Otsuka Information Technology Corp.
2024 ESG Report

Table of Contents

Preface

About This Report

Scope of the Report 2-2

This report covers activities and achievements from January 1, 2024, to December 31, 2024, focusing on sustainable initiatives in the areas of corporate commitments and operations, partnerships and services, environmental protection, workplace health and safety, and community engagement.

The report primarily discloses information from Otsuka Information Technology Corp.'s Taiwan headquarters. Economic performance metrics are derived from the consolidated financial statements, encompassing the company and its wholly owned subsidiaries: EFD Corporation, OITC Information Technology (Shanghai) Ltd., and Otsuka Software Trading (Dongguan) Ltd.

Statistical data presented in this report is sourced from the company’s internal analysis and follows globally accepted standards. Any estimates are explicitly noted in the corresponding sections.

Financial figures are prepared in accordance with the International Financial Reporting Standards (IFRSs) and the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as endorsed by the Financial Supervisory Commission. These figures have been audited and verified by KPMG Taiwan and are presented in New Taiwan Dollars (NTD).

Furthermore, the company regularly conducts internal audits across its management systems and has achieved ISO 27001 (ISMS) certification for information security, validated by the British Standards Institution (BSI).

Reporting Period and Frequency 2-3

Reporting Period	The report covers the period from January 1, 2024, to December 31, 2024, aligning with the company’s financial reporting period. It was published on August 11, 2025.
Reporting Frequency	The corporate sustainability report of Otsuka is published once a year.

Restatement of Information 2-4

There was no information revision during the preparation period of this report.

External Assurance or Verification 2-5

This report has been reviewed and approved by the board of directors but has not undergone external assurance or verification.

Feedback and Contact Information 2-3

For inquiries or suggestions regarding this report, please contact:

Department	Corporate Affairs Management Departmen
Email	investor@oitc.com.tw
Phone	(02)8964-6668
Address	6F, No. 68, Section 2, Xianmin Avenue, Banqiao District, New Taipei City, Taiwan

Message from the Chairman 2-22

While the impact of the pandemic is gradually easing, its effects on supply chain restructuring and evolving work patterns persist. Combined with a slowdown in global economic recovery, rising geopolitical risks, and ongoing changes in trade tariff policies, these uncontrollable factors continue to reshape business operations and market strategies, posing unprecedented challenges.

In response, Otsuka Information Group remains steadfast in its core values—"Sustainability through Integrity, Warmth through People"—and continues to embody the Yamato spirit of Japan. The company is dedicated to supporting clients in implementing globally leading products and solutions, while maintaining a people-centered approach. By fostering a warm, creative, and collaborative work environment, Otsuka Information Group promotes the mutual growth of both the company and its employees.

Despite ongoing macroeconomic uncertainties, we have made steady progress in digital transformation and the enhancement of our consulting services, achieving new milestones in operational performance. These accomplishments reflect the dedication of every colleague and embody our company spirit of "corporate inheritance and innovation, working together for long-term development across generations."

We believe that sustained value creation for our clients is the foundation for steady growth in a rapidly evolving market. In response to challenges such as the talent gap arising from a declining birth rate, the increasing maturity of AI and automation driving functional transformation, and the growing reliance of enterprises on big data analytics, IoT applications, and generative AI, we are actively investing in the integration of diverse product solutions to support clients in embracing smart manufacturing and digital operations.

Internally, we continue to optimize knowledge transfer mechanisms and systems, cultivating cross-disciplinary talent to address the highly complex technological demands of the future.

Amid ongoing global digitalization and technological innovation, we continue to expand our integration capabilities in areas such as AI applications, smart manufacturing, and ESG governance. By leveraging data to guide our business strategies, we remain agile in responding to environmental changes and advance green transformation through carbon management services, thereby strengthening our market competitiveness.

We are committed not only to operational excellence but also to fulfilling our social responsibilities. In recent years, we have organized numerous public welfare initiatives, reaching remote areas, supporting vulnerable communities, and promoting access to education and technology. These efforts enable knowledge and resources to benefit broader segments of society.

Such initiatives have not only positively influenced our employees but also reinforced mutually beneficial connections between the company and society, contributing to the sustainable development of the social and economic environment.

Looking ahead, we remain dedicated to our philosophy of “creating value together and achieving shared prosperity.” We will continue to deepen our consulting expertise and system implementation capabilities, supporting our clients in embracing the next wave of digitalization and sustainability. With a long-term goal of achieving net-zero carbon emissions by 2050, we strive to contribute to a positive cycle across industry, society, and the environment. We sincerely look forward to collaborating with all stakeholders to build a sustainable and continuously evolving growth blueprint.

Hironobu Tsurumi

Chairman, Otsuka Information Technology Co., Ltd.

Message from the General Manager 2-22

Despite the challenges posed by recent rapid changes and global economic uncertainties, we have achieved outstanding business results. These accomplishments reflect the high level of collaboration, continuous innovation, and unwavering commitment to quality across our entire team. Guided by our core principles of "efficiency, innovation, and excellence," we translate strategies into concrete actions, enabling Otsuka Corporation to navigate a rapidly evolving market and continuously reach new heights. To address industry trends and market demands, we have established clear short-, medium-, and long-term operational strategies:

- Short-term: Optimize service processes and enhance response efficiency to ensure the timely fulfillment of customer needs.
- Medium-term: Systematize operations and adopt a data-driven approach to decision-making, strengthening organizational execution and market insight.
- Long-term: Integrate product lines and consulting capabilities to develop a one-stop, high-value technology platform that supports clients in achieving efficient growth and sustainable development.

We have fully implemented a tiered service system for enterprises, delivering tailored resource allocation and solutions based on each client's size, industry characteristics, and technical requirements. Complementing this system, we have established a highly professional after-sales service team that follows standardized operating procedures to ensure every service meets stringent quality and efficiency standards. This team promptly addresses technical issues, helping clients minimize downtime, enhance operational efficiency, and uphold our commitment to "rapid resolution, stable operation, and continuous value creation."

Our strategies are differentiated according to client size. For SMEs, we provide flexible and scalable tools and services to stabilize operations and improve efficiency. For large enterprises and group clients, we offer advanced solutions such as CAE analysis, electronic thermal simulation, and EDA electronic design integration, thereby expanding the breadth and depth of our technological offerings and building a comprehensive, integrated service blueprint.

In terms of internal management, we continuously promote the standardization, systematization, and data-driven management of various systems, including process automation, the implementation of smart customer service, the development of knowledge bases, and the use of performance dashboards. These efforts have gradually yielded positive results, laying a solid foundation for meeting future challenges.

Beyond operational performance, we are also committed to corporate social responsibility. We actively invest in rural education and community support, promote digital learning, and address ESG-related issues. Through these concrete actions, we give back to society, becoming a trusted, recognized, and socially responsible corporate partner.

Looking ahead, we will continue to uphold the belief that "Your success is our pride." We will accelerate digital transformation and technological innovation, and as professional advisors, partner with our clients in achieving smart and sustainable development.

We firmly believe that only through continuous innovation and effective execution can we sustain growth in a dynamic environment and create long-term value for industry and society.

Yi-Long Kuo

General Manager, Otsuka Information Technology Co., Ltd.

CH1 About Otsuka Information Technology

1.1 Business Overview

Business Introduction 2-1

Otsuka Information Technology Corp. ("Otsuka," "the Company," or "OITC") was founded on August 4, 1997, in Taiwan. Headquartered in New Taipei City, the Company specializes in selling 3D engineering design software for CAD/CAM/CAE/CAID/PLM/EDA applications, offering consultancy for integrating 3D design tools with mixed reality technologies, and delivering various related services. These include supporting clients' digital transformation efforts, securing critical design and R&D data through IT security system integration, providing online software education, training software professionals, and optimizing computer network systems to enhance clients' competitive edge in design and systems integration. Our operational footprint spans five offices located in New Taipei City, Hsinchu, Taichung, Tainan, and Kaohsiung. Otsuka also operates three subsidiaries: EFD Corporation, a wholly-owned subsidiary in Banqiao District, New Taipei City; Otsuka Information Technology (shanghai) Ltd. in Shanghai; Otsuka Software Trading (Dongguan) Ltd. in Dongguan Guangdong Province. Otsuka Information Technology (shanghai) Ltd. also has a branch office in Kunshan. Altogether, the Company employs 203 people. In 2024, generating total revenue of NT$1,955,903,000 from software and related services, representing 93% of our total sales. For detailed financial performance, please refer to our 2024 Annual Report.

Revenue 2-6

Otsuka Information Technology Corp. (OITC) specializes in distributing 3D engineering design software such as CAID, CAD, CAM, CAE, PLM, and EDA alongside solutions critical for enterprise digital transformation, including information security, productivity tools, and metaverse and virtual reality hardware and software. The Company also provides system integration services, including technical consultancy, implementation support, and workforce training, component characteristic measurement, serving primarily the Asia-Pacific region. OITC is committed to offering customized, flexible technical services tailored to client requirements. By focusing on technological innovation within its clients' industries, the Company consistently delivers professional consulting services, positioning itself as a premier partner for enterprise digital transformation.

In 2024, OITC's revenue was primarily generated from three key sectors: manufacturing (including electronics), construction, and government agencies. Strong partnerships and robust collaboration have driven four consecutive years of revenue growth, with new quarterly records set in 2025. Looking ahead, OITC will continue to meet evolving customer needs and expand its product portfolio, leading advancements in design software and AI technologies.

For 2024, the Company reported consolidated revenue of NT$2,103,181,000 and net profit after tax of NT$221,887,000.

Primary Business Composition

Unit: NT$ 1,000

Year / Category	2024	
	Revenue	Percentage (%)
Software	1,955,903	93.00
Service	123,798	5.89
Others	23,480	1.11
Total	2,103,181	100.00

Revenue by Region (City/Country)

Unit: NT$ 1,000

Region/Country		Category	Revenue
Domestic	Taiwan	Software	1,833,783
		Service	116,658
		Others	23,381
	China	Software	118,703
		Service	7,140
		Others	99
Export	Asia	Software	1,130
	Americas	Software	2,287
Total			2,103,181

Value Chain Overview 2-6

OITC serves as a prominent midstream player in the professional graphic software system integration value chain. Upstream partners are software developers, while downstream stakeholders include government agencies, academic institutions, corporations, and individual users. In 2024, OITC provided software solutions and expert consulting services to over 3,000 customers across Taiwan and China, enabling their digital transformation and equipping them to navigate rapidly evolving global trends. Activities with other business partners in 2024 showed no significant changes compared to the previous reported year.

(1)Operating Locations and Models, Including Facility Openings, Closures, or Expansions

As a leader in graphic software technical services in the Asia-Pacific region, OITC operates nine offices across Taiwan and in East and South China. Our customer-focused operational model delivers tailored technical consulting and integrated software-hardware services. By employing a cross-regional sales strategy, we address the comprehensive needs of our clients' various operational sites. OITC supports the adoption of critical tools such as graphic design software, cybersecurity systems, productivity software like cloud platforms and mobile forms, and other software solutions essential for R&D. Our ultimate goal is to enhance clients' core R&D environments and achieve shared success.

(2)Changes in Equity Structure and Capital Composition

Japan's Otsuka Corporation, listed on the Tokyo Stock Exchange, holds a 37.82% ownership stake in OITC. Otsuka Corporation co-founded OITC in 1997 with Taiwan's Aurora Group and acquired full ownership in 2002. From its inception, OITC aimed for a public listing to ensure sustainable growth and attract top talent, successfully listing on Taiwan's OTC market in 2008.

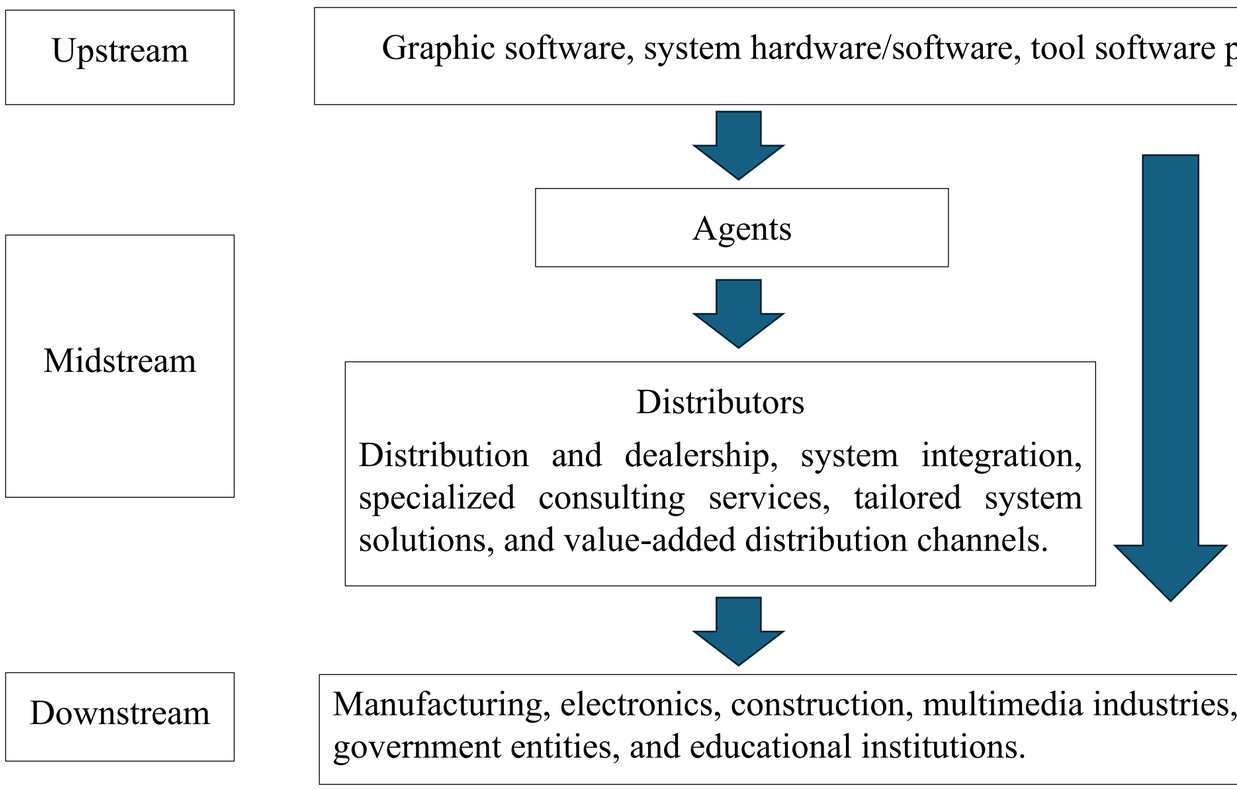
(3)Supplier Locations, Supply Chain Structure, and Relationships (Selection and Termination Included)

OITC's major suppliers are leading software companies from the U.S., Japan, and Europe. As a trusted system integrator with extensive end-user reach, OITC holds exclusive agency rights with international software providers, supported by long-term cooperation and technical backing.

The following lists our key software suppliers and their respective locations:

Region	Software Providers
USA	Autodesk, PTC, ADOBE
Europe	Siemens, ENSCAPE, ARCHICAD
Japan	CIMTOPS

(4)Downstream Customer Locations, Supply Chain Structure, and Customer Relationships (Including Selection and Termination)



- Upstream: Comprises providers of software, system hardware, system software, and cloud services.
- Midstream: Consists of regional and product-based distributors. OITC distinguishes itself with in-house technical resources and extensive distribution channels, enabling the delivery of value-added solutions such as technical support and system integration. This strategic advantage positions OITC ahead of conventional distributors lacking dedicated technical teams. The midstream segment also includes secondary resellers that distribute products to general businesses while offering integrated technical support.
- Downstream: Includes a diverse customer base spanning manufacturing, electronics, multimedia industries, and design firms focused on product development and R&D, as well as government and academic institutions.

Notably, upstream manufacturers not only rely on agents and distributors for sales but may also engage in direct transactions with end users.

Suppliers 2-6

In 2024, OITC partnered with over 100 suppliers across three main procurement categories: software systems, IT hardware, and outsourced services. Key suppliers, defined as those with annual procurement amounts exceeding NTD 5 million, totaled 12 and represented approximately 95.27% of total procurement spending. Total procurement expenses for the year amounted to NTD 1,630,051,000, with software systems comprising the majority share.

Supplier Category	Number of Suppliers	Location	Procurement Amount (NT$1,000)	Percentage (%)
Software Systems	49	Taiwan	1,438,942	88.28
	20	China/Hong Kong	82,850	5.08
	2	Asia (Other)	4,497	0.28
	4	Americas	40,537	2.49
	4	Europe	23,399	1.44
IT Hardware	29	Taiwan	17,424	1.07
	1	Asia (Other)	1,391	0.09
	1	Americas	14	0.00
Outsourcing Services	40	Taiwan	18,403	1.13
	1	Asia (Other)	104	0.01
	1	Americas	2,490	0.15

Most products sold by the company are sourced from overseas suppliers. In 2024, purchases through local distributors accounted for 86.83% of total procurement spending.

Supplier Location	Procurement Amount (NT$1,000)	Percentage (%)
Americas - Autodesk	1,030,701	63.23%
Americas - PTC	261,640	16.05%
Americas - Adobe	78,559	4.82%
Europe - Siemens	44,431	2.73%
Total	1,415,331	86.83%

Supplier Category	Number of Key Suppliers	Number of Non-Key Suppliers	Total Suppliers
Software Systems	12	67	79
IT Hardware	2	29	31
Outsourcing Services	2	40	42

Note: Some key suppliers span multiple procurement categories.

- Software Systems: Covers CAD software and tools for digital transformation, such as cloud platforms, cloud storage, Microsoft 365, and mobile form solutions.
- IT Hardware: Includes hardware solutions supporting Metaverse and virtual reality applications.
- Outsourcing Services: Offers integrated technical solutions, enabling one-stop services to boost project efficiency, deliver expert consulting, and enhance cost optimization for customers.

The Company acts as a midstream player in the industry, specializing in the distribution of CAD software and delivering value-added services, including technical support and system integration. We leverage our technical expertise and extensive distribution network to provide represented products to businesses of all sizes, while also offering comprehensive technical support services. Our downstream clients include a diverse range of industries, such as manufacturing, electronics, multimedia, product design, as well as government agencies and educational institutions. Through our software solutions and consulting services, these clients can streamline their production processes, design product aesthetics, perform functional testing, conduct simulation experiments, reduce production errors, and enhance efficiency while lowering costs. Our solutions also enable product demonstrations, remote equipment monitoring, public safety applications, and collaborative machinery management via virtual-physical integration. Furthermore, our product lifecycle management (PLM) systems help clients enhance R&D data security and operational efficiency. These systems seamlessly integrate with other enterprise tools, such as ERP systems, greatly improving the flow and management of information across the organization.

Membership in Industry Associations 2-28

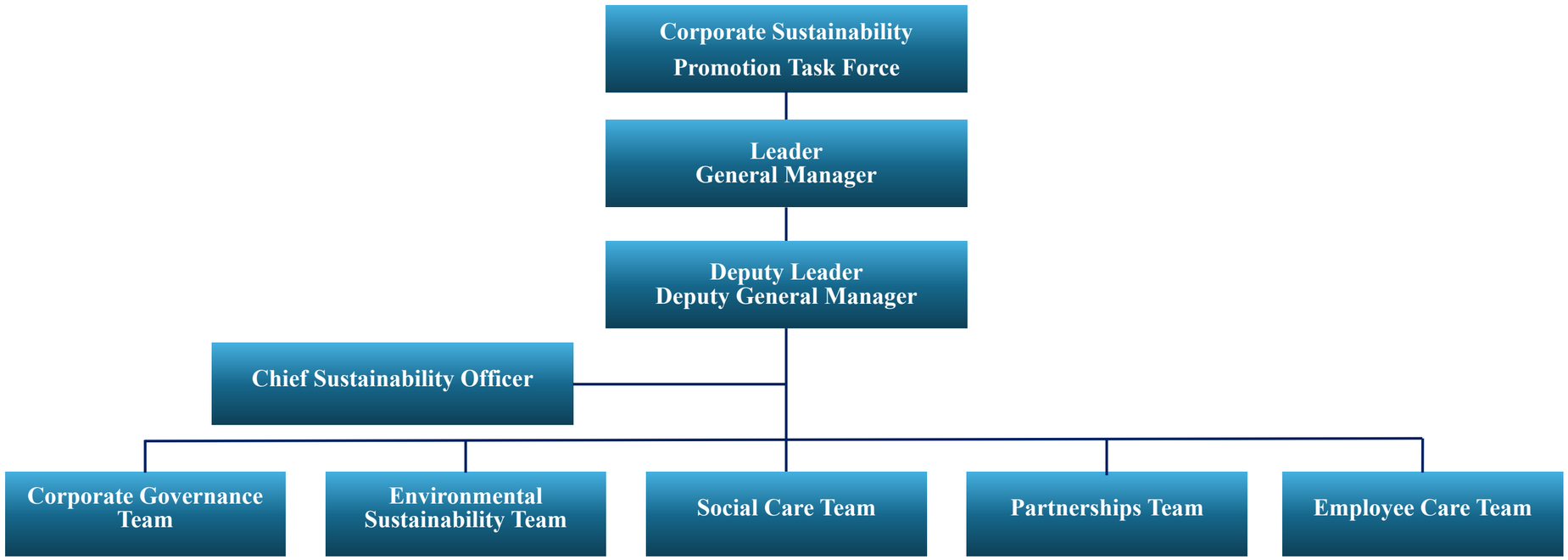
Otsuka is committed to active participation in both domestic and international industry-related public organizations, associations, and non-profit entities. Beyond fostering industry exchange and development, the company also pays close attention to key issues such as technological innovation, corporate governance, environmental sustainability, human rights, and supply chain management. In 2024, Otsuka engaged with five relevant organizations, both within Taiwan and internationally.

List of Participating Public Organizations and Associations		
Organization	**Primary Activity**	**Role**
Taiwan Association of Machinery Industry	2024 Taipei International Machine Tool Show	General Member
Taiwan Electronic Equipment Industry Association	None	General Member
Taiwan Building Information Modeling Association	None	General Member
New Taipei City Chamber of Commerce	None	General Member
Taiwan Thermal Management Association	None	General Member

1.2 ESG Committee / Promotion Task Force

Corporate Sustainability Promotion Task Force 2-9、2-13

To fulfill its sustainability objectives, the Company has formulated a "Sustainability Development Code of Practice," which is focused on implementing corporate governance, fostering a sustainable environment, supporting social welfare, and enhancing transparency in sustainability reporting. The company is dedicated to achieving long-term sustainability in its operations. In 2024, the Board of Directors approved the creation of a Corporate Sustainability Promotion Task Force. This team is responsible for managing the impact of sustainability-related issues and guiding the Company’s long-term business development strategy. The team serves as the central body for sustainability decision-making, with the General Manager, appointed by the Board, acting as the team leader. The Deputy General Manager serves as the Deputy Leader, while the Chief Sustainability Officer (the Manager of the Financial Department) holds an executive role in the team. The team is organized into five working groups, each led by a company representative. The team annually reports to the Board of Directors on its decisions, actions, and the company’s management of economic, environmental, and social impacts.



Corporate Governance Team This team oversees statutory meetings and governance practices to ensure compliance with laws, regulations, and the effective implementation of internal control systems. Its primary role is to safeguard the rights and interests of shareholders and investors.

Environmental Sustainability Team: This team leads initiatives for green procurement and energy-saving policies, while also tracking the company's usage of energy and water resources, as well as conducting assessments of greenhouse gas emissions.

Social Care Team: Responsible for planning, executing, and promoting public welfare activities, sports development, and other social participation programs aimed at benefiting the community.

Partnerships Team: This team focuses on managing product responsibility, customer relations, data protection, and overseeing the management of the entire industry value chain.

Employee Care Team: This team is in charge of recruitment, retention, and talent development, while ensuring the protection of human rights and the maintenance of a safe workplace environment.

CH2 A Sustainable Future and Mission

2.1 Commitment to and Significance of Sustainable Development

Corporate Social Responsibility and Sustainable Development Strategy and Progress 2-23

Otsuka is committed to becoming the ideal partner for corporate digital transformation and sustainable services. The company integrates the principles of sustainability into its operational mechanisms, actively addressing key issues aligned with global sustainability trends. At the heart of this effort is a focus on customer service and technological innovation, while considering the broader environmental context and stakeholder expectations. The company maintains ongoing dialogue with key stakeholders, including customers, suppliers, shareholders, and employees, and aligns its operational goals with its corporate social responsibility (CSR) strategy. The aim is to strengthen organizational integration and value chains, improve ESG performance, and steadily achieve goals focused on enhancing governance, fostering innovation, and setting a benchmark for corporate social responsibility and sustainable development.

In alignment with the United Nations Sustainable Development Goals (SDGs), Otsuka follows four guiding principles: "promoting corporate governance, advancing sustainable environmental practices, supporting social welfare, and enhancing CSR disclosure." These principles are deeply embedded in the company's day-to-day operations. By effectively managing and executing ESG actions, the company integrates sustainability into its core business strategy, reinforcing this commitment as a foundational element of its development and operational plans. Otsuka, in collaboration with its employees, is dedicated to contributing to long-term sustainable development.

Policies and Regulations Regarding Responsible Business Practices 2-23

Otsuka upholds a culture of integrity and ethical conduct, ensuring that the company meets the expectations of investors and other stakeholders. The board of directors has formally adopted and issued policies covering integrity management, sustainable development, and risk management. Additionally, the company has established internal guidelines on human rights and supplier management, specifying policies, standards, procedures, codes of conduct, and grievance mechanisms. All employees and business partners are expected to adhere to these guidelines to prevent unethical behavior. The company is committed to cultivating a culture of integrity and accountability, ensuring the highest ethical standards are followed in all business operations.

Otsuka also complies with a range of regulations, including the Company Act, Securities Exchange Act, Business Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Public Officer Conflict of Interest Avoidance Act, and other relevant regulations for publicly listed companies. These legal frameworks provide the foundation for the company's commitment to integrity management. The company continuously monitors regulatory changes at both the domestic and international levels, assessing their potential impact on the business and evaluating internal policies to ensure they remain relevant and adequate.

Through its commitment to integrity, sustainable development, risk management, human rights, supplier management, and intellectual property, Otsuka strengthens its dedication to sustainable development and its corporate responsibility to society.

Key Internal Company Regulations

Aspects	Relevant Policy or Commitment	Approval Authority	Application to Economic Activities and Business Relationships
Integrity Management	Corporate Integrity Management Code of Conduct	Board of Directors	To cultivate a corporate culture of integrity and ensure sound development, Otsuka strives to establish effective corporate governance and risk management systems, thereby fostering a sustainable business environment. The company's "Corporate Integrity Management Code of Conduct," "Procedures for Ethical Management and Guidelines for Conduct," and "Code of Ethics" are crucial internal regulations. These documents define policies on conflict of interest, oversight mechanisms, whistleblowing systems, and disciplinary actions, serving as a foundational framework for implementing integrity management and ensuring that integrity governance is firmly practiced.
	Code of Ethics	Board of Directors	
	Procedures for Ethical Management and Guidelines for Conduct	Board of Directors	
Sustainable Development	Sustainability Development Code of Practice	Board of Directors	To fulfill corporate social responsibility and drive economic, environmental, and social progress, Otsuka is committed to achieving sustainable development goals. The "Sustainable Development Practices Code" is designed to ensure that the company actively integrates sustainability into its business practices, aligning with international trends and establishing a competitive edge based on sustainability. This serves as the guiding principle for the company's sustainable development efforts.
Risk Management	Risk Management Policy	Board of Directors	To enhance the company’s risk management culture and integrate it with its corporate governance framework, Otsuka employs a more rigorous and precise quantitative model for risk assessment. The "Risk Management Policy" enable the company to identify, measure, and control risks across its operations, effectively managing key risks within acceptable thresholds.
Human Rights	Human Rights Policy	General Manager	Otsuka is dedicated to safeguarding fundamental human rights and supports the principles outlined in international human rights conventions. In 2024, the company introduced its "Human Rights Policy," which outlines commitments to protecting workplace human rights, ensuring a safe and healthy work environment, and supporting the freedom of association, reflecting the company’s responsibility to respect and uphold human rights.
Supplier Management	Supplier Management Policy	General Manager	To integrate environmental, social, and governance (ESG) principles into its operations, Otsuka introduced the "Supplier Management Policy," "Supplier Sustainable Development Code of Conduct," and "Supplier Sustainability Performance Evaluation Form" in 2024. The company aims

Aspects	Relevant Policy or Commitment	Approval Authority	Application to Economic Activities and Business Relationships
			to leverage its influence to encourage suppliers to adopt sustainable practices and collaborate on environmental protection and social sustainability, advancing towards the dual goals of corporate and environmental sustainability.

Incorporation of Policy Commitments 2-24

Sustainable development initiatives at Otsuka are overseen by the Corporate Affairs Management Departmen. In 2024, the company established a Corporate Sustainability Promotion Team, consisting of five key sub-teams tasked with developing and implementing ESG project guidelines. The Board of Directors has authorized the General Manager to act as the chairperson of this committee, with each sub-team led by a qualified internal staff member. The sub-teams include: Corporate Governance, Environmental Sustainability, Social Responsibility, Partner Relations, and Employee Care. The Corporate Sustainability Promotion Team convenes at least once a year to establish annual sustainability policies, make commitments regarding responsible business practices, and review the execution of sustainability strategies and related initiatives.

Otsuka fully complies with regulations on corporate governance, integrity management, environmental protection, and labor rights. To ensure compliance and the integrity of these practices, the company provides regular education and training to employees, promoting the principles of integrity management and corporate human rights in their day-to-day business activities. Additionally, once a year, during the Board of Directors' meeting cycle, Otsuka holds awareness sessions on the "Integrity Management Code of Conduct" and "Code of Ethics" for Board members and senior management to highlight their importance. For detailed information on 2024 training on corporate governance, integrity management, and professional ethics, please refer to section 3.1.4 on Integrity Management.

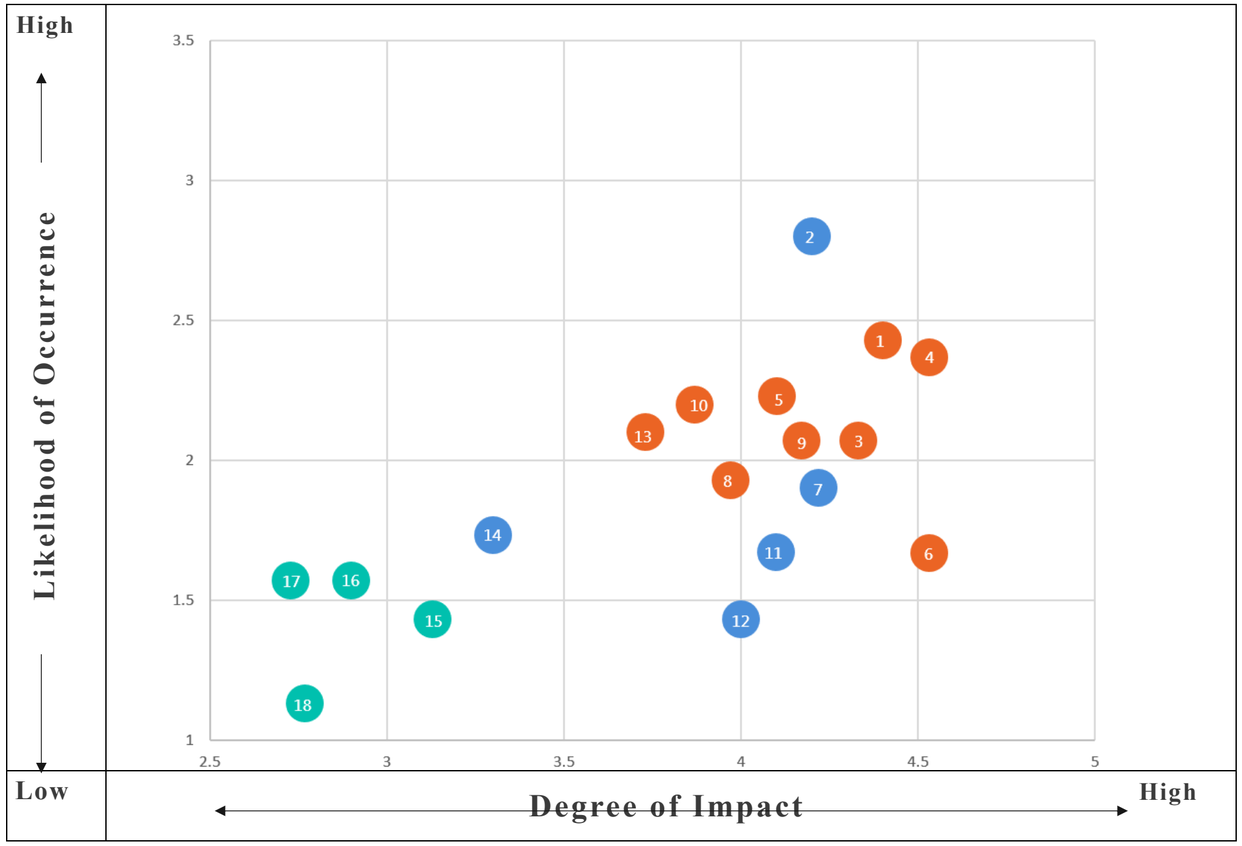
2.2 Materiality Analysis

Process for Identifying and Analyzing Material Topics

To assess the impact of Otsuka's sustainability efforts on stakeholders and evaluate the company's achievements in sustainable operations, Otsuka follows a five-step process to communicate with stakeholders and identify material topics:

Identification Stakeholder Communication	Based on the AA1000 Stakeholder Engagement Standard (AA1000SES), which evaluates five key dimensions—Influence, Concern, Responsibility, Dependency, and Diverse Perspectives—Otsuka distributes a stakeholder identification survey to employees, including management. After the survey results are compiled and approved, the stakeholders are grouped into four main categories: Shareholders and investors, Employees, Customers, and Suppliers and contractors.
↓	
Collection Sustainability Topics	To gain a comprehensive understanding of the organizational context, Otsuka considers multiple factors, including the GRI Standards, the company's core values and goals, industry peers' sustainability reports, relevant industry topics, stakeholder concerns, business activities, and sustainability trends. The Corporate Sustainability Promotion Team, in consultation with external advisors, identifies 18 key sustainability topics for Otsuka in 2023.
↓	
Assessment Impact Evaluation	A "Sustainability Impact Evaluation Survey" is conducted by Otsuka's internal management, involving both internal and external stakeholders, as well as department heads and senior management. The survey assesses the actual and potential positive and negative impacts of each sustainability topic on economic, environmental, and social aspects, focusing on the probability and magnitude of those impacts. • Negative Impacts: Evaluated based on severity, likelihood, and potential negative human rights consequences. • Positive Impacts: Evaluated based on the scope and scale of the impact, as well as the likelihood of occurrence.
↓	

Impact Significance Ranking	The 2024 survey results are based on the 2023 survey results, with the total scores for both positive and negative impacts. The topics are then ranked according to their overall significance. Internal management reviews these rankings, considering industry issues, international trends, and insights from external advisors. A threshold for material topics is established, and the following eight material sustainability topics for 2024 are identified: “Customer Relationship Management,” “Talent Recruitment and Development,” “Sustainable Supply Chain Management,” “Information Security and Customer Privacy Protection,” “Operational Strategy and Economic Performance,” “Corporate Governance/Integrity Management,” “Human Rights and Employee Welfare,” and “Climate Change and Adaptation.” These topics are then reported to the General Manager.
↓	
Confirmation and Disclosure of Material Topics	The General Manager conducts a final review of the identified material topics and their respective thresholds to ensure they are appropriate and comprehensive. This process guarantees that no important topics are overlooked, aligning with the company’s sustainability strategy and overall objectives. Once the eight material topics are approved by the General Manager, the internal management team discusses and confirms the relevant boundaries for Otsuka’s internal and external stakeholders. This ensures that key sustainability issues are fully disclosed in the sustainability report. Internal management also details the corresponding strategies, actions, indicators, and goals for each material topic, ensuring the report truthfully reflects the company’s progress in implementing ESG initiatives. The company will use these topics as priorities for communication and continuous improvement in day-to-day operations, regularly assessing the effectiveness of the management approaches related to these material topics.



Environmental Topics

- 15 Waste Management and Resource Recycling
- 16 Greenhouse Gas Emissions Management
- 17 Climate Change and Adaptation
- 18 Water Resource and Wastewater Management

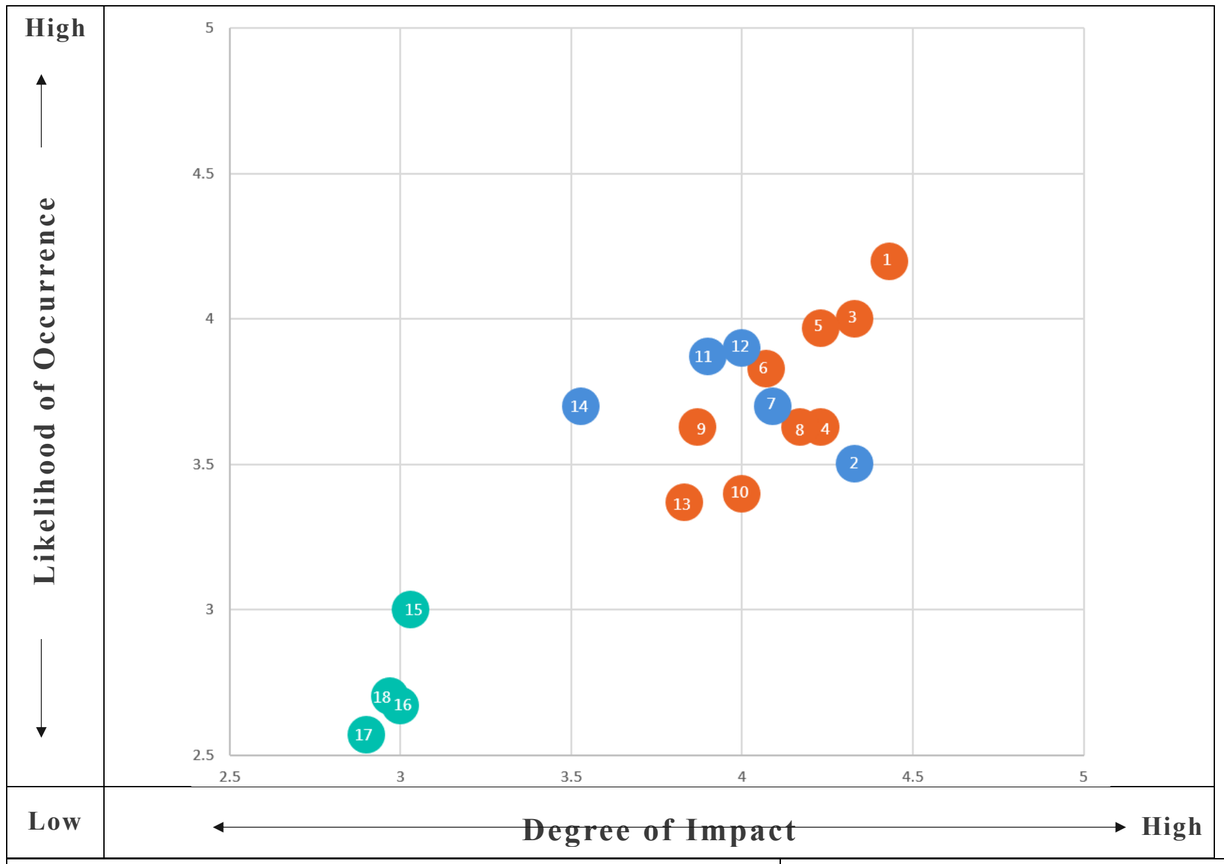
Social Topics

- 2 Talent Recruitment and Development
- 7 Human Rights and Employee Welfare
- 11 Tax Responsibility
- 12 Occupational Health and Safety
- 14 Social Engagement and Contributions

Governance/Economic Topics

- 1 Customer Relationship Management
- 3 Sustainable Supply Chain Management
- 4 Information Security and Customer Privacy Protection
- 5 Operational Strategy and Economic Performance
- 6 Corporate Governance / Integrity Management
- 8 Product and Service Quality
- 9 Regulatory Compliance
- 10 Research and Innovation Capability
- 13 Risk Management

5 Primary Negative Impact Topics	8 Secondary Negative Impact Topics	5 Topics for Continuous Monitoring of Negative Impact
Talent Recruitment and Development Information Security and Customer Privacy Protection Customer Relationship Management Operational Strategy and Economic Performance Sustainable Supply Chain Management	Regulatory Compliance Research and Innovation Capability Human Rights and Employee Welfare Risk Management Product and Service Quality Corporate Governance / Integrity Management Tax Responsibility Occupational Health and Safety	Social Engagement and Contributions Greenhouse Gas Emissions Management Waste Management and Resource Recycling Climate Change and Adaptation Water Resource and Wastewater Management



Environmental Topics

- 15 Waste Management and Resource Recycling
- 16 Greenhouse Gas Emissions Management
- 17 Climate Change and Adaptation
- 18 Water Resource and Wastewater Management

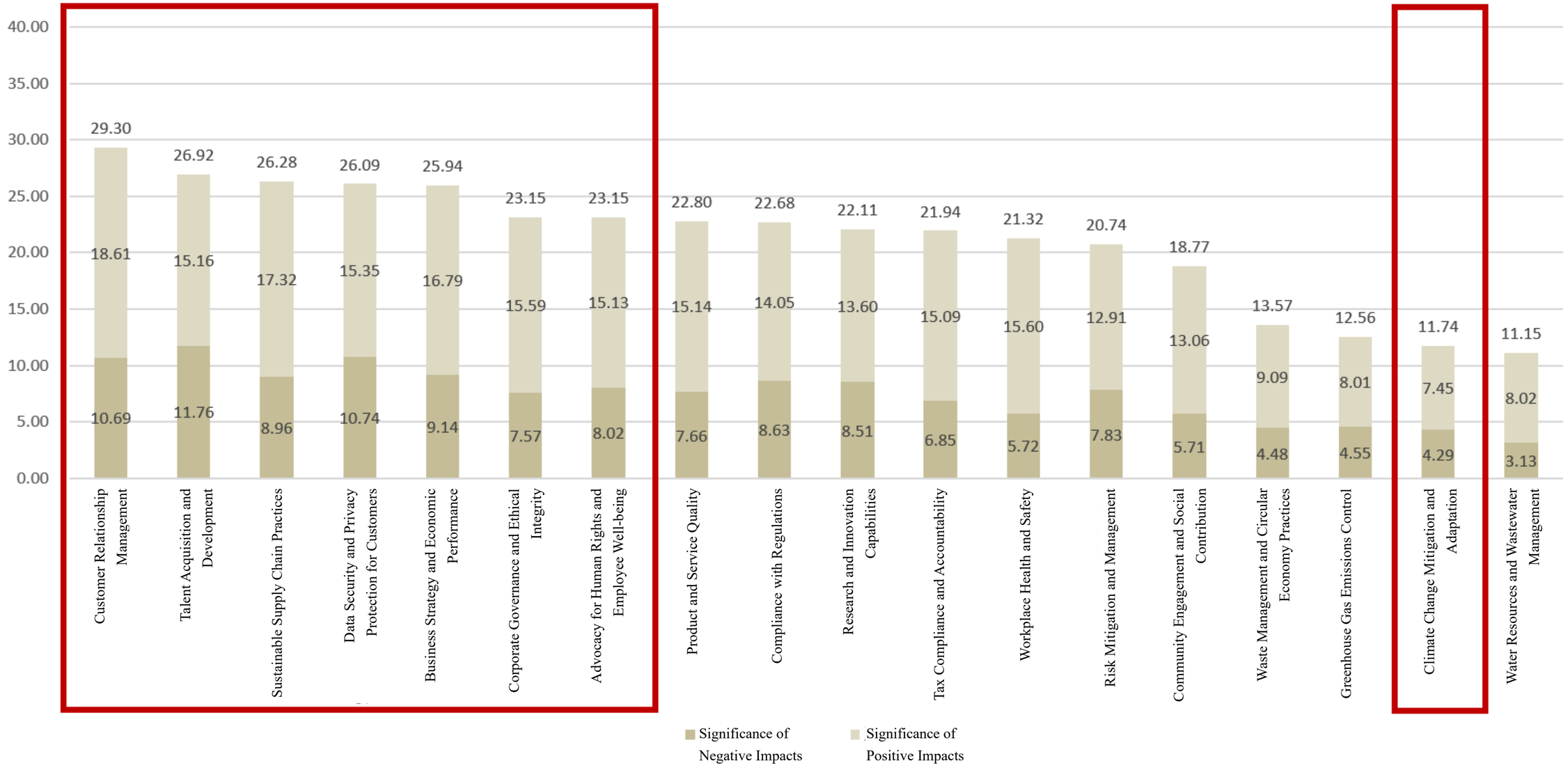
Social Topics

- 2 Talent Recruitment and Development
- 7 Human Rights and Employee Welfare
- 11 Tax Responsibility
- 12 Occupational Health and Safety
- 14 Social Engagement and Contributions

Governance/Economic Topics

- 1 Customer Relationship Management
- 3 Sustainable Supply Chain Management
- 4 Information Security and Customer Privacy Protection
- 5 Operational Strategy and Economic Performance
- 6 Corporate Governance / Integrity Management
- 8 Product and Service Quality
- 11 Regulatory Compliance
- 12 Research and Innovation Capability
- 13 Risk Management

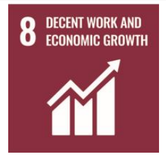
5 Primary Positive Impact Topics	8 Secondary Positive Impact Topics	5 Topics for Continuous Monitoring of Positive Impact
Customer Relationship Management Sustainable Supply Chain Management Operational Strategy and Economic Performance Occupational Health and Safety Corporate Governance / Integrity Management	Information Security and Customer Privacy Protection Talent Recruitment and Development Product and Service Quality Human Rights and Employee Welfare Tax Responsibility Regulatory Compliance Research and Innovation Capability Social Engagement and Contributions	Risk Management Waste Management and Resource Recycling Water Resource and Wastewater Management Greenhouse Gas Emissions Management Climate Change and Adaptation



Note: The materiality threshold is established by summing the scores of positive and negative impacts, identifying the top seven topics in addition to Climate Change Mitigation and Adaptation as key material subjects.

2.3 Table of Material Topics and Value Chain Boundaries

Aspect	Corresponding SDGs Goals	Material Topics	Value Chain Impacts		
			Upstream	Otsuka	Downstream
Governance/Economy		Corporate Governance/Ethical Business Practices	●	●	●
		Operational Strategy and Economic Performance	●	●	●
		Information Security and Customer Privacy Protection	●	●	●
		Sustainable Supply Chain Management	●	●	
		Customer Relationship Management		●	●
Environmental		Climate Change and Adaptation	●	●	●

Aspect	Corresponding SDGs Goals	Material Topics	Value Chain Impacts		
			Upstream	Otsuka	Downstream
Social		Talent Recruitment and Development		●	●
		Human Rights and Employee Welfare		●	

● Direct Impact ● Indirect Impact

2.4 Stakeholder Engagement and Communication 2-29

Otsuka is committed to corporate social responsibility by emphasizing meaningful communication with stakeholders. The company has developed transparent and efficient channels for stakeholder engagement, integrating their feedback into its management policies and operational practices to drive sustainable development.

Stakeholder Identification

In alignment with the AA1000 Stakeholder Engagement Standard (AA1000 SES), Otsuka applies five guiding principles—Responsibility, Influence, Tension, Diversity of Perspectives, and Dependence—to identify key stakeholders. By distributing stakeholder identification surveys to management and employees, Otsuka has pinpointed four primary groups: shareholders/investors, employees, customers, and suppliers/contractors. To strengthen stakeholder relationships, Otsuka employs a variety of communication tools and mechanisms to actively listen, understand, and respond to their concerns. Through ongoing dialogue and collaboration, the company strives to foster mutual trust and shared value creation with its stakeholders.

Stakeholder Communication Channels

Stakeholder Group	Relevance to Otsuka and Communication Goals	Primary Concerns	Engagement Methods and Responses	Frequency of Engagement	Engagement Summary
Shareholders/Investors	Shareholders and investors play a crucial role in driving Otsuka's growth and enhancing its sustainable value. While advancing its business initiatives, the company prioritizes protecting shareholder interests by transparently sharing information about its management strategies and financial policies. This open communication fosters investor confidence and helps achieve shareholder goals.	· Corporate reputation · Business performance · Return on investment · Sustainability efforts · Legal compliance · Information transparency	· Annual General Meetings · Shareholders' Annual Reports	Annually	● Conduct one annual general meeting and five Board meetings. ● Publish 14 major announcements in both Chinese and English; issue 10 additional public updates. ● Release financial reports and business results by the required deadlines.
			· Board meetings · Financial reports	Quarterly	
			· Corporate website · Market Observation Post System (MOPS) · Phone and email	Real-Time	
Contact Information:					
Independent Director Email: supervisor@oitc.com.tw SinoPac Securities Corporation, Shareholder Services Department Phone: (02)2381-6288					

Stakeholder Group	Relevance to Otsuka and Communication Goals	Primary Concerns	Engagement Methods and Frequency		Engagement Summary
Employees	Employees are a cornerstone of Otsuka's success. To attract and retain exceptional talent, the company offers competitive pay and benefits alongside a respectful, safe, and stable workplace. Otsuka seeks to empower employees to realize their career aspirations and maximize their potential. Additionally, wellness activities are organized to promote physical and mental health, boosting productivity and employee satisfaction.	· Salary levels · Benefits · Labor relations · Promotion and career development · Training and education · Workplace safety and environmental measures	· Career Planning Meetings	Twice yearly	● Held ten Employee Welfare Committee ● Conducted 37 internal and external training sessions in 2024 ● Received no formal complaints in 2024. ● Promoted 46 employees. ● A training and awareness session on AED operation was conducted, with participation from 17 employees.
			· Employee Welfare Committee	Quarterly	
			· Labor-Management Meetings · Training Sessions · Health Promotion Initiatives · Departmental Meetings · Employee Feedback Mailbox	Real-time / As needed	
Contact Information:					
Corporate Affairs Management Departmen Contact: Hui-Ju Hsu Email: staff@oitc.com.tw Phone: (02)8964-6668					

Stakeholder Group	Relevance to Otsuka and Communication Goals	Primary Concerns	Engagement Methods and Responses	Frequency of Engagement	Engagement Summary
Customers	Customers are a vital partner in Otsuka's growth. We place the utmost importance on our customers, listen to their needs, provide professional services, and offer reliable products. Through continuous innovation, we keep pace with industry trends, working closely with our customers to achieve their goals and enhance our company's competitiveness.	· Reasonable pricing · Stable relationships · Integrity and honesty · Confidentiality and privacy · Regulatory compliance · Complaints mechanism	· Sales Locations and Customer Service Hotline · Product/Technology Seminars · Business Exhibitions · Marketing and Promotional Activities · Professional software teaching courses · Software Certification Exams · Company Website and Official Correspondence · On-site Audits	Real-time / As needed	● Hosted 41 in-person/online seminars. ● Organized 47 product/technology exchange sessions. ● One letter of intent for cooperation was signed. ● 470 professional software training courses. In 2024, training programs engaged 710 clients and a total of 2,085 participants. ● Sponsored software certification exams. In 2024, 62 engineers from 7 customers received certification through the exams. ● Participated in 9 business exhibitions, showcasing company products and engaging with customers to understand their needs, industry trends, and the latest technology applications, while also increasing opportunities for engagement with potential customers.

Contact Information:

Corporate Affairs Management Departmen Contact: Hui-Ju Hsu

Email: csr@oitc.com.tw

Phone: (02)8964-6668

Mailing Address: 6th Floor, No. 68, Section 2, Xianmin Road, Banqiao District, New Taipei City, Chairman's Office

Stakeholder Group	Relevance to Otsuka and Communication Goals	Primary Concerns	Engagement Methods and Responses	Frequency of Engagement	Engagement Summary
Suppliers/Contractors	Suppliers and contractors are important strategic partners for Otsuka. By fostering mutual trust with each supplier partner and cooperating in a fair and transparent manner, Otsuka aims to establish strong, cooperative, and trust-based relationships.	· Reasonable pricing · Stable relationships · Integrity in conduct · Confidentiality and privacy · Regulatory compliance · Grievance mechanism	· Email/Phone communication · Physical/Online meetings · Manufacturer Supplier Conferences/Seminars	Real-time / As needed	● Participating in supplier and manufacturer-hosted seminars (5 times) to understand the latest product information and partnership strategies, allowing for timely response and adjustment to the company's sales policies.
Contact Information:					
Corporate Affairs Management Departmen Contact: Hui-Ju Hsu Email: csr@oitc.com.tw Phone: (02)8964-6668 Mailing Address: 6th Floor, No. 68, Section 2, Xianmin Road, Banqiao District, New Taipei City, Chairman's Office					

CH3 Sustainability Commitment and Operations

3.1 Corporate Governance / Integrity Management

Management of Material Topic – Corporate Governance / Integrity Management

Material Topic	Corporate Governance / Integrity Management		
Impact Description	■ Positive: Establishment of integrity management policies and preventive plans, with supervision of their effectiveness and regular reports to the Board of Directors. This helps the Board fulfill its commitment to integrity management, strengthening the company's management mechanisms, bringing positive impacts to various operations and business activities. ■ Negative: Violation of integrity management principles by management or damage to the company's, employees', investors' or business partners' reputation and interests due to unethical behavior or conduct.		
Policy / Commitment	Relevant management policies are developed according to the law to safeguard the interests of stakeholders, such as the "Integrity Management Code of Conduct," "Code of Ethics," and "Procedures for Ethical Management and Guidelines for Conduct," to prevent any losses caused by the company's commitments, demands, or acceptance of improper benefits, leading to breaches of integrity, fiduciary duties, or even illegal actions.		
Actions Taken	· Internal personnel sign a statement of compliance with integrity management, and promote regulations on insider trading and related laws each quarter. · Implement the three-line defense mechanism of internal control to ensure the continuous effectiveness of internal control systems.		
Follow-up Evaluation Mechanism	The Board of Directors, as the highest decision-making body, ensures the company's personnel adhere to legal regulations and promotes the implementation and execution of integrity management through the establishment of internal control and auditing mechanisms.		
Management Goals	Short-term Goal (2026)	Mid-term Goal (2028)	Long-term Goal (2030)
	Maintain corporate governance evaluation scores at 5% to 20%. Continuously maintain zero incidents of integrity breaches and illegal activities.	Maintain corporate governance evaluation scores at 5% to 20%. Continuously maintain zero incidents of integrity breaches and illegal activities.	Maintain corporate governance evaluation scores at 5% to 20%. Continuously maintain zero incidents of integrity breaches and illegal activities.

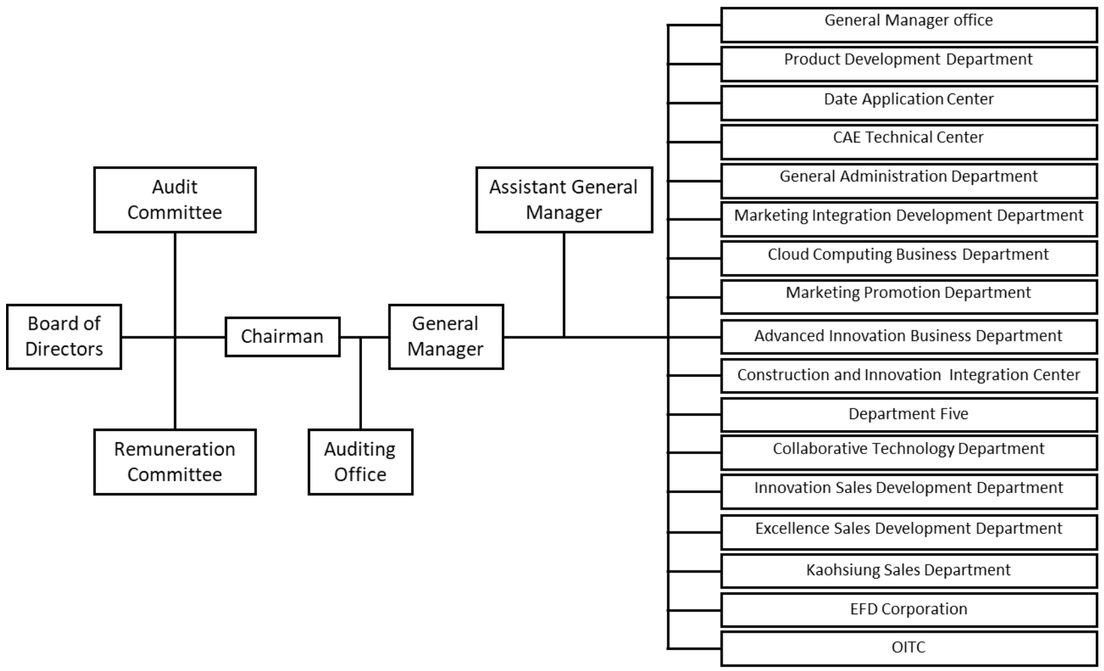
	Two investor conferences are held annually.	Two investor conferences are held annually.	Two investor conferences are held annually.
Annual Performance	Held one shareholders' meeting and five board meetings in 2024. Promoted board diversity, with 2 female directors and 3 Japanese directors among the 10 board members. Conducted quarterly briefings on insider trading regulations for internal personnel. In 2024, there were no incidents of integrity violations, corruption, or illegal activities by employees. In 2024, the Company's Corporate Governance Evaluation ranking rose to the 5%–20% range, earning the Progress Award in the 11th Corporate Governance Evaluation for OTC-listed companies.		
Stakeholder Engagement	The Company holds an annual shareholders' meeting and at least one board meeting per quarter, ensuring two-way communication with the Board and shareholders. Reports on internal control audits and integrity management are presented during meetings. The company website also provides a stakeholder service window for communication with investors, employees, and customers/suppliers. The company and its suppliers and customers sign relevant commitment letters according to contract agreements to jointly adhere to integrity management. In 2024, 9 Integrity and Ethical Commitment Agreements were signed, bringing the cumulative total to 32 agreements.		

3.1.1 Corporate Governance Organization

Governance Structure and Composition 2-9

The Board of Directors is the highest governing body at Otsuka, overseeing the overall governance of the Company. It has established both an Audit Committee and a Compensation Committee, which are each led by independent directors to assist the Board in performing its supervisory responsibilities. These committees report their activities, proposals, and decisions to the Board on a quarterly basis. Regarding sustainability strategy management, the Board serves as the ultimate decision-making and oversight authority for the management of economic, environmental, and social impacts. In making decisions on key issues, the Board evaluates the economic, environmental, and social impacts, risks, and opportunities, while also taking into account the views of stakeholders.

Organizational Chart 2-9



Effective Date of Organizational Chart: December 31, 2024

Nomination and Selection of the Highest Governance Unit 2-10

The election of the board of directors at OITC follows the candidate nomination system based on Article 192-1 of the Company Act. In accordance with the regulations, shareholders who hold more than 1% of the total issued shares of the company are eligible to propose a list of candidates, and the shareholders will vote during the annual general meeting. The nomination and selection of director candidates will take into account diversity in the board composition, including basic factors such as gender, age, nationality, and culture, as well as professional knowledge, background, and industry experience. This ensures that the elected directors possess the necessary knowledge, skills, and qualities to exercise their authority, and have extensive management experience in economic, environmental, and social issues and their impacts. To maintain the independence of the board, independent directors are also selected according to the "Company Act" and the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

Chairman of the Highest Governance Unit 2-11

The Board of Directors serves as the Company’s highest decision-making and governance body, with Mr. Hironobu Tsurumi serving as the chairman. The Chairman is not a member of the management team and does not hold any other executive positions.

To ensure the independence of the business operations, board members or their representatives, who have a vested interest in meeting matters, are required to regularly disclose any conflicts of interest and accept supervision by independent directors. Please refer to the 2024 Annual Report for details on the board's actions in abstaining from decisions involving conflicts of interest.

Role of the Highest Governance Unit in Supervising Impact Management 2-12

The board of directors at OITC serves as the highest governance unit, directly participating in overseeing and managing the company's performance and risk management in relation to economic, environmental, and social topics. The board makes the final decision on significant matters, considering the impacts, risks, and opportunities of economic, environmental, and social topics, as well as the opinions of stakeholders. For details regarding the engagement with stakeholders, please refer to the section on Stakeholders and Communication in this report.

Role of the Highest Governance Unit in Sustainability Reporting 2-14

The company’s sustainability report is managed by the Corporate Sustainability Promotion Task Force, which integrates the actions of various subgroups. Each subgroup reports to the task force to ensure the achievement of sustainability goals. The task force verifies that the report covers all material topics and submits the final report to the board of directors for review before publication. The 2024 sustainability report was discussed and approved by the board of directors on August 11, 2025.

Audit Committee 2-9

To strengthen the organization's value and enhance its oversight and management functions, particularly in financial review and control to assist in achieving strategic goals, OITC has established an Audit Committee. The committee consists of three independent directors. In 2024, the Audit Committee held five meetings, with an average attendance rate of 100%. For details on the Audit Committee members, their activities, and operations, please refer to the 2024 Annual Report for further information.

Audit Committee Organizational Regulations

Compensation Committee 2-9

OITC has established a "Compensation Committee," which consists of three independent directors. In 2024, the Compensation Committee convened four times with a 100% attendance rate among members.

The company aims to foster a fair and collaborative organizational environment by aligning the compensation of all employees with their performance. The Compensation Committee supports management in establishing an equitable compensation and performance evaluation system that drives the creation of greater value. The committee also leverages the expertise and experience of its members to ensure that the value created is balanced and meaningful. Directors and executives are encouraged to avoid actions that exceed the company's acceptable risk levels in pursuit of higher pay. A competitive incentive compensation system is put in place to attract and retain top talent, improve business performance, and enhance the company’s long-term competitiveness and sustainability.

For detailed information about the members, operations, and activities of the Compensation Committee, please refer to the company’s 2024 Annual Report.

Compensation Committee Organizational Regulations

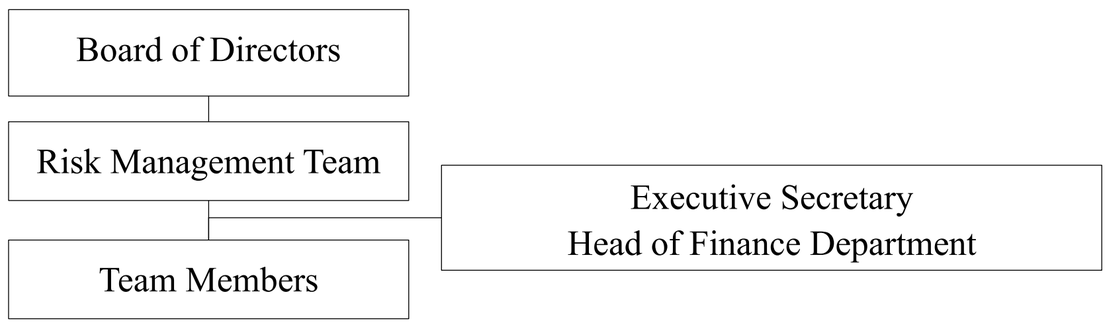
Risk Management Team 2-9

In accordance with the company's risk management policy, the Risk Management Promotion Team has been established to oversee the planning, execution, review, and improvement of the company's risk management framework.

Risk Management Promotion Team

1. Team Composition: The team is led by a convener, who also serves as the General Manager. The Executive Secretary, who manages the administrative duties, is the Head of Finance Department. The team consists of the Deputy General Manager and the heads of each business unit.
2. Meeting Frequency: The Risk Management Promotion Team convenes at least once a year.
3. Mission: The team is responsible for formulating, implementing, and monitoring risk management policies and action plans. It conducts regular reviews of the policies' relevance, identifies new risks, and evaluates the company's annual risk management performance.
4. Implementation Method: The Executive Secretary handles the logistics, consolidating the company's annual risk items and compiling reports on the implementation of risk management for review by the Risk Management Promotion Team.

Risk Management Structure



Risk Management Process

Communication of Key Significant Events 2-16

To keep the board informed, the company's management regularly provides important reports and information to the board members (as detailed below) and communicates any critical significant events promptly.

2024 Communication of Key Significant Events			
Unit	**Item**	**Communication Frequency**	**Annual Report Count**
Accounting Department	Financial Information Financial Reports	Quarterly Quarterly	5 times 5 times
Audit Office	Audit Report Audit Plan	Quarterly Annually	5 times 1 time
Risk Management Promotion Team	Risk Assessment Report	Annually	1 time
Corporate Sustainability Promotion Task Force	Report on the Implementation of Sustainability Initiatives	Annually	1 time
Corporate Affairs Management Departmen	Integrity Management Report	Annually	1 time

For the nature and total number of key significant events during the reporting period, please refer to the major information published by the company on the Public Information Observatory website.

3.1.2 Board of Directors Operations

Board Composition 2-9

The main responsibilities of OITC’s Board of Directors include guiding the company’s strategy, overseeing the management team, and ensuring accountability to the company and shareholders. The board exercises its authority in accordance with relevant regulations, the company’s articles of incorporation, and decisions made at shareholders’ meetings, maintaining its independence while being accountable to the shareholders’ meeting. According to the company’s articles of incorporation, Articles 17 and 17-1, the board consists of 10 directors, including 3 independent directors (30%) and 7 non-independent directors (70%). The independent directors serve a three-year term and are eligible for re-election. The names, gender, terms, educational and professional backgrounds, and other positions held at other companies for the board members are detailed in the company’s 2024 Annual Report, which includes information about the directors, supervisors, general manager, deputy general managers, assistant managers, and department and branch heads.

The board convenes at least once per quarter. In 2024, the board met a total of five times.

Board Diversity and Operations 2-9、405-1

Board Operations

Title	Name	**2024 Board Attendance Rate (%)**
Chairman	Hironobu Tsurumi	100%
Corporate Director	Hideyuki Aoki	100%
Director	Akio Tamehiro	100%
Director	Yi-Long Kuo	100%
Director	Hui-Ju Hsu	100%
Director	Cheng-Ho Liu	100%
Director	Xiang-Min Huang	100%
Independent Director	Jun-De Yan	100%
Independent Director	Hui-Fen Lin	100%
Independent Director	Kun-Feng Hsieh	100%

The election of directors is based on a candidate nomination system. The selection of board members is guided by the principle of merit-based hiring, with members possessing diverse complementary abilities across different industries. These abilities include basic attributes such as age, gender, and nationality, as well as industry experience and relevant skills (e.g., operations, finance, law, and information technology), as well as business judgment, management, leadership decision-making, and crisis management capabilities. The following two major criteria should be considered, but not limited to: First, Basic Qualifications and Values: Gender, age, nationality, culture, etc. Second, Professional Knowledge and Skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology),

professional skills, and industry experience. In terms of board diversity, the 10th Board of Directors of OITC includes 2 female directors among the 10 members, and 3 Japanese directors. The professional backgrounds of the members cover management, finance and accounting, law, and industry expertise. Key members, such as Mr. Hironobu Tsurumi, Mr. Hideyuki Aoki, Mr. Akio Tamehiro, Mr. Yi-Long Kuo, Ms. Hui-Ru Hsu, Mr. Cheng-He Liu, and Mr. Hsiang-Min Huang, excel in leadership, operational judgment, management, crisis handling, and possess industry knowledge and international market perspectives. The 3 independent directors, Mr. Chun-De Yan, Ms. Hui-Fen Lin, and Mr. Kun-Feng Hsieh, have strong expertise in administrative management, finance, accounting, and legal affairs. OITC continues to implement its board diversity policy, balancing basic qualifications and professional knowledge to enhance decision-making and guidance in business operations by leveraging diverse professional backgrounds and practical experiences. The Company also plans to conduct Board elections at the 2025 Annual General Meeting. Three female director candidates were included in the election slate and were all successfully elected, contributing to a gradual increase in gender diversity on the Board.

For further details on the board members' main experiences and other significant positions, please refer to the company’s 2024 Annual Report for information on directors, supervisors, general manager, deputy general managers, assistant managers, and heads of various departments and branches.

Board Continuing Education 2-17

To enhance the professional knowledge and skills of its directors, OITC organizes annual training sessions tailored to the industry’s characteristics, the company’s development strategy, and the academic and professional backgrounds of the board members. These training courses cover a wide range of topics, including corporate governance, economics, environmental issues, social matters, and other relevant subjects. For detailed information on the board's continuing education, including the directors who participated, the dates of the courses, course content, hosting organizations, and duration, please refer to OITC’s 2024 Annual Report, which outlines the directors’ continuing education activities.

Board Performance Evaluation 2-18

In order to enhance the effectiveness of its board of directors, OITC has established a performance evaluation process based on the "Corporate Governance Best Practice Principles for Listed Companies," incorporating sustainability metrics related to governance, economics, environment, and social responsibility. This ensures that the board meets its responsibilities in corporate governance, operational efficiency, and sustainable development.

The board's performance is assessed annually through a self-evaluation questionnaire completed by the directors, which is managed by the company's secretariat. Directors whose performance exceeds the set standard (with an average score of 90 or above) will have their results reflected in OITC's 2024 Annual Report, specifically in the section on corporate governance practices.

Governance Units	2024 Performance Evaluation Results
Board of Directors	Exceeds Standard
Audit Committee	Exceeds Standard
Compensation Committee	Exceeds Standard

Board Performance Evaluation Guidelines

Conflict of Interest 2-15

Under Article 206 of the Company Act, OITC has explicitly stated in its board meeting rules that any director with a personal or corporate conflict of interest regarding any agenda item must disclose the relevant details during the meeting. The director must then abstain from discussing or voting on the matter and may not act as a proxy for another director in casting a vote. For further details on directors' conflict of interest situations (including the meeting dates, the director involved, the agenda item, reasons for abstention, and voting participation), please refer to OITC's 2024 Annual Report, which includes information on the directors' conflict-of-interest abstentions.

Regulations Governing Procedure for Board of Directors Meetings

OITC’s suppliers do not own shares in the company. The main controlling shareholder is OTSUKA CORPORATION based in Japan. Among the stakeholders, only suppliers and customers are involved in transactions with OITC, with outstanding receivables and payables. For additional details, please refer to OITC’s 2024 Annual Report.

3.1.3 Compensation Policy

Director and Senior Management Compensation Policy 2-19

Director Compensation

OITC’s compensation for directors includes remuneration, business execution expenses, and fees. These payments are authorized by the board of directors as outlined in the company’s articles of incorporation. Compensation is determined based on the responsibilities of the directors and their contribution to the company’s performance, while also considering industry standards for fairness. Director compensation follows the company's guidelines for director and functional committee member remuneration, with adjustments made according to the director’s position and attendance rate. The allocation is weighted accordingly to determine the distributable amount, also taking into account common industry practices in Taiwan. The compensation structure, including performance assessments, is reviewed by the Compensation Committee and the Board of Directors. Additionally, the system is periodically adjusted based on the company’s business conditions to ensure the balance between sustainable growth and risk management.

Compensation Items	• Director Compensation: Remuneration and fees • Calculated based on attendance rate • Two employee-director members also receive employee compensation
Compensation Evaluation Criteria	• Operational involvement • Company performance

Senior Management Compensation

OITC’s senior management compensation includes salary, bonuses, employee benefits, and employee stock trust. The Compensation Committee assesses the compensation based on the nature of the position, responsibilities, educational background, experience, tenure, and performance. After completing the evaluation, the proposal is presented to the Board of Directors for approval. Employee compensation is approved by the Board and reported at the shareholders’ meeting. It is calculated based on the "Employee Compensation Distribution Guidelines," which take into account factors such as years of service, length of employment during the year, performance scores, and annual performance growth factors. The total compensation amount is then distributed according to the percentage share of the total base.

Compensation Items	• Senior management compensation: Salary, bonuses, employee benefits, retirement (or termination) benefits, employee stock trust
Compensation Evaluation Criteria	• Individual performance • Contribution to operations • Job responsibilities • Professional expertise

The compensation for directors and senior management (internal management) is reviewed by the Compensation Committee and approved by the Board of Directors. During this process, performance and ESG considerations are factored into the evaluation. OITC incorporates company performance metrics (such as annual EPS growth, annual revenue achievement), strategic goals (e.g., key product revenue achievement, improvement in per capita productivity), and ESG indicators (e.g., employee turnover, promotion/raise growth rates) to assess performance and set compensation levels accordingly.

Retirement benefits are aligned with legal requirements and are the same as for other employees. Further details regarding the compensation for directors, senior management, bonuses, termination benefits, retirement pensions, and other compensation-related information are available in OITC's 2024 Annual Report, including the most recent figures for directors, supervisors, the CEO, and the vice president.

Compensation Decision Process 2-20

OITC has established a compensation process that considers overall company performance, as well as individual contributions and performance. Compensation proposals are reviewed by the Compensation Committee and approved by the Board of Directors. The company continually monitors the global economy, international financial conditions, industry trends, and estimates future business developments, profitability, operational risks, and regulatory changes. Compensation practices are adjusted as necessary to maintain a balance between sustainable operations and risk management. Currently, only internal stakeholders are involved in the design and

decision-making process for compensation policies. For further information on the company’s compensation decisions, please refer to OITC’s 2024 Annual Report, including the latest compensation payments to directors, supervisors, the CEO, and vice president.

Employee and director compensation is disbursed according to the company's articles of incorporation, which must be approved by the shareholders' meeting. Before each annual shareholders’ meeting, the compensation distribution for the previous year is reported. The compensation proposal for 2024 was approved at the shareholders’ meeting held on May 23, 2025.

OITC’s Compensation Committee, established under the Board of Directors and at the same level as the Audit Committee, consists of three independent directors. The committee ensures fair and reasonable evaluation and decisions regarding the compensation for the highest governance body and senior management.

3.1.4 Integrity in Operations

Corruption Risk Assessments at Operational Locations 205-1

In 2024, OITC conducted corruption audits across all of its operational locations, covering 100% of the group's sites. No significant corruption risks were identified.

Communication and Training on Anti-Corruption Policies and Procedures 2-24、205-2

OITC has implemented a Procedures for Prevention of Insider Trading, a Code of Ethics, an Integrity Management Code of Conduct, and a Corporate Integrity Management Code of Conduct, which outline clear prohibitions and preventive actions against unethical practices such as conflicts of interest, gifts and business hospitality, political donations, and donations or sponsorships. The company defines its conflict of interest policy, detailing specific situations and standards for conflicts, and requires personnel to avoid involvement in such matters. Additionally, employees are required to report these situations proactively and thoroughly to their immediate supervisors, senior management, or the Board of Directors. To ensure robust integrity management, the General Office and the Audit Department are responsible for creating and monitoring the implementation of integrity policies and preventative measures. These measures are reviewed annually, with a report presented to the Board of Directors. In 2024, a report was made to the Board on December 16, 2024, confirming that no instances of corruption or integrity violations occurred.

To strengthen employees' understanding and practice of the Company's policies, integrity management, professional ethics, and corporate human rights, Otsuka continuously conducts various training programs covering topics such as trade secret protection, workplace ethics, information security, and corporate human rights. The Company also encourages all employees to participate in at least one promotional activity each year related to integrity management and human rights. In addition, through multiple communication channels—including the corporate intranet, internal emails, and posters—the Company regularly promotes awareness to enhance employees' understanding of regulatory compliance and professional ethics.

In 2024, the Company established and implemented the Supplier Management Policy, which requires all business partners to adhere to its principles. When onboarding new suppliers, the Company requests them to sign the newly developed Supplier Code of Sustainable Development Conduct and the existing Supplier Integrity Commitment. In addition, through the annual supplier performance evaluation mechanism, the Company communicates its Code of Conduct requirements to suppliers, enabling the identification of outstanding suppliers for continued collaboration. Non-compliant suppliers are required to submit improvement plans; if improvements are not completed within a reasonable period, the Company will terminate their qualification as approved suppliers.

Supplier Integrity Commitments Signed and Participation Rate in 2024:

Region		Number of Suppliers Signing the Supplier Integrity Commitment in 2024	Cumulative Number of Suppliers Signing the Commitment as of the End of 2024
Taiwan	Participating Companies	9	32
	New Suppliers	9	32
	Participation Rate	100%	100%

OITC rigorously complies with the relevant regulations on corporate governance, integrity in operations, environmental protection, and labor rights. To ensure full legal compliance, the company conducts regular educational campaigns for employees, promoting the principles of integrity in business practices and human rights throughout their daily operations. Additionally, once a year, during Board meetings, the company presents the "Integrity Management Code" and "Ethical Conduct Code" to the Board and senior management to emphasize their significance, to strengthen senior management’s emphasis and commitment to integrity and regulatory compliance.

2024 Education and Awareness on Corporate Governance, Integrity, and Professional Ethics		
Training Topics	**Number of Participants**	**Participation Rate**
Awareness Session on the Employee Confidentiality Agreement	203	100%
ESG & Human Rights Awareness Session	203	100%
ESG (1): The New Sustainability Landscape — Corporate Integrity and Ethical Conduct	203	100%
ESG (2): Corporate Integrity — Otsuka’s New Internal Regulations Implemented	203	100%
Public Law (3): EU Adopts the AI Act, Opening a New Chapter in Smart Regulation	203	100%
Criminal Law: Decoding the Two-Faced Fraud Schemes of AB Contracts	203	100%
Civil Law (4) & Criminal Law (2): Moonlighting — Legal Boundaries and Non-Compete Considerations	203	100%
ESG (3): Promoting Workplace Gender Equality as a Corporate Human Rights Initiative	203	100%

Note: The integrity management education and awareness programs are implemented throughout the entire OITC group.

Total Number and Percentage of Employees Trained on Anti-Corruption Policies and Procedures (Categorized by Employee Role and Region)

	Taiwan	Mainland China	Total	Percentage
Supervisors	43	4	47	100%
Non-Supervisors	137	19	156	100%
Total	180	23	203	100%

OITC has thoroughly communicated the anti-corruption policy and promoted the company's core principles of integrity. We expect all employees, customers, suppliers, business partners, and other stakeholders to understand and support our integrity practices.

To foster a culture of integrity and ensure the sustainable development of the company, OITC has implemented an integrity management plan. All board members and senior executives are required to sign the "Compliance with Integrity Management Policy Declaration" to affirm their commitment to conducting business with integrity and adhering to legal regulations.

OITC continues to strengthen its commitment to integrity management each year. In alignment with the "Corporate Integrity Management Code of Conduct" and the "Procedures for Ethical Management and Guidelines for Conduct", the company ensures that directors, executives, and employees adhere to this code while implementing preventive measures based on both domestic and international standards. The integrity management training and initiatives implemented in 2024 included:

Region	Course	Statistics	Board of Directors
Taiwan	Legal Considerations for Preventing Sexual Harassment, Power Harassment, and Workplace Bullying	Total Training Hours	9 hours
		Participants	3 people
		Completion Rate	100%
Taiwan	A Brief Discussion on Corporate Integrity Codes for Listed Companies	Total Training Hours	9 hours
		Participants	3 people
		Completion Rate	100%
Taiwan	Corporate Governance Trends and Responses through the Lens of the Sustainability Action Plan (Governance 4.0)	Total Training Hours	33 hours
		Participants	11 people
		Completion Rate	100%
Taiwan	Principles of Corporate Integrity	Total Training Hours	33 hours
		Participants	11 people
		Completion Rate	100%

To ensure employees fully understand and adhere to the company's policies, including integrity management and professional ethics, OITC will require all employees to complete at least one educational training session annually starting in 2024. The company will continue to communicate these principles through internal websites, email campaigns, and other tools to strengthen awareness of business ethics and regulatory compliance. In 2024, Otsuka conducted a series of awareness and training programs covering topics such as trade secrets and confidentiality obligations, non-competition agreements, insider trading prohibitions, cybersecurity guidelines, and corporate human rights. The training on trade secrets and confidentiality obligations helped employees understand the scope of confidential information and their related legal responsibilities. This program aimed to prevent data leakage or unauthorized disclosure, thereby safeguarding the foundation of trust between the

company and its business partners. The non-competition awareness program strengthened employees' understanding of potential conflicts of interest and emphasized the importance of avoiding any actions that misuse their position or company resources in ways that conflict with the company's interests. The insider trading prevention program provided guidance on relevant regulations to raise employees' awareness and prevent integrity risks arising from the improper use of non-public information. The cybersecurity training focused on enhancing employees' awareness of information security and reducing the risk of security incidents caused by system vulnerabilities or human error. The corporate human rights training focused on workplace equality, anti-discrimination, and respect for human rights, fostering a culture of integrity and supporting the company's commitment to social responsibility. Looking ahead to 2025, OITC will continue offering these educational programs, including anti-corruption training.

Region	Course	Statistics	Employee Level	
			Supervisor	Non-Supervisor
Taiwan	[Employee Confidentiality Agreement] Briefing Session (0.5 H)	Total Training Hours	21.5 hours	68.5 hours
		Participants	43 people	137 people
		Completion Rate	91.5%	87.8%
Taiwan	Otsuka personnel cybersecurity guidelines training (0.2 hours)	Total Training Hours	8.6 hours	27.4 hours
		Participants	43 people	137 people
		Completion Rate	91.5%	87.8%
Taiwan	[ESG Corporate and Human Rights Issues] Awareness Seminar (0.5 hours)	Total Training Hours	8.6 hours	27.4 hours
		Participants	43 people	137 people
		Completion Rate	91.5%	87.8%

Corruption Incidents and Actions Taken 205-3

Otsuka has implemented the Corporate Integrity Management Code of Conduct and the Procedures for Ethical Management and Guidelines for Conduct, which require employees to refrain from offering, promising, requesting, or accepting any improper benefits, either directly or indirectly, in the course of business activities. In 2024, there were no reported incidents of conflicts of interest, money laundering, insider trading, or corruption.

Mechanism for Seeking Advice and Reporting Concerns 2-26

The Corporate Affairs Management Departmen and the Audit Office are in charge of the development, supervision, implementation, and investigation of the company's ethical business conduct policy. They also report annually to the Board of Directors and the Audit Committee on business ethics, regulatory compliance, and whistleblower cases.

To enhance the governance and oversight function, Otsuka provides both internal and external consultation and reporting channels. These channels are communicated to employees and other stakeholders through training sessions, internal emails, the company website, and contract clauses.

Consultation and Reporting Channels

External	Whistleblower Email	csr@oitc.com.tw
Internal	Independent Director Email	supervisor@oitc.com.tw
	Employee Grievance Email	staff@oitc.com.tw

When a report is received, Otsuka will promptly assign the appropriate department to investigate, based on the nature of the case, ensuring proper documentation and follow-up actions. The identities of the whistleblower, the reported details, and the investigators are kept confidential to avoid any unfair treatment or retaliation. If the allegations are confirmed, Otsuka will take appropriate actions, including terminating employment or business relations or pursuing legal actions, depending on the severity of the case. Additionally, the company promotes integrity management, corporate governance, and sustainability through various communication channels, including internal emails, to prevent the recurrence of such incidents.

Employees can report any violations of integrity management or responsible business conduct to management via email, the stakeholder area on the company website, or other internal reporting mechanisms. External stakeholders who become aware of any unethical behavior or violations of business conduct can also use the dedicated hotline or the stakeholder area on the company's website to file a report. When stakeholders submit feedback through the exclusive email in the stakeholder area, the message will be directed to the responsible contact person, who must report back within a specified time frame. Otsuka tracks and consolidates the status of cases and progress on a monthly basis. Any shareholder inquiries are reported to management on the same day.

Otsuka did not receive any whistleblower cases in 2024.

Regulatory Compliance 2-27、206-1、TC-SI-520a.1

Otsuka has established the "Corporate Integrity Management Code of Conduct" and "Procedures for Ethical Management and Guidelines for Conduct", actively preventing unethical conduct, to ensure that employees conduct their business activities in accordance with applicable fair competition laws. This includes prohibiting practices such as price-fixing, bid-rigging, production limitations, quotas, or dividing the market by allocating customers, suppliers, operational regions, or business types. Otsuka strictly complies with these regulations across all aspects of its operations. In 2024, there were no penalties or actions taken by regulatory authorities against the company for anti-competitive behavior or monopolistic practices.

In 2024, Otsuka did not breach any major social or economic laws or regulations (Note), and there were no fines or non-monetary sanctions imposed.

2024 Compliance Record

Category	Number of Violations	Penalty Amount (NTD)
Integrity Management (e.g., breach of trust, fraud, bribery, etc.)	0	0
Intellectual Property (e.g., infringement of third-party IP)	0	0
Labor-related (e.g., violations of the Labor Standards Act, gender equality, occupational safety and health, etc.)	0	0
Environmental (e.g., pollution prevention, waste management, etc.)	0	0
Cybersecurity (e.g., personal data protection, cybersecurity risks, customer privacy, etc.)	0	0
Marketing and Advertising (e.g., misleading advertising, illegal publications, etc.)	0	0

Note: Major violations are defined as cases where the penalties exceed NTD 500,000.

3.1.5 Tax Management

Tax Policy 207-1

Our company complies with government-established tax regulations and has established a process where the finance department regularly reviews and carries out tax procedures on a monthly basis. This ensures the accuracy and transparency of information while supporting sustainable development.

The company's tax strategy includes the following principles:

(1)Transactions between related parties are priced fairly in compliance with relevant laws and regulations.
(2)Financial reporting is transparent, and tax disclosures are handled in accordance with applicable legal and regulatory standards.
(3)The company ensures that profits are reported and taxed in compliance with local government regulations, fulfilling our responsibilities as taxpayers.
(4)We monitor changes in tax regulations closely and collaborate with external tax advisory firms to assess the potential impacts and develop appropriate response strategies.
(5)Major business decisions take tax implications into account, and relevant risk management measures are in place.
(6)Based on the principle of mutual trust, we maintain effective communication with and show respect to local tax authorities.

Tax Governance, Control, and Risk Management 207-2

Tax governance at Otsuka is led by financial officer. Daily tax administration and management are carried out by the finance department, supported by professionals with expertise in taxation. The company also engages external tax advisors (such as accounting firms) to provide specialized tax advice, further enhancing the professional knowledge of our staff. A compliance team has been set up to assist our subsidiaries in adhering to local tax regulations. The board of directors serves as the final decision-making and oversight body for tax governance. All major business transactions undergo tax risk assessments, and the company ensures adherence to tax laws through internal control mechanisms.

Otsuka uses local tax regulations as internal guidelines and carefully assesses potential tax risks. We make use of internal accounting resources and seek the advice of external accounting experts to ensure thorough reviews of tax-related issues and to identify any tax risks. Any significant risks are included in our quarterly risk reports. Otsuka maintains close communication with tax authorities at both our headquarters and local subsidiaries to address any ambiguous tax risks. The implementation of tax policies is overseen by the headquarters and the management teams at subsidiaries, the financial officer overseeing the process, while external accountants perform annual reviews.

To safeguard the interests of stakeholders, the company has created operational guidelines and provides a reporting channel for stakeholders to report any unlawful or unethical tax activities through our official website.

In 2024, the company engaged Deloitte Taiwan to conduct an audit of our business income tax settlement for the year. A certification report was issued accordingly.

We will also complete the business income tax settlement for 2024 by the end of June 2025, as required by law.

Tax-Related Stakeholder Communication and Management 207-3

We continuously monitor emerging tax issues and foster relationships of trust and open communication with tax authorities in the regions where we operate, contributing to improvements in the tax environment and system. Otsuka also provides timely and transparent updates on tax-related concerns through the Investor Relations section of our official website.

Our company was honored by the Ministry of Finance as an Outstanding Business Entity for the Use of Uniform Invoices in 2024. As part of this recognition, we were invited to attend the "2024 Outstanding Business Entity Recognition Ceremony and Corporate Integrity Governance Exchange Forum" hosted by the Northern National Taxation Bureau on September 13, 2024, where we were presented with the Outstanding Business Entity Award for 2024.

Country-by-Country Reporting 207-4

Country-by-Country Report

Name of Multinational Enterprise Group: Otsuka Group

Fiscal Year: 2024

Units: NT$1,000, Number of employees

Tax Jurisdiction	Primary Business Activity	Revenue			Pre-tax Profit (Loss)	Income Tax Paid	Current Income Tax Expense	Paid-in Capital	Retained Earnings	Number of Employees	Tangible Assets
		Non-related Parties	Related Parties	Total							
Taiwan	Sales	1,984,428	38,003	2,022,431	286,555	46,760	51,280	209,097	604,712	180	352,159
Hong Kong	Holding	1	0	1	6,514	0	0	129,517	51,575	0	0
Mainland China	Sales	127,312	24,613	151,925	6,809	160	316	137,718	51,566	23	19,548

Note: Total revenue includes both operating and non-operating income.

3.2 Operational Strategies and Economic Performance

Management of Material Topic – Operational Strategies and Economic Performance

Material Topic	Operational Strategies and Economic Performance		
Impact Description	■ Positive: Continuous growth in the company's operational performance and profitability generates greater economic benefits for stakeholders. ■ Negative: Poor operational performance directly impacts stakeholders' interests.		
Policy / Commitment	Enhance the company's operational and financial performance while implementing governance mechanisms to deliver positive outcomes for both business operations and the economic environment.		
Actions Taken	Regularly report operational conditions to the Board of Directors. Hold monthly management meetings. Conduct quarterly risk assessments.		
Follow-up Evaluation Mechanism	The Board of Directors, as the highest decision-making body, periodically reviews operational profitability and deliberates on major proposals, consistently delivering economic benefits to stakeholders.		
Management Goals	Short-term Goal (2026)	Mid-term Goal (2028)	Long-term Goal (2030)
	Maintain positive growth in operating revenue	Maintain positive growth in operating revenue	Maintain positive growth in operating revenue
Annual Performance	In 2024, the Otsuka Group achieved operating revenue of NT$2,103,181,000, an 24.36% increase compared to 2023 and continues to set new historical records.		
Stakeholder Engagement	The company holds monthly management meetings to brief department heads on business operations, strategies, and departmental training guidance. Quarterly risk assessments allow department heads to provide feedback on operational, compliance governance, and environmental change risks, helping manage potential losses in operational performance. Additionally, at the annual shareholders' meeting, the company reports operational performance to shareholders and potential investors.		

3.2.1 Economic Performance

Direct Economic Value Generated and Distributed 201-1

Unit: NT$1,000

Direct Economic Value Generated and Distributed			
	2022	**2023**	**2024**
Direct Economic Value Generated: Revenue	1,556,029	1,691,168	2,103,181
Proportion of Distributed Economic Value			
Operating Costs	1,084,830	1,192,876	1,537,964
Employee Salaries and Benefits	246,040	256,721	279,878
Payments to Capital Providers	102,582	128,227	136,776
Payments to Governments by Country	37,383	43,926	56,470
Community Contributions	236	285	301
Retained Economic Value: "Direct Economic Value Generated" minus "Economic Value Distributed"			
Retained Economic Value	84,958	69,133	91,792

Benefits and Retirement Plans 201-3、401-2、404-2

Taiwan:

Retirement Pension System under the Labor Standards Act (Old System):

The company allocates 2% of the total monthly salaries for employees retaining service under the old system into a retirement fund. This fund is overseen by the Labor Retirement Reserve Supervision Committee and deposited in a dedicated account at the Bank of Taiwan. Pension payouts are determined by the employee's years of service under the old system and the average monthly salary during the six months preceding retirement approval. To ensure sufficient funding, annual actuarial assessments are conducted in line with International Accounting Standards. In 2024, NT$2,262,855 was contributed to the retirement fund.

Retirement Pension System under the Labor Pension Act (New System):

For employees participating in the "Labor Pension Act" retirement plan, the company contributes 6% of their insured monthly salary into individual accounts managed by the Bureau of Labor Insurance. Total contributions for 2024 reached NT$8,253,781.

Mainland China:

Subsidiaries follow local regulations, contributing a specified percentage of employees' total monthly salaries to government-managed social pension funds. These contributions are stored in individual employee accounts. Employees become eligible for basic pension benefits upon meeting the statutory retirement age and the minimum contribution period requirements.

To further support employees' financial security in retirement, the company has implemented retirement policies that exceed legal mandates:

(1)Employee Welfare Savings Trust:

To enhance employee welfare, the company offers a long-term savings plan aimed at helping employees build wealth and secure a comfortable retirement. Regular employees who meet performance standards and have at least three years of service are eligible to participate. Contribution caps for incentives vary by job grade and role. Employees can choose to allocate a portion of their salary toward the plan, which the company matches with equivalent incentive contributions. These funds are managed by SinoPac Trust and invested in company shares. Trust assets may be withdrawn upon retirement, death, resignation, dismissal, or following approval by the Trust Committee. In 2024, the company contributed NT$4,618,000 to this program.

(2)Retiree and Director Rehiring Fund:

To leverage the skills of retired employees and directors while ensuring their post-retirement financial stability, the company has established a dedicated rehiring fund. This fund is governed by a specific policy and management committee, ensuring its exclusive use for rehiring purposes. Eligible candidates include employees who retired under the Labor Standards Act (including those granted preferential terms) and directors who have stepped down. Based on evaluations of their expertise and alignment with company needs, they may be rehired for suitable roles.

Indirect Economic Impacts 203-1、203-2

In 2024, Otsuka actively engaged in various philanthropic initiatives and social responsibility programs, generating substantial indirect economic impacts across education and environmental sectors. These activities not only improved the well-being of vulnerable groups but also contributed meaningfully to broader economic growth and environmental sustainability.

I. Education and Bridging the Digital Divide

(1)Donation of 3D printers: The Bambu Lab P1S Combo 3D printer, valued at NT$40,610, was provided to National Tsing Hua University to support students' practical training and creative projects. It is hoped that the Bambu Lab will have a meaningful impact on the cultivation of future engineering talents, while fostering greater innovation and momentum in the industry.

(2)Donation of Siemens NX software: The program provides 300 sets of advanced 3D software to National Huwei University of Science and Technology, supporting the entire process from product design and engineering simulation to manufacturing. These software packages serve as key digital tools for teaching and research, aiming to strengthen the foundation for cultivating smart manufacturing talents and enabling students to stay abreast of industry trends while still in school.

(3)Donation of Siemens NX software: We will provide Chung Yuan Christian University with 60 software licenses, technical support, and access to industry resources to promote more practice-oriented professional courses. This initiative aims to closely integrate academic theory with workplace requirements, enhancing students' practical skills and employability.

(4)Donation to Taitung Binmao Elementary School: The donation of NT$200,000 to schools in remote areas of Taitung aims to enhance local learning resources and facilities, provide greater educational opportunities for students in rural communities, and contribute to educational equity. In addition, the investment is expected to attract further educational resources to the region, support local economic development, and promote long-term social mobility.

II. Environmental Protection and Resource Reuse

(1)Taking practical actions to clean up the beach: On the occasion of Otsuka's anniversary, the company invited employees and their families to participate in a hands-on beach cleanup. The event encouraged joint participation, with adults setting an example by taking responsibility and teaching children about environmental protection. Participants demonstrated that properly sorted and processed waste can be reused as a resource, thereby instilling the concept of a circular economy from an early age.

(2)Donations from the sale of repurposed items: This small-scale charity market, held without a glamorous stage or loud publicity, saw enthusiastic participation from employees who voluntarily donated books, clothing, and various household items. A total of NT$21,698 was raised. To maximize the impact of this initiative, the company proactively increased the total donation to NT$50,000 to support the living and educational needs of underprivileged children. This company-led event not only fostered a sense of goodwill among employees but also extended the company's care to communities in need across society.

3.3 Information Security and Customer Privacy Protection

Management of Material Topic – Information Security and Customer Privacy Protection

Material Topic	Information Security and Customer Privacy Protection		
Impact Description	■ Positive: Enhancing measures to safeguard information security increases customer trust and confidence in the quality of security management. ■ Negative: Security incidents may harm customer interests, resulting in reduced loyalty to products, regulatory penalties, or compensation claims from customers.		
Policy / Commitment	To establish a robust information security environment and improve security protection measures to ensure the normal operation of critical information systems and equipment. In response to stakeholders' concerns about information security, the company plans, evaluates, and seeks external verification of related operations.		
Actions Taken	Continue to implement ISO 27001 information security management practices and ensure the ongoing validity of the certification.		
Follow-up Evaluation Mechanism	The Information Security Management Committee serves as the execution unit for promoting security initiatives, formulating the "Information Security Policy," and developing various operational procedure manuals for information management oversight.		
Management Goals	Short-term Goal (2026)	Mid-term Goal (2028)	Long-term Goal (2030)

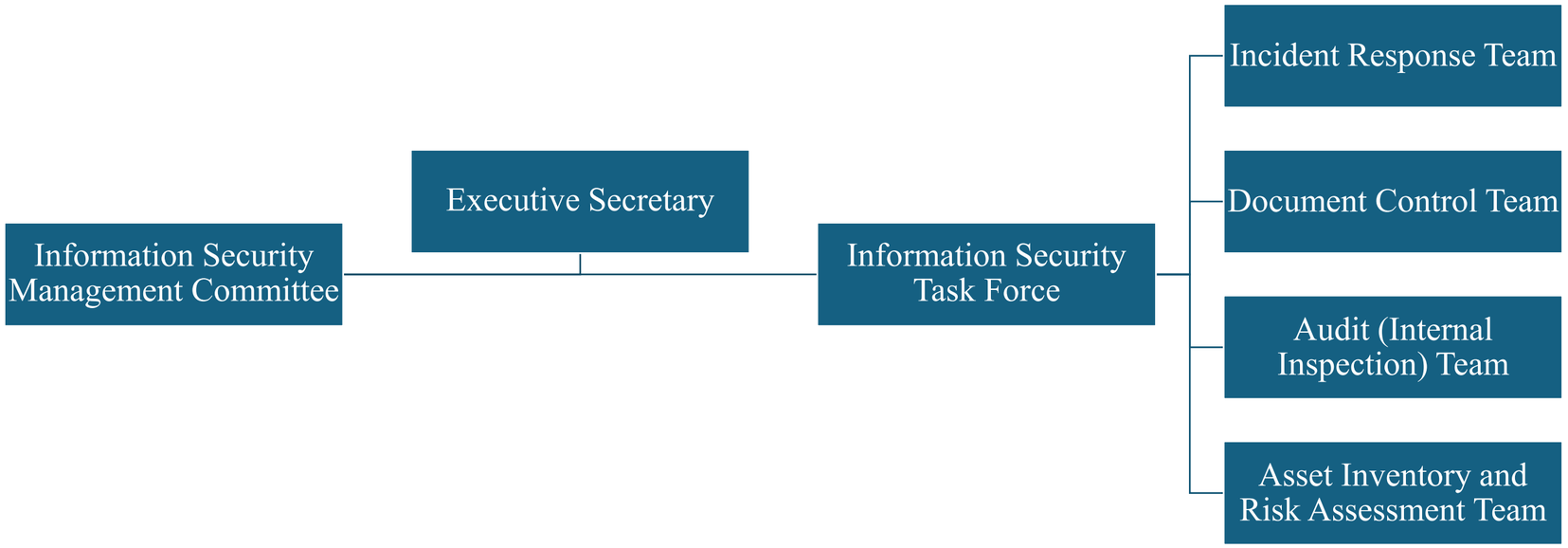
	Achieve and maintain zero security incidents. Retain the ISO 27001 ISMS certification. Increase employee security training completion rates to 50%.	Achieve and maintain zero security incidents. Retain the ISO 27001 ISMS certification. Increase employee security training completion rates to 55%.	Achieve and maintain zero security incidents. Retain the ISO 27001 ISMS certification. Increase employee security training completion rates to 60%.
Annual Performance	By the end of June 2024, the company had successfully obtained external certification from the British Standards Institution (BSI). Conducted 6 training sessions for information security personnel, training rate 100%; cumulative employee training sessions reached 79, training rate 38.9%. Achieved zero reported security incidents during the year.		
Stakeholder Engagement	Distributed annual supplier evaluation questionnaires and conducted on-site inspections. Organized annual information security training programs, mandating a minimum of 1 hour of training for all employees and at least 3 hours for information-related staff to enhance awareness and proficiency in information security practices.		

3.3.1 Information Security Governance 418-1、TC-SI-130a.3

To ensure the effective implementation and operation of its information security management system, Otsuka has formed an Information Security Management Committee. This committee is responsible for overseeing the system's functionality, executing security-related tasks, formulating procedures, and conducting management reviews. With the committee's robust oversight, the information security management system has demonstrated stable and reliable operations.

Customer data is a critical asset for the company. To mitigate the potential impacts of climate change and other environmental risks, such as summer power shortages, we have established server rooms at our headquarters in Banqiao, New Taipei City, as well as at our subsidiary office in Efudi. This setup ensures off-site data backup and database recovery, thereby enhancing the preservation and protection of critical information. In addition, the IT center regularly updates outdated equipment to prevent malfunctions and reduce excessive energy consumption caused by aging systems.

In 2024, there were no reported incidents of customer privacy breaches or data loss.



Adoption of the Information Security Management System

Otsuka Information Technology adheres to rigorous standards for managing the confidentiality, integrity, and availability of information security. In July 2024, the company successfully attained ISO 27001 certification. To uphold the certification's validity, Otsuka will undergo annual audits conducted by internationally accredited third-party organizations. This commitment reinforces the establishment of a secure and reliable information environment, safeguarding the rights and interests of both the company and its customers.

bsi.

Certificate of Registration

INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2022

This is to certify that: Otsuka Information Technology Corp.
6F.
No. 68, Sec. 2, Xianmin Blvd.
Banqiao Dist.
New Taipei City
220695
Taiwan

Holds Certificate No: **IS 808664**

and operates an Information Security Management System which complies with the requirements of ISO/IEC 27001:2022 for the following scope:

The provision of development, operation and maintenance of Account Receival System, management of network, server room, and related information supporting activities within Information Center.
This is in accordance with the Statement of Applicability, ISMS-L1-01-F01, version 1.1 dated 26 June 2024.

For and on behalf of BSI:

Michael Lam - Managing Director Assurance, APAC

Original Registration Date: 2024-07-10
Latest Revision Date: 2024-07-10

Effective Date: 2024-07-10
Expiry Date: 2027-07-09

Page: 1 of 2

...making excellence a habit.™

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated online.
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.

Certificate No: **IS 808664**

Location	Registered Activities
Otsuka Information Technology Corp. 6F. No. 68, Sec. 2, Xianmin Blvd. Banqiao Dist. New Taipei City 220695 Taiwan	The provision of development, operation and maintenance of Account Receival System, management of network, server room, and related information supporting activities within Information Center.
Otsuka Information Technology Corp. 19F. No. 285, Sec. 2, Wenhua Rd. Banqiao Dist. New Taipei City 220503 Taiwan	The provision of management of server room activities within Information Center.

Original Registration Date: 2024-07-10
Latest Revision Date: 2024-07-10

Effective Date: 2024-07-10
Expiry Date: 2027-07-09

Page: 2 of 2

This certificate relates to the information security management system, and not to the products or services of the certified organisation. The certificate reference number, the mark of the certification body and/or the accreditation mark may not be shown on products or stated in documents regarding products or services. Promotion material, advertisements or other documents showing or referring to this certificate, the trademark of the certification body, or the accreditation mark, must comply with the intention of the certificate. The certificate does not of itself confer immunity on the certified organisation from legal obligations.

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated online.
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.

Employee Training on Information Security

Otsuka Information Technology schedules annual training sessions on information security to enhance awareness across the organization. All employees must complete a minimum of one hour of training each year, while personnel working in information-related roles are required to undergo at least three hours. In addition, the Information Center regularly disseminates information security guidelines to raise awareness among all employees. In 2024, a total of 19 information security-related notices and announcements were issued by the Information Center.

Regular Information Security Practices TC-SI-230a.2

1. Conduct an annual inventory of information assets and perform risk assessments for these assets.
2. Perform annual internal and external audits of information systems to ensure the effective operation of the information security management mechanisms.
3. Engage external professional consultants to provide comprehensive cybersecurity evaluations, serving as a foundation for advanced security enhancements.
4. Monitor daily cybersecurity updates from iThome to stay informed of real-time cybersecurity threats.
5. Conduct vulnerability scans on core systems to proactively identify and mitigate potential cyber threats arising from system weaknesses.

Cybersecurity Risk Drills and Protection TC-SI-550a.2

Our company focuses on software sales and does not provide cloud services. The SaaS infrastructure for the software we sell is managed by the respective software

manufacturers. Any interruption in our system operations could prevent critical business functions from operating normally. Potential risks that may cause prolonged disruption include unexpected power outages, internet or equipment failures, and database data loss. To ensure that key internal information systems, databases, and equipment can resume normal operations as quickly as possible in the event of natural disasters or man-made incidents, Otsuka has implemented the following protective measures:

1. Conduct daily inspections and remotely monitor server room equipment and environmental conditions.

2. Immediately report system anomalies and trigger alarm notifications.

3. Implement regular data backup procedures, including off-site backups.

4. Perform routine inspection and maintenance of security-related equipment, such as uninterruptible power supply (UPS) systems, monitoring devices, fire protection systems, and air conditioning units.

5. Conduct continuous operational drills. The drill activities planned for 2024 are as follows:

Execution Date	Exercise Project
2024.2.21	Power Outage Response
2024.4.24	Core Data Recovery

Privacy Policy TC-SI-220a.1、TC-SI-220a.2、TC-SI-220a.3、TC-SI-220a.4、TC-SI-220a.5、TC-SI-230a.1

To ensure the protection of personal data and uphold the right to privacy, our company not only complies with applicable laws and regulations but has also established internal procedures for personal data protection management. These procedures ensure that, in any situation involving personal data of customers, suppliers, or employees, the collection, processing, use, storage, and deletion of such data are conducted in accordance with regulatory requirements, thereby preventing data leakage due to mismanagement or privacy violations. Customer data is used solely for primary business operations and is not utilized for secondary purposes or shared with third parties outside the organization.

No privacy-related incidents were reported at our company in 2024.

1. Incidents involving violations of customer privacy, or loss or leakage of customer data.

2. Lawsuits or penalties resulting from inadequate privacy management.

3. Requests for customer data from government authorities or law enforcement agencies.

4. Products or services subject to monitoring, blocking, content filtering, or censorship by government authorities or law enforcement agencies.

CH4 Sustainable Partnerships and Services

4.1 Sustainable Supply Chain Management 407-1、408-1、409-1

Management of Material Topic – Sustainable Supply Chain Management

Material Topic	Sustainable Supply Chain Management		
Impact Description	■ Positive: Establishing strong business partnerships with original manufacturers' supply chains ensures more competitive procurement costs compared to industry peers. ■ Negative: Pricing strategies of original manufacturers' supply chains may impact various stakeholders, such as profitability and market share.		
Policy / Commitment	Strengthen supply chain management mechanisms to ensure that products delivered to customers align with sustainable development expectations.		
Actions Taken	Developed the "Supplier Management Policy" and "Supplier Sustainable Development Code of Conduct," and promoted supplier evaluation mechanisms.		
Follow-up Evaluation Mechanism	The Board of Directors serves as the highest governance unit, continuously tracking suppliers' environmental sustainability performance through evaluation processes.		
Management Goals	Short-term Goal (2026)	Mid-term Goal (2028)	Long-term Goal (2030)
	The response rate for performance evaluation forms submitted by new suppliers reached 80%.	The response rate for performance evaluation forms submitted by new suppliers reached 80%.	The response rate for performance evaluation forms submitted by new suppliers reached 80%.
Annual Performance	Planned and established the "Supplier Management Policy," "Supplier Sustainable Development Code of Conduct," and evaluation forms. Nine new suppliers met the sustainability performance requirements and signed the assessment forms.		

Stakeholder Engagement	Encouraged suppliers to complete the Supplier Sustainability Performance Evaluation Form and provide actionable feedback.

The Company has implemented a “Human Rights Policy” and a “Supplier Management Policy,” both of which are disclosed on the Company’s official website, explicitly demonstrating its commitment to supporting and respecting employees’ right to freedom of association. In 2024, no incidents occurred where employees were prohibited from joining or participating in labor organizations or unions. Additionally, there were no operational sites or suppliers identified as being at risk of violating freedom of association or collective bargaining rights.

Regular labor-management coordination meetings are held to address and respond to issues raised, fostering effective communication and collaboration. For any organizational changes or plans, the company strictly follows the Labor Standards Act and other applicable regulations, engaging with affected employees in advance to provide support or counseling based on their preferences. In 2024, there were no violations regarding freedom of association, nor were there any incidents of poor communication that negatively impacted employees’ rights.

The "Human Rights Policy" and "Supplier Management Policy" also prohibit the employment of child labor. Throughout the reporting year, no instances of child labor were identified at the company’s operational sites or among its suppliers, and no significant risks related to child labor were detected.

While supplier audits to assess significant risks of forced or compulsory labor have not yet been conducted during the reporting period, the company reviewed the corporate sustainability reports of its three main suppliers—Autodesk, Siemens, and PTC—and confirmed no such incidents occurred. Furthermore, the company’s "Supplier Code of Conduct for Sustainable Development" explicitly requires suppliers to uphold ethical standards that guarantee labor freedom. In the fourth quarter of 2024, the company will require suppliers to sign the code of conduct and undergo sustainability performance evaluations. In 2024, a total of nine new suppliers signed the relevant sustainability guidelines and passed the performance assessment. The company strictly adheres to legal requirements when signing labor contracts with employees and does not impose any involuntary work practices. No cases of forced or compulsory labor were reported during the year.

Proportion of Procurement Spending from Local Suppliers 204-1

Suppliers play a crucial role as operational partners for Otsuka. To ensure the prompt delivery of products and services to customers, we prioritize sourcing from local suppliers. This policy not only strengthens the flexibility and efficiency of our supply chain but also contributes to the economic growth of the regions where we operate. In 2024, 94.81% of procurement spending at key operational sites was directed toward local suppliers.

2024 Local Procurement Overview	
Spending on local suppliers (NT$1,000)	1,545,403
Total procurement spending (NT$1,000)	1,630,051
Percentage of local procurement (%)	94.81%

Notes: 1. The local procurement ratio is calculated as: (spending on local suppliers ÷ total procurement spending).

2. "Local" is defined as the country where the organization's operational sites are located.

3. Key operational sites of the Otsuka Information Group include entities officially registered as companies under local regulations in Taiwan and mainland China.

New Supplier Development

Beginning in 2024, Otsuka has introduced comprehensive supplier management policies and measures, including requiring suppliers to endorse a Supplier Sustainable Development Code of Conduct and undergoing sustainability performance evaluations. These assessments address key areas such as human rights, environmental responsibility, and social contributions, as well as the commitments made by suppliers.

Since the company's core business revolves around software and technical consulting, supplier-provided products are non-physical, and environmental standards for software are not applicable across different regions. Nonetheless, Otsuka views its suppliers as essential partners in building a sustainable and resilient supply chain. Through collaboration in various aspects of sustainability, the company seeks to establish long-term, stable partnerships. Suppliers, including distributors, are evaluated not only on criteria such as price competitiveness, product compatibility with customer requirements, and technical expertise but also based on the following principles outlined in our Supplier Management Policy:

Category	Details
Corporate Ethics and Integrity	Suppliers are expected to conduct business ethically and honestly, ensuring employees avoid any conflicts of interest.
Risk Management	Suppliers should implement risk control mechanisms, covering areas such as trade secrets, data security, and confidentiality measures.
Labor and Human Rights	Suppliers must comply with local regulations to safeguard employees' rights and provide equitable working conditions.
Social Responsibility and Environmental Stewardship	Suppliers are encouraged to engage in activities that benefit society and reduce or mitigate negative environmental and health impacts.

Supplier Management Policy

Otsuka classifies its suppliers into three categories: original manufacturers, distributors, and outsourced vendors. To verify supplier qualifications and ensure that key suppliers meet ESG evaluation standards, the company audits major suppliers, including Autodesk (imported through Synnex), Siemens, PTC, and Synnex. Eleven key suppliers have disclosed ESG reports, representing 94.65% of the company's total procurement spending.

	Percentage of Total Spending in 2024
Original Manufacturers	24.21%
Distributors	70.44%
Outsourced Vendors	-
Total	94.65%

Supplier Sustainability Management Process

1. Adherence to Guidelines: Requiring suppliers to sign the "Integrity and Ethical Commitment Agreement" and the "Supplier Sustainable Development Code of Conduct."
2. Risk Management: Evaluating suppliers' financial stability to ensure consistent supply, verifying agency-related contract validity, and assessing competitive risks tied to agency rights.
3. Performance Assessment and Monitoring: Using the "Supplier Sustainability Performance Evaluation Form" to assess supplier performance across five key areas: labor rights, health and safety, environmental impact, ethical conduct, and management systems.

To address and evaluate the environmental impacts within the supply chain, Otsuka plans to perform supplier performance evaluations in 2024. The statistical data collected from assessment forms will be used as a foundation for adopting environmental and social criteria in supplier selection. Evaluations will include compliance checks on greenhouse gas inventories, environmental protection measures, cybersecurity, and sustainability-related practices.

To manage risks associated with supply chain sustainability, Otsuka conducts quarterly risk reviews to track changes and identify potential risks for early intervention. In 2024, the primary supply chain risk was linked to supplier distribution policy adjustments, which affected market competitiveness and customer software renewal decisions. The company remains committed to delivering high-quality technical services to foster strong customer relationships and boost competitive sales advantages.

In 2024, Otsuka will carry out detailed sustainability evaluations of its suppliers. Insights gathered from these evaluations will inform the adoption of environmental and social standards in supplier selection processes. To qualify suppliers, the company will conduct interviews to validate compliance and require signed agreements to adhere to the Sustainable Development Code of Conduct. This qualification framework will ensure suppliers align with ethical standards, practice integrity, prioritize environmental safety, uphold human rights, and support corporate sustainability initiatives. The ultimate objective is to create mutually beneficial partnerships that safeguard labor rights while driving success for customers, suppliers, and employees alike.

4.2 Customer Relationship Management 416-2、417-1、417-2、417-3

Management of Material Topic –Customer Relationship Management

Material Topic	Customer Relationship Management		
Impact Description	■ Positive Impacts: Tailored project planning aligned with customer needs and resources builds stronger trust and confidence in the company. ■ Negative Impacts: Failure to meet customer expectations or intense market competition may reduce customer loyalty, ultimately affecting profitability.		
Policy / Commitment	We prioritize customer feedback, striving to enhance service quality and efficiency while fostering mutually beneficial and close partnerships with our customers.		
Actions Taken	We host various product workshops to facilitate customer engagement and strengthen their connection to the company.		
Follow-up Evaluation Mechanism	The Customer Service Excellence Center acts as the primary channel for receiving and addressing customer feedback, enabling timely identification and resolution of issues.		
Management Goals	Short-term Goal (2026)	Mid-term Goal (2028)	Long-term Goal (2030)
	Maintain zero major customer complaints. Continuously host product seminars and exchanges. Increase consultation frequency by 2%.	Maintain zero major customer complaints. Continuously host product seminars and exchanges. Increase consultation frequency by 3%.	Maintain zero major customer complaints. Continuously host product seminars and exchanges. Increase consultation frequency by 5%.
Annual Performance	Zero incidents of major customer complaints. Hosted 94 product workshops and exchange activities. Participated in 4 trade exhibitions. We recorded a total of 7,883 customer interactions. In 2024, we plan to expand the service scope of each department to		

	further enhance service quality and operational efficiency.
Stakeholder Engagement	The company fosters direct communication and issue resolution with customers through real-time online channels on its official website and a dedicated customer service hotline offering professional support. We also host and participate in regular product workshops and exchanges, utilizing these events to demonstrate product features, collect feedback, and expand business collaboration opportunities with customers.

As a software-centric information service provider, our operations do not involve physical products with environmental impacts or regulatory inspection requirements. Hardware products represented by the company are sourced from reputable domestic and international manufacturers. These products meet regulatory requirements, including clear labeling of components, manufacturing origins, and certification by Taiwan's Bureau of Standards, Metrology, and Inspection, achieving a 100% compliance rate for local sales.

The company ensures compliance with all laws and standards regarding product information. Through close supplier collaboration, we uphold high standards in health, safety, and environmental impact.

In 2024, Otsuka reported no incidents in the following areas:

1. No violations of health and safety regulations related to products and services.
2. No violations of information and labeling regulations related to products and services.
3. No violations of marketing and communication regulations.

CH5 Sustainability and Environmental Protection

5.1 Climate Change and Adaptation

Management of Material Topic – Climate Change and Adaptation

Material Topic	Climate Change and Adaptation		
Impact Description	■ Positive: Addressing climate change through actions such as greenhouse gas (GHG) inventory and setting carbon reduction targets contributes positively to environmental improvement. ■ Negative: Changes in environmental laws or policies affecting business partners may impact the company's operational and financial performance.		
Policy / Commitment	We are committed to fulfilling our global environmental responsibilities by promoting energy conservation and increasing the adoption of energy-efficient equipment to minimize the environmental impact of our operations.		
Actions Taken	Planned replacement of all site lighting with LED flat-panel lights. Phased replacement of aging company vehicles with hybrid models. Encouraged carpooling for official vehicles to reduce trip frequency.		
Follow-up Evaluation Mechanism	The Corporate Sustainability Development Task Force oversees the execution of sustainability initiatives, with responsibilities divided according to functional roles.		
Management Goals	Short-term Goal (2026)	Mid-term Goal (2028)	Long-term Goal (2030)
	Reduce GHG emissions by 2%. Reduce electricity consumption per revenue unit by 2%.	Reduce GHG emissions by 2%. Reduce electricity consumption per revenue unit by 2%. Ensure over 50% of official vehicles are hybrid (or fully electric).	Reduce GHG emissions by 3%. Reduce electricity consumption per revenue unit by 3%. Ensure over 80% of official vehicles are hybrid (or fully electric).

Annual Performance	One official vehicle will be replaced with a hybrid electric vehicle upon reaching the end of its service life.
Stakeholder Engagement	All employees adhere to energy-saving policies, starting with individual actions to mitigate human impact on the climate. Responded to sustainability questionnaires issued by business partners.

5.1.1 Climate Change Adaptation 201-2

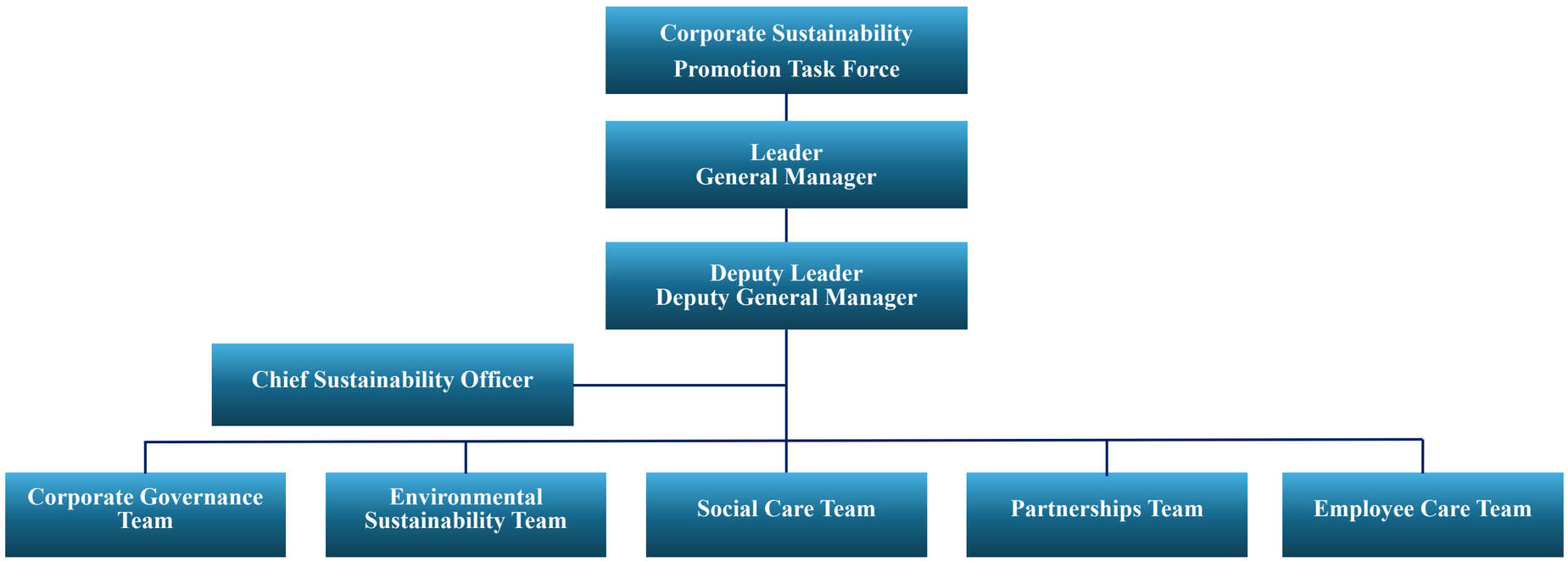
Following the TCFD (Task Force on Climate-related Financial Disclosures) framework, Otsuka discloses financial impacts related to climate governance, strategy, risk management, and performance metrics and targets.

Climate Governance

To support sustainability trends and achieve net-zero goals, Otsuka launched the Corporate Sustainability Promotion Task Force in 2024, establishing it as the company's highest governance body for sustainability operations. This task force provides annual progress updates to the Board of Directors. The General Manager leads the task force as the convener, with the Deputy General Manager acting as deputy convener.

The task force is structured into five dedicated units: Corporate Governance Team, Environmental Sustainability Team, Social Care Team, Partnership Team, and Employee Care Team, each addressing specific sustainability topics. For climate-related issues, Otsuka will adopt the TCFD framework and guidelines starting in 2024. The Environmental Sustainability Team, in collaboration with the Risk Management Team, will design response strategies, implement measures for climate-related issues, and identify associated risks and opportunities. The company will publicly disclose this information on an annual basis.

Otsuka's "Risk Management Policy" integrates climate-related risk and opportunity assessments into its enterprise risk management system to ensure a systematic approach. To strengthen climate governance, the Board of Directors acts as the highest oversight body for climate issues. The Corporate Sustainability Promotion Task Force consolidates risk scenarios analyzed by the Risk Management Team and reports annually to the Board on sustainability initiatives, including climate change policies. This enables the Board to monitor senior management's climate risk management performance and key outcomes, ensuring alignment with global climate policy developments and investor expectations.


Corporate Sustainability Promotion Task Force
Leader General Manager
Deputy Leader Deputy General Manager
Chief Sustainability Officer
Corporate Governance Team
Environmental Sustainability Team
Social Care Team
Partnerships Team
Employee Care Team

Evaluation and Strategy for Identifying Climate Risks and Opportunities

Risk Category	Risk Aspect	Risk Content (Risk Factors)	Impact Timeline	Impact on Company Strategy, Operations, and Financials	Response Strategies	Financial Implications of Response Measures	Outcomes and Achievements
Transition Risk	Market	Shifts in Customer Behavior	Medium-term (3-5 years)	To meet the growing emphasis by customers on climate-related issues, business units might need to allocate more time and resources to client communication, potentially raising personnel costs.	1. Stay informed of client demands and regulations for green products, creating a database to facilitate the delivery of compliant low-carbon, carbon-reducing, and energy-efficient green products. 2. Utilize a carbon emissions information platform to measure the carbon footprint and emission hotspots of products, and establish a path for reduction and optimization. 3. The Company actively participates in corporate governance assessments conducted by regulatory authorities to enhance the transparency of its sustainability practices. The goal for fiscal year 2026 is to maintain a ranking within the top 20%.	1. Establish an internal carbon emission tracking mechanism and enhance the compliance of agency product lines with green product requirements. 2. Implementing the carbon emission tracking mechanism may result in an increase in personnel-related expenses. 3. Subject to meeting the corporate governance assessment indicators, the financial impact of various improvement measures is estimated to increase expenses by approximately NT$1,888,000.	1. Early publication of ESG reports helps solidify a sustainable business strategy, fostering employee awareness, understanding, and proactive engagement with sustainability, showcasing the company's dedication to ESG principles. 2. In 2024, the Company achieved significant improvement in its corporate governance assessment, ranking within the top 20% and receiving recognition as the listed company with the most notable improvement.
Transition Risk	Market	Increased Awareness of Sustainability and Carbon Reduction among Clients or Consumers	Medium-term (3-5 years)	1. Heightened awareness around sustainability and carbon reduction could expose the company to compliance, regulatory risks, and investor pressures.	1. Strive to reduce Scope 2 emissions (electricity used in operations) through energy-saving LED lighting and leasing hybrid vehicles, achieving lower greenhouse gas emissions and operational cost savings. The target is to implement LED lighting at all operational sites	In response to customers' carbon reduction requirements and the potential impact of future carbon emission taxes, the Company is assessing the financial impact of installing LED lighting at various operational sites	1. In 2024, the Company completed the tendering for 10,000 kWh of green electricity from Taiwan Power Company and plans to supply a portion of its electricity consumption using green electricity in 2025.

Risk Category	Risk Aspect	Risk Content (Risk Factors)	Impact Timeline	Impact on Company Strategy, Operations, and Financials	Response Strategies	Financial Implications of Response Measures	Outcomes and Achievements
				2. To meet downstream clients' carbon reduction expectations, Otsuka must adapt and enforce carbon reduction strategies to ensure its qualification as a supplier.	and reach over 80% usage of hybrid vehicles by 2030, fulfilling downstream supplier carbon reduction needs. 2. Proactively set carbon reduction goals to anticipate potential future carbon tax expenses, planning annual carbon reductions of 2% in short-, medium-, and long-term strategies. As a provider of software information services, greenhouse gas reduction will mainly focus on reducing office energy consumption, with future steps planned toward carbon neutrality to demonstrate long-term environmental commitment. 3. Start conducting greenhouse gas assessments in 2025, verified by independent third-party entities for accuracy and completeness, and develop concrete plans for emission reduction based on identified sources.	and adopting energy-efficient hybrid vehicles. These measures are expected to increase asset replacement costs.	2. The Company actively participates in sustainability initiatives and has obtained Green Enterprise certification from the Organic Living Environment Education and Promotion Association of the Republic of China. It has also set carbon reduction targets to respond to customer demands for sustainability, meeting the expectations of customers and consumers.
Transition Risk	Reputation	Shifting Consumer Preferences	Long-term (5–10 years)	1. Ongoing government efforts to advance a low-carbon economy could affect clients' product choices. If the company is	1. Build a sustainable corporate image: As consumer environmental awareness increases, the company should focus on developing sustainable products while enhancing its	1. Shifting the product portfolio towards sustainability could lead to reduced profitability for non-green products. 2. Responding to	1. Waste electronic equipment is recycled and processed by specialized environmental companies. Office paper

Risk Category	Risk Aspect	Risk Content (Risk Factors)	Impact Timeline	Impact on Company Strategy, Operations, and Financials	Response Strategies	Financial Implications of Response Measures	Outcomes and Achievements
				perceived as contributing to climate change or failing to establish a strong environmental or climate mitigation-focused brand image, it could harm client perceptions. 2. The company's strategies for product representation and value-added services will need to evolve, progressively prioritizing digital transformation products that help clients streamline processes, minimize rework, and reduce energy usage.	eco-friendly brand identity. Long-term goals include introducing agency product lines that facilitate digital transformation, enabling clients to cut energy consumption, reduce paper usage, improve remote operational efficiency, and adopt low-carbon product solutions to align with their sustainability needs. 2. Increase transparency and accountability: Highlight the company's commitments to corporate social responsibility, such as ethical sourcing, fair trade practices, and carbon reduction initiatives, to strengthen brand reputation.	heightened consumer sustainability awareness will likely raise human resource costs associated with client communication.	is sourced from FSC-certified sustainable forests. The office building is equipped with a rainwater harvesting system and sensor-operated taps, and energy-efficient refrigerators and water dispensers are used, demonstrating the Company's strong commitment to environmental sustainability. 2. Clients using Otsuka's software for simulation design and processing in machinery, mold-making, and construction benefit from reduced energy consumption and minimal waste generation during production, ensuring responsible waste management and contributing to a sustainable future.
Physical Risk	Immediacy	Greater Intensity of	Short-term	1. Extreme weather events like typhoons	1. Monitor and promptly communicate work suspension	1. The activation of the Typhoon Response Task	1. Clients affected by equipment damage due

Risk Category	Risk Aspect	Risk Content (Risk Factors)	Impact Timeline	Impact on Company Strategy, Operations, and Financials	Response Strategies	Financial Implications of Response Measures	Outcomes and Achievements
		Typhoons, Floods, and Other Extreme Weather Events	(1–3 years)	and flooding could result in operational disruptions, such as work suspensions, which may impact service delivery and reduce revenue. 2. Climate-related disasters may increase customer demand for repairs, resulting in higher costs due to limited availability of maintenance personnel or service days.	guidelines and weather warnings during typhoon events. If operations continue, ensure employee safety through necessary support. In cases of suspension, establish a Typhoon Response Task Force based on the severity of the disaster. 2. Implement online remote support services to maintain client assistance during extreme weather.	Force may lead to increased labor costs due to additional work attendance. 2. The Company has established a network remote support service and continues to invest annually in its maintenance. Software and hardware expenditures for related equipment in the current year amount to approximately NT$1,000,000.	to typhoons can resolve issues efficiently via remote support services. 2. The Remote system enables online computer connections to deliver reliable remote assistance.
Physical Risk	Long-term	Greater Air Conditioning Demands and Employee Heat Risks Due to Global Warming	Long-term (5–10 years)	1. To mitigate risks of employee heat-related injuries stemming from rising temperatures, extended air conditioning usage may lead to increased electricity expenses. 2. Stricter greenhouse gas emission regulations could heighten corporate reduction	1. Strengthen employee health monitoring: Conduct health check-ups every two years, ensuring all operational facilities are equipped with air conditioning systems. 2. Employee education and training: Provide health awareness programs focusing on hydration and energy management. Offer internal ESG training sessions to instill a sense of personal accountability for net-zero commitments.	1. The company allocates approximately NT$700,000 biennially for employee health check-ups and related initiatives. 2. The annual rental fee for an AED (Automated External Defibrillator) and the training fee for external instructors amount to approximately NT$12,000.	1. In 2024, no heat-related incidents were reported among employees, as the company's operations are primarily focused on software and information services. Workplace safety is managed by designated personnel, with regular awareness campaigns. 2. Comprehensive health check-ups are conducted biennially, including professional health

Risk Category	Risk Aspect	Risk Content (Risk Factors)	Impact Timeline	Impact on Company Strategy, Operations, and Financials	Response Strategies	Financial Implications of Response Measures	Outcomes and Achievements
				responsibilities and introduce financial impacts from carbon taxes, fees, or emissions trading systems.			consultations during the examination process. 3. The company plans to equip its headquarters with AED (Automated External Defibrillator) devices and provide associated training to employees.

Opportunity Type	Opportunity Description	Impact Timeline	Impact on Company Strategy, Operations, and Finance	Response Strategies	Financial Impact of Strategies	Outcomes and Achievements
Resource Efficiency	Enhancing fuel efficiency and lowering operational costs by adopting more effective transportation methods	Mid-term (3–5 years)	By utilizing a system that provides real-time updates on transportation equipment locations, employees can arrange carpooling to optimize usage, reduce fuel consumption, and lower operational costs.	1. Promote energy-saving and carbon-reduction programs by encouraging employees to use public transportation, thereby reducing fuel usage. 2. Enhance the efficient utilization of company transportation assets to improve cost-effectiveness.	The company's existing vehicle registration system eliminates the need for new system development. Carpooling and public transportation usage will lead to reduced transportation expenses.	1. Streamlined company vehicle usage has successfully minimized additional transportation costs. 2. Employees are motivated to use public transportation during business trips, contributing to energy conservation and carbon reduction goals.
Products and Services	Diversified Business Activities	Long-term (5–10 years)	To reflect changes in consumer preferences and strengthen the company's competitive position, the product lines we represent aim to enhance design functionalities and reduce energy consumption in customers' production processes. Additionally, we are introducing digital transformation products to advance customers' digitalization and improve operational efficiency.	1. Integrate internal resources for digital twin and MR applications to assist manufacturers in achieving efficient inspections and digital transformation, enhancing operational effectiveness. 2. Increase equipment that supports business activities and plan collaborations with the industry, government, and academia. 3. Our products, such as BIM for the construction industry and PLM for product lifecycle management, streamline	1. Increased personnel costs due to human resources allocated for new product line development. 2. Diversifying product sales to enter new markets and increase sales share.	1. Using the iReporter mobile form system in conjunction with MR devices quickly collects machine operation data without manual transcription, replacing paper-based record-keeping. When combined with BI analysis software (MotionBoard), it visualizes data into charts to assist in decision-making. MR and digital twin technologies meet manufacturing industry demands for digital upgrades and help factories achieve carbon reduction targets. 2. Expanded customer base adoption of sustainable, high-efficiency design products represented by our company. These include digital transformation solutions that leverage cloud storage or computational space to reduce

Opportunity Type	Opportunity Description	Impact Timeline	Impact on Company Strategy, Operations, and Finance	Response Strategies	Financial Impact of Strategies	Outcomes and Achievements
				resources and enhance digital performance, reducing paper waste and improving operational efficiency while promoting energy savings and carbon reduction. 4. Leverage core technologies to integrate low-carbon product capabilities, enhancing the flexibility of diverse product sales and expanding customer development in new markets.		energy usage. 3. Promoted remote software maintenance solutions, cutting fuel consumption and carbon emissions associated with business operations.
Resilience	Engaging in Renewable Energy Initiatives and Implementing Energy-Efficient Practices	Long-term (5–10 years)	To improve energy utilization efficiency, the company is shifting its asset selection strategy to prioritize high-efficiency equipment. This approach aims to enhance asset value while lowering operational costs.	1. Gradually expand the fleet of leased hybrid vehicles. 2. Plan for small-scale green electricity procurement to increase the share of renewable energy in overall energy consumption.	1. Total leasing expenses for hybrid vehicles reached NT$357,000. ~~2.~~ The procurement of small amounts of green electricity is expected to increase electricity costs by approximately NT$67,000.	1. As of the end of 2024, the company operated a fleet of eight official vehicles, including four hybrid models—an increase of one compared to the previous year. ~~2.~~ In December 2024, the Company secured a small-scale green electricity contract of 10,000 kWh from Taipower, which will be utilized in installments throughout 2025.

Climate Risk Management Framework

Starting in 2024, Otsuka will incorporate the identification and management of climate-related risks and opportunities into its comprehensive enterprise risk management system through its Risk Management Policy and related regulations. This integrated approach ensures that climate change risks are addressed alongside other key risks, such as financial, operational, and regulatory risks, strengthening the company's overall resilience and response capabilities. The Board of Directors oversees risk management at the highest level. The Risk Management Task Force reports annually to the Board, detailing risk management execution and outcomes. This task force, chaired by the General Manager and comprising vice general managers and business unit heads, conducts systematic evaluations of various risks, including climate risks. It develops responsive and adaptive strategies, which are compiled into the Enterprise Risk Management Report. This report is integrated with sustainability initiatives by the Corporate Sustainability Task Force and submitted to the Board, ensuring that climate issues are central to strategic discussions and decision-making.

Climate Risk Identification, Assessment, and Management Process:

1. Identifying Climate Risks and Opportunities

   The company leverages internal and external data to identify climate-related risks and opportunities that could influence its operations over the short and long term.

2. Evaluating Risks and Opportunities

   Identified climate risks are assessed both quantitatively and qualitatively to determine their potential impacts on the company's financial health, operational efficiency, and brand reputation. Concurrently, opportunities arising from climate change—such as renewable energy adoption, shifting consumer behaviors, and growth in green product markets—are analyzed. These insights enable the company to craft targeted strategies for managing risks and leveraging opportunities.

3. Integration into Risk Management Processes

   Climate risks are systematically incorporated into the company's broader risk management processes:

   Task Force Risk Reviews: The Risk Management Task Force routinely reviews climate risks, assigning priorities and management strategies.

   Action Plan Implementation: Tailored measures are developed to mitigate climate risks, including disaster recovery initiatives, operational diversification, and supply chain fortification. For opportunities, strategies such as green technology investments and market penetration are devised.

   Risk Tracking and Reporting: Climate risks are continuously monitored and reported to the Board and management, ensuring transparency and flexibility in addressing emerging challenges.

4. Training and Communication

To ensure the climate risk management framework operates effectively, the company conducts internal training and awareness programs. These initiatives help employees understand the critical role of climate risks in business operations and empower them to identify and address risks and opportunities proactively.

Indicators and Goals

The company prioritizes four core areas: energy management, greenhouse gas emissions management, water resources and wastewater management, and waste management. Specific short-, medium-, and long-term goals are described in section 5.1.1, titled "Climate Risk and Opportunity Identification, Assessment, and Strategies," as part of the climate change response framework.

Key Indicators: Reduction in GHG emissions, Decrease in electricity usage for business operations, Reduction in water consumption and waste generation

Goal: The ultimate goal is to achieve net-zero emissions by 2050, with phased short-, medium-, and long-term objectives established to guide progress.

5.1.2 Energy Management 302-1 302-3、TC-SI-130a.1

Internal Energy Consumption

Internal Energy Consumption			2023				2024			
Energy Type		Unit	Usage	Usage (GJ)	Energy Intensity		Usage	Usage (GJ)	Energy Intensity	
					(GJ per NT$ million in revenue)	(GJ per NT$ million in revenue)			(GJ per NT$ million in revenue)	(GJ per NT$ million in revenue)
Non-renewable Fuel	Gasoline (include 92/95)	Liters	88,714	2,897	1.822	16.554	82,303	2,688	1.380	15.360
Purchased Electricity	Power	kWh	296,836	1,069	0.672	6.109	323,734	1,166	0.598	6.663
	Renewable energy electricity (geothermal, wind, solar, hydropower, and biomass energy, etc.)	kWh	0	0	0	0	0	0	0	0
Total				3,966	2.495	22.663		3,854	1.978	22.023

Notes:

1. Otsuka Information (Taiwan Headquarters) exclusively uses non-renewable energy across all office locations, primarily for vehicle fuel (gasoline) and office electricity.
2. The company does not currently utilize renewable energy sources or engage in energy sales.
3. Energy types covered include non-renewable fuels and electricity.
4. In 2023, grid electricity accounted for 26.95% of the organization’s internal energy consumption, while renewable energy accounted for 0%. In 2024, the share of grid electricity increased to 30.25%, with renewable energy remaining at 0%.
5. All consumption data are rounded to the nearest integer, while energy intensity metrics are rounded to three decimal places.

6. The data pertain to the Taiwan parent company, based on self-reported records.
7. Sources of data include procurement records for fuel and electricity usage reports from Taiwan Power Company.
8. Conversion factors for energy are derived from the Bureau of Energy's standard conversion chart:
9. Gasoline: 1 L = 7,800 kcal; Electricity: 1 kWh = 860 kcal; 1 kcal = 4.187 kJ; 1,000,000 kJ = 1 GJ
10. In 2023, the revenue per employee was calculated based on total revenue of NT$1,589.6 million and a workforce of 175 employees, in 2024, the revenue per employee was calculated based on total revenue of NT$1,948.3 million and a workforce of 175 employees.

Minimizing Energy Demand in Products and Services

The company specializes in software solutions and cloud computing services. Its graphical software involves intensive computational tasks. With ongoing technological enhancements and by leveraging offsite cloud-based processing instead of client-side computations, the company enables customers to significantly reduce energy consumption.

5.1.3 Greenhouse Gas Emissions Management 305-1、305-2、305-4

Otsuka Information has established a phased approach for managing greenhouse gas (GHG) emissions, with a dedicated task force responsible for tracking and reporting emissions data annually. This team identifies emissions and major sources of greenhouse gases using the international "GHG Protocol" framework, as shown in the table below. The company’s inventory focuses on "Scope 1: Direct GHG Emissions" and "Scope 2: Indirect GHG Emissions from Energy Use."

As an information services provider, the primary source of Otsuka Information’s greenhouse gas emissions is from Scope 2, specifically related to electricity consumption. To mitigate emissions, the company implements energy management strategies and conducts employee training to enhance awareness about energy efficiency, thereby reducing overall emissions. Furthermore, Otsuka Information is planning to adopt a carbon-neutral strategy in the future to showcase its commitment to environmental stewardship and sustainability.

Starting in 2024, the company will progressively develop a comprehensive GHG inventory framework and begin disclosing emissions data. The initial phase will focus on Scope 2 emissions for the Taiwan parent company. In 2025, the company plans to expand its inventory to include emissions data from its subsidiary service locations. By 2026, Otsuka Information expects to have fully verified GHG emissions data for both individual and consolidated financial reports of its subsidiaries.

In 2024, Otsuka Information’s electricity consumption in Taiwan was approximately 323,734 kWh, leading to an estimated 153,450 kg of CO_2 emissions.

Greenhouse Gas Emissions

Unit: Metric Tons CO2e

Greenhouse Gas Emissions	Emissions	
	2023	2024
Scope 1 Emissions	209	189
Scope 2 Emissions	147	153
Total Emissions	356	342
Scope 1 and Scope 2 Combined Emissions Intensity (metric tons CO2e / million)	0.224	0.176

Notes:

1. Scope 1 Emissions: Gasoline used by company vehicles, including greenhouse gases such as carbon dioxide, methane, and nitrous oxide.
2. Scope 2 Emissions: Primarily from electricity consumption provided by Taiwan Power Company, including carbon dioxide.
3. The data for 2024 pertains to the Taiwan parent company, with emissions data compiled internally by the company. The emissions were estimated using the Environmental Protection Administration's (EPA) Greenhouse Gas Emissions Information Platform, but have not yet been externally verified by a third party.
4. Emission factors and Global Warming Potential (GWP) values for both Scope 1 and Scope 2 emissions are based on default values from the EPA's Greenhouse Gas Emission Information Platform.
5. Greenhouse gas emissions are compiled using the operational control method.
6. Emissions data is rounded to the nearest whole number, while emissions intensity data is rounded to three decimal places.
7. Emissions data is based on fuel purchase records and electricity consumption data from Taiwan Power Company, and calculated using GWP ratios, emission factors, and mass balance methods.
8. Revenue per employee for 2023 and 2024 was calculated based on total revenues of NT$1,589.6 million and NT$1,948.3 million, respectively.

Energy Conservation Management and Effectiveness 302-4

Electricity Management Goals at Otsuka Information:

Due to the growth of the information services business and the ongoing expansion of semiconductor testing services, the increased installation of equipment has made it challenging to control the rise in electricity consumption. Nevertheless, we continue to focus on implementing energy-saving initiatives and improving equipment

energy efficiency to achieve carbon reduction outcomes:

- Full adoption of energy-efficient lighting across all office spaces.
- Utilization of an environmental control system combined with power sequencing controls for energy-saving measures, which manage the operation of lights and air conditioning to minimize unnecessary electricity consumption.
- Turning off lights during lunch breaks.
- Prioritizing the purchase of electrical equipment that meets energy-saving certification standards.
- Maintaining a stable office temperature of 25°C throughout the year for air conditioning to ensure consistent energy use.
- Planning for the integration of renewable energy sources.

5.1.4 Water Resources and Wastewater Management TC-SI-130a.2

As an information service provider, Otsuka Information regards water conservation and the protection of water resources as a key responsibility. All water used is supplied by the municipal water company; no groundwater or other sources are utilized, and the water source is not located in areas with high or extremely high water stress. Operational activities generate only general domestic sewage, with no industrial wastewater from production processes, and there is no water consumption associated with the Company's products or services.

Water usage statistics over the years:

Year	Total Water Withdrawal (i.e., total water discharge) million liters (thousand cubic meters)	Total water consumption million liters (thousand cubic meters)	In areas with high or extremely high baseline water stress	
			Dosage (%)	Consumption (%)
2023	0.261	0	0	0
2024	0.310	0	0	0

In 2024, Otsuka Taiwan's Banqiao headquarters consumed 0.310 million liters (thousand cubic meters) of water, representing an increase of approximately 18.77% compared to the previous year. This rise was mainly due to employees spending more time in the office as a result of promoting remote conferencing. Although the water reduction target set in 2023 was not achieved, overall efforts contributed to a significant annual revenue increase of 22.56%. Otsuka Taiwan will continue to promote water conservation and waste reduction awareness among employees, with a target of reducing water consumption by 2% annually, as outlined below:

- Raising awareness among employees about the importance of water conservation.
- Promptly notifying building maintenance staff if water supply equipment is found to be malfunctioning to prevent unnecessary water wastage.
- Conducting regular checks and maintenance of drinking water systems, including replacing filters to improve water usage efficiency.
- At the Banqiao headquarters, automatic sensor faucets, toilet flush volume control devices, and a rainwater harvesting system have been installed in the office building to help achieve water conservation goals.
- Adjust the water valve flow rate to prevent excessive water consumption.

5.1.5 Waste Management and Resource Recycling 306-1、306-2

Waste Management

Otsuka's primary business activities involve software sales and providing technical services. The waste generated is mostly general office waste and recyclable materials, with no hazardous waste produced. As such, the environmental impact is minimal. However, since waste is managed by qualified service providers contracted by the building management centers at each office location, it is not possible to accurately measure the amount of waste generated. Nonetheless, employees are consistently encouraged to follow waste sorting practices in order to minimize the environmental impact and maximize the reuse potential of recyclable materials.

The company's waste management practices are in accordance with the established procedures for information processing, asset management, and fixed asset management. When IT equipment is decommissioned, media storage devices are physically destroyed to prevent data retrieval. The materials are then sent to certified recycling companies for proper disposal, ensuring no information leakage and adhering to waste reduction, pollution prevention, and recycling principles.

Measures to Reduce Waste Generation

- For paper without confidential or personal data, waste paper is reused, serving as a reminder for employees to conserve paper. Employees are required to use double-sided printing and recycle single-sided paper for reuse.
- For paper containing confidential or personal data, the company accumulates a sufficient quantity before scheduling periodic destruction through professional services to comply with data protection regulations.
- Replacing paper-based application forms with electronic versions through the BPM system.
- Based on the paper purchase volume across Otsuka Taiwan's operating locations, the estimated paper consumption per unit of revenue in 2024 is 0.05 thousand sheets.

Year	Purchase quantity (thousand sheets)	Paper consumption per unit of revenue (thousand sheets/NT$ million)
2024	97.5	0.05

Note: The paper consumption per unit of revenue in 2024 is calculated based on total revenue of NT$1,948.3 million.

CH6 Sustainable Workplace and Health

6.1 Talent Recruitment and Development

Management of Material Topic –Talent Recruitment and Development

Material Topic	Talent Recruitment and Development		
Impact Description	■ Positive: The recruitment and retention of talented individuals, combined with internal training to continuously enhance employees' professional skills, leads to improved service quality and generates positive impacts for the company. ■ Negative: Without a competitive retention system and benefits, the company risks losing talent, leading to a disruption in experience and technological expertise, which can negatively affect operations and profitability.		
Policy / Commitment	The company will continue to implement employee training programs and offer enhanced career development opportunities. Career development meetings are held biannually to track and assess employees' career growth, ensuring that talent is well-positioned within the company.		
Actions Taken	Develop an online training platform that provides new employee onboarding, professional courses for business and engineers, and general courses such as accounting and cybersecurity. Organize technical training sessions where senior staff members share their practical knowledge and experiences.		
Follow-up Evaluation Mechanism	The Human Resources and Administration Department at the Corporate Affairs Management Departmen is primarily responsible for HR functions and regularly evaluates employee retention and recruitment performance.		
Management Goals	Short-term Goal (2026)	Mid-term Goal (2028)	Long-term Goal (2030)
	Achieve a new employee retention rate of over 75%.	Achieve a new employee retention rate of over 77%.	Achieve a new employee retention rate of over 80%.
Annual Performance	Average employee tenure: 7.11 years New employee retention rate: 62.7% Total training hours in 2024: 4,990 hours, with an average of 27.7 hours per employee.		

Stakeholder Engagement	Talent is a vital asset to Otsuka's sustainable development. The company attracts top talent by offering a supportive workplace environment and comprehensive benefits, which helps to increase retention rates. Additionally, employees place a high value on a company's capacity to foster technical growth, which is why Otsuka has built a comprehensive training system, including online courses, technical and business development programs, management training, and onboarding for new employees. Regular career planning meetings and performance evaluations are conducted across departments, with structured systems for promotions and job rotations.

6.1.1 Human Resources Structure and Talent Recruitment 2-7、2-8、TC-SI-330a.1、TC-SI-330a.3

As of December 31, 2024, the Otsuka Group employed 203 full-time employees, with no significant changes in employee numbers during the reporting period. The company operates in Taiwan, Shanghai, Dongguan, and Kunshan, and as a result, the majority of the workforce is composed of local hires, with the proportion of local employees exceeding 99.01%. Otsuka strictly complies with all labor laws and regulations enforced by local authorities, and has never employed child labor. In cases where foreign workers are employed, Otsuka follows all relevant local legal requirements. Our company assists employees with the work visa process. Currently, there are two employees at each business location who require work visas in their country of employment, representing 0.99% of the total workforce. The key risks in hiring foreign employees relate to retention, including potential challenges arising from cultural differences, discrimination, or unequal treatment. To address these risks, Otsuka has established a "Human Rights Policy" aligned with the principles of international human rights conventions, aiming to minimize potential recruitment and employment risks.

Otsuka is committed to promoting diversity and inclusion in the workplace. Recruitment, compensation, and benefits are provided equally regardless of gender, age, nationality, race, religion, or job position. The gender ratio of employees is approximately 1:1.28. In addition to the 203 employees, as of December 31, 2024, the company had two non-employee workers hired through outsourcing: one cleaning staff member responsible for maintaining the work environment, and one professional blind massage therapist who was hired specifically to enhance employee welfare and support disadvantaged groups. There were no significant changes in the number of non-employee workers compared to previous periods or during the reporting period.

Global Workforce Structure (Categorized by Gender and Work Location)

Category	Group	Male		Female		Group Total		Work Area / Taiwan (Include EFD)		Work Area / Mainland China		Group Total	
		No.	Percentage of Group	No.	Percentage of Group	No.	Percentage of Group	No.	Percentage of Group	No.	Percentage of Group	No.	Percentage of Group
Employment Type	Permanent Employees (or Indefinite Contract Workers)	89	100%	114	100%	203	100%	180	100%	23	100%	203	100%
	Temporary Employees (or Fixed-Term Contract Workers)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Workers with No Guaranteed Hours (or Gig Economy Workers)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Work Type	Full-time Employees (or Full-Time Workers)	89	100%	114	100%	203	100%	180	100%	23	100%	203	100%
	Part-time Employees (or Part-Time Workers)	0	0%	0	0%	0	0%	0	0%	0	%	0	0%

Note: The employee numbers as of December 31, 2024, are based on actual staff count.

As of December 31, 2024, the Otsuka Group employed 203 full-time, permanent employees across all employment types. Otsuka values employee skill development and offers a variety of technical courses to ensure employees remain up-to-date with the latest professional knowledge, thereby enhancing their business development and R&D capabilities. In addition, the company has established the Tsukako Private Tutorial online learning system, providing a diverse and convenient platform for continuous learning. Through a fair promotion and evaluation system, Otsuka attracts professionals from diverse backgrounds, fosters an inclusive work environment, and cultivates a competitive advantage in talent acquisition.

Our industry does not exhibit gender bias. In recruitment, we prioritize the professional skills and personal qualities required for each position rather than gender. We

recognize that diversity in employee backgrounds not only enhances overall performance but also fosters innovative thinking. Accordingly, we are committed to building a diverse and inclusive organizational structure, cultivating a workplace that respects differences and enables employees to realize their full potential.

Gender representation of global workforce (percentage)

Type	Female	Male	N/D
Senior management	1.48%	2.46%	0%
Non-senior management	7.88%	11.33%	0%
Technical staff	10.84%	21.68%	0%
Other	35.96%	8.37%	0%

Note: N/D, not disclosed.

Global workforce diversity representation (Percentage)

Nationality distribution (based on the employer/organization)

Type	Nationality	Foreign Nationality	N/A
Senior management	3.94%	0%	0%
Non-senior management	18.72%	0.49%	0%
Technical staff	31.53%	0.99%	0%
Other	44.33%	0%	0%

Note:

1. N/D: Not disclosed.
2. Based on information provided by the employer

The categories are defined as follows:

- **Senior Management:** Managers at grade 27 and above with internal personnel status.
- **Non-Senior Management:** Supervisors at all levels other than senior management who are also responsible for personnel management within their respective departments.
- **Technical Staff:** Personnel in technical support departments across the company's various product lines, including engineers and consultants.
- **All Other Staff:** Employees not included in the categories above, such as sales staff and other administrative personnel.

New Hires and Employee Turnover 401-1

In response to business growth and talent succession planning, Otsuka Information Group actively recruited promising talents during this period, aiming for each new employee to grow alongside the company across all aspects, including customer service, mastery of new technologies, and professional expertise. In 2024, we welcomed 59 new employees, representing 29.06% of the total workforce. Of these new hires, 43 were women, accounting for 72.88% of the total new hires, a proportion higher than that of male new hires. New employees aged between 30 and 50 accounted for the highest proportion, representing 49.15% of all new hires.

When employees resign, regardless of the reasons, we give full respect and attention to their decisions, conducting detailed exit interviews to understand areas where we can improve as a company. In 2024, 59 employees left the company, which is 29.06% of the total workforce. Among those who left, 43 were women, making up 72.88% of the total departures, with the female turnover rate being higher than the male turnover rate. The majority of departing employees were under 30 years old, accounting for 50.85% of all departures.

New Hires and Employee Turnover		2024							
		New Hires				Employee Departures			
		Male	Percentage of Group	Female	Percentage of Group	Male	Percentage of Group	Female	Percentage of Group
Taiwan	Under 30 Years Old	5	8.47%	21	35.59%	8	13.56%	22	37.29%
	30-50 Years Old	8	13.56%	21	35.59%	6	10.17%	19	32.20%
	Over 50 Years Old	1	1.69%	0	0.00%	1	1.69%	0	0.00%
Mainland China	Under 30 Years Old	2	3.39%	0	0.00%	1	1.69%	0	0.00%
	30-50 Years Old	0	0.00%	1	1.69%	0	0.00%	2	3.39%
	Over 50 Years Old	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total Employees		203							

Total New Hires	59
New Hire Rate (%)	29.06%
Total Departures	59
Turnover Rate (%)	29.06%

Note: Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation; employee statistics for Mainland China include Otsuka Software Trading (Dongguan) Ltd. and OITC Information Technology (Shanghai) Ltd.

6.1.2 Compensation and Performance Evaluation System

Ratio of basic salary and remuneration of women to men 405-2

Otsuka has established salary standards that are based on employees' job functions and educational backgrounds. The company ensures that there are no discrepancies in compensation based on gender, race, or age. Additionally, employee salaries are competitive within the industry.

Key Operational Locations: Taiwan	2024		
Employee Category	**Salary**	**Bonus**	**Total Compensation**
Management	1.27:1	1.06:1	1.15:1
Non-Management	1.36:1	0.99:1	1.22:1

Key Operational Locations: Mainland China	2024		
Employee Category	**Salary**	**Bonus**	**Total Compensation**
Management	1.14	1.92:1	1.29:1
Non-Management	1.31	1.05:1	1.27:1

Notes:

1. Otsuka Information Technology Group's key operational locations are those registered as companies under local laws, which include both Taiwan and Mainland China.
2. Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation; employee statistics for Mainland China include Otsuka Software Trading (Dongguan) Ltd. and OITC Information Technology (Shanghai) Ltd.
3. Management positions are defined as roles at the department level or above.
4. In the table, the salary ratio for female employees is set to 1.

Ratio of Standard Entry-Level Wage by Gender Compared to Local Minimum Wage 202-1

Otsuka maintains a competitive and equitable compensation system. Initial salaries for all positions are set based on a thorough assessment of job responsibilities, required skills, and the candidate's educational and professional qualifications, without discrimination based on gender, ethnicity, or age. The total compensation package comprises base salary, benefits, bonuses, and other employee entitlements. To promote fairness and incentivize performance, the company conducts semi-annual performance evaluations, which guide bonus allocation and promotion decisions. In 2024, the minimum wage in Taiwan was NT$27,470, while the average in Mainland China was RMB 2,200. As shown in the table below, the starting wages at all locations exceed the local minimum wage, with entry-level positions surpassing basic wage standards regardless of gender.

Comparison of Key Operational Locations with Local Minimum Wages				
Item	Taiwan		Mainland China	
	Male	Female	Male	Female
Ratio of Entry-Level Wage to Local Minimum Wage	1.75	1.28	4.10	3.13

Basic Salaries by Job Category (Non-Managerial Employees)				
Region	Taiwan		Mainland China	
Item	Male	Female	Male	Female
Sales Staff	1.37	1	0.70	1
Support Staff	1.39	1	-	-
Administrative Staff	1.12	1	-	-

Notes:

1. Otsuka Information Technology Group defines key operational locations as those registered as companies under local laws, including Taiwan and Mainland China.
2. Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation; employee statistics for Mainland China include Otsuka Software Trading (Dongguan) Ltd. and OITC Information Technology (Shanghai) Ltd.

Otsuka upholds an equal pay policy, ensuring compensation does not vary based on race, religion, gender, marital status, age, or other factors. Salaries are structured within a total compensation framework, balancing salaries, benefits, bonuses, and rewards. Any differences in pay are based on operational needs and

individual performance, ensuring compliance with industry standards and equity.

Performance Appraisal 404-3

Otsuka conducts biannual performance appraisals, with evaluation criteria tailored to specific job roles and positions. These criteria are regularly reviewed to ensure relevance and effectiveness. Outstanding performers are rewarded with opportunities for promotion, salary adjustments, and bonuses, promoting mutual growth between employees and Otsuka to achieve shared success. While performance appraisals cover all employees, those still in their probationary period are excluded to maintain fairness. In 2024, 86% of employees participated in the appraisal process.

2024 Performance Appraisal Participation - By Hierarchical Level	Employees Appraised			Percentage of Total Employees
	Male	Female	Total	
Management	27	18	45	22%
Non-Management	56	75	131	65%

2024 Performance Appraisal Participation - By Job Category	Employees Appraised			Percentage of Total Employees
	Male	Female	Total	
Sales/Project Managers	17	45	62	31%
Support Staff	60	18	78	38%
Administrative Staff	6	30	36	18%

Notes:

1. The Otsuka Information Group had 203 employees in 2024.
2. Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation; employee statistics for Mainland China include Otsuka Software Trading (Dongguan) Ltd. and OITC Information Technology (Shanghai) Ltd.
3. Management refers to employees holding department-level managerial positions or higher.

Career Development Plan

Otsuka conducts biannual career meetings, bringing together the General Manager, Corporate Affairs Management Department, and department heads to review

employees' career development. These meetings aim to identify outstanding and high-potential talent, perform competency assessments according to professional backgrounds, and implement tailored career development and training programs. Employees with suboptimal performance are provided with timely feedback, potential adjustments to their work direction, or structured performance improvement plans to facilitate their professional growth and career advancement.

6.1.3 Talent Development and Career Growth

Proportion of Senior Management Hired from the Local Community 202-2

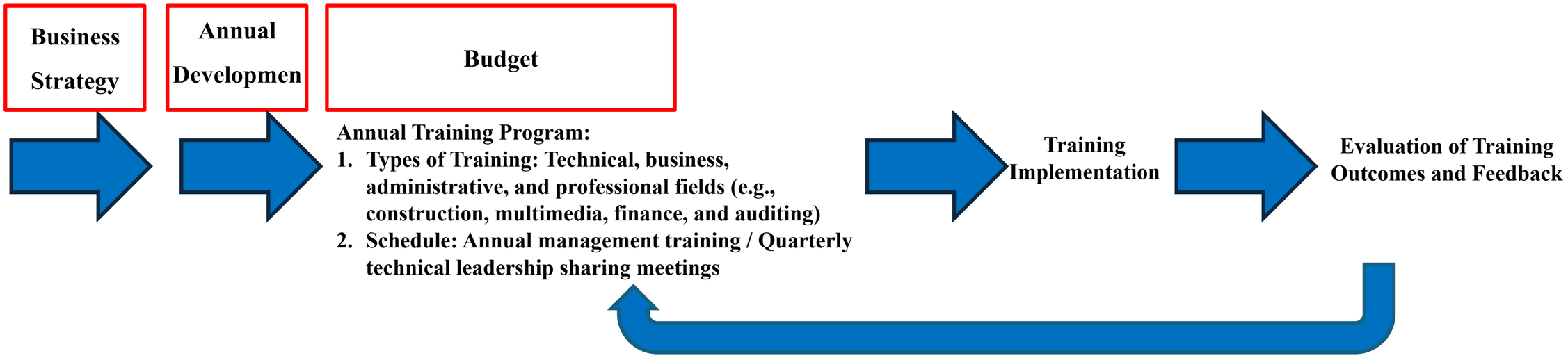
Otsuka prioritizes the development of local management talent as a strategic objective. Key operating locations are defined as entities registered under local laws, including Taiwan and mainland China. In 2024, all senior management (100%) at these locations were local residents, reflecting the company's successful implementation of its talent localization policy. Moving forward, Otsuka Information Group will continue to expand local leadership and cultivate high-potential local talent through targeted internal training initiatives. Senior management comprises nine individuals publicly disclosed on the company's website, and "local" refers to personnel who are residents of the country where the operating location is based.

Employee Training and Development 404-1、404-2

Otsuka maintains a long-term functional structure designed to support its operational strategy. In 2024, the company delivered 4,990 hours of training, averaging 27.7 hours per employee, across sales, technical, and administrative roles. Training participation in technical and engineering positions was slightly higher for men than women, reflecting minor differences in course density.

Talent development is guided by the principle that employee growth drives corporate success. Training initiatives focus on three key areas: onboarding for new employees, professional functional development, and management skill cultivation. Digital learning via multiple channels, including the Tsukako Private Tutorial platform, provides employees with flexible, on-demand access to resources while reducing the environmental impact of in-person sessions.

Programs address general knowledge, product expertise, and role-specific competencies. Employees can tailor their learning pathways and supplement with external courses to acquire additional skills required for career progression. Biannual career development meetings allow management to review individual plans, allocate resources, and create structured promotion and rotation opportunities. In 2024, 46 employees advanced to higher grades through this system.


Business Strategy
Annual Developmen
Budget
Annual Training Program:
1. Types of Training: Technical, business, administrative, and professional fields (e.g., construction, multimedia, finance, and auditing)
2. Schedule: Annual management training / Quarterly technical leadership sharing meetings
Training Implementation
Evaluation of Training Outcomes and Feedback

Average Training Hours by Hierarchical Level	2024		
	Male	**Female**	**Total**
Management	74.56	59.03	68.06
Non-Management	17.93	13.25	15.06
Average Training Hours by Job Category	**Male**	**Female**	**Total**
Sales	50.52	25.39	32.82
Engineers	32.70	24.47	30.13
Administrative	41.51	12.35	15.62

Notes:

1. Management positions refer to department-level managers and above.
2. Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation

Total Training Hours	4989.74
Average Training Hours per Employee	27.72
Total Training Costs (NTD)	212,181
Average Training Cost per Employee (NTD)	1,179

Note: Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation

Region	2024			
	Male		Female	
	Total Training Hours	Average Training Hours	Total Training Hours	Average Training Hours
Taiwan	2814.16	36.08	2175.58	21.33

Note: Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation

Training Program	Description	Quantitative Results	Employee Participation Rate
New Employee Training	Designed to help new hires adapt to the corporate environment and understand the company culture, this program features the Sishutang E-Training platform, which offers 173 professional training videos. These resources help new employees integrate smoothly and improve retention rates. The platform is continually updated to provide the latest industry knowledge and technical skills. This program aims to enhance professional competencies and establish a solid foundation for long-term career growth within the company. In 2024, Otsuka introduced a corporate human rights advocacy course to help employees fully understand major corporate human rights issues, including the rights of underage workers, occupational health and safety, prohibition of forced labor, fair wages and benefits, gender equality in the workplace, and support for employees with disabilities. This initiative reinforces a corporate culture of respect, inclusion, and responsible practices in daily work.	Total course views: 1,876 Total learning hours: 462	**40.56%**

Training Program	Description	Quantitative Results	Employee Participation Rate
Role-Specific Training	To adapt to the rapidly changing market environment and enhance organizational competitiveness, the company continues to advance its professional and technical capabilities development program. This is achieved through regular cross-departmental meetings and technology sharing sessions, fostering knowledge exchange and continuous internal learning. Despite resource constraints, the company maintains high-performance technical services to support business growth and meet customer needs. Continuous optimization of operational processes not only improves efficiency but also enhances service quality. The establishment of a value-driven sales process strengthens collaboration between technology and business teams, further improving overall effectiveness. The second quarter development plan emphasizes four key areas: organizational structure, product expertise, skills enhancement, and task execution. These initiatives demonstrate the company's commitment to professional growth, strategic planning, and technology-driven innovation. By strengthening internal capabilities and value-added services, the company is laying a solid foundation to meet market challenges and fulfill its vision of "changing the present, starting the future."	Four technical supervisor training sessions were held, totaling 24 hours. Ten training sessions for technical staff were held, totaling 71.5 hours.	**45.56%**

Training Program	Description	Quantitative Results	Employee Participation Rate
Management Skills Training	• Gain a clear understanding of corporate policies, strategic direction, and ensure adherence to company rules and discipline. • Strengthen interpersonal communication, adaptability, and cross-functional collaboration to enhance leadership and management capabilities in various contexts. • Build robust decision-making and problem-solving skills. • Effectively communicate employee development plans, motivational strategies, and initiatives for talent retention.	In 2024, eight management meetings were held, totaling 90 hours, with an average of 29 participants per session. These meetings focused on market development planning and the establishment of annual operational goals. Through cross-departmental sharing and strategic discussions, the management team enhanced their understanding of the company's overall development direction and strengthened alignment in decision-making. This enabled each department to clearly grasp key projects and prioritize resource allocation. Audit personnel and their agents received 35 hours of specialized training. The courses covered greenhouse gas inventory audits, lending and guarantees, asset acquisition and disposal regulations and practices, emerging challenges for internal auditors in sustainability information disclosure and management policies, a brief overview of the code of conduct for listed companies, and legal considerations for preventing sexual harassment, power harassment, and workplace bullying.	**32.22%**

Training Highlights

Highlight Initiatives

Metrics Sharing Platform Launch

Launched in 2024, the "Metrics Success Story Sharing Platform" highlights the effectiveness of key client and team technical collaboration cases. Top-performing cases are selected quarterly, promoting technical knowledge exchange, sales experience transfer, and teamwork. Selected cases are also transformed into internal learning materials, serving as valuable resources for cultivating technical talent.

Annual Technical Leadership Training

In 2024, the company launched the "New Talent Development Program," reflecting its annual operational slogan: "Dedicated to nurturing talent, welcoming new customers to win the future." The program established a systematic training pathway to comprehensively develop emerging technical talents. Multi-product installation certification courses were introduced using best-selling core products as examples, providing in-depth analysis and hands-on exercises from mainframe to end-user. The program ensured that participants not only mastered core technologies but also acquired cross-domain integration capabilities, enhancing their ability to adapt to new market demands and drive future competitiveness and partnerships.

Annual Leadership Training

In 2024, Otsuka continued to advance its recruitment and talent development strategy by planning diverse training programs to strengthen key managerial functions. The company regularly held annual manager workshops lasting two to three days, featuring workshops, group discussions, case studies, in-depth dialogues, and vision planning. These sessions focused on developing leadership potential, enhancing cross-departmental collaboration, and reinforcing professional capabilities. Through this integrated learning approach, managers improved teamwork and leadership skills, laying a solid foundation for employee career development and the company’s sustainable growth.

Qualitative and quantitative objectives

Qualitative Objectives	● Otsuka has established a systematic and comprehensive training system for managers and technical teams to foster continuous talent growth and skill development. ● The program aims to strengthen leadership potential and foster cross-departmental collaboration, enhancing team efficiency in resource integration and problem-solving. ● The program seeks to cultivate managers’ and team members’ alignment with and commitment to the company’s culture, vision, and core values.

	● Through practical exercises and case studies, the program enhances technical proficiency and management decision-making, thereby strengthening overall market competitiveness.
Quantitative Objectives	● The cumulative number of participants in the annual technical supervisor training program exceeds 117. ● At least one supervisor workshop of two days or longer is held annually, achieving a participation rate of over 90%. ● Multi-product installation certification courses are launched and completed, covering a minimum of three main product lines.

Highlight Description

Training Focus Areas	Description	Training Design	Qualitative Outcomes
Annual Supervisor Training	The training program, focusing on "Dedicated Talent Development, Welcoming New Customers, and Winning the Future," aims to establish a comprehensive development system that enhances employees' professional competencies and leadership. Through a variety of courses and practical training, the program strengthens cross-departmental collaboration and technological integration skills, enabling employees to better understand market trends and customer needs. Participants are encouraged to embrace challenges in their growth journey and collaborate to build a more resilient and innovative future for the Company.	• Deepen professional expertise and enhance technological influence • Leadership development and initiating key talent growth initiatives • Goal setting, tasks, and systemic communication • Planning long-term career development The course, delivered in a lecture format, explores how business leaders can effectively manage pressure and challenges while exerting positive influence. It emphasizes teamwork and the cultivation of a long-term value mindset. Through the exchange of ideas and practical applications, the program further strengthens leadership capabilities and team development strategies, laying a solid foundation for future implementation.	● **Enhancing Team Leadership and Management Effectiveness:** Through systematic training, employees experience notable improvements in leadership and team management capabilities. They are better equipped to lead teams effectively, address cross-departmental challenges, and strengthen cohesion and overall operational efficiency. ● **Optimizing Cross-Departmental Collaboration and Communication Mechanisms:** The training enhances employees' coordination and understanding in interdepartmental communication, minimizing errors and delays in information flow. This facilitates smoother collaboration, accelerates project execution, and promotes greater integration across workflows. ● **Strengthening Adaptability and Innovative Problem-Solving Skills:** Through scenario simulations and case studies, employees learn to identify issues efficiently, develop practical solutions, and foster innovative thinking. These capabilities enable the organization to adapt and innovate amid dynamic and uncertain environments.

Future Plans

To sustain the effectiveness of the training and broaden its impact, a more comprehensive and multi-tiered development program will be implemented in the future:

Deepen The Leadership Development Plan	The Company incorporates leadership development into its long-term organizational strategy, implementing differentiated training programs for various management levels. Advanced leadership practice courses are specifically designed for middle and senior managers to enhance their strategic vision, decision-making capability, and organizational influence, thereby fostering a sustainable leadership pipeline.
Promote Cross-Departmental Practical Application Mechanisms	Each year, the Company designs cross-departmental practical assignments and encourages trainees to engage directly in corporate projects upon completion of their training. This initiative facilitates the application of learning outcomes to real business contexts, enhancing employees' communication, coordination, and integrated execution capabilities, while reinforcing the linkage between talent development and organizational performance.

Management Mechanism and Effectiveness Monitoring

To ensure the training's effectiveness extends to practical application, the following measures will be implemented for continuous tracking and reinforcement:

Performance Evaluation and Regular Review: Following the course completion, training effectiveness will be evaluated quarterly. This will involve specific observation and quantitative analysis of participants' leadership performance, cross-departmental collaboration, and other aspects. The direction and content of subsequent training will be adjusted based on the evaluation results.

Integration into Personal Development: Training outcomes will be incorporated into employees' personal development plans and linked to annual performance evaluations, ensuring that learning outcomes continue to extend to workplace practice. Direct supervisors will provide regular feedback and guidance to assist employees in enhancing their professional skills and work performance.

6.2 Human Rights and Employee Welfare

Management of Material Topic –Human Rights and Employee Welfare

Material Topic	Human Rights and Employee Welfare		
Impact Description	■ Positive: Creating a diverse corporate environment has a positive impact on enhancing employees' perspectives and contributing to business expansion. ■ Negative: Any violation of human rights could raise concerns about the protection of employees' rights, potentially damaging the company’s reputation significantly.		
Policy / Commitment	Compensation and welfare standards exceeding industry norms. Ongoing optimization of employee care and welfare systems. A commitment to respecting and protecting human rights while complying with relevant labor laws in the company's operating regions.		
Actions Taken	Adherence to the principles of human rights protection as outlined in international conventions and basic human rights guidelines. Internal regulations, including the "Human Rights Policy," "Sexual Harassment Prevention and Disciplinary Procedures," and "Employee Conduct Complaints Procedures." To alleviate workplace stress, external personnel provide massage services for visually impaired employees at scheduled times.		
Follow-up Evaluation Mechanism	A robust complaint mechanism and communication channels. Labor-management meetings and employee welfare discussions are held regularly through the employee welfare committee, fostering open communication and ensuring harmonious labor relations.		
Management Goals	Short-term Goal (2026)	Mid-term Goal (2028)	Long-term Goal (2030)
	Maintain a record of zero human rights violations. Conduct human rights due diligence to safeguard employee rights and	Maintain a record of zero human rights violations. Carry out human rights due diligence, using risk identification and assessment	Maintain a record of zero human rights violations. Enhance the management of human rights risks and continue optimization of

	address key human rights concerns.	results to implement effective risk mitigation strategies.	related processes.
Annual Performance	No incidents of human rights violations reported. Two foreign employees hired.		
Stakeholder Engagement	Biannual employee performance evaluations and career meetings are conducted to guide promotions and career development planning. The company regularly holds employee welfare committee meetings and labor-management meetings to ensure ongoing communication and collaboration. Additional policies include the "Human Rights Policy," "Sexual Harassment Prevention and Disciplinary Procedures," and "Employee Conduct Complaints Procedures," which protect employees' rights in the workplace. The company also provides an open platform for employees to submit suggestions or complaints regarding welfare, labor relations, promotions, training, and environmental safety protocols.		

6.2.1 Human Rights Protection

Human Rights Commitment and Policy 2-23、406-1、411-1

In order to uphold the company's commitment to respecting human rights, we strictly comply with domestic labor and relevant regulations. In 2024, the company established a "Human Rights Policy," which was approved by the General Manager and announced as the guiding principle for Otsuka's human rights governance efforts. This policy aligns with and adheres to the principles and spirit outlined in international human rights conventions such as the United Nations' "Universal Declaration of Human Rights," the "Global Compact," and the International Labour Organization's "Declaration on Fundamental Principles and Rights at Work," furthering our ESG policies and mission. The policy applies to all employees, suppliers, and business partners.

Each policy commitment is first proposed and drafted by the relevant departments. After being reviewed and optimized by the Corporate Sustainability Promotion Team, the proposal is submitted to the General Manager for final approval. The company will release these commitments at the appropriate time.

This commitment applies to the company, its subsidiaries, and all commercial partners, including suppliers.

To ensure the effective implementation of our human rights commitment, the company has instituted the Otsuka Human Rights Due Diligence Process. This process evaluates the company's operations, value chains, new business ventures (including mergers, acquisitions, and joint ventures), and other related activities to identify and assess groups at risk and potential human rights concerns, ensuring full adherence to the human rights policy.

Five Steps of Human Rights Due Diligence

① Establishing a Human Rights Policy

To uphold our corporate social responsibility and ensure human rights protection, our company has established a human rights policy tailored to the organization. This policy is designed to eliminate any actions that could result in human rights violations.

② Identifying Human Rights Risks

The members of the Corporate Sustainability Promotion Taskforce Team are responsible for identifying and addressing human rights-related issues, such as workplace injuries, occupational health and safety concerns, and discrimination.

③ Risk Assessment and Analysis

Each identified human rights issue is evaluated using risk assessment tools to determine the level of risk involved.

④ Developing Relevant Management Measures

We conduct an inventory of human rights issues within our value chain and develop appropriate measures to mitigate and remediate potential risks.

⑤ Tracking and Improvement of Non-compliance

We track progress and assess the effectiveness of corrective actions, ensuring that human rights are managed effectively within the organization.

Our company is committed to treating all employees fairly and with respect, in accordance with the United Nations Universal Declaration of Human Rights and relevant domestic regulations. In the areas of recruitment, hiring, promotions, job assignments, training, and employee benefits, we ensure that there is no discrimination based on race, color, gender, religion, political beliefs, nationality, social background, or any other factors related to internal or external stakeholders. The company has established grievance procedures, including Employee Conduct Complaints Procedures and Sexual Harassment Prevention and Disciplinary Procedures. These systems offer employees avenues for complaints and ensure a harassment-free workplace. In 2024, no employee complaints related to discrimination or harassment were received.

Our company maintains a strict no-tolerance policy for discrimination in the workplace and provides clear channels for employees to raise concerns if their rights are violated or if they face improper treatment that cannot be resolved reasonably. In 2024, there were no incidents reported involving violations of indigenous peoples' rights.

Diversity in Governance and Employees 405-1

Employee Diversity

Otsuka is committed to labor rights and complies with both international human rights standards and domestic labor laws. The company has implemented personnel management regulations that ensure equal employment opportunities for all job applicants, as stipulated by the Employment Service Act. We prohibit any discrimination based on race, class, language, religion, political affiliation, place of origin, gender, sexual orientation, age, marital status, physical appearance, or disabilities, whether physical or mental. As of 2024, Otsuka employed 203 individuals. Among these employees were 114 women (56.16%) and 89 were men (43.84%). The majority of employees, 67.99%, were between the ages of 30 and 50.

Diversity in Governance and Employees

Category	Gender	Age Group	2022		2023		2024	
			Board Member	% of the Board	Board Member	% of the Board	Board Member	% of the Board
Governance Team Members	Male	Under 30	-	-	-	-	-	-
		30~50	4	40%	4	40%	4	40%
		Over 50	4	40%	4	40%	4	40%
	Female	Under 30	-	-	-	-	-	-
		30~50	-	-	-	-	-	-
		Over 50	2	20%	2	20%	2	20%
Total			**10**	**100%**	**10**	**100%**	**10**	**100%**

Employee Diversity by Category

Category	Gender	Age Group	2022	% of Total Workforce	2023	% of Total Workforce	2024	% of Total Workforce
Management	Male	Under 30	0	0%	0	0%	0	0%

		30~50	19	10.33%	17	8.37%	18	8.87%
		Over 50	6	3.26%	6	2.96%	10	4.93%
	Female	Under 30	0	0%	0	0%	0	0%
		30~50	10	5.43%	14	6.90%	13	6.40%
		Over 50	3	1.63%	3	1.48%	5	2.46%
Non-Management	Male	Under 30	15	8.15%	16	7.88%	11	5.42%
		30~50	31	16.85%	43	21.18%	44	21.67%
		Over 50	6	3.26%	6	2.96%	6	2.96%
	Female	Under 30	42	22.83%	41	20.20%	28	13.79%
		30~50	48	26.09%	53	26.11%	63	31.03%
		Over 50	4	2.17%	4	1.97%	5	2.46%
Total			184	100.00%	203	100.00%	203	100.00%

Note: Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation; employee statistics for Mainland China include Otsuka Software Trading (Dongguan) Ltd. and OITC Information Technology (Shanghai) Ltd.

Employee Diversity and Inclusion

Category	Gender	Age Group	2022	% of Total Workforce	2023	% of Total Workforce	2024	% of Total Workforce
Indigenous Peoples	Male	Under 30	-	-	-	-	-	-
		30~50	1	0.54%	1	0.49%	1	0.49%
		Over 50	-	-	-	-	-	-
	Female	Under 30	-	-	1	0.49%	1	0.49%
		30~50	-	-	-	-	-	-
		Over 50	-	-	-	-	-	-
People with Disabilities	Male	Under 30	-	-	-	-	-	-
		30~50	-	-	-	-	-	-
		Over 50	1	0.54%	1	0.49%	1	0.49%
	Female	Under 30	-	-	-	-	-	-
		30~50	-	-	-	-	-	-
		Over 50	-	-	-	-	-	-
Total			2	1.08%	3	1.48%	3	1.48%

Note: Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation; employee statistics for Mainland China include Otsuka Software Trading (Dongguan) Ltd. and OITC Information Technology (Shanghai) Ltd.

Shortest Notice Period for Operational Changes 402-1

To safeguard employee rights and ensure healthy two-way communication, the company uses labor-management meetings, welfare committee meetings, and employee suggestion boxes as channels for discussion before implementing any actions. The company’s employee handbook and individual labor contracts outline the legally required minimum notice periods. In cases of significant operational risks, the company will notify employees in advance, as stipulated by the "Labor Standards Act": For employees with 3 months but less than 1 year of service, a 10-day notice is required. For employees with more than 1 year but less than 3 years of service, a 20-day notice is required. For employees with more than 3 years of service, a 30-day notice is required.

6.2.2 Collective Bargaining and Employee Communication 2-30

Otsuka does not currently have a labor union, and therefore, no collective bargaining agreements are in place. To protect employee rights and maintain effective communication, the company fosters multiple channels for feedback and regularly holds labor-management meetings, welfare committee meetings, and provides an employee suggestion box. Additionally, weekly company-wide meetings are held to communicate company policies. Going forward, the company will continue to prioritize positive interactions with employees, comply with local labor laws, and promote a harmonious and mutually beneficial work environment through diverse communication methods.

6.2.3 Employee Occupational Safety and Health Management

Hazard Identification, Risk Assessment, and Accident Investigation 403-2

To ensure effective occupational safety and health management, the company adheres to the Ministry of Labor’s "Occupational Safety and Health Act" and "Occupational Safety and Health Organizational Management Regulations." The company has also developed "Labor Safety and Health Guidelines" to provide a safe, healthy, and comfortable work environment for employees. There were no occupational accidents in 2024.

Otsuka actively identifies and assesses potential risks in relation to workplace operations and services during quarterly risk management evaluations. These assessments include, but are not limited to, potential hazards that could cause employee injury or accidents. Risks and opportunities are evaluated, and the effectiveness of control measures is reviewed to update relevant policies and goals, with the aim of continuously improving occupational safety and health performance. Since the company focuses on providing information services, the risk of workplace injuries or accidents is relatively low. However, we continue to raise awareness among employees on environmental, safety, and health issues. Dedicated personnel ensure the maintenance and improvement of the work environment to safeguard safety. In 2024, no significant hazard risks were identified.

The company’s work regulations comply with labor laws, safeguarding employees from any negative impact or discriminatory treatment related to their employment contracts. An employee email inbox is available, and regular labor-management meetings are held. Labor representatives are appointed from each department, and discussions at these meetings cover various labor rights issues, including occupational hazards and safety and health concerns. The company also uses its Portal’s announcement board to quickly communicate safety and health information to employees, ensuring the prevention of occupational hazards.

According to the "Occupational Safety and Health Act," if employees encounter an immediate risk while performing their duties, they have the right to stop work and move to a safe location, as long as it does not jeopardize the safety of other workers. Given that the company is a software sales and consulting firm, the risk of occupational injuries is extremely low.

In the event of a workplace accident, the department supervisor is responsible for managing the emergency and reporting it to the Human Resources Department. The HR Department will cooperate with the affected department to investigate the cause of the incident, assess the associated risks and damages, and develop appropriate response measures. These measures are then submitted to the general manager for approval and implemented by the Corporate Affairs Management Departmen. The company has not experienced any occupational accidents thus far.

Specific Measures	
Disaster Occurrence	The department supervisor responds to the emergency and reports it to the Corporate Affairs Management Departmen.
Accident Investigation	The Corporate Affairs Management Departmen works with the relevant department to analyze the incident, identify its cause, and determine how it will be addressed.
Accident Prevention	Corrective and preventive actions are put in place.
Continuous Improvement	The situation is monitored to ensure that similar incidents do not recur.

Occupational Health Services 403-3、403-6

1. Employee Health Screenings: We prioritize the physical and mental well-being of our employees. At the end of each year, we provide an employee health checkup program for all active employees. The checkups are held every two years, with employees granted half a day off to participate. During the checkup, professional staff from the medical institution provide on-site consultations and explanations of health data, ensuring early detection and timely treatment.
2. Environmental Hygiene: We ensure the maintenance and servicing of air conditioning units and cleaning of cooling towers annually. In addition, drinking water dispensers are serviced on a monthly basis to guarantee the safety and quality of drinking water.
3. First-Aid Equipment: We have installed AED devices to respond to potential cardiac emergencies. Employees are also regularly trained in cardiopulmonary resuscitation (CPR) and other first-aid techniques.
4. Security and Access Control: Access control systems are in place to manage building security, with a central monitoring system monitored by security staff around the clock.
5. Fire Safety Education: We collaborate with the building management committee to carry out fire equipment inspections and necessary improvements. The committee also appoints fire safety managers and enforces fire safety education. We organize periodic fire drills, where employees are actively involved, to strengthen fire safety awareness.

Worker Health Promotion 403-6

- Health Promotion Programs: The company supports employee well-being by offering visually impaired massage services and hosting regular health s eminars. In 2024, an environmental education workshop titled "Low-Carbon Diets and Healthy Living" was held, attracting 47 participants.
- In 2024, a beach cleanup event was organized, resulting in the collection of 226 kilograms of waste and reflecting the Company’s shared commitment to environmental sustainability.
- Variety of Club Activities: The Employee Welfare Committee subsidizes employee-led club initiatives, such as badminton clubs, encouraging staff to develop and maintain healthy lifestyles.

Occupational Injuries and Occupational Diseases 403-9、403-10

Our company’s core business involves software sales and technical support services, which presents a minimal risk for occupational injuries. Our employees primarily engage in fieldwork and business discussions with clients. In 2024, there were no severe occupational injuries or fatalities, nor were there any cases of occupational diseases. Going forward, we will continue to emphasize safety awareness and preventive measures to maintain a safe workplace environment, ensuring employees can work with peace of mind.

6.2.4 Employee Benefits and Rights

Employee Benefits 401-2

Benefits	Description
Compensation and Bonus Structure	Base Salary: Our base salary exceeds the minimum standards set by the Labor Standards Act and other applicable labor laws. Bonuses: Employees are eligible for performance-based bonuses, quarterly bonuses, mid-year bonuses, year-end bonuses, and compensation packages.
Insurance Coverage	Labor insurance, health insurance, employment insurance, and occupational accident insurance. Group insurance benefits, including life, accident, medical, cancer, and injury coverage. Business trip insurance is provided for employees traveling on company business.
Health and Wellness Programs	We conduct health screenings for employees every two years and grant half a day off to participate. Services such as blind massage, periodic health seminars on topics like low-carbon diets and healthy lifestyles, and wellness walks are also offered.
Training and Development	Our online e-training platform, "Sishutang," offers over 188 professional and general education courses. We also organize regular professional development, managerial, and company-wide training programs.
Work Schedule and Leave Benefits	We offer flexible working hours, with employees adjusting their start and end times within the framework of an 8-hour workday. The typical working hours are from 08:30-09:00 AM for starting and from 17:30-18:00 PM for ending. Our leave policies exceed the Labor Standards Act, including birthday leave, performance honor leave, reward leave for employees with over 5 years of service, travel or educational allowances, and paid leave for typhoons.
Diversity, Inclusion, and Maternal Support	To support mothers with breastfeeding needs, we have created a private, hygienic breastfeeding room. Childcare services: We partner with certified childcare providers through a special agreement offering childcare programs. Family Day events: Employees and their families are invited to participate in parent-child activities hosted by the company, fostering family engagement and contributing to a collaborative work culture.
Leave of Absence	Employees with parental responsibilities can apply for parental leave, and we offer career planning for employees returning to work. In 2024, five employees submitted applications for parental leave. Personal leave: Two employees applied for a personal leave of absence in 2024.

Benefits	Description
Employee Welfare Committee	The Welfare Committee provides gifts and bonuses for major holidays, marriage, bereavement, and birthdays, among other benefits. Employee Travel: The company organizes domestic and international trips for employees, providing public holidays for participation. Club Activities: We provide subsidies to employees who form cultural, artistic, or sports clubs.
Additional Benefits	Car purchase subsidies, parking allowances, departmental meals, year-end parties, anniversary gifts, summer polo shirts, windbreakers, and anniversary limited edition hat.
Retirement Benefits	For detailed information on retirement benefits, please refer to section 3.2.1 Economic Performance "Welfare and Retirement Plans."

Note: Otsuka Information Group’s key operational locations are defined as company-registered entities according to local regulations, including Taiwan and mainland China.

Parental Leave 401-3

In accordance with Taiwan’s "Gender Equality in Employment Act," Otsuka allows employees who need to care for newborns or young children to apply for parental leave without pay. Both male and female employees who meet the eligibility criteria are eligible to apply, and the company ensures their job positions and benefits are retained during the leave, providing meaningful support to the employees. In 2024, 15 employees were eligible for parental leave, including 5 female employees who submitted applications. Of these, 3 employees applied for reinstatement, resulting in a reinstatement rate of 75%.

Parental Leave Statistics for Otsuka Information Group

Item	2022		2023		2024	
	Male	**Female**	**Male**	**Female**	**Male**	**Female**
Eligible for Parental Leave (A)	0	4	4	7	4	11
Actual Applicants for Parental Leave (B)	0	0	1	2	0	5
Application Rate (B/A)	0%	0%	25%	29%	0%	45%
Expected Reinstatement after Parental Leave (C)	0	0	1	2	0	4
Actual Reinstatement (D)	0	0	0	2	0	3
Reinstatement Rate (D/C)	0%	0%	0%	100%	0%	75%
Previous Year Reinstatements (E)	0	0	0	0	0	2
Retention After One Year (F)	0	0	0	0	0	2
Retention Rate (F/E)	0%	0%	0%	0%	0%	100%

Note: Employee statistics for Taiwan include Otsuka Information Technology Corporate and EFD Corporation

Employee Compensation Disclosure

The salaries of our full-time employees who do not hold managerial positions have been disclosed on the Public Information Observation Station. The information can be accessed via the following path:

Public Information Observation Station > Summary Reports > Corporate Governance > Employee Benefits and Compensation Statistics > Salaries of Full-time Employees Who Do Not Hold Managerial Positions > Salary Information for Full-time Employees Who Do Not Hold Managerial Positions.

Query Link

CH7 Sustainable Community Engagement

7.1 Social Responsibility

In 2024, Otsuka Information Technology not only focused on promoting digital innovation and smart applications but also actively fulfilled its corporate social responsibility through a series of well-integrated initiatives, responding to contemporary societal expectations for care and responsibility.

We believe that corporate growth should not merely be measured by numerical achievements but should also resonate with society. From environmental protection and support for vulnerable groups to educational initiatives and talent development, we translate our commitment into tangible actions and convey “warmth beyond technology” through genuine dedication.

Activities such as beach cleanups demonstrate our environmental commitment in practice, while charity sales and fairs allow us to engage directly with children, providing companionship and support. Our donation programs for rural schools and colleges reflect a long-standing belief in planting seeds of hope and capability for the next generation.

In 2024, through these concrete actions, Otsuka Information Technology united the goodwill and efforts of all employees. We remain committed to continuing this path of meaningful engagement, ensuring that the Company not only creates business value but also serves as a positive force for social progress.

2024 Social Responsibility Highlights

Environmental Protection Activities	Care Activities	Educational Activities	Total Donation/Sponsorship Value
1 Event	3 Events	3 Events	Nt$12,531 thousand

[Moving Forward, Sustainable Future] 27th Anniversary Beach Cleanup Campaign: Contributing to Environmental Sustainability
Through this initiative, we demonstrate that sustainable practices start with individual and collective action

To uphold its ESG sustainability commitment, Otsuka Corporation, during its 27th anniversary celebration, mobilized employees and their families to participate in a hands-on beach cleanup. Approximately 80 participants worked together to remove marine debris, gaining firsthand experience in environmental stewardship and reflecting on their connection with nature.

The event notably encouraged parent-child participation. Children actively engaged in the cleanup and demonstrated curiosity about the ocean and the planet, asking

questions such as, “Why is there so much trash?” and “How can we help the ocean?” These interactions highlight the seeds of environmental awareness quietly growing in the next generation.

Environmental protection, we believe, is not merely a slogan but a lifestyle that can be practiced and passed on. On this day, participants collected a total of 226 kilograms of marine debris, contributing to the restoration of a clean coastline. The beach was renewed through their efforts, inspiring a sense of accomplishment and connection to nature.

Every participant became a friend of the ocean. Adults served as role models, and children as the future environmental protection pioneers—both essential in sustaining our planet.

Employees and their families collaborated to clean the beach, contributing to a cleaner ocean. Children actively participated, focusing on picking up litter and learning about environmental protection, cultivating sustainable habits from a young age. The 226 kilograms of waste collected reflect the Company’s tangible commitment to the environment and to the communities in which we operate.

Secondhand Charity Sale × Taiwan Fund for Children and Families Donation Project — Giving Preloved Items a New Life and Extending Love

In a small corner of our office, we quietly launched a secondhand charity sale. Employees responded enthusiastically, spontaneously donating books, toys, clothing, and everyday items—each item carrying its own story, and each transaction conveying kindness.

Despite the modest scale of the event, it stirred a wave of warmth within the company. The initial proceeds from the sale amounted to NT$21,698. To enhance the impact, the Company contributed an additional NT$28,302, bringing the total donation to NT$50,000, which was donated entirely to the Taiwan Fund for Children and Families.

This donation supports the living and educational needs of underprivileged children and led to Otsuka Information Technology being invited to participate as a sponsor in the Foundation's "Year-End Warmth" project, further extending the reach of our charitable efforts.

We firmly believe that meaningful change often begins with simple actions. Every shared resource and every contribution strengthens connections, linking care with responsibility. The collective goodwill of our employees not only nurtures internal cohesion but also allows the Company's warmth to flow to communities in need.

By turning kindness into action and love into commitment, Otsuka Information Technology continues to move forward, making a tangible and enduring response to societal needs.


Our collective acts of kindness resulted in a tangible contribution of NT$50,000. We personally delivered the donation, filled with care, to the Taiwan Fund for Children and Families. Through this initiative, employees generously donated their cherished items, transforming them into meaningful support for children in need.

AR/VR Interactive Activities × Children's Day Carnival — Let Technology Accompany Us, Let Innovation Illuminate Childhood

Otsuka Information Technology joined the annual fair organized by the Taiwan Fund for Children and Families, creating a day of laughter and learning with children through innovative activities. We set up a special AR/VR interactive experience booth, where children donned headsets and explored the fascinating world of virtual reality.

Every moment—from their focused attention to their expressions of surprise—was filled with curiosity and joy. Technology, in this context, became more than a tool; it served as a warm bridge, connecting people and fostering meaningful interaction.

This experience reinforced our belief that engagement and companionship can be both tangible and joyful. When innovation meets care, a quiet sense of inspiration emerges, encouraging us to continue infusing warmth and hope into society in diverse and meaningful ways.

We accompanied children with smiles and patience, bringing them joy and care. Through VR devices, children explored the fun of technology and embarked on an exciting digital adventure, fostering curiosity and early engagement with innovative tools.

Rural Girls' Basketball Dream Project: Supporting the Binmao Elementary School Basketball Team — An Assist Is Not Just About Winning, but About Preserving Dreams

Otsuka Information Technology recognizes that the power of dreams comes from being supported and seen. Our long-term commitment to promoting sports development in rural areas is a key part of our social responsibility initiatives. In 2024, we invested an additional NT$200,000 to support the training and

competition expenses of the Taitung Binmao Elementary School Girls' Basketball Team, aiming to help these children gain confidence and advance in their love for sports.

Our support extends beyond financial resources, encompassing practical companionship and encouragement. We arranged for staff to attend games, becoming enthusiastic cheerleaders in the stands, celebrating each basket and being inspired by the children's dedication and perseverance.

In resource-constrained rural areas, every form of attention strengthens the children's perseverance, and every act of companionship provides the courage they need to pursue their dreams. Through this initiative, we hope the children not only achieve success on the court, but also develop confidence and opportunities that allow their dreams to grow and flourish in life.

Sponsorship extends beyond providing resources; it is about helping children build self-confidence. Our staff attended the games, witnessing their perseverance and offering enthusiastic support. Every run on the court represents a step toward realizing their dreams, and every cheer reinforces their courage to continue pursuing them.

Donating a 3D Printer × Department of Mechanical Engineering, Tsinghua University — Turning Creativity into Reality and Enhancing Immersive Learning

Technology should not remain as high-end equipment confined to laboratories, but should be placed in the hands of students as a tool for creation and practical application. To support the hands-on training and creative development of engineering students, Otsuka Information Technology donated a Bambu Lab P1S Combo 3D printer, valued at NT$40,610, to the Department of Mechanical Engineering at National Tsing Hua University for teaching purposes.

This equipment is integrated into core courses such as Engineering Graphics, Mechanical Design Drafting, and Practical Mechanical Design Drafting, enabling students to fully validate design concepts from digital models to physical production. Through this process, students gain a deeper understanding of design logic while enhancing practical skills and innovative capabilities.

We believe that investing in education is investing in the future. By making creativity tangible and learning hands-on, students' potential can truly shine. We hope this donation contributes to the cultivation of future engineering talent, injecting innovation and momentum into the industry.

The 3D printing equipment we donated has become an integral part of the teaching process, embodying the concept of design as practice. It allows students to use creativity as their pen and technology as their paper, building the possibilities of the future through hands-on learning and innovative exploration.

Donation of Siemens NX Software to National Formosa University: Empowering the Future of Smart Manufacturing

To bridge the gap between academia and industry and cultivate the next generation of smart manufacturing talent, Otsuka Information Technology, in partnership with Siemens, donated 300 sets of Siemens NX advanced 3D design and manufacturing software, valued at over NT$12 million, to National Formosa University for teaching and research purposes.

The software will be applied across seven departments within the university's Mechanical Engineering program, supporting the full process from product design and engineering simulation to manufacturing, and serving as a critical digital tool for teaching and research. As National Formosa University develops fields such as smart mechanics, aerospace technology, and AI ICT, this donation strengthens the university's technological capabilities and lays a solid foundation for cultivating

future smart manufacturing talent.

In addition to the software, Otsuka Information Technology provides educational training and practical resources to help faculty and students master software operation, connect with industry-academia collaborations, and explore career opportunities, enabling students to remain closely aligned with industry trends while still in school.

We firmly believe that education is one of the most profound investments a company can make. By bringing technology into practical applications on campus, we aim to ensure that every investment in education fosters innovation not only as a skill, but also as a force for shaping the future.

We are partnering with National Formosa University of Science and Technology, providing software resources and hands-on support to actively contribute to educational development and jointly cultivate a strong talent base for the future.

Donation of Siemens NX Software to Chung Yuan Christian University: Advancing Smart Manufacturing Education and Fostering Practical Talent Development

To promote the adoption and advancement of smart manufacturing technologies, Otsuka Information Technology, in partnership with Siemens, has donated 60 licenses of NX Academic-Core & CAD and NX Academic-CAE & CAM software to Chung Yuan Christian University for teaching, research, and industry-academia collaborative courses.

This donation supports the expansion of practical-oriented professional courses, integrating digital design, engineering simulation, and manufacturing processes to

enhance students' hands-on skills and employability. In addition, Otsuka Information Technology provides technical guidance and industry resources to help faculty and students master software applications and connect academic learning with real-world industry practices.

We believe that the future of smart manufacturing and AI-driven engineering design begins on campus and extends into the field. Through this investment and collaboration, we aim to cultivate a new generation of internationally minded, skilled professionals, equipped to embrace the challenges and opportunities of the evolving industry.

Each software license serves as a source of growth for future engineers. By utilizing Siemens software in their designs, students can strengthen their practical skills and better prepare for careers in the industry.

Appendix

GRI Index

Declaration of Use	Otsuka Information Technology Corp. has followed the GRI Standards in reporting information for the period from January 1, 2024, to December 31, 2024.
GRI Standards Version	GRI 1: Foundation 2021
Application of GRI Industry Standards	Not applicable

GRI 2: General Disclosures 2021		
The Organization and its Reporting Practices		
Disclosure Item	**Corresponding Section**	**Page**
2-1 Organizational details	1.1 Business Overview	11
2-2 Entities included in the organization’s sustainability reporting	About This Report	5
2-3 Reporting period, frequency and contact point	About This Report	5-6
2-4 Restatements of information	About This Report	5
2-5 External assurance	About This Report	6
Activities and Workers		
2-6 Activities, value chain and other business relationships	1.1 Business Overview	11-16
2-7 Employees	6.1 Talent Recruitment and Development	92-95
2-8 Workers who are not employees	6.1 Talent Recruitment and Development	92-95

Governance		
2-9 Governance structure and composition	1.2 ESG Committee / Promotion Task Force	17-18
	3.1 Corporate Governance / Integrity Management	35-41
2-10 Nomination and selection of the highest governance body	3.1 Corporate Governance / Integrity Management	36
2-11 Chair of the highest governance body	3.1 Corporate Governance / Integrity Management	36
2-12 Role of the highest governance body in overseeing the management of impacts	3.1 Corporate Governance / Integrity Management	37
2-13 Delegation of responsibility for managing impacts	1.2 ESG Committee / Promotion Task Force	17-18
2-14 Role of the highest governance body in sustainability reporting	3.1 Corporate Governance / Integrity Management	37
2-15 Conflicts of interest	3.1 Corporate Governance / Integrity Management	42-43
2-16 Communication of critical concerns	3.1 Corporate Governance / Integrity Management	39
2-17 Collective knowledge of the highest governance body	3.1 Corporate Governance / Integrity Management	41
2-18 Evaluation of the performance of the highest governance body	3.1 Corporate Governance / Integrity Management	42
2-19 Remuneration policies	3.1 Corporate Governance / Integrity Management	43-44
2-20 Process to determine remuneration	3.1 Corporate Governance / Integrity Management	44-45
2-21 Annual total compensation ratio	Due to specific confidentiality requirements, the relevant information will not be disclosed.	
2-22 Statement on sustainable development strategy	Message from the Chairman	7-8
	Message from the General Manager	9-10

Strategy, Policies and Practices		
2-23 Policy commitments	2.1 Commitment to and Significance of Sustainable Development	19-21
	6.2 Human Rights and Employee Welfare	110-111
2-24 Embedding policy commitments	2.1 Commitment to and Significance of Sustainable Development	22
	3.1 Corporate Governance / Integrity Management	46-50
2-25 Processes to remediate negative impacts	3.1 Corporate Governance / Integrity Management	34
	3.2 Operational Strategies and Economic Performance	56
	3.3 Information Security and Customer Privacy Protection	60
	4.1 Sustainable Supply Chain Management	65
	4.2 Customer Relationship Management	70
	5.1 Climate Change and Adaptation	72
	6.1 Talent Recruitment and Development	91
	6.2 Human Rights and Employee Welfare	109
2-26 Mechanisms for seeking advice and raising concerns	3.1 Corporate Governance / Integrity Management	51
2-27 Compliance with laws and regulations	3.1 Corporate Governance / Integrity Management	52
2-28 Membership associations	1.1 Business Overview	17
Stakeholder Engagement		
2-29 Approach to stakeholder engagement	2.4 Stakeholder Engagement and Communication	29-33
2-30 Collective bargaining agreements	6.2 Human Rights and Employee Welfare	115

GRI 3: Material Topics 2021		
Disclosure Item	**Corresponding Section**	**Page**
3-1 Process to determine material topics	2.2 Materiality Analysis	23-24
3-2 List of material topics	2.3 Table of Material Topics and Value Chain Boundaries	28-29

Disclosure of Material Topics		
Corporate Governance / Ethical Business Practices		
Disclosure Item	**Corresponding Section**	**Page**
3-3 Management of material topics	3.1 Corporate Governance / Integrity Management	34
205-1 Operations assessed for risks related to corruption	3.1 Corporate Governance / Integrity Management	46
205-2 Communication and training about anti-corruption policies and procedures	3.1 Corporate Governance / Integrity Management	46-50
205-3 Confirmed incidents of corruption and actions taken	3.1 Corporate Governance / Integrity Management	51
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.1 Corporate Governance / Integrity Management	52
207-1 Approach to tax	3.1 Corporate Governance / Integrity Management	53
207-2 Tax governance, control and risk management	3.1 Corporate Governance / Integrity Management	53
207-3 Stakeholder engagement and management of concerns related to tax	3.1 Corporate Governance / Integrity Management	54
207-4 Country-by-country reporting	3.1 Corporate Governance / Integrity Management	55
415-1 Political contributions	Otsuka did not engage in any political donation activities in 2024.	

Operational Strategies and Economic Performance		
3-3 Management of material topics	3.2 Operational Strategies and Economic Performance	56
201-1 Direct economic value generated and distributed	3.2 Operational Strategies and Economic Performance	57
201-3 Defined benefit plan obligations and other retirement plans	3.2 Operational Strategies and Economic Performance	58-60
203-1 Infrastructure investments and services supported	3.2 Operational Strategies and Economic Performance	59-60
203-2 Significant indirect economic impacts	3.2 Operational Strategies and Economic Performance	59-60
Information Security and Customer Privacy Protection		
3-3 Management of material topics	3.3 Information Security and Customer Privacy Protection	60
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3 Information Security and Customer Privacy Protection	61
Sustainable Supply Chain Management		
3-3 Management of material topics	4.1 Sustainable Supply Chain Management	65
204-1 Proportion of spending on local suppliers	4.1 Sustainable Supply Chain Management	67
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.1 Sustainable Supply Chain Management	65
408-1 Operations and suppliers at significant risk for incidents of child labor	4.1 Sustainable Supply Chain Management	65
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.1 Sustainable Supply Chain Management	65

Customer Relationship Management		
3-3 Management of material topics	4.2 Customer Relationship Management	70
416-2 Incidents of noncompliance concerning the health and safety impacts of products and services	4.2 Customer Relationship Management	70
417-1 Requirements for product and service information and labeling	4.2 Customer Relationship Management	70
417-2 Incidents of non-compliance concerning product and service information and labeling	4.2 Customer Relationship Management	70
417-3 Incidents of non-compliance concerning marketing communications	4.2 Customer Relationship Management	70
Climate Change and Adaptation		
3-3 Management of material topics	5.1 Climate Change and Adaptation	72
201-2 Financial implications and other risks and opportunities due to climate change	5.1 Climate Change and Adaptation	74
302-1 Energy consumption within the organization	5.1 Climate Change and Adaptation	85
302-3 Energy intensity	5.1 Climate Change and Adaptation	85
302-4 Reduction of energy consumption	5.1 Climate Change and Adaptation	88
Talent Recruitment and Development		
3-3 Management of material topics	6.1 Talent Recruitment and Development	91
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	6.1 Talent Recruitment and Development	97
202-2 Proportion of senior management hired from the local community	6.1 Talent Recruitment and Development	99
401-1 New employee hires and employee turnover	6.1 Talent Recruitment and Development	95
404-1 Average hours of training per year per employee	6.1 Talent Recruitment and Development	99-104
404-2 Programs for upgrading employee skills and transition assistance programs	3.2 Operational Strategies and Economic Performance	58

	6.1 Talent Recruitment and Development	99
Talent Recruitment and Development		
404-3 Percentage of employees receiving regular performance and career development reviews	6.1 Talent Recruitment and Development	98
405-2 Ratio of basic salary and remuneration of women to men	6.1 Talent Recruitment and Development	96
Human Rights and Employee Welfare		
3-3 Management of material topics	6.2 Human Rights and Employee Welfare	109
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.2 Operational Strategies and Economic Performance	58
	6.2 Human Rights and Employee Welfare	118
401-3 Parental leave	6.2 Human Rights and Employee Welfare	120
402-1 Minimum notice periods regarding operational changes	6.2 Human Rights and Employee Welfare	115
403-2 Hazard identification, risk assessment, and incident investigation	6.2 Human Rights and Employee Welfare	115
403-3 Occupational health services	6.2 Human Rights and Employee Welfare	116
403-6 Promotion of worker health	6.2 Human Rights and Employee Welfare	116-117
403-9 Work-related injuries	6.2 Human Rights and Employee Welfare	117
403-10 Work-related ill health	6.2 Human Rights and Employee Welfare	117
405-1 Diversity of governance bodies and employees	3.1 Corporate Governance / Integrity Management	40
	6.2 Human Rights and Employee Welfare	112
406-1 Incidents of discrimination and corrective actions taken	6.2 Human Rights and Employee Welfare	110
411-1 Incidents of violations involving rights of indigenous peoples	6.2 Human Rights and Employee Welfare	110

General Disclosures		
GHG Emissions Disclosures		
305-1 Direct (Scope 1) GHG emissions	5.1 Climate Change and Adaptation	87
305-2 Energy indirect (Scope 2) GHG emissions	5.1 Climate Change and Adaptation	87
305-4 GHG emissions intensity	5.1 Climate Change and Adaptation	87
Management of Waste and Recycled Resources		
306-1 Waste generation and significant waste-related impacts	5.1 Climate Change and Adaptation	90
306-2 Management of significant waste-related impacts	5.1 Climate Change and Adaptation	90

SASB Index

Otsuka Information identified relevant disclosure indicators across 11 sectors and 77 industries based on the SASB Materiality Map, aligning its reporting with the Sustainable Accounting Standards (SASB).

- Sector： Technology & Communications
- Industry： Software & IT Services

Industry - Software & IT Services					
Environmental Footprint of Hardware Infrastructure					
Code of Standards	**Title of Standards**	**Category**	**Unit**	**Corresponding chapters**	**Page**
TC-SI-130a.1	(1) Total Energy Consumption (2) Proportion of Grid Electricity Usage (3) Proportion of Renewable Energy Use	Quantitative	GJ / %	5.1 Climate Change and Adaptation	85
TC-SI-130a.2	(1) Total Water Withdrawal: Percentage of regions experiencing high or extremely high baseline water stress. (2) Total Water Consumption: Percentage of regions experiencing high or extremely high baseline water stress.	Quantitative	Cubic Meter / %	5.1 Climate Change and Adaptation	89
TC-SI-130a.3	Explain how to integrate environmental considerations into the discussion of strategic planning for data center needs.	Discussion and Analysis	N/A	3.3 Information Security and Customer Privacy Protection	-
Data Privacy & Freedom of Expression					

TC-SI-220a.1	Describe policies and practices related to behavioral advertising and user privacy.	Discussion and Analysis	N/A	3.3 Information Security and Customer Privacy Protection	64
TC-SI-220a.2	Number of users whose information is used for secondary purposes.	Quantitative	Number of Incidents	3.3 Information Security and Customer Privacy Protection	64
TC-SI-220a.3	Financial losses resulting from legal proceedings related to user privacy.	Quantitative	Currency	3.3 Information Security and Customer Privacy Protection	64
TC-SI-220a.4	(1) Number of requests for user information by law enforcement agencies (2) Number of users for whom user information is requested (3) Proportion of incidents in which user information was disclosed	Quantitative	Number of Incidents / %	3.3 Information Security and Customer Privacy Protection	64
TC-SI-220a.5	List of countries where core products or services are monitored, blocked, filtered, or censored at the request of the government.	Discussion and Analysis	N/A	3.3 Information Security and Customer Privacy Protection	64
Information Security					
TC-SI-230a.1	(1) Number of data breaches. (2) percentage involving personally identifiable information. (PII) (3) number of users affected.	Quantitative	Number of Incidents / %	3.3 Information Security and Customer Privacy Protection	64

TC-SI-230a.2	Description of approach to identifying and addressing Information Security risks, including use of third-party cybersecurity standards.	Discussion and Analysis	N/A	3.3 Information Security and Customer Privacy Protection	63
Recruiting and Managing Global Diversity and Technology Talent					
TC-SI-330a.1	Percentage of employees requiring work visas.	Quantitative	%	6.1 Talent Recruitment and Development	92
TC-SI-330a.2	Percentage of Staff Engagement.	Quantitative	%	The company has not yet conducted any related assessments or investigations in 2024.	
TC-SI-330a.3	Percentage of representation by (a)gender and (2)diversity groups across the following roles. (1) Service Execution/ Management. (2) Non-Service Execution/ Management. (3) Technical Staff. (4) Gender and diversity representation of all other employees.	Quantitative	%	6.1 Talent Recruitment and Development	92
Intellectual Property Protection & Competitive Behavior					
TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations.	Quantitative	Currency	3.1 Corporate Governance / Integrity Management	52
Managing Systemic Risks from Technology Disruptions					

TC-SI-550a.1	(1) Number of efficiency questions. (2) Number of service interruptions. (3) Number of user service interruptions.	Quantitative	Number of Incidents / Days	The company does not provide cloud services. The SaaS infrastructure for the software products sold by the company is provided and maintained by the original software manufacturers.	
TC-SI-550a.2	Description of business continuity risks related to disruptions of operations.	Discussion and Analysis	N/A	3.3 Information Security and Customer Privacy Protection	63
Enterprise Activity Indicators					
TC-SI-000.A	(1) Number of licenses or subscriptions. (2) percentage of cloud-based.	Quantitative	Number of Incidents / %	The company's core business focuses on software sales. Service authorization and software subscription are managed directly by the original manufacturer.	
TC-SI-000.B	(1) Data processing capacity. (2) percentage outsourced.	Quantitative	See note for details.	The company does not engage in the provision of data processing services.	
TC-SI-000.C	(1) Amount of data storage. (2) percentage outsourced.	Quantitative	Petabytes / %	The company does not engage in the provision of data storage services.	

Note: Data processing capacity should be disclosed using units of measurement commonly tracked by the organization or those forming the basis of software and IT service contracts, such as million service units (MSU), million instructions per second (MIPS), megaflops per second (MFLOPS), compute cycles, or equivalent measures. Alternatively, organizations may report data processing needs using other relevant metrics—such as rack space or data center floor area—to describe both in-house and outsourced computing requirements. The percentage of outsourced services should encompass on-premises cloud solutions, public cloud hosting, and colocation data center services.

Appendix 2-Climate-related Information

Item		Corresponding Section	Page
1	Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	CH5 Sustainability and Environmental Protection	74
2	Describe how the identified climate risks and opportunities affect the company's business, strategies, and finances (short-term, medium-term, and long-term).	CH5 Sustainability and Environmental Protection	76
3	Describe the Financial Impacts of Extreme Weather Events and Transition Actions.	CH5 Sustainability and Environmental Protection	76
4	Describe how the process of identifying, assessing, and managing climate risks is incorporated into the comprehensive risk management framework.	CH5 Sustainability and Environmental Protection	83
5	Describe the scenario, parameters, assumptions, analysis factors, and the primary financial impacts involved when conducting scenario analysis to evaluate resilience against climate change risks.	Otsuka has not yet implemented scenario analysis. However, the company continues to monitor trends in how climate change may affect industry development. Using the financial impact of climate change as a framework, Otsuka analyzes potential risks and opportunities to guide the formulation of strategies in business operations and minimize the losses caused by climate change. Currently, due to the lack of mature impact factors and calculation models regarding the effects of greenhouse gas-induced global temperature rise on the company’s upstream software development and downstream manufacturing sectors, Otsuka plans to conduct scenario analysis based on a 2°C temperature increase, or more extreme scenarios, once the relevant climate data and analytical techniques are more developed.	
6	Describe the plan's content and the indicators and objectives used to identify and manage physical risks and transition risks if there is a transformation plan to manage climate-related risks.	CH5 Sustainability and Environmental Protection	76

<table>
<tr><td>7</td><td>Describe the basis for price determination if utilizing internal carbon pricing as a planning tool.</td><td colspan="8">The Company has not yet implemented an internal carbon pricing policy.</td></tr>
<tr><td>8</td><td>Describe the activities covered, scope of greenhouse gas emissions, planning timeline, and annual progress toward these objectives. If carbon offsetting or Renewable Energy Certificates (RECs) are utilized to achieve these targets, details on the origin and quantity of carbon offset credits or the number of RECs exchanged should be provided if climate-related objectives are established.</td><td colspan="8">Otsuka is actively responding to the Executive Yuan’s proposed Climate Change Response Act, which sets a national goal of achieving net-zero emissions by 2050. In line with the company’s greenhouse gas (GHG) inventory and verification plan, Otsuka intends to disclose its 2026 emissions reduction targets, along with corresponding strategies and detailed action plans, using 2025 as the baseline year. Currently, the company has not utilized carbon offsets or renewable energy certificates (RECs) in its mitigation efforts.
<table>
<tr><td></td><td>Inventory</td><td></td><td>Management</td><td></td><td>Reduction</td><td></td><td>Evaluation of Results</td></tr>
<tr><td>Strategy</td><td>Conduct inventory in 2025 and commission third-party verification</td><td>➔</td><td>Standardize data collection planning for inventory sources</td><td>➔</td><td>1. Establish short-, medium-, and long-term greenhouse gas reduction targets.
2. Increase the use of renewable energy
3. Increase the use of low-energy-consuming equipment
4. Expand the scope of paperless operations to reduce paper waste.</td><td>➔</td><td>Annually assess the effectiveness of greenhouse gas reduction efforts in the sustainability report</td></tr>
</table></td></tr>
<tr><td>9</td><td>Connect inventory of greenhouse gas and assurance status to reduction objectives, strategies, and specific action plans.
(See 1-1 and 1-2 below)</td><td colspan="8">Please refer to the table below for the verification of greenhouse gas emissions.</td></tr>
</table>

1-1 Inventory of Greenhouse Gas and Assurance Status over the Past Two Years

Provide details on greenhouse gas emissions over the past two years, including emission equivalents (in tons of CO2e), carbon intensity (in tons of CO2e per NT$ million), and the scope of data coverage.
See CH5 Sustainability and Environmental Protection
Describe the assurance status for the most recent two fiscal years up to the date of annual report printing, including the scope, institution, criteria, and opinion of the assurance.
No assurance status at this time.

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

Describe the baseline year and related data for greenhouse gas reduction, including objectives, strategies, specific action plans, and progress towards those objectives.

Otsuka has formulated an environmental and energy strategy aligned with the Executive Yuan's Taiwan 2050 net-zero emissions roadmap, setting it as a shared corporate goal. The company conducts climate-related opportunity and risk identification, scenario analysis, and formulates response strategies accordingly.

1. The corporate sustainability team includes an "Environmental Sustainability Sub-Team," which is responsible for regularly identifying climate-related risks and opportunities, and setting actionable plans to address the impacts of climate change. These plans focus on mitigating the financial impact of climate-related risks and opportunities.
2. Climate-related targets are categorized into short-term (within 2 years), medium-term (4-5 years), and long-term (over 6 years) goals.
3. In the short term, starting in 2025, Otsuka will conduct a greenhouse gas inventory, with independent third-party verification to ensure the accuracy and completeness of the data. Once the company’s greenhouse gas emission sources are confirmed, a specific action plan for emissions reduction will be developed and implemented.
4. For medium- and long-term strategies, Otsuka aims to gradually increase renewable energy use and reduce oil consumption. Initiatives include purchasing green electricity, increasing the share of electric vehicle rentals, adopting energy-efficient office lighting, and promoting digital systems to reduce paper usage internally.

Otsuka Information conducted a comprehensive greenhouse gas (GHG) emissions inventory in 2025 and will disclose the results in accordance with reporting requirements. Using 2025 as the baseline year, the company plans to formulate and publicly disclose its emissions reduction targets, strategies, and specific action plans for fiscal year 2026.