



Dynamic 2025 ESG Report



SCIENCE
BASED
TARGETS



Cover Design Concept

The cover of this report is designed around the core concept of "AI at the Speed of Light," incorporating printed circuit board (PCB) elements to symbolize Dynamic's professional expertise in the electronics industry, as well as its core competitiveness driven by continuous innovation and technological breakthroughs. The overall visual design uses the imagery of high-speed flowing light beams to illustrate the Company's growth momentum as it actively advances toward high-performance and intelligent development amid the waves of AI and digital transformation.

Meanwhile, the cover design also conveys the Company's firm commitment to energy transformation and sustainable development. Through visual elements extending forward at the speed of light, it symbolizes the Company's determination to continuously enhance energy efficiency, drive low-carbon transformation, move toward net-zero carbon emissions, and pursue sustainable value creation. Combining a sense of technology with a futuristic aesthetic, the overall design reflects Dynamic's forward-looking ESG strategies, responsible practices, and sustainable vision.

Vision, Mission, Corporate Core Values and Corporate Business Philosophy



Dynamic 2025 ESG Report

Contents

ONE. Introduction	04
I. About This Report	05
II. Message from the Chair of the Sustainable Development Committee	06
III. 2024 Key Performance	08
IV. Company Overview	10
V. External Environment	15
VI. Business Model	16
TWO. Sustainable Performance	18
I. Sustainable Development Strategy	19
II. Corresponding United Nations Sustainable Development Goals	21
III. Six Major Capitals and Value Creation Process	24
IV. Stakeholder Interaction and Management	26
V. Product Quality and Customer Service	32
VI. R&D and Innovation	37
VII. New Market Development	39
THREE. Environmental Performance	40
I. Energy and Climate Change Strategy	41
II. Greenhouse Gas Emissions	56
III. Water Resources Management	64
IV. Wastes and Hazardous Substances Management	71
V. Environmental Investments	76
VI. Green Products & Processes	80
VII. Air Pollution Prevention	81
VIII. Biodiversity	83



FOUR. Co-prosperity in Society

90

- I. Human Rights 91
- II. Talent Structure and Development 99
- III. Talent Attraction/Retention and Employee Benefits 104
- IV. Occupational Health and Safety 117
- V. Societal Involvement and Social Wellness 127

FIVE. Economic Performance and Corporate Governance

131

- I. Economic Performance 132
- II. Corporate Governance 135
- III. Legal Compliance 142
- IV. Ethics and Integrity 146
- V. Risk Management 149
- VI. Business Continuity Management 154
- VII. Sustainable Supply Chain 155
- VIII. Information Security Management 162

SIX. Appendix

165

- I. Assurance Report of Independent Auditors 166
- II. Global Reporting Initiative (GRI) Standards Index 170
- III. Reference Table of Sustainability Accounting Standards Board (SASB) Indicators 174
- IV. "Guidelines for the Preparation and Filing of Sustainability Reports by Listed Companies" -sustainability disclosure indicators for the electronic components industry 177
- V. Climate-related information of "Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies" 177

CH 1

Introduction

CO²



CO²



CO²





I. About This Report

Reporting Period

Since 2013, Dynamic has been publishing a “Corporate Social Responsibility Report” every year. In 2020, the report was renamed “ESG Report” to enhance the disclosure of environmental, social, and governance (ESG) information in response to the growing concern of stakeholders in this issue.

The content of this report covers Dynamic's sustainability actions and performance in 2025 (from January 1 to December 31, 2025), as well as the implementation and outcomes of sustainability issues that concern key stakeholders. To provide a complete description, some parts also cover action plans and performance prior to January 1, 2025, and after December 31, 2025, as well. The report was published in August 2026 and will be published annually in the future.

Boundary and Scope

The boundary and scope of disclosure in this report cover Dynamic Holding Co., Ltd. and its subsidiaries, which are principally engaged in the business of manufacturing and marketing of printed circuit boards. Regarding financial data, we used the information in the annual financial report attested by independent auditors (Ernst & Young, CPA firm), which covers the consolidated information of Dynamic Holding Co., Ltd. and all its subsidiaries.

Reporting Principles

This report is prepared in accordance with the International IR Framework published by the International Integrated Reporting Council (IIRC) and the GRI 2021 Standards issued by the Global Reporting Initiative (GRI). In addition, this report also references the frameworks of the Financial Stability Board's (FSB) “Task Force on Climate-Related Financial Disclosures (TCFD)”, “Task Force on Nature-Related Financial Disclosures (TNFD)”, and the “Sustainability Accounting Standards Board (SASB)” standards to enhance the disclosures and further improve the completeness of ESG information.

Internal and External Assurance

Internal assurance

The content of this report is provided by each responsible unit after it is approved by the highest executive, confirmed by the “Sustainable Development Committee”, the highest sustainability management organization of the Company, and finally reviewed and passed by the “Board of Directors”, the highest governance unit, and approved for publication.

Regarding the source of non-material financial information, the Company's Audit Office, third-party impartial organization, conducted an audit of the report, and the results of the audit were consistent with the contents of the report.

External Assurance

The Company engaged Ernst & Young (EY) to conduct limited assurance on specific content of this report, in accordance with Assurance Standard No. 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” issued by the Accounting Research and Development Foundation of the Republic of China (based on International Standard on Assurance Engagements ISAE 3000). Upon completion of the assurance work, the relevant results were fully communicated with the highest level of governance. For the assurance report, please refer to the independent assurance report of the CPAs in this report.

Contact Information

- Sustainable Development Committee of Dynamic, Chia-Chen Tsai
- Address: 6F., No. 50, Minquan Rd., Luzhu Dist., Taoyuan City 33846
- Tel.: 03-349-3300 ext. 7107
- Email: Irene_Tsai@dynamicpcb.com
- Website: www.dynaholding.com



II. Message from the Chair of the Sustainability Committee

Leading with Digitalization and Sustainability to Build a Resilient Future Together

Dear investors, customers, partners, and colleagues:

The rules of global business are undergoing fundamental change. Against the challenges of climate change and geopolitical tensions, and with international regulations such as the EU Carbon Border Adjustment Mechanism (CBAM) and Corporate Sustainability Reporting Directive (CSRD) continuing to advance, environmental, social, and governance (ESG) performance is no longer optional. It has become a key measure of a company's operational resilience, compliance capabilities, and long term financial value.

As a leading global printed circuit board (PCB) manufacturing service provider, Dynamic recognizes that sustainable development is a strategic driver of long term growth, product mix optimization, and stronger trust among international customers. In 2024, we formally elevated the former ESG Sustainability Committee to a Board level "Sustainable Development Committee", further strengthening our sustainability governance. Guided by our core values of "Integrity, enthusiasm, customer trust, innovation", we work alongside our global supply chain to navigate the transition to a low carbon economy and the rapid advancement of AI technologies.

Four Forward Looking Trends Shaping Global Sustainability

I. Advancing Net Zero Emissions and Strengthening Climate Resilience

In response to the risks posed by extreme weather events, global brand customers increasingly view localized, multisite backup capacity and science based targets (SBTi) as key criteria for assessing supply chain resilience.

Dynamic's actions: In 2025, renewable electricity accounted for more than 30% of our electricity consumption. We have strategically accelerated the development of our new Thailand Plant to strengthen supply continuity and our ability to respond to supply chain disruptions. In addition, Dynamic's near term emissions reduction targets have been validated by the Science Based Targets initiative (SBTi), marking steady progress toward our 2030 emissions reduction targets.

II. The Growing Importance of Biodiversity and Natural Capital

With the advancement of the United Nations Kunming-Montreal Global Biodiversity Framework and the Taskforce on Nature-related Financial Disclosures (TNFD) framework, companies must incorporate natural capital into their core decision making.

Dynamic's actions: We have integrated nature conservation more deeply into our daily operations by advancing the Alliance for Water Stewardship (AWS) Standard, extensively planting native and rare tree species at our plants, implementing our Zero Deforestation Commitment, procuring Fairtrade certified coffee, and organizing the "River Together" beach cleanup campaign. Through these concrete actions, we are helping to protect ecosystems and biodiversity.

III. Expanding Social Responsibility and Human Capital

Corporate social responsibility has evolved to place greater emphasis on investment in human capital, while requiring rigorous protection of labor rights and workplace safety across global supply chains.

Dynamic's actions: As production capacity at the Thailand Plant continues to ramp up, we are further strengthening diversity, equity, and inclusion (DEI) policies across all our plants. We have also formally launched Human Rights Due Diligence (HRDD), covering our employees as well as key suppliers across the upstream and downstream value chain, to fully align our practices with the stringent human rights standards of international customers.

IV. Sustainability Transformation Driven by Digitalization and AI

Generative artificial intelligence (AI) and digital technologies have become strategic tools for energy management, carbon emissions tracking, and supply chain optimization.

Dynamic's actions: We have introduced an Internal Carbon Pricing (ICP) mechanism to guide capital allocation toward low carbon and energy efficient equipment from the outset. At the same time, we are working with our supply chain partners to conduct ISO 14067 Product Carbon Footprint (PCF) assessments, providing accurate data to customers in the global automotive, networking, and server markets and transforming decarbonization pressure into green competitiveness.



Strengthening Transformation Resilience and Earning Sustainability Recognition at Home and Abroad

In 2025, our continued commitment to ESG earned strong recognition from leading sustainability rating organizations in Taiwan and around the world:

S&P Global Sustainability Yearbook recognition: Dynamic was selected for inclusion in the S&P Global Sustainability Yearbook for the second consecutive year in the Electronic Equipment, Instruments & Components category, demonstrating our ability to meet leading international sustainability standards.

Top honors in the Corporate Governance Evaluation: Dynamic once again ranked among the top 5% of listed companies, the highest tier in the Taiwan Stock Exchange's Corporate Governance Evaluation. We have now achieved a Top 5% ranking eight times, reflecting the rigor and effectiveness of our Board governance.

International ratings and local sustainability awards: Dynamic received the EcoVadis Gold Rating (Top 5% globally), the TCSA Top 100 Sustainability Model Award and Sustainability Report Silver Award, an "AAA" rating (Top 5%) in the Taiwan Sustainability Assessment by Taiwan Index Plus (TIP), and the "Best Climate Action Award" under the CDP Commercial Banking Program with Cathay United Bank.

Governance Excellence and Future Outlook

Integrity in governance guides Dynamic on the path of steady and sustainable growth. In terms of financial performance, Dynamic Group recorded consolidated revenue of NT\$19.453 billion in 2025, an increase of 9.37% year on year and another record high. Net profit margin after tax was 4.02%, and earnings per share (EPS) were NT\$2.7. Although initial trial production at the new Thailand Plant and qualification processes for international customers resulted in higher depreciation and short term costs, temporarily weighing on gross margin, we continued to invest strategically in green capabilities for future growth. Overall, our operations continued to demonstrate resilient profitability and a strong ability to withstand external challenges.

Looking ahead, Dynamic is entering a period of revenue growth driven by high end products for AI computing and networking applications. As the contribution from advanced high density interconnect (HDI) and high layer count boards continues to increase and operations at the new Thailand Plant enter a phase of steady growth, we are confident that both our product mix and profitability will improve further.

Sustainability governance is a marathon with no finish line. On behalf of the Sustainable Development Committee, I would like to express my sincere appreciation to all our colleagues, customers, suppliers, investors, and other stakeholders for their continued support and partnership. Looking ahead, we will continue to harness innovative technologies and green manufacturing as we work together toward a more resilient, inclusive, and prosperous future, with digitalization and sustainability advancing in tandem.

Thank you.

Chairman and Chair of the Sustainable
Development Committee

Ming Hung, Huang





III. 2025 Key Performance

The following shows the performance on key indicators over the past two years for the PCB business and the goals for the coming two years:

Key Indicator	Plant	2024 Performance	2025 Goal	2025 Performance	Goal Achieved?	Goals in 2026	Goals in 2027
Revenue growth rate	Group	13.19%	23.57%	9.37%	☹️	*	*
EPS	Group	3.78	4.06	2.70	☹️	*	*
Ratio of automotive boards in revenue	Group	68%	58.2%	59%	😊	*	*
Operational performance growth rate**	Group	5.47%	5%	-17.29	☹️	5%	5%
Customer satisfaction survey score	Group	9.20	9.00	9.13	😊	9.00	9.00
Percentage of suppliers signing certificates on the absence of environmentally hazardous substances, compliance with the RBA code of conduct, integrity commitment, and non-use of conflict minerals	Group	100%	100%	100%	😊	100%	100%
Ratio of value of raw materials and standard materials purchased locally	Kunshan Plant	99.3%	95%	98.6%	😊	95%	95%
	Huangshi Plant	99.7%	95%	99.2%	😊	95%	95%
	Thailand Plant	-	-	36.3%	😊	38%	40%
Annual electricity saving rate (Using 2020 as the baseline year and electricity intensity as the indicator)***	Kunshan Plant	-0.98%	-20%	+1.42%	☹️	2% reduction from the 2025 baseline	4% reduction from the 2025 baseline
	Huangshi Plant	-17.39%	-20%	-12.83%	☹️	2% annual reduction from the 2025 baseline	4% reduction from the 2025 baseline
Greenhouse gas (GHG) emissions increase/decrease rate (Base year is 2020; Indicator is Emission Intensity)***	Kunshan Plant	-22.09%	-20%	-23.25%	😊	In accordance with SBTi committed goals	In accordance with SBTi committed goals
	Huangshi Plant	-39.14%	-20%	-47.36%	😊	In accordance with SBTi committed goals	In accordance with SBTi committed goals
Annual water conservation rate (2015 as the baseline for the Kunshan Plant and 2018 as the baseline for the Huangshi Plant)	Kunshan Plant	-60.89%	-18%	-60.65%	😊	Based on the previous year's water withdrawal	Based on the previous year's water withdrawal
	Huangshi Plant	+261.67%	-14%	+301.84%	☹️	Based on the previous year's water withdrawal	Based on the previous year's water withdrawal
Percentage of water resource recycled for reuse	Kunshan Plant	51.95%	35%	53.04%	😊	35%	35%
	Huangshi Plant	51.43%	50%	59.20%	😊	52.5%	55%
	Thailand Plant	-	50%	58.95%	😊	52.5%	55%
Safe production	Kunshan Plant	0	Zero major accidents	0	😊	Zero major accidents	Zero major accidents
	Huangshi Plant	0	Zero major accidents	0	😊	Zero major accidents	Zero major accidents
	Thailand Plant	-	Zero major accidents	0	😊	Zero major accidents	Zero major accidents
Average number of hours of educational training provided	Taoyuan Operation Center	23.1	24.0	21.1	☹️	25.0	26.0
	Kunshan Plant	29.0	21.0	29.0	😊	22.0	22.0
	Huangshi Plant	24.3	21.0	22.0	😊	22.0	22.0



*Please refer to the Market Observation Post System or the annual shareholders' meeting for information.

**Operating performance = Total revenue/Number of employees, growth rate = (Current year's operating performance - Previous year's operating performance)/Previous year's operating performance.

***Starting in 2022, the target is revised to: using the base year of 2020 to reduce energy consumption intensity and greenhouse gas emission intensity (based on revenue) by 4% per year, and at least a 20% reduction by 2025.

Description	Description of Countermeasures
The network communications and server sector was originally expected to achieve stronger growth, but lengthy customer certification processes and the introduction of new product models delayed revenue recognition in this sector. Although revenue still grew by 53%, the result fell short of expectations.	Complete the strategic positioning of high end AI products as the primary growth driver for the next five to eight years, and accelerate customer certification of both plants and products.
Gross margin decreased from the previous year due to higher initial operating costs at the Thailand Plant and rising raw material prices.	Continue to deepen collaboration with key customers and actively advance next generation PCB process development to establish a leading edge in the Thailand Plant's overall technological and mass production capabilities.
The Company strategically expanded into applications such as network communications and AI servers. As planned, the revenue contribution from automotive boards declined, while the product mix continued to improve. HDI products accounted for 45% of automotive board revenue in the second half of 2025.	
During the initial development stage of the Thailand Plant, strategic talent and staffing plans were already in place, while the benefits of its advanced production capacity had yet to be fully reflected in revenue, resulting in operating performance falling short of expectations.	As high end products gradually ramp up and contribute to revenue, overall operating performance is expected to return to a steady growth trajectory.
The macro environment was affected by the Russia Ukraine and Israel Arab conflicts, while rising raw material costs in the second half of the year led to supply instability. Strengthen the electronic management of customer service to capture external quality information and trends, provide directions for improvement, and enhance customer satisfaction.	
Green supply chain is an important part of Dynamic's sustainability, and we will continue to work together with our suppliers for a better and sustainable future.	
The local procurement strategy of Dynamic not only helps bring down transportation costs, shorten lead times, and reduce supply chain risks, but also supports local economic developments, creates jobs, and attracts additional capital investment. It is an important indicator of Dynamic's corporate social responsibility and contributes to the fulfillment of the sustainable development goals set by the United Nations.	
As the proportion of high end products increased, the number of processing cycles for inner layer, compression, drilling, and electroplating also increased, bringing these processes to full capacity.	Plan to replace the vortex blowers on five horizontal lines with permanent magnet variable frequency centrifugal blowers; gradually introduce high efficiency energy saving negative pressure fans for dust collectors; centralize the layout of newly added production equipment to reduce electricity consumption by public facilities.
Due to product upgrades and the production of high layer count and high end HDI products, a larger area of inner layers must undergo electroplating before compression, and electroplating is one of the major electricity consuming processes.	Enhance energy efficiency at all locations through the internal carbon pricing mechanism; use energy efficient models for newly added equipment.
In addition to reducing electricity consumption and emissions through the consolidation of public facilities, continue to plan green electricity procurement in accordance with the decarbonization pathway.	
We achieve our reduction targets through energy efficiency improvements in public facilities, monitoring of electricity consumption in production, construction of new solar power generation facilities and procurement of green electricity.	
Water consumption decreased due to the strategic reduction of production capacity.	
Due to significant revenue growth and changes in product types, the number of inner layers and electroplating area increased substantially, and tap water consumption also increased accordingly.	Install flow controllers on equipment to precisely control flow rates; route rinse wastewater generated after stripping on the outer layer DES line to the first water rinse stage following the fresh solution wash for reuse; reuse filtrate from the copper powder filter press on the electroplating brushing line in the production line; inspect equipment overflow conditions daily.
Through the continuous operation of reclaimed water reuse facilities.	
In addition to the recycling and reuse of discharge water, the comprehensive recycling of air conditioning condensate water in the new factory, and the collection of roof rainwater, machine water is recycled and reused.	
Gradually establish water consumption benchmarks for each production line.	
Supervisors in the field communicate with and set requirements for employees before each shift to improve their awareness of safety and to consolidate the use of personal protective equipment. Equipment and facilities as well as environmental conditions in the field are replaced or modified in a timely manner.	
The President leads a team to conduct 2 plant-wide inspections at each plant annually. External safety experts are hired monthly to conduct safety inspections, and feedback is promptly provided and addressed.	
The ISO 45001 occupational safety and health management system has been established, and safe production management will continue to be implemented.	
Supervisors have developed the ability to formulate strategies for new market development, but training hours this year did not meet the target.	Going forward, participation in AI courses will be increased to strengthen professional capabilities in digital transformation and emerging industry development.
We have increased training on our quality system, so that staff can better understand the quality management system, enhance their quality awareness and improve their ability to identify quality issues.	
We continue to improve the stability of product quality through experiential learning via the knowledge management system and organize activities to promote Total Productive Management (TPM).	



IV. Company Overview



Participation in unions and associations

Dynamic actively participated in related activities based on actual needs:

- 1 Continue to serve as a director of the Taiwan Printed Circuit Association (TPCA) and participate in its affiliated organizations, including serving as Vice Chairman of the Thailand PCB Networking Group and Deputy Convener of both the PCB Academy Committee and Mainland Affairs Committee, as well as participating in the Sustainability and Risk Governance Committee, Technical Committee, Environmental Safety and Health Committee, among others. Dynamic also actively participates in relevant training courses initiated by TPCA Academy.
- 2 Receive and communicate relevant industrial and commercial information by participating in Taoyuan City Industrial Association as a policy reference for future development and operations.
- 3 Establish contingency planning and division of responsibilities for fire safety through the organization and operation of Sun Brothers Zone.

Dynamic will continue to maintain and develop good relations and business execution with these organizations, and maintain interaction with relevant members through the groups organized by the associations.

Category	Name of the Organization	Role	2023 Membership fee	2024 Membership fee	2025 Membership fee	Climate and renewable energy strategy
Industrial exchange	Taiwan Printed Circuit Association	Director	NT58,000	NT48,000	NT48,000	The Taiwan PCB Association has established the Sustainability and Risk Governance Committee, which released "Taiwan PCB Industry Low-Carbon Transformation Strategy" in March 2023, proposing three major drivers for low-carbon transformation: independent energy conservation, renewable energy, and carbon trading. It also extended nine major promotion aspects, launched 39 industrial action guidelines and responded to 27 government suggestions, with the goal of achieving net-zero emissions in the PCB industry by 2050. The Company will follow the transformation strategy formulated by the association and try its best to implement it in the production sites to which it belongs.
	Taoyuan Enterprise Chamber/ The Chinese National Association of Industry and Commerce, Taiwan	-	NT40,000	NT40,000	-	1.5°C Climate Action Statement: "To fulfill our responsibilities as a global citizen and to proactively respond to the global climate crisis, member companies of the Republic of China have responded to the international trend of net zero sustainability and pledged to cooperate with the government's 2050 net zero path planning and integrate industry and commerce resources to implement low-carbon transformation of the industry to achieve the "Paris Agreement" goal of controlling temperature rise to 1.5°C". This declaration of action has received enthusiastic responses from up to 160 member companies. In the future, we will establish a sharing platform through aspects such as cross-industry cooperation, leveraging large companies, benchmarking and demonstration projects, and resource integration to comprehensively assist member companies in their low-carbon transformation.
Total			NT98,000	NT88,000	NT48,000	

Donations Involving Political/Policy Influence

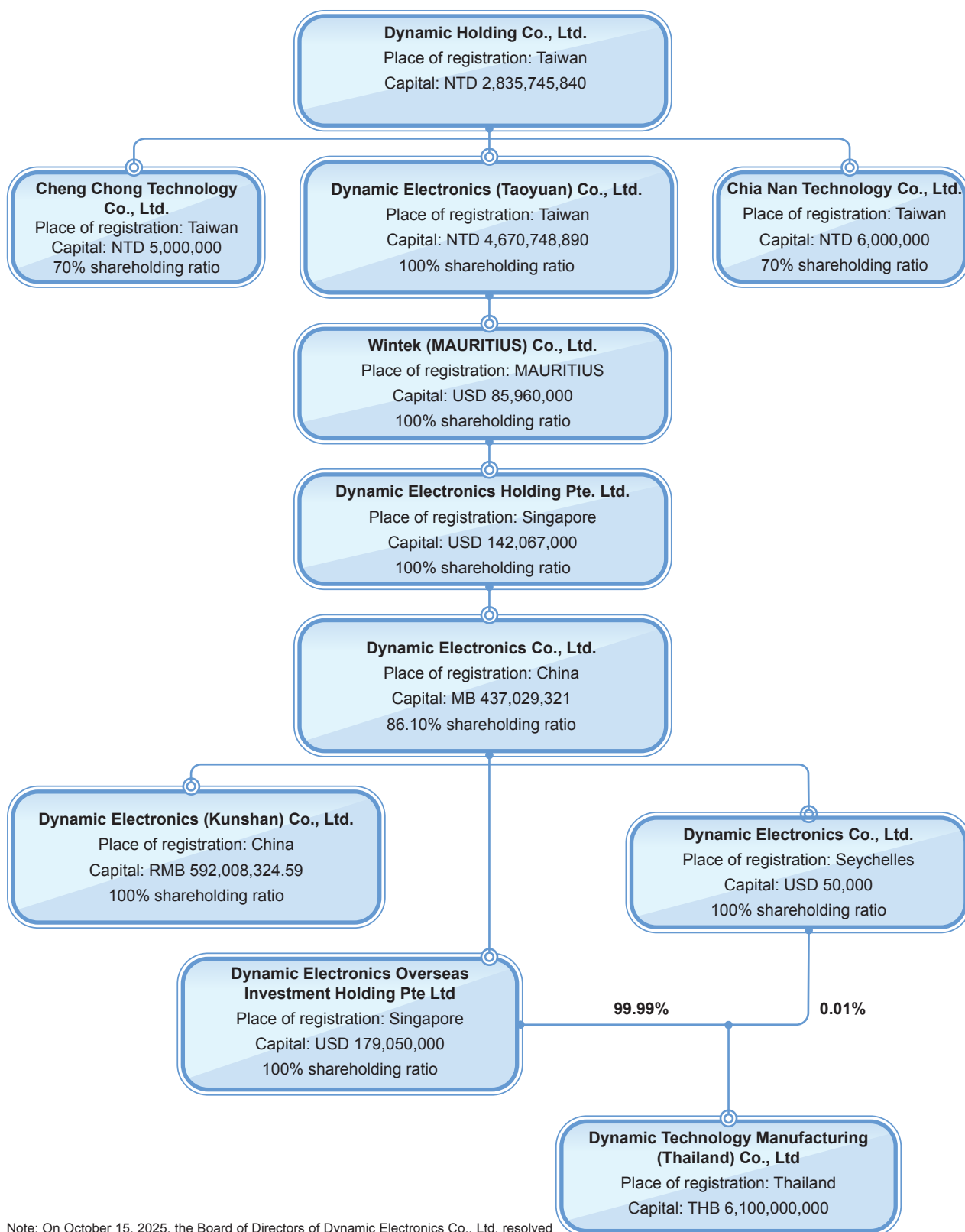
Unit: TWD

Donations and Expenditures	2021	2022	2023	2024	2025
Lobbying Organizations and Interest Groups	0	0	0	0	0
Local, Regional, or National Political Campaigns/Organizations/Candidates	0	0	0	0	0
Industry Associations or Tax-Exempt Organizations (e.g., Think Tanks) Influencing Campaigns or Legislation	0	0	0	0	0
Others (Expenditures Related to Elections or Referendums)	0	0	0	0	0
Total	0	0	0	0	0



Organizational Chart of Affiliated Enterprises

The following sets forth the nature and legal form of Dynamic's ownership in its affiliates (as of December 31, 2025).

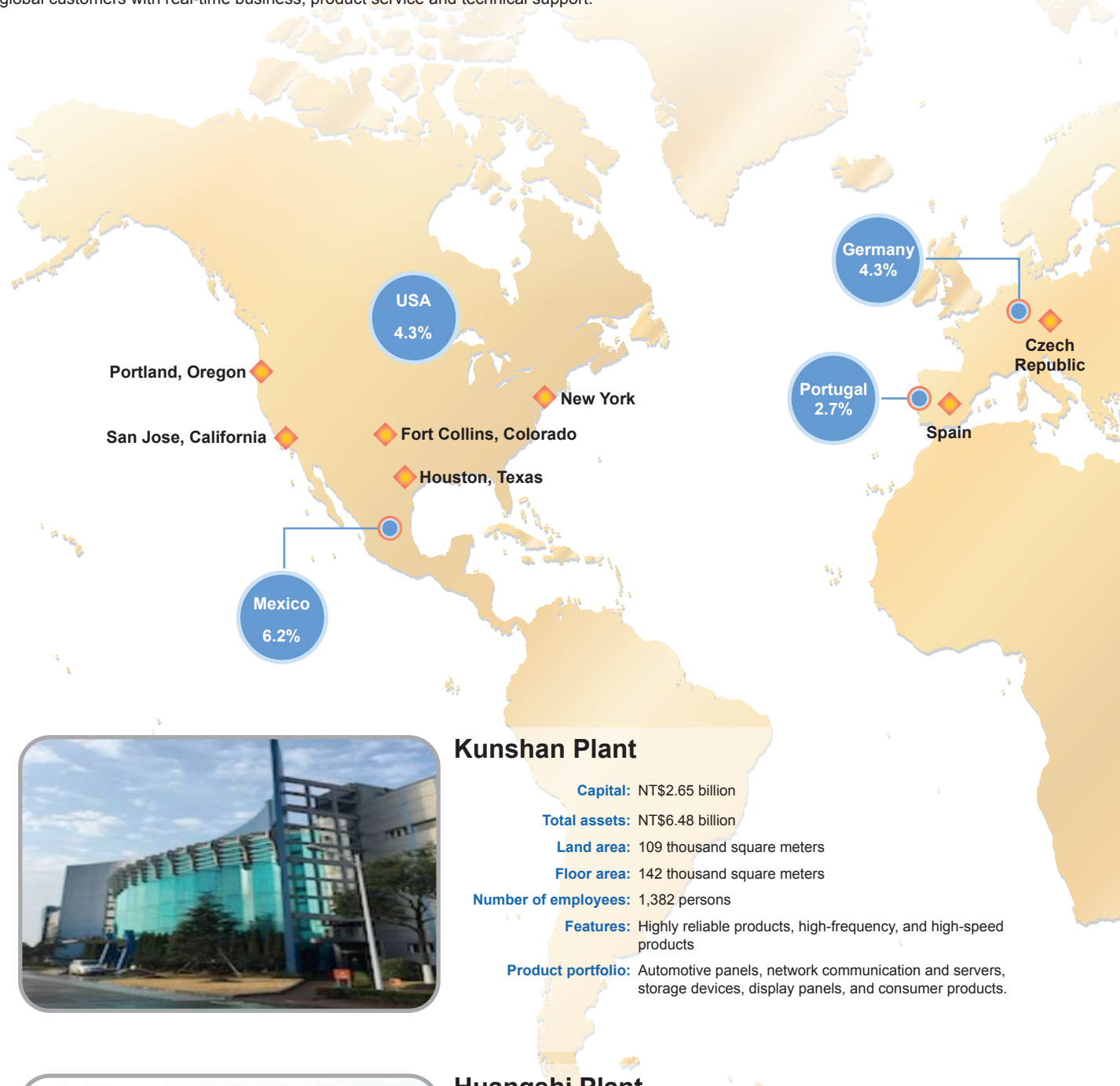


Note: On October 15, 2025, the Board of Directors of Dynamic Electronics Co., Ltd. resolved to issue 52.5 million new shares through a cash capital increase. Dynamic Holding Co., Ltd. did not participate in the cash capital increase, resulting in its shareholding in Dynamic Electronics Co., Ltd. decreasing from 97.8541% to 86.0989%. In addition, Dynamic Electronics Co., Ltd. was officially listed on the Shanghai Stock Exchange on October 24, 2025.



Global Presence

Dynamic's global operational service network includes Taiwan, China, Thailand, the United States, Mexico, Germany, the Czech Republic, Spain, Israel, Japan, South Korea, Singapore, India and other countries with factories, subsidiaries, or offices to provide global customers with real-time business, product service and technical support.



Kunshan Plant

Capital: NT\$2.65 billion

Total assets: NT\$6.48 billion

Land area: 109 thousand square meters

Floor area: 142 thousand square meters

Number of employees: 1,382 persons

Features: Highly reliable products, high-frequency, and high-speed products

Product portfolio: Automotive panels, network communication and servers, storage devices, display panels, and consumer products.



Huangshi Plant

Capital: NT\$1.95 billion

Total assets: NT\$29.05 billion

Land area: 400 thousand square meters

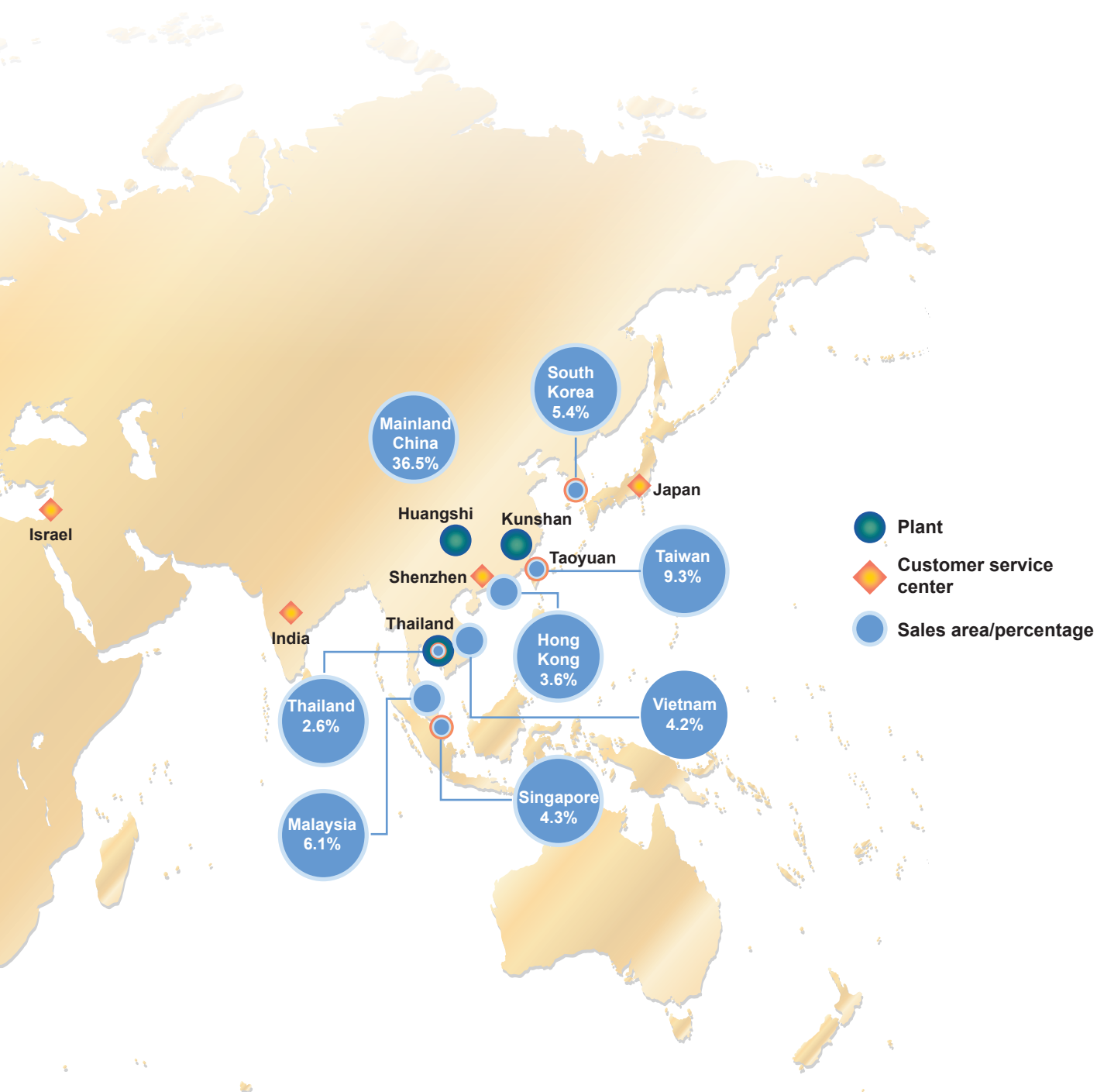
Floor area: 265 thousand square meters (Plant 1 + Plant 2)

Number of employees: 3,881 persons

Features: Products with high-reliability

Product portfolio: Automotive panels, network communication and servers, storage devices, display panels, computers and peripherals, and consumer products.

Plant address: No. 88 (Special), Daqida Boulevard, Wangjiang Township, Huangshi City, Hubei (Economic and Technological Development Zone)



Thailand Plant

Plant address: No. 1688, Jinshajiang North Road, Kunshan Economic and Technological Development Zone, Jiangsu Province, China

Capital: NT\$6.11 billion

Total assets: NT\$12.31 billion

Land area: 272 thousand square meters

Floor area: 266 thousand square meters (P5)

Number of employees: 1,382 persons

Features: Advanced technology products

Product portfolio: AI servers, networking, automotive boards, satellite communications, and aerospace products.

Plant address: 99, Village No. 6, Si Maha Phot Subdistrict, Si Maha Phot District, Prachin Buri, Thailand 25140

Recognition



Selected for the S&P Global Sustainability Yearbook for two consecutive years



12th Corporate Governance Evaluation:
Ranked among the Top 5% of listed companies (achieved a Top 5% ranking eight times to date)



Ecovadis Sustainability Rating: Gold I Top 5%



CDP Banking Program: Best Climate Action Award



Taiwan FINI 100 Companies



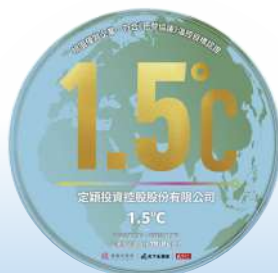
Taiwan Sustainability Assessment: AAA Rating



18th TCSEA Top 100 Sustainability Model Award



18th Taiwan Corporate Sustainability Awards (TCSEA): Sustainability Report Silver Award



Taoyuan 1.5°C Model Enterprise



2025 Business Weekly Carbon Competitiveness Top 100



AUMOVIO - Supply Chain Excellence Award



Kimtigo - Pillar of Strength Award



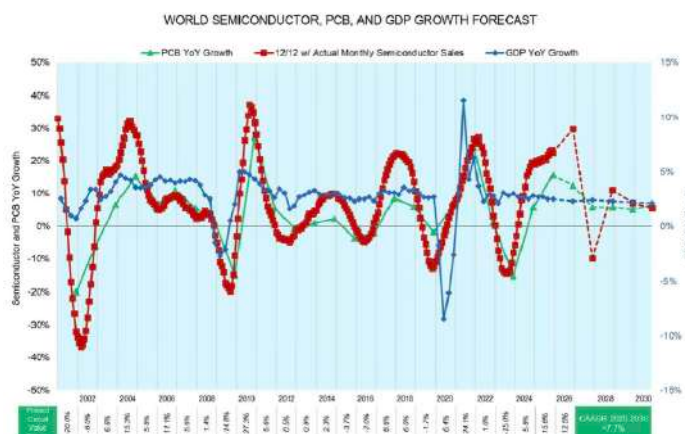
Foxconn Industrial Internet - Quality Improvement Award & Service Excellence Award



V. External Environment

Global Semiconductor, PCBs, GDP Forecasts

Data source:
Prismark (2026/03)



2025 Global Printed Circuit Board (PCB) Market Summary

Multilayer Board

- Driven by strong demand from AI servers and high-speed networking, high-layer-count multilayer boards (18 layers and above) were the best-performing PCB segment in 2025.
- AI and high-speed networking drove exceptional growth of 72.8% in the high-layer-count multilayer board market in 2025; 8–16 layer boards also recorded strong growth of 22.1%.
- Growth in 4–6 layer boards was more moderate at 6.2%, mainly because this segment has less exposure to AI demand and continued to be affected by weakness in the automotive market.
- In both the short and long term, demand from AI servers and high-speed networking will remain a key driver of advanced high-layer-count multilayer boards.

High-density interconnect (HDI)

Driven by strong demand from AI servers, high-speed networking, satellite communications, and smartphone applications, HDI sales increased significantly by 26.0% in 2025.

Driven by expanding demand from AI servers, high-speed optical modules (400G and 800G), satellite communications, and AI edge devices, HDI is expected to grow by 14.5% in 2026.

2026 PCB Market Outlook

PCB market output value is expected to grow by 12.5% in 2026. Some segments are expected to grow faster than initially anticipated, particularly high-layer-count multilayer boards, for which output value is now projected to grow by 62.4%.

This is largely driven by hyperscale cloud service providers (hyperscalers) continuing to aggressively build AI-centric data centers. The same drivers are also boosting demand for package substrates, which are expected to grow by 20.5%, although supply constraints, particularly for low-CTE glass cloth, remain a major challenge.

Five-Year PCB Market Outlook

Prismark expects the global PCB market to exceed USD 123 billion in output value by 2030, representing a five-year compound average annual growth rate (CAAGR) of 7.7% from 2025 to 2030.

In terms of shipment volume, the market is expected to grow at an average annual rate of 6.7%, reaching 664 million square meters in 2030. The slower growth in shipment volume relative to output value reflects the impact of price erosion. Aside from temporary supply-demand imbalances, the fastest-growing segments include high-layer-count multilayer boards, with a 2025–2030 output value CAAGR of 21.7%, package substrates at 10.9%, and advanced HDI at 9.2%. Long-term growth will be driven by the following factors:

- Booming demand for AI servers and high-speed network systems:** This will drive demand for large-format advanced substrates (IC substrates) and high-speed specialty motherboards.
- Defense and aerospace electronics:** This will drive demand for multilayer boards, HDI boards, and flex circuits, providing long-awaited growth momentum for domestic suppliers in the United States and Europe.
- Industrial electronics:** The expansion of new production capacity outside China will benefit ASEAN, Mexico, and the United States. Demand for multilayer boards, HDI, and flex circuits will accelerate, with the product mix depending on the level of automation required, such as humanoid robots used to address high labor costs and labor shortages.
- Automotive electronics (electric vehicle EV and advanced driver assistance system ADAS):** This will create strong growth opportunities for advanced multilayer boards, low-loss FPCs, and flex circuits used in electric vehicle battery management systems (BMS).
- Portable smart consumer electronics with advanced AI capabilities:** Prismark expects these devices to become an important long-term growth driver for advanced PCBs (supporting faster data transmission rates).



VI. Business Model

Dynamic is committed to producing high-quality, high-technology printed circuit boards (PCBs) to meet customers' diverse and increasingly advanced application needs, which form the foundation of the Company's core business model.

The PCB industry is closely linked to global technological development. In the past, strong demand for 3C products drove rapid industry expansion. Although the consumer electronics market has matured in recent years, multiple emerging technologies, including 5G high-frequency and high-speed communications, the widespread adoption of automotive electronics, advanced driver assistance systems (ADAS), electric vehicles (EVs), and the growing computing and connectivity demands brought about by the AI boom, have injected new growth momentum into the PCB industry.

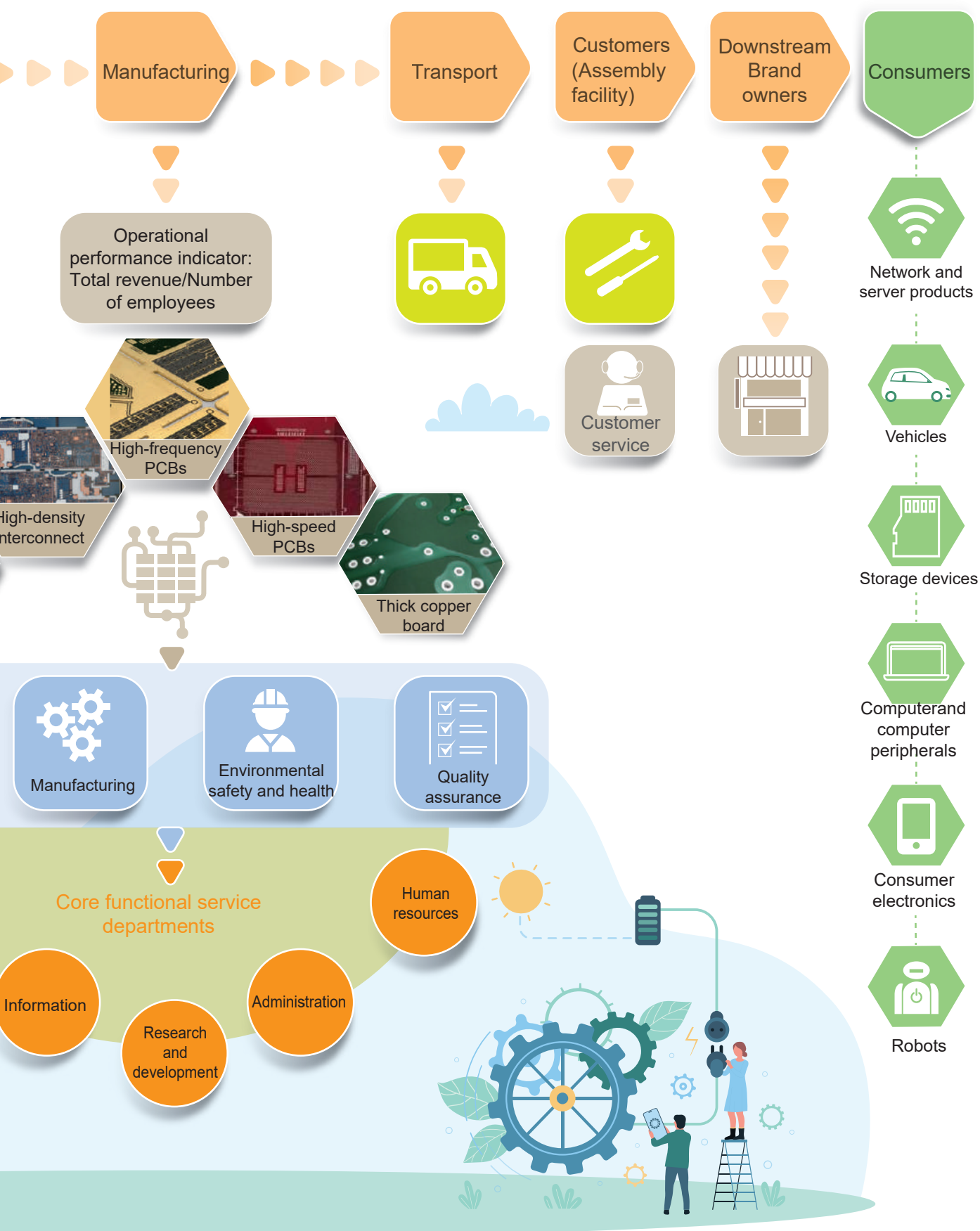
In 2025, average revenue per employee was TWD 2.85 million, down 17.29% from the previous year, mainly because strategic talent and staffing were already in place during the initial development stage of the Thailand Plant, while the benefits of its high-end production capacity had yet to be fully reflected in revenue, resulting in operating performance falling short of expectations. As high end products gradually ramp up and contribute to revenue, overall operating performance is expected to return to a steady growth trajectory.

The most important achievement in 2025 was Dynamic's AI deployment. With AI booming, PCB technology advanced to a higher level, and overall output value surged. At the same time, customers demanded greater supply chain stability and flexibility, requiring production bases to be reallocated. Dynamic held a leading advantage, having begun planning for the Thailand Plant in 2022 and building it around advanced process technology, with mass production commencing in the third quarter of 2024. By 2025, Dynamic had completed its strategic positioning to make high-end AI products the primary growth driver for the next five to eight years. Its three major product lines, GPU, ASIC, and Switch, are advancing simultaneously. The Company has obtained customer certifications for both its plant and products and has been included in customers' qualified supplier lists.

Looking ahead, we will continue to deepen collaboration with key customers and actively develop next-generation PCB processes. With professional talent and advanced equipment in place, the Thailand Plant has established a leading edge in technical and mass production capabilities. At the same time, in response to technology trends, the Company continues to strengthen its four core capabilities of quality, process, R&D, and intelligent manufacturing, while deepening its focus on five major product areas: high multi-layer boards, HDI, high-frequency PCBs, high-speed PCBs, and thick copper boards. Future product strategy will focus on high-growth markets such as network communications, AI servers, and AI end-device applications.

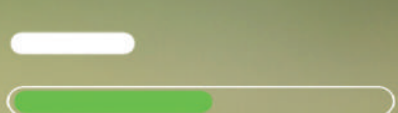
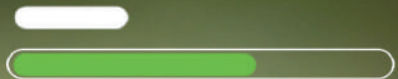
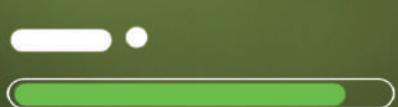
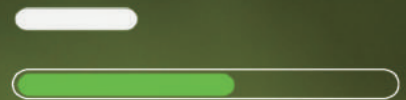
In terms of operational processes, the Company adopts a value chain integration approach spanning from order intake, procurement, manufacturing, quality assurance, and customer service to product delivery. All departments, including production planning and sales, environmental safety and health, research and development, human resources, finance, information technology, and administration, work in close collaboration to enhance overall operational efficiency and service quality. At the same time, Dynamic is committed to building long-term and stable partnerships with customers. Through in-depth communication and technical support, the Company continues to deliver competitive and high-performance printed circuit board products that exceed customer expectations, advancing together with customers toward new milestones in technological innovation.





CH2

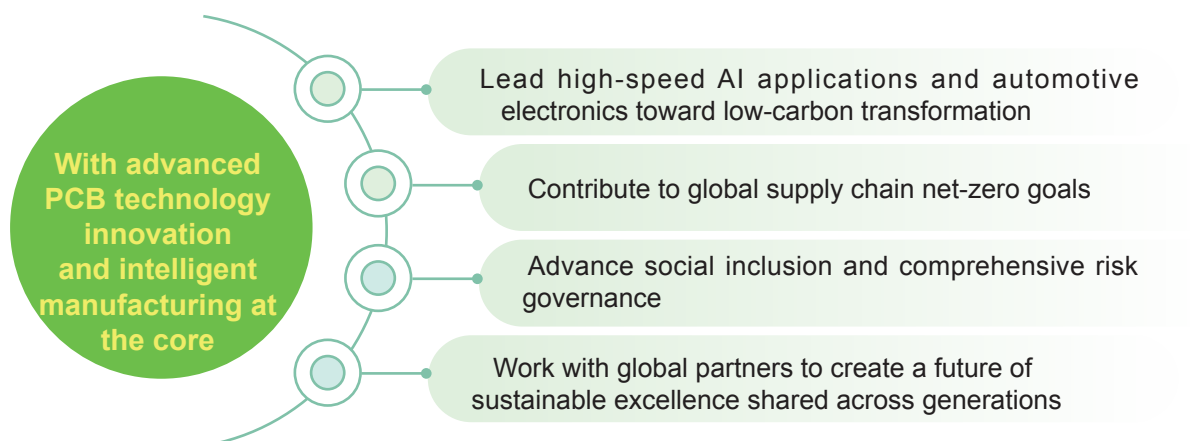
Sustainable Performance





I. Sustainable Development Vision and Policy

Sustainable Development Vision



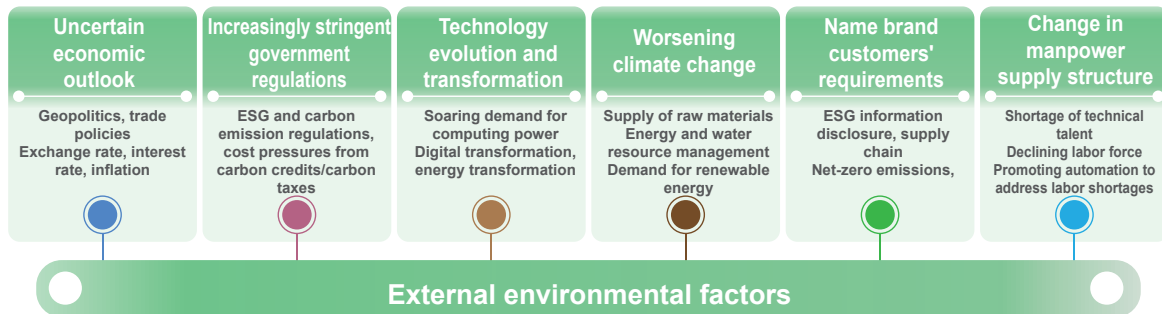
Sustainable Development Policy

- 1 To promote corporate sustainability while pursuing balanced management of environmental, social, and governance (ESG) aspects.
- 2 To strictly abide by the principle of honesty and integrity, and to reject improper interests, corruption and bribery.
- 3 To comply with regulatory requirements and actively align with international initiatives and standards.
- 4 To continuously advance R&D and promote product innovation and upgrades.
- 5 To create long-term value while taking into account the best interests of all stakeholders.
- 6 To strengthen partnerships, leverage the influence of the supply chain, and achieve co-creation and co-prosperity.
- 7 To be environmentally friendly and strive to reduce the impacts of climate change.
- 8 To improve resource efficiency and promote the circular economy.
- 9 To respect and protect human rights and promote equal opportunities, diversity, and labor rights.
- 10 To provide a friendly workplace, emphasize talent cultivation, and create a healthy and safe working environment.
- 11 To actively fulfill corporate social responsibility and care for and support disadvantaged populations.
- 12 To improve information transparency and ensure timely, accurate, and complete disclosure.



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

Dynamic plans short-term, medium-term, and long-term operational goals and consolidate daily operational management and performance settings reflective of these goals.



Dynamic Electronics's Short-term, Medium-term, and Long-term Plans

Strategic goals

Short-term 1-2 years ▶▶▶ Medium-term 3-5years ▶▶▶ Long-term 6-10years

Corresponding actions

Short-term 1-2 years	Medium-term 3-5years	Long-term 6-10years
Entering future growth market Diversifying investments and supply chains Carbon reduction and use of renewable energy	Creating niches Creating value Expanding sustainability initiatives	To be a high-efficiency PCB manufacturing service provider that exceeds customer expectations
- Upgrade technical processes and actively expand into communications, AI servers, and AI-related fields - Smart manufacturing, establishing a smart plant in Thailand - Photovoltaic power generation and procurement of green electricity	- Develop high-frequency, high-speed materials - Recruit high-end technical talent - Working closely with customers - Achieve the established science-based reduction targets	- Deepening one's roots through technological and process capabilities - Strengthening talent development and deepening developmental momentum - Building long-term reciprocal relationships with our partners (customers, suppliers) - Deepening a culture of sustainable governance - Achieve net-zero greenhouse gas emissions across the entire value chain

Short-, medium-, and long-term sustainable development goals

Goals

Short-term 2025-2026 ▶▶▶ Medium-term 2027-2030 ▶▶▶ Long-term 2031-2040

Short-term 2025-2026	Medium-term 2027-2030	Long-term 2031-2040
Corporate governance - IFRS Sustainability Disclosure Standards - TNFD Nature-related Financial Disclosures - Strengthen RBA Responsible Supply Chain Management - Sustainable Talent Environmental Sustainability - Set SBTi Goal - ISO14067 Product Carbon Footprint Inventory - Digital Carbon Management Platform - CDP Carbon Disclosure Project - Green Supply Chain Management Information Security - Information Security Governance - AI Technology	Corporate governance - Applicable IFRS Sustainability Disclosure Standards - Sustainable Talent - Corporate Succession Environmental Sustainability - SBTi Target Achievement - Green Supply Chain Management Information Security - Information Security Governance - AI Technology	Corporate governance - Sustainable Talent - Corporate Succession Environmental Sustainability - Net-zero carbon emissions Information Security - Information Security Governance - AI Technology



II. Corresponding United Nations Sustainable Development Goals

There are 17 UN sustainable development goals (SDGs). Dynamic, reflective of its own core competencies, can combine 8 of them in its goals while continuing to realize the people-centered, sustainable, and co-prospering vision through more proactive devotion at the management and operational level over the short term, medium term, and long term.



Please refer to the world wide web of the National Council for Sustainable Development of the Executive Yuan.

<http://nsdn.epa.gov.tw/NSDN/UnitedNations2.htm>

United Nations' 17 Sustainable Development Goals (SDGs)





Goal		Dynamic's Approach
	Gender equality and empowerment of women	Dynamic does not differentiate salaries and benefits by gender.
	Inclusive, safe, resilient, and sustainable cities and human housing	In terms of application segments, storage devices, networking and servers, and computer and peripheral equipment, driven by robust market demand and the expansion of key customers, recorded revenue growth of 65%, 53%, and 57%, respectively, demonstrating strong growth momentum
	Adoption of emergency measures to cope with climate change and its impacts	With 2020 as the baseline, both the annual electricity conservation rate and greenhouse gas emissions of Dynamic are newly set with a goal above 4% and energy conservation action plans are prepared accordingly to proactively enforce energy conservation improvement plans, such as process improvement, equipment elimination, and electricity-saving plan, etc.
	Promotion of a peaceful and inclusive society to consolidate sustainable development; ensuring judicial access for everyone; creation of an effective, accountable, and inclusive system at all levels.	1. Dynamic has set up an "Unreasonable Mailbox" for employees to submit opinions on management deficiencies, suggestions on administrative operations, and safeguarding individual rights and interests. 2. Dynamic Electronics has a "CEO mailbox" in place for its employees, business partners, third parties, and customers to file written complaints or reflect upon any corruption, bribery, and unethical behavior inside and outside the Company. 3. Dynamic has set up a dedicated hotline to provide multiple and convenient electronic reporting methods for partners.
	Assurance of non-classified, fair, and high-quality education and promotion of life-long learning	1. Continue to improve and implement the employee education and training system. 2. Establish iLearning (knowledge and learning) Committee as an advanced education and training unit. In addition to mastering the professional knowledge and technical information of customers and the industry, it is also responsible for establishing the Company's internal knowledge management system. 3. Huangshi Plant launched an activity to improve adult college entrance examination education for all employees of the factory.
	Promote inclusive and sustainable economic growth, achieve comprehensive and productive employment, and give everyone a good job.	1. Built the Thailand Plant to satisfy customer demand and offer more jobs. 2. The Huangshi Plant in a local industrial park creates a cluster effect to support the upstream and downstream of the electronics industry, improve the local employment rate, and enhance infrastructure in the surroundings.
	Build resilient infrastructures, promote inclusive and sustainable industries, and expedite innovation	Dynamic plans beyond conventional industrial competition and has the automatic, smart, and information-based innovative generation in mind to secure the competitive advantages of itself and all its partners while welcoming Industry 4.0.
	Reinforce the implementation of sustainable development and activate global partnership in sustainable development	Dynamic introduces integrated thinking, combines corporate operations and sustainable management, and emphasizes interaction and co-prosperity with stakeholders, including enhanced global partnerships. The goal is to serve customers with highly efficient quality and create long-term supply chain partnerships.



Accomplishment

1. Men and women share the same transparent compensation table that determines their salary.
2. In 2025, the number of female managers at the level of manager and above was 47, accounting for 30%.

Ensuring supply chain stability and flexibility required the reallocation of production bases. Dynamic held a leading advantage in this regard, having begun mass production in the third quarter of 2024 and planned the plant around advanced process technology. By 2025, Dynamic had completed its strategic positioning to make high-end AI products the primary growth driver for the next five to eight years. Its three major product lines, GPU, ASIC, and Switch, are advancing simultaneously. The Company has obtained customer certifications for both its plant and products and has been included in customers' qualified supplier lists.

1. Set climate scenarios and risk impact scope assessment according to the TCFD framework.
2. ESG information is compiled in accordance with SASB standards.
3. To reaffirm its carbon reduction commitment, Dynamic submitted specific science-based targets and methodologies to the Science Based Targets initiative (SBTi) in 2024, and obtained SBTi approval in April 2025. In terms of renewable energy usage, Dynamic generated 2.15 million kWh of solar power on-site in 2025 and purchased approximately 139.06 million kWh of green electricity, resulting in a Group renewable electricity usage rate of 30%; Dynamic will continue to promote the transition to renewable energy. In 2025, street lights at all plants were replaced with wind and solar-powered street lights, and in 2026, the Company will replace steam generated by gas-fired boilers with externally purchased biomass steam, which can significantly reduce Scope 1 emissions.

1. Throughout 2025, there were 3 complaints filed in total, a reduction of 40 % compared to 5 in 2024, indicating that most issues have been corrected.
2. No mails were received through the CEO mailbox in 2025.
3. No report was received by the dedicated hotline in 2025.

1. In 2025, the average hours of education and training for the Taoyuan, Kunshan, and Huangshi reached 20.04, 36.64 and 22.04 hours, respectively.
2. The yield rates at both plants climbed, the quality cost dropped, and employees had increased income; it helped create a stable working environment.
3. In 2025, 69% of Huangshi Plant's employees had a college degree or above. The overall qualification level of the Company's employees is relatively high compared to its regional peer companies.

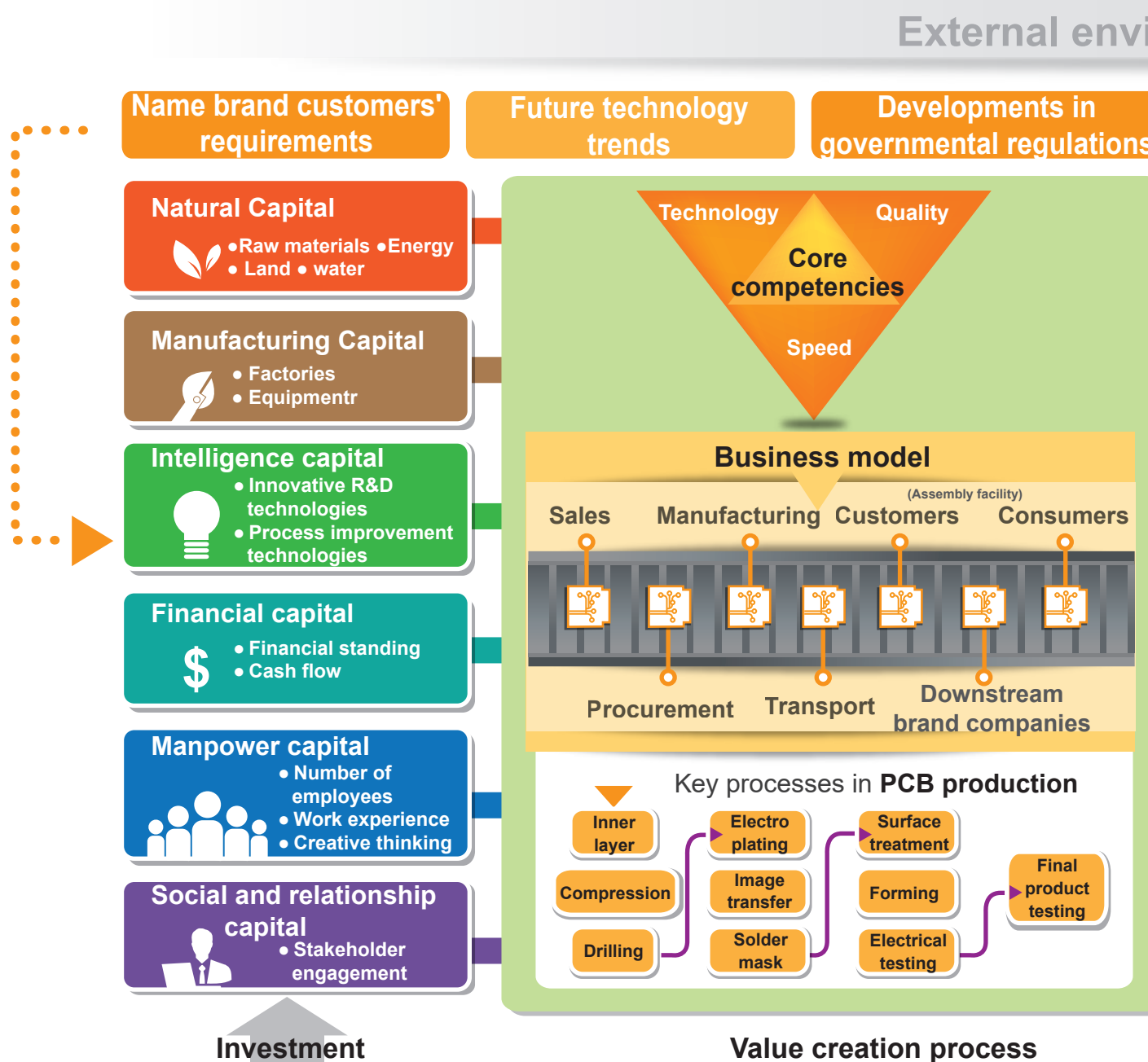
1. The Kunshan Plant generated revenue of approximately TWD 3.48 billion, the Huangshi Plant approximately TWD 14.557 billion, and the Thailand Plant approximately TWD 1.349 billion, bringing total revenue to approximately TWD 19.386 billion. Dynamic's revenue and profits will continue to grow to bring the greatest benefits to all stakeholders.
2. The local procurement ratio of raw materials for Huangshi Plant reaches 99%, and the local employment ratio of Hubei Province is 49%.

The Huangshi Plant is planned with an emphasis on automatic, smart, and Internet-based applications while at the same time fulfilling energy conservation, emission reduction, water and electricity saving, environmental protection, and industrial safety requirements. It is a modern plant that is economical, environmentally friendly, and features the latest technology. The Huangshi Plant No. 2, once completed, will further emphasize reduced impacts on climate change and adaptation and resilience to climate change.

1. Ranked in the top 5% of listed companies in the 2025 (12th) Corporate Governance Evaluation for the second consecutive year.
2. In 2025, Dynamic was selected for inclusion in the "S&P Global Sustainability Yearbook" for the second consecutive year, setting a benchmark for sustainability in the PCB industry.
3. In 2025, Dynamic received recognition in the TIP Taiwan Sustainability Assessment, with its ESG Report receiving an AAA rating.
4. Received the "Top 100 Sustainability Model Award" at the 18th Taiwan Corporate Sustainability Awards (TCSA) in 2025, as well as the "Sustainability Report – Electronics and Information Manufacturing Industry – Category 1, Silver Award".
5. Dynamic cooperates with more than 1,000 suppliers around the world to jointly promote corporate social responsibility and sustainable development.



III. Six Major Capitals and Value Creation Process



Natural Capital



We care about improving efficiency in the use of energy resources such as electricity, water, and diesel. In combining natural capital with high-performing energy technologies and improved product yield rates, we help reduce resource wastages which eventually translate into reduced generation of waste and sewage. Waste and waste sewage generated are ultimately properly treated to achieve our zero waste emissions goal.

Manufacturing Capital



Our manufacturing capital is primarily factory equipment. According to our customer's purchase order, raw materials enter the production line as optimal technical capabilities reduce rework rates and scrap rates along the production line, this translating into a steady output of high-quality products and highly efficient shipment speeds to satisfy our customer's needs on all fronts. At Dynamic Electronics, manufacturing capital is an important operating capital.

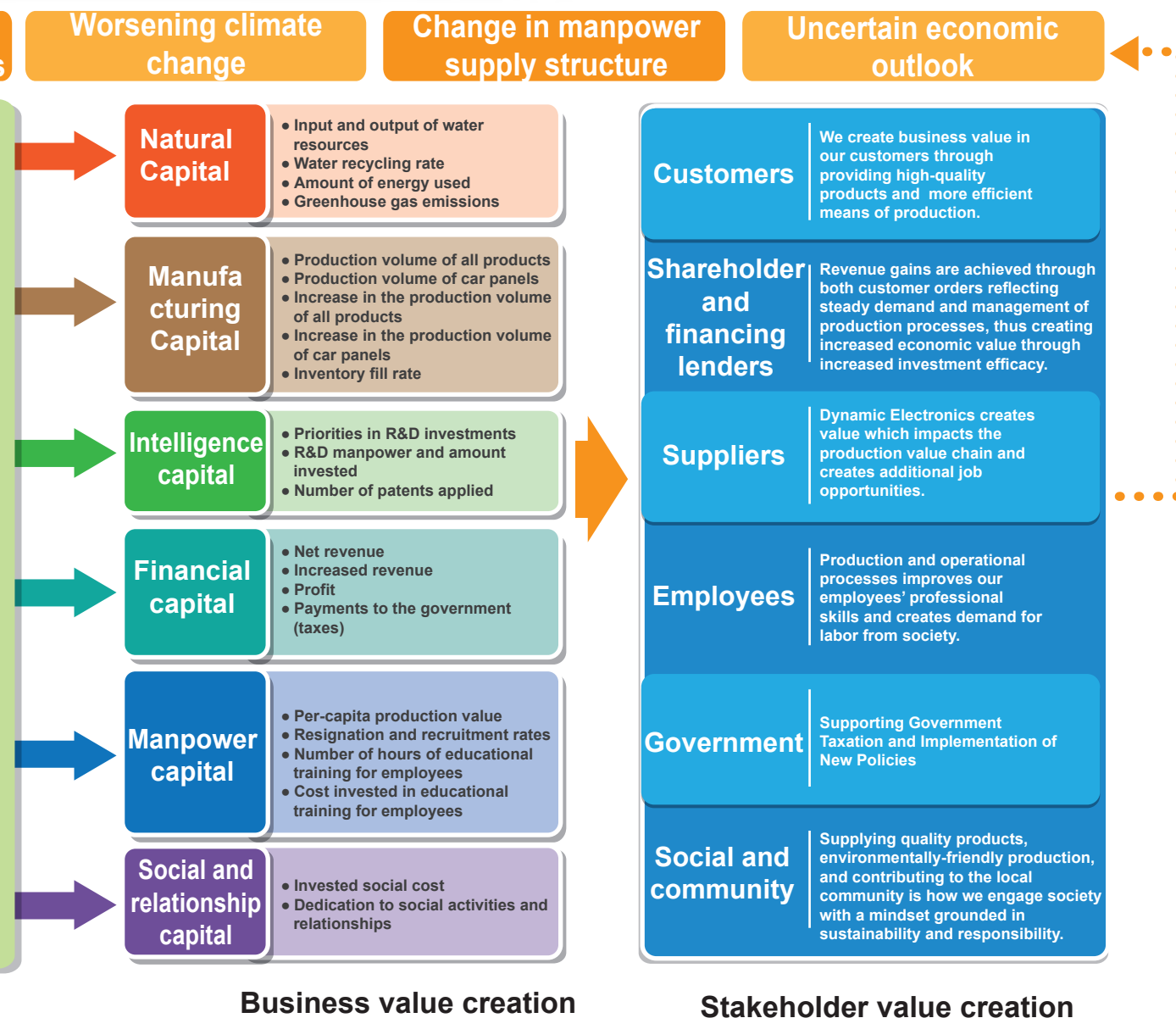
Intelligence capital



At Dynamic Electronics, innovative R&D and process improvement technologies make up our core technical competencies. As we develop innovative technologies with our customers to meet their requirements for new products, we also continuously improve process technologies in the plant, continuously optimize production processes, and continually increase production efficiency.



Environment



Financial capital \$

At Dynamic Electronics, we promise our shareholders steady profits and strive to achieve strengthened operational performance to deliver higher dividends. Dynamic Electronics continues to improve its financial capital through its core competencies: technology, speed, and quality. Dynamic Electronics is as devoted to increasing revenue, increasing dividends paid out, and enhancing cash flow.

Manpower capital

Dynamic Electronics, believing in the concept of "Family", creates amongst its employees a sense of identity towards Dynamics through measures such as enhancing their professional skills, creating safe working environments, and delivering innovative welfare and benefits. These measures hence contribute to improve Dynamic Electronics's technologies and capacities in both delivery and quality.

Social and relationship capital

Dynamic Electronics continues to create and maintain optimal relationships with customers as we satisfy their needs, thus gaining their trust and affirmation over the long term. Dynamic Electronics also continues to strive to develop supply chain partnerships and win-win outcomes within the communities at its various operational locations. Through exchanges with our suppliers, community engagement, and caring for the disadvantaged, Dynamic Electronics continues to strengthen mutual reliance and win-win relationships with all parties.



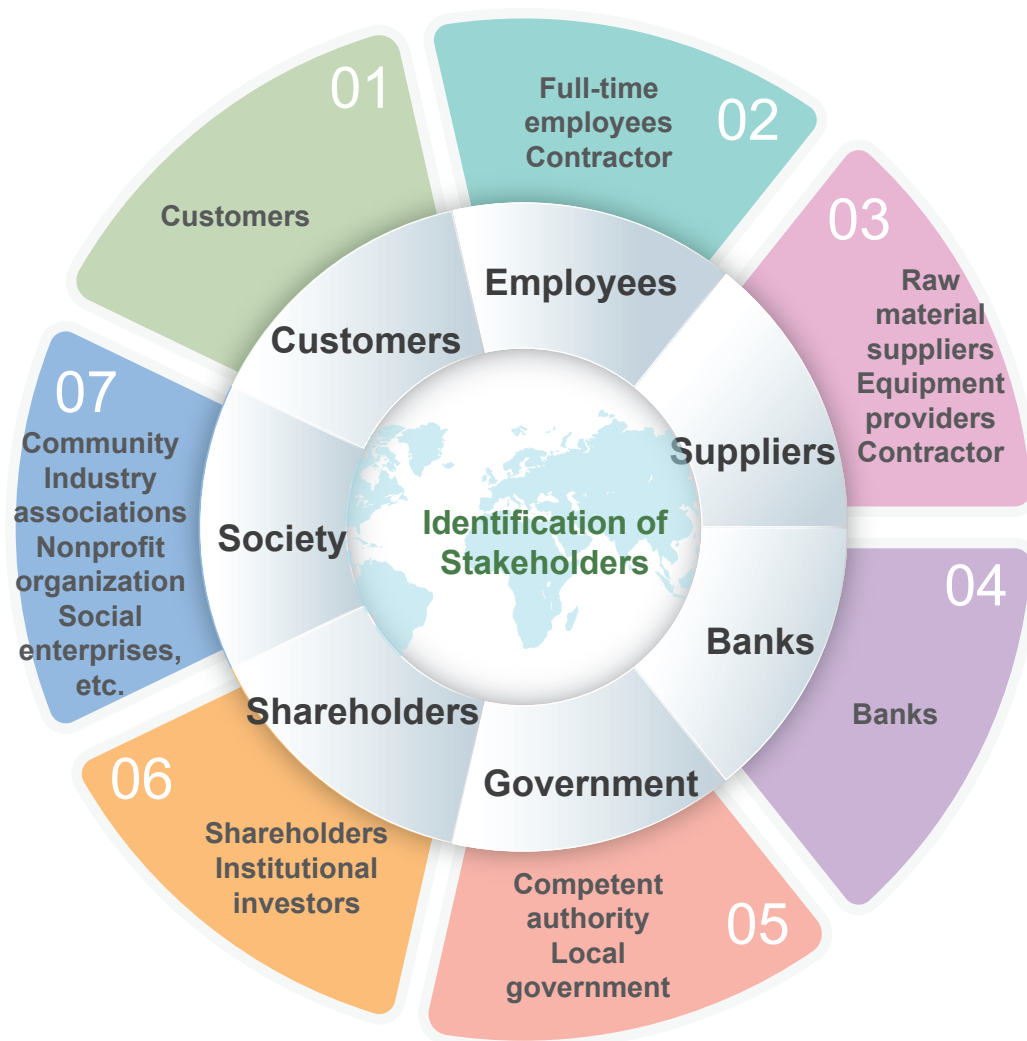
IV. Stakeholder Interaction and Management

Stakeholders share the same life as Dynamic. They exist inside and outside Dynamic, near and far, and support Dynamic on all fronts. Dynamic hopes to strengthen communication with stakeholders through various channels to meet their expectations and to calibrate its strategies and long-term goals in sustainable management, thereby moving towards the goal of sustainable management.

Stakeholder Engagement

Identification of Stakeholders

To identify the stakeholders, representatives from each department first proposed groups that interact with, influence, or rely on Dynamic in their business activities, or to which Dynamic has a responsibility. At the same time, reference was also made to the stakeholders of numerous benchmark companies in the industry to avoid omissions. After summarizing all the stakeholders, the selection was finalized through a discussion and screening process. In 2025, the Company adopted the AA1000SES:2015 Stakeholder Engagement Standard as a reference to quantify the five characteristics of "dependence, responsibility, intensity, influence, and communication frequency" as a guideline. A total of 17 people, including the Board Chairman, the President of the plant, as well as the heads of sales, research and development, quality assurance, information, finance, procurement, human resources, and environment, safety, and health departments were involved in the engagement process. Finally, the following seven major groups were selected for the engagement process.





Topics Concerning Stakeholders and Dynamic and Stakeholder Engagement and Response

Dynamic maintains optimal interactions with its stakeholders over the long term. For each stakeholder, there is a corresponding department and expert to communicate with them, listen to what they have to say, and address their needs.

Stakeholder	2025 Top 3 Topics of Concern	Response from Dynamic	Replying Department	Communication and Interaction Method and Frequency
Customers	Legal Compliance and Risk Management	1. The Company values corporate governance and legal compliance, continuously promotes R&D and innovation, and strengthens information security mechanisms to meet customers' diverse needs and earn their trust; at the same time, it implements sustainable supplier management by prioritizing the use of responsible raw materials and works hand in hand with suppliers to enhance sustainable value and build a green supply chain together. 2. Continue to allocate environmental-related expenditures and investments, actively promote the efficient use and recycling of water resources, strengthen the monitoring and reduction of air pollutants, and enhance occupational health and safety management to fulfill the goal of sustainable operations.	Sales quality assurance	- Frequent telephone and email correspondences on a daily basis - Mutual visits and meetings as needed - Non-scheduled audits - At least 2 visits between senior supervisors a year - Non-scheduled questionnaires: Surveys about our customer satisfaction and what customers know about our Business Continuity Plan (BCP), Corporate Social Responsibility (CSR), Responsible Business Alliance (RBA), conflict minerals (CMRTs), and Authorized Economic Operator (AEO) certified safe quality enterprise, etc.
	Raw materials			
	Corporate governance Continuous operational management			
	Ethics and integrity Development of new markets Environmental protection expenditure and investment Occupational health and safety			
Employees	Management of water resources	Continue to allocate environmental protection expenditures and investments and promote the efficient use and recycling of water resources to reduce energy and treatment costs and enhance operational efficiency. At the same time, implement occupational safety and health management to reduce operational risks and losses caused by occupational accidents and create a safe, healthy, and sustainable working environment.	Departments of human resources and environmental safety & health	- Interviews from time to time 3-10 announcements per month 1 operational and managerial meeting per month 1 Occupational Safety and Health Committee meeting per month 1 health promotion campaign per quarter 1 labor-management meeting and 1 Employee Welfare Committee meeting per quarter - Corporate and departmental workshops 20 times a year
	Environmental protection expenditure and investment			
	Continuous operational management			
Suppliers	Management of water resources	1. Continue to promote water resource management and recycling mechanisms to improve water use efficiency and reduce environmental impacts. At the same time, actively allocate environmental-related expenditures and capital investments to strengthen environmental management systems and sustainability improvement measures. 2. Establish monitoring and reduction mechanisms for air pollutant management to reduce the environmental impacts of operations. In addition, continue to strengthen the management of waste and hazardous substances and improve classification, reduction, and compliant treatment mechanisms to reduce the environmental impact per unit of production.	Departments of procurement and research & development	- Frequent telephone and email correspondences on a daily basis - Mutual visits and meetings as needed - Non-scheduled audits - Update of related information on the Market Observation Post System (MOPS) and the official website at least once a month - Update of company profile and the annual report at least once a year
	Environmental protection expenditure and investment Air pollutant management			
	Management of waste and hazardous substances			
Banks	Corporate Governance, R&D, and Innovation	1. Continue to invest in R&D and innovation and smart manufacturing, participate in customers' early-stage product development through professional technical services, and integrate smart manufacturing processes to enhance quality and efficiency and strengthen market competitiveness. 2. Strengthen corporate governance and risk management and ensure legal compliance, while continuously optimizing operational management mechanisms, improving internal yield rates and operating performance, and strengthening financial soundness and risk controls to maintain steady growth.	Finance	- Frequent telephone and email correspondences on a daily basis - Mutual visits and meetings as needed - Communication on written materials from time to time - ESG Report
	Risk Management			
	Legal Compliance			



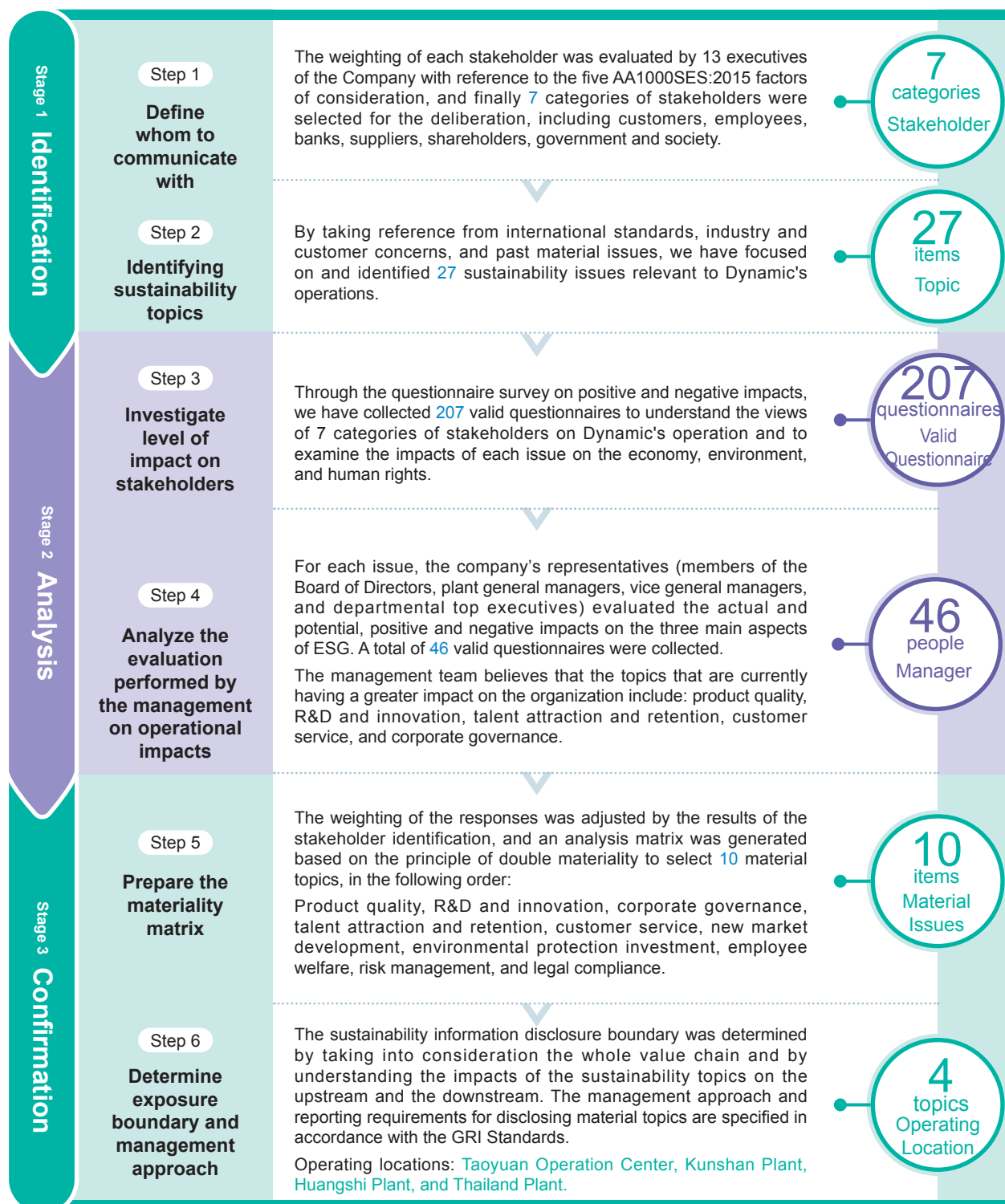
Stakeholder	2025 Top 3 Topics of Concern	Response from Dynamic	Replying Department	Communication and Interaction Method and Frequency
Government	Corporate governance	Continue to strengthen corporate governance and internal management mechanisms to ensure regulatory compliance and enhance governance transparency; in terms of product quality, implement quality management systems and process controls to ensure product stability and reliability; for continuous operational management, establish risk assessment and response mechanisms to ensure the stable operation of critical business activities and maintain corporate resilience; at the same time, continue to optimize customer service processes and response efficiency to enhance customer satisfaction and relationships.	Management Department Human resources	• Official letter correspondence at least 24 times a year • Communication on regulatory requirements and policies once a month • 25 Educational training sessions per quarter • 1 visit per quarter • Charity events from time to time • ESG Report • 14:00 BofA Securities Forum; 16:00 He Kang Investment Meeting
	Product quality			
	Continuous operational management Customer service			
Shareholders	Corporate governance	Continue to strengthen corporate governance and internal control mechanisms and enhance operational transparency and decision-making quality to safeguard shareholders' rights and interests and promote stable long-term development; at the same time, optimize customer service processes and response efficiency to enhance customer satisfaction and market competitiveness; establish comprehensive talent development and retention systems and strengthen employees' career development to maintain organizational stability; and continue to enhance risk management and information security measures to ensure stable operations and information security.	Finance Chairman's Office	• Communication over the phone and provision of materials from time to time • Update of the webpage and the Market Observation Post System (MOPS) each month • Organization of at least 4 investor conferences a year and workshops from time to time • One shareholders' meeting a year • Release of the annual report through the shareholders' meeting each year • ESG Report
	Customer service and talent attraction and retention			
	Risk Management			
	Information security			
Society	Management of waste and hazardous substances	Continue to strengthen the management of waste and hazardous substances by implementing source reduction, classification management, and compliant treatment to reduce environmental impacts; at the same time, continue to allocate environmental-related expenditures and capital investments to promote energy conservation, carbon reduction, and resource recycling and enhance overall environmental performance. Continue to strengthen corporate governance systems and internal management mechanisms.	Management Department Human resources	• Contacts and visits from time to time • Charity events from time to time • ESG Report
	Environmental protection expenditure and investment			
	Corporate governance			



Identification and analysis of material issues

In accordance with the latest standards issued by Global Reporting Initiative (GRI) in 2021 and with reference to domestic and international guidelines on sustainability, as well as the material issues of peer companies and customers, 27 sustainability issues that are closely related to the Company were selected to identify the material issues in this report. Furthermore, according to the double materiality principle proposed by the EU, the actual/potential, positive/negative impact matrix is used as the standard for analysis. This includes conducting an assessment and ranking of the impacts of various topics on the economy, environment and society, and identifying and drawing up the major sustainable topics for 2025. Based on the results of this assessment, a matrix of major topics for 2025 was created.

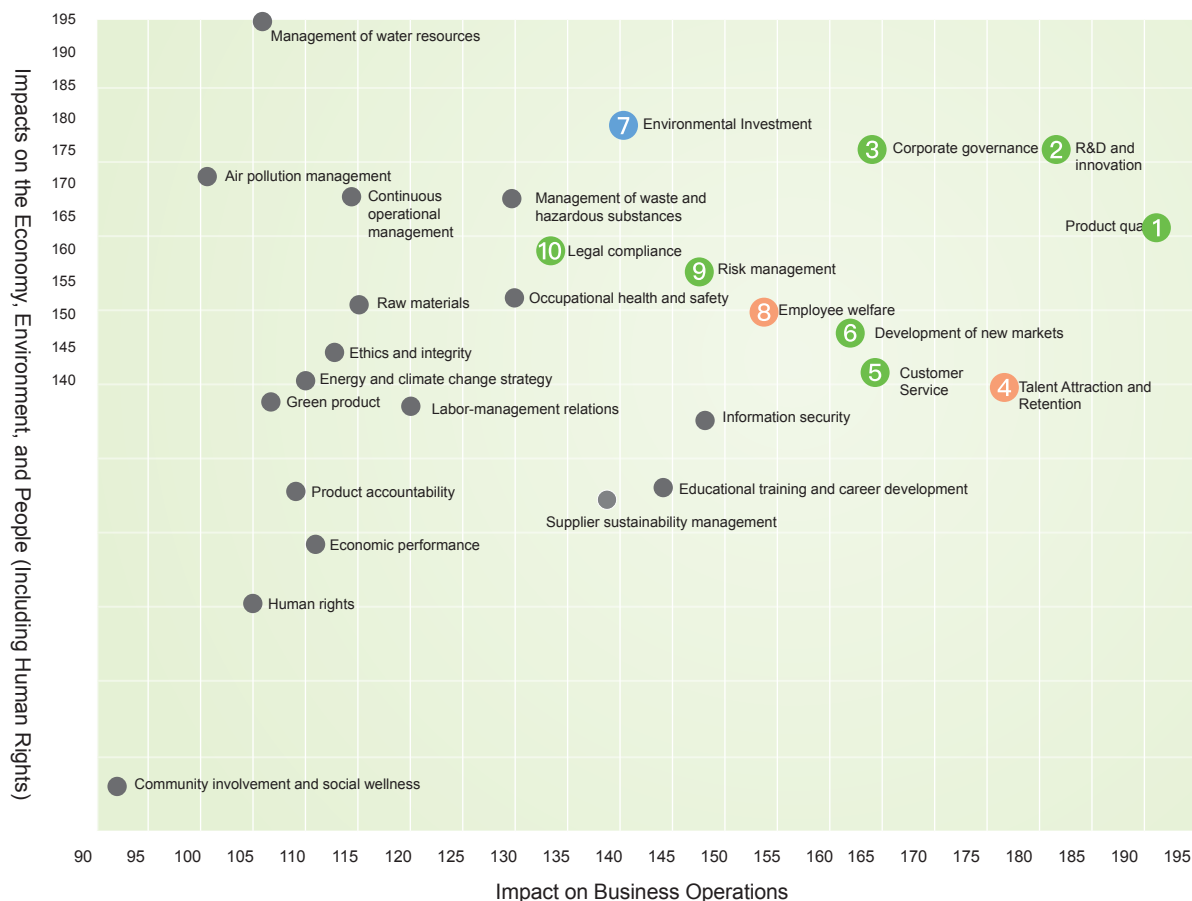
Material Issue Identification Process





Material Issue Identification Results

Dynamic uses each issue's "impact on the economy, environment, and people (including human rights)" and "business operations" as the two axes of the material issue matrix, and identifies 10 material issues. Compared with 2024, "Risk Management" and "Legal Compliance" were added as new material topics. We will provide in-depth responses to these 10 material issues and explain the performance indicators and management approach in subsequent chapters.



Governance Aspect

- 1 Product quality
- 2 R&D and innovation
- 3 Corporate governance
- 5 Customer Service
- 6 Development of new markets
- 9 Risk Management
- 10 Legal Compliance



As the Company's long-term survival and development are at stake, we continue to strengthen the corporate governance structure, implement product quality management and continuous improvement, and promote R&D and innovation to enhance technological competitiveness. At the same time, we actively improve customer service quality and strengthen our capabilities in new market development to expand our business presence and growth momentum. In addition, we continue to enhance risk management mechanisms and legal compliance measures to ensure stable and compliant operations, while responding prudently to market changes and future challenges.

Society Aspect

- 4 Talent Attraction and Retention
- 8 Employee welfare



Employees are the foundation of the Company's development. We continue to strengthen talent attraction and retention mechanisms and enhance employee welfare to increase employee engagement and workforce stability, supporting the Company in achieving its annual operational goals and long-term development strategies.

Environment Aspect

- 7 Environmental Investment



To introduce new and emerging technologies and enhance environmental performance, the Company continues to make environmental investments and strengthen environmental management measures to fulfill its responsibilities for environmental protection and sustainable operations.



2024	Ranking	2025	2024	Ranking	2025
Customer Service	◀ 1 ▶	Product quality	Supplier sustainability management	◀ 15 ▶	Educational training and career development
Product quality	◀ 2 ▶	R&D and innovation	Occupational health and safety	◀ 16 ▶	Continuous operational management
R&D and innovation	◀ 3 ▶	Corporate governance	Educational training and career development	◀ 17 ▶	Supplier sustainability management
Management of waste and hazardous substances	◀ 4 ▶	Talent Attraction and Retention	Energy and climate change strategy	◀ 18 ▶	Air pollutant management
Corporate governance	◀ 5 ▶	Customer Service	Green product	◀ 19 ▶	Raw materials
Development of new markets	◀ 6 ▶	Development of new markets	Continuous operational management	◀ 20 ▶	Labor-management relations
Environmental Investment	◀ 7 ▶	Environmental Investment	Labor-management relations	◀ 21 ▶	Energy and climate change strategy
Employee welfare	◀ 8 ▶	Employee welfare	Air pollutant management	◀ 22 ▶	Ethics and integrity
Talent Attraction and Retention	◀ 9 ▶	Risk Management	Product accountability	◀ 23 ▶	Green product
Management of water resources	◀ 10 ▶	Legal compliance	Ethics and integrity	◀ 24 ▶	Product accountability
Risk Management	◀ 11 ▶	Management of waste and hazardous substances	Economic performance	◀ 25 ▶	Economic performance
Legal compliance	◀ 12 ▶	Management of water resources	Community involvement and social wellness	◀ 26 ▶	Human rights
Information security	◀ 13 ▶	Information security	Human rights	◀ 27 ▶	Community involvement and social wellness
Raw materials	◀ 14 ▶	Occupational health and safety			

Material Issues and Impact Boundaries of Dynamic

The material issues identified by Dynamic through the “Stakeholder and Material Issues Identification Analysis” are summarized below according to the degree of involvement of the impact range on the value chain:

Material Issues	Category	Scope of Impact and Extent of Involvement			Corresponding Chapters and Page Numbers
		Upstream (Supplier)	Dynamic Operation	Downstream (Customer)	
Product quality	Governance Aspect	V	V	V	TWO. Sustainability Performance/ V. Product Quality and Customer Service p.32
R&D and innovation	Governance Aspect		V	V	TWO. Sustainability Performance/ VI. R&D and Innovation p.37
Corporate governance	Governance Aspect		V		FIVE. Economic Performance and Corporate Governance/ II. Corporate Governance p.135
Talent Attraction and Retention	Society Aspect		V		FOUR. Co-prosperity in Society/ III. Talent Attraction and Retention p.104
Customer Service	Governance Aspect		V	V	TWO. Sustainability Performance/ V. Product Quality and Customer Service p.32
Development of new markets	Governance Aspect		V	V	TWO. Sustainability Performance/ VII. New Market Development p.39
Environmental Investment	Environment Aspect	V	V	V	THREE. Environmental Performance/ V. Environmental Investments p.76
Employee welfare	Society Aspect		V		FOUR. Co-prosperity in Society/ III. Talent Attraction and Retention p.104
Risk Management	Governance Aspect	V	V	V	FIVE. Economic Performance and Corporate Governance/ V. Risk Management p.149
Legal compliance	Governance Aspect	V	V	V	FIVE. Economic Performance and Corporate Governance/ III. Legal Compliance p.142

Note 1. The upstream boundary includes raw materials, standard materials, equipment, and related services purchased by Dynamic.

Note 2. Dynamic's operations means the business of PCBs supplied by Dynamic.

Note 3. The downstream boundary includes the products and services provided by Dynamic to customers.

Note 4. “V” indicates that a topic has a substantial negative impact.



V. Product Quality and Customer Service

Management approach



Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
We can set up a professional service team to enhance the efficiency and effectiveness of communication with our customers and increase their trust.	Failure to provide customer service may result in customer dissatisfaction with Dynamic's products or services, which may lead to the loss of long-term cooperation opportunities.	Continue to boost the internal yield rate, achieve external quality goals, create competitive advantages, and enhance customer satisfaction.	1. We will enhance the stability of product quality by learning from experience through the knowledge management system. 2. Employees will engage in daily quality awareness exercises. 3. We will initiate proposals to improve quality and efficiency. 4. We will assist the production line in identifying quality risks and developing solutions. 5. We will educate our staff on inventory and inspection after equipment maintenance to keep the equipment in optimal operating condition. 6. We will strengthen the supply chain quality culture. 7. We will keep client information confidential, survey satisfaction, and respond to customers.	Chairman Group President Plant General Manager Head of Quality Assurance and Sales Division • Dedicated Hotline • Complaint Mailbox

Product quality

Goals	2025 Performance	2025 Target (medium-term)	Goals in 2026	2027 Target (Long-term)
Automotive product DPPM (Number of defects out of every million products)	0.2	0.5	0.5	0.4

Company and customers often have the highest quality requirements. Therefore, the quality requirements for automotive products are to be followed in the formation of a product quality awareness culture to constantly reduce scraps and improve quality to the extent that is satisfying for customers and to lay the groundwork for the sustainability and survival of Dynamic.

The relevant measures to achieve the external DPPM targets are described below:

- 1 Personnel's quality awareness and the stability of materials and equipment's process capability.
- 2 Personnel's quality awareness and materials and equipment's process

Information on the action plans to help fulfill goals is provided below:

- 1 The knowledge management system for experiential learning includes: internal experts, a historical problems and solutions search engine for each process, an experience sharing system, and sub-process risk management.
- 2 With the simple quality goal of "operating according to regulations" as the daily quality awareness training method for employees, continue to promote employees' basic education and training and quality awareness.
- 3 QCC incentives, to encourage supervisors, along with their teams, to spontaneously propose on the improvement of quality and efficiency.
- 4 The cadre audit team participates in the production line work guidance, assists the production unit to identify potential quality risks, and discusses solutions in a timely manner.
- 5 Four functional units participate in the post-maintenance point inspection of equipment, teach employees the key points of maintenance and cleaning, and maintain the optimal operation of equipment.
- 6 Strengthen the quality culture of supply chain. The quality assurance unit provides suppliers with education and training, management forms and systems to provide guidance and assist suppliers in supplying 100% non-toxic products.

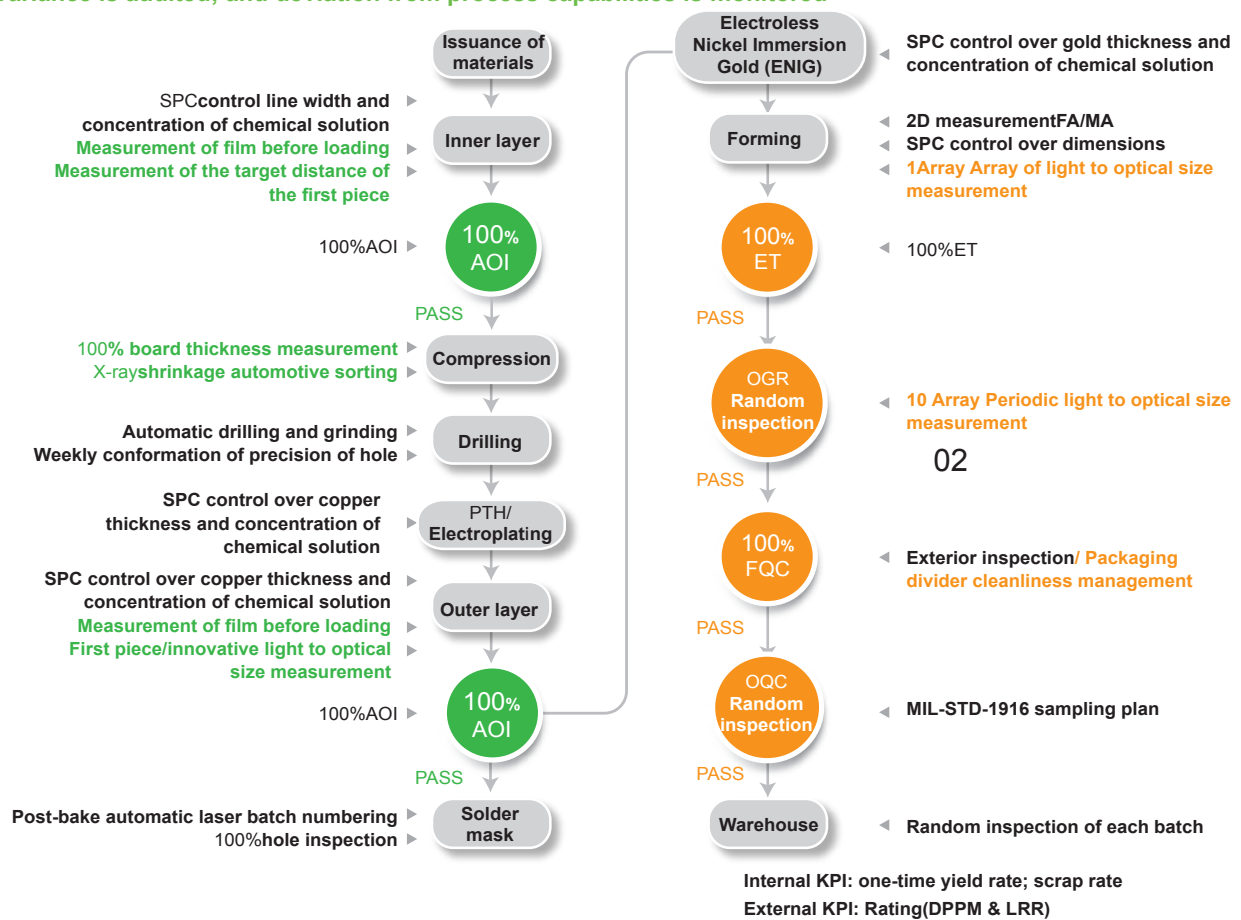
Quality Assurance Management System

Through the comprehensive awareness of quality management among all staff, the Design and R&D Departments take quality into consideration during the design stage. The Technical and Production Departments study quality stability. The Quality Department never accepts, outputs, or releases defective products. The Quality Management System is established through these three aspects. Variance is monitored and timely adjusted through Statistical Process Control (SPC) and process stability is maintained to boost precise process capabilities and to guarantee the quality of products delivered to customers. For abnormal conditions that are beyond the quality system control, the dedicated Lesson Learned Case Study (LLCS) Office is responsible for thoroughly investigating the failure cases and the countermeasures before holding an internal reflection meeting. Experiences will also be included in the knowledge management system to keep enriching experiences and knowledge, to prevent recurrence, and to pass down the system for constant quality advancement.

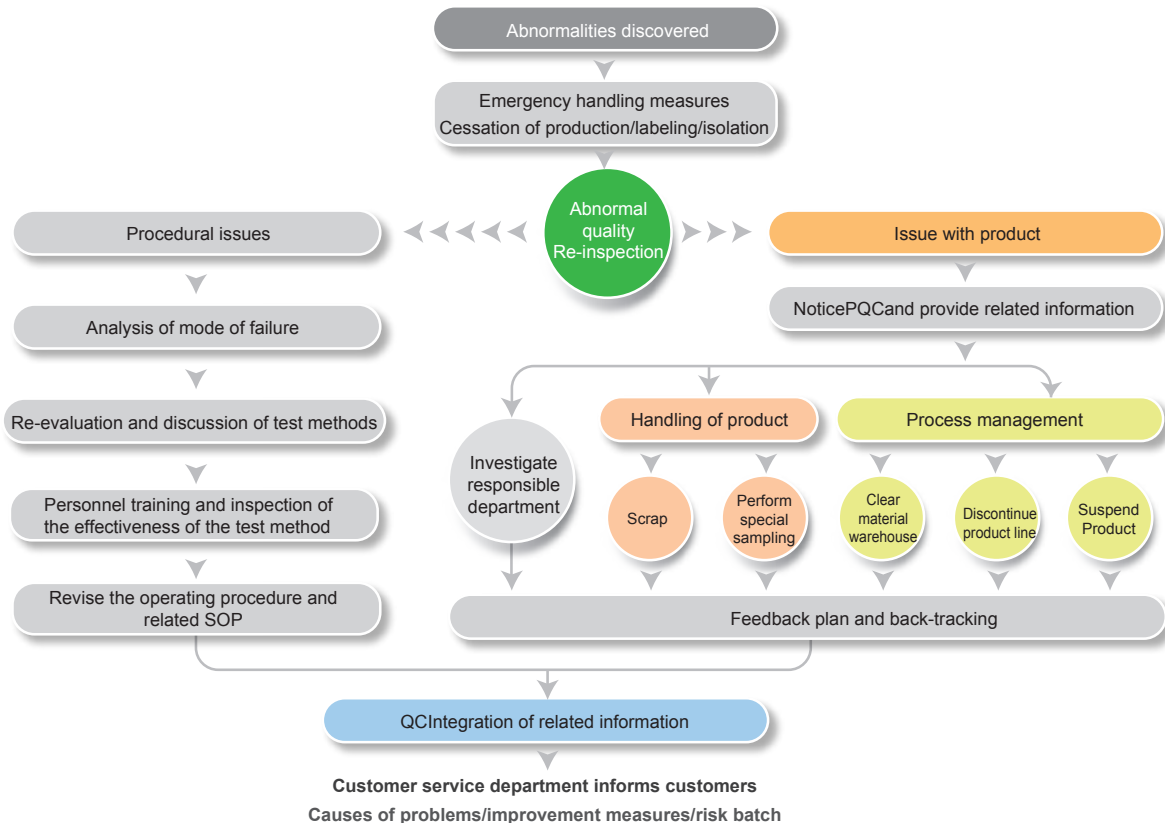
- No defective products must be produced → We prevent defective products by monitoring variations or making immediate adjustments through statistics and process control.
- No defective products must be accepted → We prevent defective products coming out through our staff's awareness on quality management.
- No defective products must be produced → By 100% electrical testing and visual inspection, we prevent releases of defective products.



Quality Control System: For each key process, products are randomly sampled and inspected; process variance is audited; and deviation from process capabilities is monitored



Abnormality feedback plan: The anomaly feedback plan is embarked on as soon as any anomaly is found





Central Laboratory of the Kunshan Plant

The central laboratory of the Kunshan Plant includes a reliability laboratory, a failure analysis laboratory, an impedance room, and a general laboratory. Currently, we can independently complete 47 precision tests, covering important testing items throughout the PCB process.

Laboratory eligibility certified by multiple customers so far:

- ✓ In 2020, SXX customer certification for impedance measurement and bending test equipment at Kunshan Plant.
- ✓ In 2021, the new bending test equipment for automobile sheets developed by Kunshan Plant was certified by CXX customers.
- ✓ In 2022, Bxx and Cxx certified the Kunshan Plant's non-safety automotive high-density interconnect test board
- ✓ In 2023, W01 customer certification NPG-151 type material successfully passed the certification qualification

Continuous Performance Improvement in 2025

Serial No.	Description of Continuous Improvements	Efficacy
1	CIP improvement project to reduce the scrap rate by value	• Cost effective monitoring • Quality stability monitoring

Central Laboratory of the Huangshi Plant

Huangshi Plant: The central laboratory of the Huangshi Plant consists of the following: a reliability laboratory, a failure analysis laboratory, a section room, and chemical examination room. All the testing equipment is of excellent performance and can complete 39 tests independently, covering all the important testing items in the whole process of PCB.

- ✓ In 2022, the customers, BXX, certified that the testing capability of the laboratory at the Huangshi Plant is equivalent to that of the professional laboratories of partner companies; and the results completed by this laboratory can be reported for all the testing items requested by the customers.
- ✓ In 2023, D0X certified that the Huangshi Plant laboratory's testing capability was equivalent to that of a third-party professional laboratory, and that it could report all testing items required by customers.
- ✓ In 2024, T1X certified that the Huangshi Plant laboratory's testing capability was equivalent to that of a third-party professional laboratory, and that it could report all testing items required by customers.
- ✓ In 2025, D0X customers re-certified that the testing capability of Huangshi Plant's laboratory is equivalent to the third-party supplier's professional laboratory, and the laboratory can complete the reporting of all testing items required by customers.

Continuous Performance Improvement in 2025

Serial No.	Description of Continuous Improvements	Efficacy
1	Purchased AI software for microsection measurement	• Enables automatic measurement of microsection data, improving the timeliness and responsiveness of microsection analysis.
2	Added a PAD system for laboratory chemical solution analysis	• Added a PAD data entry system, eliminating the paper based recording process prior to entering chemical solution analysis data into the ERP system.
3	Purchased an STM7 measuring microscope	• Enables 360° inspection of the internal quality of B09-THS holes to meet customer requirements and enhance customer satisfaction.
4	Purchased bending test machine	• It can automatically perform bending tests and measure resistance to meet Conti's requirements, while monitoring the quality of blind routed boards throughout the manufacturing process.

Central Laboratory of the Thailand Plant

The central laboratory consists of a reliability laboratory, a failure analysis laboratory, a sectioning room, a chemical analysis room, and an impedance/SI room. All the testing equipment performs excellently and can independently conduct 39 tests, covering all key testing items throughout the PCB process for products such as HDI and server boards.

- ✓ In 2025, C0X customers certified that the testing capability of Thailand Plant's laboratory is equivalent to the third-party supplier's professional laboratory, and the laboratory can complete the reporting of all testing items required by customers.

Continuous Performance Improvement in 2025

Serial No.	Description of Continuous Improvements	Efficacy
1	Purchased plating solution analyzer (CVS)	• It can analyze the additive content of copper electroplating baths to improve the quality control of electroplating processes.
2	Purchased metallurgical microscope & MES system	• It can improve the timeliness and responsiveness of personnel slice analysis.
3	Purchased automatic inner-board impedance measuring machine (AIBC)	• It is used for inner-board impedance measurement to enhance the timeliness of impedance testing.
4	Purchased a gold surface hardness tester	• It can be used to measure the hardness of gold plated surfaces and monitor gold surface hardness quality.
5	Purchased a Shadow Moiré warpage measurement system	• It can be used to measure the BGA flatness of finished boards.

Quality Management-related Certifications and Certificates

Certificate name	Plant	Certificate number	Certificate validity period
ISO 9001 Quality Management System	Kunshan Plant	50600203 QM15	2027-02-18
	Huangshi Plant	20000857 QM15	2026-08-15
	Thailand Plant	50600595 QM15	2028-09-10
IATF 16949 Automotive Quality Management System	Kunshan Plant	50600203 IATF16	2027-02-18
	Huangshi Plant	20000857 IATF16	2026-08-15
	Thailand Plant	50600595 IATF25	2028-09-10
AS9100D Aerospace Quality Management System	Thailand Plant	272505	2028-05-21



Customer Service

Goals	2025 Performance	2025 Target (medium-term)	Goals in 2026	2027 Goal (Long-term)
Customer satisfaction survey score	9.1	9.0	9.0	9.0
Complete ERP features	Use advanced system management to improve the sales cycle process, including system documents (for contract archiving and tracking) and automated email notifications triggered by revenue recognition, thereby reducing manual processing time and improving work efficiency.	Improve the sales cycle process, use the system for manual processing, and optimize the system interface to be more user-friendly to improve work efficiency and accuracy.	Establish a market database, develop new customers' needs and new products, and improve management refinement.	Establish a market database, develop new customers' needs and new products, and improve management refinement.
Number of confidentiality deficiencies with customer data	0	0	0	0
On-time completion rate in the processing of customer cases	100%	100%	100%	100%

Dynamic has a cross-disciplinary customer service team in place with a designated contact window to provide professional and speedy services to address customer demands. The team consists of sales, quality assurance (customer service), R&D, and pre-manufacturing design staff. They contact and communicate directly with their counterparts at the customer's end. The sales representatives are also responsible for integrating all projects and engaging themselves in bilateral communications with all customers through visits, meetings, and the customer satisfaction surveys that take place once every six months to understand customer feedback and expectations.

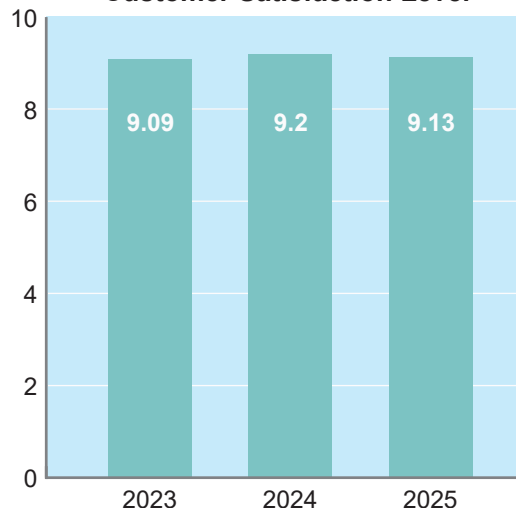


Customer Satisfaction Survey

Dynamic regularly sends customer satisfaction survey forms to its top 20 customers and important customers of each plant on a semi-annual basis. The survey includes items, such as quality, delivery, service, excess freight, hazardous materials, and employee satisfaction. We prepare improvement solutions based on the feedback from customers and include them in the key performance indicators of the units concerned. Besides constantly enhancing customer satisfaction, we compare ourselves against benchmark enterprises. The feedback serves as a reference when the Company develops its short-, medium-, and long-term management strategies and development directions.

According to the customer satisfaction survey results in 2025, the customer satisfaction score was 9.1, meeting the target of 9.0. Raw material costs began to rise in the second half of 2025, resulting in unstable supply. In the short term, substrate specifications need to be adjusted in response to raw material supply conditions. In the long term, price increases need to be negotiated with customers. At the same time, the number of customer service cases and processing time are managed electronically. Statistics, audits, and analyses are used to reflect external quality information and trends, directing plants to improve and reduce quality problems, thus enhancing customer satisfaction.

Customer Satisfaction Level



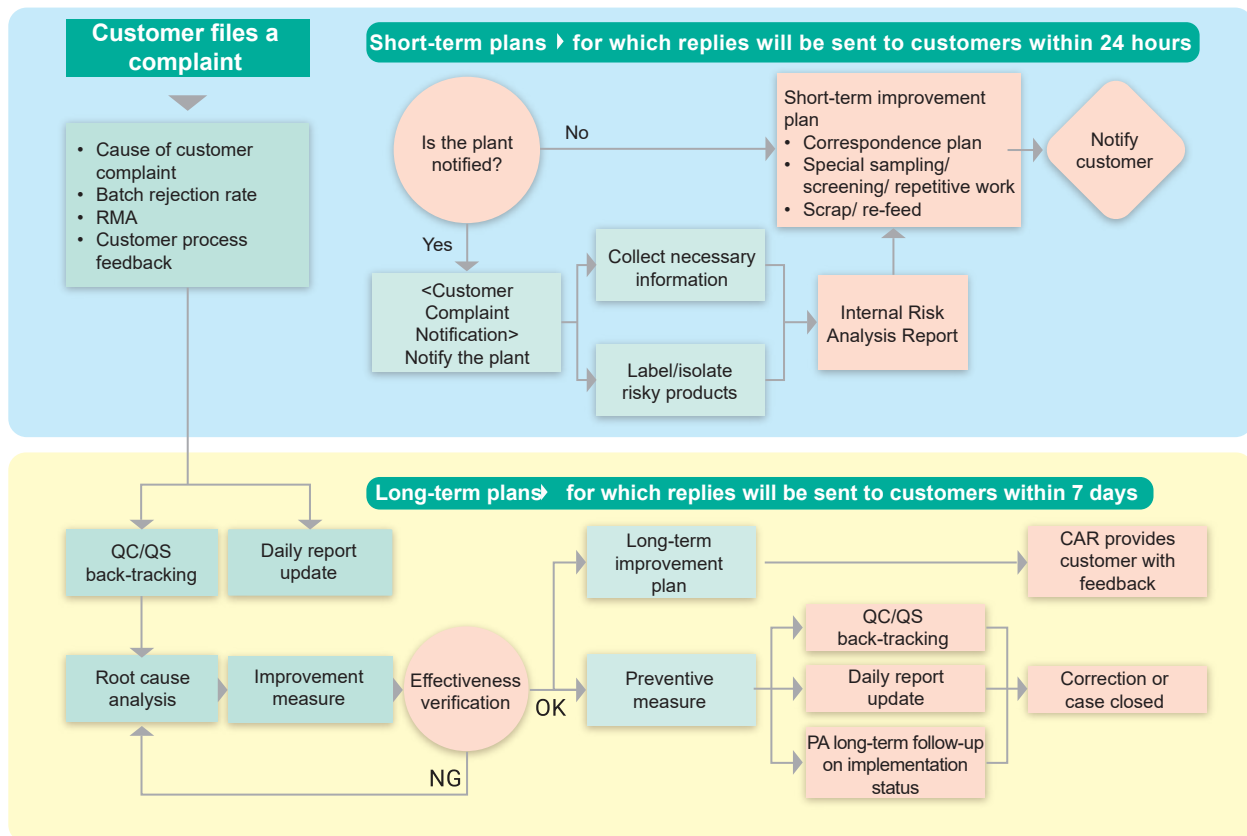
Response to Customer Cases

Dynamic cares about what customers have to say and has a dedicated service representative assigned to each customer. Whenever a customer has needs, they can contact their dedicated service representative by phone, email, or through any related communication software. Each representative is professionally trained and will be able to confirm the needs of the customer in the first place. When support from other departments is needed, the service representative will convene heads of related units to form a cross-disciplinary team, which works by division of labor to address the customer's needs promptly.

The customer service team also assists the factory in learning the client's quality management system to maintain continuous interaction between the factory and the customers. For example, they have requested guidance from VXX customers on the audit tool for "Standardized Implementation" to reduce defective products and have introduced the DXX customer's "Spike Abnormality" quality monitoring management. This collaboration aims to grow together with customers and achieve the continuously increasing quality goals set by them.



Complaint Handling Procedure



The number of customer services provided and the processing timeliness are tallied on a monthly basis to facilitate reflections. Regarding the on-time customer service completion rate in 2025, the Kunshan and the Huangshi Plant are 100% and 100% respectively. We will continue to follow up on the development of cases after services to achieve the goal of complete customer satisfaction.

1

Introducing Tools

STEDE3 review tool for automobile board customers & introduction of Spike quality monitoring tools reduces variances during production and enhances production efficiency.

2

Supplementary Data and Electronic

Monthly statistics on the number of customer service cases and processing efficiency will be reviewed, and we will keep introducing electronic.

3

KM system

The system facilitates statistics/ audit/ analysis of data, and it can reduce quality issues, thus improving customer satisfaction.

Customer Data Confidentiality

Dynamic has always placed strong emphasis on the management, retention, and confidentiality of customer data. "Protecting customer privacy and preventing the disclosure or loss of customer data" has remained Dynamic's consistent policy and commitment. First, Dynamic has a comprehensive systematic customer data processing procedure in place and there is a responsible unit to take charge of receiving, managing, and storing customer data and all parties concerned have signed the Confidentiality Agreement. In accordance with customer contracts and applicable requirements, our Business Operation Office receives and archives customer data. The Process Technology Office utilizes, manages, and stores engineering data (Gerber files, mechanical drawings, design guidelines, among others), while the Quality Assurance Office is responsible for managing and storing non-engineering technical data. If anyone unrelated wants to retrieve the data, prior application and electronic sign-off for approval are required; reproduction of the data is strictly prohibited. On the IT side, a data encryption system has been set up so that personnel in charge of data can encrypt data according to its confidentiality level for security protection.

In addition, Dynamic has strengthened its network security governance by blocking access to network hard drives, instant communication software, mobile storage media, and network-based mailboxes. There is no Wi-Fi access for mobile phones throughout the Company. No mobile phones are allowed at production lines. When needed at work, administrators must place mobile phones with cameras in the camera bag. Visitors who carry mobile phones must register in the Security Office upon entrance to the plant compound. In 2025, Dynamic passed all customer audits on product and data security and confidentiality. In addition, there were no complaints regarding violations of customer privacy or loss of customer data.



VI. R&D and Innovation

Management approach



Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Create an innovative corporate culture; encourage employees to think about various possibilities for innovation and improvement in multiple ways; develop products that are the most popular on the market; continue to invest in the R&D of new products and new process; enhance efficiency and product quality; and introduce information technology tools.	Lack of continuous research, development and innovation can cause Dynamic to lag behind its peers in terms of technology and reduce its competitiveness, which in turn affects its ability to operate and continue as a going concern.	Establish an innovative corporate culture, encourage employees to think about various possibilities for innovation and improvement in multiple ways; develop products that are the most popular on the market; continue to invest in the R&D of new products and new process; enhance efficiency and product quality; and introduce information technology tools.	1. Set up various incentives for proposals on improvements. 2. Reinforce the R&D Department to support new knowledge about the industry in the Sales Department and the status of process R&D at Dynamic; also enhance opportunities available for sales representatives to secure trust from customers and joint developments. 3. Increase the amount of investment in the innovation of R&D technologies and effectively distribute resources to the most forward-looking products. 4. Recruit suitable talent to be devoted to R&D according to the functional requirements of innovative targets.	Departmental head Head of human resources Head of research and development Head of information technology President Chairman • Dedicated Hotline • Complaint Mailbox

Goals	2025 Performance	2025 Target (medium-term)	Goals in 2026	2027 Goal (Long-term)
Number of R&D people	8.6%	At least 5 % of all people	At least 5 % of all people	At least 5 % of all people
Value invested in R&D	4.65%	At least 2 % of all revenue	At least 2 % of all revenue	At least 2 % of all revenue
Patents	18	20 and more	20 and more	24 and more
Information technology applied to fulfill the goal of creating Dynamic-specific smart plants	Based on the management dimensions of people, machines, materials, methods, and environment specified in PMP, systematic data collection and real-time control are implemented across 24 major categories (e.g., maintenance inspections, product inspections, and IPQC inspections) to enable real-time sensing and feedback in smart plants. Coverage of both product processes and equipment types has reached 100%.	Properly apply PMP (Process Management Plan) standards and create a digital database and recipe management for PCBs.	Promote Data Visualization by using visualization technologies to transform raw data into intuitive graphics, making data easier to interpret and enabling managers to shorten the time required for analysis and decision-making.	Introduce Supervised Machine Learning to assist with increasingly complex multiple regression analysis, expanding predictive capabilities for equipment and processes and strengthening quality risk prevention.



Innovation is critical to Dynamic's sustainable operations in meeting market demand and keeping pace with the rapid evolution of product technologies. This innovation is not limited to R&D technologies but also operational activities and management mechanisms at each segment of the value chain. Continuous advancement and the pursuit of excellence are essential. In addition, all operational sites must be close partners of customers and suppliers to create mutually beneficial opportunities. Faced with the rapid changes brought about by the Internet, quickly emerging innovative technologies, and the continuous debut of new products competing on cost, "innovation" has become a key indicator of sustainable management.

Our main R&D projects and achievements in 2025 were summarized as follows:

R&D Project	R&D achievements and future plans
High-speed low-signal consumable products	Further improved the certification of high-end materials and mastered the processing parameters for M8 and M9 grade high-end materials. Product Structure: For high multilayer boards, completed 50-layer technology certification, with product processing capability of up to 60 layers and a maximum board thickness of 8 mm; for multi-stage HDI, based on the completion of 20-layer anylayer and 6+14+6 production and reliability verification, further completed 7+10+7 product processing and testing. Product Technology Capability: Step fingers for two-lamination designs, N+N designs, and multi-stage HDI designs have been processed and delivered. N+M+N, DIC (Drill In Center), backdrill 2±2 mil, and TLPS (Transient Liquid Phase Sintering) processes are all under full development and have made phased progress.
Advanced HDI and thin products	Completed the development of 24-layer 8+8(B)+8 server HDI; successfully mass-produced 16-layer Anylayer HDI; successfully mass-produced PCS size >550 mm LCD/LED size control motherboards; certified and mass-produced 12-layer Anylayer Cavity advanced notebook motherboards. Completed the development and mass production of 12-layer Anylayer automobile central control motherboard, and successfully mass-produced 14-layer internal and external smart grid control HDI board with a full 3oz design. Successfully developed and mass-produced test module products with 8+8 HDI PCS size>580mm and 1pcs/panel. Completed the development and mass production of lens modules with a finished Anylayer thickness <0.3 mm, and the hole diameter of blind vias can be reduced to 3 mil. Completed the development of 48 layer M+N and M+2+N HDI products with a board thickness of 6.0 mm, as well as 7+12+7 HDI. In addition, the investigation and standardization of materials that can withstand multiple laminations have been completed, so that Anylayer can use more diverse and stable materials. The thin product Mini-LED with a thickness of 0.2mm has been certified and has started production. In 2025, the R&D focus was on improving the development and production of thinner BT material products (0.15-0.1mm).
High frequency (mmWave) products	Shipment volumes of automotive millimeter-wave radar 60GHz/77GHz continue to climb, and new customers are being actively developed. The probe platform for self-testing of antenna performance has been put into trial operation, which can independently test S parameters near the 77GHz band. At the same time, we have jointly developed waveguide radars with several renowned Tier-1 suppliers and semiconductor companies, which have received sample approval and entered the pilot production stage. In addition, the Company has purchased relevant testing equipment and has the testing capabilities to meet customer needs in a more comprehensive manner. For satellite communication and microwave products, the Company will continue mass production of geostationary orbit (GEO) ground receiving stations, and remain engaged with customers on mass production opportunities for the highly promising low-Earth orbit (LEO) ground receiving stations. The 5G Open RAN RU module is being developed in collaboration with customers. The 5G small cell fixed wireless access (FWA) and customer premises equipment (CPE) parts have been certified by multiple customers, and we continue to work with customers to conduct preliminary sample development and production testing for 28GHz and 39GHz products.
High heat-dissipating products	For buried copper technology, we continue to cooperate with automobile and communication users to assist in design and proofing. For the heat dissipation application of copper thicker than 3oz, we can effectively provide design advice and development to suit customers' needs; 12oz products have entered the sample production stage. We are also evaluating and developing high thermal conductivity materials. High thermal conductivity RCFs with a thermal conductivity of more than 2.0 W/m-k have been successively evaluated, while heat dissipation paste (HSP) has completed internal certification and is in customer sample trials; in response to the heat dissipation requirements of wireless communication products, the application of thermally conductive copper paste is also being evaluated. As a whole, we will establish a complete range of products and process service technologies for the thermal technology needs of customers.
Built-in active and passive components and products	In response to high speed computing demand from AI, servers, and other applications, we have begun working with customers on process development for embedded capacitors. By applying embedded component technology, we jointly developed an embedded 48V integrated Belt Starter Generator (IBSG) product with our customers, which has completed certification. Development of embedded resistors (0402) has been initiated. Through enhanced copper embedding technology and equipment testing, the minimum size capability of embedded materials has been improved to 2X2mm, with ongoing efforts to achieve even smaller sizes.



The R&D directions from 2025 will be continued in 2026 and slightly adjusted in line with market conditions and product development. The major types of products being developed are as follows:

- 1 High-frequency communication network base station and CPE, RRU, Small Cell, satellite communications, 800G high-speed transmission, AI servers and switches
- 2 Advanced driver assistance system (ADAS), 4D imaging radar, LiDAR
- 3 Wearable devices, 48V belt-start generator (iBSG)
- 4 MiniLED backlight/direct view module
- 5 New energy vehicle charging piles and relays; engines and motor control module

Manufacturing Capital

2025 Performance	Huangshi Plant	Kunshan Plant	Thailand Plant
Total production area	26.56 million square feet/year	4.71 million square feet/year	3.61 million square feet/year
Production area of automobile boards	15.23 million square feet/year	1.71 million square feet/year	2.91 million square feet/year
Inventory fill rate	100.6%	98.1%	Warehousing fulfillment rate: 100.2 %

VII. New Market Development

Management approach



Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
We continue to evaluate the risks and opportunities brought about by the external environment for the Company. If we keep track of goals, and invest in resources, we can create opportunities for the growth of the Company.	Choosing the wrong new market or investing insufficient or inappropriate resources could lead to many potential crises and risks.	We continue to evaluate the risks and opportunities brought about by the external environment for the Company, keep track of goals, and invest in resources to create opportunities for the long-term growth of the Company.	1. Collect relevant market, technology, product, and customer data. 2. Discuss with the customer related design and solutions.	Departmental head Departmental Vice-President President Chairman • Dedicated Hotline • Complaint Mailbox

Goals	2025 Performance	2025 Target (medium-term)	Goals in 2026	2027 Goal (Long-term)
Technology	Introduction of 2 mil thin cores and M8 grade ultra low loss materials, with successful production using high end and mid range hybrid materials	Production of ultra-thin sheets, introduction of ultra-low loss materials and high-end hybrid materials	Introduction of M9 grade ultra low loss materials, production of high end hybrid materials, and production of high end products with M+N asymmetric stack up lamination	Production of high speed AI servers, switches, and related products, and introduction of more advanced ultra low loss materials

"Developing new marks" gives the momentum for growth of an enterprise and is something that many stakeholders care about. Our action program for 2025 is listed below:

- 1 Extend the Company's marketing strategy considerations to customers' markets and product lines, and collect various information related to the upstream, midstream and downstream of the industry, competitors, the environment, and government policies and regulations to assist management in making sound decisions and formulating R&D strategies.
- 2 Fully communicate with our customers' design and marketing departments and align with their defined market and product positioning to avoid over or underspecification, while successfully differentiating the market by providing precise and suitable product quality at the right price and cost.
- 3 For international customers with production sites around the world, we actively establish global service network points to provide timely and effective after-sales services in terms of marketing, technology, quality, and other areas, which increase control over customer demand, thus developing a steady relationship with our customers.
- 4 For emerging companies that are developing futuristic products, we invest various resources to assist in their research and development work, thereby establishing a basic cooperative relationship with customers. Upon the maturity of the customer's product development and achievement of a certain market share, we will become their long-term cooperative partner.



CH3

Environmental Performance



I. Energy and Climate Change Strategy

Management approach

Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Improving the Company's energy efficiency can reduce production costs and enable continuous operation under limited energy supply; planning to build renewable energy sources can reduce the risk of power rationing and enhance the Company's environmental image.	Regardless of whether wind power or solar power is used, they are affected by weather and the external environment, and the stability of the power supply is poor.	Comply with energy laws and fulfill social responsibilities Production technology control and reduction of energy consumption Support green procurement and improve energy performance All employees participate in energy conservation and strengthen communication on goals Real-time energy consumption monitoring to ensure target achievement Continuous energy-saving improvement, green and sustainable management	- Review and audit the energy regulations. - Reasonable energy-saving adjustments of equipment; give priority to high-efficiency energy-saving power equipment and phase out old energy-consuming equipment. - Purchase green electricity, install solar power generation, retrofit renewable energy streetlights, set up energy storage cabinets, plan production space, and consolidate and adjust equipment.. - Continuously provide employees with training on energy-saving knowledge. - Install smart meters, record and conduct monthly analysis; implement zoned air conditioning control to optimize operating efficiency. - Promote ISO 50001 system operation at production sites; promote the use of renewable and clean energy.	CEO's mailbox

Goal and Performance

Goal (using 2025 as the baseline)	2025 Performance	Goals in 2026	2027 Target (medium-term)	2030 Target (Long-term)
Consumption intensity of the Kunshan Plant (GJ/million TWD in revenue)	119.90 (Increased by 4.31% compared with 2020)	117.50 (Intensity dropped by 2 %)	115.10 (Intensity dropped by 4 %)	107.91 (Intensity dropped by 10 %)
Consumption intensity of the Huangshi Plant (GJ/million TWD in revenue)	95.46 (Decrease by 12.79% compared with 2020)	93.55 (Intensity dropped by 2 %)	91.64 (Intensity dropped by 4 %)	85.91 (Intensity dropped by 10 %)
Consumption intensity of the Thailand Plant (GJ/million TWD in revenue)	266.06 (First year of production)	212.85 (Intensity dropped by 20 %)	186.24 (Intensity dropped by 30 %)	130.37 (Intensity dropped by 51 %)

Remarks: • The 2025 reduction target used 2020 as the baseline year. Due to increased energy demand during the product transition process, the baseline year will be revised to 2025 starting from 2026, while energy consumption intensity will continue to be used as the reduction indicator.
 • As the Kunshan Plant has the oldest equipment and machinery, it was more significantly affected by the transition process and did not achieve the established target in 2025.
 • The Huangshi Plant had originally followed the energy reduction pathway, but changes in product types over the past two years caused it to deviate from the pathway, and it also did not achieve the 20% reduction target.
 • The Thailand Plant was newly established in 2025 and was in the trial mass production stage.

Management System Certification

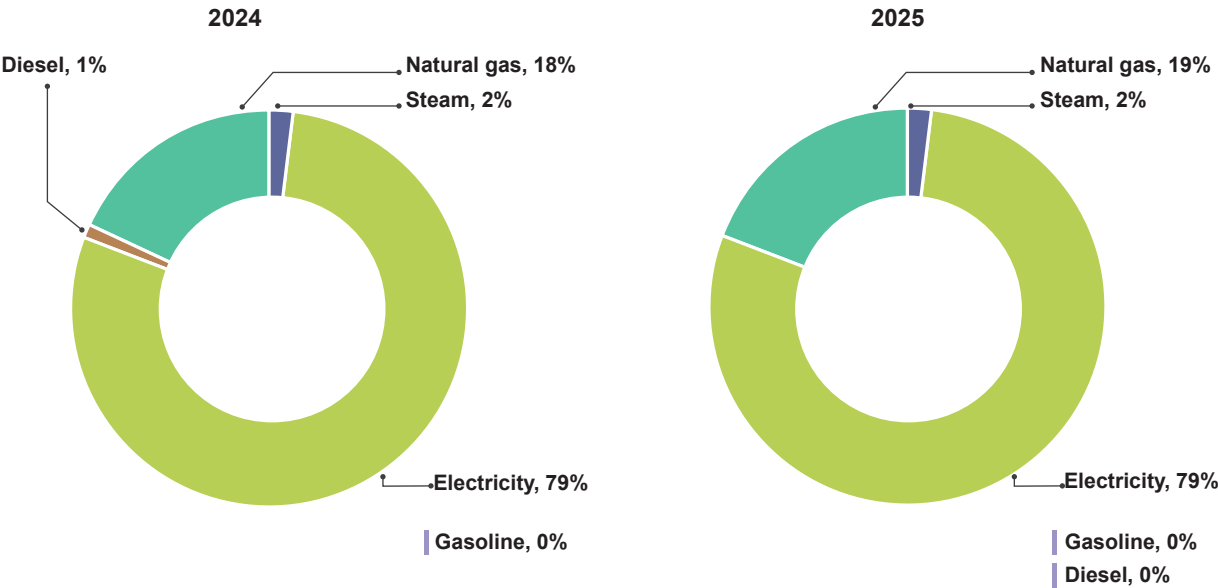
Plant	System name	Certification body	Certificate validity period
Kunshan Plant	ISO 50001: 2018	WIT Assessment	Validity of certificate: 2024.12.23 – 2027.12.15 Issuance No.: 15/18En8914R10
Huangshi Plant	ISO 50001: 2018	SGS Certification Co., Ltd.	Validity of certificate: 2025.01.20 – 2028.01.19 Issuance No.: CN25/00000556



2025 Statistics on Dynamic’s Energy Consumption by Type

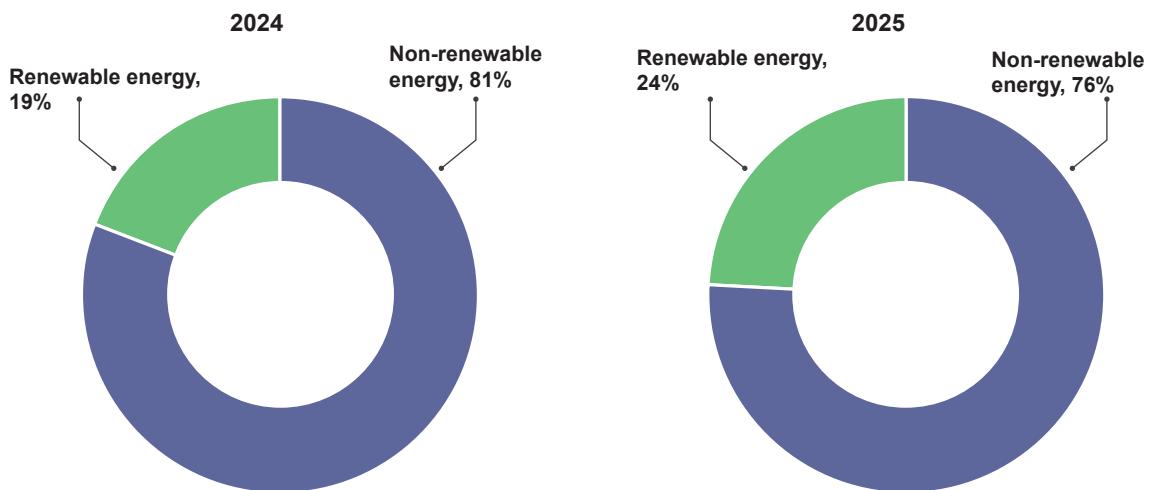
Category	Description	Type of energy	Value Classification	Energy consumption in 2024			Energy consumption in 2025		
				Amount consumed	Amount consumed (GJ)	Amount consumed (MWh)	Amount consumed	Amount consumed (GJ)	Amount consumed (MWh)
Non-renewable energy	Electricity		Amount consumed (kWh)	300,400,479	1,081,442	300,400	328,247,453	1,181,691	328,247
			Energy Share (%)		60.18%	60.18%		54.87%	54.87%
	Emergency generators	Diesel	Amount consumed (L)	11,361	411	114	14,395	609	169
			Energy Share (%)		0.02%	0.02%		0.03%	0.03%
	Boiler operation	Natural gas	Amount consumed (Nm³)	8,715,893	331,204	92,002	11,561,971	411,467	114,297
			Energy Share (%)		18.43%	18.43%		19.11%	19.11%
		Diesel	Amount consumed (L)	375,119	13,564	3,768	3,650	154	43
			Energy Share (%)		0.75%	0.75%		0.01%	0.01%
	Process and living area heating	Steam	Amount consumed (t)	12,690	34,307	9,530	14,551	39,338	10,927
			Energy Share (%)		1.91%	1.91%		1.83%	1.83%
	Official vehicle Truck Forklifts	Gasoline	Amount consumed (L)	27,012	860	239	31,276	1,375	382
			Energy Share (%)		0.05%	0.05%		0.06%	0.06%
		Diesel	Amount consumed (L)	27,329	988	274	55,078	2,329	647
			Energy Share (%)		0%	0.05%		0.11%	0.11%
	Total of non-renewable energy consumed		Amount consumed		1,462,775	406,326		1,636,963	454,712
			Energy Share (%)		81.41%	81.41%		76.01%	76.01%
Renewable energy	Purchase of green electricity		Amount consumed (kWh)	91,480,000	329,328	91,480	141,376,000	508,954	141,376
			Energy Share (%)		18.33%	18.33%		23.63%	23.63%
	Renewable energy facilities		Amount consumed (kWh)	1,333,544	4,801	1,334	2,153,167	7,751	2,153
			Energy Share (%)		0.27%	0.27%		0.36%	0.36%
	Total of renewable energy consumed		Amount consumed (kWh)	92,813,544	334,129	92,814	143,529,167	516,705	143,529
			Energy Share (%)		18.59%	18.59%		23.99%	23.99%
Total of energy consumed			Amount consumed		1,796,904	499,140		2,153,668	598,241
			Energy Share (%)		100%	100%		100%	100%

Difference in Energy Type Shares

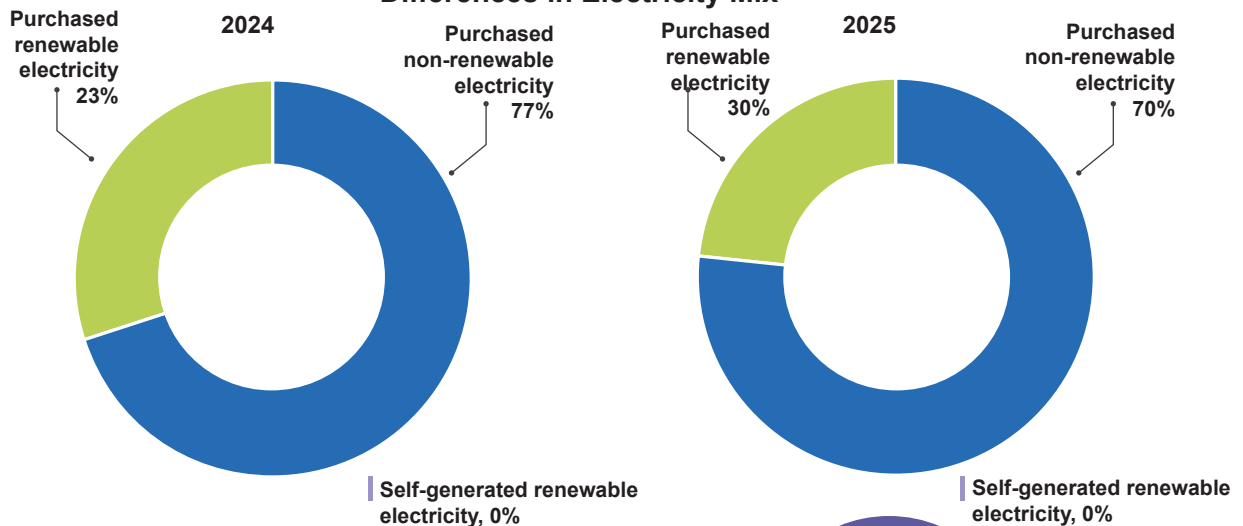




Difference in Renewable Energy Shares



Differences in Electricity Mix

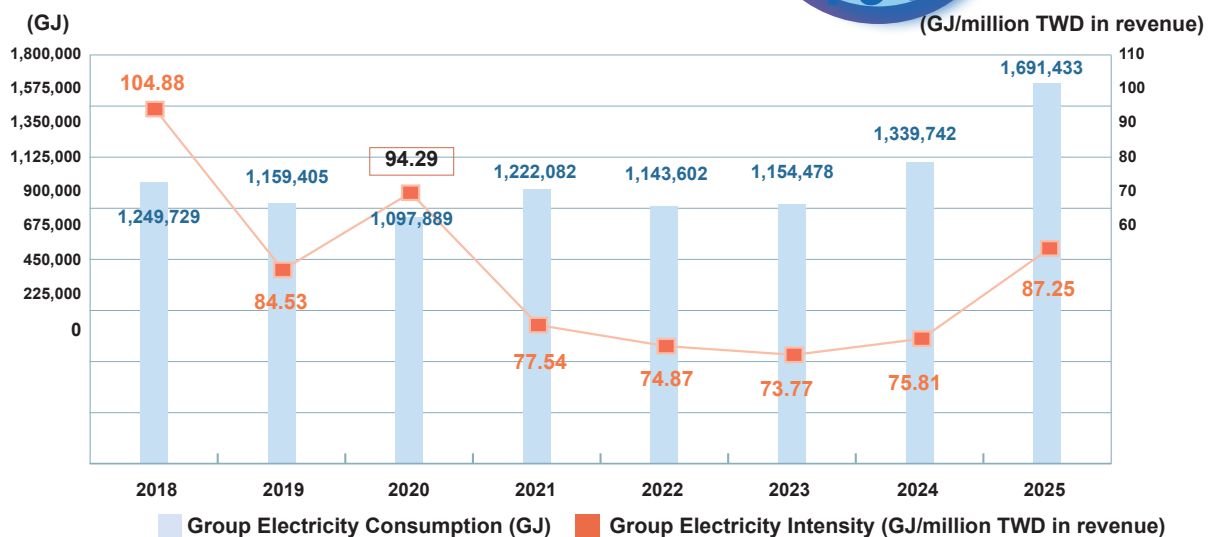


Dynamic's energy consumption still mainly relies on electricity, accounting for 79%, making electricity the key factor in the success of energy reduction efforts.

Electricity as
the Primary
Energy
Source

79%

Electricity usage and intensity in 2025 (mWh/million TWD in revenue)





The Company did not achieve its 2025 target of reducing electricity intensity by 20% from the 2020 baseline. The reasons are as follows:

- To ensure food safety for employees, the Kunshan Plant began operating its employee cafeteria in house in 2024, directly increasing electricity and fuel consumption.
- To meet customer demand, the Company underwent a product transition. Starting in 2025, the proportion of high-end and high-layer-count products increased, causing the layer ratio for inner layer, compression, drilling, and electroplating (Aspect Ratio & Plating) to increase from 1.9 in 2024 to 2.7. At the same time, the inner-layer electroplating process before compression involved a larger electroplating area, while electroplating itself is one of the major electricity-consuming processes. This resulted in a significant increase in energy consumption and caused performance to fall back from the level at which the target had previously been achieved.
- The Thailand Plant was completed and entered mass production in 2025. During the initial stage, its production scale and trial production activities affected energy consumption performance.

As a result, although the 20% reduction target had already been achieved in 2024, the reduction in 2025 ultimately narrowed to only 8%.

The measures implemented by each plant in response to increased electricity demand are summarized below:

Plant	Serial No.	Measure	Estimated Electricity Savings Rate	Estimated Annual Electricity Savings (10,000 kWh/year)
Kunshan	1	Upgrade the vortex blowers on 14 horizontal production lines to permanent magnet variable frequency centrifugal blowers.	51%	194
	2	Retrofit 11 dust collectors by upgrading their conventional fans to high efficiency energy saving negative pressure fans.	50%	273
	3	Replace old equipment with new equipment, including 32 drilling machines, flying probe testers, DI exposure machines, etc.	53%	450
	4	Replace the Roots blowers in the wastewater treatment system with high-efficiency energy-saving air suspension blowers.	30%	-
Huangshi	1	Replace 139 traditional streetlights with solar-powered streetlights.	100%	5.1
	2	Recover air-conditioning condensate near the dew point temperature for reuse in cooling towers.		3.2
	3	Adopt energy-efficient equipment, including IE4, IE5, and magnetic levitation equipment, and phase out existing IE3 and other equipment.	10.8%	-
Thailand	1	Use sound-activated lighting in common areas	-	-
	2	Use wind powered and solar powered streetlights for outdoor lighting	-	0.75
	3	Install exhaust hoods for high heat generating equipment to reduce air conditioning energy consumption	-	-



Rooftop solar energy



Energy storage cabinet

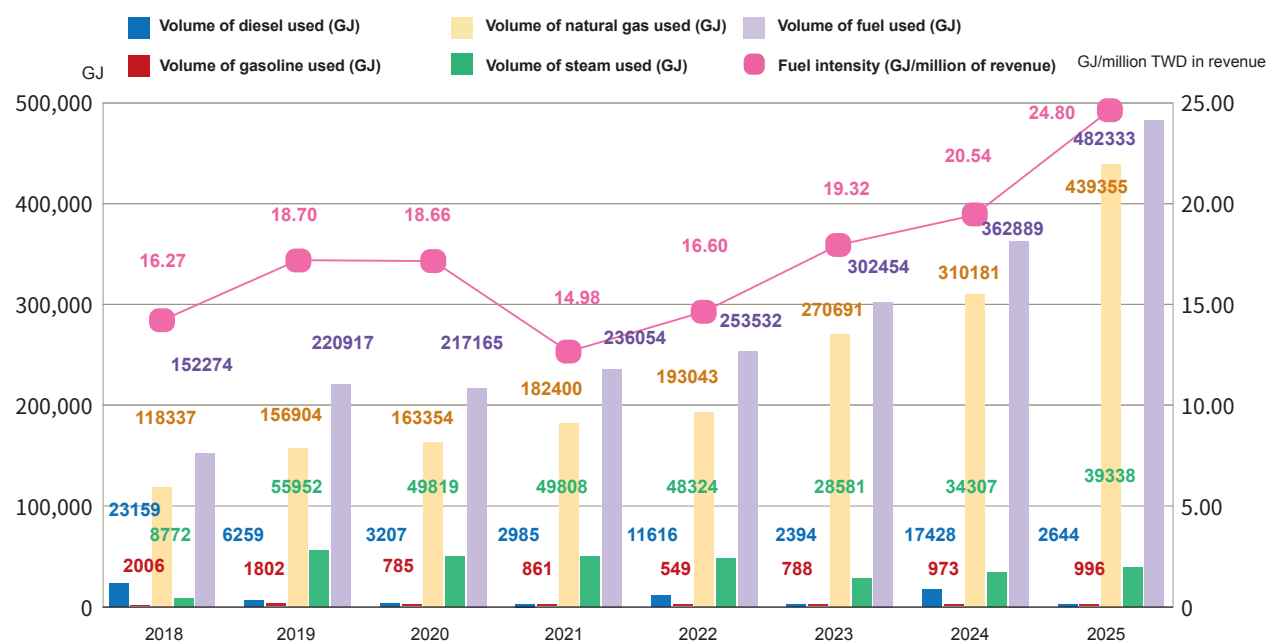


Solar-powered streetlights



Hybrid wind-solar street lights

Trends in the Volume and Intensity of Fuels Used of the Group





As of 2025, the Company also did not achieve its target of reducing fuel intensity by 20% from the 2020 baseline. The reasons are as follows:

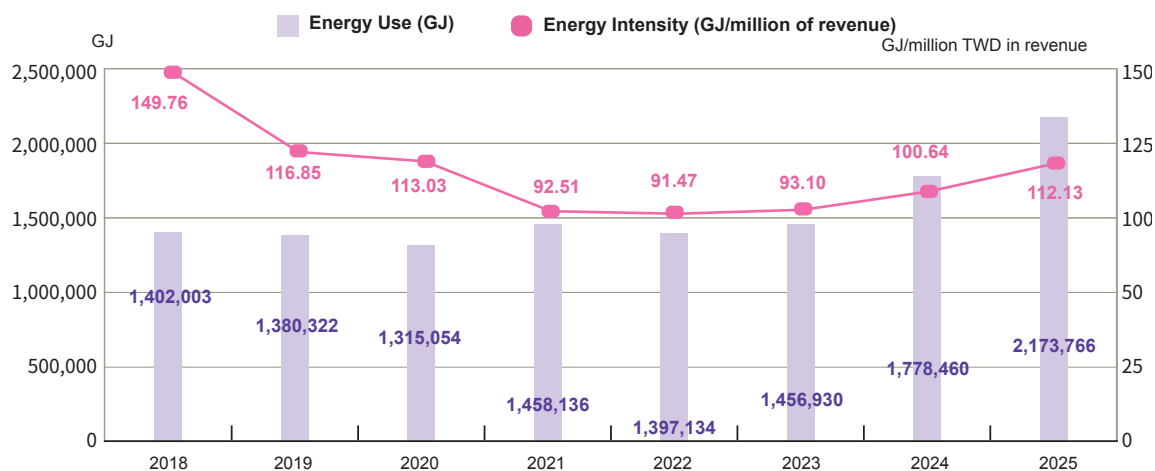
- 1 The Kunshan Plant switched its employee cafeteria to self operation, directly increasing natural gas consumption.
- 2 To reduce sludge transportation costs and increase the sale value of scrap materials, beginning in 2024, sludge from the wastewater treatment plant is dried with steam before leaving the plant, in addition to undergoing dewatering. This results in approximately 200,000 m³ of additional natural gas consumption annually.
- 3 To meet customer demand, the Company underwent a product transition. Starting in 2025, the proportion of high-end and high-layer-count products increased, causing the layer ratio for inner layer, compression, drilling, and electroplating (Aspect Ratio & Plating) to increase from 1.9 in 2024 to 2.7. At the same time, the inner-layer electroplating process before compression involved a larger electroplating area, while heating electroplating bath solutions requires substantial fuel consumption, resulting in a significant increase in fuel consumption;
- 4 The Thailand Plant was completed and entered mass production in 2025. During the initial stage, its scale and trial production activities affected energy consumption performance.

In 2025, fuel intensity ultimately increased by 32.9% compared with 2020.

The measures implemented by each plant in response to increased fuel consumption are summarized below:

- 1 During grid power outages, adjust plant production schedules to reduce loads and shorten the operating time of emergency diesel generators.
- 2 Optimize boiler operations based on the energy usage of each plant during winter; avoid steam heating in the biochemical treatment section of wastewater treatment unless necessary during winter.
- 3 Perform regular maintenance on natural gas boilers to ensure proper operation; regularly inspect transmission pipelines on production lines to prevent steam losses from leakage.
- 4 In 2026, all diesel boilers at the Thailand Plant will be replaced with natural gas boilers with higher thermal efficiency.
- 5 The Huangshi Plant plans to introduce biomass-based municipal steam in 2026, which will significantly reduce natural gas consumption by steam boilers.
- 6 Except for transportation provided to key customers, reduce unnecessary use of company vehicles; adjust vehicle types and dispatch frequency for homebound and airport transportation, and consolidate vehicle dispatches when the waiting time is within three hours.

Trends in the Group's Energy Use (Electricity and Fuels Combined) and Revenue Intensity



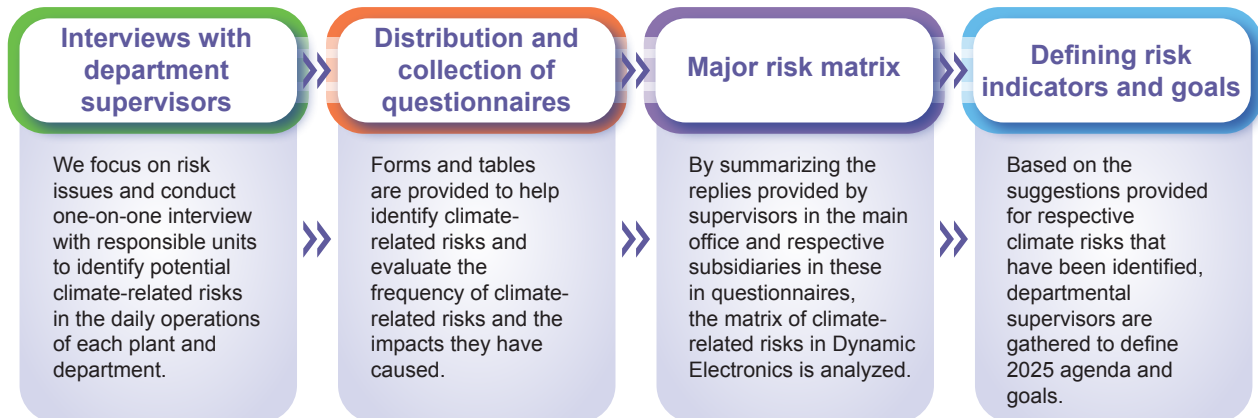
TCFD Climate Change Risk Identification

In the face of global climate change, the climate crisis has become a major challenge to global development and sustainability. Therefore, it is imperative to identify climate change risks early, strengthen climate resilience adjustment, and reduce the operational impacts that may be caused by climate change. Dynamic conducted an indicator comparison based on the Task Force on Climate-Related Financial Disclosures (TCFD) to identify the risks and opportunities associated with climate change. In 2020, Dynamic identified and ranked the climate-related risks through internal discussions among each department of the headquarters and subsidiaries to inventory the climate change risk issues. In 2025, nine major climate risk issues were identified based on the identification results of 2020, and a matrix of climate risk materiality was drawn up. The potential financial impacts as well as the related risk management approaches and countermeasures brought by climate change were also revealed, to refine Dynamic's governance of climate change.

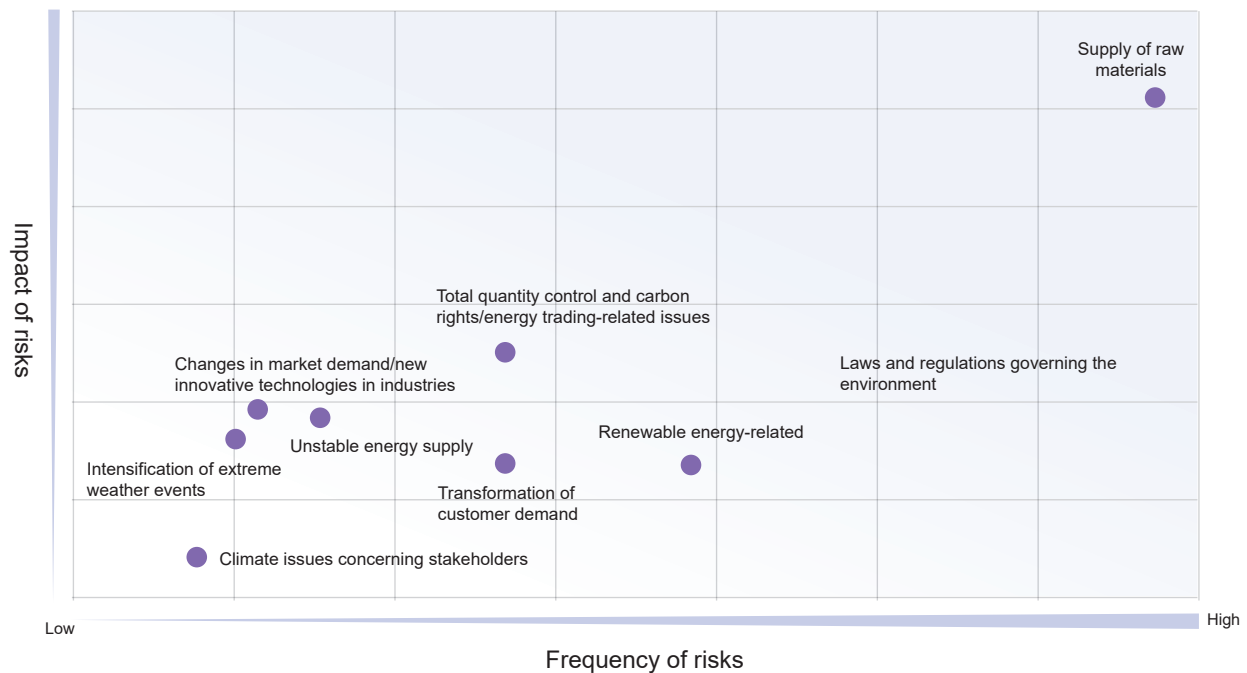


Climate Change Risk Identification Flowchart

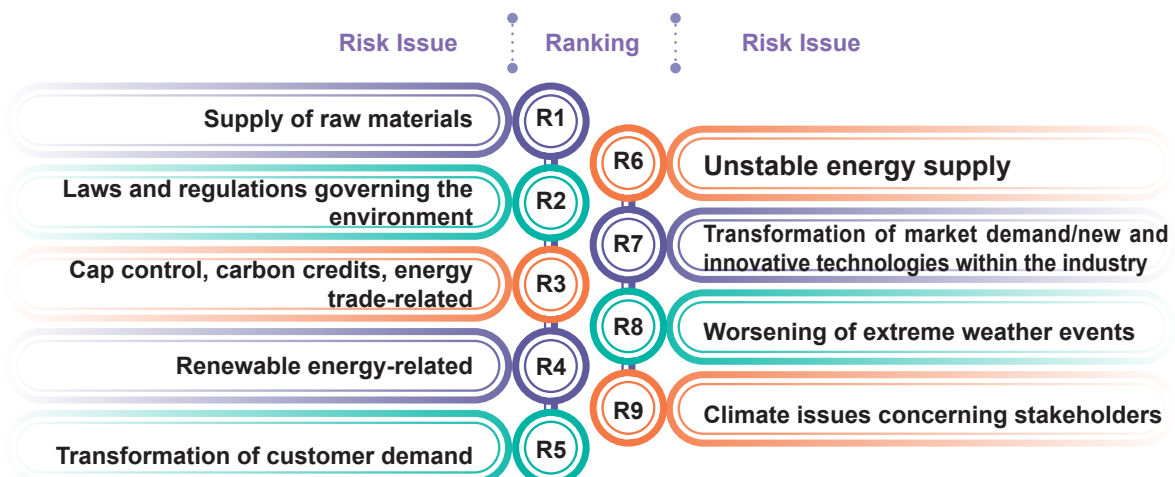
The matrix was produced according to the frequency at which each risk occurred (5 levels) and the extent of impacts of each risk (5 levels) to keep track of material risks and prepare management guidelines to help reduce and transfer impacts when risks occur.



Dynamic's TCFD Climate Change Risk Matrix



Sequencing of Climate Change Risks





Core TCFD Framework

Governance

Board of Directors: Reviews and oversees the climate risks and opportunities faced by the Company every year.

ESG Sustainable Development Committee: The Chairman serves as Chair of the Sustainable Development Committee, with three independent directors serving as committee members. The Committee comprehensively oversees decision making across all aspects of ESG, including strategies and goals related to climate risks and opportunities. A Sustainability Secretariat has been established under the Committee to regularly track and consolidate the progress and achievement of key performance indicators across the Company's departments in the areas of Corporate Governance, Environmental Sustainability, Customer Interests and Social Responsibility, Employee Care, and Innovation and Research and Development, and reports to the Board of Directors at least once a year.

Risk Management Committee: The Chairman serves as Chair of the Risk Management Committee, with three independent directors serving as committee members. The Committee meets once every six months to assess strategic risks, operational risks, financial risks, hazard and climate change risks, business ethics and human rights risks, material topics identified based on the perspectives of the Company's internal and external stakeholders and disclosed in the ESG Report, as well as other potential risk factors. It also exercises control and oversees implementation, effectively allocates resources, identifies potential opportunities, and mitigates major crises.

Strategy

Through the Sustainable Development Committee, we continue to incorporate the potential impacts of climate change into our overall operational considerations. Through questionnaires, we analyze the frequency and degree of impact of risks, and formulate management policies and risk response measures. Dynamic has also examined the opportunities brought by the risks of climate change and, in line with the requirements of environmental and energy laws and regulations, has formulated strategies and objectives that are compliant and can effectively enhance corporate efficiency. In terms of manufacturing processes, we optimize the efficiency of energy and resource use, manage waste emissions, and increase the proportion of renewable energy use. In terms of sales, we are responding to the rising demand for sustainable products from the public and consumers by increasing the revenue share in the green energy sector and low-carbon products. Through the promotion of various strategies, we help each plant achieve energy saving and carbon reduction targets, sustainable transformation and adaptation, thus building up Dynamic's strong corporate sustainability resilience.

Risk Management

In accordance with the TCFD guidelines, Dynamic has divided the risk management process into four stages: identification, evaluation, management, and supervision. Through the participation of the Executive Committee, the Risk Management Committee, and the Board of Directors, Dynamic has established a comprehensive mechanism for the management of risks and opportunities related to climate change. The detailed process on how to integrate the Company's overall risk management system through the Risk Management Committee's compilation of all material risk-related information of the Company is set out below:



Indicators and Goals

- Reduction of greenhouse gas emission intensity**
 Reducing energy consumption and increasing the efficiency of energy use: In April 2025, Dynamic obtained SBTi approval for its near-term science-based targets. Based on a comprehensive Scope 3 inventory, Dynamic revised its baseline year to 2023 and set a target to achieve an absolute 42% reduction in organizational carbon emissions (Scope 1+2) by 2030. For indirect emissions (Scope 3), Dynamic has committed to reduce emissions from purchased goods and services, fuel- and energy-related activities, and waste generated in operations by 25% by 2030.
- Percentage of water resource recycled for reuse:**
 The water recycling for reuse rate shall exceed 55% by 2027 and 60% by 2030.
- Plan solar power generation areas:**
 - The Huangshi Plant continued expanding solar photovoltaic power generation. As of 2025, it has completed the construction of a rooftop solar project with an annual power generation of 2.28 million kWh, which can reduce approximately 1,140 tons of greenhouse gas emissions per year.
 - As of 2025, 139 traditional streetlights have been replaced with hybrid wind-solar streetlights, achieving annual electricity savings of 51,000 kWh.
- Use of Renewable Energy:** In 2025, 141,376 MWh of green electricity was purchased, accounting for about 30.4% of the Group's total annual electricity consumption. This offsets approximately 75,014 tons of greenhouse gas emissions. Dynamic will continue to plan annual green electricity procurement in line with the carbon reduction goals committed under SBTi.
- Enhancing resilience of the supply chain to the risk of climate change:** For manufacturers of raw materials, supplies, and auxiliary materials with annual procurement amounts of 6 million or more in 2025, energy consumption surveys are conducted quarterly, with 25% completed each quarter and 100% completed for the year.



Climate Change Risks and Opportunities

In the face of deteriorating extreme weather conditions, there may be serious potential impacts on the Company's operations and finances. Therefore, based on TCFD, Dynamic has identified climate-related risks and opportunities and considered internal and external environmental changes to identify potential impacts and opportunities on the Company's finances, as well as to make management policies and countermeasures in response to climate change.

Risk Classification (Transition/physical)	Climate-Related Risk	Description of Risk Impact	Potential Financial Impact	Stakeholder
Transition Risk	Supply of raw materials	Extreme weather events will lead to disrupted logistics, production stalemates, or increased risks in the supply of raw materials and standard materials and they will impact plants in terms of downtime and production delays. Moreover, price hikes may occur for raw materials and standard materials.	Natural disasters drive up transport and purchase costs while production delays or downtime will lead to losses of throughput, revenue, and purchase orders.	supply chain, shareholders, customers, and Employees
	Laws and regulations governing the environment	On March 12, 2026, China adopted the "Ecological and Environmental Code of the People's Republic of China", which covers General Provisions, Pollution Prevention and Control, Ecological Protection, Green and Low Carbon Development, Legal Liability, and Supplementary Provisions, and came into force in August of the same year. The Code clearly addresses emerging areas such as chemical substance pollution risk control and climate change response. It focuses not only on end of pipe treatment, but also places greater emphasis on pollution prevention at the source. The Code strengthens the coordination among administrative, civil, and criminal liabilities, significantly increasing the cost of noncompliance, particularly for violations involving new chemical substances.	As the security laws and regulations become stricter, the harsher requirements for the strengthening of pollution prevention and control facilities and for treating pollutants may increase operating costs. Violating environmental protection laws and regulations is subject to mandated downtime, resulting in delayed shipments. The waste treatment market is eliminating waste while retaining the best, and the treatment capacity of qualified processors is becoming increasingly limited, therefore the treatment cost will increase.	Governments, customers, Supply chain and community
	Total quantity control and carbon rights/energy trading-related issues	Hubei Province issued the "Regulations for the Administration of Carbon Emission Credit Trading in Hubei Province" in 2013, and the Hubei Carbon Emission Credit Trading Market was opened in April 2014, then a pilot trading was conducted. China implemented the "Regulations for the Administration of Carbon Emission Credit Trading (for Trial Implementation)" on February 1, 2021 to build a national carbon emission credit trading market, to promote the reduction of greenhouse gases, and to regulate the trading of carbon emission credits and related activities in the whole country. In accordance with the requirements for greenhouse gas emission control, the Shanghai Environmental Energy Exchange also announced the opening of the national carbon emission credit trading market on July 16, 2021, and started to open up for carbon emission trading. The government will set the target carbon emission limit on the market according to the national reduction goals and then assign the carbon emission credit to the corporate entity. If the amount of carbon actually released by the business is higher than that under the contract, the excess will need to be purchased on the carbon quota market; otherwise, a fine will apply.	For emissions in excess, it is required to purchase reduced-emission energy such as photovoltaic or wind power on the market, which will bring up expenditure on energy costs and costs associated with the purchase of carbon credit.	Governments, supply chain Customers, employees, Shareholders
	Renewable energy-related	The National Energy Administration of China released the "14th Five-Year Guidelines for Renewable Energy Development Planning Notification" on April 15, 2020. The 14th Five-Year Guidelines, in particular, is referred to as an important phase for the promotion of "energy transition" and "green development". Enterprises are asked to fully take advantage of the low cost of renewable energy by prioritizing the use of renewable energy.	The Chinese government promulgated green electricity-related laws and regulations and promotes spontaneous adoption of green electricity, part of renewable energy, among enterprises. It is possible that there will be additional costs from the use of green electricity by enterprises.	Government



Opportunity	Management Policy/Countermeasure
- We can integrate the selected raw materials and gain greater initiative in supply and cost by increasing our own options. - We can increase diversity in the sources of raw materials and standard materials to reduce the risk of disruption.	- Explore new suppliers and new standard materials, increase the number of suppliers, diversify sources of raw materials and standard materials, and avoid having only one supplier. - Create secondary suppliers to avoid supply risks with single suppliers and to guarantee smooth supplies and increase room for price negotiation and service. - Periodically reflect upon the supply risk rating of the supply chain and evaluate supplier alternatives. - Enhance the raw material utilization rate and lower the scrap rate. - Improve process capability to reduce raw material consumption. - Increase the safety stock levels for normal raw materials. - Provide sales representatives with trends in the contemporary raw material costs and prices and price hikes among standard materials to propose a price increase to customers, to discuss countermeasures together, and to share the cost rise pressure.
- Proper management helps enhance the corporate image; enterprises catching more attention will have more positive operational developments. - We can use recycling technology to turn waste into reusable resources, thereby reducing the cost of waste disposal. Also, the recycled resources can be sold to increase profitability. - In the past two years, the government has not included Dynamic in the list of companies that must cut down production in response to severe air pollution, which indicates that Dynamic's improvement results have been recognized by the nearby residents and local authorities, thus ensuring that the production meets the demand of the customers.	Environmental Protection Act: - Normalize the management measures, reinforce pollution control hardware equipment, introduce low-pollution raw materials and standard materials to proactively meet the pollution control requirements of the competent authority. Waste recycling: - Turn waste to treasure by means of recycling technology, which not only reduces impacts on the environment but also increases profits for the Company. Find qualified waste processors to create a win-win situation. Discharge of wastewater: - Select processes with low pollution equivalents and reduce the output and divert water from respective processes according to the quality. - Have someone to take charge of managing the adequacy of wastewater systems and to ensure normal operations of equipment. - Continue to cooperate by modifying new technologies for improved processing efficiency. - Evaluate low-nitrogen boilers. They need to be completely improved ahead of official requests. Soil and groundwater: - Improve the source of leakage on the plant compound. - Normalize extraction wells on the plant compound. - Continue to test soil and groundwater on the plant compound each year.
- Set the Company's emissions targets, plan carbon emissions early, and reserve capacity for expansion to ensure smooth production and gain more popularity in the market. - Accelerate the low-carbon transition to cleaner production. Excess carbon rights can be sold for profit, or reserved for operational development.	- Turn the plant compound green, promote green production, reduce energy consumption, plan solar power generation, and enforce ISO 50001 systems to achieve energy-saving goals. - As the implementation progress of each province and city is different, we will continue to pay attention to and follow the relevant regulations according to the implementation progress of each region's carbon emissions management. - Establish the total emissions of the factory's operating activities, and establish a plan to improve high emissions and high energy consumption equipment. - Establish renewable energy and green energy users. - Continue to promote environmental protection system certification. - Improve waste gas and wastewater discharge management, define management guidelines, enforce them, and periodically reflect upon them. - Implement water-saving and electricity-saving measures with the participation of all the Company's employees. - Improve the efficiency of energy and resource use, increase the utilization rate of water, electricity, etc., and control the unit output. - Increase the utilization rate of renewable energy. - Convert carbon emission topics into management items. - Obtain sufficient carbon emissions trading rights to reduce the possibility of being suspended or having production reduced. - Increase the yield rate of plants and processes, and reduce consumption.
- As the Chinese government urges provincial grid enterprises to take responsibility for renewable energy power at either grid parity or low grid prices, and sign long-term fixed-price contracts (no less than 20 years) with power producers at the local coal-fired benchmark grid price, the price of green power may be in line with the price of coal-fired power. - The utilization rate of renewable energy has increased, and the percentage of green energy products has increased, which can win the recognition of international customers.	- Continue to pay close attention to the trends in revisions made to renewable energy laws and regulations and evaluate the cost effectiveness of renewable energy to consolidate the operation of the energy management system and to lower the amount of electricity used in the manufacturing of products. - Since 2021, the Company has purchased green electricity from the market in accordance with its planned carbon reduction goals.



Risk Classification (Transition/ physical)	Climate-Related Risk	Description of Risk Impact	Potential Financial Impact	Stakeholder
Transition Risk	Transformation of customer demand	In response to the environmental trend of energy saving and waste reduction, as well as consumers' conscious choice of environmentally friendly green products, name-brand customers, such as Apple and ASUS require their supply chains to use renewable energy and reduce carbon emissions. Moreover, they track the carbon footprints of their production and transportation processes, and their environmental management, which may lead to an increase in environmental-related costs.	With customers emphasizing environmental protection and carbon reduction, costs will rise. The demand for suppliers to join in the green supply chain will also drive up the operational cost for the suppliers, which accordingly will mean additional product costs to be transferred downstream.	supply chain, Customers and communities
	Unstable energy supply	To go with the air pollution and carbon emission reduction policies of the government, power plants throughout China are gradually slashing the amount of coal-fired electricity. The economic recovery leads to a significant rise in electricity consumption and the generation of clean energy such as wind and hydropower is subject to environmental factors, which makes a rapid increase in power supply impossible. As a result, power rationing occurs in some provincial cities. The insufficient electricity generated and supply of energy give rise to issues such as discontinued production and reduced capacity.	Lost revenue caused by discontinued production and reduced capacity. Increased costs caused by the use of spare electricity from power generators. Cost of overtime due to work behind schedule. Increased cost caused by the purchase of alternative energies.	supply chain, Customers and shareholders Employees and communities
	Changes in market demand/ new innovative technologies in industries	Electronic products are growing towards high frequencies and high speeds. PCBs, accordingly, feature high heat dissipation coefficients and thick copper design. As a result, carbon emissions associated with raw materials are increased. The complex and difficult process also drives up carbon emissions. Meanwhile, customers continue to increase their emphasis on environmental protection ratings and their demand for raw materials and standard materials being environmentally friendly is also climbing accordingly.	To meet the environmental protection requirements, new product development and environmental protection test costs and green raw materials purchase costs will be increased.	supply chain, Customers and communities
Physical risk	Intensification of extreme weather events	Traffic disruption caused by extreme weather events and the downtime and discontinued production because of floods, power outages, and damaged plant facilities also make the supply throughout the supply chain difficult, elongate the purchase cycle of raw materials and standard materials, and even lead to losses of tangible and intangible assets throughout the enterprise.	The frequent occurrence of extreme weather events will increase the costs associated with prevention measures and with aftermath rescues and recoveries. Lost revenue caused by downtime and discontinued production. Increased cost from emergency purchases and tying down of capital from increased stocks. Increased maintenance cost for damaged equipment and facilities.	supply chain, Customers and shareholders Employees and communities
Transition Risk	Climate issues concerning stakeholders	If it is impossible to continue advancing ESG performance, corporate reputation is likely to be undermined and capital-raising will be affected accordingly.	It may disfavor the intended financing of the Company in the future.	Customers and shareholders



Opportunity	Management Policy/Countermeasure
The promotion of clean production helps boost competitive advantages on the market and shape the positive corporate image to secure approval among international customers.	- Set up a water reuse systems. - Evaluate the establishment of a system for recycling and reuse of scraps, such as the etching solution and the gold plating solution, among others, to be introduced. - Introduce clean energy; promote and maintain the environmental management system, the system to manage absence of hazardous substances in products, and the energy management system, etc. - Set the water and electricity-saving goals for new processes to inspire carbon reduction awareness in suppliers. - Create a product environmental footprint management system. - The carbon footprint costs are included in the process costs. - We will introduce new design/new technology/new materials. - Control reasonable cost to ensure revenue and profitability.
- Enhanced electricity use efficiency throughout the Company will not only bring down production cost but also maintain operations under limited power supply. - The use of green alternative energy helps not only avoid the risk of power rationing but also enhance the environmentally friendly image of the Company.	- Continue to promote ISO 50001 systems and use other heat sources to replace electricity for heating purpose, such as steam. - Try to obtain additional energy to reduce impacts of power rationing. - Create back-up solutions where fuels and diesel are used alternately. - Adjust production schedule and unnecessary bottleneck processes.
- Low-energy-consumption materials, process development and investment in advanced processes will meet the demand for products in the future. - The promotion of green production not only meets the requirements of applicable international organizations but also contributes to more competitive advantages on the market to shape a positive corporate image.	- We will strictly follow the requirements of “supplier management and raw material evaluation” to manage the suppliers’ and raw materials’ environmental requirements and implementation status, and review and improve them according to the relevant provisions. - We will collect annual test reports on hazardous substances in suppliers’ products and set water saving targets in new processes to stimulate suppliers’ awareness of carbon reduction. - Develop green materials that meet new environmental requirements. - Include enhanced high-precision process capabilities as part of the precision process project.
- Proper disaster prevention enables Dynamic to be relatively minorly impacted when the industry bears the brunt and to be better competitive. - With expanded sources for the purchase of raw materials, it helps enhance the ability to respond to insufficient supply of raw materials. - Order transfer effect in the event of urgency for other counterparts in the industry to meet delivery deadlines.	- Reflect upon and enhance the tolerance of environmental impacts. - Hold emergency response drills on normal days. - Create secondary support for the supply chain. - Minimize the public dependency on energy and search for backup energy. - Have natural disaster impact evaluations in place on the plant compound and proactively follow up on the developments of various natural disasters. - Create a flexible allocation mechanism through different plant compounds and processing plants. - Have sufficient materials to meet production demand in advance as soon as expected risks occur. - Prepare the Company for risks in advance by elevating the foundation of the plant compound during the early planning stage and planning expensive equipment for higher floors and smooth rainwater drainage systems, among others. - Related departments are notified in a timely manner according to the weather forecast and supervise them over proper preparations for the emergency - Simulate the secondary travel path in advance. - Lower the air-conditioning temperature and reduce the high-temperature operating time. Have anti-heat stroke and temperature-lowering medications ready at the health station. - Add equipment and facility inspection and maintenance frequencies for the mechanical/electrical department and do proper equipment monitoring and management - Introduce electrical smart monitoring systems for the machines. The smart power grid and AI operational mode enable optimization of electricity utilization. - Increase the setup of UPS systems to be ready upon impacts from sudden shortage in power supply. - Monitor equipment water consumption by unit to more precisely track changes in usage. - Activate industrial water tanks throughout the plant for backup and expand the process of recycling water systems. - Commit to the use of recycled water, which, along with the local government’s engineering management, will help reduce the dependency on tap water on the plant compound.. - Build a normal mechanism for the inspection and prevention of buildings and equipment, among others, by the industrial safety/environmental protection/administration units. - Build a pre-warning mechanism for transport and allocation to act early on and to reduce the damage to a minimum.
Obtain ratings and certifications from third-party institutions for investors’ reference to stabilize funding sources and share prices.	- Drive ESG actions (targets and strategy, impacts, efficacy, and continuity of implementation, demonstrated outcome, and leadership). - Improve the quality of what is included in the Report (integrity, credibility, communicability). - Reinforce external disclosure channels (diversified media design and interactive features, stakeholder communication and feedback channels, website CSR section management, electronic version of the Report).



Climate Change Risk Management and Targets - 2025 Implementation Status and 2026 Targets

Based on these climate change risk issues, Dynamic has formulated a tracking management system, and the implementation status of the 2025 targets and the 2026 targets is shown in the table below:

Project	Target implementation status in 2025	Goal setting in 2026
Supply of raw materials	Disrupted supply of raw materials for zero days as a result of climate change	Disrupted supply of raw materials for zero days as a result of climate change
	Huangshi Plant	
	- Annual average utilization rate of raw materials (substrates) Plant P1: 79.68%; Plant P2: 78.22% - Reduce raw material disposal rates; average scrap rate Plant P1: 5.61%, Plant P2: 6.19%	- Annual average utilization rate of raw materials (substrates) reached 80% - Reduce raw material disposal rates; average scrap rate Plant P1: 5.00%, Plant P2: 5.39%
	Kunshan Plant	
Laws and regulations governing the environment	- Annual average annual utilization rate of raw materials (substrates) reached 80.22% - The average scrap rate of raw materials by value has been reduced to 8.72%	- Annual average utilization rate of raw materials (substrates) reached 80% - The average scrap rate of raw materials by value will be reduced to 6.83%
	Huangshi Plant	
	- There were 0 environmental pollution incidents, and the Company was granted Green Label Enterprise by the Hubei Department of Ecology and Environmental Protection - The achievement rate of pollutant emissions standards was 100%; the achievement rate of 50% emission reduction was 99.18% - The total amount of wastewater reused and rainwater harvested that reached the standard was 132,876 tons - In 2025, wastewater treatment chemical costs for D1+D2 were RMB 7.18/ton, down 9.1% compared with 2024.	0 environmental pollution incidents 100% compliance in pollutant discharge (with 95% of the days controlling discharge concentration below 50% of the regulatory limit) - We will increase the use of recycled water resources, increase the use of compliant wastewater, and rainwater collection and reuse facilities (150,000 tons/year). - Reduced wastewater treatment costs, with chemical treatment costs in 2026 projected to decrease by 8% compared with 2025 (RMB 7.18/ton).
	Kunshan Plant	
	- Reduce the actual cost of environmental treatment. The unit consumption of wastewater treatment chemicals was less than TWD 11/ton - The availability of environmental facilities has been improved, affecting the production of single units for no more than 0.5 days per month - Cooperate 100 % with the government in the monitoring and disclosure of each emission to have 0 environmental pollution incidents	- Reduce the cost of environmental treatment. The unit consumption of wastewater treatment chemicals shall not exceed TWD 10/ton - We will improve the operational efficiency of the environmental protection facilities, the impact on production of a single unit should not exceed 0.5 days per month. - Cooperate 100 % with the government in the monitoring and disclosure of each emission to have 0 environmental pollution incidents
Total quantity control and carbon rights/energy trading-related issues	- Purchase carbon credits in compliance with relevant government regulations - Continued to consolidate production lines and optimize product mix to ensure optimized efficacy - Purchase of raw materials that meet 100% environmental requirements - The energy conversion efficiency of newly purchased electrical machinery products shall exceed 85%.. - Purchase of electrical products has changed from fixed frequency to variable frequency	- Purchase carbon credits in compliance with relevant government regulations - Continued to consolidate production lines and optimize product mix to ensure optimized efficacy - Purchase of raw materials that meet 100% environmental requirements - Purchase electrical machinery with the highest IE5 energy efficiency rating - Continue implementing the noise reduction and energy saving project for dust collection fans.
	Kunshan Plant	
	Compared with Scopes 1 and 2, strengthen water, electricity, and gas control, reduce unit energy consumption, and reduce carbon emissions by more than 5% in 2025 compared to 2020.	Strengthen water and electricity control, reduce unit energy consumption, and reduce carbon emissions by 5% compared to 2020.
	Huangshi Plant	
Renewable energy-related	- Purchased 135,390 MWh of green power, offsetting 71,837 tons of greenhouse gases in 2025 - Solar PV generation reached approximately 2.153 million kWh in 2025, reducing greenhouse gas emissions by approximately 1,142 tons.	We estimate to purchase 130,000 megawatt-hours of green power, which will offset about 73,000 tons of greenhouse gases.



Project	Target implementation status in 2025	Goal setting in 2026
Renewable energy-related	Replaced 78 conventional streetlights in Phase I factory roads and living areas with solar streetlights, expected to save 25,000 kWh of electricity annually.	Install a new 263.75 kW photovoltaic power generation system on the rooftop of the C4 Resource Recycling Workshop, with an estimated additional annual power generation of 280,000 kWh.
	Kunshan Plant	
	We continue to support the Government's renewable energy policy	We will continue to support the Government's renewable energy policy in the next stage
Transformation of customer demand	Zero deficiency found during an audit performed by the customer as the goal	Zero deficiency found during an audit performed by the customer as the goal
	Huangshi Plant	
	Fulfilled customer requirements 100%	Fulfilled customer requirements 100%
	Conduct ISO 14064 and ISO 14067 certification in accordance with customer requirements to meet customer Product Carbon Footprint (PCF) calculation needs and obtain Product Carbon Footprint certification.	Conduct ISO 14064 greenhouse gas inventory verification in accordance with customer requirements to meet customer Product Carbon Footprint (PCF) calculation needs..
	Kunshan Plant	
	Fulfilled customer requirements 100%	Fulfilled customer requirements 100%
	We will continue to maintain the effectiveness of various management systems	We will continue to maintain the effectiveness of various management systems
Unstable energy supply	Continued to consolidate production lines and optimize product mix to ensure optimized efficacy	Continued to consolidate production lines and optimize product mix to ensure optimized efficacy
	Huangshi Plant	
	Normal energy supply was maintained throughout the year, with no energy supply interruptions.	Ensure normal energy supply without interruption of power supply.
	Energy storage facilities have been added to meet the plant's energy needs, increase reserve power during outages, and enhance resilience to electricity supply risks caused by sudden power outages.	
Changes in market demand/ new innovative technologies in industries	Kunshan Plant	
	Ensure normal energy supply without interruption of power supply.	Ensure normal energy supply without interruption of power supply.
	Obtained ISO 14067 carbon footprint reports from 12 designated suppliers	Continue to promote other suppliers to obtain ISO 14067 carbon footprint reports
	The Huangshi Plant plans to add one AIBC automatic impedance measurement machine and one 15μm LDI	- The Huangshi Plant plans to add - Six CCD back-drill machines. - Increase board thickness capability to 10 mm and aspect ratio capability to 30:1, with corresponding equipment such as LDI, DES, gantry electroplating lines, and resin plugging and grinding lines.
Intensification of extreme weather events	The Huangshi Plant approved 45 materials, including 30 halogen-free materials.	The Huangshi Plant aims to approve 48 materials, including 20 halogen-free materials
	Disrupted supply of raw materials for zero days as a result of extreme weather events	Disrupted supply of raw materials for zero days as a result of extreme weather events
	Continue to update and maintain the traceability of anti-freeze project; inspect and reinforce prior to extreme weather events	Continue to update and maintain the traceability of anti-freeze project; inspect and reinforce prior to extreme weather events
	Define the emergency response proposal and backup solution to ensure stable and reasonable rates	Define the emergency response proposal and backup solution to ensure stable and reasonable rates
	Plant/Kunshan Plant	
	Incidence of major risks 0%	Incidence of major risks 0%
	Failure of related facilities 0%	Failure of related facilities 0%
Climate issues concerning stakeholders	Control over response cost 0%	Control over response cost 0%
	Continue to focus on customer demand and understand applicable requirements and plans of each customer group on climate issues	Continue to focus on customer demand and understand applicable requirements and plans of each customer group on climate issues



Analysis of Scenarios Where Climate Change Impacts Finance

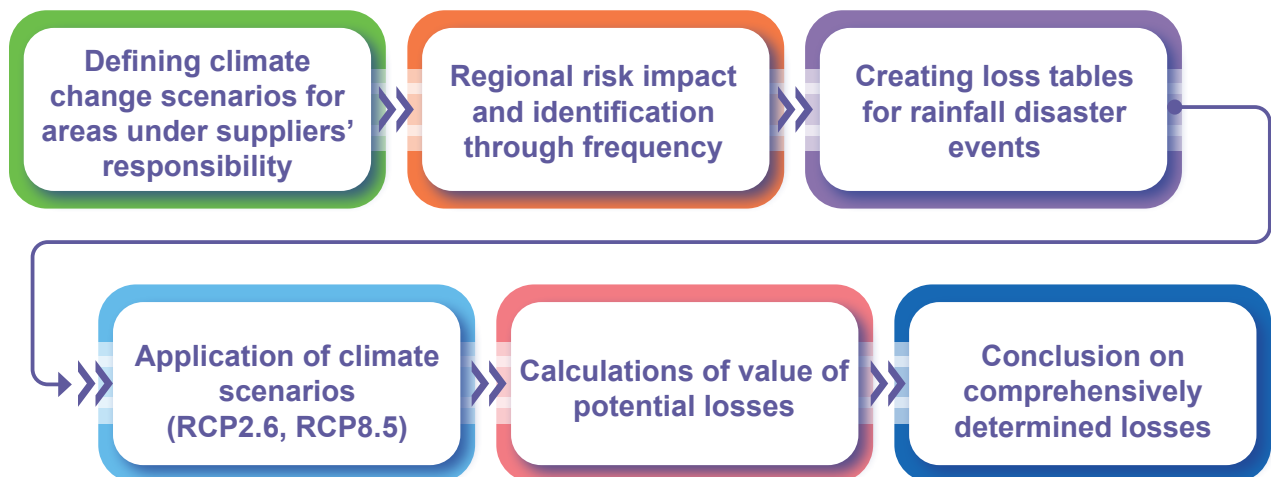
The risk of climate change has had a profound impact on Dynamic's daily operations. The proliferation of extreme weather events in China in recent years, coupled with increasingly stringent environmental regulations in Taiwan and China, will impose significant costs on Dynamic. In other words, for "physical risk" or "transition risk", Dynamic carefully evaluates their resultant impacts and plans ahead of time response mechanisms and related measures to minimize the operational risk.

Scenario Analysis of Physical Risks and Financial Impacts - Analysis of Disasters Caused by Rainfall for Primary Suppliers

Dynamic conducted climate risk exposure inventories for the top three suppliers and assessed rainfall hazards in key suppliers' locations. According to the "Representative Concentration Pathways (RCPs)" in the Fifth Evaluation Report of the Intergovernmental Panel on Climate Change (IPCC) of the United Nations, the difference between the Radiative Forcing in 2100 and 1750 is used by Dynamic as an indicator. Both RCP 2.6 and RCP 8.5 scenarios were used, and Climate Analytics' RCP 2.6 and RCP 8.5 scenario data are referenced.

Results of the evaluation show that the risk exposure percentage of revenue from the analysis of the simulated RCP 2.6 scenario was 0.0160 % and that of RCP8.5 was 0.0169 %. Primary suppliers of Dynamic Electronics are not exposed to significant physical risks and hence there will be no significant financial impacts.

Physical Risk Scenario-based Analysis and Evaluation Procedure



Scenario Analysis of Transition Risk and Financial Impacts - Risk Analysis of Carbon Charge

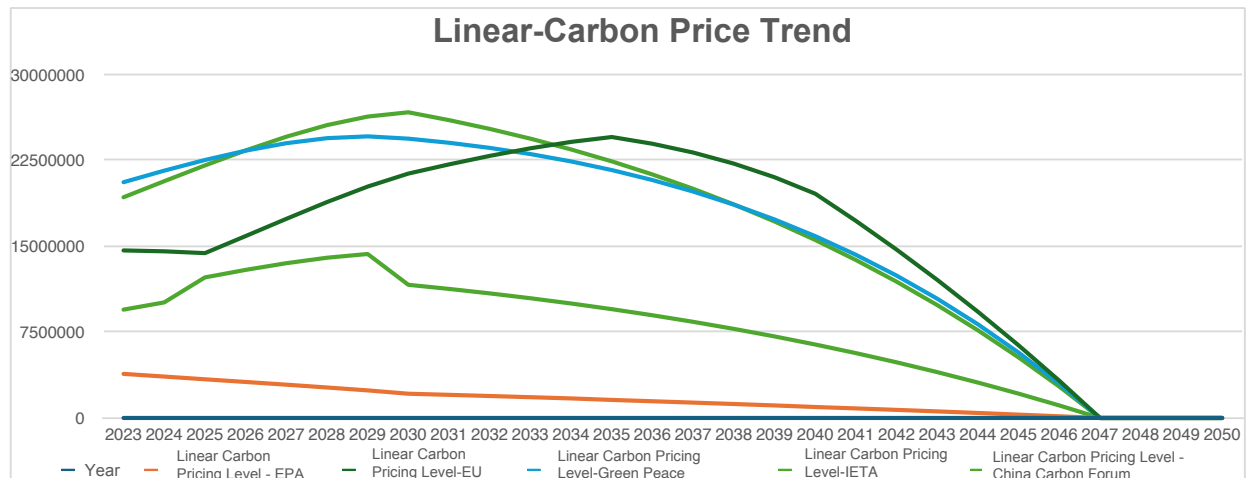
To achieve the goal of "net zero emissions by 2050", the Executive Yuan of Taiwan recently approved the draft amendment to the "Greenhouse Gas Reduction and Management Act" and the title of the act was changed and modified into "Climate Change Response Act". It is expected that carbon charge will apply to emission sources throughout the nation in the future. In China, on the other hand, under the background goal of "carbon peaking by 2030 and carbon neutralization by 2060", the National Carbon Trade Market was commissioned in 2021. Therefore, Dynamic evaluates the impacts of carbon charge on its finance in the future according to the current climate change strategy and current operational status as the fundamental scenario.

The overall greenhouse gas emissions of Dynamic throughout 2020 came to 217,322.5717 tonnes (only Scopes 1 and 2). With 2020 as the baseline, the annual carbon reduction ratio is forecast according to Dynamic's carbon reduction goal of 4% linear reduction a year and the five criteria of carbon prices, namely: the "EPA-recommended rate", "EU-estimated carbon tax rate", "IEA-estimated rate", Greenpeace-recommended rate", and "Estimated carbon price of the China Carbon Forum" and is calculated according to the current actual carbon credit trade ratio while Dynamic is evaluated for its extent of risk exposure under different scenarios in the future and up to 2050.

Results of the evaluation show that under each of the five estimated rates by 2050, financial impacts are the most significant applying the EU carbon tax and the Greenpeace-estimated rate and the least with the EPA-recommended rate. Although the results of the analysis are not harmful to Dynamic's operations, Dynamic is highly concerned about carbon related issues. In addition to actively introducing renewable energy equipment, Dynamic also promotes upstream carbon emissions verification, and gives 100% priority to purchasing raw materials with low carbon emissions per unit of product, to reduce the carbon emissions of each stage in product life cycle, in the hope of giving customers environmentally friendly products with low carbon emissions.



Carbon Charge Scenario Analysis of Dynamic



Unit: TWD

Inferred year		2030	2040	2050
Carbon Emission Scenario	Carbon Charge Scenario			
Taking 2023 carbon emissions as the baseline, reduce carbon emissions by 7% annually on a linear basis through 2030, and by 3% annually thereafter.	Recommended rate by the Environmental Protection Administration	\$2,117,582	\$959,140	\$0
	Estimated rate of EU carbon tax	\$21,328,387	\$19,571,932	\$0
	Recommended rate by Greenpeace	\$24,375,300	\$15,869,713	\$0
	Estimated rate by the International Energy Agency (IEA)	\$26,676,727	\$15,534,478	\$0
	Estimated carbon price of the China Carbon Forum	\$11,622,573	\$6,413,102	\$0

Note: The current actual carbon credit trade ratio in China is 20 %

Internal Carbon Pricing

In response to the carbon fee–related transition risks identified by Dynamic, and to achieve the Science Based Targets initiative (SBTi) decarbonization pathway and targets committed by the Company, Dynamic implemented an internal carbon pricing mechanism in 2025, adopting a shadow pricing approach. This initiative is intended to align with international trends and the Company's decarbonization strategy, while promoting low-carbon investments, enhancing energy efficiency, identifying low-carbon opportunities, and incorporating climate considerations into decision-making and risk assessments. The establishment and implementation results of internal carbon pricing are reported annually to the Board of Directors for supervision and evaluation, and disclosed in the sustainability report and on the Company's website.

Dynamic's internal carbon pricing has been set for its locations in Taiwan, China, and Thailand. Taking international standards, local carbon trading markets, and local carbon fee systems into account, and based on future carbon fee pathways under transition risk scenarios, a risk premium was applied. Accordingly, the internal carbon prices for 2025 have been set at TWD 540, RMB 103.5, and THB 885.8, respectively. The application and evaluation scope of internal carbon pricing covers Scope 1, Scope 2, and Scope 3. Initial assessments indicate that it will be applied to the Company's procurement management and product research and development design, with related carbon emissions and carbon footprints incorporated into decision-making considerations.



II. Greenhouse Gas Emissions

Management approach

Actual and potential positive economic, environmental, and social impacts on Dynamic(opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic(risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
By building a comprehensive system and accelerating the transformation to clean and low-carbon production, the company's image can be enhanced and have a more positive operational development compared to those companies that are under the spotlight.	With the development of electronic products, the complexity and difficulty of manufacturing processes have increased, leading to higher carbon emissions. However, the proportion of environmental protection continues to increase, and the requirements for environmental protection of raw materials are also increasing, which will lead to increased production costs.	We will take the potential impact of climate change into account in our overall operations, formulate management policies and risk response measures, and, in line with the requirements of environmental and energy laws and regulations, formulate energy-saving and carbon reduction strategies and targets that are compliant with the law and can effectively enhance our corporate efficiency. Commit to the SBTi reduction target, with Scope 1+2 emissions to be reduced by 42% by 2030.	• Install hybrid wind-solar green energy streetlights; • Continue expanding rooftop solar power generation facilities and procuring green electricity externally; • Introduce municipal biomass steam to replace fossil fuel boilers; • Promote various environmental management systems to ensure the implementation of policies and programs.	CEO's mailbox

Goal and Performance

Goals	2023 Baseline year	2025 Performance	2025 Goal	Goals in 2030 (Short-term)	Goals in 2050 (Long-term)
SBTi Scope 1+2 Reduction Target (taking 2023 as the baseline year, including the Thailand Plant)		211,796 (+12.00 %)	<166,406	<109,678 (-42 %)	100%
SBTi Scope 1+2 Reduction Target (Taking 2023 as the baseline, excluding the Thailand plant)	189,100	165,830 (-12.30 %)	<166,406	<109,678 (-42 %)	100%
SBTi Scope 3 Reduction Target (taking 2023 as the baseline year, including the Thailand Plant)		446,518 (+26.97 %)	<326,541	<263,745 (-25 %)	
SBTi Scope 3 Reduction Target (Taking 2023 as the baseline year, excluding the Thailand Plant)	351,660	382,556 (+8.79 %)	<326,541	<263,745 (-25 %)	

Remarks: Taking 2023 as the baseline, Scope 1+2 emissions were 189,098 tCO₂e, and Scope 3 emissions were 351,660 tCO₂e.
The carbon intensity reduction is the performance indicator of the Board of Directors and senior managers.

The Group's 2025 greenhouse gas inventory work by scope, conducted with external service providers, is as follows:

Plant	File Name	Serial number	Date of Issue	Certification body
Kunshan Plant	ISO 14064-1:2018 Greenhouse Gas Emissions Verification Statement_ Kunshan Plant	15/WITGHG2026175	2026-04-18	WIT Assessment
Huangshi Plant	ISO14040:2006 & ISO14044:2006 & ISO14067:2018LCA Life Cycle Assessment (including product carbon footprint)	PLCAV 835005-0	2025-10-20	BSI
Huangshi Plant	ISO 14064-1:2018 Greenhouse Gas Emission Verification Statement_ Huangshi Plant	CFV 843298 09052024	2026-05-20	BSI
Thailand Plant	ISO 14064-1:2018 Greenhouse Gas Emission Verification Statement_ Huangshi Plant	CFV 840731 18032026	2026-03-18	BSI
Taoyuan Operation Center	ISO 14064-1:2018	50600533 GHG-4	2026-04-01	DQS



The Science Based Targets initiative (SBTi) is a global collaborative initiative and the world's first decarbonization framework designed to support corporate transformation, ensuring that emission reduction targets align with the decarbonization requirements of the "Paris Agreement", with the goal of limiting global temperature rise to 1.5°C or well below 2°C above pre-industrial levels.

Dynamic has committed to setting near-term emission reduction targets consistent with the science-based climate targets of SBTi, and in April 2025 obtained SBTi approval for its near-term science-based targets. Based on a comprehensive Scope 3 inventory, Dynamic revised its baseline year to 2023 and set a target to achieve an absolute 42% reduction in organizational carbon emissions (Scope 1+2) by 2030. For indirect emissions (Scope 3), Dynamic has proposed a 25% absolute reduction target aligned with the WB2C (Well Below 2°C) pathway, committing to reduce emissions from purchased goods and services, fuel- and energy-related activities, and waste generated in operations by 25% by 2030..

On November 18, 2025, CommonWealth Magazine and the Taoyuan City Government jointly hosted the event "Taoyuan Dialogues with the World: Enterprises Advancing Net Zero", demonstrating the city and enterprises' commitment to sustainable practices. Through the Corporate Carbon Reduction Thermometer (TRIPs), a collaboration between CommonWealth Magazine and Tunghai University, accurately calculating carbon reduction targets aligned with the Paris Agreement 1.5°C standard using publicly available data, Dynamic earned the honor and recognition as a "Taoyuan 1.5°C Model Enterprise". This accolade symbolizes Dynamic's role as a driving force and advocate for the city's net-zero efforts, showing both local residents and the international community the determination and capacity of Taoyuan enterprises to reduce carbon emissions.

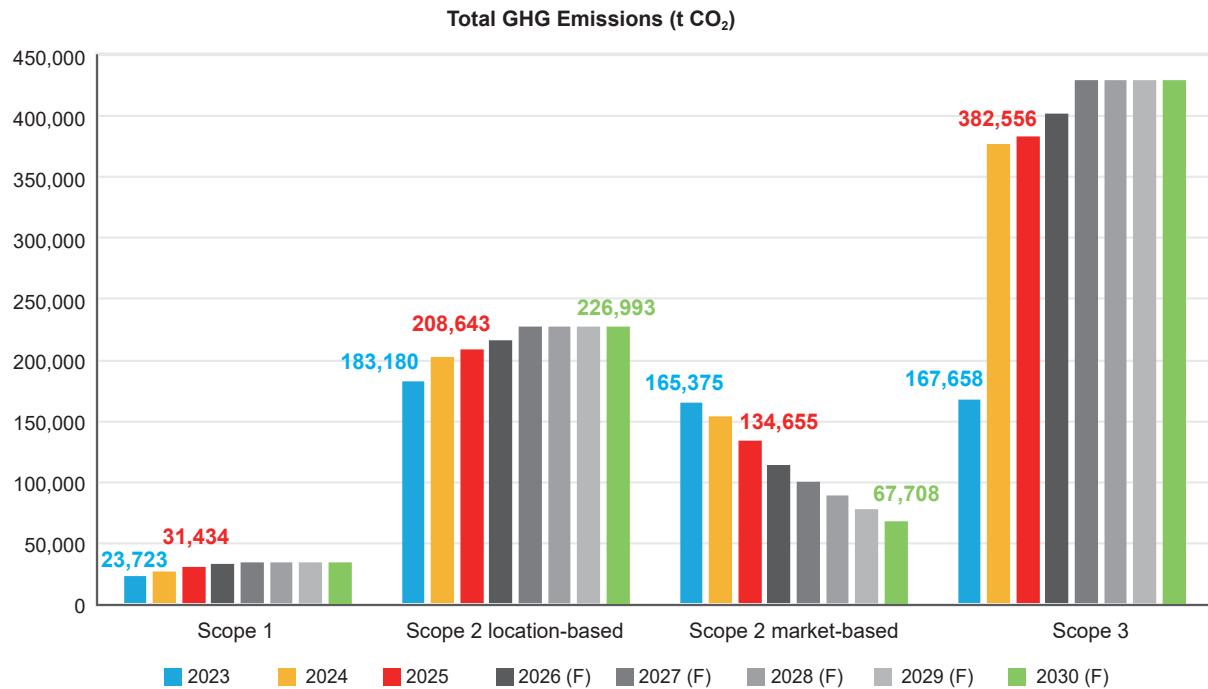
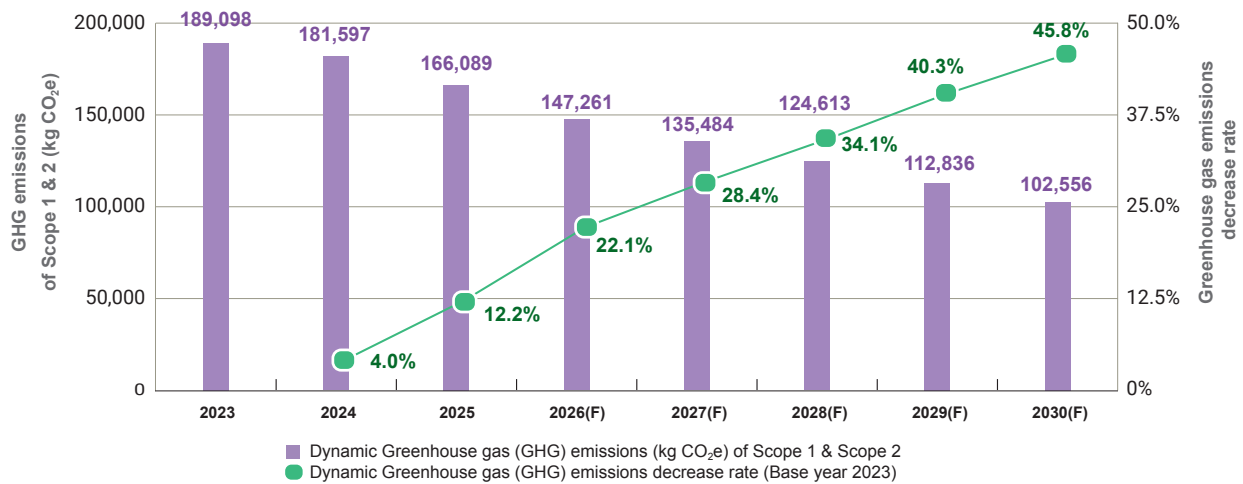


Dynamic will continue to implement sustainability through concrete actions, delivering tangible results in response to global climate challenges, and demonstrating the company's commitment and capability toward a net-zero future. Our next step is to work toward setting long-term science-based targets, with the aim of achieving net-zero greenhouse gas emissions no later than 2050.





GHG INVENTORY OVERVIEW


Scope 1+2 Reduction Pathway Based on the SBTi Emissions Reduction Commitment (excluding emissions from the Thailand Plant, DTMC)


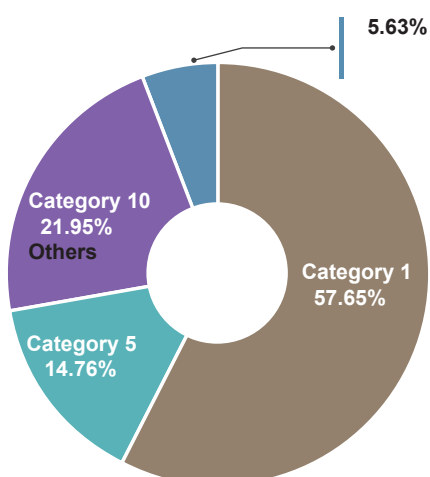
2009	2014	2018	2019	2021	2022	2023	2024	2025
The Taoyuan Plant completed its first ISO 14064 external verification	The Kunshan Plant completed its first ISO 14064 external verification	The Huangshi Plant was established and completed its first ISO 14064 external verification					Developed an internal product carbon footprint self-assessment platform	The Thailand Plant was established and completed its first ISO 14064 external verification
				Purchased 33,085 MWh of green power	Purchased 10,000 MWh of green power	Purchased 42,000 MWh of green power	Purchased 91,480 MWh of green power	Purchased 139,061 MWh of green power
	Commenced disclosure of Group GHG emissions in the CSR report				Initiated planning for rooftop solar energy systems	On-site solar power generation: 195,493 MWh	On-site solar power generation: 1,333,544 MWh	On-site solar power generation: 2,153,047 MWh
				Began replacing thermal oil boilers with higher-efficiency natural gas boilers in 2021	Established the Dynamic Circular Economy Industry Research Center at the Huangshi Plant	Began deployment of wind-solar hybrid streetlights. Installed electric vehicle (EV) charging stations	Installed off-peak energy storage systems	Planned the introduction of biomass-generated municipal steam
			Initiated the setting of emissions intensity reduction targets	Completed TCFD climate change risk identification	Implemented an online energy monitoring system	Committed to the Science Based Targets initiative (SBTi)	Developed an internal carbon pricing framework	In April 2025, Dynamic's science-based near-term emissions reduction targets were approved by the Science Based Targets initiative (SBTi).



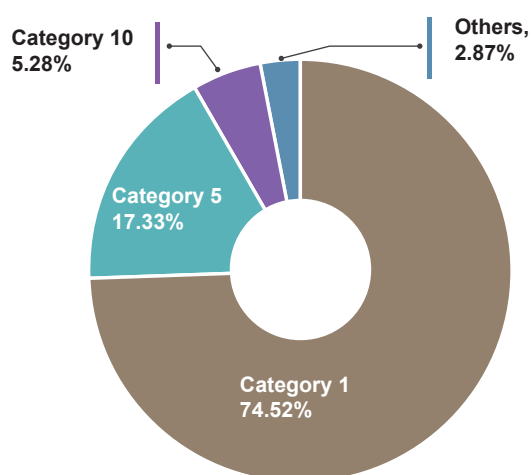
Scope 3 Breakdown by Category (excluding DTMC)

Scope3		2023	2025
Category1	Purchased goods and services	202,726.32	285,119.49
Category5	Waste generated in operations	51,904.60	66,323.94
Category10	Processing of sold products	77,203.06	20,201.52
Others	Others	19,798.46	10,987.00

2023 AD



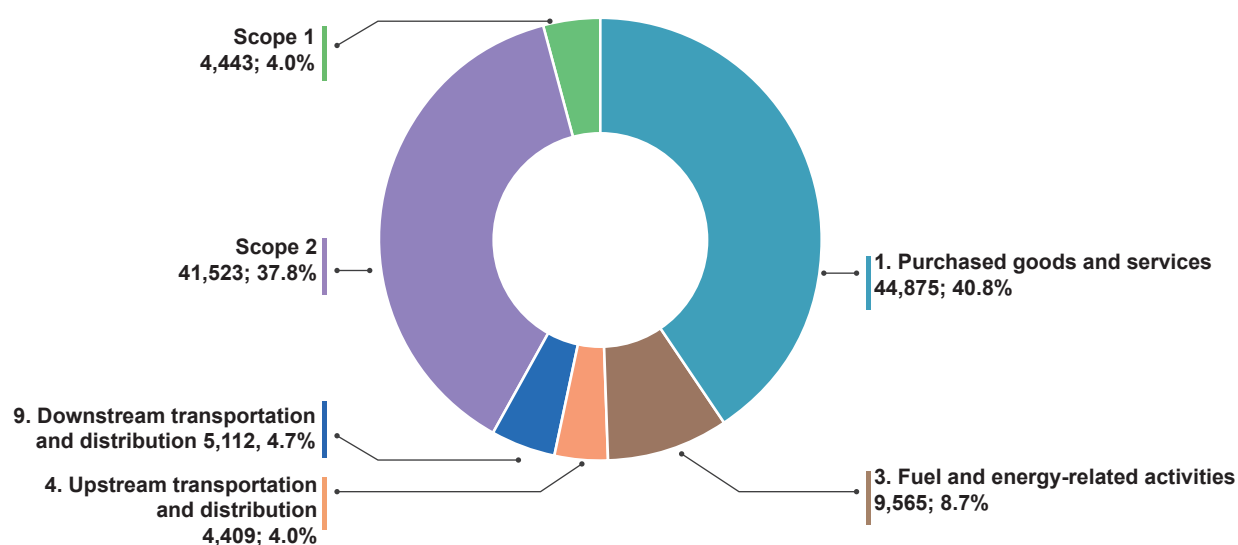
2025 AD



As the Thailand Plant was established after Dynamic submitted its SBTi committed targets for validation and the plant remains under ongoing construction, its emissions have not yet been incorporated into the Group's climate roadmap pending a clearer understanding of its emissions profile.

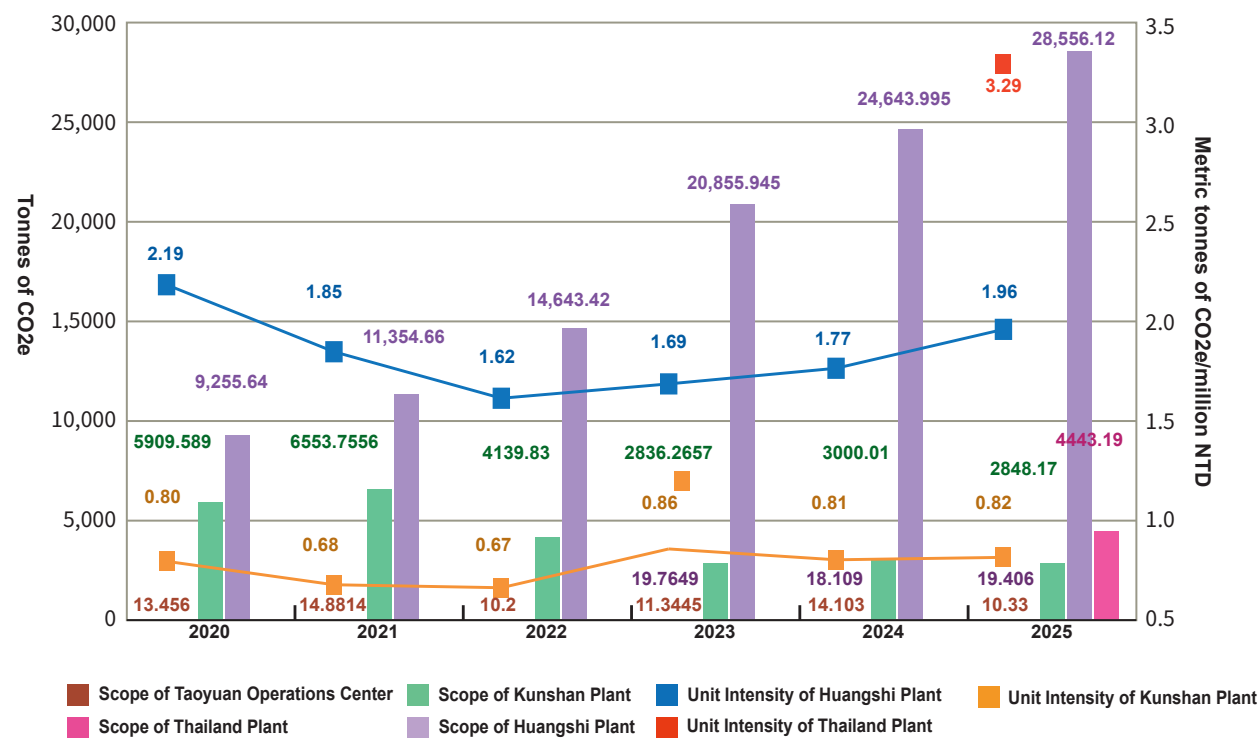
2025 GHG Emissions of the Thailand Plant

Unit: tCO₂e



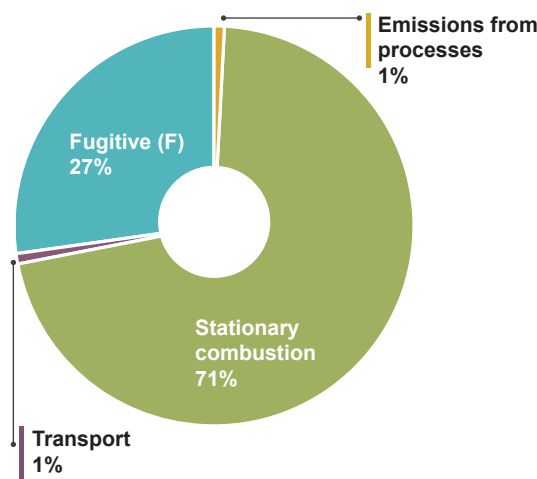


Historical scope 1 (direct) greenhouse gas emissions of PCB Business

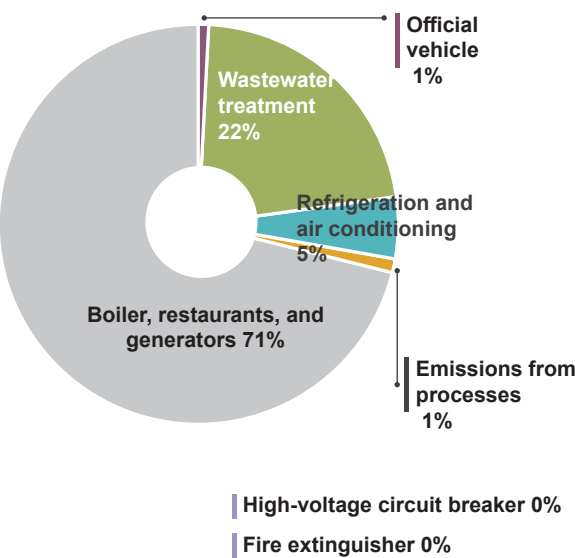


2025 Scope 1 Direct Greenhouse Gas Emissions Analysis Chart for the PCB Business

Percentage of Emissions by Category

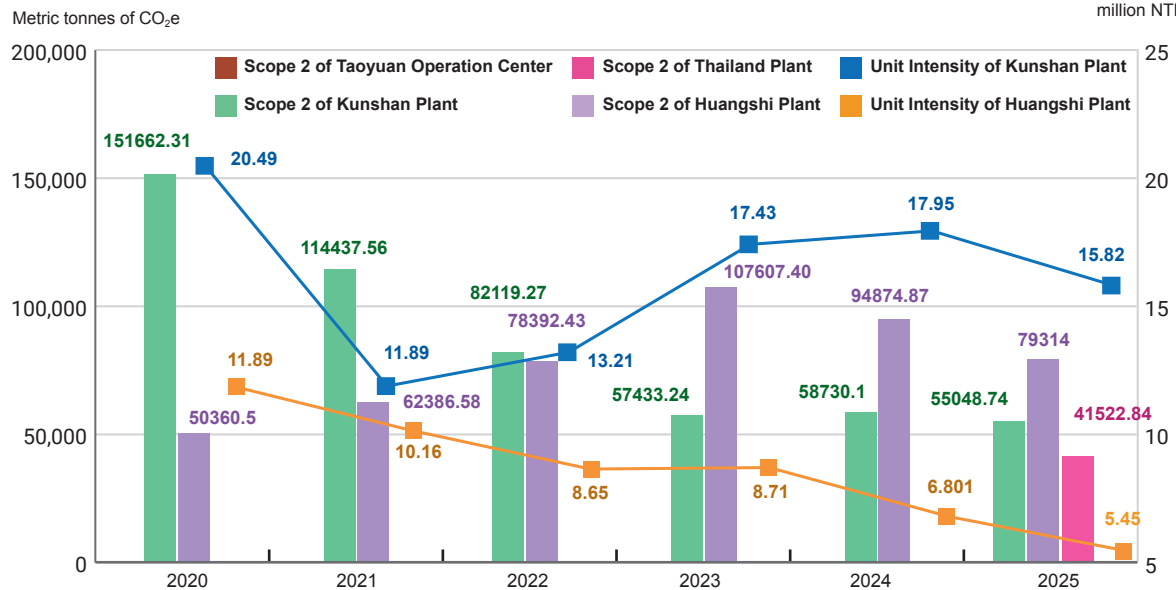


Percentage of Emissions by Source

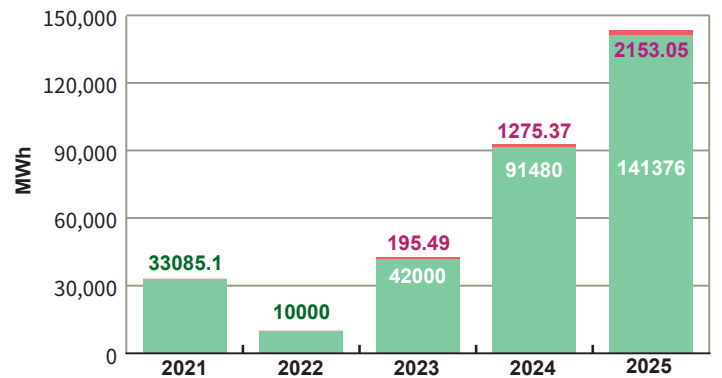
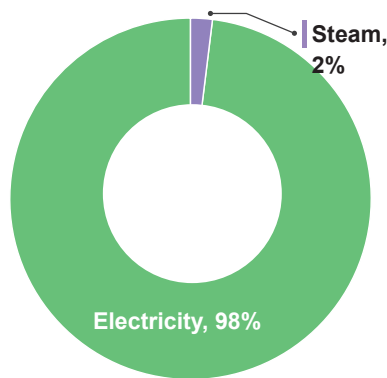


Scope 1 Emissions Description

Comparison with Baseline Year 2023 Emissions	Comparison with Baseline Year 2023 Emissions Intensity	Description	Improvement measure
Kunshan Plant: +0.4% Huangshi Plant: +36.9% Thailand Plant: Newly Established	Kunshan Plant: -4.6% Huangshi Plant: +16.0% Thailand Plant: Newly Established	The distribution of Scope 1 emissions by category showed no significant change, while total emissions increased significantly, mainly because the Huangshi P2 Plant in Hubei and the Thailand Plant were successively completed and commenced production, and the Kunshan Plant began operating its employee cafeteria in house, resulting in an increase in overall emissions.	To reduce Scope 1 emissions, the Huangshi Plant has planned to install steam pipelines and will purchase biomass steam from an external source in the second half of 2026 to replace steam generated by in-plant boilers, thereby reducing natural gas emissions from stationary combustion.

Metric tonnes of CO2e/
million NTD

Group Renewable Electricity Trends



Purchased renewable electricity (MWh) Self-installed photovoltaic power generation

Comparison with Baseline Year 2023 Emissions	Comparison with Baseline Year 2023 Emissions Intensity	Description	Improvement measure
Kunshan Plant: -4.2% Huangshi Plant: -26.3% Thailand Plant: Newly Established	Kunshan Plant: -9.2% Huangshi Plant: -37.4% Thailand Plant: Newly Established	Electricity remained the primary source of Dynamic's Scope 2 emissions, with purchased steam accounting for another 2%. Through green electricity procurement planning and energy efficiency improvements to equipment, Scope 2 emissions at each plant showed a downward trend.	All plants, including the Thailand Plant, have completed green electricity procurement plans in line with their plant expansion progress. Meanwhile, the Huangshi Plant will continue to develop its solar photovoltaic power generation facilities.

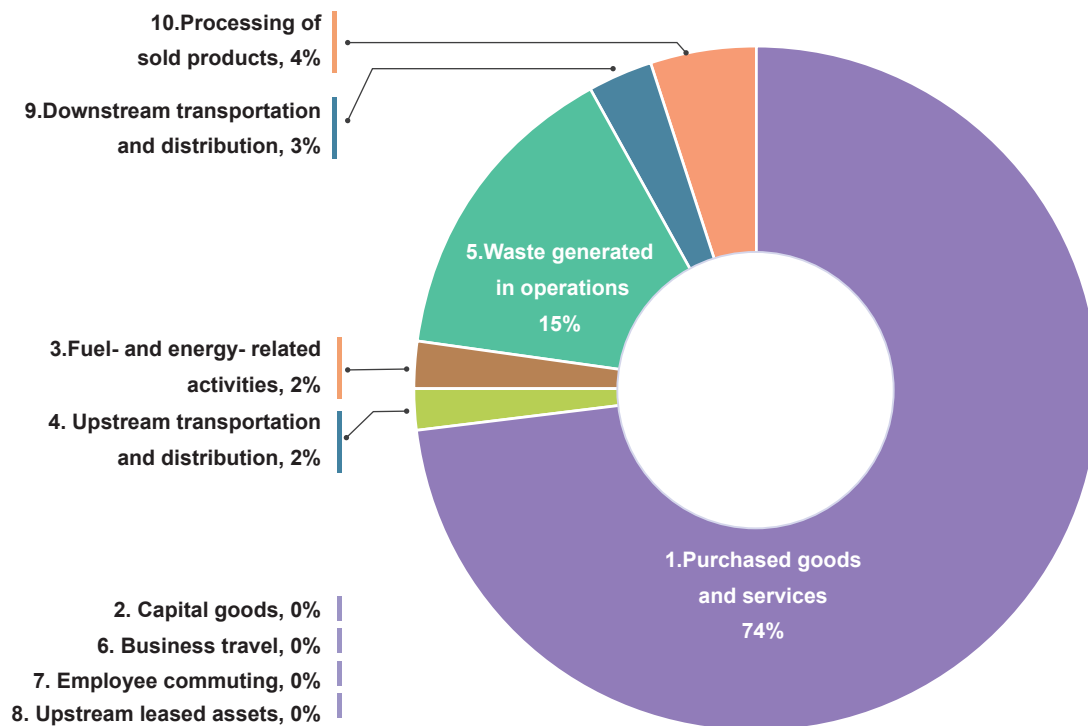
Huangshi Plant Photovoltaic
Power Station Monitoring Screen



Dynamic Selected for Business Weekly's 2025 "Carbon Competitiveness Top 100"



Overall Scope 3 Emissions of Dynamic Group's PCB Business in 2025



From the distribution chart, it can be seen that waste generated from operating activities and carbon emissions from purchased goods account for over 90% of Scope 3 emissions. To address this, Dynamic has implemented detailed waste classification and recycling, including dewatering and reducing sludge, nickel waste liquid, and membrane residues to lower waste volume. These measures not only reduce disposal costs but also decrease carbon emissions associated with the use of raw materials and transportation. Since 2023, the Huangshi Plant has promoted zero landfill waste and has continued to achieve UL2799's highest Platinum certification. Going forward, efforts will continue to focus on circular reuse of valuable materials, such as purifying and reusing waste tin-stripping solutions back into the production line. Priority is also given to recycled raw materials, such as recovered copper, nickel, gold, palladium, etc., for PCB production to reduce the carbon footprint of purchased raw materials. In addition, 99% of raw materials are procured regionally to reduce transportation emissions. Greenhouse gas emissions reduction plans for purchased goods will also be implemented through upstream procurement management and supply chain engagement.



Promoting Natural Carbon Sinks

In 2025, Dynamic participated in Taoyuan City's "Fuxing District Bamboo Forest Renewal Demonstration Project". Five enterprises committed to sustainability and environmental protection are jointly participating in the project. Through a public-private partnership governance model, the project advances the goal of a sustainable Taoyuan by promoting a demonstration project for bamboo forest renewal and launching Taoyuan's first natural carbon sink site jointly supported by enterprises. The project also aligns with the policy directions set out in the "Taiwan 2050 Net-Zero Transition Natural Carbon Sinks Key Strategy Action Plan", including "Forest 2-2: Promote the renewal of aging bamboo forests to revitalize bamboo forest carbon sequestration capacity" and "Forest 4-1: Promote forest management models and research that enhance carbon sink benefits", creating a win-win outcome for the environment and the economy.

Bamboo grows rapidly, has a wide range of applications, and can sequester large amounts of carbon, giving it strong development potential in construction materials, crafts, sustainability, and environmental protection. The project will carry out five years of renewal, tending, and carbon sink application work across 12 hectares of bamboo forest in Fuxing District. It is estimated to generate approximately 700 metric tons of CO₂e in natural carbon sequestration, serving as an important demonstration for Taoyuan's transition toward net zero.



Dynamic has long purchased eco-friendly coffee from OKOGREEN (OKO), the first Fairtrade licensee in the Chinese-speaking world. OKOGREEN sells eco-friendly shade-grown coffee. Shade-grown coffee cultivation is a land management system that mimics natural forests, with farmers planting fruit trees or other local secondary crops alongside coffee trees so that the coffee grows beneath their canopy. These plants also absorb carbon from the atmosphere, reducing greenhouse gases in the environment. According to a paper published in 2020 by UCL professors Carmen Nab and Mark Maslin through the Royal Geographical Society, the carbon footprint of Fairtrade green coffee beans is 3.51 kg CO₂e per kilogram, compared with 15.33 kg CO₂e per kilogram for commercial green coffee beans.

As of December 2025, Dynamic Holding's procurement of Fairtrade coffee had reduced its carbon footprint by 4,414 kg CO₂e.

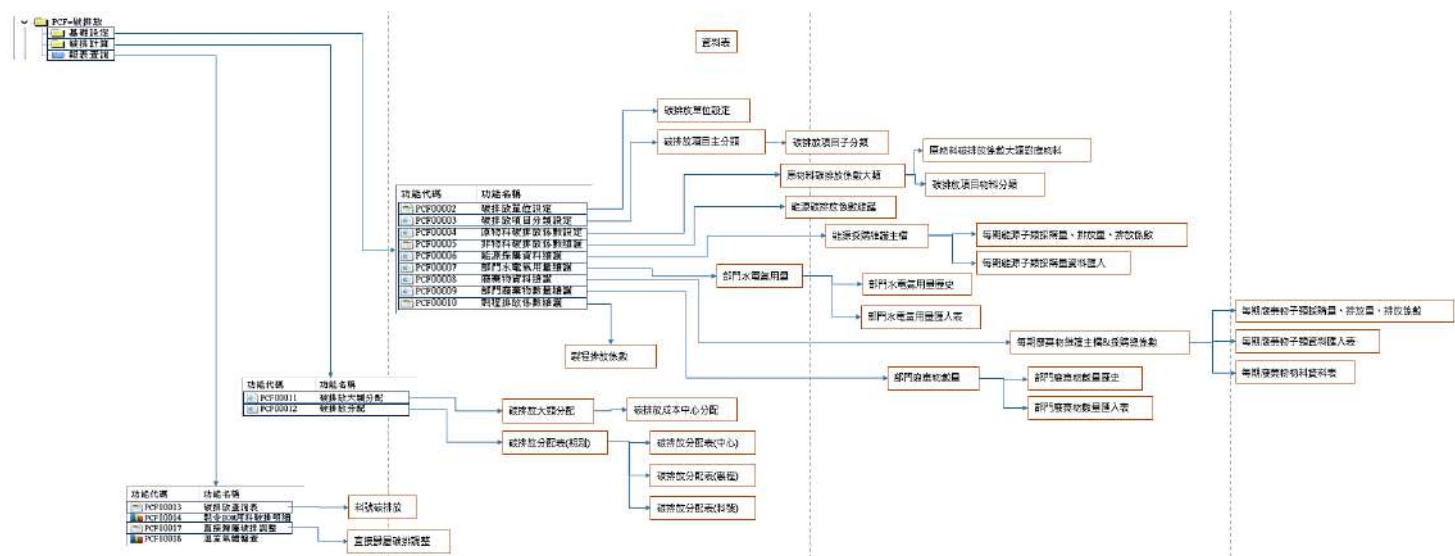


Product Carbon Footprint

In terms of product carbon footprint, in addition to conducting ISO 14067 product carbon footprint verification for representative part numbers, Dynamic has also built a self-developed PCB Carbon Footprint Calculation Tool (PCF System) by accumulating experience from the verification process. By inputting product engineering information, the system can instantly estimate product carbon emissions, helping customers select low-carbon production pathways during product design. At the same time, customers' choice of low-carbon raw materials encourages the supply chain to implement carbon reduction.



The PCF data for a produced PN can be directly queried and calculated through the system.



As PCB manufacturing involves thousands of materials, chemicals, and auxiliary supplies, the estimation process still has many variables. Therefore, Dynamic continues to work closely with suppliers to reduce carbon emissions and collect data sources, while continuously improving its calculation logic to ensure that estimates are closer to actual emissions.

Through the development of the PCF Platform, Dynamic assessed the overall environmental impacts of PCB products throughout their cradle-to-gate life cycle, from raw material acquisition and manufacturing to distribution, and quantified the environmental impacts generated at each stage, such as greenhouse gas emissions, energy use, resource consumption, and pollution generation. This has provided Dynamic with a deeper understanding of the environmental footprint of its products. Going forward, Dynamic will use these findings to drive product innovation and optimize production processes to reduce resource consumption and pollutant emissions, thereby advancing sustainable development and the green economy.

III. Water Resources Management

Management approach

Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Dynamic can divert operational wastewater to improve wastewater recycling rates and reduce overall corporate water withdrawals by refining water use efficiency. An adequate and stable supply of water resources helps maintain product manufacturing efficiency and supply stability, thereby reducing operational risks and sustaining the Company's long-term competitiveness.	Climate change and man-made wastewater pollution have exacerbated water resource problems around the world. The chain effect of these water resource problems will increase the operating costs of enterprises.	Comply with laws and fulfill responsibilities Full participation and enhanced communication Technical control, pollution reduction Continuous improvement, sustainable management	Zero water consumption and drainage violations Timely disposal of abnormal water consumption (abnormality does not exceed 3 days) Recycling program of heavy metals in wastewater (zero heavy metals in effluents) Continue water and electricity conservation inspections and checks for leaks and overflows Use multi-stage rinsing on production lines, with water from later stages recovered for use in earlier stages Optimization plan for scrubber circulating water Continue production line water circulation and water-saving transformation program	Plant General Manager ESG Sustainability Committee (Dedicated line and complaint mailbox)
		Maximize water use efficiency		
		Actively promote AWS water resource management certification	Water resource management system promotion program	

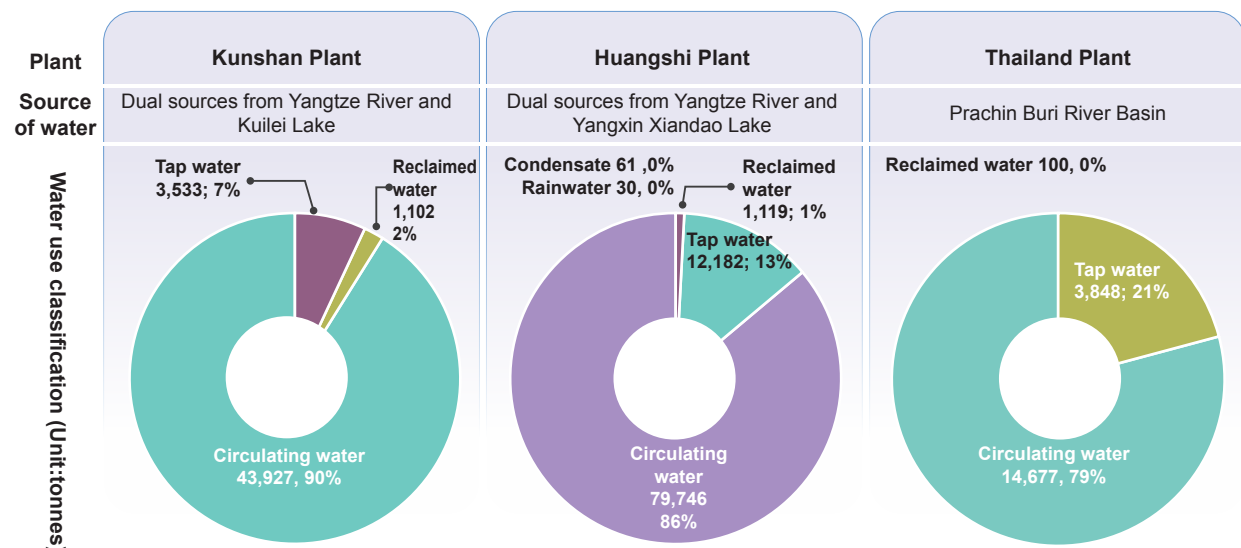


Goal and Performance

Goals	2025 Performance	Goals in 2025	2027 Target (medium-term)	2030 Target (Long-term)
Annual water conservation rate of the Kunshan Plant (using 2025 as the baseline)	370.56	366	364	350
Annual water conservation rate of the Huangshi Plant (using 2025 as the baseline)	305.45	304	303	300
Annual water conservation rate of the Thailand Plant (using 2025 as the baseline)	1,040.79	800	600	400
Percentage of water resource recycled for reuse of Kunshan Plant	53.04%	>35%	>35%	>40%
Percentage of water resource recycled for use of Huangshi Plant	59.20%	>35%	>55%	>60%
Percentage of water resource recycled for use of Thailand Plant	58.95%	>50%	>55%	>60%
"0" violations in emission (Kunshan Plant, Huangshi Plant)	0	0	0	0

Remarks: This water intensity reduction target serves as a performance indicator for the Board of Directors and senior management.

Assessment of the impacts on sources of water for the Kunshan and the Huangshi Plants of Dynamic



Information on water usage		Water is used for cooling, plate cleaning, tank blending, tank washing, firefighting, and household water. The wet process requires a large amount of water to clean the acid and other dirt on the board surface, which accounts for 60%~80% of the total water consumption, and this part of the cleaning wastewater is the focus of water recycling at Dynamic.		
Regional risk as determined according to the Aqueduct Water Risk Atlas	Water pressure	High	Low-medium	Extremely high
	Water shortage stress	Low	Low	High
	Intra-year change	Low	Low	Low
	Quarterly change	Low	Low-medium	Low
	Flood risk	High	Low-medium	Low-medium
Amount of water used in the region		150 million tons/day	47 million tons/day	32 million tons/day



Amount of water used on the plant compound	0.37 million tons/day	1.1 million tons/day	0.38 million tons/day
Water withdrawal as a percentage of regional water supply	0.2% (no significant impact)	2.3% (no significant impact)	1.2% (no significant impact)

Water-related potential impacts

Mitigating extreme climate impacts:

Global warming has increased the frequency of extreme weather events, such as extreme rainfall and prolonged droughts, highlighting the growing severity of natural disasters and exacerbating operational difficulties for businesses.

To mitigate potential water-related impacts, Dynamic recycles and reuses water and recovers rainwater and condensate, while maximizing multiple uses of water to reduce reliance on municipal water. The Huangshi Plant is located in the middle and lower reaches of the Yangtze River, which has a subtropical monsoon climate. During the transition from spring to summer, frequent interactions between warm and cold air masses can easily trigger severe weather events. Heavy and even torrential rainfall is particularly common during the plum rain and flood season in May. The Plant has therefore installed a flood detention basin to reduce the drainage burden during heavy rainfall and lower flood risks. After simple treatment, collected rainwater can also be used for landscape irrigation, floor cleaning, toilet flushing, or as a backup water source for firefighting. The Huangshi Plant has also planned the recovery of air-conditioning condensate. Due to its low hardness, the condensate can be used as evaporation makeup water for cooling towers, helping prevent scale buildup.

Southern Thailand has a tropical rainforest climate with high temperatures throughout the year. Influenced by the northeast monsoon and tropical cyclones, heavy rainfall is common from November to January of the following year and can easily cause severe flooding, landslides, and storm surges. The Thailand Plant is located in 304 Industrial Park at an elevation of 14–21 meters above sea level, with firm soil conditions, and is not affected by flooding.

Reducing the Impact of Water Withdrawal:

An adequate and stable supply of water resources helps maintain product manufacturing efficiency and supply stability, thereby reducing operational risks and sustaining the Company's long-term competitiveness. The Huangshi Plant, Dynamic's primary production base, obtained certification under the AWS International Standard for Sustainable Water Management in early 2025. The Thailand Plant and Kunshan Plant also independently manage their water resource operations through the same management system.

Kunshan Plant

Although the Kunshan Plant is located in a high water-stress area, since 2021 the Company has gradually shifted production capacity to the Huangshi Plant. Through prudent planning and the installation of a reclaimed water system, there have been no recent water shortages. In 2025, the Kunshan Plant's municipal water withdrawal amounted to 1.29 million tons, unchanged from 2024, representing a 36% reduction compared to 2020.

Huangshi Plant

The Huangshi Plant is not located in a region subject to frequent water shortages. Its primary water source is municipal water, and in 2025 its water consumption had no significant impact on the supply of the withdrawal area (<5%).

Thailand Plant

The Thailand Plant is located in 304 Industrial Park in southern Thailand. The industrial park has a large reservoir with a storage capacity of 40 million cubic meters and a daily water supply capacity of 344,000 cubic meters, sufficient to meet the high water demand of industries such as chemicals and electronics.

Avoiding the Impact of Wastewater Discharge:

Industrial wastewater has a significant impact on the environment, and wastewater treatment therefore increases corporate operating costs!

In order to avoid impact on the local water resources and environment, each of the Company's production sites is under strict management, and the water discharged from the production process is first treated in the factory to ensure that the water is better than the legal standard before it is discharged (Kunshan Plant directly discharges surface water, while Huangshi Plant and Thailand Plant discharge into sewage treatment system of the industrial zone and is discharged after secondary treatment) to minimize the impact on natural water bodies.



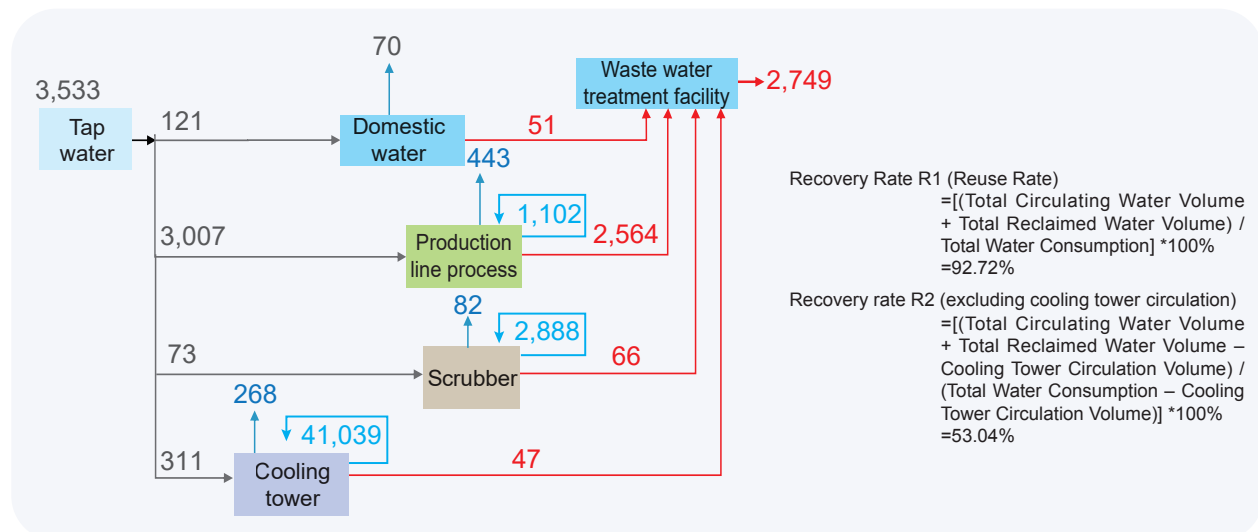
Water resource/environment management system certification

Plant	System name	Certification body	Certificate validity period
Kunshan Plant	Alliance for Water Stewardship (AWS)	TUV Rheinland (Guangdong) Ltd.	Date of certification decision: 2022-Aug-09 Validity of certificate: 2025-Aug-09
	ISO 14001: 2015	CTi Certification Co., Ltd.	Date of certification decision: 2023-06-29 Validity of certificate: 2026-06-28 Issuance No.: 04123E30109R3L
Huangshi Plant	ISO 14001: 2015	BSI Assurance UK Limited	Date of certification decision: 2025-01-03 Validity of certificate: 2028-01-02 Issuance No.: EMS 697792
	Alliance for Water Stewardship (AWS)	TÜV Rheinland (China) Ltd.	Date of certification decision: 2026-Feb-11 Validity of certificate: 2029-Feb-10
Thailand Plant	ISO 14001: 2015	BSI Assurance UK Limited	Date of certification decision: 2025-04-11 Validity of certificate: 2028-04-10 Issuance No.: EMS 818580

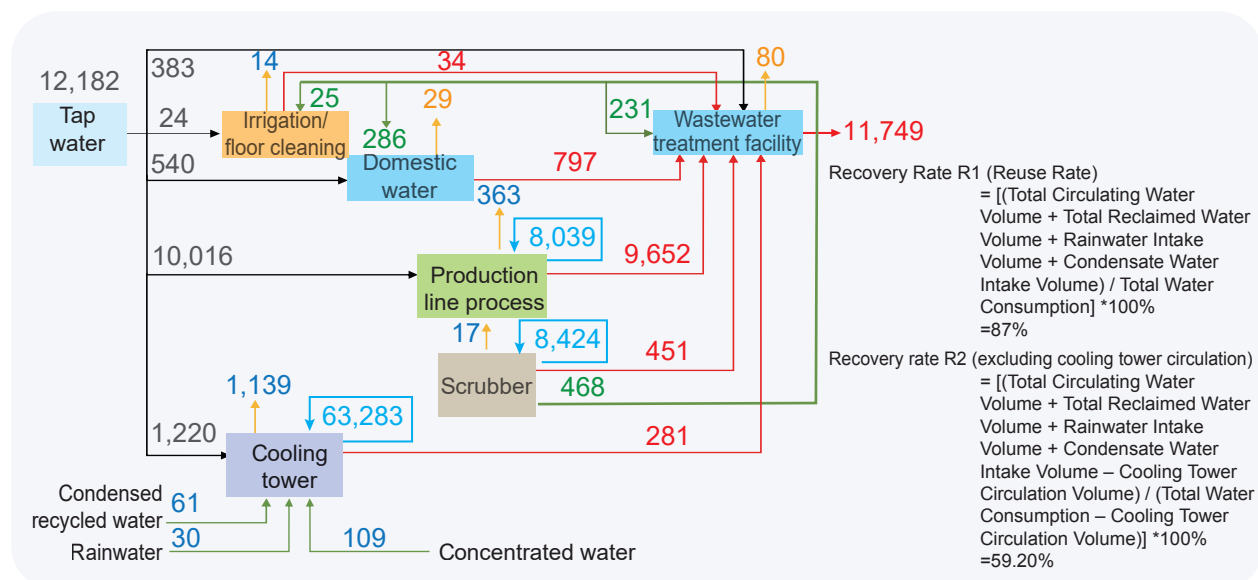


Huangshi Plant Sustainable Water Management (AWS) Standard Certificate

Balance Chart of Water Consumption at the Kunshan Plant in 2025

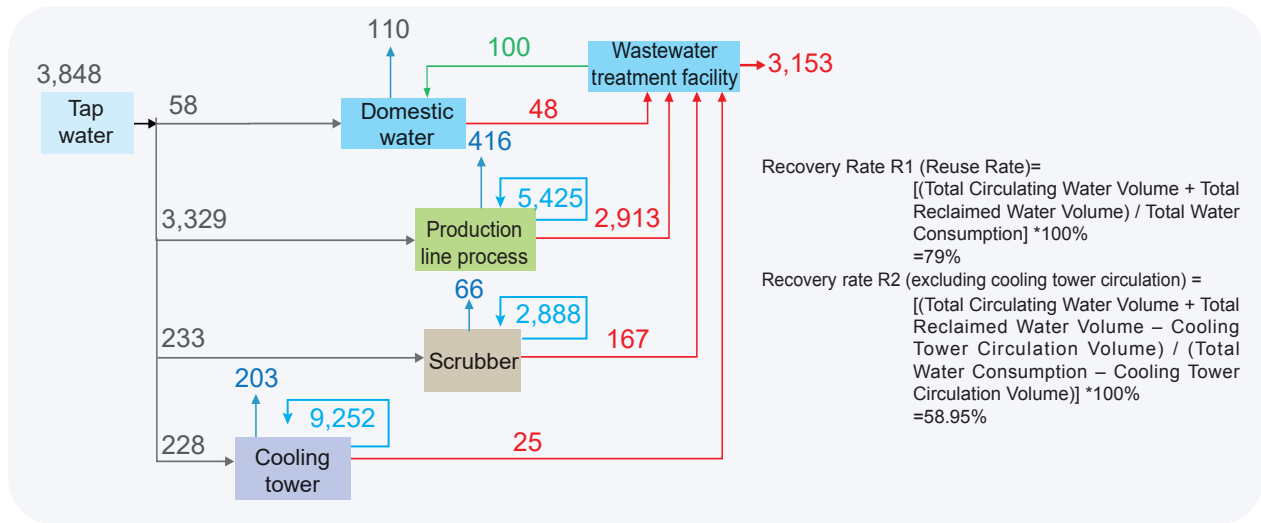


Balance Chart of Water Consumption at the Huangshi Plant in 2025

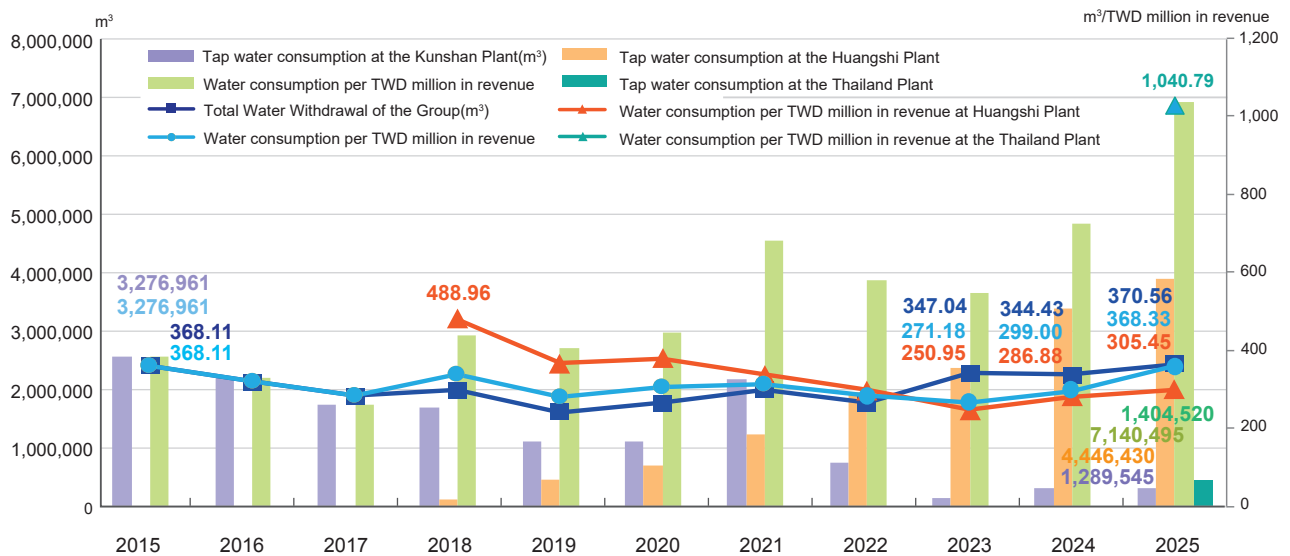




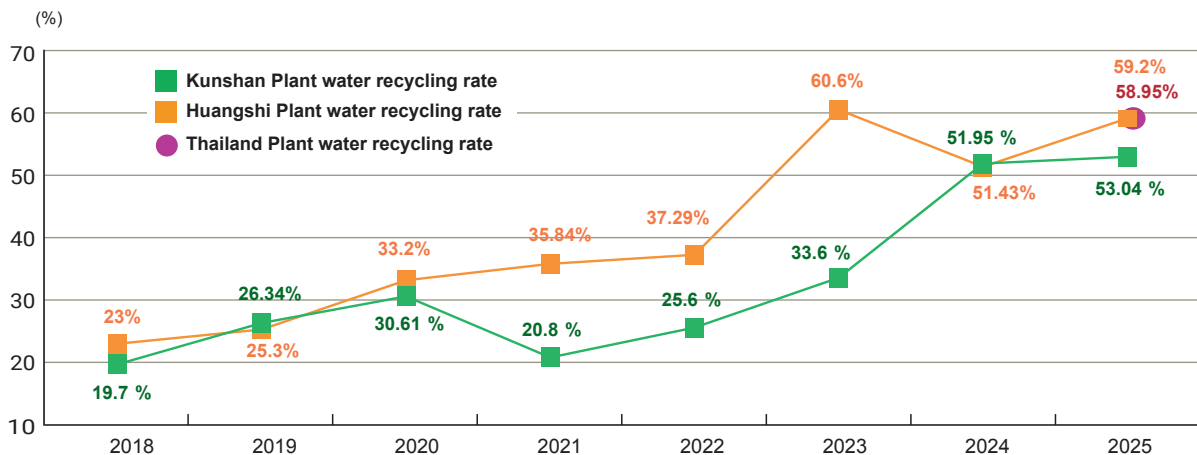
Balance Chart of Water Consumption at the Thailand Plant in 2025



Trends in the Amount and Intensity of Water Consumed at Each Plant



Water Resource Recycling and Reuse (Excluding Cooling Tower Circulation) at Each Plant





As the Kunshan Plant reduced its production scale, water consumption decreased accordingly. However, due to its relatively aging equipment, overflows and leaks account for a significant proportion of water waste. The Plant will therefore install water- and electricity-saving features on production and other utility equipment, while strengthening maintenance and inspections for leaks on production lines. These measures will reduce overflow while production lines are waiting for materials and prevent losses caused by excessive overflow.

Both water withdrawal and water consumption intensity at the Huangshi Plant increased, mainly due to product upgrades and increased production of high-end HDI products. A larger inner-layer area undergoes electroplating before compression, resulting in greater water consumption. Therefore, although the final outer-layer area did not change significantly, the inner-layer area increased substantially. Electroplating is also one of the major water-consuming processes, and as the number of electroplating lines continues to increase, water consumption has continued to grow.

Huangshi Plant Water Resource Management Improvement Measures:

- Install flow controllers on DES (Developing-Etching-Stripping) equipment to precisely control flow rates.
- Modify the wastewater tank at the bottom of the rinse section after stripping on the outer-layer DES line, which was originally connected to the wastewater discharge system, so that it is connected to the first-stage rinse after the fresh solution wash for recirculation.
- Reuse filtrate from the copper powder filter press on the electroplating brushing line in the production line.
- Change the backwash water source for the sand filtration system from municipal water to first-stage RO concentrate to reduce both concentrate discharge and municipal water withdrawal, with estimated annual water savings of 17,600 tons.
- Reuse treated effluent that meets discharge standards, saving 162,000 tons of municipal water.
- Provide water conservation training to new employees to reinforce water-saving awareness.

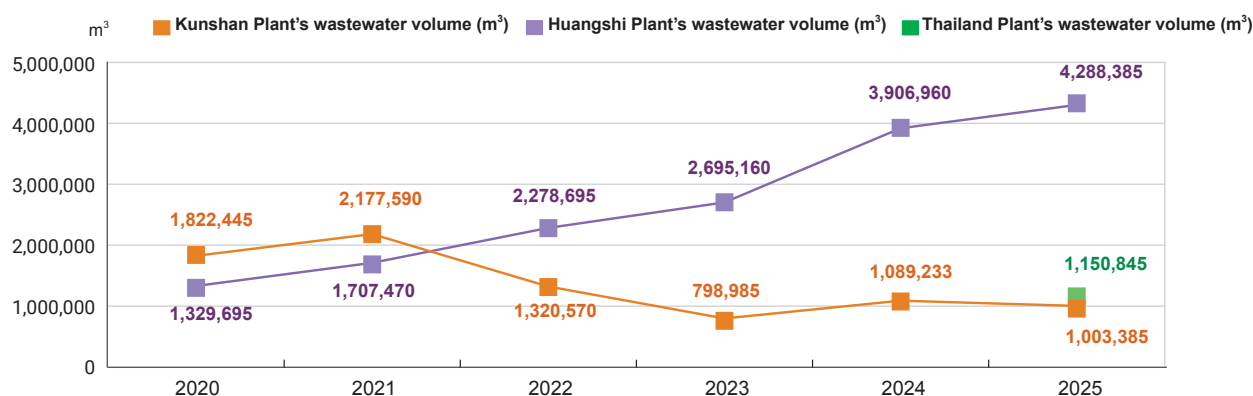


On production lines, circuit board cleaning water is managed through a multi-stage rinsing cycle. For instance, water from the first-stage rinsing system using ultrapure water and secondary RO-treated water is circulated into the second and third rinsing stages. Relatively clean rinsing water is directly reused within production lines, while moderately contaminated water is treated onsite for reuse. Highly contaminated rinsing water is discharged to the wastewater treatment system for further treatment before reuse or discharge. These measures reduce the demand for fresh water and lower the operational load on the wastewater treatment system.

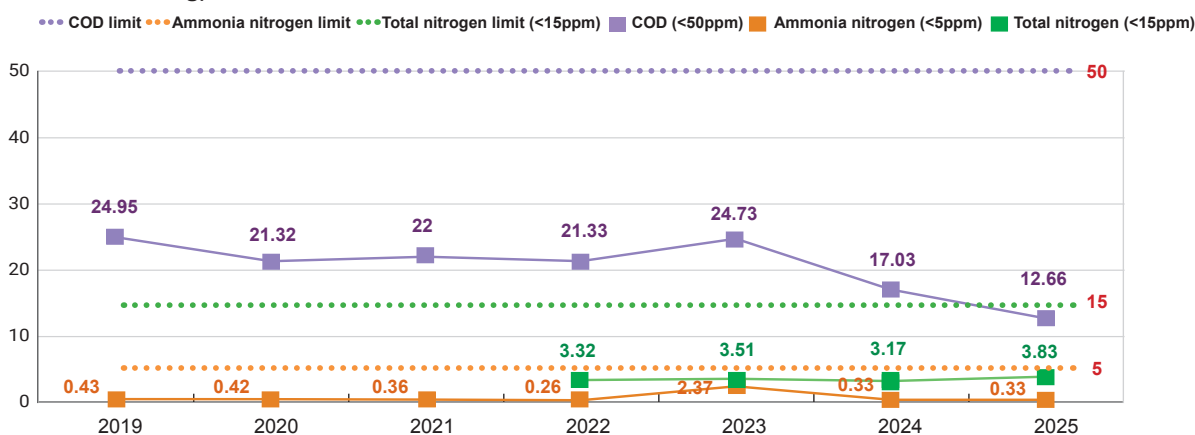
As the Thailand Plant is newly established, energy and resource use efficiency was relatively low during trial production, resulting in a significant increase in water consumption. The Plant will accelerate efforts to achieve production stability and establish water consumption standards for its production lines.

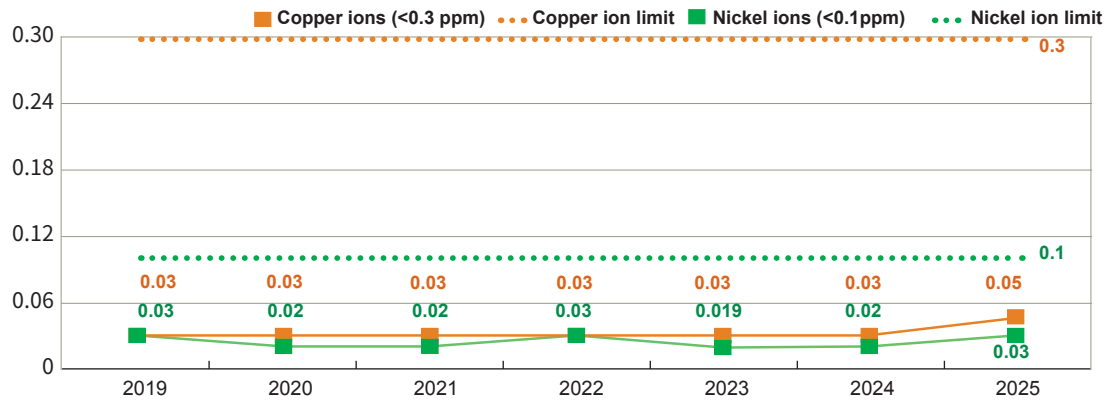
Wastewater/Sewage Management

Wastewater discharge trend at the production plant

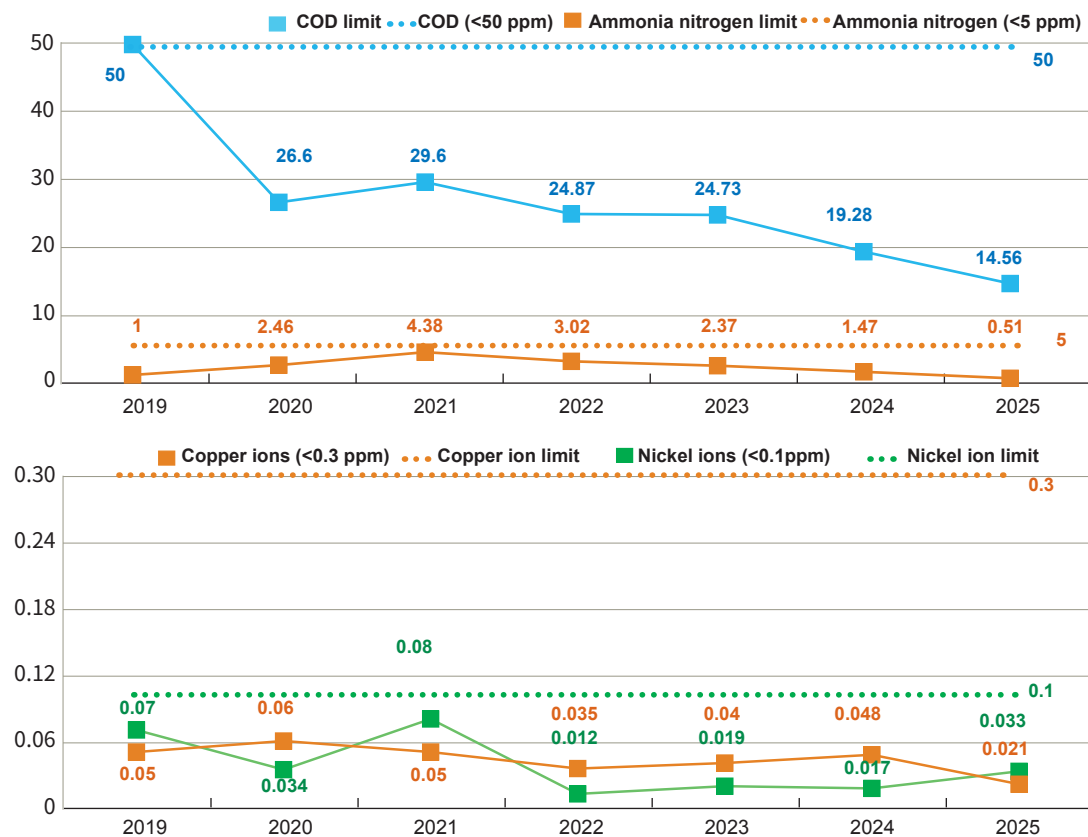


The wastewater treatment status of the Kunshan Plant in 2025 is as follows (annual average amount of on-line pollution monitoring):





The wastewater treatment status of the Huangshi Plant in 2025 is as follows (annual average amount of on-line pollution monitoring):



The wastewater treatment status of the Thailand Plant in 2025 is as follows (annual average amount of on-line pollution monitoring):

Effluent Monitoring Program	Regulatory Standard	2025	Goals in 2026
Total Copper	<1.0 ~ 2.0mg/L	0.06	<0.3mg/L
Total Nickel	<1.0mg/L	0.05	<0.3mg/L
pH value (pH)	5.5 ~ 9.0	7.27	6.5 ~ 8.5
Biochemical Oxygen Demand (BOD ₅)	<20–60 mg/L (Industry Park requirement: ≤ 500)	26.25	<300mg/L
Total suspended solids (SS/TSS)	<200mg/L	11.67	<100mg/L
Total dissolved solids (TDS)	Generally limited to below 3,000 mg/L, with a maximum of 5,000 mg/L	2,288.17	<2,600mg/L

In 2025, the wastewater treatment performance at both the Kunshan and Huangshi plants remained excellent, with all indicators remaining stable and in compliance with regulatory requirements. In response to the progressive tightening of environmental protection laws and regulations in the future, both factories are committed to reducing pollution at the source through R&D units, and they will continue to invest resources in improving the performance of wastewater treatment facilities. As the Thailand Plant is newly established, management of its wastewater treatment facility is supported by personnel from other plants, and therefore no abnormal effluent discharge incidents occurred. Going forward, TDS management will be strengthened to reduce effluent water quality risks.



IV. Wastes and Hazardous Substances Management

Management approach

Actual and potential positive economic, environmental, and social impacts on Dynamic(opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Dynamic proactively obtained ISO 14001 Environmental Management System certification and UL 2799 Zero Waste to Landfill certification, strengthening its ESG performance and enhancing trust within the international supply chain. Converting waste into other products can significantly increase the waste conversion rate. Selecting environmentally friendly materials at the initial stage of product R&D not only helps ensure compliance with international regulations but also enables the Company to gain customer recognition for its green products.	Inadequate hazardous waste management can directly endanger employees' lives and safety by exposing them to toxic substances, leading to long-term health problems such as chronic diseases and poisoning. Pollution incidents can also damage the Company's brand image and undermine investor confidence.	Reinforce storage facilities and pollution management during the cleaning process and eradicate illegal treatment of hazardous substances	Plan and manage the area for scraps; inspect the site of the clearance and processing contractors, maintain the validity of the management system	Plant President, CSR Office (Dedicated line, complaint mailbox)
		Clean production, circular economy	We will increase the recycling rate and reduce the intensity of waste generation	
		Recycle for reuse and optimize prevention against pollution	We will raise the proportion of metal-containing chemical wastes that are activated and reused in the plant.	
		Sustainable development, zero waste	Maintain the effective operation of UL 2799 system	

Goal and Performance

Goals	2025 Performance	Goals in 2025	2027 Target (medium-term)	2030 Target (Long-term)
- No penalty tickets for storage facilities - No cross-border processing 100% qualified suppliers	The Kunshan and the Huangshi Plant are both in compliance	Conforming at both the Kunshan and Huangshi Plants	Conforming at all plants	Conforming at all plants
Acquisition of UL 2799 certification	Huangshi Plant Obtained platinum grade certificate	Huangshi Plant Maintain gold level or above	Huangshi Plant Maintain gold level or above	Huangshi Plant: Platinum grade Thailand Plant: Certified
Hazardous industrial waste generation intensity (metric tons/NT\$10,000 in revenue)	2.59	<2.5	<2.45	<2.4
Ultimate recycling ratio	Kunshan Plant: 92.74% Huangshi Plant: 95.51%	Kunshan Plant: >97.2 Huangshi Plant: >96.2	Kunshan Plant: >97.5 Huangshi Plant: >96.5	Kunshan Plant: >98.0 Huangshi Plant: >96.8

Management System Certification

Plant	System name	Certification body	Certificate information
Kunshan Plant	ISO 14001: 2015	CTi Certification Co., Ltd.	Date of certification decision: 2023-06-29 Validity of certificate: 2026-06-28 Issuance No.: 04123E30109R3L
Huangshi Plant	UL 2799A First Edition.	UL Solutions	20 Jun 2024 - 20 Jun 2025 UL Solutions Project No.: 4791230678 platinum grade certified
Huangshi Plant	ISO 14001: 2015	BSI Assurance UK Limited	Date of certification decision: 2025-01-03 Validity of certificate: 2028-01-02 Issuance No.: EMS 697792

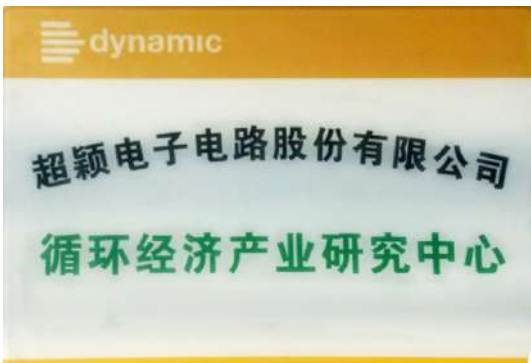


2025 Overview of the Group's Business Waste

By composition (in Tonnes, t)		Disposal	Transfer	Category Subtotal
General business waste		1,484.30	13,865.04	15,349.35
Hazardous business waste		2,706.80	47,571.66	50,278.46
Total waste		4,191.10	61,436.70	65,627.81
Transfer (in Tonnes, t)		On-site	Off-site	Cap
Hazardous waste	Preparation for reuse	-	501.59	501.59
	Renewal and reuse	-	47,070.07	47,070.07
	Subtotal	-	47,571.66	47,571.66
General business waste	Preparation for reuse	-	-	-
	Renewal and reuse	-	13,865.04	13,865.04
	Subtotal	-	13,865.04	13,865.04
Total recyclables		-	61,436.70	61,436.70
Disposal (in Tonnes, t)		On-site	Off-site	Cap
Hazardous waste	Incineration (no heat recovery)	-	445.54	445.54
	Incineration (with heat recovery)	-	2,261.26	2,261.26
	Landfill	-	-	-
	Other dispositions	-	-	-
	Subtotal	-	2,706.80	2,706.80
General business waste	Incineration (no heat recovery)	-	284.67	284.67
	Incineration (with heat recovery)	-	1,199.63	1,199.63
	Landfill	-	-	-
	Other dispositions	-	-	-
	Subtotal	-	1,484.30	1,484.30
Total non-recyclable		-	4,191.10	4,191.10
Recycling rate		93.61%		



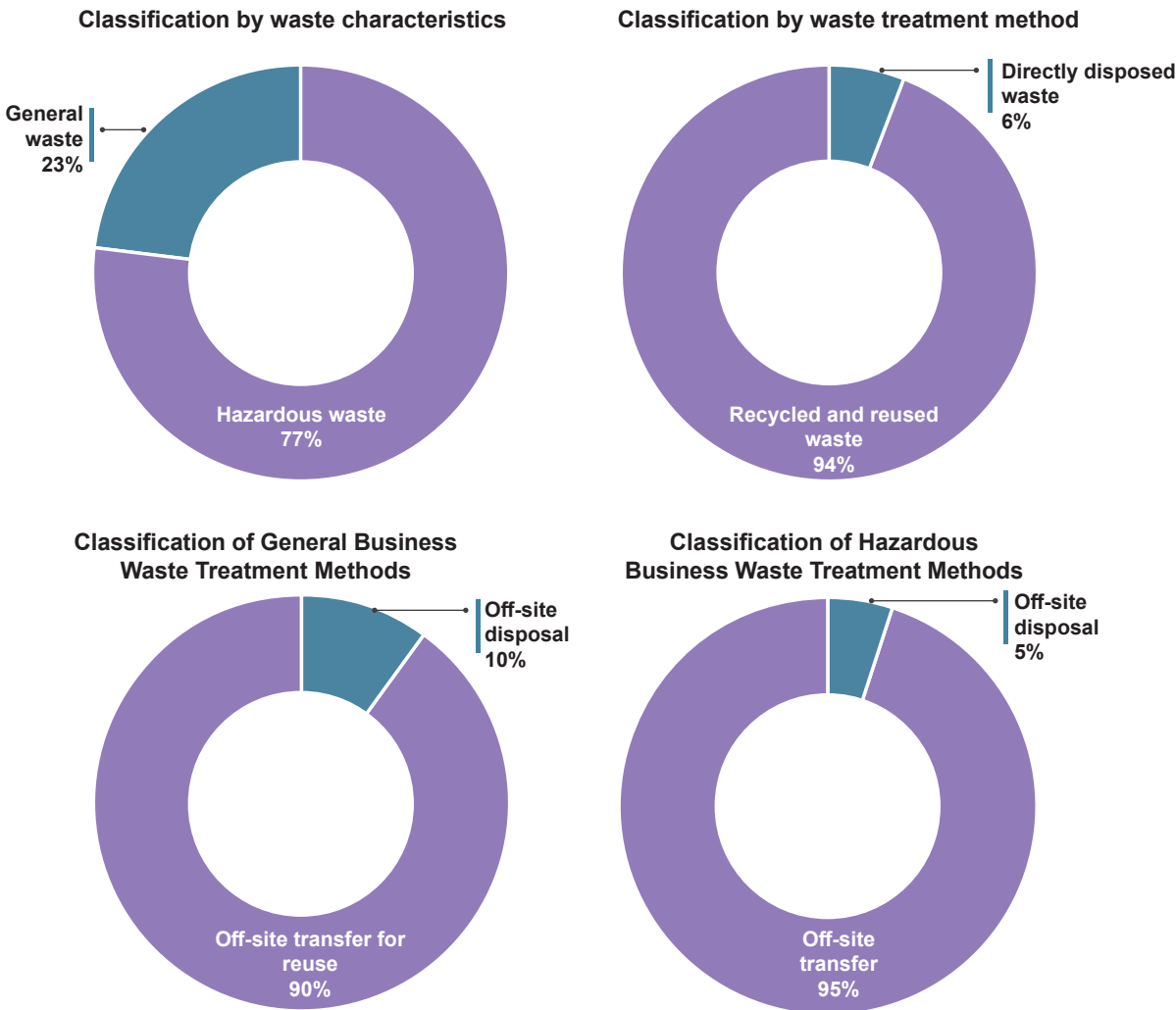
Recently, “circular economy” has become a global issue. The production process of the circuit board industry requires a large amount of resources to be invested, including the main raw materials of precious metals such as copper, gold, and palladium, which not only causes the problem of scarcity of resources, but also has an impact on environmental pollution. In order to improve the effective utilization of resources, Huangshi Plant established the Dynamic Circular Economy Industry Research Center in 2023 to inventory the production process and waste flow from a life cycle perspective and explore opportunities of the circular economy.



Dynamic's Circular Economy Research Center

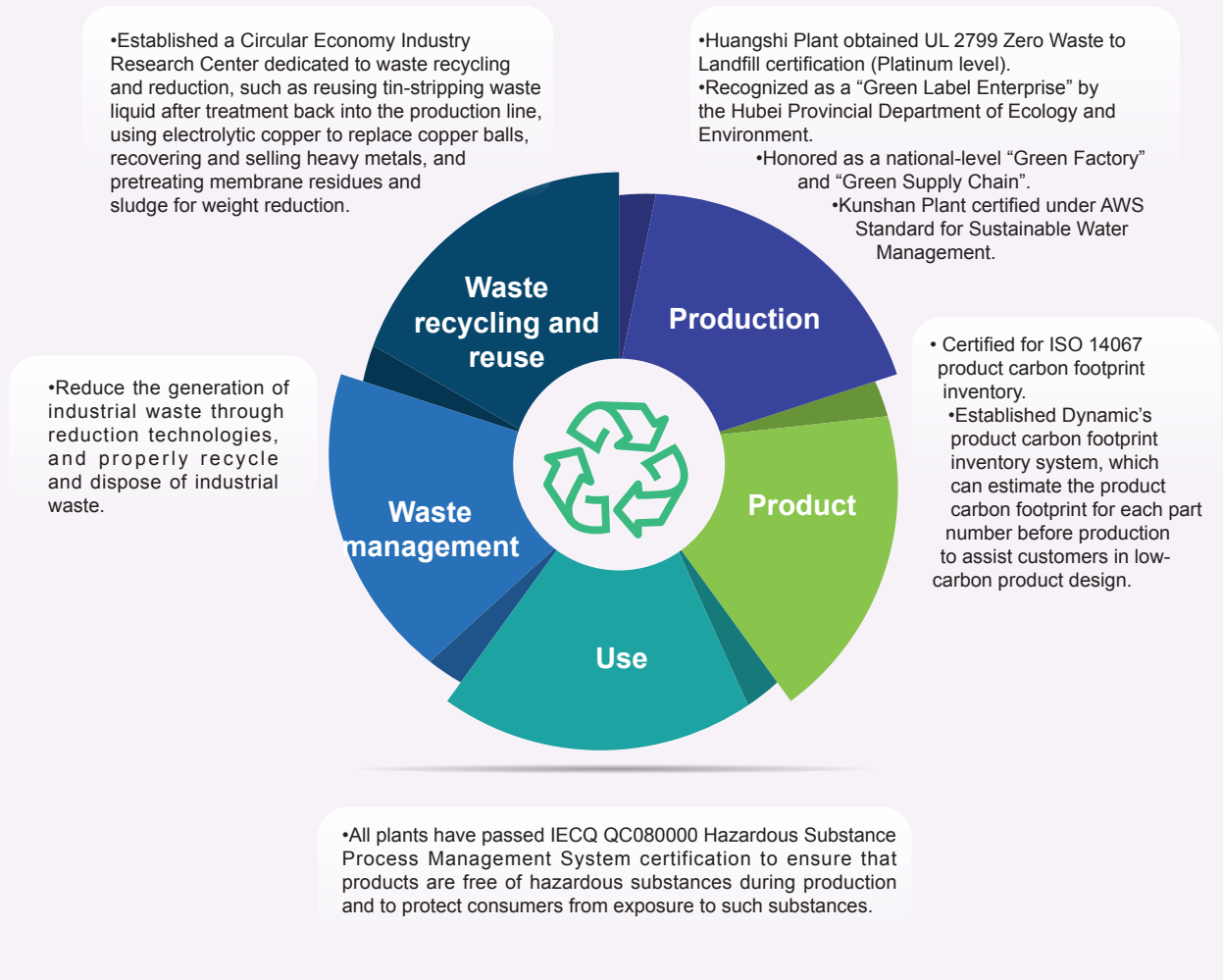
Dynamic's business waste is divided by composition into general waste and hazardous (dangerous) waste, with hazardous waste accounting for approximately 77%. In the recycling part, the overall ratio of diversion is 94%. Since 2022, Huangshi Plant has been promoting UL2799 Zero Waste to Landfill Certification and has achieved platinum level every year. Dynamic follows regulations in all waste disposal areas by ensuring proper classification for collection, transportation, and treatment, thereby improving the recyclability of waste. In addition to achieving zero waste to landfill, all waste treated through incineration undergoes heat recovery.

2025 Classification of Dynamic Group's Business Waste and Treatment Methods





Dynamic's Product Life Cycle Circular Economy System

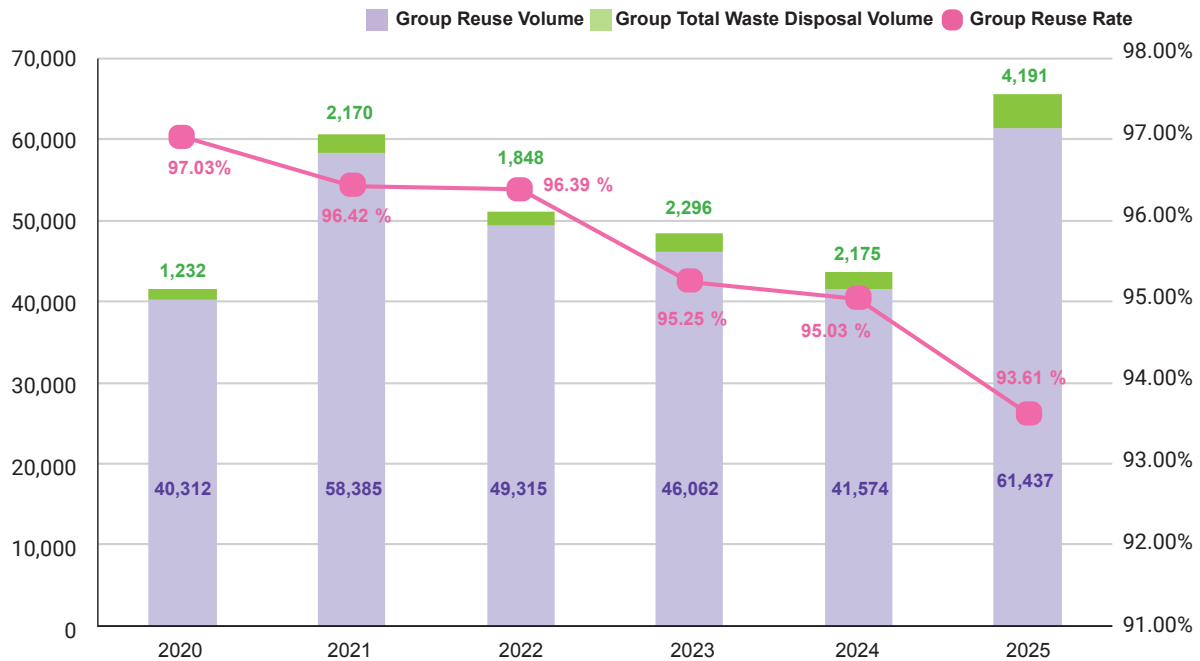


Hazardous Industrial Waste Generation and Intensity Trends





Waste Reuse Rate Trends



Note: In 2025, the Thailand Plant generated a large amount of construction waste, which was difficult to recycle and reuse, resulting in a decline in the overall reuse rate.

Avoiding waste generation

In addition to promoting waste reduction and effectively implementing waste sorting, treatment, and recycling, Dynamic prevents waste generation at the source through measures such as the recovery and reuse of tin-stripping solution and improvements to stripping line equipment. The Company also carries out gold resin recovery, activated palladium recovery from electroplating lines, electrolytic gold recovery from aging liquid in gold baths, and electrolytic recovery of spent etching solution within the plant. The recovered metals can be reprocessed by suppliers and returned to the production line for reuse, while the remaining chemical solutions can also be adjusted and recirculated for reuse.

Methods to prevent waste generation	Content	2025 Performance
Purchasing and using secondary materials	Spent etching solution is electrolyzed to recover copper, which is then replaced with new raw copper balls from the copper ball supplier in proportion.	Reduced the off-site transportation and disposal volume of copper-containing waste liquid by 23,932 tons.
Recovery of products, components, and materials from waste.	The palladium-containing waste liquid from electroplating lines is adsorbed onto activated carbon for external sale.	Recovered 1,200 kg of palladium-containing activated carbon, from which 3.21 kg of palladium was refined.
Recovery of products, components, and materials from waste.	The gold in the gold-containing waste liquid is recovered through resin recovery and electrolysis.	14.85kg of gold was recovered
Recovery of products, components, and materials from waste.	The copper-containing plate from the accompanying plate in the electroplating production is stripped off as a copper plate for sale.	186 tons of copper plates were recycled
Purchasing and using secondary materials	The copper-containing waste liquid generated in the production process is electrolyzed to recover the metallic copper.	393 tons of copper plates were recycled
The organization's waste or other outputs become inputs for another organization	Copper-containing spent etching solution was neutralized to generate copper carbonate for external sale.	Reduced copper-containing waste liquid by 1,189 tons.
Improving waste collection facilities	Install membrane residue treatment equipment directly on the stripping production line to reduce membrane residue waste generation by 45%, while preventing secondary pollution and better meeting environmental protection requirements.	Reduced wet membrane residue generation by approximately 800 tons.
Improving waste collection and sorting facilities	Reduced the amount of hazardous waste disposed by drying the sludge generated during wastewater treatment to reduce its weight.	Reduced the off-site transportation and disposal volume of sludge by 2,876 tons.
Recovery of products, components, and materials from waste.	The tin-containing waste liquid generated in the production process is recycled through the filter press to tin sludge for sale, and the remaining tin-containing liquid is reused as raw material for production.	Approximately 91 tons of tin sludge with a tin concentration of 30% were sold; approximately 949 tons of regenerated tin-stripping solution were reused in the production line.



V. Environmental Investments

Management Approach



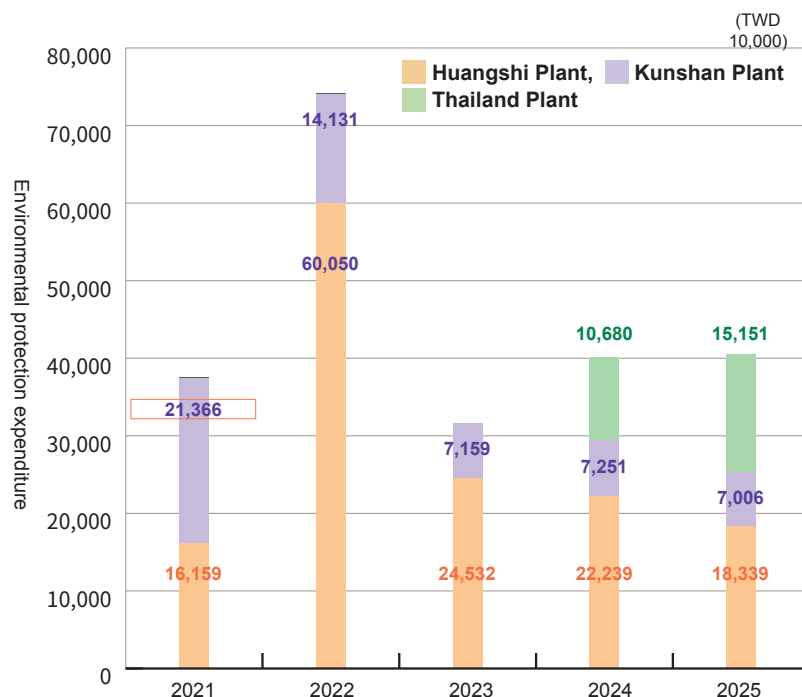
Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Investing resources in environment-related issues can not only improve the efficiency of water and energy use, increase the water and waste recycling rate, increase circular economy benefits, and reduce the amount of pollutants generated per unit of production area, but also enhance the corporate image.	If the resources invested are not properly planned, resources may be wasted; if the resources are insufficient, inefficient use of energy and resources may occur, weakening competitiveness, and even causing excessive pollution and environmental violations, which will affect the Company's reputation.	"Technical control, reduce pollution; green procurement, energy efficiency enhancement; continuous improvement, and sustainable management" are the policies of Dynamic. Dynamic is committed to continuous environmental improvement and compliance with relevant laws and regulations, and at the same time spreads its philosophy to the upstream supply chain.	Establish a Resource Management Department to actively develop and find high-efficiency recycling solutions; plan renewable energy solutions, set up solar power generation facilities and purchase green electricity; implement various environmental management systems to ensure the implementation of policies and programs.	CEO's mailbox

Goal and Performance

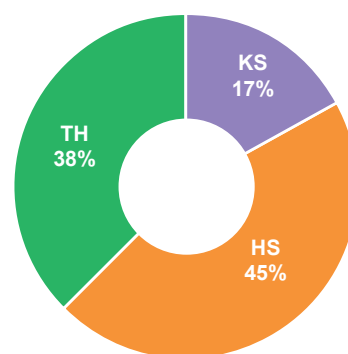
Goals	2025 Performance	Goals in 2025	2027 Target (medium-term)	2030 Target (Long-term)
Environmental protection expenses as a percentage of revenue (%)	Kunshan Plant 1.12 Huangshi Plant 1.23 Thailand Plant 9.10	Kunshan Plant 1.2 Huangshi Plant 2.25	Kunshan Plant 1.2 Huangshi Plant 2.25 Thailand Plant 6.0	Kunshan Plant 1.5 Huangshi Plant 2.25 Thailand Plant 2.5

Dynamic's environmental expenditures include costs related to environmental treatment and testing, environmental facility projects, equipment maintenance and servicing, pollution prevention, and environmental management.

Historical Environmental Expenditure Amounts (TWD 10,000)



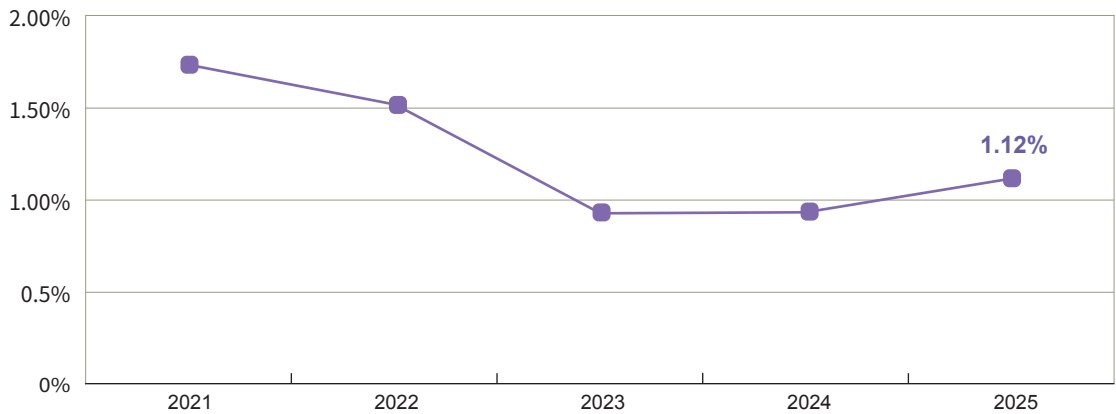
Breakdown of Group Environmental Expenditures by Plant



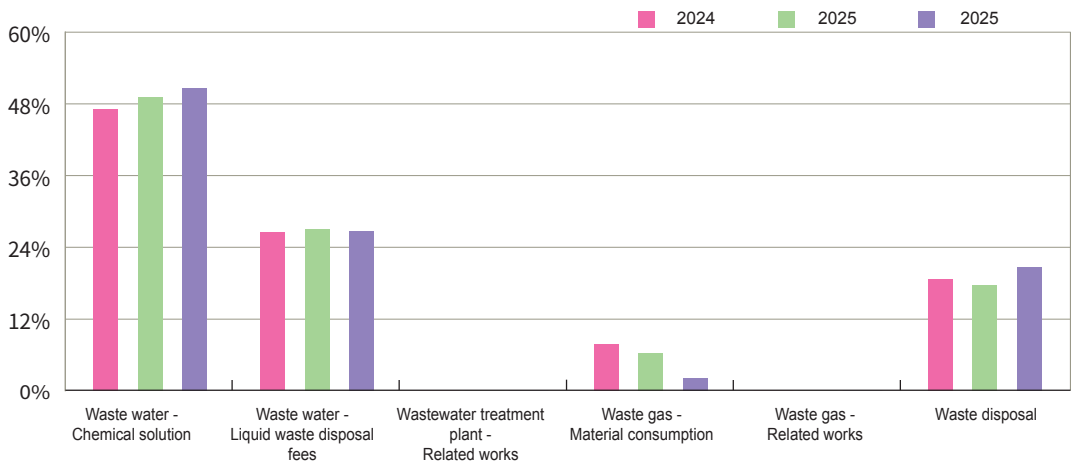
Note: The amounts for each plant were converted into TWD using the annual average exchange rates announced by the National Taxation Bureau, Ministry of Finance. In 2025, the RMB exchange rate was 4.3516 and the THB exchange rate was 0.9345.



Trend of Kunshan Plant's environmental expenditures as a percentage of net operating revenue

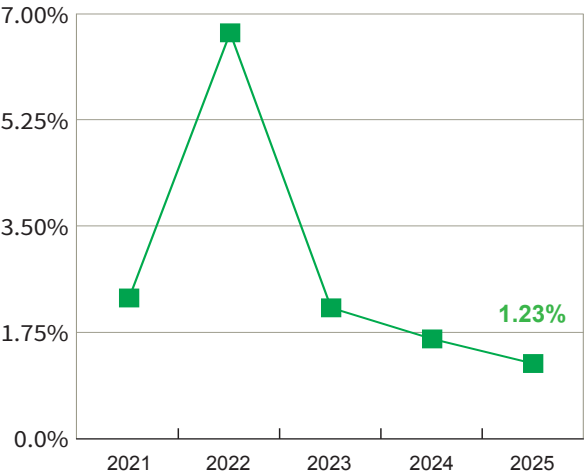


2025 Kunshan Plant environmental investment category breakdown and trends (each year totals 100%)

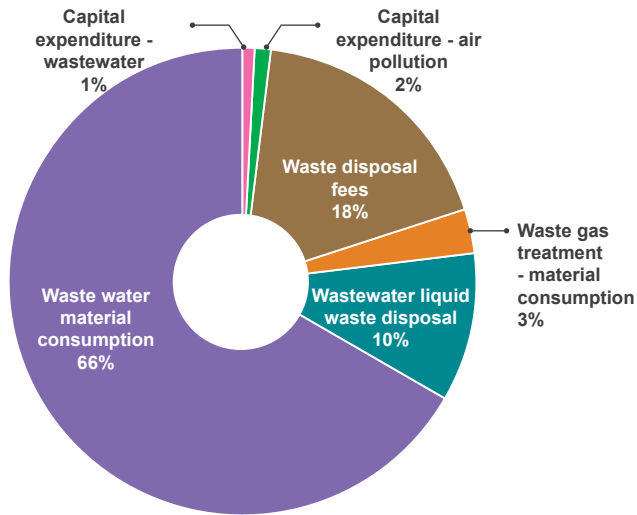


Among the Kunshan Plant's environmental expenditures, chemicals used for wastewater treatment continued to account for the largest share, at approximately 50% each year, followed by disposal costs for high-concentration waste liquid. In 2025, a number of public facilities were consolidated to improve overall efficiency and reduce operating costs, including the consolidation of waste gas scrubbers, which significantly reduced chemical dosing. In the short term, focus will remain on the maintenance of pollution control facilities, while budget will also be reserved primarily for improvements required under special regulatory requirements.

Trend of Huangshi Plant's environmental expenditures as a percentage of net operating revenue

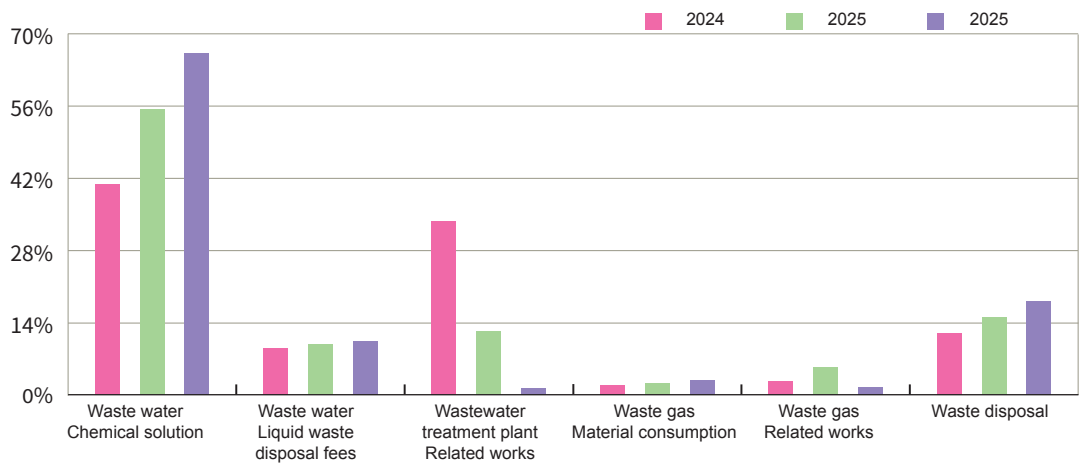


Environmental investment percentage at Huangshi Plant in 2025



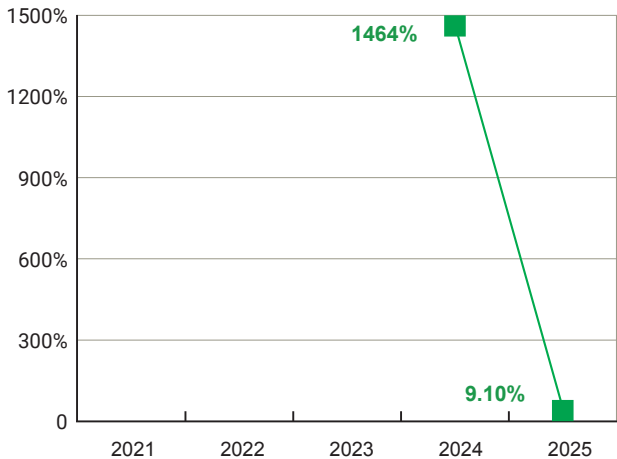


Trend of Environmental Expenditure Categories at the Huangshi Plant

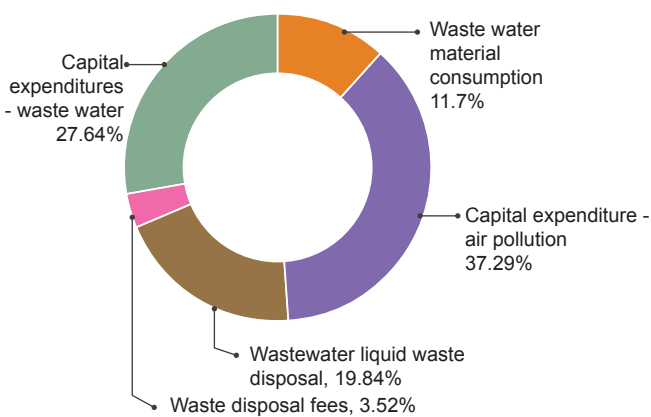


As the Huangshi Plant reduced expenditures on environmental engineering facilities, the proportion of non-capital expenditure items increased. The major project in 2025 involved the collection and treatment of exhaust gases around environmental protection facilities to improve the surrounding environment and maintain good relations with neighboring communities.

Trend of Thailand Plant's environmental expenditures as a percentage of net operating revenue



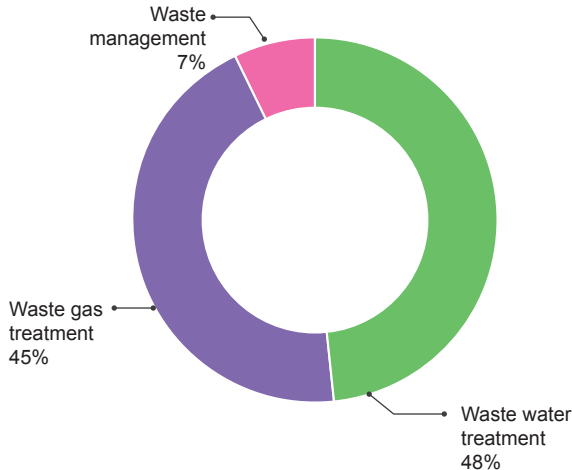
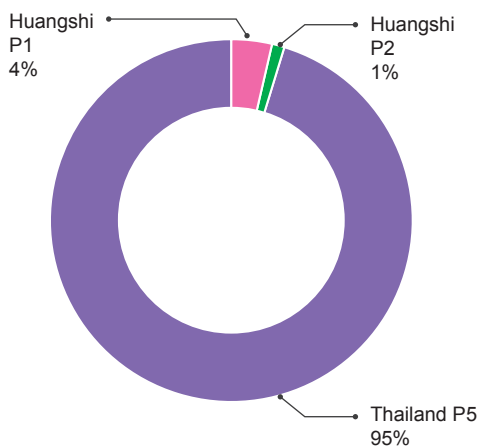
Environmental investment ratio of Thailand Plant in 2025



As 2025 was the initial stage of construction for the Thailand Plant, expenditures on environmental protection facilities were relatively high, while output remained low (and revenue was still limited). As a result, environmental expenditures accounted for a relatively high percentage of revenue.

2025 Capital Expenditure

Total environmental capital expenditures in 2025 amounted to TWD 103,302,991. The breakdown by plant and treatment category is as follows:





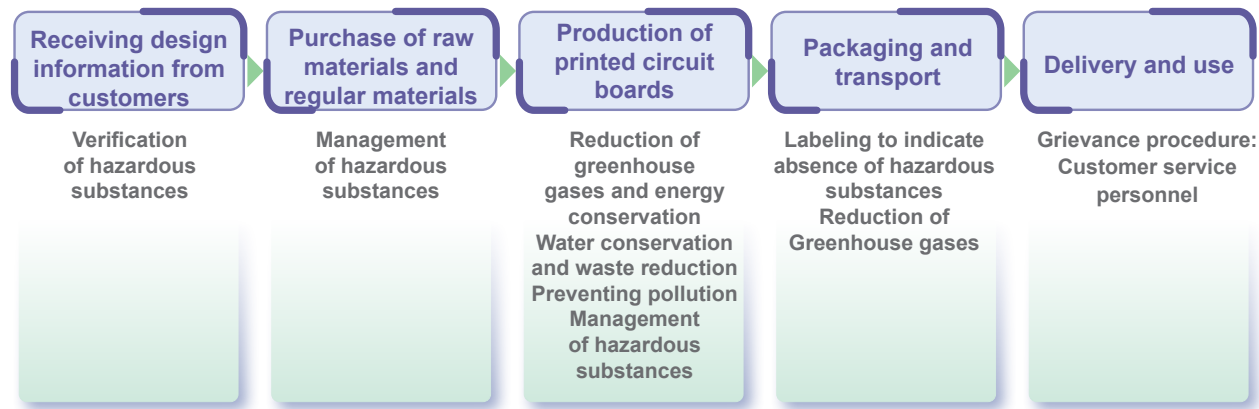
2025 Major Environmental Capital Expenditure Projects

Plant	Category	Summary	Expected benefits
Huangshi P1	Waste water	Online Total Nickel Monitoring Equipment for Wastewater	To comply with regulatory requirements, an automatic online nickel water quality monitoring instrument was installed to accurately, consistently, and reliably monitor the concentration of total nickel in water.
		Addition of a Wastewater Treatment System for the Outer-Layer Electroplating Brushing Machine	Increase the reuse of treated wastewater, reducing tap water consumption and wastewater treatment costs by approximately TWD 600,000 per year.
	Waste gas	Waste Gas Treatment System Project	Collect and treat waste gas before discharge to maintain an environmentally friendly surrounding area and reduce complaints from neighboring communities.
		Addition of VOC Waste Gas Combustion Equipment	Achieve ultra-low-concentration VOC emissions, maintain an environmentally friendly surrounding area, and reduce complaints from neighboring communities.
Huangshi P2	Waste water	Addition of Two Plate-and-Frame Sludge Dewatering Machines	After treatment with the sludge dewatering machines, the volume of sludge is reduced, facilitating subsequent water recovery and treatment, lowering disposal costs, and making the sludge easier to handle and transport while significantly reducing the risk of environmental pollution.
Thailand Plant	Waste water	Phase I Wastewater Project	Improve water quality to reduce ecological impacts and comply with regulatory requirements.
	Waste gas	Dust Collection Equipment and Ductwork Project	PCB dust collection equipment provides three major benefits: improving yield by preventing short circuits and scratches caused by dust, enabling resource recovery such as a copper recovery rate of over 95%, and ensuring compliance with environmental requirements.
		Waste Gas Treatment System Project	Collect and treat waste gas before controlled discharge through designated outlets to improve the working and surrounding environments and prevent complaints from neighboring communities.
	Waste	Electrolytic Copper Resource Recovery Equipment	Reduce copper ions in waste liquid to metallic copper through electrochemical reactions. Generate direct economic value from high-purity metallic copper, reduce chemical treatment and sludge disposal costs, conserve water, and comply with environmental regulations. A total of 393,008 kg of electrolytic copper was recovered in 2025.
		Tin-Stripping Waste Liquid Recycling and Regeneration System	The system separates and recovers tin metal from waste liquid and restores the chemical composition of the tin-stripping solution, allowing the chemicals to regain their activity and be returned directly to the production line for reuse, thereby achieving the clean production benefit of zero wastewater discharge.
		Alkaline Etching Solution Copper Recovery and Recycling System	The system separates high-purity copper online and regenerates the etching solution, achieving zero resource discharge and the circular use of chemicals. In addition to reducing costs, it recovers metallic copper and generates additional revenue.



VI. Green Products and Processes

Dynamic takes seriously the impacts of its products and processes on the environment and constantly reduces the use of resources and generation of hazardous substances in the design of products, the purchase of raw materials and standard materials, and during the production process to minimize impacts on the environment and to enhance the environmental friendliness of its products.



Halogen-free Processes/Materials

Huangshi Plant

1. In 2025, the proportions of halogen-free materials for the three materials of substrate/PP/ink were: 74%, 75%, and 89%, respectively. Since a considerable amount of halogen-containing materials are still used in automotive sheets, they cannot be replaced immediately.
2. Reducing and controlling the content of halogen in halogen-free materials:

Laws and regulations: Cl<900ppm, Br<900ppm, Cl+Br<1500ppm, we assist suppliers to further develop reduction plans and control them according to Cl<700ppm, Br<700ppm, Cl+Br<1000ppm. In 2025, among the main material and auxiliary material manufacturers, only Sun Hong Kong's halogen test report met the requirements. However, it did not agree to provide a letter of guarantee or "Halogen-free Declaration of Conformity", while all other manufacturers complied and signed the "Halogen-free Declaration of Conformity".
3. SQE requires all raw material suppliers to sign the "Guarantee That Products Are Free From Environmentally Hazardous Substances", including major and auxiliary material manufacturers, except for Sun Hong Kong, a total of 99 manufacturers (54 major suppliers, 45 auxiliary material suppliers) have completed the response.
4. In 2025, IQC monitored the halogen content of the incoming materials of suppliers: 1125 batches, with an achievement rate of 100%.
5. Follow-up actions: IQC continues to monitor the halogen content of suppliers' materials based on the sampling frequency (main materials/quarterly; auxiliary materials/six months). SQE continues to encourage suppliers to reduce or substitute, and asks for simultaneous assistance from procurement. If the products fail to meet or cannot comply with our halogen reduction control standards, we will consider gradually replacing them with other materials.

Kunshan Plant

1. In 2025, the proportions of halogen-free materials for the three materials of substrate/PP/ink were: 63.11%, 62.14%, and 86.14%, respectively. Since a considerable amount of halogen-containing materials is still used in automotive sheets, they cannot be replaced immediately.
2. Reducing and controlling the content of halogen in halogen-free materials:

Laws and regulations: Cl<900ppm, Br<900ppm, Cl+Br<1500ppm, we assist suppliers to further develop reduction plans and control them according to Cl<700ppm, Br<700ppm, Cl+Br<1000ppm. In 2025, among the main material and auxiliary material manufacturers, only Hangzhou Wazam and Sun Hong Kong's halogen test report met the requirements. However, they did not agree to provide a letter of guarantee or "Halogen-free Declaration of Conformity", while the other manufacturers complied and signed the "Halogen-free Declaration of Conformity".
3. SQE requires all raw material suppliers to sign the "Guarantee that Products are Free from Environmentally Hazardous Substances", including major and auxiliary material manufacturers, a total of 118 manufacturers (41 major suppliers, 77 auxiliary material suppliers) have completed the response.
4. In 2025, IQC monitored the halogen content of the incoming materials of suppliers: 653 batches, with an achievement rate of 100%.
5. Follow-up actions: IQC continues to monitor the halogen content of the supplier's materials based on the frequency of HSF testing (main materials/quarterly; auxiliary materials/six months). SQE continues to encourage suppliers to reduce or substitute, and asks for simultaneous assistance from procurement. If the products meet the standards or cannot meet our halogen reduction control standards, we will consider gradually replacing them with other materials.



Green Industry Certification for Thailand Plant

Dynamic has obtained the **Level 3 Green Industry certification (Green System)** from the **Ministry of Industry of Thailand**.

Green Industry is a sustainable development and environmental management certification program promoted by Thailand's Ministry of Industry. It encourages companies to integrate environmental protection into their operations and management, improve resource efficiency, reduce environmental impacts, and promote sustainable business operations.

By obtaining the **Level 3 "Green System" certification**, the Company has demonstrated that it has established a systematic environmental management mechanism and can drive continuous improvement in environmental performance through ongoing monitoring, performance evaluation, periodic reviews, and other management measures. This certification demonstrates that the Company has integrated environmental management into its day-to-day operations and has established systematic management capabilities, rather than relying solely on individual environmental initiatives or short-term improvement measures.

Dynamic will continue to uphold its green management philosophy, pursue its environmental protection and sustainable development goals, and provide products and services that meet environmental requirements. The Company will also work with customers, suppliers, and stakeholders to promote green supply chains and sustainable business development.



Green Product Management System

The green product management system of Dynamic has been approved by international organizations, other countries, customers, and its validity and continuous improvements are maintained.

Certificate name	Plant	Certificate number	Certificate validity period
IECQ QC080000 Hazardous Substance Process Management Certificate	Kunshan Plant	50600203 QC	2027-02-04
	Huangshi Plant	20000857 QC	2028-10-15
	Thailand Plant	50600595 QC	2027-09-04
Sony Green Partner Environmental Quality Certification	Kunshan Plant	FC015421	2026-09-30
	Huangshi Plant	FC011178	2026-09-30

VII. Air Pollution Prevention

Management approach

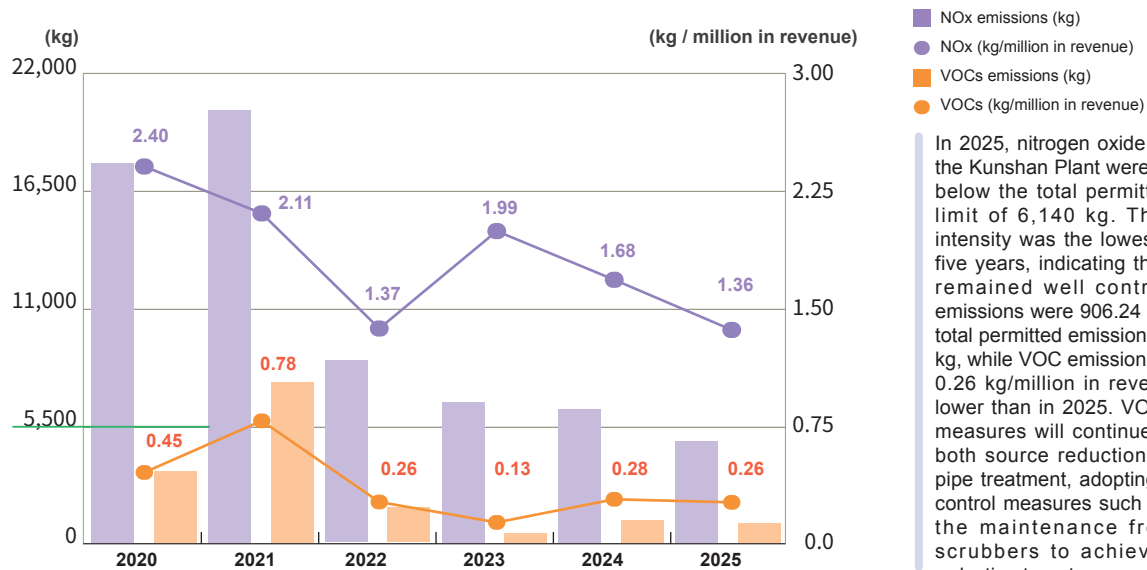
Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Through hazard analysis of production line processes, potential risk factors that may lead to unexpected air pollution incidents have been identified. Air pollution risk management and contingency plans are established to mitigate the likelihood or severity of non-compliant emissions through effective management measures, thereby enhancing satisfaction among neighboring communities.	The production process involves the use of various chemicals, and improper management may result in fugitive emissions or excessive discharges that could adversely affect the health of employees and nearby residents, while also damaging the Company's reputation.	Comply with laws and regulations and fulfill corporate responsibilities. Full participation and enhanced communication Technical control, pollution reduction Continuous improvement, sustainable management	Conduct regular compliance reviews and audits of applicable regulations. Implement annual training programs and awareness initiatives to prevent non-compliant emissions. Fully utilize clean energy and adopt the best available control technologies (BACT) for exhaust gas treatment. Ensure all production sites continuously maintain ISO 14001 environmental management system operations	CEO's mailbox

II. Goals and Performance

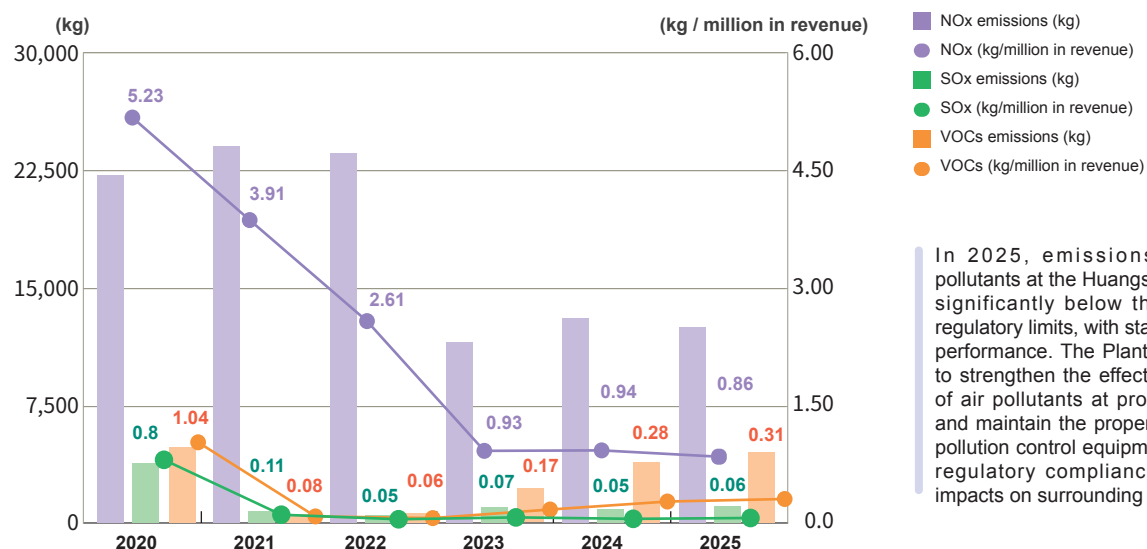
Goals	Accomplishment in 2025	Goals in 2025 and 2026	2027 Goals (Mid-term)	2030 Goals (Long-term)
Number of complaints filed by surrounding residents at each plant	0	0	0	0
Number of penalties imposed due to non-conforming air-polluting emissions at each plant	0	0	0	0
VOCs emission intensity of Kunshan Plant	0.26	0.26	0.25	<0.23
VOCs emission intensity of Huangshi Plant	0.31	0.30	0.28	<0.25
VOCs emission intensity of Thailand Plant	2.03	2.00	1.5	<0.50



III. Air pollutant emissions and emission intensity trends of the Kunshan Plant



IV. Air pollutant emissions and emission intensity trends of the Huangshi Plant

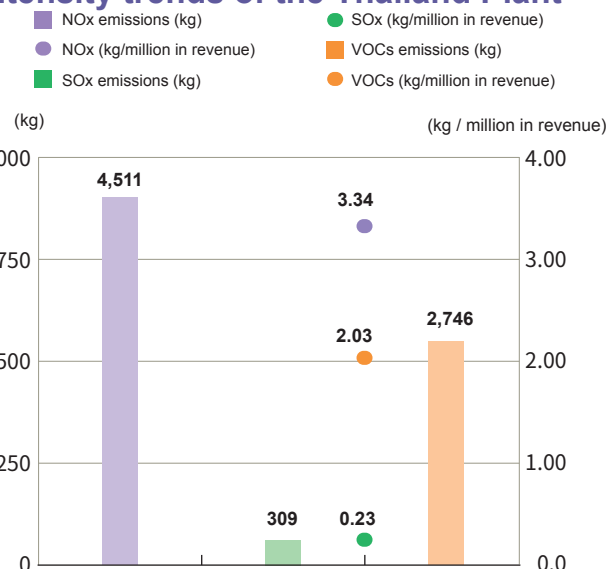


V. Air pollutant emissions and emission intensity trends of the Thailand Plant

In 2025, the Thailand Plant was still in the start-up stage of a newly established plant. Before reaching mass production scale (during commissioning or low-load operations), pollutant concentrations per unit of product were relatively high.

The main reasons are as follows:

- Unstable equipment operation:** During commissioning, process parameters (such as temperature, pressure, and flow rate) had not yet been optimized, which could result in incomplete reactions and higher pollutant concentrations.
- Pollution control equipment not operating at optimal efficiency:** Pollution control equipment (such as scrubbers and bag filters) generally needs to operate at its design flow rate to achieve maximum treatment efficiency. Under low-load conditions, treatment efficiency may decrease.
- Mass Production Scale and Emissions:** Although total emissions may be relatively low during the initial commissioning stage, product output is extremely limited or even zero. As a result, pollutant emissions per unit of product (emission intensity) may appear particularly high.





VIII. Biodiversity

Biodiversity and Zero-Deforestation Policy

Biodiversity and the stability of nature are inextricably linked. They affect the ability of the natural environment to recover, and this is also critical for the symbiosis between human beings and nature. Dynamic recognizes that biodiversity has a significant impact on the natural environment, corporate operations, and even the physical and mental health of employees. In order to maintain biodiversity, Dynamic has formulated "Dynamic's Biodiversity and Zero-Deforestation Policy", and is committed to maintaining the natural environment and biological habitats around its operating sites, and actively invests in biodiversity affairs to ensure that all operating sites meet zero-deforestation standards and continue to move towards a net positive impact on biodiversity.

Dynamic Biodiversity and Zero-deforestation Policy

Our Commitment:

The Company shall not conduct business activities in sensitive biodiversity hotspots and adjacent ecological areas listed globally or in various countries to avoid negative impacts on protected species.

We will propose mitigation, restoration, and compensation plans for biodiversity hotspots around existing operating locations.

New factory buildings shall adopt construction methods that mitigate environmental impact and take green building design into consideration.

Ensure that new developments comply with environmentally-friendly design and economically feasible.

Compensation will be invested in forest restoration for the consumption of paper, packaging, building materials used for business activities.

Continue to raise awareness of the importance of biodiversity and forest conservation in the value chain, plan to work with suppliers and partners to abide by the commitment to zero-deforestation, and work together to realize the vision of the United Nations Convention on Biological Diversity.

Regularly disclose the implementation results of biodiversity and zero-deforestation on the official website or in the sustainability report.

Task-force on Nature-related Financial Disclosures (TNFD)

To consolidate Dynamic's determination to protect the natural environment, Dynamic introduced the Taskforce on Nature-related Financial Disclosures (TNFD) in 2024. The operations of Dynamic are closely related to the natural environment, and some of the manufacturing processes involve raw materials or technologies that may impact the environment. If the natural environment is affected by business activities, it will affect potential benefits. Therefore, Dynamic has introduced the TNFD framework and will regularly review operating activities and the natural ecology to understand possible risks and opportunities, and formulate relevant countermeasures in a timely manner. Dynamic manages the environment and biodiversity with the frameworks of "governance", "strategy", "risk management", and "indicators and targets".



Governance

- “Dynamic’s Biodiversity and Zero-Deforestation Policy” and biodiversity-related risks are discussed by the Board of Directors and the Risk Management Committee and disclosed to the public.
- The Sustainability Committee manages and monitors ESG-related issues. There are five evaluation and implementation teams under the committee, namely Corporate Governance, Environmental Sustainability, Customer Rights and Social Welfare, Employee Care, and Innovation R&D. A continuation team is responsible for nature-related affairs and tracking the performance of various strategic goals. It holds quarterly meetings to fully grasp the progress of related issues and reports to the Board of Directors on a quarterly basis.
- Dynamic attaches great importance to the interaction with the surrounding neighborhood and the future development of the community, and assigns the administration division of each production site to be the responsible unit to implement local community engagement, impact assessment, and development plans. For details, please refer to IV. Social Inclusion/V. Community Engagement and a Better Society.

Strategy

- Through the LEAP process, Dynamic assesses nature-related dependencies and impacts, identifies short, medium, and long-term nature-related financial risks and opportunities, and formulates risk mitigation countermeasures and differentiated management measures.
- Dynamic evaluates the priority of operating locations according to LEAP process. Huangshi Plant meets the definition of priority.

TNFD
Core
Framework

Indicators and Goals

- Through the reuse of treated effluent, additional recovery of air-conditioning condensate, rainwater collection systems, and cascading reuse of water among equipment, the Group achieved a water reuse rate of 58%, with a target of no less than 60% by 2030.
- Green areas at each plant exceeds 20%.
- Participate in at least two ecological public welfare activities annually.

Risk and impact management

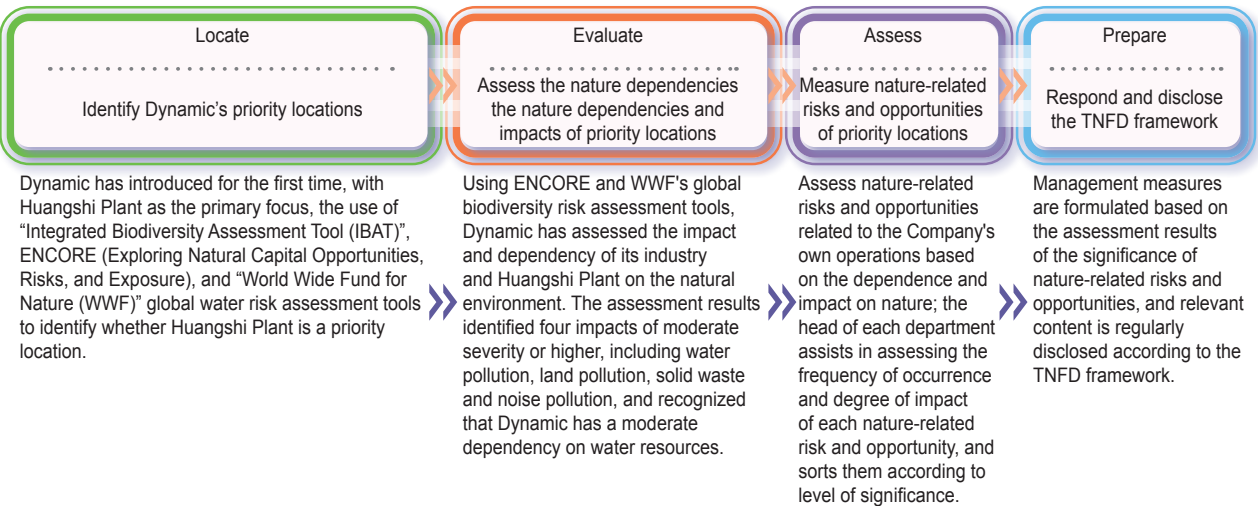
For the identified risk topics, relevant departments are invited to explore their financial impacts and risk response methods to ensure that risk response measures are consistent with the Company’s management policy, and integrate the TCFD management process to help manage nature-related risks.



Identification of natural risks and opportunities

Dynamic introduced “Nature-related Financial Disclosures” in 2024 to inventory the impact of its operating activities on the environment and habitat restoration. Dynamic will follow the TNFD’s LEAP framework to analyze and define the relationship between Dynamic and the natural environment, biodiversity, etc., assess the impacts of business on the natural environment and biodiversity, propose relevant countermeasures and development directions, and disclose the assessment results.

Dynamic’s LEAP evaluation process



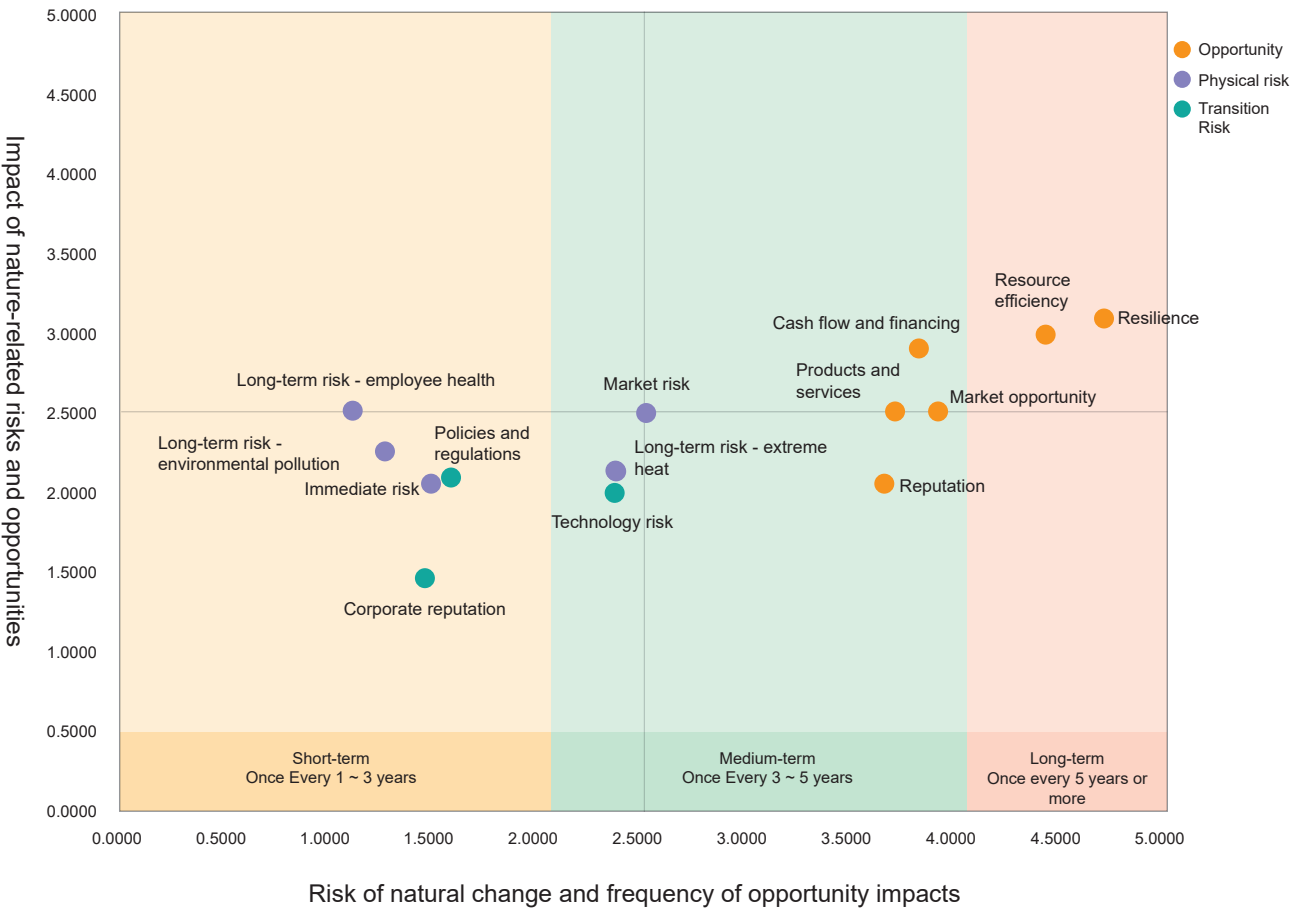


Priority location identification



Results of nature and biodiversity risk-opportunity matrix analysis

Dynamic Holding's Nature-related Opportunities and Risks Matrix





Nature-Related Risk Response Strategy

Risk Classification	Risk name	Risk description	Related financial impacts
Physical risk	Immediate risk	Factory operations or those of upstream and downstream suppliers may be disrupted by extreme events such as water shortages, wildfires, or tropical cyclones, leading to supply chain interruptions or operational setbacks.	- Water shortages, wildfires, and tropical cyclones may cause temporary suspension of factory operations, resulting in increased operating costs. - Upstream suppliers affected by water shortages, wildfires, or tropical cyclones may drive up raw material and transportation costs for the Company.
Physical risk	Long-term risks	- Factory operations may be disrupted by chronic climate change impacts such as extreme heat, which could harm employee health or result in excessive use of cooling equipment. - The use or construction of renewable energy facilities during operations may cause environmental pollution. - Damage to the ecosystems and loss of biodiversity may increase the risk of disease transmission, adversely affecting employee health.	- Extreme heat and ecosystem degradation may impact employee health, causing factory operations to be interrupted and operating costs to rise. - In responding to extreme heat, the Company's excessive use of electricity and water resources may lead to a higher burden of future carbon fees or taxes, thereby increasing operating costs. - Pollution caused by renewable energy equipment or operational equipment may require the plant to be relocated or the equipment to be dismantled, leading to increased operating costs.
Transition Risk	Policies and regulations	- The factory was fined by the Chinese local government for violating waste discharge-related regulations. - Failure to comply with biodiversity-related regulatory changes may result in factory fines.	The government imposed a fine for failing to comply with China's "Law on the Prevention and Control of Environmental Pollution by Solid Waste", resulting in an increase in operating costs.
Transition Risk	Technology risk	- Failure to improve hazardous substances in the production process, resulting in insufficient orders or violation of local regulations. - To reduce hazardous substances in the manufacturing process, significant resources are invested in the development of new processes or equipment.	R&D costs for finding alternative raw materials or alternative processes.
Transition Risk	Market risk	The Company's orders decreased due to consumers' preference for environmental products.	Affected by consumers' market preferences, the Company lost orders and revenue decreased.
Transition Risk	Corporate reputation	The Company's reputation is questioned by the media, the community, or other stakeholders, which affects business activities.	Affected by negative news, the factory's operations were hindered by the loss of orders or protests, resulting in an increase in operating costs.

Strategies for responding to nature-related opportunities

Name of opportunity	Description of opportunity	Relevant financial impact
Resilience	Improve resource management procedures and establish emergency response measures to reduce losses caused by sudden disasters and reduce the risk of material outages.	The resource management and recycling system improves the utilization efficiency of recycled information, reduces water resources or waste discharge, and reduces resource-related costs.
Resources Efficiency	Properly manage waste and set up a recycling system to reduce waste for disposal and sale through waste.	Reduce the cost of waste disposal and increase profit by selling waste through the waste recycling system.
Cash flow and financing	Adopt actions in compliance with the Convention on Biological Diversity or regulations to improve the ESG score and obtain more opportunities for international investment and financing.	Good ESG actions increase the possibility of a company being invested in, thereby increasing capital.
Products and services	Develop new alternative raw materials or new technologies and apply them to products and services to launch green products.	New technologies or new raw materials can reduce the cost of treating pollutants or recycling harmful substances.
Market opportunity	In response to market preference for environmentally friendly products, launch consumer-friendly products and increase order volumes.	Environmentally friendly products have been valued by the market, and the number of orders has increased significantly, enabling the Company to grow its revenue.
Reputation	Successful protection of the environment and natural habitats, positive media coverage, and increased corporate popularity.	The increase in corporate popularity and exposure leads to new business cooperation opportunities, growth of orders, and increase of revenue.



Frequency of occurrence	Management approach
Long-term occurrence	- Develop new suppliers, new materials, or establish second suppliers to diversify the supply sources of raw materials to avoid supply interruption. - Increase the safety stock levels for normal raw materials. - Have natural disaster impact evaluations in place on the plant compound and proactively follow up on the developments of various natural disasters. - Prepare the Company for risks in advance by elevating the foundation of the plant compound during the early planning stage and planning expensive equipment for higher floors and smooth rainwater drainage systems, among others.
Long-term occurrence	- Create secondary support for the supply chain - Lower the air-conditioning temperature and reduce the high-temperature operating time. Have anti-heat stroke and temperature-lowering medications ready at the health station. - Introduce electrical smart monitoring systems for the machines. The smart power grid and AI operational mode enable optimization of electricity utilization. - Monitor equipment water consumption, managing it by individual units to track changes in water use more precisely. - Organize employee ecological education activities to provide opportunities to engage with nature, thereby enhancing environmental awareness while also improving physical and mental health.
Long-term occurrence	- Normalize the management measures, reinforce pollution control hardware equipment, introduce low-pollution raw materials and standard materials to proactively meet the pollution control requirements of the competent authority. - Turn waste to treasure by means of recycling technology, which not only reduces impacts on the environment but also increases profits for the Company. - Continue to cooperate by modifying new technologies for improved processing efficiency.
Long-term occurrence	- Set up various incentives for proposals on improvements. - Increase the amount of investment in the innovation of R&D technologies and effectively distribute resources to the most forward-looking and sustainable products. - Develop green materials that meet new environmental requirements.
Long-term occurrence	- Create a product environmental footprint management system. - The carbon footprint cost must be included as part of the process cost.
Long-term occurrence	Improve ESG practices and strengthen external disclosure channels (multiple media design and interactive function, stakeholder communication and feedback channels, CSR section management on the website, electronic version of the report).

Corresponding risks	Future management approach
Physical risk - immediate risk Physical risk - long-term risk	- Include the aspect of biodiversity in supplier evaluation, and conduct regular audits to track improvements on a regular basis. - The evaluation results of the biodiversity tool are used as one of the criteria for selecting new suppliers.
Transition risk - policies and regulations	Optimize and improve the product and waste recycling system, properly manage the recycled products and waste, and establish good and long-term cooperative relations with third-party recycling vendors.
Transition risk - policies and regulations	Plan the Company's ESG management actions in accordance with international conventions or standards, and actively participate in the standards or index scoring mechanisms to obtain more international funds.
Transformation risk - Technology risk	Develop low-energy products and provide energy-saving or low-carbon products.
Transition risk - market risk	Develop products meeting the Energy Star label requirements.
Transition risk - corporate reputation	Engage in public welfare activities related to the natural environment or biological habitats (sponsoring public welfare organizations, organizing ecological education).



Nature-related indicator results

Indicators	Biodiversity implementation results	
Water recycling rate	In 2025, both the Kunshan and Huangshi plants actively advanced AWS Sustainable Water Management System. Through improvements in public facilities, the Group achieved a water reuse rate of 58%.	
Ecology	The green area of the Huangshi Plant is approximately 141,426 square meters (grass). In addition to grass, the plant features a variety of vegetation, including osmanthus, camphor, cherry blossom, ginkgo, photinia, palm, and privet, with a greening rate of 35.21%.      Osmanthus tree Camphor tree Photinia Pittosporum Palm tree 	
Greenery	Although the Kunshan Plant is an older facility, it preserved a total of 7,950 m² of native trees and lawn at its inception, including ginkgo, camphor, green bamboo, five-needle pine, banyan, palm, cedar, cypress, southern magnolia, and purple-leaf maple. With the plant's development, additional distinctive vegetation has been introduced, including Boston ivy cultivated on the reclaimed water pool walls.     As the Thailand Plant is a newly constructed facility located within an industrial park, there was no existing woodland on the site to preserve. During construction, lawns were established and 462 Korean ficus trees, 4 yellow-flowering trees, 1 indian almond, 4 coconut palms, 1 araucaria, 1 fragrant dracaena, and 3 aralias were planted. The contractor also sponsored approximately 100 meters of green fencing using a holly variety around the parking lot.    	
Carbon reduction	Dynamic is committed to setting short-term emission reduction targets aligned with the SBTi. In April 2025, the Company received SBTi approval for its near-term science-based emission reduction targets. Using 2023 as the base year, Dynamic aims to achieve an absolute 42% reduction in organizational carbon emissions (Scopes 1 and 2) by 2030. In 2025, due to the addition of the Thailand Plant and the operation of an employee cafeteria at the Kunshan Plant, Scope 1 and 2 emissions increased by 11.64% compared with 2023. Excluding the Thailand Plant, emissions decreased by 12.71%. Starting in 2026, the Company will develop an emission reduction plan for the Thailand Plant based on its actual operational development.	
Zero deforestation	Circular use of materials: Dynamic has replaced wooden pallets with polypropylene integrated injection-molded pallets, eliminating the need for deforestation and helping to support biodiversity. At the Huangshi Plant, all material suppliers are prohibited from using wooden pallets for shipments to Dynamic. In 2025, the plant also procured 3,610 pallets to replace old wooden ones, which are continuously reused in circulation. Dynamic has fully promoted the use of reusable environmentally friendly chopsticks among employees to replace disposable bamboo chopsticks, reducing consumption by 5 million pairs annually. This initiative effectively reduces the Company's carbon footprint and waste generation while significantly lowering the cost of purchasing bamboo chopsticks. It also helps protect employee health by reducing the risk of ingesting chemical residues from bamboo chopsticks, while further putting the Company's ESG sustainability goals into practice.  Reusable tableware distributed to employees	



Indicators	Biodiversity implementation results	
Zero deforestation	As an indispensable stationery item in everyday life, notebooks are highly practical. Whether used to record to-do lists, plan work schedules, or organize meeting notes, notebooks can offer greater convenience than smartphones. At the beginning of each year, Dynamic gives customers practical notebooks. What sets these notebooks apart is the philosophy of cherishing resources behind them. Dynamic's notebooks contain only simple grid lines and no printed dates, allowing users to continue using them over multiple years without discarding unused pages when the year changes. If a customer's notebook from the previous year remains in good condition, Dynamic simply provides replacement pages, ensuring that every notebook and every page is used to its full value. Sustainable Product Selection: Dynamic ensures that all office paper purchases are environmentally certified, including FSC (Forest Stewardship Council), PEFC (Programme for the Endorsement of Forest Certification), Zero Deforestation Commitment International Technical Label, and China Green Product Certification. These measures ensure that paper is sourced from responsibly managed forests, thereby promoting afforestation, biodiversity conservation, and the fight against illegal logging, while ensuring that paper products are traceable and are not associated with deforestation. In 2025, a total of 10,125 packs of certified copy paper, equivalent to 38,335 kilograms, were purchased.	   
Ecological public welfare	Fairtrade coffee: Bringing sustainability into everyday life Dynamic has long sourced eco-friendly coffee from OKO. The coffee is shade-grown using a land management system that mimics natural forests, where farmers plant fruit trees or other local secondary crops alongside coffee trees, allowing the coffee to grow under the shelter of the tree canopy. The flowers and fruits of shade trees attract many omnivorous species, providing them with food and shelter from predators and supporting high levels of biodiversity, including birds, butterflies, ants, and amphibians. This eco-friendly coffee farming approach also helps restore water and nutrients in the soil.	
	Daye Lake ecological restoration: "Together by the river" - protecting clear waters shoreline cleanup campaign During the shoreline cleanup, local residents shared the story of restoration efforts at Daye Lake in recent years, deepening our appreciation for this body of water. Through measures including restoring reclaimed areas to the lake, dredging, ecological shoreline construction, and the innovative adoption of an ecological fishery model that uses fish to improve water quality, the water quality of Daye Lake has gradually improved from below Class V to a stable Class III, with some areas even reaching Class II. The phrase "shoreline cleanup" carries profound meaning. "Clean" is the goal: restoring clarity to the lake and cleanliness to the shoreline; "shore" is the place of action and the link that connects us with nature. Every piece of litter we remove helps preserve these hard-earned "lucid waters and lush mountains" and supports their transformation into the value represented by "mountains of gold and silver". Along the lakeshore, areas once overgrown with weeds have now been replaced by a greenway around the lake and "underwater forests". This represents not only an improvement in water quality, but also the restoration of vitality across the entire ecosystem.	 
	Participation in Taoyuan City Government's "Bamboo Forest Renewal Demonstration Project": In the face of global net-zero and climate resilience challenges, sustainable bamboo forest management is not only an approach to ecological conservation, but also offers companies a high-value pathway for implementing ESG and carbon management strategies. Fuxing District, Taoyuan City, is an important bamboo-producing area in Taiwan. Bamboo carries cultural, economic, and livelihood value for the Atayal people. In recent years, however, market contraction, competition from imports, and logging-ban compensation regulations have led to aging bamboo forests, declining output, and the loss of cultural and environmental value. Taoyuan City Government plans to use the "Bamboo Forest Renewal Demonstration Project" as a starting point and establish a replicable sustainable management model through cross-departmental collaboration and systematic management. Through science-based renewal and sustainable management, the project aims to strengthen soil and water conservation, enhance biodiversity, and increase carbon sequestration benefits.	

CH4

Co-prosperity in Society

Project ▶ Group overview

Employee satisfaction ▶ Taoyuan Operation Center: 0 82 points

▶ Kunshan Plant: 80 points

▶ Huangshi Plant: 82 points

That's Not Right ▶ Taoyuan Operation Center: 0 0

Mailbox case ▶ Kunshan Plant: Decreased by 33%

▶ Huangshi Plant: Decreased by 50%

Amount involved in participation in charity
and academic groups ▶ TWD 3.5 million

Occupational Disaster Statistical Indicators ▶ The occupational disaster indicators FR (Disabling Injury Frequency Rate), SR (Disabling Injury Severity Rate), and FSI (Total Injury Frequency Severity Index) all showed downward trends, indicating significant improvement in occupational safety and health performance and a safer working environment.



I. Human Rights Policy

Scope of Human Rights Policy

To fulfill our corporate social responsibility and to protect the basic human rights of all employees and stakeholders, Dynamic established its human rights policies in accordance with the principles outlined in international human rights treaties, such as the "Universal Declaration of Human Rights", "the United Nations Global Compact", "the OECD Guidelines for Multinational Enterprises", "International Labour Organization," "the UN Human Rights Norms for Business". Also, Dynamic complies with the labor laws and regulations of the countries in which the company operates.

The Code of Conduct is based primarily on the Responsible Business Alliance (RBA) Code of Conduct and is committed to protecting and respecting workers' human rights. These topics cover the following: freedom of choice of occupation, young workers, working hours, wages and benefits, humane treatment, non-discrimination, and freedom of association. This applies to all workers, including temporary, migrant, student, contract, direct employees, and any other type of worker. The policy applies to all Dynamic employees, subsidiaries, business partners, suppliers, and contractors.



Dynamic's Human Rights Policy is disclosed on the Company's website. The full text can be scanned through QR code

Human Rights Policy Management and Impact Assessment

Dynamic is committed to maintaining and implementing its Human Rights Policy. Important customers also frequently conduct human rights audits at the plants themselves or through authorized international verifying institutions, and all the plants have passed these audits. Dynamic strictly reviews all investment agreements and contracts, too, particularly their terms and conditions on human rights. Dynamic has a supplier management policy in place that requires major raw material suppliers to commit and ensure compliance with relevant regulations on issues such as business ethics, environmental protection, occupational safety and health, and labor rights. The suppliers sign-up rate is 100%.



Dynamic's "Supplier Code of Conduct" is disclosed on the Company's website. The full text can be scanned through QR code



II. Human Rights Issue Identification and Due Diligence

Human Rights Risk Issue and Identification Process

Dynamic regularly identifies human rights risk issues and conducts human rights due diligence. Human rights risk issues are identified with reference to domestic and international human rights standards, Dynamic's Human Rights Policy, and the human rights issues incorporated into the risk management practices of industry peers and other benchmark companies. After compiling a list of Dynamic's human rights risk issues, the Company analyzes and describes the potential adverse scenarios and conflict situations associated with each issue. The scope of risk identification under the human rights due diligence process covers the Company's own operations, value chain and other business-related activities, as well as newly established business relationships. Potential human rights risks are also subject to systematic and regular reviews.

Identify Human Rights Issues

Conduct Questionnaire Survey

Develop Human Rights Risk Issue Matrix

Formulate Mitigation and Compensation Measures

Serial number	Human Rights Topics	Description of Adverse Scenarios
1	Discrimination	- Employees may be discriminated against or harassed during recruitment or employment on the basis of race, color, gender, sexual orientation, language, religion, political opinion or other beliefs, national origin or social class, property, birth, or other status, affecting matters such as wages, promotion, rewards, and access to training opportunities. - Such discrimination may restrict career development opportunities and pay equity, affect economic independence and quality of life, and result in a workplace that lacks diversity and inclusion. Employees or prospective employees may also be subjected to discriminatory medical or physical examinations, including pregnancy or virginity tests.
2	Child labor	The employment of child labor may prevent children working long hours from receiving adequate education and expose them to a high risk of accidents, injuries, chronic health problems, and diseases, while limiting their access to basic healthcare.
3	Human trafficking	A company or its supply chain may be involved in the use of trafficked labor, resulting in poor living conditions, excessive working hours, little or no income, and an inability to freely leave the workplace. Workers may also be subjected to deception, coercion, violence, or restrictions on their freedom, resulting in serious violations of personal liberty and fundamental human rights.
4	Forced labor	- Employees may be coerced into involuntary labor, including being forced to work, having their freedom of movement restricted, being prevented from taking leave or resigning, being forced to work overtime, or having wages or identity documents withheld. Such practices may also involve human trafficking or illegal employment. - Requiring workers to pay recruitment fees or other employment-related fees to recruitment agencies or sub-agents may result in unfair exploitation of workers.
5	Remuneration and benefits	- Wages and employee benefits may fail to meet minimum legal requirements, such as salaries falling below the statutory minimum wage or required benefits and insurance not being provided. - Employees performing work of equal value may experience unfair differences in wages or benefits due to gender, age, race, nationality, position, ethnicity, or other factors unrelated to job performance.
6	Right to collective bargaining	Employees may be unable to communicate and negotiate effectively with employers through labor unions or representative bodies, preventing them from raising concerns regarding working conditions, wages, and labor rights. A company may also fail to respect employees' right to collective bargaining by engaging in interference or suppression that prevents employees from expressing their views in an open and supportive environment.
7	Diverse and Inclusive Workplace	The workplace culture may lack respect for and acceptance of employees of different genders, ages, races, religions, disabilities, sexual orientations, or other backgrounds.
8	Violations of Occupational Health and Safety	- Employees working in hazardous environments may be exposed to harmful chemicals, dust, noise, or radiation, potentially resulting in occupational diseases such as lung disease and cancer. Repetitive tasks and poor posture may also cause musculoskeletal disorders such as back pain. - A lack of appropriate protective measures when employees are exposed to hazardous machinery and safety risks may result in serious occupational safety accidents.
9	Infringement of privacy rights	Compliance issues may arise in the collection and protection of personal data, or sensitive employee and customer information may not be properly managed, resulting in data theft, leakage, or misuse. Individuals may also be unable to have their information deleted or corrected as requested, potentially exposing the Company to legal risks and affecting its operations and reputation.
10	Unreasonable working hours	Working hour regulations may be violated. Regular working hours must not exceed eight hours per day or 40 hours per week, overtime limits must not be exceeded, and employees must receive one regular day off and one rest day in every seven-day period.
11	Freedom of Association	A company may prohibit employees from participating in labor unions or collective action, interfere with or restrict the exercise of these rights, or subject employees to adverse treatment such as dismissal, demotion, or salary reduction because of such participation.
12	Identity Protection and Anti-Retaliation	Employees who raise concerns or file grievances may not receive adequate procedural protection for the confidentiality and anonymity of their identities due to factors or restrictions other than those prescribed by law, leaving them vulnerable to harm or fear of retaliation.



Human Rights Due Diligence Process

With reference to international human rights policies and recognized standards, together with human rights issues identified across the industry value chain and by industry benchmark companies, Dynamic compiled a list of human rights issues closely related to the Company and its suppliers. Based on this list, Dynamic designed a human rights risk issue questionnaire and conducted the survey among its employees in Taiwan, employees at the Huangshi and Kunshan Plants in China and the Thailand Plant in Thailand, as well as suppliers and business partners in various countries. The same human rights due diligence process applies to suppliers. Taking into account the survey results collected and the identified risk issues, material risk issues are assessed for both the Company's operations and its suppliers. The questionnaire covers four dimensions: likelihood of occurrence, scale of impact, scope of impact, and difficulty of remediation, each of which is assessed on a five-level scale.

After the questionnaires were completed, statistical analysis was conducted based on the stakeholder groups that responded. Six major stakeholder groups were identified: suppliers, community residents, employees at overseas plants, vulnerable groups (including persons with disabilities and foreign nationals), female headquarters employees, and male headquarters employees. The survey results of these stakeholder groups were comprehensively evaluated to develop Dynamic's Human Rights Risk Issue Matrix.

Human Rights Risk Due Diligence Results

During the year, Dynamic conducted human rights risk due diligence covering all subsidiaries and plants in Taiwan, China, and Thailand, as well as suppliers and diverse stakeholder groups. A total of 1,033 questionnaires were collected. The survey covered four dimensions of human rights risk issues. The scale of impact, scope of impact, and difficulty of remediation were consolidated into the severity of each human rights risk issue and assessed together with its likelihood of occurrence, after which the human rights risk issues were ranked.

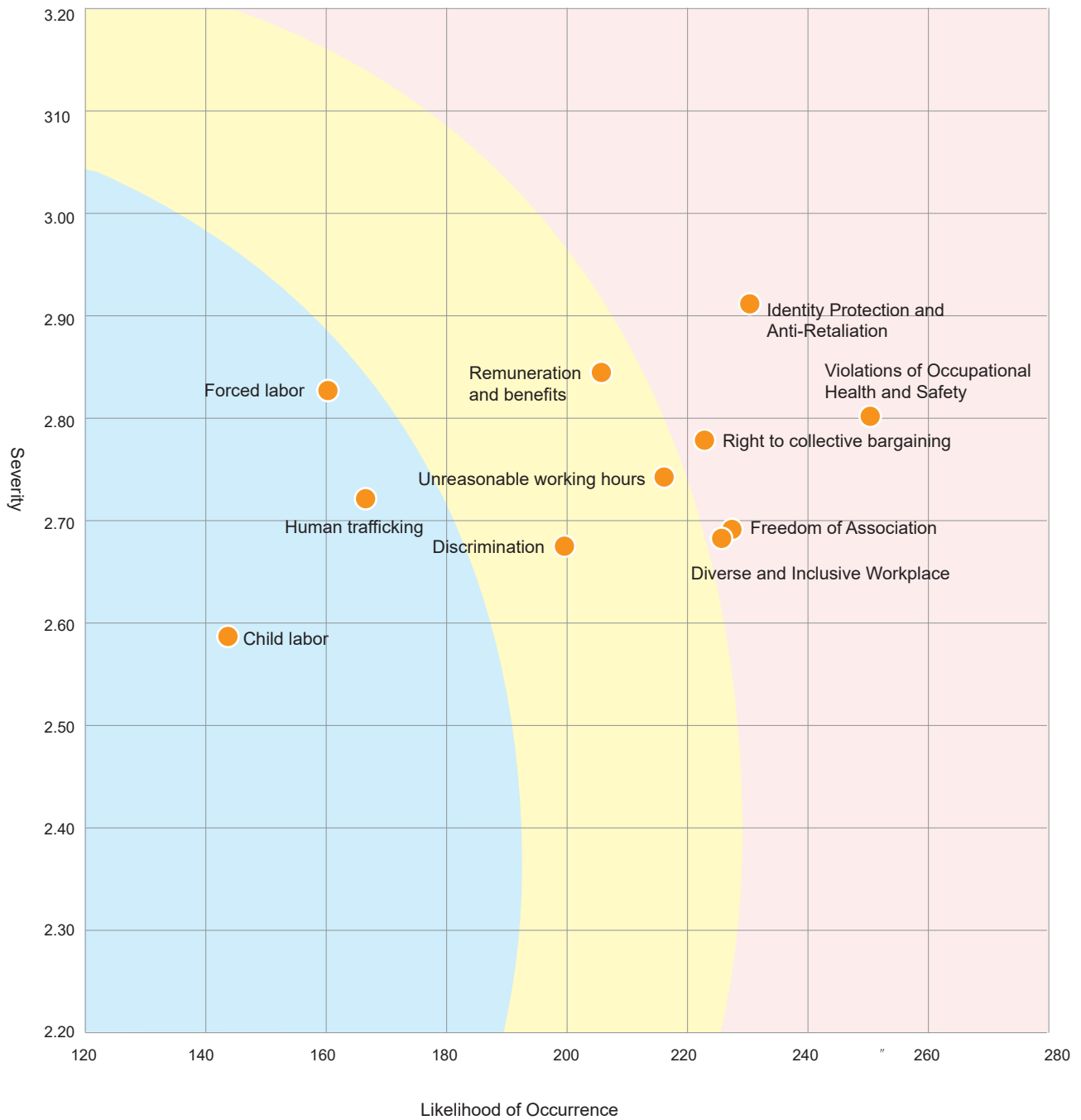
For high-risk issues, Dynamic formulated "preventive and mitigation measures" and planned "remedial or compensation measures" in response to human rights risks. Dynamic has conducted human rights risk identification and impact assessments for diverse groups within its own operations, including employees of different genders, community residents, vulnerable groups, third-party employees, and employees whose nationality differs from that of the country in which they work. Coverage of the Company's own operations reached 100%, and no material human rights risks or actual impacts were identified at its operating sites, resulting in a risk identification rate of 0%. All high human rights risk issues currently identified, including violations of occupational health and safety, identity protection and anti-retaliation, the right to collective bargaining, freedom of association, and a diverse and inclusive workplace, are covered by "preventive and mitigation measures" and "remedial or compensation measures". Dynamic has established response strategies for all potential human rights risk issues, achieving 100% coverage.

For supply chain management, Dynamic collected a total of 92 questionnaires from suppliers, including Tier 1 suppliers (suppliers that directly provide goods, materials, or services to the Company). For human rights issues concerning suppliers, the Company has separately established "preventive and mitigation measures" and "remedial or compensation measures" in conjunction with its supply chain management standards and regulations.





Human Rights Risk Matrix



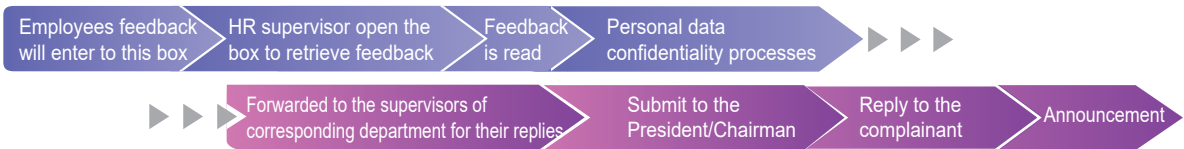
Ranking	Human Rights Risk Items	Ranking	Human Rights Risk Items	Ranking	Human Rights Risk Items
①	Violations of Occupational Health and Safety	⑤	Diverse and Inclusive Workplace	⑨	Discrimination
②	Identity Protection and Anti-Retaliation	⑥	Unreasonable Working Hours	⑩	Human Trafficking
③	Right to Collective Bargaining	⑦	Remuneration and Benefits	⑪	Forced Labor
④	Freedom of Association	⑧	Infringement of Privacy Rights	⑫	Child Labor



III. Mitigation or Remedial Measures for Human Rights Risk Issues

Complaint-filing mechanism

Dynamic provides multiple grievance channels, including physical and online channels, for employees to report or raise concerns regarding human rights issues or unreasonable personnel rules and regulations. According to the “That’s Not Right Mailbox Regulations”, the person opening the letters must keep the writer permanently confidential and may not spread or privately discuss the persons, events, or matters mentioned in the complaint letters. After the opinions are registered, the Employee Opinion Form must be anonymized before being forwarded to the person in charge of the corresponding department for handling. After the President and Chairman of the Board of Directors have reviewed the results, a reply must be sent to the complainant within 7 days.



Employee grievance channels	Grievance methods
Physical mailbox	Dynamic established the “That’s Not Right Mailbox Regulations” in 2013. Employees can express their opinions in writing and place the completed form in the “That’s Not Right Mailbox”. The supervisor at the Human Resources Department is responsible for opening the mailbox each day to collect the opinions.
Dedicated Hotline	
Email	
	+886980051059
	Set up a dedicated mailbox: ceo@dynamicpcb.com





Mitigation and Compensation Measures

With reference to international human rights conventions and standards and based on the results of the human rights due diligence analysis conducted during the year, Dynamic formulated mitigation and remedial measures for high-risk human rights issues. These measures cover all Group locations, while rules and systems at each plant are being progressively enhanced. Through “preventive and mitigation measures”, Dynamic seeks to prevent risks before they occur by ensuring that the Group has comprehensive policy management and stakeholder communication channels, supported by relevant education and training and supplier collaboration, thereby preventing human rights risks and reducing their likelihood of occurrence. Based on the nature of each human rights risk issue, the Company also establishes “remedial or compensation measures” to provide appropriate remedies that protect the rights and interests of affected persons and ensure fair and equitable treatment.

Human Rights Topics	Human Rights Topics	Human Rights Focus: Employees
		Prevention and Mitigation Measures
Violations of Occupational Health and Safety	Occupational health hazards: Prolonged exposure to hazardous chemicals, dust, noise, radiation, and other hazardous environments may lead to occupational diseases such as lung disease, hearing loss, and skin disorders. Repetitive movements and poor working posture may lead to musculoskeletal disorders such as carpal tunnel syndrome and back pain. Occupational safety risks: A lack of appropriate safety measures and equipment may result in various industrial accidents, such as machinery-related injuries, falls, electric shocks, and fires.	- Establish automated and smart factories to reduce occupational safety risks associated with manual cart handling and mitigate process hazards. - Continue annual occupational safety and health training; convene the Safety Production Management Committee quarterly. - Annual health examinations for employees are conducted. The department of environmental safety invites top-performing hospitals to organize check-up. By recording personal health information year by year, we can continue to track the health of our employees and provide them with timely work adjustments, which also allows them to know more about their own physical conditions. - Each year (or as needed in special circumstances), the EHS officer assesses workplace hazards and evaluates the danger level of working conditions. Major hazards are controlled through five measures: engineering and technical controls, safety management, training and education, personal protective equipment, and emergency response. Relevant departments are required to scan codes and check records monthly to ensure the continued effectiveness of these measures. - Apply the P-D-C-A (Plan-Do-Check-Act) management principles to promote management reviews, internal audits, and safety and health inspections, identify potential safety concerns and opportunities for improvement, ensure smooth factory operations while safeguarding workers' health, protecting corporate assets, and ensuring that employees' lives are not at risk, and continue to maintain the effectiveness of the ISO 45001 system.
Identity Protection and Anti-Retaliation	Employees may be unable to receive procedural protection for the confidentiality and anonymity of their identities when raising concerns due to factors or restrictions other than those prescribed by law, leaving them vulnerable to harm and fear of retaliation.	- Provide whistleblowers with the Chairman's mailbox, dedicated hotline, and reporting channels disclosed on the Company's website, with the option to report anonymously to protect their rights and interests. - Upon receipt of a report, the Chairman receives and reads the case facts and instructs the dedicated Legal Affairs Office to investigate and contact/protect the whistleblower. The Legal Affairs Office subsequently reports the investigation results to the Chairman and recommends how the case should be handled (distribution of bonuses, disciplinary actions, and directions for improvement by the unit). The investigation results are then sealed in written or electronic form to safeguard the independence of the whistleblowing process.
Right to collective bargaining	Employees may be unable to communicate and negotiate effectively with employers through labor unions or representative bodies, preventing them from raising concerns regarding working conditions, wages, working hour arrangements, and other labor rights. An employer's refusal to negotiate with labor unions, suppression of union activities, or punishment of employees who participate in negotiations constitutes an infringement of the right to collective bargaining.	- Regularly convene cross-departmental communication meetings to facilitate full communication between supervisors and subordinates regarding the direction and priorities of production operations, safety and health, and quality control, allowing workplace concerns to be raised and consensus to be reached. - Convene Employee Welfare Committee meetings in which employee-elected welfare committee representatives and Company representatives discuss various welfare measures to strengthen mutual trust and provide a basis for formulating administrative management measures. - Establish a labor-management meeting dialogue mechanism with labor representatives in accordance with labor laws and regulations, hold labor-management meetings regularly, fully explain the Company's operating conditions to employees, listen to employees at the grassroots level, and provide appropriate responses. - Commit to and safeguard employees' lawful rights to collective bargaining and negotiation.
Freedom of Association	Employees may be prohibited from participating in labor unions or other bargaining organizations, weakening their bargaining power. Employees who participate in labor union or collective bargaining activities may also face adverse treatment such as dismissal, demotion, or salary reduction.	- Follow international human rights conventions and the RBA's core policy on freedom of association. In accordance with the regulatory compliance management procedures and the Responsible Business Alliance (RBA) Code of Conduct, maintain Dynamic's human rights protection policies and procedures and commit to protecting and respecting workers' human rights. This includes freedom of association. - Dynamic's "Human Rights Policy" stipulates: "In accordance with local law, participants shall respect the right of all employees to form and join trade unions of their own choosing, bargain collectively, and participate in peaceful assembly, as well as the right of employees to refrain from such activities. Employees and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, retaliation, intimidation, or harassment."
Diverse and Inclusive Workplace	The workplace culture may lack respect for and acceptance of employees of different genders, ages, races, religions, disabilities, sexual orientations, or other backgrounds.	- Through Dynamic's "Anti-Discrimination and Anti-harassment Policy", establish an anti-discrimination management system to better protect employees' rights and interests, promote a fair and inclusive work environment, convey the Company's positive image and values to the outside world, clearly define anti-discrimination policies and guidelines, and provide clear reporting channels and handling procedures. - Dynamic's "Human Rights Policy" stipulates: "The Company shall not discriminate against employees in recruitment or employment on the basis of race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or nationality, disability, pregnancy, religion, political affiliation, group affiliation, veteran status, protected genetic information, or marital status, including in matters such as wages, promotion, rewards, and access to training opportunities. Employees shall be provided with an appropriate place for religious activities. In addition, employees or prospective employees shall not be subjected to discriminatory medical tests or physical examinations." - Regularly conduct internal training courses, including friendly workplace (Workplace) and respect for human rights awareness seminars.



Human Rights Focus: Suppliers			
	Remedial and Compensation Measures	Prevention and Mitigation Measures	Remedial and Compensation Measures
	- When an industrial safety accident occurs in the workplace involving an employee, the EHS Department will organize an investigation team. If the cause of the accident is an identified risk, in addition to continuously strengthening control, the effectiveness of existing management measures will also be reviewed. - Provide care and support to injured employees following occupational accidents, assist with follow-up arrangements, and facilitate the payment of allowances and relief payments.	- Incorporate suppliers' relevant system certifications, such as ISO 14001 environmental management system and ISO 45001 occupational safety and health management system certifications, into supplier evaluations, and require suppliers to sign and comply with the RBA Code of Conduct Commitment. - Conduct annual on-site CSR (including EHS) audits of key target suppliers.	- Require suppliers to submit improvement plans within a specified period when deficiencies are identified through supplier audits and assessments. - Proactively provide suppliers with EHS (environmental, health and safety) guidance and resource sharing to help partners understand and embrace Dynamic's corporate culture and create a positive force. - If a supplier has a significant actual or potential negative impact, require it to commit to making improvements within a specified period, and continue to follow up until completion. If the circumstances are serious or the supplier is unable to cooperate, remove it from the roster of qualified suppliers and discontinue cooperation.
	- Dynamic has established the "Regulations for Reporting Rewards" and "Procedures for Whistleblower Management and Protection". Whistleblowers must not be subjected to unfavorable treatment in terms of position or remuneration; ongoing contracts must not be terminated or amended; and coercion, insults, or harassment are prohibited to ensure the safety of whistleblowers' lives and property as well as their work and economic rights. - If retaliation occurs, provide the victim with necessary legal consultation and workplace personal safety protection. - If an investigation confirms retaliation against a whistleblower, impose strict administrative disciplinary action on the perpetrator.	- Allow external stakeholders to directly use Dynamic's official grievance channels and provide both internal and external whistleblowers with the option of anonymous reporting. - Regularly issue "Integrity Notification Letters" to remind supplier partners and jointly implement a cooperation model of ethical and honest management. - Require suppliers to establish internal anonymous grievance and whistleblower protection mechanisms to safeguard the rights and interests of whistleblowers among value chain partners.	- Dynamic has established the "Regulations for Reporting Rewards" and "Procedures for Whistleblower Management and Protection" to encourage external partners to report violations of integrity and ethics, while implementing protection procedures to strictly prevent retaliation. - Strictly investigate supplier actions that suppress whistleblowers, record such conduct as an integrity violation, and require suppliers to reinstate employees who have suffered retaliation to their original positions and compensate them for their losses.
	- If an infringement of the right to collective bargaining is confirmed, immediately require the improper conduct to cease and restore the right of employees or employee representatives to communicate and negotiate with the employer. - A flexible mechanism ensures that collective negotiation is protected. Decisions are made through labor-management meetings at the Taoyuan Operation Center, through labor union discussions at the Kunshan and Huangshi Plants, and through Employee Welfare Committee discussions at the Thailand Plant. All decisions apply to all employees. In other words, 100% of Dynamic employees are protected by collective negotiation.		
	- Management programs for freedom of association and collective bargaining. The Company assists all employees to obtain independence and freedom of association and bargaining through similar channels. - Strictly prohibit transfers or improper disciplinary action resulting from membership in an organization. If a material incident occurs, remedy any adverse treatment arising from freedom of association disputes and reinstate affected employees.	- When selecting suppliers or entering into contracts with them, evaluate their fulfillment of corporate social responsibility in the economic, environmental, and social dimensions. The minimum requirement is that suppliers must not have any significant actual or potential negative impacts. - Maintain a supplier management policy and evaluate suppliers' monthly performance, including requirements relating to the environment, labor, and human rights. - When selecting suppliers of similar performance, we assign contracts to suppliers with better ESG performance. If a supplier cannot meet the minimum ESG requirements within the set time, the cooperation will be voided.	- Require suppliers to rectify deficiencies when human rights violations are identified. - If a supplier has a significant actual or potential negative impact, require it to commit to making improvements within a specified period, and continue to follow up until completion. If the circumstances are serious or the supplier is unable to cooperate, remove it from the roster of qualified suppliers and discontinue cooperation.
	- The Company has established a grievance and complaint mechanism. If discriminatory behavior is discovered, complaints can be made directly to higher-level supervisors or the general manager. - Establish preventive measures against sexual harassment, complaint procedures, and disciplinary measures. - If a material incident involving discrimination, inequality, bullying, or similar conduct occurs, initiate the Company's internal investigation procedure. Following the review, provide compensation or remedies for harm caused by differential treatment or discrimination based on the investigation results, and impose disciplinary measures such as salary reductions or dismissal on the persons involved.		

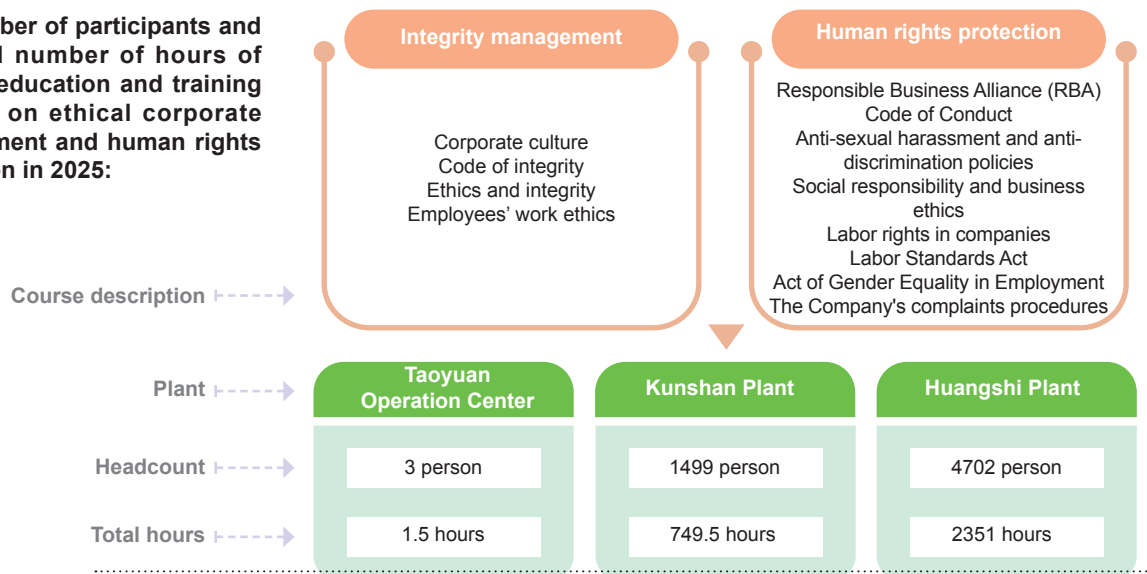


Human Rights Due Diligence Results and Coverage

Category	A. Assessed in the past three years (%)	B. Identified risks as a percentage of total assessed (A) (%)	C. Mitigation measures taken as a percentage of identified risks (B) (%)
Own operations	Dynamic's human rights due diligence covers diverse groups across its operating sites, including community residents, vulnerable groups, employees at overseas plants, headquarters employees of different genders, and Indigenous peoples. Coverage of the Company's own operations reached 100%.	The 2025 human rights due diligence identified no human rights violations involving forced labor, child labor, gender discrimination, or similar issues, resulting in a risk identification rate of 0%.	For the human rights due diligence completed in 2025, "preventive and mitigation measures" and "remedial or compensation measures" have been established for all relevant issues, resulting in 100% coverage.
Contractors and Tier 1 Suppliers	Dynamic has a supplier management policy in place that requires major raw material suppliers to commit and ensure compliance with relevant regulations on issues such as business ethics, environmental protection, occupational safety and health, and labor rights. The suppliers sign-up rate is 100%.	In 2025, on-site CSR (including EHS and human rights) audits were completed for 42 key target suppliers. No material deficiencies were identified, representing 0% of all suppliers surveyed.	Require all suppliers with identified deficiencies to propose improvement measures and ensure that the relevant measures are followed up to completion and/or subject to follow-up review. The implementation rate of "preventive and mitigation measures" and "remedial or compensation measures" reached 100%.
Joint venture	Not applicable		

Education and Training

The number of participants and the total number of hours of internal education and training courses on ethical corporate management and human rights protection in 2025:



Anti-discrimination

This includes discrimination based on factors such as gender, race, religion, and age. It is unfair and violates morality. It will lead to employee dissatisfaction and further negative repercussions. Therefore, by establishing an anti-discrimination management system, Dynamic can better protect the rights and interests of employees, promote a fair and inclusive work environment, and convey the Company's positive image and values to the outside world. It defines anti-discrimination policies and guidelines, and provides clear reporting channels and handling procedures.

Dynamic's "Anti-Discrimination and Anti-harassment Policy" is disclosed on the Company's website. The full text can be accessed by scanning the QR code below.





II. Talent Structure and Development

Due to the nature of the Company's manufacturing industry, 55% of employees have a college education or above. The overall qualification level of the Company's employees is relatively high compared to its regional peer companies. In addition, in response to its global operational expansion, the Company added the Thailand Plant in 2025 and adopted a localized talent policy that focuses primarily on hiring local nationals. Through the recruitment and development of local talent, the Company enhances operational efficiency and organizational stability while promoting the shared development of the Company and the local community.

To further optimize the Company's talent structure, stabilize current employees while attracting outstanding external talent, and enhance corporate competitiveness, the Company will continue to promote talent development in the following areas:

First, the Company maintains rigorous recruitment and selection standards, prioritizing individuals with experience in the PCB manufacturing industry to improve job suitability and professional capabilities, thereby increasing employee retention and organizational stability.

Second, the Company has established a comprehensive talent development system, offering complete and systematic training programs according to the annual education and training plan. These programs cover new employee training, pre-job training, and on-the-job training, continuously enhancing employees' professional knowledge, thinking abilities, and practical skills and strengthening the overall quality of our talents.

In addition, the Company leverages its competitive compensation and benefits system and promotes its corporate culture both internally and externally to enhance employees' sense of identification with and commitment to the Company. The Company also provides annual career development planning and guidance to raise awareness of career development among employees and frontline supervisors, helping them establish clear career goals and development paths, fostering their enthusiasm and motivation for growth, and promoting the mutual growth of individuals and the Company.





Distribution of employees by type in 2025

Category Item	Regional Item	Taiwan - Taoyuan Operation Center				
		Male	Female	Others*	Total	Ratio
Number of employees	Total number of people	13	20	0	33	100%
Contract type	Indefinite	14	19	0	33	100%
	Definite	0	0	0	0	0%
Age	Under 30 years old	1	1	0	2	6.06%
	30-50 years old	8	13	0	21	63.64%
	50 years and above	5	5	0	10	30.30%
Job type	Managerial level (Assistant Manager and above)	10	12	0	22	66.67%
	Indirect employees	4	7	0	11	33.33%
	Direct employees	0	0	0	0	0.00%
Category Item	Regional Item	China Plants (Kunshan + Huangshi)				
Number of employees	Total number of people	3,608	1,801	0	5,409	100%
Contract type	Indefinite	3,194	1,568	0	4,762	88%
	Definite	414	233	0	647	12%
Age	Under 30 years old	1,778	603	0	2,381	44.02%
	30-50 years old	1,730	1,176	0	2,906	53.73%
	50 years and above	100	22	0	122	2.26%
Job type	Managerial level (Assistant Manager and above)	63	28	0	91	1.68%
	Indirect employees	322	270	0	592	10.94%
	Direct employees	3,223	1,503	0	4,726	87.37%
Category Item	Regional Item	Thailand Plant				
Number of employees	Total number of people	759	623	0	1,382	100%
Contract type	Indefinite	759	623	0	1,382	100%
	Definite	0	0	0	0	0%
Age	Under 30 years old	374	367	0	741	53.62%
	30-50 years old	367	255	0	622	45.01%
	50 years and above	18	1	0	19	1.37%
Job type	Managerial level (Assistant Manager and above)	46	9	0	55	3.98%
	Indirect employees	82	72	0	154	11.14%
	Direct employees	631	542	0	1,173	84.88%
Category Item	Regional Item	All factories				
Number of employees	Total number of people	4,380	2,444	0	6,824	100%
Contract type	Indefinite	3,967	2,210	0	6,177	91%
	Definite	414	233	0	647	9%
Age	Under 30 years old	2,153	971	0	3,124	46%
	30-50 years old	2,105	1,444	0	3,549	52%
	50 years and above	123	28	0	151	2%
Job type	Managerial level (Assistant Manager and above)	119	49	0	168	3%
	Indirect employees	408	349	0	757	11%
	Direct employees	3,854	2,045	0	5,899	86%

Note 1: The definition of others is determined by the employees themselves.

Note 2: Job type* direct employees are those engaged in production-related operations; and indirect employees are the other employees.

Note 3: The plants' outsourced workers include 158 non-employee staff such as security, cleaning, and catering personnel, an 8% decrease compared with 2024.

Note 4: Type of employees without guaranteed hours



Distribution of employees by job level in 2025

Distribution by Title	Project	Taiwan - Taoyuan Operation Center			
		Male	Female	Others ⁺	Total
Management (associate or above)	Number of people	11	11	0	22
	Percentage (%)	50%	50%	0%	100%
Technicians	Number of people	3	2	0	5
	Percentage (%)	60.00%	40.00%	0.00%	100.00%
Other employees	Number of people	1	5	0	6
	Percentage (%)	16.67%	83.33%	0.00%	100.00%
Distribution by Title	Project	China Plants (Kunshan + Huangshi)			
		Male	Female	Others ⁺	Total
Management (associate or above)	Number of people	63	28	0	91
	Percentage (%)	69%	31%	0%	100%
Technicians	Number of people	404	177	0	581
	Percentage (%)	69.54%	30.46%	0.00%	100.00%
Other employees	Number of people	3,141	1,596	0	4,737
	Percentage (%)	66.31%	33.69%	0.00%	100.00%
Distribution by Title	項目	Thailand Plant			
		Male	Female	Others ⁺	Total
Management (associate or above)	Number of people	46	9	0	55
	Percentage (%)	84%	16%	0%	100%
Technicians	Number of people	90	43	0	133
	Percentage (%)	67.67%	32.33%	0.00%	100.00%
Other employees	Number of people	623	571	0	1194
	Percentage (%)	52.18%	47.82%	0.00%	100.00%
Distribution by Title	項目	All factories			
		Male	Female	Others ⁺	Total
Management (associate or above)	Number of people	120	48	0	168
	Percentage (%)	71%	29%	0%	100%
Technicians	Number of people	497	222	0	719
	Percentage (%)	69.12%	30.88%	0.00%	100.00%
Other employees	Number of people	3765	2172	0	5,937
	Percentage (%)	63.42%	36.58%	0.00%	100.00%

Note: Supervisors: Senior and entry-level supervisors (managerial level and above), technicians: IT and engineering-related technicians, other employees: all other non-supervisory and technical personnel



Management level and employment in 2025

Project		Male						Percentage of managerial positions and employees	Female					Percentage of managerial positions and employees
		China, Asia	Taiwan, Asia	Thailand, Asia	Philippines, Asia	USA, North America	Total		China, Asia	Taiwan, Asia	Thailand, Asia	Malaysia, Asia	Total	
Top managerial positions	Number of people	1	6	0	0	0	7	87.5%	0	1	0	0	1	12.5%
	Percentage (%)	14.3%	85.7%	0.0%	0.0%	0.0%	100%		0.0%	100.0%	0.0%	0.0%	100%	
Entry-level managerial positions	Number of people	34	20	8	0	0	62	67.4%	20	10	0	0	30	32.6%
	Percentage (%)	54.84%	32.26%	12.90%	0.00%	0.00%	87%		66.7%	33.3%	0.0%	0.0%	1	
Revenue generation from managerial positions	Number of people	5	6	0	0	0	11	44.0%	9	4	0	1	14	56.0%
	Percentage (%)	45.5%	54.5%	0.0%	0.0%	0.0%	100%		64.3%	28.6%	0.0%	7.1%	100.0%	
STEM managerial positions	Number of people	28	10	1	1	0	40	93.0%	2	1	0		3	7.0%
	Percentage (%)	70.0%	25.0%	2.5%	2.5%	0.0%	100%		66.7%	33.3%	0.0%	0.0%	100.0%	
Total number of managerial positions (associate or above)	Number of people	68	42	9	1	0	120	71.4%	31	16	0	1	48	28.6%
	Percentage (%)	56.7%	35.0%	7.5%	0.8%	0.0%	100%		64.6%	33.3%	0.0%	2.1%	100.0%	
Technicians	Number of people	465	3	28	0	1	497	69.1%	180	3	39	0	222	30.9%
	Percentage (%)	93.6%	0.6%	5.6%	0.0%	0.2%	100%		81.1%	1.4%	17.6%	0.0%	100.0%	
Other employees	Number of people	3,332	2	431	0	0	3,765	63.4%	1,642	7	523	0	2,172	36.6%
	Percentage (%)	88.5	0.1%	11.4%	0.0%	0.0%	100%		75.6%	0.3%	24.1%	0.0%	100.0%	
Total number of employees	Number of people	3,865	47	468	1	1	4,382	64.2%	1,853	27	562	1	2,442	35.8%
	Percentage (%)	88.2%	1.1%	10.7%	0.0%	0.0%	100%		75.88%	1.11%	23.01%	0.04%	100%	

Project	Top managerial positions	Entry-level managerial positions	Revenue generation from managerial positions	STEM managerial positions	Total managerial positions (associate or above)	Technicians	Other employees	Total number of employees
Total number of people	8	92	25	43	168	719	5937	6824
Target percentage of female managerial positions and employees in 2027	25%	50%	55%	15%	45%	37%	40%	45%

Note: 1. Supervisors refer to senior and entry-level supervisors (above the managerial level) who are subdivided into the Company's departments and are responsible for the leadership and management of business, including personnel from professional technical and management units. The highest managerial position is above factory manager, with entry-level managerial positions being administrative and factory department supervisors. Revenue generation managerial positions include the sales and management departments. STEM managerial positions include the R&D and technology departments.

2. Technicians: IT and engineering-related technicians. Other employees: all other non-supervisory and technical personnel

3. The number of people in each managerial position is indicated by the nationality of the location.

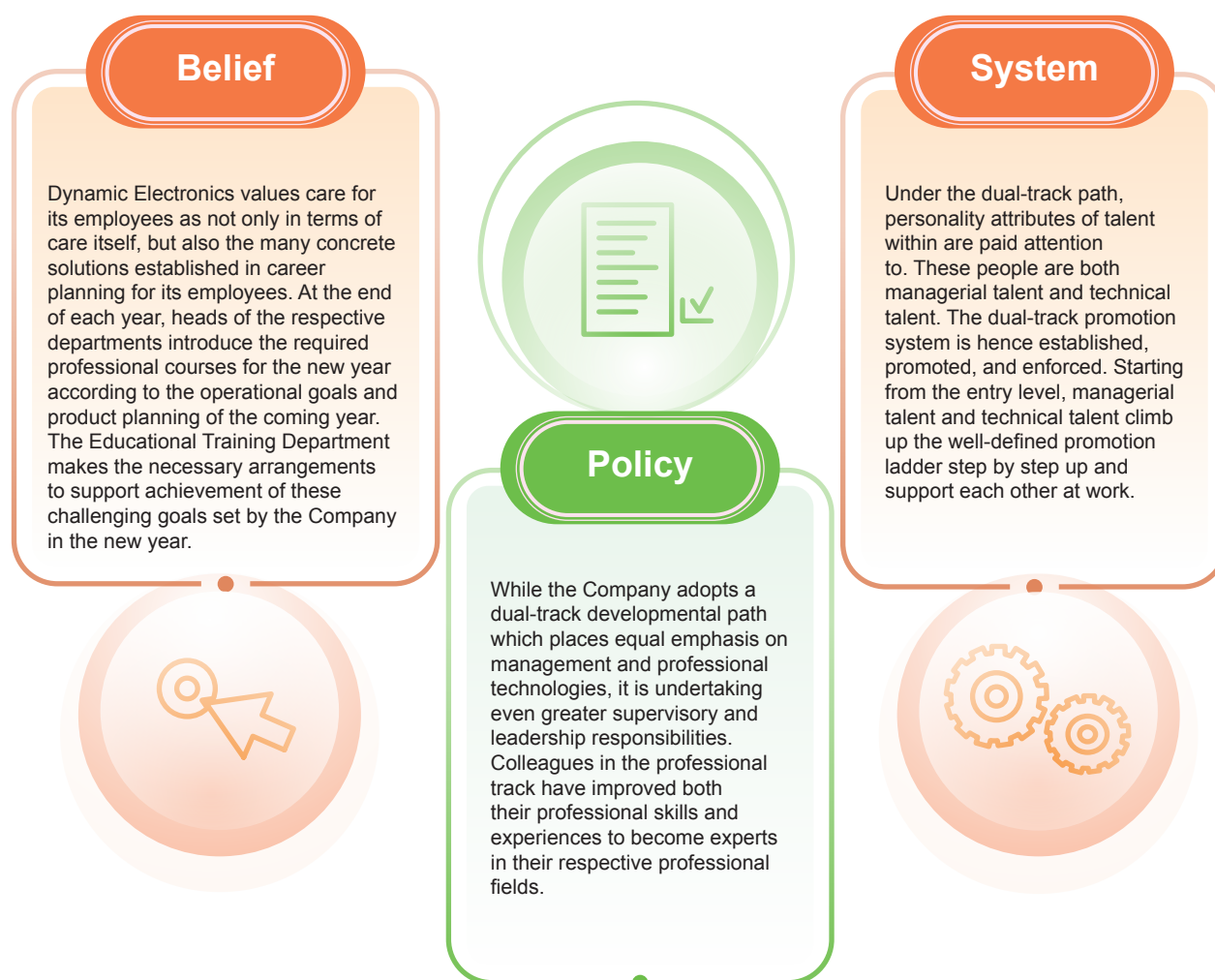


Return on investment in human capital (HC ROI) from 2022 to 2025

Item/Year		2022	2023	2024	2025
a	Operating revenue	15,297,012,000	15,713,954,000	17,787,004,000	19,452,961,000
b	Operating expenses + operating costs	14,463,529,000	14,072,688,000	16,249,808,000	18,293,121,000
c	Total employee expenses	2,013,428,000	2,227,682,000	2,841,758,000	3,040,508,000
HC ROI	(a - (b-c)) / c	1.414	1.737	1.541	1.381
Number of employees		4113	4809	5167	6824

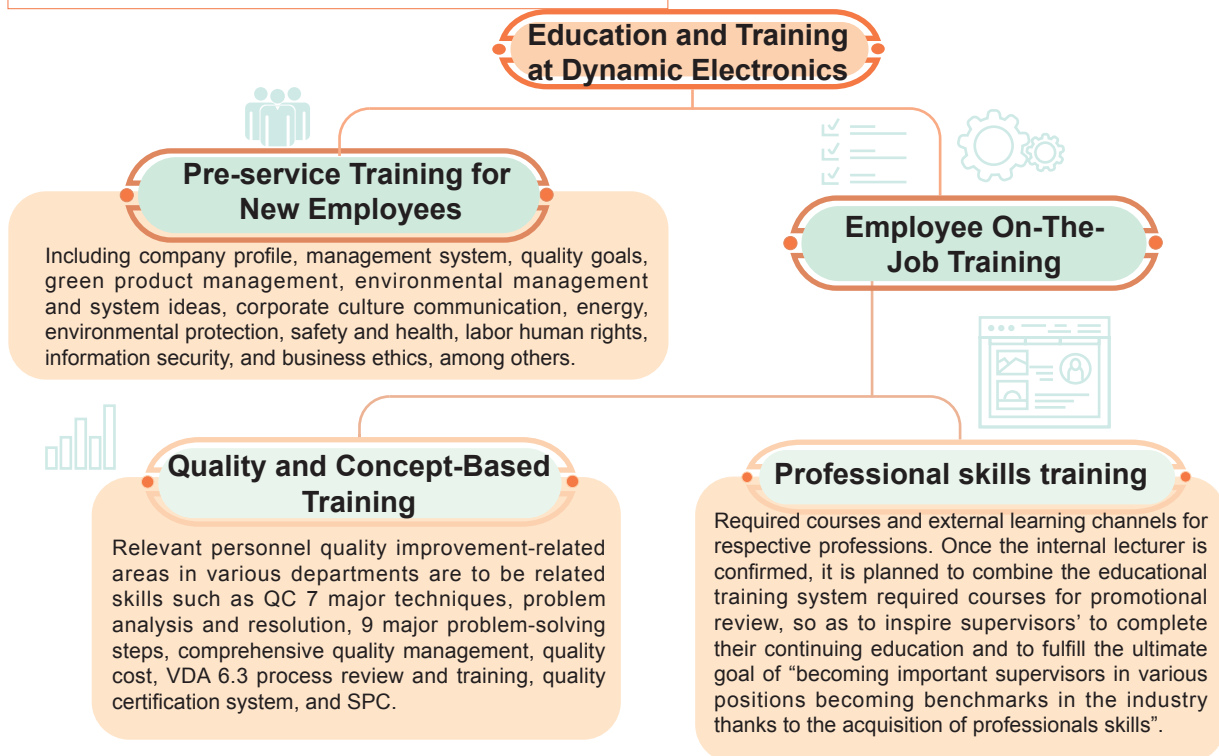
Note: HC ROI = {a revenue - [b operating expenses - c (salary cost + welfare cost)]} / c (salary cost + welfare cost)

Career Development





Dynamic Educational Training Framework



Employee Development Program

Course theme		Training Evaluation Results			
Quality and Concept-Based Training	Relevant personnel quality improvement-related areas in various departments are related skills such as QC 7 major techniques, problem analysis and resolution, comprehensive quality management, and quality certification system.	Level 1 Reaction Evaluation	Level 2 Learning Evaluation	Level 3 Behavioral Evaluation	Level 4 Results Evaluation
Training subjects	Quality Assurance Division, Plant Engineering Division, Process Technology Division: total 10,000 participants	Training course feedback survey	Post-training evaluation result analysis (written test, oral test, practical test, reflection)	Training effectiveness evaluation (effects on quality, process improvement, attitude, knowledge)	Improvement of product quality and customer satisfaction. - Customer satisfaction in 2025: 9.1, achieving the target of 9.0. - Number of defects per million products in 2025: 0.2, achieving the 2025 target of 0.5.
Effectiveness of training	Enhance personnel quality capabilities and better mastery of the quality management system				

III. Talent Attraction/Retention and Employee Benefits

Management approach



Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Employees are the foundation of Dynamic's development. Cultivating and retaining talented people can support Dynamic to achieve its challenging goals in the coming year.	If the turnover rate is too high, the Company will have to spend heavily on recruitment and re-education, which will be a significant cost and may reduce the efficiency of the Company's development.	- Build optimal labor-management relations - Enhancement of two-way communication between employees and the company, and improvement of recognition towards the Company - Provide sound career planning and compensation and welfare - Optimize the production line and workplace - Enhance employee technical skills and process speed to improve product quality	- All-around training plans - The process engineer is promoted through two channels - Hold employee seminars - Improve experience and technology inheritance - Reduce the turnover rate	President Chairman That's Not Right Mailbox (Hotline, mailbox)



Average number of hours of educational training provided

Plant	2025 Performance	2025 Target (Mid-term)	Goals in 2026	2027 Target (Long-term)
Taoyuan Operation Center	20.1	24	25	26
Kunshan Plant	29	21	21	22
Huangshi Plant	22	21	21	22

Taoyuan Operation Center Training Hours Statistics in 2025

Category	Male			Female			Categorical total number of persons	Categorical total number of hours	Categorical mean number of hours
	Number of people	Total hours (hours)	Average number of hours (hours/person)	Number of people	Total hours (hours)	Average number of hours (hours/person)			
Supervisor - Managerial and above	11	351.0	31.9	11	210.0	19.1	22	561.0	25.5
Indirect employees	4	94.8	23.7	7	6.0	0.9	11	100.8	9.2
Total number of people	15	445.8	29.7	18	222.5	20.0	33	661.8	20.1

Kunshan Plant Training Hours Statistics in 2025

Category	Male			Female			Categorical total number of persons	Categorical total number of hours	Categorical mean number of hours
	Number of people	Total number of hours (hour)	Average number of hours (hours/person)	Number of people	Total number of hours (hour)	Average number of hours (hours/person)			
Supervisor - Managerial and above	12	666.0	55.5	16	778.0	48.6	28	1444.0	51.6
Indirect employees	52	2088.5	40.2	84	3131.0	37.3	136	5219.5	38.4
Direct employees	828	22799.5	27.5	536	14860.0	27.7	1364	37659.5	27.6
Total number of people	892	25554.0	28.6	636	18769.0	113.6	1528	44323.0	29.0

Huangshi Plant Training Hours Statistics in 2025

Category	Male			Female			Categorical total number of persons	Categorical total number of hours	Categorical mean number of hours
	Number of people	Total number of hours (hour)	Average number of hours (hours/person)	Number of people	Total number of hours (hour)	Average number of hours (hours/person)			
Supervisor - Managerial and above	21	2216.5	43.5	12	556.5	46.4	2773.0	2773.0	44.0
Indirect employees	270	4968.5	18.4	186	4108.0	22.1	9076.5	9076.5	19.9
Direct employees	2395	53525.0	22.3	967	20161.0	20.8	73686.0	73686.0	21.9
Total number of people	2716	60710.0	22.4	1165	24825.5	89.3	85535.5	85535.5	22.04



Trainings Held at the Three Plants in 2025 (excluding the Thailand Plant)

Course Category	Taoyuan Operation Center (number of sessions)	Kunshan Plant (number of sessions)	Huangshi Plant (number of sessions)	Total
Educational training for newcomers	3	89	180	272
In-service educational training - internal	47	643	741	1431
Specialized educational training - external	76	3324	5	3405
Total number of sessions	126	4056	926	5108
Total training hours	661.8	56000.6	85,535.5	142,197.9
Total expenses (currency)	TWD624,230.0	RMB93,306.0	RMB372,910.0	TWD 2,722,202.0 (TWD/RMB exchange rate: 4.5)

Note: In 2025, Dynamic recorded a total of 142,197.9 training hours and total training expenses of TWD 2,722,202. Based on a headcount of 5,442 employees as of December 31, 2025, the average training hours per employee were 26.1 hours, and the average training expense per employee was TWD 500.2.

The average training hours per employee were 26.1 hours, and the average training expense per employee was TWD 500.2.

Build Corporate Identity in Employees

Dynamic has respective measures in place so that while employees continue to contribute and grow within the Company, they can also enjoy an enriched life, realize their personal ideals, and bring about shared success and development for themselves and for the Company.

Starting with recruitment and throughout the whole career path, Dynamic is building corporate identity in its employees.

1

Comprehensive recruitment channels (network, talent market/campus/internal employee referral/media advertisement/labor/academia-business collaboration/recruitment post/internal corporate recruitment, etc.)

2

From interview - salary verification - physical examination - registration - training, etc., to provide personalized services to improve the corporate image and enable employees to establish corporate identity.

Dynamic has established the "Dynamic Scholarship" at Hubei Polytechnic University for four consecutive years to support the development of outstanding students. In 2025, Dynamic and Hubei Polytechnic University jointly held a scholarship award ceremony to recognize 22 outstanding students, with certificates jointly presented by representatives of the University and the Company. During the event, the Company also introduced its corporate development and talent needs. Through exchanges, interactions, and resume collection, Dynamic further strengthened industry-academia collaboration and cultivated future talent for the industry.



Labor-management relations

Guided by the harmonious concept, Dynamic adopts a communicative and cooperative approach when dealing with labor relations. In addition to maintaining a smooth communication system, Dynamic also holds regular labor-management meetings to fully explain the company's operating conditions to employees and listen to the voices of the grassroots and make appropriate responses.

For the transfer of employees, if the regulatory transfer principle is fulfilled, the Company's "Employee Transfer Regulations" must be followed to avoid undermining the workplace rights of employees. In cases of unexpected important matters for which decisions need to be made, besides workshops where all employees are briefed, such decisions must be made known through the internal bulletin board and emails. Negotiation and announcement deadlines in governmental laws and regulations must be followed. When the company faces major operational changes that may affect employees, those changes will be handled in accordance with the company's management rules and procedures and will be implemented within the time frame stipulated by the relevant laws and regulations.

The Taoyuan Operation Center - in accordance with Taiwan's "Labor Standards Act", the notice period for labor contract termination is as follows:

- For those who have worked for more than 3 months and less than 1 year, notice must be given 10 days in advance.
- For employment of more than 1 year but less than 3 years, notice shall be given 20 days in advance.
- For those who have worked for more than 3 years, notice must be given 30 days in advance.

Kunshan Plant/Huangshi Plant - According to China's "Labor Contract Act", the notice period for termination of labor contract is 30 days.

About the collective negotiation mechanism, decisions are made through labor-management meetings for the Taoyuan Operation Center and through discussions in the labor unions at the Kunshan and the Huangshi Plant. All decisions apply to all employees. In other words, employees are 100% protected by collective negotiation at Dynamic.



Meetings and Announcements in 2025

Type of Meeting	Intended Audience	Taoyuan Operation Center (number of sessions)	Kunshan Plant (number of sessions)	Huangshi Plant (number of sessions)	Thailand Plant (number of sessions)
Operational meeting	Supervisors at all levels	12	12	12	12
Labor-management meeting	Labor representatives	4	0	0	0
Employee Welfare Committee	Employee representatives	4	0	0	4
Labor union	Members of the union	0	1	1	0
Employee workshop	Employee representatives	0	0	2	0
Announcement	All employees	10 and above	100 and above	100 and above	50 and above

Description

No employee workshops have been held at the Taoyuan Operation Center and Thailand Plant because employees can fully express their opinions through their labor/employee representatives in the labor-management meetings or the Employee Welfare Committee.

Employer-employee Relations

The 2025 performance is summarized below based on the operating sites.

Overview of new employees in 2025:

Region		Taiwan - Taoyuan Operation Center			China Plants (Kunshan + Huangshi)			Thailand Plant			All factories		
Age	Gender	Number of newcomers	Number of in-service people	Ratio of newcomers	Number of newcomers	Number of in-service people	Ratio of newcomers	Number of newcomers	Number of in-service people	Ratio of newcomers	Number of newcomers	Number of in-service people	Ratio of newcomers
Under 30 Years old	Male		1	0.00%	1132	1778	63.67%	172	374	45.99%	1304	2153	60.57%
	Female		1	0.00%	328	603	54.39%	205	367	55.86%	533	971	54.89%
	Total	0	2	0.00%	1460	2381	61.32%	377	741	50.88%	1837	3124	58.80%
30-50 years old	Male	1	8	12.50%	375	1730	21.68%	124	367	33.79%	500	2105	23.75%
	Female	2	13	15.38%	201	1176	17.09%	84	255	32.94%	287	1444	19.88%
	Total	3	21	14.29%	576	2906	19.82%	208	622	33.44%	787	3549	22.18%
50 years and above	Male		5	0.00%		100	0.00%	7	18	38.89%	7	123	5.69%
	Female		5	0.00%	2	22	9.09%	0	1	0.00%	2	28	7.14%
	Total	0	10	0.00%	2	122	1.64%	7	19	36.84%	9	151	5.96%
Total number throughout the year		3	33	9.09%	2038	5409	37.68%	592	1382	42.84%	2633	6824	38.58%

New employee recruitment rate = Total number of new employees in the current year (number of employees working for more than 90 days)/Number of employees working at the end of the year on December 31 The number of employees by age group

Overview of resigned employees in 2025:

Region		Taiwan - Taoyuan Operation Center			China Plants (Kunshan + Huangshi)			Thailand Plant			All factories		
Age	Gender	Number of resigned people	Number of in-service people	Turnover rate	Number of resigned people	Number of in-service people	Turnover rate	Number of resigned people	Number of in-service people	Turnover rate	Number of resigned people	Number of in-service people	Turnover rate
Under 30 years old	Male		1	0.00%	1292	1778	72.67%	65	374	17.38%	1357	2153	63.03%
	Female		1	0.00%	362	603	60.03%	54	367	14.71%	416	971	42.84%
	Total	0	2	0.00%	1654	2381	69.47%	119	741	16.06%	1773	3124	56.75%
30-50 years old	Male		8	0.00%	434	1730	25.09%	66	367	17.98%	500	2105	23.75%
	Female	3	13	23.08%	236	1176	20.07%	34	255	13.33%	273	1444	18.91%
	Total	3	21	14.29%	670	2906	23.06%	100	622	16.08%	773	3549	21.78%
50 years and above	Male		5	0.00%	9	100	9.00%	7	18	38.89%	16	123	13.01%
	Female		5	0.00%	28	22	127.27%		1	0.00%	28	28	100.00%
	Total	0	10	0.00%	37	122	30.33%	7	19	36.84%	44	151	29.14%
Total number throughout the year		3	33	9.09%	2361	5409	43.65%	226	1382	16.35%	2590	6824	37.95%

Voluntary Turnover Rate = (Voluntary Resignations + Voluntary Retirements + Mandatory Retirements [>90 days of service]) / Employees in service as of December 31 for the specific age group



Overview of Resigned Employees from 2022 to 2024

Item/Region		Taoyuan Operation Center		Kunshan Plant		Huangshi Plant		Total	
Age	Gender	Number of resigned people	Turnover rate	Number of resigned people	Turnover rate	Number of resigned people	Turnover rate	Number of resigned people	Turnover rate
2024									
Under 30 years old	Male	0	0.00%	77	5.16%	985	27.09%	1062	20.58%
	Female	1	2.94%	33	2.21%	281	7.73%	315	6.10%
	Total	1	2.94%	110	7.38%	1266	34.82%	1377	26.68%
30-50 years old	Male	1	2.94%	85	5.70%	357	9.82%	443	8.58%
	Female	0	0.00%	70	4.69%	197	5.42%	267	5.17%
	Total	1	2.94%	155	10.40%	554	15.24%	710	13.76%
50 years and above	Male	0	0.00%	1	0.07%	4	0.11%	5	0.10%
	Female	0	0.00%	23	1.54%	2	0.06%	25	0.48%
	Total	0	0.00%	24	1.61%	6	0.17%	30	0.58%
Total number of employees resigned for the year		2	5.88%	289	19.38%	1826	50.22%	2117	41.02%
Total number of employees in the year		34		1491		3636		5161	
2023									
Under 30 years old	Male	0	0.00%	18	1.20%	627	18.59%	645	13.14%
	Female	0	0.00%	21	1.40%	239	7.09%	260	5.30%
	Total	0	0.00%	39	2.60%	866	25.67%	905	18.44%
30-50 years old	Male	1	2.78%	77	5.14%	357	10.58%	435	8.86%
	Female	1	2.78%	71	4.74%	305	9.04%	377	7.68%
	Total	2	5.56%	148	9.87%	662	19.63%	812	16.54%
50 years and above	Male	0	0.00%	6	0.40%	6	0.18%	12	0.24%
	Female	0	0.00%	4	0.27%	1	0.03%	5	0.10%
	Total	0	0.00%	10	0.67%	7	0.21%	17	0.35%
Total number of employees resigned for the year		0	0.00%	197	13.14%	1535	45.51%	1732	35.33%
Total number of employees in the year		36		1499		3373		4908	
2022									
Under 30 years old	Male	0	0.00%	477	31.82%	299	11.61%	776	18.87%
	Female	0	0.00%	262	17.48%	111	4.31%	373	9.07%
	Total	0	0.00%	739	49.30%	410	15.92%	1149	27.94%
30-50 years old	Male	0	0.00%	590	39.36%	144	5.59%	734	17.85%
	Female	1	2.63%	474	31.62%	129	5.01%	604	14.69%
	Total	1	2.63%	1064	70.98%	273	10.60%	1338	32.53%
50 years and above	Male	1	2.63%	7	0.47%	0	0.00%	8	0.19%
	Female	0	0.00%	4	0.27%	0	0.00%	4	0.10%
	Total	1	2.63%	11	0.73%	0	0.00%	12	0.29%
Total number of employees resigned for the year		2	5.26%	1814	121.01%	683	26.51%	2499	60.76%
Total number of employees in the year		38		1499		2576		4113	

Voluntary Turnover Rate = Number of local employees who voluntarily left the Company, by age and gender / Total number of local employees



Number of Recruits from 2022 to 2025

Region		Total number of people	Taoyuan Operation Center	Kunshan Plant	Huangshi Plant
Age	Gender		Number of newcomers	Number of newcomers	Number of newcomers
2025					
16-under the age of 18	Male	0	0	0	0
	Female	0	0	0	0
	Total	0	0	0	0
18–30 years old and under	Male	1305	1	1132	172
	Female	535	2	328	205
	Total	1840	3	1460	377
30-50 years old	Male	499	0	375	124
	Female	285	0	201	84
	Total	784	0	576	208
51 years and above	Male	7	0		7
	Female	2	0	2	0
	Total	9	0	2	7
Total number throughout the year		2633	3	137	592
Region		Total number of people	Taoyuan Operation Center	Kunshan Plant	Huangshi Plant
Age	Gender		Number of newcomers	Number of newcomers	Number of newcomers
2024					
16-under the age of 18	Male	0	0	0	0
	Female	0	0	0	0
	Total	0	0	0	0
18–30 years old and under	Male	1127	1	61	1065
	Female	312	0	24	288
	Total	1439	1	85	1353
30-50 years old	Male	429	1	33	395
	Female	161	1	19	141
	Total	590	2	52	536
51 years and above	Male	0	0	0	0
	Female	0	0	0	0
	Total	0	0	0	0
Total number throughout the year		2029	3	137	1889

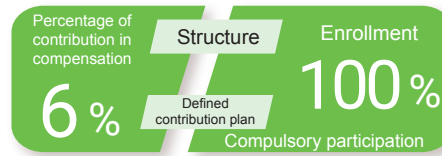
Region		Total number of people	Taoyuan Operation Center	Kunshan Plant	Huangshi Plant
Age	Gender		Number of newcomers	Number of newcomers	Number of newcomers
2023					
16-under the age of 18	Male	0	0	0	0
	Female	0	0	0	0
	Total	0	0	0	0
18–30 years old and under	Male	802	1	25	776
	Female	245	0	11	234
	Total	1047	1	36	1010
30-50 years old	Male	387	0	19	368
	Female	246	1	19	226
	Total	633	1	38	594
51 years and above	Male	5	1	1	3
	Female	1	0	1	0
	Total	6	1	2	3
Total number throughout the year		1686	3	76	1607
2022					
16-under the age of 18	Male	11	0	11	0
	Female	23	0	23	0
	Total	34	0	34	0
18–30 years old and under	Male	787	0	177	610
	Female	360	2	101	257
	Total	1147	2	278	867
30-50 years old	Male	589	1	155	433
	Female	474	1	119	354
	Total	1063	2	274	787
51 years and above	Male	3	0	2	1
	Female	2	0	0	2
	Total	5	0	2	3
Total number throughout the year		2249	4	588	1657



Employee Retirement Benefit Plan at Taoyuan Operation Center

On July 1, 2005, after the new pension system was implemented by the government, the Company began to appropriate 6% of monthly salary according to the laws and regulations.

Kunshan/Huangshi/Thailand Plant's social insurance fund (including five insurances: pension, medical care, unemployment, work injury, and maternity)



Structure	Kunshan Plant	Huangshi Plant	Thailand Plant
	Defined contribution system	Defined contribution system	Defined contribution system
Ratio of unit contribution to overall social security payment base	25.35%	25.76%	5%
Ratio of personal contribution to overall social security payment base	10.50%	10.30%	5%
Enrollment	100% compulsory participation	100% compulsory participation	100% compulsory participation

The pension premium is shared by the Company, the employee, and the government. The amount is deposited to the personal account of the employee on a monthly basis as required by law.

Dynamic values employees' work-life balance and, in accordance with applicable laws and regulations at each operating location and the Company's internal policies, provides parental leave, childcare support, and maternity protection measures to help employees balance work and family caregiving responsibilities.

Parental Leave and Reinstatement Status in 2025

Parental Support and Maternity Protection

I Parental and Childcare Support

Employees in Taiwan who meet the eligibility requirements prescribed by applicable laws and regulations may apply for unpaid parental leave and the relevant parental leave allowances in accordance with government regulations. Employees raising children under the age of three are also entitled, as prescribed by law, to measures such as flexible working arrangements or reduced working hours.

Each operating location provides parental and family care measures in compliance with applicable local laws and Company policies and continues to support employees in achieving a balance between their work and family responsibilities.

Indicators	Male	Female	Total
Number of employees eligible for parental support measures	0	0	0
Number of employees applying for unpaid parental leave	0	0	0
Number of employees to be reinstated	0	0	0
Number of reinstated employees	0	0	0
Reinstatement rate	NA	NA	NA
Number of employees reinstated in the previous year	0	0	0
Number of employees having been reinstated for one year	0	0	0
Retention rate	NA	NA	NA

II Paid Parental Leave for Primary and Non-primary Caregivers

The Company provides parental support measures for both primary and non-primary caregivers in accordance with the laws and regulations applicable to each operating location and the Company's policies.

In Taiwan, employees are provided with unpaid parental leave in accordance with applicable laws and regulations. In Mainland China and Thailand, maternity leave, leave for employees whose spouses give birth, and other family care measures are provided in accordance with local laws and regulations.

III Maternity Protection

The Company places great importance on the health and safety of pregnant and postpartum employees. Maternity protection measures are implemented in accordance with the laws and regulations applicable to each operating location and the Company's policies, including measures for pregnant employees, work adjustments, maternity leave, paid parental leave for non-primary caregivers, and breastfeeding support.

Kunshan Plant, Huangshi Plant

- The number of pregnant employees is calculated monthly, and employees who are seven months or more into their pregnancy are placed under follow-up management.
- In accordance with applicable laws and regulations and Company policies, pregnant employees are not assigned to night shifts, overtime work, high-risk duties, or physically demanding work, and appropriate adjustments to their work arrangements are made as necessary.
- Maternity leave and paid parental leave/family support measures for non-primary caregivers are provided in accordance with local laws and regulations.
- During the breastfeeding period, employees are provided with breastfeeding support and applicable leave arrangements in accordance with local laws and regulations.

Thailand Plant

- The number of pregnant employees is calculated regularly, and maternity protection measures are implemented in accordance with applicable laws and regulations and Company policies.
- In accordance with applicable requirements, pregnant employees are not assigned overtime or night-shift work in order to safeguard their physical and mental well-being and workplace safety.
- Prior to November 2025, female employees were entitled to 98 days of maternity leave in accordance with the law, of which 45 days were fully paid by the Company at their regular salary.
- Effective December 7, 2025, female employees were entitled to 120 days of maternity leave in accordance with the law, of which 60 days were fully paid by the Company at their regular salary.
- Employees whose spouses give birth are entitled under local law to 15 days of fully paid parental leave as non-primary caregivers, which must be taken within the statutory period.
- If a newborn has special medical needs, congenital abnormalities, or disabilities, the mother may apply for additional childcare leave in accordance with the law.

IV Implementation of Maternity Protection Measures in 2025

Plant	Number of employees who are more than 7 months pregnant	Number of employees who took maternity leave	Number of employees who took paid parental leave as non-primary caregivers
Kunshan Plant	7	15	9
Huangshi Plant	1	18	47
Thailand Plant	0	6	0
Total	8	39	56

Note: 1. Base date: December 31, 2025

2. All of the above employees are covered by the Company's maternity protection and employee family support measures.

V Commitment to Parental Support

Dynamic continues to enhance its parental and family support measures in accordance with applicable local laws and regulations and operational needs. Through measures including unpaid parental leave, paid parental leave for primary and non-primary caregivers, flexible working arrangements, maternity protection, and breastfeeding support, the Company helps employees balance their work and family responsibilities while fostering a supportive, equitable, and inclusive workplace.



Compensation and Welfare

Dynamic has formulated a compensation and position/ranking system. By using a reasonable position/ranking system, we have established a compensation system and used it as the basis for salary and benefits, to make the compensation policy fair. Regarding compensation standards, the salary structure is based on grade, rank, job responsibilities, technical and professional experience, and personal performance in the Company. Starting salaries and wages do not vary based on gender, race, religion, political position, or marital status. In terms of performance evaluation, employees are first evaluated by themselves. Then, the evaluations will be sent to the supervisors whose positions are two levels higher. Objective and fair evaluations will be made according to the actual situation to achieve a motivational effect, and the results will be used as the basis for granting bonuses, promotions, salary adjustments, and reassignments. Employees are informed about the assessment items, grading criteria and calculation methods in advance.

Dynamic multifaceted benefits system enhances employee motivation and willingness to stay on the job. The following countermeasures are provided:

- I. Through rigorous recruitment and talent selection, we can minimize the hiring of ineffective employees and improve the quality of our human resources.
- II. We care for our employees, improve the working environment, improve the company's welfare measures, and strengthen employee cohesiveness.
- III. We enhance employee training programs and reward personnel to propose for improvement, thus strengthening the company's competitiveness.
- IV. Transparent policies and management make employees understand the direction of corporate operation and cultivate their recognition for the Company.

Benefit measures:

Daily welfare measure	Health care measure	Recreational measure	Incentive bonus measure	Education aid measure	Welfare assistance measure
Complimentary meals and coffee and exquisite tea rooms Free uniforms and employee car and motorcycle parking	Employee group insurance (cancer insurance and accident insurance) Regular health checkups and health education programs for employees Installation of medical-grade blood pressure monitor and AED (automated external cardiac defibrillator)	Subsidies for various club activities Trips, staff lunch parties, group recreation activities	Year-end bonus, three Chinese festival grants paying, performance bonus and bonus system Promotion announcements and recognition of outstanding employees	On-the-job training for staff Employee training subsidies, company-appointed foreign language teachers A library is available for staff to borrow books free of charge	Birthday gift, wedding and funeral subsidy, annual gift box, maternity subsidy, hospitalization subsidy, etc.





Performance management

Dynamic Annual Performance Management System



Regulations for Implementation

Intended Audience	➤	All employees
Frequency of performance evaluation	➤	Annual evaluation, goal-setting at the beginning of the year, evaluation at the end of the year
Implementation schedule	➤	1 month

Procedures

Personal self-evaluation

Evaluation by direct supervisors

Part I: Job performance

- Major work achievements for the year
- Annual improvement items and goals
- Training needs
- Work adjustment intention
- Key work objectives for the new year
- Departmental ESG KPIs

Part II: Functional evaluation

- Self-management ability
- Teamwork ability
- Professional competence
- Personal potential

Employee performance interviews

Rating results reviewed by level 2 supervisors

Performance evaluation results including: work achievements, areas for improvement, work goals, training, career planning, etc.





Appraisal statistics table in 2025

Assessment frequency	Regional Item	Taiwan - Taoyuan Operation Center		Mainland China Plants - (Kunshan + Huangshi)		Thailand Plant		Total number of people	Percentage of performance appraisals completed
		Male	Female	Male	Female	Male	Female		
Annual end-of-period evaluation	Management (associate or above)	11	11	53	28	41	7	151	100%
	Indirect employees	4	7	305	264	79	68	727	100%
	Direct employees	0	0	2377	1161	575	500	4613	100%

Note: 1. The evaluation targets are full-time employees who have completed their probationary periods (three months before the end of the current year's probation period on December 31). Employees who are on a dispatch contract will not participate in the evaluation.

Note: 2: Achieved 100% completion rate of performance appraisals in 2024 and 2025.

Ratio of entry-level staff's starting salary to local basic salary in 2025

Gender/Region	Taiwan factories	Kunshan Plant, Jiangsu, China	Huangshi Plant, Hubei, China	Prachinburi, Thailand
Male	100%	100%	109%	132%
Female	100%	100%	109%	132%

Note: Basic salary standards are in accordance with local legal requirements. The base salary of entry-level employees does not include any allowances.

Gender Remuneration Gap by Employee Category in 2025

Project	Type/Region Item	Taiwan - Taoyuan Operation Center		Kunshan Plant, Jiangsu, China		Huangshi Plant, Hubei, China		Prachinburi, Thailand	
		Male	Female	Male	Female	Male	Female	Male	Female
Average salary gap by gender	Management (associate or above)	1	0.81	1	1.15	1	0.84	1	1.00
	Non-managerial staff	1	0.86	1	1.06	1	0.9	1	1.01
Average bonus gap by gender	Management (associate or above)	1	0.86	1	1.04	1	0.81	1	1
	Non-managerial staff	1	0.71	1	1.07	1	0.91	1	1.02
Median salary gap by gender	Management (associate or above)	1	0.9	1	1.09	1	0.93	1	1.00
	Non-managerial staff	1	0.83	1	0.93	1	0.87	1	1.00
Median bonus gap by gender	Management (associate or above)	1	0.98	1	1.15	1	0.93	1	1.00
	Non-managerial staff	1	0.71	1	0.92	1	0.77	1	1.03

Note 1: Salary refers to basic monthly salary, excluding variable pay. 2. Bonuses are calculated based on the year-end bonus.

The Company discloses the average and median salary of full-time employees who are not in managerial positions, as well as changes compared with the previous year.

The relevant information has been disclosed on the "Market Observation Post System" under [Corporate Governance Section > Corporate ESG Information]. By entering > Electronic Components > Dynamic (Stock Code: 3715) and scanning the QR code below, the above information can be accessed.





Communication Platform

Interaction and communication are skills in life and at work. They help us grow interpersonal relationships, understand one another, support one another, be tolerant of other people, and share love, learn, and grow together. Considering this, we have an internal publication called “Dynamic”. It is our hope that each Dynamic employee (Dynamicer) can share their delights, knowledge, and spread positive energy, and build a consensus by exchanging ideas and forming the correct concepts. “Dynamic” is meant to make a difference unique corporate culture at Dynamic.

Starting from 2014, “Dynamic” has been compiling and reviewing the group’s internal activities and achievements every year to provide a faithful record of Dynamic’s growth history. It also records the colorful lives of Dynamic’s employees. We hope that “Dynamic” will not only spread inside the Company, but also convey Dynamic’s dedication and hard work in every aspect to the stakeholders, thereby obtaining their recognition, support, and advice.



Over the years, “Vitality” has covered employee events, club events, and sports events truthfully each year. “Employee Articles” encourages employees to make their writing skills seen by documenting what came to their mind at Dynamic Electronics besides their performance at work. “Honor Roll” lists affirmations from customers and competent authorities of Dynamic Electronics to share the pride with colleagues. “Charity” records the unchanged insistence of Dynamic Electronics in helping the disadvantaged to motivate employees to turn their love into action and to get involved in the various charity events organized by Dynamic Electronics. “Cover Story” features face-to-face interviews with our outstanding supervisors who share information about the latest product technologies and teams available at Dynamic Electronics and brings readers closer to the supervisors by sharing their attitudes toward work and life philosophies, thereby inspiring employees to reflect on themselves and aspire to become cornerstones of Dynamic Electronics someday.

The 13th Issue of Dynamic in 2025 focuses on Dynamic’s concrete ESG initiatives, highlighting the Company’s achievements in environmental protection, social responsibility, and corporate governance.

Environment Aspect

- Environmental initiatives included receiving validation of the Company’s science-based emissions reduction targets from the Science Based Targets initiative (SBTi), introducing an internal carbon pricing mechanism, being recognized as a “1.5°C Model Enterprise” by the Taoyuan City Government and CommonWealth Magazine, and being selected for Business Weekly’s 2025 “Carbon Competitiveness Top 100”.
- The Thailand Plant obtained the Green Industry Level 3 (Green System) certificate issued by the Ministry of Industry and carried out initiatives such as beach cleanups, tree planting, energy conservation, and carbon reduction.

Society Aspect

- On the social front, Dynamic continued to give back to society through scholarship awards, charitable outreach, care for disadvantaged groups, and activities for senior citizens. The Company also organized health promotion activities such as New Year’s Eve countdown events, employee team-building activities, tug-of-war competitions, Songkran water festival activities, external basketball leagues for employee clubs, and marathons, enriching employees’ lives and strengthening cohesion among employees in Taiwan, China, and Thailand.

Governance Aspect

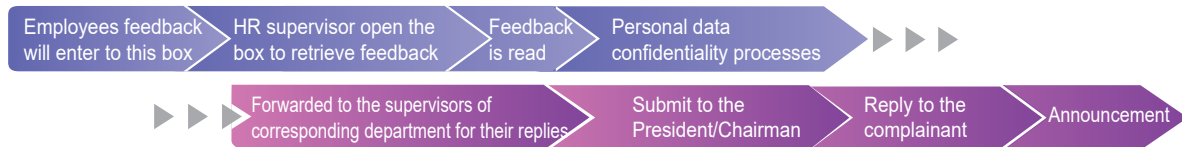
- On the governance front, Dynamic demonstrated the results of its sustainable operations and ranked among the top 5% of listed companies in the 12th Corporate Governance Evaluation in 2025.
- Through concrete actions, Dynamic fulfills its sustainability commitments and works together with employees, communities, and stakeholders to create a greener future.



Complaint-filing mechanism

Dynamic established the “That’s Not Right Mailbox Regulations” in 2013. Employees can express their opinions in writing and place the completed form in the “That’s Not Right Mailbox”. The supervisor at the Human Resources Department is responsible for opening the mailbox each day to collect the opinions. The person opening the letters must keep the writer permanently confidential and may not spread or talk about the person, event, or matter mentioned in the letters freely in private and must cut off the area on the form showing the name of the employee after the opinions are registered before handing the letters to the person in charge at the corresponding department to address the opinions further. After the President and Chairman of the Board of Directors have reviewed the results, a reply must be sent to the complainant within 7 days.

The handling procedure is shown below:



Taoyuan Operation Center

No further “That’s Not Right” complaints were received throughout the year 2025. Every year, we communicate face-to-face with labor representatives through several labor-management meetings and employee welfare committee meetings. The company carefully evaluates the constructive opinions put forward by the representatives, which are therefore generally accepted by the employees.

Analysis of Complaints Filed Over the Years by the Type at the Taoyuan Operation Center

Type of Complaint	2022	2023	2024	2025
Administrative advice	0	0	0	0
Reporting of “That’s Not Right” events	0	0	0	0
Advice about public safety	0	0	0	0
Protection of individual rights	0	0	0	0
Total	0	0	0	0

Kunshan Plant

In 2025, the Kunshan Plant received a total of 2 complaints through the “That’s Not Right” mailbox, a 33% decrease compared with 2024. Work is the key foundation of the declining market economy. In response to “That’s Not Right” complaints, we give prompt replies and penalize those who have been complained about for dereliction of duty or wrongdoing, and we also take immediate action to solve problems that can be improved immediately. After handling each “That’s Not Right” opinion, a formal reply will be given to the staff via the bulletin board.

Analysis of Complaints Filed Over the Years by the Type at the Kunshan Plant

Type of complaint	2022	2023	2024	2025
Protection of individual rights	0	2	3	2
Administrative advice	1	0	0	0
Reporting of “That’s Not Right” events	3	1	0	0
Advice about public safety	0	0	0	0
Others	0	0	0	0
Total	4	3	3	2

Huangshi Plant

In 2025, the Huangshi Plant received a total of two “That’s Not Right” complaints, representing a 50% decrease compared with 2024. With the Company’s administrative measures, active employee communication, and enhanced management efforts through training and awareness programs, significant results were achieved in 2025.

Analysis of Complaint Types Over the Years at the Huangshi Plant

Type of complaint	2022	2023	2024	2025
Protection of individual rights	1	0	2	1
Administrative advice	0	1	0	0
Reporting of “That’s Not Right” events	3	1	0	0
Advice about public safety	0	2	0	0
Total	4	4	2	1



Employee Satisfaction Survey

Dynamic values communication and interaction with employees. In accordance with Article 22, Paragraph 1 of the Company's Sustainable Development Best Practice Principles, Dynamic has established diverse channels for regular communication and dialogue with employees, ensuring their right to obtain information and express opinions regarding the Company's management activities and decisions. Accordingly, each plant conducted an employee satisfaction survey in 2025. The survey results and improvement plans are as follows.

Taoyuan Operation Center

Intended Audience	All employees
Survey topics	Five dimensions: compensation, work environment, career development, corporate culture, and sustainable operations
Number of respondents	32 person
Coverage rate	91%
Department responsible for survey	Human Resources Department
Survey frequency	Once a year
Survey period	2025/1/1-2025/12/31
Overall satisfaction	82 points
Findings of the investigation	Overall employee satisfaction was relatively high, with employees expressing a high level of recognition of the Company.
Improvement Plan	Lunches, which were previously provided on a rotating basis by two vendors, may be adjusted to include multiple vendors that regularly offer a wider variety of meal options.

Huangshi Plant

Intended Audience	All employees
Survey topics	Six dimensions: compensation and benefits, work environment, career development, corporate culture, sustainable operations, and employee rights and grievance/feedback channels
Number of respondents	3602
Coverage rate	64% (employee response rate)
Department responsible for survey	Human Resources Department
Survey frequency	Once a year
Survey period	2025/1/1-2025/12/31
Overall satisfaction	Average score: 80 out of 100 (average score per item: 4 out of 5)
Findings of the investigation	Overall employee satisfaction was relatively high, with an average satisfaction score of 80 points among all employees.
Improvement Plan	In 2026, the following improvement projects will be implemented for the top three areas identified in the survey results: 1. Compensation and Benefits: a) Based on collected information on compensation and benefits offered by industry peers in the surrounding area and the salary levels of newly recruited talent, optimize the Company's relevant salary items to enhance overall compensation competitiveness and increase the Company's internal promotion rate from 6% to 10%. b) Establish dedicated development plans and incentive systems for employees in key core technical positions, achieving 100% coverage and keeping the turnover rate of core talent below 3%. 2. Team atmosphere: Starting with a Company-wide tug-of-war competition during the 2025 Christmas season, the Human Resources Department will organize one group activity each quarter beginning in 2026, targeting an employee participation rate of more than 90% to strengthen employees' sense of belonging and team cohesion. 3. More training opportunities: a) Under the current training arrangement, the Human Resources Department invites each department to register employees for courses. Beginning in 2026, the approach for frontline employees will be changed by scheduling employees from the departments corresponding to each training course, ensuring that all relevant employees are included on the mandatory course roster and participate in the Company's training programs. b) Organize professional skills competitions to encourage employees to further enhance their professional skills, select outstanding performers from various positions across departments, and recognize them with honors.



Kunshan Plant

Intended Audience	All employees
Survey topics	Five dimensions: compensation, work environment, career development, corporate culture, and sustainable operations
Number of respondents	1050 person
Coverage rate	60.19%
Department responsible for survey	Human Resources Department
Survey frequency	Once a year
Survey period	2025/1/1-2025/12/31
Overall satisfaction	80 points
Findings of the investigation	Overall employee satisfaction was relatively high, with employees expressing a high level of recognition of the Company.
Improvement Plan	Based on the survey results, the following improvement initiatives will continue to be implemented in 2026: 1. Strengthen the alignment between the training system and actual needs to support and enhance employees' career development paths. 2. Provide a wider range of employee benefits and enrich employee activities 3. Enhance the competitiveness of compensation relative to industry peers, establish incentive mechanisms, and retain core talent.

IV. Occupational Health and Safety

Management approach

Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Reduce work stoppages, employee medical expenses, compensation payments, and litigation costs resulting from occupational accidents; provide a healthy work environment to strengthen employee cohesion and improve productivity and stability; enhance the Company's image and reputation and strengthen its market competitiveness.	Direct impacts: Manpower loss, occupational accident compensation, medical loss, etc. Indirect impacts: Production disruption, lost wages. Other impacts: Damage to the public image, deterioration of product quality, insufficient labor skills, reduced work efficiency, impacted employee morale, impacted labor-management relations, etc., which increase the pressure on organizational operations.	● Comply with energy, environmental, safety, and health regulations and other requirements of the government. ● Continue to provide employees with environmental safety and health training and listen to their suggestions. ● Implement due diligence on environmental safety and health matters in the supply chain and communicate with stakeholders. ● Conduct hazard identification and risk assessment and immediately improve unacceptable risks. ● Promote the occupational health and safety management system and continuously improve the occupational health and safety performance.	● Regularly collect the applicable laws and regulations and conduct compliance assessment: no fines were incurred during the year. ● Continue annual occupational safety and health training; convene the Safety Production Management Committee quarterly. ● In 2025, completed on-site CSR (including EHS) audits of 42 key target suppliers. ● Continue to conduct workplace hazard identification every year. ● Continue to maintain the effectiveness of the ISO 45001 system at each plant.	CEO's mailbox

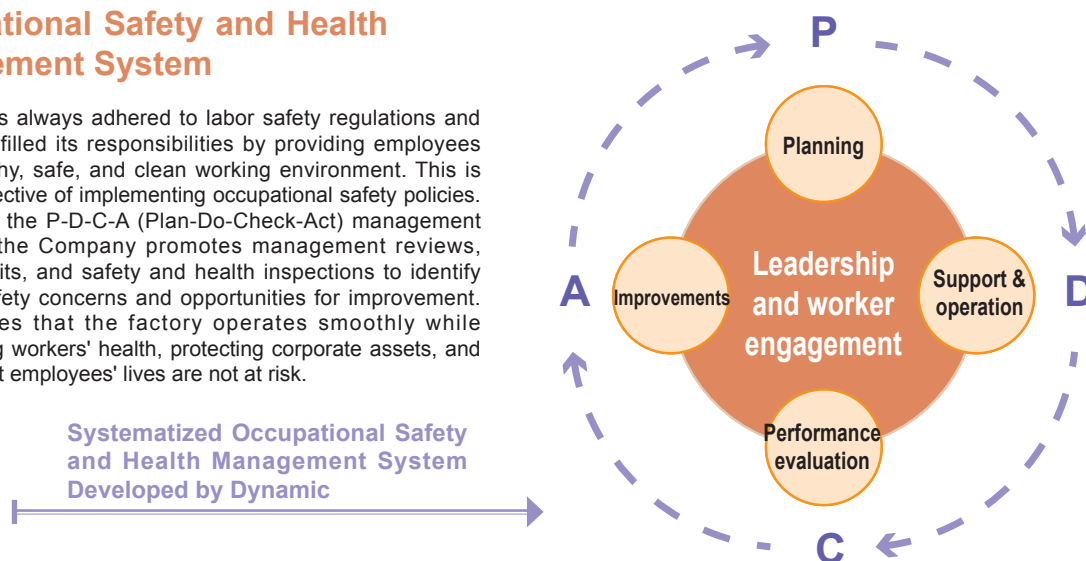


Management goals

Goals	Goals in 2025	2025 Performance	Goals in 2026	2030 Goal (Long-term)
Employee Disabling Injury Frequency Rate (FR)	<1.35	0.90(↓) target achieved	<1.3	<1.20
Disabling injury severity rate (SR)	<45	38 (↓) failed to achieve target	<43	<35
Total Employee Injury Frequency Severity Index (FSI)	<0.25	0.18(↓) target achieved	0.23	<0.18
Employee Lost Time Injury Frequency Rate (LTIFR)	<1.35	0.90(↓) target achieved	<1.3	<1.20
Employee Lost Time Injury Rate (LTIR)	<0.35	0.18(↓) target achieved	<0.35	<0.32
Employee Lost Workday Rate (LWR)	<45	38(↓) target achieved	<43	<40
Employee DART Rate (Days Away, Restricted, or Transferred)	<0.5	0.21(↓) target achieved	<0.3	<0.25
Employee Fatalities	0	0		0
Contractor Lost Time Injury Frequency Rate (LTIFR)	0	0	0	0
Contractor Lost Time Injury Rate (LTIR)	0	0	0	0
Contractor Lost Workday Rate (LWR)	0	0	0	0
Contractor DART Rate (Days Away, Restricted, or Transferred)	0	0	0	0
Contractor incidents resulting in death	0	0	0	0

Occupational Safety and Health Management System

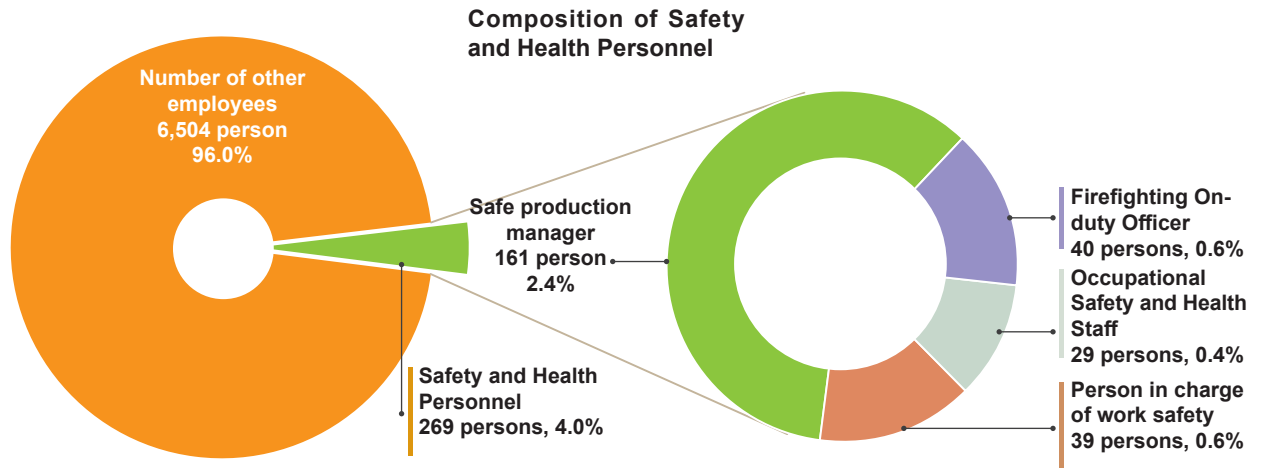
Dynamic has always adhered to labor safety regulations and diligently fulfilled its responsibilities by providing employees with a healthy, safe, and clean working environment. This is the sole objective of implementing occupational safety policies. By applying the P-D-C-A (Plan-Do-Check-Act) management principles, the Company promotes management reviews, internal audits, and safety and health inspections to identify potential safety concerns and opportunities for improvement. This ensures that the factory operates smoothly while safeguarding workers' health, protecting corporate assets, and ensuring that employees' lives are not at risk.



Systematized Occupational Safety and Health Management System Developed by Dynamic

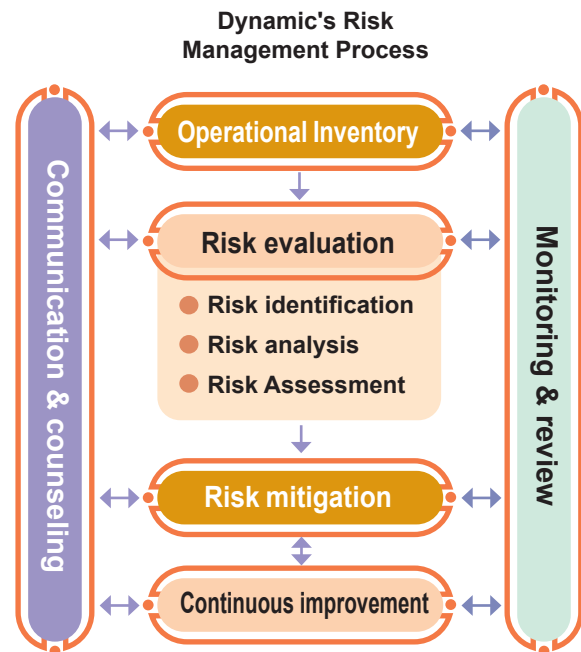
Plant	Serial number	File Name	Certificate validity period	CB
Thailand Plant	OHS818583	ISO45001:2018OccupationalHealthandSafetyManagementSystems_Thai	2025/4/11 ~ 2028/4/10	BSI
Kunshan Plant	CN11/20669	ISO 45001:2018 Occupational Health and Safety Management System Certificate_Kunshan Plant	2024/2/26 ~ 2027/2/25	SGS
Huangshi Plant	OHS697793	ISO 45001:2018 Occupational Health and Safety Management System Certificate_Huangshi Plant	2025/1/3 ~ 2028/1/2	BSI

Each plant of Dynamic has established its own occupational safety and health management unit, staffed with full-time personnel holding national licenses. Each production line unit has also established its own occupational safety and health inspector, whose work is supervised by the Industrial Safety Department. To encourage employees to further study and promote a strong safety culture, in addition to the statutory occupational safety and health management personnel, Dynamic requires employees in supervisory and management positions to attend safety production (occupational safety and health) management personnel training courses.

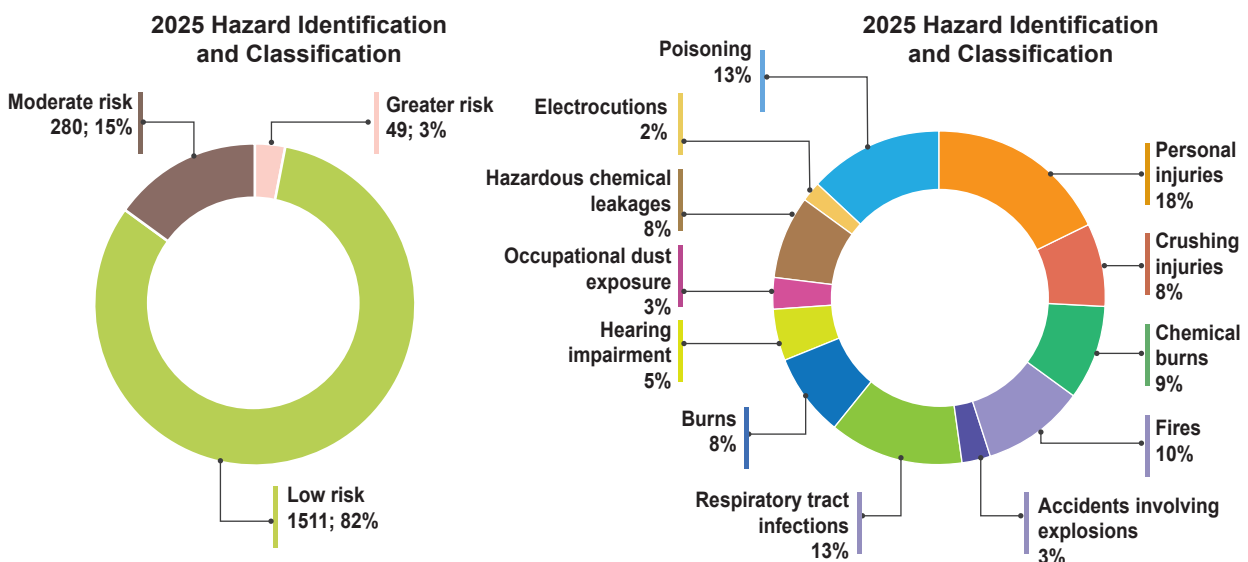


Hazard Identification and Risk Assessment

Plant hazard identification and risk assessment is a core process for ensuring worker safety. The objective is to prevent potential hazards from operations, activities, and facilities that could result in loss of personnel or property. A dedicated Environmental Health and Safety (EHS) officer conducts daily inspections to identify and eliminate hidden dangers in the workshop. In its plant safety management, Dynamic uses QR Codes for safety inspections to ensure that inspection personnel are physically present at designated locations and to achieve paperless management. QR Codes are placed at designated locations such as fire extinguishers, emergency exits, chemical storage areas, and electrical rooms to ensure that inspectors actually visit the sites. On-site employees can scan the QR Code at a hazard location to directly upload photos and voice recordings of abnormalities through the system, indicate their severity, and immediately notify the EHS supervisor. Production site managers carry out self-checks on safety conditions and are also required to scan QR Codes and record inspection results to ensure the continued effectiveness of these measures and document relevant hazards. Employees provide input on risk identification at the workplace through participation in the Safety Committee. At the end of each year (or as needed in special circumstances), the EHS officer collects the above information, re-assesses workplace hazards, and evaluates the danger level of working conditions. Major hazards are controlled through five measures: engineering and technical controls, safety management, training and education, personal protective equipment, and emergency response.



Risk assessment and hazard identification results in 2025





Occupational Health Service

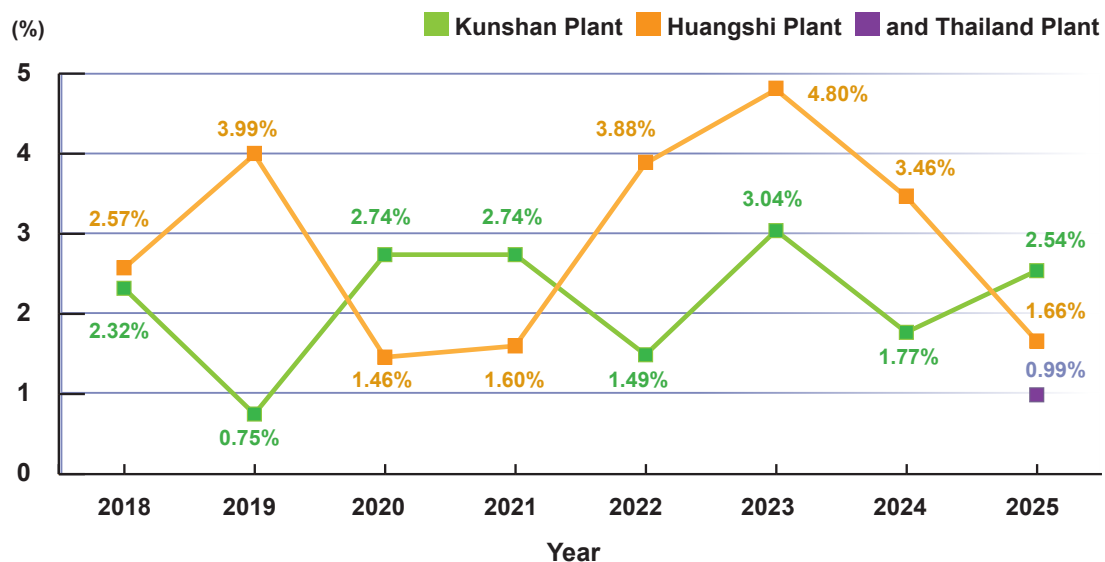
Dynamic's approach to protecting workers' health extends beyond the treatment of employees' individual illnesses to the prevention of work-related injuries and illnesses and health promotion. All employees of the Company should receive a general physical examination at the beginning of employment to understand their suitability for work; annual health examinations for employees are conducted. The department of environmental safety invites top-performing hospitals to organize check-up. By recording personal health information year by year, we can continue to track the health of our employees and provide them with timely work adjustments. Records of the physical checkups and health exams are to be retained by the assigned associate and will be kept strictly confidential.

For workplaces with occupational disease hazards, the Company engages professional occupational health technical service institutions and hospitals to test occupational disease hazard factors on relevant workplaces and personnel according to the testing regulations promulgated by the country to facilitate the identification and evaluation of occupational disease hazards, and eliminate hazards and minimize risks. The implementation items are as follows:

Item No.	Occupational health service items	Frequency of implementation	Effectiveness evaluation indicators	Target Group in 2025
1	Occupational disease hazard testing	Once a year	Occupational disease hazard testing report	All factory employees
2	Testing for dust, toxins, and physical factors in the workplace	Once a year	Test report on dust, toxins, and physical factors in the workplace	All factory employees
3	X-Ray inspection	Once a year	X-Ray inspection report	X-Ray personnel
4	Evaluation of the current situation of occupational disease hazards	Once every three years	Occupational hazard status evaluation report	All factory employees
5	Pre-job, during-job, and off-job occupational health physical examination	Once a year	Occupational health checkup report	Occupational hazards personnel
6	Labor protection equipment	Once a month	Reduction rate of physical injuries to employees in workplaces with occupational disease hazards	All factory employees



Employee abnormality trend of special health examination



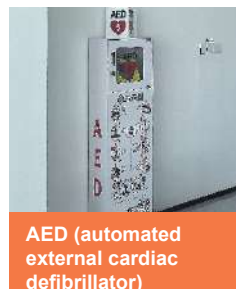


Worker Health Promotion

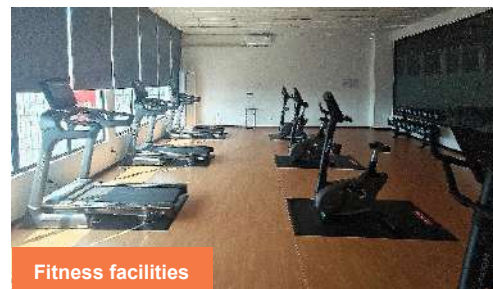
Employee cafeterias offering a variety of dining options are set up in all business locations of the Company. The light meal section features meals with less oil, less salt, and fewer calories, which is an important feature of Dynamic's employee cafeterias. The living areas are equipped with gyms, basketball gymnasiums, badminton courts, aerobics studios, and other facilities, providing a variety of fitness equipment and encouraging employees to exercise. To protect the life safety of employees and visitors, in addition to the deployment of qualified first aid personnel and first aid kits in each unit, AEDs are installed in each plant and employees are regularly trained by professional instructors to operate them.



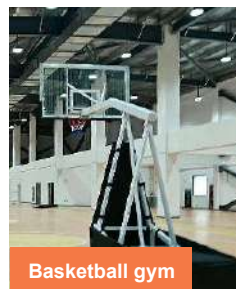
Healthy meals



AED (automated external cardiac defibrillator)



Fitness facilities

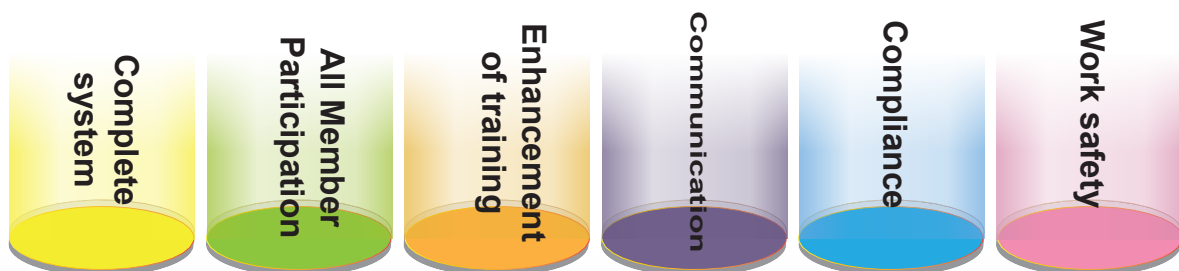


Basketball gym



AED operation training

Involving, Counseling, Communication, and Training of Occupational Safety and Health Workers



The implementation of safety can only be ensured by a work safety policy that involves all employees. Dynamic understands that the only way to make employees prioritize safety is through continuous communication and training. Through training, employees will not only become accustomed to safe operation, but also understand the hazards in the work environment and have the awareness of preventing hazards in the workplace.



Safety Production Management Committee

Kunshan Plant
4 sessions

Huangshi Plant
4 sessions

Thailand Plant
12 sessions



On-site Services Provided by Specialists

Huangshi Plant has: 10 physicians are stationed at the Plant on a rotating basis, with a total of 1,248 on-site hours.
Thailand Plant currently has one full-time nurse.



Emergency response rehearsal

Kunshan Plant
28 sessions / 23,600 person-hours

Huangshi Plant
21 sessions / 9,934 person-hours



Thailand Plant
4 sessions / 5,728 person-hours

Health Workshop



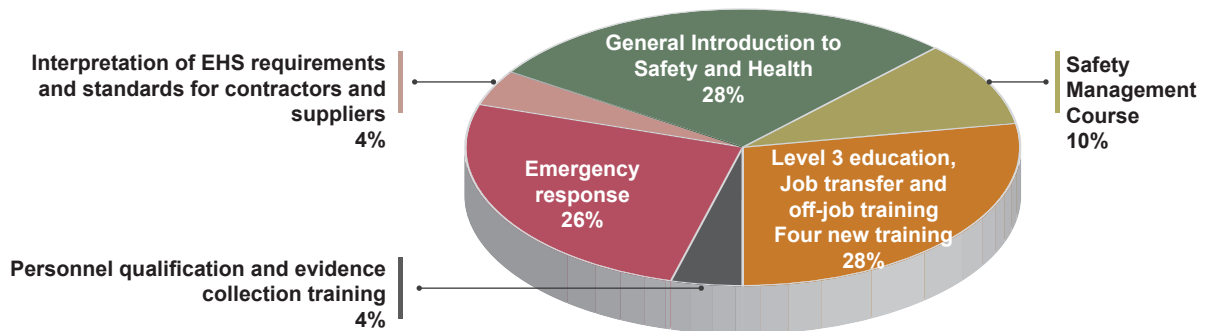
Kunshan Plant: 1 sessions
Thailand Plant: 2 sessions

2025 Occupational Safety Courses or Topics

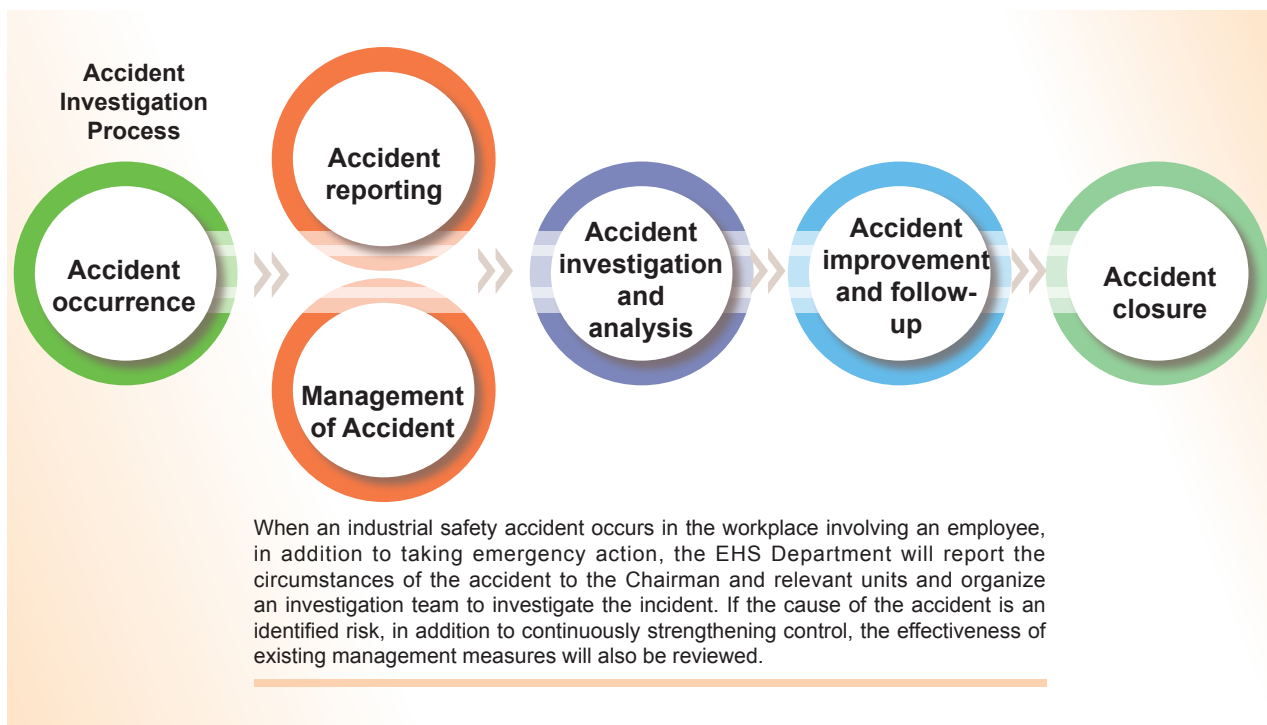
Course content or topic in 2025	Training subjects	Demand	Frequency	Annual man-hours
General Introduction to Safety and Health Safety production laws and regulations, safety rules and systems, occupational health knowledge, employee safety awareness, electrical safety, "Six Preventive Measures" training, training on habitual violations, personal protective equipment, equipment safety education, confined space knowledge training, hazardous chemicals management, use of safety facilities, dust explosion safety training, hazardous operations training	All employees	As needed	Once a month or as needed	43,180
Safety Management Course Accident case analysis, self- and mutual-rescue knowledge, safety risk identification and control, team leader training, post safety operating procedures, training on habitual violations, post emergency response cards, interpretation of supplier-related EHS standard requirements	Management staff Procurement personnel	Mandatory	Once a year	14,864
Level 3 education, job transfer and off-job training, and four new training	New recruits and transferred employees training	Mandatory	On demand	41,890
Personnel qualification and evidence collection training	All employees	Mandatory	On demand	5,648
Emergency response	Team member	Mandatory	>1 time/month	39,262
Interpretation of EHS requirements and standards for contractors and suppliers	Suppliers	Mandatory	Once a month	5,876
Total	150,720			



Distribution of Occupational Safety Courses



Occupational Injury



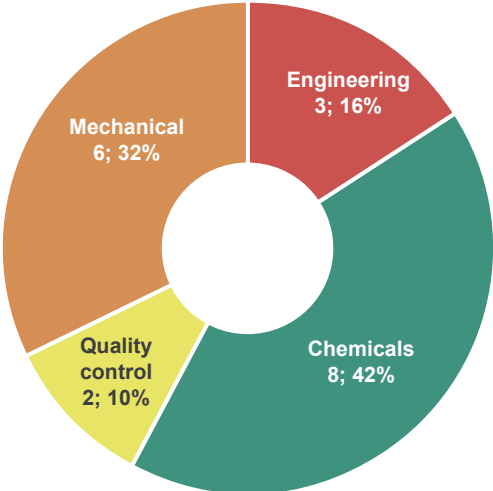
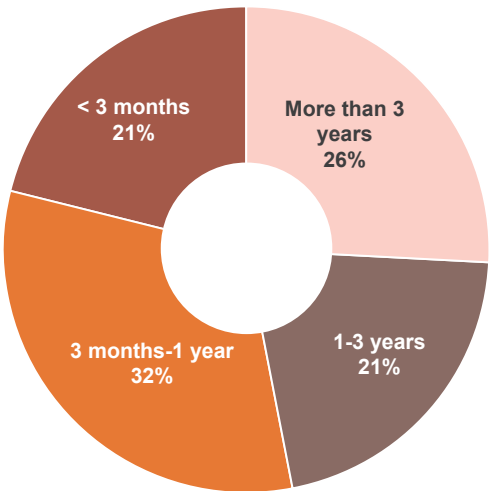
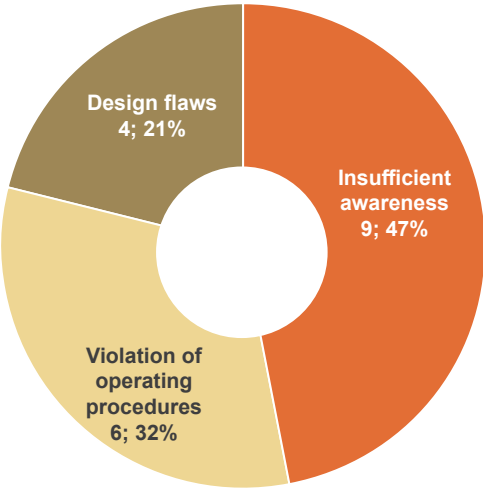
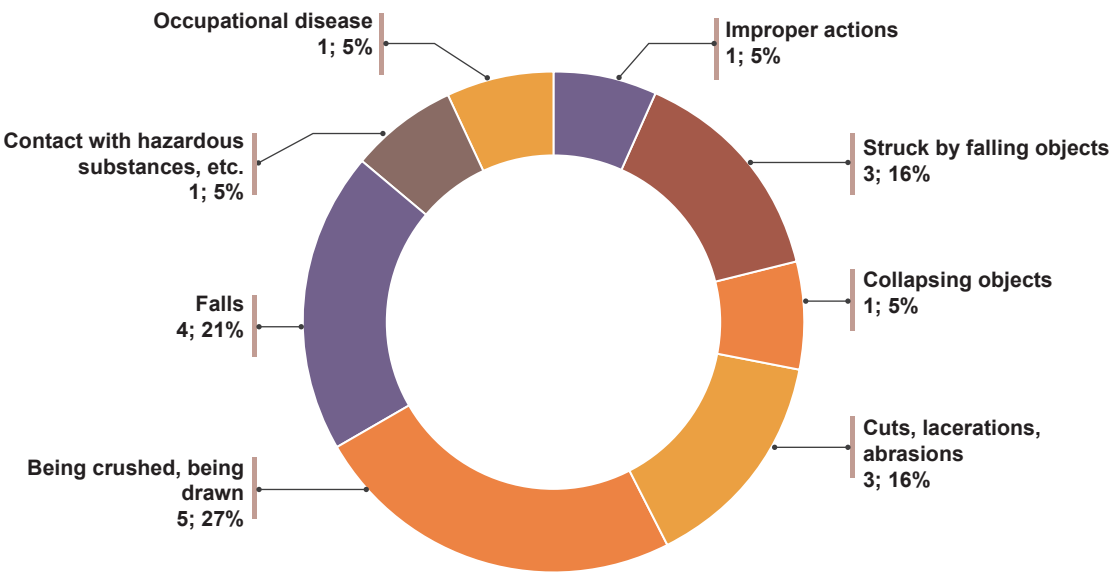
2025 Occupational Injury Statistics

In 2025, a total of 18 work-related injuries occurred, resulting in a total of 770.5 lost days, with the number of incidents showing a declining trend. Five of these incidents occurred at the Thailand Plant. As the Thailand Plant only began mass production in 2025, many employees are new recruits with less than one year of service and may be more susceptible to occupational injuries due to insufficient safety awareness. Therefore, the Plant will systematically implement three major strategies: “strengthened training”, “behavior development”, and “environmental controls”, while reinforcing preventive mechanisms to eliminate unsafe conditions through environmental controls and personal protective equipment (the last line of defense). Dedicated industrial safety personnel inspect the Plant environment daily and immediately address conditions such as unguarded machinery, missing guardrails, and slippery floors to eliminate hazards at the source. Department supervisors ensure that new employees fully understand the requirements for and correctly wear safety helmets, safety shoes, gloves, goggles, and other protective equipment, which is also replaced regularly. The Industrial Safety Department also assists in installing conspicuous warning signs on hazardous machinery and in hazardous areas so that new employees can readily identify risks.

In 2025, one employee was identified as having an occupational disease after developing mild occupational noise-induced hearing loss from prolonged work in a high-noise area. In response, the Company conducted a comprehensive review and optimization of the work environment, installing sound barriers in high-noise areas, replacing components in pumps and motors of aging equipment, adding noise reduction devices such as sound insulation materials, and carrying out regular maintenance. Management measures were also strengthened by incorporating noise protection into daily inspections, assigning dedicated personnel to monitor the proper use of personal protective equipment, and conducting specialized monthly training on noise hazards to enhance employees’ awareness of protective measures.



2025 Occupational Injury Analysis





2025 Occupational Injury Indicators

Goals	Plant	2022 Performance	2023 Performance	2024 Performance	2025 Performance
Employee Lost Time Injury Frequency Rate (LTIFR)	Group	1.82	1.83	1.72	0.90
Employee Lost Time Injury Rate (LTIR)	Group	0.36	0.36	0.34	0.18
Employee Lost Workday Rate (LWR)	Group	11	15	69	38
Employee DART Rate (Days Away, Restricted, or Transferred)	Group	0.36	0.34	0.25	0.21
Contractor Lost Time Injury Frequency Rate (LTIFR)	Contractor	0	0	0	0
Contractor Lost Time Injury Rate (LTIR)	Contractor	0	0	0	0
Contractor Lost Workday Rate (LWR)	Contractor	0	0	0	0
Contractor DART Rate (Days Away, Restricted, or Transferred)	Contractor	0	0	0	0
Employee Disabling Injury Frequency Rate (FR)	Kunshan Plant	1.79	1.78	2.67	0.62
	Huangshi Plant	1.85	1.86	1.33	0.82
	Thailand Plant				1.63
	Group	1.82	1.83	1.72	0.90
Employee disabling injury severity rate (SR)	Kunshan Plant	33	82	80	28
	Huangshi Plant	94	78	65	50
	Thailand Plant				6
	Group	58	79	69	38
Total employee Injury Frequency Severity Index (FSI)	Kunshan Plant	0.24	0.38	0.46	0.13
	Huangshi Plant	0.41	0.38	0.29	0.20
	Thailand Plant				0.09
	Group	0.32	0.38	0.34	0.18
Employee Fatalities	Kunshan Plant	0	0	0	0
	Huangshi Plant	0	0	0	0
	Thailand Plant				0
	Group	0	0	0	0
Contractor Fatalities	Contractor	0	0	0	0

Note 1: Disabling Injury Frequency Rate (F.R.) = Number of disabling injuries × 10⁴ / Total hours worked during the year.

Disabling Injury Severity Rate (S.R.) = Total lost days × 10⁴ / Total hours worked during the year.

Number of disabling injuries: The number of occupational injury cases in which a worker is unable to return to work for one day or more (inclusive) following the injury.

Total lost days: The number of days for which a worker is unable to return to work for one day or more (inclusive) following an occupational injury. Total lost days exclude the calendar day on which the injury occurred and the day on which the worker returned to work.

Note 2: Total Injury Frequency Severity Index (FSI) = $\sqrt{[(FR \times SR) / 1,000]}$

This is a comprehensive indicator used to measure a company's occupational safety and health performance. A lower value indicates better workplace safety performance.

Note 3: Lost Time Injury Frequency Rate (LTIFR) = (Total number of lost time injuries × 1,000,000) / Total hours worked during the year

This measures the frequency of work-related injuries that prevent employees from performing their normal duties.

Note 4: Lost Time Injury Rate (LTIR) = (Number of lost time injury incidents × 200,000) / Total hours worked during the year

The number of recordable occupational injuries (cases) refers to occupational injuries resulting in more than one lost day.

200,000 represents the assumed total hours worked by 100 employees working 40 hours per week for 50 weeks per year.

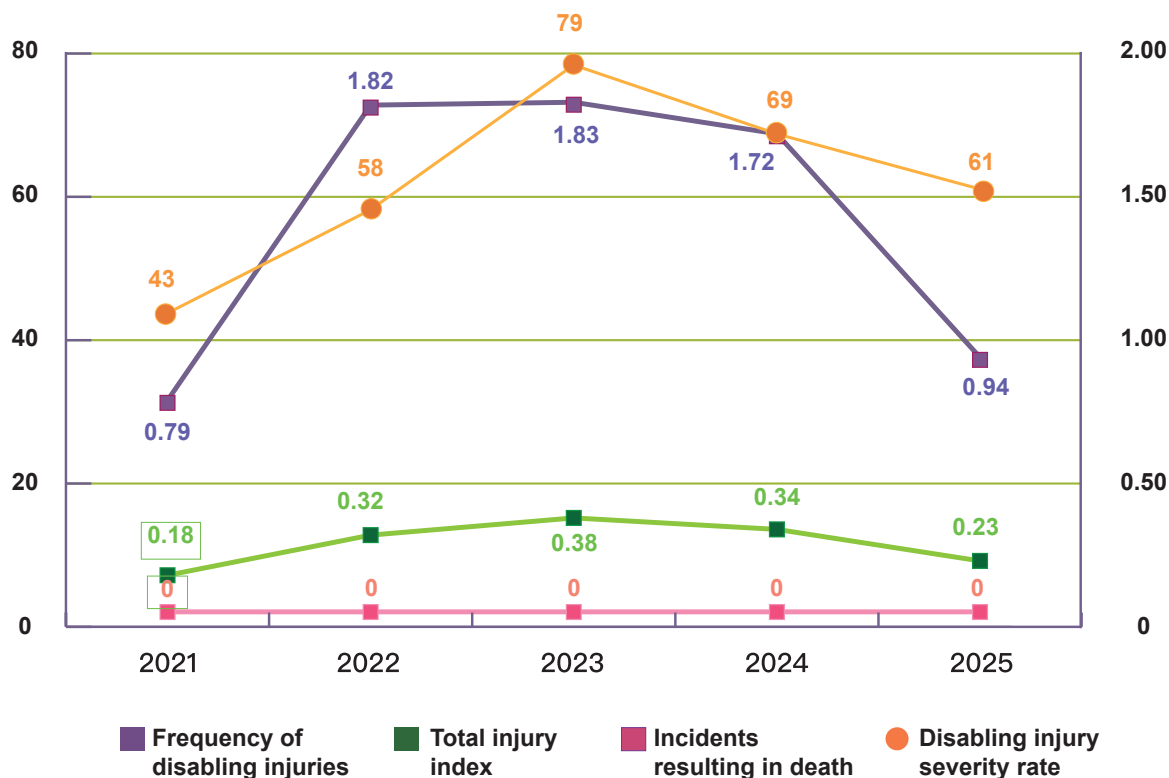
Lost Workday Rate (LWR) = (Total lost days due to disabling injuries × 200,000) / Total hours worked during the year

Note 5: DART Rate (Days Away, Restricted, or Transferred) = [(Number of lost time cases + number of restricted/transferred work cases) × 200,000] / Total hours worked during the year

Note 6: This indicator measures the severity of work-related injuries or occupational diseases that prevent employees from performing their full-time duties.



Trends in Occupational Disaster Statistical Indicators

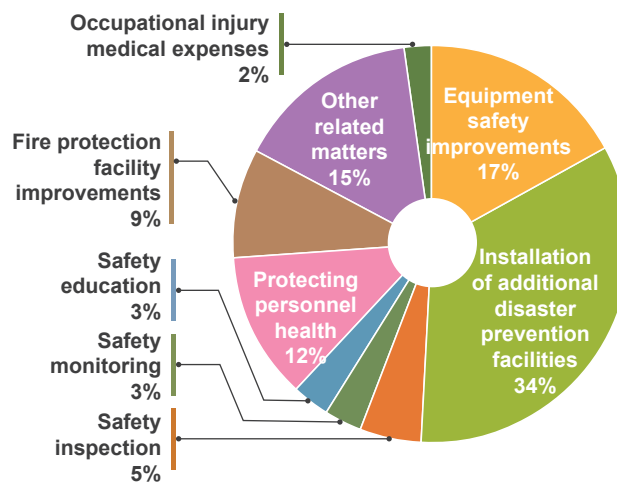


Statistics of Occupational Disasters and Accidents Throughout 2025 by the Severity

Severity of Accident	Definition	Taoyuan Operation Center	Kunshan Plant	Huangshi Plant	Thailand Plant
Disabling injuries	Death	0	0	0	0
	Injuries that make returning to work the next business day impossible	0	3	10	5
	Total number of hours lost	0	137	613	20.5
Non-disabling injuries and near misses	Workers who are injured and must be taken to an off-site medical facility for treatment by physicians or specialists but can return to work on the following workday and perform their full duties in their original department.	0	0	0	1

Industrial Safety-Related Expenses in 2025

In 2025, industrial safety expenditures totaled approximately TWD 1.0347 million. At each plant, the main expenditures were for the installation of additional disaster prevention facilities and equipment safety improvements. Other related categories included investments in safety production informatization and digitalization, as well as insurance premiums for work safety liability insurance.





Supplier safety management

Dynamic has established clear operating rules for suppliers entering its plants, covering three stages: before, during, and after on-site work. All personnel entering the plants must comply not only with applicable government laws and regulations but also with Dynamic's safety requirements. Before commencing work, they must receive safety training and hazard communication, comply with access control requirements, and wear appropriate personal protective equipment. If the work involves high-risk operations such as hot work, confined spaces, or lifting operations, an application must be submitted to the Company in advance. Such work may only proceed after approval has been obtained and in the presence of Dynamic's EHS personnel. In 2025, a total of 64 supplier entry training sessions were conducted across the plants, with 5,876 supplier attendances completing the training.

V. Societal Involvement and Social Wellness

Due to the scale and process characteristics of the production sites, Dynamic attaches great importance to interaction with the surrounding neighborhood and the future development of the community, and assigns the "Administration Division" of each production site to be responsible for implementing local community engagement, impact assessments and development plans, and to respond positively to various problems reported by the community and actively handle them.

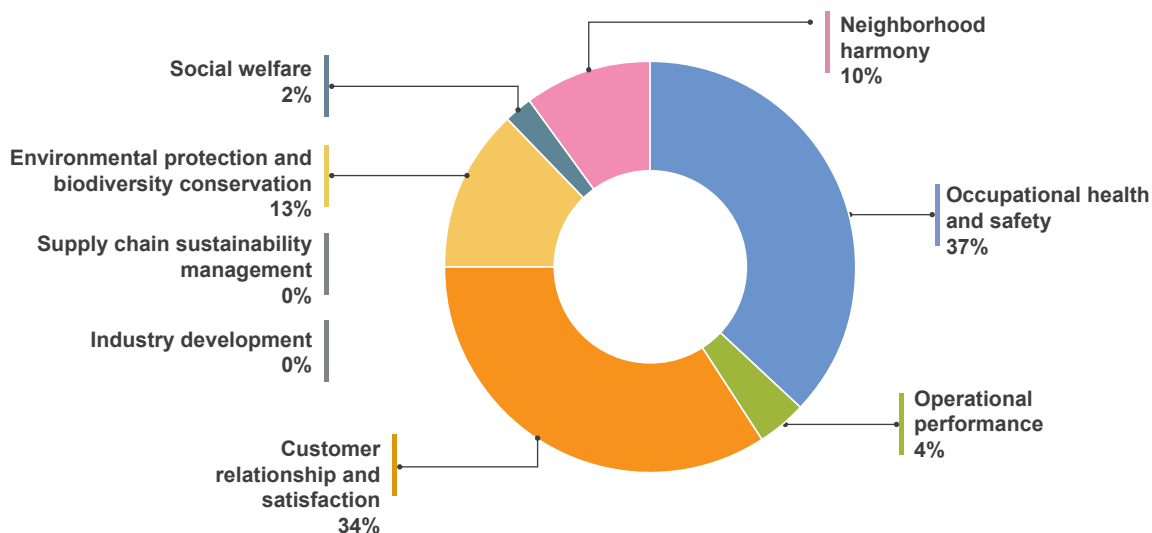
Administration Division

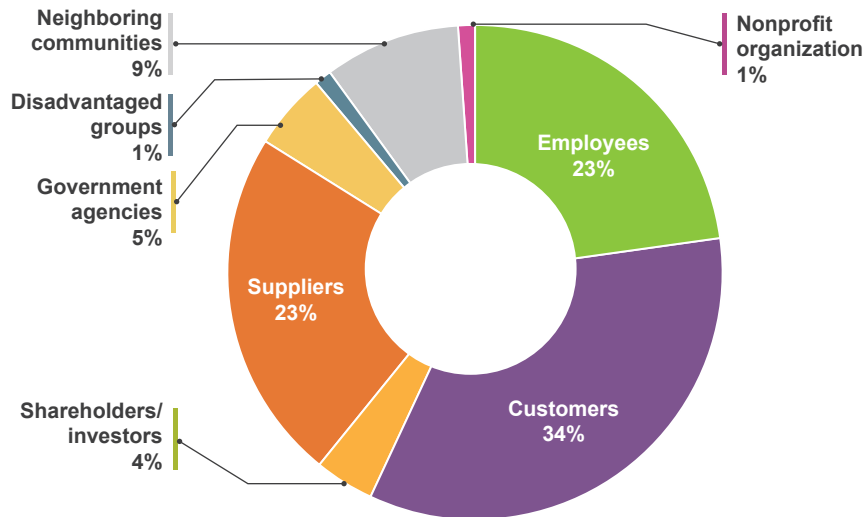
- Community Engagement
- Impact Assessment
- Development Program
- Respond positively
- Actively handle them

Community communication platform and impact assessment

Plant	Community	Communication Platform	Impact Assessment
Taoyuan Operation Center	Residents of the Luzhu Community in the Sun Brothers Development Zone	Administration of Sun Brothers Development Zone	Access control, parking lot planning, utilities supply, disinfection against disease-carrying vectors, communication with neighbors, engineering, among other regular affairs
	Surrounding plants	Administration of Sun Brothers Development Zone	Establishment of an external communication platform
	Local competent authority	City government, district office, fire brigade	Labor-management, industrial safety, fire prevention declaration
	Stock market investor	Financial Supervisory Commission	Supervision over corporate finance and business operation, auditing and review and management of securities being placed and issued
	Local union and association	Taoyuan Enterprise Chamber, PCB Association	Evaluation of revisions made to laws and regulations, reflection of operational difficulties encountered, safety criteria for industrial facilities
Kunshan Plant	Administrative Center of the Kunshan Economic Development Zone	Development Zone meeting	Industrial safety and environmental protection-related issues
Huangshi Plant	Management Committee of the Huangshi Economic Development Zone	Respective managing units	Safety supervision, environmental protection, construction, human resources, and social security

2025 Distribution of Stakeholder Communication by Proportion and Type





Social Care

Dynamic's social care is driven by heartfelt responsibility and includes education, charity, sports, academics, culture, and other aspects. Grasping the principle of "from near to far", our social care is continuously demonstrated. The "ESG Committee" is responsible for planning and execution, and it regularly reports to the Board of Directors. The total value of purchases placed with charity groups throughout 2025 came to TWD 1,876,077 and the overall expenditure totaled TWD 200,000 + RMB 252,000 + THB 466,725.

Social care - Taoyuan Operation Center

Serial No.	Description	Cost of purchase (NTD)	Expenditure (NTD)
TY-1	The souvenirs for the shareholders' meeting were 29,000 pieces of handmade soap from the Little Lamb Shelter Workshop and 8,000 pieces of handmade soap from the Star Child Workshop of the Taoyuan Autism Association.	1,665,000	
TY-2	By purchasing products from sheltered workshops instead of making direct donations, Dynamic supports employment opportunities for disadvantaged groups while helping create a positive social cycle.	21,340	
	Mid-Autumn Festival gifts were sourced to support local employment of persons with disabilities, including healthy bagels and steamed buns from the Leya Runmi Sheltered Workshop in Taoyuan, as well as handmade, additive-free cookies made by a single mother.	168,137	
TY-3	Through the procurement of Fairtrade coffee, Dynamic effectively reduces the carbon footprint by 70% compared with conventional commercial coffee.	21,600	
TY-4	National Chengchi University Academic Research Fund		200,000
Total		1,876,077	200,000

Social care - Huangshi Plant

Serial No.	Description	Cost of purchase (RMB)	Expenditure (RMB)
HS-1	A donation was made to the Hubei Polytechnic University Education Fund to establish a dedicated corporate project fund account and a special fund for laboratory construction at the School of Environmental Science and Engineering.		250,000
HS-2	On the Dragon Boat Festival, we donated charity materials to orphans, disabled children and the elderly at Wangren Welfare Home.		2,000
Total			252,000



Social care - Thailand Plant

Serial No.	Description	Cost of purchase (THB)	Expenditure (THB)
TH-1	Supported the 2025 mini-marathon event.		10,000
TH-2	Donated a refrigerator and purchased Red Cross tickets in support of the 2025 Prachinburi Red Cross Fair.		24,990
TH-3	Donation to the Red Cross		100,000
TH-4	Made a donation on behalf of the Company in support of Labour Day activities.		30,000
TH-5	Made a donation on behalf of the Company to purchase trees in celebration of His Majesty the King's birthday.		50,000
TH-6	Made a donation on behalf of the Company in support of a charity golf event organized by Si Maha Phot Police Station.		30,000
TH-7	Provided assistance and relief funds for people affected by the situation along the Thailand-Cambodia border.		30,000
TH-8	Donated supplies to a Royal Thai Army camp.		50,035
TH-9	Participated in the Royal Kathin Ceremony organized by the Department of Labour Protection and Welfare.		10,000
TH-10	Sponsored New Year activities in Si Maha Phot District, Prachinburi Province.		20,000
TH-11	Sponsored wheelchairs for the Prachinburi Provincial Social Development and Human Security Office.		11,700
TH-12	Sponsored the Red Cross Fair, with the funds used to support medical services, disaster relief, and initiatives to improve the quality of life of disadvantaged groups.		100,000
Total			466,725





Mid-Autumn Reunion · Supporting Sheltered Workshops Together - Taking Action to Foster a Virtuous Cycle of Social Good

Dynamic has long been committed to corporate social responsibility and supports employment opportunities for disadvantaged groups through concrete actions. Dynamic has long adopted a “purchasing instead of donating” approach by purchasing products from the Little Lamb Shelter Workshop. This not only provides stable orders and supports employment for persons with disabilities, but also creates a positive social cycle.



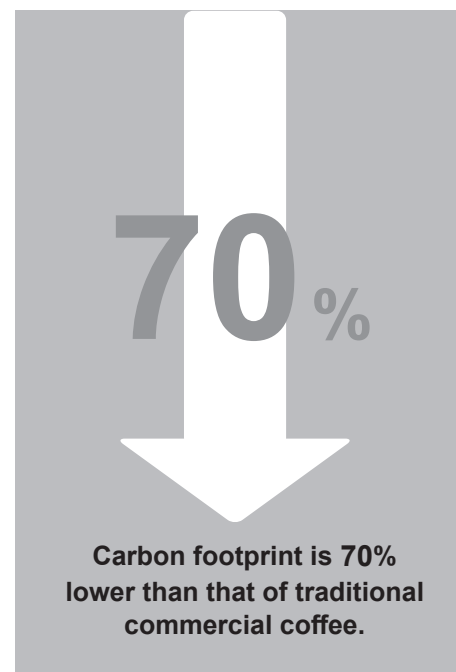
In 2025, Dynamic selected handmade soaps produced by the Little Lamb Shelter Workshop as souvenirs for its shareholders' meeting, with annual purchases totaling TWD 1.3 million. This demonstrated the Company's care for society, transformed goodwill into concrete action, and continued to expand its positive social impact. Dynamic received the “Excellence Award” and “Growth Award” from the New Taipei City Government and was publicly recognized and presented with the awards by the City Government on August 18, 2025, exemplifying how businesses and sheltered workshops can work together to create shared value.

This initiative also echoed the “Mid-Autumn Reunion · Supporting Sheltered Workshops Together” procurement campaign promoted by the Labor Affairs Department of New Taipei City Government, encouraging businesses to support products from sheltered workshops and help sustain a virtuous cycle of social good through their purchasing choices.

▲ Deputy Mayor Ti-chih Chu, campaign ambassador I-pei Wu, Labor Affairs Commissioner Jui-chia Chen, and representatives of 10 award-winning companies in the sheltered workshop product procurement campaign

Dynamic's Procurement of Fairtrade Coffee

Each procurement of Fairtrade coffee includes an additional community development fund paid to farmers' cooperatives, which is invested in infrastructure such as water, electricity, healthcare, education, and production equipment. Fairtrade provides hardworking farmers with an opportunity to change the trajectory of their lives.



CH 5

Economic Performance and Corporate Governance

Economic performance ▶ Core business profitability has remained stable over the past five years, providing the funding needed for the Company's future development.

Corporate governance ▶ Ranked in the top 5% of listed companies in the 2025 (12th) "Corporate Governance Evaluation"
▶ Independent directors accounted for more than one-third of the Board
▶ Female directors accounted for more than one-third of the Board

Sustainable Supply Chain ▶ Local procurement amount exceeded 99%

Information Security Management ▶ No significant losses due to information security incidents occurred



I. Economic Performance

Generation and Distribution of Economic Value

Information about the generation and distribution of economic value, among others, reflects how an organization creates value for its stakeholders. According to GRI 201-1, the economic performance mainly focuses on the direct economic value generated and distributed from organizational operation. The fundamental elements include the following:

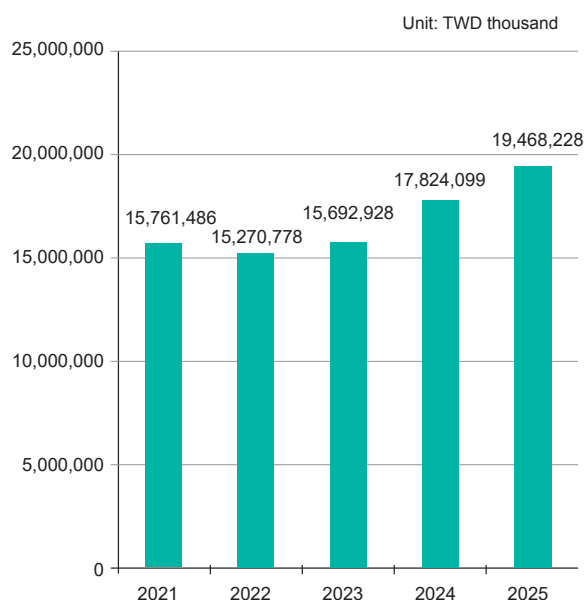
- Generated direct economic value: income.
- Distributed economic value: operational cost, employee salaries and benefits, payments made to investors, payments made to the government, investment in the community.
- Retained economic value: “Generated direct economic value” minus “distributed economic value”.

The following is the relevant information of Dynamic in recent years. All figures are extracted from the contents of the reports audited by CPAs.

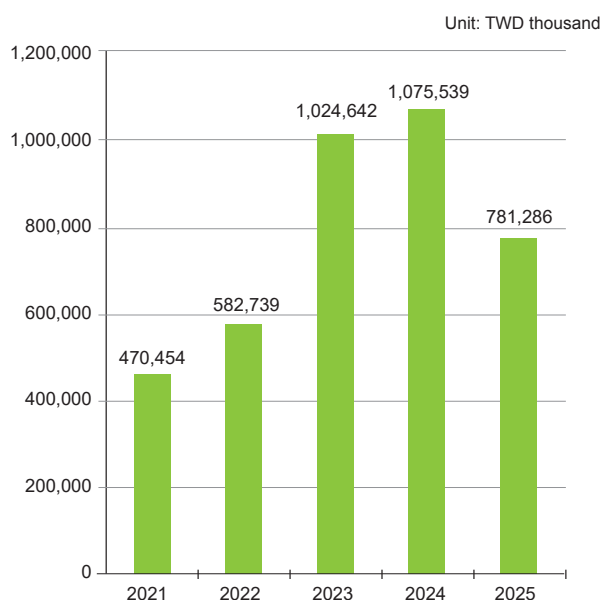
Project	Fundamental element	2021	2022	2023	2024	2025
Generated direct economic value	Income (including net sales, income from financial investments, income from the sale of assets)	15,761,486	15,270,778	15,692,928	17,824,099	19,468,228
Distributed economic value	Operating cost	12,725,983	12,383,063	11,890,236	13,200,714	14,932,537
	Employee salaries and benefits	2,361,297	1,992,405	2,188,915	2,841,083	3,039,169
	Payments made to investors	161,465	273,278	450,772	527,334	564,102
	Payments made to the government	40,995	38,863	137,375	179,200	149,398
	Community investment	1,292	430	988	229	1,737
Economic value retained		470,454	582,739	1,024,642	1,075,539	781,286

Note: Information for years prior to 2023 did not include the Mold Business Division.

Generated direct economic value



Economic value retained





In 2025, with the increase in business scale, the distributed economic value also rose accordingly. Retained economic value decreased compared with 2024, as the Thailand Plant had not yet achieved economies of scale and remained in an operating loss, compounded by rising raw material prices. In terms of significant government financial subsidies, in 2025 the Kunshan Plant received a total of RMB 3.987 million in subsidies from relevant authorities, including the commerce authorities of Jiangsu Province and Kunshan City, the Work Safety Supervision and Environmental Protection Bureau of the Economic and Technological Development Zone, as well as the human resources, ecology and environment, and tax authorities. The Huangshi Plant received a total of RMB 36.071 million, including central government special funds for quality and efficiency improvement from the Huangshi Municipal Bureau of Commerce, provincial awards for outstanding contributions to foreign trade, input tax credit subsidies from the Tax Bureau, provincial special funds for economic affairs involving Taiwan from the Taiwan Affairs Office of the CPC Huangshi Municipal Committee, large scale ultra long term special treasury bond funds from the Development and Reform Bureau of the Huangshi Economic and Technological Development Zone and Tieshan District, local treasury funds for the provincial special program for high quality manufacturing development, and unemployment insurance fund subsidies disbursed on behalf of the provincial social security authorities by the Labor and Employment Administration Bureau.

In 2025, Dynamic had four PCB operating sites: Taoyuan Operation Center, Kunshan Plant, Huangshi Plant, and Thailand Plant, as well as a Taoyuan Molding Department. Their respective contributions to total revenue were 0.04%, 17.89%, 74.79%, 6.94%, and 0.34%. The following provides an overview of how the four PCB operating sites and the Molding Department created economic value for their local communities.

Unit: TWD thousand

Project	Fundamental element	Taoyuan Operation Center	Kunshan Plant	Huangshi Plant	Thailand Plant	Taoyuan Molding Department
Direct economic value generated by the Company	Income (including net sales, income from financial investments, income from the sale of assets)	8,166	3,482,780	14,559,728	1,350,853	66,701
Distributed economic value	Operating cost	-217,656	2,374,680	10,908,497	1,834,977	32,039
	Employee salaries and benefits	207,891	712,397	1,635,221	453,115	30,544
	Payments made to investors	6,003	64,062	369,502	124,534	-
	Payments made to the government	19,676	93	128,787	-	842
	Community investment and social care	200	-	1,093	444	-
Economic value retained		-7,947	331,548	1,516,627	-1,062,218	3,276

Looking ahead to 2026, network communications and servers, as well as storage devices, will be the main drivers of growth. Growth in network communications and servers will be driven primarily by AI-related products, while growth in storage devices will come mainly from increased demand for DDR5. In terms of product and technology development, the proportion of High-Layer-Count PCB and HDI PCB products continues to increase, while the product mix is being continuously optimized. We also continue to collaborate closely with key customers and actively advance next-generation PCB process development. The required professional talent and advanced equipment are already in place, establishing a leading advantage in overall technical and mass production capabilities.

In terms of human resources development, in response to the Company's new product development and plant expansion plans, we actively cultivate internal personnel and recruit international professionals with specialized skills to ensure that there is no talent gap in the Company's long-term development. In terms of payment to funders, we will face increased capital needs due to the expansion of the Thailand Plant. In terms of payments to the government, we will continue to pay taxes as our profitability continues to improve. In terms of community investment and social care, we will continue to support community development, social welfare, and care for disadvantaged groups.





Taxation Governance

On November 3, 2023, the Group's tax policy was approved by the Board of Directors to implement tax governance, comply with the tax laws and regulations of each operating location, and ensure that the transactions between each operating site comply with normal practices. We also disclose this information in the financial report and corporate sustainability report to improve the transparency of tax information and increase stakeholders' understanding of the Company's tax governance.

We are committed to not engaging in any improper tax arrangements solely for the purpose of reducing the tax burden or diverting profits to low-tax regions or tax havens.

As we satisfy the requirements of Article 39 of the Income Tax Act, we currently have a deduction of loss for the previous 10 years to offset the income of the current year. All other subsidiaries apply for tax incentives and subsidies depending on the type of business and the tax regulations of the regions where they are located. Transactions among affiliates are based on normal transaction rules and the master file of reports from the previous year is declared at the end of each year and the report of the transfer of prices is prepared as required for reference.

Tax policy is an important part of business operations. The formulation and implementation of tax-related decisions in the Company are subject to internal supervision or external regulatory requirements and are supervised and approved by the Board of Directors before implementation.

We recognize enterprises that honestly pay taxes and are transparent and open to the public as it helps avoid the unnecessary social cost, while at the same time restoring the confidence that stakeholders have in public service and strengthen governmental efficacy. Therefore, in accordance with GRI Standard 207, the following information is provided for negotiation with stakeholders.

Taxation Policy

Dynamic implements tax governance, complies with the tax laws and regulations of each operating location, and ensures that the transactions between various operating locations comply with these principles. We also disclose the Company's tax policies and tax information in the financial report and corporate sustainability report to improve the reliability of tax information. Transparency also enhances stakeholders' understanding of the Company's tax governance.

Since Dynamic meets the requirements of Article 39 of the Income Tax Act, it currently has the right to use the loss incurred in the previous ten years to offset its current year's income from operations. All other subsidiaries apply for tax incentives in accordance with the tax regulations of their respective business forms and localities. Transactions between affiliated enterprises shall follow the principles of regular transactions, and the Group's master report and transfer pricing report of the previous year shall be submitted at the end of each year for reference.

Taxation Risk Management

Dynamic mainly invests in Mainland China and Thailand and follows the local taxation regulatory requirements. Since changes in taxation regulatory requirements may significantly impact the effective tax rate and operational accomplishments, taxation changes and taxation risks in the localities with investments are closely monitored. Dynamic complies with internal regulations to perform tax identification and assessment to manage and control tax risks.

Dynamic's finance department is responsible for tax governance. All significant transactions and decisions are assessed for tax risk and planned in accordance with relevant tax laws and regulations. The Vice-President of Finance is ultimately accountable for taxation governance. The daily operations and administration, on the other hand, are outsourced to the head of accounting at each operating site and the taxation duties are fulfilled with assistance from related taxation specialists. The authorized external professional taxation advisory institution also provides professional services to keep track of new information on taxation.

Possible taxation risks as determined by Dynamic

Region	Type of Tax	Description of Risk
Taiwan Mainland China Thailand	Corporate income tax and indirect tax	Taxation controversies caused by the uncertainty of taxation regulatory requirements: - The various timing in respective countries associated with how their legislative procedure is interpreted to go with the BEPS policy enforced by the OECD, which leads to an increase in the compliance cost. - Changes in tax laws or incentives, which are likely to impact the existing taxation planning of the Company. - Tax cost associated with the failure to enforce taxation management policies and the impossibility to timely evaluate and accommodate changes in tax laws or the changing transaction model.



Taxation Information

Information on income tax

Unit: NT\$ thousands, %

Project		2024	2025	Average
Net income before tax (A)		1,567,588	1,060,418	1,314,003
Income tax expense (B)	Current Income Tax	187,193	163,567	175,380
	Deferred income tax	304,856	115,565	210,210
Effective tax rate (B)/(A)		31.39%	26.32%	29.34%
Tax payment (C)		177,249	149,214	163,231
Cash effective tax rate		11.31%	14.07%	12.42%



Lower-than-average effective tax rate on cash was due to:

1. Part of the Group's profits are generated from the tax-free country, Seychelles.
2. The tax liability in Taiwan was deducted from losses of previous years, so no tax payable was incurred.

Information related to tax jurisdictions in 2025

Dynamic's principal operating and manufacturing sites are located in Taiwan, Mainland China, and Thailand. For 2025, the Company's main activities, headcount, tangible assets, current income tax, and income tax paid are disclosed by operating site. Details by operating location are as follows.

Taxable area	Number of employees	Intangible assets	Current Income Tax	Income tax paid
Taiwan (NTD thousand)	33	2,519	1,682	20,501
Mainland China (RMB thousand)	5,409	2,189,785	29,783	29,588
Thailand (THB thousand)	1,382	8,705,987	-	-

II. Corporate Governance

Dynamic recognizes that a high-performing Board of Directors and functional committees are central to driving the Company's long-term value. We proactively identify the material economic, environmental, and social impacts of corporate governance and are committed to building a diverse, independent, and efficient governance structure. By further strengthening Board functions, enhancing two-way communication with stakeholders, and improving information transparency, we aim to establish a sound ESG management system that aligns seamlessly with international standards. To fulfill this sustainability commitment, we have established core policies including the "Corporate Governance Best-Practice Principles", "Ethical Corporate Management Best-Practice Principles", "Risk Management Best-Practice Principles", and "Sustainable Development Best-Practice Principles". These policies are disclosed on the Company's website and the Market Observation Post System (MOPS), serving as the foundation for advancing Dynamic's sustainable operations and strengthening its competitiveness in the capital market.

Management approach

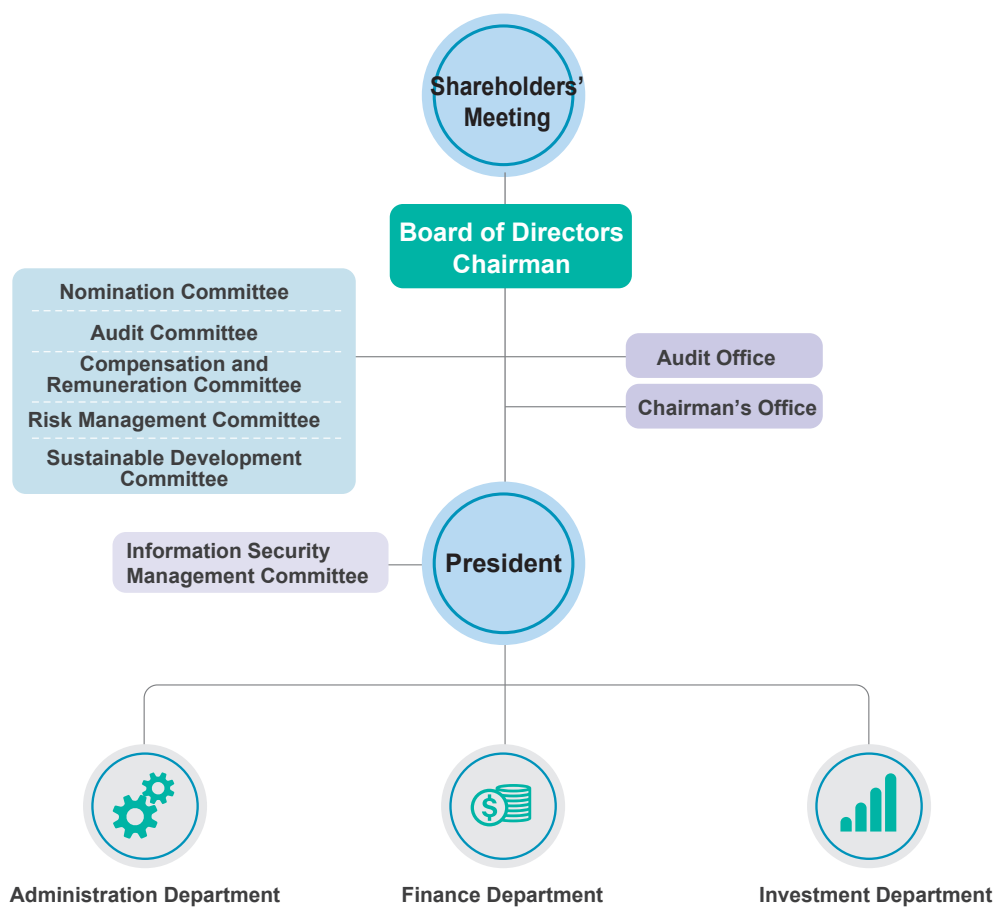
Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Strengthen operational resilience and decision-making quality, enhance international competitiveness in the capital market, reinforce trust within the international supply chain, and foster organizational innovation and talent retention advantages.	An ineffective Board and insufficient transparency may hinder communication with stakeholders and undermine market oversight. Failure of the ESG system to align with international standards may expose the Company to regulatory penalties and the risk of exclusion from supply chains, adversely affecting sustainable operations.	Follow the guidelines of the competent authorities' "Corporate Governance - Sustainable Development Roadmap" to implement corporate governance, enhance corporate sustainability, establish a sound ESG ecosystem, align with international standards, and fulfill our commitment to integrity toward shareholders, customers, employees, and society.	1. Conduct an annual Board performance self-evaluation and engage external experts to conduct an evaluation every three years. 2. Publish a Sustainability Report annually to respond to stakeholders. 3. Ensure that all Directors and the corporate governance officer complete the statutory continuing education courses on sustainability and corporate governance.	Complaint Mailbox Dedicated Hotline Independent director Chairman



Goal

Project	Goals in 2025	2025 Performance	2026 Target (medium-term)	2027 Target (Long-term)
Corporate governance review rankings	Top 5% of listed companies	Top 5% of listed companies	Top 5% of listed companies	Top 5% of listed companies
Attendance rate of the Board of Directors	100%	100%	100%	100%
Attendance rate of the functional committee members	100%	100%	100%	100%
Percentage of independent directors	More than 1/3	More than 1/3	≥ 2/3	≥ 2/3
Percentage of female directors	More than 1/3	More than 1/3	≥ 1/3	≥ 1/3

Corporate Governance Framework



Please refer to Dynamic's annual report for details of corporate governance and the scope of authority and responsibility of each unit.



Overview of the Protection of Shareholder Equity and Fair Treatment Status

The shareholders' meeting is the highest decision-making unit at Dynamic. In order to protect the rights and interests of shareholders and treat all shareholders equally, Dynamic has implemented electronic voting and case-by-case voting since 2016, and records the results of consent, objection, and abstention for each proposal in the meeting minutes, which are disclosed in the MOPS and on the Company's website. The implementation status of the resolutions is also explained in the annual report. In order to consider a balanced and stable dividend policy, depending on the investment capital needs and the degree of dilution to earnings per share, Dynamic adopts stock dividends or cash dividends, of which cash dividends are distributed at an amount of no less than 10% of the total dividends for the year. The percentage of dividends to distributable earnings ranges from 0% to 75%. In 2025, a cash dividend of \$1.08 per share was distributed.

In order to protect the rights and interests of shareholders and ensure equal treatment of shareholders, the Company prohibits insiders and employees from profiting from non-public information by trading securities, including stock trading by insiders from the date of learning of the Company's financial reports or related performance contents, and control measures including (but not limited to) prohibiting directors from trading their shares during the book closure period, which is 30 days prior to the publication date of the annual financial report and 15 days prior to the publication date of the quarterly financial report.

Directors and the Committee's Nomination and Selection Process

The Nomination Committee set by the Company must exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the Board of Directors for discussion:

Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of members of the members of Board of Directors and the committee, and finding, reviewing, and nominating candidates for Directors and committee members on such standards.

Establishing and developing the organizational structure of the Board and each committee, and evaluating the performance of the Board, each committee and each Director, and the independence of the Independent Directors.

Establishing and regularly reviewing programs for Director continuing education and the succession plans of Directors.

The nominating committee's duties include:

- Prescribing and reviewing on a regular basis the number and qualifications of the Directors based on the scale and business nature of the Company.
- Identifying qualified candidates for Director and supervisor positions and presenting a list of such candidates to the Board. A familial relationship within the second degree of kinship may not exist among more than half of a company's Directors. The term of office of an Independent Director must not exceed three consecutive terms.
- Prescribing standards for establishment and qualifications for members and recommending an organizational charter for each committee under the Board of Directors, reviewing these standards and charters at least once every year, and presenting timely recommendations to the Board regarding amendments. They shall be reviewed at least once a year, and amendments shall be recommended to the Board of Directors in a timely manner.
- Reviewing the qualifications of member candidates for each Board committee and any potential conflict of interests, and recommending to the Board new members and candidates for the conveners of each committee.
- Evaluating the performance of each Director, and the convener and the members of each board committee every year and providing recommendations to the Board on the necessity of replacements.

The Company has a nomination system for the election of Directors in accordance with the Company's articles of incorporation. All members of the board must have the knowledge, skills, and experience necessary to perform their duties, such as:

Operational judgment

Accounting and financial analysis

Operation and management

Crisis management

Industry knowledge

International market perspective

Leadership

Decision-making



Diversified Composition of Board of Directors

In 2025, seven of Dynamic's directors had abundant business administration and academic experience, including four independent directors, and three female directors. Dynamic hopes to have a more specialized, independent, and diversified Board of Directors to lead the Group towards sustainable corporate development.

Director	Name	Nationality	Gender	Part-time employee of the Company	Age (year-old)	Term of office of independent directors	External directorships held
Chairman	Ming-Hung, Huang	Republic of China	Male		41-50	-	0
Legal representative of director	Representative of HK Treasure Investment Li-Hsien, Chen	Republic of China	Female		41-50	-	0
Legal representative of director	Representative of Qianhong Investment Rui-Hsia, Liu	Republic of China	Female	v	41-50	-	0
Independent director	Yi-Chia, Chiu	Republic of China	Male		51-60	0-3	3
Independent director	Wen-Xin, Weng	Republic of China	Male		51-60	0-3	0
Independent director	Hui-Ju, Chien	Republic of China	Female		41-50	0-3	0
Independent director	Chang-Chou, Lin	Republic of China	Male		51-60	0-3	0

Chair of the Highest Governance Body

The Chairman and President are not the same person

Directors' Independence and Management of Conflicts of Interest

The Company currently has four independent directors and has established the "Rules of Responsibilities for Independent Directors", which clearly stipulate: "if an independent director has dissenting or reserved opinions, they should be recorded in the Board meeting minutes", "the Company shall not obstruct, refuse, or evade the independent directors in the performance of their duties", and "if deemed necessary while performing their duties, independent directors may request the board of directors to assign relevant personnel or independently hire experts for assistance". These provisions ensure that independent directors can fully fulfill their responsibilities and effectively enhance the operation of the Board. Additionally, the Company has set up Audit, Compensation, and Nomination Committees, and relevant proposals are submitted to the Board for discussion only after being approved by these committees to prevent and mitigate conflicts of interest. The Company's "Integrity Management Guidelines" also stipulate: "if a company director, manager, or any stakeholder attending or present at a Board meeting has an interest in any agenda item that may conflict with the Company's interests, they must disclose the important aspects of their interest at the Board meeting and recuse themselves from the discussion and voting on that item", ensuring the Company's commitment to integrity in operations.

Directors' Independence and Management of Conflicts of Interest

The Company currently has four independent directors and has established the "Rules of Responsibilities for Independent Directors", which clearly stipulate: "if an independent director has dissenting or reserved opinions, they should be recorded in the Board meeting minutes", "the Company shall not obstruct, refuse, or evade the independent directors in the performance of their duties", and "if deemed necessary while performing their duties, independent directors may request the board of directors to assign relevant personnel or independently hire experts for assistance". These provisions ensure that independent directors can fully fulfill their responsibilities and effectively enhance the operation of the Board. Additionally, the Company has set up Audit, Compensation, and Nomination Committees, and relevant proposals are submitted to the Board for discussion only after being approved by these committees to prevent and mitigate conflicts of interest. The Company's "Integrity Management Guidelines" also stipulate: "if a company director, manager, or any stakeholder attending or present at a Board meeting has an interest in any agenda item that may conflict with the Company's interests, they must disclose the important aspects of their interest at the Board meeting and recuse themselves from the discussion and voting on that item", ensuring the Company's commitment to integrity in operations.



Operation and management	Leadership and decision-making	Finance and Accounting Laws	Strategy and risk planning	Analysis of industrial trends	Technological developments in the industry	GICS L1 Industry Experience
v	v			v	v	
	v	v	v			
v				v	v	
	v	v	v		v	-
v		v	v	v		Finance
		v	v			-
	v		v	v	v	Information technology

Collective Wisdom of Highest Governance Body

In 2025, all directors completed the statutory training courses. The ESG-related courses attended by each director are listed below:

Identity	Name	Date	Course Title	Hours
Director	Ming-Hung, Huang	2025-03-14	Benefits of the Circular Economy and Sustainable Finance Business Opportunities	3
Director	Ming-Hung, Huang	2025-04-11	Practical Discussion on the Latest Trends in Artificial Intelligence Development and Risk Management Frameworks	3
Director	Li-Hsien, Chen	2025-03-14	Benefits of the Circular Economy and Sustainable Finance Business Opportunities	3
Director	Li-Hsien, Chen	2025-04-11	Practical Discussion on the Latest Trends in Artificial Intelligence Development and Risk Management Frameworks	3
Director	Rui-Hsia, Liu	2025-05-08	Internal Audit and Internal Control Practices for Employee Compensation and Reward Systems	6
Independent Director	Wen-Xin, Weng	2025-02-21	Corporate Sustainability: From Anxiety to Strategy	3
Independent Director	Wen-Xin, Weng	2025-03-28	ESG and Brand Communication	3
Independent Director	Hui-Ju, Chien	2025-05-16	Information Security Governance and Management amid Geopolitical Challenges	3
Independent Director	Hui-Ju, Chien	2025-10-28	Board of Directors and Corporate Governance Practices	3
Independent Director	Chang-Chou, Lin	2025-10-29	Succession Team Building and Talent Development	3
Independent Director	Chang-Chou, Lin	2025-11-06	Board of Directors vs. Management Team	3
Independent Director	Yi-Chia, Chiu	2025-01-06	Corporate Governance - Sustainability Governance - Trends in Sustainable Development and Sustainability Governance	3
Independent Director	Yi-Chia, Chiu	2025-06-04	Latest ESG Regulations, Trends, Impacts, and Responses	3

In addition, through the quarterly ESG Sustainability Committee's reports at Board meetings and the management team's project reports, to enhance the Board members' awareness of and participation in economic, environmental, and social issues.



Important Decisions Made by Board of Directors in 2025 and Related Actions Taken to Supervise Performance in Sustainability

Major Board Resolutions on Financial and Supply Chain Resilience Risks

To address global supply chain risks arising from climate change and geopolitical developments, the Board of Directors actively participated in and led the Group's global production capacity deployment plan. In 2025, the Board of Directors reviewed and approved multiple major syndicated loan facilities and endorsement and guarantee arrangements for credit facilities for the Thailand subsidiary, ensuring sufficient funding for the construction and operation of the new low-carbon, automated overseas plant. At the same time, the Board of Directors resolved to issue the "First and Second Domestic Unsecured Convertible Corporate Bonds" and conduct a cash capital increase, raising medium- and long-term capital through multiple channels to strengthen financial resilience amid environmental and market changes.

ESG Performance Oversight, Executive Remuneration Linkage, and Internal Compliance Governance

The Board of Directors has fully integrated sustainable development into the Company's core governance. In 2025, the Board formally approved Dynamic's 2024 Sustainability Report and appointed independent directors to the first-term Nomination, Risk Management, and Sustainable Development Committees, strengthening the Board's diverse and substantive oversight of ESG risks, such as climate and natural capital risks. In addition, to implement a sustainability performance incentive mechanism, the Board rigorously reviews the performance assessment indicators (KPIs) for managerial officers on a quarterly basis, directly linking ESG indicators to remuneration. The Board also approved compensation plans for managerial officers and employees. In terms of compliance and integrity governance, the Board also completed the assessment of CPA independence, reaffirmed the general policy for pre-approval of non-assurance services, and revised the internal control system and the audit plan for the following year, further strengthening the protection of stakeholder rights and interests.

2025 Board of Directors Performance Review Outcome

In 2025, Dynamic conducted an annual internal performance evaluation of the Board of Directors. The evaluation period was from January 1, 2025 to December 31, 2025, and the evaluation scope included the overall Board of Directors, individual performance evaluations, Board members, functional committees such as the Audit Committee, Remuneration Committee, Nomination Committee, Risk Management Committee, and Sustainable Development Committee.

Internal assessment	Internal evaluation methods: Including the self-evaluation of the Board of Directors, the self-evaluation of the directors, and the internal self-evaluation of the functional committees. Contents of internal assessment: - For the Board of Directors: The level of participation of the Board of Directors in the Company's operations, improvement of the Board's decision-making quality, composition and structure of the Board of Directors, election and continuing education of directors, and internal control. - For directors: Comprehension of the Company's goals and tasks, awareness of directors' duties, participation in the Company's operations, management relationships and communication, directors' professional and continuing education, and internal control. - For functional committees: Participation in the operations of the Company, awareness of the duties of functional committees, improvement of the decision-making quality of functional committees, composition and appointment of functional committees, and internal control.
Comprehensive comments	- The Board of Directors places great importance on the implementation of corporate governance. - The management team is highly committed to the Company's operations, while the Board of Directors is also fully engaged in corporate governance. - All directors comply with the rules and procedures of the Board. - The Board of Directors, its committees, and individual directors are able to achieve their assigned goals in all aspects. - Board meetings are convened regularly in accordance with statutory requirements and on an ad hoc basis as needed, enabling the Board to make timely decisions and stay informed of the Company's operations and relevant trends.
Action Plan	- Starting in 2026, relevant industry analyses and trend reports will be provided together with the monthly plant operating reports by email. In addition, the management team will deliver special reports at quarterly Board meetings on upstream and downstream supply chains, the industry environment, and significant changes to strengthen the Board's understanding of the Company's operations and industry developments. - Starting in 2026, the quarterly comprehensive operating report presented to the Board will include the results of management performance evaluations and the implementation of related rewards and disciplinary measures, serving as an important basis for Board oversight and decision-making. - The management team conducts quarterly risk identification and assessments of changes in the internal and external environment, proposes corresponding response measures, and reports to the Risk Management Committee. Regular reporting and meeting discussion mechanisms also strengthen communication and interaction between the management team and members of the Risk Management Committee, while enabling the Board to fully discuss and oversee the effectiveness and follow-up of the internal control system. - Complete and relevant information on remuneration policies, performance evaluations, and market comparisons is provided in advance to ensure that members of the Compensation and Remuneration Committee have sufficient time to review the information and engage in thorough discussions, enabling them to formulate timely, professional, and objective recommendations for submission to the Board for deliberation. - Information on sustainability performance, material topic analyses, and implementation progress is compiled and provided in advance, enabling members of the Sustainable Development Committee to fully understand the relevant issues and, following careful discussion, provide timely, professional, and objective recommendations to the Board as a reference for decision-making. - Starting in 2026, the Company will increase the frequency of regular reviews to twice a year to assess the appropriateness and implementation of the Director continuing education program and succession plans for directors and senior management, thereby strengthening corporate governance and the organization's sustainable development.



The relationship between Board members' remuneration and sustainability performance

Directors' performance indicators

Performance percentage of each item	Annual performance evaluation accounts for 20% of remuneration	The Company's overall operational performance accounts for 20% of remuneration	Sustainable ESG performance accounts for 20% of remuneration	Future risks and development trends in the industry account for 20% of remuneration	Personal contribution accounts for 20% of remuneration
Evaluation indicators	Annual performance evaluation results of the Board of Directors, functional committees, and individual directors.	Operating revenue, net profit after tax, and return on equity for the year.	Reduce greenhouse gas emissions intensity, reduce water consumption intensity, promote work environment safety, core talent development, risk assessment and management, and improve supply chain resilience to climate change risks.	Assess the risk items and formulate future development strategy.	Individual participation and special contributions.

Remuneration for Board members of the Company is based on the requirements in Article 30 of the Articles of Incorporation. If the Company makes profits for the year, the Board of Directors can decide to allocate Board member remuneration no higher than 3% of the profits. Regarding the process for determining remuneration, the Company adheres to "Director Remuneration Management Procedures" as the basis for evaluation. This process considers the performance evaluation of the Board of Directors, the Company's overall operational performance, sustainability indicators, future industry risks, and development trends. It also takes individual participation levels and unique contributions to the Company into account, ensuring reasonable compensation. The relevant performance evaluations and remuneration reasonableness are reviewed by the Remuneration Committee and the Board of Directors. The remuneration system is regularly reviewed according to actual business conditions and relevant laws to balance the Company's sustainable operations with risk management.

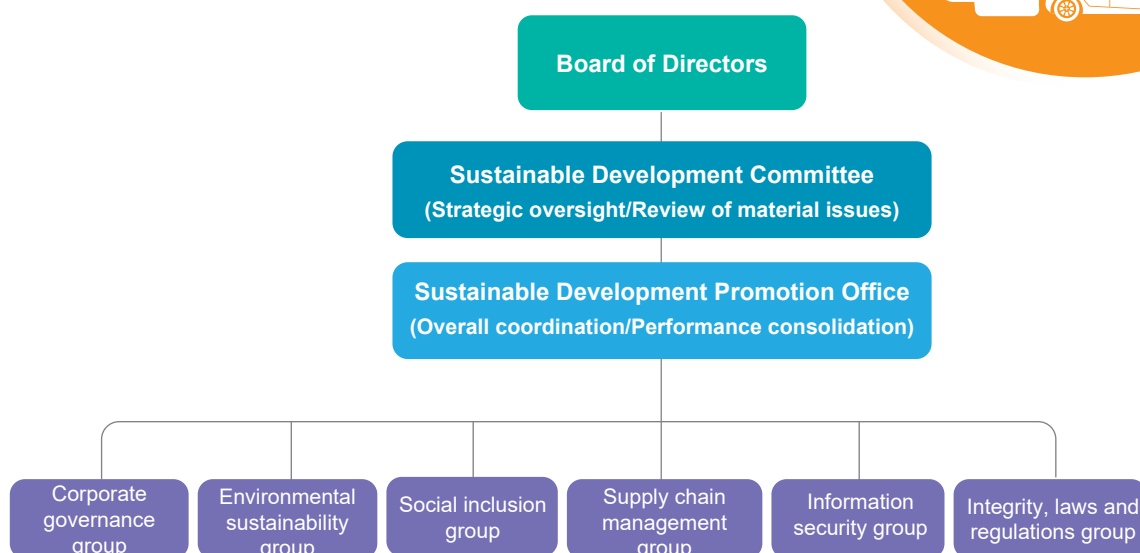
Dynamic has established the "Regulations for Annual Performance Evaluation of Managerial Officers", which are disclosed on the Company's website. The full text may be accessed by scanning the QR code below.



Sustainable Development Committee

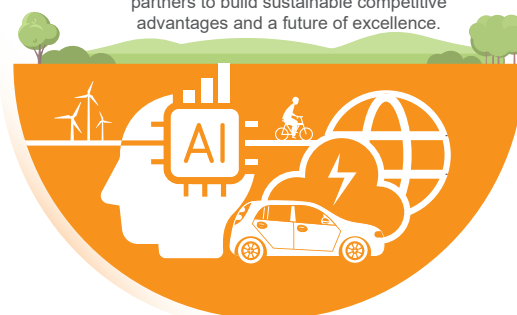
The Company established the "ESG Sustainability Committee" on February 23, 2022. To further advance sustainable development and strengthen sustainability governance, on October 27, 2024, with the approval of the Board of Directors and pursuant to Article 27, Paragraph 3 of the "Company's Corporate Governance Best-Practice Principles" and Article 9, Paragraph 1 of the Company's "Sustainable Development Best-Practice Principles", the committee was elevated to a Board-level "Sustainable Development Committee", and the Sustainable Development Committee Charter was adopted. The first term of the Sustainable Development Committee takes effect on October 27, 2024, and will run until May 17, 2026, aligned with the term of the current Board of Directors. All four independent directors are members of the Sustainable Development Committee.

Organizational Structure of the Sustainable Development Committee



Sustainable Development Vision of Dynamic

With advanced Key processes in technology innovation and smart manufacturing at its core, Dynamic leads the development of high-speed Applications and the low-carbon transformation of automotive electronics; strengthens inclusive values and risk governance; and works with global partners to build sustainable competitive advantages and a future of excellence.





Promotion of Sustainable Development

- Sustainable Development Committee: Oversees sustainability strategies and material topics, reviews implementation performance, and reports to the Board of Directors at least once a year.
- Sustainable Development Promotion Office: Coordinates and integrates the functional teams, compiles sustainability performance and key issues, and reports to the Committee and the Board of Directors quarterly.
- Responsibilities of the functional teams:
 - Corporate Governance Team: Responsible for compliance with corporate governance related laws and regulations, supporting the operations of the Board of Directors and functional committees, planning competitive remuneration and performance management systems, and establishing stakeholder communication mechanisms.
 - Environmental Sustainability Team: Responsible for establishing and operating environmental management systems, complying with environmental laws, regulations, and international standards, promoting energy conservation and carbon reduction, resource management, and climate change response strategies, and enhancing overall operational resilience.
 - Social Inclusion Team: Responsible for planning and implementing human rights policies and related operating procedures, establishing communication mechanisms covering the organization's internal and external stakeholders and value chain, assessing and managing related risks, and promoting community and cultural development.
 - Supply Chain Management Team: Plans and promotes sustainable supply chain management policies, implements supplier management, evaluation, and guidance mechanisms, and promotes continuous improvement among supply chain partners across all ESG aspects.
 - Information Security Team: Responsible for establishing and implementing the information security management system, strengthening information security risk identification, protection, and response mechanisms, and ensuring the security of information assets and operational stability.
 - Integrity and Compliance Team: Responsible for establishing and implementing ethical corporate management and regulatory compliance systems and strengthening internal controls, risk management, and fraud prevention mechanisms.

In 2025, the Sustainable Development Committee held three meetings and reported to the Board of Directors on topics including the vision and organizational structure of the Sustainable Development Committee, sustainability performance indicator results and improvement plans, and the linkage between sustainability performance and compensation. The Board of Directors regularly listens to reports from the management team, examines the progress of strategies, assesses the probability of success of strategies, and urges the management team to strengthen or adjust as necessary.

III. Legal Compliance

Management approach

Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Proactively implementing high standards of regulatory compliance not only demonstrates Dynamic's commitment to integrity in governance, but also deepens the trust of stakeholders, such as customers, investors, employees, and the public, in the Company, thereby laying the foundation for long-term, mutually beneficial and trusting strategic partnerships for sustainability and further enhancing the international reputation of the corporate brand.	If deficiencies in the life cycle management of products and services, environmental protection matters (such as carbon emissions and water pollution), or other legal areas result in violations of laws and regulations at the operating sites, the Company may face significant administrative penalties, fines exceeding TWD 1 million for a single incident, or legal proceedings. In addition to directly causing financial losses and restrictions on business activities, such violations may also pose significant risks to the Company's reputation for integrity and business resilience.	Dynamic promises strict compliance with internationally recognized standards and the regulatory requirements of governments at all of its global operating sites. Upholding the core principle of "integrity in operations and compliance first", the Company has established a sound internal compliance oversight mechanism and adopts a zero-tolerance approach to any violations, ensuring that its operations remain stable and fully compliant with laws and regulations.	1. Regulatory awareness and ongoing training: Provide diversified regulatory compliance and professional ethics training for business executives, senior management, and personnel in key positions to strengthen compliance awareness throughout the organization. 2. Multi-level self-inspection and independent audits: Implement routine self-inspection for regulatory compliance across all operating units, supplemented by regular and ad hoc independent spot checks conducted by the Audit Office, to ensure full compliance across all operational processes.	The Company has established multiple complaint-filing mechanisms under the direct authority of the Chairman and Independent Directors, including an independent reporting hotline and a dedicated complaint mailbox, and is committed to maintaining strict confidentiality of whistleblowers' identities and the contents of their reports to prevent any misconduct.

Goal

Project	Goals in 2025	2025 Performance	2026 Target (medium-term)	2027 Target (Long-term)
Major fines resulting from non-compliance	0	0	0	0



Policy Commitments and Governance Responsibilities

Dynamic promises strict compliance with internationally recognized standards and the regulatory requirements of governments at all global operating sites, upholding the principle of “compliant operations and zero tolerance for violations”. The Legal Affairs Office serves as the core unit responsible for legal compliance. The Company has also established independent complaint and whistleblowing mechanisms under the direct authority of the Chairman and Independent Directors, including a dedicated mailbox and whistleblowing hotline, to ensure substantive oversight in accordance with the highest governance standards.

Management Procedures and Scope of the Three Lines of Protection

In response to the diverse challenges of multinational operations, Dynamic has implemented a regulatory compliance framework based on the “Three Lines of Protection ” across key regulatory areas, including corporate governance, insider trading prevention, securities regulations, supervision of subsidiaries, product compliance, technology patents and intellectual property rights, environmental protection, occupational safety and health, labor regulations, confidential data protection, and export control:

First line of Protection (Operating units)

The operating and management units directly responsible for each business area carry out day-to-day implementation of applicable regulations and first-line compliance monitoring within their respective scope of operations.

Second Line of Protection (Legal Affairs and Dedicated Compliance Units)

The Legal Affairs Office and relevant professional functional committees regularly and systematically identify the latest global regulatory requirements, make necessary revisions, conduct internal communication, and track implementation results to ensure that internal systems are updated in line with external laws and regulations.

Third Line of Protection (Independent Audit Office)

The Audit Office, which reports directly to the Board of Directors, independently conducts spot checks and special audits to objectively assess the implementation effectiveness of each line of defense and ensure full compliance across all Group operations.

The following is Dynamic's regulatory compliance framework based on the Three Lines of Defense, which is continuously optimized and adjusted in line with its goals.

Lines of Protection	First line of protection Self-inspection	Second line of protection Legal compliance	Third line of protection Internal audit
Responsible unit	Each business unit responsible for the operations	Legal affairs, quality assurance, environmental safety, information departments	Audit department
Implementation Methods	The responsible departments designate personnel to identify, revise, promote, and implement laws and regulations applicable to their daily business activities. The responsible personnel receive external professional courses and educational training every year to continue to strengthen their awareness of legal compliance, keep abreast of regulatory developments, and incorporate compliance awareness into their daily business activities.	The Legal Affairs Office is responsible for overseeing the actual implementation of regulatory compliance across the Group. For key areas such as environmental protection, labor, risk review, and equipment procurement and maintenance, the alignment between actual implementation and applicable laws and regulations is strictly reviewed in accordance with the relevant internal systems and procedures. At the same time, cross-functional professional teams comprising quality assurance, environmental safety, information, and other relevant functions conduct ongoing supervision and provide cross-departmental assistance in accordance with the high standards of relevant international management systems to ensure that risks and controls are effectively managed.	The Audit Office provides independent supervision and regularly reports objectively to the Audit Committee and the Board of Directors. For the internal control system, the Company fully follows the “Regulations Governing Establishment of Internal Control Systems by Public Companies”. Through rigorous evaluation of the design and effective implementation of the internal control system, the Company seeks to reasonably ensure the achievement of internal control objectives, including operational effectiveness, reliability of financial reporting, and regulatory compliance.

Legal Compliance Performance in 2025

Through the sound operation of the above “Three Lines of Protection” management mechanism, Dynamic effectively implemented its regulatory compliance system. In 2025, the Company did not incur any significant administrative penalties or fines (exceeding TWD 1 million for a single incident) for violations of relevant laws and regulations related to the provision and use of products and services, environmental protection, social and human rights, or other sustainability topics. Additionally, there were no sanctions imposed due to other legal liabilities.



First line of protection –						
Regulatory requirements	Corporate governance	Insider trading	Security laws and regulations	Subsidiary supervision	Product compliance	Technology patents
Plant	Taoyuan Operation Center	Taoyuan Operation Center	Taoyuan Operation Center	Taoyuan Operation Center	Kunshan Plant Huangshi Plant Thailand Plant	Kunshan Plant Huangshi Plant Thailand Plant
Responsible unit	Chairman’s Office	Finance Department	Finance Department	Finance Department	Process Technology Center, Global Technology Service Division	R&D Department Process Technology Center
Governing Guidelines	“Sustainable Development Action Plans for TWSE- and TPEX- Listed Companies” and “Sustainable Development Roadmap”	Procedures for the “Management of Insider Trading Prevention”	Securities and Exchange Act, Regulations Governing the Preparation of Financial Reports by Securities Issuers, Independent Auditor’s Report	Subsidiaries are supervised and managed under the “Regulations Governing Establishment of Internal Control Systems by Public Companies”	Relevant regulations governing hazardous/ restricted substances in products, product safety standards, and customer requirements for products	Applicable domestic/ international regulatory guidelines for hazardous substances in products and technical patents
Renewal frequency	Quarterly	Anytime	Quarterly	Monthly	Anytime	Anytime
Communication frequency	Quarterly	Yearly	Anytime	Anytime	Anytime	Anytime
2025 Key Projects	The Taiwan Stock Exchange (TWSE) released the 2026 (1st Round) ESG Evaluation Indicators. On May 22, 2025, Chang-Chou Lin was elected as an Independent Director in a by-election, bringing expertise in smart manufacturing and information/ network security.	Directors and insiders are prohibited from trading their shares during the 30-day closure period prior to the announcement of the annual financial report, and the 15-day closure period prior to the announcement of the quarterly financial report.	In accordance with the revisions to the “International Code of Ethics for Professional Accountants” by the International Ethics Standards Board for Accountants (IESBA), strengthen and ensure the independence of the auditing CPA firm from the audited company by updating the Company’s “General Policy for Pre-approval of Non-assurance Services”.	Pursuant to the “Regulations for the Supervision of Subsidiaries”, perform monthly routine management of subsidiary operations.	The products have consistently complied with relevant quality and safety standards and hazardous substance management and labeling regulations, as well as customer requirements, so that customers are satisfied.	Development of product traceability systems, product testing methods and production automation systems, and development of recycling and utilization of waste materials, waste gas, and waste liquids.
Second line of protection - Co						
2025 Key Projects	1. Periodically inspect applicable operational laws and regulations to keep track of the revision trends and the latest regulatory requirements. 2. Inspect the alignment between actual implementations and regulatory requirements in prioritized fields (environmental protection, labor, risk) 3. The Global Technical Service Department, the Environmental Safety Department, and the Information Technology Center organize cross-fur and fact checking.					
Third line of protec						
2025 Key Projects	“Management of Sustainability Information” has been incorporated into internal control and annual audits. In 2025, the amendments to the “Regulations Governing Establishment of Internal Control Systems by Public Companies” made by the Financial Supervisory Commission were formally implemented, making sustainability information management a mandatory annual audit item. By the end of 2025, the Audit Office of each company must carry out this audit plan and report its implementation status by the end of February 2026.					



Spontaneous inspection

Environmental protection and occupational safety				Labor laws and regulations	Intellectual property and confidential data protection	Export control	
Taoyuan Operation Center	Kunshan Plant	Huangshi Plant	Thailand Plant	Taoyuan Operation Center Kunshan Plant Huangshi Plant Thailand Plant	Taoyuan Operation Center Kunshan Plant Huangshi Plant Thailand Plant	Kunshan Plant Huangshi Plant	Thailand Plant
Environmental Safety Department				Human Resources Department	Information Technology Center	Customs Affairs Section	
Environmental protection regulations, climate change regulations, Carbon Border Adjustment Mechanism (CBAM), occupational health and safety, fire safety regulations and standards, Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, EU Packaging and Packaging Waste Directive, Responsible Business Alliance (RBA) Code of Conduct, Task Force on Climate-related Financial Disclosures (TCFD), Global Reporting Initiative (GRI) Sustainability Reporting Standards				Applicable labor regulatory requirements and respective social security regulatory requirements	ISO 27001 Information Security Management System	Export Control Act, Intellectual Property Protection Act, Customs Act, Foreign Trade Act	Thailand Customs Act and BOI-related regulations
Quarterly	Quarterly	Quarterly	Quarterly	Monthly	Yearly	Anytime	Anytime
Quarterly	Quarterly	Quarterly	Quarterly	Monthly	Yearly	Anytime	Anytime
Promote the classification and recycling of resource waste, fire safety management, labor health protection rules, greenhouse gas inventory and management, participation in municipal government tree-planting programs, and internal carbon pricing planning.	Implement management of air pollution, soil pollution, greenhouse gas emissions, and volatile organic compounds; strictly control hazardous chemicals and confined space operations; and promote the circular economy and safe production risk assessments to ensure full compliance.	International sustainable water management system certification; supply chain RBA audits and energy conservation and carbon reduction counseling; continued advancement of energy conservation, waste reduction, and emissions reduction; and operation of the product carbon footprint platform.	Compliance in the disposal and discharge of environmental pollutants; safe storage and use of hazardous chemicals; supply chain RBA audits and energy conservation and carbon reduction counseling; continued advancement of energy conservation, waste reduction, and emissions reduction; and operation of the product carbon footprint platform.	Taiwan-listed companies must complete amendments to their Articles of Incorporation no later than the 2025 annual general meeting, specifying a certain percentage of annual earnings to be allocated for salary adjustments or compensation distribution to non-managerial employees.	Introduce a bastion host to establish internal controls and an evidentiary chain. Prevent unauthorized internal access or operational errors through access control management. Its operations and maintenance audit functions as a black box, comprehensively recording user activities and providing tamper-proof core legal evidence in the event of an incident to ensure clear accountability.	Attend training held by the Customs Authority and implement trade compliance controls. Verify that authorization letters for registered brands remain valid. Promptly identify and correct risks in import/export operations to prevent the accumulation of risks.	Strengthen trade compliance controls so that compliance risks in import/export operations can be identified and corrected in a timely manner to help prevent the accumulation of risks.
Compliance (Legal Affairs Office)							
review, and equipment procurement and maintenance, etc.)							
functional teams to conduct internal audits according to the relevant international management systems, including compliance with applicable laws and regulations,							
ation - Internal audit							



IV. Ethics and Integrity



To enable normalized ethical corporate management throughout the organization and to define an optimal business model, Dynamic has the “Ethical Corporate Management Best Practice Principles” in place. The Board of Directors and the management are committed to proactive fulfillment of the ethical corporate management policy. In addition, Dynamic set up the “Legal Affairs Office” to be the responsible unit for the promotion of ethical corporate management under the Board of Directors to take charge of defining and supervising ethical corporate management policies and safeguard solutions and periodically report to the Board of Directors.

The substantial actions taken by Dynamic to enforce its ethics and integrity policies are as follows:

- ▶ Set up the “Ethical Code of Conduct for Directors, Supervisors, and Managers” and the “Ethical Code of Conduct for Employees” to help with thorough disclosures of the Ethical Code of Conduct for Directors, managers, and employees. They are to be followed by everyone.
- ▶ Sign quality contracts, procurement commitments, integrity commitments, and non-use of hazardous substances guarantee with agents, suppliers, customers, and other business partners to help partners understand and accept Dynamic's corporate culture, form a positive force to jointly implement the cooperation model of ethical and honest management, and to regularly issue “Integrity Notification Letters” reminding suppliers and partners every year.
- ▶ Set up “CEO Mailbox” (ceo@dynamicpcb.com) for employees, business partners, and third-party suppliers to file complaints directly against corruption, solicitation of bribes, acceptance of bribes and dishonesty within the Company. It is the direct way to have their voices heard by the highest-ranking official of the Company. Only the CEO can open the e-mail for inspection, and personally handle, reply, or instruct to investigate, in order to achieve absolute confidentiality and effectively prevent dishonesty. The CEO's mailbox is communicated to all new employees during orientation, and is included as a specific clause in all external contracts of Dynamic, and is also publicly announced on the Company's website. No complaint letter was received by the CEO's mailbox in 2025.
- ▶ An “Unreasonable Mailbox” is set up internally for employees to report unreasonable behaviors or behaviors that violate professional ethics. It is hoped that the supervision of employees can better implement the Company's ethical standards. In 2025, the Taoyuan Operation Center did not receive any unfounded complaints; the Kunshan Plant received two unfounded complaints, and the Huangshi Plant received one. The complaints at the two plants were all individual cases related to the protection of employee personal rights and have been properly handled in accordance with the actual circumstances.
- ▶ Formulate the “Regulations for Whistleblowing Rewards” and “Whistleblowing Channel and Protection System Operational Procedures” to encourage internal personnel and external partners to report violations of integrity and ethics and set up protection procedures to strictly prevent retaliation.
- ▶ Set up a “dedicated hotline” to provide multiple and convenient electronic reporting methods for business partners on both sides of the Taiwan Strait. In 2025, no complaints or reports from the “dedicated hotline” were received.
- ▶ Formulate the “Integrity and Anti-fraud Prevention Plan” to strengthen governance and internal control, reduce the Company's risks, ensure the achievement of the Company's business goals and sustainable, stable and healthy development, and protect the legitimate rights and interests of shareholders.
- ▶ The legal office regularly reviews the implementation of the integrity and ethical standards.



Anti-corruption

In line with the anti-corruption policy, on one hand, Dynamic has established a relatively strict supervision mechanism for departments and business activities with higher risks of dishonesty, and on the other hand, has promulgated "Regulations for Whistleblowing Rewards", which provides the specific reporting channels and information required by whistleblowers, the information and acceptance level of different reported items, dedicated personnel, handling process, time limit of process, reward system, and related confidentiality mechanisms are as follows:

1 Whistleblowing channels:

(1) Chairman's Email: ceo@dynamicpcb.com
Dedicated Hotline: +886-980-051-059

(2) Other methods: such as announcements on the Company's website, the That's Not Right Mailbox within the Company, letters or emails sent to the Company's supervisors, etc.

2 Information to be provided by whistleblowers:

The information should include the name of the whistleblower or other documents that identify the whistleblower, specific evidence to be investigated, and corroborating circumstantial evidence of dishonesty or misconduct (whistleblowers who report on hearsay alone are not eligible for investigation).

3 Levels of acceptance for different reported items:

The reported misconduct shall be escalated to the head of the department concerned if it involves an employee or to an independent director if it involves a director or senior executive.

4 Dedicated receiving officer:

After the Chairman of the Board of Directors confirms the case, the case will be referred to the Legal Affairs Office for investigation.

5 Procedures:

The whistleblower may report on the record with their real name (name, ID number, address, contact method) or report anonymously (with at least contact information). The Chairman receives and reads the case facts, and instructs the dedicated legal affairs department to investigate and contact/protect the whistleblower. Subsequently, the legal affairs department will report the investigation results to the Chairman, make recommendations on the handling of the case (distribution of bonuses, disciplinary actions, and directions for improvement by the unit), and retain the investigation results as sealed documents, in writing or electronically, for a period of at least five years.



6 Handling deadline:

Two weeks for an ordinary case and four weeks for a complicated case. Whether a case is complicated or not is to be determined by the Chairman at the time of registry.

7 Reward system:

Criterion	Value	Maximum	Time of release
▶ Reported using one's real name, with evidence provided	▶ 50 % of the total losses recovered or reduced	▶ TWD 10 million	▶ After the case is closed and the value is finalized
▶ Reported without giving a real name and no evidence provided	▶ 25 % of the total losses recovered or reduced	▶ TWD 5 million	
▶ With particularly significant contributions	▶ Upon approval from the Chairman, the above ratios may be disregarded as justified by the case.	▶ None	

8 Relevant confidentiality mechanisms:

In addition to strictly maintaining the confidentiality of cases and whistleblowers during the handling process, and in accordance with the "Whistleblower Channel and Whistleblower Protection System and Operating Procedures", the protection of whistleblowers includes but is not limited to the following prohibited actions: unfavorable treatment of the whistleblower, demotion or decrease in remuneration, coercion, insults, and harassment. In effect, the whistleblower must not be subject to any actions threatening their life, health or property, or their work rights, and economic rights.

Number of reported cases over the years

Reporting methods	2021	2022	2023	2024	2025
Electronic reporting	0	3	0	0	0
Dedicated hotline for reporting	0	0	0	0	0
Others (e.g. in person)	0	0	0	0	0

Dynamic's "Regulations for Reporting Rewards" and "Procedures for Whistleblower Management and Protection" are disclosed on the Company's website. The full text may be accessed by scanning the QR code below.

Regulations for Reporting Rewards



Procedures for Whistleblower Management and Protection





Information confidentiality

Through the ISO 27001 information security management system, we identify risks and take appropriate measures to manage or reduce risks, flexibly adapt to the management of all or specific fields, ensure stakeholders and customers trust in our ability to protect their data, and demonstrate the Company's compliance with regulations and laws, thus becoming a preferred supplier.

For the Company's business involving technical secrets, process technology, and product development, as well as business personnel and administrative management personnel who may become aware of these secrets through their work, they are required to sign an intellectual property protection agreement, a confidentiality agreement, and a pre-departure agreement regarding confidential information. For personnel whose technical knowledge significantly impacts the Company, a non-compete clause is established upon resignation. Additionally, technical secret files originating from customers are managed with a firewall, prohibiting unauthorized opening, copying, or transmission.

Dynamic has formulated "Personal Data Protection and Management" regulations, which are disclosed on the Company's website to implement the protection and management of personal data. The full text can be accessed by scanning the QR code below.



Conflicts of interest

The Company has formulated management measures to identify, prevent, and properly handle conflicts of interest in the following three relationships:

Relationships between directors, officers and the Company

If any of the Company's directors, managers, or other stakeholders attending or present at the board meeting have a conflict of interest with the matters listed in the agenda, and the conflict relates to themselves or the legal entity they represent, they must explain the important aspects of this conflict of interest during the meeting. If the conflict may harm the Company's interests, they shall not participate in the discussion or voting on the matter, and must recuse themselves from the discussion and voting process. Furthermore, they are not permitted to act as a proxy for other directors in exercising their voting rights. Directors are also required to exercise self-discipline among themselves and must support each other. In 2025, the Board of Directors had four proposals involving recusals due to conflicts of interest:

- (1) One case involved the allocation of directors' remuneration from the 2024 earnings distribution in accordance with the "Director Remuneration Management Procedures", calculated based on weighting, as this case concerned the distribution of remuneration for each director, all directors had a conflict of interest regarding their own remuneration, therefore, the remuneration allocation for each director was discussed and voted on individually, and each director recused himself when his own remuneration was being discussed and voted upon, the proposal was approved after the Chair inquired and confirmed no objections from the other attending directors.
- (2) One case involved the appointment of Independent Director Chang-Chou Lin as a member of the Company's second-term Remuneration Management Committee, as this involved his own interests, Independent Director Lin recused himself during the discussion and resolution, and the proposal was approved after the Chair inquired and confirmed no objections from the remaining attending directors.
- (3) One case involved the appointment of Independent Director Chang-Chou Lin as a member of the Company's first-term Nomination Committee, Risk Management Committee, and Sustainable Development Committee, as this involved his own interests, Independent Director Lin recused himself during the discussion and resolution, and the proposal was approved after the Chair inquired and confirmed no objections from the remaining attending directors.
- (4) One case involved changes to the Chairman's salary and benefits, as this involved his own interests, the Chairman recused himself from the discussion and voting, and the proposal was approved after the acting Chair inquired and confirmed no objections from the remaining attending directors.

The Company's directors, managers, employees, agents and substantial controllers shall not exploit their position or influence within the Company to allow improper gains for themselves, their spouses, parents, children, or any other persons.

2025

There was **no** such occurrence in 2025.

Between customers, suppliers and the Company

The Company, and all other businesses it enters into business arrangements with agree that such contractual partner, and any affiliates, shareholders, officers, employees, and their relatives shall not treat or give gifts, or covertly offer kickbacks, commissions, or marketable securities to the employees or their relatives of Dynamic and its affiliates for business or settlement purposes, in-kind benefits, or other forms, otherwise, once seized, the seller shall pay TWD 2.5 million or 30% of the total business volume incurred as compensation for liquidated damages (whichever the higher amount). If a contractual partner is deemed to have breached the contract, Dynamic may terminate the contract and handle the breach as liability. If any entity finds that any of personnel operating on behalf of Dynamic have engaged in any such unethical behavior, it should take the initiative to report to Dynamic directly, or report it to Dynamic's complaint hotline at 0980-051-059 or the complaint email: ceo@dynamicpcb.com.tw

2025

There was **no** such occurrence in 2025.

Relationship between employees and the Company

Dynamic adheres to a code of conduct that states that fairness, justice, honesty, and customer interests come first. Employees are obliged to be sensitive to conflicts of interest, identify and report conflicts of interest during business implementation.



Antitrust/anti-competitive practices

For antitrust/anti-competitive behaviors, Dynamic has qualified and professional personnel to identify and reduce risks and regularly review legal risk assessments to avoid litigation. Since the establishment of the Company, Dynamic has never been involved in any legal litigation related to antitrust/anti-competition and monopoly behaviors.

Dynamic's Anti-monopoly Administration Regulations are disclosed on the Company's website. The full text can be accessed by scanning the QR code below.



Money laundering

Anti-money laundering has always been the focus of regulatory agencies in various countries, and anti-money laundering regulatory concepts and measures are developing towards international standards and practices. Dynamic keeps up with the pace of supervision and prepares for known and expected regulatory changes, and strategically deploys an effective and sustainable money laundering risk management system that meets international standards. Dynamic actively works with banks to steadily improve anti-money laundering work in stages, effectively integrate resources to improve the effectiveness of anti-money laundering compliance, regularly review the standard supervision and expected improvement compliance system and governance framework, and strengthen system support capabilities to achieve differentiated risk management.

Insider trading

Dynamic aims to promote fairness in securities market transactions and maintain public confidence; to facilitate the flow of information in the securities market, enabling investors to make optimal investment evaluations and decisions; to ensure that the Company's stock price reflects its true value and to guide market funds for more effective allocation; to prevent the moral risks of company insiders and avoid breaches of fiduciary duty; to enhance the soundness of decision-making and ensure the proper use of proprietary information. To these ends, Dynamic conducts at least one annual training course for company insiders on awareness of and compliance with insider trading regulations to prevent insiders and related personnel from inadvertently violating insider trading rules due to negligence. The Company releases material financial and business information on a regular and non-scheduled basis in accordance with the regulations of the Stock Exchange, and inputs the description of material information on the MOPS within the specified time.

Dynamic's "Procedures for Prevention of Insider Trading" are disclosed on the Company's website. The full text may be accessed by scanning the QR code below.



V. Risk Management



Management approach

Actual and potential positive economic, environmental, and social impacts on Dynamic (opportunities)	Actual and potential negative economic, environmental, and social impacts on Dynamic (risks)	Policy and Commitment	Action Plan	Complaint-filing mechanism
Through the operation of the Board-level Risk Management Committee, Dynamic has institutionalized the Risk Map assessment mechanism, enabling the Company to more cost-effectively turn changes in the external environment into competitive advantages. Proactively identifying diverse risks not only helps prevent risks before they materialize, but also enables the Company to identify potential market opportunities, build a more flexible, low-carbon and resilient global supply chain, and accelerate upgrades in advanced technologies, thereby mitigating risks for stakeholders and creating long-term value amid crises.	The Company's operations face material impacts from external geopolitical upheavals, macroeconomic conditions, and international trade barriers. Material risks in 2025 included supply chain and market uncertainties arising from additional U.S. tariffs on Canada, Mexico, and China and global reciprocal tariff policies, changes in core business operations, shortages of international high-level talent following the commencement of mass production at the Thailand Plant, and risks arising from technological changes in AI and advanced HDI across the global electronics industry. Without systematic controls, these risks could materially affect the Group's operating performance and medium- to long-term financial stability.	Upholding the principles of sustainable operations and proactive risk prevention, Dynamic has established comprehensive internal regulations approved by the Board of Directors, including the "Risk Management Policy", "Risk Management Best Practice Principles", "Risk Management Committee Charter", and "Risk Management Policies and Procedures", which serve as the Group's highest-level guidelines for risk control. The Company is committed to high-standard substantive oversight by the Board of Directors and has elevated the Risk Management Committee to a functional committee under the Board, with comprehensive oversight by four Independent Directors.	1. Establish a mechanism for quarterly assessments and reporting to the Board of Directors. 2. Use a rigorous risk matrix to assess comprehensive risks relating to strategy, operations, finance, hazards and climate change, business ethics, and human rights, reasonably ensuring that risks and controls remain under the oversight of the Board of Directors.	Complaint Mailbox Dedicated Hotline Independent Director Chairman

Goal

Project	Goals in 2025	2025 Performance	2026 Target (medium-term)	2027 Target (Long-term)
Number of Risk Management Committee meetings convened and reports made to the Board of Directors (at least 3 times per year)	100%	100%	100%	100%



Evolution and Development of Risk Governance

On October 30, 2015, the Company established the “Risk Management Policy”, which was approved by the Board of Directors and serves as the highest-level guiding principle and basis for the implementation of risk management. The Risk Management Committee under the Board of Directors regularly uses a risk matrix to assess the likelihood of internal and external risks and the severity of their impacts on operations, determine risk levels and priorities, and adopt cost-effective management measures.

The Company’s risk assessment covers strategy, operations, finance, information and operational security, hazards and climate change, business ethics, human rights, and other areas. Relevant management measures are formulated based on the assessment results to continuously strengthen operational resilience and sustainable development capabilities. The Company also continues to follow its internal control and internal audit systems and the requirements of relevant laws, regulations, and standards to monitor potential operational risks and implement preventive control measures, thereby strengthening the overall risk management mechanism. The relevant implementation status is regularly reported to the Board of Directors. In addition, the Company annually consolidates issues of concern to internal and external stakeholders, identifies risks and opportunities arising from material ESG topics, and incorporates them into the risk management process to strengthen sustainability governance and integrated risk management.

To strengthen the functions of the Board of Directors and enhance the effectiveness of risk governance, the Company established the Risk Management Committee (RMC) under the Board of Directors on May 29, 2023. The Committee comprises four Independent Directors, and the “Risk Management Committee Charter” was approved on August 4, 2023. In conjunction with the establishment of the Board-level risk governance structure, the original Risk Management Committee was renamed the Risk Management Office (RMO), which is responsible for coordinating and promoting risk management activities. The term of office of members of the first Risk Management Committee is from May 29, 2023 to May 17, 2026, which is the same as the term of the current Board of Directors. The current Committee Chair is Independent Director Chang-Chou Lin, who has a professional background in technology and information security as well as risk management experience. The other three members also possess relevant professional expertise and practical experience in risk management. To continuously enhance the Board’s risk governance capabilities, the Company arranges professional continuing education courses for directors on risk management, information security, sustainable development, artificial intelligence, and other related topics; in 2025, Chairman Ming-Hung Huang and Director Li-Hsien Chen continued to attend professional courses such as “AI Development Trends and Risk Management Framework” to strengthen the Board’s oversight of emerging risks.

On July 29, 2024, the Company further revised the “Risk Management Policies and Procedures” to continuously improve the completeness and effectiveness of its risk management system. In 2025, the Risk Management Committee convened three meetings to review material risk scenarios, track the implementation of response measures, and monitor emerging risk trends. A total of six risk topics were assessed and reported, including: risk management concerning additional U.S. tariffs on Mexico, Canada, and China, impact assessment of the Trump administration’s reciprocal tariffs, geopolitical risk tracking, business risk assessment and action plan, Thailand Plant talent shortage risk assessment and action plan, and technological change risk assessment and action plan. The responsible units formulated response plans for each risk and reported them to the Board of Directors.

Risk Governance and Management Structure





Unit		Key responsibilities
Risk Management Committee		Responsible for supervising the operation of the overall risk management system and making recommendations to the Board of Directors
Risk Management Office	President	① Review and approve the levels and priorities of material risks ② Review risk management strategies and response measures ③ Supervise the improvement of risk control
	Director	① Coordinate the promotion and implementation of the risk management system ② Convene cross-departmental risk management meetings ③ Compile risk identification and assessment results from each unit ④ Track the implementation of response measures for material risks ⑤ Continuously monitor material and emerging risks ⑥ Coordinate the implementation of Business Continuity Management and crisis response mechanisms ⑦ Integrate risk management reports and regularly submit them to the President and Risk Management Committee
	Heads of first-level departments	① Identify, analyze, and assess risks ② Formulate and implement risk response measures ③ Regularly monitor changes in risks and management effectiveness ④ Report material risks and propose improvement measures ⑤ Promote the implementation of a risk management culture within the department

Risk Management Process

The Company's risk management covers all subsidiaries and key supply chain partners and integrates risks relating to strategy, operations, finance, information security, hazards and climate change, business ethics, and human rights. Changes in internal and external circumstances and issues of concern to stakeholders are regularly reviewed to ensure the completeness and effectiveness of the risk management mechanism.

The Risk Management Committee under the Board of Directors is responsible for supervising risk management and making relevant recommendations to the Board of Directors.

Regarding implementation, the management team and executives responsible for relevant areas jointly participate in collecting and analyzing internal and external information to continuously identify risks and opportunities that may affect the Company's operations and sustainable development. Risk levels and priorities are assessed based on the severity of impact and likelihood of occurrence, and corresponding response measures and management goals are formulated. The Risk Management Office compiles the assessment results and response measures and submits them to the President for approval before handing them over to the Risk Management Committee for supervision. Following review, the responsible units implement the relevant response measures and continuously track their implementation.

Risk management results are incorporated into annual business and sustainable development strategy planning. Following assessment, material risks and opportunities are incorporated into investment decisions, capital expenditure planning, and operational management mechanisms to enhance corporate resilience and long-term value. In addition, the Audit Office conducts risk management-related audits each year in accordance with the annual audit plan to confirm the effectiveness of the risk management system.



Financial Risk

In accordance with its financial risk management policy, the Company regularly assesses the impact of exchange rate and interest rate fluctuations on operating performance and refers to the sensitivity analysis disclosed in the financial statements as a basis for financial risk management.

Risk Item	Test Scenario
▶ Exchange risk	▶ 1% appreciation/depreciation of TWD against USD, RMB, and THB
▶ Interest rate risk	▶ Market interest rate fluctuation of $\pm 0.1\%$

The test results indicate that the Company has sufficient financial resilience and risk-bearing capacity.

Non-financial risks

Through its risk management mechanism, the Company regularly conducts risk identification, impact analysis, and risk assessment for material risk topics such as Business Continuity Management, information security, supply chain management, climate change, and human rights, and formulates relevant management measures based on the assessment results to mitigate the potential impacts of risks on operations.



Risk Topics of 2025

	Internal and External Situations and Demand From Stakeholders	Impacts on the Company		Residual Risk Analysis		
		Impact/Disadvantage	Advantage/Opportunity	Severity	Likelihood of Occurrence	Risk Class
1	External topic Changes in market demand	High-end products such as AI servers require technologies with higher layer counts and finer circuits. Failure to keep pace with technological upgrades may result in missing major opportunities arising from the growth of the AI market.	By supporting existing storage device customers in transitioning to advanced technologies, Dynamic has established a leading advantage. The Thailand Plant has passed qualification by several customers for high-end GPU, ASIC, Switch, and other products, giving Dynamic a leading advantage in the Southeast Asian market.	3	4	Medium risk
2	External topic Price war	As the prices of precious metals (such as gold and copper) continue to surge, the prices of raw materials and consumables continue to rise. However, increases in raw material costs cannot be reflected in PCB prices in a timely and effective manner, further squeezing profit margins.	1) The product mix of prospective customers is mainly HDI and HLC (High-Layer-Count PCB), which can raise ASP and thereby increase revenue and profit. 2) Highly automated equipment that leads the industry can effectively control failure costs.	3	4	Medium risk
3	External topic Entry of new competitors	Under competitive pressure in the AI server sector, delivery, quality, and technology will all face greater challenges.	By supporting existing storage device customers in transitioning to advanced technologies, Dynamic has established a leading advantage. The Thailand Plant has passed qualification by several customers for high-end GPU, ASIC, Switch, and other products, giving Dynamic a leading advantage in the Southeast Asian market.	3	3	Medium risk
4	External topic Technological change	1) Failure to keep pace with customers' product development may prevent the Company from participating in customers' new projects. 2) Changes in customers' design direction may render capabilities/capital expenditures previously developed to support customers ineffective.	1) Enhanced technical capabilities can create technological barriers to entry and increase customer reliance.	3	4	Medium risk
5	External topic Geopolitics	1) U.S.-China competition for technological sovereignty in artificial intelligence and related technology restrictions. 2) Potential tensions arising from the Thailand-Cambodia border conflict.	1) All plants have comparable process technology capabilities, allowing customer shipment requirements to continue to be met without disruption. 2) The Thailand Plant produces high-end AI server products, which can avoid restrictions imposed by either the U.S. or China. 3) The Thailand Plant is far from the border and the capital and is located in a relatively safe area.	3	3	Medium risk
6	Internal issue Talent retention	The clustering of the PCB industry in Thailand will intensify competition for talent and result in talent shortages.	The Thailand Plant commenced operations ahead of industry peers and has already secured a talent advantage. A sound talent development framework can further help maintain this advantage.	3	3	Medium risk



Countermeasures

- 1) Secure high value-added products: Increase HDI's share of annual revenue from 38% in 2025 to more than 50% in 2026.
- 2) Integrate upstream and downstream processes for high-end new products across functional units, and understand process characteristics to facilitate implementation. In particular, continue to improve process capabilities and yield rates for 5-stage (inclusive) or higher HDI and High-Layer-Count PCBs with 30 or more layers.
- 3) Continue cost optimization and improvements to enhance product competitiveness in response to changes in market demand.

- 1) Integrate upstream and downstream processes for high-end new products across functional units, and understand process characteristics to facilitate implementation. In particular, continue to improve process capabilities and yield rates for 3-stage (inclusive) or higher products.
- 2) Continue cost optimization and improvements to enhance product competitiveness in response to market price challenges.

- 1) Integrate upstream and downstream processes for high-end new products across functional units, and understand process characteristics to facilitate implementation. In particular, continue to improve process capabilities and yield rates for 5-stage (inclusive) or higher HDI and High-Layer-Count PCBs with 30 or more layers.
- 2) Continue cost optimization and improvements to enhance product competitiveness in response to competitive challenges.

- 1) Work closely with research institutions, academic institutions, and supply chain partners to jointly develop innovative technologies and solutions to enhance product competitiveness and technological leadership.
- 2) Strengthen collaboration and support among plants in process development and capability enhancement, integrating resources and expertise to jointly improve production efficiency and technological maturity.
- 3) Maintain close communication and interaction with customers, gain an in-depth understanding of their technology roadmaps and directions of change, and proactively adjust product and service strategies to meet customer needs.

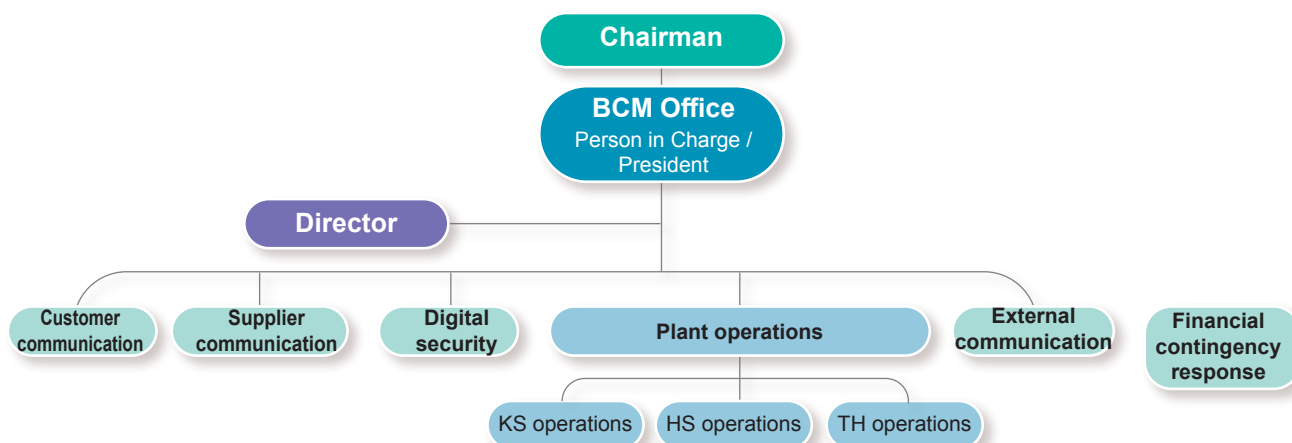
- 1) Transfer new technologies already completed at the Thailand Plant to the Huangshi Plant, making the Huangshi Plant a backup production base for the Thailand Plant.
- 2) Use air and sea transportation instead of land transportation to avoid risks arising from border conflicts.
- 3) Conduct emergency drills at the Thailand Plant.

- 1) Update the Company's talent demand plan in advance.
- 2) Talent recruitment plan (referral incentives/support from Mainland Chinese managers/headhunting for specific positions/talent development through industry associations and etc.).
- 3) Retention plan (long-service bonuses/quality accommodation)..



VI. Business Continuity Management

To enhance its ability to respond to major incidents, natural disasters, information system disruptions, supply chain interruptions, and other emergencies, the Company has established a Business Continuity Management (BCM) framework and continues to promote related management mechanisms. Through risk assessments, Business Impact Analysis (BIA), Business Continuity Plans (BCP), response drills, and other management mechanisms, the Company establishes preventive, response, and recovery measures to reduce the impact of operational disruptions on customer service, product supply, and business operations, while progressively strengthening operational resilience.



Unit	Key responsibilities
Chairman	① Approve the Business Continuity Plan and major resource investments ② Supervise the overall strategic direction for operational resilience
President	① Supervise the promotion and implementation of the Business Continuity Management system ② Approve business continuity strategies and the allocation of major recovery resources ③ Supervise improvements in cross-departmental BCP integration and drills
Director	① Coordinate the planning and execution of Business Impact Analysis (BIA) ② Coordinate departments in establishing and updating BCPs. ③ Consolidate critical operational processes and recovery requirements ④ Plan and promote business continuity drills ⑤ Track improvements and update BCP documents ⑥ Regularly report the BCM implementation status to management
BCM Office Members	① Identify critical operational processes and operational risks ② Conduct department-level BIA and establish BCPs ③ Develop department-level emergency response and disaster recovery plans. ④ Participate in testing and drills of the business continuity plan. ⑤ Ensure that departmental employees are familiar with emergency response and recovery procedures and their own responsibilities ⑥ Propose improvement recommendations to enhance BCP effectiveness

Business Continuity Management Measures

To reduce the risk of operational disruptions, the Company has established the following management mechanisms:

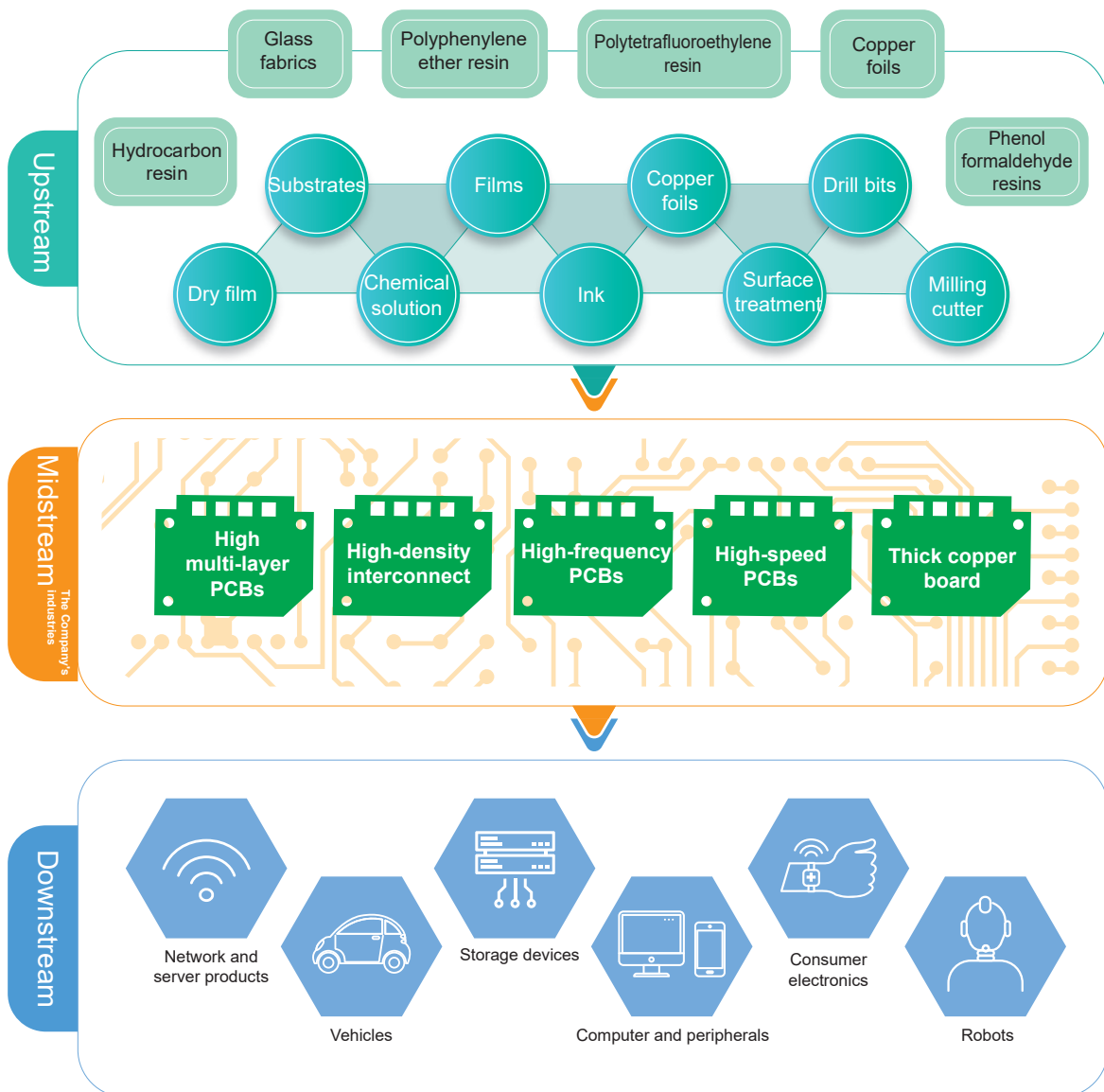
- Establish emergency response and crisis management procedures.
- Regularly conduct fire safety, disaster prevention, and emergency evacuation drills.
- Establish backup and recovery mechanisms for critical information systems.
- Strengthen supply chain risk management and second-source planning.
- Establish maintenance and backup management mechanisms for critical equipment.
- Continuously review and improve the Business Continuity Management mechanism based on drill results and experience from major incidents.

In 2025, the Company established a Business Continuity Management framework and related management mechanisms and strengthened the organization's response and recovery capabilities for emergencies through material risk scenario analysis, response drills, and the tracking of improvement measures. Going forward, the Company will progressively refine and integrate the framework with its enterprise risk management mechanism and continue to strengthen management measures for climate change adaptation, information security, supply chain resilience, and critical operational activities to enhance overall operational resilience and sustainable development capabilities.



VII. Sustainable Supply Chain

Supply Chain Structure



Sustainable Operation Goals

Dynamic is happy to work with suppliers to build a sustainable supply chain and continue to promote local procurement and supplier guidance projects to improve the overall standard in the following three aspects and achieve the goal of sustainable management:



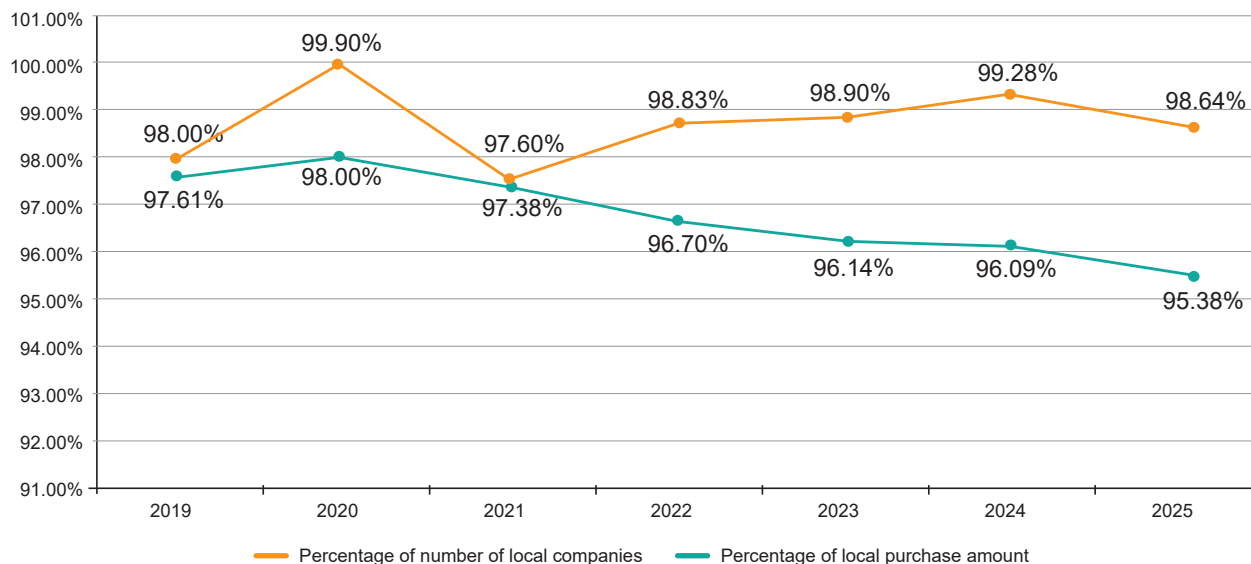


Local Procurement Strategy

Through localized collaboration and to create a win-win situation, Dynamic is working together to bring down cost, shorten lead times, reduce supply chain risks, and improve competitive advantages. Local procurement, moreover, is also an important indicator of corporate social responsibility and a sustainable development goal set by the United Nations in terms of supporting local economic developments, creating jobs, paying taxes, and attracting more funds.

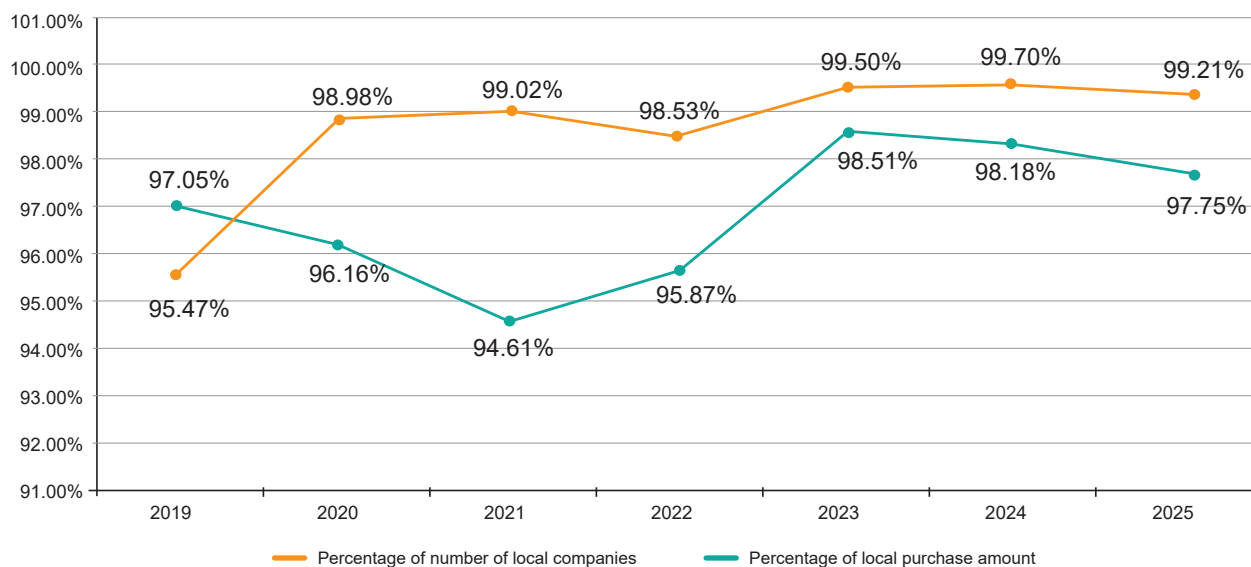
In 2025, the Kunshan Plant continued to rely primarily on local suppliers. Local suppliers accounted for 95.38% of the total number of suppliers, while local procurement accounted for 98.64% of the total procurement amount, as shown in the figure below.

Trends in the Ratio of Local Procurements of the Kunshan Plant



In 2025, both the number of local suppliers and the overall number of suppliers of the Huangshi Plant climbed. Nevertheless, local suppliers accounted for a majority 97.75% and the value of local procurements accounted for 99.21%. See the figure below.

Trends in the Ratio of Local Procurements of the Huangshi Plant

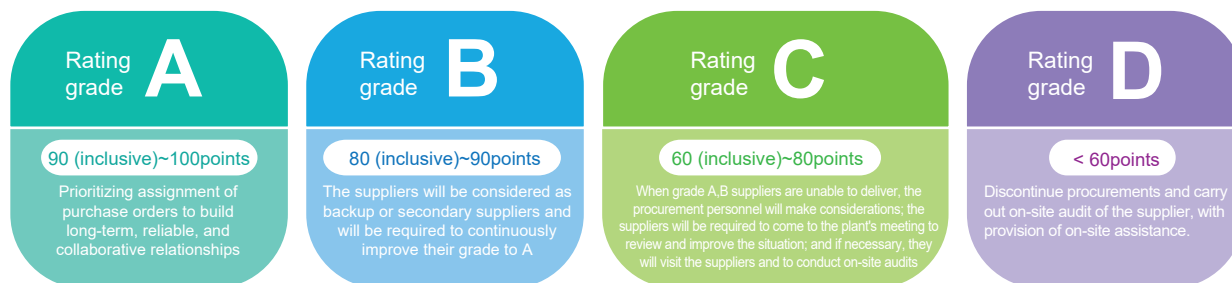


In 2025, local suppliers accounted for 34.80% of the total number of suppliers at the Thailand Plant, while local procurement accounted for 36.32% of the total procurement amount.



Supplier Scoring and Counseling

Dynamic rates the monthly performances of suppliers. The evaluation covers quality, unit prices, lead times, excess shipping cost, service, ESG, human rights, among others. For each rating, the handling approach is described below:



In 2025, the Kunshan Plant evaluated a total of 44 suppliers, of which 5 had no incoming materials. There were 39 suppliers rated Grade A, accounting for 100%.

Number of Main Suppliers Evaluated		Supplier counseling and improvement projects		Counseling Results	
		Number of Cases	Reasons	Improvement Status	Number of removed companies
Grade A	39	5	Abnormal quality	After counseling, 5 suppliers achieved Grade A in the following month, and the overall 2025 annual evaluation result was Grade A.	0
Grade B	0				
Grade C	0				
Grade D	0				

In 2025, the total number of suppliers evaluated by the Huangshi Plant was 66, of which 43 (65.15%) were grade A, 18 (27.27%) were grade B, and 5 (7.58%) were grade C.

Number of Main Suppliers Evaluated		Supplier counseling and improvement projects		Counseling Results	
		Number of Cases	Reasons	Improvement Status	Number of removed companies
Grade A	43	5	Abnormal quality	After counseling, 5 of them moved from Grade C suppliers to Grade A suppliers.	0
Grade B	18				
Grade C	5				
Grade D	0				

In 2025, the Thailand Plant evaluated a total of 48 suppliers, of which 42 were rated Grade A, accounting for 87.50%, and 6 were rated Grade B, accounting for 12.50%. No suppliers were rated Grade C or Grade D, accounting for 0.00%.

Number of Main Suppliers Evaluated		Supplier counseling and improvement projects		Counseling Results	
		Number of Cases	Reasons	Improvement Status	Number of removed companies
Grade A	42	0	0	0	0
Grade B	6				
Grade C	0				
Grade D	0				



Supply Chain Evaluation

When selecting suppliers or signing a contract with a supplier, Dynamic evaluates how corporate social responsibilities are fulfilled in three domains, namely, economy, environment, and society. The current control bottom line is that no significant actual or potential negative impacts are allowed; otherwise, the supplier must promise that corrections will be made by the given deadline. Dynamic will continue tracking progress up to completion of the corrections. If the supplier cannot comply, no collaboration will take place. Meanwhile, primary suppliers of raw materials and standard materials are asked to promise and undertake that they will:

- Abide by Dynamic's integrity and conflict mineral policies.
- Follow the requirements set forth in the RBA Code of Conduct for the electronics industry.
- Passed the certification of ISO 9001 quality control system.
- Establish and maintain the relevant systems in accordance with the spirit of ISO 14001 environmental management system and ISO 45001 occupational safety and health management system.
- Comply with international standards and regulations on hazardous-free substances, such as RoHS, REACH, and Dynamic's green product management standards.
- Formulate corporate social responsibility policy, integrity policy, and energy, environmental, safety and health policy, and implement the corresponding management system.

Dynamic promotes "Green Procurement". When the R&D department evaluates raw materials, we require our supplier partners to submit test reports from a third impartial organization, material Safety Data Sheets (SDS), and sign a "Guarantee of Products Free of Environmentally Hazardous Substances" to ensure that their products are free of environmentally hazardous substances prohibited by the international standards during the design and manufacturing process, and that they strictly comply with the laws and regulations on environmental protection and non-hazardous substances, as well as with the requirements of the domestic and foreign directives/regulations, such as RoHS and REACH. For collaborating suppliers that are unable to provide the aforementioned third-party test report or who do not sign the "Pledge to Not Use Hazardous Substances", the procurement practices will be adjusted and qualifying alternative suppliers will be sought.

All of Dynamic's supplier partners have signed the "Procurement Pledge" and "Integrity Pledge", and have agreed to comply with the RBA Code of Conduct and regulations related to labor rights to ensure that they comply with the prohibitions against child labor, reasonable work hours, employment freedom, prohibition of discrimination and threats, a healthy and safe working environment, open communication mechanisms, labor dignity, environmental protection, and professional ethics, as well as to adhere to the principles of ethical conduct and to oppose bribery, solicitation, and extortion. Upon receipt of a report, complaint, or suspicion of violations, the Legal Affairs Office will begin an investigation right away. When validated or supported by substantial evidence, the guidelines in the "Integrity Pledge" must apply. Under severe circumstances, a supplier may be removed from the roster of qualified suppliers and the partnership will be discontinued permanently. The Company has set up a CEO mailbox (ceo@dynamicpcb.com) to receive reports, complaints, or feedbacks from employees, suppliers, third-party suppliers, and customers.

Coverage of various assessments

Assessment indicators	Calculation instructions	Numerator	Denominator	Coverage rate	Target coverage rate
Percentage of buyers in all regions who have received sustainable procurement training	$\left(\frac{\text{Number of the Company's procurement personnel who have received training on sustainable procurement}}{\text{Total number of procurement personnel}} \times 100\% \right)$	13	13	100%	100%
Percentage of target suppliers who have signed the Sustainable Procurement Charter/Supplier Code of Conduct	$\left(\frac{\text{Number of suppliers that have signed Sustainable Procurement Charter/Supplier Code of Conduct}}{\text{Number of all suppliers}} \times 100\% \right)$	491	491	100%	100%
Percentage of target suppliers with clauses that include environmental, labor, and human rights requirements	$\left(\frac{\text{Number of suppliers that have signed contracts that include environmental, labor, and human rights requirements}}{\text{Number of all suppliers}} \times 100\% \right)$	491	491	100%	100%
Percentage of target suppliers that have undergone corporate social responsibility (CSR) assessments (e.g. questionnaires)	$\left(\frac{\text{Number of target suppliers that have undergone CSR assessments (e.g. questionnaires)}}{\text{Number of target suppliers}} \times 100\% \right)$	75	75	100%	100%
Percentage of target suppliers that have undergone on-site corporate social responsibility (CSR) audits	$\left(\frac{\text{Number of target suppliers that have undergone on-site CSR audits}}{\text{Number of target suppliers}} \times 100\% \right)$	64	64	100%	100%
Percentage or number of audited/assessed target suppliers that participate in improvement actions or capability development	$\left(\frac{\text{Number of suppliers that have passed environmental or social audits}}{\text{Number of target suppliers}} \times 100\% \right)$	70	70	100%	100%
What percentage of suppliers has information on conflict minerals been obtained from?	$\left(\frac{\text{Number of suppliers that have obtained conflict mineral information}}{\text{Number of target suppliers}} \times 100\% \right)$	14	14	100%	100%



Implementation and supervision of supplier’s ESG plans

Dynamic continues to review the implementation of the supplier code of conduct to ensure consistency with ESG requirements and to avoid potential ESG conflicts. When selecting suppliers of similar performance, we assign contracts to suppliers with better ESG performance. If a supplier cannot meet the minimum ESG requirements within the set time, the cooperation will be voided. The Board of Directors is the body with the highest decision-making responsibility.

Dynamic has established “Supplier Code of Conduct”, which is disclosed on the Company’s website; scan QR code below for the full text.



Implementation and Planning of Supply Chain Education and Training

1 Supply chain training in 2025 included: supplier plant-entry safety, the Responsible Business Alliance (RBA) Code of Conduct, greenhouse gas inventory and carbon management, conflict minerals compliance, and supply chain Human Rights Due Diligence (HRDD).

2 In 2026, the Company will further promote tangible carbon reduction performance and the use of renewable energy throughout the supply chain, assist key partners in setting SBTi targets and implementing internal carbon pricing; and introduce a digital Supplier Relationship Management (SRM) platform to enhance data auditability and comprehensively strengthen supply chain resilience across multiple operating locations.

Supplier Screening and Risk Management

The Company has established a supplier evaluation and management mechanism that incorporates environmental, social, and governance (ESG) requirements into the supplier selection and management process. At the new supplier onboarding stage, suppliers are evaluated in terms of labor rights, human rights protection, occupational health and safety, environmental management, green product management, and conflict minerals management to confirm their compliance with the Company’s sustainable supply chain management requirements.

To effectively manage supply chain risks, the Company applies risk-tiered management based on the characteristics of the products and services provided by suppliers, their operating locations, and the industries in which they operate. In addition to assessing risks related to raw materials and products, the Company also considers sustainability topics such as water resources, energy supply, and biodiversity, and conducts comprehensive assessments incorporating country and industry risks to identify potential supply chain risks and formulate corresponding management measures.

For suppliers identified as high risk based on the assessment results, the Company conducts on-site audits or other appropriate review measures according to the level of risk to examine their ESG management performance and relevant risk issues. For deficiencies identified during reviews, suppliers are required to submit improvement plans, while regular follow-up and counseling mechanisms are used to confirm the effectiveness of improvements and continuously enhance the level of sustainable supply chain management.

The Company also encourages suppliers, through ongoing communication, education and awareness programs, and capacity building, to jointly implement the principles of environmental protection, social responsibility, and ethical corporate management, working together to build a supply chain system with resilience and sustainable competitiveness.

Supply chain management process

- 1 Supplier screening and evaluation
In the primary selection evaluation documents, besides defining the procurement, quality, technical, and service aspects of suppliers as evaluation items, the relevant system certifications of suppliers, such as the ISO 14001 Environmental System and ISO 45001 Occupational Health and Safety System, were also included in the evaluation. In terms of procurement, suppliers are required to comply with ESG requirements in terms of cooperation and confidentiality, anti-corruption, environmental protection, green products, and conflict minerals. In particular, raw material suppliers must have 100% compliance with the relevant requirements.
- 2 Ongoing supplier management evaluation
After being included in the list of qualified suppliers, the Company will continue to conduct annual audits on supplier’s aspects of labor, human rights, occupational health and safety, environmental protection, green products, and conflict minerals, and perform level-by-level audits to classify risks and develop improvement tracking. The evaluation performance will be included in the amount of cooperation between the two parties.
- 3 Continue to optimize ESG management
Discuss and negotiate ESG audit management with suppliers, especially important suppliers of major raw materials, and exchange and promote green production solutions such as energy conservation, environmental protection, emissions reduction, and water conservation, and move forward together on the road to continuous optimization of ESG management.



Composition and types of suppliers

In 2025, Huangshi Plant had direct transactions with a total of 491 suppliers, which were defined as “Grade 1 suppliers”. We divided suppliers into raw material manufacturers, precious metal manufacturers, pharmaceutical solution manufacturers, auxiliary material manufacturers, and hardware manufacturers according to the type of materials purchased. Among them, there are 27 strategic partners of raw materials and precious metal manufacturers, which are defined as “Grade 1 important suppliers”, including seven categories of key raw materials (substrate PP) and precious metals (copper foil, copper oxide powder, phosphorus copper balls, gold salts, pure tin hemispheres, tin bars), accounting for 56% of the total expenditure of Grade 1 suppliers. These manufacturers are the targets of our ESG management, and we audit their compliance every year in terms of labor, human rights, occupational health and safety, environmental protection, corporate integrity, integrity, non-use of conflict minerals, and continuous implementation of net-zero carbon emissions.

According to DJSI, Grade 1 suppliers refer to suppliers that provide goods, materials, or services (including intellectual property (IP) and patents) directly to the Company. If companies do not specify, DJSI assumes they are Grade 1. Non-Grade 1 suppliers are suppliers that provide products and services to the Company through Grade 1 suppliers. Non-Grade 1 suppliers exclude Grade 1 suppliers and are Grade 2, 3, or Grade N of the Company's supply chain. According to DJSI's definition, there is no other condition for specifying Grade 1 suppliers, so the total number of suppliers with direct transactions is the total number of Grade 1 suppliers; among non-grade 1 suppliers, Dynamic assesses that there are no important suppliers.

Supplier screening key performance indicators Supplier evaluation and development of key performance indicators

Screening of key suppliers		2025
Total number of Grade 1 suppliers		491
Total number of important Grade 1 suppliers		27
Total spending percentage of Grade 1 suppliers		57%
Total number of important non-Grade 1 suppliers		0
Total number of important suppliers (Grade 1 and non-grade 1)		27

Supplier evaluation		2025 Actual	2025 Goal
Total number of suppliers passing the written/on-site assessment		75	75
Percentage of important suppliers assessed		100%	100%
Number of suppliers assessed to have significant actual/potential negative impacts		0	0
Percentage of suppliers with a large number of actual/potential negative impacts that have been approved for corrective action/improvement		NA	NA
Number of terminated suppliers with significant actual/potential negative impacts		0	0

Capacity construction plan

Capacity construction plan	2025 Actual	2025 Goal
Total number of suppliers included in the capacity construction plan	7	7
Percentage of key suppliers participating in the capacity building plan	100%	100%

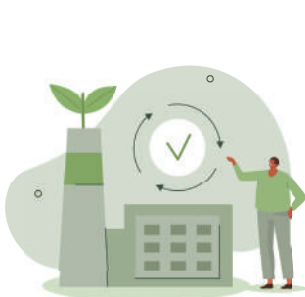
Enhance the supply chain's resilience to climate change risks

To strengthen the supply chain's resilience against climate change risks, in 2024 we launched an ISO 14067 product carbon footprint certification project for key suppliers. The goal is for primary data to account for more than 80% of the data used in Dynamic's carbon footprint platform when calculating the carbon emissions of each part number.

From several key raw material categories, we selected 34 representative core suppliers and actively collaborated with them to promote ISO 14067 certification.

As of 2025, a total of 22 suppliers successfully obtained ISO 14067 carbon footprint certification, covering:

3 base material suppliers, 3 copper foil suppliers, 3 ink suppliers, 7 chemical suppliers, as well as suppliers of copper balls and dry films, etc.Related projects will continue to progress.





“Conflict Minerals” Policy and Commitment

Dynamic has established a “Conflict Minerals Policy and Commitment” since 2013 to ensure that the metals used in its products and processes do not come from conflict zones. These measures and policies include:

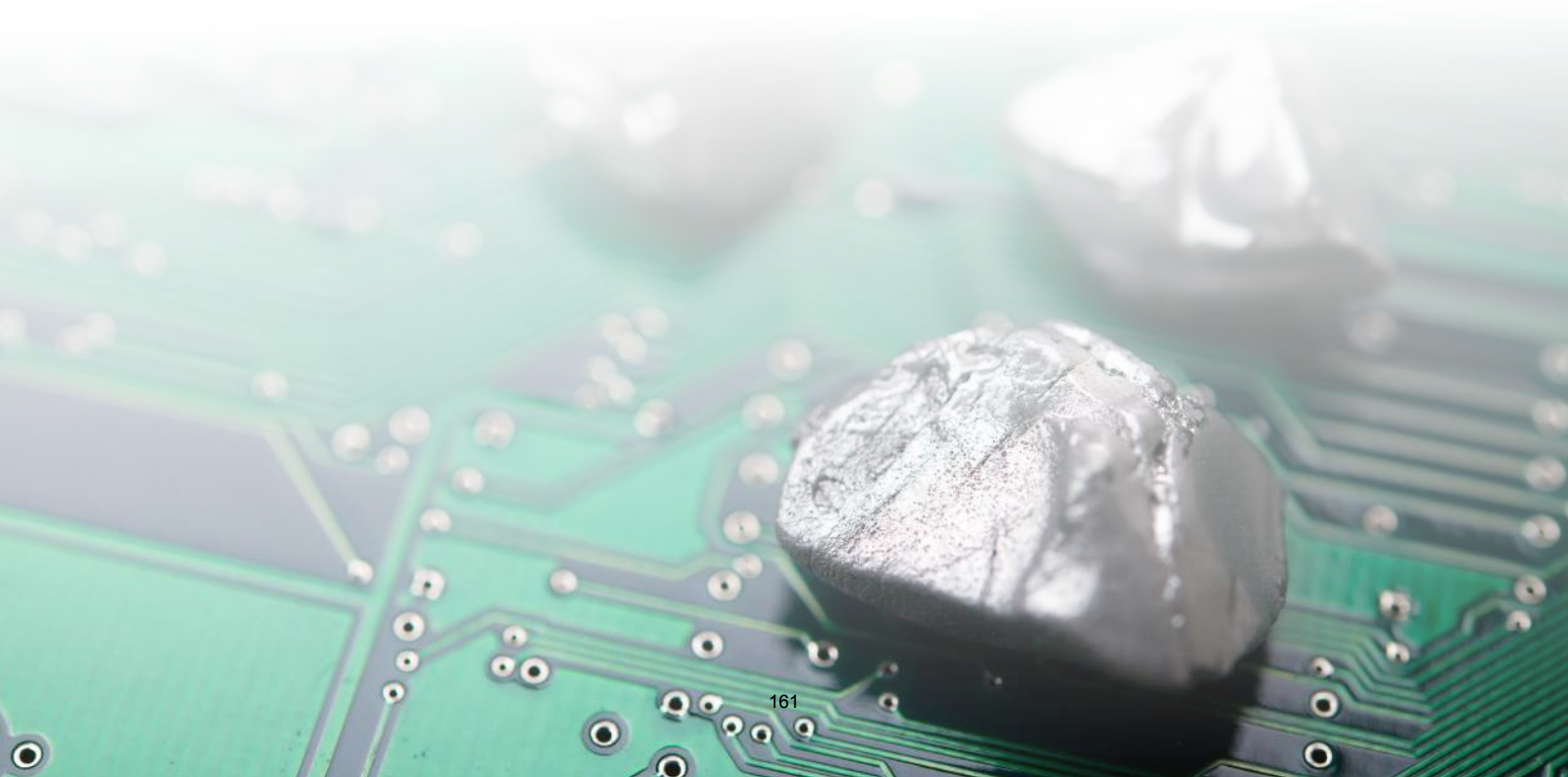
Policy and Commitment	We have established the “Conflict Minerals Policy and Commitment” to ensure that no metals used come from the Democratic Republic of Congo or its neighboring countries, or areas controlled by the military.
Policies and procedures	Appropriate policies, guidelines and due diligence procedures are in place to ensure the transparency and compliance of the supply chain.
Requirements for business partners	All business partners are required to cooperate with this policy and shall not use or provide metals from improper sources, in order to comply with international trends and customer requirements.
Report and review	Regularly update the conflict mineral report template for customer review to ensure transparency and the right to know.
Public information	The “Conflict Minerals Policy” and “2025 Conflict Minerals Management and Implementation Report” are disclosed on the Company’s official website for public inspection.

These measures demonstrate that Dynamic attaches great importance to ethical responsibilities and compliance requirements in global supply chain management, and is committed to working with supply chain partners to comply with international standards. More details and related documents can be found on the Company’s official website: Corporate Sustainability/Corporate Governance/ Sustainable Supply Chain.

According to the 2025 survey results, Dynamic’s use of metal raw materials was as follows:

Metal Raw Materials Used	The gold salts purchased by the Company contain gold (Au), tin balls contain tin (Sn), and copper foil supplied by some manufacturers contains cobalt (Co).
Supplier status	• There are 5 suppliers of gold (Au) • There are 2 suppliers of tin (Sn) • There are 7 suppliers of cobalt (Co)
Supplier qualification status	All 14 suppliers have been audited as qualified conflict mineral suppliers.
Commitments and disclosures	All of these 14 suppliers have signed a “Non-use Conflict Minerals Commitment”. They have disclosed the sources (smelters) of these metals and pledged not to come from conflict mineral regions.
Percentage of qualified suppliers	Between 2023 and 2025, the proportion of conflict minerals qualified suppliers has remained at 100%.

The above indicates that Dynamic attaches great importance to ethics and compliance in supply chain management to ensure that metal raw materials used do not come from conflict mineral regions.





VIII. Information Security Management

Information Security Management Strategy and Framework

Definition of information security

Information security management has become a management issue that cannot be ignored nowadays. Its main spirit is to identify important information assets of an organization and the threats it faces, and to plan reasonable control measures with the effective allocation of resources to minimize risks to an acceptable level.

This is a risk management process. The focus of management should be on the protection of the confidential data of the organization, not on the access channels for all information assets, as this will waste costs and blur the focus of enterprises. In recent years, endless information security incidents at home and abroad have been caused by the lack of the above-mentioned information security risk management mechanism.

Information security risk

The main information security risks we face are as follows:

- Virus/worm/ransomware attacks: Attacks caused by personnel accidentally or maliciously clicking on unknown files or links.
- Natural disasters: Power interruption caused by typhoons, floods, and indirect interruption of system/equipment maintenance services
- Man-made disasters: Carrying or sending confidential information, improper destruction procedures, etc.
- Recovery plan: Whether the backup data can be completely recovered and used

The Company will formulate response plans for the above information security issues and conduct drills for different information security scenarios to strengthen the response capabilities of personnel, expecting to detect and complete obstructions at the earliest opportunity. In addition, Dynamic conducts security audits on a regular basis, such as vulnerability scanning or penetration testing, to ensure that information systems and network environments comply with security implementation standards.

Information Security Policy

The main information security risks we face are as follows:

- The information security policy of Dynamic Holding Co., Ltd. applies to the Company and its domestic and overseas subsidiaries.
- Establish the concept of “everyone is responsible for information security”, raise employees' awareness of information security, and supervise their implementation of information security protection.
- Comply with international information security standards and local information security laws and regulations.
- Establish information security management regulations in line with legal requirements and customer needs.
- Appropriate protection measures are provided for customer information and the Company's important information assets to maintain the normal and continuous operation of the Company's business.
- Continue to pay attention to changes in the information environment and conduct relevant risk assessments.
- Focus on antivirus, anti-hacking, and anti-leakage as the three pillars of information security, by implementing firewalls, intrusion detection, antivirus systems, and various internal control mechanisms to strengthen the Company's ability to defend against external attacks and safeguard internal confidential information.

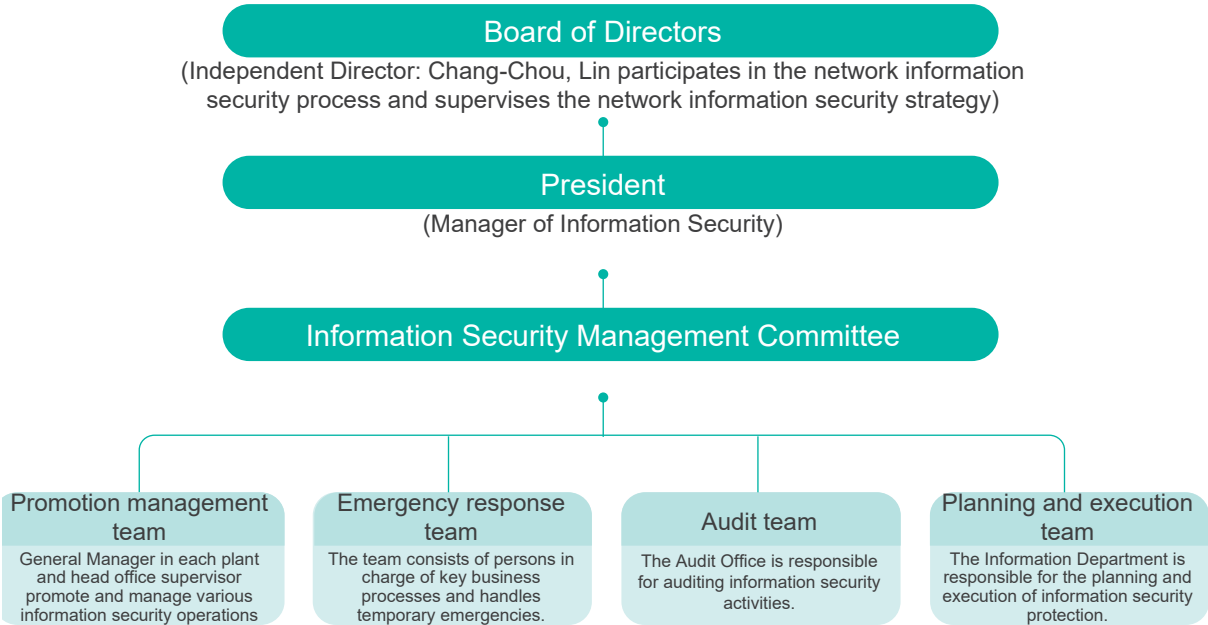
Information security implementation plan

- Establish a compliance cycle mechanism and regularly review and revise internal operating specifications to comply with international information security standards and local information security laws and regulations.
- Complete information security regulations and train high-quality information security talents.
- Help employees understand the risks of using email, the internet, and routine file access, and raise employees' awareness of crisis prevention in order to reduce risks and protect customer data, and the Company's important operational information and service.
- Formulate disaster prevention measures and disaster recovery plans for the Company's important information assets.
- Regularly review the information security policy and report to the Board of Directors on a regular basis (at least once a year).



Information Security Management Committee

The Company established the “Information Security Management Committee” on August 5, 2020, dedicated to the governance and planning of the Group’s information security management. The Committee is responsible for establishing and maintaining the information security management system, as well as formulating, implementing, and promoting related policies in a coordinated manner. With the goal of enhancing the Company’s overall information security defense capabilities and strengthening employees’ information security awareness, the Committee is chaired by the General Manager of the Information Technology Center. It regularly reports work progress to the President, evaluates information security risks, and reports relevant outcomes to the Board of Directors.



Information security responsibilities

The Company’s employees, contractors, and external personnel must comply with the relevant provisions of the information security policy to ensure the security of the Company’s production areas, office areas, and information assets and equipment.

- All units: The operation of equipment within the scope of work must comply with the Company’s information security policy
- Information unit: Communicate information security risks and raise risk issues and improvement measures
- Contractors: Must comply with the Company’s information security policy and accept the necessary audit mechanisms
- Information Security Committee: responsible for the establishment, amendment, and abolition of regulations, and for reviewing and approving major information security incident losses.

ISO 27001 Certificate



Huangshi Plant’s ISO 27001 certification
(Validity period: September 13, 2024 - September 12, 2027)



ISO 27001 certification for Thailand Plant
(Validity period: September 13, 2024 - September 12, 2027)



Specific Management Programs

- Regularly automate website and system vulnerability scans.
- Regularly sign contracts with external information security companies to ensure that all software services installed on terminal systems, including IT and OT equipment, are kept up-to-date and that all loopholes have been patched.
- Manage and monitor movable corporate equipment.
- Introduction of bastion servers and multi-factor authentication for operation and maintenance personnel.
- Firewall integration and replacement to enhance protection.
- The information security management system certification ISO 27001:2022.
- Daily offline record backups, weekly offline cloud backups, and regular restoration drills every six months to prevent ransomware.
- Regularly review the legitimacy of account privileges, terminate the account privileges of resigned employees, and regularly change internal passwords.
- Regularly organize information security training for senior executives and entry-level employees to effectively establish an information security line of defense.
- Regularly implement information security incident response drills.
- Use Sangfor Internet Behavior Management System to conduct web page filtering, behavior control, traffic management, prevention of intranet leaks, prevention of legal risks, internet security, etc.; set up firewalls and antivirus walls to block malicious attacks and viruses from spreading to the intranet, and prevent unauthorized users from entering the system; use WhatsUp system to monitor the network status of servers, switches, and other equipment.
- Became a member of the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT) in 2024 and shared information security intelligence with other members.
- In 2025, a disaster recovery server was introduced for full-system backups. In the event of a server failure, the system provided by the disaster recovery server can perform full-system restoration of virtual or physical machines, significantly reducing service downtime.
- There were no incidents of data breaches in between 2023 and 2025.
- Reports were presented to the Board of Directors on December 16, 2024, and December 15, 2025, respectively.

Invest resources in information and communication security management

- Currently, there are 11 information security personnel in total, and the number will continue to increase.
- Currently, the construction cost of information security software and hardware is about TWD 44.95 million.
- The budget for information security in 2026 is about TWD 13.63 million.

Number and hours of employees receiving information security education and training

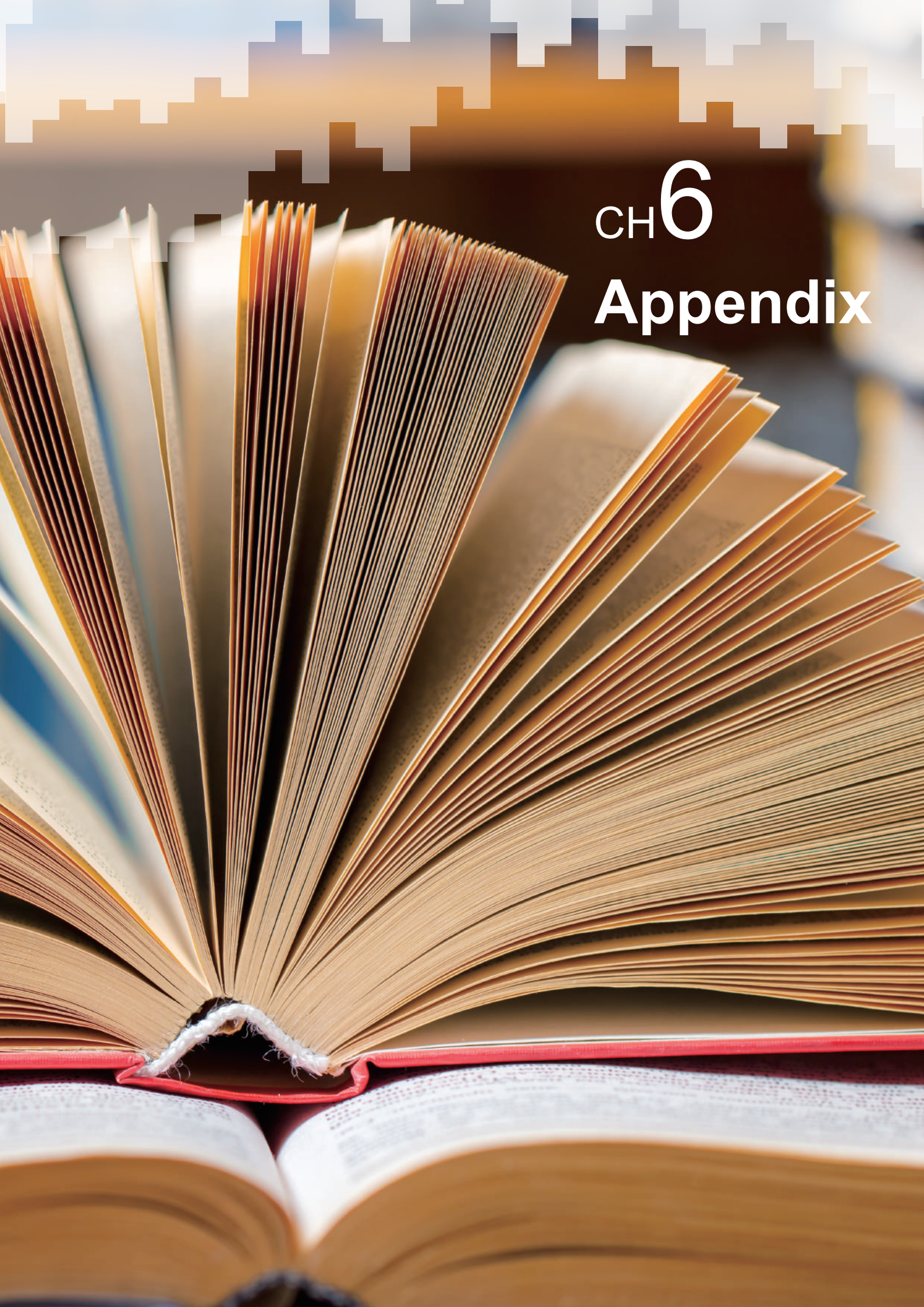
- Course title: Information Security and Confidentiality Awareness Training, Email Security Awareness.
- In 2025, a total of 1812 personnel received information security training, with a total of 1339 hours.

Major Information Security Incidents

► In 2025, Dynamic did not experience any major information security incidents.

► FortiGate firewalls serve as the first line of protection, while Trend Micro antivirus and NOD32 provide antivirus protection for every server, computer, and production line machine.

► The Company renews its firewall license subscriptions annually and regularly updates firewall versions. Antivirus software is configured to update automatically on a daily basis, and the introduction of information devices is strictly controlled.



CH6

Appendix



I. Assurance Report on Independent Auditors



安永聯合會計師事務所

33045 桃園市桃園區中正路1088號27樓
27F, No. 1088, Zhongzheng Road, Taoyuan District,
Taoyuan City, Taiwan, R.O.C.

Tel: 886 3 219 8888
Fax: 886 3 219 8866
ey.com.tw

English Translation of a Report Originally Issued in Chinese

Independent Practitioner's Assurance Report

To Dynamic Holding Co., Ltd.

Scope

We have been engaged by Dynamic Holding Co., Ltd. (the "Company") to perform a limited assurance engagement as defined by the Taiwan Accounting Research and Development Foundation on the selected sustainability performance indicators (the Subject Matter) identified by the Company and reported in 2025 sustainability report.

The Subject Matter selected by the Company and their applicable criteria

Regarding the Subject Matter selected by the Company and their applicable criteria, please refer to Appendix I.

Responsibility of the Management

The Company's management is responsible for the preparation of the Subject Matter in accordance with adequate criteria, including referencing the GRI Standards 2021 published by the Global Reporting Initiative. The Company's management is responsible for selecting the criteria, and for presenting the Subject Matter in accordance with that criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter to ensure that the Subject Matter is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted the engagement in accordance with TWSAE3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the Taiwan Accounting Research and



Development Foundation, and the terms of reference for this engagement as agreed with the Company. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter for it to be in accordance with the criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China. The basic principles of the regulations are to maintain integrity, fairness, objectivity, expertise and comply with requirements for professional attention, confidentiality and professional conduct.

EY also applies Standards on Quality Control No. 1 "Quality Control for Public Accounting Firms", which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

1

2

A member firm of Ernst & Young Global Limited

A member firm of Ernst & Young Global Limited



A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with the management and employees of the Company to understand the overall implementation of the Company's performance of corporate social responsibility, and the reporting process
- Conducted interviews with personnel and reviews of documents to understand the Company's main stakeholders, their expectations and needs, and how the Company respond to those expectation and need
- Undertook analytical procedures on the Subject Matter; collected and evaluated the supporting documentation, obtained management's assertions of the Subject Matter, and, if necessary, tested on a sample basis
- Read the Report to ensure that the overall implementation of the corporate social responsibility is consistent with our understanding

Inherent Limitation

Non-financial information contained within the Sustainability Report are subject to measurement uncertainties. The selection of different measurement techniques can result in materially different measurement. Also, assurance engagements are based on selective testing of information being examined, and it is not possible to detect all of the existing material misstatements whether resulting from fraud or error.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for the year ended December 31, 2025, in order for it to be in accordance with the applicable criteria.

/s/Lo, Hsiao Chin
Ernst & Young, Taiwan
August 12, 2026

3

A member firm of Ernst & Young Global Limited



Appendix 1 :

NO.	Page	Corresponding report title	Corresponding subject matter			Applicable benchmark
1	29	2 Sustainable Performance IV. Stakeholder Interaction and Management: Identification and analysis of major issues	Stane 1 Identification			GRI Standards 3-1 Process to determine material topics
			Step	Result	Description	
			1 Define whom to communicate with	7 Stakeholder	The weighting of each stakeholder was evaluated by 13 executives of the Company with reference to the five AA1000SES; 2015 factors of consideration, and finally 7 categories of stakeholders were selected for the deliberation, including customers, employees, banks, suppliers, shareholders, government, and society.	
			2 Identifying sustainability topics	27 Topic	By taking reference from international standards, industry and customer concerns, and past material issues, we have focused on and identified 27 sustainability issues relevant to Dynamic's operations.	
			Stage 2 Analysis			
			Step	Result	Description	
			3 Investigate level of impact on stakeholders	207 Valid Questionnaire	Through the questionnaire survey on positive and negative impacts, we have collected 207 valid questionnaires to understand the views of 7 categories of stakeholders on Dynamic's operation and to examine the impacts of each issue on the economy, environment, and human rights.	
			4 Analyze the evaluation performed by the management on operational impacts	46 Manager	For each issue, the company's representatives (members of the Board od Directors, plant general managers, vice general managers, and departmental top executives) evaluated the actual and potential, positive and negative impacts on the three main aspects of ESG. A total of 46 valid questionnaires were collected.	
			Stage 3 Confirmation			
			Step	Result	Description	
			5 Prepare the materiality matrix	10 Material Issues	The weighting of the responses was adjusted by the result of the stakeholder identification, and an analysis matrix was generated based on the principle of double materiality to select 10 material topics.	
			6 Determine exposure boundary and management approach	4 Operating Location	The sustainability information disclosure boundary was determined by taking into consideration the whole value chain and by understanding the impacts of the sustainability topics on the upstream and the	



NO.	Page	Corresponding report title	Corresponding subject matter					Applicable benchmark																																																
					downstream. The management approach and reporting requirements for disclosing material topics are specified in accordance with the GRI Standards.																																																			
2	76	3 Environmental Performance V. Environmental Investments	Environmental protection expenses as a percentage of revenue in 2025 : • Kunshan Plant : 1.12 • Huangshi Plant : 1.23 • Thailand Plant : 9.10					GRI Standards 3-3 Management of material topics																																																
3	125	4 Co-prosperity in Society IV. Occupational Health and Safety	Employee Disabling Injury Statistics in 2025 : <table><thead><tr><th></th><th>Group</th><th>Kunshan Plant</th><th>Huangshi Plant</th><th>Thailand Plant</th><th>Contractor</th></tr></thead><tbody><tr><td>Employee Lost Time Injury Frequency Rate (LTIFR)</td><td>0.90</td><td></td><td></td><td></td><td>0</td></tr><tr><td>Employee Lost Time Injury Rate (LTIR)</td><td>0.18</td><td></td><td></td><td></td><td>0</td></tr><tr><td>Employee Lost Workday Rate (LWR)</td><td>38</td><td></td><td></td><td></td><td>0</td></tr><tr><td>Employee DART Rate (Days Away, Restricted, or Transferred)</td><td>0.21</td><td></td><td></td><td></td><td>0</td></tr><tr><td>Employee Disabling Injury Frequency Rate (FR)</td><td>0.90</td><td>0.62</td><td>0.82</td><td>1.63</td><td>0</td></tr><tr><td>Employee Disabling Injury Severity Rate (SR)</td><td>38</td><td>28</td><td>50</td><td>6</td><td>0</td></tr><tr><td>Total Employee Injury Frequency Severity Index (FSI)</td><td>0.18</td><td>0.13</td><td>0.20</td><td>0.09</td><td>0</td></tr></tbody></table>						Group	Kunshan Plant	Huangshi Plant	Thailand Plant	Contractor	Employee Lost Time Injury Frequency Rate (LTIFR)	0.90				0	Employee Lost Time Injury Rate (LTIR)	0.18				0	Employee Lost Workday Rate (LWR)	38				0	Employee DART Rate (Days Away, Restricted, or Transferred)	0.21				0	Employee Disabling Injury Frequency Rate (FR)	0.90	0.62	0.82	1.63	0	Employee Disabling Injury Severity Rate (SR)	38	28	50	6	0	Total Employee Injury Frequency Severity Index (FSI)	0.18	0.13	0.20	0.09	0	GRI Standards 403-9 Work-related Injuries
	Group	Kunshan Plant	Huangshi Plant	Thailand Plant	Contractor																																																			
Employee Lost Time Injury Frequency Rate (LTIFR)	0.90				0																																																			
Employee Lost Time Injury Rate (LTIR)	0.18				0																																																			
Employee Lost Workday Rate (LWR)	38				0																																																			
Employee DART Rate (Days Away, Restricted, or Transferred)	0.21				0																																																			
Employee Disabling Injury Frequency Rate (FR)	0.90	0.62	0.82	1.63	0																																																			
Employee Disabling Injury Severity Rate (SR)	38	28	50	6	0																																																			
Total Employee Injury Frequency Severity Index (FSI)	0.18	0.13	0.20	0.09	0																																																			



NO.	Page	Corresponding report title	Corresponding subject matter					Applicable benchmark	
			Employee Fatalities	0	0	0	0	0	
4	160	5 Economic Performance and Corporate Governance VII. Sustainable Supply Chain	Supplier screening key performance indicators in 2025 :					GRI Standards 2-6 Activities, value chain and other business relationship	
			Total number of Grade 1 suppliers491						
			Total number of important Grade 1 suppliers27						
			Total spending percentage of Grade 1 suppliers57%						
			Total number of important non-Grade 1 suppliers0						
			Total number of important suppliers (Grade 1 and non-Grade 1)27						
			Note : Grade 1 supplier : Suppliers that provide goods, materials, or services (including intellectual property (IP) and patents) directly to the Company. non-Grade 1 supplier : Suppliers that provide products and services to the Company through Grade 1 suppliers. In 2025, Huangshi Plant had direct transactions with a total of 491 suppliers, which were defined as “Grade 1 suppliers”, and there are 27 strategic partners of raw materials and precious metal manufacturers, which are defined as “Grade 1 important suppliers”.						
5	174	6 Appendix III. Sustainability Accounting Standards Board (SASB)Index	Dynamic discloses industry-specific sustainability topics in its 2025 ESG Report in accordance with the applicable SASB Industry Standards.					SASB	



II. Global Reporting Initiative (GRI) Standards Content Index

Disclaimer of adoption	Dynamic has reported the content for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards
Adopted GRI 1	GRI 1: Foundation 2021
Applicable GRI sector standards	N/A

GRI Guidelines	Disclosure Item		Corresponding section	Page No.	Remarks
General Disclosures					
GRI 2: General Disclosures 2021	Organization and reporting practices				
	2-1	Organizational details	One. Introduction/ I. About This Report IV. Company Overview	10	
	2-2	Entities included in the organization's sustainability reporting	One. Introduction/ I. About This Report	5	
	2-3	Reporting period, frequency and contact point	One. Introduction/ I. About This Report	5	
	2-4	Editing of Information			No information was edited
	2-5	External Assurance/Validation	Six. Appendix/ I. Assurance Report on Independent Auditors	166-169	
	Activities and workers				
	2-6	Activities, value chain and other business relationships	One. Introduction/ IV. Company Overview FIVE. Economic Performance and Corporate Governance/ VIII. Sustainable Supply Chain	5-14 155	
	2-7	Employees	Four. Co-prosperity in Society/ II. Talent Structure and Development	100	
	2-8	Workers who are not employees	Four. Co-prosperity in Society/ II. Talent Structure and Development	100	
	Governance				
	2-9	Governance structure and composition	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	136	
	2-10	Nomination and selection of the highest governance body	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	137	
	2-11	Chair of the Highest Governance Body	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	138	



GRI Guidelines	Disclosure Item		Corresponding section	Page No.	Remarks
GRI 2: General Disclosures 2021	2-12	Role of the highest governance body in overseeing the management of impacts	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	138	
	2-13	Delegation of responsibility for managing impacts	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	138	
	2-14	Role of the highest governance body in sustainability reporting	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	138	
	2-15	Conflicts of interest	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	138	
	2-16	Communication of critical concerns	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	138	
	2-17	Collective Wisdom of Highest Governance Body	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	139	
	2-18	Evaluation of the performance of the highest governance body	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	140	
	2-19	Remuneration policies	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	141	
	2-20	Process to determine remuneration	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance Four. Co-prosperity in Society/ III. Talent Attraction/Retention and Employee Benefits	141 111	
	2-21	Annual total remuneration rate			The maximum annual total remuneration is the organization's confidential information
	Strategy, policy, and application				
	2-22	Statement of sustainable development strategy	One. Introduction/ II. Message from the Chairman of the ESG Sustainability Committee	6-7	
	2-23	Policy commitments	FIVE. Economic Performance and Corporate Governance/ V. Ethics and Integrity	146-150	
	2-24	Embedding policy commitments	FIVE. Economic Performance and Corporate Governance/ V. Ethics and Integrity	146-150	
	2-25	Processes to remediate negative impacts	FIVE. Economic Performance and Corporate Governance/ V. Ethics and Integrity	146-150	



GRI Guidelines	Disclosure Item		Corresponding section	Page No.	Remarks
GRI 2: General Disclosures 2021	2-26	Mechanisms for seeking advice and raising concerns	FIVE. Economic Performance and Corporate Governance/ V. Ethics and Integrity	146-150	
	2-27	Legal compliance	FIVE. Economic Performance and Corporate Governance/ IV. Compliance	143	
	2-28	Union and Association Membership	One. Introduction/ IV. Company Overview	10	
	Stakeholder Engagement				
	2-29	Approach to stakeholder engagement	TWO. Sustainability Performance/ IV. Stakeholder Engagement and Materiality Analysis	26-30	
	2-30	Group Treaty	FOUR. Co-prosperity in Society/ III. Talent Attraction and Retention	106	
Material topic					
GRI 3: Material topics 2021	3-1	Process to determine material topics	TWO. Sustainability Performance/ IV. Stakeholder Engagement and Materiality Analysis	29	
	3-2	List of material topics	TWO. Sustainability Performance/ IV. Stakeholder Engagement and Materiality Analysis	30	
Product quality					
GRI 3: Material topics 2021	3-3	Management of material topics	TWO. Sustainability Performance/ V. Product Quality and Customer Service	32	
R&D and innovation					
GRI 3: Material topics 2021	3-3	Management of material topics	TWO. Sustainability Performance/ VI. R&D and Innovation	37	
Corporate governance					
GRI 3: Material topics 2021	3-3	Management of material topics	FIVE. Economic Performance and Corporate Governance/ III. Corporate Governance	135	
Talent Attraction and Retention					
GRI 3: Material topics 2021	3-3	Management of material topics	FOUR. Co-prosperity in Society/ III. Talent Attraction/Retention and Employee Benefits	104	
GRI 402: Labor/ management relations 2016	402-1	Shortest notice about operational changes	FOUR. Co-prosperity in Society/ III. Talent Attraction/Retention and Employee Benefits	104	
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	FOUR. Co-prosperity in Society/ III. Talent Attraction/Retention and Employee Benefits	104	



GRI Guidelines		Disclosure Item	Corresponding section	Page No.	Remarks
Customer Service					
GRI 3: Material topics 2021	3-3	Management of material topics	TWO. Sustainability Performance/ V. Product Quality and Customer Service	32	
GRI 418: Customer Privacy in 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	TWO. Sustainability Performance/ V. Product Quality and Customer Service	32	
Development of new markets					
GRI 3: Material topics 2021	3-3	Management of material topics	TWO. Sustainability Performance/ VII. New Market Development	39	
Environmental Investment					
GRI 3: Material topics 2021	3-3	Management of material topics	THREE. Environmental Performance/ V. Environmental Investments	76	
Employee welfare					
GRI 3: Material topics 2021	3-3	Management of material topics	FOUR. Co-prosperity in Society/ III. Talent Attraction/Retention and Employee Benefits	104	
GRI 401: Employment 2016	401-1	Newcomers and resigned employees	FOUR. Co-prosperity in Society/ III. Talent Attraction/Retention and Employee Benefits	107	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	FOUR. Co-prosperity in Society/ III. Talent Attraction/Retention and Employee Benefits	111	
	401-3	Childcare leave	FOUR. Co-prosperity in Society/ III. Talent Attraction/Retention and Employee Benefits	110	
Risk Management					
GRI 3: Material topics 2021	3-3	Management of material topics	FIVE. Economic Performance and Corporate Governance/ Five. Risk Management	149	
Legal compliance					
GRI 3: Material topics 2021	3-3	Management of material topics	FIVE. Economic Performance and Corporate Governance/ III. Legal Compliance	142	
General topics					
GRI 415: Public policy in 2016	GRI 415-1	Political contributions	1. Introduction IV. Company Overview	10	No political contributions



III. Comparison Table of indicators of Sustainability Accounting Standards Board (SASB)

Based on the industry classification query results on the SASB official website, Dynamic selected 11 sectors and 77 industries in the SASB Materiality Map. The disclosure of applicable indicators was as follows:

Sector	Technology & Communications
Industry Standard (Industry)	Hardware

Topic	Indicator Code	Indicator	Nature	Abstract and Description
Product Safety	TC-HW-230a.1	Description of how data safety risks are identified and resolved in products	Discussion and analysis	The data safety risk identification procedure at Dynamic is as follows: 1. Periodic vulnerability scanning: Whether known safety vulnerabilities exist in the target being scanned or not is evaluated with a highly efficient vulnerability scanning tool. 2. Firewall: Prevents malicious attacks and viruses from spreading to the Intranet and prevents access by unauthorized users. 3. Anti-virus wall: Prevents viruses, spyware, spam, phishing, and bot worms from entering the enterprise. 4. Anti-virus software - ESET NOD32: Sequentially monitors and identifies malware, scans, clears, and automatically updates viral data. 5. Network monitoring system - Whats Up: Monitors the server, exchanger, and other equipment, as part of the network status. 6. Mail filtering system - SPAM: Analyzes external correspondence and intercepts mails containing threats. 7. Strict safeguard against out-coming equipment - UPAS: Control and block strange equipment against series connection with corporate settings. 8. Document encryption - IP Guard: Important documents are encrypted and may only be edited and browsed under specific settings. 9. Internet behavior management - Sangfor Technologies Inc.: webpage filtration, behavioral control, flow management, prevention against Intranet disclosure, prevention against legal risk, Internet visit records, Internet safety, etc. The data safety risk solution adopted by Dynamic is as follows: 1. Periodic vulnerability scanning: For the vulnerability scan report, the viral code and firewall strategy of corresponding systems are updated. 2. Firewall: Has suspicious sources set as blocked. 3. Antivirus wall: Scans for viruses and updates the viral code for intercepted records. 4. Anti-virus software - ESET NOD32: Scans for viruses and updates the viral code for intercepted records.



Topic	Indicator Code	Indicator	Nature	Abstract and Description
Product Safety	TC-HW-230a.1	Description of how data safety risks are identified and resolved in products	Discussion and analysis	5. Network monitoring system - Whats Up: Repairs the network based on anomaly reports or resets the equipment suspected to have been infected by viruses. 6. Mail filtering system - SPAM: Updates the definition library, improves the filtration strategy, reinforces blockage of sources of mails carrying threats, such as viruses and advertisements 7. Strict safeguard against out-coming equipment - UPAS: Blocks directly and releases those confirmed to be on the safe list. 8. Document encryption - IP Guard: Increases, decreases, or updates terminal equipment that allows encryption and decryption. 9. Internet behavior management - Sangfor Technologies Inc.: Updates the definition library, improves strategies, and shuts down websites whose security is questionable
Employee diversity and inclusiveness	TC-HW-330a.1	Ratio of the management and all the other employees in gender and ethnicity/race-based populations	Quantification	FOUR. Co-prosperity in Society II. Talent structure and development, and analysis of the distribution of Dynamic's employees
Product life cycle	TC-HW-410a.1	Percentage of IEC 62474 declarable substances in product revenue	Quantification	The raw materials and regular materials currently used at Dynamic do not include IEC 62474 declarable substances and hence this indicator does not apply.
	TC-HW-410a.2	Percentage of qualified products meeting EPEAT registration requirements or their equivalents in the revenue	Quantification	Dynamic is not a manufacturer of end products and hence this indicator does not apply.
	TC-HW-410a.3	Percentage of qualified products in the revenue	Quantification	Dynamic is not a manufacturer of end products and hence this indicator does not apply.
	TC-HW-410a.4	Weight and percentage of recycled scraps and electronic waste	Quantification	Dynamic is not a manufacturer of end products and customers recycle scraps on their own. Therefore, no related statistical information is available.
Supply chain management	TC-HW-430a.1	Percentage of (1) physical plants and (2) primary suppliers audited according to the "RBA Validated Assessment Program (VAP)" or its equivalent after they were categorized to (a) all plants and (b) high-risk plants	Quantification	Dynamic currently requires that all its collaborative suppliers sign the "Procurement Pledge" and the "Integrity Pledge" and agree to abide by the RBA Code of Conduct and other applicable laws and regulations on labor rights. We do not audit suppliers to check whether they have approved the "RBA Validated Assessment Program (VAP)" or its equivalent or not.



Topic	Indicator Code	Indicator	Nature	Abstract and Description		
Supply chain management	TC-HW-430a.2	First grade suppliers' (1) defect rate of "Validated Assessment Programs" (VAPs) of Responsible Business Alliance (RBA) and (2) (a) prioritized defect rate and (b) rate of corrective actions to other defect rates	Quantification	Same as above, Dynamic does not perform an inventory check or tally the qualifications rate of suppliers' RBA VAPs.		
Purchase of raw materials and regular materials	TC-HW-440a.1	Description of risk management over the use of key materials	Discussion and Analysis	- Dynamic set its "Conflict Minerals" policy and commitment in 2013. It has proper policies, guidelines, and due diligence procedures in place to ensure that no metals used in the manufacturing process or contained in products include "conflict minerals" from the Democratic Republic of the Congo or any of its surrounding countries and regions under the control of armed forces and requires that its business partners follow this policy and enforce it by not using or providing metals from illegitimate sources in line with international trends and meet customer requirements. - Regularly update the conflict minerals report template for customers' review. Dynamic's "Conflict Minerals" policy can be found on the Company's official website: Corporate Sustainability/Corporate Governance/Sustainable Supply Chain https://www.dynaholding.com/csr/rule.html#s6 3. Among the metals such as tantalum (Ta), tin (Sn), gold (Au), tungsten (W), and cobalt (Co), tin, gold, and cobalt are used in both the Kunshan and Huangshi Plants. There are two suppliers of tin, three suppliers of gold, and three suppliers of cobalt. All 9 suppliers have signed "Non-use of Conflict Minerals Commitment" and have disclosed the sources (smelters) of these metals to ensure that they do not come from conflict mineral regions.		
Industrial activities	TC-HW-000.A	Production volume in each category	Quantification	PCB production volume was 34.88 million square feet.		
	TCHW-001.B	Plant area	Quantification	Dynamic has three production sites located in Huangshi, Hubei, and Kunshan, Jiangsu, China, and Prachin Buri, Thailand. Their respective land areas and floor areas are shown in the table below:		
				Production sites		
				Huangshi Plant	Kunshan Plant	Thailand Plant
				Land area (square meters)		
				400,000	109,000	272,000
Floor area (square meters)						
265,000	142,000	266,000				
TCHW-000.C	Ratio of production with self-owned equipment	Quantification	The self-production rate of all PCBs is consistently 100 %.			

SASB Materiality Map: <https://materiality.sasb.org/>

For more information, please visit <https://www.sasb.org>.



IV. “Guidelines for the Preparation and Filing of Sustainability Reports by Listed Companies” -sustainability disclosure indicators for the electronic components industry

Serial number	Indicators	Type of indicator	Annual disclosure	Unit	Remarks
I	Total energy consumption, percentage of purchased electricity, and utilization rate of renewable energy	Quantification	Total energy consumption of 2,153,668.38 GJ, percentage of purchased electricity of 99.54%, and renewable energy utilization rate of 23.99%	Gigajoules (GJ), Percentage (%)	
II	Total water withdrawal and consumption	Quantification	The total water withdrawal was 7,140,495 m³ and total water consumption was 697,763 m³	Thousand cubic meters (1,000 m³)	
III	Weight of hazardous waste generated and percentage recycled	Quantification	The weight of hazardous waste generated was 50,278.46 tons and the recycling percentage was 94.62%	Metric tons (t) Percentage (%)	
IV	Describe the type, number of people, and rate of occupational accidents	Quantification	Category: 19 (cases/people) occupational injuries, mainly caused by a trolley in the walking room, pinching/tipping/cutting, abrasions, etc. and 0 (cases/people) of commuting incidents. There were 0 (cases/people) at the Taiwan Plant, 13 (cases/people) at the Mainland China Plants, with a rate of 0.24%, and 6 (cases/people) at the Thailand Plant, with a rate of 0.43%	Quantity percentage (%)	
V	Disclosure of product life cycle management: including the weight of end-of-life products and electronic waste, and the percentage of recycling (Note 1)	Quantification	Scrapped products and semi-finished products generated during production totaled 6,235.83 tons	Metric tons (t) Percentage (%)	
VI	Description of the management of risks associated with the use of critical materials	Qualitative description	THREE. Environmental Performance/I. Energy and Climate Change Strategy & VII. Biodiversity FIVE. Economic Performance and Corporate Governance/VII. Sustainable Supply Chain	Not applicable	
VII	Total financial losses resulting from legal proceedings related to anti-competitive behavior regulations	Quantification	0	Reporting currency	
VIII	Production of main products by product category	Quantification	PCB production volume was 34.88 million square feet	Varies by product type	

V. Climate-related information of “Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies”

Serial number	Project	Implementation status
I	Specify the Board of Directors' and management's supervision and governance on climate-related risks and opportunities.	Dynamic's "Sustainable Development Committee" reports to the Board of Directors on a quarterly basis on the performance of greenhouse gas emissions intensity and water consumption intensity reduction, and on the nature-related risk that may arise from the Company's activities at the Board of Directors' meeting. It receives supervision and guidance from the Board of Directors.
II	Specify how the identified climate risks and opportunities affect the sales, strategy, and finances of the Company (short, medium, and long term).	Please refer to the table in Note 1.
III	Specify how extreme climate events and transformational actions will affect finances.	1 Extreme weather causes traffic disruptions, flooding, power outages, and production stoppages due to damage to factory facilities, as well as difficulties in supplying goods in the supply chain, resulting in longer procurement cycles for raw materials, price increases, factory shutdowns or production delays, and even loss of tangible and intangible assets of enterprises. To reduce the risk of material shortage due to extreme weather conditions, Dynamic has increased the number of diversified sources of raw materials and increased its options to seize the supply of raw materials. Dynamic has also enhanced its preparations against risks by raising the foundation of buildings at the early stage of plant planning, locating valuable equipment on higher floors, providing smooth rainwater and sewage drainage systems, and perfecting various emergency response plans, thus enhancing the resilience to the impacts of extreme weather conditions.



Serial number	Project	Implementation status
III	Specify how extreme climate events and transformational actions will affect finances.	2 Transformational actions and their financial impacts: tightening environmental regulations, strengthening of pollution prevention and control facilities and stricter requirements for treating pollutants, will increase operating costs; excess carbon emissions may have to be purchased from the carbon market, thus increasing energy costs and the cost of purchasing carbon credits; the additional costs that may increase due to the use of green electricity; the increased costs due to the development of green products and the purchase of green raw materials, etc.
IV	Specify how the process of climate risk identification, assessment and management is integrated into the overall risk management system.	In compliance with the TCFD guidelines, Dynamic has divided the risk management process into four stages: identification, assessment, management, and supervision. Through the participation of the Executive Committee, the Risk Management Committee, and the Board of Directors, Dynamic has established a comprehensive management mechanism for risks and opportunities related to climate change. In particular, the risk management committee compiles all significant risk-related information of the Company to integrate into the Company's overall risk management regulations. The detailed process is as follows: <pre> graph LR subgraph Identification CM[Committee Member] --> ID[Identification] ID --> ID1[Conduct regular evaluation on risks that may affect the Company's operations] ID --> ID2[Evaluate the impact level of the identified risks on the Company] end subgraph Management RMC[Risk Management Committee] --> M[Management] M --> M1[1. Formulate countermeasures and monitoring mechanisms.] M --> M2[2. Set performance targets] M --> M3[3. Consolidate and implement annual material risks.] end subgraph Supervision BD[Board of Directors] --> S[Supervision] S --> S1[1. Formulate the Company's risk management policy.] S --> S2[2. Ensure the effectiveness of the risk management mechanism.] end ID --> M M --> S </pre> Identification Conduct regular evaluation on risks that may affect the Company's operations Evaluate the impact level of the identified risks on the Company Management 1. Formulate countermeasures and monitoring mechanisms. 2. Set performance targets 3. Consolidate and implement annual material risks. Supervision 1. Formulate the Company's risk management policy. 2. Ensure the effectiveness of the risk management mechanism.
V	If scenario analysis is applied to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and key financial impacts applied must be stated.	1 The Company takes an inventory check of the exposure to the climate risk among its Top 3 suppliers and evaluates the disasters brought about by rainfall in the locations of major suppliers. With the difference equivalent between 2100 and 1750 of radiative forcing as the benchmark according to "Representative Concentration Pathways" (RCPs) in the Fifth Evaluation Report of the United Nations Intergovernmental Panel on Climate Change (IPCC), Dynamic adopts RCP 2.6 and RCP 8.5 as two scenarios and cites data of these two scenarios from Climate Analytics. Results of the evaluation show that the risk exposure percentage of revenue from the analysis of the simulated RCP 2.6 scenario was 0.0160% and that of RCP 8.5 was 0.0169%. Primary suppliers of Dynamic are not exposed to significant physical risks and hence there will be no significant financial impacts. 2 The overall greenhouse gas emissions of Dynamic throughout 2020 came to 217,322.5717 tonnes (only Scopes 1 and 2). With 2020 as the baseline year, the annual carbon reduction ratio is forecast according to Dynamic' carbon reduction goal of 4% linear reduction a year and the five criteria of carbon prices, namely "Recommended rate by the Environmental Protection Administration", "Estimated rate of EU carbon tax", "Estimated rate by the International Energy Agency (IEA)", "Recommended rate by Greenpeace", and "Estimated carbon price of the China Carbon Forum" and is calculated according to China's current actual carbon credit trade ratio while Dynamic is evaluated for its extent of risk exposure under different scenarios in the future and up to 2050. Results of the evaluation show that under each of the five estimated rates by 2050, financial impacts are the most significant applying the EU carbon tax and the estimated rate by Greenpeace and the minimal with the recommended rate by the Environmental Protection Administration. Although the results of the analyses did not indicate that there would be any harmful impact on the Company's operations, we are highly concerned about carbon-related issues. In addition to proactively installing renewal energy equipment, we have also encouraged our upstream suppliers to carry out carbon emission verifications and give 100% purchase priority to raw materials that have low carbon emissions per unit of product, to reduce the amount of carbon emissions from each stage in products' life cycle, in the hope of providing our customers with environmentally friendly products with low carbon emissions.
VI	If there is a transition plan for managing climate-related risks, the contents of the plan and the indicators and targets applied to the identification and management of physical and transformation risks must be stated.	1 We will develop low-carbon raw materials 2 We will hasten our clean production and low-carbon transition 3 Increase the percentage of green energy products.



Serial number	Project	Implementation status																																																														
VII	If internal carbon pricing is applied as a planning tool, the basis for price setting must be stated.	The Company has begun planning the use of internal carbon pricing as a planning tool and is currently receiving guidance from professional consultants.																																																														
		1 GHG emissions intensity reduction target: Using 2020 as the baseline year, reduce GHG emissions by 42% by 2025. 2 Activities and scopes of GHG emissions covered in 2025: <table><thead><tr><th>Activities covered</th><th>Scope</th><th>Description</th><th>Plant</th><th>Annual Emissions Reduction (T)</th></tr></thead><tbody><tr><td>Energy efficiency improved through consolidation of facilities and public infrastructure.</td><td>I</td><td>Improve site utilization efficiency to reduce dispersed energy waste from shared facilities</td><td>Kunshan</td><td></td></tr><tr><td>Consolidate company vehicle dispatches</td><td>I</td><td>Reduce the number of vehicle trips</td><td>Kunshan</td><td></td></tr><tr><td>Transition energy use toward renewable electricity</td><td>II</td><td>Purchase green electricity</td><td>Kunshan</td><td>3,212</td></tr><tr><td rowspan="4">Energy conservation and carbon reduction of processes, and introduce high-efficiency power equipment</td><td>II</td><td>Adjust the optimal operating power of secondary pumps in chillers to avoid unnecessary energy waste, and appropriately consolidate cooling towers.</td><td>Kunshan</td><td></td></tr><tr><td>II</td><td>Upgrade some horizontal-line vortex blowers on production lines to permanent-magnet variable-frequency centrifugal fans</td><td>Kunshan</td><td>665</td></tr><tr><td>II</td><td>Gradually introduce high-efficiency energy-saving negative-pressure fans for dust collectors to replace conventional fans</td><td>Kunshan</td><td>1,461</td></tr><tr><td>II</td><td>Replace aging, energy-intensive equipment</td><td>Kunshan</td><td>2,443</td></tr><tr><td>Switch to relatively cleaner energy sources, improve equipment energy efficiency, and improve heating methods for air-conditioning systems</td><td>I</td><td>Optimize boiler operation in winter based on the energy use of the two plants to reduce natural gas consumption</td><td>Huangshi</td><td></td></tr><tr><td>Consolidate company vehicle dispatches</td><td rowspan="4">I</td><td>Reduce the number of vehicle trips</td><td>Huangshi</td><td>0.3</td></tr><tr><td>Transition energy use toward renewable electricity</td><td>Purchase green electricity and generate rooftop solar power</td><td>Huangshi</td><td>71,838</td></tr><tr><td>Install exhaust hoods for hot exhaust air from high-heat-generating equipment to reduce air-conditioning energy consumption</td><td>Directly exhaust heat from the drying section to reduce the air-conditioning load</td><td>Thailand Plant</td><td></td></tr><tr><td>Adjust company vehicle trips to the airport to Wednesdays and Sundays</td><td>Reduce the number of vehicle trips</td><td>Thailand Plant</td><td></td></tr></tbody></table>					Activities covered	Scope	Description	Plant	Annual Emissions Reduction (T)	Energy efficiency improved through consolidation of facilities and public infrastructure.	I	Improve site utilization efficiency to reduce dispersed energy waste from shared facilities	Kunshan		Consolidate company vehicle dispatches	I	Reduce the number of vehicle trips	Kunshan		Transition energy use toward renewable electricity	II	Purchase green electricity	Kunshan	3,212	Energy conservation and carbon reduction of processes, and introduce high-efficiency power equipment	II	Adjust the optimal operating power of secondary pumps in chillers to avoid unnecessary energy waste, and appropriately consolidate cooling towers.	Kunshan		II	Upgrade some horizontal-line vortex blowers on production lines to permanent-magnet variable-frequency centrifugal fans	Kunshan	665	II	Gradually introduce high-efficiency energy-saving negative-pressure fans for dust collectors to replace conventional fans	Kunshan	1,461	II	Replace aging, energy-intensive equipment	Kunshan	2,443	Switch to relatively cleaner energy sources, improve equipment energy efficiency, and improve heating methods for air-conditioning systems	I	Optimize boiler operation in winter based on the energy use of the two plants to reduce natural gas consumption	Huangshi		Consolidate company vehicle dispatches	I	Reduce the number of vehicle trips	Huangshi	0.3	Transition energy use toward renewable electricity	Purchase green electricity and generate rooftop solar power	Huangshi	71,838	Install exhaust hoods for hot exhaust air from high-heat-generating equipment to reduce air-conditioning energy consumption	Directly exhaust heat from the drying section to reduce the air-conditioning load	Thailand Plant		Adjust company vehicle trips to the airport to Wednesdays and Sundays	Reduce the number of vehicle trips	Thailand Plant
Activities covered	Scope	Description	Plant	Annual Emissions Reduction (T)																																																												
Energy efficiency improved through consolidation of facilities and public infrastructure.	I	Improve site utilization efficiency to reduce dispersed energy waste from shared facilities	Kunshan																																																													
Consolidate company vehicle dispatches	I	Reduce the number of vehicle trips	Kunshan																																																													
Transition energy use toward renewable electricity	II	Purchase green electricity	Kunshan	3,212																																																												
Energy conservation and carbon reduction of processes, and introduce high-efficiency power equipment	II	Adjust the optimal operating power of secondary pumps in chillers to avoid unnecessary energy waste, and appropriately consolidate cooling towers.	Kunshan																																																													
	II	Upgrade some horizontal-line vortex blowers on production lines to permanent-magnet variable-frequency centrifugal fans	Kunshan	665																																																												
	II	Gradually introduce high-efficiency energy-saving negative-pressure fans for dust collectors to replace conventional fans	Kunshan	1,461																																																												
	II	Replace aging, energy-intensive equipment	Kunshan	2,443																																																												
Switch to relatively cleaner energy sources, improve equipment energy efficiency, and improve heating methods for air-conditioning systems	I	Optimize boiler operation in winter based on the energy use of the two plants to reduce natural gas consumption	Huangshi																																																													
Consolidate company vehicle dispatches	I	Reduce the number of vehicle trips	Huangshi	0.3																																																												
Transition energy use toward renewable electricity		Purchase green electricity and generate rooftop solar power	Huangshi	71,838																																																												
Install exhaust hoods for hot exhaust air from high-heat-generating equipment to reduce air-conditioning energy consumption		Directly exhaust heat from the drying section to reduce the air-conditioning load	Thailand Plant																																																													
Adjust company vehicle trips to the airport to Wednesdays and Sundays		Reduce the number of vehicle trips	Thailand Plant																																																													
VIII	If relevant climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planned schedules, and the annual progress toward achievement must be stated. If carbon offsets or renewable energy certificates (RECs) are applied to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of RECs must be stated.																																																															
IX	Greenhouse gas inventory and assurance status, as well as reduction goals, strategies, and specific action plans (indicated separately in 1-1 and 1-2).	Indicated separately in 1-1 and 1-2																																																														



Note: 1: Specify how the identified climate risks and opportunities affect the sales, strategy, and finances of the Company (short, medium, and long term), as shown in the table below: Short term (within 3 years) *Medium to long term (3-10 years)

1. Major Climate Risks

Impact Period*	Risk Type	Impact on Business and Finance	Response and Management Strategies
Short-term	Intensification of extreme weather events	Business: This may result in loss of Company assets, operational disruptions, supply chain interruptions, shortages of raw materials, and instability in energy and water resources. Finance: This will increase the costs of disaster prevention in advance and disaster relief afterward, as well as transportation, insurance, and other costs.	- Establish a Business Continuity Plan and conduct regular drills. - Establish a flexible production allocation mechanism across different plants. - Enhance the Company's preparedness against risks in advance, such as elevating building foundations during plant planning, locating expensive equipment on higher floors, and providing unobstructed rainwater and sewage drainage systems.
Short-term	Shortage of raw material supply	Business: This may result in production delays or stoppages, leading to lost revenue. Finance: Rising raw material prices will increase costs.	- Establish a mechanism with at least two suppliers to diversify sources of supply. - Increase the safety stock of normal raw materials. - Continuously review supply risks in the supply chain and evaluate alternatives.
Short-term	Laws and regulations governing the environment	Business: Pollution control facilities and management measures must be strengthened in response to amendments to environmental regulations. Finance: Strengthening pollution control facilities may increase construction and operating costs.	- Arrange personnel training and conduct regulatory compliance reviews, with improvements made for identified risk items. - Continue to monitor trends in regulatory amendments and respond in advance; newly established plants should adopt a comprehensive approach from the outset to avoid additional subsequent costs.
Short-term	Requirements for the use of renewable energy	Business: Failure to meet customers' renewable energy requirements may result in lost orders. Finance: The use of renewable energy will result in additional electricity costs; the construction of solar power facilities requires initial investment. Failure to meet customer targets may result in lost orders and lower revenue.	- Establish renewable energy procurement plans and plans for self-built solar power generation facilities based on international trends and customer requirements. - Continuously review and revise the plans and implement them progressively.
Short-term Medium- and long-term	Implementation of total carbon emissions control and carbon credit trading	Business: To reduce emissions, the Company needs to upgrade technologies, replace equipment, or improve production processes; pressure from customers requiring carbon neutrality may also necessitate the purchase of carbon credits. Finance: Technology upgrades and equipment replacement require capital investment; carbon fees and transactions in carbon markets will also increase the Company's costs.	- Continue to improve energy performance through the operation of the ISO 50001 system. Establish a comprehensive carbon emissions monitoring, reporting, and verification system to ensure the accuracy of carbon credits. - Promote internal carbon pricing as an active approach to carbon risk management and carbon reduction strategies.
Medium- and long-term	Unstable energy supply	Business: Solar and wind power generation is affected by seasonal climate conditions and is inherently unstable. Excessive reliance on these sources may result in production line interruptions. Finance: Revenue may decrease and operating costs may increase.	Install energy storage equipment to store surplus electricity and release it when electricity is insufficient, thereby addressing supply-demand imbalances.

2. Major Climate Opportunities

Period	Opportunity Type	Business and Financial Opportunities	Response and Management Strategies
Short-term	Improve the raw material supply system	Business: Diversify sources of raw materials to gain greater control over supply and bargaining power through a broader range of suppliers. Finance: Improve raw material utilization and reduce scrap rates to lower production costs; gain greater bargaining power to reduce procurement costs.	- Integrate raw material selection and develop new suppliers and materials to increase sourcing options and reduce the risk of material shortages. - Optimize panel layout utilization to reduce raw material losses; improve process capabilities and strengthen inspections during production to reduce end-stage scrap.
Short-term	Proactively use renewable energy	Business: Enhance the Company's market competitiveness and attractiveness to investors. Finance: Rooftop solar installations can reduce electricity costs; greater market recognition and increased orders can drive revenue growth.	- Install rooftop solar power generation systems. - Purchase green electricity jointly with supply chain partners to reduce procurement prices.



Period	Opportunity Type	Business and Financial Opportunities	Response and Management Strategies
Short-term Medium- and long- term	Develop environmentally friendly and low-carbon processes and products	Business: Adopt low-energy-consumption materials and develop low-carbon processes to meet future product needs; promote green production to meet the requirements of relevant international organizations, enhance market competitiveness, and build a positive corporate image; increase the proportion of materials recycled and reused. Finance: Recycling and reusing materials can reduce production costs.	• Develop materials toward lower carbon emissions and circular reuse, and further promote waste recycling. • Develop low-carbon processes. • Establish an in-house digital carbon inventory platform. • Establish a carbon footprint inventory system.
Medium- and long- term	Accumulate carbon credits through low-carbon production	Business: Setting and achieving carbon reduction targets helps enhance the Company's competitiveness and attractiveness to investors. Finance: Through the low-carbon transition, surplus carbon credits may be sold for profit or retained to provide flexibility for future operational development.	• Implement plant greening and promote clean production to reduce energy consumption. • Implement the ISO 50001 system to achieve energy conservation goals. • Promote internal carbon pricing. • Increase renewable energy utilization and develop self-generated solar power.
Medium- and long- term	Creating a stable energy environment for production	Business: This helps enhance the Company's competitiveness and attractiveness to investors. Finance: Improving the Company's electricity-use efficiency can reduce production costs; stable production can increase market recognition, orders, and revenue.	• Develop alternative energy sources for production equipment to replace electricity where feasible, such as steam. • Adjust production schedules to reduce process bottlenecks.

1-1 The Company's greenhouse gas inventory and assurance in the past two years

Scope 1	Total emissions in 2025 (metric tons of CO ₂ e)	Intensity in 2025 (metric tons of CO ₂ e/TWD million)	Total emissions in 2024 (metric tons of CO ₂ e)	Intensity in 2024 (metric tons of CO ₂ e/TWD million)	Assurance organization	Description of Assurance Status
The Company	10.330	NA	14.10	NA	DQS	The 2025 inventory was externally verified by DQS, and the certificate number is No. 50600533 GHG-4.
Kunshan Plant	2,848.170	0.818	3,000.01	0.81	WIT	The 2025 inventory was externally verified by WIT Certification Co., Ltd., and the certificate number is 15/WITGHG2026175.
Huangshi Plant	28,556.120	1.962	24,644.00	1.77	BSI	The 2025 inventory was externally verified by BSI, and the certificate number is CFV 80655109052024.
Thailand Plant	4,443.190	3.292			BSI	The 2025 inventory was externally verified by BSI, and the certificate number is CFV 843298.
Total	35,857.810	1.85	27,658.11	1.57		
Scope 2	Total emissions in 2025 (metric tons of CO ₂ e)	Intensity in 2025 (metric tons of CO ₂ e/TWD million)	Total emissions in 2024 (metric tons of CO ₂ e)	Intensity in 2024 (metric tons of CO ₂ e/TWD million)	Assurance organization	Description of Assurance Status
The Company	52.923	NA (revenue was 0)	54.06	NA (revenue was 0)	DQS	Same as above
Kunshan Plant	54,022.558	15.524	58,730.10	17.95	WIT	
Huangshi Plant	79,314.000	5.449	94,874.86	6.80	BSI	
Thailand Plant	41,522.840	30.77			BSI	
Total	174,912.321	9.022	153,659.02	8.7		



1-2 Greenhouse gas reduction goals, strategies and specific action plans

Greenhouse Gas Reduction Goal	Activities covered	Scope of GHG emissions	Implementation plan
The intensity of greenhouse gas emissions per unit of revenue will be reduced by 4% per year using the base year of 109 and a 20% reduction by 114 Near-term Emission Reduction Target In March 2025, Dynamic obtained SBTi approval for its near-term science-based emission reduction targets. Using 2023 as the base year, Dynamic aims to achieve an absolute 42% reduction in Scope 1+2 emissions and an absolute 25% reduction in Scope 3 emissions by 2030. Long-Term Net-Zero Target The Company is committed to achieving net-zero emissions by 2050.	1. Energy efficiency improved through consolidation of facilities and public infrastructure. 2. Use clean energy to reduce carbon emissions; reduce the number of company vehicle trips	Scope 1	Short-term Introduce municipal biomass-generated steam to replace steam generated by natural gas boilers within the plant; consolidate company vehicle dispatches Medium-term Improve site utilization efficiency to reduce dispersed energy waste from shared facilities Long-term Replace fuel-powered company vehicles and purchase new energy vehicles
	1. Conserve energy and reduce carbon emissions in processes, adjust the production environment, and introduce high-efficiency power equipment 2. Improve heating and cooling methods for air-conditioning systems 3. Replace aging, energy-intensive equipment 4. Promote rooftop solar power installations 5. Switch to solar and wind energy spontaneous circuit lights 6. Transition energy use toward renewable electricity	Scope 2	Short-term Optimize boiler operation in winter based on the energy use of Huangshi P1 and P2 Plants; adjust the optimal operating power of secondary pumps in chillers and consolidate cooling towers to avoid unnecessary energy waste. Upgrade some horizontal-line vortex blowers on production lines to permanent-magnet variable-frequency centrifugal fans. The new equipment consumes 51% less electricity than the original equipment, saving approximately 1.24 million kWh annually, equivalent to a reduction of 665 t of carbon emissions; Gradually introduce high-efficiency energy-saving negative-pressure fans for dust collectors to replace conventional fans. The new equipment is expected to consume 50% less electricity than the original equipment, saving approximately 2.73 million kWh annually, equivalent to a reduction of 1,461 tons of carbon emissions. The replacement drilling machines consume approximately 53% less electricity than the original equipment. It is estimated that 9,064 kWh can be saved and 4.86 tons of CO₂ emissions reduced per 10,000 feet of production capacity, resulting in an annual emissions reduction of approximately 2,443 tons; In 2025, 96 solar- and wind-powered streetlights and 41 solar-powered floodlights were replaced, resulting in total annual electricity savings of 50,005 kWh and a reduction of 26.5 tons of greenhouse gas emissions; Medium-term Use the online energy monitoring system to identify high energy consumption on production lines; Continue expanding solar photovoltaic power generation. Actual power generation reached 2.15 million kWh in 2025, reducing greenhouse gas emissions by approximately 1,142 tons. Long-term Purchase high-efficiency equipment and progressively replace energy-intensive equipment. Plan green electricity procurement annually. In 2025, 135.39 million kWh of green electricity was purchased, with renewable electricity accounting for approximately 47.92% of total annual electricity consumption, offsetting approximately 71,838 tons of greenhouse gas emissions.
Reduction achievement progress			
Excluding the newly established Thailand Plant, a 24.17% reduction from the base year was achieved in 2025.			

**Dynamic
2025
ESG Report**