of diversity and inclusion, striving to create a fair, open, and respectful work environment where colleagues from diverse backgrounds can fully realize their potential. We not only pursue diversity in numbers but also actively foster a workplace atmosphere where every employee can feel safe and accepted.

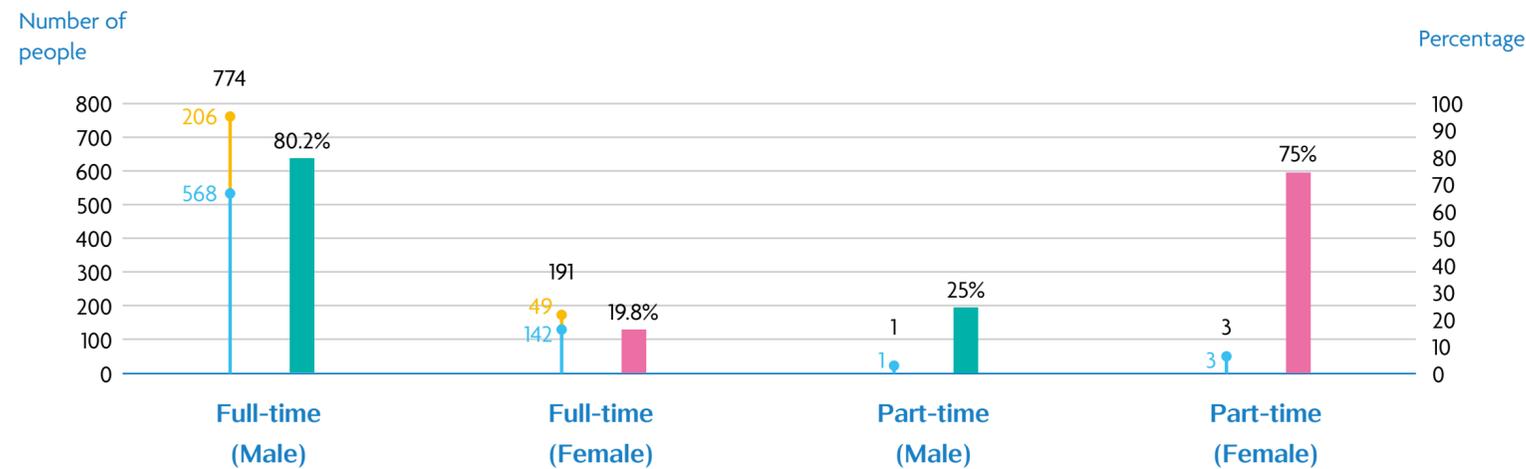
The total number of employees at ITH is 969, with a gender distribution of 775 male and 194 female employees, including both directly hired full-time and part-time employees. During the reporting period in 2024, the number of employees increased by 7.8%, which is considered normal fluctuation in response to company operations needs.

The semiconductor industry has long faced gender imbalance. We recognize this challenge and continue to ensure equal opportunities for females in career development through open and transparent performance evaluations, promotion, and talent development systems. Additionally, we regularly conduct engagement and satisfaction surveys for new employees, establishing an effective feedback mechanism as a basis for continuously optimizing management and enhancing the sense of belonging.

We believe that only by having diverse thinking within the organization can we more comprehensively empathize with customer needs and enhance organizational resilience, and market competitiveness. In the future, ITH will continue to strengthen its diversity and inclusion policy, set clear goals, and track the results to ensure that diverse values become an integral part of the corporate culture. This effort will drive the Company and all stakeholders towards sustainable development together.

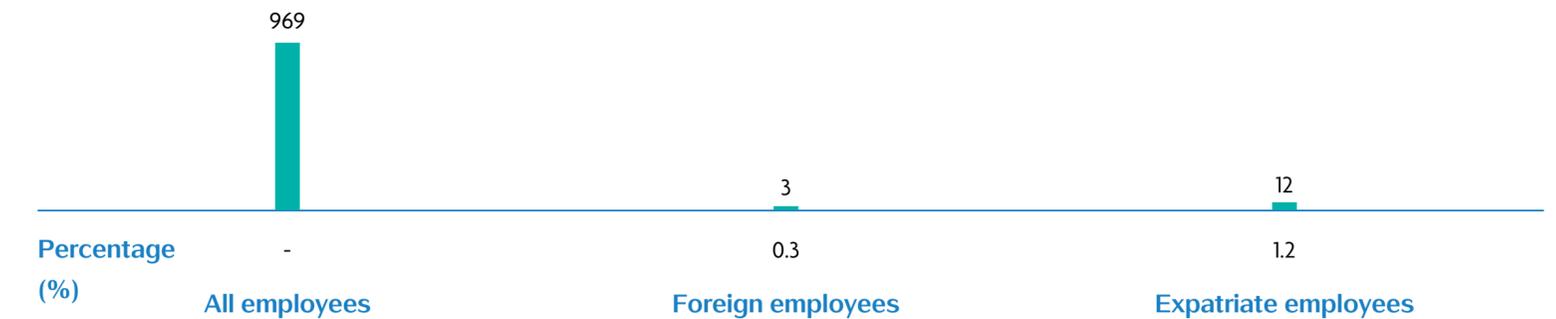
Total Number of Employees

● Taiwan ● Overseas ● Male ● Female



Note 1: Using the values on December 31, 2024, as the basis for statistics.
 Note 2: Regular personnel are full-time or part-time employees with indefinite-term contracts.
 Note 3: No temporary employees (employees with fixed-term contracts) were hired in that year.
 Note 4: As of December 31, 2024, there were no workers who are not employees on duty.

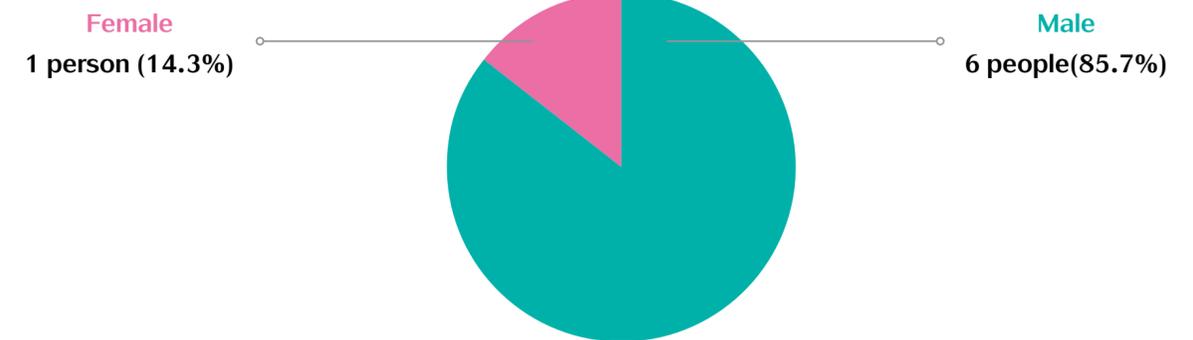
Foreign and Expatriate Employees



Note 1: Foreign employees are those who need to apply for work visas in the country where they are employed.
 Note 2: Expatriate employees are those whose country of work is not their country of employment.

Employees with Disabilities

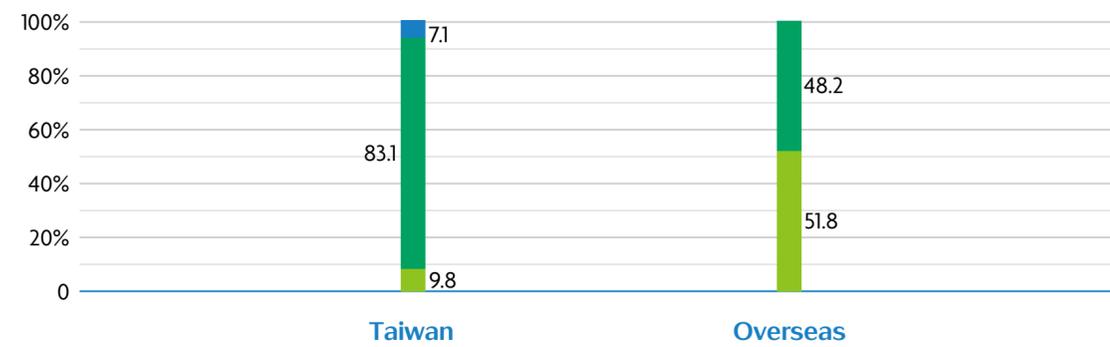
Hired a total of 7 employees with disabilities in 2024, meeting the statutory quota to protect their employment rights and provide fair opportunities



Personnel Age Structure

Unit : %

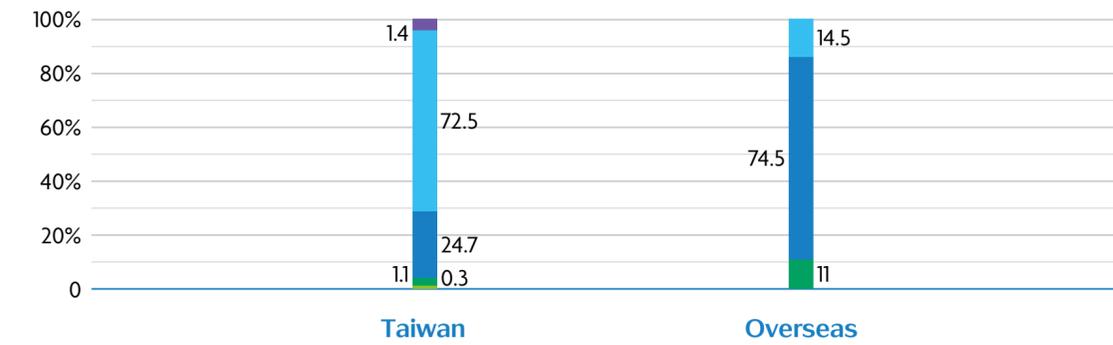
● Under 30 years old (exclusive) ● 30 to 50 years old ● 51 years old and above (inclusive)



Distribution of Employee Educational Background

Unit : %

● High school ● Associate degree ● Bachelor's degree
● Master's degree ● Doctorate degree



Employee Position Ratio

Unit : %

● Research and development ● Engineering and technology
● Administrative support and management ● Marketing and sales

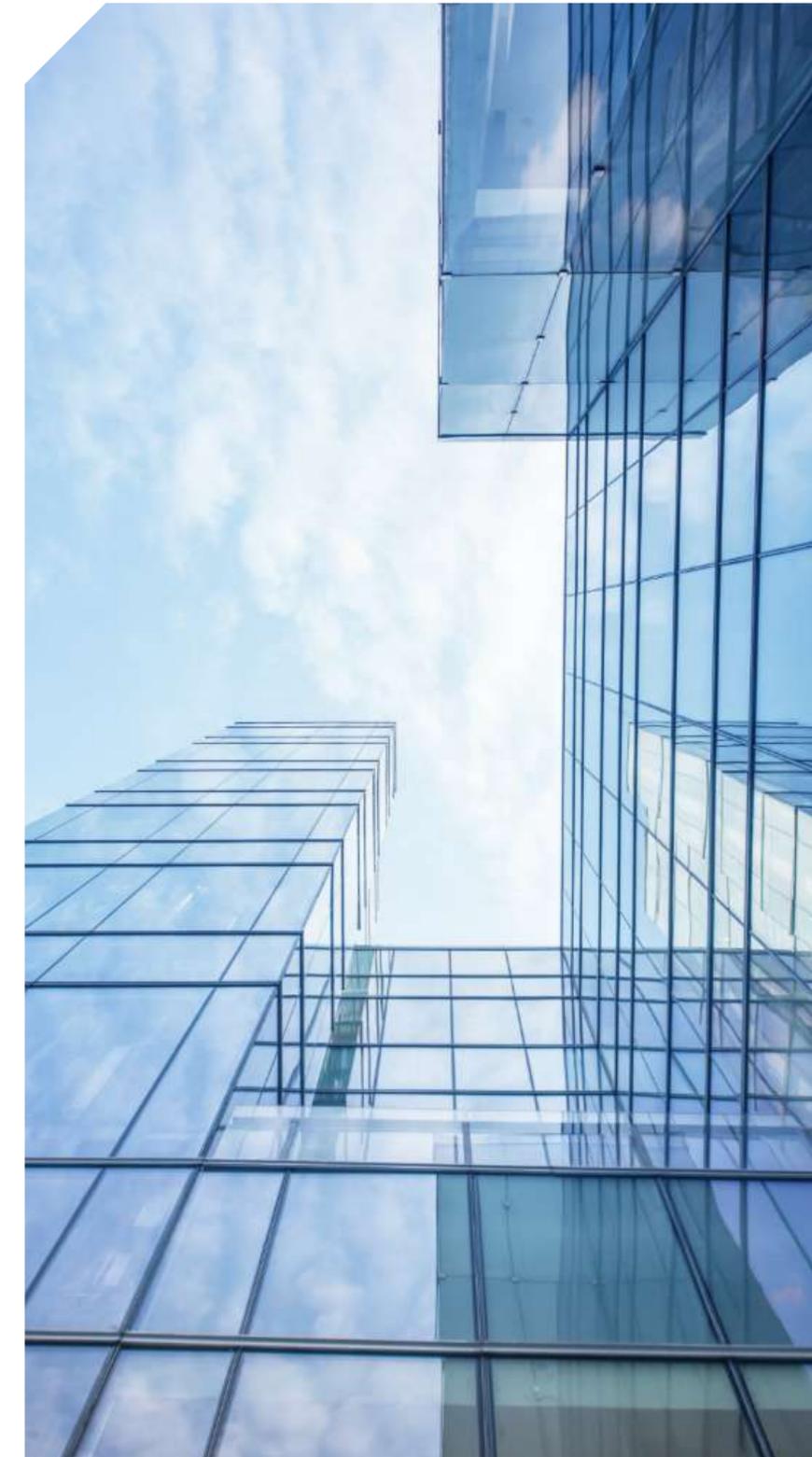
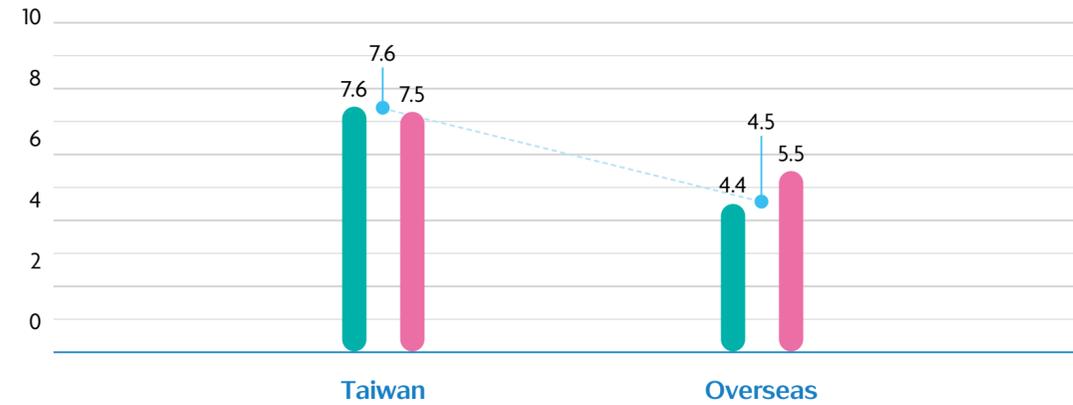


Average years of service

Unit : Year

● Male ● Female ● Group

年資

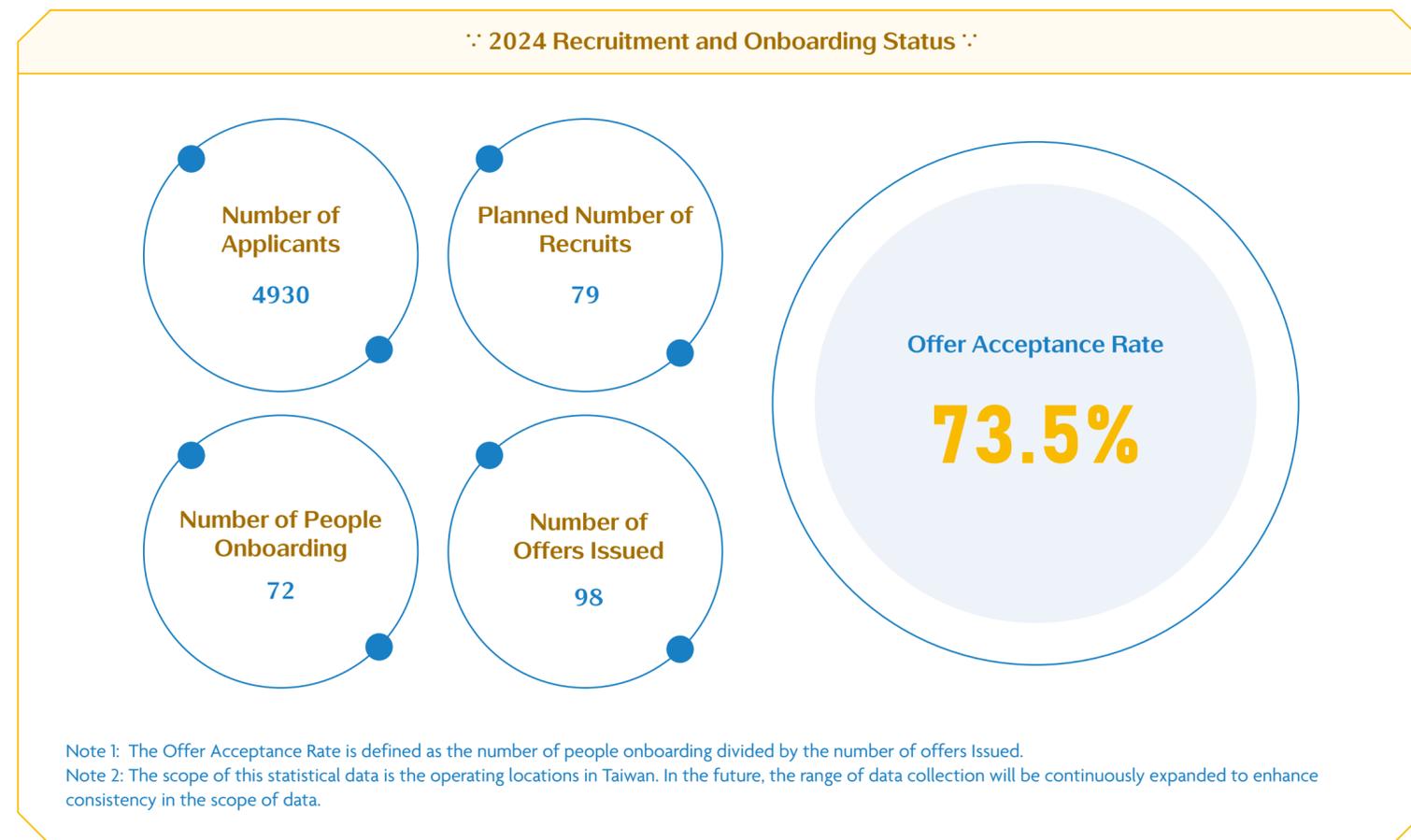


◆ Talent Recruitment

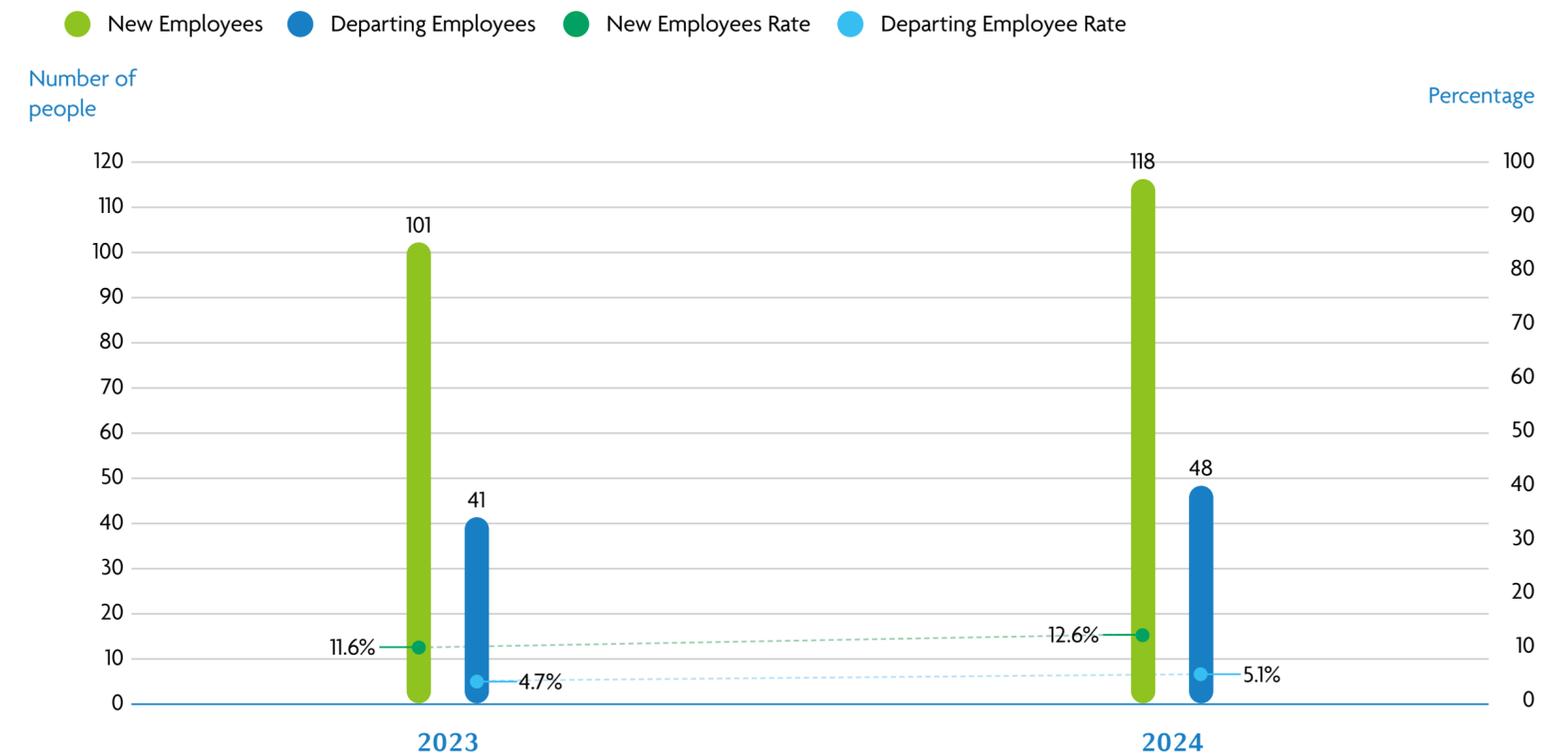
By the end of December 2024, the number of departing employees was 48, with a turnover rate of 5.1%. Our employee turnover rate remained at a healthy level, and ITH continues to adjust the reward system to increase talent retention rates. In 2024, 101 new employees were recruited, ensuring a continuous influx of new members, with a new employee rate of 12.6%, allowing the Company to continuously gain new skills and experiences externally. This helps us maintain momentum in the process of innovation and R&D.

Recruitment and Onboarding Status

ITH is committed to building a competitive compensation system and continuously optimizing talent development mechanisms to attract diverse and outstanding talents. In 2024, we planned to recruit 79 employees in Taiwan, with a total of 4,930 applicants, demonstrating the talent market's recognition of the ITH brand. In the year, a total of 98 job offers were issued, with the actual number of people onboarding of 72, resulting in an acceptance rate of 73.5%. In the future, we will continue to deepen industry-academia relationships and strengthen our employer brand image to attract like-minded talents, supporting the organization's diversity and sustainable development.



New Employees / Departing Employees



Note: New employees & departing employees rate = New employees & departing employees Number of employees / (Number of employees at the beginning of the period + number of employees at the end of the period) / 2

Age Distribution of New Employees

Due to ITH's subsidiary, ILI Technology, having been deeply engaged with campuses for many years, actively participating in campus recruitment activities, and sponsoring campus sports events, it has effectively strengthened its employer brand image and attracted young professional talents to join. New employees in 2024 were primarily under 30 years old, demonstrating the Company's appeal to young professional talents.

Items/Year			2024					
			Taiwan		Overseas		Subtotal	
 New employees	Under 30 years old (exclusive)	Male	23	69.7%	30	88.2%	53	79.1%
		Female	10	30.3%	4	11.8%	14	20.9%
	30 to 50 years old	Male	31	72.1%	5	83.3%	36	73.5%
		Female	12	27.9%	1	16.7%	13	26.5%
	51 years old and above (inclusive)	Male	2	100.0%	0	-	2	100.0%
		Female	0	0.0%	0	-	0	0.0%

Age Distribution of Departing Employees

Items/Year			2024					
			Taiwan		Overseas		Subtotal	
 Departing employees	Under 30 years old (exclusive)	Male	2	33.3%	4	80.0%	6	54.5%
		Female	4	66.7%	1	20.0%	5	45.5%
	30 to 50 years old	Male	15	53.6%	3	75.0%	18	56.3%
		Female	13	46.4%	1	25.0%	14	43.8%
	51 years old and above (inclusive)	Male	5	100.0%	0	-	5	100.0%
		Female	0	0.0%	0	-	0	0.0%





Talent Recruitment Project

ITH actively engages in campus talent recruitment, participating in a total of 8 campus career fairs in the spring and fall of 2024, including those held at National Taiwan University, National Tsing Hua University, National Yang Ming Chiao Tung University, National Cheng Kung University, National Central University, National Chung Cheng University, etc. Through on-site interactions and exchanges, we enhanced students' brand awareness and career attractiveness toward ILI Technology, allowing potential talents to gain a deeper understanding of the Company's technology fields, corporate culture, and development opportunities. This further attracted outstanding students to join, laying a foundation for future talent deployment.

In addition to expanding campus recruitment, we also promote an internal referral system. Through the "employee referral bonus program," we encourage colleagues to recommend outstanding talents, leveraging internal networks to discover potential talents. In 2024, ITH's subsidiary, ILI Technology, specifically launched the "Become an ILI Family Member" referral program, allowing employees' children or siblings to participate in referrals, strengthening internal and external talent connections.

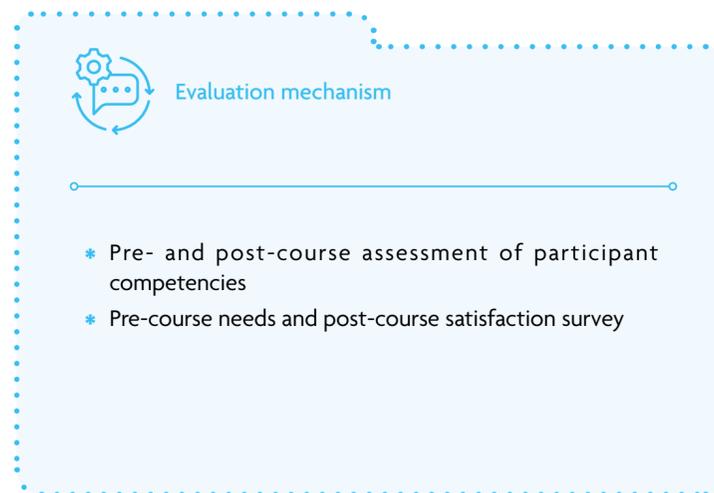
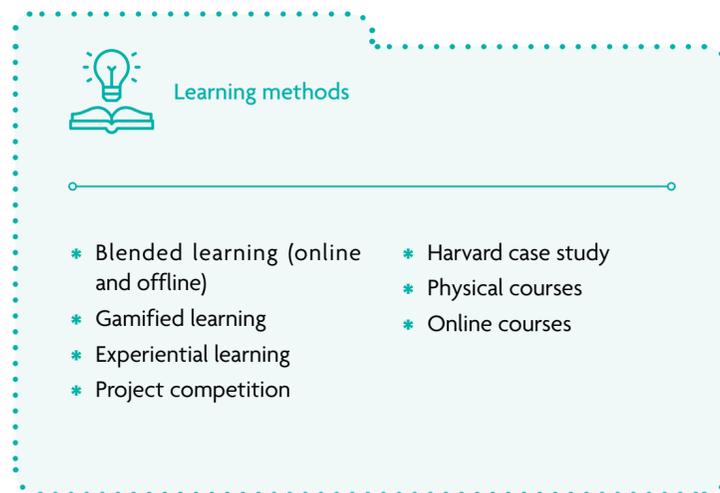
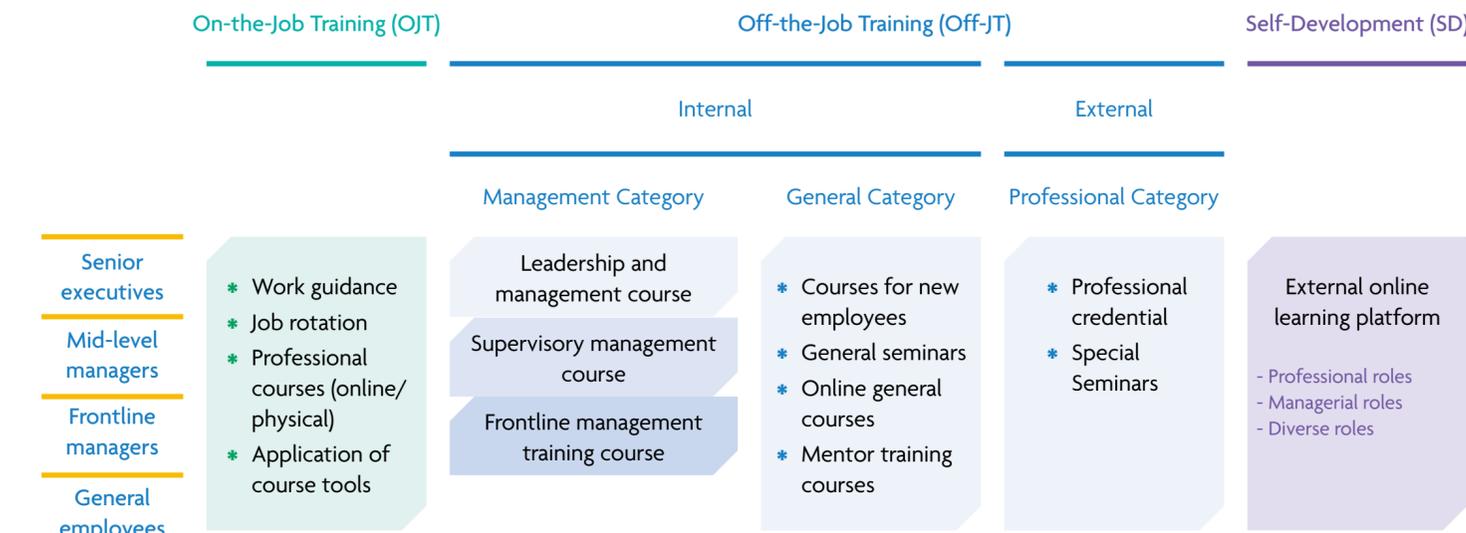
In addition, we actively participate in campus activities, such as collaborating with the Graduate Institute of Electrical Engineering, National Tsing Hua University, team and sponsoring the Meichu Games between National Tsing Hua University and National Yang Ming Chiao Tung University, to deepen our connection with the student community. This not only enhances the Company's visibility but also demonstrates our attention and support for young talents. We hope to continuously expand our reserve of technology talents through diverse recruitment channels and campus engagement, laying a solid foundation for the Company's long-term development.

5.2 Talent Development ☆

◇ Education and Training System

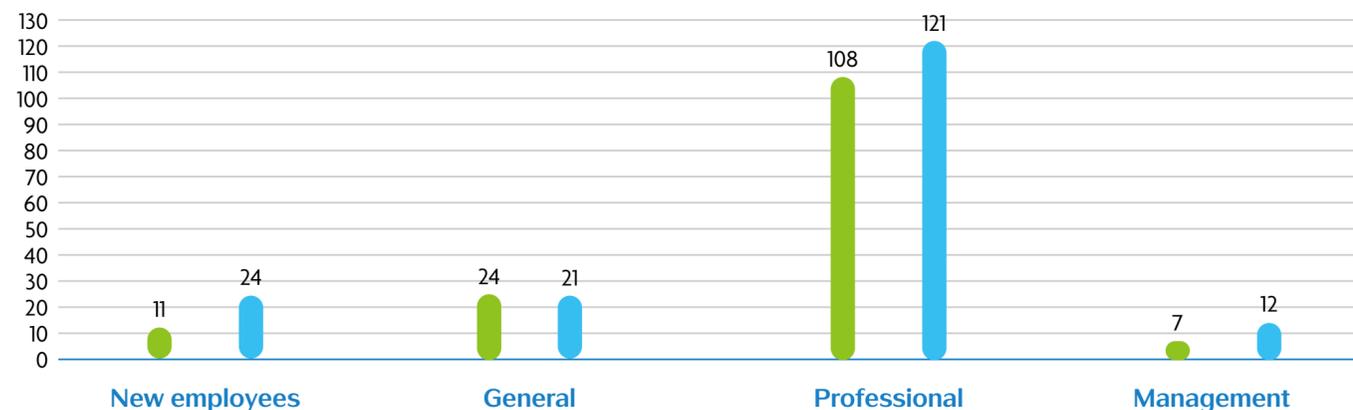
ITH values employees' personal expertise and career development, therefore we plan comprehensive education and training, provided jointly by internal and external professional training organizations for the organization and talent development. Training content is adjusted based on annual investigation and planning, designing general and professional courses for both new and current employees to enhance their professional skills and managerial roles.

The education and training system is divided into new employee training, manager training, general training, and professional training. The new employee training focuses on providing basic knowledge to new employees, covering corporate culture and related regulations. It also conveys an overview and knowledge of the Company's products, helping employees to quickly integrate into and familiarize themselves with the Company. Additionally, training is also provided for managers at different levels to ensure continuous growth in their competencies and to enhance team leadership abilities.

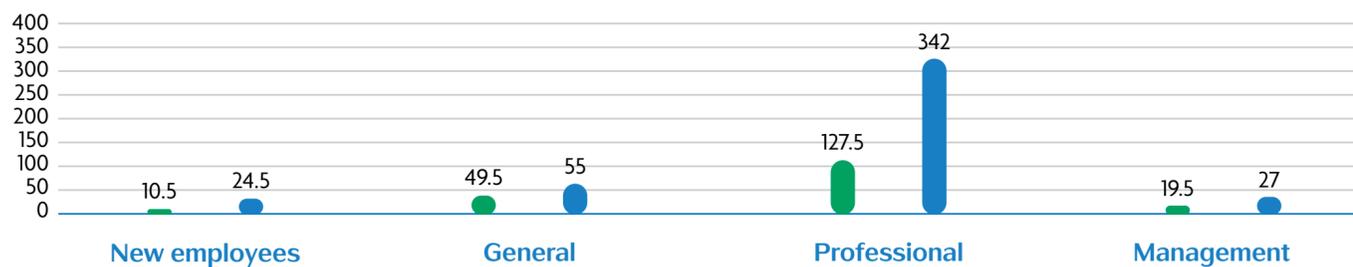


Implementation Results

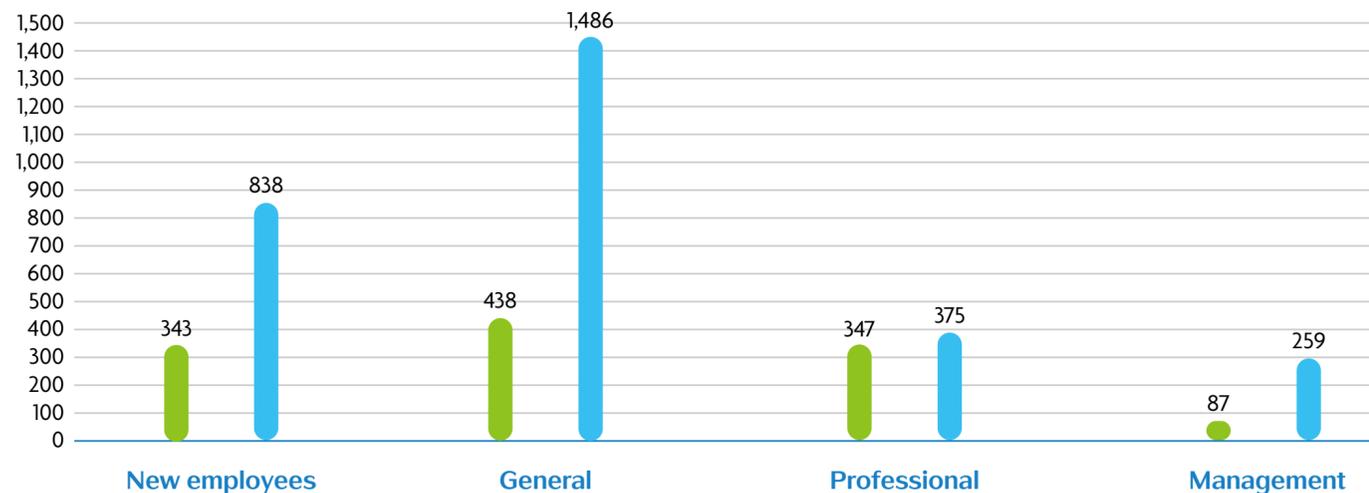
● 2023 Number of Classes ● 2024 Number of Classes



● 2023 Hours ● 2024 Hours



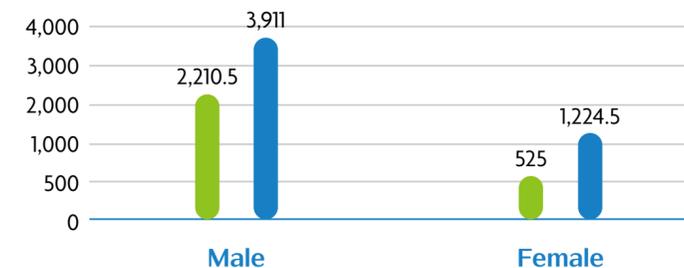
● 2023 Number of Participants ● 2024 Number of Participants



Note: The scope of these statistics only includes ILI Technology Corp. It will gradually improve the overseas training effectiveness management mechanism and incorporate it into the scope.

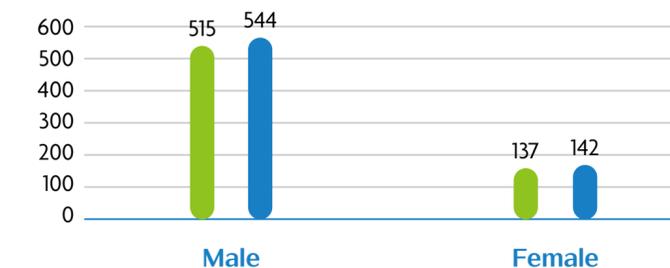
Total training hours

● 2023 ● 2024



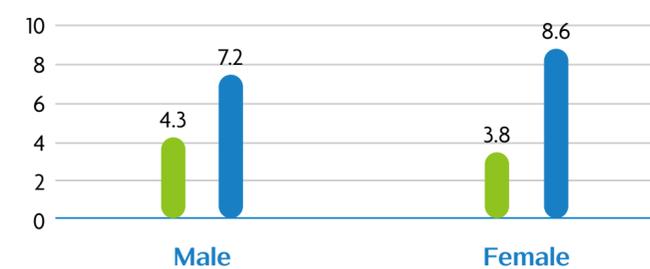
Number of employees

● 2023 ● 2024



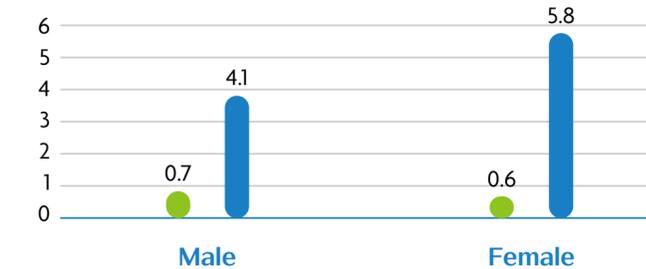
Average training hours

● 2023 ● 2024



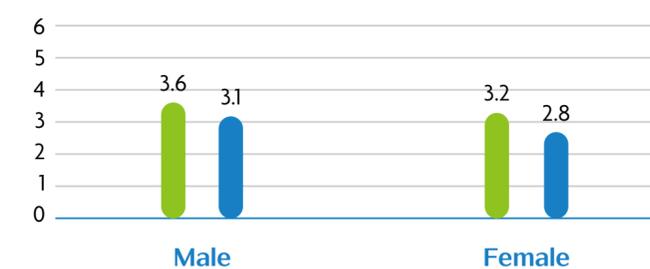
Average training hours (physical)

● 2023 ● 2024



Average training hours (online)

● 2023 ● 2024



New Employees Education and Training — Core Value Experience



New employee training covers the knowledge, skills, and cultural heritage required for the job. Starting in 2024, we have planned a series of cultural experiences through experiential learning to help new employees personally experience how the Company's core culture is reflected in work and life during team competitions. This will aid in understanding the Company's core values of "Ambition, Courage, Communication, Responsibility, and Integrity," and establish a common language to facilitate the smooth progress of subsequent work.

In addition, through courses introducing the Company's development direction and product roadmap, we help new employees understand their role positioning and the impact they can bring to the organization, giving every employee the opportunity to become a force for change.



Ambition



Courage



Communication



Responsibility



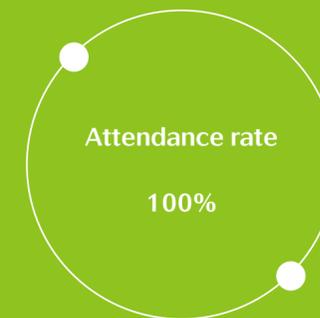
Integrity

Learning and Growth Evolution — Promoting Blended Learning



We promote a learning culture through diverse learning methods, moving towards becoming a learning organization. In 2024, for the course "Empowered Leadership—Subordinate Development and Coaching Skills," we collaborated with iLearning for the first time to introduce blended learning and gamified learning models, demonstrating a spirit of learning innovation.

The course design is divided into two stages: the first stage involves online courses for theoretical learning to establish fundamental concepts, and incorporates the learning platform PaGamO to enhance learning engagement and strengthen review and assessment effectiveness. The second stage comprises physical courses focusing on case discussions and practical exercises, allowing participants to apply learned concepts and tools in simulated scenarios, breaking through the limitations of one-way teaching and deepening learning outcomes.



Enhancing New Employee Retention — Promoting the Mentor System

Counselor Benefits and Rewards

Selected as a Counselor

-Immediate Rewards Upon Appointment

- * 1+1 Coffee Voucher
- * Teacher's Day Appreciation Gift

Mentoring New Counselors



Completion of Training

Online + In-Person Training

New Counselor Retention

-Successful completion of probationary period followed by six months of continued service

Bonus Awarded

-Non-Managerial Role Eligible
\$2,000 Gift Voucher

-Non-Managerial Role Eligible
\$2,000 Gift Voucher

In 2024, we collected feedback from department heads and new employees through questionnaires and interviews, achieving an overall job satisfaction score of 8.7. However, the feedback also indicated that there is still room for improvement in the two main themes of "life adjustment" and "work satisfaction." To address this we have set out to plan a Mentor System, and we expect to enhance the support system for new employees through the following measures:

- Clearly define the responsibilities of mentors, offering specific guidance and support directions for new employees.
- Continuously establish mentoring guidelines as tools for mentors to lead new employees;
- Design online courses and workshops to enhance the skills of mentors in life care and workplace guidance, promoting two-way learning between mentors and new employees, and fostering team cohesion.

Additionally, we will also host Teachers' Day events to express gratitude and recognition to the mentors, while discovering potential future management talents from among them as a talent reserve for the organization's long-term development.

Performance Review Mechanism

ITH values each employee's career development. Through the annual performance review mechanism conducted in May, direct supervisors carry out a comprehensive evaluation based on employees' job performance, professional abilities, and personal attributes. Timely training and guidance suggestions are provided to help colleagues discover their potential and clarify their career direction, serving as a basis for future talent cultivation and job placement.

The Company's performance system emphasizes both work outcomes and behavioral performance, ensuring that employees demonstrate professional behavior aligned with corporate values and continuously create value in their work performance. To leverage the advantages of diverse talents, we have designed differentiated assessment indicators for managerial roles and professional positions, ensuring that employees of various functional types can utilize their strengths within the organization and continue to grow.

In 2024, except for new employees who have not yet reached the evaluation cycle, all current employees undergo regular performance and goal reviews, demonstrating the Company's commitment to fair opportunities and career support.



5.3 Employee Benefits and Activities ✨

◆ Benefits System

To provide colleagues with a better working environment, ITH offers various benefits, subsidies, and allowances to employees in accordance with the "Employee Welfare Fund Regulations." These include different types of monetary gifts and meal subsidies, and travel subsidies, to enhance employees' health and well-being, reduce stress, and achieve work-life balance.

The Company values the health of its employees, offering numerous health-related support, including periodic physical examinations that exceed statutory requirements, group insurance, and others. Additionally, on-site physician consultation services are arranged every two months to provide employees with health-related assistance.

Additionally, the Company regularly organizes outdoor activities and gatherings to enhance communication among employees and foster team spirit. At the same time, we provide break areas and convenience stores in the office to offer employees a better working environment.



Various gifts/gold

- * Cash gifts for birthdays
- * Cash gifts for marriage
- * Cash gifts for childbirths
- * Employees/Spouse cash gifts for birthdays



Health promotion

- * Annual physical examinations
- * Free group insurance
- * Massage service by the visually impaired
- * Vitality health station



Subsidies and allowances

- * Travel subsidies
- * Gym membership subsidy
- * Funeral subsidies
- * Children's scholarships
- * Hospitalization consolation gold
- * Meal subsidies
- * Parking subsidies
- * Department meal subsidies

Company welfare facilities



Sports equipment



Sports equipment



Aerobics room



KTV karaoke room



Basketball machine



Convenience store discounts



Helmet washer and dryer



Vending machine subsidies

◆ Childcare Support

ITH provides basic protection measures for employees before and after childbirth in accordance with relevant regulations to help colleagues achieve appropriate work-life balance. Employees are entitled to apply for prenatal care leave, paternity care and paternity leave, pregnancy stabilization leave, and maternity leave in accordance with the law before and after childbirth. After childbirth, those who qualify may apply for unpaid parental leave according to regulations to accommodate personal child-rearing needs.

In addition, the Company also plans necessary arrangements according to the "Maternal Health Protection Measures Plan," including pregnancy health risk evaluation, establishment of breastfeeding rooms, provision of parking spaces for pregnant employees, and breastfeeding breaks, to ensure the workplace environment meets basic health and safety requirements. For employees who are pregnant or returning to work after childbirth, physician consultation and health care can be arranged as needed to provide necessary support.

Category	Gender	2023	2024
a. Maternity leave	Male	30	23
	Female	6	7
b. Actual use of maternity leave	Male	1	2
	Female	1	3
c. Eligible for reinstatement in the year	Male	0	3
	Female	1	1
d. Actual reinstatement in the year	Male	0	1
	Female	1	1
e. Remained employed for 1 year after returning from maternity leave	Male	0	0
	Female	1	1
Reinstatement rate	Male	-	33.3%
	Female	-	100%
Retention rate	Male	-	-
	Female	-	100%

Note 1: Only Taiwan operating locations are counted

Note 2: Maternity leave: Number of employees who applied for paternity and maternity leave in the year

Note 3: Actual use of maternity leave: Number of employees who applied for maternity leave in the year

Note 4: Eligible for reinstatement in the year: Number of employees whose maternity leave expires during the year

Note 5: Actual reinstatement in the year: Number of employees whose maternity leave expires during the year and who reinstated during this period

Note 6: Remained employed for 1 year after returning from maternity leave: Number of employees who returned from maternity leave and remained employed for 1 year

◆ Retirement Plan

The Taiwan subsidiaries of the Company have established defined contribution pension plans in accordance with the "Labor Pension Act," applicable to employees with local nationality. Employees of the Company and its domestic subsidiaries are covered under the Labor Pension system as specified in the "Labor Pension Act," contributing 6% of their monthly salary to their personal account with the labor insurance bureau. The payment of employees' pensions is based on the amount in their individual pension accounts and the accumulated earnings, which can be received as either a monthly pension or a lump sum pension payment.

The subsidiaries located within Mainland China allocate endowment insurance funds based on a specific percentage of the total employee salary in accordance with local government regulations. These funds are paid to the relevant government departments and saved in a dedicated account under each employee's individual account.

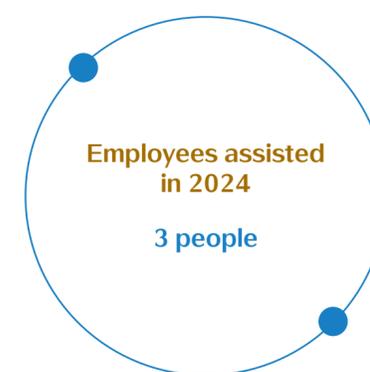
∴ iLong-Term Care Nebula Plan ∴

In response to Taiwan's impending transition into a super-aged society, ITH has included family care-related services and support in the employee benefits items as part of its ESG development strategy.

Since the introduction of the iLong-Term Care Nebula Plan, regular electronic newsletters providing health education information have been issued to make employees more familiar with the long-term care field. As soon as employees encounter issues related to elder care, they can quickly receive referral services. **In 2024, a total of 3 employees with family care needs were assisted.**

Through the Nebula Plan, assistance in evaluating care options and finding resources can help employees break traditional concepts, recognize the needs of elders, improve quality of life, and reduce the decision to interrupt their careers due to family care-giving needs, opening up the imagination of a "family-friendly" workplace.

ITH leads the industry by introducing family care benefits, allowing employees to comfortably express their difficulties and creating a corporate culture that encourages them to voice their care-giving needs, preparing pro-actively for the super-aged era.



◆ Employee Activities

ITH plans a variety of employee activities to enhance employee well-being and strengthen team cohesion. Through these activities, employees are also encouraged to actively participate in social welfare and promote the concept of environmental sustainability. Additionally, the Company also organizes activities that families can participate in together, such as outdoor excursions or carefully prepared festival gifts, to enhance the emotional connection between employees and their families, and to create a warm and harmonious family atmosphere.

Special festivals

Children's Day activities

Colleagues are invited to join hands in charitable efforts, collaborating with public welfare organizations such as the Taiwan Daxin Social Welfare Association, Yellow Ribbon Network Association for Taiwan, World Peace Association, and the Children Charity Association. Through voluntary donations or charity sales, we aim to contribute to those in need. A total of 135 employees responded, raising donations and sales totaling NT\$443,448.

Mid-Autumn Festival activities

The Company meticulously prepared festive gift boxes to convey sincere blessings to colleagues and offered the option to freely select between donating gift boxes or making a voluntary donation to the "Love Dog Association." A total of 204 employees participated in this activity, raising a amount of NT\$168,942, demonstrating the employees' tangible action in caring for society.

Mother's Day activities

The Company carefully prepared two Mother's Day cakes for employees to freely choose the recipient. Whether it's for their own mothers or their spouses' mothers, they can convey abundant blessings and heartfelt intentions.

Dragon Boat Festival activities

Specially prepared delicious rice dumplings for the Dragon Boat Festival to celebrate the occasion with colleagues.

Father's Day activities

Giving razors as gifts on Father's Day allows every dad to feel the thoughtful care and practical blessing.

Employee activities

Year-end banquet

Hold a year-end banquet before the Lunar New Year.

Bowling competition

There are team competitions, and fun contests are arranged to enjoy with colleagues.

Basketball competition

A three-on-three basketball competition was held for employees, and fun contests were designed to enjoy with colleagues.

Badminton competition

A badminton doubles tournament was held at the Taiyuan Badminton Court, where participants engaged in spirited competition with passion and energy.

Table tennis competition

A table tennis competition was held in the Company's internal table tennis room, featuring intense matches to determine the champions.

Photography competition

Held once in the first and second half of the year, colleagues are invited to submit travel photos or

Family Day

Held at Window on World Theme Park, colleagues were invited to bring their families to spend a joyful and memorable time together.



Badminton competition



Year-end banquet



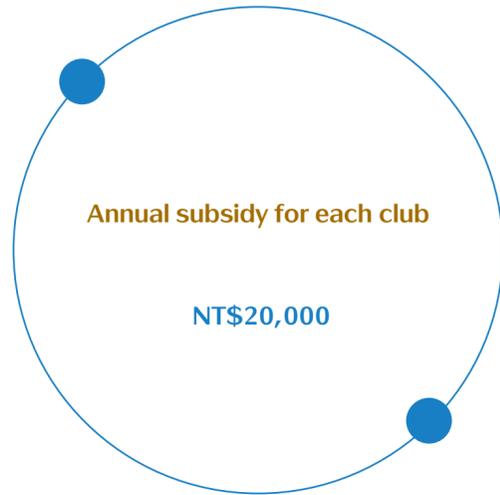
Table tennis competition



Family Day

◆ Employee Clubs

ITH encourages employees to participate in club activities and provides an annual subsidy of NT\$20,000 for each club to assist employees in developing exercise habits after work and enhancing camaraderie. In 2024, two additional employee clubs were established to provide more stress-relief options for employees.



Yoga club

Through yoga activities, employees enhance their physical flexibility, suppleness, sense of balance, and increase muscle strength, while also helping to relax body and mind.

Zumba club

Through energetic, passionate, and rhythmic movements, employees can fully enjoy the fun of dancing while also achieving a slimming effect.

Jogging club

Through irregularly organized jogging activities, like-minded colleagues can enjoy the fun of jogging together.

Badminton club

Organize team competitions at Tai Yuan Badminton Court on an irregular basis, providing an opportunity for badminton enthusiasts from various departments to interact and compete with each other.

Board Game club

Enhance communication through interactive puzzle games and strengthen camaraderie among colleagues in a joyful atmosphere.

Ski club

Provide an environment that nurtures an interest in skiing, allowing employees to relieve stress outside of work.

Bowling club

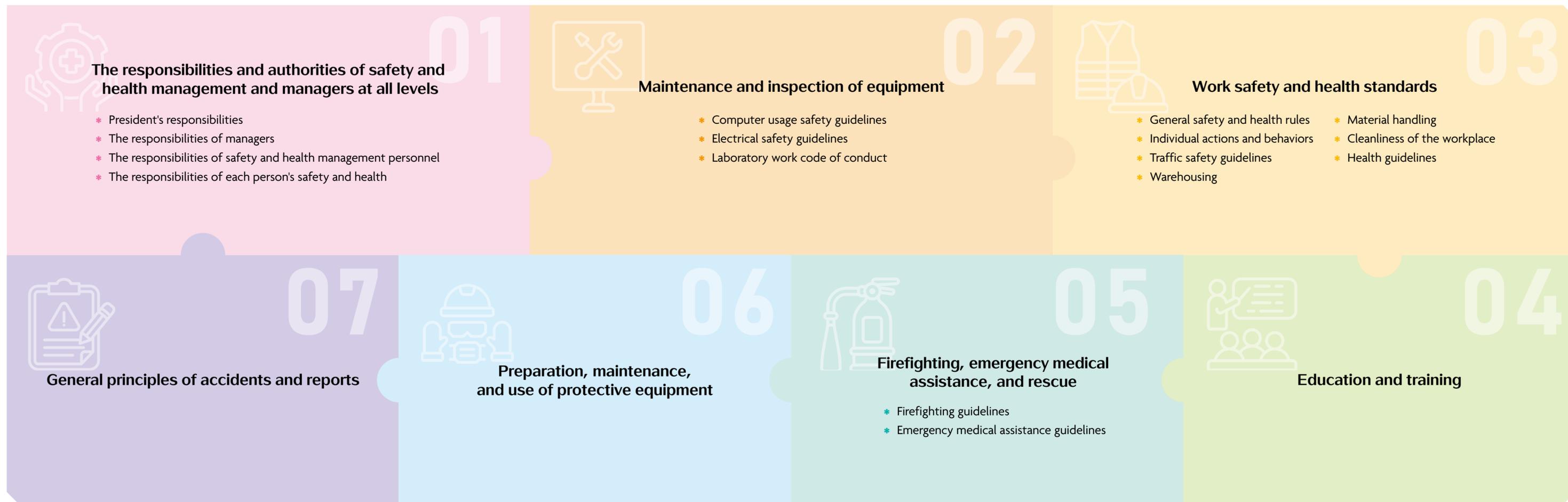
Colleagues who love bowling can regularly gather and enjoy bowling meetings together.

5.4 Workplace Safety and Health ✨

◆ Occupational Safety Management Regulations

To maintain workplace safety and health and protect employees from occupational hazards, ITH has established comprehensive Occupational Safety Management Regulations. These guidelines cover various areas, including responsibilities explanation, equipment maintenance and inspection, work safety and health standards, education and training, incident handling and reporting, and others.

∴ The management procedures for ITH occupational health and safety are as follows ∴



Occupational Accident Statistics

According to the disability determination by the Ministry of Labor, since the working environment of ITH is a low-risk place, no work-related injury incidents occurred in 2024, and no disability cases occurred. In 2024, the number of people injured or deceased due to work-related injuries or ill health was zero.



Occupational Injury Cases in 2024

Gender	Occupational Injuries		Absence Rate (A.R.)		Disability Frequency Rate (F.R.)		Disabling Severity Rate (SR)	
	Number of Employees Injured	Death Count	Total Number of Absenteeism Days	Total Working Days	Number of Disabling Injuries	Total Working Hours	Total Number of Injury Loss Days	Total Working Hours
Female	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0



Number of Employees with Occupational Ill Health in 2024

Gender	Occupational Health	
	Number of Employees Injured	Death Count
Female	0	0
Male	0	0
Total	0	0

Occupational Health Services and Plans



Physical examinations

In 2024, the completion rate of annual physical examinations was

96.5%

with a subsidy amount of

NT\$1,981,200

Note: This refers to ILI Technology Corp.






Health management

After physical examinations, classification management is conducted for employees with abnormal reports, providing health education information, medical follow-up, arranging, and on-site physician consultation services.

Based on the statistical outcomes of the physical examinations and occupational safety questionnaires, employee health promotion and risk management measures are implemented, including abnormal workload-induced disease prevention plans, maternal health protection plans, human factor hazard prevention plans, and directions for prevention of unlawful infringement in the performance of duties.



周孜蓉 醫師
主治醫師

家庭醫學部

學歷	國立台灣大學臨床醫學研究所 臺北醫學大學醫學系
經歷	家庭醫學專科醫師 安寧緩和專科醫師 肥胖醫學會會員 勞務醫學會會員 台灣老年醫學會會員 國立台灣大學醫學院附設醫院家庭醫學部研修 國立台灣大學醫學院附設醫院家庭醫學部住院
專長	家庭醫學、三高慢性疾病、預防醫學、 肥胖醫學、減重門診、婦女保健、 旅遊醫學、老年醫學、安寧緩和醫學



Influenza vaccine

Administered the onsite influenza vaccine for the year, with a total of

105 colleagues and their families participating.



Health measures and benefits

Provide healthy meal options two days a week and set up convenient self-service meal stations.



Health knowledge sharing

Send health newsletters every other week in line with diverse themes such as seasonal solar terms, epidemiology, and others.



Psychological Counseling and Workplace Healthcare

Psychological counseling is promoted and implemented through a combination of "in-person interviews" and "digital platform course information." There were 66 interviews conducted for new employees to assess their adaptation, and 18 interviews for departing employees. The nurses also hold career development consultant certifications, and colleagues may consult with them regarding any career-related concerns. If complete assistance is unable to be provided, referrals to resources such as psychological counseling, medical systems, legal consultation, and others, will be made. The digital learning platform offers courses related to psychology, stress relief, and interpersonal communication, which colleagues can attend online based on their needs or interests.

The workplace medical services items include basic blood pressure, body weight measurement, wound care, and others. The table below summarizes the service items and frequency provided in 2024:

Blood pressure, weight/body fat, blood sugar measurement		2,166 participants
Wound care		135 participants
On-site physician consultation services		67 participants
Colleagues and their families' group insurance application and care		164 participants
Health consultation		2,837 participants

Note: This statistic only includes ILI Technology Corp. In the future, the data collection scope will be continuously expanded to all operating locations.

5.5 Human Rights and Engagement

Human Rights Policy



ITH supports and respects the protection of internationally recognized human rights, including the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the Responsible Business Alliance Code of Conduct.

The Company focuses on the following human rights policy and aims to exert a positive influence on supply chain partners in operational activities, maintaining continuous operations with the same standards. We are committed to regularly reviewing the management and practice of our human rights policy, viewing the creation of a diverse and inclusive (DEI) workplace environment as an integral part of corporate growth.

:: ITH Human Rights Policy ::

<p>01 Dedicated to eliminating employment discrimination, ensuring equal job opportunities without discrimination based on race, class, language, ideology, religion, political party, place of origin, gender, appearance, facial features, disabilities, or previous union membership, among other non-professional ability factors.</p>	<p>04 All forms of forced labor and employment of child labor are strictly prohibited.</p>
<p>02 Create a friendly and safe work environment, eliminating all inhumane behavior.</p>	<p>05 Respect employees' rights to freedom of assembly and association.</p>
<p>03 Maintain employees' physical and mental health and work-life balance, and strive to identify and resolve health and safety issues in the workplace.</p>	<p>06 Implement stakeholder engagement through diverse communication channels, provide a grievance mechanism, and ensure the confidentiality of the grievance handling process.</p>

In terms of policy implementation, we actively eliminate workplace discrimination. Internally, we have established the "Regulations for Workplace Sexual Harassment Prevention Measures, Grievances, and Penalties," "Employee Grievance Handling Procedures," and "Directions for Prevention of Unlawful Infringement in the Performance of Duties and Written Declarations." We regularly conduct education and training courses to strengthen awareness and prevent the occurrence of similar sexual harassment incidents. Simultaneously, a complaint hotline and dedicated complaint email address are established along with designated personnel to handle such matters. If employees encounter related incidents in the workplace, the dedicated personnel will handle the complaints according to operational procedures. In 2024, no employee complaints related to discrimination were received.

◆ Training Status of Human Rights Related Issues

Items/Information		Stakeholder	Session	Hours	Total Number of Participants	Total
Training on human rights related issues	Prevention of unlawful infringement and sexual harassment in the workplace	Mid-to-senior-level managers	1	3	39	117
	Eliminate workplace bullying and prevent sexual harassment	Frontline & mid-level managers	2	5	113	434
	Promotion of unlawful infringement prevention	General employees	1	1	525	525
	Promotion of sexual harassment prevention	General employees	1	1	525	525
Workplace safety and health	Labor safety and health	New employees	2	4	48	86
	Health care	New employees	2	1	49	49



◆ Employee Communication Channels

To establish harmonious and stable labor relations, ITH has set up multiple communication channels, actively listening to employees' concerns and responding to issues in a timely manner. At the same time, attention is paid to employees' physical and mental well-being, striving to maintain an open and diverse communication mechanism. According to the "Implementation Guidelines for Labor-Management Meetings," the Company holds a quarterly labor-management meeting to broadly gather employees' opinions, enhance mutual understanding between labor and management, and promote cooperation and consensus to respond to employees' needs and promptly solve practical problems.

In addition, to safeguard employees' rights and interests, the Company is committed to establishing smooth grievance channels based on the formulated "Employee Grievance Handling Procedures" to assist employees in resolving issues related to personal rights or unfair treatment at work. Upon receiving an employee complaint, the HR department will immediately initiate an investigation process. If necessary, the grievance handling committee will be involved for review and final decision-making. During the handling of grievance cases, all stakeholders are under strict confidentiality obligations to protect the safety of the complainant and prevent any form of retaliation. There is a commitment to impartial handling and timely response to grievance outcomes.

ITH respects and supports employees in exercising their legitimate freedom of assembly and association, ensuring employees' rights to participate in union activities. As of the end of 2024, no union has been established internally in the Company, nor has any collective bargaining agreement been signed with any union.

In the event of significant operational changes, the Company will, in accordance with the regulations of the location of operation and based on employees' seniority, provide notice 10 to 30 days in advance and offer timely explanation to the employees. We value the opinions of our employees and engage in conversations with them through the aforementioned institutionalized communication mechanism. By maintaining an active communication process, we aim to continuously create a positive work environment and avoid disruptions or risk proliferation from major changes in operations.

Communication Channels	 Labor-Management Meetings	 Employee Benefits Committee	 Employee Grievance Mailbox	 Health Station
Communication Content	Labor relations issues	Employee benefits issue	Safeguard employees' legal rights and assist employees in resolving issues encountered at work and in life.	Psychological or medical-related consultation or referrals to assist employees in maintaining mental health.
Communication Frequency	Quarterly	Quarterly	At all times	At all times
Number of Communication Sessions in 2024	Four sessions	Four sessions	0	2,988 times
Contact Information	HR department	Representatives from each department's welfare committee	HR department/dedicated nursing counseling personnel	Dedicated nursing counseling personnel

Note: This statistic only includes ITH Technology Corp. In the future, the data collection scope will be continuously expanded to all operating locations.

CHAPTER

6

Social Participation

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Yearly Performance Highlights



The annual social welfare activity investment was approximately NT\$ 1.57 million.



Annual employee participation in social welfare activities: 339 individuals



7 yearly projects of welfare activities were implemented.

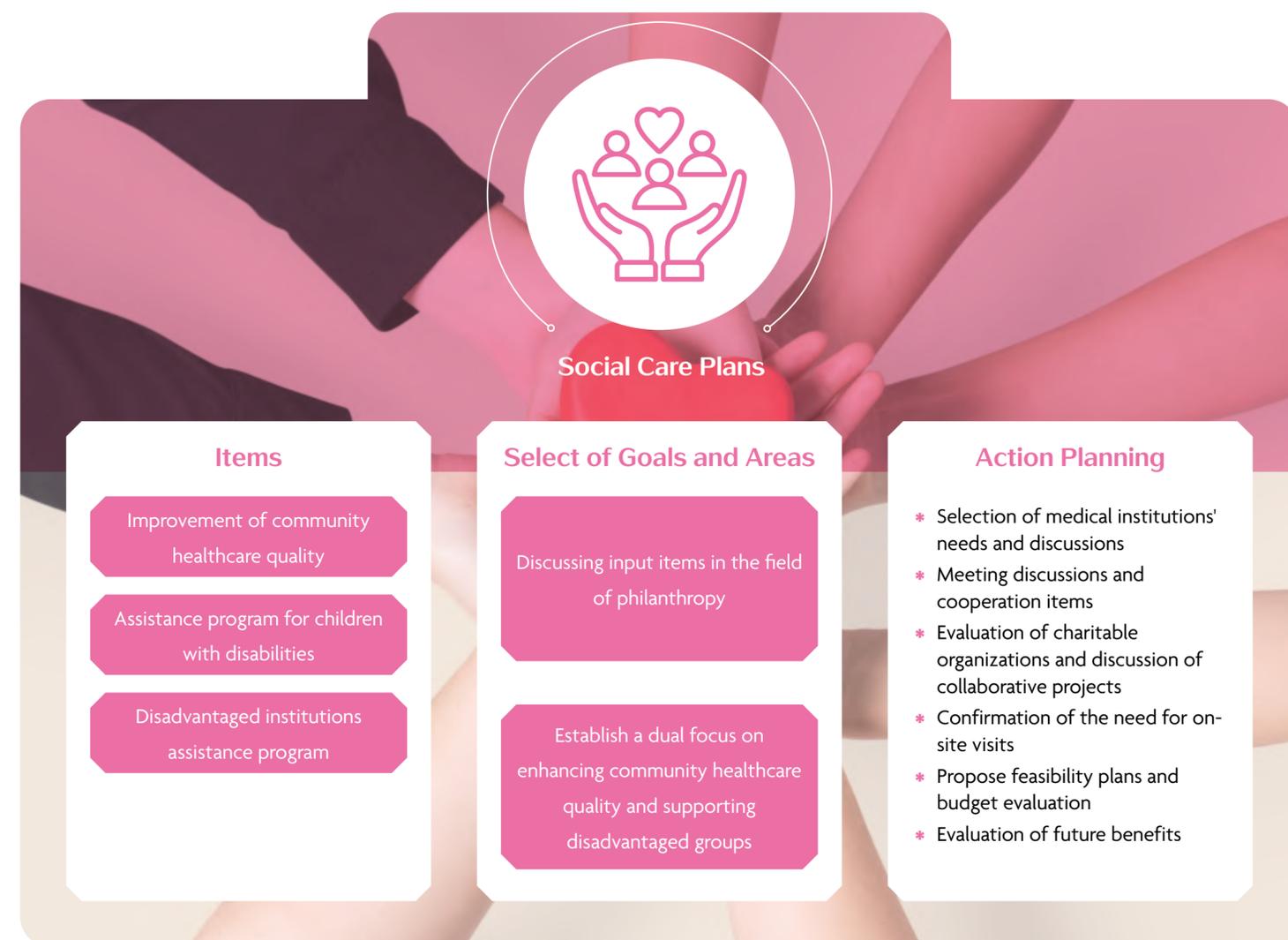


Donated a robotic arm to the China Medical University Hsinchu Hospital, with funding reaching NT\$ 1.5 million.

6.1 Social Influence

◆ Blueprint for Social Care Connection

The Company will continue to invest resources in social welfare actions and establish social care plans in the future, hoping to fulfill corporate responsibility and give back to society. ITH has implemented social care plans on the social front, making contributions to social inclusion.



◆ Short-, Medium-, and Long-term Goals

In the future, ITH will continue to promote sustainable development goals by actively linking social welfare activities with relevant SDGs targets and setting internal short-, medium-, and long-term goals. It is expected that through the systematic organizational structure management, the goals of material topics will be incorporated into future planning, leveraging our influence to lead the industry and collaboratively create a better society.



◆ United Nations Sustainable Development Goals

ITH follows international trends closely and strives to improve the world by engaging in community activities based on the United Nations Sustainable Development Goals (SDGs). We commit to being a responsible corporate citizen by engaging in social welfare and volunteer activities to achieve sustainable development goals and promote social prosperity.

Social Care Project	Project Goals	Link to the SDGs Goals
Donated a robotic arm to the China Medical University Hsinchu Hospital	Enhance the medical standards of healthcare institutions, promoting community health and good health and well-being	
Sponsored meal and learning programs for children with disabilities at Happy Work Association, and contributed to the construction of Happy Work Community's long-term care facility. St. Francis Children's Home program for enhancing children's autonomy	Promote the social interaction, self-development, and enhancement of life skills for individuals with disabilities.	
St. Francis Children's Home Autonomy Enhancement Program	Build the children's autonomy and life skills, enhance their self-confidence, and enable them to handle various situations more independently in daily life.	
C.K. Robotics FRC international competition project.	Dedicated to science education, we train students through participation in large-scale international robotics competitions, enhancing their abilities in academic application and technology integration, entrepreneurship readiness, teamwork, problem-solving, and business management. This approach aims to cultivate the competencies and skills needed to face various challenges in the future world.	
The Heping District Tebulan Elementary School baseball team training program in Taichung City.	Cultivate indigenous student athletic talent (specializing in baseball) from the Songhe Tribe in Taichung City, develop multiple intelligences among indigenous students, enhance learning competitiveness, and promote self-realization.	
Charity sale event on Children's Day	Invite colleagues to participate in charitable activities by joining the charity sale event on Children's Day and donating to child welfare organizations	
Celebrate Mid-Autumn Festival together, cherish your pets	Encourage employees to respond to charity donations during the Mid-Autumn Festival, and work together to build a benevolent corporate culture.	

6.2 Social Welfare Donations ✨

ITH has always actively embodied the spirit of giving back to society, encouraging employees to engage in public welfare activities, hoping to expand our social influence through local participation. Establish a sustainable development culture within the organization, assist colleagues in understanding sustainability topics, and more effectively promote social welfare projects.

The Number of People Participating in Social Welfare Activities Over the Past Three Years

Unit: Person



The Input of Funds for Social Welfare Activities Over the Past Three Years

Unit: NT\$



Donated a Robotic Arm to the China Medical University Hsinchu Hospital

Since its opening in December 2019, the China Medical University Hsinchu Hospital has successively established a Health Medicine Center, Cancer Center, Cell Therapy Center, Stroke Center, Child Development Joint Evaluation Center, Medical Weight Loss Center, Aesthetic Medicine Center, Smart Diagnosis and Advanced Endoscopic Surgery Treatment Center, and Precision Health and Immunodiagnostic Testing Center, providing advanced medical care and services.

ITH takes on social responsibility by donating NT\$1.5 million to purchase equipment for operating room machinery, a suspended arm device. This setup can be adjusted according to the surgical needs of different parts of a patient's body, providing various endoscopic surgeries to patients. It also ensures a safer and more reliable space for patients undergoing painless anesthesia examinations or surgeries.

Donated for operating room machinery
suspended arm equipment

NT\$1.5 million



Sponsored the Fundraising for the Happy Work Community Long-term Care Facility at Happy Work Association, as well as Meal and Learning Programs for Children With Disabilities

Happy Work Association, a registered organization, focuses on four main goals: "supporting families of individuals with disabilities," "caring for adults with intellectual disabilities," "improving the environment for the elderly living alone," and "work substitution for individuals with disabilities." In 2019, it established "Happy Work Station 1" to serve those with moderate to severe intellectual disabilities, offering services such as work substitution, diverse training courses, and social participation. The association received an A-grade evaluation from the government in 2020 and 2022. The association began preparing and fundraising for the opening of the Zhongli workshop in 2023, and the facility opened in April 2024, providing more learning and development opportunities for individuals with disabilities.

ITH responded to public welfare by donating a total of NT\$400,000 in 2024, continuing to support meal and learning programs for children with disabilities, as well as contributing to the construction of the Happy Work Community long-term care facility.

Supported meal and learning programs for
children with disabilities, and the construction of
Happy Work Community long-term care facility

NT\$400,000



St. Francis Children's Home Autonomy Enhancement Program

The placement stakeholders of St. Francis Children's Home are disadvantaged children aged 2 to 13 who are from families that have lost primary caregivers, suffered abuse, or are single-parent or grandparent-led households unable to provide care, etc. The original family functions of these children are generally weaker, unable to offer a stable life and low parenting abilities, leading to weaker learning abilities compared to peers and a strong need for affection.

ITH is committed to providing comprehensive support for these children, helping them build autonomy, enhance self-confidence, and handle various situations more independently in daily life. In 2024, NT\$200,000 was donated for course and activities fees to build children's autonomy and life skills, problem-solving abilities, enhance their self-confidence, and enable them to handle various situations more independently in daily life.

Donated for course and activity fees

NT\$200,000

Celebrate Mid-Autumn Festival Together, Cherish Your Pets

This Mid-Autumn Festival, ITH and colleagues joined hands in acts of kindness, spreading heartwarming energy during the warm festival. Not only did they prepare the "Ruyi Sunny Cake Mid-Autumn Festival Gift Boxes" for colleagues, but also colleagues could choose to freely donate gift boxes or make donations to the "Happy Dog Association," aiding the rescue with food and medical expenses for 2,000 stray cats and dogs. In the 2024 Mid-Autumn Festival public welfare activities, a total of 204 ITH employees responded with compassion, collectively donating NT\$168,972.



Mid-Autumn Festival charity donation amount

NT\$168,972

Heping District Tebulan Elementary School Baseball Team Training Program in Taichung City

Tebulan Elementary School is located in a remote indigenous tribe area in the Heping District of Taichung City. Although the socioeconomic status of the students' families is generally low, they hold a supportive attitude towards the school's clubs and after-school tutoring. In recent years, due to rapid societal changes and shifts in family structures, students face poor living, learning, and growing environments. Coupled with a lack of healthy life skills and habits, this may lead to irreparable deficiencies and subsequently increase social costs and expenditures. Therefore, the school plays a crucial role in the wholesome physical and mental development of children. The school established a baseball team in 2022 and provided dormitory management, which not only facilitates the education and daily life of students from different districts, relieving their parents from the hassle of long commutes, but also helps baseball team students learn self-care through group living, thereby cultivating regular living habits and preventing related deviant behaviors that could arise from going astray off during after-school hours. At the same time, the school also conducts evening academic tutoring activities for baseball team students. Many disadvantaged families are unable to fully care for their children, making participation in the team their parents' only choice. Therefore, the existence of the team holds educational significance by providing students with diverse development opportunities and supporting disadvantaged families.

After an on-site visit, it was found that the baseball team's facilities were simple and incomplete, and the students wore ill-fitting clothes with many patches. Therefore, ITH sponsored more than NT\$200,000 to support the school's baseball team training program, purchasing clothing, caps, and bats for 30 players to meet training needs.

Supported the school baseball team training program

over NT\$200,000



C.K. Robotics FRC International Competition Program

The FIRST Robotics Competition (FRC) is a robotics competition held for high schools worldwide, serving as an important interdisciplinary international platform for learning and the practice of technical skills. Currently, multiple countries are actively participating. Taiwan currently has over 50 teams participating, and Chien Kuo High School is participating under the team name Cyberpunk with the team number #8020. In view of the recent global proliferation of AI topics, intelligent robots have become the focus of the next wave of technological industry applications. ITH sponsored C.K. Robotics with NT\$160,000 to support their participation in large-scale international robotics competitions. This trains students in academic application and technology integration, entrepreneurship readiness, teamwork, problem-solving, and business management abilities, cultivating the competencies and skills needed to face various challenges in the future world. C.K. Robotics operates primarily under the concept of the Social Innovation Platform®. While improving themselves, they also focus on contributing to Society. In August 2024, ITH and C.K. Robotics organized a STEM engineering education course at St. Francis Children's Home. By guiding the children in making engineering toys, they aimed to teach simple scientific principles, achieving a combination of education and entertainment, and fostering a positive cycle of giving back to society.

Sponsored C.K. Robotics team
NT\$160,000



Charity Sale Event on Children's Day

This year on Children's Day, the company invited colleagues to participate in charitable activities, with a total of 135 people responding to the charity sale and donation event. The beneficiary organizations include the Taiwan Daxin Social Welfare Association, Yellow Ribbon Network Association for Taiwan, World Peace Association, and the Children Charity Association. The total amount raised through this charity sale and voluntary donations was NT\$421,092.

Total amount raised from charity sale & voluntary donations
NT\$421,092



CHAPTER

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Appendix 1. GRI Guidelines Comparison Table

◇ GRI Standards Indicator Index

Statement of Use	ITH has published the 2024 TSC Sustainability Report with reference to GRI standards, covering the data information scope from January 1 to December 31, 2024.
Applicable GRI 1	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No applicable GRI sector standard(s)

GRI 2: General Disclosures 2021

GRI Guidelines	GRI Disclosure	Chapter or Explanation	Page
Organization and reporting practices			
GRI 2-1	Organizational information	About the Sustainability Report	2
		1.1 Business philosophy and sustainable vision	6
GRI 2-2	Entities included in the organization's sustainability reporting	About the Sustainability Report	2
GRI 2-3	Reporting period, frequency and contact point	About the Sustainability Report	2
GRI 2-4	Restatements of information	Compared to the previous year's report, the statistical method for the "Patent Application Approval Status Table" has been adjusted this year to enhance the clarity of information.	-
		For more details, refer to "About This Report" in the Sustainability Report.	
GRI 2-5	External assurance / assurance	About the Sustainability Report	2
Activities and workers			
GRI 2-6	Activities, value chain and other business relationships	1.1 Business philosophy and sustainable vision	6
		1.3 Stakeholder engagement and material topics identification	11
		3.4 Innovation and R&D and energy-efficient product design	47
GRI 2-7	Employees	5.1 Talent attraction and retention	70
GRI 2-8	Workers who are not employees	5.1 Talent attraction and retention	70

GRI Guidelines	GRI Disclosure	Chapter or Explanation	Page
Governance			
GRI 2-9	Governance structure and composition	2.1 Corporate governance framework	17
GRI 2-10	Nomination and selection of the highest governance body	2.1 Corporate governance framework	17
GRI 2-11	Chair of the highest governance body	2.1 Corporate governance framework	17
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	1.2 ESG Committee	8
		1.3 Stakeholder engagement and material topics identification	11
GRI 2-13	Delegation of responsibility for managing impacts	1.2 ESG Committee	8
GRI 2-14	Role of the highest governance body in sustainability reporting	About the Sustainability Report	2
		1.2 ESG Committee	8
GRI 2-15	Conflicts of interest	2.1 Corporate governance framework	17
		For details, please refer to the material information announcements via the Market Observation Post System (MOPS)"ITH-KY" 2025 Shareholders' Meeting Annual Report on page 5.	
GRI 2-16	Communication of critical concerns	1.2 ESG Committee	8
		For details, please refer to the material information announcements via the MOPS"ITH-KY" 2025 Shareholders' Meeting Annual Report on page 45.	
GRI 2-17	Collective knowledge of the highest governance body	2.1 Corporate governance framework	17
GRI 2-18	Evaluation of the performance of the highest governance body	2.1 Corporate governance framework	17
GRI 2-19	Remuneration policies	2.1 Corporate governance framework	17
		5.3 Employee benefits and activities	80
		For details, please refer to the Material information announcements via the MOPS"ITH-KY" 2025 Shareholders' Meeting Annual Report on pages 13 and 17.	
GRI 2-20	Process to determine remuneration	2.1 Corporate governance framework	17
GRI 2-21	Annual total compensation ratio	The information is classified as internal confidential and is not disclosed externally.	-

GRI Guidelines	GRI Disclosure	Chapter or Explanation	Page
Strategy, policies and practice			
GRI 2-22	Statement on sustainable development strategy	Message from the Chairman	3
		Sustainability performance highlights In ESG	4
GRI 2-23	Policy commitments	1.2 ESG Committee	8
		2.3 Ethics and integrity	28
		3.1 Supply chain management	37
		5.5 Human rights and communication	87
GRI 2-24	Embedding policy commitments	1.2 ESG Committee	8
		2.3 Ethics and integrity	28
		2.4 Internal audit	29
		3.1 Supply chain management	37
		5.5 Human rights and communication	87
GRI 2-25	Processes to remediate negative impacts	1.3 Stakeholder engagement and material topics identification	11
		2.3 Ethics and integrity	28
		5.5 Human rights and communication	87
GRI 2-26	Mechanisms for seeking advice and raising concerns	2.3 Ethics and integrity	28
GRI 2-27	Compliance with laws and regulations	During the reporting period, there were no major legal violations or instances of unpaid fines.	-
GRI 2-28	Membership associations	Information unavailable/incomplete.	-
Stakeholder engagement			
GRI 2-29	Approach to stakeholder engagement	1.3 Stakeholder engagement and material topics identification	11
GRI 2-30	Collective bargaining agreements	The Company has not signed any collective bargaining agreements.	-

GRI 3: Material Topics 2021

GRI Guidelines	GRI Disclosure	Chapter or Explanation	Page
Organization and reporting practices			
GRI 3: Material topics 2021	Process to determine material topics	1.3 Stakeholder engagement and material topics identification	11
	List of material topics	1.3 Stakeholder engagement and material topics identification	11
	Management of material topics	1.3 Stakeholder engagement and material topics identification	11
Material topics: Talent attraction and retention			
GRI 3: Material topics 2021	3-3 Management of material topics	1.3 Stakeholder engagement and material topics identification	11
		5.1 Talent attraction and retention	70
GRI 401: Employment 2016	401-1 New employee hires and departing employees	5.1 Talent attraction and retention	70
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.3 Employee benefits and activities	80
	401-3 Parental leave	5.3 Employee benefits and activities	80
GRI 402: Labor/management relations	402-1 Minimum notice period regarding operational changes	5.5 Human rights and communication	87
GRI 404: Training and education	404-1 Average hours of training per year per employee	5.2 Talent cultivation	76
	404-2 Programs for upgrading employee skills and transition assistance programs	5.2 Talent cultivation	76
	404-3 Percentage of employees receiving regular performance and career development reviews	5.2 Talent cultivation	76
GRI 405: Diversity and equal opportunity	405-1 Diversity of governance bodies and employees	2.1 Corporate governance framework	17
		5.1 Talent attraction and retention	70
	405-2 Ratio of basic salary and remuneration of women to men	Based on company policy, the information is classified as internal confidential and is not disclosed externally.	-
GRI 406: Non-discrimination (2016)	406-1 Incidents of discrimination and corrective actions taken	5.5 Human rights and communication	87

GRI Guidelines	GRI Disclosure	Chapter or Explanation	Page
Material topics: Financial performance			
GRI 3: Material topics 2021	3-3 Management of material topics	1.3 Stakeholder engagement and material topics identification	11
		2.2 Financial performance	25
GRI 201: Economic performance (2016)	201-1 Direct economic value generated and distributed	2.2 Financial performance	25
	201-2 Financial implications and other risks and opportunities due to climate change	4.2 Climate change response	57
	201-3 Defined benefit plan obligations and other retirement plans	5.3 Employee benefits and activities	80
	201-4 Financial assistance received from government	Information unavailable/incomplete.	-
Material topics: Information security			
GRI 3: Material topics 2021	3-3 Management of material topics	1.3 Stakeholder engagement and material topics identification	11
		2.5 Risk management	32
GRI 418: Customer privacy (2016)	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.5 Risk management	32
Material topics: Sustainable supply chain			
GRI 3: Material topics 2021	3-3 Management of material topics	1.3 Stakeholder engagement and material topics identification	11
		3.1 Supply chain management	37
GRI 308: Supplier environmental assessment	308-1 Adopting environmental criteria to screen new suppliers	3.1 Supply chain management	37
	308-2 Negative environmental impacts in the supply chain and actions taken	3.1 Supply chain management	37
Material topics: Product quality and safety management			
GRI 3: Material topics 2021	3-3 Management of material topics	1.3 Stakeholder engagement and material topics identification	11
		3.2 Product quality management	43
GRI 416: Customer health and safety	416-1 Evaluation of the health and safety impacts of product and service categories	3.2 Product quality management	43
	416-2 Incidents of non-compliance concerning health and safety impacts of products and services	This year, the Company has not involved in any incidents of non-compliance concerning the health and safety impacts of products and services	-



GRI Guidelines	GRI Disclosure	Chapter or Explanation	Page
Material topics: Innovation and R&D			
GRI 3: Material topics 2021	3-3 Management of material topics	1.3 Stakeholder engagement and material topics identification	11
		3.4 Innovation and R&D and energy-efficient product design	47
Material topics: Market image			
GRI 3: Material topics 2021	3-3 Management of material topics	1.3 Stakeholder engagement and material topics identification	11
		3.3 Customer service management	45
Material topics: Business continuity management			
GRI 3: Material topics 2021	3-3 Management of material topics	1.3 Stakeholder engagement and material topics identification	11
		2.5 Risk management	32
Material topics: Green products			
GRI 3: Material topics 2021	3-3 Management of material topics	1.3 Stakeholder engagement and material topics identification	11
		3.4 Innovation and R&D and energy-efficient product design	47

Appendix 2. Sustainability Accounting Standards Board (SASB) Comparison Table

Theme	GRI Index	Accounting Indicator	Information Category	Information/ Data Measurement Unit	Indicator Disclosure	Indicator Response and Supplementation	Chapter
Greenhouse Gas Emissions	TC-SC-110a.1	(1) Scope 1 Greenhouse Gas Emissions	Quantitative	tCO ₂ e	2.07	-	CHAPTER 4 Environmental Sustainability 4.3 Greenhouse gas management
		(2) Amount of Total Emissions from Fluorinated Compounds	Quantitative	tCO ₂ e	0	-	
	TC-SC-110a.2	Discussion of Long-term and Short-term Strategy or Plan to Manage Scope 1 Emissions, Emissions Reduction Targets, and an Analysis of Performance Against Those Targets	Qualitative	Discussion and Analysis	<p>ITH focuses on the design of panel driver and touch ICs, with production processes such as wafer fabrication, packaging, and testing outsourced to external semiconductor foundries. Since the Company does not engage in manufacturing operations, Scope 1 greenhouse gas emissions mainly come from refrigerants used in office premises, which are not a primary emission source.</p> <p>The main emissions of ITH come from Scope 2. Therefore, the Company focuses on carbon reduction management in Scope 2 and formulates specific strategies and action plans to achieve carbon reduction benefits.</p> <p>ITH will set 2025 as the baseline year for carbon reduction goals. By introducing an Energy Management System (EMS), replacing high energy-consuming air conditioning equipment, and promoting energy conservation education and outreach for all employees, the company is committed to achieving the Goal of reducing Scope 2 greenhouse gas emissions by 15% compared to the baseline year by 2030.</p>	-	
Energy Management in the Manufacturing Process	TC-SC-130a.1	(1) Total Energy Consumption	Quantitative	GJ	9,903.36	Including natural gas, Liquefied Petroleum Gas, Gasoline, Diesel, Purchased electricity, Renewable energy	CHAPTER 4 Environmental Sustainability 4.2 Energy management
		(2) Percentage of Purchased Electricity Used	Quantitative	Percentage (%)	99.7	-	
		(3) % of Total Energy Used	Quantitative	Percentage (%)	0	ITH has not yet utilized renewable energy, but remains focused on its application potential in the semiconductor industry. The Company will continue to evaluate green industry investments and the feasibility of integrating renewable energy to reduce the overall environmental impact of its operations.	

Theme	GRI Index	Accounting Indicator	Information Category	Information/Data Measurement Unit	Indicator Disclosure	Indicator Response and Supplementation	Chapter
Water Resource Management	TC-SC-140a.1	(1) Total Water Withdrawal	Quantitative	Thousand Cubic Meters (1000 m ³)	14.24	ITH regularly uses the WRI Aqueduct Water Risk Atlas tool to conduct production site water risk assessments. The evaluation results show that currently all of the Company's operating locations are not situated in areas of high water stress. The Company will continue to monitor the water resource conditions in operating regions to reduce potential operational risks.	CHAPTER 4 Environmental sustainability 4.5 Water resource management
		(2) Percentage of Water Withdrawn in Regions with Water Source Stress	Quantitative	Percentage (%)	-		
		(3) Total Water Consumption	Quantitative	Thousand Cubic Meters (1000 m ³)	14.24		
		(4) Percentage of Water Consumption in Regions with Water Source Stress	Quantitative	Percentage (%)	-		
Waste Management	TC-SC-150a.1	(1) Total Hazardous Waste from the Manufacturing Process	Quantitative	Tonnes (t)	-	<p>The waste generated by ITH is classified as general industrial waste and is properly handled by qualified vendors in accordance with relevant regulations. The specific treatment method is as follows:</p> <p>Discarded electronic components: including batteries, iron, aluminum, and other metal resources from disassembled PCBs, are handed over to professional firms for subsequent refining and recycling. If wafer carrier boxes are in good condition, they are washed and reused; if they are damaged, they are crushed and reprocessed into plastic raw material. Other non-recyclable items are handled according to general waste regulations.</p> <p>Scrap and defective products: After separating the plastic film from the silicon wafers, precious metals such as gold are first recovered. The silicon wafers are then reused as solar-related materials, while the plastic film, which cannot be reused, is disposed of according to waste regulations.</p>	CHAPTER 4 Environmental Sustainability 4.4 Waste management
		(2) Percentage of Hazardous Waste Recycled in the Manufacturing Process	Quantitative	Tonnes (t)	-		
Employee Health and Safety	TC-SC-320a.1	Total Recordable Incident Rate (TRIR) for Directly Hired Employees and Contract Employees	Qualitative	Discussion and Analysis	ITH has established comprehensive Occupational Safety Management Regulations, clearly defining the responsibilities and authorities of safety and health management and managers at all levels, equipment maintenance and inspection, work safety and health standards, safety and health education and training, health guidance, fire prevention and first aid, and other related safety and health matters. We regularly implement comprehensive education and training to equip all employees with safety awareness, and irregularly conduct promotions on safety-related matters to ensure the health, safety, and hygiene of employees in the workplace.	-	CHAPTER 5 Employee Well-being 5.4 Workplace safety and health
	TC-SC-320a.2	Due to Legal Incidents Involving Violations of Employee Health and Safety Regulations Total Monetary Losses Resulting from Legal Disputes Related to Anti-competitive Practices	Quantitative	NT\$ Thousand	0		

Theme	GRI Index	Accounting Indicator	Information Category	Information/Data Measurement Unit	Indicator Disclosure	Indicator Response and Supplementation	Chapter
Recruiting and Managing a Global Professional Workforce	TC-SC-330a.1	(1) Percentage of Foreign Employees	Quantitative	Percentage (%)	0.5	All Employees: 969 People, 5 Foreign employees, 12 stationed employees, accounting for a Percentage of 1.7%	CHAPTER 5 Employee Well-being 5.1 Talent attraction and retention
		(2) Percentage of Overseas Workers	Quantitative	Percentage (%)	1.2		
Product Lifecycle Management	TC-SC-410a.1	Percentage of Products by Revenue that Contain IEC 62474 Declarable Substances	Quantitative	Percentage (%)	-	N/A: ITH is a company focused on panel driver and touch control IC design, with wafer fabrication, packaging, and testing outsourced to semiconductor foundries, without in-house production. The Company has established environmental restricted substance management regulations and ensures that suppliers fully understand the requirements. Investigations are conducted when necessary to ensure that products comply with relevant regulations and standards. N/A: Products and services are IC design and sales, not end-user application products, no corresponding content.	CHAPTER 3 Supply chain and products 3.1 Supply chain management
	TC-SC-410a.2	Energy Efficiency of the Processor at the Overall System Level: (1) Server (2) Desktop Computer (3) Notebook	Quantitative	Product Category	-		
Raw Material Procurement	TC-SC-440a.1	Description of Risk Management Methods for Using Key Materials	Qualitative	n/a	Regarding key raw material risk management, suppliers are required to provide RoHS test reports regularly. Additionally, if regulations or international guidelines are adjusted, suppliers will be asked to investigate whether the materials used comply with standards such as REACH, the EU Registration, Evaluation, Authorisation and Restriction of Chemicals. Suppliers for ITH are currently 100% compliant with RoHS and REACH regulations.	-	CHAPTER 3 Supply Chain and Products 3.1 Supply chain management
Intellectual Property Protection & Competitive Behavior	TC-SC-520a.1	Total Monetary Losses Resulting from Legal Disputes Related to Anti-competitive Practices	Quantitative	NT\$ thousand	0	-	CHAPTER 3 Supply Chain and Products 3.4 Innovation and R&D and energy-efficient product design
Operational Indicator: Production Product Category	TC-SC-000.A	Output of Our Own Plant and Output of Plant with Signed Service Contracts	Quantitative	Thousand Units	570,382	-	CHAPTER 2 Corporate Governance 2.2 Financial performance
	TC-SC-000.B	Percentage of Production from In-house Facilities	Quantitative	Percentage (%)	-	ITH focuses on IC design and sales, with all products outsourced to semiconductor foundries for manufacturing, packaging, and testing. The Company itself does not have self-owned production facilities.	

◇ Appendix 2-1. Sustainability Disclosure Indicators – Semiconductor Industry

GRI Index	Indicator	Type	Yearly Disclosure Status	Unit	Note
01	Total energy consumption, percentage of purchased electricity, and percentage of renewable energy used	Quantitative	Total energy consumption was 9,903.36 GJ. Percentage of purchased electricity 99.7% 0% of total energy used	GJ, %	1.Total energy consumption includes natural gas, liquefied petroleum gas, gasoline, diesel, purchased electricity, renewable energy
02	Total water withdrawal and consumption	Quantitative	14.24 m ³	Thousand cubic meters (1000 m ³)	
03	Weight and recycling rate of hazardous waste generated	Quantitative	No hazardous waste generated	Tonnes (t), %	
04	Description of occupational accident categories, number of incidents, and rates	Quantitative	Category: According to the definition by the Occupational Safety and Health Administration of the Ministry of Labor, occupational injuries refer to the immediate accidental harm occurring while performing job duties, whereas occupational disease refers to the illnesses (diagnosed by a physician) resulting from exposure to chemical, physical, biological, ergonomic factors, and others while performing job duties. Number of occupational incidents: 0 Occupational injury rate 0%	%, count	
05	Disclosure of product lifecycle management: Weight and recycling rate of scrapped and e-waste ^{Note 1}	Quantitative	The total weight of e-waste and industrial waste is 3.46 metric tons Percentage recycled 95.1%	Tonnes (t), Percentage (%)	Note 1: The scope of data disclosure includes only the Hsinchu Tai Yuen headquarters. Note 2: (1)Discarded electronic components: including batteries, iron, aluminum, and other metal resources from dismantled PCBs, are handed over to professional firms for subsequent refining and recycling. Wafer carrier boxes in good condition are washed and reused; if they are damaged, they are crushed and reprocessed into plastic raw material. Other non-recyclable items are disposed of according to waste regulations. (2)Scrap and defective products: After separating the plastic film from the silicon wafers, gold is extracted, and the silicon wafer is used as a solar auxiliary material. The plastic film, which cannot be reused, is disposed as waste.
06	Description of risk management related to the use of key materials	Qualitative Description	Regarding key raw material risk management, suppliers are required to provide RoHS test reports regularly. Additionally, if regulations or international guidelines are adjusted, suppliers will be asked to investigate whether the materials used comply with standards such as REACH, the EU Registration, Evaluation, Authorisation and Restriction of Chemicals. Suppliers for ITH are currently 100% compliant with RoHS and REACH regulations.	N/A	
07	Total monetary losses resulting from legal disputes related to anti-competitive practices	Quantitative	There were no violations of anti-competitive regulations in 2024	Reporting currency	
08	Primary product output by product category	Quantitative	570,382 thousand driver ICs	Varies by product type	

Note 1: Include the sale of scrap materials or other recycling operations, and provide relevant explanation.

Appendix 3. Comparison Table of Climate-Related Information for Listed Companies

Items	Implementation Status																							
1. Describe the Board of directors' and management's oversight and governance of climate-related risks and opportunities.	<p>Climate-related risks and opportunities are managed by the Sustainable Development Committee and are included in the Company's overall risk management policies. The Sustainable Development Committee regularly reports the execution results of climate risk management to the Board of Directors annually.</p> <p>The Board of Directors' supervision of climate-related risks and opportunities is conducted in accordance with the Group's "Risk Management Practice Guidelines," with assistance from an independent unit, the Audit Office, which supervises and audits the implementation status and provides recommendations for risk control improvements to ensure that management measures adhere to corporate governance requirements.</p>																							
2. Description of how identified climate risks and opportunities impact the Company's business, strategy, and financial planning (short, medium, and long term)	<p>The Company categorizes identified risks and opportunities into transition risks, physical risks, and opportunities, and distinguishes them into low, medium, and high levels based on the financial impact level and likelihood.</p> <p>Transition risks mainly arise from policy and legal, technology and science, and reputational impacts, leading to increased research and development, management, and production costs, categorized as a low to moderate risk level. Physical risks primarily stem from extreme climate and rising temperatures, leading to operational disruptions or increased energy consumption, categorized as a low to moderate risk level.</p> <p>The opportunity arises from the increased demand for low-power consumption products and rapid growth of touch IC applications in new energy vehicles, which helps optimize product design and expand the market. This is considered a medium to high opportunity level.</p> <p>For complete information, please refer to the Sustainability Report, Chapter 4, Environmental Sustainability section.</p>																							
3. Describe the financial impact of extreme weather events and transformative actions.	<p>Based on the TCFD guidelines, the Company considers transition risks (policy and legal, market, technology, company reputation) and physical risks (chronic and acute) to conduct a risk assessment for potential events, including the degree of financial impacts, the impact timeline (short, medium, long-term), affected stakeholders in the value chain, and the likelihood of risk occurrence.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="background-color: #00AEEF; color: white;">Type of Risk</th> <th style="background-color: #00AEEF; color: white;">Overview of Risks</th> </tr> </thead> <tbody> <tr> <td rowspan="3" style="background-color: #D9E1F2; text-align: center;">Transition Risk</td> <td style="background-color: #D9E1F2;">Policy and Legal</td> <td>Changes in domestic and international policy and legal regulations are increasing the operating costs of the supply chain, with the possibility of these costs being passed on.</td> </tr> <tr> <td style="background-color: #D9E1F2;"></td> <td>In response to the country's future commitment toward the net-zero goal, the power structure will be adjusted, which may lead to electricity price hikes, resulting in increased production costs.</td> </tr> <tr> <td style="background-color: #D9E1F2;"></td> <td>In response to regulatory requirements, the company must also commission a consulting firm for related guidance and third-party verification; otherwise, it will face fines.</td> </tr> <tr> <td rowspan="3" style="background-color: #D9E1F2; text-align: center;">Physical risk</td> <td style="background-color: #D9E1F2;">Technology and science</td> <td>New products may fail to meet customer requirements for next-generation products, resulting in revenue decline and inability to recover development costs.</td> </tr> <tr> <td style="background-color: #D9E1F2;">Reputation</td> <td>If climate-related metrics are not incorporated into operational considerations, it may affect customer order demand, leading to decreased revenue.</td> </tr> <tr> <td style="background-color: #D9E1F2;">Acute</td> <td>Operational disruptions caused by the increased frequency of extreme weather events will affect delivery schedule, possibly resulting in compensation and order loss, leading to reduced revenue.</td> </tr> <tr> <td style="background-color: #D9E1F2;"></td> <td style="background-color: #D9E1F2;">Chronic</td> <td>Rising global average temperatures, along with increased heat load, lead to higher electricity consumption for chillers and air conditioning, thus raising operating costs.</td> </tr> <tr> <td style="background-color: #D9E1F2;"></td> <td style="background-color: #D9E1F2;"></td> <td>Should power restrictions due to government energy policies lead to unstable power supply and cause regional power outages, it will lead to operational disruptions, thereby causing business losses and additional maintenance costs.</td> </tr> </tbody> </table> <p>For complete information, please refer to the Sustainability Report, Chapter 4, Environmental Sustainability section.</p>	Type of Risk		Overview of Risks	Transition Risk	Policy and Legal	Changes in domestic and international policy and legal regulations are increasing the operating costs of the supply chain, with the possibility of these costs being passed on.		In response to the country's future commitment toward the net-zero goal, the power structure will be adjusted, which may lead to electricity price hikes, resulting in increased production costs.		In response to regulatory requirements, the company must also commission a consulting firm for related guidance and third-party verification; otherwise, it will face fines.	Physical risk	Technology and science	New products may fail to meet customer requirements for next-generation products, resulting in revenue decline and inability to recover development costs.	Reputation	If climate-related metrics are not incorporated into operational considerations, it may affect customer order demand, leading to decreased revenue.	Acute	Operational disruptions caused by the increased frequency of extreme weather events will affect delivery schedule, possibly resulting in compensation and order loss, leading to reduced revenue.		Chronic	Rising global average temperatures, along with increased heat load, lead to higher electricity consumption for chillers and air conditioning, thus raising operating costs.			Should power restrictions due to government energy policies lead to unstable power supply and cause regional power outages, it will lead to operational disruptions, thereby causing business losses and additional maintenance costs.
Type of Risk		Overview of Risks																						
Transition Risk	Policy and Legal	Changes in domestic and international policy and legal regulations are increasing the operating costs of the supply chain, with the possibility of these costs being passed on.																						
		In response to the country's future commitment toward the net-zero goal, the power structure will be adjusted, which may lead to electricity price hikes, resulting in increased production costs.																						
		In response to regulatory requirements, the company must also commission a consulting firm for related guidance and third-party verification; otherwise, it will face fines.																						
Physical risk	Technology and science	New products may fail to meet customer requirements for next-generation products, resulting in revenue decline and inability to recover development costs.																						
	Reputation	If climate-related metrics are not incorporated into operational considerations, it may affect customer order demand, leading to decreased revenue.																						
	Acute	Operational disruptions caused by the increased frequency of extreme weather events will affect delivery schedule, possibly resulting in compensation and order loss, leading to reduced revenue.																						
	Chronic	Rising global average temperatures, along with increased heat load, lead to higher electricity consumption for chillers and air conditioning, thus raising operating costs.																						
		Should power restrictions due to government energy policies lead to unstable power supply and cause regional power outages, it will lead to operational disruptions, thereby causing business losses and additional maintenance costs.																						

Items	Implementation Status
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>The Sustainable Development Committee convenes cross-departmental team members to gather internal and external issues and conduct a comprehensive assessment of the financial impact level, the impact timeline (short-term, medium-term, long-term), affected parties in the value chain, and possibility.</p> <p>In the process of climate change risk management, the Sustainable Development Committee and the Risk Management team jointly review and negotiate to incorporate climate change risk management into the Company's overall risk management policies to ensure management consistency.</p> <p>The Sustainable Development Committee annually reports the execution results of climate risk management to the Board of Directors.</p>
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.	<p>Based on TCFD guidelines, the Company utilizes the worst-case scenario for both transition and physical types of risks, incorporating the analysis outcome into the strategic resilience evaluation.</p> <p>Transition risk: Referring to Taiwan's Pathway to Net-Zero Emissions in 2050 and its strategies, a carbon tax is set as a parameter. The analysis examines the impact on the Company's policy and legal, market, technology, reputation, financial, and operational aspects under a carbon tax scenario of NT\$300 per tonnes. In this scenario, it is expected to lead to increased operating costs, thereby affecting the gross profit margin.</p> <p>Physical risk scenarios refer to SSP5 - 8.5, using the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and the National Science and Technology Center for Disaster Reduction, collecting the maximum daily high temperature (TXx) and the change in the total number of days per year with daily rainfall exceeding 200 millimeters as parameters to simulate the future climate conditions of the locations where operating sites are situated. In this scenario, extreme climate is likely to cause supply chain disruptions and an increase in energy costs, thereby affecting revenue and production stability.</p> <p>Based on the aforementioned scenario analysis outcome, the Company evaluates the financial impact of climate change and formulates various strategies to enhance its resilience to climate change.</p>
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.	<p>The Company closely monitors global climate change trends and international response directions, incorporating this topic into the material topics of corporate sustainability. We continuously conduct analysis and management, with key strategic initiatives are as follows:</p> <p>I. Improve energy efficiency: Replace high-energy-consuming equipment, improve energy efficiency, and reduce energy consumption.</p> <p>II. Development and design of low-carbon products: In response to the low-carbon transition trend, the R&D unit is engaging in the development of low-carbon products, actively reducing the carbon emissions of products.</p> <p>III. Supply chain management: Leverage corporate influence to encourage suppliers to consider social, economic, and environmental impacts.</p> <p>IV. Strengthen the Group's climate resilience: Understand the impacts of climate change and establish an uninterrupted power backup mechanism.</p> <p>For complete information on metrics and targets, please refer to the Sustainability Report, Chapter 4, Environmental Sustainability section.</p>
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	<p>The Company has not used internal carbon pricing as a planning tool, but will evaluate its implementation in the future based on actual operations, environmental, regulatory, and other needs.</p>
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning timeline, 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.	<p>The Company plans to use 2025 as the baseline year to replace outdated major carbon-emitting equipment across all operating locations. By implementing an Energy Management System (EMS), upgrading air conditioning systems, and promoting employee energy-saving initiatives, we aim to improve energy efficiency.</p> <p>The Company has set a goal to reduce Scope 2 greenhouse gas emissions by 15% compared to the baseline year by 2030. The progress will be reviewed annually and reported regularly to the Board of Directors to ensure the implementation of the plan.</p> <p>Currently, carbon offsets or Renewable Energy Certificates (RECs) are not used as measures to achieve carbon reduction goals. In the future, carbon reduction strategies and goals will be adjusted on a rolling basis according to the completeness of the inventory data.</p>
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	<p>Please refer to Appendix 3-1 "Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Fiscal Years" and Appendix 3-2 "Greenhouse Gas Reduction Targets, Strategies, and Concrete Action Plans."</p>

◇ Appendix 3-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Fiscal Years

1. Greenhouse Gas Inventory Information: Describes the greenhouse gas emissions (tonnes CO₂e) and GHG emission intensity (tonnes CO₂e/million NTD) for the most recent two years and the scope of data coverage.
2. Greenhouse gas assurance information: Explanation of the assurance status for the most recent two years as of the annual report publication date, including the scope of assurance, assurance institution, assurance standards, and assurance opinion.

Category/Year	2023	2024
Direct emissions (Category 1)	3.014	2.073
Energy indirect emissions (Category 2)	1,400.11	1,354.61
Total (tonnes CO ₂ e)	1,403.12	1,356.68
Intensity (tonnes CO ₂ e)	0.06	0.06
Explanation of the assurance status	ITH has not yet conducted third-party verification of the greenhouse gas inventory. In the future, verification will be completed in accordance with the timeline stipulated by the competent authority or earlier if needed, to enhance the transparency and credibility of information disclosure.	

Note 1: The carbon emission factor for electricity in this table is calculated with reference to the annual carbon emission factors for electricity promulgated by the Energy Administration, Ministry of Economic Affairs; the carbon emission factor for oil is referenced from the Greenhouse Gas Emission Factor Management Table announced by the Environmental Protection Administration, calculated as 2.2631 kg per liter CO₂ of gasoline. Only carbon dioxide emissions are calculated, excluding methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride, and other greenhouse gases.

Note 2: Referencing the IPCC Fourth Assessment Report (2007), carbon dioxide was calculated using a GWP value of 1.

Note 3: The scope of this table covers offices in Taiwan, including Taipei, Hsinchu, and Tainan. In the future, it will be continuously expanded to all operating locations of the Group to meet relevant standards.

◇ Appendix 3-2. Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

∴ Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets. ∴

According to the regulations of the "Sustainable Development Action Plan for Listed Companies," the Company, classified as a TWSE- or TPEX-listed company with paid-in capital of less than NT\$5 billion, is required to disclose the carbon reduction goal, strategy, and specific action plan set for the year following the baseline year, which is determined based on the inventory information in the completed consolidated financial report.

To establish specific and feasible carbon reduction goals, the company has commissioned a consulting firm to assist in conducting a greenhouse gas inventory for all operating locations and is continuously planning verification operations to enhance the credibility of information disclosure. We plan to use 2025 as the baseline year to evaluate and replace outdated major carbon-emitting equipment, implement an Energy Management System (EMS), upgrade air conditioning systems, and promote employee energy-saving initiatives. The goal is to reduce Scope 2 greenhouse gas emissions by 15% compared to the baseline year by 2030. In the future, relevant strategies and carbon reduction goals will be adjusted on a rolling basis as data completeness improves.



ITH