

**Stock Code: 3289**

**INTEGRATED SERVICE TECHNOLOGY INC.**  
**Annual Report 2024**

Website: **mops.twse.com.tw**

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- V. Name of the place where listed overseas securities are traded, and methods of inquiring about information of the overseas securities: None
- VI. Website of iST: [www.istgroup.com](http://www.istgroup.com)

Integrated Service Technology Inc.  
Annual Report 2024  
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# **I. Report to Shareholders**

Ladies and gentlemen:

With powerful development of AI technology, the global semiconductor industry was growing in 2024. AI not only reshaped High Performance Computing (HPC), cloud server and edge computing markets, but also drove sharp semiconductor technology development, which resulted in a rising demand for memory, IC design, advanced packaging and manufacturing process. Enterprises competed to enhance computing power and the entire supply chain was therefore propelled to accelerate technology innovation and market presence to further strengthen the competition structure of the semiconductor industry.

IST had significant breakthroughs in 2024, IST's 30<sup>th</sup> anniversary year, and formally entered the "IST 2.0" era. In addition to deepening the development of AI, astronics, advanced process, advanced packaging, automotive electronics and relevant areas continuously, IST has also upgraded its policy from "solving customers' pain points" to "keeping customers more relaxed" to provide customers with faster and fully comprehensive solutions. With the core value of "the best enabler for product research and development and best keeper for quality control," we are committed to optimization of corporate governance as well as performance of sustainable management. Working with global electronics partners, we are ready to take up technology challenges and opportunities in the future.

With respect to business operations, the scale of our services was continuously expanding in 2024 and the number of our employees exceeded 1,200. Both revenue and net profit hit record highs, showing our stable growth momentum. We will continue to refine our technology ability, launch more solutions, deepen our global market presence through the "IST 2.0" strategy and secure the long-term competitive edge to create higher value for shareholders.

## **Business Overview**

IST showed growth momentum in 2024. The consolidated revenue achieved in 2024 was up to NTD 4,346 million, which increased by 14% over the same period last year, marking a fresh record high. Net operating income NTD 369 million and the net profit attributed to parent company NTD 482 million both rose record highs. Earnings per share (EPS) reached NTD 6.5, a second record high.

The growth momentum mainly came from the rising demand for AI, high performance computing, advanced process, advanced packaging, automotive electronics and relevant areas. IST also continued to deepen technological advantages and promote the development of core businesses, such as materials analysis (MA), failure analysis

(FA), reliability assessment (RA) and signal test, to expand its influence in international market.

Profits stated in the consolidated financial statement of FY 2024 are summarized as follows:

The consolidated operating revenue for 2024 was NTD 4,345,526 thousand, a YoY increase of 14.00%.

The gross profit for 2024 was NTD 1,216,194 thousand, a YoY increase of 19.49%.

The net operating profit for 2024 was NTD 369,014 thousand, a YoY increase of 21.47%.

The net revenue after tax for 2024 was NTD 468,421 thousand, a YoY increase of 49.27%.

Calculated based on the weighted mean of the shares outstanding in 2024, EPS was NTD 6.50, a YoY increase of 26.21%.

Consolidated Operating Revenue and Profits of Integrated Service Technology (3289) for 2024 (Unit: in Thousands of New Taiwan Dollars , except for EPS)			
Item	2024	2023	Annual increase (decrease) %
Operating revenue	4,345,526	3,811,719	14.00%
Gross Profit	1,216,194	1,017,858	19.49%
Net operating profit	369,014	303,797	21.47%
Net profit before tax	523,182	347,415	50.59%
Net revenue (loss) after tax	468,421	313,814	49.27%
EPS (NTD)	6.50	5.15	26.21%

## Business Development and 5 Distinctive Solutions

IST leads industrial innovation by using 5 distinctive solutions, which covers Automotive Electronic Verification, Space Environment Testing, AI High-speed Verification and Signal Simulation Testing, Advanced Process and Packaging, and Smart Real-time Global Reliability Verification, for overall enhancement of product reliability and market competitiveness. We are committed to assisting with automotive electronic products to satisfy international standards, building the most comprehensive laboratory for space environment testing in Asia, optimizing AI high-speed signal testing, and arranging for advanced process and packaging solutions. In 2025, we will set up a smart reliability verification center for us to adopt innovative technology to drive industrial development and help customers seize business opportunities.

## **1. Automotive Electronic Verification**

The global automotive semiconductor market is growing fast. The market size is estimated to be over NTD 88 billion by 2027, and the compound annual growth rate, 12%. To assist customers in accelerating launch of their automotive electronic products, IST has not only become a member of Automotive Electronics Council (AEC), but also acquired certification of IATF 16949 quality management system to provide durability, reliability and relevant verification services and fully enhance safety and stability of automotive products.

## **2. Space Environment Testing**

Most Asian countries (e.g. Taiwan, Singapore, Thailand and Vietnam) were investing in development of low-earth orbit satellites actively. IST, going with the trend, set up the most comprehensive laboratory for space environment testing in Asia in Q4 FY2024 to provide one-stop testing solutions to address issues from the ground to space. Vibration, impact, radiation, thermal vacuum and relevant testing are included to ensure that low orbit satellites and aerospace parts have high reliability in extreme environments consistently.

## **3. AI High-speed Verification and Signal Simulation Testing**

IST focuses on high-frequency signal testing and simulation design evaluation. In Q4 FY2024, IST launched AI high-speed signal solutions. The comprehensive solutions launched provides front-end design simulation evaluation, circuit board characteristic analysis, Port Physical Layer (PHY) testing certification and customized fixture design to assist entities in the AI area, ranging from IC design, AI server to AI PC OEM, and brand companies to rise to the wave of challenges and ensure that products pass the high speed specification verification required by the market.

## **4. Advanced Process and Packaging**

IST will focus on development of CPO (Co-Packaged Optics), TGV (Through Glass Via), TSV (Through-Silicon Via) and 2.5D/3D packaging solutions to ensure stability of high performance computing and optoelectronic products.

## **5. Global Smart Real-time Reliability Verification**

In mid-2025, IST will set up a global smart real-time reliability verification center. The center will integrate software and hardware resources with modular solutions, and provide testing services for smart monitoring, real-time response and global connection. It will adjust test conditions agilely based on voltage and electric current of different products to assist customers in rapid response to market changes and ensure reliability of products in the global market.

## **Honor and Awards**

In 2024, IST won many awards in innovation, corporate governance, sustainable development and talent development, showing IST's outstanding performance in the global market. IST Chairman Yu Wei-Pin was granted the "EY Entrepreneur of The Year" Award. IST also won the second place in 2024 Taiwan BIC Award held by Taiwan Institute of Directors. IST's outstanding performance in business competitiveness has thereby been shown.

In addition, IST was also granted Commonwealth Sustainable Citizen Award and Commonwealth Talent Sustainability Award, showing its high commitment to social responsibility and human capital. Furthermore, we won Work-Life Balance Award, which recognized our efforts made for employee well-being. Meantime, we also won Best Employer Brand Award, showing our continuous enhancement in talent development and employer branding.

These awards demonstrate IST's commitment to operational excellence. We will continue to refine technological innovation and corporate governance and strengthen market competitiveness to create long-term shareholder value.

## **Environmental, Social, and Governance (ESG)**

IST upholds the core values of environmental sustainability, social inclusion and integrity governance and continues to promote corporate sustainability development. After IST set up the ESG Steering Committee in 2023, to strengthen governance effectiveness, it elevated sustainability and corporate social responsibility to the level of matters for which the board is responsible. Further, IST facilitated in-depth operation of the subcommittees of ESG Steering Committee in 2024 to ensure that the sustainability strategy was implemented effectively and create long-term value for the enterprise and the society.

IST is committed to implementing integrity governance and risk control mechanisms and ensure the stability and transparency of business operation by means of cultivation of compliance culture as well as enhancement of employees' ethical awareness. Besides, we shape low-carbon values, comply with environmental protection regulations, are committed to energy conservation and carbon reduction, and set up a green value chain through supply chain management to work towards net zero emissions.

With respect to talent development, IST continues to create a diverse and friendly workplace, enhance talent attractiveness and retention, strengthen employee training and development, and provide an environment where employees are able to achieve a work and life balance in order to realize employee value. In addition, we not only



enhance social participation actively, but also expand industry-university-research collaboration, strengthen community participation and charity activities, set up multiple communication channels and ensure transparency of information disclosure, to deepen our connections with interested persons.

We expect that IST will work with partners from various areas to fulfill corporate social responsibility and create the future of shared prosperity and sustainability.

## **Future Prospects**

IST has been diligently working in the industry for more than 30 years. In 2025, IST faced global industrial transformation and geopolitics bringing about trade barriers and market turbulence. We chose not to be limited by red ocean competition in the traditional Me Too market, but to make efforts to be comprehensively upgraded and transformed into IST 2.0 instead. With profound abilities in failure analysis (FA), reliability assessment (RA), materials analysis (MA) and relevant areas in the past 30 years, we worked on such transformation actively by providing 5 solutions with highly added value, including Automotive Electronic Verification, Space Environment Testing, AI High-speed Verification and Signal Simulation Testing, Advanced Process and Packaging, and Smart Real-time Global Reliability Verification. We are establishing high technological thresholds to get rid of price competition and march into high margin market to create a brand-new era.

Looking ahead, IST will continue to deepen market presence, strengthen global competitiveness, cooperate closely with partners in the international industry chain, and enhance technology differentiation and market influence. We insist on creating value for customers through technology upgrading and with innovation as the core driving force to develop stably and secure our leading position in the changing technology industry.

Finally, I'd like to express my gratitude to you all shareholders for your long-term support, and wish you all good health and all the best.

Chairman: Yu Wei-Pin  
General Manager: Yu Wei-Pin  
Accounting Manager: Lin Yu-Sang

## II. Corporate Governance Report

### I. Information of Directors, General Manager, Vice General Manager, Assistant Manager, Head of Department and Head of Branch

#### (A) Information of Directors

##### 1. Table of Directors' Information

Apr. 15, 2025 Unit: Share

Title	Nation ality or Registr ation Place	Name	Sex (Age)	Election (Employ ment) Date	Term of Office	Initial Election Date	Shares held upon election		Shares held at present		Shares held by the spouse and minor child(ren) at present		Shares held in the name of another person		Main Work Experience (Education)	Other positions the person also works as at iST and other companies at present	Any senior officer, director or supervisor who is the person's spouse or relative within the second degree of kinship			Remarks
							Number of shares	Ratio of share holdi ng	Number of shares	Ratio of share holdi ng	Num ber of share s	Ratio of share holdi ng	Num ber of share s	Ratio of share holdi ng			Titl e	Na me	Rel atio nshi p	
	Republic of China	Han Sheng Investment Co., Ltd.	-	2024.06.14	3 years	1994.09.09	3,652,288	4.83%	3,652,288	4.91%	0	0	0	0	N/A	N/A	None	None	None	None

Chairman, and Representative of the Juristic Person Director	Republic of China	Han Sheng Investment Co., Ltd. Representative: Yu Wei-Pin	Male 62	2024.06.14	3 years	1994.09.09	0	0	249,705	0.34%	488	0.001 %	0	0	Bachelor from Department of Physics, Tamkang University EMBA from National Chengchi University Senior Engineer at Electronic System Research Laboratory, Industrial Technology Research Institute Chairman of Integrated Service Technology Inc. General Manager of Integrated Service Technology Inc. President of Innovative Turnkey Solution President of Prosperity Power Technology Inc Representative of the juristic person director INTEGRATED SERVICE TECHNOLOGY INC. (SAMOA) Representative of the juristic person director INTEGRATED SERVICE TECHNOLOGY INC. (Seychelles) Supervisor of Integrated Service Technology (Kunshan) Co., Ltd. President of Supreme Fortune Corp. President of Hot Light Co., Ltd Supervisor of System Integration Professional Technology . President of Han Sheng Investment Co., Ltd. Supervisor of Ho Hua Investment Co., Ltd. President of Huan Ying Sustainable Development Technology President of He Chou Technology Inc. (former Elitist Design Technology Inc.) President of Pin Wen Corp. Supervisor of Instrument Supply Technology (Kunshan)Co., Ltd. Representative of the juristic person director, EFUN Technology Inc. Representative of the juristic person director, Motor Semiconductor Co., Ltd. Director of Enli Technology Co., Ltd. Supervisor of Integrated Service Technology (Shanghai) Co., Ltd	None	None	None	None	
Deputy Chairman	Republic of China	Hui Long Co., Ltd.	-	2024.06.14	3 years	200110.21	849,921	1.12%	849,921	1.14%	0	0	0	0	N/A	N/A	None	None	None	None

an Deputy Chairman	Republic of China	Hui Long Co., Ltd. Representative: Chen Ching Chuo	Male 60	2024.06.14	3 years	2001.10.21	0	0	954	0.001 %	691	0.001 %	0	0	Bachelor from Department of Electrical Engineering, National Central University Master from Institute of Electronics, National Chiao Tung University Manager at Electronic System Research Laboratory, Industrial Technology Research Institute	Vice President of Dekra iST Director of Pin Wen Co., Ltd. President of Hui Long Co., Ltd.	None	None	None	None
Deputy Chairman	Republic of China	Tu Chung-Chen	Male 61	2024.06.14	3 years	2003.04.21	902,000	1.19%	902,000	1.21%	0	0	0	0	Master in Information Management from Fairleigh Dickinson University, USA Manager of Department of Consumer Banking, HSBC Financial Manager of Artplus International Co., Ltd. Manager of Management Department, Anatek Director of MIA Life Co., Ltd.	Director of Pin Wen Co., Ltd.	None	None	None	None
Director	Republic of China	Liu Fu-Han	Male 64	2024.06.14	3 years	2017.06.15	920,000	1.22%	920,000	1.24%	0	0	0	0	EMBA from National Chengchi University General Manager of Kye Systems Corp. Independent Director of Auras Technology Co., Ltd.	N/A	None	None	None	None
Director and Representative	Republic of China	Kai Ou Investment Co., Ltd.	-	2024.06.14	3 years	2005.06.29	688,753	0.91%	688,753	0.93%	0	0	0	0	N/A	N/A	None	None	None	None

entativ e of Juristic Person Directo r	Republic of China	Kai Ou Investment Co., Ltd. Representa tive: Chen Yang-Kuan g	Male 68	2024.06.14	3 years	2005.06.29	0	0	0	0	0	0	0	0	Department of Economics, National Taiwan University Representative of the juristic person director, IBF Financial Holdings Co., Ltd. President of Shan Yi Investment and Consultation Co., Ltd. President of IBF Securities Investment Consulting	Representative of the juristic person of Prosperity Power Technology Inc	None	None	None	None
Directo r	Republic of China	Lo Wen-Hao	Male 58	2024.06.14	2 years	2012.12.12	520,075	0.69%	520,075	0.70%	0	0	0	0	EMBA from National Chengchi University Representative of the juristic person director, Magic Technology Co., Ltd. Director of TONAL	President of Tong Shuo Investment Co., Ltd. Director of Global Magic Technology Co., Ltd. Director of Magic Technology Co., Ltd. Independent Director of Gudeng Precision Industrial Co., Ltd.	None	None	None	None

Independent Director	Republic of China	Wang Chih-Hung	Male 55	2024.06.14	3 years	2018.06.13	0	0	0	0	0	0	0	0	PhD from Graduate School of Macromolecular Materials, National Taiwan University of Science and Technology R&D Director of Prodisc Technology Inc. General Manager of Entire Technology Co., Ltd. Full-time Assistant Professor at Department of Chemical Engineering, Kuang Wu Institute of Technology	President of Entire Technology Co., Ltd. Director and General Manager of EnFlex Corp. Director and General Manager of Entire Holding Group Ltd. Director and General Manager of Entire Materials Co., Ltd. Director of Entire Technology (Hong Kong) President of Yi Hsuan Investment Co., Ltd. President of Sing Pen Taiwan Co., Ltd. President of Guide Win Special Chemical Co., Ltd. Representative of the juristic person director Thank You My Friends Inc. President of Suzhou Youhong Technology Co., Ltd. President of Suzhou Sinpan Plastic Technology Co., Ltd. Director of Polymer Asia Investment Limited Director of Sky Grant Enterprises Limited Director of Sing Pen International Technology Co., Ltd.(Samoa) Director of Sing Pen International Technology Co., Ltd. (Anguilla) Representative of the juristic person director, Ninja Silicone Independent Director of Macroblock Inc.	None	None	None	None
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Indepe ndent Directo r	Republic of China	Hung Wen-Ming	Male 70	2024.06.14	3 years	2018.06.13	0	0	0	0	0	0	0	0	0	Department of Political Science, Soochow University Certificate of Completion from Program for Entrepreneurs, College of Commerce, National Chengchi University General Manager of Yuanta Securities and Investment Consulting Co., Ltd. Senior Vice General Manager of Yuanta Securities Co., Ltd. Supervisor of International New York Life Insurance Co., Ltd.	Independent Director of Gia Tzoong Enterprise Co., Ltd.	None	None	None	None
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Indepe ndent Directo r	Republic of China	Lo Yung-Chien	Male 66	2024.06.14	3 years	2019.06.13	0	0	0	0	0	0	0	0	Bachelor from Department of Transportation Management Science, National Cheng Kung University Master from Institute of Industrial Management, National Cheng Kung University PhD in Marketing from Department of Business Administration, University of Illinois Urbana-Champaign, USA Associate Researcher at Industrial Economic Research Center, Industrial Technology Research Institute	Professor at Department of Business Administration, National Chengchi University Independent Director of Sampo Corp.	None	None	None	None
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Independent Director	Republic of China	Yu Chuo-Min	Male 71	2024.06.14	3 years	2021.07.26	0	0	0	0	10,000	0.01%	0	0	PhD in Business Administration from University of Michigan Independent Director of Yuanta Futures Co., Ltd. Member of Salary and Remuneration Committee, Advantech Co., Ltd. Independent Director of Advantech Co., Ltd. Independent Director of Yuanta Commercial Bank Co., Ltd. Independent Director of Yuanta Securities Co., Ltd. Advisor at Hon Hai Precision Industrial Co., Ltd. Assistant Professor at College of Business, University of Illinois Urbana-Champaign Professor at Department of Business Administration, National Chengchi University	Independent Director of National Chengchi University Axiomtek Co., Ltd. Distinguished Professor at Department of Industrial and Business Management, Chang Gung University Independent Director of WPG Holdings Independent Director and CEO of Kung-Hwa Management Foundation Independent Director of Song Chuan Group Company	None	None	None	None
Independent Director	Republic of China	HSIEH, PEI-CHUAN	Female 65	2024.06.14	3 years	2024.06.14	0	0	0	0	0	0	0	0	Graduated from Department of Business Administration, Lindong Commercial Junior College Assistant Accounting Manager of Taiyu Products Corporation	Vice General Manager of Finance and Administration Department, Kuang San SOGO Department Store	None	None	None	None

Note : When General Manager or any equivalent high-ranking executive (a top management member) also serves as Chairman or is the spouse or a first-degree relative of Chairman, the information regarding the reason, reasonableness, necessity, and measures taken in response (e.g. adding more independent directors, requiring a majority of directors who are not employed as employees or managers, etc.) shall be disclosed.

1.

Title	Name	Relation
General Manager	Yu Wei-Pin	Chairman

2. Reason, Reasonableness and Necessity:

To enhance business efficiency and decision implementability, Chairman of iST also serves as its General Manager. In normal times or at a board meeting, Chairman also fully communicates with directors about the latest status of business operation and any plan or policy to implement corporate governance thoroughly.

3. Corresponding Measures:

- (1) Seats of independent directors were increased to enhance functions of the board of directors and strengthen supervisory function.
- (2) More than a half of board members are neither employees nor managers.

2. (1) Main shareholders of each juristic person director of iST:

Apr. 15, 2025

Name of Juristic Person Director	Main Shareholders of Juristic Person
Han Sheng Investment Co., Ltd.	Ho Hua Investment Co., Ltd. (90.50%) YU, SHU-CHI (4.75%) YU, SHU-HAN (4.75%)
Hui Long Co., Ltd.	Chen Ching Chuo (90.38%) Chen Ching-Hsin ( 9.62%)
Kai Ou Investment Co., Ltd.	Chen Kai-Yun (40.45%) Chen Kai-Wei (40.45%) Chen Yang-Kuang (12.80%) Wang Shu-Miao ( 6.30%)

(2) Main shareholders of the juristic person director which is a main shareholder of a juristic person director of iST:

Apr. 15, 2025

Name of Juristic Person Director	Main Shareholders of Juristic Person
Ho Hua Investment Co., Ltd.	Yu Wei-Pin (81.45%) Chen Ting-Ting (18.21%) YU, SHU-CHI (0.34%)

3. Disclosure of Information Regarding Professional Qualifications of Directors and Independence of Independent Directors:

<div>Requirement</div> <div>Name</div>	Professional Qualification and Experience	Status of Independence	Number of public companies where the person also serves as an independent director
Director: Han Sheng Investment Co., Ltd. Representative: Yu Wei-Pin	He has 5 or more years of work experience required for corporate business and now serves as Chairman and General Manager of Integrated Service Technology Inc., and is not in any situation stated in Article 30 of the Company Act.	N/A	0
Director: Hui Long Co., Ltd. Representative: Chen Ching Chuo	He has 5 or more years of work experience required for corporate business and now serves as Deputy Chairman of Integrated Service Technology Inc., and is not in any situation stated in Article 30 of the Company Act.	N/A	0
Director: Tu Chung-Cheh	He has 5 or more years of work experience required for corporate business and now serves as Director of Integrated Service Technology Inc., and is not in any situation stated in Article 30 of the Company Act.	N/A	0

Director: Liu Fu-Han	He has 5 or more years of work experience required for corporate business and now serves as Director of Integrated Service Technology Inc., and is not in any situation stated in Article 30 of the Company Act.	N/A	0
Director: Kai Ou Investment Co., Ltd. Representative: Chen Yang-Kuang	He has 5 or more years of work experience required for corporate business and now serves as Director of Integrated Service Technology Inc., and is not in any situation stated in Article 30 of the Company Act.	N/A	0
Director: Lo Wen-Hao	He has 5 or more years of work experience required for corporate business and now serves as Director of Integrated Service Technology Inc., and is not in any situation stated in Article 30 of the Company Act.	N/A	1
Independent Director: Wang Chih-Hung	He has 5 or more years of work experience required for corporate business and now serves as Director of Integrated Service Technology Inc., and is not in any situation stated in Article 30 of the Company Act.	(1) He is not an employee of iST or any of its affiliates. (2) He is not a director or supervisor of iST or any of its affiliates. (3) The shares of iST held by him and his spouse and minor child(ren) or in another person's name are no more than 1% of the total shares issued, and he is not one of 10 largest shareholders.	1
Independent Director: Hung Wen-Ming	He has 5 or more years of work experience required for corporate business and now serves as Director of Integrated Service Technology Inc., and is not in any situation stated in Article 30 of the Company Act.	(4) He is not such manager as stated in (1) or a spouse, a relative within the second degree of kinship, or a lineal relative within the third degree of kinship by blood of any of such persons as stated in (2) or (3). (5) He is not a shareholder directly holding	1

Independant Director: Lou Yung-Chien	He has 5 or more years of work experience required for corporate business and now serves as Professor at Department of Business Administration, National Chengchi University ., and is not in any situation stated in Article 30 of the Company Act.	5% or more of issued shares of iST or one of 5 largest shareholders, and is not a director, supervisor or employee of any of the juristic person shareholders who is designated in accordance with Article 27 (1) or 27 (2) of the Company Act to serve as a director or supervisor of iST.	1
Independent Director: Yu Chuo-Min	He has 5 or more years of work experience required for corporate business and now serves as Distinguished Professor at Department of Industrial and Business Management, Chang Gung University., and is not in any situation stated in Article 30 of the Company Act.	(6) He is not a director, supervisor or employee of an entity that controls a majority of directors or voting shares of iST. (7) He is not Chairman, General Manger or an equivalent high-ranking executive of iST and is not a director, supervisor or employee of his spouse's company or institution.	3
Independent Director: HSIEH, PEI-CHUAN	She has 5 or more years of work experience required for corporate business and now works as Vice General Manager of Finance and Administration Department, Kuang San SOGO Department Store, and is not in any situation stated in Article 30 of the Company Act.	(8) He is not a director, supervisor or manager or a shareholder holding 5% or more shares of any company or institution with which iST has financial or business transactions. (9) He is not a professional or a proprietor, partner, director, supervisor or manager or spouse thereof of a sole proprietorship, partnership, company or institution that provides iST or any of its affiliates with audit service or with commercial, legal, financial or accounting service for remuneration in return for the latest 2 years. (10) He is not a spouse or a relative within the second degree of kinship of any other director. (11) Neither a government agency nor a juristic person is elected as stated in Article 27 of the Company Act.	0

Note: iST has obtained the independence declaration from each independent director for his/her appointment and based on the matters required to be completed by a public company, and has confirmed that each independent director has met the independence requirement provided by law.

#### 4. Diversity and Independence of Board of Directors:

##### (1) Diversity of Board of Directors:

iST adopts a candidate nomination system, based on the diversity policy and for strengthening corporate governance and facilitating sound development of the organization and structure of the board of directors, to have director candidates nominated and the evaluate educational background, work experience, professional background, sincerity and relevant professional qualifications of each candidate in accordance with the articles of incorporation. After candidates are approved by a resolution of the board of directors, directors are elected from the candidates at the shareholders' meeting. In the board of directors, the directors who also serve as managers of iST are no more than one third of seats of board directors. A diversity policy has also been prepared for the operation model and development requirements of the board of directors, including but not limited to the following:

<1> Basic conditions and values: Sex, age, nationality and culture.

<2> Professional knowledge and skills: Ability to make operational judgment, ability to make accounting and financial analysis, operation management ability, crisis management ability, industry know-how, international market perspective, leadership challenge and decision-making ability.

The board of directors is composed of 11 directors. Specific management objectives and the status of achievement thereof under the diversity policy for organization of the board are as follows:

Management Objectives	Achievement
Seats of independent directors shall be more than 1/3 of seats of directors.	Achieved
Directors who also serve as managers of iST shall be no more than one third of seats of directors.	Achieved
The term of office of an independent director shall not exceed 3 terms.	Achieved
Each has adequate diversified professional knowledge and skills.	Achieved
Include at least one female director	Achieved

<3>Board members have adequate experiences in business management, relevant professional backgrounds, and the expertise, skills and literacy required to perform their duties. iST also arranges diversified educational programs for board members continuously to enhance quality of their decision-making, help them perform supervisory responsibility effectively and strengthen functions of the board of directors. At least one-third of board members have such abilities as specified in the 11 diversified core abilities required to perform business affairs. In addition, more than 90% of board members have the 3 key core abilities, i.e. ability to make operational judgment, operation management ability and crisis management ability, which iST values greatly

Name		Nationality	Sex	Status of Employee	Term of Office and Seniority		Age			Diversified Core Items									
										Professional Background				Expertise and Skill					
							51-60	61-65	66-70	Accounting	Industry	Finance	Technology	Ability to make operational judgment	Accounting and financial analysis ability	Operation management ability	Leadership challenge and decision-making ability	Crisis management ability	Industry know-how
Director	Yu Wei-Pin	R.O.C.	Male	v							v	v	v	v	v	v	v	V	v
	Chen Ching Chuo			v		v					v	v	v	v	v	v	V	v	
	Tu Chung-Cheh					v				v	v	v				V	v		
	Liu Fu-Han						V		v	v	v	v	v	v	v	V	v		
	Chen Yang-Kuang									v	v		v	v	v	v	V	v	
	Lo Wen-Hao						v				v	v	v	v	v	v	V	v	
	Wang Chih-Hung	Independent Director	Female			v	v				v	v	v	v		v	v	V	v
	Hung Wen-Ming					v			v			v	v	v	v	v	V	v	
	Lou Yung-Chien					v			v			v		v	v	v	V	v	
	Yu Chuo-Min					v			v	v	v	v	v	v	v	V	v		
	HSIEH, PEI-CHUAN				V			V		V	V	V	V	V	V	V	V	V	

## (2) Independence of Board of Directors:

The current board of directors of iST is composed of 11 members, including 5 independent directors (accounting for 45% of all board directors) and 2 directors who are also employees of iST (accounting for 18% of all board directors). As of the end of 2024, all independent directors met the requirements provided by Securities and Futures Bureau, Financial Supervisory Commission for independent directors. In addition, none of the matters stated in Paragraphs 3 and 4 of Article 26 of the Exchange and Securities Act occur between a director and an independent director. For independence of the board of directors, please see Disclosure of Information Regarding Professional Qualifications of Directors and Independence of Independent Directors on pages 15-17 of the annual report. For educational background, sex and work experience of each director, please see Information of Directors on pages 6-13 of the annual report.

## (B) Information of General Manager, Vice General Manager, Assistant Manager, Head of Department and Head of Branch

Apr. 15, 2025

Unit: Share ; %

Title	Nationality	Name	Sex	Election (Employment) Date	Shares held		Shares held by the spouse and minor child(ren)		Shares held in the name of another person		Main Work Experience (and Education)	Other positions the person also works as at iST and other companies at present	Any manager who is the person's spouse or relative within the second degree of kinship			Remarks
					Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relation	
General Manager	Republic of China	Yu Wei-Pin	Male	2013.11.25	249,705	0.34%	488	0.001%	0	0	Bachelor from Department of Physics, Tamkang University EMBA from National Chengchi University Senior Engineer at Electronic System Research Laboratory, Industrial Technology Research Institute	Chairman of Integrated Service Technology Inc. President of Innovative Turnkey Solution President of Prosperity Power Technology Inc Representative of the juristic person director INTEGRATED SERVICE TECHNOLOGY INC. (SAMOA) Representative of the juristic person director INTEGRATED SERVICE TECHNOLOGY INC. (Seychelles) Supervisor of Integrated Service Technology(Kunshan) Co., Ltd. President of Supreme Fortune Corp. President of Hot Light Co., Ltd Supervisor of System Integration Professional Technology . President of Han Sheng Investment Co., Ltd. Supervisor of Ho Hua Investment Co., Ltd. President of Huan Ying Sustainable Development Technology President of He Chou Technology Inc. (former Elitist Design Technology Inc.) President of Pin Wen Corp. Supervisor of Instrument Supply Technology(Kunshan)Co., Ltd. Representative of the juristic person director, EFUN Technology Inc. Representative of the juristic person director, Motor Semiconductor Co., Ltd. Director of Enli Technology Co., Ltd. Supervisor of Integrated Service Technology (Shanghai) Co., Ltd	None	None	None	None
Vice General Manager of Finance and Accounting Division (Note 4)	Republic of China	Lin Yu-Sang	Female	2008.04.20	14,007	0.02%	0	0	0	0	Master from Institute of Business Automation and Management, National Taipei University of Technology Bachelor from Department of Accounting, Soochow University and a qualified CPA Manager of Finance and Accounting Division, GIGABYTE Technology Co., Ltd. CFO of Bai Ti Advertisement Co., Ltd.	Representative of the juristic person director Innovative Turnkey Solution Supervisor of Pin Wen Corp. Supervisor of Dekra iST Representative of the juristic person director BTL Inc.	None	None	None	None



											Manager of Finance and Accounting Division, Scientek Corp. Manager of Deloitte & Touche					
Vice General Manager of Management Division	Republic of China	Chen Wen-Yin	Female	2007.01.01	145,564	0.20%	1,936	0.003%	0	0	Bachelor from Department of English, Tamkang University Assistant at Graduate Institute of American Studies, Tamkang University Teaching Assistant and Administrative Assistant at Tamkang University	None	None	None	None	None
Assistant Manager of International Engineering Development Division	Republic of China	Lee Chang-Pin	Male	2006.02.13	0	0	0	0	0	0	Master in Applied Chemistry from National Chiao Tung University Manager of Advanced Semiconductor Engineering, Inc. R&D Engineer of Silicomix Vishay Principal Engineer at Wah Lee Associate Research at Industrial Technology Research Institute	None	None	None	None	None
Senior Vice President of Reliability Engineering Division (Note 1)	Republic of China	Tseng Shao-Chun	Male	2015.04.13	72,700	0.10%	0	0	0	0	Institute of Management of Technology, National Chiao Tung University Engineer at Siliconware Precision Industries Co., Ltd. Engineer at Neith Corp.	None	None	None	None	None
Assistant Manager of Material Analysis Engineering Division	Republic of China	Hsu Ju-Hung	Male	2016.04.11	31,053	0.04%	0	0	0	0	PhD from Institute of Material Science and Engineering, National Tsing Hua University	None	None	None	None	None
Assistant Manager	Republic of China	Tseng Ta-Lin	Male	2016.04.11	0	0	0	0	0	0	Master from , College of Engineering, Graduate Institute of Electrical Engineering, Yuan Ze University Product Engineer at Taiwan Semiconductor Manufacturing Co., Ltd.	None	None	None	None	None
Director of Information Division	Republic of China	Huang Yin-Hao	Male	2019.04.01	23,606	0.03%	2,000	0.003%	0	0	Department of Information Engineering and Computer Science, Feng Chia University Graduate Institute of Information Management. National Yunlin University of Science and Technology Information Engineer at Powerchip Semiconductor Manufacturing Corporation Technical Advisor of W&Jsoft Inc.	None	None	None	None	None
Special Assistant	Republic of China	Lin Hsiu-Mei	Female	2022.05.01	62,000	0.08%	0	0	0	0	Master in Marketing from Baruch College, the City University of New York Department of Accounting, Feng Chia University	None	None	None	None	None

Director of Signal Test Division	Republic of China	Wang Shang-Chieh	Male	2020.01.01	17,250	0.02%	0	0	0	0	Department of Electrical Engineering, Feng Chia University Senior Manager of MStar Semiconductor, Inc.	None	None	None	None	None
Director of Engineering, Signal Test Division	Republic of China	Wang Yu-Min	Male	2020.01.01	15,763	0.02%	0	0	0	0	Oriental Institute of Technology Assistant Manager of Chander Electronics Corp. Senior Manager of Weltrend Semiconductor, Inc. Senior Manager of Jabil	None	None	None	None	None
Assistant Manager of Domestic and Overseas Sales Division (Note 2)	Republic of China	Wang Kuo-Feng	Male	2021.01.01	18,750	0.03%	0	0	0	0	United Microelectronics Corp. (UMC) Delta Electronics Inc. (DELTA) University of East Anglia/ MSc Marketing	None	None	None	None	None
Special Assistant	Republic of China	Cheng Chun-Yen	Male	2022.05.01	52,273	0.07%	0	0	0	0	Bachelor from Department of Electrical Engineering, National Sun Yat-sen University Business Manager of United Microelectronics Corp. Chemical Fiber Engineer of Far Eastern	President of Integrated Service Technology USA Inc. General Manager of Prosperity Power Technology Inc Representative of the juristic person director Dekra iST	None	None	None	None
Material analysis Expert	Republic of China	Pao Chung-Hsing	Male	2022.05.01	75,458	0.10%	0	0	0	0	Department of Materials and Optoelectronic Science National Sun Yat-sen University Arizona State University, USA Manager of Failure Analysis Department, United Microelectronics Corp. Material Analysis Advisor of Panjit Electronic Co., Ltd.	None	None	None	None	None
Director of Failure Analysis Engineering Division	Republic of China	Shen Shih-Hsiung	Male	2022.05.16	0	0	0	0	0	0	PhD. of Medical Engineering,, National Yang Ming Chiao Tung University Bachelor from Department of Power Mechanical Engineering, National Tsing Hua University Assistant Manager at TSMC Technical Manager at Powerchip Semiconductor Manufacturing Corporation Special Assistant to General Manager at iST	None	None	None	None	None
Special Assistant	Republic of China	Tseng Sheng-Yu	Male	2023.04.06	6,318	0.008%	0	0	0	0	Department of Electronic Engineering, Tamkang University Vice Department Manager at Nidec-Read Taiwan Corporation Senior Manager at Nidec SV Probe Director at Innovative Turnkey Solution	None	None	None	None	None

Special Assistant	Republic of China	Liang Shih-Chang	Male	2023.09.11	0	0%	0	0	0	0	Chinese Culture University	None	None	None	None	None
Director of Project Service Division (Note 3)	Republic of China	Chien Feng-Chun	Female	2024.04.01	6,250	0.008%	1,000	0.001%	0	0	Bachelor's Degree in Business Administration, Tamkang University Business Manager at Yijun Technology Assistant Manager at Integrated Service Technology Inc.	None	None	None	None	None
Special Assistant (Note 4)	Republic of China	TSUI, KO-WEN	Male	2024.06.03	123,361	0.17%	0	0	0	0	Master from Management Science Institute, University of South Australia Senior Director of Quality Assurance Section, Industrial Technology Research Institute	None	None	None	None	None

Note : 1. Tseng Shao-Chun was promoted Senior Vice President of Reliability Engineering Division on April 1, 2024.

2. Wang Kuo-Feng was promoted Assistant Manager of Domestic and Overseas Sales Division on April 1, 2024.

3. Chien, Feng-Chun was appointed Director of Project Service Division on April 1, 2024.

4. Tsui Ko-Wen was appointed as Special Assistant on 2024.06.03.

(III) When General Manager or any equivalent high-ranking executive (a top management member) also serves as Chairman or is the spouse or a first-degree relative of Chairman, the information regarding the reason, reasonableness, necessity, and measures taken in response (e.g. adding more independent directors, requiring a majority of directors who are not employed as employees or managers, etc.) shall be disclosed. For the information, please see Information of Directors on pages 6-13 of the annual report.

## II. Remunerations to Directors, Supervisors, General Manager and Vice General Manager for the Latest Year

### A. Remuneration to Directors

Dec. 31, 2024; Unit: in Thousands of New Taiwan Dollars

Title	Name	Remuneration to Directors								Sum of A, B, C and D, and Percentage of After-tax Profit that the sum accounts for		Relevant Remunerations Received by Directors also Working as Employees								Sum of A, B, C, D, E, F and G, and Percentage of After-tax Profit that the sum accounts for		Whether to receive any remuneration from reinvestees, rather than subsidiaries
		Compensation (A)		Retirement Pension (B)		Remuneration to Directors (C)		Business Execution Costs (D)				Salary, Bonus, Special Allowance, etc. (E)		Retirement Pension (F)		Remuneration to Employees (G)						
		iST	All companies included in the financial report	iST	All companies included in the financial report	iST	All companies included in the financial report	iST	All companies included in the financial report	iST	All companies included in the financial report	iST	All companies included in the financial report	iST	All companies included in the financial report	Cash	Stock	Cash	Stock	iST	All companies included in the financial report	
Director	Han Sheng Investment Co., Ltd. Representative: Yu Wei-Pin	0	0	0	0	1,091	1,091	42	42	1,133 0.24%	1,133 0.24%	19,607	19,607	0	0	0	0	0	0	20,740 4.31%	20,740 4.31%	None
Director	Liu Fu-Han	0	0	0	0	1,091	1,091	42	42	1,133 0.24%	1,133 0.24%	0	0	0	0	0	0	0	0	1,133 0.24%	1,133 0.24%	None
Director	Hui Long Co., Ltd. Representative: Chen Ching Chuo	0	0	0	0	1,091	1,091	42	42	1,133 0.24%	1,133 0.24%	1,478	1,478	76	76	0	0	0	0	2,687 0.56%	2,687 0.56%	None
Director	Tu Chung-Chen	0	0	0	0	1,091	1,091	42	42	1,133 0.24%	1,133 0.24%	0	0	0	0	0	0	0	0	1,133 0.24%	1,133 0.24%	None
Director	Kai Ou Investment Co., Ltd. Representative	0	0	0	0	1,091	1,091	42	42	1,133	1,133	0	0	0	0	0	0	0	0	1,133	1,133	None

	tive: Chen Yang-Kuang									0.24%	0.24%									0.24%	0.24%	
Director	Lo Wen-Hao	0	0	0	0	1,091	1,091	36	36	1,127 0.23%	1,127 0.23%	0	0	0	0	0	0	0	0	1,127 0.23%	1,127 0.23%	None
Independent Director	Wang Chih-Hung	0	0	0	0	1,091	1,091	42	42	1,133 0.24%	1,133 0.24%	0	0	0	0	0	0	0	0	1,133 0.24%	1,133 0.24%	None
Independent Director	Hung Wen-Ming	0	0	0	0	1,091	1,091	42	42	1,133 0.24%	1,133 0.24%	0	0	0	0	0	0	0	0	1,133 0.24%	1,133 0.24%	None
Independent Director	Lou Yung-Chien	0	0	0	0	1,091	1,091	42	42	1,133 0.24%	1,133 0.24%	0	0	0	0	0	0	0	0	1,133 0.24%	1,133 0.24%	None
Independent Director	Yu Chuo-Min	0	0	0	0	1,091	1,091	42	42	1,133 0.24%	1,133 0.24%	0	0	0	0	0	0	0	0	1,133 0.24%	1,133 0.24%	None
Independent Director	HSIEH, PEI-CHUAN	0	0	0	0	546	546	18	18	564 0.12%	564 0.12%	0	0	0	0	0	0	0	0	564 0.12%	564 0.12%	None
<p>1. Please specify the policy, system, standard and structure for remuneration payments to independent directors, and explain their responsibilities, assumed risks and contributed time as well as the correlation between these factors and remuneration</p> <p>payment amounts: Remunerations to independent directors of iST are determined based on results of performance evaluation and in accordance with the articles of incorporation. The remuneration committee also reviews the participation in corporate operation and contribution value of each director so as to connect the reasonableness and fairness of performance risks with the remuneration received. The committee also takes into account iST's business performance and general remuneration standards of other entities in the same industry, and then submit a proposal of remuneration to the board of directors for its resolution.</p> <p>2. Remunerations received by directors of iST for their services provided to all companies in the financial report for the latest year, except those disclosed in the above table: None</p>																						

Note: 1. Amount of retirement pensions paid actually in 2024: None.

2. Allocated or appropriated retirement pensions recognized as expenses in 2024: NTD 76 thousand.

B. Remuneration to Supervisors: N/A because iST set up Audit Committee to replace supervisors in 2019

C. Remuneration to General Manager and Vice General Managers

Dec. 31, 2024 ; Unit: in Thousands of New Taiwan Dollars

Title	Name	Salary (A)		Retirement Pension (B)		Bonus, Special Allowance, etc. (C)		Remuneration to Employees (D)				Sum of A, B, C and D, and Percentage of After-tax Profit that the Sum is Accounted for (%)		Remuneration received from reinvestees, rather than subsidiaries, or from the parent company
		iST	All companies included in the financial report	iST	All companies included in the financial report	iST	All companies included in the financial report	iST		All companies included in the financial report		iST	All companies included in the financial report	
								Cash	Stock	Cash	Stock			
General Manager	Yu Wei-Pin	44,347	44,347	324	324	0	0	0	0	0	0	44,671 9.27%	44,671 9.27%	None
Senior Vice President of Reliability Engineering Division (Note 3)	Tseng Shao-Chun													
Vice General Manager of Finance and Accounting Division	Lin Yu-Sang													
Vice General Manager of Management Division	Chen Wen-Yin													

Note: 1.Amount of retirement pensions paid actually in 2024: None

2. Allocated or appropriated retirement pensions recognized as expenses in 2024: NTD 324 thousand

3. Tseng Shao-Chun was promoted Senior Vice President of Reliability Engineering Division on April 1, 2024.

### Range of Remunerations

Levels of Remunerations to Each General Manager and Vice General Manager of iST	Names of General Manager and Vice General Manager	
	iST	All companies in the financial report
Below NTD 1,000,000	None	None
NTD 1,000,000 (inclusive) ~ NTD 2,000,000 (exclusive)	None	None
NTD 2,000,000 (inclusive) ~ NTD 3,500,000 (exclusive)	None	None
NTD 3,500,000 (inclusive) ~ NTD 5,000,000 (exclusive)	None	None
NTD 5,000,000 (inclusive) ~ NTD 10,000,000 (exclusive)	Vice General Manager Lin Yu-Sang Vice General Manager Chen Wen-Yin	Vice General Manager Lin Yu-Sang Vice General Manager Chen Wen-Yin
NTD 10,000,000 (inclusive) ~ NTD 15,000,000 (exclusive)	Senior Vice President Tseng Shao-Chun	Senior Vice President Tseng Shao-Chun
NTD 15,000,000 (inclusive) ~ NTD 30,000,000 (exclusive)	General Manager Yu Wei-Pin	General Manager Yu Wei-Pin
NTD 30,000,000 (inclusive) ~ NTD 50,000,000 (exclusive)	None	None
NTD 50,000,000 (inclusive) ~ NTD 100,000,000 (exclusive)	None	None
Above NTD 100,000,000	None	None
Total	4 persons	4 persons

D. Names of Managers Distributing Remunerations to Employees in 2024, and the Status of Distribution

Dec. 31, 2024 Unit: in Thousands of New Taiwan Dollars

	Title	Name	Amount of Shares	Amount of Cash	Total	Ratio of Total to After-tax Profit
Managers	General Manager	Yu Wei-Pin	0	0	0	0%
	Vice General Manager	Chen Wen-Yin				
	Vice General Manager	Lin Yu-Sang				
	Assistant Manager	Lee Chang-Pin				
	Senior Vice President (Note 1)	Tseng Shao-Chun				
	Assistant Manager	Hsu Ju-Hung				
	Assistant Manager	Tseng Ta-Lin				
	Division Director	Huang Yin-Hao				
	Special Assistant	Lin Hsiu-Mei				
	Division Director	Wang Shang-Chieh				
	Division Director	Wang Yu-Min				
	Assistant Manager (Note 2)	Wang Kuo-Feng				
	Special Assistant	Cheng Chun-Yen				
	Material Analysis Expert	Pao Chung-Hsing				
	Director of Failure Analysis Engineering Division	Shen Shih-Hsiung				
	Associate	Tseng Sheng-Yu				
	Special Assistant (Note 2)	Liang Shih-Chang				
	Division Director (Note 3)	Chien Feng-Chun				
	Special Assistant (Note 4)	TSUI, KO-WEN				

Note : 1. Tseng Shao-Chun was promoted Senior Vice President on April 1, 2024.

2. Wang Kuo-Feng was promoted Assistant Manager on April 1, 2024.

3. Chien, Feng-Chun was appointed Division Director on April 1, 2024.

4. Tsui Ko-Wen was appointed as Special Assistant on 2024.06.03.



E. We hereby compare and analyze what percentage of the after-tax profit indicated in the individual or separate financial statements is accounted for by the total remunerations paid by iST and all companies contained in the consolidated financial statements to the directors, General Manager and Vice General Managers of iST for the latest 2 years, and also explain the remuneration policy, standards and combination for remuneration payments, the procedure of determining remuneration, and the connection with business performance and future risks.

1. Analysis of the percentage of iST's net profit that the total remuneration amount paid, for the latest 2 years, by iST and all companies contained in the consolidated financial statements to the directors, General Manager and Vice General Managers of iST is accounted for:

Unit: In Thousands of New Taiwan Dollars

Unit: in Thousands of New Taiwan Dollars									
Item/  Title	iST				All companies in the consolidated financial statements				Percentage of increase  or decrease
	2023		2024		2023		2024		
	Total	After-tax profit that the sum accounts for	Total	After-tax profit that the sum accounts for	Total	After-tax profit that the sum accounts for	Total	After-tax profit that the sum accounts for	
Remuneration to directors	31,749	8.25	33,049	6.90	31,749	8.25	33,049	6.90	(1.35)
Remuneration to General Manager and Vice General Manager	44,094	11.44	44,671	9.27	44,094	11.44	44,671	9.27	(2.17)
After-tax profit	385,554	-	481,739	-	385,554	-	481,739	-	-

2. Remuneration policy, standards and combination for remuneration payments, the procedure of determining remuneration, and the connection with business performance and future risks:

(1) Remuneration Policy, and Standards and Combination for Remuneration Payments

<1> Except as otherwise stipulated by law and the Articles of Incorporation of the Company, the remuneration for directors is handled in accordance with the "Performance Assessments and Compensation Levels of Directors, Committee Members, and Managerial Officers." The total amount of remuneration for directors is managed in accordance with Article 18 of the Articles of Incorporation, with an allocation not exceeding 3% as director remuneration.

<2> The performance of the overall board of directors, the functional

committees, and individual directors is evaluated annually in accordance with the "Rules for Performance Evaluation of Board of Directors and Functional Committees." The evaluation results are submitted to the remuneration committee as a reference for the distribution of director remuneration and are subsequently submitted to the board of directors for discussion based on the committee's resolution.

The formula used to calculate the remuneration to an individual director is as follows:

$$\text{Total amount of directors' remuneration resolved by the board of directors} \\ \times \frac{\text{Number of rights owned by an individual director}}{\text{Total number of rights owned by all the directors participating in distribution}}$$

(2) As part of the remuneration to iST managers, various subsidies and bonuses are provided in iST's regulations of wages and salaries to reward the employees for their hard work. Bonuses are provided based on the annual business performance, financial conditions and business operations of iST and work performance of each individual. When iST has any profit for the current year, an amount of no less than 3% of the profit shall be allocated as employees' remuneration in accordance with Article 18 of the articles of incorporation. iST uses results of the performance assessment conducted in accordance with the Regulations of Performance Management to be the basis of reference for granting bonuses to managers. Items evaluated for performance assessment of managers are divided into the following:

<1>Financial performance indicators: Share of contribution made by each business group towards profits of iST based on the management income statement of iST, and the goal achievement rate with respect to managers

<2>Non-financial indicators: Abilities for achievement of iST core values and operation management, and participation in sustainable operation (e.g. talent cultivation and employee retention), both of which are taken into account for calculation of the remuneration paid for operation performance, in the remuneration system to be reviewed from time to time based on the status of actual business operation and applicable laws and regulations

<3> Quality and risk: Status of compliance with laws and regulations

(3) The remuneration package of iST is provided pursuant to the organizational regulations of the salary and remuneration committee. It contains cash remuneration, stock option, profit sharing, stock ownership, retirement benefits, severance pay, allowances and other measures offering substantial rewards. The scope of the remuneration package is consistent with that of the remunerations to directors and managers provided in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

### 3. Procedure of Determining Remuneration

(1) iST uses results of the evaluation made in compliance with the Regulations for Evaluation of Performance of the Board of Directors and the Regulations of Performance Management applicable to managers and employees to evaluate the salaries and remunerations paid to directors and managers. Salaries and remunerations to Chairman and General Manager are determined based on

business performance of iST and approved by the board of directors. To fully reflect the status of achievement of corporate performance indicators, the performance of Chairman is evaluated based on corporate operation, governance and financial conditions based on results of the annual performance indicators. The evaluation covers 3 indicators, i.e. pretax profit, customer satisfaction and corporate governance. The evaluation of performance of General Manager covers operational safety management, supervision of financial plans, revenue management, enhancement of internal controls, implementation and management of quality assurance and other duty-related performance objectives.

- (2) Results of self-evaluation made in 2024 by board members, directors and members of each functional committee respectively were above standard. Based on the result of the evaluation made by iST in 2024 for managers, the performance of all managers were either satisfactory or above the expected requirements for goals. The evaluation results based on the annual corporate performance indicators have reached the highest standard.
  - (3) Assessment of performance and reasonableness of remuneration for directors and managers are evaluated and reviewed by the salary and remuneration committee and the board of directors periodically every year by taking into account the ratio of individual performance achievement and the contribution towards iST and reviewing the overall business performance of iST and future risks and development trends of the industry. For reasonableness of remuneration, the remuneration system is reviewed from time to time based on the status of actual business conditions and applicable laws, and the current trends of corporate governance are also considered to achieve a balance between sustainable operation and risk control. The actual amount of remunerations paid to directors and managers in 2024 was reviewed by the salary and remuneration committee and determined by the board meeting.
4. Connection with Business Performance and Future Risks
- (1) The status of overall business performance of iST is considered primarily for review of remuneration policy related payment standards and systems. To promote the overall organizational effects of the board of directors and levels of managements, the payment standards are determined based on the performance achievement ratio and contribution. Remuneration standards in the industry are also taken into account to ensure that the remuneration to managements of iST is competitive enough to retain management talents.
  - (2) The performance of managers, which is evaluated based on their management and prevention of potential risks within their duties as well as their actual performance, is associated with relevant policies with respect to human resources and remunerations. Important managerial policies are implemented only after all risks have been considered. Results of relevant policies reflect profitability of iST while remunerations to managements relate to performance

of risk control.

- (3) Remunerations paid by iST and its subsidiaries to their directors, General Manager and Vice General Manager include long-term rewards, which are given in the form of cash and are not paid in full in the current year when the profit is allocated since they shall assume future operational risks together with iST.

### III. Corporate Governance Practices

#### (1) Operation of Board of Directors

1、As of the date of print of the annual report in 2024, 10 board meetings were held and the directors present are as follows:

Title	Name	Times for which the person has been presented at the meeting B	Times for which the person has been authorized as a proxy to be present at the meeting	Rate of attendance (%) 【B/A】	Remarks
President	Han Sheng Investment Co., Ltd. Yu Wei-Pin	10	0	100%	Reelected on 2024.6.14
Director	Tu Chung-Cheh	9	0	90%	Reelected on 2024.6.14
Director	Hui Long Co., Ltd. Chen Ching-Chuo	10	0	100%	Reelected on 2024.6.14
Director	Kai Ou Investment Co., Ltd. Chen Yang-Kuang	10	0	100%	Reelected on 2024.6.14
Director	Liu Fu-Han	10	0	100%	Reelected on 2024.6.14
Director	Lo Wen-Hao	9	0	90%	Reelected on 2024.6.14
Independent Director	Wang Chih-Hung	10	0	100%	Reelected on 2024.6.14
Independent Director	Hung Wen-Ming	10	0	100%	Reelected on 2024.6.14
Independent Director	Lou Yung-Chien	10	0	100%	Reelected on 2024.6.14
Independent Director	Yu Chuo-Min	10	0	100%	Reelected on 2024.6.14
Independent Director	HSIEH, PEI-CHUAN	6	0	75%	Appointed on 2024.6.14

Other Matters Required to be Recorded:

1. In case of the board meeting in any of the following situations, the date and term of the board meeting, content of the motion, all independent directors' opinion and the measures taken by iST based on their opinions shall be specified.

(1) Matters stated in Article 14-3 of the Securities and Exchange Act:

The provisions of Article 14-3 of the Securities and Exchange Act are not applicable as iST has set up the audit committee. For relevant information, please refer to Operation of Audit Committee in the annual report.

(2) Resolutions, except for the aforementioned matters, which independent directors object to or provided with qualified opinion for at the board meeting, and such objection or opinion has been recorded in the minutes or a written statement: None

2 .In case of any director avoiding a motion based on a conflict of interest, specify the name of the director, the content of the motion, the reason for avoidance based on the conflict of interest, and status of participation in voting:

Name of Director	Content of Motion	Opinions of Independent Directors, and Measures Taken by iST based on the opinions	Reason for evasion based on conflict of interest	Status of participation in voting
Chairman Yu Wei-Pin	Review of adjustment of high-ranking officers' wages for 2024	None	He has a conflict of interest in the motion because he is Chairman and General Manager of iST.	For avoiding the conflict of interest, he did not participate in neither discussion nor voting.
	Review of distribution of mid-year performance bonuses to high-ranking officers of iST for 2024	None		
	Review of distribution of year-end performance bonuses to high-ranking officers of iST for 2024	None		
	Review of adjustment of high-ranking officers' wages for 2025	None		

3. TWSE/TPEX listed companies are required to disclose the evaluation cycle and period with respect to the self-assessment (or peer assessment) made by the board of directors, the scope, method and content of evaluation, and relevant information, and complete the following table for the assessment conducted by the board of directors.

Evaluation Cycle (Note 1)	Evaluation Period (Note 2)	Evaluation Scope (Note 3)	Evaluation Method (Note 4)	Evaluation Content (Note 5)
Implemented once a year	2024.1.1~2024.12.31	1. Performance of the board of directors 2. Performance of board directors 3. Performance of the audit committee 4. Performance of the salary and remuneration committee 5. ESG Steering Committee performance evaluation	1. Internal self-evaluation of the board of directors 2. Self-evaluation of board directors 3. Peer evaluation	1. Content of evaluation with respect to the performance of the board of directors a. Level of participation in corporate operation b. Enhancement of quality in terms of decision-making of the board of directors c. Composition and structure of the board of directors d. Election and

					<p>continuous training of directors</p> <p>e. Internal control</p> <p>f. Other items</p> <p>2. Content of evaluation with respect to the performance of board directors:</p> <p>a. Mastering corporate objectives and tasks</p> <p>b. Understanding responsibilities and duties of directors</p> <p>c. Level of participation in corporate operation</p> <p>d. Management and communication for enhancement of internal relationship</p> <p>e. Professional and continuous training of directors</p> <p>f. Internal control</p> <p>g. Other items</p> <p>3. Content of evaluation with respect to the performance of the audit committee:</p> <p>a. Level of participation in corporate operation</p> <p>b. Understanding responsibilities and duties of a functional committee</p> <p>c. Enhancement of quality in terms of decision-making of functional committees</p> <p>d. Composition and structure of a functional committee</p> <p>e. Internal control</p> <p>4. Content of evaluation with respect to the performance of the salary and remuneration committee:</p> <p>a. Level of participation in corporate</p>
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					<ul style="list-style-type: none"> <li>b. operation</li> <li>Understanding responsibilities and duties of a functional committee</li> <li>c. Enhancement of quality in terms of decision-making of functional committees</li> <li>d. Composition and structure of a functional committee</li> <li>e. Other items</li> </ul>
					5. Content of evaluation with respect to the performance of the ESG Steering Committee: <ul style="list-style-type: none"> <li>a. Level of participation in corporate operation</li> <li>b. Understanding responsibilities and duties of the ESG Steering Committee</li> <li>c. Enhancement of quality in terms of decision-making of functional committees</li> <li>d. Composition and member election of the ESG Steering Committee</li> <li>e. Internal control</li> </ul>

Note 1 To provide with the cycle of conducting the assessment of the board of directors (e.g. once a year)

Note 2 To provide with the period for which the board of directors is assessed (e.g. evaluating the performance of the board of directors from Jan. 1, 2019 to Dec. 31, 2019)

Note 3 The scope of evaluation includes evaluation of the performance of the board of directors, individual board directors and functional committees.

Note 4 Methods of evaluation include internal self-evaluation of the board of directors, self-evaluation of board directors, peer evaluation, and performance evaluation conducted by an external professional institute, expert or in any other manner.

Note 5 The content of evaluation includes at least the following items based on the scope of evaluation:

- i. Evaluating performance of the board of directors: It contains at least level of participation in corporate operation, quality of decision making of the board of directors, composition and structure of the board of directors, election and continuous training of directors, internal control, etc.
- ii. Evaluating performance of individual board directors: It contains at least mastering corporate objectives and tasks, understanding responsibilities and duties of directors, level of participation in corporate operation, management and communication for enhancement of internal relationship, professional and continuous training of directors, internal control, etc.



- (1) Evaluating performance of functional committees: It contains level of participation in corporate operation, understanding responsibilities and duties of the functional committee, quality of decision making of the functional committee, composition of the functional committee, election and appointment of committee members, internal control, etc.

The evaluations made with respect to the board of directors are as follows:

(1) Self-evaluation by the Board of Directors for its Performance in 2024:

Self-evaluation Questionnaire for Performance of the Board of Directors: It contained 6 aspects, i.e. A. level of participation in business operation of iST, B. enhancement of quality of the decisions made by the board of directors, C. composition and structure of the board of directors, D. election of directors and continuing training programs for directors, and E. internal control, F. other items, all of which included 46 items to be evaluated. Except the following 3 items, which were graded as “4: Excellent (I agree)” and “3: Fair (neutral),” other items were graded as “5: Very Excellent (I strongly agree).”

Evaluated Items	Evaluation Result
1. The director (excluding the proxy thereof) attended all board meetings generally. (For example, the attendance rate is 80%, which is “3: Fair.”	4: Excellent (I agree.)
2. The director attended all meetings of shareholders generally. (For example, the attendance rate is 1/2, which is “3: Fair.”	4: Excellent (I agree.)
15. The frequency of board meetings is appropriate (e.g., board meeting held at least six times a year is considered “3: Fair”).	4: Excellent (I agree.)

Improvement approach: 1. Each director usually attended all board meetings and all meetings of shareholders and has been encouraged to be 100% present at all board meetings and meetings of shareholders.

2. Increase the frequency of board meetings.

(2) Self-evaluation by Board Members for their Performance in 2024:

Self-evaluation Questionnaire for Performance of Board Members: It contained 7 aspects, i.e. A. understanding of corporate goals and tasks, B. awareness of a director’s duties, C. level of participation in business operation of iST, D. internal relation development and communication, E. specialty of and continuing training programs for directors, and F. internal control, G. other items, all of which included 24 items to be evaluated. Except the following item, other items were graded as “5: Very Excellent (I strongly agree).”

Evaluated Items	Evaluation Result
7. The director (excluding the proxy thereof) attended all board meetings generally. (For example, the attendance rate is 80%, which is “3: Fair.”	9 board members gave it “5: Very excellent (I strongly agree),” while one member gave it “4: Excellent (I agree),” and one member gave it “3 Fair (Neutral).”

Improvement approach: 1. Each director usually attended all board meetings and has been encouraged to be 100% present at all board meetings.

(3) Self-evaluation by the Audit Committee for its Performance in 2024:

Self-evaluation Questionnaire for Performance of Audit Committee: It contained 5 aspects, i.e. A. level of participation in business operation of iST, B. awareness of the functional committee's duties, C. enhancement of quality of the decisions made by the functional committee, D. composition of the functional committee and election of committee members, and E. internal control, all of which included 22 items to be evaluated. Except the following item, which was graded as "4: Excellent (I agree)," other items were graded as "5: Very Excellent (I strongly agree)."

Evaluated Items	Evaluation Result
1. The committee member (excluding the proxy thereof) attended all meetings of the functional committee generally. (For example, the attendance rate is 80%, which is "3: Fair.")	4: Excellent (I agree.)

Improvement approach: 1. Each committee member usually attended all meetings of the audit committee and has been encouraged to be 100% present at all meetings of the audit committee.

(4) Self-evaluation by the Salary and Remuneration Committee for its Performance in 2024:

Self-evaluation Questionnaire for Performance of Salary and Remuneration Committee: It contained 5 aspects, i.e. A. level of participation in business operation of iST, B. awareness of the functional committee's duties, C. enhancement of quality of the decisions made by the functional committee, and D. composition of the functional committee and election of committee members, F. other items, all of which included 20 items to be evaluated. All items were graded as "5: Very Excellent (I strongly agree)."

The salary and remuneration committee will be well-run continuously to evaluate the policies and systems for the salaries and remunerations paid to directors and managers professionally and objectively, and provide the board of directors with suggestions for reference for making decisions relevant to salaries, remunerations, and performance objectives.

(5) Self-evaluation by the ESG Steering Committee for its Performance in 2024:

Self-evaluation Questionnaire for Performance of the ESG Steering Committee : Self-evaluation Questionnaire for Performance of Audit Committee: It contained 5 aspects, i.e. A. level of participation in business operation of iST, B. awareness of the functional committee's duties, C. enhancement of quality of the decisions made by the functional committee, D. composition of the functional committee and election of committee members, and E. internal control, all of which included 20 items to be evaluated. All items were graded as "5: Very Excellent (I strongly agree)."

4. Objectives for strengthening functions of the board of directors for the current and latest year, and evaluation of implementation of the objectives

(1) Strengthening functions of the board of directors, and evaluation of implementation of the objectives:

Strengthening functions of the board of directors	Evaluation of implementation of the objectives
Establishment of the salary and remuneration committee	iST has set up a salary and remuneration committee to assist the board of directors in evaluating, establishing and reviewing policies, systems, standards and structures with respect to performance of directors and managers and their wages and remunerations. The salary and remuneration committee holds at least 2 meeting per year.
Establishment of the audit committee	iST has set up an audit committee. The audit committee, which is composed of 5 independent directors, holds at least a meeting every quarter, responsible for ensuring fair expression of the financial report of iST, election (dismissal), independence and performance of CPAs, implementing the internal control

	effectively, having iST comply with applicable laws and rules, controlling existing or potential risks of iST, etc.
Establishment of the ESG Steering Committee	In 2023, the Company established an ESG Steering Committee consisting of three members: the Chairman of the Board and two independent directors. The committee's responsibilities include assisting the Board of Directors in promoting risk assessments and response strategies across environmental, social, and corporate governance dimensions to achieve sustainable operations. The committee convenes at least one meeting annually and reports to the Board of Directors in accordance with the Corporate Governance Best Practice Principles, submitting its proposals to the Board for approval.
Strengthening of corporate governance, and enhancement of information transparency	iST has established its corporate governance practice principles and the ethical corporate management practice principles, and also appointed the corporate governance officer on 2022.11.02. Specific personnel have been designated to take charge of collection and disclosure of information for iST, implementation of the system of spokespersons and updating relevant information on iST's website periodically.
Enhancement of execution and operation of the board of directors	iST has established the board meeting agenda rules. The board of directors has some members who are financial, legal, commercial professionals in order to strengthen functions of the board of directors and enhance execution and operation of the board of directors.
Improvement of communication with stakeholders	iST has a spokesperson and a deputy spokesperson who serve as the channels for stakeholders to communicate with iST. The shareholders' meeting accepts proposals from shareholders every year. Shareholders may file applications during the period of acceptance. The proposal are reviewed by the board of directors and resolved at the shareholders' meeting in accordance with applicable regulations.

(2) Operation of Audit Committee:

The Audit Committee is composed of 5 members, all of whom are independent directors. It holds a meeting per quarter periodically prior to a board meeting to review implementation of the internal control system and internal audit as well as material financial transactions, and communicate and exchange opinions with CPAs to supervise business operation of iST and risk control.

1. The key tasks of the Audit Committee for 2024 are as follows:

- (1) Review of the financial statements of each quarter;
- (2) Establishment or revision of the internal control system and relevant important regulations;
- (3) Assessment of effectiveness of the internal control system;
- (4) Revision of the Procedures for Acquisition or Disposal of Assets;
- (5) Revision of the Procedures for Loaning of Funds and Making of Endorsements/Guarantees;
- (6) Review and approval of transactions involving significant assets or derivatives of iST;
- (7) Public offering, issuance or private placement of the securities with the nature of equity interests;
- (8) Matters involving interests of the director;
- (9) Corporate management, information security and risk management;
- (10) Review the independence, suitability, and changes concerning the Company's CPAs.
- (11) Other important matters provided by regulations of iST or the competent authority.

2. Operation of Audit Committee:

As of the date of print of the annual report in 2024, the audit committee held 7 meetings (A) and independent directors present are as follows:

Title	Name	Times for which the person has been presented at the meeting (B)	Times for which the person has been authorized as a proxy to be present at the meeting	Rate of attendance (%) (B/A) (Note)	Remarks
Independent Director	Lo Yung-Chien	7	0	100%	Re-elected on 2024.6.14
Independent Director	Hung Wen-Ming	7	0	100%	Re-elected on 2024.6.14
Independent Director	Wang Chih-Hung	7	0	100%	Re-elected on 2024.6.14
Independent Director	Yu Chuo-Min	7	0	100%	Re-elected on 2024.6.14
Independent Director	HSIEH, PEI-CHUAN	3	0	60%	Appointed on 2024.6.14

Other Matters Required to be Recorded:

In case of the audit committee in any of the following situations, the date and term of the board meeting, content of the motion, resolution results by the audit committee, and the measures taken by iST based on the opinion of the audit committee shall be specified.

(1) Matters stated in Article 14-5 of the Securities and Exchange Act:

Date and Term of Board of Directors	Date and Term of Audit Committee	Content of Motion and Resolution Result
2023.03.14 11th-term 14 <sup>th</sup> meeting	2023.03.14 2nd-term 12 <sup>th</sup> meeting	<p>1. Assessment of effectiveness of internal control system for 2022 and statement on internal control system</p> <p>2. Final settlement of annual accounts for 2022</p> <p>3. Proposal of not continuing the private placement of common shares for cash adopted at the general meeting of shareholders in 2022</p> <p>4. Private placement of common shares for cash</p> <p>5. Proposal of participation in follow-on offering of Pin Wen Co., Ltd., a subsidiary 100% held by iST</p> <p>6. Approval of the transaction of derivatives</p> <p>7. Review of evaluation results with respect to independency and competency of independent CPAs ◦</p> <p>8. Change of independent CPAs because of the internal adjustment made by their firm</p> <p>Result of the resolution by the audit committee: All committee members present at the meeting adopted the resolution unanimously.</p> <p>Measures taken by iST based on the opinion of the audit committee: N/A</p> <p>Result of the resolution by the board of directors: All directors present at the meeting adopted the resolution unanimously.</p>
2024.04.26 11 <sup>th</sup> -term 20 <sup>th</sup> meeting	2024.04.26 2nd-term 18 <sup>th</sup> meeting	<p>1. 2024 Q1 consolidated financial statement</p> <p>2. Proposal for derivative transactions.</p> <p>Result of the resolution by the audit committee: All committee members present at the meeting adopted the resolution unanimously.</p> <p>Measures taken by iST based on the opinion of the audit committee: N/A</p> <p>Result of the resolution by the board of directors: All directors present at the meeting adopted the resolution unanimously.</p>
2024.07.11 12 <sup>th</sup> -term 2 <sup>nd</sup> meeting	2024.07.11 3 <sup>rd</sup> -term 1 <sup>st</sup> meeting	<p>Proposal for derivative transactions.</p> <p>Result of the resolution by the audit committee: All committee members present at the meeting adopted the resolution unanimously.</p> <p>Measures taken by iST based on the opinion of the audit committee: N/A</p> <p>Result of the resolution by the board of directors: All directors present at the meeting adopted the resolution unanimously.</p>
2024.08.05 12 <sup>th</sup> -term 3 <sup>rd</sup> meeting	2024.08.05 3 <sup>rd</sup> -term 2 <sup>nd</sup> meeting	<p>1. Proposal of 2024 Q2 consolidated financial statements</p> <p>2. Proposal of earning distribution for 2024 Q2</p> <p>3. Proposal for derivative transactions.</p> <p>Result of the resolution by the audit committee: All committee members present at the meeting adopted the resolution unanimously.</p> <p>Measures taken by iST based on the opinion of the audit committee: N/A</p> <p>Result of the resolution by the board of directors: All directors present at the meeting adopted the resolution unanimously.</p>
2024.11.04 12 <sup>th</sup> -term 4 <sup>th</sup> meeting	2024.11.04 3 <sup>rd</sup> -term 3 <sup>rd</sup> meeting	<p>1. Proposal of 2024 Q3 consolidated financial statements</p> <p>2. Proposal of earning distribution for 2024 Q3</p> <p>3. Proposal to determine the record date for capital increase for the portion of the employee stock options performed already by employees after iST issued these employee stock options in 2021</p> <p>4. Revision of iST's corporate governance practice principles</p> <p>5. Proposal of the limit of loans from banks</p> <p>6. Proposal for derivative transactions.</p> <p>7. Acknowledgement of renovation of iST's new leased plants</p> <p>8. Proposal for iST's purchase of plants and machinery equipment investment</p> <p>Result of the resolution by the audit committee: All committee members</p>

		present at the meeting adopted the resolution unanimously. Measures taken by iST based on the opinion of the audit committee:N/A Result of the resolution by the board of directors: All directors present at the meeting adopted the resolution unanimously.
2024.12.26 12 <sup>th</sup> -term 5 <sup>th</sup> meeting	2024.12.26 3 <sup>rd</sup> -term 4 <sup>th</sup> meeting	1. Proposal for participation in tender to acquire real estate 2. Proposal for iST's audit plan of 2024 3. Revision of iST's internal control system and its enforcement rules of internal auditing 4. Proposal for iST's planning to set up a subsidiary in Malaysia 5. Proposal for derivative transactions. Result of the resolution by the audit committee: All committee members present at the meeting adopted the resolution unanimously. Measures taken by iST based on the opinion of the audit committee:N/A Result of the resolution by the board of directors: All directors present at the meeting adopted the resolution unanimously.
2025.03.07 12 <sup>th</sup> -term 6 <sup>th</sup> meeting	2025.03.07 3 <sup>rd</sup> -term 5 <sup>th</sup> meeting	1. Assessment of effectiveness of internal control system for 2024 and statement on internal control system 2. Revision of iST's internal control system and its enforcement rules of internal auditing 3. Final settlement of annual accounts for 2024 4. Proposal of 2024 Q4 earning distribution 5. Proposal of 2024 earning distribution 6. Revision of iST's Procedures for Acquisition or Disposal of Assets 7. Proposal of not continuing the private placement of common shares for cash adopted at the ordinary meeting of shareholders in 2024 8. Private placement of common shares for cash 9. Proposal of disposal of stock rights of BTL Inc. held by iST 10. Proposal to determine the record date for capital increase for the portion of the employee stock options performed already by employees after iST issued these employee stock options in 2021 11. Proposal for derivative transactions. 12. Change of independent CPAs because of the internal adjustment made by their firm 13. Review of evaluation results with respect to independency and competency of independent CPAs, and non-assurance services provided by their CPAs' firm to iST Result of the resolution by the audit committee: All committee members present at the meeting adopted the resolution unanimously. Measures taken by iST based on the opinion of the audit committee:N/A Result of the resolution by the board of directors: All directors present at the meeting adopted the resolution unanimously.
<p>(2) Resolutions that were not adopted by the audit committee and were however approved by two thirds or more of all directors, except for the aforementioned matters: None</p> <p>2. In case of any independent director avoiding a motion based on a conflict of interest, specify the name of the independent director, the content of the motion, the reason for avoidance based on the conflict of interest, and status of participation in voting: None</p> <p>3. Status of Communication between Independent Directors and the Internal Audit Director and CPAs (including important matters communicated with respect to the financial conditions and business status of iST, communication methods, and results)</p> <p>(1) Independent directors were able to communicate with the internal audit director and CPAs directly to understand financial conditions and business status of iST.</p> <p>(2) The chief auditor submits an audit report to independent directors periodically every month. For any doubt about the content of the report, the chief auditor and independent directors will have a discussion by telephone or mail any time. The chief auditor participates in the meeting of audit committee held by iST, and reports audit tasks and follow-ups to independent directors. The chief auditor also attends board meetings and reports internal audit tasks. In addition to providing the report every month and communicating at the audit committee meeting, the chief auditor may also hold a discussion meeting prior to the meeting of audit committee or based on the request made by independent directors.</p> <p>(3) CPAs attend the audit committee meeting each quarter to communicate for the quarterly financial statements and corporate governance and provide the latest financial and tax information. They also exchanged opinions with independent directors at the meeting. In addition to communicating at the audit committee meeting, CPAs may also hold a discussion meeting prior to the meeting of audit committee or based on the request made by independent directors</p>		

The matters communicated between independent directors and chief auditors as of the date of print of the annual report in 2024 and 2025 are summarized as follows:

Date of Audit Committee Meeting / Discussion	Key Points Communicated	Results communicated
2025.03.07	1. Implementation of the audits conducted from December 2024 to January 2025 and report on the results 2. Assessment of effectiveness of iST's internal control system for 2022 and statement on internal control system 3. Revision of iST's internal control system and its enforcement rules of internal auditing	No opinion at the meeting
2024.12.26	1. Implementation of the audits conducted from October 2024 to November 2024 and report on the results 2. Audit plan for 2025 3. Revision of iST's internal control system and its enforcement rules of internal auditing	No opinion at the meeting
2024.11.04	Implementation of the audits conducted from July to September 2024 and report on the results	No opinion at the meeting
2024.08.05	Implementation of the audits conducted in June 2024	No opinion at the meeting
2024.04.26	1. Implementation of the audits conducted in February 2024 and report on the results	No opinion at the meeting
2024.03.06	1. Implementation of the audits conducted from November 2023 to January 2024 and report on the results 2. Assessment of effectiveness of iST's internal control system for 2023 and statement on internal control system 3. Sharing of internal audit and internal control regulations from January to February 2024.	No opinion at the meeting

The matters communicated between independent directors and CPAs as of the date of print of the annual report in 2024 and 2025 are summarized as follows:

Date of Audit Committee Meeting / Discussion	Key Points Communicated	Results communicated
2025.03.07	1. Duties of governing body 2. Audit scope and methods 3. Significant accounting policies, significant accounting estimates, and significant events or transactions 4. Significant risk and key audit matters 5. Audit summary 6. Other communicated matters 7. Statement of independence 8. Accountant rotation and 2023 Audit Quality Index Report (AQI Report)	No opinion at the meeting
2024.11.04	1. 2024 Q3 review scope and methods 2. Result of the review of 2024 Q3 consolidated financial statements 3. Relevant matters communicated: Judgment and accounting estimates and other matters from the management authority 4. Statement of independence 5. Significant risk and key audit matters (KAM) 6. Update of applicable laws and regulations	No opinion at the meeting
2024.08.05	1. Result of the review of 2024 Q2 consolidated financial statements 2. Relevant matters communicated: Judgment and accounting estimates and other matters from the management authority 3. Statement of independence	No opinion at the meeting
2024.04.26	1. Result of the review of 2024 Q1 consolidated financial Statements 2. Communication of relevant matters 3. Independence statement 4. Introduction to legal updates	No opinion at the meeting

2024.03.06	1. Responsibilities of the governance unit 2. Quality management system of Deloitte Taiwan 3. Scope and method of auditing 4. Significant accounting policies, significant accounting estimates, and significant events or transactions 5. Explanation of significant risks and key audit matters 6. Audit summary 7. Communication of relevant matters 8. Independence statement 9. 2022 Audit Quality Indicators Report 10. Introduction to applicable standards and laws in the (near) future	No opinion at the meeting
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(3) State of iST's Implementation of Corporate Governance, Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance

Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
1. Has iST established and disclosed its corporate governance practice principles pursuant to the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	V		iST established the Corporate Governance Principles already on Nov. 2, 2022 and these Principles in accordance with the regulations provided by the competent authority and based on iST's actual needs. The Corporate Governance Principles were revised recently on Nov. 4, 2024 and disclosed in the Governance Section at the website of iST and in the Market Observation Post System for investors to review.	No major difference
2. Structure of Equity Interests of iST, and Shareholders' Equity				
(1) Has iST established an internal operating procedure to deal with shareholders' suggestions, questions, disputes and lawsuits and dealt with the aforementioned matters pursuant to the procedure?	V		(1) iST has disclosed the contact points responsible for such communication in the Services for Shareholders under the "Relationship with Investors" Section at its website for shareholders and investors to give their opinions and questions. iST has also appointed spokespersons, deputy spokespersons and stock affairs and legal affairs personnel to deal with and respond properly to any suggestions, questions, disputes and lawsuits relevant to shareholders.	No major difference
(2) Does iST have the list of both the key shareholders that actually control iST and the final controllers of the key	V		(2) All directors and managers and the major shareholders holding more than 10% of iST shares are required to report to iST any changes in their shareholdings every month in accordance with regulations. iST obtains the list of shareholders through the stock agency on the date when stock transfer is suspended, and identifies the major	No major difference

Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
shareholders?			shareholders and their final controllers based on distribution of shareholdings.	
( 3 ) Has iST established and implemented a risk control and firewall mechanism with its affiliates?	V		(3)iST monitors its affiliates in accordance with the Internal Control System, the Regulations for Management of Subsidiaries, the Procedures for Acquisition or Disposal of Assets, the Procedures for Loaning of Funds and Making of Endorsements/Guarantees, the Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises, and other relevant regulations and clearly divides duties and responsibilities of iST and its affiliates. iST has also established proper firewalls based on risk assessment and has implemented such monitoring consistently.	No major difference
( 4 ) Has iST established internal practices to prohibit its internal personnel from taking advantage of any information not published publicly to trade securities?	V		(4) iST has established the Management Procedure for Dealing with Internal Material Information and Preventing Insider trading in accordance with applicable laws, which was adopted by the board of directors on Dec. 14, 2022, to prevent insiders from taking advantage of any unpublished information to trade securities.	No major difference
3. Composition and Duties of the Board of Directors				
( 1 ) Has the board of directors established a policy of diversity for the composition of its members and implemented the policy thoroughly?	V		(1) iST has established rules for diversity of its board members in accordance with Article 20 of the Corporate Governance Principles. In the board of directors, the directors who also serve as managers of iST shall be no more than one third of seats of board directors. In addition, a diversity policy has also been prepared for the operation model and development requirements of the board of directors, including but not limited to the following: 1. Basic conditions and values: Sex, age, nationality and	No major difference

Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
( 2 ) Does iST intend to establish any other functional committee, in addition to the salary and	V		<p>culture.</p> <p>2. Professional knowledge and skills: Specility-related background (e.g. law, accounting, industry, finance, marketing, and technology and science), professional skills, industrial experience, etc.</p> <p>iST's board members are selected through the strict selection and nomination procedures. At present, there are 11 directors (including 5 independent directors). They all have professional knowledge, skills and capacity necessary when performing their duties, including ability to make operational judgment, ability to make accounting and financial analysis, operation management ability, crisis management ability, industry know-how, international market perspective, leadership challenge and decision-making ability. For the diversity of the board members, please see page 12 of the annual report and visit the website of iST.</p> <p>Specific management objectives and the status of achievement thereof:</p> <p>(1) Seats of independent directors being more than 1/3 of seats of directors (Achieved)</p> <p>(2) Directors who also serve as managers of iST, being no more than one third of seats of directors (Achieved)</p> <p>(3) Term of office of an independent director not exceeding 3 years (Achieved)</p> <p>(4) Adequate diversified professional knowledge and skills (Achieved)</p> <p>(5) At lease one femal director included (Achieved)</p> <p>(2) iST has established the ESG Steering Committee. It is in the 2<sup>nd</sup> term. Chairman serves as the chairman of the Committee and leads the members of the Committee to work on relevant affairs.</p>	No major difference

Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
remuneration committee and the audit committee, in accordance with applicable laws?				
(3) Has iST established both the regulations for evaluation of the performance of the board of directors and the method of evaluation in order to conduct performance evaluation every year, report the evaluation result to the board of directors and use it as a reference for determining each director's remuneration and nominating a director to serve for the next term of office?	V		(3) iST established the Regulations for Evaluation of Performance of the Board of Directors on Aug. 6, 2020. The Regulations was revised recently on Dec. 26, 2024. Performance evaluation is conducted on the board, board members and functional committees at least once a year. Evaluation results are used as reference for remunerations of the board members and directors evaluated, and are disclosed in annual reports and on iST's website. Information, questionnaires and statistics about internal self-evaluation for iST's board, board members and functional committees performance evaluation 2024 were collected, distributed and conducted by relevant units. Evaluation results were reported to the board of directors on Mar. 7, 2025. For evaluation results of the performance of the board, board members and functional committees in 2024, please see pages 34-38 of the annual report.	No major difference
(4) Does iST evaluate independence of CPAs periodically?	V		(4) The audit committee evaluates independence and competency of iST's independent CPAs every year. Not only does the audit committee request CPAs to provide the Statement of Independence and the Audit Quality Indicators (AQIs), but the committee also complies with Article 47 of the Certified Public Accountant Act and the Statement No. 10 of the Ethics for Professional Accountants of the R.O.C. when conducting the evaluation of independence. For evaluated items, please see Note (1). The result of the evaluation conducted in the latest year (2024) was approved by the audit committee on Mar. 7, 2025 and resolved at the board meeting.	No major difference

Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
4. Has iST as a TWSE/TPEX listed company deployed a adequate and proper number of corporate governance personnel and designated a corporate governance officer to take charge of corporate governance-related matters (including but not limited to provision of data necessary for directors and supervisors to perform their duties, assistance provided for directors and supervisors in complying with laws and regulations, matters relevant to board meetings and shareholders' meetings, preparation of minutes of a board meeting and a shareholders' meeting, etc.)?	V		<p>(1) iST resolved at the board meeting on Nov. 2, 2022 to appoint Lin Yu-Sang, CFO at Finance and Accounting Division to serve as Corporate Governance Officer simultaneously. An adequate number of professional corporate governance personnel were also designated to be managed by the Corporate Governance Office to protect rights of shareholders and strengthen functions of the board of directors. For the continuing training programs participated by the Corporate Governance Officer in 2024, please see Note (2).</p> <p>(2) The Corporate Governance Officer has worked as a chief financial officer of a listed company for more than 3 years and met the qualifications required by applicable laws. The Corporate Governance Officer takes charge of corporate governance related matters, which shall at least include the following:</p> <ol style="list-style-type: none"> <li>1. Deal with matters relevant to board meetings and shareholders' meetings in accordance with applicable regulations.</li> <li>2. Prepare minutes of board meetings and shareholders' meetings.</li> <li>3. Assist directors in taking office and taking training programs. For the training programs taken by directors in 2024, please see Note (3).</li> <li>4. Provide directors with the information required by them to perform their duties.</li> <li>5. Assist directors in complying with applicable laws and regulations.</li> <li>6. Report to the board of directors the results of his reviewing whether an independent director's qualifications are in compliance with applicable laws during nomination, selection and the term of office.</li> <li>7. Deal with other matters indicated in the articles of incorporation or a contract.</li> </ol>	No major difference

Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
5.Has iST established a communication channel for stakeholders (including but not limited to shareholders, employees, customers and suppliers) and created a section of stakeholders at the website of iST to properly respond to the concerns of stakeholders regarding important corporate social responsibility?	V		iST has created a section of stakeholders at the website of iST( <a href="https://esg.istgroup.com/sustainability.php?id=4&amp;lang=tw">https://esg.istgroup.com/sustainability.php?id=4&amp;lang=tw</a> ) and designated contact persons to serve as the points of contact for customers/consumers, shareholders/investors, suppliers, employees, government agencies/other organizations and enterprises and communicate with stakeholders by responding to the important corporate social responsibility issues concerned by stakeholders, remaining unimpeded communication channels and respecting and protecting their legal rights.	No major difference
6. Has iST commissioned a professional stock affairs agent to deal with the matters relevant to a shareholders' meeting?	V		iST has commissioned Mega Securities Co., Ltd., a professional stock affairs agent, to deal with the matters relevant to a shareholders' meeting.	No major difference
7. Freedom of Information				
(1) Has iST built a website to disclose financial, business and corporate governance information?	V		(1) iST has built a website to disclose various financial conditions and corporate governance related information, which is provided for investors for reference ( <a href="http://www.istgroup.com">www.istgroup.com</a> ).	No major difference
(2) Has iST adopted any other method (e.g. a website with pages in English, specific personnel designated to take charge of collection and disclosure of	V		(2) iST has set up a website with pages in English and has designated a specific department to collect and publish internal important information. Except as otherwise provided by applicable laws or regulations, internal important information shall be disclosed by the spokesperson or deputy spokesperson of iST in compliance with the spokesperson system. A special section for investor conferences at iST's website has been established to provide relevant information for investors to download. The information is also disclosed in the Market Observation Post System in accordance with regulations.	No major difference

Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
<p>information for iST, implementation of the spokesperson system, the process of investor conference placed on the website of iST, etc.) to disclose information?</p> <p>(3) Does iST announce and report its financial statements within 2 months after the end of each fiscal year, and announce and report its financial statements of the 1st, 2nd and 3rd quarters and the status of business operation of each month prior to the deadline stated in applicable regulations?</p>		V	<p>(3) iST has announced and reported the Q1, Q2, Q3 and annual financial reports and the status of business operation of each month within the period required by the applicable laws.</p>	To be adjusted based on demand in the future
<p>8. Does iST have any other information that will provide a better understanding of iST's operation of corporate governance (including but not limited to rights and interests of employees, caring for employees, investor relations, supplier relations, rights of stakeholders, status of further training of</p>	V		<p>(1) Please see V. Business Operation Overview "5 Labor Relations," and the Friendly Workplace section at iST's ESG website.</p> <p>(2) Investor relations: iST values interests of investors. Relevant information is announced in real time in the Market Observation Post System, designated by the competent authority, in accordance with regulations. In addition, iST also holds investor conferences periodically for investors to grasp iST's business trends and development planning. Three investor conferences were held in 2024, which gave the public an opportunity to communicate with its management group directly.</p> <p>(3) Supplier relations: iST has established its code of conduct</p>	No major difference

Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
directors and supervisors, implementation of the risk management policy and risk measurement standards, implementation of a policy for customers, situations where liability insurance was acquired by iST for its directors and supervisors, etc.)?			<p>for suppliers after taking into account the code of conduct provided by Responsible Business Alliance. Suppliers of iST are expected to comply with the code of conduct and relevant practices have been disclosed on the website of iST.</p> <p>(4) Rights of interested parties: iST maintains good communication channels with its employees, customers, suppliers and other interested parties. iST has also disclosed at its website the contact points, as communication channels for interested parties, with respect to employee relations, customer relations, supplier relations, investor relations and other organizations and enterprises.</p> <p>(5) Further training for directors and independent directors: iST arranges training programs for directors pursuant to the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies. In the year, 11 directors (including independent directors) have received more than 6 hours of training. For detailed training for directors in 2024, please see pages 55-57 of the annual report.</p> <p>(6) Implementation of risk management policies and risk assessment standards: iST has established the internal control system and internal operations in accordance with regulations, and conducted various risk management assessments in compliance with the system and operations in order to reduce and prevent all possible risks.</p> <p>(7) Implementation of customer policies: iST stays in close touch with customers to deal with customer complaints effectively.</p> <p>(8) Director liability insurance: iST has acquired liability insurance for directors and important personnel to reduce and disperse the risk resulting in major damage to iST and its shareholders due to their errors or negligence. Insurance coverage would be reported to the board of directors.</p>	



Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
9. Please explain the improvements made already based on the results of corporate government assessment published by the Corporate Governance Center of Taiwan Stock Exchange, and specify the matters to be done and measures to be taken in priority for the items not improved yet. (Companies not listed as evaluated companies are not required to complete these tables.)				
<p>iST reviews the items below assessment standards every year immediately after the assessment result is published, and take measures to improve those items based on the latest corporate governance indicators published by the Corporate Governance Center of Taiwan Stock Exchange.</p> <p>A. Status of Improvement: The key items for which iST has improved based on the result of the (11th-term) annual corporate governance assessment in the latest year are summarized as follows:</p> <p>(1) iST has reported, at the ordinary shareholders’ meeting, the remuneration received by directors, including the remuneration policy and the content and amount of the remuneration to each director.</p> <p>(2) iST’s board of directors has included at least one director of different gender.</p> <p>(3) iST has established a functional committee, such as ESG committee, which has no less than 3 members. A majority of its members are independent directors. At least one member has the professional abilities required by the committee. The composition, responsibilities and operation of the committee has also been disclosed.</p> <p>(4) iST’s dividend policies have been specifically disclosed in its annual report.</p> <p>(5) iST has set up a dedicated (or joint) unit to conduct risk assessment for business-related environmental, social or corporate governance issues based on the materiality principle. Development of sustainable development is supervised by the board of directors and disclosed at iST’s website and in the annual report.</p> <p>(6) iST has prepared and uploaded the sustainability report in the Market Observation Post System and iST’s website in accordance with the GRI Standards issued by the Global Reporting Initiative (GRI).</p> <p>(7) iST has uploaded the English version of its sustainability report in the Market Observation Post System and iST’s website.</p> <p>(8) iST has disclosed relevant information about its governance, strategies, risk management, indicators and objectives for climate-related risks and opportunities pursuant to the Task Force on Climate-related Financial Disclosure (TCFD) framework.</p> <p>B. Priorities and Measures for Unimproved Items: The priorities expected to be done in 2025, in response to the 11<sup>th</sup> revision of corporate governance assessment indicators, are explained as follows:</p> <p>(1) iST has planned to designate the Audit Committee or a board-level functional committee (e.g. Risk Management Committee) to supervise risk management, and determined the risk management</p>				

Evaluation Item	State of Implementation (Note)			Variance from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and Reasons for Such Variance
	Yes	No	Summary	
<p>policies and procedures to be resolved by the board of directors to disclose the organization structure of risk management, and the procedures and operation of risk management. These disclosures are reported to the board of directors at least once a year.</p> <p>(2) The performance evaluation regulations established by iST stipulates that an external evaluation shall be conducted at least every 3 years. The status of implantation and results of the evaluation conducted already in the year or the past 2 years have been disclosed at iST’s website or in the annual report.</p> <p>C. iST will continuously evaluate the feasibility of future improvement for the items below standards.</p>				

Note: No matter which box you put a check in, "Yes" or "No" for the Status of Operation, you shall still specify in the Summary field.

Note (1). CPA Independence Evaluation:

Evaluation Item	Evaluation Result
1. It is true that there is no financial interest between the CPA and iST directly or substantially indirectly.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. It is true that there is no substantially close business relationship between the CPA and iST.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3. It is true that there is no potential employment relationship between the CPA and iST when the CPA conducts the audit on iST.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4. It is true that there is no debt between the CPA and iST.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5. It is true that the CPA has not received any valuable donation or gift (with the value exceeding that acceptable for general social etiquette) from iST or its director, supervisor or manager.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6. It is true that the CPA has not provided iST with the audit service for 7 successive years.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7. It is true that the CPA does not own any share of iST.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8. It is true that the CPA or his/her spouse, dependents or audit team has not served as a director, supervisor or manager of iST or an officer who has material influence on audited cases during the audit period or within the latest 2 years, and definitely will not serve in any of the aforementioned positions for any audit period in the future.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9. It is true that the CPA has complied with Statement 10 of the Norm of Professional Ethics for Certified Public Accountant of the R.O.C. and obtained the declaration of independence issued by the CPA.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Note (2). Continuing Training Programs Participated by Corporate Governance Officers in 2024:

Title / Name	Institute	Name of Program	Hours
CFO/Lin Yu-Sang	Taiwan Corporate Governance Association	Prevention of and response to insider trading	3
	China Intangible Asset Appraisement Co., Ltd.	Business merger and acquisition law and practice	4
	Accounting Research and Development Foundation	Case study on the strengthening of internal control defense function and the operation mechanism of the board of directors, and on malpractice	6
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3

Note (3). Continuing Training Programs Participated by Directors in 2024:

Name	Institute	Name of Program	Hours
Han Sheng Investment Co., Ltd. Representative: Yu Wei-Pin	Taiwan Corporate Governance Association	Prevention of and response to insider trading	3
	Independent Director Association Taiwan	From ESG transformation to impact investing, and seize of business opportunities	3
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3
Hui Long Co., Ltd.	Taiwan Corporate Governance Association	Prevention of and response to insider trading	3

Representative: Chen Ching-Chuo	Association	trading	
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3
Tu Chung-Cheh	Taiwan Corporate Governance Association	Prevention of and response to insider trading	3
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3
Liu Fu-Han	Taiwan Corporate Governance Association	Prevention of and response to insider trading	3
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3
Kai Ou Investment Co., Ltd. Representative: Chen Yang-Kuang	Taiwan Corporate Governance Association	Prevention of and response to insider trading	3
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3
Lo Wen-Hao	Taipei Foundation Of Finance	Corporate governance progra	6
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3
Wang Chih-Hung	Taiwan Corporate Governance Association	Prevention of and response to insider trading	3
	Taiwan Corporate Governance Association	Strengthen digital resilience and establish strategies to strengthen information security governance for listed companies	3
Hung Wen-Ming	Taiwan Corporate Governance Association	Prevention of and response to insider trading	3
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3
Lo Yung-Chien	Taiwan Corporate Governance Association	Prevention of and response to insider trading	3
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3
Yu Chuo-Min	Taiwan Institute of Directors	Create key sustainability performance indicator and rewards	3
	Taiwan Corporate Governance Association	Corporate governance and securities regulations	3
	Taiwan Institute of Directors	Carbon-related topics discussing carbon fee, carbon tax, carbon credit and carbon trading	3
HSIEH, PEI-CHUAN	Taipei Exchange	Briefing on equity held by insiders in listed companies and emerging stock companies	3
	Taiwan Corporate Governance Association	Comprehensive intellectual property protection strategies – Assisting with intellectual property compliance	3

		management with the help of AI	
	Taiwan Corporate Governance Association	Introduction of carbon management and energy management from the perspective of sustainable environment by TSE- and OTC-listed companies	3
	Taiwan Corporate Governance Association	Change the world with investment – Impact investing and SDGs practice	3

(4) Composition and Operation of the Salary and Remuneration Committee or Nomination Committee, if any:

(1). Information of the members comprising the salary and remuneration committee:

April 15, 2025

Requirements		Professional Qualification and Experience	Independence	Number of public companies where the person also serves as an salary and remuneration committee member
Status	Name			
Independent Director (Convenor)	Hung Wen-Ming	See the information disclosed in	(1) He is not an employee of iST or any of its affiliates. (2) He is not a director or supervisor of iST or any of its affiliates.	0
Independent Director	Wang Chih-Hung	Professional Qualification and Experience and Status of Independence on page 15-17.	(3) The shares held by the person and his spouse or minor child(ren) or in the name of another person are not 1% or more of the total shares issued by iST, and He is not one of 10 largest shareholders. (4) He is not a spouse, a relative within the second degree of kinship, or a linear relative by blood within the third degree of kinship of the manager listed in (1) or any person listed in (2) or (3).	1
Others	Lee Tien-Hsiang	He has the work experience relevant to commerce, legal affairs, finance or accounting or required for corporate business. His education and work experience include Department of Business Administration, National Taiwan University; 、Graduate School of Management Science, National Chiao Tung University; Specialist/Junior Manager of China Development Industrial Bank; Assistant General Manager of Jing Ying Venture Capita	(5) He is not a shareholder directly holding 5% or more of issued shares of iST or one of 5 largest shareholders, and is not a director, supervisor or employee of any of the juristic person shareholders who is designated in accordance with Article 27 (1) or 27 (2) of the Company Act to serve as a director or supervisor of iST. (6) He is not a director, supervisor or employee of an entity that controls a majority of directors or voting shares of iST. (7) He is not Chairman, General Manger or an equivalent high-ranking executive of iST and is not a director, supervisor or employee of his spouse's company or institution. (8) He is not a director, supervisor or manager or a shareholder holding 5% or more shares of any company or institution with which iST has financial or business transactions. (9) He is not a professional or a proprietor, partner, director, supervisor or manager or spouse thereof of a sole proprietorship, partnership, company or institution that provides iST or any of its affiliates with audit service or with commercial, legal, financial or accounting service for remuneration in return for the latest 2 years. (10) He is not a spouse or a relative within the second degree of kinship of any other director.	0

(2). Information on Operation of Salary and Remuneration Committee:

- (1) Members of the salary and remuneration committee total 3 persons.
- (2) Term of office of these committee members: It is from Jul. 11, 2024 to Jun. 13, 2027. The salary and remuneration committee held 4 meetings (A) for the latest year and as of the date of print of the annual report. Qualifications and attendance of committee members are as follows:

Title	Name	Times for which the person has been presented at the meeting (B)	Times for which the person has been authorized as a proxy to be present at the meeting	Rate of attendance (%) (B/A)	Remarks
Independent Director	Wang Chih-Hung	4	0	100%	Re-elected on 2024.7.11
Independent Director	Hung Wen-Ming	4	0	100%	Re-elected on 2024.7.11
Others	Lee Tien-Hsiang	4	0	100%	Re-elected on 2024.7.11

**Duties of Salary and Remuneration Committee:**

The committee performs the following duties faithfully with the care of a good administrator and submits its suggestions to the board of directors for further discussion.

1. Determine and regularly review the policy, system, standards and structure concerning the performance evaluation for directors and managers, and the salaries and remunerations paid to them.
2. Regularly evaluate and determine the salaries and remunerations paid to directors and managers.

**Other Matters Required to be Recorded:**

1. Date and term of the board meeting, content of the motion, resolution results by the board of directors, and the measures taken by iST based on the opinion of the salary and remuneration committee if the board of directors does not adopt or amend the suggestions given by the salary and remuneration committee (and the difference and reason if the salary or remuneration adopted by the board of directors is better than that suggested by the salary and remuneration committee): No different opinion has been given against the results resolved by the board of directors.
2. Date and term of the salary and remuneration committee meeting, content of the motion, opinions of all committee members, and the measures taken based on the opinions of the members if any member objects to or provides with qualified opinion for at the meeting, and such objection or opinion is recorded in the minutes or a written statement: None of committee members have objected to or provided with qualified opinion against the results resolved.

(3). Date and term of meeting of salary and remuneration committee, content of motion, resolution result and the measures taken by iST based on opinions of committee members

Date of Meeting	Content of Motion
2024.02.20 5th-term 8th meeting	1. Review of remuneration to directors of iST for 2023 2. Review of remuneration to employees of iST for 2023 3. Review of adjustment of salaries paid to high-ranking officers for 2024 Resolution Result: All committee members present at the meeting adopted the resolution unanimously. Measures taken by iST based on the opinion of the salary and remuneration committee: Except the directors avoiding, the directors present at the meeting adopted the resolution and implemented relevant matters based on the resolution result..
2024.07.31 6th-term 1st meeting	1. Review of distribution of mid-year performance bonuses to high-ranking officers of iST for 2024 Resolution result: All committee members present at the meeting adopted the resolution unanimously.
2024.12.19 6th-term 2nd meeting	1. Revision of iST's "Regulations for Evaluation of Performance of the Board of Directors" and the schedules thereof 2. Revision of iST's "Policy of Remunerations to Directors and Salaries to Committee Members and Managers" 3. Revision of iST's "Organizational Regulations of the Salary and Remuneration Committee" 4. Review of distribution of year-end performance bonuses to high-ranking officers of iST for 2024 Resolution result: All committee members present at the meeting adopted the resolution unanimously.
2025.02.27 6th-term 3rd meeting	1. Review of salaries of iST's high-ranking managers linked with key ESG performance indicators 2. Review of the employee remuneration distributed by iST in 2024 3. Review of remuneration to directors in 2024 Resolution result: All committee members present at the meeting adopted the resolution unanimously.
2025.04.17 6th-term 4th meeting	1. Review of the salaries to high-ranking directors adjusted by iST in 2025 Resolution result: All committee members present at the meeting adopted the resolution unanimously.

(4). Information on Nomination Committee Members and Status of Operation: iST has not set up a nomination committee.



(5) Operation of the ESG Steering Committee:

1. The Company's ESG Steering Committee consists of three members: the Chairman of the Board and two independent directors. The members are appointed by a resolution of the Board of Directors. The committee meets at least once a year and reports to the Board of Directors in accordance with the Corporate Governance Best Practice Principles, submitting its proposals to the Board for resolution.

Title	Name	Expertise
Chairman (Convener)	Yu Wei-Pin	Business Management, Global Market Perspective
Independent Director	Hung Wen-Ming	Business Management, Sustainability Management
Independent Director	Lo Yung-Chien	Industry Knowledge, Risk Management

2. The responsibilities of the ESG Steering Committee are as follows:

- (1) Supervising the execution of ESG sustainability principles.
- (2) Appointing the Chief ESG Officer to conduct due diligence on ESG-related adverse events.
- (3) Ensuring the execution and track the effectiveness of the Company's sustainability policies.
- (4) Appointing the convener of the ESG Committee.
- (5) Annually reviewing and approving significant topics and performance of the ESG report.

3. The tenure of the incumbent committee members: Jul. 11, 2024 to Jun. 13, 2027.

4. Operation of the ESG Steering Committee:

The ESG Steering Committee held 3 meeting in the most recent year and up to the date of the annual report publication. The qualifications and attendance of the members are as follows:

Title	Name	Actual Attendance (B)	Proxy Attendance	Actual Attendance Rate (%) (B/A)	Remarks
Chairman	Yu Wei-Pin	3	0	100%	
Independent Director	Hung Wen-Ming	3	0	100%	
Independent Director	Lo Yung-Chien	3	0	100%	

(5) 1. State of Promotion of Sustainable Development, Variance from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reason for Variance

Promotion Item	Status of Operation (Note 1)			Variance from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reason for Variance
	Yes	No	Summary	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	V		<p>1. To fulfill its corporate social responsibility and align with international trends, the Company has designated the Board of Directors as the highest decision-making unit for sustainability issues. In 2022, the Company established an ESG Committee, chaired by the Chairman of the Board and comprising senior executives at the departmental level and above as committee members. This committee collectively reviews the Company's core business capabilities and develops medium- to long-term sustainability plans.</p> <p>2. In 2023, the ESG Steering Committee was established. iST Chairman served as the convenor and independent directors were members of the Committee. The Committee was established to guide and supervise the ESG Committee in taking sustainability initiatives, with an aim to cultivate a culture of corporate sustainability and fulfill its commitments to sound corporate governance, environmental protection, social responsibility, and stakeholder engagement. This enables the Board of Directors to fulfill its duty to protect the rights and interests of the Company, its employees, shareholders, and stakeholders, positioning iST as a responsible enterprise that meets the expectations of its customers, employees, and shareholders.</p> <p>3. Under the ESG Committee, there are five subcommittees: the "Corporate Governance Subcommittee," the "Employee Care, Development, and Integrity Management Subcommittee," the "ESH Subcommittee," the "Sustainable Supply Chain Subcommittee," and the "Stakeholder and Social Care Subcommittee." These subcommittees guide the management indicators for the economic, environmental, and social dimensions of corporate social responsibility and supervise the "ESG Promotion Office" in executing performance management indicators in these domains.</p> <p>4. The ESG Promotion Office is responsible for regularly identifying stakeholders, collecting and reviewing issues of concern to stakeholders, and assessing the performance of ESG initiatives. The office reports to the ESG Committee, with the convener of the ESG Committee presenting the sustainability performance and resolution plans to the Board of Directors at least once a year during the annual meeting. The Board then executes the relevant resolutions and provides the necessary resources. The 2024 execution status</p>	None

			<p>was reported to the Board of Directors on March 6, August 5, December 26, 2024. The directors reviewed the report from the promotion office, supervised the executions and objectives of the sustainability initiatives, and provided timely advice and suggestions for strategic adjustments to the promotion office.</p> <p>5. For iST's governance structure and operational structure for its corporate sustainable development, please see the ESG Section at iST's website(<a href="https://esg.istgroup.com/?lang=tw">https://esg.istgroup.com/?lang=tw</a>).</p>				
2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		<p>1、According to the company's "Procedures Governing the Preparation, Verification, and Reporting of the Sustainability Report", we regularly disclose the major themes and impacts on the economy, environment, and people (including their human rights) identified by the company, with disclosure items and reporting requirements strictly in line with GRI/SASB/TCFD standards every year. We also refer to SDGs to set corresponding management goals for controlling ESG risks.</p> <p>2、The Company's ESG Committee has conducted risk assessments on significant issues based on major principles, and developed relevant risk management policies or strategies as follows:</p> <table><tr><td>Significant</td><td>Risk</td><td>Risk Management Policy or Strategy</td></tr></table>	Significant	Risk	Risk Management Policy or Strategy	None
Significant	Risk	Risk Management Policy or Strategy					



					certifications.	
				Customer Privacy and Information Security	<p>To protect and secure the document assets of iST and its customers, iST has established a strict information security control mechanism from the aspects of network security control, information asset management, physical environment safety, access control, personnel information management and educational training. iST also passed on Oct. 16, 2023 the international certification of ISO/IEC 27001 information security management system (with the certificate effective till Oct. 31, 2025). With systematic information security protection measures and continuous improvement mechanisms, iST ensures that all customer cases and operation data are protected at the highest level of security.</p> <p>For iST's risk management, management framework, information security policies and specific management schemes in terms of information security, please visit the ESG Information Security Management section at iST's website:<a href="https://esg.istgroup.com/corporate.php?id=31&amp;lang=tw">https://esg.istgroup.com/corporate.php?id=31&amp;lang=tw</a></p>	
				Corporate Governance	<p>Legal</p> <p>iST has a corporate governance officer and has established relevant corporate governance regulations and systems and implemented internal control mechanisms to ensure that information disclosure is transparent and all operations are in compliance with applicable laws and regulations.</p> <p>Stakeholder Communication</p> <ol style="list-style-type: none"> <li>1. iST has adopted AA 1000 as the framework to identify 7 types of interested parties, which are customers, employees, investors, media, suppliers, communities and governments. iST also negotiates with these types of interested parties regularly and from time to time and reports negotiation results to the board of directors every year.</li> <li>2. To communicate actively, iST has established many communication channels and disclosed them on its website for interested parties in order to reduce opposition and misunderstanding.</li> <li>3. iST has established a spokesperson system for making an announcement. It has also established an investor mailbox. Proper persons are designated to deal with and respond to mail from investors.</li> <li>4. We visit and call customers regularly and have established a customer satisfaction survey mechanism to know customer needs. In addition, contact mailboxes and telephone numbers corresponding to different areas and services have also provided on the official website of iST. Contact information of engineering units has also been provided for customers to contact and iST may also respond to some interest issues that customers are concerned about.</li> <li>5. iST has also established many methods to negotiate with employees, such as</li> </ol>	

						labor-management meetings, employee engagement surveys, seminars for foreign employees, grievance hotlines and mailboxes, etc.													
				Enhancement of Director		1. To help directors obtain new knowledge, move with the times and be familiar with their roles, functions, responsibilities and obligations in the board of directors and implement iST's governance system effectively, each member of the board of directors receives advanced training for at least 6 hours every year. 2. iST acquires liability insurance for its directors every year to protect them from any lawsuits or claims generated from their performance of duties.													
3. Environmental Issue (1) Has the Company set an environmental management system designed to industry characteristics?	V					1. iST has promoted the ISO14001 environmental management system and obtained certification. For maintenance, a unit has been specifically designated. 2. The certificate is effective from 2019/10/08 to 2025/10/07.	None												
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V					To fulfill its commitment to environmental sustainability, iST completed the establishment of renewable energy in 2024 and expected to have the establishment go into operation for energy generation in 2025. iST facilitated energy conservation measures continuously. In 2024, iST completed many energy efficiency enhancement measures. For example, some equipment with poor energy efficiency (e.g. chillers, air compressors, LEDs, etc.) were eliminated and replaced by equipment with better efficiency, and automated variable-frequency controllers were installed. The total energy saved in 2024 was estimated to at 1770.234 MWh. In addition, iST was also promoting e-operation to reduce paper consumption as well as waste sorting, recycling and reduction. We hope to reduce load and impact on environment by promoting these measures.	None												
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	V					iST conducts the analysis of potential risks and opportunities based on its corporate environmental situation analysis and risk evaluation, and takes measures based on results of the risk evaluation.	None												
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or	V					<div>iST calculates greenhouse gas emissions, water consumption and the total weight of waste periodically. The statistics for the latest 2 years are provided as follows: Greenhouse Gas Emissions, Water Consumption and Total Weight of Waste in 2023 and 2024</div> <table><tr><td></td><td>2023</td><td>2024</td></tr><tr><td>Water consumption</td><td>68,974 m3</td><td>80,795 m3</td></tr><tr><td>Weight of hazardous waste</td><td>8.42 tons</td><td>8.09 tons</td></tr><tr><td>Weight of non-hazardous waste</td><td>46.55 tons</td><td>51.79 tons</td></tr></table>		2023	2024	Water consumption	68,974 m3	80,795 m3	Weight of hazardous waste	8.42 tons	8.09 tons	Weight of non-hazardous waste	46.55 tons	51.79 tons	None
	2023	2024																	
Water consumption	68,974 m3	80,795 m3																	
Weight of hazardous waste	8.42 tons	8.09 tons																	
Weight of non-hazardous waste	46.55 tons	51.79 tons																	

management of other wastes?		Annual greenhouse gas emissions		22,666.37 metric tons CO2e	22,682.60 metric tons CO2e	
		Greenhouse gas emission statistics by category in the past two years				
		Category	Whole factory area in 2023		Whole factory area in 2024	
			(Tons CO2e/ year)	Proportion of total emissions(%)	(Tons CO2e/ year)	Proportion of total emissions(%)
		Category1	2,416.83	10.66%	1,553.41	6.85%
		Category2	20,231.19	89.26%	21,114.45	93.09%
		Category3	18.36	0.08%	14.74	0.06%
		Total	22,666.37	100.00%	22,682.60	100.00%
		Remarks:				
		Category 1: Direct emissions are emissions from sources owned or controlled by iST, such as manufacturing facilities or plants and transportation vehicles.				
		Category 2: Indirect emissions are emissions resulting from electric power purchased by iST for its own use or from such sources as heat and steam.				
		Category 3: Only waste treatment and transportation is inspected.				
		Note: The 2022 GHG inventory includes the Zhuyi Plant, Zhuer Plant, Puting Plant, De'an Plant, Taiyuan Plant, NeiHu Plant, Changyi Plant.				
		For locations inspected in 2024, please refer to those inspected in 2023, with newly added Chongxing Plant and Taiyuan Plant.				
		Greenhouse Gas Emission Reduction Policy:				
		iST takes measures to hold energy saving and carbon reduction activities from time to time to encourage employees to build a good electricity-using habit and develop self-management for electricity using. In addition, iST also cooperates with the government to carry out the 2050 net zero emission policy and effectively implement and promote a energy saving and carbon reduction scheme in each plant in hopes of reducing the overall greenhouse gas emissions and air pollution. iST took the year 2030 as the base and expected to achieve the goal of reducing emissions by 10% by 2027. The base year for reduction was 2022. It was expected that emissions would be reduced by 5% in 2024. The actual emission reduction is 14.17%. (The goal has been achieved.)				
		Water Consumption Reduction Policy:				
		To reduce tap water consumption and reduce the total emissions from plants, iST has taken the following measures to save water, aiming to reduce water consumption by more than 1% by the end of 2027.				
		1. Process Wastewater Recycling and Treatment System:				
		Wastewater is recycled through the process wastewater recycling system and provided for the cooling tower. Over the past two years, approximately 23,081 metric tons of water have been recycled.				
		2. Recycling of Water from Pure Water System:				
		Water from the pretreatment backwash (sand filter housing and active carbon housing) is recycled. RO concentrated water for recycling is recycled. About 95.8% of water drained from the pure water system is recyclable.				

		<p>3. Saving Water in Daily Life: iST will use water-saving toilets and advocate cherishing water resources and saving water for all employees. By doing so, iST has reduced water consumption.</p> <p>Waste Management Policy: iST has established the following waste management mechanism to achieve the objectives of safe, healthy and harmless treatment and recycling of waste. iST took the year 2022 as the base and expected to achieve the goal of reducing waste intensity by more than 5% by the end of 2027. Waste intensity was reduced by 5.68% in 2024. The goal of reducing waste intensity by 4% was achieved.</p> <ol style="list-style-type: none"> <li>1. iST dispatches its environmental protection management officers to visit the waste treatment plant every year to ensure that the process of disposing and treating waste meets applicable regulations.</li> <li>2. Hazardous industrial waste is inspected periodically every year.</li> <li>3. Each plant is required to establish its plan of industrial waste disposal and submit the triplicate disposal order in accordance with the Waste Disposal Act. The GPS is installed legally in each vehicle removing waste to track the waste flow. The vehicle is weighed after entering the treatment plant.</li> <li>4. The company is committed to environmental protection and has The Sustainability Committee conducts annual performance reviews and implements internal and external audits. The waste management system passed the ISO 14001 environmental management system certification In 2024.</li> </ol>	
<p>4. Social Issue (1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</p>	V	<ol style="list-style-type: none"> <li>1. iST complies with the International Bill of Human Rights. With the spirit of the United Nations Universal Declaration of Human Rights, the United Nations Global Compact and the Responsible Business Alliance (RBA) Code of Conduct, iST holds the principles of respecting human rights and putting right persons in right places and takes into account other applicable industrial standards and international conventions. iST equally treats and respects employees and is committed to creating a honest, healthy and safe work environment, ensuring that the safety and hygiene conditions of the work environment are in compliance with standards, and improving the conditions of work environment for all employees and the employees' benefits consistently.</li> <li>2. iST extremely emphasizes the development of its labor and business ethics policy. iST advocates the policy through work rules, document management system and announcement system, and regularly reviews and optimizes relevant systems to protect human rights of workers and ensure that every employee is respected and treated equally in order to maintain interests of all employees and create a friendly work environment.</li> <li>3. The concrete management scheme used by iST for protection of human rights is as follows: (Eliminate all forms of discrimination and ensure equity of work opportunities.) iST does not allow the recruitment process and appointment decisions to be affected because of any factors, such as race, religion, belief, sex, marital or childbearing status, age, political background, nationality, disability, sexual orientation, constellation, blood type, etc. (Zero tolerance is adopted against unlawful violence.) iST guarantees that all employees are free from any physical</li> </ol>	None



or mental violence while performing their duties and promises to create a friendly work environment jointly where employees are willing to communicate and open management is implemented. (Interests and rights of workers are determined in accordance with applicable laws.)

An employment contract made between each employee and iST meets applicable regulations of labor and human rights enacted in Taiwan.

(Forced labor is prohibited.)

iST makes an employment contract with the employee when the employment relationship is established and guarantees not to have employees slave or coerce them into involuntary servitude.

(Use of child labor is prohibited.)

iST specifies in its work rules that neither children nor young persons under the age of 18 shall not be employed, and any activity that may result in use of child labor shall not be permitted.

(Female employees are protected.)

iST specifies in its work rules the protection measures for female employees, especially the protection measures for pregnant female employees, including no night work and no hazardous work for female employees. For the status of implementation of the diversity policy in 2024, the “nationality distribution,” “percentage of female employees” and “employment of the disabled” are indicated as follows:

#### Community Indicators of Diversity

Type	Of all employees (%)		Of managements (%)	
Sex	Male	Female	Male	Female
R.O.C. citizen	45.6%	39.9%	59.5%	40.0%
Foreigner	4.3%	9.5%	0.5%	0.0%
Indigenous people	0.2%	0.5%	0.0%	0.0%

#### Gender Indicators of Diversity

Percent of employees and managements		
Sex	Male	Female
All employees	50.1%	49.9%
Directors	60.0%	40.0%
Supervisors	57.4%	42.6%
High-ranking supervisors	84.2%	15.8%

#### Other indicators of diversity

Age	Sex	Percent of employees (%)	Number of disabled employees
29 or below	Male	15.0%	2
	Female	14.8%	0
30~49	Male	31.7%	1

			<table><tr><td></td><td>Female</td><td>32.7%</td><td>3</td></tr><tr><td rowspan="2">50 or above</td><td>Male</td><td>3.4%</td><td>3</td></tr><tr><td>Female</td><td>2.4%</td><td>0</td></tr><tr><td colspan="2">Total</td><td>100.00%</td><td>9</td></tr></table>		Female	32.7%	3	50 or above	Male	3.4%	3	Female	2.4%	0	Total		100.00%	9	
	Female	32.7%	3																
50 or above	Male	3.4%	3																
	Female	2.4%	0																
Total		100.00%	9																
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?.	V		(Competitive salaries and excellent welfare) iST's salary and remuneration policy not only meets applicable regulations, but also ensures that the overall salaries and remunerations provided are competitive and relevant welfare is better in the industry. In addition, iST also reviews its salary system periodically to ensure internal fairness and external competitiveness.  1. iST provides highly competitive salaries and has a system of bonuses and rewards for employees to share operating results with all employees. When iST has any profit for the year, iST shall allocate no less than 3% of the profit as employees' remuneration in accordance with Article 18 of iST's articles of incorporation, 2. iST has a bonus system that is superior in the industry and covers quarterly bonus, performance bonus, productivity bonus, and various incentive bonuses. 3. iST provides a remarkable pay raise and job promotion based on performance of employees. 4. iST provides a leave and attendance system better than that provided in the Labor Standards Act. 5. iST provides a new employee with a single room in its dormitory and rent subsidy to mitigate the employee's economic burden for renting a house and have the employee enjoy a safe living environment simultaneously. 6. iST provides subsidies for travel, marriage and childbirth, and scholarships for children to take care of employees and their family members. 7. iST has breastfeeding rooms to satisfy employee needs and has also employed nursing personnel in accordance with labor health protection regulations to provide labor health related services and deal with health education matters. In addition, contracted physicians are requested to provide service in the plant. 8. iST has all employees receive health examination periodically and arranges for doctors and nursing personnel at the plant to provide health consultation service.	None															
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		1. Work Environment Protection Measures: Access controls are installed for the premises. 24-hour security guards patrol the premises regularly as scheduled. Only with an access card, an employee has access to the premises. For a high-risk area, an emergency alert system is installed. The CCTV system is installed for each entrance to the premises. 2. Occupational Safety and Health Officers: Occupational safety and health management officers who are issued with relevant professional licenses are designated in accordance with national regulations, and are required to receive retraining to ensure that they are capable of performing duties effectively with industrial safety skills. 3. Periodical Implementation of Educational Safety and Health Training: Relevant educational safety and health training programs were held in 2024. A total of trainees were 450 persons and the total hours of training were 1470. 4. No fire incidents happened in 2024.	None															
(4) Has the Company established effective career development training programs	V		iST implements the human resource development strategy with the framework of "competency." I. iST plans the annual educational training plan based on its operational and strategic guidelines and organizational needs, and implements the following pursuant to the plan	None															

for employees?			<p>effectively:</p> <ol style="list-style-type: none"> <li>1. Development of Core Competencies – Develop and cultivate, through cultural activities, core competencies of all employees based on the annual key competencies and the analysis of competency gap.</li> <li>2. Professional Competency Training – iST has established a professional technical development blueprint to allow employees to learn based on their interest and pursuant to the planning of iST and further their career development. For the purpose, a total of 169 OJT sessions for professional and technical departments were provided in 2024 with 1,291 participants. The level of satisfaction was 4.6 points.</li> <li>3. Management Competency Training – iST has established the dual-track development mechanism for suitable talents in right places, and has planned to cultivate remarkable young talents to be excellent leaders.</li> <li>4. Tracking and Management of Training Results through Quarterly and Annual Training Reports: 281 sessions of internal training were held in 2024 with 23,371 participants, and the hours of training were 13,246. 199 sessions of external training were held in 2024 with 199 participants, and the hours of training were 1,157.</li> </ol> <p>II. To pass on professional technology and knowledge, iST plans a series of training for each new employee, and arranges for employees to complete professional competence certification under the instruction of instructors, who care about work and lives of new employees and help them in being familiar with their work soon.</p> <ol style="list-style-type: none"> <li>1. Implementation of OJT Plan for New Employees: 205 new employees were trained in 2024 and passed the probationary period. The level of satisfaction was 4.7.</li> <li>2. Continuous Implementation of Instructor Cultivation Plan: 52 employees became instructors successfully in 2024 and each has assumed the responsibilities of an instructor.</li> </ol>	
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		<p>I. iST collects or obtains personal information of individual customers in various situations, including but not limited to the following:</p> <ol style="list-style-type: none"> <li>1. Information Provided Voluntarily by Customers to iST: When a customer uses the products or services provided by iST, we will request the customer to provide necessary personal information, such as name, email address, contact address, phone number, etc. When the customer uses any service for which the customer needs to pay, we will also collect the customer's payment information, contact number, invoice, shipping address, etc.</li> <li>2. Information Collected through Activities on iST's Website: When a customer uses service mailbox, questionnaire or any other interactive function, iST will retain the name, email address, contact information and usage time provided by the customer.</li> <li>3. Information Collected through Cookies or Similar Technology: For providing the best service for customers, iST may use Cookies, when the customer visits our website, to record the customer's relevant activities, including the IP address of the connection device used by the customer, usage time, browser used, browsing preference and habit of the customer, etc. We will use Cookies and other similar technologies to process personal information of the customer. If the customer does not want to accept Cookies, the customer can set a higher privacy level in the functions of the browser used by the customer. By doing so, the customer has refused cookies, but the customer will probably not be able to use some functions of the website.</li> </ol>	None

			<p>4. Information Provided by Third Parties: iST may collect personal information of customers from information provided by third parties, such as data brokers, social networking sites, other partners or public information.</p> <p>II. Retention Period of Personal Information:</p> <p>iST retains personal information of a customer only for the period when the customer is using iST's products or services. After the retention period agreed between iST and the customer expires, or the data do not meets iST's operating purposes any more, iST will permanently delete or destroy personal information of the customer or de-identify the personal information by means of anonymous processing. iST also retains personal information of customers after the extinctive prescription provided by applicable laws.</p> <p>III. Personal Rights of Customers:</p> <p>A customer may claim the following rights with respect to his/her personal information in accordance with applicable laws and regulations: "Refuse to provide personal information, access to personal information, correct personal information, request to have personal information deleted, restrict the processing of personal information, object to the processing of personal information, request to have personal information transferred to another controller, withdraw consent, and lodge a complaint with the competent authority in charge of information protection." Under certain circumstances, the customer needs to provide the identification document to exercise the aforementioned rights.</p>	
(6)	Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V	<p>I. Supplier Code of Conduct</p> <p>iST has established the supplier management procedure to conduct the annual assessment based on various indicators, such as a supplier's quality, delivery, service, environmental protection, occupational safety and human rights of workers, for selection of quality and qualified suppliers. As posted on the official website at <a href="https://www.istgroup.com/tw/about-ist/csr/supplier-guidelines/">https://www.istgroup.com/tw/about-ist/csr/supplier-guidelines/</a>, the code of conduct for suppliers specifies that suppliers must comply with all management regulations relevant to human rights of workers, environmental friendliness, integrity management and information security.</p> <p>Human Rights</p> <p>Suppliers should commit to upholding the human rights of their workers and treating them with dignity in accordance with standards recognized by the international community. This applies to all workers, including temporary workers, migrant workers, students, contract workers, permanent workers and any other type of worker.</p> <p>Occupational Safety and Health</p> <p>A safe and healthy working environment helps improve product and service quality, ensure production stability, and boost labor loyalty and morale. Therefore, suppliers should try their best to reduce the occurrence of work-related injuries and illnesses. Furthermore, suppliers should also understand employee feedback and invest in their employees. Education and training are keys for employees to identify and solve health and safety issues in their workplaces and comply with relevant regulations on occupational safety, emergency preparedness, occupational injuries and diseases, industrial hygiene, physical labor, and other regulations.</p> <p>Environment</p> <p>Suppliers must assume environmental responsibility as an integral part of manufacturing top-tier products. The manufacturing process should protect public health and safety while also minimizing negative impacts on communities,</p>	None

			<p>environment, and natural resources.</p> <p>Business Ethics</p> <p>To fulfill their social responsibilities and secure success in the marketplace, suppliers and their agents should adhere to the highest ethical standards, including business integrity, no corruption, information disclosure, intellectual property rights, fair trading, advertising and competition, identity protection, retaliation prevention, responsible sourcing of minerals, and personal information security.</p> <p>Management System</p> <p>Suppliers should adopt or establish a management system related to the contents of this Code of Conduct, which should be designed in such a way to ensure: (a) compliance with applicable regulations and customer requirements; (b) compliance with this Code of Conduct, and (c) identification and reduction of business risks related to this Code of Conduct. Management systems should also be appropriately and continuously updated to include company commitments, management responsibilities, regulatory and customer requirements, risk assessment and control, improvement objectives, education and training, communication, employee opinions, participation and grievances, audits and evaluations, preventive and corrective actions, documentation and records, and supplier responsibilities.</p> <p>II. Supplier Code of Conduct</p> <p>1. To fulfill social responsibilities and facilitate healthy development of the supply chain, a total of 7 suppliers signed the Declaration of No Use of Conflict Minerals in 2024 to ensure that the suppliers and their sources of supply comply with the CMRT-related regulations.</p> <p>2. To follow the occupational safety and health policy for the prevention of industrial safety incidents, iST requires the contractor to sign the Safety, Health and Environmental Protection Agreement and participate in the safety and health training for suppliers before starting construction work in the plant. 16 contractors who are expected to start construction work in 2024 signed the agreement. 15 sessions of relevant educational training (1 hour per session) were held, and 132 persons participated in the training.</p> <p>3. To follow the principle of integrity management, maintain iST's assets, interests and image and ensure the interests of iST and all stakeholders, our suppliers must sign the Supplier Integrity Commitment and shall not obtain improper benefits (including improper banquets, kickbacks, bribes, entertainment, etc.) during performance of their duties or conduct any activities that may affect iST's reputation and competitiveness. 5 new suppliers were recruited in 2024 and signed the Commitment successfully.</p> <p>III. Green Procurement Policy</p> <p>iST chooses the suppliers that provide locally-manufactured and environmentally friendly products with Green Mark or the products approved by Environmental Protection Administration that satisfy the requirements for recycled materials, recyclability, low pollution or energy conservation, in order to create a green supply chain. During the latest 3 years, domestic purchases, except purchases of large equipment, accounted for more than 90% of all purchases and the percentage of local purchases increased year by year. (Please see the table below.)</p> <p>Unit: in Thousands of New Taiwan Dollars</p> <table><tr><td>Amount of annual</td><td>2022</td><td>Percent</td><td>2023</td><td>Percent</td><td>2024</td><td>Percent</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>				Amount of annual	2022	Percent	2023	Percent	2024	Percent								
Amount of annual	2022	Percent	2023	Percent	2024	Percent															

				purchases									
				Foreign	33,455	3%	34,464	3%	76,496	7%			
				Domestic	994,967	97%	998,735	97%	1,052,901	93%			
				Total amount	1,028,422	100%	1,033,199	100%	1,129,397	100%			
				Note: Purchases of large equipment are not included in the amounts listed above.									
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	V			The preparation of the 2024 sustainability report has been completed in accordance with GRI and SASB, while the AA1000 third-party assurance and verification will be completed in April 2025.								None	
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: iST established in 2023 its Sustainable Development Best Practice Principles and the Procedures for Preparation, Verification and Announcement of Sustainability Reports in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and applicable laws. The Principles and Procedures were approved and implemented by the board of directors on Mar. 6, 2024. iST subsequently made principles for its Sustainability Policy, Human Rights Policy and Sustainable Information Management Operation to strengthen the sustainable governance framework. iST was promoting sustainable development in compliance with the Sustainable Development Best Practice Principles. iST not only valued interests of related parties, but also included the environmental, social and corporate governance factors into its management policies and operating activities while pursuing sustainable operation and profit.													
7. Other important information to facilitate better understanding of the company's promotion of sustainable development: Main plants of iST are located in Hsinchu area, except Neihu Plant, which is located in the premises of its headquarters. Its characteristics of industrial clustering were shown clearly. iST was currently communicating with local communities, conducting environmental and social impact assessments, analyzing risks and opportunities for the communities. No obvious impact on the environment, society or economy in the reporting period was identified. iST has not imposed any potential negative impact on the surrounding communities where its operations are located. For many years, with the support and scholarship from social welfare organizations, it has also cultivated future technology talents as well as disadvantaged students in remote areas to enhance competitiveness for the future. iST has combined communities to hold social welfare activities to promote social harmony and community recognition. (I) Contribute to education in remote areas – Working with educational organization to shorten the gap between urban and rural areas in terms of educational resources 1. Focus on education in remote areas and mental health: Learning opportunities for the students in the remote areas near Hsinchu Plant were limited. iST Hsinchu Plant worked with Boyo Social Welfare Foundation to assist with education in remote areas. In addition, iST also cared about emotional education and mental health; therefore, iST worked with relevant organizations to provide diversified learning resources. In 2024, iST cooperated with 202 schools, with 625 students benefiting from the cooperation. 2. "Chemistry On The Go" program: iST worked with Tamkang University's chemistry car to head to the rural schools with insufficient resources near iST Hsinchu Plant. In the activity, students were doing interesting science experiments. iST helped these children understand scientific principles through such lived experience and therefore enhanced their learning motivation. 3. iST worked with Taiwan Foundation for Rare Disorders, Hsinchu County to support the volunteer													

program for the sensory integration course for children with rare disorders. With volunteers accompanying and guiding, iST helped children with special needs to receive sensory integration training.

(II) Social welfare activities – Caring for disadvantaged groups in the society with the spirit of sending help in their hour of need

1. Care for vulnerable groups continuously and provide substantial assistance.
  - iST supported Chen Xi Development Center near iST Putting Plant in Hsinchu to help people with disabilities and people who were not in control of their life.
  - iST participated in the activities held by the Hsinchu City Government and also participated in public welfare activities, such as Earth Day activities on Hsinchu Nanliao Beach, beach cleanup for environmental protection, and blood donation.
  - Visually impaired people were employed to provide massage services for facilitation of their employment opportunities.
2. Support sheltered workshops and economic independence for people with disabilities.
  - iST assisted sheltered workshops with charity bazaars and helped their members sell products for enhancement of economic independence.
  - iST cooperated with Grown-up With Hands Family in Hsinchu County to encourage people with disabilities to develop, through farming, self-reliance. iST also helped them sell the vegetables they had grew at the honesty store set up in iST's plant in order to enhance their social participation.
3. Care for senior citizens living alone and provide companionship and life support.
  - iST cooperated with Old Five Old Foundation near the iST Hsinchu Plant to hold the "Shopping Assistance for Senior Citizens Living Alone" activity. iST's volunteers accompanies senior citizens to go out to buy bare necessities.
  - For decrease in their sense of social isolation, iST met senior citizens' emotional needs while providing physical assistance.

4. Donation and assistance provided for units in need in 2024:

2024	
Social welfare organizations with which iST cooperated	15 organizations
charity bazaars	87 bazaars
Total iST volunteers	140 persons
Total volunteer hours	550 hours
Persons benefiting from public welfare events	219 persons
Donation methods	Making a donation from time to time, and donating uniform invoices, materials, clothing and books

Climate-related Information for Listed and Over-the-Counter Companies:  
(1). Execution Status of Climate-related Information

Items	Execution Status					
<p>1. Explanation of the supervision and governance by the Board of Directors and the Management Level on climate-related risks and opportunities.</p> <p>2. Discussion of how identified climate risks and opportunities influence the company's operations, strategies, and financial performance (short-term, medium-term, long-term).</p> <p>3. Assessment of the financial implications of extreme weather events and transition actions.</p>	<p>1. The company adheres to the framework outlined by the Task Force on Climate-related Financial Disclosures (TCFD), conducting thorough assessments of climate risks, financial implications, and disclosure practices. This ensures transparent reporting on how climate change impacts the company and its strategies for mitigation and adaptation.</p> <p>2. Supervision of climate risk management is a key responsibility of our Board of Directors, with the ESG Committee, comprised of senior executives, regularly assessing and addressing climate-related risks and opportunities through the collaborative efforts of the ESG Promotion Office and the ESH Committee. This proactive approach allows us to effectively manage risks and capitalize on opportunities across various time horizons.</p> <p>3. Embracing the TCFD climate risk assessment framework, we simulate different scenarios for climate changes based on IPCC AR6 SSP1-1.9 and IPCC AR6 SSP5-8.5 to evaluate potential impact and develop measures to respond to risk and emergency. Alongside, we establish clear climate-related objectives and initiatives, identifying 8 key climate risks and 4 opportunities. This comprehensive approach enables us to articulate the short, medium, and long-term effects on our operations and financial performance.</p>					
	Type of risk	Aspect	Content	Impact	Measures and strategies	Timeline
	Physical risk	Immediate	Frequency of strong typhoons increasing	<ul style="list-style-type: none"> <li>➤ The intensity and frequency of typhoons, torrential rains and other natural disasters increase, and employees are therefore unable to go to work and customers' orders are also delayed.</li> <li>➤ Strong typhoons cause power rationing and further influence the scheduling of analytical services negatively.</li> </ul>	<ul style="list-style-type: none"> <li>➤ To establish the measures for emergency response to power rationing</li> <li>➤ To introduce the Uninterruptible Power Supply (UPS) system for important equipment</li> <li>➤ To invest in renewable energy to enhance power independence</li> <li>➤ To add and increase the dispatching capacity of plants in different areas to ensure production capacity</li> </ul>	Short Term



	Physical risk	Immediate	Suppliers' scheduling costs increasing	<ul style="list-style-type: none"> <li>➤ Extreme climate results in rising of transportation cost, and the scheduling costs for suppliers increase accordingly.</li> </ul>	<ul style="list-style-type: none"> <li>➤ To conduct supplier risk assessment to avoid or reduce purchases made from high-risk areas</li> <li>➤ To develop the 2nd supplier to reduce the risk of single procurement</li> <li>➤ To increase the percentage of the purchases made from local sources and the number of local sources</li> </ul>	Medium Term
	Physical risk	Long-term	Floods/drought	<ul style="list-style-type: none"> <li>➤ Floods result in drainage of facilities in the plant to be insufficient, and some facilities are waterlogged.</li> <li>➤ A drought results in water supply to be insufficient. Equipment operation hours are therefore shortened and the risk of equipment shutdown increases accordingly.</li> <li>➤ The quota for water is reduced and the scheduling of testing and analytical services is therefore influenced negatively.</li> </ul>	<ul style="list-style-type: none"> <li>➤ To establish the measures for response to water rationing/outages</li> <li>➤ To set up water storage facilities in the plant</li> <li>➤ To evaluate the potential risk of floods/drought for each plant, and establish and actively implement the measures of risk mitigation</li> </ul>	Medium to Long Term
	Physical risk	Long-term	Temperature rising	<ul style="list-style-type: none"> <li>➤ Global warming results in rising of electricity consumption and carbon emissions, and operating cost therefore increases.</li> </ul>	<ul style="list-style-type: none"> <li>➤ To implement the energy saving plan to reduce energy usage intensity</li> <li>➤ To gradually increase the proportion of renewable energy in the whole electricity</li> </ul>	Long Term

	Trans ition risk	Regul atory polici es	Greenhouse gas emissions cap	The government gradually lowers the threshold of carbon fees year by year. In the situation where iST grows continuously, the increasing carbon fee/carbon tax may result in rising of its operating cost.	<ul style="list-style-type: none"> <li>➤ To promote reduction of greenhouse gas by reducing greenhouse gas emissions</li> <li>➤ To construct solar power facilities</li> <li>➤ To make a long-term evaluation for purchasing green electricity/ renewable energy certificate</li> </ul>	Short to Mediu m Term
	Trans ition risk	Regul atory polici es	Electricity price going up	iST's main energy source is electricity. The fact that the government raises electricity price will cause the rising of its operating cost.	<ul style="list-style-type: none"> <li>➤ To implement the energy saving plan to reduce energy usage intensity</li> <li>➤ To Promote ISO50001 certification, and optimize power usage effectiveness continuously through the systematic method</li> </ul>	Short Term
	Trans ition risk	Tech nolog y	Transformati on based on market demand Low energy consumption /low carbon emission services	Customers require that analysis services should have the characteristic of low energy consumption and low carbon emissions. Therefore, iST needs to develop analysis technology for low energy consumption and low carbon emissions.	<ul style="list-style-type: none"> <li>➤ To develop analysis and detection technology for low energy consumption and lowcarbon emissions</li> </ul>	Long Term
	Trans ition risk	Good will	Interested parties paying more attention to corporate climate resilience	Interested parties (customers, investors, etc.) pay more attention to iST's climate actions for greenhouse gas inventories and climate issues.	<ul style="list-style-type: none"> <li>➤ To strengthen internal communicatio n relevant to sustainability, such as sustainability- related educational training</li> <li>➤ To obtain the third-party verification statement on greenhouse gas emissions</li> </ul>	Short Term

					<p>consistently to increase credibility</p> <ul style="list-style-type: none"> <li>➤ To use the iST ESG website and sustainability reports to continuously communicate with interested parties and disclose relevant climate actions</li> </ul>	
	Type of opportunities	Aspect	Content	Impact	Measures and strategies	Timeline
	Opportunity	Technology	Use of new energy technology	<ul style="list-style-type: none"> <li>➤ Energy-saving measures are promoted in the plant to reduce power consumption and operating cost.</li> </ul>	<ul style="list-style-type: none"> <li>➤ To introduce novel variable-frequency equipment for the plant</li> <li>➤ To eliminate and replace traditional lamps with LED lighting</li> </ul>	Short to Medium Term
	Opportunity	Service	Development of low carbon products and services	<ul style="list-style-type: none"> <li>➤ Customers require to change assembly processes to meet the requirements of energy-saving products.</li> </ul>	To assist customers with testing and verification of low energy components	Medium to Long Term
	Opportunity	Resource efficiency	Enhancement of operational efficiency	<ul style="list-style-type: none"> <li>➤ Resources from public sectors, such as subsidies provided by Ministry of Economic Affairs for energy saving and subsidies for low carbon technology, are utilized to facilitate transformation for energy conservation.</li> <li>➤ The ISO 50001 energy management</li> </ul>	<p>1. To apply for energy saving subsidy programs to reduce the cost of equipment introduction</p> <p>2. To obtain low-interest loans to support investment in energy conservation by applying for green loans or ESG financing</p>	Medium Term

				system is introduced to enhance power usage effectiveness and reduce the energy consumption for operating.		
	Opportunity	Energy source	Use of low carbon energy	➤ Solar green electricity equipment is installed to reduce the demand for purchase of traditional electricity and reduce the risk of future increases in electricity price.	To install solar power system, and give priority to planning of the roofs of the plant and idle space	Medium to Long Term
<p>4. Description of how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.</p> <p>5. In cases where scenario analysis is used to assess resilience to climate change risks, details should be provided on the scenario, parameters, assumptions, analysis factors, and major financial impacts.</p> <p>6. In cases where there are transformation plans to manage climate risks, a detailed description should be given to the plan's content, indicators, and goals for identifying and managing physical and transitional risks.</p>	<p>4. For the 3 high risks, i.e. "greenhouse gas emissions cap," "electricity price going up," "interested parties paying more attention to corporate climate resilience," and "frequency of strong typhoons increasing," iST has introduced the measures of "energy saving plan for public facilities," "emergency response measures," "renewable energy adopted in advance," and "strengthening of communication with interested parties" respectively to integrate environmental safety, factory affairs, procurement and other departments and measure invested resources and relevant placement to mitigate risk and make necessary adjustments more efficiently.</p> <p>5. In anticipation of potential electricity tariff increases leading to heightened operational costs, and after examining benchmark companies' climate risk disclosure cases alongside the urgency and clarity of policies, iST has prioritized conducting financial impact assessments related to "increased costs associated with greenhouse gas emissions." Based on IPCC AR6 SSP scenarios, analyses have been conducted on the impacts of a 1.5°C (short-term) and 4°C (long-term) temperature rise. Initial assessments indicate that short-term cost increases are less than 1% of annual revenue. However, as government policies have yet to affect the company, these financial impacts remain preliminary assumptions. iST is committed to updating the assessment results annually in response to evolving climate change-related policies, regulations, and developments in low-carbon technologies.</p> <p>6. iST has initiated a low-carbon transformation plan for climate change adaptation, with climate-related strategies and goals:</p> <p>(1) In terms of the environment, iST set goals (Category 1 + Category 2) for carbon reduction. iST takes the year 2022 as the base year and expects to achieve the goal of reducing emission intensity by 10% by 2027.</p> <p>(2) Taking the saving of water resources into account, iST is committed to the enhancement of recycling efficiency. iST takes the year 2022 as the base year and expects to achieve the goal of reducing water intensity by more than 1% by the end of 2027.</p> <p>(3) In terms of services, iST prioritizes the purchase of electric vehicles and adopts a low-carbon transportation model, alongside the replacement of outdated, high-energy-consuming testing machinery. Furthermore, active recruitment of talent for low-carbon transformation and employee training for the low-carbon transition era are ongoing to continuously reduce corporate carbon footprints.</p> <p>(4) For detailed explanations of the above goals, please refer to the ESG report or the sustainability section on the company website.</p>					
7. In cases where internal carbon pricing is utilized	7.N/A					
	8. N/A					

<p>as a planning tool, the fundamental principles behind such pricing decision should be elucidated.</p> <p>8. When outlining climate-related objectives, pertinent details such as covered activities, scopes of greenhouse gas emission, planning timelines, annual progress milestones, etc., should be provided. Moreover, in cases where carbon offsets or Renewable Energy Certificates (RECs) are adopted to meet these objectives, the origin and quantity of offset carbon emissions or the number of RECs exchanged should be fully disclosed.</p> <p>9. Additionally, comprehensive explanations regarding greenhouse gas inventories, assurance status, reduction targets, strategies, and specific action plans (to be detailed in sections 1-1 and 1-2) should be included.</p>	
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## 1-1 Greenhouse Gas Inventory and Verification Status for the Past Two Years

### 1-1-1 Greenhouse Gas Inventory

Outline the greenhouse gas emissions for the two most recent years, including the emissions volume (in metric tons CO<sub>2</sub>e), intensity (in metric tons CO<sub>2</sub>e per million NTD), and the extent of data coverage.

(1) 2023: Emissions volume of 22,648.02 metric tons CO<sub>2</sub>e, with an intensity of 6.61 metric tons per million NTD (based on the 2023 operating revenue of 3,424.3 million NTD).

(2) 2024: Emissions volume of 22,667.86 metric tons CO<sub>2</sub>e, with an intensity of 5.96 metric tons per million NTD (based on the 2024 operating revenue of 3,803.8 million NTD).

Note 1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the company), indirect emissions (Scope 2, i.e., emissions from purchased electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions from activities not covered by Scope 2, originating from sources owned or controlled by other companies).

Note 2: The scope of data coverage for direct emissions and indirect emissions shall comply with the timelines specified in Article 10, Paragraph 2 of these guidelines, while disclosure of other indirect emissions is voluntary.

Note 3: Greenhouse gas inventory standards include Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization.

Note 4: Intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but data based on revenue (in million NTD) should be provided as a minimum requirement.

### 1-1-2 Greenhouse Gas Verification

Provide an overview of the verification status within the two most recent years of the date of the annual report printing, detailing the scope of verification, verifying entity, verification standards, and verification opinions.

In March 2025, iST completed the third party verification on the results of greenhouse gas emission inventories of 2024 even though iST has not obtained the third-party confirmation of greenhouse gas emissions.

Note 1: As per Article 10, Paragraph 2 of the guidelines, in cases where complete greenhouse gas verification opinion is not obtained by the annual report printing date, it should be noted as "Complete verification will be disclosed in the sustainability report". In cases where a sustainability report has not been prepared, it should be noted as "Complete verification will be disclosed on the TSE Market Observation Post System (MOPS)", with complete verification to be disclosed in the subsequent year's annual report.

Note 2: The verifying entity must adhere to the relevant provisions stipulated by the Taiwan Stock Exchange (TWSE) and Taipei Exchange (TPEX) for sustainability report verification institutions.

Note 3: For disclosure content, please refer to the sample annual report on the official website of the TWSE Corporate Governance Center.

### 1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

This section outlines the baseline year and data for greenhouse gas reduction, reduction targets, strategies, specific action plans, and the achievement of those targets.

1. The baseline year is set at 2022 with an anticipated 5% reduction in emissions for 2024. In practice, emissions were reduced by 14.17%, meeting the target.

2. For a detailed breakdown of specific action plans and targets, please refer to the ESG report or the sustainability section on the company's website.

Note 1: Compliance with requirements should align with the schedule outlined in Article 10, Paragraph 2 of these guidelines.

Note 2: The baseline year corresponds to the year in which the greenhouse gas inventory within the boundary of the consolidated financial statements is completed. For example, companies with a capital exceeding 10 billion NTD are expected to finalize the inventory of their consolidated financial statements for the 2024 fiscal year by 2025. Thus, the baseline year is established as 2024. Should a company conclude its inventory of the consolidated financial statements earlier, it may use the preceding year as the baseline. Moreover, data for the baseline year may be computed as either a single year or an average over multiple years.

Note 3: For disclosure details, please refer to the sample annual report available on the official website of the TWSE Corporate Governance Center.

(6) State of Performance in the Area of Ethical Corporate Management, any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation:

Evaluation item	Implementation status (Note))		Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?</p>	V		<p>(1) iST has established the Ethical Corporate Management Principles, the Procedures for Ethical Management and Guidelines for Conduct and applicable regulations in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies. The Principles and Procedures have been disclosed on the website of iST and in the Market Observation Post System, requiring that directors, managers, employees, assignees and other people with substantial control power should abide by the principle of honesty and trustworthiness and should not act dishonestly. They are required to not only commit themselves to the integrity management policy, but also comply with these principles in internal management and external business activities. Board members and high-ranking managers also operate the company pursuant to the integrity principle and report the state of the</p>

Evaluation item	Implementation status (Note))			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies, and the reasons
	Yes	No	Summary description	
<p>(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?</p> <p>(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?</p>	V		<p>current year's integrity management to the board of directors every year.</p> <p>(2) iST has established the Operating Procedure for Ethical Corporate Management and Code of Conduct to prevents dishonest acts. It also analyzes the operating activities at a higher risk of dishonesty within the scope of business activities and strengthens relevant prevention measures.</p> <p>(3) iST has established the Ethical Corporate Management Practice Principles and the Operating Procedure for Ethical Corporate Management and Code of Conduct, which provide dishonesty prevention schemes, including operating procedures, codes of conduct, and the penalty and complaint system in case of violation of regulations. iST has implemented and periodically reviewed and corrected the aforementioned schemes. To prevent employees from being involved in dishonesty or immorality, and after considering fraud risk, iST has set up an internal control system to monitor and track during routine operations to prevent fraud risk, and has conducted independent audits</p>	<p>No major difference</p> <p>No major difference</p>



Evaluation item	Implementation status (Note))			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary description	
			through the audit unit to ensure successful operation of the whole mechanism. With the internal control system and by independent audits, iST manages and prevents dishonest acts from occurring.	
2. Ethical Management Practice				
(1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	V		(1) iST requires, in various regulations of management and compliance with internal control system for suppliers and customers (e.g. Supplier Code of Conduct, and Credit Management Regulations), that credit investigation and evaluation should be conducted in order to avoid business transactions with any suppliers, customers or entities that act dishonestly. In case that a business partner is found to act dishonestly, iST may terminate the business relationship with the partner for adherence of iST's integrity management policy. In addition, all information relevant to iST or its customers/suppliers purchasing or selling products from or to iST should be kept in confidential, except the information to be disclosed by authorization or in accordance with the law.	No major difference
(2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate	V		(2) As the unit designated by iST to promote corporate ethical management, the management office reports the implementation of ethical corporate management to the board of directors every year. The content of the	No major difference

Evaluation item	Implementation status (Note))			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary description	
management policy and program to prevent unethical conduct and monitor their implementation?			<p>implementation of ethical corporate management for 2024 reported to the board of directors on Dec. 26, 2024 is as follows:</p> <ol style="list-style-type: none"> <li>1. Status of development of educational training for the honesty policy</li> <li>2. Establishment of the audit mechanism: To prevent employees from being involved in dishonesty or immorality, and after considering fraud risk, iST has set up an internal control system to monitor and track during routine operations to prevent fraud risk, and has conducted independent audits through the audit unit to ensure successful operation of the whole mechanism. With the internal control system and by independent audits, iST manages and prevents dishonest acts from occurring. iST has set up an internal control system to monitor and track in daily operations to prevent the risk of fraud, and through the audit unit Independent auditing ensures the operation of the overall mechanism, and jointly manages and prevents the occurrence</li> <li>3. Establishment of the whistleblowing system: iST has established the whistleblowing system and specific regulations. Identity of a whistleblower and content of his/her</li> </ol>	

Evaluation item	Implementation status (Note))			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary description	
(3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?			<p>report are kept misconduct, anyone may use the designated mailbox or phone line to report any violation of ethical standards that he/she is aware of</p> <p>4. In 2024, no violation of corporate ethnical management was found, and iST did not receive any written complaint about corporate ethnical management from an internal or external whistleblower and was not involved in any material violation of corporate ethnical management.</p> <p>(3) In the Operating Procedure for Ethical Corporate Management and Code of Conduct, iST stipulates a policy to prevent conflicts of interest, provides proper channels to receive relevant complaints, and requests relevant units to implement the policy.</p> <p>In terms of employees, iST has made a policy to prevent conflicts of interest in the Ethical Corporate Management Principles. All employees are under obligation to prevent conflicts of interest between themselves and iST and consider the best interests of iST when making decisions or do any things. Any person being aware of any illegal activity may report it to the unit in charge via Email (<a href="mailto:erhics@istgroup.com">erhics@istgroup.com</a>) or the specific</p>	No major difference

Evaluation item	Implementation status (Note))			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary description	
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems			<p>phone line (03-5799909#1995).</p> <p>About Directors: The Board Meeting Agenda Rules of iST has established the interest avoidance system for directors. Directors are required to be highly self-disciplined. When a director or the judicial person represented by him/herself has a conflict of interest with respect to any motion at the board meeting, the director shall explain the important content of the conflict of interest at the board meeting. If the interest of iST might be impaired, the director may express his/her opinion and answer questions at the meeting and shall not participate in discussion and voting. Upon discussion and voting, the director shall evade, and shall not exercise voting rights on behalf of another director. Whenever sending agenda documents, the agenda working unit reminds each director of avoidance of a motion being involved in a conflict of interest.</p>	No major difference

Evaluation item	Implementation status (Note))			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary description	
to prevent unethical conduct or hire outside accountants to perform the audits?			system periodically. An audit report is submitted regularly to the audit committee and the board of directors. In addition, to ensure effective design and implementation of the system, iST reviews and revises the system every year to build a good corporate governance and risk control mechanism, which is used to evaluate overall effectiveness of the internal control system and as the basis of the declaration issued for the internal control system.	
( 5 ) Does the company provide internal and external ethical corporate management training programs on a regular basis?	V		<p>(5) Internal and External Educational Training Participated in 2024:</p> <p>1.The programs for promoting integrity and honesty to be upheld by employees and the training provided for new employees were completed 100% with 330 participants. Each session was 0.98~7 hours.</p> <p>2. The educational training for directors and internal personnel was held, with 39 participants. Each session was 2-3 hours.</p> <p>3.Internal and external educational training (including information security, corporate ethical management, compliance with laws and regulations, social security, etc.) for employees was held, with 5,945 participants. Each session was</p>	No major difference

Evaluation item	Implementation status (Note))			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary description	
			3,224 hours.	
3. Implementation of Complaint Procedures				
(1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?	V		(1) iST has established the Ethical Corporate Management Principles and the Procedures for Ethical Management and Guidelines for Conduct to encourage internal personnel and external workers to report to iST any dishonest activity or improper behavior. A proper reward will be given to the reporting person in accordance with the Reward and Punishment Regulations for iST Personnel. iST has established the reporting mailbox ( <a href="mailto:erhics@istgroup.com">erhics@istgroup.com</a> ) and the specific phone line (03-5799909 # 1995) and designated proper persons to be in charge.	No major difference
(2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	V		(2) iST has specified, in Article 5.18 of the Procedures for Ethical Management and Guidelines for Conduct, the reported items to be accepted. In addition, relevant measures are taken to keep the identity of the reporting person and the content of the report confidential.	No major difference
(3) Has the company adopted proper measures to protect whistleblowers from retaliation for filing complaints?	V		(3) iST specifies, in Article 5.18 of the Procedures for Ethical Management and Guidelines for Conduct, that the identity of the reporting person should be kept confidential through the reporting process, and the reporting person should be protected from being treated improperly because of the reporting.	No major difference
4. Strengthening Information Disclosure				

Evaluation item	Implementation status (Note))			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary description	
Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	V		iST has established the Ethical Corporate Management Principles, the Procedures for Ethical Management and Guidelines for Conduct and applicable regulations and disclosed them in the Market Observation Post System. The content of the Ethical Corporate Management Principles and the result of promoting the Principles have been disclosed on the website of iST.	No major difference
<p>5. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation:</p> <p>iST established its ethical corporate management practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies published by the competent authority. It has requested relevant units to implement its ethical corporate management practice principles and has also infused these principles into its routine business management. As the result, no variance between actual practice and the situation required by the principles occurs. Subsidiaries of iST also uphold the spirit of corporate ethical management and include the principles in their internal control systems and regulations.</p>				
<p>6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles) :</p> <ol style="list-style-type: none"> <li>1. iST complies with abides by the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act and applicable regulations for TWSE/TPEX listed companies or other regulations concerning business activities and considers compliance as the basis of ethical management. iST also pays attention to development and update of applicable foreign and domestic ethical management related laws, and encourages directors, managers and employees to provide suggestions for iST to review and improve its ethical management policy and the measures taken by iST for promotion of the policy, in order to enhance the effect of iST's ethical management.</li> <li>2. iST provides an interest avoidance system for directors in its Rules for Conduct of Board Meetings. For a motion relevant to interest of a director however impairing iST's interest that is proposed at the board meeting, the director may state his/her opinion but shall not participate in discussion or voting at the meeting. The director shall avoid and shall not exercise any voting right on behalf of another director. Opinions of independent directors shall be fully considered. Objection or reservation of independent directors shall be stated in the</li> </ol>				

Evaluation item	Implementation status (Note))			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Yes	No	Summary description	
minutes of the board meeting				
3. In iST’s Operating Procedure for Processing of Internal Important Information and Prevention from Insider Trading, iST expressly indicates that directors, managers and employees shall not disclose to others any material internal information that they have known during performance of duties, or ask for or collect unpublished material internal information irrelevant to their duties from any person who is aware of such information, and shall not disclose to others any unpublished material internal information that they have known during non-performance of duties.				
4. iST has made the Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises in accordance with regulations and disclosed the Rules on the website of iST to govern financial activities between iST and its affiliates to prevent non-arm’s length transactions and transfer of improper benefits among affiliates.				



(7) Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed.

1、iST designates proper persons to collect and maintain, and disclose and update regularly, its public information, and allows interested parties to check relevant information. The status of corporate governance operation (e.g. corporate governance-related regulations, important resolutions by the board of directors, etc.) is precisely disclosed on the website of iST and in the Market Observation Post System and the annual report. The Corporate Governance section on the website of iST is accessible at:

<https://www.istgroup.com/tw/investors/company-management/organization-structure/>

(8) State of Implementation of Internal Control System

1. Statement on Internal Control:

Integrated Service Technology Inc.  
Statement on Internal Control System

Date: Mar. 7, 2025

Based on the findings of self-assessments, iST states the following with regard to its internal control system during the year 2024:

1. iST's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and iST takes immediate remedial actions in response to any identified deficiencies.
3. iST evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: 1. control environment, 2. risk assessment, 3. control activities, 4. information and communications, and 5. monitoring activities. Each component also includes several items which can be found in the Regulations.
4. iST has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, iST believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency and regulatory compliance of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of iST's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. The statement was passed by the Board of Directors in their meeting held on Mar. 7, 2025, with none of the 11 attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

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Integrated Service Technology Inc.

Chairman: Yu Wei-Pin

President: Yu Wei-Pin

2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: None

- (9) Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

1、Shareholders' Meeting:

Date of Shareholders' Meeting	Important Resolutions	Implementation
2024.6.14	Acknowledgement of settlement statements for the year ended 2022	The financial statements and business report of 2023 has been acknowledged through resolution at the shareholders' meeting. The financial statements have been disclosed in the Market Observation Post System.
	Acknowledgement of appropriation of profit or loss for the year ended 2023	It is acknowledged that the motion of the earning distribution for 2023 was approved and executed pursuant to the resolution made at the shareholders' meeting. Cash dividends distributed to shareholders for Q1 were NTD 74,775,121 (NTD 1.0 per share). The ex-dividend date was Nov. 13, 2023. The cash dividends were paid on Nov. 27, 2023. Cash dividends distributed to shareholders for Q2 were NTD 75,502,921 (NTD 1.0 per share). The ex-dividend date was Feb. 1, 2024. The cash dividends were paid on Feb. 26, 2024. Cash dividends distributed for Q3 were NTD 75,560,921 (NTD 1.0 per share). The ex-dividend date was Apr. 20, 2024. The cash dividends were paid on May 17, 2024. Cash dividends distributed for Q4 were NTD 51,809,745 (NTD 1.0 per share). The ex-dividend date was Aug. 11, 2024. The cash dividends were paid on Aug. 26, 2024.
	Approval of the revision of the Rules Governing the Conduct of Shareholders Meetings	The motion has been approved and executed pursuant to the resolution made at the shareholders' meeting. It was disclosed in the Market Observation Post System and announced on the website of iST on June 14, 2024.
	Approval of private placement of common shares for cash	The board of directors resolved on Mar. 7, 2025 not to continue the matter of private placement within the remaining period because iST had not selected any subscribers qualified.
	Percentages of the shares of Prosperity Power Technology Inc. held directly or indirectly by iST and its affiliates	The motion has been approved and executed pursuant to the resolution made at the shareholders' meeting.

## 2、Board Meeting:

Date of Board Meeting	Important Resolutions
2024.03.06 11th-term 19th meeting	<ol style="list-style-type: none"> <li>1. Assessment of the effectiveness of the Company's internal control system for fiscal year 2023 and proposal for the "Statement of Internal Control"</li> <li>2. Distribution of earnings for the fourth quarter of 2023</li> <li>3. Preparation of the financial statements for fiscal year 2023</li> <li>4. Distribution of earnings for fiscal year 2023</li> <li>5. Discontinuation of the private placement of common shares approved at the 2023 shareholders' meeting</li> <li>6. Amendment of certain articles of the Company's "Rules Governing the Conduct of Shareholders Meetings"</li> <li>7. Amendment of certain articles of the Company's "Regulations Governing the Procedure of Board of Directors Meetings"</li> <li>8. Amendment of certain articles of the Company's "Audit Committee Charter"</li> <li>9. Amendment of certain articles of the Company's "Subsidiary Management Regulations"</li> <li>10. Private placement of common shares</li> <li>11. Comprehensive reelection of directors</li> <li>12. Removal of restrictions on newly appointed directors from engaging in competitive activities</li> <li>13. Determination of the Company's and related entities' direct or indirect shareholding proportions in Prosperity Power Technology Inc.</li> <li>14. Establishment of the schedule for the 2024 Annual General Meeting and the period for accepting shareholder proposals and nominations</li> <li>15. Review of the independence and suitability assessment results of the Company's signing accountants and provision of non-assurance services by its accounting firm</li> <li>16. Setting the base date for the Company's 2021 employee stock warrant issuance for portions already exercised by employees</li> <li>17. Handling of the Company's sixth round of share buybacks from the OTC market and registration of share cancellation</li> <li>18. Disposal (sublease) of assets for use to related parties by the Company</li> <li>19. Determination of bank loan limits</li> <li>20. Derivative trading resolution</li> <li>21. Issuance of a letter of commitment to Prosperity Power Technology Inc.</li> <li>22. Cash capital increase by Integrated Service Technology Inc. for INTEGRATED SERVICE TECHNOLOGY INC.-Seychelles</li> <li>23. Establishment of a subsidiary, Integrated Service Technology (Shanghai) Co., Ltd., by Integrated Service Technology (Kunshan) Co., Ltd.</li> <li>24. Amendment of certain articles of the Company's "Ethical Corporate Management Best Practice Principles"</li> <li>25. Drafting of the Company's "Sustainable Development Best Practice Principles"</li> <li>26. Drafting of the Company's "Operating Procedures for the Preparation, Verification, and</li> </ol>

	<p>Publication of Sustainability Reports"</p> <p>27. Review of employee compensation distribution for fiscal year 2023</p> <p>28. Review of director compensation for fiscal year 2023</p> <p>29. Review of salary adjustments for senior executives of the Company for fiscal year 2024</p> <p>Resolution result: All directors present at the meeting adopted the resolution unanimously.</p>
2024.04.26 11th-term 20th meeting	<p>1. Proposal for the 2024 Q1 consolidated financial statements</p> <p>2. Proposal for the 2024 Q1 earnings distribution</p> <p>3. Establishment of the base date for the portions already subscribed by employees regarding the employee stock warrants issued in 2021</p> <p>4. Nomination and review of director and independent director candidates by the Board of Directors of the Company</p> <p>5. Derivative trading</p> <p>6. Proposal to issue a statement to Prosperity Power Technology Inc.</p> <p>Resolution result: All directors present at the meeting adopted the resolution unanimously.</p>
2024.06.14 12th-term 1st meeting	<p>Reelection of Chairman and Vice Chairman in accordance with the law after the current term of office was terminated</p> <p>Resolution result: All directors present at the meeting agreed unanimously that the director Yu Wei-Pin should serve as iST Chairman and the director Chen Ching Chuo should serve as Vice Chairman.</p>
2024.07.11 12th-term 2nd meeting	<p>1. Proposal to determine the record date for capital increase for the portion of the employee stock options performed already by employees after iST issued these employee stock options in 2021</p> <p>2. Proposal for derivative transactions.</p> <p>3. Proposal of issuance of the letter of support to Prosperity Power Technology Inc.</p> <p>4. Proposal for appointing members of the 6<sup>th</sup>-term Salary and Communication Committee</p> <p>5. Proposal for appointing members of the ESG Steering Committee</p> <p>Resolution result: All directors present at the meeting adopted the resolution unanimously.</p>
2024.08.05 12th-term 3rd meeting	<p>1. Proposal of 2024 Q2 consolidated financial statements</p> <p>2. Proposal of earning distribution for 2024 Q2</p> <p>3. Proposal of the limit of loans from banks</p> <p>4. Proposal for derivative transactions.</p> <p>5. Proposal of prepared and completed sustainability report of iST for 2023</p> <p>6. Review of distribution of mid-year performance bonuses to high-ranking officers of iST for 2024</p> <p>Resolution result: All directors present at the meeting adopted the resolution unanimously.</p>
2024.11.04 12th-term	<p>1. Proposal of prepared and completed sustainability report of iST for 2023</p> <p>2. Proposal of earning distribution for 2024 Q3</p> <p>3. Proposal to determine the record date for capital increase for the portion of</p>

4th meeting	<p>the employee stock options performed already by employees after iST issued these employee stock options in 2021</p> <p>4.Revision of iST's corporate governance practice principles</p> <p>5.Proposal of the limit of loans from banks</p> <p>6.Proposal for derivative transactions.</p> <p>7.Acknowledgement of renovation of iST's new leased plants</p> <p>8.Proposal for iST's purchase of plants and machinery equipment investment</p> <p>Resolution result: All directors present at the meeting adopted the resolution unanimously.</p>
2024.12.26 12th-term 5th meeting	<p>1. Proposal for salaries of iST's high-ranking managers linked with applicable key ESG performance</p> <p>2. Review of the fund donated by iST to Department of Physics, Tamkang University</p> <p>3.Proposal for participation in tender to acquire real estate</p> <p>4.Revision of iST's "Regulations for Evaluation of Performance of the Board of Directors" and the schedules thereof</p> <p>5.Rsvision of iST's "Policy of Remunerations to Directors and Salaries to Committee Members and Managers"</p> <p>6.Revision of iST's "Organizational Regulations of the Salary and Remuneration Committee"</p> <p>7. Review of distribution of year-end performance bonuses to high-ranking officers of iST for 2024</p> <p>8.Proposal for iST's audit plan of 2024</p> <p>9.Revision of iST's internal control system and its enforcement rules of internal auditing</p> <p>10.Proposal for iST's planning to set up a subsidiary in Malaysia</p> <p>11.Proposal for derivative transactions.</p> <p>12. Proposal of issuance of the letter of commitment to Prosperity Power Technology Inc.</p> <p>13. Proposal of issuance of the letter of commitment to IST (Kenshan) Inspection Technology Service Co., Ltd.</p> <p>14.Proposal of iST's operating budget for 2025</p> <p>Resolution result: All directors present at the meeting adopted the resolution unanimously.</p>
2024.03.07 12th-term 6th meeting	<p>1.Assessment of effectiveness of internal control system for 2024 and statement on internal control system</p> <p>2.Revision of iST's internal control system and its enforcement rules of internal auditing</p> <p>3.Final settlement of annual accounts for 2024</p> <p>4.Proposal of 2024 Q4 earning distribution</p> <p>5.Proposal of 2024 earning distribution</p> <p>6.Revision of iST's Procedures for Acquisition or Disposal of Assets</p> <p>7.Proposal of not continuing the private placement of common shares for cash adopted at the ordinary meeting of shareholders in 2024</p> <p>8.Private placement of common shares for cash</p> <p>9.Proposal of disposal of stock rights of BTL Inc. held by iST</p> <p>10.Establishment of the date of the ordinary meeting of shareholders for 2025</p>

	<p>and the period for accepting shareholders</p> <p>11. Proposal to determine the record date for capital increase for the portion of the employee stock options performed already by employees after iST issued these employee stock options in 2021</p> <p>12. Proposal for derivative transactions.</p> <p>13. Proposal of the limit of loans from banks</p> <p>14. Change of independent CPAs because of the internal adjustment made by their firm</p> <p>15. Review of evaluation results with respect to independency and competency of independent CPAs, and non-assurance services provided by their CPAs' firm to iST</p> <p>16. Review of the definition of iST's "front-line employees"</p> <p>17. Revision of iST's Articles of Incorporation</p> <p>18. Revision of the Procedures for Ethical Management and Guidelines for Conduct</p> <p>19. Proposal of establishing iST's Regulations of Charitable Donation and Sponsorship Management</p> <p>20. Review of salaries of iST's high-ranking managers linked with key ESG performance indicators</p> <p>21. Review of the employee remuneration distributed by iST in 2024</p> <p>22. Review of remuneration to directors in 2024</p> <p>Resolution result: All directors present at the meeting adopted the resolution unanimously.</p>
2024.04.10 12th-term 7th meeting	<p>1. Proposal for iST's repurchase of treasury stock</p> <p>Resolution result: All directors present at the meeting adopted the resolution unanimously.</p>
2025.04.25 12th-term 8th meeting	<p>1. Revision of iST's Articles of Incorporation</p> <p>2. Proposal to determine the record date for capital increase for the portion of the employee stock options performed already by employees after iST issued these employee stock options in 2021</p> <p>3. Review of adjustment of remunerations to high-ranking officers of iST for 2025</p> <p>Resolution result: All directors present at the meeting adopted the resolution unanimously.</p>

- (10) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None

IV. Information on the professional fees of the attesting CPAs (external auditors)

(1) Information on CPA(External Auditor) Professional Fees

Unit: in Thousands of New Taiwan Dollars

Name of Accounting Firm	Name of CPAs	Period covered by the CPA audit	Audit Fees	Non-audit Fees	Total	Remarks
Deloitte & Touche	Huang Yu-Feng	2024.01-2024.12	3,750	40	3,790	None
	Chang Ya-Yun	2024.01-2024.12				

(2) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None

(3) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: None

V. Information on replacement of certified public accountant: None

VI. Where the company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed: None



VII. Any transfer of equity interests or pledge of or change in equity interests by a director or manager or a shareholder holding 10% or more of shares during the latest fiscal year or as of the date of print of the annual report:

(1) Change in Equity Interests of Directors, Managers or Key Shareholders

Unit: Share

Title	Name	2024		As of Apr. 15, 2025		Remarks
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged	
Chairman	Han Sheng Investment Co., Ltd. Representative: Yu Wei-Pin	0	(1,040,000)	0	0	
Director	Hui Long Co., Ltd. Representative: Chen Ching Chuo	0	0	0	0	
Director	Tu Chung-Cheh	0	0	0	0	
Director	Kai Ou Investment Co., Ltd. Representative: Chen Yang-Kuang	0	0	0	0	
Director	Liu Fu-Han	9,475	0	0	0	
Director	Wang Chih-Hung	0	0	0	0	
Director	Hung Wen-Ming	0	0	0	0	
Director	Lo Wen-Hao	0	0	0	0	
Director	Lo Yung-Chien	0	0	0	0	
Director	Yu Chuo-Min	0	0	0	0	
Director	HSIEH, PEI-CHUAN	0	0	0	0	Appointed on 2024.6.14
Chairman and Manager	Yu Wei-Pin	12,500	(70,000)	0	0	
Deputy Chairman	Chen Ching Chuo	0	0	0	0	
Manager	Chen Wen-Yin	7,500	0	0	0	
Manager	Lee Chang-Pin	0	0	0	0	
Manager	Lin Yu-Sang	8,500	0	0	0	
Manager	Tseng Shao-Chun	0	0	0	0	
Manager	Hsu Ju-Hung	7,500	0	0	0	
Manager	Tseng Ta-Lin	0	0	0	0	
Manager	Huang Yin-Hao	(5,000)	0	5,000	0	
Manager	Lin Hsiu-Mei	5,000	0	0	0	
Manager	Wang Shang-Chieh	5,750	0	0	0	
Manager	Wang Yu-Min	5,000	0	0	0	
Manager	Wang Kuo-Feng	6,250	0	0	0	
Manager	Cheng Chun-Yen	(16,000)	0	0	0	
Manager	Pao Chung-Hsing	0	0	0	0	
Manager	Shen Shih-Hsiung	0	0	0	0	
Manager	Tseng Sheng-Yu	0	0	0	0	
Manager	Liang Shih-Chang	0	0	0	0	
Manager	Chien Feng-Chun	3,750	0	0	0	Appointed on 2024.4.1
Manager	TSUI, KO-WEN	0	0	0	0	Appointed on 2024.6.3

(2) Counterparty in any transfer of equity interests that is a related party of iST: None

(3) Counterparty in any pledge of equity interests that is a related party of iST: None °

VIII. Relationship information if any of 10 largest shareholders is a related party, the spouse or a relative within the second degree of kinship of another one:

Information of 10 Largest Shareholders and their Relationship

As of Apr. 15, 2025; Unit: share; %

Name	Shares held by the shareholder		Shares held by the spouse and minor child(ren)		Shares held in the name of another person		Name of any of 10 largest shareholders that is a related party, the spouse or a relative within the second degree of kinship of another one, and their relationship		Remarks
	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Name	Relation	
Han Sheng Investment Co., Ltd.	3,652,288	4.91%	-	-	-	-	-	-	-
Han Sheng Investment Co., Ltd. Representative: Yu Wei-Pin	249,705	0.34%	488	0.001%	-	-	Han Sheng Investment Co., Ltd.	Chairman	-
HSBC Bank (Taiwan) Co., Ltd. is entrusted to manage Morgan Stanley International Limited's investment account	1,902,945	2.56%	-	-	-	-	-	-	-
Citibank (Taiwan) is entrusted with the custody of the Norwegian Central Bank's investment account	1,803,000	2.42%	-	-	-	-	-	-	-
Chen Cheng-Chen	1,479,000	1.99%	-	-	-	-	-	-	-
Liao Mei-Lien	1,469,000	1.97%	-	-	-	-	-	-	-
HSIEH, CHUNG-WEI	1,403,000	1.88%	-	-	-	-	-	-	-
LO, WEI-HSUAN	1,336,000	1.79%	-	-	-	-	-	-	-
Citibank entrusted with the custody of Barclays investment account	980,000	1.32%	-	-	-	-	-	-	-
Liu Fu-Han	920,000	1.24%	-	-	-	-	-	-	-
Standard Chartered Bank International Business Department is entrusted with the safekeeping of Mizuho Securities Co., Ltd.'s investment account	908,000	1.22%	-	-	-	-	-	-	-

IX. Total number of shares and ratio of comprehensive shareholding in any single enterprise reinvested by iST, its directors, supervisors and managers and any company controlled directly or indirectly by iST:

Ratio of Comprehensive Shareholding

As of Mar. 31, 2025; Unit: in Thousands of shares; %

Reinvestee	Investment by iST		Investment by Directors, Supervisors, Managers and any Company Controlled Directly or Indirectly by iST		Comprehensive Investment	
	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding
Pin Wen Co., Ltd.	9,841	100%	0	0	9,841	100%
INTEGRATED SERVICE TECHNOLOGY INC.(Samoa)	4,417	100%	0	0	4,417	100%
Dekra iST	19,262	49%	0	0	19,262	49%
Supreme Fortune Corp.	125	100%	0	0	125	100%
Prosperity Power Technology	32,843	71%	2,850	6%	35,693	77%
INTEGRATED SERVICE TECHNOLOGY INC.(Seychelles)	-	-	7,159	100%	7,159	100%
Integrated Service Technology USA Inc.	-	-	3,130	100%	3,130	100%
Integrated Service Technology (Kunshan) Co., Ltd.	-	-	-	100%	-	100%
Hot Light Co., Ltd.	-	-	125	100%	125	100%
System Integration Professional Technology	-	-	-	100%	-	100%
He Chou Technology Inc.	-	-	400	100%	400	100%
EFUN Technology Inc.	-	-	370	26%	370	26%
Huan Ying Sustainable Development Technology	-	-	510	22%	510	22%
Instrument Supply Technology (Kunshan) Co., Ltd.	-	-	-	100%	-	100%
Motor Semiconductor Co., Ltd.	-	-	2,955	21%	2,955	21%
Integrated Service Technology (Shanghai) Co., Ltd	-	-	-	100%	-	100%

### III. Fundraising Overview

#### (I) Capital and Shares

##### A. Source of Share Capital

##### 1. Source of Share Capital

As of Apr. 15, 2025; Unit: Share; in Thousands of NT dollars

Year/Month	Issue Price (NTD)	Approved Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Non-cash property provided as payment for shares	Others
1994/09	1,000	10,000	10,000	10,000	10,000	Share capital of NTD 10,000 thousand for establishment	—	—
1996/05	1,000	13,000	13,000	13,000	13,000	Capital increase in cash in an amount of NTD 3,000 thousand	—	—
2000/12 (Note 1)	1,000	58,500	58,500	58,500	58,500	Capital increase in cash in an amount of NTD 42,900 thousand, and stock dividends of common stock in an amount of NTD 2,600 thousand	—	—
2001/08 (Note 2)	10	6,630,000	66,300	6,630,000	66,300	Capital increase in cash in an amount of NTD 7,800 thousand	—	—
2001/11 (Note 3)	10	8,822,000	88,220	8,822,000	88,220	Capital increase in cash in an amount of NTD 17,413 thousand, and stock dividends of common stock in an amount of NTD 4,507 thousand	—	—
2002/06 (Note 4)	10	20,000,000	200,000	11,716,600	117,166	Stock dividends of common stock in an amount of NTD 28,946 thousand	—	—
2002/07 (Note 5)	10	20,000,000	200,000	15,716,600	157,166	Capital increase in cash in an amount of NTD 40,000 thousand	—	—
2003/05 (Note 6)	10	25,000,000	250,000	20,855,380	208,554	Stock dividends of common stock in an amount of NTD 51,388 thousand	—	—
2003/12 (Note 7)	10	25,000,000	250,000	21,855,380	218,554	Capital increase in cash in an amount of NTD 10,000 thousand	—	—
2004/09 (Note 8)	10	50,000,000	500,000	29,949,648	299,497	Stock dividends of common stock in an amount of NTD 80,943 thousand	—	—
2005/04 (Note 9)	10	50,000,000	500,000	30,421,288	304,213	Employee stock options converted in an amount of NTD 4,716 thousand	—	—
2005/08 (Note 10)	10	50,000,000	500,000	38,815,504	388,155	Stock dividends of common stock in an amount of NTD 83,942 thousand	—	—
2006/03 (Note 11)	10	50,000,000	500,000	39,199,629	391,996	Employee stock options converted in an amount of NTD 3,841 thousand	—	—
2006/07 (Note 12)	10	65,000,000	650,000	39,437,627	394,377	Employee stock options converted in an amount of NTD 2,380 thousand	—	—
2006/09 (Note 13)	10	65,000,000	650,000	42,417,609	424,177	Earnings and capital surplus transferred to common stock in an amount of NTD 29,800 thousand	—	—
2006/10 (Note 14)	10	65,000,000	650,000	42,861,002	428,610	Employee stock options and convertible bonds converted in an amount of NTD 4,434 thousand	—	—
2007/08 (Note 15)	10	65,000,000	650,000	43,712,542	437,125	Employee stock options and convertible bonds converted in an amount of NTD 8,515 thousand	—	—
2006/04 (Note 16)	10	65,000,000	650,000	46,285,713	462,857	Employee stock options and convertible bonds converted in an amount of NTD 25,732 thousand	—	—
2007/10 (Note 17)	10	65,000,000	650,000	50,182,396	501,823	Employee stock options and convertible bonds converted in an amount of NTD 3,974 thousand, and stock dividends of common stock in an amount of NTD 34,993 thousand	—	—
2007/11 (Note 18)	10	65,000,000	650,000	50,452,126	504,521	Employee stock options and convertible bonds converted in an amount of NTD 2,697 thousand	—	—
2008/02 (Note 19)	10	65,000,000	650,000	50,846,011	508,460	Employee stock options and convertible bonds converted in an amount of NTD 3,939 thousand	—	—
2008/04 (Note 20)	10	65,000,000	650,000	51,083,885	510,839	Employee stock options and convertible bonds converted in an amount of NTD 2,379 thousand	—	—
2008/09 (Note 21)	10	65,000,000	650,000	55,590,398	555,904	Employee stock options and convertible bonds converted in an amount of NTD 1,255 thousand, and stock dividends of common stock in an amount of NTD 43,810 thousand	—	—
2008/11 (Note 22)	10	65,000,000	650,000	55,606,898	556,069	Employee stock options converted in an amount of NTD 165 thousand	—	—
2009/01 (Note 23)	10	80,000,000	800,000	60,606,898	606,069	Cash increase for cash in an amount of NTD 50,000 thousand	—	—
2009/05 (Note 24)	10	80,000,000	800,000	60,619,523	606,195	Employee stock options converted in an amount of NTD 126 thousand	—	—
2009/18 (Note 25)	10	80,000,000	800,000	60,634,523	606,345	Employee stock options converted in an amount of NTD 150 thousand	—	—
2009/09 (Note 26)	10	80,000,000	800,000	68,634,633	686,346	Stock dividends of common stock in an amount of NTD 80,001 thousand	—	—
2010/08 (Note 27)	10	80,000,000	800,000	68,634,842	686,348	Employee stock options converted in an amount of NTD 2 thousand	—	—

Year/Month	Issue Price (NTD)	Approved Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Non-cash property provided as payment for shares	Others
2011/10 (Note 28)	10	100,000,000	1,000,000	70,007,539	700,075	Stock dividends of common stock in an amount of NTD 13,727 thousand	—	—
2012/09 (Note 29)	10	100,000,000	1,000,000	44,707,539	447,075	Cancelled treasury stock of NT 3,000 thousand and cash capital reduction of NTD 250,000 thousand	—	—
2013/02 (Note 30)	10	100,000,000	1,000,000	45,907,539	459,075	Restricted stock awards of NTD 12,000 thousand	—	—
2014/06 (Note 31)	10	100,000,000	1,000,000	45,673,539	456,735	Cancelled restricted stock awards of NTD 6,000 thousand, and employee stock options converted in an amount of NTD 3,660 thousand	—	—
2014/09 (Note 32)	10	100,000,000	1,000,000	45,947,039	459,470	Employee stock options converted in an amount of NTD 2,735 thousand	—	—
2014/12 (Note 33)	10	100,000,000	1,000,000	46,024,039	460,240	Employee stock options converted in an amount of NTD 770 thousand	—	—
2015/05 (Note 34)	10	100,000,000	1,000,000	46,404,039	464,040	Employee stock options converted in an amount of NTD 3,800 thousand	—	—
2015/09 (Note 35)	10	100,000,000	1,000,000	46,466,039	464,660	Employee stock options converted in an amount of NTD 620 thousand	—	—
2015/12 (Note 36)	10	100,000,000	1,000,000	46,483,039	464,830	Employee stock options converted in an amount of NTD 170 thousand	—	—
2016/01 (Note 37)	10	100,000,000	1,000,000	50,483,039	504,830	Capital increase in cash in an amount of NTD 40,000 thousand	—	—
2016/06 (Note 38)	10	100,000,000	1,000,000	50,531,110	505,311	Employee stock options and convertible bonds converted in an amount of NTD 481 thousand	—	—
2016/09 (Note 39)	10	100,000,000	1,000,000	51,043,061	510,431	Employee stock options and convertible bonds converted in an amount of NTD 5,120 thousand	—	—
2016/10 (Note 40)	10	100,000,000	1,000,000	51,778,312	517,783	Employee stock options and convertible bonds converted in an amount of NTD 7,352 thousand	—	—
2016/10 (Note 41)	10	100,000,000	1,000,000	52,378,312	523,783	Privately placed common shares of NTD 6,000 thousand	—	—
2017/02 (Note 42)	10	100,000,000	1,000,000	62,378,312	623,783	Capital increase in cash in an amount of NTD 100,000 thousand	—	—
2017/05 (Note 43)	10	100,000,000	1,000,000	62,492,859	624,929	Convertible bonds converted in an amount of NTD 1,146 thousand	—	—
2017/08 (Note 44)	10	100,000,000	1,000,000	62,528,367	625,284	Convertible bonds converted in an amount of NTD 355 thousand	—	—
2017/11 (Note 45)	10	100,000,000	1,000,000	63,006,364	630,064	Employee stock options and convertible bonds converted in an amount of NTD 4,780 thousand	—	—
2018/02 (Note 46)	10	100,000,000	1,000,000	63,501,695	635,017	Convertible bonds converted in an amount of NTD 4,953 thousand	—	—
2018/05 (Note 47)	10	100,000,000	1,000,000	63,575,121	635,751	Convertible bonds converted in an amount of NTD 734 thousand	—	—
2019/11 (Note 48)	10	200,000,000	2,000,000	93,575,121	935,751	Capital increase in cash in an amount of NTD 300,000 thousand	—	—
2021/09 (Note 49)	10	200,000,000	2,000,000	88,575,121	885,751	Cancelled treasury stock of NTD 50,000 thousand	—	—
2021/10 (Note 50)	10	200,000,000	2,000,000	84,575,121	845,751	Cancelled treasury stock of NTD 40,000 thousand	—	—
2022/01 (Note 51)	10	200,000,000	2,000,000	79,775,121	797,751	Cancelled treasury stock of NTD 48,000 thousand	—	—
2022/05 (Note 52)	10	200,000,000	2,000,000	74,775,121	747,751	Cancelled treasury stock of NTD 50,000 thousand	—	—
2023/09 (Note 53)	10	200,000,000	200,000,000	75,306,721	753,067	Employee stock options converted in an amount of NTD 5,316 thousand	—	—
2023/12 (Note 54)	10	200,000,000	200,000,000	75,540,921	755,409	Employee stock options converted in an amount of NTD 2,342 thousand	—	—
2024/04 (Note 55)	10	200,000,000	200,000,000	74,008,921	740,089	Employee stock options converted in an amount of NTD 300 thousand and cancelled treasury stock of NTD 15,620,000	—	—
2024/05 (Note 56)	10	200,000,000	2,000,000	74,040,921	740,409	Converted employee stock options of NTD 320 thousand	—	—
2024/09 (Note 57)	10	200,000,000	2,000,000	74,259,421	742,594	Converted employee stock options of NTD 2,185 thousand	—	—
2024/11 (Note 58)	10	200,000,000	2,000,000	74,366,671	743,667	Converted employee stock options of NTD 1,073 thousand	—	—
2025/04 (Note 59)	10	200,000,000	2,000,000	74,420,371	744,204	Converted employee stock options of NTD 537 thousand	—	—

Note 1: Letter No. Jing-(89)-Zhong-Zi-89676900

Note 30: Letter No. Jing-Shou-Zhong-Zi-10233133620 dated 2013.02.01

Note 2: Letter No. Jing-(90)-Zhong-Zi-09032594

Note 31: Letter No. Jing-Shou-Zhong-Zi-10333440290 dated 014.06.25

Note 3: Letter No. Jing-(90)-Zhong-Zi-09033020090

Note 32: Letter No. Jing-Shou-Zhong-Zi-10333674950 dated

Note 4: Letter No. Jing-Shou-Shang-Zi-09101230490 dated on 2002.6.25

Note 5: Letter No. Jing-Shou-Shang-Zi-09101290900 dated on 2002.7.25

Note 6: Letter No. Jing-Shou-Shang-Zi-09201156430 dated 2003.5.22

Note 7: Letter No. Jing-Shou-Zhong-Zi-09233192430 dated 2003.12.24

Note 8: Letter No. Jing-Shou-Zhong-Zi-09332712060 dated 2004.09.15

Note 9: Letter No. Jing-Shou-Zhong-Zi-09432634570 dated 2005.08.11

Note 10: Letter No. Jing-Shou-Zhong-Zi-09432774250 dated 2005.09.09

Note 11: Letter No. Jing-Shou-Zhong-Zi-09532074660 dated 2006.04.24

Note 12: Letter No. Jing-Shou-Zhong-Zi-09532541020 dated 2006.07.26

Note 13: Letter No. Jing-Shou-Zhong-Zi-09532864590 dated 2006.09.19

Note 14: Letter No. Jing-Shou-Zhong-Zi-09533048930 dated 2006.10.26

Note 15: Letter No. Jing-Shou-Zhong-Zi-09631746050 dated 2007.03.03

Note 16: Letter No. Jing-Shou-Zhong-Zi-09632030960 dated 2007.04.26

Note 17: Letter No. Jing-Shou-Shang-Zi-09601247750 dated 2007.10.09

Note 18: Letter No. Jing-Shou-Shang-Zi-09601285150 dated 2007.11.20

Note 19: Letter No. Jing-Shou-Shang-Zi-09701027180 dated 2008.02.04

Note 20: Letter No. Jing-Shou-Shang-Zi-09701093370 dated 2008.04.21

Note 21: Letter No. Jing-Shou-Shang-Zi-09701245980 dated 2008.09.24

Note 22: Letter No. Jing-Shou-Shang-Zi-09701292130 dated 2008.11.14

Note 23: Letter No. Jing-Shou-Shang-Zi-09701327240 dated 2009.01.07

Note 24: Letter No. Jing-Shou-Shang-Zi-09801097710 dated

2014.09.12

Note 33: Letter No. Jing-Shou-Zhong-Zi-10333938640 dated 2014.12.05

Note 34: Letter No. Jing-Shou-Zhong-Zi-10433375840 dated 2015.05.20

Note 35: Letter No. Jing-Shou-Zhong-Zi-10433689960 dated 2015.09.01

Note 36: Letter No. Jing-Shou-Zhong-Zi-10434013110 dated 2015.12.15

Note 37: Letter No. Jing-Shou-Shang-Zi-10501017660 dated 2016.01.30

Note 38: Letter No. Jing-Shou-Shang-Zi-10501135750 dated 2016.06.21

Note 39: Letter No. Jing-Shou-Shang-Zi-10501223220 dated 2016.09.22

Note 40: Letter No. Jing-Shou-Shang-Zi-10501246550 dated 2016.10.18

Note 41: Letter No. Jing-Shou-Shang-Zi-10501250110 dated 2016.10.25

Note 42: Letter No. Jing-Shou-Shang-Zi-10601016730 dated 2017.02.08

Note 43: Letter No. Jing-Shou-Shang-Zi-10601067860 dated 2017.05.26

Note 44: Letter No. Jing-Shou-Shang-Zi-10601117020 dated 2017.08.21

Note 45: Letter No. Jing-Shou-Shang-Zi-10601159630 dated 2017.11.21

Note 46: Letter No. Jing-Shou-Shang-Zi-10701014210 dated 2018.02.05

Note 47: Letter No. Jing-Shou-Shang-Zi-10701053100 dated 2018.05.15

Note 48: Letter No. Jing-Shou-Shang-Zi-10801152770 dated 2019.11.12

Note 49: Letter No. Jing-Shou-Shang-Zi-11001153500 dated 2021.09.22

Note 50: Letter No. Jing-Shou-Shang-Zi-11001191360 dated 2021.10.22

Note 51: Letter No. Jing-Shou-Shang-Zi-11101001840 dated 2022.01.12

Note 52: Letter No. Jing-Shou-Shang-Zi-11101080760 dated 2022.05.17

Note 53: Letter No. Jing-Shou-Shang-Zi-11230179370 dated

2009.05.21

Note 25: Letter No. Jing-Shou-Shang-Zi-09801179290 dated

2009.08.10

Note 26: Letter No. Jing-Shou-Shang-Zi-09801217890 dated

2009.09.22

Note 27: Letter No. Jing-Shou-Shang-Zi-09901179700 dated

2010.08.09

Note 28: Letter No. Jing-Shou-Shang-Zi-100012727050 dated

2011.10.05

Note 29: Letter No. Jing-Shou-Zhong-Zi-10132499890 dated

2012.09.20

Note 59: Letter No. Jing-Shou-Zhong-Zi11430037810 dated

2025.04.01

2023.09.21

Note 54: Letter No. Jing-Shou-Shang-Zi-11230220280dated

2023.12.04

Note 55: Letter No. Jing-Shou-Shang-Zi-11330045680 dated

2024.04.17

Note 56 :Letter No. Jing-Shou-Shang-Zi-11330078810 dated

2024.05.21

Note 57 :Letter No. Jing-Shou-Shang-Zi-11330137120 dated

2024.09.06

Note 58 :Letter No. Jing-Shou-Shang-Zi-11330200590 dated

2024.11.20

## 2. Issued Shares

As of Apr. 15, 2024 Unit: Share

Type of Shares	Approved Share Capital					Remarks
	Outstanding Shares			Unissued Shares	Total	
	TWSE (TPEX) Listed	Not TWSE ( TPEX) Listed	Total			
Common Shares	73,838,171	600,000 (privately placed)	74,438,171	125,561,829	200,000,000	-

## 3. Shelf Registration System: N/A

- B. List of Key Shareholders: Names of shareholders holding 5% or more of equity interests of iST or 10 largest shareholders, and amounts and ratios of their shareholdings

Apr. 15, 2025 Unit: Share

Name of Key Shareholder	Shares Number of Shares Held	Ratio of Shareholding (%)
Han Sheng Investment Co., Ltd.	3,652,288	4.91%
HSBC Bank (Taiwan) Co., Ltd. is entrusted to manage Morgan Stanley International Limited's investment account	1,902,945	2.56%
Citibank (Taiwan) is entrusted with the custody of the Norwegian Central Bank's investment account	1,803,000	2.42%
Chen Cheng-Chen	1,479,000	1.99%
Liao Mei-Lien	1,469,000	1.97%
HSIEH, CHUNG-WEI	1,403,000	1.88%
LO, WEI-HSUAN	1,336,000	1.79%
Citibank entrusted with the custody of Barclays investment account	980,000	1.32%
Liu Fu-Han	920,000	1.24%
Standard Chartered Bank International Business Department is entrusted with the safekeeping of Mizuho Securities Co., Ltd.'s investment account	908,000	1.22%



### C. Corporate Dividend Policy and Status of Implementation

#### 1. Dividend policy established in accordance with the articles of incorporation of iST:

When distributing earnings, iST shall make good of accumulated loss (including the adjusted amount of undistributed earnings) first, and allocate 10% of the earnings to be legal reserve. However, when the accumulated amount of legal reserve reaches the paid-in capital of iST, this clause shall not apply. Then an amount of special reserve shall be allocated or reversed in accordance with applicable laws or the regulations provided by the competent authority. The rest of the earnings shall be combined with the undistributed earnings of the beginning of the fiscal year (including the adjusted amount of undistributed earnings), and a portion of earnings shall be retained by the board of directors based on the need of business operation. Then the board of directors shall prepare the proposal for distribution of earnings and resolve to distribute dividends and bonuses to shareholders.

#### 2. Corporate Dividend Policy

In consideration of the need for funds in the future and the long-term financial plan, and for satisfying shareholders' demand for cash inflow, iST shall, after taking the market environment and its growth stage into account, distribute cash dividends to shareholders after the aforementioned items have been deducted from distributed earnings. The dividend policy is determined by the Board of Directors based on the Company's operating conditions, funding requirements, capital expenditure budget, changes in the overall internal and external environment, and the interests of shareholders. Under normal circumstances, the principle is that dividends to shareholders should not be less than 30% of the distributable earnings for the year. Additionally, the distribution of dividends shall primarily be in cash, with the proportion of cash dividends being no less than 50% of the total dividends distributed.

Status of Implementation: iST resolved to revise its articles of association at the general meeting of shareholders for 2020. The board of directors was authorized to distribute cash dividends for a quarter through resolution on a quarterly basis. The amount of cash dividends and date of distribution for each quarter in 2024 are listed in the following table.

2024	Date of approval (YYYY/MM/DD)	Date of distribution (YYYY/MM/DD)	Cash dividends per share (NTD)	Total amount of cash dividends (NTD)
Q1	2024/04/26	2024/11/28	1.0	74,040,921
Q2	2024/08/05	2025/02/26	1.3	96,644,173
Q3	2024/11/04	2025/05/16	1.0	74,378,421
Q4	2025/03/07	Not decided yet	1.0	74,429,171
Total			4.3	319,492,686

3. The status of the dividend distribution proposed at the shareholders' meeting is as follows:

Integrated Service Technology Inc.

Earning Distribution Statement

2024

Unit: NTD

Item	Amount	
Undistributed earnings at the beginning of the year	226,156,325	
Net profit of the year	481,738,439	
Add: Actuarial gain and loss of retirement pension	5,415,499	
Less: Actuarial gain or loss on pension	(80,069,136 )	
Less: Allocated legal reserve	(40,708,480 )	
Less: Special reserve	(46,233,282 )	
Earnings distributable for the year		546,299,365
Allocations:		
1. Cash dividends for 2024 Q1 (NTD 1.0 per share)	74,040,921	
2. Cash dividends for 2024 Q2 (NTD 1.3 per share)	96,644,173	
3. Cash dividends for 2024 Q3 (NTD 1.0 per share)	74,378,421	
4. Cash dividends for 2024 Q4 (NTD 1.0 per share)	74,429,171	
Total allocations		319,492,686
Undistributed earnings at the end of the year		226,806,679

Note: Cash dividends were distributed based on the resolution made by the board of directors and were reported at the shareholders' meeting.

Chairman: Yu Wei-Pin

Manager: Yu Wei-Pin

Accounting Manager: Lin Yu-Sang

4. Explanation for any expected material change in the dividend policy:

The dividend policy of iST has been implemented in accordance with Article 18-1 of the articles of incorporation. No material change in the dividend policy is expected.

- D. Effect on business performance, earnings per share and shareholders' return on investment of the stock grants proposed this time:

Effect on business performance, earnings per share and shareholders' return on

investment of the stock grants proposed at the general meeting of shareholders this time: Not applicable because iST had no stock grants this year.

E. Remunerations to employees and directors:

1. Percentages or ranges with respect to remunerations to employees and directors stipulated in iST's articles of incorporation:

If iST has any profit (which means the pretax profit before the deduction of allocated employees' remuneration and directors' remuneration) for a fiscal year, it shall appropriate no less than 0.3% for the employees' remuneration and no more than 3% for directors' remuneration. However, if iST has any accumulated loss (including adjusted amount of undistributed earnings), an amount equal to the accumulated loss shall be set aside from the profit and be reserved for making good of the loss.

The employees' remuneration mentioned in the preceding paragraph may be distributed in the form of stock or cash. The employees to whom such remuneration is distributed shall include the employees of the companies controlled or associated to iST who have met specific conditions. The directors' remuneration shall only be distributed in the form of cash.

The matters referred to in the preceding two paragraphs shall be resolved by the board of directors before being implemented, and shall also be reported at the shareholders' meeting.

2. Basis for estimating the amount of employees' remuneration and the amount of directors' remuneration, basis for calculating the number of shares to be distributed as employees' remuneration, and accounting treatment of any discrepancy between the actual distributed amount and the estimated figure:

The board of directors proposed to distribute employees' remuneration of NTD 28,660,000 and directors' remuneration of NTD 11,460,000 for 2024. The remuneration amounts are consistent with such amounts of employees' remuneration and employees' remuneration as recognized in book.

3. Remunerations allocation adopted by the board of directors:

The board of directors resolved on Mar. 7, 2025 to allocate directors' remuneration and employees' remuneration for 2024.

- (1) If the amounts of employees' remuneration and directors' remuneration distributed in cash or stock are different from such amounts as estimated for the year when the remuneration expenses are recognized, the difference, reason and treatment must be disclosed as follows:

<u>Item</u>	<u>Amount resolved by the board of directors to be allocated</u>	<u>Amount estimated for the year when remuneration expenses are recognized</u>	<u>Difference</u>
Status of allocation:			
Employees' remuneration (Cash)	\$28,660,000	\$28,660,000	0
Directors' remuneration (Cash)	\$11,460,000	\$ 11,460,000	0

- (2) Amount of employees' remuneration distributed in stock, and the size of the amount as a percentage of the sum of the after-tax net income in the parent-company-only or individual financial statements for the current period and total employees' remuneration: N/A
4. (1) Actual distribution of employees' remuneration and directors' remuneration for the previous year:

Unit: in Thousands of New Taiwan Dollars / Share

	Last year (Earning distribution for 2023)			
	Amount actually distributed based on the resolution made at the shareholders' meeting	Originally proposed amount to be distributed that was adopted by the board of directors	Discrepancy	Reason of discrepancy
Status of Distribution:				
1. Employees' remuneration in cash	22,070,000	22,070,000	-	-
2. Employees' remuneration in stock				
(1) Number of shares	0	0	-	-
(2) Amount	0	0	-	-
(3) Percentage of outstanding shares as of the end of the current year that the remuneration was accounted for	0%	0%	-	-
3. Directors' remuneration (Cash)	8,850,000	8,850,000	-	-

- (2) If the amounts of employees' remuneration in cash, stock bonus and directors' and supervisors' remunerations resolved by the board of directors to be distributed are different from such amounts as estimated for the year when the remuneration expenses are recognized, the difference, reason and treatment must be disclosed as follows: No difference

E. Status of Repurchase of Shares of iST: None

(II) Dealing with Corporate Bonds: None

(III) Dealing with Preferred Shares: None

(IV) Dealing with Overseas Depository Receipts: None

(V) Status of Dealing with Employee Stock Option Certificates

- A. Status of dealing with the employee stock options that have not expired, as of the date of print of the annual report, and the effect of such employee stock options on shareholders' equity:

Status of Dealing with Employee Stock Option Certificates

Apr. 15, 2025

Type of employee stock option	6 <sup>th</sup> time (term) Employee stock option
Date of effectiveness for reporting	Apr. 12, 2021
Issuance date (acceptance)	Apr. 29, 2021
Number of issued units	2,000,000 units (Each unit for one share)
Ratio of the total issued shares that the subscribable shares issued are accounted for	2.67%
Effective period for share subscription	5 years
Period for shares to be subscribed	2 years after the employee stock options are awarded
Method of contract performance	Issuance of new shares
Period during which share subscription is restricted, and ratio of restriction (%)	After completion of 2 years: 50% After completion of 3 years: 75% After completion of 4 years: 100%
Number of acquired shares that have been exercised	1,225,050
Amount of acquired shares that have been exercised	52.43
Quantity of acquired shares that have not been exercised	712,450
Price at which the shares that have not been exercised are subscribed per share	49.69
Ratio of the total issued shares that the quantity of unexercised shares are accounted for	0.96%
Effect on shareholders' equity	Subscript able shares issued that have not been exercised are accounted for only 0.96% of the total issued shares, so they do not have a material effect on shareholders' equity.

B. Names of managers acquiring employee stock options and 10 employees acquiring the greatest employee stock options as of the date of print of the annual report, and status of such acquisition and subscription:

1. Managers acquiring employee stock options:

	Title	Name	Quantity of subscribed shares obtained	Ratio of the total issued shares that the quantity of subscribed shares obtained is accounted for	Exercised already (6 <sup>th</sup> -time employee stock options)				Not exercised already (6 <sup>th</sup> -time employee stock options)			
					Quantity of shares subscribed	Price at which a share is subscribed	Amount of shares subscribed	Ratio of the total issued shares that the quantity of subscribed shares is accounted for	Quantity of shares subscribed	Price at which a share is subscribed	Amount of shares subscribed	Ratio of the total issued shares that the quantity of subscribed shares is accounted for
Managers	Chairman and General Manager	Yu Wei-Pin	348,000	0.47	222,250	52.50	11,667,787	0.30	125,750	50.1	6,300,075	0.17
	Deputy Chairman	Chen Ching-Chuo										
	Vice General Manager	Chen Wen-Yin										
	Assistant Manager	Lee Chang-Pin										
	Vice General Manager	Lin Yu-Sang										
	Senior Vice President	Tseng Shao-Chun										
	Assistant Manager	Hsu Ju-Hung										
	Assistant Manager	Tseng Ta-Lin										
	Division Director	Huang Yin-Hao										
	Division Director	Wang Shang-Chieh										
	Division Director	Wang Yu-Min										
	Assistant Manager	Wang Kuo-Feng										
	Special Assistant	Cheng Chun-Yen										
	Special Assistant	Lin Hsiu-Mei										
	Material Analysis Expert	Pao Chung-Hsing										
	Director	Chien Feng-Chun										

2. 10 employees acquiring the greatest employee stock options:

	Title	Name	Quantity of subscribed shares obtained	Ratio of the total issued shares that the quantity of subscribed shares obtained is accounted for	Exercised already (6th-time employee stock options)				Not exercised already(6th-time employee stock options)			
					Quantity of shares subscribed	Price at which a share is subscribed	Amount of shares subscribed	Ratio of the total issued shares that the quantity of subscribed shares is accounted for	Quantity of shares subscribed	Price at which a share is subscribed	Amount of shares subscribed	Ratio of the total issued shares that the quantity of subscribed shares is accounted for
Employees	Special Assistant	Yu O-Chih	212,000	0.28	106,750	52.40	5,593,388	0.14	105,250	50.10	5,273,025	0.14
	Senior Manager	Wang O-Hsing										
	Senior Manager	Chuang O-Hao										
	Manager	LIN, O CHUN										
	Manager	Chiu O-Ting										
	Manager	Lu O-Chuan										
	Manager	Lin O-Cheng										
	Manager	Tseng O-Yang										
	Manager	Hsu O-Cheng										
	Manager	Hsu O-Peng										

(VI) Status of Dealing with Restricted Stock Awards: None °

(VII) Issuance of New Shares in Connection with Merger, or Acquisition of Shares of Other Companies: None

(VIII) Status of Implementing Capital Utilization Plan:

Uncompleted public issue or private placement of securities, or the public issue or private placement of securities that were completed in the latest 3 years but have not yielded the expected benefits yet, as of the quarter before the date of print of the annual report: None



## IV. Business Operation Overview

### (I) Business Items

#### A. Business Items

##### 1. Business Scope

iST focuses on providing the third-party verification services required during each stage of the product life cycle for upstream, midstream and downstream suppliers in supply chains in the semiconductor industry. The services include modification of FIB circuit, preparation of engineering samples, failure analysis, material analysis, reliability verification, signal test, chemical analysis and various consulting and guidance services to assist customers in accelerating research and development, enhancing quality and shortening time to market.

##### 2. Percentage of Sales Amount

Unit: in Thousands of New Taiwan Dollars

Product Name	Amount of Sales Turnover	Percentage of Sales Amount (%)
Incomes from inspection service	4,345,526	100.00%
Total	4,345,526	100.00%

##### 3. Current Product (Service) Items

###### (1) Current Product (Service) Items:

- (A) Modification of FIB circuit
- (B) Preparation of engineering samples
- (C) Failure analysis
- (D) Material analysis
- (E) Reliability verification
- (F) Signal test
- (G) Chemical analysis and various guidance

###### (2) New Products (Services) Planned to Develop:

- (A) Global smart real-time reliability verification
- (B) Hardware solutions

#### B. Industry Overview

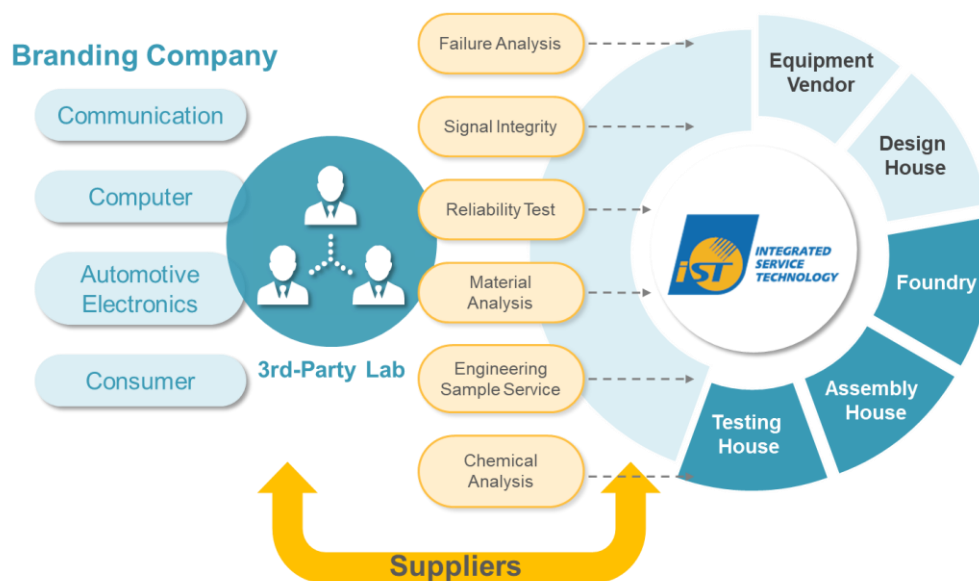
##### 1. Current Status and Development of the Industry

In 2014, AI applications were getting popular and the demand for high-speed transmission was increasing dramatically. In addition, automotive electronics and aerospace industries were also growing fast. Wide-bandgap semiconductors and silicon photonic applications were introduced rapidly into these industries. All these factors escalated strong demand for verification analysis services. To maintain yield and stable performance, international chip manufacturers pay

more attention to verification quality and therefore highly rely on material analysis (MA), failure analysis (FA), reliability assessment (RA) and signal integrity (SI) services.

iST provides independent third-party professional verification services, and continues to deepen verification platforms with respect to AI, high performance computing, high-speed transmission and automotive and aerospace electronics. By expanding laboratories and strengthening automated testing capabilities, iST strives to satisfy the evolving global market demand.

## 2. Relevance to Upstream, Midstream and Downstream Suppliers



### C. Technology and R&D Overview

#### 1. Outstanding Verification Service Platform

- A. Automotive electronic verification
- B. Space environment testing
- C. AI high-speed verification and signal simulation testing
- D. Advanced process and packaging analysis verification
- E. Global smart real-time reliability verification

#### 2. R&D expenses spent for the latest year and as of the date of print of the annual report:

iST set up the professional R&D team in July 2003 and appropriated funds particularly for R&D. R&D expenses for 2024 were NTD 175,286 thousand.

### D. Long-term and Short-term Business Development Plans

With the core principle of “addressing customer pain points and creating customer value” to optimize service platforms continuously, iST has been upgraded to a one-stop solution provider that “keeps customers more relaxed.” iST not only enhances its analysis capabilities for AI, high performance computing, automotive electronics and advanced process and packaging verification, but also expands AI high-speed verification and signal simulation (SI/PI) testing and set foot in aerospace electronic component verification.

Facing the changing global technology trends, iST focuses on 5 verification analysis solutions to strengthen mid-term to long-term growth momentum:

1. Automotive electronic verification: In response to the demand for electric vehicles

and autonomous vehicles, iST will enhance its verification capabilities consistently in compliance with AEC-Q and applicable international standards. In addition, iST will also optimize the reliability and failure analysis technology for automotive electric components to assist customers in seizing business opportunities in the automotive electronics market.

2.Space environment testing: For the growing demand for low orbit satellites and aerospace parts, iST will enhance its abilities in simulation tests with respect to aerospace components exposed to high pressure, high temperature, radiation, vacuum and other extreme environments in order to accelerate its deepened engagement in space environment verification.

3. AI high-speed verification and signal simulation testing: With the emergence of AI servers and high-speed transmission chips, iST focuses on testing of high-speed interfaces, such as USB4, PCIe Gen5/6, HDMI and Type-C PD. iST also introduces high-speed signal simulation and verification systems to satisfy strict requirements for signal integrity and stability of advanced applications.

4.Advanced process and packaging: In response to mass production with 3D IC and chiplet technologies, iST strengthens materials analysis, and packaging structure reliability verification. It also develops packaging abnormality diagnosis and analysis solutions to be applied in the supply chain in order to assist customers in design verification and failure prevention.

5.Global smart real-time reliability verification: iST will develop smart automated testing platforms, promote remote monitoring and real-time data feedback services, and build a flexible and efficient RA verification system that covers the world, to provide global customers with efficient reliability verification services around the clock.

## (II) Market and Production and Marketing Profile

### A. Market Analysis

#### 1. Territories where main products (services) are sold (provided):

Unit: in Thousands of New Taiwan Dollars

Sales territory \ Year	2023		2024	
	Amount	Percentage%	Amount	Percentage%
Asia	3,079,444	80.79	3,301,199	75.97
America	618,838	16.23	862,755	19.85
Others	113,437	2.98	181,572	4.18
Total	3,811,719	100.00	4,345,526	100.00

#### 2. Market share and the status of future supply and demand and growth in the market:

iST has tens of thousands of customers, ranging from IC design, wafer foundry, packaging testing to system plants, with advantages of high customer stickiness and the channels with high threshold. As iST is in a niche market, no public statistics of market share are issued. However, iST is continuously commissioned by global leading companies to provide services, which demonstrates their highly trusting iST's verification capabilities.

#### 3. Competition Niches and Differences or Advantages

- Integrated verification platforms and testing ability taking the lead
- Flexible customized services and fast delivery ability
- Investment in technologies in the future trends (e.g. AI, aerospace, silicon photonics verification, etc.)

#### 4. Future Prospects, Opportunities and Challenges

iST 2.0 has been fully activated to continuously focus AI, high-speed transmission, automotive electronics, aerospace components, advanced packaging and the third-generation semiconductors. Looking ahead, iST will continue to serve as “the best enabler for product research and development” and “the best keeper for quality control” to fulfill corporate governance and work with global customers to take up technology challenges.

Facing international political and economic changes, such as “reciprocal tariffs” and other policies, the semiconductor supply chain became highly noticed in the market for its being under pressure to reconstruct. However, iST believes, after evaluation, that the impact of the tariff policy on the verification analysis industry is relatively limited. Verification analysis itself does not benefit from sales of products. The main business model is not to sell products, but focuses on assisting customers in conducting reliability verification, failure analysis and

materials analysis during the R&D stage. This type of service does not involve cross-border goods directly. Therefore, the impact of the tariff policy on the verification analysis industry is not obvious, compared with manufacturing and mass production.

Even though the global semiconductor industry adjusts production arrangement in the future because of geopolitics and capital expenditure cuts, yet major customers will certainly continue to invest in R&D resources in order to maintain their leading positions in terms of technology. Where there is R&D, there is demand for verification analysis. With the verification capabilities and technology platforms that iST has been working on for 30 years, iST may benefit from the pressure of industrial transformation and become a stable and important technology partner of its customers.

B. Important Purposes of Main Products, and Manufacturing Process

1. Important Purposes of Main Products

Main Classification	Description	Service Item
Function Functional testing	Finding out the reason for loss/failure of functions of the sample	IC circuit repair
		Material analysis(MA)
		Failure analysis (FA) 1. Measurement of electrical characteristics 2. Non-destructive analysis 3. Sample preparation 4. Fault point detection 5. Physical property analysis
Reliability Reliability verification (Quality assurance)	1. Life time of functions of the test sample sustainable in the specific environment 2. Whether the test sample meets the requirements provided by the end customer for the supply chain	Reliability assessment (RA) 1. Component reliability test 2. Board level reliability test 3. PCB design verification 4. SMT service 5. Automotive electronic verification 6. Space environment testing verification
Compatibility testing Compatibility Compliance with regulations Regulation	Whether products, as different devices, are inter-connective: 1. Whether the products pass the test in accordance with national regulations / regulations provided by the association 2. A certification logo to be stuck on the end product after the test is passed	Signal test (SI)  1. Signal certification test 2. Design quality management 3. AI high-speed solutions 4. International market access service

2. Manufacturing Process for Main Products: N/A (as iST is not a manufacturer)

C. Status of Supply of Main Raw Materials: N/A (as iST is not a manufacturer)

D. List of Main Customers from Which Purchases are Made

- Names of customers from which more than 10% of total purchases were made for any of the latest 2 years, amounts and percentages of purchases made from them, and reasons of any increase or decrease:

Unit: in Thousands of New Taiwan Dollars

Item	2023				2024				As of 2025 Q1			
	Name	Amount	Percentage of the purchase amount of the whole year that it accounted for	Relationship with the issuer	Name	Amount	Percentage of the purchase amount of the whole year that it accounted for	Relationship with the issuer	Name	Amount	Percentage of the purchase amount of the whole year that it accounted for	Relationship with the issuer
1				-	Supplier A	131,196	17.66	-	Supplier A	40,339	20.66	-
2				-				-	Supplier B	22,852	11.71	-
	Others	548,719	100.00	-	Others	611,535	82.34	-	Others	132,015	67.63	-
	Net purchase	548,719	100.00	-	Net purchase	742,731	100.00	-	Net purchase	195,206	100.00	-

Reasons of increase or decrease in the main customers from which purchases were made, compared with those for the previous year:

Items purchased by iST were various consumables and consumable supplies necessary for provision of services. Purchases increased because of a great demand to meet the business needs.



2. Names of customers to which more than 10% of total sales were made for any of the latest 2 years, amounts and percentages of sales made to them, and reasons of any increase or decrease:

Unit: in Thousands of New Taiwan Dollars

Item	2023				2024				As of 2025 Q1			
	Name	Amount	Percentage of the purchase amount of the whole year that it accounted for	Relationship with the issuer	Name	Amount	Percentage of the purchase amount of the whole year that it accounted for	Relationship with the issuer	Name	Amount	Percentage of the purchase amount of the whole year that it accounted for	Relationship with the issuer
1	Supplier A	439,791	11.54	-	Supplier A	745,774	17.16	-	Supplier A	217,874	19.26	-
	Others	3,371,928	88.46	-	Others	3,599,752	82.84	-	Others	913,612	80.74	-
	Net purchase	3,811,719	100.00	-	Net purchase	4,345,526	100.00	-	Net purchase	1,131,486	100.00	-

- E. Reasons of increase or decrease in the main customers to which sales were made, compared with those for the previous year: We benefited from increase in the projects commissioned to customers themselves.

(III) Number of employees, average years of employment, average age and education distribution ratio with respect to employees for the latest 2 years and as of the date of print of the annual report

March 31, 2025

Year		2023	2024	As of 2025 Q1
Number of employees	Direct personnel	774	814	842
	Indirect personnel	597	696	711
	Total	1,371	1,510	1,553
Average age		37.69	36.79	36.92
Average years of employment		5.15	4.01	4.08
Education distribution ratio (%)	PhD	0.10	3.68	2.62
	Master	11.71	11.80	13.37
	College	75.05	76.56	71.38
	High school	11.63	6.70	11.40
	Below high school	1.51	1.26	1.24
	Total	100.00	100.00	100.00

#### (IV) Information of Environmental Protection Expenses

Loss incurred due to polluting the environment (and date of disposition, disposition file number, article violated, content of article violated, and content of disposition if there was any compensation and any violation of environmental protection regulations based on the environmental protection inspection result) in the latest year and as of the date of print of the annual report, and the estimated amount to be incurred at present and in the future and measures to be taken in response: None

#### (V) Labor Relations

A. Welfare measures, programs, training, retirement system and status of actual implementation, agreements between iST and its employees, and measures taken to protect interests of employees:

##### 1. Various Welfare Measures

##### (1) Welfare Measures

- <1> Adding a sense of ritual for festivals and holidays: Gifts and cash gifts for birthday and festivals (Mother's Day, Labor Day, Dragon Boat Festival, Father's Day, Mid-Autumn Festival, Christmas)
- <2> Annual travel subsidy: NTD 20,000/person as a subsidy for annual travel in 2024
- <3> Various subsidies: Subsidies for funerals and weddings, emergency assistance for injury and illness, subsidies for educational training, scholarships for employees and their children, funds for social activities, funds for meals, funds for afternoon tea
- <4> Diversified activities and subsidies: Year-end party activities, various

- workshops, family day, film festival
- <5> Diversified club activities: Badminton club, softball club, basketball club, aerobic club, yoga Club, flower art club, five elements learning club, boxing club, etc.
- <6> Promotion of employees' health: on-site services by contracted doctors, regular health examination, health promotion activities (walking and hiking, slim king, annual sports event, health seminar, sports season and sports day)
- <7> Assistance program for employees
- <8> Complete leisure space: Breastfeeding room, staff restaurant, staff lounge, massage room, multi-functional sports center, rhythm/dance classroom
- <9> Insurance for employees: Group insurance, travel insurance, occupational accident insurance
- <10> A leave system superior to that provided by the law: unpaid sick leave, flexible leave, volunteer leave

(2) Specific measures for preventing employees from being obese, or being with high blood pressure, hyperglycemia, or hyperlipidaemia, and the results after taking the measures

<1> Occupational health nursing and on-site physician services

iST has a infirmary to deal with matters relevant to health management. Registered nurses are employed and general physicians and medical specialists are invited in accordance with regulations to provide on-site services regularly. They talk to employees, through interviews and on-site visits, to understand and care for physical and mental health of the employees. iST also holds activities to enhance health awareness of its employees, and conducts case management for special or major diseases and occupational injuries in order to care and track continuously.

iST arranges Labor Health Checkup and Special Health Checkup every year. The arranged health checkups are superior to those provided by applicable laws. Employees receive health checkups every 2 years. To have its employees receive more comprehensive checkup services, iST requires all employees to receive checkups in the hospital, and examination items are superior to the items required by applicable laws. During and after physical examination, data is collected and analyzed and high-risk groups are screened based on given conditions. Employees are provided with the services of health tracking and health consultation via telephone or through interviews and with individualized health education to achieve the goal of preventing diseases from occurring before it is too late.

<2> Employee health consultation

iST holds individual health checkup briefings for employees every year after they receive checkups. Employees are provided with detailed explanations of their health checkup reports and health advice. By doing so, iST helps employees better know their state of health and have them be able to find out potential health problems in advance. Employees' health awareness and quality of life are hereby enhanced.

Infirmity service statistics	Number of people receiving services
Health checkup	479
Special health checkup	85
On-site physician service	60
Number of nursing services	98

### <3> Health checkup and management

During the annual health checkup, iST arranges for the employees conducting specially hazardous activities to receive special health checkups. For the employees classified to be subject to Level 2 Management, iST will arrange for physicians to interview. For the employees classified to be subject to Level 3 Management, iST will help them be diagnosed again at the hospital and arrange for doctors to provide consultation. iST cares and will provide health education and appropriate work arrangements based on the employees' health conditions.

iST places importance on employees' physical and mental health. The occupational safety unit evaluates the impact of occupational health and safety in social aspects, such as psychological discomfort in workplace, verbal violence, gender discrimination and sexual harassment, pursuant to the Directions for Prevention of Unlawful Infringement in the Performance of Duties, and takes early response measures to protect interests of employees. iST complies with personal data protection laws. Employees' health checkup information is treated as personal information and shall be retained, processed and used in accordance with the Regulations Governing the Labor Health Protection. Such information can be used for particular purposes only with the written consent of the employee.

### <4> Diversified activities for promotion of health

To prevent and improve chronic diseases caused by obesity, high blood pressure, hyperglycemia and hyperlipidaemia, iST is committed to creating a healthy work environment and promoting diversified activities for promotion of health continuously to enhance employees' health awareness and quality of life.

iST has multifunctional rooms and a sports center to provide employees with well-equipped sports places and resources. Employees may participate in various health activities in their free time. iST holds the following activities for promotion of health regularly and from time to time:

(a) Walking and hiking: We have held the Walking and Hiking activity every year since 2020. Every person walks 5,000 steps a day. As of 2024, our employees walked 176,500 kilometers in the annual activity on average. The straight-line distance from the earth to the moon is 384,400 kilometers. Using that distance as the basis, we would have walked to the moon twice! To encourage employees to exercise for their health, we also have a lucky draw event for those who reach the goal every month. We

draw 100 winners to get NTD 500 in cash every month. We have had a total of 600 winners already. In addition, those who complete the walking activity may participate in a lucky draw to win NTD 5,000 and the number of winners is 50. We also provide the Walking King grand prize to encourage employees to be more willing to continue to participate in the activity. In 2024, a total of 560 people participated in the activity, with nearly 500 million steps. The cumulative donations for public welfare reached NTD 200,200. Besides, carbon reduction in 2014 was the highest ever, reaching 70,000 metric tons. Slim King: The Slim King activity has been held every year since 2021. Employees' weight is reduced by 500 kg every year on average, and the fat reduction rate per year was 220% on average. In 2024, a total of 340 people participated in the activity. All participants lost 434KG and body fat was reduced by 236% in total.

※iST has held Walking and hiking and Slim King activities for many years successively. The total prize money for the activity in 2024 was even up to NTD 1 million.

(c) Participation in annual sports events: Dragon boat racing for the Dragon Boat Festival, marathon events, and other events planned from time to time.

(d) Sports clubs: We have sports clubs and arrange gatherings for employees regularly to cultivate their exercise habit. The sports clubs include badminton club, softball club, basketball club, boxing club, aerobic club, yoga club, etc.

(e) We hold a series of health promotion courses, including "harm of smoking, drinking alcohol and chewing betel nuts and skills of refusing," "office gym," "guidelines for eating out" and "importance of metabolic syndrome for your life." Employees may choose to take any course they want and understand relevant health knowledge.

(F) Sports activities held from time to time: Activities may trigger teamwork and health awareness of employees and help them do more exercise for their health and reduce health problems caused by sitting for a long time a day. Employees' mental health and energy level for work can be also enhanced. In 2024, we held the prelude to the sports event and the 30th anniversary sports event, with activities of happy baseball game, princess dodge ball, 3x3 basketball game, charge the enemy lines to reach the goal, top tower, take the lead, 10 people with 11 legs, tug of war, team relay, and creative entrance. More than 1,500 people participated in these activities.

(g) Large outdoor activities held from time to time: We hold large activities from time to time, such as family day, film festival activity, bowling competition, basketball machine competition, and beach cleanup activity.

(h) Awards won for healthy workplace: 2024 Healthy Corporate Citizen

## 2. Salary and Reward System

iST provides competitive remuneration to attract, cultivate and retain talents. We uphold gender equality and determine remuneration based on an individual's ability, performance and contribution. With the principle of fairness and reasonableness, we do not treat employees differently because of gender and ensure our remuneration policy is competitive in the industry and also fair internally. In addition, we also provide employees with generous bonus incentives, a good work environment and a comprehensive welfare system to attract and retain talents and have employees achieve work-life balance.

iST values talent. An employee's reward and remuneration are closely linked to his or her performance, and its annual salary adjustment is superior to that provided in the industry. iST provides competitive level of remunerations and implements a fair remuneration system without any differences because of gender, age, race, religion, nationality, physical or mental disabilities or any other factor. With a diversified incentive bonus system, iST shares operating results with employees.

Measures for the remuneration and reward system include:

- (1) Remuneration to employees: The salary survey is conducted every year to ensure that the remunerations we provide for employees are competitive in the market. Remunerations to employees are directly linked to corporate operating performance, team performance and their individual performance.
- (2) Incentive bonuses and performance bonuses: Bonuses are determined based on the iST business objectives achieved quarterly and the linked departmental performance and individual contribution.
- (3) Diversified rewards: Rewards include high performance bonus, sprint bonus, goal achievement bonus, recommendation bonus, proposal improvement bonus, coaching bonus, retention bonus, and others.
- (4) Employee stock options: To attract and retain professional talents, iST has established the regulations for issuance of stock option certificates and stock subscription, motivating employees and enhancing their loyalty and engagement.

iST has a sound management mechanism for talent cultivation and development, performance management and performance-oriented salary adjustment. We take systemic management measures to create good work morale and continue to optimize the work environment leading to work-life balance. As technology develops rapidly, iST provides challenging tasks for employees to develop their professional abilities to achieve self-achievement, and by doing so, attract and retain excellent employees.

## 3. Advanced training and training programs

With a people-oriented spirit, iST places importance on the cultivation and development of talents. We take the function orientation principle as the core framework for our talent management and development system, from talent recruitment, employment, training, promotion and retention. The talent development direction is determined every year based on organizational operation strategies. Adhering to corporate core values and development axis, the systematic training and development policy is planned. Through diversified development channels, iST assists employees in deepening professional abilities and expanding career horizons, and creates a work environment that encourages continuous learning and growth to enhance competitiveness of employees.

#### (1) Training development system

iST has established 8 types of programs, i.e. new employees, management functions, professional technology, core functions, quality management, occupational safety management, general skills, and integrity management, based on the learning and development needs of employees at different levels for different work. We promote these training programs and professional development projects through physical courses, online learning, internal and external projects, rotation training, action learning and other various methods to create a diverse learning process and encourage employees to learn voluntarily and enhance themselves.

#### (2) Talent promotion and development

To stimulate employees' potential and retain talents, iST has introduced the on-the-job training blueprint and functional development system. The dual-track system provides "management function" and "professional function" career development paths, helping employees choose career development direction based on their interest and expertise and improving their work engagement and sense of accomplishment effectively.

➤ Management navigator path: Employees are trained in the management function programs to strengthen management abilities in planning, organization, leadership and guidance, and build a stable leading team to lead the organization to sustainable growth.

➤ Technology navigator path: Research and innovation in the field of technology are focused for cultivating technology experts with forward thinking and practical experience to provide professional suggestions to iST and lead the development of technology s

With performance management and development systems, iST ensures consistency and connection between the goals of the organization and department and those of an individual. iST adopts regular performance review and communication mechanisms to promote the growth of both employees and the organization. Employees' performance results are also the important factor for their transfer, promotion, salary adjustment and development opportunity. We value integration of performance results with personal

development, and encourage employees to push themselves and chase excellence.

In addition, iST is committed to identifying and cultivating potential talents and excellent employees. For employees with outstanding performance, we hold workshops in praise of them and provide generous performance bonuses, honor vacations, competitive pay raise and rewards, and opportunities to participate in key projects or development acceleration plans to strengthen their sense of identity and belonging to the organization and achieve the goal of talent sustainability development.

#### 4. Retirement System

IST has established its retirement regulations in accordance with the Labor Standards Act to provide the defined benefit plan and establish the labor pension reserve supervision committee, which is responsible for supervising and managing the allocation and payment of the pension reserve. iST allocates an amount at 2% of employees' wages to the employee retirement funds every month by depositing the amount into a special account with Bank of Taiwan. iST has professional CPAs conduct actuarial calculation of retirement pension reserves every year to ensure that retirement pensions are allocated adequately. For an employee who meets the requirements provided by the Labor Standards Act for retirement, the pension payment is calculated based on the number of years of service and the average salary of the 6 months immediately before retirement. For an employee who is applicable to the Labor Pension Act from July 1, 2005 in accordance with the Labor Pension Act, iST allocates 6% of the salary of the employee to the pension account of the individual with the Labor Insurance Bureau every month.

#### 5. Agreements between labor and management, and measures for protection of employees' interests

- (1) iST treats employees as its most valuable assets and places importance on their future development. Therefore, iST as the employer and its employees maintains a harmonious relationship, without any labor disputes.
- (2) iST complies with the International Bill of Human Rights. With the spirit of the United Nations Universal Declaration of Human Rights, the United Nations Global Compact and the Responsible Business Alliance (RBA) Code of Conduct, iST holds the principles of respecting human rights and putting right persons in right places and takes into account other applicable industrial standards and international conventions. iST equally treats and respects employees and is committed to creating an honest, healthy and safe work environment, ensuring that the safety and hygiene conditions of the work environment are in compliance with standards, and improving the conditions of work environment for all employees and the employees' benefits consistently.



iST extremely emphasizes the development of its labor and business ethics policy. iST advocates the policy through work rules, document management system and announcement system, and regularly reviews and optimizes relevant systems to protect human rights of workers and ensure that every employee is respected and treated equally in order to maintain interests of all employees and create a friendly work environment.

The concrete management scheme used by iST for protection of human rights is as follows:

(Eliminate all forms of discrimination and ensure equity of work opportunities.)

iST does not allow the recruitment process and appointment decisions to be affected because of any factors, such as race, religion, belief, sex, marital or childbearing status, age, political background, nationality, disability, sexual orientation, constellation, blood type, etc.

(Zero tolerance is adopted against unlawful violence.)

iST guarantees that all employees are free from any physical or mental violence while performing their duties and promises to create a friendly work environment jointly where employees are willing to communicate and open management is implemented.

(Interests and rights of workers are determined in accordance with applicable laws.)

An employment contract made between each employee and iST meets applicable regulations of labor and human rights enacted in Taiwan.

(Forced labor is prohibited.)

iST makes an employment contract with the employee when the employment relationship is established and guarantees not to have employees slave or coerce them into involuntary servitude.

(Use of child labor is prohibited.)

iST specifies in its work rules that neither children nor young persons under the age of 18 shall not be employed, and any activity that may result in use of child labor shall not be permitted.

(Female employees are protected.)

iST specifies in its work rules the protection measures for female employees, especially the protection measures for pregnant female employees, including no night work and no hazardous work for female employees.

iST will pay attention to issues of human right protection and promote relevant educational training continuously to enhance awareness of human right protection and reduce possibility of relevant risks.

- B. Loss incurred due to labor disputes (and date of disposition, disposition file number, article violated, content of article violated, and content of disposition if there was any violation of Labor Standards Act based on the labor inspection result) in the latest year and as of the date of print of the annual report, and the estimated amount to be incurred at present and in the future and measures to be taken in response:

No labor dispute in 2024 and as of the date of the annual report caused iST to incur any loss. However, iST was determined, based on the official letter No. Zhu-Huan-Zi-1140001374 dated Jan. 7, 20205, to have violated Article 32-2 of the

Labor Standards Act because the normal work hours together with extended work hours exceeded those provided by the Act, and was therefore fined NTD 50,000. iST continues to review the work hour management process, and also ask supervisors to properly arrange and adjust work for employees, care for employees and strengthen communication and promotion of relevant regulations.

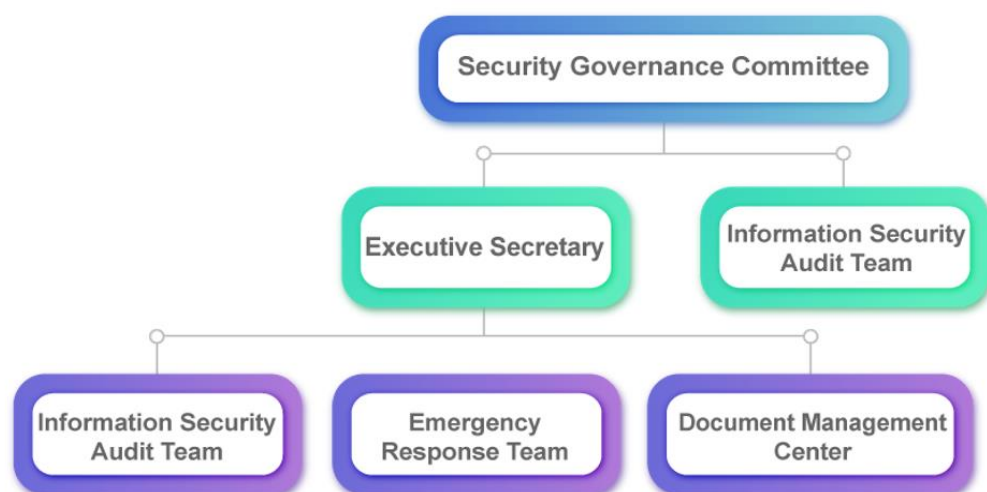
## (VI) Cyber Security Management

A. Describe the cyber security risk management framework, cyber security policy, specific management scheme, and resources invested for cyber security management.

### 1. Cyber security risk management framework:

#### (1) Structure of Security Management Control Committee

To ensure security of information assets of iST and its customers, iST set up the security control committee at the end of 2018, and obtained the certification of ISO/IEC 27001:2013 Information Security Management System (ISMS) in October 2020. The validity of certification expires on Oct. 31, 2025. Chief Information Security Officer is the convener of the meeting of security control committee. Heads of divisions are members of the committee, and personnel from each functional department take part in the information security task force, emergency response task force, information security audit task force, and document management center, etc. A total of 25 people are involved as stated above. The committee integrates internal resources of iST to conduct risk assessment for information security, and prepares the annual information security plan and inspection standards. In addition, it also coordinates relevant resources and cross-functional activities, takes various information security controls, holds the annual information security educational training for personnel, and deals with information security audit operations. The security control committee holds a meeting every half year to review and resolve on guidelines for and policies of information security and information protection and ensure effectiveness of information security management measures. The committee may also hold a meeting from time to time based on the needs of management of information security risk. The convener of the safety control committee represents the committee and reports to the board of directors every year.



- (2) Assessment and Analysis of Information Security Risk, and Response Measures
- 1). Assessment and Analysis of Information Security Risk: To respond to technological advancement and communication development and strengthen the measures taken to protect document assets of iST and its customers, iST has reviewed internal and external environmental factors. External risks are cyberattack threat and hacking while internal risks are information leak, virus, and computer room management.
  - 2). Response Measures:
    - a). iST has the security control committee integrate operations of departmental security management procedures and effectively manage security incidents and prevent them from recurring, in hopes of reducing the possibility of information security risks.
    - b). iST has various internal management measures, such as anti-virus software, WSUS, firewall management, VLAN management, VPN management, and control mechanisms for various equipment, but iST is unable to guarantee that these measures can completely avoid all malicious attacks from third parties. However, through remote backup, computer room and network HA (High Availability) structure, and the annual disaster recovery drill, iST reviews and evaluates internal procedures to ensure appropriateness and effectiveness of system operation.
    - c). iST may encounter computer viruses, destructive software or denial-of-access attacks, or unintentional or malicious actions of employees that may cause leak of customers' data, or damage to customers. In light of the aforementioned circumstances, iST has introduced encryption software into its units to protect experimental conditions, results, reports and other files of customers.
    - d). To strengthen its information security management framework, iST obtained the ISO/IEC 27001:2013 Information Security Management System (ISMS) certification in October 2020, valid until October 31, 2025, and has used many systems, including but not limited to system vulnerability scanning and correction, social attack simulation, and log management and analysis, to ensure effectiveness of information security incident detection.
    - e). iST has made efforts to complete necessary facilities and established systems at all levels, but iST is unable to guarantee confidentiality, integrity and availability of information all the time in the environment filled with variable information security threats. If iST cannot solve technical problems caused by cyberattacks in real time, iST's information system and environment may be abnormal or damaged and commitments made by iST to its customers and other stakeholders may also be compromised. Moreover, iST's operating results, financial

conditions, prospects and reputation may also be affected adversely.

2. Cyber security policy:

iST has established the information security policy and relevant management guidelines in compliance with ISO 27001, and has also established confidential information management guidelines and relevant personal information management practices after taking into account applicable government regulations. iST reviews the latest information security laws or trends to establish or revise applicable management guidelines to ensure compliance with the information security policy.

<b>Prospects for Information Security Policy</b>	<b>Information Security Objectives</b>
<b>Enhancement of employees' knowledge</b>	Hold educational training on information security to enhance employees' awareness of information security and strengthen their awareness of relevant responsibilities.
<b>Avoidance of information leak</b>	Protect information of iST's business activities, prevent unauthorized access and modification and ensure accuracy and completeness of information.
<b>Implementation of routine operation</b>	Conduct internal and external audits periodically to ensure implementation of relevant operations.
<b>Assurance of service availability</b>	Ensure a specific level of availability of iST's key core systems.

3. Specific management scheme, and resources invested for cyber security management:

Strengthening knowledge and skills of personnel	<ul style="list-style-type: none"> <li>➤ Enhancement of employees' cyber security awareness: New employees are required to complete the education training on information security on the day they report to work. Each employee receives a follow-up training every year.</li> <li>➤ Enhancement of cyber security awareness: Electronic newsletters or notices about cyber security are sent from time to time to help employees get to know cyber security practices and understand types of the cyber security attacks occurring externally. 18 newsletters/notices were sent in 2024.</li> <li>➤ Cyber-attack drills: Cyber-attack drill is conducted twice and phishing email testing is conducted once a year to verify cyber security awareness of employees.</li> <li>➤ Respect of intellectual property right: iST prohibits the use of illegal, cracked, or unlicensed software.</li> <li>➤ Enhancement of cyber security skills: Cyber security technicians are designated from time to time to participate in external training on cyber security tools or programs on hacker attack and defense technology to enhance cyber security literacy and skills. Information security team members completed, on average, about 32.78 hours of professional information security education and training in 2024.</li> <li>➤ In the 5-point scale questionnaire, employees gave 4.7 points for "clearly understanding iST's information security policies and operational requirements," 4.8 points for "recognizing the</li> </ul>
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	importance of information security,” 4.4 points for “completeness of information security protection,” and 4.4 points for “recognizing information security protection action.”
Avoiding information disclosure	<ul style="list-style-type: none"> <li>➤ Encryption: Document encryption software is installed to protect confidential information files and reduce the risk of unauthorized disclosure of confidential information.</li> <li>➤ Authorization: Access to the files is controlled by setting levels of authorization based on necessity.</li> <li>➤ Network management: Warnings are issued, and inspection is conducted, for abnormal network traffic. Transmitting data to an external unit must be applied for and approved.</li> <li>➤ Access control: Employees are not allowed to bring in personal storage devices or use personal equipment to take photos or film.USB ports are banned to be used in storage devices.</li> </ul>
Conducting routine maintenance works	<ul style="list-style-type: none"> <li>➤ Audit and improvement: Systems are inspected and improved periodically. New technologies are adopted to enhance data protection. Compliance with requirements of the management system is secured through internal audits conducted periodically and audits conducted by external cyber security certification units. In 2024, an internal audit and an external verification audit were conducted, and the information security task force held a meeting every month to review relevant matters.</li> </ul>
Ensuring services being available	<ul style="list-style-type: none"> <li>➤ Backup management: Important systems are backed up and are renewed or upgraded for cyber security subject to the annual plan. A backup and recovery test was conducted in 2024.</li> <li>➤ Cybersecurity: To enhance protection of internal and external cyber-attacks, the firewall policy is adjusted and reviewed, the detection of cyber attacks is activated, the anti-virus system is updated periodically, and bugs are repaired and prevented. Enhanced protection is provided for important machines. Micro-molecule firewalls are adopted to enhance lateral protection. iST has joined SP-ISAC Cyber Security Framework and TWCERT/CC to receive significant intelligence to share. In 2024, the vulnerability assessment was conducted and information system vulnerabilities were patched as much as possible.</li> </ul>

(B) Loss suffered by iST, for the latest year and as of the date of print of the annual report, due to significant cyber security incidents, possible impacts therefrom, and measures to be taken in response, or if a reasonable estimate cannot be made, an explanation of the reason why it cannot be made:

As of 2024 and the date of print of the annual report, iST did not incur any loss because of a material cyber security incident and was not fined for any serious incident.

(VII) Important Contracts

Parties to supply and distribution contracts, technical cooperation contracts, engineering contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, which were either still effective as of the date of print of the annual report, or expired in the latest year, and major content, limitation clauses and commencement dates and expiration dates of these contracts:

As of Mar. 31 2025

Nature of Contract	Party	Term of Contract	Major Content	Limitation Clause
Financing Agreement	Chang Hwa Bank	2025.01.16-2030.01.16	Medium-term secured loans	-
Financing Agreement	Mega International Commercial Bank	2023.09.08-2030.11.16	Medium-to-long term loan (Note 1)	-
Financing Agreement	Mega International Commercial Bank	2024.06.28-2026.06.27	Medium-term loan	-
Financing Agreement	Mega International Commercial Bank	2017.03.24-2032.03.24	Long-term loan	-
Financing Agreement	Mega International Commercial Bank	2024.08.01-2026.05.31	Medium-term loan	-
Financing Agreement	CTBC Bank	2024.11.30-2026.11.30	Medium-term loan	-
Financing Agreement	Hua Nan Commercial Bank	2024.11.22-2026.11.22	Medium-term loan	-
Financing Agreement	Hua Nan Commercial Bank	2023.08.21-2030.08.15	Medium-term loan (Note 1)	-
Financing Agreement	First Commercial Bank	2023.08.02-2030.07.15	Medium-to-long term loan (Note 1)	-
Financing Agreement	Chang Hwa Bank	2023.07.28-2030.07.15	Medium-to-long term loan (Note 1)	-
Financing Agreement	Bank of Taiwan	2024.11.28-2026.11.28	Medium-term loan	-
Financing Agreement	Bank of Panhsin	2024.03.29-2026.03.29	Medium-term loan	-
Financing Agreement	Agricultural Bank of Taiwan	2023.06.08-2026.06.08	Medium-term loan	-
Financing Agreement	Far Eastern International Bank	2024.09.30-2026.09.30	Medium-term loan	-
Financing Agreement	GEBO LIMITED	2007.03.01-2027.02.28	Puding Plant	-
Financing Agreement	DEKRA iST	2024.01.01-2027.02.28	Plant on Puding Road	-
Financing Agreement	TransGlobe Life Insurance Inc.	2024.01.01-2028.12.31	Dean Technology Park Phase II	-
Financing Agreement	Prosperity Power Technology Inc.	2020.11.01-2025.12.31	Plant II at Hsinchu Science-Based Industrial Park	-
Financing Agreement	Prosperity Power Technology Inc.	2023.01.01-2027.08.31	Plant II at Hsinchu Science-Based Industrial Park	-
Financing Agreement	Unimicron Technology Corporation	2023.11.01-2028.08.31	Zhongxing Plant	-

Note 1: Special project loan under the “action plan for retaining Taiwanese businesses by accelerating investment”

## V. Financial Conditions, Review and Analysis of Financial Performance and Risks

### (I) Financial Conditions

Comparative Analysis on Financial Conditions:

Unit: in Thousands of New Taiwan Dollars

Item	Year	2023	2024	Variance	
				Amount	%
Current assets		2,617,266	2,639,416	22,150	1
Property, plant and equipment		3,820,524	4,110,377	289,853	8
Intangible assets		10,800	13,842	3,042	28
Other assets		49,899	195,538	145,639	292
Total assets		7,667,028	8,159,884	492,856	6
Current liabilities		2,350,680	2,555,513	204,833	9
Non-current liabilities		1,984,246	2,128,096	143,850	7
Total liabilities		4,334,926	4,683,609	348,683	8
Share capital		755,409	743,667	(11,742)	2
Capital surplus		2,172,448	2,132,798	(39,650)	2
Retained earnings		572,721	682,933	110,212	19
Total shareholders' equity		3,332,102	3,476,275	144,173	4
Explanation for the variance of financial status and business result that reaches 20% or more and of which the amount reaches NTD 10 million: Compared with those in 2023, other assets increased because of prepayment for structures, equipment and renovation for the expansion of the plant.					



## (II) Financial Performance

Analysis of results of business operation for the latest 2 years:

### A. Analysis of business operation results:

Unit: in Thousands of New Taiwan Dollars

Item	Year	2023	2024	Amount of increase (decrease)	Ratio of change (%)
Total operating revenue		3,811,719	4,345,526	533,807	14
Operating cost		2,793,861	3,129,332	335,471	12
Gross profit		1,017,858	1,216,194	198,336	19
Operating expenses		714,061	847,180	133,119	19
Net operating profit		303,797	369,014	65,217	21
Non-operating incomes and expenses		43,618	154,168	110,550	253
Profit before tax		347,415	523,182	175,767	51
Income tax expenses		33,601	54,761	21,160	63
Total comprehensive profit ( loss) for this year		308,299	426,734	118,435	38
Net profit after tax		313,814	468,421	154,607	49
Analysis on increases and decreases:					
Explanation for the variance of financial status and business result that reaches 20% or more and of which the amount reaches NTD 10 million:					
1.Net operating profit increased mainly because the booming semiconductor industry resulted in increase in orders and operating revenue.					
2.Non-operating incomes and expenses increased mainly because of the gains on disposal of the financial assets at fair value through other comprehensive income that were originally listed as the investments accounted for using the equity method.					
3.Pre-tax income increased mainly because both the net operating profit and the non-operating incomes increased.					
4.The income tax expense increased because the increase in net profit before tax.					
5. The total comprehensive profit for this year and the net profit after tax increased mainly because the net operating profit and the non-operating incomes increased.					

### B. Possible effect of the expected sales volume and the basis thereof on iST's financial operations, and measures to be taken in response:

iST provides technology services and does not have data of sales volume like traditional industries. However, with its 30 years' verification integrated with verification platforms, it is expected that iST's operating revenue remains growing stably since the demand for AI and automotive electronics is optimistic and the demand for advanced packaging verification is rising.

### (III) Cash Flows

#### A. Analysis of Cash Flow Changes for the Latest Year

Unit: in Thousands of New Taiwan Dollars

Cash balance at the beginning of the year	Net cash flows from operating activities for the whole year	Cash flows used in the whole year	Effect of changes in exchange rate on cash and cash equivalent	Amount of cash left (shortage)	Remedy for cash shortage	
					Investment plan	Financial planning
928,238	1,368,641	(1,368,985)	11,632	939,526	—	—
Analysis of changes in cash flows for 2024:						
1. Operating activities: Net cash provided by operating activities for the whole year was NTD 1,368,641 thousand, which was because operating revenue increased and the profit therefore increased. Cash was continuously provided by main business.						
2. Investing activities: Net cash used in investing activities for the whole year was NTD 866,437 thousand, which was because of purchase of machinery equipment.						
3. Financing activities: Net cash used in financing activities for the whole year was NTD 502,548 thousand, which was because of repayment of bank loans and payment of cash dividends.						
4. Remedy for cash shortage and liquidity analysis: N/A						

#### B. Plan to Improve Inadequacy of Liquidity: No inadequacy of liquidity.

#### C. Future Cash Liquidity Analysis

Unit: in Thousands of New Taiwan Dollars

Cash balance at the beginning of the year	Net cash flows from operating activities for the whole year	Cash flows used in the whole year	Amount of cash left (shortage)	Remedy for cash shortage	
				Investment plan	Financial planning
939,526	1,270,854	(1,244,247)	966,133	—	—
Analysis of changes in cash flows for 2025:					
1. Operating activities: Net cash provided by operating activities for the whole year was NTD 1,270,854 thousand, which was because operating revenue increased and the profit therefore increased. Cash was continuously provided by main business.					
2. Investing activities: Net cash used in investing activities for the whole year was NTD 1,417,180 thousand, which was because of purchase of machinery equipment.					
3. Financing activities: Net cash provided by financing activities for the whole year was NTD 172,933 thousand, which was because of increase in loans.					
4. Remedy for cash shortage and liquidity analysis: N/A					

### (IV) Effect of Material Capital Expenditure on Financial Business for the Latest Year: None

**(V) Reinvestment Policy for the Latest Year, Main Reason for Profit or Loss, Improvement Plan and Other Investment Plans for the Next Year**

As of 2025.03.31

Item \ Explanation	Amount	Policy	Main Reason for Profit or Loss	Improvement Plan	Other Future Investment Plans
INTEGRATED SERVICE TECHNOLOGY INC.(Samoa)	USD 9,500 thousand	A subsidiary of iST in Mainland China, which was invested 100% by iST through reinvestment from a third place.	Recognizing losses on investments in subsidiaries, including IST Kunshan, and the loss in IST Seychelles	None	To observe business operation in the future continuously before making a decision to increase or decrease investment.
Dekra iST	NTD 192,624 thousand	A joint venture of iST and DEKRA SE.	Electronic testing business in Taiwan is still growing. However, entities in Mainland China are so competing that the price of automotive electronics lost competitive edge. In addition, it moved to a new plant and the old plant was demolished, so the overall profit reduced.	Developing new customers continuously and keeping the cost down	None
Pin Wen Corp.	NTD 237,000 thousand	A subsidiary 100% invested by iST directly.	Mainly because the loss on investments in Motor Semiconductor Co., Ltd. was recognized	Being devoted to enhancement of efficiency of business operation of the investee and help it reduce cost.	None
Supreme Fortune Corp.	USD 125 thousand	A subsidiary 100% invested by iST directly, which is a holding company established in the third place for making investments in Mainland China directly.	Recognizing investment losses of Hot Light Co., Ltd.	None	None
Prosperity Power Technology Inc.	NTD 1,012,081 thousand	A subsidiary 77% invested by iST directly and indirectly.	Loss for 2014 decreasing due to the growing demand for AI, compared to the loss for 2023	Expanding new customers and new manufacturing processes continuously.	None
EFUN Technology Inc.	NTD 3,700 thousand	An affiliated 26% invested by Pin Wen	Due to the number of orders decreasing in 2014	Continuously expanding new customers	None
Huan Ying Sustainable Development Technology	NTD 5,100 thousand	An affiliate 22% invested by Pin Wen Co., Ltd.	Due to the number of orders increasing in 2014	None	None
INTEGRATED SERVICE TECHNOLOGY INC.(Seychelles)	USD 7,159 thousand	A subsidiary 100% invested by Samoa IST, which is a holding company established in the third place for making investments in Mainland China	Consultant's fee paid and loss of iST Kunshan recognized in 2024	None	To observe business operation in the future continuously before making a decision to increase or decrease investments
Integrated Service Technology USA Inc.	USD 3,130 thousand	A subsidiary 100% invested through Samoa IST	The loss of 2024 resulted from the number of orders decreasing.	None	None
Integrated Service Technology (Kunshan) Co., Ltd.	USD 3,700 thousand	A company in Mainland China reinvested by a company invested and established in the third area	The loss of 2024 was mainly because for expansion of business operation, relevant costs and expenses increased, compared with those in 2023.	Developing new customers continuously and keeping the cost down	None
Hot Light Co.,Ltd	USD 125 thousand	A subsidiary 100% invested through Supreme Fortune Corp., which is a holding company established in the third place for making investments in Mainland China.	Resulting from the recognized loss on investments in He Chou Technology Inc.	None	None
System Integration Professional Technology (SIP KS Company)	USD 1,620 thousand	A company in Mainland China reinvested by a company invested and established in	Loss incurred due to failure to reach economies of scale	Reducing the scale of business	To observe business operation in the future continuously before

		the third area			making a decision to increase or decrease investments
He Chou Technology Inc.	USD 125 thousand	A company in Taiwan reinvested by a company invested and established in the third area	Loss resulted from production of new products in the initial stag.	Continuously planning for design and manufacturing of new products	None
Instrument Supply Technology (Kunshan) Co., Ltd.	CYN 2,500 thousand	A company in Mainland China reinvested by a company invested and established in the third area	Loss incurred due to failure to reach economies of scale	Continuously expanding the customer base.	None
Motor Semiconductor Co., Ltd.	NTD 39,974 thousand	An affiliated 21% invested by Pin Wen Corp.	The reason for the loss was the fact that customers made inventory adjustments and entities in the market of Mainland China were so competing that the price lost competitive edge.	Continuously expanding the customer base.	None
Integrated Service Technology (Shanghai) Co., Ltd	CYN 1,000 thousand	A company in Mainland China reinvested by a company invested and established in the third area	The reason for loss was the fact that the company had not reached an adequate scale of business in the initial stage after the incorporation.	Continuously expanding new customers	None

## (VI) Analysis and Assessment of Risks

### (A) Effect of interest and exchange rate fluctuations and inflation on iST's profit or loss, and measures to be taken in response:

1. Effect of interest rate fluctuation on iST's operating revenue and profit: iST's interest rate risk mainly comes from interest payments for loans from the bank. As the interest rate was rising during the past 2 years, the loan interest at floating rates therefore increased. However, interest rates have been stable recently and may probably fall, so interest expenses are expected to reduce.

However, iST has a good relationship with the bank, so it is able to obtain favorable interest rate conditions. iST has obtained a subsidy, for its interest payments, granted by the National Development Fund under the Investment Acceleration Program for Enterprises in Taiwan. Interest expenses will be reduced effectively in the future, and the impact of interest rate fluctuation on iST's profit will be mitigated.

2. Effect of exchange rate fluctuation on iST's operating revenue and profit:

Specific Measures Taken to Respond to Exchange Rate Fluctuation: To effectively reduce negative impact of exchange rate fluctuation on iST's business operation, iST will proceed with the following:

- (1) iST collects information of exchange rate fluctuation anytime and provide it to relevant units to be fully aware of the trend of exchange rate, and takes measures properly to do foreign exchange.
- (2) With respect to arrangement of foreign exchange funds, iST conducts hedge trading for some foreign exchange payments for equipment, and secures transaction cost by acquiring a forward exchange agreement in advance. It also uses its foreign exchange income, or gets a foreign currency loan from

the bank, to pay foreign exchange expenses. iST tries to reduce foreign exchange risks effectively by balancing foreign currency assets and liabilities.

3. Effect of Inflation: Inflation has no significant effect on iST's business operation and profitability. iST will pay attention to price fluctuations from time to time and maintain a good relationship with suppliers to reduce the effect of inflation.
4. Risk Management Framework: Operational risks are managed by relevant management units subject to the nature of its business. Existing or potential risks for each operation are reviewed and assessed by the audit unit.

(B) Policies for high-risk investment, highly leveraged investment, loans to other parties, endorsement, guarantee and derivatives transaction, main reasons for profits/losses generated thereby, and measures to be taken in response:

1. iST has never made any high-risk or highly leveraged investment.
2. iST has established its internal management regulations, including the Procedures for Acquisition or Disposal of Assets and the Procedures for Loaning of Funds and Making of Endorsements / Guarantees, in accordance with applicable regulations provided by the competent authority. iST conducts derivatives transactions only for avoidance of exchange rate risks, not for trading or speculative purposes.

(C) Future research and development plans, and expenditures expected for research and development:

Research and development work of iST is carried out in the following direction:

A.Global smart real-time reliability verification

B.Hardware solutions

Expenditures expected for research and development in the future are about 3~5% of iST's business turnover.

(D) Effect of foreign and domestic important policies and changes in applicable laws on iST's financial operation, and measures to be taken in response:

iST operates in accordance with applicable domestic and foreign laws and regulations and also pays attention to development trends of domestic and foreign policies and regulations all the time in order to fully understand the change of the market environment. In the latest year and as of the date of print of the annual report, iST's financial business was not impacted because of changes in any domestic or foreign important policies or laws. In addition to collecting and evaluating information of changes in any domestic or foreign important policies or laws and providing such information for the management for reference, iST will

also consult relevant professionals and take response measures timely to reduce any adverse impact of changes in any domestic or foreign important policies or laws.

- (E) Effect of technology change (including cyber security risks) and industrial change on iST's financial operation, and measures to be taken in response:

To respond to future technology, cyber security risk and industrial change, iST takes customers' needs into account and continuously develops services in line with industrial trends based on its abundant experience to enhance its competitiveness in hopes of getting to know technology change and satisfying the needs of customers and markets.

- (F) Effect of changes in iST's corporate image on its crisis management, and measures to be taken in response:

iST has been committed to maintaining its corporate image and complying with applicable laws since it was incorporated. As of the date, no incident occurred to affect its corporate image.

- (G) Expected benefits and possible risks associated with any merger, and measures to be taken in response: None

- (H) Expected benefits and possible risks associated with any plant expansion, and measures to be taken in response:

In response to its business growth, iST expanded its laboratories in Zhubei and Hsinchu in 2024 and relevant production capacity and adjustment were evaluated carefully. Initial effect of operating revenue was already shown. Relevant deployment and requirements were evaluated and analyzed carefully by iST to provide the efficient laboratory space that meets the needs of business operation and customer service. The performance evaluation shows that all aspects meet the requirements as expected by iST.

- (I) Risks associated with any consolidation of sales or purchasing operations, and measures to be taken in response:

iST engages in testing services and does not need to purchase raw materials. It uses a small quantity of materials during provision of services. Materials supplied come from more than two sources, so no risk of concentration of purchases exists. In addition, iST provides customers with reliability verification, failure analysis, material analysis, IC circuit repair, signal testing and other testing services, covering advanced packaging, advanced processes, semiconductors, 5G verification, automotive electronics, space electronics and other fields. iST has lots of customers and no risk of concentration of sales exists.

- (J) Effect on and risk to iST when a great quantity of shares held a director or supervisor,

or a shareholder holding more than 10% of shares of iST has been transferred or changed, and measures to be taken in response: None

(K) Effect on and risk to iST when the ownership of iST has been changed, and measures to be taken in response: None

(L) List major litigious, non-litigious or administrative disputes that involve iST or its director, supervisor or general manager, the person actually in charge of iST, any key shareholder holding more than 10% of iST's shares or any affiliate controlled by iST. If the judgment may probably has a great effect on shareholders' equity or the price of securities, disclose the facts of the dispute, amount of money concerned in the dispute, date of litigation commencement, main parties to the dispute, and the status of the dispute as of the date of print of the annual report.

Phoenix Silicon previously accused an employee of iST of misappropriating the trade secrets of Phoenix Silicon. After the investigation concluded, iST received on Feb. 24, 2021 the indictment from Taiwan Hsinchu District Prosecutors Office against the employee and his/her employer iST, and also received in March 2021 the criminal and civil complaint submitted by Phoenix Silicon to Taiwan Hsinchu District Court. In the complaint, Phoenix Silicon claimed that its trade secrets were reproduced and used by iST and its employee without authorization and the concerned parties should compensate Phoenix Silicon for its loss. iST believed that the aforementioned lawsuit did not have significant effect on its financial conditions. Relevant operating activates were conducted normally.

(M) Other important risks, and measures to be taken in response: None

(VII) Other Important Matters:

None

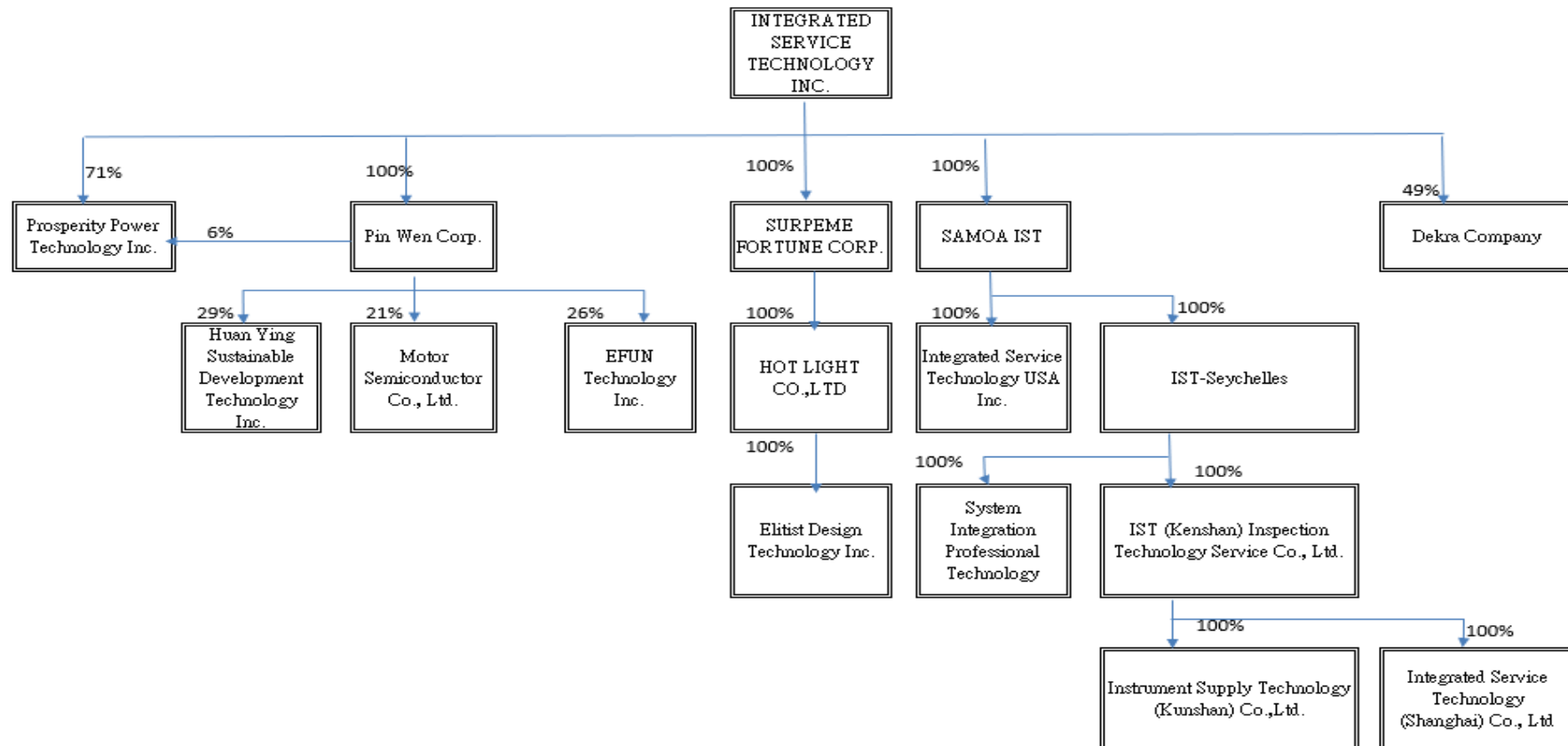
## VI. Special Records

### (I) Information Relevant to Affiliated Enterprises

#### A. Consolidated Statements of Operation of Affiliated Enterprises

##### 1. Affiliated Enterprise Organization Chart

##### iST Reinvestment Framework



113.12.31



2. Name of Affiliated Enterprise, Date of Incorporation, Address, Paid-in Capital, and Main Business Items

December 31, 2024 In thousands of USD; in thousands of NTD; in thousands of CNY

Name of Enterprise	Date of Incorporation	Address	Amount of Paid-in Capital	Main Business Item
INTEGRATED SERVICE TECHNOLOGY INC.(Samoa)	January 2002	OFFSHORE CHAMBERS,PO BOX217 APIA,SAMOA	USD 4,417	Investment
INTEGRATED SERVICE TECHNOLOGY INC.( Seychelles)	June 2018	No.4,Franky Building Providence Industrial Estate, Mahe, Seychelles	USD 7,159	Investment
Integrated Service Technology USA Inc.	January 2007	1055 E Brokaw Rd, STE 30, #141, San Jose, CA 95131	USD 3,130	development and manufacturing of Integrated circuits, analysis and burn-in, testing, semiconductor spare parts and relevant equipment, electronic spare parts, etc.
Pin Wen Corp..	May 2010	1F, No. 18, Puding Road, Hsinchu City	98,412	Investment
Dekra Company	July 2011	1F, No. 18, Puding Road, Hsinchu City	393,110	Product testing and relevant business
IST (Kenshan) Inspection Technology Service Co., Ltd.	January 2005	4F & 5F, Building I, Yangbang Photoelectric Industry Park, No. 1299, Fuchunjiang Road, Kunshan City, Jiangsu Province, China	USD 3,700	Product testing and relevant business
INNOVATIVE TURNKEY SOLUTION CORPORATION (Note 1)	November 2002	-	-	Electronic product testing and relevant business
Prosperity Power Technology Inc. (Note 1)	November 2020	Hsinchu Science Park, No. 15 & 17, Yuanqu 2 <sup>nd</sup> Road, E. Dist., Hsinchu City	459,8233	Manufacturing and sale of various integrated circuits (wafers), thinning, metal deposition and relevant business
Supreme Fortune Corp.	March 2014	60 Market Square, Belize City, Belize	USD 125	Investment
Hot Light Co .,Ltd	April 2014	1 <sup>st</sup> Floor,#5 DEKK House, De Zippora Street ,Providence Industrial Estate, Mahé, Republic of Seychelles	USD 125	Investment
System Integration Professional Technology	June 2014	4F, Building I, Yangbang Photoelectric Industry Park,No. 1299, Fuchunjiang Road, Kunshan City, Jiangsu Province, China	USD 1,620	Circuit design service
Elitist Design Technology Inc.	November 2015	1F, No. 18, Puding Road, E. District, Hsinchu City	4,000	Circuit design service
EFUN Technology Inc.	October 2014	1F, No. 18, Puding Road, E. District, Hsinchu City	14,000	Information software service
BTL Inc. (Note 2)	October 1987	4F, No. 18, Lane 171, Sec. 2, Jiuzong Road, Neihu District, Taipei City	303,058	Electromagnetic compatibility certification service and security testing service for electronic products

Huan Ying Sustainable Development Technology Inc.	December 2016	1F, No. 18, Puding Road, E. District, Hsinchu City	17,500	Information software management service and relevant business
Instrument Supply Technology (Kunshan) Co., Ltd.	March 2021	Kunshan Development Zone, 3F, Building 1, No. 1299, Fuchunjiang Road	CNY 2,500	Purchase and sale of electric testing and relevant equipment, and conduction of sale and trading as an agent
Motor Semiconductor Co., Ltd.	March 2019	10-5F, No. 32, Gaotie 2nd Rd, Zhubei City, Hsinchu County	140,046	IC design
Integrated Service Technology (Shanghai) Co., Ltd	April 2024	3F, Building 2, No. 200, Zhangheng Road, China (Shanghai) Pilot Free Trade Zone	CNY 1,000	Inspection and testing business

(Note 1): Innovative Turnkey Solution and Prosperity Power Technology Inc. merged on Mar. 31, 2024. Innovative Turnkey Solution was the dissolved company.

(Note 2): BTL Inc. was listed in June 2024 as financial assets at fair value through other comprehensive income.

B. Information of shareholders presumed to be shareholders of any entity controlling affiliates: None

C. Overall business activities covered by businesses engaged by affiliates:

Businesses engaged by iST and its affiliates include:

(1) R&D, production, analysis, burn-in and testing of integrated circuits, and import and export of semiconductor parts and equipment and electronic parts, computer and computer components, and serving as an agent for domestic and foreign companies to distribute the above products and offer prices and deal with bidding

(2) Manufacturing and sale of various types of integrated circuits (chips), thinning and metal deposition, and testing services for various types of integrated circuits and wafers

(3) Testing of electronic products

(4) Investment business

(5). Information software management services

(6) IC design services

D. Information of Directors, Supervisors and General Managers of Affiliated Enterprises

Unit: in Thousands of shares

Name of Affiliated Enterprise	Title	Name or Representative	Number of Shares Held	
			Number of Shares	Ratio of Shareholding
INTEGRATED SERVICE TECHNOLOGY INC.(Samoa)	Director	Integrated Service Technology Inc. Representative: Yu Wei-Pin	4,417	100%
INTEGRATED SERVICE TECHNOLOGY INC.(Seychelles)	Director	Samoa IST Representative: Yu Wei-Pin	7,159	100%
Integrated Service Technology USA Inc.	President	Wang Kuo-Feng	3,130	100%
IST (Kenshan) Inspection Technology Service Co., Ltd.	President	Seychelles IST: Cheng Yuan-Tai	-	100%
	Supervisor	Seychelles IST: Yu Wei-Pin		
Innovative Turnkey Solution (Note 1)	-	-	-	-
Pin Wen Corp.	President	Integrated Service Technology Inc. Representative: Yu Wei-Pin	9,841	100%
	Director	Integrated Service Technology Inc. Representative: Chen Ching Chuo		
	Director	Integrated Service Technology Inc. Representative: Tu Chung-Cheh		
	Supervisor	Integrated Service Technology Inc. Representative: Lin Yu-Sang		
Prosperity Power Technology Inc	President	Integrated Service Technology Inc. Representative: Yu Wei-Pin	35,692	77%
	Director	Integrated Service Technology Inc. Representative: Chen Yang-Kuang		
	Director	Lin Yu-Sang		
	Supervisor	Chiu Chih-Ching		
Dekra Company	President	Germany-based DEKRA SE Representative: Lin Yi-Mo	19,262	49%
	Vice President	Integrated Service Technology Inc. Representative: Chen Ching Chuo		
	Director	Integrated Service Technology Inc. Representative: Cheng Chun-Yen		
	Director	Germany-based DEKRA SE Representative: Fernando Enriqe Hardsmal Barrera		
	Director	Germany-based DEKRA SE Representative: Juan Carlos Soler Claros		
	Supervisor	Lin Yu-Sang		
	Supervisor	Elio Sun		
	Supervisor			
Supreme Fortune Corp.	President	Yu Wei-Pin	125	100%
Hot Light Co., Ltd	President	Yu Wei-Pin	125	100%
System Integration Professional Technology	President	Cheng Yuan-Tai	-	100%
	Supervisor	Yu Wei-Pin		
Elitist Design Technology Inc.	President	Hot Light Co., LTD Representative: Yu Wei-Pin	400	100%
Yi Fang Technology Co., Ltd.	President	Tsai Yu-Chang	370	26%
	Director	Fang Kuei-Hung		
	Director	Pin Wen Co., Ltd. Representative: Yu Wei-Pin		
	Supervisor	Hu Nai-Chen		
BTL Inc. (Note 2)	-	-	-	-
Huan Ying Sustainable Development Technology Inc.	President	Pin Wen Co., Ltd. Representative: Yu Wei-Pin	510	29%
	Director	Lan Min-Yuan		
	Director	Ting Chih-Yu		
	Supervisor	Weltech Inc. Representative: Chen Wei-Ta		
Instrument Supply Technology (Kunshan) Co.,Ltd.	President	IST (Kenshan) Inspection Technology Service Co., Ltd.: Cheng Yuan Tai	-	100%
	Supervisor	IST (Kenshan) Inspection Technology Service Co., Ltd.: Yu Wei-Pin		
Motor Semiconductor Co., Ltd.	President	Li Yi-Hui	2,955	21%
	Director	Chiu Hang-Hui		

Name of Affiliated Enterprise	Title	Name or Representative	Number of Shares Held	
			Number of Shares	Ratio of Shareholding
	Director	Cheng Chih-Hung		
	Director	Pin Wen Co., Ltd. Representative: Yu Wei-Pin		
	Director	TOP TAIWAN XIII VENTURE CAPITAL CO., LTD. Representative: Cheng Pei Yu		
	Supervisor	Wu Ji-Jeng		
Integrated Service Technology (Shanghai) Co., Ltd	President	IST (Kenshan) Inspection Technology Service Co., Ltd.: Cheng Yuan Tai	-	100%
	Supervisor	IST (Kenshan) Inspection Technology Service Co., Ltd.: Yu Wei-Pin		

(Note 1): Innovative Turnkey Solution and Prosperity Power Technology Inc. merged on Mar. 31, 2024.

(Note 2): BTL Inc. was listed in June 2024 as financial assets at fair value through other comprehensive income.

## E. Overview of Each Affiliated Enterprise's Business Operation

Unit: in Thousands of New Taiwan Dollars

Name of Enterprise	Capital	Total Assets	Total Liabilities	Net Worth	Operating Income	Operating profit	Profit (loss) of the year	Earnings per share
					Net			(after tax)
INTEGRATED SERVICE TECHNOLOGY INC.(Samoa)	144,804	244,942	180	244,762	0	-26	-10,935	-0.09
INTEGRATED SERVICE TECHNOLOGY INC.(Seychelles)	234,694	228,839	20,938	207,901	0	-7,397	-11,978	-0.06
IST (Kenshan) Inspection Technology Service Co., Ltd.	121,305	249,785	65,599	184,186	138,944	-5,025	-3,597	N/A
Innovative Turnkey Solution (Note 1)	-	-	-	-	26,871	-18,151	-18,727	N/A
Dekra Company	393,110	1,874,778	864,204	1,010,574	679,155	89,538	61,398	1.56
BTL Inc. (Note 2)	-	-	-	-	115,843	2,053	19,255	N/A
Integrated Service Technology USA Inc.	102,617	17,359	3,297	14,062	34,462	-538	-564	0.00
Pin Wen Corp.	98,412	58,835	165	58,670	1	-15,552	-15,552	-1.58
EFUN Technology Inc.	14,000	3,400	774	2,626	4,995	-979	-958	-0.68
Huan Ying Sustainable Development Technology Inc.	17,500	23,099	12,274	10,825	36,241	84	111	0.06
Supreme Fortune Corp.	4,098	3,760	0	3,760	0	0	-685	-0.05
Hot Light Co., Ltd	4,098	4,635	875	3,760	0	-76	-685	-0.05
System Integration Professional Technology	53,112	19,513	2,530	16,983	8	-1,930	-1,991	N/A
Elitist Design Technology Inc.	4,000	3,141	1,537	1,604	6,937	-1,276	-1,215	-3.04
Prosperity Power Technology Inc.	459,822	638,798	424,532	214,266	414,237	-67,931	-33,734	-0.73

Instrument Supply Technology (Kunshan) Co.,Ltd.	11,402	12,224	65	12,159	2,281	31	149	N/A
Motor Semiconductor Co., Ltd.	140,046	94,818	37,976	56,842	7,604	-51,499	-50,874	-3.63
Integrated Service Technology (Shanghai) Co., Ltd	4,561	2,697	832	1,865	0	-2,671	-2,665	N/A

(Note 1): Innovative Turnkey Solution and Prosperity Power Technology Inc. merged on Mar. 31, 2024. Innovative Turnkey Solution was the dissolved company. Therefore, no balance sheet-related items of the dissolved company were showed as of Dec. 31, 2024; however, there were items from January to March 2024 in the comprehensive income statement.

(Note 2): BTL Inc. was listed in June 2024 as financial assets at fair value through other comprehensive income. Therefore, no balance sheet-related items of the aforementioned company were showed as of Dec. 31, 2024; however, there were items from January to June 2024 in the comprehensive income statement.

(Note 3): For the affiliate which is a foreign company, relevant amounts in foreign currency were converted into NT dollars at the following exchange rates and then expressed in NTD.

Exchange rate for amounts listed in Balance Sheet: USD (32.7850) CNY(4.5608)

Exchange rate for amounts listed in Income Statement: USD(32.1120) CNY4.5099)

F. Consolidated Financial Statements of Affiliated Enterprises

Statement on Consolidated Financial Report of Affiliated Enterprises

The entities that are required to be included in the combined financial statements of iST for the fiscal year 2024 (from Jan. 1, 2024 to Dec. 31, 2024) pursuant to the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in compliance with the International Financial Reporting Standards No. 10. In addition, the information required to be disclosed in the combined financial statements is included in the aforementioned consolidated financial statements. Therefore, iST does not prepare a separate set of combined financial statements.

Company Name: Integrated Service Technology Inc.

Person in charge: Yu Wei-Pin

March 11, 2025

G. Relationship Report of Affiliated Enterprises: N/A

(II) Private placements of securities in the latest year and as of the date of print of the annual report:

Information of Private Placements of Securities

Item	Private placement approved at the general meeting of shareholders on June 14, 2024 and conducted for the 1st time in 2024 Issuance date: Not issued yet (Note)
Type of securities placed privately	Common shares
Date of approval, and the amount approved by the shareholders' meeting	The private placement of common shares for cash within the limit of 10,000,000 shares was approved at the general meeting of shareholders on June 14, 2024.
Basis and rationale for the setting of the price	<ol style="list-style-type: none"> <li>1. The reference price for the private placement of common shares is calculated based on the higher of (a) the simple arithmetic mean of closing prices of common shares for 1 business day or 3 or 5 business days immediately before the date of pricing, less ex-rights and dividends for gratuitous shares, and plus the share price after share buybacks for capital reduction and (b) the simple arithmetic mean of closing prices of common shares for 30 business days immediately before the date of pricing, less ex-rights and dividends for gratuitous shares, and plus the share price after share buybacks for capital reduction.</li> <li>2. The actual offering price for the private placement is resolved to be no less than 80% of the reference price. The meeting of shareholders is hereby requested to require that the actual offering price to be determined by the board of directors, which is authorized by the meeting to determine the offering price, shall be no less than 80% of the reference price.</li> <li>3. The offering price is reasonably determined based on the business performance, future prospects and latest share prices of iST.</li> </ol>
Means of selecting specified persons	<ol style="list-style-type: none"> <li>1. The private placement is carried out in accordance with Article 43-6 of the Securities and Exchange Act and pursuant to the official letter dated June 13, 2002 with the reference number (91)-Tai-Cai-Zheng-Yi-Zi-0910003455 from Securities and Futures Commission, MOF. Subscribers are limited to strategic investors. Strategic investors refer to individuals or corporate entities that are able to use their experience, technology, knowledge, brands or channels through industrial vertical integration, horizontal integration or common research to develop merchandise or market to enhance profits of iST and assist invested companies in enhancing technology, improving quality, reducing cost, improving efficiency and expanding the market share.</li> <li>2. The board of directors is authorized to select specified persons, from those who are helpful to future business operation of iST directly or indirectly, to be subscribers for the private placement of common shares in accordance with Article 43-6 of the Securities and Exchange Act and pursuant to the order dated June 13, 2002 with the reference number (91)-Tai-Cai-Zheng-Yi-Zi-0910003455 from Securities and Futures Commission, MOF.</li> </ol>
Reasons necessitating the private placement	With rapid, simple and convenient characteristics, a private placement is carried out to efficiently complete the purpose of soliciting strategic investors. In addition, limitations on transfer of privately placed marketable securities for 3 years may better ensure the long-term cooperation between iST and strategic investors. Moreover, the board of directors is authorized to carry out the private placement based on the actual need of corporate business. The mobility and flexibility of fundraising for iST is therefore enhanced. Funds obtained from the private placement are used to enrich working capital and repay loans so

	as to improve iST's financial structure, strengthen corporate competitiveness, and enhance operational performance. All of these effects are propitious for shareholders' equity.				
Date of payment completion	N/A				
Information of subscriber	Subscriber	Qualifications and conditions	Quantity subscribed	Relationship with iST	Status of participation in iST's business operation
	Not found subscribers yet				
Actual subscription (conversion) price	N/A				
Difference between the actual subscription (or conversion ) price and the reference price	N/A				
Effect of private place on shareholders' equity (e.g. causing increase in accumulated loss, etc.)	N/A				
Use of funds from private placement, and progress of implementation of the plan	N/A				
Status of benefits of private placement shown	N/A				

Note: The issuance period resolved by the board of directors on March 7, 2025 will expire. Upon expiration of the issuance period, no subscription shall be accepted.

### Information of Private Placements of Securities

Item	Private placement conducted for the 1st time in 2025 Issuance date: Not issued yet
Type of securities placed privately	Common shares
Date of approval, and the amount approved by the shareholders' meeting	The private placement of common shares for cash within the limit of 10,000 thousand shares was approved by the board of directors on March 7, 2025 and would be submitted to the general meeting of shareholders for 2025 for its approval.
Basis and rationale for the setting of the price	<ol style="list-style-type: none"> <li>1. The reference price for the private placement of common shares is calculated based on the higher of (a) the simple arithmetic mean of closing prices of common shares for 1 business day or 3 or 5 business days immediately before the date of pricing, less ex-rights and dividends for gratuitous shares, and plus the share price after share buybacks for capital reduction and (b) the simple arithmetic mean of closing prices of common shares for 30 business days immediately before the date of pricing, less ex-rights and dividends for gratuitous shares, and plus the share price after share buybacks for capital reduction.</li> <li>2. The actual offering price for the private placement is resolved to be no less than 80% of the reference price. The meeting of shareholders is hereby requested to require that the actual offering price to be determined by the board of directors, which is authorized by the meeting to determine the offering price, shall be no less than 80% of the reference price.</li> <li>3. The offering price is reasonably determined based on the business performance, future prospects and latest share prices of iST.</li> <li>4. The board of directors is authorized to determine the actual date of pricing after contacting specific persons.</li> </ol>
Means of selecting specified persons	<ol style="list-style-type: none"> <li>1. The private placement is carried out in accordance with Article 43-6 of the Securities and Exchange Act and pursuant to the official letter dated June 13, 2002 with the reference number (91)-Tai-Cai-Zheng-Yi-Zi-0910003455 from</li> </ol>



	<p>Securities and Futures Commission, MOF. Subscribers are limited to strategic investors. Strategic investors refer to individuals or corporate entities that are able to use their experience, technology, knowledge, brands or channels through industrial vertical integration, horizontal integration or common research to develop merchandise or market to enhance profits of iST and assist invested companies in enhancing technology, improving quality, reducing cost, improving efficiency and expanding the market share.</p> <p>2. The board of directors is authorized to select specified persons, from those who are helpful to future business operation of iST directly or indirectly, to be subscribers for the private placement of common shares in accordance with Article 43-6 of the Securities and Exchange Act and pursuant to the order dated June 13, 2002 with the reference number (91)-Tai-Cai-Zheng-Yi-Zi-0910003455 from Securities and Futures Commission, MOF.</p>				
Reasons necessitating the private placement	<p>1. Reasons for not undertaking a public offering: With rapid, simple and convenient characteristics, a private placement is carried out to efficiently complete the purpose of soliciting strategic investors. In addition, limitations on transfer of privately placed marketable securities for 3 years may better ensure the long-term cooperation between iST and strategic investors. Moreover, the board of directors is authorized to carry out the private placement based on the actual need of corporate business. The mobility and flexibility of fundraising for iST is therefore enhanced.</p> <p>2. Limit of private placement: It is limited to 10,000,000 shares, which shall be carried out within a year from the date of the resolution made at the shareholders' meeting.</p> <p>3. Use of funds from the private placement and expected effects: Funds obtained from the private placement are used to enrich working capital and repay loans so as to improve iST's financial structure, strengthen corporate competitiveness, and enhance operational performance. All of these effects are propitious for shareholders' equity.</p>				
Date of payment completion	Not decided yet				
Information of subscriber	Subscriber	Qualifications and conditions	Quantity subscribed	Relationship with iST	Status of participation in iST's business operation
	Not decided yet	-	Not decided yet	Not decided yet	Not decided yet
Actual subscription (conversion) price	Not decided yet				
Difference between the actual subscription (or conversion ) price and the reference price	N/A				
Effect of private place on shareholders' equity (e.g. causing increase in accumulated loss, etc.)	Funds obtained from the private placement are used to enrich working capital and repay loans so as to improve iST's financial structure, strengthen corporate competitiveness, and enhance operational performance. All of these effects are propitious for shareholders' equity.				
Use of funds from private placement, and progress of implementation of the plan	N/A				
Status of benefits of private placement shown	N/A				

(III) Other Necessary Supplementary Explanation:

None

**VII. Occurrence of any of the matters stated in Subparagraph 2 of Article 36 (3) of the Securities and Exchange Act in the latest year and as of the date of print of the annual report and having a significant effect on shareholders' equity or the price of securities:**  
**None**