

Dynamic Sustainable Product Plan

Dynamic Group integrates environmental sustainability considerations into product development and manufacturing. Through material selection, technology research and development, and production improvement, it promotes products with energy-saving, carbon-reducing, and resource-efficient benefits to meet customers' demand for sustainable products.

I. Methods for Identifying Sustainable Products

We use concrete and quantifiable environmental benefits as the basis for identifying sustainable products, and refer to the EU's ESPR (Eco Design for Sustainable Products Regulation) principles to establish classification standards and set identification thresholds based on various characteristics.

Lead-free and halogen-free: 100% compliant with RoHS and REACH regulations, aiming to reduce the use of hazardous substances.

Low-carbon materials: Utilizing recycled copper foil or bio-based resin substrates, aiming to increase the recycling of metals.

Green electricity manufacturing: This production line uses 100% renewable energy (green electricity), aiming to promote net-zero emissions.

II. Third-Party Verification Plan

Currently, for lead-free and halogen-free materials, in addition to suppliers submitting SGS certification for the absence of hazardous substances, all of Dynamic's plants are certified by the IECQ QC 080000 HSPM Hazardous Substance Process Management System. Raw materials are subject to random sampling inspections and periodic retesting by external laboratories. For recycled materials, suppliers also submit production process and recycling component certifications. Green electricity purchases are based on relevant green electricity certificates.

We plan to incorporate sustainable product classification methods and related performance into our sustainability report in 2027, and will commission an independent third party to verify the classification standards, product certifications, and related indicators to enhance the credibility of the information. The actual scope and results of the verification will be publicly announced upon completion.

III. Sustainable Product Development Goals

We have set the following development goals for sustainable products, in order to gradually increase the proportion of sustainable products in the Group's product portfolio.

	2025	2026	2027	2028	2029	2030
Lead-free and halogen-free	61.16%	63%	65%	68%	70%	72%
Use low-carbon recycled materials	56.31%	58%	58%	60%	60%	62%
Green electricity manufacturing	30.43%	36%	42%	48%	54%	60%

IV. Investments Related to Sustainable Products

We support the development and production of sustainable products through investments in equipment and operations.

Capital expenditures (CAPEX) related to sustainable products in 2025 are NT\$8.03 million, primarily for electrolytic copper resource recycling equipment, equipment, alkaline etching solution copper recycling and regeneration systems, and tin stripping waste liquid recycling and regeneration systems; operating expenses (OPEX) are NT\$56 million, mainly for material procurement, certification, increased production costs due to different materials, and green electricity procurement costs.

V. Research and Development of Green and Low-Carbon Technologies

We have incorporated the development of sustainable materials into our R&D efforts, aiming to produce products with carbon reduction or other environmental benefits.

In addition to promoting internally measurable sustainability metrics, our main R&D projects and achievements in 2025 include high-speed, low-signal-loss products, high-end HDI and thin-film products, and high-heat-dissipation products. By employing advanced materials with low dielectric loss (Low Df) and optimized processes, we can significantly reduce the waste of electrical energy converted into heat and substantially lower the overall power consumption of terminal devices. Therefore, in fields such as AI servers, 5G communications, and high-density computing (HPC), it is a core component for implementing green energy conservation and carbon reduction, significantly improving the energy efficiency of terminal electronic products and achieving a low-carbon transformation in the manufacturing process. Dynamic will continue its R&D direction in 2025 and continue to develop related products based on market conditions and product demand.

VI. Improvement of Production Facilities and Energy

We support the manufacturing of sustainable products through improvements in factory equipment and energy use.

In fiscal year 2025, we will purchase a total of 141,376 MWh of green electricity and implement measures such as replacing low-energy equipment and improving processes in various factories. For example, conventional wind turbines will be replaced with permanent magnet variable frequency fans, and all factory streetlights will be replaced with wind and solar-powered streetlights. These measures will bring tangible results in energy saving and carbon reduction, lowering the carbon footprint of our products.

VII. Sustainable Design Education and Training

Through education and training, we assist personnel involved in product development in applying sustainable design principles to their daily work.

In 2025, sustainable design education and training will be conducted for relevant personnel, covering topics such as material selection, product life cycle, carbon footprint, energy-saving design, and other related themes. Participants will include members from R&D, engineering, product development, and quality assurance, totaling 370 participants and 740 hours of training.

VIII. Incentives for the Sale of Perpetual Products

We incentivize our sales staff to promote sustainable products through sales bonuses. If a salesperson successfully guides existing clients to switch from traditional PCB orders to sustainable certified PCBs, or successfully develops new electric vehicle/green energy supply chain clients, a one-time transformation incentive bonus will be awarded regardless of the amount.

The R&D department sets annual KPIs linked to sustainable product operation goals, reviews them quarterly, and ensures the company's sustainable product R&D achievements through the implementation of the incentive system and training programs.