2. Innovation Value

Cetacean

Cetaceans are marine mammals. There are many species of dolphins and whales in the waters around Taiwan, with about 30 species recorded. Larger ones are called whales, and smaller ones are called dolphins. Wistron has been raising public awareness and support for ecological conservation through long-term conservation work.

Management Approach

above 95% | 90%–95% | below 90%

Topic	Strategy	2024 Targets	2024 Results	Status	2025 Targets	2030 Targets
Customer Relations	Increase customer satisfaction	> 85% satisfaction ratio from customer satisfaction surveys	85.5%	●	≥ 86%	≥ 90%
Product R&D and Innovation	Maintain patent portfolio (6,000~8,000 active and granted patents)	Add 5%~10% new patent applications and release 5%~10% patents of the portfolio	The number of active and granted patents is around 6,350 Added 5.91% new patent applications and released 5.98% patents of the portfolio	●	Add 5%~10% new patent applications and release 5%~10% patents of the portfolio	Add 5%~10% new patent applications and release 5%~10% patents of the portfolio
	Diversify patent filings across various technology fields and countries, enhance patent quality and increase overall patent value	Percentage of utility patents > 89%	94.82%	●	>90%	The ratio of patented technologies and products apart from computers, tablets, and servers > 50%; The ratio of patent countries other than Taiwan, China, and the U.S. > 10%
	Foster patent asset activation, e.g. transactions, licensing-out, or monetization	Participate in patent related projects, e.g. patent pools or organizations	Participated in 1 patent related project	●	Participate in 1 or more patent related projects	Participate in 4 or more patent related projects; Annual growth of patent asset activation, monetization, and/or generated benefits
Green Products	Hazardous Substance Free (HSF)	100% compliance with Hazardous Substance Free standards and customer requirements	100%	●	100%	100%
Green Products	Improve environmental benefits of products	Percentage of products 100% compliant with customer requirements for local energy labels	100%	●	100%	100%

2.1 Promoting Innovation & Growth

2.1.1 Product Design and Development

As a leader in the IT industry, Wistron has always upheld Innovation as a core philosophy, embedding innovation and sustainability into product design and development. We actively develop a diverse range of products to solidify our leadership position in the industry. At the design and development stage, we adopt green design principles and select environmentally friendly materials to ensure our products meet international certification standards and fulfill the high expectations of global markets and customers.

To realize our commitment to sustainability and environmental protection, Wistron follows the "Green Product" strategy - one of our Six Sustainability Strategies. Through a dedicated network formed by niche suppliers, we provide sustainable design capabilities that foster continuous innovation and growth. We ensure that every green product, from design to end-of-life, meets the highest environmental standards.

Investments in Innovative Developments	2021	2022	2023	2024
R&D investments (NT$100M)	208	250	239	260
R&D funding as percentage of revenue (%)	2.4	2.5	2.8	2.5
R&D personnel (number of people)	5,350	6,330	5,850	4,740
Percentage of R&D personnel per total employees (%)	8.5	13.4	13.9	10.7

Wistron’s Integrated Design Services

In order to reduce our environmental impact and achieve sustainable development, Wistron continues to invest in the research and development of green technologies. Among the patents obtained in 2024, there are a total of 48 patents related to green technologies for eco-friendly designs and manufacturing. Green technologies not only enhance our products’ added value but also reduce environmental impacts through innovative technologies, creating a better world for our society.

Environmentally Friendly

The services range from industrial design, electronic, software, mechanical and function testing, reliability testing services, and environmental considerations for packing development.

Integrated Design Services for Various Products

According to the characteristics of the information and communication product, heat transfer, vibration, emission frequency, energy consumption, structure, and reliability design services are developed to ensure that the products can pass global or regional market quality assurances.

International Certification for Products

When designing and developing products, we introduce life cycle assessments, the use of recycled materials, and modular designs to implement the circular economy.

Green Design Concepts

In addition to investing a large amount of research and development funds, we are also actively strengthening our R&D manpower and capabilities to expand our R&D portfolio. Encouragement for employees to invest in innovative research.

Large Investments in R&D and Innovation

R&D Incentive System and Performance

To maintain our competitive edge in innovative technologies, Wistron issued the "Wistron Invention Reward Regulation" to encourage employees to innovate. The regulation provides incentives at different stages such as proposals, patent application, patent grant, and technology licensing. An annual patent award ceremony is held to stimulate innovative energy and enhance R&D competitiveness.

In 2024, Wistron allocated a large amount of resources to new technologies, new products, and new businesses, aiming to enhance the quality and value of our patents. We actively apply for patents directly related to the company's R&D future and business development, particularly in areas such as 5G+AI applications, smart health care, in-vehicle information and communication systems, cloud technology services, and liquid cooling technologies. This is to establish a robust global patent portfolio and enhance Wistron's competitiveness in related fields.

Award	2021	2022	2023	2024
Number of patent award winners	237	248	238	237
Number of patent applications	386	608	484	376
Number of granted patents	401	414	383	430

Note：Wistron was named one of the Top 100 Global Innovators ™ by Clarivate in 2024 and one of the Top 10 Innovation Momentum Companies in Taiwan by LexisNexis in 2024

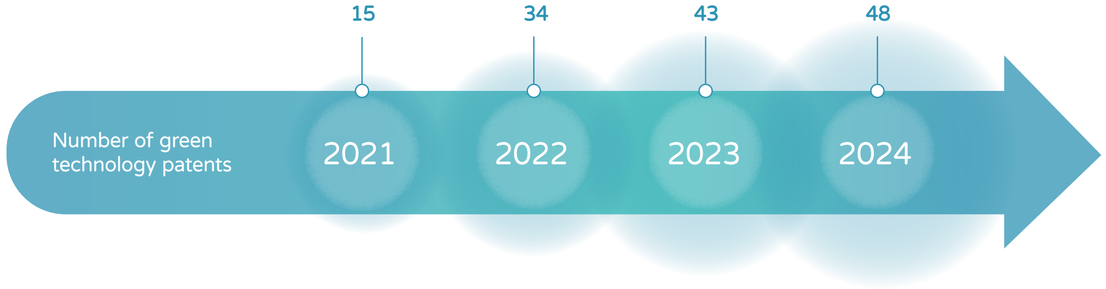
2024 Patents Granted & Ratio by Country

Country	Taiwan	China	USA	Others
Number of granted patents	156	89	90	95
Ratio of granted patents	36.3%	20.7%	20.9%	22.1%

Encouraging Green Technologies

In order to reduce our environmental impact and achieve sustainable development, Wistron continues to invest in the research and development of green technologies. Among the patents obtained in 2024, there are a total of 48 patents related to green technologies for eco-friendly designs and manufacturing. Green technologies not only enhance our products' added value but also reduce environmental impacts through innovative technologies, creating a better world for our society.

Wistron's Green Technology Patents



Green Technology Patent Achievements in 2024

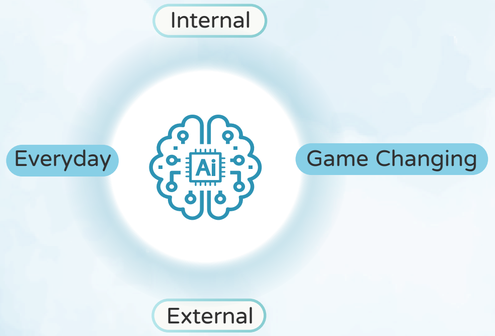
Patent Title	Patent Number	Patent Technology
Cooling system and cooling device	US12029007	The cooling system structure in this invention reduces the amount of heat transfer fluid used inside the container compared to traditional methods.
Power device configuration method and electronic device	TWI840215	This invention controls power devices based on adjustable parameters, effectively achieving energy savings and improving energy efficiency.
Equipment parameter recommendation method, electronic device, and non-transitory computer-readable recording medium	TWI833604	This invention recommends equipment parameters based on predicted total exhaust volume and energy-saving principles, which can effectively reduce power consumption and lower factory costs.

2.1.2 AI-Driven Digital Transformation

In today's industries, AI is undoubtedly the focus. According to a McKinsey & Company survey, 75% of the world's top CEOs recognize AI's impact on businesses. However, the World Economic Forum notes that 70% of enterprises remain in the exploratory phase when applying AI. This is largely because most companies approach AI with a fragmented mindset, lacking a comprehensive strategy across organization, process, technology, and talent. To fully realize AI's synergistic potential, companies must adopt a comprehensive multi-dimensional perspective.

Wistron operates 25 global locations and employs nearly 50,000 people, with a broad scope of business. In the face of global supply chain shifts and the rise of new manufacturing hubs, we are building on our foundation of digitization and automation to evolve from "digital transformation" to "smart transformation." Our entire workforce is dedicated to strengthening core AI capabilities to meet market changes and customer needs, enabling seamless global collaboration and intelligent decision-making, and enhancing our organizational resilience and smart operations.

Guided by a vision of innovation and sustainability, Wistron is establishing a top-down unified AI development framework across the company, investing in the latest technologies for research and application. This not only drives a transformation in operational management but also embeds AI into Wistron's DNA, making it a part of our daily operations. Through the AI 360 Project, we have accumulated approximately 70 AI innovation use cases from 2022 to 2024, generating NT$450 million in financial benefits and helping Wistron maintain a competitive edge.



Building a Decision Intelligence Environment to Accelerate Operational & Management Transformation

- Embedding an AI-driven DNA into the company culture
- Positioning Wistron as a "technology service" enterprise with AI as a core competitive advantage

Through the implementation of the "AI 360 Project," we aim to establish a loop of continuous AI-driven innovation within Wistron—turning today's game-changing breakthroughs into tomorrow's everyday norm.

Three Core Pillars + Four Innovation Strategies

In an era of digital transformation and AI-driven innovation, Wistron is committed to building smart operations management to enhance competitiveness and create long-term value. We promote AI development and applications under the guiding principles of Three Core Pillars: "Unified Vision, Holistic Insight, and Comprehensive Consideration," while advancing four innovation strategies: "Organization, Process, Technology, and Talent," all with a strong emphasis on safety and performance.

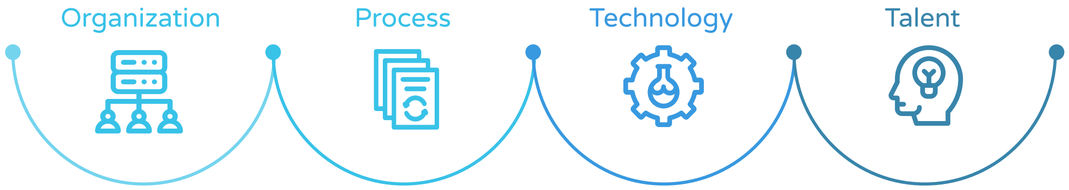
Three Core Pillars

Top-down leadership by senior executives combined with bottom-up cross-department co-creation

Integration of inside-out and outside-in perspectives

Emphasis on both the business value of AI and ethics and safety

Four Innovation Strategies



Establish a cross-functional AI Center of Excellence (CoE) led by top executives

Define a management process from AI Lab (innovation pilot) to AI Factory (scalable deployment) and implement robust AI governance to ensure responsible AI aligns with corporate governance

Collaborate with global benchmarks, stay on top of cutting-edge trends, and build Wistron's proprietary AI platform

Develop AI competencies across all levels, from the CEO to front-line employees, and create the new role of AI Business Partner (AI Biz Partner)

Innovation and Differentiation

Wistron's key to successful AI adoption lies in our willingness to break away from traditional approaches, inspiring all employees to dream boldly while formulating clear strategies to achieve innovation and differentiation. We actively explore AI opportunities, advancing from traditional AI toward generative AI, with a firm focus on our goals for the next three years to ensure steady progress in our innovation journey.

Yesterday

Expand into six major domains of traditional AI and use AI Engineering to develop the Wistron Model Management Platform.

Today

Work with industry powerhouses to develop Wistron's exclusive generative AI platform.

Tomorrow

Progress towards 80% AI and 20% human for Decision Intelligence.

Driving Innovation with Technological Breakthroughs

In-house Development of Wistron GPT for Smart Corporate Applications

- Developed the generative AI platform "Columbus," capable of accurately answering Wistron-specific questions and integrated with 28 proprietary knowledge bases
- Provides two core services:
  (1) General smart Q&A "Assistant"
  (2) Domain-specific "Online Virtual Expert"
- Columbus enables automatic system integration and task execution, minimizing manual operations
- Incorporates multimodal capabilities (voice, image, etc.) and AI agent functionalities

Generative AI Enables Smart Output for Complex Product Design - A Breakthrough for the ODM/OEM Industry

- AI auto-generation of circuit board schematic drawings
- AI auto-generation of key mechanical structure drawings
- AI auto-generation of test programs and PCBA jigs

Driving Process Innovation with Refined Approaches

A Comprehensive Strategic Framework for AI-Driven Virtual-Physical Integration

- With diverse talent and partnerships with benchmark enterprises like NVIDIA, Wistron applies a virtual-first approach in new factory planning, focusing on four key areas: efficiency, quality, resilience, and sustainability as we break free from past experiences.
- Establishes holistic virtual-physical integration thinking, significantly transforming the decades-old mindset of OEM/ODM operations
- Drastically increase efficiency and reduce significant costs

Dedicated AI Biz Partner Teams Identify Opportunities Beyond Fragmented Thinking

- Established the role of AI Biz Partner to:
  (1) Monitor external trends
  (2) Map internal end-to-end processes
  (3) Deploy AI technologies and embed applications across business processes
- Designed the AI Lab to AI Factory mechanism:
  (1) AI Lab focuses on innovation and validation
  (2) AI Factory handles application and scaling
- Manages the AI use case lifecycle to create a positive loop of innovation–validation–re-innovation, driving end-to-end (E2E) operations management

Panorama of AI Impact

Since 2022, Wistron has implemented approximately 70 AI projects. By driving advancements across organization, processes, technology, and talent, Wistron has successfully achieved smart management within a large and complex operational system, creating significant value for both the company and our customers.

AI-Driven Transformation of Work

Wistron employees actively embrace AI technology, which has brought forth innovative and efficient work models. Our self-developed generative AI platform, Columbus, integrates 28 proprietary business knowledge bases to enhance response accuracy. We also conduct monthly satisfaction and usage analyses to drive continuous improvement. Additionally, we have promoted the use of AI-powered coding tools and plan to expand adoption to 80% of our software developers. Empowered by these AI tools and mindsets, Wistron is gradually shifting from a work model of 20% AI + 80% manual effort to 80% AI + 20% manual effort in key areas, significantly improving overall efficiency at Wistron.

Embedding AI into Wistron's DNA

Wistron is committed to embedding AI thinking into the daily habits of every employee, enabling a deep cultural transformation. From the outset, we established a clear goal and determination to operate independently and have implemented systematic measures to drive comprehensive AI integration.

By introducing and standardizing structured approaches, Wistron has built a collaborative ecosystem comprising the AI CoE (Center of Excellence), AI Biz Partners, AI Lab (for innovation and experimentation), and AI Factory (for deployment and scaling). This ecosystem facilitates deep integration of AI with business functions, ensuring that AI continuously and sustainably drives business development.

In just a short time, Wistron successfully transitioned from external support to internal autonomy and has operated maintained reliable AI operations for nearly two years. Today, teams across business units are able to respond to challenges with an AI-first mindset, demonstrating Wistron's resolve and success in AI applications and reforming workplace culture. Notable outcomes include software developers regularly using Copilot for code generation and review, and the company-wide "Low Code / No Code – Citizen Data Scientist" program having completed its 10th cohort with over 800 participants trained. A wide range of AI-related activities continue to evolve and expand, gradually establishing an AI-driven DNA throughout the organization.

Empowering ESG with AI

Environment (E)

Amid global business expansion, Wistron has committed to achieving carbon neutrality by 2030 and is focusing on "Smart Carbon Management" and "Optimizing Decarbonization Costs." Our efforts in carbon reduction have been recognized with numerous accolades. Wistron developed its own Decarbonization Management Platform, enabling Decarbonization Pillar team to quickly calculate emissions and monitor carbon data across global sites. Through a visualized dashboard, we manage global energy usage and implement energy-saving measures, realizing a closed-loop management system. In addition, our "Renewable Energy Optimization" AI module formulates the most effective carbon reduction strategies and energy procurement decisions, reducing costs while improving energy efficiency.

The platform can forecast annual energy usage through AI models, enabling precise demand planning and supporting procurement decisions for renewable energies across facilities. The renewable energy optimization module also provides the best-cost procurement recommendations for renewable energy through 2030, serving as a basis for negotiations with suppliers. Furthermore, the system issues early warnings of contract shortfalls starting in 2026, helping us proactively plan long-term renewable energy strategies.

- AI-estimated Annual Renewable Energy
- Future Carbon Emission Simulation

Social (S)

Centered on the "Wicare" philosophy, Wistron is committed to sustainable talent development, fostering a culture of innovation and testing, transformative thinking, and talent cultivation and development. Our aim is to build a comprehensive and fulfilling workplace and to become a top employer for multinational and young talents. By integrating AI into HR technology and collaborating with our AI Biz Partners, we have identified multiple AI application opportunities and incorporated them into our 3-year HR roadmap. AI analytics assist HR units in gaining deeper insights into human capital data, conducting forecasts and pattern analysis to improve decision-making and identify risks and opportunities throughout Wistron. We also enhance our recruitment process through Columbus (Wistron's self-developed generative AI platform) which enables managers to automatically generate job descriptions and interview question banks, significantly increasing recruitment efficiency. In addition, we developed a generative AI-powered smart employee assistant capable of quickly answering common queries related to recruitment, leave, benefits, administration, and company policies, further enhancing operational efficiency.

- Smart job function assessment system
- Generative AI-supported training plans
- AI generated job descriptions for recruitment

Governance (G)

In addition to complying with legal requirements and corporate bylaws, Wistron has established robust governance policies to protect shareholder rights, strengthen board functions, respect stakeholder interests, and improve transparency. We have also enhanced information transparency through information security governance, adopting top-tier security frameworks to ensure information protection.

On the governance front, Wistron has leveraged AI to cover a broad scope. Upon internal discussions, we've decided to leverage AI to enhance information security response, support awareness campaigns, and increase governance transparency. We have also mapped out AI use cases and opportunities in this field. By integrating internal information security knowledge into the Columbus platform, we built a "Information Security Policy Assistant" to help improve employee understanding of internal information security standards. We also implemented AI Agent technologies such as the Security Agent’s abnormal login detection, which autonomously analyzes, identifies, and responds to incidents, reducing response time by 94% (from 4 hours to just 13.5 minutes). Using AI as a starting point for information security defense, Wistron enhances employee awareness and protects information security for both the company and its partners, while planning to extend AI applications into other areas of corporate governance.

- Security AI agent for better responses
- Use AI to strengthen information security awareness
- Use AI to strengthen transparency of information security and governance

Digital Transformation in Patent Strategy

Wistron is committed to R&D and innovation. In addition to patent portfolios for emerging technologies, our digital transformation team has filed a total of 131 patent applications since 2021, safeguarding the outcomes of our technological innovations.

The use of AI in energy-related applications has also become an emerging trend. From the perspective of factory energy usage, AI technology is leveraged across three dimensions to achieve sustainable and efficient energy utilization:

(1) Equipment: AI provides suggestions and support with energy consumption optimization by adjusting operational parameters, improving maintenance routines, and replacing outdated equipment. Several related patents have been filed, including "Energy-Saving Prediction Method for Electricity Usage," "Smart Recommendations for Equipment Replacement Based on Energy Efficiency," and "Smart Recommendations for Maintenance Equipment."

(2) Management: AI supports the custom establishment of energy baselines and enables proactive alerts, real-time adjustments, and future scenario simulations. These capabilities allow effective comparisons between actual energy usage and baselines, providing effective suggestions for adjustments and optimization.

(3) Strategy: To achieve Wistron's 2030 carbon neutrality target, AI assists in evaluating the cost-performance of renewable energy around the world, integrating strategy, cost, and carbon reduction goals. The optimization technology supports scenario modeling and simulation to inform renewable energy deployment and risk assessments. To protect these innovations, Wistron has filed patents such as "Optimization and Recommendation System for Renewable Energy Procurement."

To realize our sustainability strategy and guided by an altruistic business philosophy, Wistron strives for continuous growth while ensuring our operational strategies account for our social and environmental impacts. As such, our vision is to achieve "Sustainability through Innovation", in which we integrate AI technologies into our long-term patent strategy as part of our comprehensive approach to sustainability planning and deployment.

Strengthening AI Governance with Responsible AI

The emergence of generative AI has brought immense opportunities, boosting productivity and creativity across organizations. At the same time, Wistron remains mindful of the associated risks and continues to enhance our AI governance mechanisms. Our goal is to ensure that AI delivers maximum value with minimal risk through a responsible AI approach.

To bolster AI governance, in 2024 Wistron focused on four key areas:

1. Research on Regulations, Standards, and Global/Domestic Trends
We've conducted in-depth studies on AI-related regulations, including the EU Artificial Intelligence Act, the U.S. Executive Order on the Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence, and Taiwan's AI Product and System Evaluation Guidelines. In parallel, we examined global standards and frameworks such as the NIST AI Risk Management Framework and ISO 42001 AI Management System. These efforts ensure that our governance mechanisms align with international standards and emerging global trends.

2. Process Control Enhancements
We reviewed current AI use cases across model management, development and operations, and data governance, and incorporated information security principles and mechanisms into operational procedures.

3. Seed Employee Training
We designated key personnel to undergo external training on the ISO 42001 AI Management System. This multi-role participation helps foster a shared vocabulary and effective communication across project teams, enabling efficient project execution.

4. Initial Design of the Wistron AI Governance Framework
Based on our external research and internal assessments, we developed the foundation of Wistron's AI governance framework, which is structured around four pillars: organization, talent, processes, and tools.

Looking ahead to 2025, we aim to further optimize the structure of our AI Center of Excellence (AICoE), establish more detailed governance standards and operational guidelines, and define maturity benchmarks for AI governance. These efforts will ensure that AI governance at Wistron fully aligns with our broader corporate governance requirements.

AI Sustainability and Future Roadmap

The journey from digital transformation to AI development is one of continuous evolution. To strengthen Wistron's core AI competitiveness and accelerate our transition into a technology service enterprise, our 2024 focus is on driving more E2E game-changing use cases. These efforts emphasize advancements in generative AI, particularly multi-modal capabilities and AI Agents, as well as virtual-physical integration. We are actively shaping the next chapter of AI at Wistron by deepening AI adoption across internal operations and fostering a robust AI ecosystem through partnerships with internal and external partners to strengthen our cooperation with customers, suppliers, and tech leaders.

To ensure smooth execution, we conduct weekly progress reviews, host monthly exchanges with the Chief Infrastructure Officer (CIO) & Chief Technology Officer (CTO) and the Chief Digital Officer (CDO) & Chief Information Security Officer (CISO) for strategic guidance, and hold quarterly executive briefings with the President and business group heads to align on major directions. This ensures that AI applications play a long-term and critical role in Wistron's long-term development as we advance on a sustainable path grounded in truth, goodness, and beauty, with AI as a catalyst for meaningful change.

2.1.3 Startup Investments

Matchmaking & Investment: Innovating and Investing in the Future with External Partners

Wistron has long cultivated external innovation. Since 2010, we have actively participated in startup activities and investment, collaborating with a wide range of startup partners. These efforts include co-developing entrepreneurial talent with the Epoch Foundation, jointly launching Wistron Lab@Garage+, and supporting the AAMA program, all in service of advancing an innovation ecosystem.

Years of exploration and experience have taught us that investing in startups is a long-term endeavor. Synergies with the Wistron Group are only possible when startups demonstrate reliable and consistent profitability. With this in mind, we formally established our Wistron Corporate Venture Capital (CVC) Office in 2021. Led by experienced investment managers, the office focuses on early-stage startup investment with financial return as the priority, while actively seeking long-term strategic opportunities aligned with the Wistron Group's five to ten year growth outlook.

Horizontal and vertical integration of existing businesses, capacity expansion, and investments across new business value chains remain under the purview of individual business groups, as illustrated in Chart 1.

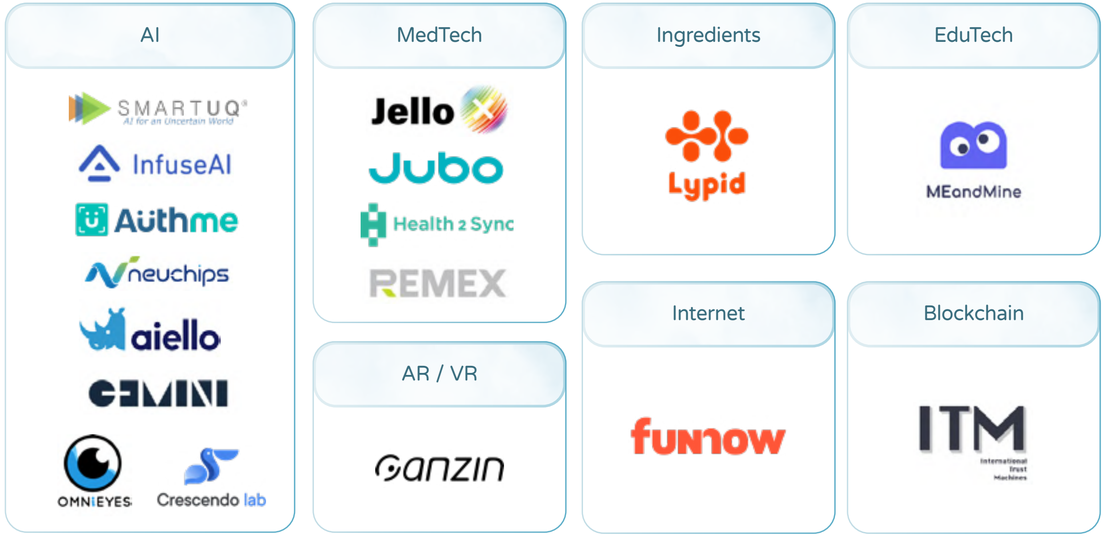
0	1	2	3	4	5	6
Angel	POC-Proof of Concept	PMF-Product Market Fit	Scalable Biz Model	Growing Business	Getting IPO-Ready	IPO

Vertical and horizontal integration or capacity expansion of existing businesses

Decision-making: Business Groups - Known Future
Building a complete value chain for new business development

Decision-making: New Business Groups - Unknown Future
Exploring and shaping the Group's long-term business development
Decision-making: CVC

As of the end of November 2024, the Wistron CVC has successfully supported 19 early-stage startups. The distribution of these investments is shown in Chart 2.



Throughout this period, the Wistron CVC also partnered with AppWorks to launch the Wistron Accelerator, drawing on AppWorks' decade-long expertise in startup development. AppWorks oversees recruitment and operations, while Wistron contributes our global experience in the ICT industry and end-to-end ecosystem integration. The goal is to help Taiwanese startups scale rapidly and to co-create viable solutions alongside Wistron. This collaboration also positions the Wistron Group to seize growth opportunities beyond our current business lines over the next decade.

The Wistron Accelerator runs two batches per year, targeting startups in six innovative domains: AI, IoT, Cloud, Cyber Security, Education, and MedTech. To deliver a better collaborative experience, participating startups are encouraged to have completed product development and experience in user engagement. Accepted startups benefit from both the AppWorks community and exclusive access to potential partnerships with the Wistron Group, accelerating their path to market validation.

As of the seventh batch, the Wistron Accelerator now has 37 alumni across ten countries, producing a wide range of

collaboration models, including co-developing solutions for clients, applying their technologies in Wistron businesses, integrating their solutions into Wistron's product offerings, and engaging in operational or technical consultations.

Post-Investment Management: Building the Founders Club Community

The entrepreneurial journey is filled with challenges. As such, the Wistron CVC hosts a Founders Club twice a year. These gatherings, held as networking events and dinners, bring together startup founders from our investment portfolio to share success stories, learn from past setbacks, and forge a collective path forward. Each Founders Club session is carefully curated around themes that reflect the broader landscape and startup trends, offering practical insights and inspirations tailored to founders' needs.

Take the seventh session as an example. Recognizing that startups often struggle to recruit and retain financial talents during critical growth stages, Wistron CVC invited Dien Chang, a senior financial expert from urCFO, and CPA Yvette Chien from KPMG to lead a discussion on "Financial Talent for Different Stages of Corporate Growth." The session offered deep insights into financial management strategies across growth phases and shared how startups can strike the right balance between business expansion and financial health, empowering founders to build more resilient and long-standing enterprises. The event fostered an open and lively atmosphere, where founders candidly exchanged strategies, lessons, and insights, embodying the Founders Club spirit where entrepreneurs are never alone!

The event also welcomed middle and senior managers from Wistron Corporation, Wiwynn, Wistron NeWeb Corporation, Wistron ITS, and WiAdvance, facilitating meaningful exchanges between startup founders and experienced corporate leaders. These interactions not only provided valuable managerial perspectives but also sparked new possibilities for cross-sector collaboration, building a mutually beneficial bridge between Wistron Group and the startup ecosystem.

2.2 Green Circular Solutions

2.2.1 Sustainable Materials

Global resources are finite. As technology advances, human activity inevitably places increasing pressure on ecosystems and societies. At Wistron, the manufacturing of our products relies on a variety of raw materials. Only by committing to the use of sustainable materials will we be able to reduce environmental and social impact. As such, we have established a Sustainable Materials Policy, set corresponding goals, and launched related programs. In line with this policy, we assess the environmental and social impacts of our R&D, procurement, production, operations, and services, prioritizing the use of primary or secondary raw materials with the least negative impact.

Wistron's Definition of Sustainable Materials:

- Compliant Hazardous Substance Management Regulations
- Free from conflict minerals
- Made from recycled or renewable sources
- Sourced outside of ecologically protected areas
- Support environmental conservation and avoid human rights violations

Raw Materials Programs

Wistron's product range is diverse, and different product categories require different key materials. Among them, the most commonly used include plastics, aluminum, and steel in the chassis of notebook computers, desktop computers, monitors, and servers, as well as copper used in cooling components and PCBs. We prioritize the integration of sustainable materials into these high-volume material categories.

2024 Raw Material Usage

Raw Material	Total Usage (ton)	Recycle material Use Ratio (%)
Plastic	14,546.25	44.30
Aluminum	865.98	9.60
Steel / Iron	14,818.27	7.15
Copper	437.88	1.48
Cobalt	19.36	0
Nickel	20.74	0
Lithium	0.56	0
Titanium	0.03	0

Note: Due to data collection limitations, the reported usage volumes of nickel, lithium, and titanium are based on components for which Wistron has completed full material disclosure (FMD). Starting in 2024, the scope of material surveys for plastics, aluminum, steel/iron, copper, and cobalt has expanded from previously covering only commercial notebook computers and servers to now encompassing all Wistron product categories

Reducing the Negative Environmental and Social Impacts of Raw Materials

To minimize the negative environmental and social impacts from raw material usage, Wistron is committed to integrating sustainability factors into procurement management. With reference to the ISO 20400 Sustainable Procurement Guidance, we have formulated a Sustainable Procurement Policy that incorporates sustainable materials. Through our Supplier Code of Conduct, we also require our supply chain partners to identify the environmental impacts associated with their own and upstream manufacturing processes, and to minimize any adverse effects on communities, the environment, and natural resources, while protecting public health and safety. Wistron assesses supplier sustainability from the following sustainability issues and impacts:

Environmental : Including climate change mitigation and adaptation, carbon and energy management, water resource management, and hazardous substances and waste control. We strive to prevent pollution throughout the extraction and processing stages of materials and to protect biodiversity and restore natural habitats.

Social : Including human rights and labor protection guidelines and occupational health and safety management.

Governance: Including supplier risk management and sustainable practices in upstream supply chains, such as business ethics and conflict minerals compliance.

Establishing Traceability and Certification of Sustainable Materials

Since 2022, Wistron has gradually developed a traceability and certification system for materials, taking stock of sustainable materials each year to learn more about our own use of sustainable materials. For some post-consumer recycled (PCR) plastic, we trace back to the raw material suppliers. For metals, we trace back to the smelter. We then obtain certification from suppliers on the material's percentage of recycled materials, including ISO 14021 (recycled material percentage verification), EN 15343 (recycled plastics percentage verification), or SCS Global Services' Recycled Content Certification Standard. The help of third-party verification ensures the reliability and traceability of sustainable material across our supply chain.

Sustainable Materials Targets and Cooperation

To reduce the use of raw materials on our environment, we are committed to increasing the percentage of recycled materials in our products. In our product design stage, the greatest challenge confronting our R&D team is ensuring product function and a quality exterior. As such, we collaborated with our PCR plastic subsidiary - Wistron Advanced Materials - to analyze the properties of PCR plastics and develop design standards, gradually introducing PCR plastics into selected products.

We established and publicly disclosed short-, medium-, and long-term targets and progress to target (see 1.3 Goals of the Six Sustainability Strategies (ESG 6-Pillar)), revenue percentage of products using PCR materials to hardware, and percentage of hardware products made with PCR plastics by year. In addition to plastics, the Wistron R&D team also collaborates with metal casting raw material factories to batch verify materials and use the same parameters to compare differences between properties of metals using various percentages of recycled materials. To ensure the quality of volume production, we have set acceptance standards for incoming materials and applied these experiences to various production lines.

From green sustainable materials design and verification, we have gained valuable experiences that now comprise an invaluable Wistron database on innovative materials. This continues to drive sustainable development and is an important R&D asset to Wistron in the field of product design, quality, and material management.

Sustainable Materials Training

To ensure colleagues responsible for sustainable materials are equipped with relevant knowledge and understanding, we have gradually developed and launched related courses. Currently available courses include:

- **Sustainable Materials Management, Operations, Planning & Design:** This course provides an overview of global landscapes, the development of circular economy, sustainable materials management, and material flow analysis, as well as real case studies on recycling and reuse.
- **Recycling 101:** This course gives an overview of PCR materials and its development as well as the recycling process and basic information on electronic waste disposal.
- **PCR Materials Certification 101:** This course provides information on PCR materials, including the pros and cons of PCR materials, safety of electronic products, UL Yellow Card, and relevant flame-retardancy testing standards.

2.2.2 Green Products

Wistron follows the framework of ISO9001 and QC080000 management system in the product development stage. The Green-design Guide is adopted to introduce the concept of life cycle assessment into products. Moreover, Wistron can design compliant products to meet customer needs, environmental protection laws and regulations, energy consumption labels and safety regulations in various regions. In 2024, green product practices and achievements across each life cycle stage are as follows:

Raw Materials

Recycled Materials Usage

80% recycled aluminum was introduced into AI notebook products, 50% recycled steel into AI servers, and 75% recycled plastics into rugged handheld devices GLF project's recycling or renewable material ratio is 39.11%

Product Safety

In 2024, a total of 10 banned substance and 297 controlled substances were added to Wistron's Hazardous Substances Control Guidelines

Manufacturing

Greenhouse Gas Management

Every year, Wistron conducts greenhouse gas inventories to monitor carbon emissions. We also use renewable energy and energy-saving measures to reduce carbon emission

Modular Designs

Completed four modular component designs in collaboration with customers (for notebook computers/display panel modules/acoustic modules/ keyboard modules/RF modules)

Compliance with environmental regulations

All product lines are 100% in compliance with customer needs and the requirements of various regional environmental protection laws and regulations, energy consumption labels and safety regulations. At the same time, there are no violations of regulations and voluntary standards on product information labeling.

Distribution

Sustainable Packaging Design

Launched plastic packaging program for notebook computers produced in collaboration with customers, using 100% recyclable recycled materials for packaging

Product Use

Energy-Efficient Products

In complying with customer requirements, in 2024, 100% of Wistron product were compliant with Energy Star standards, with annual savings of 634,044,046 kWh / 2,282,558,567,220,000J and a reduction of 313,217,759 kgCO2e. Considering its service life, energy saving benefit of the product is 3,931,535,970 kWh / 14,153,529,491,316,000J with a reduction of 1,942,178,769 kgCO2e.

Extending Product Life

Introduced modular and easy-to- disassemble/recycle designs.

Environment Label

In 2024, Wistron's products that have helped brand customers secure environmental protection labels account for 100% of hardware revenue.

Waste Recycling

Waste Reduction

In the product design phase, circular economy principles such as waste reduction, recycling, and reuse are incorporated, with a priority given to the use of recycled and environmentally friendly materials. In 2024, 100% products exported to the EU were fully compliant with WEEE requirements

Wistron adheres strictly to import regulations or directions across all countries and have a historical passing rate of 100%

Laws, Regulations and Directives	Wistron's Products
EU RoHS directive: Control of substances hazardous to the environment	100% compliant
REACH	100% compliant
WEEE: Recycling of electronic/appliance waste	Products exported to EU are 100% compliant
CA65	Products exported to California are 100% compliant
POPs（Persistent organic pollutants）	Products exported to EU are 100% compliant
VOCs	Products exported to China are 100% compliant
Mineral oil laws of France	Products exported to France are 100% compliant

Number of Products to Obtain Important Environmental Protection Labels in 2024

Label name	Product Type and Quantity
Taiwan Green Mark	127 personal computer products (including 83 laptop computers, 31 desktop computers, and all-in-one computers), 11 monitor products, and 2 servers and network-attached storage devices obtained the Taiwan Green Mark
China Environmental Labeling	343 personal computer products (including 158 laptop computers, 58 desktop computers, and all-in-one computers), 120 monitor products, and 7 servers and network attached storage devices obtained the China Environmental Labeling
U.S.A EPEAT	515 personal computer products (including 292 laptop computers, 95 desktop computers, and all-in-one computers), 120 monitor products, 1 smart phone and handheld devices, and 7 servers and network attached storage devices obtained the U.S.A EPEAT
TCO Certification	325 personal computer products (including 164 laptop computers, 44 desktop computers and all-in-one computers) and 117 monitor products obtained TCO certification
US Energy Star	626 personal computer products (including 332 laptop computers, 121 desktop computers and all-in-one computers), 167 monitor products, and 6 VoIPs obtained US Energy Star certification

Product Safety Management and Guidelines

In order to ensure that raw materials are free from hazardous substances, in compliance with international environmental protection regulations and customer regulations on hazardous substances, Wistron has formulated "Wistron Hazardous Substance Management Regulations" and "Control Operation Procedures for Products Containing Hazardous Substances" by following the IECQ QC080000 management framework. We have developed Product Lifecycle Management (PLM) and Green Product Management (GPM) on our own to confirm that all parts and packaging materials used in products must comply with international environmental protection regulations and customer regulations on hazardous substances.

Currently, Wistron has 10 banned substance and 297 regulated substances. Wistron re-examines regulations and customer standards every six months to amend Wistron regulations for compliance with raw material regulations and customer specifications. Wistron's packaging materials mainly use renewable materials. We compile statistics every year based on the import/export customs declaration system for the weight of product materials and packaging materials.

Item	2021	2022	2023	2024	2025
Banned Substances	10	10	10	10	Regulatory plan: • Continuously monitor and collect the latest reporting requirements related to PFAS under the U.S. Toxic Substances Control Act (TSCA) • Implement controls in accordance with updates to customer specifications and changes in international regulations
Regulated substances	285	297	304	297	

Note:
1. Wistron regulated substances: Product (Banned Substances + Regulated Substances) + regulated substances in packaging
2. Banned substances: 10 substances restricted by the EU Directive on the Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS), which include lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls, polybrominated diphenyl ethers, di(2-ethylhexyl) phthalate (DEHP), butyl benzyl phthalate (BBP), dibutyl phthalate (DBP), and diisobutyl phthalate (DIBP)

Use of Product and Packaging Materials

Historical Use of Product Materials and Packaging Materials (Volume)

	2021	2022	2023	2024
Product material usage volume (t)	238,388	219,161	176,360	161,377
Packaging material usage volume (t)	78,979	76,947	57,361	52,619
Percentage of renewable materials (%)	33.1%	35.1%	32.5%	32.6%
Non-renewable material usage volume (t)	159,409	142,214	118,999	108,758
Percentage of non-renewable materials (%)	66.9%	64.9%	67.5%	67.4%

Note:
1. The weight of all materials and packaging materials is denominated in "gross weight," which is defined as the total weight that includes the weight of packaging materials.
2. Product material usage volume (t) = product weight + packaging material weight
3. Packaging material usage volume (t) = packaging material weight
4. Percentage of renewable materials = (total renewable materials/total materials) x 100%
5. Percentage of non-renewable materials = (total non-renewable materials/total materials) x 100%
6. All packaging materials used for Wistron's production are recyclable recycled pulp, and is thus considered as a recyclable material

Wistron's Hazardous Substance Management Regulations

In accordance with international environmental protection regulations and customer environmental protection requirements, Wistron has formulated "Hazardous Substance Management Regulations" to define the standards for restricted use of hazardous substances such as components, packaging materials, and auxiliary materials used in products. This is used to establish a list of control and monitoring items, and cooperate with suppliers to reduce environmental impact and protect human health.

1. Hazardous substances restricted by the EU RoHS Directive
2. Wistron restricted items: Established based on IEC62474 of the Material Declaration Standards and eco-friendly requirements from brand customers.
3. Wistron monitoring items: Include substances of concern that have yet been banned. We collect information on the usage status as the basis of evaluation for future reduction schedule or new bans.
4. Halogen-free or low-halogen product regulated items: Halogen-free or low-halogen regulations for specific products are introduced in response to customer demands.
5. Substances of Very High Concern (SVHC) under REACH
6. Battery regulations: Batteries contain a lot of chemicals and should therefore be recycled and separated before disposal to avoid environmental pollution. The batteries are all marked with recycling marks in accordance with customer requirements and the requirements of various countries
7. Packaging material regulations: This will largely apply to packaging materials for final product shipments, such as: corrugated boxes, packaging bags, cushioning materials, labels, tapes, pads, etc.

Information System and Management Procedures

- Invention and innovation reward scheme
- Project tracking system (PTS)
- Quality management system (ISO 9001)
- Hazardous substance process management system (IECQ QC 080000)
- Green-design guide
- Product lifecycle management (PLM)
- Green product management (GPM) system
- SAP System
- RoHS Directive
- Registration, evaluation, authorization, and restriction of chemical substances (REACH)
- International safety regulations (BSMI, CB, CCC, CUL, UL, and TUV certification from different countries)

2.2.3 Product Life Cycle Assessment

Through life cycle assessment, enterprises can evaluate the potential impact on the environment of various inputs and outputs in the process of product or service life cycle. In addition, the evaluation results are applied to the commodity, manufacturing or service stages so we can consistently deliver eco-friendly products. In 2024, Wistron complied with ISO 14040 and 14044 life cycle assessment standards to assess laptop computers and docking stations. The system boundaries have been defined as cradle to grave, which includes raw material, manufacturing, distribution, use, and end of life stages. The LCA analysis tool is used to conduct computational analysis to obtain the environmental impact assessment results and carbon footprint of the product. Currently, products that have completed LCA analysis account for 23.49% of Wistron's total revenue.

Wistron established a standard operating procedure for product life cycle assessment. Our colleagues are trained through e-learning classes, and we established an LCA analysis team to continue to strengthen the knowledge and capabilities of our product life cycle assessment. In addition, Wistron's Product Carbon Footprint System (PCF System) was officially launched in January 2023. It obtains product-related information by connecting Wistron's internal systems, allowing for rapid calculation of carbon footprint and significantly reducing the manual work time for life cycle assessment. The system also enables carbon emission hotspot analysis to assist the product development team in developing low-carbon products. In 2024, Wistron collaborated with customers on two docking station products that successfully obtained third-party verification certificates for product carbon footprint (PCF) under ISO 14067, marking the first successful case of using Wistron's PCF system to pass third-party PCF verification.

Also in 2024, Wistron completed product carbon footprint calculations for 33 products across seven major product categories, including notebooks, desktops, monitors, AIOs, handheld devices, IPCs, and servers, via our PCF system. These accounted for 4.01% of Wistron's total revenue.

Carbon Footprint Analysis of Each Life Cycle Stage

Unit $kgCO_2$

Product Scope	Raw Materials	Manufacturing	Distribution	Product Use	End of Life	Total Carbon Emissions
Laptop computer (14 inches) (Chongqing Plant)-A	88.71	4.32	0.85	64.83	0.89	159.59
Laptop computer (14 inches) (Chongqing Plant)-B	63.76	5.32	0.05	76.02	1.15	146.31
Laptop computer (16 inches) (Chengdu Plant)-C	96.24	12.63	40.46	31.29	2.13	182.75
Laptop computer (16 inches) (Chengdu Plant)-D	105.70	5.39	37.95	40.35	2.17	191.56
*Docking station (Chongqing Plant)-E1	24.79	0.66	1.81	24.46	0.51	52.23
*Docking station (Vietnam Plant)-E2	24.70	4.00	0.37	25.90	0.51	55.48
*Docking station (Chongqing Plant)-F1	29.08	1.40	7.26	67.89	0.62	106.24
*Docking station (Vietnam Plant)-F2	28.96	5.30	0.37	62.86	0.63	98.109

Note:
In 2024, docking stations acquired third-party assurance statement for ISO 14067 product carbon footprint

Results of Environmental Impact Assessment

Impact Category	Unit	Environment Impact Results			
		Laptop computer (14 inches) (Chongqing Plant)-A	Laptop computer (14 inches) (Chongqing Plant)-B	Laptop computer (16 inches) (Chengdu Plant)-C	Laptop computer (16 inches) (Chengdu Plant)-D
Climate change	kg CO_2 eq	164.764	151.476	186.060	195.038
Ozone depletion	kg CFC-11 eq	0.00000843	0.00000592	0.00001970	0.00002070
Ionizing radiation	kBq U-235 eq	11.525	8.690	26.754	30.986
Photochemical ozone formation	kg NMVOC eq	0.578	0.517	0.705	0.716
Particulate matter	kg $PM_{2.5}$ eq	0.00001075	0.00001031	0.00000814	0.00000826
Human toxicity, non-cancer	CTUh	0.00000820	0.00000722	0.00001010	0.00001060
Human toxicity, cancer	CTUh	0.00000015	0.00000013	0.00000020	0.00000023
Acidification	mol H^+ eq	1.101	0.990	1.281	1.306
Eutrophication, freshwater	kg P eq	0.112	0.080	0.130	0.144
Eutrophication, marine	kg N eq	0.272	0.250	0.321	0.320
Eutrophication, terrestrial	mol N eq	2.206	1.976	2.648	2.649
Ecotoxicity, freshwater	CTUe	8,734.198	6,754.625	8,801.973	9,117.374
Land use	Pt	639.689	523.400	797.983	814.410
Water use	m^3	76.140	803.020	1,784.468	1,192.247
Resource use, fossils	MJ	1,785.152	1,557.300	2,451.303	2,638.328
Resource use, minerals and metals	kg Sb eq	0.023	0.015	0.025	0.026

Note: Starting from 2024, adopted Environmental Footprint (EF) for environmental impact assessment methodology

2.2.4 Circular Economy

As one of the world's leading ICT product solution providers, Wistron is committed to R&D, design, manufacturing, and services across various industries. Sustainability design and development for products revolve around the concept of the product life cycle. From the acquisition of raw materials to manufacturing, delivery, use, and disposal/recycling, sustainability design and development aims to reduce a product's impact on the environment, create sustainable value, and ensure resources can be used sustainably, thereby creating a sustainable operations model grounded in recycling. Since 2013, Wistron's green resources business has been providing brand customers with green recycling and circular services, implementing a closed-loop cradle-to-cradle system and seizing opportunities arising from climate change to maximize the benefits of the circular economy.

Recycling Business Group's Achievements

Item	2021	2022	2023	2024
Disposal of electronic waste (t)	7,300	4,660	4,360	4,319
PCR plastics shipping volume (t)	26,288	21,577	18,035	20,176
Reduction in use of new plastics (t)	11,131	11,047	9,471	12,586
Recycling BG's total revenue (NT$1M)	1,468	1,145	997	1,009
Invested costs	137	136	126	196

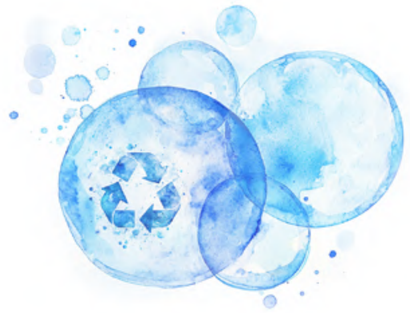
Note: Total revenue from green resources business = Wistron GreenTech Texas revenue + Wistron Advanced Materials (Kunshan) Co., Ltd. revenue

Electronic Waste

In 2024, Wistron GreenTech Texas processed approximately 4,319 metric tons of electronic waste, underscoring the company's continued commitment to sustainability. The team also developed a battery sorting technology capable of separating batteries based on their chemical composition. This advancement enables more precise and efficient recycling of used batteries, which are subsequently sent to specialized battery recycling vendors according to type.

On the innovation front, Wistron GreenTech Texas has made rapid progress in developing technologies and equipment for lithium battery recycling and black mass production. The new equipment focuses on the safe and efficient recycling of discarded lithium batteries, without generating air or water pollution, or causing fire or explosion risks during processing. Beginning in 2025 Q1, the system is expected to handle approximately 1,000 metric tons of waste lithium batteries annually, producing around 400 metric tons of black mass along with by-products such as copper, aluminum, and plastics, thereby contributing to resource circularity. The recovered black mass will be refined into cathode materials or processed using hydrometallurgy to extract valuable metals, enhancing the value of recycled products. Wistron also plans to collaborate with OEM customers to apply its lithium battery black mass processing technology, addressing challenges related to the safe and efficient recycling of end-of-life lithium batteries and the mitigation of fire or explosion risks.

Meanwhile, Wistron GreenTech Texas has also reactivated its hydrometallurgical refining equipment to process black mass materials from lithium batteries. In 2024, Wistron partnered with Chung Yuan Christian University and National Yunlin University of Science and Technology on industry-academia collaboration projects to experiment with hydrometallurgical extraction of lithium, cobalt, nickel, and manganese from black mass using various acidic and alkaline agents. Pilot hydrometallurgical refining tests are scheduled to begin in the second half of 2025 at the Texas facility, aiming to diversify recycled products and meet broader application and market demands.



Eco-friendly PCR Materials

In 2024, our shipments of post-consumer recycled (PCR) eco-friendly materials reached 20,176 metric tons, with 12,586 metric tons of raw materials sourced from recycled electronic waste. The decarbonization benefit, estimated using Simapro and database emission factors for recycled plastics, is equivalent to approximately 57,665 metric tons of CO_2e emissions reduced. As of 2024, Wistron has obtained a cumulative total of 21 UL Yellow Cards for products . Applications of recycled plastics have also expanded from monitors, desktop computers, and televisions to include routers, servers, mouses, keyboards, and fans.

Note：The UL Solutions Yellow Card Plastics Recognition Program is a global program that ensures the safety and quality of plastic products, helping companies demonstrate that their plastic materials meet a comprehensive set of specific performance evaluation certifications (Learn more).

Category	2024 Shipments (t)	2024 PCR Addition Amount (t)	2024 PCR Addition Ratio (%)	2024 Carbon Emission Reduction (tCO_2e)
Recycled ABS Series	12,907	9,049	70	34,700
Recycled PC/ABS Series	3,474	1,684	48	14,791
Recycled HIPS Series	1,527	1,247	82	4,050
Recycled PC Series	916	481	53	3,644
Recycled Marine Material Series	147	125	85	481
Others	1,205	0	0	0
Total	20,176	12,586	62	57,665

Raw Materials and Technological Innovations

In the past ten plus years, the green resources team has been dedicated to recycling and reuse services for electronic waste, developing new materials and expanding product applications for Wistron and OEM customers to support the circular economy. For example, applications of flame-retardant PCR PC products (with high PCR levels) in adaptors have obtained UL RTI 125 ℃ certification; low-temperature impact resistance PCR PC/ABS products and strong weather-resistant PC/ASA products now consist of 50% PCR and have been applied to NB and server components; and PBT+GF materials are now applied to automotive connectors.

Item	Raw Material / Technology	Characteristic & Environmental Impacts
Recycled Materials	PCR PC/ABS+Talc for NB Housing	In 2024, Wistron Advanced Materials began applying 50% PCR materials in notebook chassis.
	Recycled Metals	In 2024, 80% recycled aluminum was introduced into AI notebook products, 50% recycled steel into AI servers, and 75% recycled plastics into rugged handheld devices.
Technological Technology	Lithium Battery Recycling	In 2024, installation and testing of black mass production equipment recycled from waste lithium batteries were completed, with a capacity expected to reach approximately 1,000 metric tons of waste lithium batteries annually starting from Q1 of 2025. In 2024, battery sorting technology was developed to enable preliminary size-based sorting of batteries with different chemical compositions, allowing for more accurate and efficient battery recycling.

Green Products

In product design and development stages, Wistron uses "Green Product Design Guidelines and Review Procedures" and other specifications to consider waste disposal, recycling, and reuse from the design stage as we seek to minimize the impact on people and the environment after the products are discarded. Wistron's Recycling Business Group focuses on the recycling electronics and refining recycled plastics, continuing to cooperate with customers on PCR plastics for various products. In 2024, Wistron's shipped products using PCR plastics accounted for 61.8% of our total product revenue, representing an increase of 2.2% compared to the previous year. This proves that Wistron's green brand continues to be recognized by the international market.

Wistron's product packaging is also designed to be eco-friendly and recyclable. From cartons and cushioning to printing inks, recyclable and reusable materials are used wherever possible. Moreover, we comply with country laws and regulations, such as: China's Blue Sky Plan, France's Mineral Oil Law, etc. We replace packaging materials with more eco-friendly ones to reduce our impact on the environment. In 2024, packaging designed with recycled materials as percentage of revenue reached 76.7%.

Percentage of PCR plastics revenue to product revenue

61.8 %

Packaging designed with recycled materials as percentage of product revenue

76.7 %

Products Using PCR Plastic Materials as Percentage of Total Revenue (%)

Product Type	2021	2022	2023	2024
Laptop computer	85.6%	90.9%	93.1%	94.3%
Desktop Computers & All-in-One (AIO) Computers	68.4%	81.6%	88.3%	73.5%
Monitors	96.5%	94.2%	94.1%	96.1%
Servers & NAS	0.1%	0.3%	3.1%	13.4%
Voice over Internet Protocol (VoIP)	3.8%	4.3%	5.5%	15.0%
Keyboard Modules	--	--	--	86.2%

Note:
1. Keyboard modules included in scope starting 2024
2. Percentage of PCR plastics revenue by product category = Revenue from projects using recycled materials in that product category / Total revenue of that product category

Key Performance Indicators of Green Products (%)

Item	2021	2022	2023	2024
Percentage of products requiring WEEE compliance	100%	100%	100%	100%
Percentage of products requiring EPEAT or equivalent compliance	100%	100%	100%	100%
Percentage of products requiring Energy Star compliance	100%	100%	100%	100%
Percentage of packaging designed with recycled materials	56.8%	48.1%	70.1%	76.7%
Percentage of products that use recycled plastic materials	45.8%	39.2%	59.6%	61.8%

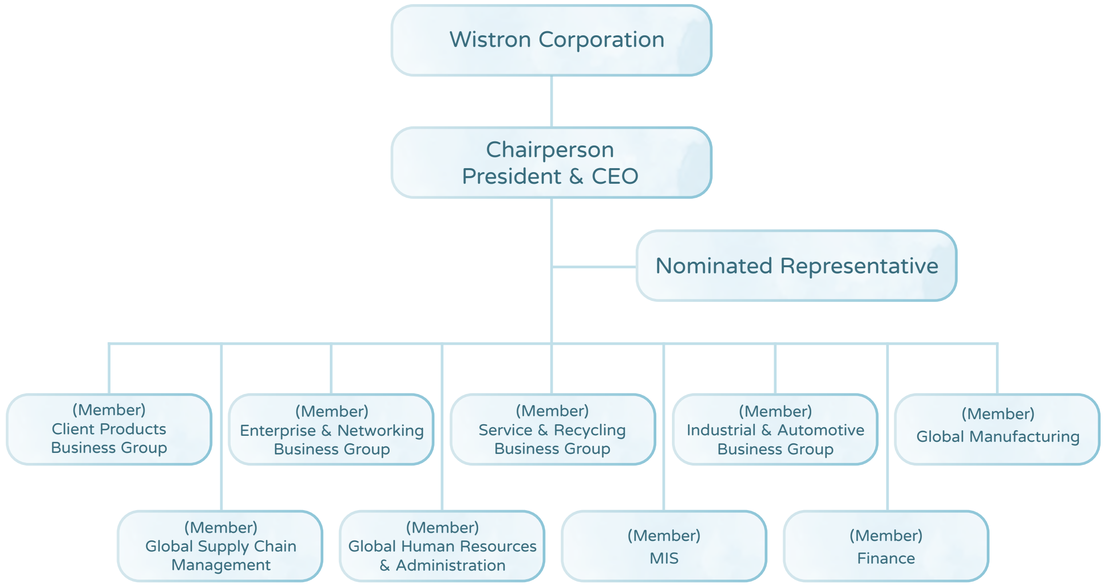
Note
1. The certification rates for WEEE, EPEAT or equivalent, and Energy Star are calculated excluding projects without certification requirements or those where certification is applied for by the customer
2. EPEAT equivalents include the Taiwan Green Mark, China Environmental Labelling, and TCO
3. Performance rate = Revenue from compliant projects / Total Wistron revenue

2.3 Pursuit of Quality

2.3.1 Product Quality

Wistron not only focuses on product quality, but also continues to leverage years of design and manufacturing experience to win the trust of customers with complete product testing and strict quality control. The goal of Wistron's quality policy is to "deliver zero-defect and competitive products and services to customers on time."

Wistron has established a 'Quality and Hazardous Substance Process Management System Implementation Committee', chaired by the President and CEO. Each business unit have steering committees to implement the relevant requirements of quality and hazardous substance management in their respective units.



As a global leader in technology services, Wistron provides innovative ICT products, services, and systems, adhering to the implementation of the ISO 9001 quality management system and the IECQ QC080000 hazardous substance process management system. Throughout the service process from product research and development to manufacturing, Wistron meets the quality standards required by customers, establishes optimization and improvement mechanisms, continuously improves product quality, and achieves customer satisfaction. In 2024, Wistron had zero instances of product recalls.

Wistron provides new employees with foundational training on ISO 9001 and IECQ QC080000 standards to ensure they can apply quality management system requirements in their daily work. Employees are required to undergo regular refresher training to update and strengthen their knowledge. The company has developed an effective training program tailored to employees' roles (e.g., R&D, product management, manufacturing, quality, procurement, etc.) and professional development goals. These training courses cover a wide range of topics, including but not limited to regulatory requirements, technical skills, workplace safety, and customer service. Customized courses are arranged to meet the specific needs of different positions and departments, ensuring comprehensive and effective training. In 2024, quality-related training totaled 3,707 hours for existing employees and 1,739 hours for new employees.

Wistron conducts internal audits annually, developing annual audit plans based on company needs and regulatory requirements. The internal audit process includes five key steps: planning, preparation, execution, reporting, and follow-up. All Wistron locations (Xizhi, Neihu, Hsinchu, Zhongshan, Kunshan (China), Chongqing (China), Chengdu (China), Malaysia, Vietnam, the Czech Republic, and Mexico) have successfully pass third-party verification for ISO 9001:2015 and IECQ QC080000:2017 each year. In addition, the Hsinchu and Zhongshan locations are certified to ISO 13485, and Wistron Automotive Electronics (Kunshan) and Kaohsiung Opto-Electronics are certified to IATF 16949. Wistron remains committed to continuous improvement and strengthening the effectiveness of our quality management systems.

STEP 01
Audit Planning
Plan and define scope, departments, processes, or systems for audit

STEP 02
Audit Preparation
Select auditor with related knowledge and experiences, ensure their independence and subjectivity, and offer necessary training

STEP 03
Audit
Randomly inspect related records and documents, assess their authenticity, and ensure the accuracy and system of audit records

STEP 04
Audit Report
Describe in details all non-compliance, including description of the problem, root cause, relevant standards, and audit evidence

STEP 05
Audit Tracking
Report non-compliances in audit reports, establishing corrective and protective measures

Quality Verification and Testing

In order to meet the quality requirements of our customers, Wistron's products must pass related quality inspections and tests to ensure that the products meet specifications and customer quality requirements before starting mass production. Quality tests include function verification, compatibility verification, reliability verification, environmental specifications and requirements, and DFx (design for manufacture/assembly/testing / service) requirements. In the early periods of design and development, we use risk assessments and the Lessons Learned database to jointly and continuously improve product design capabilities, ease of production, and product quality with Wistron plants.

To enhance product design and quality, reduce production costs, and generate customer-recognized values, Wistron's product development process includes planning, design,production pilot run, and mass production, ensuring our products meet customer demands in the design phase. We've also introduced a digital transformation project to automate and standardize design verification. Design problems are avoided in the front-end design to reduce the time and cost of the R&D unit's debugging on the back-end and repeated testing on the verification end.

Process for Product Development

01 Planning
- Confirm product specs & development schedule
- Assemble project team
- Green product design & review

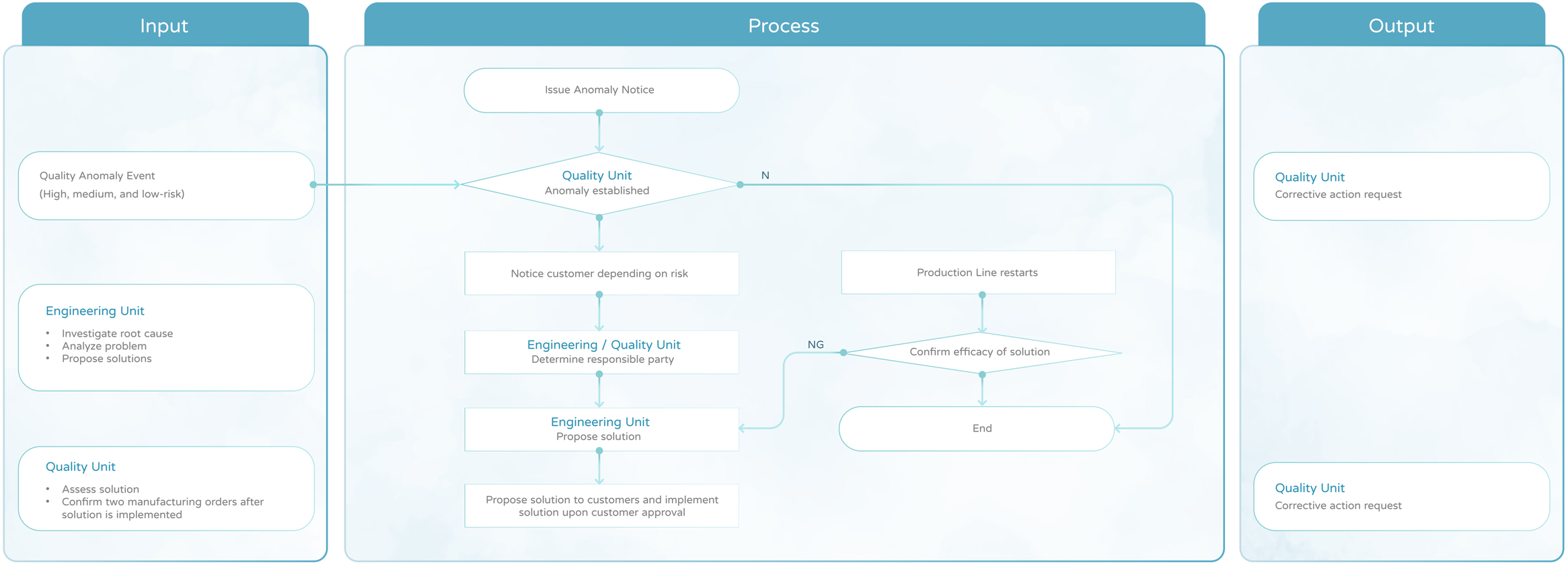
02 Design
- Risk assessment & Lessons Learned database
- Design failure mode and effects analysis
- DFX

03 Production Pilot Run
- Ensure product functions, compatibility, and reliability comply with requirements
- Test failure mode and effects analysis
- Verify product's feasibility and yield
- Approve product components
- Mean Time Between Failures

04 Mass Production
- First article inspection
- Open box audit
- Continue to mitigate annual failure return and improve yield

Abnormality Management

Wistron has established a comprehensive abnormality handling procedure to ensure that any irregularities occurring on the production line are identified, analyzed, and resolved promptly and effectively. This system minimizes the impact on business operations and helps prevent the recurrence of similar incidents. Once the quality unit verifies the effectiveness of corrective measures, the abnormality cases are formally closed and documented for future queries and continuous improvement. Defective events are categorized based on risk level: high, medium, or low. High-risk events include those that may pose serious safety hazards, medium-risk events refer to defects that affect production processes or product performance, and low-risk events are those that do not require immediate action but still need to be monitored and managed. Classifying risks into tiers enables more efficient identification and response to various issues, ensuring that appropriate corrective measures are implemented. In addition, Wistron performs First Article Inspection (FAI) before each production line starts to confirm that production processes and products meet design and specification requirements. Outgoing Quality Control (OQC) is conducted before products are shipped to verify product quality, quantity, specifications, and packaging accuracy, ensuring that customer requirements are fully met.

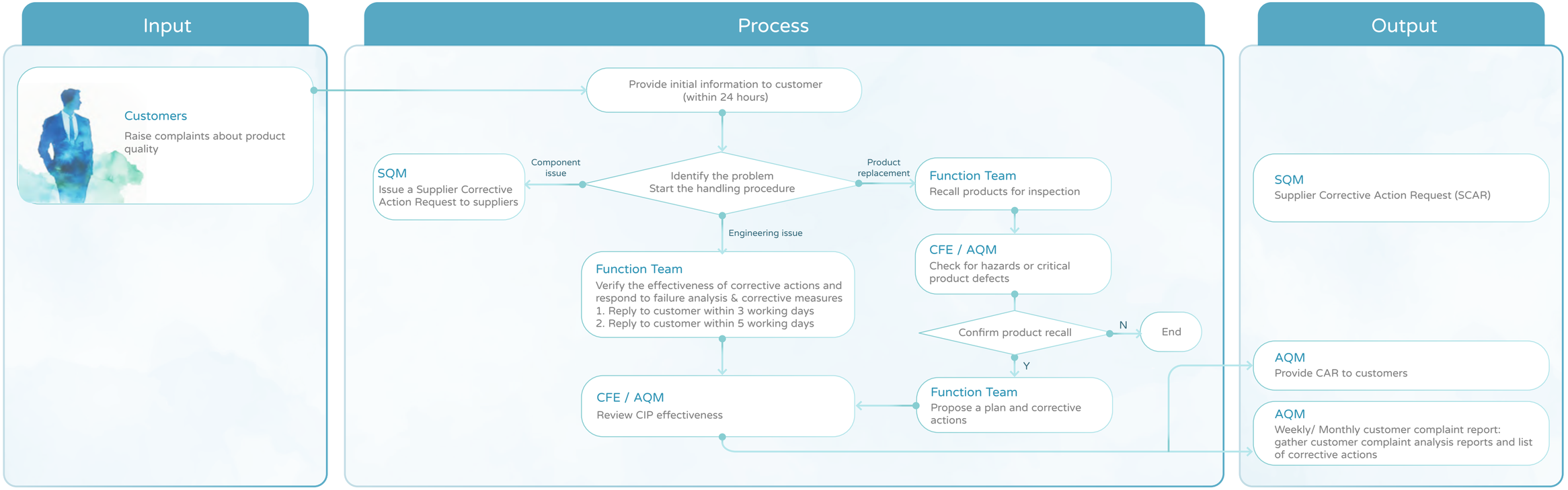


Mechanism for Handling Quality-related Complaints

In addition to proactively gathering customer feedback, Wistron has established a comprehensive customer complaint handling process to ensure that every complaint is thoroughly tracked, addressed, and resolved. This mechanism guarantees that all customer feedback receives timely and effective responses.

- **Rapid Response:** Upon receiving a customer complaint, we provide an initial response within 24 hours to ensure timely communication and build customer trust.
- **Accurate Analysis:** A preliminary analysis report is issued within three working days. Through internal review and supply chain management, we identify the root cause of the issue.
- **Effective Resolution:** A complete failure analysis report is submitted within five working days, accompanied by both short-term and long-term corrective actions to prevent recurrence.
- **Continuous Improvement:** For each RFQ (Request for Quotation) or SOW (Statement of Work) received, we establish customized project teams tailored to the industry and specific requirements, ensuring that standardized processes are continuously optimized to enhance quality and service levels.

This robust customer complaint handling mechanism allows us to respond quickly to customer needs and deliver the highest service quality. It reflects our strong commitment to customer satisfaction and our dedication to providing efficient responses and accurate solutions, ultimately strengthening our overall competitiveness.



2.3.2 Customer Satisfaction

Upholding our core business philosophy of “pursuing customer satisfaction and prioritizing quality,” Wistron has established diverse and effective communication channels, such as phone, email, and customer meetings, to promptly respond to customer questions and needs. We analyze customer feedback to identify root causes and implement improvements, continuously optimizing our product offerings and striving to deliver products and services that exceed expectations. Our goal is to be a trusted and reliable partner to our customers.

Driving Customer Satisfaction

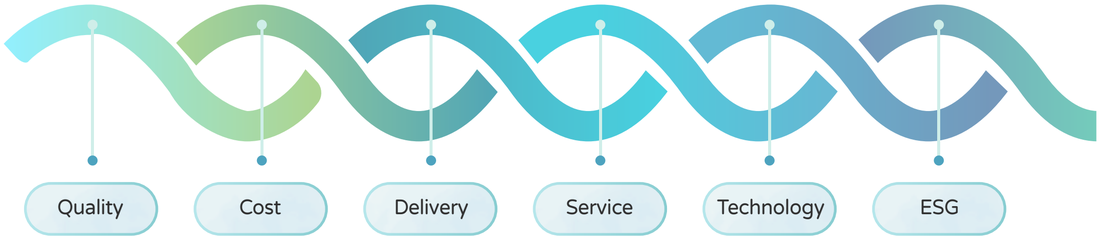
Wistron conducts a Quarterly Business Review (QBR) with customers to learn about our customers demand and listen to their opinions. In response to customer suggestions, we provide concrete and feasible solutions, working continuously to improve our cooperation.

Through strict quality control and ongoing technological innovation, Wistron is committed to enhancing the customer experience. In 2024, these efforts were recognized by certain customers. We received the Lenovo Perfect Award and the HP Recognition Award for portable devices, and the Cisco Best ODM/JDM Partner of the Year award for our server products. Wistron will continue to adopt a customer-centric approach, striving for excellence across all business domains and creating value for global customers.

Surveys and Comprehensive Improvement

Customer satisfaction is the cornerstone of business success. It not only strengthens loyalty but also drives sustainable revenue growth. Wistron regularly issues customer satisfaction surveys through our internal system to proactively gather customer feedback. These surveys assess six key areas: quality, cost, delivery, service, technology, and ESG performance, and provide in-depth customer feedback and needs that serve as a foundation for business groups to improve service quality. In 2024, the customer satisfaction rate was 85.5%, exceeding the annual target of 85%.

Customer Satisfaction Survey



Customer Satisfaction rate (%)

Item	2021	2022	2023	2024
Annual Customer Satisfaction Survey Customer Satisfaction rate (%)	- (Note)	83.3%	85.7%	85.5%

Note: Starting from 2022, Wistron has issued satisfaction surveys to all customers (100% coverage)

Customer Communication