

Stock Code : 5410



**LEO SYSTEMS, INC.**

# **Sustainability Report of 2024.**

**Professionalism · Technology ·  
Quality · Service**

**Publication date: August 11, 2025**

**Website for Query: <https://mops.twse.com.tw/mops/web/index>**

**Company Website: <http://www.leosys.com/>**

I.Spokesperson of the Company: Peng, Hung-Chin

Title: Director

Tel.: (02)2799-6789

Email: bensonpeng@leosys.com

Deputy spokesperson; Li,Hsiang-Jui

Title: Assistant VP

Tel.: (02)2799-6789

Email: kevin-li@leosys.com

II. Addresses and Tel. of headquarters, branch companies and factory:

- Address of headquarters: 3F, No. 298, Yangguang St., Neihu Dist., Taipei City (114718)

Tel: (02)2799-6789

- Address of Xindian branch company: 3F., No. 131, Minquan Rd., Xindian Dist., New Taipei City (23141)

Tel: : (02)2218-4922

- Address of Linkou branch company: No. 99, Wenchang 1st St., Guishan Dist., Taoyuan City (333007)

Tel: : (03)327-9150

- Address of Zhongli branch company: 80F., Aly. 238, Jinling Rd., Pingzhen Dist., Taoyuan City (324031)

Tel: : (03)492-7200

- Address of Hsinchu branch company: 3F., No. 298, Sec. 1, Wenxing Rd., Zhubei City, Hsinchu County (302053)

Tel: : (03)667-6900

- Address of Taichung branch company: 8F-7, No. 20, Dalong Rd., West Dist., Taichung Cit (403416)

Tel.: (04)2326-7949

- Address of Tainan branch company: Rm. A1, 6F., No. 689-19, Xiaodong Rd., Yongkang Dist., Tainan City (710012)

Tel: : (06)312-7281

- Address of Kaohsiung branch company: 15F-1, No. 8, Minquan 2nd Road, Qianzhen District, Kaohsiung City (806616)

Tel.: (07)336-0650

- Address of Subsidiary company LEO Image Inc. : 3F, No. 133, Minquan Road, Xindian District, New Taipei City (231023)

Tel: : (02) 2799-6789

- Address of Subsidiary company Full Fortune Technology Co., Ltd (Cayman) : 4th Floor, P.O. BOX 2804, George Town, Grand Cayman, Cayman Islands

Tel: : (02) 2799-6789

- Address of Subsidiary company LEO System Inc. (China) : Rm1320, Qinghai Mansion, No.7043, Beihuan Road, Futian District, Shenzhen, China

Tel: : (02) 2799-6789

- Address of Subsidiary company Unity SmartTech Inc. : No. 1-1, Nantai Road, Taishan District, New Taipei City (243089)

Tel: : (02) 2799-6789

Factory: None

III. Website of the Company: <http://www.leosys.com/>

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## I 、 About this report

LEO SYSTEMS, INC.(stock code: 5410), hereinafter referred to as "the Company or LEO Company". This year is the first issuance, and the sustainability report will be issued within the legally prescribed period every year in the future. This report can be provided to the stakeholders of the LEO Company to better understand the performance of the LEO Company in the three major aspects of environment (E), social aspect (S) and corporate governance (G). LEO SYSTEMS, INC.'s vision, goals and phased operational results for sustainable development.

### i 、 Words from the operator



As global awareness of sustainability increases, the issue of carbon reduction continues to ferment. Taiwan has also begun actively planning sustainable policies and will officially levy a carbon fee in 2026. The Ministry of Environment will provide companies with preferential rates to promote carbon reduction and design a subsidy mechanism for industries with high carbon leakage risks. Companies need to formulate independent reduction plans to cope with the new policy. Therefore, Taiwan has officially entered the era of carbon pricing and has enacted net zero greenhouse gas emissions by 2050 into law. In response to the overall environment, reducing carbon emissions and formulating energy conservation improvement plans are urgent tasks facing enterprises.

Guozhong Computer will assist enterprises in deploying sustainable information and communication solutions, optimize energy efficiency, and gradually implement a zero-carbon future. Therefore, we hereby declare that we will fully integrate the ESG (environmental protection, social inclusion, and integrity governance) concept into every aspect of our corporate culture, operating strategy, and product development.

We regard ESG as the core concept of our corporate sustainable development, and aim to become a company that is not only responsible to customers, employees and shareholders, but also has a positive impact on the environment and society in which we live. We will follow the following three pillars to move towards sustainable development:

#### 1. Environmental Sustainability: Towards a “Zero Carbon Footprint” Digital Transformation

We are committed to maximizing the green benefits of information technology and minimizing our environmental footprint.

- **Green Computing:** We will develop cloud services and data center solutions powered by renewable energy, and continue to optimize algorithms and software architecture to improve energy efficiency and reduce carbon emissions from computing.

- **Circular Economy:** We will promote responsible lifecycle management of electronic devices, prioritize repairs and upgrades, and work with qualified ecosystem partners to gradually move towards proper recycling of electronic waste.

- **Digital Empowerment:** We will actively develop and promote solutions that contribute to environmental sustainability. Through digital tools such as remote collaboration, smart energy saving, and supply chain optimization, we will empower our customers and partners to move towards a low-carbon future together.

#### 2. Social Inclusion: Creating a “People-Oriented” Technology Ecosystem

Our goal is to serve the people and help society move towards a more equitable and inclusive direction.



- Employee well-being and development: We are committed to creating a diverse, equal and inclusive working environment, respecting the uniqueness of each colleague, and providing comprehensive salary and benefits, career development opportunities and physical and mental health support. Talent is our most valuable asset.
- Data ethics and privacy: We will adhere to the strictest data ethics standards to protect user privacy and data security. We are committed to handling data in a transparent and responsible manner and to working to eliminate bias and promote fairness in the design of algorithms.
- Digital Inclusion: We will invest resources to support social projects that narrow the digital divide. Through education, public welfare cooperation and other means, we will allow the warmth and convenience of technology to reach more corners of society in need of help.

### 3. Governance: The sustainable foundation for building “transparency and mutual trust”

We understand that trust is the lifeblood of the information services industry, and sound corporate governance is the only way to earn that trust.

- Integrity in business operations: We adhere to the highest standards of business ethics, pursue fair competition, and adopt a "zero tolerance" policy towards corruption and any form of bribery.
- Transparency and Accountability: We will establish a clear and effective corporate governance structure, strengthen the board’s oversight function, ensure open and transparent communications with all stakeholders, and regularly disclose our progress and challenges in all aspects of ESG.
- Risk management: We will regard ESG risks as one of the core risks of corporate operations, establish a comprehensive network security and risk management mechanism, ensure the stability and resilience of corporate operations, and provide the most solid protection for the trust of customers and partners.

The company's chairman, Wang Chaoqun, said that Guozhong Computer has 40 years of experience in local resource planning and information integration in Taiwan, and will work together to optimize the energy utilization efficiency of Taiwanese companies and move towards a net-zero carbon emission future. Guozhong Computer will deploy a new generation of data centers with ESG concepts and provide information and communication solutions with sustainable concepts to successfully help customers achieve the effect of reducing carbon emissions, and looks forward to continuing to assist more companies in transforming towards sustainable goals in the future.

Leo Systems, Inc.

Chairman : WANG, CHAU-CHYUN

## ii 、 About our company

### A.History and Operation of the Parent Company

Leo Systems, Inc. was incorporated in September 1985 under the Company Law of the Republic of China and is mainly engaged in the sales of information software and hardware products, software planning and design, computer hardware maintenance services, and system integration. The head office is located in Neihu District, Taipei City, Taiwan, with branch offices in Kaohsiung City and Taichung City, Taiwan, and a warehouse in Linkou District, New Taipei City, Taiwan.

Leo's shares were approved for public listing by the Securities and Futures Commission of the Ministry of Finance on September 30, 1999 and officially listed on the Mainboard Market of Taipei Exchange (formerly known as Gre Tai Securities Market) for trading on November 26 of the same year. The stock code is 5410.

In order to consolidate resources and enhance the economic scale and competitiveness of its operations, on August 28, 2007, the shareholders' meeting approved the merger with Public Power Systems Corporation, Dai-Sheng Technology Corporation and SuperNet Technology Corporation, Leo was the surviving company. After this consolidation, the Company added professional services in computerization, automation and system integration for the financial and manufacturing industries and Internet application marketing.

### History and Operations of Subsidiaries

a. Leo Image, Inc. was incorporated in July 1997, the main business is the installation of computer equipment and the sale of its peripheral equipment.

b. Full Fortune Technology Co., Ltd was incorporated to invest in and take control the subsidiary of China.

c. Leosys, China was established in July 2007 and its main business is computer system design service, computer software service and computer system integration service.

d. Unity SmartTech, Inc. was established in April 2022 and its main business is the innovation of technology application and creation of operation service.

## B. Introduction to the value chain

Leo Systems, Inc. is dedicated to providing information planning and implementation services to customers in various fields. Its customer base covers major industries and military, public, political and educational institutions. It provides high-quality products and technical support, and its service scope extends to every corner of the country. The company has system integration solutions for information, communications, finance, medical care, education, manufacturing, Internet and e-commerce services. Through business development, marketing activities, product integration development, product agency distribution, strategic alliance, consulting, project management, information systems, education and training, overall system construction and other professional services, the company can better meet customers' information needs and create or increase their industrial value.

In order to strengthen our core expertise and competitiveness and achieve our vision of becoming a leading technology service provider, the company applied to the Ministry of Economic Affairs for a subsidy to establish a research and development center in Taiwan in 2010. The company have continued to research the application of advanced information technology and developed unique solutions for the company to strengthen our core capabilities and competitive advantages. In the face of the crisis of global warming and energy shortage, the company is committed to developing cloud computing and mobile service related products to build cloud integrated services and promote a low-carbon economy.

Most of our domestic and overseas suppliers are long-term original manufacturers, and all products comply with regulatory standards to ensure safe use. The company also has a customer service center to protect the rights and interests of consumers or customers.

### iii 、 Report information

The information in this report is based on the basis for preparation, report coverage period and frequency, boundaries and scope of reports, information reorganization, external assurance/guarantee situation and responsible unit for sustainability reporting. The preparation instructions are as follows :

#### 1 、 Basis for preparation

This report is written with reference to the GRI Standards issued by the Global Reporting Initiative (GRI), the OTC Company Preparation and Submission of Sustainability Reports and other standards. The relevant comparison table can be found in the appendix.

The statistics of various indicator data disclosed in this report are the results of internal statistics and investigations of the LEO SYSTEMS, INC. Group,

and the financial information are all publicly released financial statements certified by accountants. In addition, some of the information in this report is quoted from the information publicly released on the websites of the government and other relevant organizations, and is described and written in the form of commonly used numerical values. If there are any data that need to be converted, they will be specially stated in the report.

## 2 、 Report coverage period and frequency

The reporting period of this report is consistent with the consolidated financial statements, which is from January 1, 2024 to December 31, 2024. The content of some chapters will cover information outside the reporting period, and an explanation will be included in the chapter. In the future, the sustainability report for the previous year will be completed and submitted before the end of August of the following year according to the statutory deadline of each year.

## 3 、 Boundaries and scope of reports

The disclosure scope of this report only discloses the operating bases in Taiwan, including:

Head office: LEO Systems, Inc.

Subsidiaries: LEO Image Inc. (hereinafter referred to as LEO Image Company), Full Fortune Technology Co., Ltd (Cayman) (hereinafter referred to as Full Fortune Company) and Unity SmartTech Inc. (hereinafter referred to as Unity Company).

Subsidiaries excluded from disclosure in the consolidated financial statements: LEO System Inc. (China) (LEO System Company(China)).

Exclusion scope and reasons:

Since the main operating location of LEO System Inc. (China) is located in Shenzhen, China, except for economic performance, other non-financial performance information has been temporarily excluded from disclosure in this report. We are currently planning to collect relevant information and expect to include it in future sustainability reports.

## 4 、 Information reorganization

This report is issued for the first time and information restatement instructions are not applicable.

## 5 、 External assurance/guarantee situation

This report is not confirmed or guaranteed by external parties.

#### 6 、 Responsible unit for sustainability reporting

The Company's Sustainable Development Committee takes the lead in promoting, supervising and managing the sustainable development of the Company and its subsidiaries in the aspects of environment, society and governance. This sustainability report was approved by the First Corporate Sustainability Development Committee on August 11, 2025, and was submitted to the 8th meeting of the 18th Board of Directors on August 11, 2025 for approval. If you have any questions about the content of this report, you can contact us through the following channels:

Contact unit: Financial Management Department of the Company

Contact: Hung-Chin Peng Spokesperson

Tel: 02-2799-6789

E-mail: [bensonpeng@leosys.com](mailto:bensonpeng@leosys.com)

Company website: [www.leosys.com](http://www.leosys.com)

Company Address: 3F, No. 298, Yangguang Street, Neihu District, Taipei City

#### iv 、 Others

None.

## II 、 Sustainable Operation

### i 、 Sustainable Development Strategy

The Company's Sustainable Development Committee takes the lead in promoting, supervising and managing the sustainable development of the company and its subsidiaries in the aspects of environment, society and governance. This report was compiled under the leadership of the committee, after first understanding the issues of concern to all stakeholders. Finally, after further discussion and systematic analysis, the major themes of LEO Company were identified. In fact, after the company conducted internal discussions and systematic analysis, the major themes of LEO Company were identified. In line with the organizational regulations of the company's corporate sustainability committee, there are five major working groups: "Corporate Governance", "Green Sustainability", "Social Care", "Happy Workplace" and "Partnership". Finally, each working group is in line with its nature and basis. Among the major themes with the most significant impact, each selects one major theme for management review and collection of performance data. Conduct management reviews and collect performance data based on each theme, and after compilation and approval, report to the board of directors in accordance with the regulations of the competent authority and then disclose it to stakeholders. On January 21, 2025, the Board of Directors revised the three major working groups into "Environmental Protection", "Social Responsibility" and "Corporate Governance" in order to coordinate the company's concentrated resources and future operational needs.

The responsibilities of the Sustainable Development Committee are to implement the purpose of sustainable management, and its powers should include the following matters:

1. Negotiation of sustainable development policies.
2. Negotiation of sustainable development strategic planning, annual plans and project plans.
3. Supervise the implementation of sustainable development strategic planning, annual plans and project plans, and evaluate their implementation situation, review and approval of sustainability report.
4. Report the annual implementation results of sustainable development to the board of directors every year.
5. Other matters that the committee is directed to handle by resolution of the board of directors.

The Sustainable Development Committee will also set up an execution group to plan and implement the relevant responsibilities of the group in five major areas: "Corporate Governance", "Green Sustainability", "Social Care", "Happy Workplace" and "Partnership". On January 21, 2025, the Board of Directors revised the three major working groups into "Environmental

Protection", "Social Responsibility" and "Corporate Governance" in order to coordinate the company's concentrated resources and future operational needs.

The responsibilities of the executive team are as follows:

1. Assess the risks and opportunities of specific sustainability issues, and formulate the group's sustainable development vision and policies and goals.
2. Plan the operation mechanism of the group's sustainable development management system and implement its action plan.
3. Track the implementation progress of the action plan and evaluate its performance.
4. Establish and maintain a database of the business in charge, and provide and disclose accurate information on the sustainable development of the group. Display performance information content.
5. Provide professional consultation and experience sharing on sustainability issues in related fields.
6. Manage integrated affairs for the sustainable development of the group.
7. Research and development of the group's sustainable development issues.
8. Other matters related to the sustainable development of the group.

The execution team should include relevant sustainable development goals in annual strategic planning and goal setting, provide implementation status, and report regularly to the board of directors.

## ii 、Promote sustainable development mechanism

The company's sustainable development mechanism promotes sustainable development governance structure, operation Status in order as follows:

### 1 、Promote sustainable development governance structure

On November 4, 2024, the Company's Audit Committee and Board of Directors approved the organizational regulations of the Corporate Sustainability Committee, the operating procedures for the preparation and verification of sustainability reports, and other management operations - the internal control system for sustainable information management operations. Among them, the organizational regulations of the Corporate Sustainability Committee clearly stipulate that the Sustainability Committee should assist the board of directors in continuously promoting sustainable development and the implementation of sustainable operation and management, with the purpose of strengthening corporate governance, environmental protection and fulfilling social responsibilities (E.S.G).The Sustainable Development Committee is affiliated to the Board of Directors and is a functional committee with a chairman, deputy chairman, executive secretary, members and an executive team.

On January 21, 2025, the Board of Directors of the Company amended the following provisions in accordance with the Company's future operational needs and the corporate governance scoring items of the competent authority: "It shall consist of three or more members, an executive secretary and an executive team, of which at least one member shall be a director. All members of this committee shall elect one person to serve as the convener and chairman of the meeting." Finally, the executive secretary shall be the head of corporate governance, the executive team shall be composed of relevant business personnel, and the executive secretary shall serve as the promotion team leader.

## 2 、 Operation Status

The company's current internal control system for sustainable information management operations was approved by the Audit Committee and the Board of Directors on November 4, 2024. In the future, relevant sustainable development committee members and implementation teams will be gradually selected and composed of professional and suitable personnel in accordance with the regulations of the competent authority. Currently, the Company has established a Corporate Sustainability Development Committee with the approval of the Board of Directors on January 21, 2025. The three members are Wang,Chau-Chyun, Chairman of the Board and Chief Sustainability Officer of the Company, Wen,Chien-Liang, General Manager of the Company and Legal Representative of the Company, and Jou,Shao-Huey, Chief Strategy Officer of the Company. Their terms of office will take effect from January 21, 2025 until the end of the current Board of Directors.

### iii 、 Board of Directors and Functional Committees

The company's board of directors and functional committees explain the role and results of the board of directors in sustainable governance, board structure and operations, and the functional committee structure and operation in order as follows:

#### 1 、 The role and results of the board of directors in sustainable governance

The company's board of directors' role and achievements in sustainable governance are explained in order as follows: the role and supervision of sustainable management, the role of sustainable reporting, supervise the performance evaluation of sustainable management, and continuous learning for sustainable development.

#### (1) 、 The role and supervision of sustainable management

The Company's Sustainable Development Committee is affiliated to the Board of Directors and is a functional committee consisting of a chairman,



deputy chairman, executive secretary, committee members and an executive team. On January 21, 2025, the Board of Directors amended the following provisions in accordance with the company's future operational needs and the corporate governance scoring items of the competent authority: "It shall consist of three or more members, an executive secretary and an executive team, of which at least one member shall be a director. All members shall elect one person to serve as the convener and chairman of the meeting." The responsibilities of the Sustainable Development Committee are to implement the purpose of sustainable management, and its powers should include the following matters:

1. Negotiation of sustainable development policies.
2. Negotiation of sustainable development strategic planning, annual plans and project plans.
3. Supervise the implementation of sustainable development strategic planning, annual plans and project plans, and evaluate their implementation Situation, review and approval of sustainability report.
4. Report the annual implementation results of sustainable development to the board of directors every year.
5. Other matters that the committee is directed to handle by resolution of the board of directors.

The Sustainable Development Committee will also establish an execution group. The execution group should include goals related to major sustainable development issues in annual strategic planning and goal setting, provide implementation status, and report regularly to the board of directors.

(2) 、 Supervise the performance evaluation of sustainable Management

The company's sustainable development committee takes the lead in promoting, supervising and managing the sustainable development of the company and its subsidiaries in terms of environment, society and governance. The sustainable development committee will also set up an execution group. The execution group should discuss relevant major sustainable development issues. The goals are included in the annual strategic planning and goal setting, and the implementation status is provided and reported to the board of directors. Therefore, in the future, the company will follow the regulations of the relevant authorities and timely reward the relevant members of the sustainable development committee and the executive team for the performance achievement rate and performance evaluation of sustainable management according to the company's reward and reward methods.

(3) 、Continuous learning for sustainable development

Our company's summary of continuing education related to sustainable development is as follows:

Title	Name	Date	Sponsor	Course name	Duration of training
Audit Officer Agent	Peng, Mei-Hui	February 26, 2024	The Institute of Internal Auditors-Chinese Taiwan	The role of internal audit in internal control of "sustainable information management"	3
Audit Officer	Chang, Yueh-Chin	April 12, 2024	The Institute of Internal Auditors-Chinese Taiwan	Enterprises implement ESG integration with internal audit and internal control	6
Audit Officer Agent	Peng, Mei-Hui	April 23, 2024	The Institute of Internal Auditors-Chinese Taiwan	【Online Video】 The role of internal audit in internal control of "sustainable information management"	3
Audit Officer Agent	Peng, Mei-Hui	May 21, 2024 ~May 28, 2024	The Institute of Internal Auditors-Chinese Taiwan	【Online Video】 Sustainable information development and emerging risks	3
Corporate Governance Office	Peng, Hung-Chin	July 16, 2024	Accounting Research and Development Foundation	Latest annual report/sustainable information/financial report preparation related legal analysis and internal control management practices	6
Audit Officer	Chang, Yueh-Chin	July 30, 2024	TPEX	2024 Sustainable Information Management Internal Control System Promotion Conference	3

Title	Name	Date	Sponsor	Course name	Duration of training
Audit Officer	Chang, Yueh-Chin	August 28, 2024	The Institute of Internal Auditors-Chinese Taiwan	New challenges for internal auditors - analysis of sustainable information disclosure and management policies and related audit points	6
Audit Officer Agent	Peng, Mei-Hui	October 17, 2024	The Institute of Internal Auditors-Chinese Taiwan	Applications and examples of corporate implementation of "ESG" and "Internal Audit and Internal Control Integration"	6
Corporate Governance Office	Peng, Hung-Chin	October 29, 2024	TPEX	Practical publicity course on preparation of sustainability reports for listed companies in TPEX	3
Accounting Manager	Peng, Hung-Chin	November 1, 2024 (morning)	Accounting Research and Development Foundation	The latest ESG sustainability policy laws and regulations related to "Annual Report Preparation"	3
Accounting Manager	Peng, Hung-Chin	November 1, 2024 (afternoon)	Accounting Research and Development Foundation	Corporate ESG Practice Special Topic - Legal Liability Cases of "Gender Equality and Human Rights"	3
Accounting Manager	Peng, Hung-Chin	November 5, 2024 (morning)	Accounting Research and Development Foundation	The development and strategies of ESG sustainability and sustainable finance	3

Title	Name	Date	Sponsor	Course name	Duration of training
Corporate Governance Office	Peng,Hung-Chin	November 7, 2024	TPEX	2024 Publicity Meeting on Preparation of Sustainability Reports and Production Functions of Listed Overseas Companies (Listed Companies in TPEX)	3
Accounting Manager	Peng,Hung-Chin	November 22, 2024	M-Power Information Co., Ltd.	2024 CFO Fellowship Perspective on sustainable finance and building a resilient enterprise	3
Corporate Governance Office	Peng,Hung-Chin	December 4, 2024	TPEX	Sustainable Development Committee and Sustainability Forum	3
All Directors and Corporate Governance Officers	All Directors and Corporate Governance Officers	December 20, 2024	Securities & Futures Institute	Corporate ESG: environment, society, governance - analysis of relevant judicial cases and legal responsibilities	6

## 2 、Board structure and operations

The structure and operation of the company's board of directors are described in order of membership and diversity, operation situation, nomination and selection, avoidance of interests and remuneration policy as follows:

### (1) 、Members and diversity

#### 1. Diversification of the Board of Directors:

With reference to “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, the Company, in consideration of the diversification for the constitution of the members of the Board of Directors, has drafted an appropriate diversification policy regarding its operation, business types and development demands. This policy shall better include but not limited to the standards of the following two aspects.

A. Basic conditions and values: Gender, age, nationality, culture, etc.

The company's 18th board of directors has 7 directors, 6 of whom are of Chinese nationality and 1 of American nationality. The gender is 6 males and 1 female, and the average age ranges from 40 to 80 years old, which is suitable for the company's own operations and operating model.

Name of director	Wang, Chau-Chyun	Chien Leo Ming Tz	Wen, Chien-Liang	Cheng, Sheng-In	Liu, Thu-Hua	Chen, Yen-Hui	Liao, Hsiang-Ruei
Gender	Male	Male	Male	Female	Male	Male	Male
Age	71-80	41-50	51-60	51-60	61-70	71-80	51-60
Nationality	ROC	USA	ROC	ROC	ROC	ROC	ROC

B. Professional knowledge and skills: Professional background (e.g., law, accounting, industry, and finance), professional skills, industry experience, etc.

The members of the Board of Directors shall generally possess the knowledge, skills, and quality needed for execution of their duties. In order to achieve the ideal goal of corporate governance, the Board of Directors shall have the following capacity as a whole:

- a. Operational judgment
- b. Accounting and financial analysis ability
- c. Operation management ability
- d. Crisis handling capacity
- e. Industrial knowledge
- f. Outlook on international market
- g. Leadership
- h. Decision-making ability

The specific management goal of the Company's Board of Directors' diversity is to have eight abilities that directors should possess. Except for accounting and financial analysis abilities, which are possessed by four directors, at least five directors should possess the remaining abilities. In addition, individual directors should possess at least six of the eight abilities. The Company's current Board of Directors and individual directors have achieved the management objectives of the diversity policy. The capabilities of individual directors of the Company are as follows:

Diversification item Name of director	Gender	Operational judgment	Accounting and financial analysis	Operation management ability	Crisis handling capacity	Industrial knowledge	Outlook on international market	Leadership	Decision-making ability
Chairman: Wang, Chau-Chyun	Male	V	V	V	V	V	V	V	V
Director: Chien Leo Ming Tz	Male	V	V	V	V	V	V	V	V
Director: Wen, Chien-Liang	Male	V	V	V	V	V	V	V	V
Independent director: Liu, Thu-Hua	Male	V		V	V	V	V	V	V
Independent director: Chen, Yen-Hui	Male	V			V	V	V	V	V
Independent director: Cheng, Sheng-In	Female	V	V	V	V		V	V	V
Independent director: Liao, Hsiang-Ruei	Male	V		V	V		V	V	V

## 2. Implementation status of diversification of the members of the Board of Directors:

Management objective	Achievement status
The consecutive tenure of an independent director shall not exceed three sessions.	(Note1)
There shall be at least one independent director specialized in finance or business administration.	Achieved
Adequate diversified professional knowledge and skills	Achieved
Does the Board of Directors of the Company contain at least one female director?	Achieved
Does the number of independent directors of the Company reach more than half of total directors or above?	Achieved
Are the members of the Board of Directors of the Company with identity of employees of the Company, its parent company or subsidiaries, or brother companies lower than or equal to one third of total directors?	Achieved

Note 1: In the management goal of not more than three consecutive terms of office for independent directors, except for Independent Director Liu, Thu-Hua who is serving as the Company's independent director for the fourth consecutive term, the other three independent directors shall not serve for more than three consecutive terms. Independent Director Liu, Thu-Hua has met and possessed professionalism and independence before being elected by the shareholders' meeting and during his term of office. He has provided the Company with advice on governance on many occasions, so he can help and protect the interests of shareholders. Therefore, the Company continues to nominate him as the Company's independent director this time.

Additionally, considerations for nomination of members of the Board of Directors also include the honest and upright reputation required of the candidates for directors, their outstanding achievements, experience and reputation enjoyed in each specialized field, dedication of sufficient time to participate in the supervision of corporate business, ability to assist operation management, and contributions made to the success of the Company, etc. The qualification conditions of independent directors shall comply with the provisions of relevant laws and regulations.

(2) 、 Operation situation

A. Operation of the Board of Directors:

From January 1, 2024 to May 10, 2025, a total of 9 board meetings were held, and the attendance of directors is as follows:

Title	Name	Actual attendance	Attendance by proxy	Actual attendance rate (%)	Remark
Chairman	University Venture Co., Ltd.: Wang,Chau-Chyun	9	0	100%	
Director	University Venture Co., Ltd.:Chien Leo Ming Tz(Note1)	6	0	100%	
Director	WYC God-loving Foundation for Charity:Wen,Chien-Liang(Note2)	6	0	100%	
Director	WYC God-loving Foundation for Charity:Chien Lambert Ming Long(Note3)	3	0	100%	
Director	WYC God-loving Foundation for Charity: Jou,Shao-Huey(Note3)	3	0	100%	
Independent director	Cheng,Sheng-In	9	0	100%	

Title	Name	Actual attendance	Attendance by proxy	Actual attendance rate (%)	Remark
Independent director	Liu,Thu-Hua	8	1	89%	
Independent director	Chen,Yen-Hui	9	0	100%	
Independent director	Liao,Hsiang-Ruei(Note2)	9	0	100%	

Note 1. On June 5, 2024, the shareholders' meeting will fully re-elect new directors.

2. Resigned as the representative director of University Venture Co., Ltd. on May 12, 2023 and re-elected as the representative director of WYC God-loving Foundation for Charity at the general re-election of directors at the shareholders' meeting on June 5, 2024

3. The term of office will end on June 5, 2024 when the general meeting of shareholders re-elects directors.

Other matters to be recorded:

- For matters listed in Article 14-3 of the Securities and Exchange Act and other matters resolved by the Board of Directors with independent directors' opposing or reserved opinions and relevant record or written statement, date and session of board meeting, content of proposals, all independent directors' opinions, and the Company's handling of these opinions shall be explained:

Date	Causes
February 5, 2024 16 <sup>th</sup> Meeting of the 17th Board of Directors	1. The company's employee stock option certificates were converted into new shares of the company's ordinary shares.
March 8, 2024 17th Meeting of the 17th Board of Directors	2. 2023 annual business report and financial statements case. 3. Profit distribution proposal for 2023. 4. The Company's 2023 internal control system effectiveness assessment and internal control system statement are submitted for review. 6. Revise some provisions of the Company's "Rules of Procedure for Board Meetings" for review. 11. The proposal on the assessment of the competence and independence of the certified public accountant and the commission remuneration is submitted for review.
May 10, 2024 18 <sup>th</sup> Meeting of the 17 <sup>th</sup> Board of Directors	1. The Company's consolidated financial report for the first quarter of 2024 is submitted for review. 2. Application for bank financing quota is submitted for review.
July 31, 2024 2 <sup>th</sup> Meeting of	4. The Company's consolidated financial report for the second quarter of 2024 is submitted for review.



the 18 <sup>th</sup> Board of Directors	<p>5. Application for bank financing quota is submitted for review.</p> <p>6. Agree to allocate the financing quota of Hua Nan Bank for use by related enterprises and submit it for review.</p> <p>7. Our company intends to provide endorsement and guarantee for the financing of Shenzhen LEO System Inc. (China) and submit it for review.</p> <p>8. The proposal to issue new shares by converting the company's employee stock option certificates into the company's common stock is submitted for review.</p>
November 4, 2024 3 <sup>th</sup> Meeting of the 18 <sup>th</sup> Board of Directors	<p>1. The proposal to issue new shares by converting the company's employee stock option certificates into the company's common stock is submitted for review.</p> <p>2. The Company's consolidated financial report for the third quarter of 2024 is submitted for review.</p> <p>3. Revise some provisions of the Company's "Corporate Governance Practice Guidelines" for review.</p> <p>4. Revise some provisions of the Company's "Audit Committee Organizational Rules" for review.</p> <p>5. Formulate the "Procedures for Preparation and Verification of Sustainability Report" of the Company and submit it for review.</p> <p>6. Formulate the "Corporate Sustainability Committee Organization Charter" for the company and submit it for review.</p> <p>7. Add the internal control system, internal audit rules and sustainable information management control procedures of the company's "Other Management Operations - Sustainable Information Management Operations" for review.</p> <p>8. Formulate the company's 2025 audit plan for review.</p> <p>9. The case of the company's donation to the CGCH Foundation for Education.</p>
January 21, 2025 5 <sup>th</sup> Meeting of the 18th Board of Directors	<p>2. Revise some articles of the "Organizational Regulations of the Corporate Sustainability Committee" and submit them for review.</p> <p>5. The proposal to lift the non-competition restriction on managers is submitted for review.</p>
March 5, 2025 6th Meeting of the 18th Board of Directors	<p>2. The 2024 annual business report and financial statements are submitted for review.</p> <p>3. The 2024 profit distribution proposal is submitted for review.</p> <p>4. The Company's 2024 internal control system effectiveness assessment and internal control system statement are submitted for review.</p> <p>7. The assessment of the competence and independence of the CPA and the commission remuneration are submitted for review.</p>

As for the proposals submitted in the Board of Directors in current year, no independent director raised any opposing or reserved opinion.

2. As for the execution of recusal of any independent director from any proposal

where this director is a stakeholder, name of independent director, content of proposal, reason for recusal due to conflict of interest and voting status shall be explained: Executed truly in accordance with the relevant provisions. We strictly implement the regulations, as detailed in II 、Business philosophy and sustainable strategy, iii 、Board of Directors and Functional Committees, 2 、Board structure and operations, and (4) 、Avoidance of interests in this report.

3. A TWSE/TPEX listed company shall disclose the cycle, period, scope, method and content of self-evaluation (or evaluation for colleagues) of the Board of Directors of the Company, and fill out the execution status of evaluation of the Board of Directors.

LEO SYSTEMS, INC. has adopted the "Board of Directors Performance Evaluation Methods" at the board of directors on January 28, 2021, and has set indicators based on the actual situation. It conducts regular internal evaluations of the performance of the board of directors and various functional committees every year, and submits the results of the performance evaluation to report to the board of directors and be used as a reference for individual directors' salary, remuneration and nomination for renewal. The company completed the 2024 board performance and director member performance evaluation in January 2025, and has reported the evaluation results to the board of directors on March 5, 2025.

Evaluation cycle (Note 1)	Evaluation period (Note 2)	Evaluation scope (Note 3)	Evaluation method (Note 4)	Evaluation content (Note 5)
Executed once every	January 1 - December 31, 2024	Board of Directors, individual directors, and functional committees	Internal self-evaluation of the Board of Directors, self-evaluation of directors, and internal self-evaluation of functional committees	<p>1. Content of performance evaluation of the Board of Directors:</p> <p>A. Degree of participation in corporate operation</p> <p>B. Improvement of decision-making quality of the Board of Directors</p> <p>C. Composition and structure of the Board of Directors</p> <p>D. Election and appointment of directors and their continuing education</p> <p>E. Internal control</p> <p>2. Content of evaluation of members of the Board of Directors:</p> <p>A. Mastery of the Company's objectives and tasks</p> <p>B. Recognition of directors' responsibilities</p> <p>C. Degree of participation in corporate operation</p> <p>D. Operation and communication of internal relations</p> <p>E. Directors' expertise and continuing education</p> <p>F. Internal control</p>

				<p>3. Content of performance evaluation of functional committees:</p> <p>A. Degree of participation in corporate operation</p> <p>B. Recognition of responsibilities of functional committees</p> <p>C. Improvement of decision-making quality of functional committees</p> <p>D. Composition of functional committees and election and appointment of their members</p> <p>E. Internal control</p>
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Note 1: The execution cycle of evaluation of the Board of Directors, e.g., once every year, shall be filled out.

Note 2: The period covered by the evaluation of the Board of Directors shall be filled out. For example, the performance of the Board of Directors from January 1, 2019 to December 31, 2019 is evaluated.

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

Note 4: The evaluation method includes internal self-evaluation of the Board of Directors, self-evaluation of directors, peer evaluation, and performance evaluation through entrustment of external professional agency or experts or by other appropriate means.

Note 5: The evaluation content shall at least include the following items according to the evaluation scope:

(1) Performance evaluation of the Board of Directors: At least including degree of participation in corporate operation, decision-making quality of the Board of Directors, composition and structure of the Board of Directors, election and appointment of directors and their continuing education, and internal control.

(2) Performance evaluation of individual directors: At least including mastery of the Company's objectives and tasks, recognition of directors' responsibilities, degree of participation in corporate operation, operation and communication of internal relations, directors' expertise and continuing education and internal control.

(3) Performance evaluation of functional committees: Degree of participation in corporate operation, recognition of responsibilities of functional committees, improvement of decision-making quality of functional committees, composition of functional committees and election and appointment of their members, and internal control.

4. Objectives for the strengthening of functions of the Board of Directors (e.g., establishment of Audit Committee, improvement of information transparency, etc.) in current year and recent years as well as evaluation of execution status of these objectives:

4.1. The Company has already established and followed its "Rules of Procedure of the Board of Directors" in accordance with "Regulations Governing Procedure for Board of Directors Meetings of Public Companies".

4.2. The Company has entered the attendance of directors in the Board of Meeting in the MOPS, and disclosed the major resolutions and financial information of the Board of Directors on its website.

4.3. The Company encourages directors and supervisors to take part in corporate governance courses with the objective to strengthen the functions of the Board of Directors, and the professionalism of directors and supervisors. In 2024, the directors and supervisors engaged in continuing education for 7 person-times, involving a total training duration of 69h.

4.4. To ensure the effective execution of the Board of Directors, the Company's internal audit department audits the operation of the Board of Directors periodically, and makes and submits relevant reports to the directors for review.

4.5. The Company established a Remuneration Committee in December 2011, and this committee is responsible for executing periodic evaluation, evaluating the Company's overall remuneration policy, and regularly reviewing the performance and remuneration of directors and managers.

4.6. The Company established an Audit Committee on July 26, 2021 in replacement of the supervisors, for the purpose of supervising and guiding the fair presentation of the Company's financial statements, appointment

(dismissal), independence and performance of CPAs, effective implementation of the Company's internal control, the compliance of the Company with relevant laws, regulations and rules, as well as the management and control of the existing or potential risks of the Company.

5. Others matters to be recorded:

1. Succession planning for board members:

The company currently has seven directors (including four independent directors), and the chairman is Wang, Chau-Chyun. The election of directors has adopted a candidate nomination system in accordance with the law. The selection of board members is based on the company's "Corporate Governance Code of Practice" and the composition is diversified. Its members should generally possess the necessary knowledge, skills and qualities to perform their duties in order to achieve the company's goals. The ideal goal of governance. And formulate appropriate diversification policies based on its own operations, operating models and development needs; independent directors are required to have professional knowledge and skills in accordance with the law: such as professional background (law, accounting, industry, finance, etc.), professional skills and industry experiences etc.

In order to strengthen the functions of directors, LEO SYSTEMS, INC. selects further training courses covering corporate governance-related topics such as finance, accounting, legal affairs, business, risk management or internal control systems, and arranges appropriate further training for directors to enhance their professional knowledge. Performance evaluation methods are also clearly defined to measure and confirm the operating efficiency of the board of directors, and evaluate its performance as a reference for future planning of the selection of chairman and directors. Currently, board members are fully re-elected every three years. Therefore, when it is scheduled to take over the positions of chairman and director, it is expected that the successor will be selected during the comprehensive re-election of directors in accordance with relevant regulations.

(3) 、Nomination and selection

The company currently has seven directors (including four independent directors), and the chairman is Wang, Chau-Chyun. The election of directors has adopted a candidate nomination system in accordance with the law. The selection of board members is based on the company's "Corporate Governance Code of Practice" and the composition is diversified. Its members should generally possess the necessary knowledge, skills and qualities to perform their duties in order to achieve the company's goals. The ideal goal of governance. And formulate appropriate diversification policies based on its own operations, operating models and development needs; independent directors are required to have professional knowledge and skills in accordance with the law: such as professional background (law, accounting, industry, finance, etc.), professional skills and industry experiences etc.

In order to strengthen the functions of directors, LEO SYSTEMS, INC.

selects further training courses covering corporate governance-related topics such as finance, accounting, legal affairs, business, risk management or internal control systems, and arranges appropriate further training for directors to enhance their professional knowledge. Performance evaluation methods are also clearly defined to measure and confirm the operating efficiency of the board of directors, and evaluate its performance as a reference for future planning of the selection of chairman and directors. Currently, board members are fully re-elected every three years. Therefore, when it is scheduled to take over the positions of chairman and director, it is expected that the successor will be selected during the comprehensive re-election of directors in accordance with relevant regulations.

#### (4) 、 Avoidance of interests

Independence of the Board of Directors: There are 4 independent directors among all 7 directors of the Company, which complies with the provisions of “Highlights of Events to Follow for the Setting and Authority Exercising of Board of Directors of TPEx Listed Companies”. The directors have no relations of spouse and relatives within second degree with each other, which complies with the provisions of Item 3 of Article 26-3 of the Securities and Exchange Act. The Salary and Remuneration Committee, the Audit Committee and the Board of Directors all elect chairs in accordance with the law to preside over the meeting agenda.

When the Remuneration Committee, Audit Committee and Board of Directors hold meetings, all directors’ interested resolutions are resolved by the respective committees and the Chairman of the Board of Directors and they abstain from voting in order. The following are the implementation situations of the directors’ abstention from voting on interested resolutions:

1. Cause 3 and case 5 of the 16<sup>th</sup> meeting of the 17<sup>th</sup> Board of Directors held on February 5, 2024:

Case 3. "Performance Bonus for Business Division Managers in 2023" Issuance Case.

Case 5. The company’s “2023 year-end bonus” case.

Resolution: Chairman Wang, Chau-Chyun and Director Jou, Shao-Huey avoided participating in the discussion and voting, and asked independent director Liu, Thu-Hua to act as the chairman of the case, which was approved by the remaining directors present.

2. Cause 2 of the 1<sup>th</sup> meeting of the 18<sup>th</sup> Board of Directors held on June 5, 2024: “It is proposed to appoint members of the Company's Sixth Remuneration Committee for review” Case.

Resolution: Except stakeholders, including independent director: Liu, Thu-Hua, independent director: Chen, Yen-Hui, independent director: Cheng, Sheng-In and independent director: Liao, Hsiang-Ruei who excused

themselves from voting, the remaining attending members agreed to pass the resolution according to “It is proposed to appoint members of the Company's Sixth Remuneration Committee for review” Case.

3.Cause 1 of the 2<sup>th</sup> meeting of the 18<sup>th</sup> Board of Directors held on July 31, 2024: “The Company's "2023 Directors' Remuneration Distribution" proposal is submitted for review”.

Resolution: Except all stakeholders who excused themselves from voting, the remaining attending members agreed to pass the resolution according to “The Company's "2023 Directors' Remuneration Distribution" proposal is submitted for review”.

4.Cause 9 of the 3<sup>th</sup> meeting of the 18<sup>th</sup> Board of Directors held on November 4, 2024: “Proposal of the Company for Donation to CGCH Foundation for Education”.

Resolution: Except stakeholders, including chairman Wang,Chau-Chyun and director Chien Leo Ming Tz who excused themselves from voting, the remaining attending members agreed to pass the resolution according to “Proposal of the Company for Donation to CGCH Foundation for Education”.

5.Cause 1 of the 4<sup>th</sup> meeting of the 18<sup>th</sup> Board of Directors held on December 3, 2024:" The personnel appointment and remuneration proposal of appointing Wen,Chien-Liang, Co-COO, as General Manager is submitted for review".

Resolution: Except stakeholders, including director Wen,Chien-Liang who excused themselves from voting,the remaining attending members agreed to pass the resolution according to “The personnel appointment and remuneration proposal of appointing Wen,Chien-Liang, Co-COO, as General Manager is submitted for review”.

6.Cause 3 and case 4 and Cause 5 and case 6 Cause 8 of the 5<sup>th</sup> meeting of the 18<sup>th</sup> Board of Directors held on January 21, 2025:

Case 3: Personnel appointment of "Chairman Wang,Chau-Chyun concurrently as new Chief Sustainability Officer of the Company" is submitted for review.

Case 4:The proposal of the Company to establish a Company's Sustainable Development Committee is submitted for review.

Case5: The case to lift the restriction on managers’ non-competition is submitted for review.

Case6:The proposal to issue the "2024 performance bonus for business division managers" is submitted for review.

Case 8:2024 Year-end Bonus", is submitted for review.

Resolution:Chairman Wang,Chau-Chyun and Director Wen,Chien-Liang avoided participating in the discussion and voting, and asked independent director Liu,Thu-Hua to act as the chairman of the cases,which were

approved by the remaining directors present.

#### (5) 、Remuneration policy

LEO SYSTEMS, INC. has adopted the "Board of Directors Performance Evaluation Methods" at the board of directors on January 28, 2021, and has set indicators based on the actual situation. It conducts regular internal evaluations of the performance of the board of directors and various functional committees every year, and submits the results of the performance evaluation to report to the board of directors and be used as a reference for individual directors' salary, remuneration and nomination for renewal. The company completed the 2024 board performance and director member performance evaluation in January 2025, and has reported the evaluation results to the board of directors on March 5, 2025. and then disclosed on the company's official website. The annual total remuneration ratio is the amount of employee welfare expenses in the company's consolidated financial statements. In 2024 and 2023, they were NTD\$402,254 thousand and NTD\$403,624 thousand respectively, accounting for 10.32% and 11.67% of the consolidated revenue for the year respectively. The after-tax net profit ratio in the year of merger was 277% and 214%. In 2024, due to the decrease in the Group's overall profit, the amount of related employee welfare expenses decreased accordingly.

#### 3 、Functional committee structure and operation

The company currently has an audit committee and a remuneration committee. The relevant instructions are as follows:

##### (一) Operation of the Audit Committee:

The Board of Directors of the Company passed "Organizational Procedure of Audit Committee" on March 18, 2021, and set up an Audit Committee on July 26, 2021 in replacement of the supervisors after comprehensive reelection of directors. The tenure of the 2<sup>st</sup> Audit Committee starts from June 5, 2024 and ends on June 4, 2027. The convener is Cheng,Sheng-In who is an independent director, while the committee members are two independent directors, i.e., Liu,Thu-Hua and Chen,Yen-Hui and Liao,Hsiang-Ruei. LEO SYSTEMS, INC. has adopted the "Board of Directors Performance Evaluation Methods" at the board of directors on January 28, 2021, and set indicators based on the actual situation. It conducts regular internal evaluations of the performance of the board of directors and various functional committees every year, and submits the results of the performance evaluation to Report to the board of directors and be used as a reference for individual directors' salary, remuneration and nomination for renewal. The company completed the 2024 board performance and director member performance evaluation in January 2025, and has submitted the evaluation results to the board of directors on March 5, 2025.

1. The work highlights of the Audit Committee of the Company include the followings:

(1) Deliberation of internal control system

The internal control system established or amended in accordance with “Regulations Governing the Establishment of Internal Control Systems by Public Companies” shall be approved by the Audit Committee and then submitted to the Board of Directors for resolution.

(2) Audit of independence of CPAs

In order to ensure the reliability of the Company’s financial reports, the quality of internal control and the independence of CPAs, the independence of CPAs shall be audited in accordance with “Securities and Exchange Act” and “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, to avoid financial risks and improve the quality of information disclosure.

(3) Communication and discussion with CPAs regarding auditing purpose and scope of annual financial report, responsibilities of CPAs and the Company, form of the audit report, etc.

In order to enforce the internal control system according to “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, a communication mechanism has already been established between independent directors and CPAs, and the Audit Committee of the Company determined the auditing purpose and scope of annual financial report, responsibilities of CPAs and the Company, and form of the audit report ; also, the audit findings and conclusions of “Financial Statements of 2023” were communicated with the Audit Committee on March 8, 2024. The audit findings and conclusions of “Review of financial statements for the second quarter of 2024” were communicated with the Audit Committee on July 31, 2024. The audit findings and conclusions of “Financial Statements of 2024” were communicated with the Audit Committee on March 5, 2025.

(4) Additionally, the functions and powers of the Audit Committee are listed as follows according to the Company’s “Organizational Procedure of Audit Committee”:

(A) To establish or amend the internal control system in accordance with the provisions of Article 14-1 of the Securities and Exchange Act.

(B) To assess the effectiveness of the internal control system.

(C) To establish or amend procedures for the acquisition or disposal of assets, engaging in derivatives trading, lending of funds to others, endorsement for others, or provision of major financial business conducts in accordance with the provisions of Article 36-1 of the Securities and Exchange Act.

(D) To handle matters that involve the interests of directors themselves.

(E) Trading of major assets or derivatives.

(F) Lending, endorsement or provision of guarantee of major capital.

(G) Fundraising, issuance or private placement of valuable securities with equity nature.

(H) Appointment, dismissal or remuneration of CPAs.

(I) Appointment or dismissal of financing manager, accounting



manager, or internal audit officer.

(J) Annual financial report signed or sealed by the chairman, managers and accounting manager, as well as the financial report of the second quarter audited and certified by CPAs

(K) Other major matters stipulated by the Company or competent authorities.

2. 7 meetings (A) of the Audit Committee were convened in 2024 and ending May 10, 2025, and the attendance status of independent directors is shown as follows:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remark
Convener	Cheng, Sheng-In	7	0	100%	
Member	Liu, Thu-Hua	7	0	100%	
Member	Chen, Yen-Hui	7	0	100%	
Member	Liao, Hsiang-Ruei	7	0	100%	

## (二) The composition, responsibilities and operation status of Remuneration

Committee shall be disclosed if any:

- (1) Information of members of the Remuneration Committee :

<div>Condition</div> <div>Identity (Note 1)</div> <div>Name</div>		Professional qualification and experience (Note 1)	Independence status (Note 3)	March 31, 2025
				Number of other public companies where the director holds a concurrent post of member of the Remuneration Committee
Independent director (convener)	Liu, Thu-Hua	Please see directors' professional qualification and experience for details.	See the following table for details.	0
Independent director	Chen, Yen-Hui	Please see directors' professional qualification and experience for details.	See the following table for details.	0
Independent director	Cheng, Sheng-In	Please see directors' professional qualification and experience for details.	See the following table for details.	3

Independent director	Liao,Hsiang-Ruei	Please see directors' professional qualification and experience for details.	See the following table for details.	0
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- Note 1. Please specifically explain relevant working seniority, professional qualification, experience and independence status of each member of the Remuneration Committee. If a member of the Remuneration Committee is an independent director, it can be explained in the remark column that the relevant contents of attached Table 1 "Information regarding directors and supervisors" on page 11. As for the identity, please fill out independent director or others (if a member is the convener, this matter shall also be specified).
- Note 2. Professional qualification and experience: Explain professional qualifications and experience of individual members of the Remuneration Committee.
- Note 3. Compliance with independence: Explain the conformity of members of the Remuneration Committee to the independence, including: Whether the members themselves, and their spouses and relatives within the second degree serve as directors, supervisors or employees of the Company or its affiliates; shares held by the members themselves, and their spouses and relatives within second degree (or through utilization of others' name) and shareholding ratios; whether they serve as directors, supervisors or employees of companies with specific relations with the Company (with reference to provisions stipulated in subparagraphs 5~8, paragraph 1, Article 6 of Regulations Governing the Setting and Authority Exercising of Remuneration Committee of TWSE/TPEX Listed Companies); amount of remuneration acquired in recent 2 years for the services provided for the Company or its affiliates involving commerce, law, finance and accounting.
- Note 4. The disclosing method is shown in the reference examples of the best practices on the website of TWSE Corporate Governance Center.

Identity (Note 1)	Condition  Name	With more than five years' work experience and the following professional qualifications or not			Independence status (Note 2)										Number of other public companies where the director holds a concurrent post of independent director	Remark
		Lecturer or above in department of commerce, legal affairs, finance, accounting or corporate business of public or private university and junior college	Judge, procurator, lawyer, accountant or any other professional vocational and technical personnel passing the examination of national examinations needed for corporate business.	Work experience needed for commerce, legal affairs, finance, accounting or corporate business	1	2	3	4	5	6	7	8	9	10		
Independent director	Liu,Thu-Hua	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0	
Independent director	Chen,Yen-Hui	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0	
Independent director	Cheng,Sheng-In		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	3	
Independent director	Liao,Hsiang-Ruei	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0	

Note 1. Please fill out the identity as director, independent director or others respectively.

Note 2. If each member complies with the following conditions two years before being elected and appointed and during tenure, please mark “√” in the blank under each condition code.

- (1) Not an employee of the Company or its affiliate.
- (2) Not a director or supervisor of the Company or its affiliate (however, it does not apply to the concurrent officeholding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).
- (3) Not an individual shareholder holding or with his/her spouse, underage children or others holding more than 1% of total shares already issued by the Company or ranking the top 10 in terms of shareholding ratio.
- (4) Not a manager listed in (1), or the spouse, a relative within second degree, or direct relative within third degree of the personnel listed in (2) and (3).
- (5) Not a director, supervisor or employee of a corporate shareholder directly holding more than 5% of total shares issued by the Company, ranking the top 5 in terms of shareholding ratio, or assigning a representative to serve as the director or supervisor of the Company according to Article 27-1 or Article 27-2 of the Company Act (however, it does not apply to the concurrent officeholding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).
- (6) Not a director, supervisor or employee of another company with the director seats of the Company or shares with voting rights controlled by a same person (however, it does not apply to the concurrent officeholding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).
- (7) Not a director (council member), supervisor or employee of another company or institution who is same as or the spouse to the chairman, general manager or person with an equivalent position of the Company (however, it does not apply to the concurrent officeholding of an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).
- (8) Not a director (council member), supervisor or manager or shareholder with shareholding ratio above 5% of a specific company or institution that has financial or business contact with the Company (however, it does not apply to the situation in which the specific company or institution holds more than 20% but less than 50% of total shares already issued by the company, and concurrently serving as an independent director in the Company and its parent company or subsidiary or subsidiaries belonging to a same parent company according to this law or local laws and regulations).
- (9) Not a professional, or owner, partner, director (council member), supervisor, or manager of sole proprietorship, partnership, company or institution providing auditing service for the Company or its affiliate or relevant commercial, legal, financial and accounting services with the accumulated reward amount not exceeding NT\$500,000 in recent two years, as well as their spouses. However, it does not apply to members of remuneration committee, public acquisition deliberation committee or M&A special committee that performs its duties in accordance with relevant laws and regulations including the Securities and Exchange Act or the Business Mergers and Acquisitions Act.
- (10) Not having any of the circumstances stipulated in Article 30 of the Company Act.

(2) Information of operation status of the Remuneration Committee :

- (1) The Remuneration Committee of the Company comprises 4 members. LEO SYSTEMS, INC. has adopted the "Board of Directors Performance Evaluation Methods" at the board of directors on January 28, 2021, and set indicators based on the actual situation. It conducts regular internal evaluations of the performance of the board of directors and various functional committees every year, and submits the results of the performance evaluation to Report to the board of directors and be used as a reference for individual directors' salary, remuneration and nomination for renewal. The company completed the 2024 board performance and director member performance evaluation in January 2025, and has submitted the evaluation results to the board of directors on March 5, 2025.
- (2) Tenure of members of this Remuneration Committee: June 5, 2024 to the expiration date of tenure of this Board of Directors. 4 (A) meetings of the Remuneration Committee were convened from January 1, 2024 to May 10, 2025, and the attendance of the committee members is shown as follows:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remark
Convener	Liu,Thu-Hua	4	0	100%	Reappointed
Member	Chen,Yen-Hui	4	0	100%	Reappointed
Member	Cheng,Sheng-In	4	0	100%	Reappointed
Member	Liao,Hsiang-Ruei	1	0	100%	Reappointed
Other matters to be recorded: 1. If the Board of Directors does not adopt or correct the suggestions made by the Remuneration Committee, it shall explain date and session of board meeting, content of proposals, resolution results of the Board of Directors as well as the Company's handling of opinions of the Remuneration Committee (if the remuneration passed by the Board of Directors is superior to that suggested by the Remuneration Committee, the deviation and reason shall be explained): Not involved. 2. As for the resolution matters of the Remuneration Committee, if any member raises an opposing or qualified opinion with relevant written statement, the date and session of the Remuneration Committee as well as content of proposals, all members' opinions and handling of these opinions shall be explained: Not involved.					

Notes:

- (1) If a member of the Remuneration Committee resigns before the ending date of the year, the date of resignation shall be specified in the remark column, and the actual attendance rate (%) shall be calculated according to the number of meetings of the Remuneration Committee convened during his/her tenure as well as meetings actually attended by this member.
- (2) If a member of the Remuneration Committee is reelected before the ending date of the year, both new and former members shall be filled out and information regarding previous appointment, new appointment, or reappointment or date of reelection of this member shall be specified in the remark column. The actual attendance rate (%) shall be calculated according to the number of meetings of the Remuneration Committee convened during his/her tenure as well as meetings actually attended by member.

iv 、Others

None.

### III 、 Stakeholders and major themes

The company's process for identifying major topics through stakeholders consultation, the process of deciding major themes ,list of major topics, and the major theme management policies are described in sequence as follows:

#### i 、 Stakeholders consultation

A stakeholder is any individual or group that affects (or may affect) the enterprise's operating activities and service provision; or is an individual or group that is affected (or may affect) the enterprise's operating activities and services. Enterprises usually use the "Stakeholder engagements standard, AA1000 SES" (Note) stakeholder engagement standard to identify important stakeholders. The standard uses five principles to identify the organization's interests and implement the participation process. These five principles are : Dependency 、 Responsibility 、 Tension 、 Influence and Diverse Perspectives.

Common categories of stakeholders are authorities, investors, shareholders, banks, suppliers, contractors, employees, customers, media, local communities, research institutions, non-profit organizations, public associations, etc. The company follows the 2021 version of GRI 3-1 major topic decision-making process to identify major issues, and follows the five principles of AA1000 SES Stakeholder Engagement Standards to identify 5 types of stakeholders that the company considers to be significant. , including: governments and competent authorities, shareholders and investors, employees, customers and suppliers. After ensuring that Guozhong's sustainability strategy covers the relevance of major issues and the company's operations and execution activities, formulate sustainability management policies and launch sustainability action plans, and continue to track and review the implementation results and goal setting of major issues to formulate Improve measures and respond to issues of concern to stakeholders.

( Note ) 《 Stakeholder engagements standard, AA1000 SES 》 The data source is [https://www.accountability.org/static/940dc017198458fed647f73ad5d47a95/aa1000ses\\_2015.pdf](https://www.accountability.org/static/940dc017198458fed647f73ad5d47a95/aa1000ses_2015.pdf)

#### ii 、 The process of deciding major themes

Step one: Understand the organizational context

Review the company's operational activities, business partnerships, sustainability context and stakeholders, and summarize the sustainability issues involved in corporate operations.

In order to understand the context of the company's organizational operations, the company and its subsidiaries' human resources, legal affairs, auditing, procurement and R&D departments obtain knowledge from

external resources through multiple channels, such as: referring to international sustainability context, industry development trends, and GRI guidelines specific topics, etc., and extensively collect internal and external issues that focus on and expect from various stakeholder groups.

#### Step two: Identify Impacts

Identify the actual and potential positive and negative impacts that each sustainability issue may have or has had on the economy, environment and people (including their human rights).

The company considers the organization's activities and role in business relationships, examines the negative impacts and positive contributions to the United Nations Sustainable Development Goals (SDGs) from the value chain, and identifies its actual and positive impacts on the economy, environment and people (including their human rights). After potential impact, issues of concern to the company are raised.

#### Step three: Assess Significance

Assess the significance of positive/negative impacts for the actual and potential impacts identified, and consider the likelihood and impact of the impact on the economy, environment and people (including their human rights).

The company first conducts literature research and refers to the sustainability reports and other information of other peers, then investigates relevant stakeholders and collects opinions from managers of each business unit, and then integrates the Sustainability Development Committee, other relevant units of the company and subsidiaries, The results of the consultation by external experts are based on three indicators: "the significance of the impact on the economy, environment and people", "the significance of the impact on LEO Company ", and "the importance of stakeholders" for each sustainability issue. Sort by severity of impact.

#### Step four: Prioritize coverage of the most significant impacts

Enterprises can comprehensively calculate the significance of the impact to prioritize each sustainability issue and set a threshold. Sustainability issues that exceed the threshold will be considered major issues. However, because the company is in the general information service industry and not in the manufacturing industry, the relevant management aspects of greenhouse gases, water and energy are less important than in other manufacturing industries. In addition, in terms of waste management, the company only treats general domestic waste. There is no toxic waste, so the impact on the sustainable environment is very limited. After further internal discussions and systematic analysis by the company, the material themes of LEO

Company were identified. In line with the organizational regulations of the company's corporate sustainability committee, there are five major working groups: "Corporate Governance", "Green Sustainability", "Social Care", "Happy Workplace" and "Partnership". Finally, each working group is in line with its nature and basis. Among the major themes with the most significant impact, each selects one major theme for management review and collection of performance data. On January 21, 2025, the Board of Directors revised the three major working groups into "Environmental Protection", "Social Responsibility" and "Corporate Governance" in order to coordinate the company's concentrated resources and future operational needs.

#### Step five: Communicate and Disclose

The results of major theme assessments should be reviewed and approved. Enterprises must report the management policies of the determined major themes in accordance with the GRI 3-3 standards and disclose the corresponding GRI major theme indicators.

The company complies with the GRI 3-3 standard reporting requirements. For major issues, the corresponding executive team of the Sustainability Development Committee will formulate effective management policies for major issues and collect internal information and data to comply with disclosure requirements.

#### iii 、List of major themes

1. In compliance with the reporting requirements of GRI 3-3 standards, major issues related to various aspects of ESG. Since the company is in the general information service industry and is not a manufacturing industry, the relevant management aspects of greenhouse gases, water and energy are relatively complex compared with other manufacturing industries. It is not of significance. In terms of waste management, the company only disposes of general domestic waste without toxic waste, so the impact on the sustainable environment is very limited. After further internal discussions and systematic analysis by the company, the material themes of LEO Company were identified. In line with the organizational regulations of the company's corporate sustainability committee, there are five major working groups: "Corporate Governance", "Green Sustainability", "Social Care", "Happy Workplace" and "Partnership". Finally, each working group is in line with its nature and basis. Among the major themes with the most significant impact, after each selects one major theme, the corresponding sustainable development committee executive team will formulate effective management plans and policies for the five major themes, and collect relevant internal information and Data to comply with disclosure

requirements. On January 21, 2025, the Board of Directors revised the three major working groups into "Environmental Protection", "Social Responsibility" and "Corporate Governance" in order to coordinate the company's concentrated resources and future operational needs.

Aspects	Working groups	Major topics	Note
1. Environment	1.Environmental Protection	1. Greenhouse Gas Management	
2. Society	2. Social Responsibility	2. Community Engagement	
3. Governce	3. Corporate Governance	3. Integrity management	



2、The company uses diversified communication channels to receive communication and suggestions from various stakeholders, and submits regular reports to the board of directors every year. The communication situation with various stakeholders in 2024 is as follows:

Stakeholders	Issues of concern	Communication and response methods	Operation status and response methods
Government and competent authorities	1. Compliance with laws 2. Customer protection and communication 3. Corporate governance 4. Risk management 5. Communication with competent authorities	1. Participate in policy discussions and symposiums with competent authorities from time to time. 2. Cooperate with the competent authorities in supervision and inspection. 3. Visit the competent authorities and establish opportunities for direct communication. 4. Establish a liaison window and maintain good interaction with the competent authorities.	1. Regularly send personnel to participate in the relevant legal courses and seminars of the Ministry of Labor. 2. Participate in a special lecture on government procurement law held by the Taipei Computer Business Association. 3. Regularly track the latest regulations in the national regulatory database.
Shareholders and Investors	1. Corporate Governance 2. Sustainable development strategy 3. Risk management 4. Shareholder participation 5. Operational performance	1. A regular meeting of shareholders is held every year, and resolutions are voted on case by case. Shareholders can exercise their voting rights through electronic voting to fully express their views and actual participation in each resolution. 2. Provide quarterly reports, annual reports, etc. for investors to refer to. 3. Announce the revenue of the previous month on the market observation post system or company website every month. 4. Set up a contact window for stock affairs and investors for two-way communication.	1. A regular shareholders' meeting will be held on June 5, 2024. 2. Invited by Taishin Securities, a legal person briefing meeting was held on June 27, 2024. 3. Announce quarterly financial reports, annual shareholder meeting reports, consolidated revenue and other information on the market observation post system or company website within the prescribed time limit. 4. Have a spokesperson and agent spokesperson to conduct two-way communication with investors or the media.

Stakeholders	Issues of concern	Communication and response methods	Operation status and response methods
Employee	<ol style="list-style-type: none"> <li>1. Employee benefits</li> <li>2. Employee appraisal mechanism</li> <li>3. Operational performance</li> <li>4. Labor-management relations</li> <li>5. Corporate image</li> </ol>	<ol style="list-style-type: none"> <li>1. Announce various employee welfare matters, welfare committee information, important company operating information, education and training course information, annual performance management tasks and other information from time to time.</li> <li>2. Hold a labor-management meeting at least every three months.</li> <li>3. Collect employees' opinions through labor complaint channels.</li> </ol>	<ol style="list-style-type: none"> <li>1. The ESS LEO portal website service system has an independent announcement area for the company and the Welfare Committee, and announces and e-mails various important company measures and welfare information from time to time.</li> <li>2. Regular performance appraisals are conducted every year and are implemented in accordance with the performance management measures.</li> <li>3. Education and training are introduced into TTQS and implemented as scheduled according to the annual training plan.</li> <li>4. Hold labor-management meetings regularly every quarter to collect employees' opinions and respond positively, and make meeting minutes known to all ESS colleagues.</li> <li>5. Set up a labor complaint channel and make it known to all colleagues in the ESS announcement.</li> <li>6. Won the 1111 Human Bank Happy Enterprise Gold Award in 2022 and spared no effort to enhance the corporate image.</li> <li>7. Organize public welfare activities and beach cleanups from time to time to fulfill social responsibilities.</li> </ol>

Stakeholders	Issues of concern	Communication and response methods	Operation status and response methods
Customer	1.Information security 2.Customer protection and communication 3. Information transparency 4.Service quality 5.Corporate Governance	1. Provide customers with multiple communication channels, including customer service hotline and website guest message board. 2. Publicity drafts, advertisements, and social media: published irregularly.	1. The company's official website has a guest message board, provides customer service 0800 toll-free hotline, conducts quarterly sampling surveys on customer satisfaction among the customer base, and other diversified communication channels. 2. Issue advertisements or promotional materials on social media from time to time to promote the company's agent products, performance or activities.

Stakeholders	Issues of concern	Communication and response methods	Operation status and response methods
Supplier	1.Information security 2. Sustainable development strategy 3.Corporate image 4. Information transparency 5. Supplier management	1. The company has a procurement management method to standardize the procedures that should be followed in procurement operations. 2. The company regularly evaluates the top 20 suppliers in terms of annual purchases. 3. The purchase order terms and conditions shall record the supplier's integrity commitment and the supplier shall sign back. 4. For major or necessary projects, manufacturers must sign a confidentiality agreement. 5. Set the company's annual green procurement goals and calculate the annual green procurement ratio. 6. The procurement and packaging business is entrusted to charitable organizations to enhance the corporate image.	1. Procurement operations are carried out in accordance with the internal control system and cooperate with irregular inspections. 2. At the beginning of each year, the top 20 purchases from the previous year are evaluated, and future cooperation models are adjusted based on the evaluation results. 3. Record the supplier's commitment to integrity in the order terms of the purchase order, and ask the supplier to stamp it and send it back for review to confirm that the procurement operation is performed in compliance with regulations and social expectations, and that all business integrity standards are followed without any form of corruption. and communicated to suppliers. 4. Sign a confidentiality agreement for large-scale projects to protect the respective rights and interests of customers, companies and manufacturers. 5. Declare green procurement items to the Ministry of Environment of the Executive Yuan and obtain a green procurement certificate. 6. The packaging business is entrusted to charitable organizations to enhance the corporate image.

#### iv 、 Management of major themes

The company's major theme management guidelines are, in order, first, policies and commitments, actions taken, performance goals and indicators and implementation status, second, measures to remedy negative impacts and effectiveness of implementation, and finally, suggested pipelines and procedures are explained as follows:

##### 1 、 Policies and commitments, actions taken, performance goals and indicators and implementation status :

The company's sustainable development committee has identified the value chain positions and impacts involved in major themes, and is required to disclose relevant GRI theme indicators according to its stakeholders as a matter of routine.

However, the company is in the general information service industry, not a manufacturing industry, so it is relevant compared with other manufacturing industries, the management of greenhouse gases, water and energy is less important. In terms of waste management, the Company only handles general household waste and non-toxic waste. The carbon emissions generated are not significant, so the impact on the sustainable environment is very limited. The relevant non-material accounting formula is as follows:

A. Total number of employees in the Group: 390 in 2024 and 395 in 2023 (Note 1)

B. Carbon footprint emission factor (unit: per person per meal): 1.29 (Note 2)

C. Annual working days: 249 in 2024 and 248 in 2023

D. Total carbon footprint emissions ( $D=A*B*C/1,000$ ): 125 metric tons in 2024 and 126 metric tons in 2023

E. Total greenhouse gas emissions: 264,133,000 metric tons (Note 3)

F. Carbon footprint emissions as a percentage of total greenhouse gas emissions ( $F=D/E$ ): 0.0000473% in 2024 and 0.0000478% in 2023.

Therefore, after further internal discussions and systematic analysis by the company, the material themes of LEO Company were identified. In line with the organizational regulations of the company's corporate sustainability committee, there are five major working groups: "Corporate Governance", "Green Sustainability", "Social Care", "Happy Workplace" and "Partnership". Finally, each working group is in line with its nature and basis. Among the major topics that have the most significant impact, each selects one major topic to explain in its chapter. On January 21, 2025, the Board of Directors revised

the three major working groups into "Environmental Protection", "Social Responsibility" and "Corporate Governance" in order to coordinate the company's concentrated resources and future operational needs.

Note 1. Includes the Company's offices in Neihu, Xindian, Linkou, Zhongli, Hsinchu, Taichung, Tainan and Kaohsiung, as well as the offices of its subsidiaries LEO Image Inc. Unity SmartTech Inc. Full Fortune Technology Co., Ltd (Cayman) and its subsidiary LEO System Inc. (China).

Note 2. Data source: Ministry of Environment: [https://data.moenv.gov.tw/dataset/detail/CFP\\_P\\_02](https://data.moenv.gov.tw/dataset/detail/CFP_P_02)

Note 3. Data source: Greenhouse Gas Emissions Information (2024 Edition)

<https://www.business-netzero.tw/Opendata/Index?id=6ec24a41c9bf4f69880b343903aa67ad>

- Ministry of Environment, "Republic of China National Greenhouse Gas Emissions Inventory Report (2024 Edition)" (emission statistics updated to 2022).

Degree of impact: A. Direct impact, B. Indirect impact, C. Impact caused by business relationships

Aspects	Major topics	Description of major topics	Working groups	The Company	Governments and authorities, suppliers and employees	Customers, Shareholders and Investors	GRI topic code disclosure project	Note
1. Environment	1. Greenhouse Gas Management	The company will be committed to protecting the workplace environment and reducing the impact on the environment after use in the workplace.	1. Environmental Protection	A	C	C	GRI 402, GRI 406-1, GRI 407, GRI 408, GRI 409	
2. Society	2. Community Engagement	The company has taken measures to improve community responsibilities and invest in sustainable development.	2. Social Responsibility	A	B	B	GRI 203-1	
3. Governance	3. Integrity management	The company continues to operate with integrity and uses reporting channels to expose abuses to achieve the company's profit goals.	3. Corporate Governance	A	A	A	GRI 205-2, GRI 405-1	

## 2 、 Measures to remedy negative impacts and effectiveness of implementation

Aspects	Major topics	Working groups	Current situation	Short term goals (2026)	Medium and long-term goals (2030)	Execute revealed chapter	Measures to remedy negative shocks	Note
1. Environment	1. Greenhouse Gas Management	1. Environmental Protection	<p>◎In 2023, NeiHu Headquarter Office will replace paper cups used to serve guests with mugs. ◎In 2023, NeiHu Headquarter Office is expected to save NT\$67,182 in electricity bills annually by replacing energy-saving lamps.</p> <p>◎1 official car that meets the green energy label (1 car/20 cars + 23 motorcycles).</p>	<p>◎Except for the NeiHu Headquarter Office, all other branches will replace the paper cups used to serve guests with mugs.</p> <p>◎Except for the NeiHu Headquarter Office, all other branches have replaced their lights with energy-saving lamps.</p> <p>◎All official cars and motorcycles in poor condition are replaced with those that meet the green energy label.</p>	◎All official cars and motorcycles comply with the Green Energy Label.	VI 、 ii 、 Greenhouse Gas Management.	<p>◎More actively promote energy conservation and carbon reduction.</p> <p>◎Seek and actively apply for government subsidies for energy conservation and carbon reduction.</p>	



Aspects	Major topics	Working groups	Current situation	Short term goals (2026)	Medium and long-term goals (2030)	Execute revealed chapter	Measures to remedy negative shocks	Note
2. Society	2. Community Engagement	2. Social Responsibility	<p>◎The number of people cooperating with community colleges and universities is 16 in two schools in 2022, 7 in two schools in 2023, and 7 in three schools in 2024.</p> <p>◎ Volunteer activities and beach cleaning activities will be held once each year in 2023 and 2024.</p> <p>◎In 2025, our company organized a one-day tour for employees to the Daluntou Strawberry Farm to sustainably support local small farmers through actual agricultural tours.</p>	<p>◎The number of new cooperative schools and students with community colleges and universities has more than doubled.</p> <p>◎Every year, we organize volunteer activities, beach cleaning activities or support local small farmers at least once.</p>	<p>◎Allocate more funds or apply for government subsidies each year to expand the scale of sustainable or public welfare activities.</p> <p>◎In addition to cooperating with universities and colleges, we can also extend our reach into communities and below to elementary and high schools to implement community and social care activities.</p>	V 、 iii 、 Community Engagement.	<p>◎Allocate more funds every year or apply for government subsidies to expand the scale of public welfare activities.</p> <p>◎In addition to cooperating with universities and colleges, we can also extend our reach into communities and below to elementary and high schools to implement community and social care activities.</p> <p>◎ Seek government subsidies to subsidize cooperation with community colleges and universities, volunteer work and beach cleanup activities.</p>	

Aspects	Major topics	Working groups	Current situation	Short term goals (2026)	Medium and long-term goals (2030)	Execute revealed chapter	Measures to remedy negative shocks	Note
3. Governance	3. Integrity management	3. Corporate Governance	<p>◎Quantitative data on resources invested in information security management:</p> <p>1. Amount of information security insurance purchased: The total investment in information security in 2014 is NT\$231,940.</p> <p>2.Total number of staff: 2.</p> <p>3. Number of relevant meetings held: 8 times in 2014.</p> <p>4. Other promotion methods or frequencies: In 2014, the company conducted 8 ESS website information security promotions and 4 social engineering drills.</p>	<p>◎Without affecting profitability, we will more strictly control the information security environment.</p> <p>Therefore, we expect that among other promotion methods or frequencies, the company's ESS website security promotion will be conducted more than 10 times and social engineering drills will be conducted more than 6 times every yea.</p> <p>◎Passed the 2022 edition of ISO27001 Information Security Management System certification.</p> <p>◎Passed ISO27701 privacy information management system verification.</p>	<p>◎Among other promotion methods or frequencies, the company's ESS website security promotion and social engineering drills are conducted more than once a month.</p> <p>◎Maintain the validity of the 2022 edition of ISO27001 Information Security Management System certification.</p> <p>◎Maintain the effectiveness of ISO27701 privacy information management system verification.</p>	IV 、 iii 、 Integrity management	◎Related publicity or drills can add reward methods to enhance employees' serious attitude towards the activity.	

## IV 、Governance aspect

The company's governance aspects are eight aspects in order: economic performance, taxation, integrity management, communication channels and complaint mechanisms ,risk management, information security and customer privacy protection, participate in various social organizations, product and service management and supplier management, which are explained as follows:

### i 、Economic performance

#### A. Direct economic value generated and distributed :

Due to the indirect impact of the economic downturn in mainland China and changes in product mix, the company's operating income increased, but gross profit and net profit decreased. The individual revenue and consolidated revenue of Leo Systems, Inc. in 2024 were NT\$3,677,175 thousand NTD\$ and NT\$3,896,185 thousand NTD\$, respectively, which was NT\$2,677,175 thousand NTD\$ and NT\$3,896,185 thousand NTD\$, respectively, compared with NT\$2,677,175 thousand NTD\$ and NT\$3,896,185 thousand NTD\$ in 2023. The individual and consolidated net profits after tax for the current year were 145,623 thousand NTD\$ and 145,338 thousand NTD\$, respectively, a decrease of 42,824 thousand NTD\$ and 43,244 thousand NTD\$ compared to 2023.

#### Analysis of Financial Revenue and Expenditure & Profitability-Individual

Unit: NT\$1,000

Financial revenue and expenditure	Item	2024	2023
	Operating revenue	3,677,175	3,248,817
	Gross profit	601,977	621,594
	Operating expenses	461,681	441,387
	Profit from operations	140,296	180,207
	Net profit for the year	145,623	188,447
Profitability	Return on assets (%)	4.38	5.06
	Return on equity (%)	10.08	13.11
	Net profit margin (%)	3.96	5.80
	Basic earnings per share (NT\$)	1.61	2.12

Since the Company is specialized in the information service industry, involving numerous types of products sold, and the products sold are mostly projects and system integration products, it is thus difficult to gather statistics of the sales volume. In this case, the statistics of sales value are listed as follows:

Unit: NT\$1,000

Product item \ Year	2024		2023	
	Amount	Ratio (%)	Amount	Ratio (%)
PC	2,356,000	60.47	1,583,553	45.80
System integration product	127,146	3.26	189,431	5.48
Automatic (business) equipment	140,599	3.61	297,680	8.61
Other	1,272,440	32.66	1,387,053	40.11
Total	3,896,185	100.00	3,457,717	100.00

Analysis of Financial Revenue and Expenditure & Profitability-  
Consolidated

Unit: NT\$1,000

	Item	2024	2023
Financial revenue and expenditure	Operating revenue	3,896,185	3,457,717
	Gross profit	624,884	649,480
	Operating expenses	488,183	464,554
	Profit from operations	136,701	184,926
	Net profit for the year	145,338	188,582
Profitability	Return on assets (%)	4.34	4.91
	Return on equity (%)	10.06	13.11
	Net profit margin (%)	3.73	5.45
	Basic earnings per share (NT\$)	1.61	2.12

B.Retirement benefit plans :

a. Defined Contribution Plans

The pension plan under the Labor Pension Act (LPA) is a defined contribution plan. Based on the LPA, Leo and Leo Magic, Inc. make monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined Benefit Plans

Based on the defined benefit plan under the Labor Standards Law (LSL), pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. Leo contributed amounts equal to 2% of total monthly salaries and wages to the pension fund administered by the pension fund monitoring committee. The pension fund is deposited in Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for

employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (“Bureau”); the Group has no right to influence the investment policy and strategy.

#### C. Financial assistance from the government :

In 2024 and 2023, the Company received a total of NT\$16,600,000 and NT\$17,320,000 in financial assistance from the government, which was mainly used for product research and development innovation and sustainable development-related initiatives.

### ii 、Taxation

#### A.Tax Policy

Our company is an OTC company, and most of our customers are government agencies, financial institutions and large domestic OTC companies. Most of our suppliers are original manufacturers with whom we have long-term cooperation. Therefore, all related operations comply with relevant domestic and foreign tax regulations. On August 14, 2024, we were awarded the honor of Excellent Business Operator for the Use of Unified Invoices in 2024 by the National Tax Bureau.

#### B.Tax governance, control and risk management

Our company is an OTC company, and most of our customers are government agencies, financial institutions and large domestic OTC companies. Most of our suppliers are original manufacturers with whom we have long-term cooperation. Therefore, all related operations comply with relevant domestic and foreign tax regulations. On August 14, 2024, we were awarded the honor of Excellent Business Operator for the Use of Unified Invoices in 2024 by the National Tax Bureau.

#### C.Communication and management of tax issues with stakeholders

- a. Participate in policy discussions and seminars held by the competent authorities from time to time.
- b. Cooperate with the competent authorities in supervision and audit.
- c. Visit competent authorities and establish opportunities for direct communication.
- d. Establish a contact window and maintain good interaction with the competent authorities.

#### D.Tax Payment Status

All taxes are paid according to law.

### iii 、 Integrity management

The company's integrity management is described in order of integrity business philosophy, policies, and behavioral norms, integrity management and anti-competitive behavior as follows:

#### 1 、 Integrity business philosophy, policies, and behavioral norms

The company formulated the "Corporate Integrity Business Code" and "Ethical Code of Conduct" on April 24, 2015. The board of directors and management actively implement the commitments of the business policies. The general manager office of the company serves as the corporate integrity management promotion unit, which is responsible for checking whether there are violations of integrity management within the company. According to the work responsibilities and scope of each unit of the company, it assists the board of directors and management in supervising and implementing integrity management policies and prevention plans. , report its implementation status to the board of directors at least once a year.

#### 2 、 Anti-corruption mechanism

##### 2.1 、 Anti-corruption risk assessment

The General Manager's Office of our company is the unit that promotes corporate integrity management. It is responsible for checking whether there are any violations of integrity management within the company. According to the responsibilities and scope of each unit of the company, it assists the board of directors and management to supervise and implement integrity management policies and prevention plans. It reports on its implementation status to the board of directors at least once a year, and will hold education and training in accordance with relevant laws and regulations in the future. The company's official website provides reporting channels such as phone numbers and email addresses. The audit department is the company's reporting channel. The Company does not have a political affairs department and therefore has not conducted anti-corruption risk assessment on its employees.

##### 2.2 、 Handling of corruption incidents

Our company's employee handbook places special emphasis on our corporate culture, and being down-to-earth is the way to do things. The General Manager's Office of our company is the unit that promotes corporate integrity management. It is responsible for checking whether there are any violations of integrity management within the company. According

to the responsibilities and scope of each unit of the company, it assists the board of directors and management to supervise and implement integrity management policies and prevention plans. It reports on its implementation status to the board of directors at least once a year, and will hold education and training in accordance with relevant laws and regulations in the future. The company's official website has a reporting channel phone number and email address. The audit department is the company's reporting channel. The company has also established the "Corporate Integrity Management Code", "Ethical Code of Conduct" and "Reporting Procedures" to regulate the acceptance of reports and the protection of reporters. The above is used to maintain the company's belief in anti-corruption and honest management.

### 2.3 、 Anti-corruption education and training

In 2024, we have promoted anti-corruption or government-ordered propaganda - the common situations in which insiders' shareholding change reports violate the Securities and Exchange Act have been notified to their insiders. In addition to strengthening propaganda to insiders, we will also urge them to comply with regulations. The members of the Board of Directors have also successively received relevant anti-corruption education training and publicity during their term of office. Finally, in order to promote and understand the implementation of the principles of integrity governance, the company invited the police unit to hold an anti-fraud promotion lecture in the company's conference room on March 13, 2025. Through this lecture, in addition to preventing employees from being deceived and losing property, it can also once again let employees know the importance of anti-corruption integrity.

### 3 、 Anti-competitive behavior

Most of our customers are government agencies, financial institutions and large domestic companies listed on the Mainboard Market of Taipei Exchange (formerly known as Gre Tai Securities Market) or the Taiwan Stock Exchange Corporation(TWSE), and most of our suppliers are original manufacturers with long-term cooperation. All products comply with legal regulations to ensure safe use, so they all have a certain reasonable profit rate. Therefore, the total monetary loss incurred by the Company as a result of legal proceedings related to the Anti-Competitive Practices Ordinance is zero.

### iv 、 Communication channels and complaint mechanisms

A. Independent communication channels and complaint mechanisms :

In order to immediately reduce the impact of negative impacts on stakeholders or company operations, the company has set up a complaint mechanism for various issues. When stakeholders discover potential or existing negative impact events, they can report them to the responsible unit. When the responsible unit receives a complaint, it should immediately handle and formulate response measures.

The company's complaint mechanisms for major topics are as follows: The company's official website has a reporting channel phone number and email address. The audit department is the company's reporting channel. The company has also established the "Corporate Integrity Management Code", "Ethical Code of Conduct" and "Reporting Procedures" to regulate the acceptance of reports and the protection of reporters. The above is used to maintain the company's belief in anti-corruption and honest management. Finally, in order to promote and understand the implementation of the principles of integrity governance, the company invited the police unit to hold an anti-fraud promotion lecture in the company's conference room on March 13, 2025. Through this lecture, in addition to preventing employees from being deceived and losing property, it can also once again let employees know the importance of integrity.

#### B. Suggested channels and procedures :

In addition to leaving investor relations contact phone numbers and email addresses on the Public Information Observatory, the Company also leaves investor contact phone numbers and email addresses for spokespersons and acting spokespersons on the Company's official website. Finally, the company's official website provides a reporting channel with a phone number and email address. The audit department is the company's reporting channel, and the company has established a "Corporate Integrity Management Code", "Code of Ethical Conduct" and "Reporting Procedures" to regulate the acceptance of reports and the protection of reporters. The above contact information and channels can be used to accept the relevant stakeholders of the company to provide advice on the shortcomings of the company's sustainable development. The company will do its best to improve it.

#### v 、 Risk management

The company's audit department is the company's reporting channel. In addition, the company has formulated the "Corporate Integrity Business Code", "Ethical Code of Conduct" and "Reporting Procedures" to standardize the handling of reporting matters and protect whistleblowers.



## 1 、 Risk Management Mechanism

Most of our company's domestic and foreign suppliers are original manufacturers with whom we have long-term cooperation. All products contain key materials that comply with regulatory requirements to ensure safe use. The company also has a customer service center to protect the rights and interests of consumers or customers.

The company has formulated procurement management measures to standardize the procedures that should be followed in procurement operations. The company regularly evaluates the top 20 suppliers in annual purchases and the purchase order terms and conditions shall record the supplier's integrity commitment and the supplier shall sign and return the order. For major or necessary projects, manufacturers must sign a guarantee letter. On March 13, 2025, the company invited the police to hold an anti-fraud lecture in the company's conference room to prevent employees from being defrauded and losing their property. Therefore, through this lecture, the importance of early risk management is promoted.

## 2 、 Compliance with regulations

The company is a company listed on the Mainboard Market of Taipei Exchange (formerly known as Gre Tai Securities Market). Most of our customers are government agencies, financial institutions and large domestic companies officially listed on the Mainboard Market of Taipei Exchange (formerly known as Gre Tai Securities Market) or the Taiwan Stock Exchange Corporation(TWSE). Most of our domestic and foreign suppliers are original manufacturers with long-term cooperation, so all our customers, manufacturers and products are in compliance with laws and regulations. To ensure the rights and interests of both parties and the safety of product use. The company has legal personnel who will review important external contracts and documents before issuing them. If more professional lawyers are needed, the company has annual permanent lawyers for consultation or service.

## vi 、 Information security and Customer privacy protection

### 1 、 Information Security Management

The company's information security policy:

#### A.Purpose

An information security policy is hereby formulated in order to strengthen the information security management, guarantee the confidentiality, integrity and availability of information assets, provide a continuous business

operation environment for the Company, and meet the requirements of relevant laws and regulations to protect the Company from internal and external threats, intentionally or accidentally. Specific to this policy specification.

#### B.Scope

Information security management system certification (ISO/IEC27001), covering 14 management matters, for the purposes of avoiding the occurrence of situations including improper use, leakage, tampering or damage of information due to factors such as human negligence and natural disasters to cause various possible risks and hazards to the Company. The management matters are shown as follows:

- (A)Information security policy
- (B)Information security organization
- (C)Human resources security
- (D)Asset management
- (E) Access control
- (F)Cryptology
- (G)Physical and environmental security
- (H)Operational security
- (I)Communication security
- (J)System acquisition, development and maintenance
- (K)Supplier relations
- (L) Information security accident management
- (M)Information security level of continual operational management
- (N)Compliance
- (O)Definitions

Information security refers to the application of management procedures and safety protection techniques in each information task, including software and hardware equipment of each information system used in execution of work, archives media used to store various kinds of information and data, and a variety of statements printed by printers, with the objective to ensure the security of information searching, processing, transmission, storage and circulation.

#### C. Quantitative data on resources invested in information and communications security management

- a. Amount of information security insurance purchased: The total investment in information security in 2014 is NT\$231,940.
- b.Total number of staff: 2.
- c. Number of relevant meetings held: 8 times in 2014.

d. Other promotion methods or frequencies: In 2014, the company conducted 8 ESS website information security promotions and 4 social engineering drills.

#### D. Information security risk management structure

In response to various information security threats, the company officially introduced the ISO27001:2013 standard for risk management in 2020, and improved the comprehensive effectiveness of information security governance through international standards and guidelines. In order to strive to reduce the probability and impact of operational risks and achieve the goal of improving the maturity of information security governance.

Continue to pass the international information security management system certification ISO/IEC 27001:2013 (CNS 27001:2014).

The "Information Security Management Committee" was established in March 2020. The general manager appoints senior management as the chairman, responsible for the approval of policies and goals of the company's information security management system, and the acquisition, allocation, coordination and supervision of resources for related matters. The chairman shall designate appropriate personnel to serve as management representatives, responsible for the establishment, implementation and maintenance of various information security standard systems, coordination and discussion of resource scheduling and other matters. The management representative himself has all supervisory responsibilities related to information security management operations. When the information security management system operates abnormally, he has the right to report directly to senior management.

#### E 、 ISO certification

The company has obtained the international information security management system certification ISO/IEC 27001:2013 (CNS 27001:2014). The company are currently applying for ISO27001 revision and verification planning and ISO27701 certification in 2025.

#### 2 、 Customer privacy protection

The company is a company listed on the Mainboard Market of Taipei Exchange (formerly known as Gre Tai Securities Market). Most of our customers are government agencies, financial institutions and large domestic companies officially listed on the Mainboard Market of Taipei Exchange (formerly known as Gre Tai Securities Market) or the Taiwan Stock Exchange Corporation(TWSE).Most of our domestic and foreign suppliers are original manufacturers with long-term cooperation. Therefore, our company will work with us for major or necessary projects. Customers or

manufacturers must sign a confidentiality agreement to ensure that the privacy rights of both parties are protected. In order to maintain appropriate security measures for personal data, the company has established the "LEO SYSTEMS, INC. Personal Data Protection Implementation Measures", which will be implemented by the head office and each subsidiary. The purpose of its formulation is to ensure the security of the personal data files retained by the company, strengthen the protection and management capabilities of personal data, reduce operational risks, and create a reliable personal data protection and privacy environment. In accordance with Article 9 of the Enforcement Rules of the Personal Data Protection Act, personal data security maintenance matters are handled. At present, the implementation situation is that no complaints of confirmed infringement of customer privacy or loss of customer data have been received.

vii 、Participate in various social organizations

The company actively participates in the following social organizations: Taipei Computer Industry Association, Taipei Office Equipment Business Association, Office Equipment Business Association, and Chang Gung Memorial Industry-Academic Alliance corporate membership organizations. It is also actively conducting industrial and educational cooperation matters with Ming Chi University of Technology, Shih Chien University and Chihlee University of Technology.

viii 、Product and service management

1. Current commodities and services provided by the Company:

Item	Type	Main sales instructions to commodities (services)
1	PC, laptop and peripherals	Provision of personal information products for each famous brand, e.g., PC, laptop, tablet computer, printing equipment, projection equipment, scanning equipment, storage equipment and other relevant products
2	Automation, security and weak current integration	Provision of various planning, design and establishment services of monitoring, security, access control, and weak current integration for customers
3	Network system equipment	Provision of wired and wireless products used in computer network system to link various types of networks or network domains and integrate communication, network and information systems
4	Server and host system products	Provision of major original server host hardware products and relevant system software for leading brands in the market
5	Automatic service equipment integration in	Provision of various kinds of financial automatic equipment, different industry capital flow integration products, and relevant application software system development for leading brands in the market

Item	Type	Main sales instructions to commodities (services)
	financial industry	
6	Information security products and services	Provision of software and hardware products and services intended to reinforce information security management based on customer requirements and budgets.
7	Sales of smart classroom products	Mainly implement the follow-up plan of the forward-looking plan 2.0 of the education department, the digital learning improvement program plan for primary and secondary schools, and the implementation of project plans for each school.
8	Cloud computing system integration and services	Provision of rules for the cloud computing architecture of public and private institutions, and establishment, repair and provision of integration between cloud innovative services and mobile application
9	5G enterprise dedicated network and AIoT platform integration technology	Provision of real-time integration technology for the real-time data-system integration of 5G enterprise dedicated network and AIoT system big data, intelligent patrolling technical platform, 4K interactive collaborative technology, etc. Integration with diversified communication systems used in large manufacturing industry and petrochemical associated industries, including optimization of information system and work security monitoring system, diversified communication and positioning technologies, and large information system, as well as the import and system integration application of international IoT networking system.
10	AI technology R&D	The R&D team of the Company has already possessed data information integration capability. In recent years, the R&D team has engaged in the development of AI and machine learning, researched and developed AI technological integration application platform, established training emulators, and worked on the development of AI preventive medical techniques, etc. Development of technical application services including predictive maintenance of AI equipment, healthcare and diagnosis calculation of machine condition, and AI monitoring and analysis of equipment AI of large factories Development of relevant R&D projects through cooperation with the academic circles and legal persons, including AI preventive medical technology, AI retina image analysis, AI intelligent long-term care added technical research, and AI medical image analysis and application.
11	Bonus point integration platform	The bonus point integration platform that can be shared in the whole channel integrates various marketing activities, bonus points and exchange channels in the group or organization. The bonuses will not be accumulated and exchanged separately. Also, the launch time of each wave of marketing activities can be shortened, and different customer bases can be attracted through the conversion and utilization rate of different types of points so that the transaction volume and loyalty can be increased.

Item	Type	Main sales instructions to commodities (services)
12	Information equipment contract repair services	Provision of different grades of professional stationed or on-demand maintenance services according to customer requirements that involve the joint procurement bid project of Bank of Taiwan and private enterprises' contract information equipment services.
13	Lottery machine and betting device repair services	Execution of national arrival services for public welfare lottery and sports lottery betting equipment (more 7,500 sets), including installation and establishment, troubleshooting, periodic maintenance, and standard routine installation, withdrawal, resumption and relocation work.
14	Network integration marketing services	Provision of assistance for customers in network integration marketing and diversified online advertising, and provision of overall integration marketing, advertising account management, advertising marketing strategy suggestion, advertising investment benefit, and analysis of return on investment by centering on Google digital advertising
15	Government projects related to digital marketing	Provision of assistance in the integration marketing services for governments and public associations

## 2. Main business and core expertise of the Company

The main business of the Company is to provide information planning and establishment services for customers in each field. In addition to the physical information communication integration schemes, we also provide innovative media marketing services, AIoT cloud application system and industrial application development and establishment, and other relevant services. The core expertise of the Company includes AIoT value-added technical platforms that address AIoT intelligent networking and IIoT intelligent manufacturing. The Company aims to become a professional AIoT system integration technical team in the field of SI and serve relevant fields including smart factory, smart medical, and smart government based on cloud computing, ESG, network communication, IoT and AI. The company is an information service industry rather than a manufacturing industry. Therefore, the product life cycle is basically in line with customer needs and is sold immediately after purchase. Therefore, the weight of scrapped products and electronic waste, as well as the recycling percentage (including the sale of scraps or other recycling treatment) are all zero.

## 3. Independently developed new commodities and services:

- (1) Modular audit management system and multi-channel bonus point exchange system of the banking industry
- (2) Services of self-service payment machines in banks or medical facilities as well as equipment management notification system

- (3)Online customer service system of integration network repair application and ERP internal control, real-time control and management of smart phone APP, and extension of integrated smart services
- (4)Cloud services of digital integrated marketing applications per industry with the benefits of promoting the marketing business of keyword advertising
- (5)Nurse calling system and bedside care system needed in medical facilities
- (6)Technical development plan of 5G AI intelligent patrolling sharing platform
- (7)Small and medium-sized enterprises mobile smart application plan.
- (8)Research and development plan for mobile intelligent analysis system of manufacturing equipment status and pipeline hotspots.
- (9)An integrated platform for ophthalmoscope vision detection and preventive medical treatment based on artificial intelligence (AI).
- (10)LEO SYSTEMS, INC.'s AIoT product-data decision assistant (Leo d.d.a.) helps enterprises provide competitiveness and innovation.

LEO is dedicated to the customer information planning and establishment services in each field, and its customer bases cover all major industries, and military, public, political and educational units. LEO provides high-quality products and technical support, and expands its service scope all over Taiwan. The Company owns system integration solutions for information, communication, finance, medical, education, manufacturing, network, and e-commerce services. By offering professional services including business development, marketing activities, product integrated development, product agency and distribution, strategic alliance, consulting, project management, information system, education and training, and overall system establishment, LEO can better satisfy customers' information requirements, and create or add industrial value to them.

The Company merged three professional service companies, i.e., Daisen, Zongdian and Super Network, in 2008, and make organizational adjustments in early 2024 to divide its business operation to BU1, BU2, BU3, BU4, BU5, BU7, and Research & Development Center. As a result, the labor division of each business unit becomes clear and relevant synergies can be produced. The benefits of this arrangement lie in the improvement of efficiency, avoidance of duplication, reduction of cost, enriching of product lines, and strengthening of core expertise and industry competitiveness of LEO.

To strengthen the core expertise and competitiveness, and realize the vision of providing technical services for leading manufacturers, the Company applied to the Ministry of Economic Affairs for a subsidy for establishment of a R&D center in Taiwan in 2010, continuously studied the application of advanced information technology, and developed unique solutions to the Company, to profoundly cultivate core ability and competitive advantages.

Under the crisis of global warming and energy shortage, the company is committed to developing cloud computing and mobile service-related products to build cloud-integrated services and promote a low-carbon economy.

#### 1、Customer health and safety

Most of our company's domestic and foreign suppliers are original manufacturers with whom we have long-term cooperation. All products comply with legal regulations to ensure safe use. The company also has a customer service center to protect the rights and interests of consumers or customers. In addition, the company has the following favorable conditions to take care of the health and safety of its customers:

##### a. Local marketing and technical services.

After years' operation and development, the Company has currently set up business bases in Neihu and Xindian in Taipei, branch companies in Taichung and Kaohsiung, and representative offices in Taoyuan, Hsinchu, and Tainan respectively. Furthermore, the Company has arranged a repair service system all over the province for the purpose of timely satisfying requirements and providing services for customers in Taiwan.

##### b. All-around system integration.

- The customer bases of the Company are spread all over military, public institutions, governmental departments, police stations and other government agencies as well as industries including finance, securities, telecommunications, medical treatment, education, etc.
- The Company has hired certified engineers with various kinds of experience and techniques to provide customers with pre-sales and after-sales consulting, planning, repair, and other technical services. The employees of the Company hold more than three hundred professional licenses in total.

##### c. Superior service quality.

- The Company attaches importance to product quality and services, and always completes its missions. Therefore, it has established a good reputation in the industry.
- The Company ranked the first place in the customer satisfaction survey organized by the Electronic Data Processing Center of Directorate-General of Budget, Accounting and Statistics of the Executive Yuan for three consecutive years, thus revealing superior service quality.

##### d. Abundant human resources.



- The employees of the Company have abundant practical experience and professional knowledge, and they perform their own duties and functions so that the Company's operation constitution and management system become increasingly complete.

- The Company owns software and hardware talents in the field of system integration and they can adequately support various kinds of system integration projects.

e.Acquisition of preemptive opportunities and competitive advantages in the fields of cloud computing and mobile application.

- Develop AI plans in the fields of preventive medicine and smart education.
- Gradually expand and develop cloud popularization plans of the public industry associations.

f.Niches in the fields of smart medical and mobile medical.

- Years' profound service experience in the medical system
- Core expertise in the medical network as a partner of Cisco for many years
- Possession of integration solutions including smart hospital and medical comprehensive IOT

g.Layout of system development in 5G enterprise dedicated network and IoT.

- Layout and construction of 5G enterprise dedicated network and technical development of integration of diversified communication system
- R&D of large IoT system platform through technical cooperation with major international manufacturers
- Popularization of integration technologies of 5G enterprise dedicated network, AI and IoT to the professional application markets of large enterprises that are specialized in smart manufacturing and smart medical.

In addition to providing customers with complete products and services, the company has also established a customer service department based on the sustainable health and product safety of customers. Inheriting more than 20 years of group enterprise service experience and resources, we provide continuous service to the customer base of the company's various business divisions marketing products internally, and uphold a sincere service attitude externally, undertaking outsourced maintenance contracts entrusted by customers; the engineering staff of the headquarters have more than 200 professional certifications, with deep service coverage throughout the country. The service is rigorous and provides a 7-24-365 approach. The content of long-term sustainable maintenance contract service opportunities for customers is: computer center outsourcing services, computer center

server Server and network equipment maintenance, enterprise computer center and equipment maintenance at various operating locations across the country, factory operation computer server and network equipment maintenance, county network center server and network equipment maintenance, military government unit server and terminal equipment maintenance, Maintenance of administrative computers and computer classroom equipment for large, middle and primary schools, technical consultation and maintenance of operating hosts and information equipment for small and medium-sized enterprises, outsourced maintenance of bank terminal equipment, maintenance of bank business machines and equipment, maintenance of bank automation equipment, maintenance of Taiwan lottery terminal equipment across the country , and is entrusted by the original manufacturers of foreign software and hardware equipment to continuously serve local customers.

## 2 、Marketing and labeling

The Company has accumulated 30 years' system integration experience as well as massive customer bases involving military, public, governmental, educational, medical, finance, manufacturing and service sectors. Customers from all walks of life have the requirements for establishment or replacement of information communication infrastructure, including host, server, storage equipment, network equipment, virtualization software, database management system, terminal equipment, computer room monitoring, information security software and hardware, etc. This market will continuously grow.

Relying on years' experience accumulated in the market and industry, the Company researches and develops “marketing + technology” integration application and combines digital marketing technologies of Google Ads and Facebook Ads to develop intelligent marketing technical application platform and continually develop business opportunities in the digital marketing. Finally, given considerable potential for the growth of sustainable smart medical and mobile medical, the Company has actively seized the opportunity.

## ix 、Supplier Management

Most of our company's domestic and foreign suppliers are original manufacturers with whom we have long-term cooperation. All products comply with legal regulations to ensure safe use. Seven of the top ten important manufacturers are listed on the Mainboard Market of Taipei Exchange (formerly known as Gre Tai Securities Market) or the Taiwan Stock Exchange Corporation (TWSE), accounting for 67% of the total purchase amount in 2024. They prepare and declare sustainability reports in

accordance with the law. They also establish employee welfare committees and hold various employee dinners and activities. The major risks of supplier-related forced or compulsory labor incidents and the major risks of suppliers using child labor are all administratively managed in accordance with the law. The company also has a customer service center to protect the rights and interests of consumers or customers. In addition, the company has formulated procurement management measures to standardize the procedures that should be followed in procurement operations. We also take measures such as regularly evaluating the top important suppliers, signing integrity commitment letters, and keeping close agreements. According to regulations, green procurement must exceed NTD400,000 each year, which is NTD789,329 and NTD2,869,034 in 2024 and 2023 respectively.

The company follows relevant standards for suppliers on issues such as environmental protection, occupational safety and health, or labor rights, and their implementation is as follows:

- The company has formulated procurement management measures to standardize the procedures that should be followed in procurement operations.
- The company regularly evaluates the top 20 suppliers for annual purchases.
- The purchase order terms and conditions shall record the supplier's integrity commitment and the supplier shall sign and return the order.
- For major or necessary projects, manufacturers must sign a confidentiality agreement.

In the future, when the company selects new suppliers, it will strictly adopt environmental and social standards to select and select new suppliers. Any negative social impact from all suppliers in the supply chain will be implemented and dealt with in accordance with relevant laws and regulations.

iix 、Others

None.

## V 、 Social aspect

The company's social aspect describes the three major aspects of human development and friendly workplace, occupational safety and health, and community risk opportunities and measures investment in order as follows:

### i 、 Human Resources Development

In terms of human resources management and talent training system, the company continues to receive TTQS talent training and development from the Workforce Development Administration of the Ministry of Labor. In addition, for an excellent R&D team, with a financial subsidy from the Technology Division of the Ministry of Economic Affairs, a "technological service" R&D center was established to research forward-looking information technology and innovative service products. It has been successful for many years and has achieved results in three fields. commercialization. Won the National Brand Yushan Award for "Outstanding Enterprise" in 101st, recognizing the company's achievements in business performance, research and development capabilities, quality policies, marketing services, competitive niches and corporate vision. All new employees are given video courses on the company's internal regulations and other matters in the company's ESS online audio-visual area, and individual professional training is also provided according to the needs of each department. In addition, employee welfare committees are established in accordance with the law and various employee dinners and activities are organized. The company's major risks related to forced or compulsory labor incidents are managed in accordance with the law. Our company currently does not use child labor, and if it is necessary to use child labor in the future, it will be implemented in accordance with the law. Employees who have resigned shall go through handover and resignation procedures in accordance with the provisions of the Labor Standards Act. Regarding workplace environmental protection, our company belongs to the information service industry, not the manufacturing industry, so the related energy use, water, electricity and livelihood waste are all required for the daily services of our colleagues. They are not significant to the internal and external environment of the company, and the carbon emissions generated are not significant, so the impact on the sustainable environment is very limited. The relevant non-significant accounting formula is as follows:

A. Total number of employees in the Group: 390 in 2024 and 395 in 2023 (Note 1)

B. Carbon footprint emission factor (unit: per person per meal): 1.29 (Note 2)

C. Annual working days: 249 in 2024 and 248 in 2023

D. Total carbon footprint emissions ( $D=A*B*C/1,000$ ): 125 metric tons in 2024 and 126 metric tons in 2023

E. Total greenhouse gas emissions: 264,133,000 metric tons (Note 3)

F. Carbon footprint emissions as a percentage of total greenhouse gas emissions ( $F=D/E$ ): 0.0000473% in 2024 and 0.0000478% in 2023.

Note 1. Includes the Company's offices in Neihsu, Xindian, Linkou, Zhongli, Hsinchu, Taichung, Tainan and Kaohsiung, as well as the offices of its subsidiaries LEO Image Inc. Unity SmartTech Inc. Full Fortune Technology Co., Ltd (Cayman) and its subsidiary LEO System Inc. (China).

Note 2. Data source: Ministry of Environment:

[https://data.moe.gov.tw/dataset/detail/CFP\\_P\\_02](https://data.moe.gov.tw/dataset/detail/CFP_P_02)

Note 3. Data source: Greenhouse Gas Emissions Information (2024 Edition)

[https://www.business-](https://www.business-netzero.tw/OpenData/Index?id=6ec24a41c9bf4f69880b343903aa67ad)

[netzero.tw/OpenData/Index?id=6ec24a41c9bf4f69880b343903aa67ad](https://www.business-netzero.tw/OpenData/Index?id=6ec24a41c9bf4f69880b343903aa67ad)

- Ministry of Environment, "Republic of China National Greenhouse Gas Emissions Inventory Report (2024 Edition)" (emission statistics updated to 2022).

## 1、Human Rights Policy and Commitment

### 1.1. Commitment to Human Rights

The Company has formulated various human rights policies, including non-discrimination, freedom of association and collective consultation for employees, prohibition of child labor, and prohibition of forced labor, with reference to international human rights conventions such as the United Nations Universal Declaration of Human Rights, the UN Framework and Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the International Labor Organization Declaration of Fundamental Principles and Rights at Work, in order to protect the basic rights of employees and stakeholders.

### 1.2. Scope of application

The company abides by relevant labor laws and regulations, protects the legitimate rights and interests of employees, holds regular labor-management meetings every quarter, and values the voices and rights of employees. Therefore, the company's employee discrimination incidents and the improvement actions taken by the organization are implemented in accordance with relevant laws and regulations.

### 1.3. Education and training

In order to enhance the awareness of all colleagues on human rights protection, our company will organize education and training related to human rights protection in the future and extend it to all business partners to reduce the frequency of human rights incidents. No one has participated in the course in 2014, so the total training hours are 0 hours. In addition, the

company has also incorporated the human rights policy into supplier management and the signing documents of new colleagues to ensure the implementation of the policy.

1.4. Communication platform, mitigation and compensation measures  
The company abides by relevant labor laws and regulations, protects the legitimate rights and interests of employees, holds regular labor-management meetings every quarter, and values the voices and rights of employees. Therefore, the company's employee discrimination incidents and the improvement actions taken by the organization are implemented in accordance with relevant laws and regulations. As for employees' human rights and labor rights commitments, the company's relevant provisions in the company's work rules are as follows:

Article 56 Labor-management meeting

In order to coordinate labor-management relations, enhance mutual understanding, promote labor-management cooperation, and improve work efficiency, the company holds labor-management meetings in accordance with the "Labor-Management Meeting Implementation Measures". It is a principle to hold meetings regularly and at least once every three months to communicate with each other. Both parties should negotiate and resolve issues based on the principle of harmony and good faith.

Article 57: System for handling employee complaints about sexual harassment

In order to promote employees to establish a correct concept of gender equality and take preventive measures on issues related to sexual harassment to provide employees with a fear-free working environment, the company may set up an "employee grievance handling system" based on management needs.

When employees encounter sexual harassment in the workplace, they can submit relevant opinions to their unit supervisors, personnel units at all levels, and audit units.

Complaint hotline: 02-2799-6789 extension 2355

Dedicated fax for complaints: 02-2799-7789

Dedicated mailbox or e-mail for complaints: [HRD@LEOSYS.COM](mailto:HRD@LEOSYS.COM)

All policies are publicly disclosed on the company's official website and sustainability report.

## 2、Human resources composition

Year		2023	2024	As of March 31, 2025 in current year
Number of employees	Management	84	80	86
	Business	32	27	26
	Technology	224	234	232
	Administration	55	49	50
	Total	395	390	394
Average age		43.55	44.26	44.15
Average service seniority		11.15	11.68	11.70
Education distribution ratio	Doctorate	0	0	0
	Master	31	33	33
	Junior college	343	334	338
	High school	21	23	23
	Below	0	0	0

### (1)、Staff Structure

Unit: Percentage/Year	2022		2023		2024	
Employee gender information	Male	Female	Male	Female	Male	Female
1. Number of people(Note)	76.27%	23.73%	75.93%	24.07%	75.94%	24.06%
2. Nationality of Taiwan	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Unit: Years old						
3. average age	43.33	41.43	43.71	42.35	44.38	42.87

### Female to male base salary to salary ratio-2024

Unit:NTD\$dollar

General employee		Supervisor		General employee	Supervisor
Average median annual salary for Male	Average median annual salary for Female	Average median annual salary for Male	Average median annual salary for Female	Female to male base salary to salary ratio	
693,212	593,800	1,734,950	2,165,300	86%	125%

### (2) 、 Non-employee structure

The company will hire work-study students from colleges and universities in the community regularly or irregularly according to the needs, so as to properly recruit community manpower and increase community identity. The number of people, social aspects, community risk opportunities and investment in measures are detailed. In addition, consultants and office cleaning staff from various locations will be hired as needed to meet the company's needs. The details are summarized as follows:

Unit: Number of people/number of households

Items/Year	2022	2023	2024
Consultant	2	1	2
Cleaning staff (company)	7	7	7
Total	9	8	9

### 3 、 Diversity, inclusion and equality among employees

The diverse composition of our company's employees and the ratio of basic salaries and remuneration between men and women can be found in V 、 i 、 2 、 (1) 、 Staff Structure. In 2024, the ratio of female executive salaries to male salaries was 125%. This shows that in addition to being diverse and inclusive, our employees are also treated equally according to their abilities. However, the company continues to carry out various energy-saving and carbon-reduction plans and promotions, hoping to reduce the impact of workplace use on the earth's environment. The statistics of the company's new employees and resigned employees in recent years are as follows:



#### A. New employees

Items/Year	2024	2023	2022
Gender :			
Number of male employees	28	35	38
Number of female employees	11	16	22
Total	39	51	60
Area :			
Number of employees in Taiwan	39	51	60
Number of employees from foreign country	0	0	0
Total	39	51	60
Age :			
Number of employees under 30 years old	14	14	19
Number of employees 30 to 50 years old	22	34	39
Number of employees over 50 years old	3	3	2
Total	39	51	60

#### B. Resigned employees

Items/Year	2024	2023	2022
Gender :			
Number of male employees	24	24	32
Number of female employees	12	10	18
Total	36	34	50
Area :			
Number of employees in Taiwan	36	34	50
Number of employees from foreign country	0	0	0
Total	36	34	50
Age :			
Number of employees under 30 years old	7	9	19
Number of employees 30 to 50 years old	24	23	29
Number of employees over 50 years old	5	2	2
Total	36	34	50

#### 4 、 Employee rights and benefits



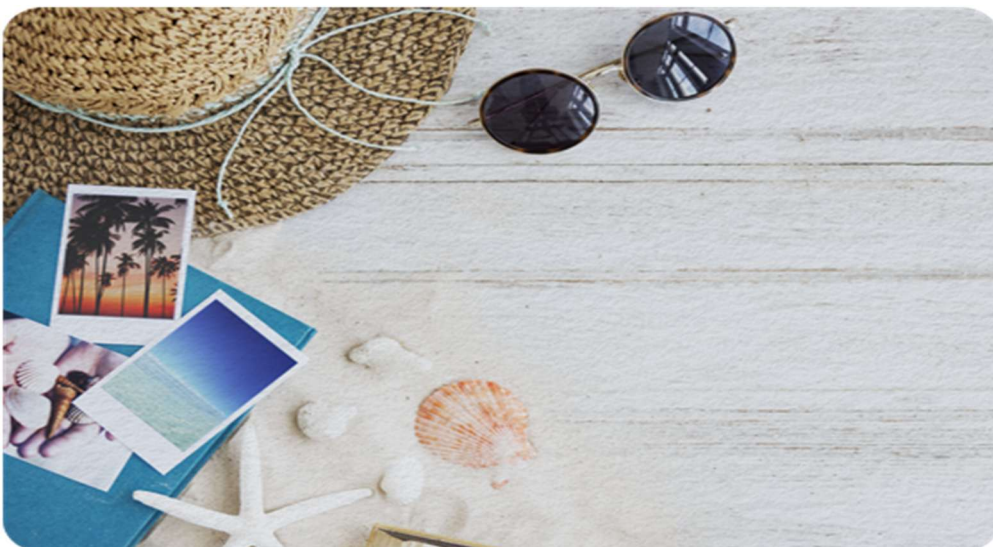
##### Salary adjustment and bonus system

- Year-end bonus.
- Performance bonus.
- Business/customer service performance bonus.
- Profit sharing bonus.
- All personnel undergo annual performance appraisals every year, and those with outstanding performance will be given job promotions and salary increases in accordance with relevant regulations in terms of performance appraisals and career development reviews.
- Issue employee stock subscription certificates from time to time for employees to subscribe for shares.



## **Health and leisure**

- Organize tourism activities and mountain hiking activities from time to time.
- Department dinner events.
- Organize charity activities from time to time.
- Prosperous Annual Party.
- Conduct regular employee health checks.
- Information and lectures on employee health promotion.



## **Vacation system**

- Closed on two days a week.
- Provide paternity leave for male colleagues.
- Provide female colleagues with maternity leave.
- Advance annual leave available.
- Grant 3 to 30 days of special leave in accordance with the Labor Standards Act.
- The calculation of employee notice periods and wages are in accordance with the Labor Standards Act.
- Provide child care and family care leave in accordance with gender equality laws.



## **Welfare system**

- Gift certificates issued during Dragon Boat Festival, Mid-Autumn Festival and birthdays.
- Wedding gifts, maternity gifts, funeral subsidies, travel subsidies, emergency relief funds.
- Education training, on-the-job training subsidies.



- Subsidy for arts and cultural activities.
- Special store discounts.
- Cultural, recreational and leisure subsidies.
- Incentive leave incentives.
- In addition to birthday gifts, vacation bonuses will be increased if you take a day off on your birthday.
- Provide budget for department meals and afternoon tea.
- Mobile phone fee subsidy.
- The pension system is implemented in accordance with the Labor Pension Ordinance and the Labor Standards Act.



### **Insurance system**

- Labor insurance, health insurance, and labor pensions are all allocated in accordance with the law.
- Group insurance (medical insurance, cancer insurance, accident insurance and life insurance).
- Group insurance discount for dependents.

## 5、Group Agreement

The company has not yet established a labor union, but regularly holds labor-management meetings every quarter and attaches importance to the voices and rights of employees. The company's operating performance or results are appropriately reflected in employee remuneration. Business performance is reflected in employee remuneration. In order to share business performance and results with all employees, the company has established certain performance bonus measures and employee remuneration to encourage all colleagues to work together towards the company's goals. The bonus system takes into account the seniority of the employees themselves, performance achievement status, performance appraisal status and contribution level will be distributed. Employee remuneration is based on the company's articles of association. If the company makes a profit during the year, it should be based on the pre-tax benefits before deducting the remuneration of employees and directors. 5% is allocated for employee remuneration. In addition, the company refers to the results of peer market salary surveys every year, and carries out promotions and salary adjustments based on peer market salary levels, economic trends and personal performance to maintain the company's salary competitiveness. In 2022, due to the Ministry of Education's "Promotion of Digital Learning Improvement Plan for Primary and Secondary Schools", the company's revenue and profits have increased significantly compared with previous years. The average salary of the company's full-time employees who are not in supervisory positions has reached NTD\$800,000. However, this project will slow down after 2023, so the revenue and profit in 2023 will be significantly reduced compared to 2022. In 2023, the average salary of the company's full-time employees who are not in supervisory positions will be NTD\$745,000, in 2024, due to the decrease in profits of the company, the average salary of full-time employees who are not executives will also decline to NT\$743,000 which is enough. See that the company's operating performance is fully reflected in employee remuneration. In addition, relevant employee rights and benefits are detailed in this report, V、i、4、Employee rights and benefits, and explanation of employee rights and benefits.

## 6、Talent cultivation and development

### 6.1、Performance Appraisal

Performance appraisal is not only an important basis for management to adjust employee salaries, but also an important tool for the company to create an excellent career development environment and support employees in achieving their personal goals. The company will provide promotion opportunities for employees with outstanding performance, encouraging

them not only to demonstrate their personal talents, but also to take the responsibility of leading the team to improve performance and exert greater influence. According to the company's internal "Employee Assessment Method", the company conducts performance appraisal once a year, a total of 1 time per year. These appraisals are applicable to both new and existing employees at the end of their probation period. In each evaluation, the company will have in-depth discussions with employees on the implementation of goals, and use specific behavioral cases to review and improve employee behavior to ensure that it meets the expectations of the company's vision. The performance appraisal coverage rate in 2024 and 2023 will reach 100%.

## 6.2 、 Education and training

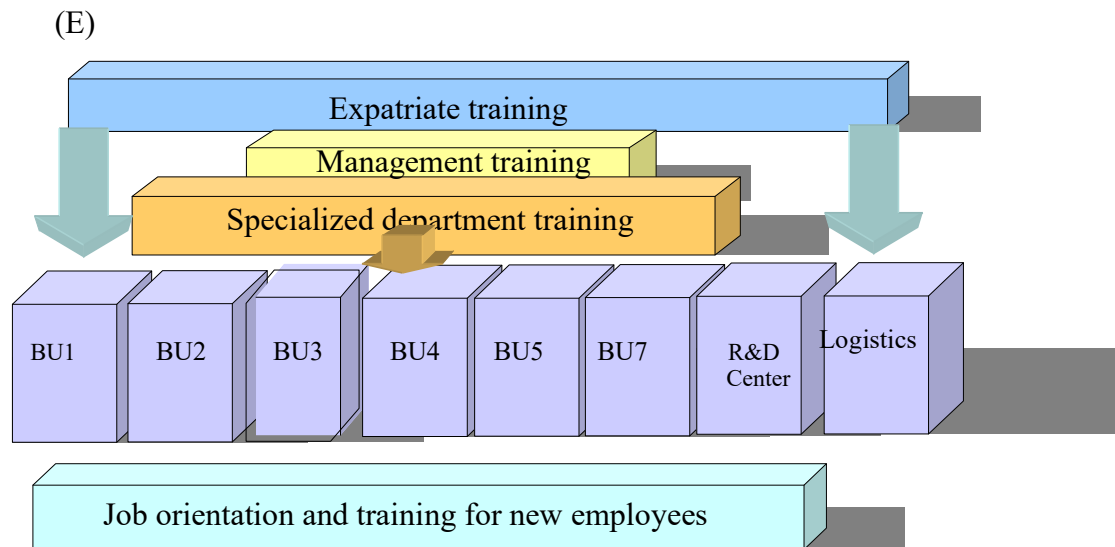
(1) Purposes of education and training:

To improve the quality of human resources, and urge personnel in all levels to give full play to their functions and enhance their personal knowledge and skills, so as to cultivate operation management talents needed and realize the operational goals and vision of the Company. For new employees, there is a special education and training on the Occupational Safety and Health Act. In addition, in terms of employee training and development plans to enhance employee career capabilities, there are engineer assessment and technical grading evaluation and promotion methods. In order to cultivate the teaching ability of internal lecturers and implement training plans to improve the quality of education and training, there are also internal lecturer methods. The above education and training are carried out in accordance with the provisions of the company's education and training methods, and the results and deficiencies are checked in conjunction with the training quality management manual. The education and training content and implementation of the employee training and development plan to enhance employee career capabilities are explained in order as follows.

(2) Education and training system:

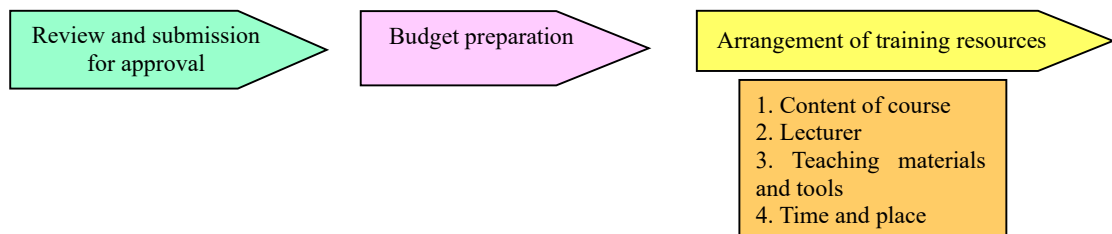
The education and training development system of the Company is classified as follows:

- (A) Job orientation and training for new employees.
- (B) Specialized department training.
- (C) Management training.
- (D) Expatriate training.



- (3) Evaluation of requirements for education and training:  
 HR Department investigates training requirements periodically every year, and the head of each department shall fill out relevant training requirement questionnaire for the purpose of improving the quality of human resources in the department according to the Company's annual business plan, and then provide education and training requirement planning based on requirement analysis.
- (A) Personal analysis: Make plans for course requirements according to personal ability needed as well as employees' attitude and beliefs, e.g., new employees.
  - (B) Work analysis: Make plans for course requirements according to the professional knowledge and ability needed by each department.
  - (C) Organizational analysis: Make plans for course requirements regarding strategic planning with the objective to achieve the Company's vision and goals.

(4) Planning of education and training:



- (A) Review and submission for approval:
  - a. Each department shall, based on their business development needs, submit project training plans itself, but shall initiatively notify the HR Department for verification and filing.
  - b. Either internal or external training shall be applied in advance, and countersigned by the HR Department.



Relevant training may be handled only after relevant approval is obtained from the competent and responsible supervisor.

(B) Content of course:

- a. Management courses: Intended to cultivate the management ability required of managers at each level in different positions.
- b. Specialized courses: Intended to cultivate each professional skill needed by colleagues in their work.
- c. Basic courses: Intended to train the general skills or improve work efficiency as needed by all colleagues, e.g., training of language, briefing, communication, etc.

(5) The actual performance of training of core values in 2023 is shown as follows:

Unit: NT\$

Item	Number of classes	Number of hours	Person-times	Average hours	Expense
Management course	2	20	79	0.25	228,463
Specialized course	46	483	125	3.86	461,214
Basic course	1	4	36	0.11	0
Subtotal	49	507	240	2.11	689,677

(6) Relevant licenses obtained by relevant financial personnel from competent authorities:

- (A) The financial manager of the Company participated in “Continuing Education Class for Accounting Supervisors” held by Accounting Research and Development Foundation, and passed the assessment.
- (B) The auditors of the Company participated in “On-the-job Further Education Class for Internal Audit” held by The Institute of Internal Auditors-Chinese Taiwan, and passed the assessment.
- (C) The company arranges professional training for corporate governance executives according to law every year.

Through the above on-the-job education and training, the company has achieved a total turnover rate of 9.56% as of 2024, and 4 business units have a turnover rate exceeding 10%. The total turnover rate in 2023 is 10.93%, and there are 5 business units with a turnover rate exceeding 10%. The total turnover rate in 2022 is 14.50%, and there are 5 business units with a turnover rate exceeding 10%.

ii 、Occupational safety and health

The company's occupational safety and health policy and occupational injuries are explained in order as follows:

## 1 、 Occupational safety and health policy



LEO Company firmly believes that a safe and healthy workplace environment is a necessary prerequisite for employees to work with peace of mind. It has always been committed to providing a safe and healthy working environment and necessary health and first aid measures to eliminate harmful factors in the working environment that may affect the health and safety of employees and reduce the risk of occupational accidents. The participation, consultation and communication of workers in occupational safety and health are in compliance with relevant laws and regulations such as the Occupational Safety and Health Act and the Implementation Measures for Labor Work Environment Monitoring. The following execution operations are carried out regularly and health care and health promotion activities are promoted, such as inviting more professionals to hold health lectures, LEO Company health walk activities in conjunction with mobile phone downloads of strava.app and other activities, or encouraging employees to participate in other units such as the China Software Association Digital Walking Activities to ensure the physical and mental health and safety of employees. Our company is a general information service industry, so there is no related occupational disease. If there is an occupational injury accident in the workplace of our company, the hazard identification, risk assessment and accident investigation will be

handled administratively in accordance with the law. In formulating the environmental management system, our company has formulated the "Safety and Health Work Code", which stipulates the chapters on safety and health management and responsibilities, equipment maintenance and inspection, work safety and health standards, education and training, first aid and rescue, maintenance and use of protective equipment, accident reporting and other safety and health matters. In terms of environmental sustainability, there are regulations on environmental measurement, the work environment must be kept clean, the drainage ditches and downspouts in and around the workplace must be kept unobstructed, and waste and accumulated waste must be removed regularly to prevent damage to the sustainable environment. In addition, in the education and training, first aid and rescue, maintenance and use of protective equipment, if there is a leakage of chemical substances such as ammonia, chlorine, hydrogen fluoride, phosgene, hydrogen sulfide, sulfur dioxide, etc. that damage the environment, the corresponding measures in the accident reporting chapter must be taken immediately according to the regulations to reduce the damage to the sustainable environment. Our company is an information service industry, not a manufacturing industry, so all related operations are carried out in accordance with the "Safety and Health Work Code", and no serious damage to the sustainable environment has occurred.

## 2 、 Occupational injuries

Protection measures for the working environment and employee personal safety:

Set up labor safety and health management personnel: a Class A labor safety and health business manager, a Class B labor safety and health management technician, and a first aid personnel. In addition to regularly testing the labor working environment, they can maintain the safety of the working environment in a timely manner.

The company regularly tests the operation of fire protection equipment and CO2 concentration in office buildings, and also insures all employees with group accident insurance to provide employees with comprehensive necessary assistance.

The number of occupational safety cases in our company is summarized as follows:

Kind/Year	Unit: Piece		
	2022	2023	2024
Traffic accident during official duties	1	3	2

## **Working environment and personal safety protection measures**

- A. Implement smoke-free measures in the workplace.
- B. Carry out labor working environment monitoring and CO2 concentration monitoring every six months in accordance with the law.
- C. Check air conditioning quality quarterly and fire safety once a year to provide employees with a safe workplace.
- D. The building implements access control and has a central monitoring system that is monitored 24 hours a day by security personnel.
- E. Replace the filter of employee water dispensers every two months, perform environmental maintenance on water towers and air conditioning filters every six months to provide employees with a healthy working environment.

The above application frequencies are as follows:

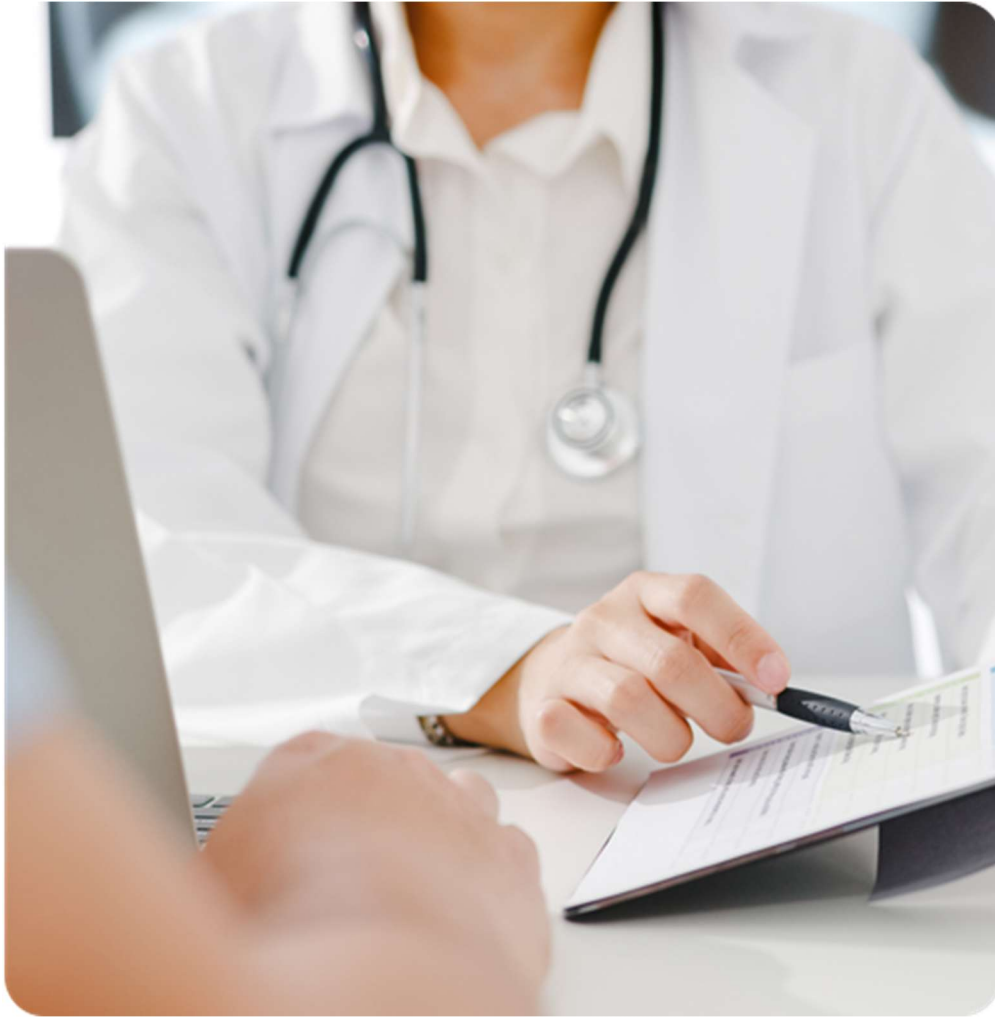
### **■ Office interior construction:**

- 1. Carbon dioxide (CO2) concentration monitoring is carried out twice a year in March and September.
- 2. Employee water dispensers are regularly maintained in January, March, May, July, September and November every year.

### **■ Building construction:**

- 1. Fire safety is inspected once a year on a certain day between March and May.
- 2. Two water towers once every six months.
- 3. Clean the air conditioning filter once every six months.

Finally, group accident insurance is added for all employees to provide them with comprehensive and necessary assistance.



### **Health care and promotion**

A. On-site service by occupational medicine physicians

B. Health and hygiene education electronic newspaper

C. Health lectures

D. Health facilities and equipment

E. Employee Group Insurance

F. Specific measures and implementation results for preventing and controlling employee obesity and the three highs (i.e. high blood sugar, high blood lipids, and high blood pressure):

a. Country Hospital's occupational nurses design health promotion briefs for each on-site service and place them on the ESS intranet/occupational safety and health/others for colleagues to read and browse.

b. Health lectures are arranged every year: On March 3, 2025, a nutritionist was invited to talk about healthy diet "Eat for an Ageless Constitution and a Young Body Shape" and a Chinese medicine practitioner was invited to teach "Chinese Medicine Acupoint Massage", which received unanimous praise from colleagues.

c. Special on-site physician services are provided twice a year, and regular health check-up activities are provided once every three years.

d. For colleagues with abnormal health examination results and pregnant colleagues, arrange interviews with occupational health professionals and continue to track their improvement.

e. The company participated in the "2025 Chinese Software Association Digital Walk" hosted by the Information Software Association of the Republic of China, encouraging colleagues to form teams to sign up for the walking event. A total of 20 teams with 80 people signed up, which will last from March 12, 2025 to April 10, 2025. They will compete with peers, walk 5,000 steps a day, and walk for the earth with every step. The number of walking steps is recorded every day and rewards are provided to motivate colleagues to walk.



- In addition to labor insurance, health insurance, labor pension provision, etc. stipulated by laws and regulations, our company also provides group insurance (medical insurance, cancer insurance, accident



insurance and life insurance) and family group insurance discounts, etc.



The company's vacation system is as follows:

- . Two days off every week
- . Provide paternity leave for male colleagues
- . Provide female colleagues with menstrual leave
- . Prepayable annual leave
- . Special leave of 3 to 30 days is granted in accordance with the Labor Standards Act
- . Child care and family care leave are provided in accordance with the Sexual Equality Act. The statistics of child care leave in recent years are as follows:

Items	Male			Female			Total		
Year	2022	2023	2024	2022	2023	2024	2022	2023	2024
Number of people eligible for childcare stay (A)	16	10	11	10	11	8	26	21	19
Actual number of people applying for babysitting stay (B)	2	0	0	2	3	2	4	3	2
Number of people expected to be reinstated in the current year (C)	2	0	0	2	3	2	4	3	2
Actual number of people reinstated in the current year (D)	2	0	0	0	1	2	2	1	2
Actual number of people reinstated in the current year (E)	2	0	0	0	1	2	2	1	2
Number of people still employed one year after reinstatement in the current year (F)	2	0	0	0	1	2	2	1	2
Application rate (B/A)	13%	0%	0%	20%	27%	25%	15%	14%	11%
Reinstatement rate (D/C)	100%	0%	0%	0%	33%	100%	50%	33%	100%
Retention (F/E)	100%	0%	0%	0%	100%	100%	100%	100%	100%

Note 1: Calculation method: Application rate = (B)/(A) X100%,

Reinstatement rate = (D)/(C) X100%,

Retention rate = (F)/ (E) X100%



### iii 、Community Engagement

The company's social participation part includes investment in infrastructure and support services and local community, which are explained in order as follows:



1 、 Investment in infrastructure and support services

Date	Sponsor	Specific measures	Reasons for participation	Implementation results	Remarks
September ,2021	New Taipei City Luzhou District Sports Association, Sports Committee for People with Disabilities.	LEO Company donated 280 bags of rice and T-shirts, and company colleagues served as volunteers on site to complete encouragement, sign language dance and various activities with the slow-witted babies. The babies had a great time.	The company came into contact with the Obstacle Sports Committee of the New Taipei City Luzhou District Sports Association and felt the needs of slow-witted babies and to increase the community identity of our New Taipei City office, so we participated as volunteers in this event.	Through this charity activity, the company increases its sense of identity with the New Taipei City community or unit, society or the environment.	
October,2022	Beach cleaning activities are licensed by the "North Coast and Guanyin Mountain National Scenic Area Management Office, Ministry of Transportation and Tourism Bureau".	Not afraid of the heavy rain brought by Typhoon Nyssa, the "National FAMILY" went to Xinjinshan Beach to clean up the beach as planned, leading about 30 colleagues and their families to take actions to make the earth's ecology sustainable, and make the family day more meaningful! Through the efforts of "Guozhong FAMILY", 70 kilograms of marine waste was cleared out with bare hands in just 2 hours. In addition to PET bottles, there were even discarded floating balls used in the fishery. A colleague said To "Even if you only clean out one PET bottle, 'You can pick up as many as you can!'", care for our living environment and make the earth's ecology sustainable. This charity day makes the family day of colleagues more meaningful!	In response to the rising awareness of environmental sustainability, our company took advantage of the holiday to go to Xinjinshan Beach in New Taipei City to clean up the beach on the National Charity Day on October 15, 2022. Typhoon "Nissa" was encountered that day, and the outer circulation of the typhoon was hit. There was heavy rain in the north and south, but it still couldn't extinguish everyone's enthusiasm.	Through this beach cleanup activity, our company has increased its identity with New Taipei City communities or units on sustainability and the marine environment.	

<b>Date</b>	<b>Sponsor</b>	<b>Specific measures</b>	<b>Reasons for participation</b>	<b>Implementation results</b>	<b>Remarks</b>
October,2022	New Taipei City Luzhou District Sports Association, Sports Committee for People with Disabilities.	On LEO Company Charity Day, we protect and support groups with disabilities, [Accompanying Slow-minded Babies to Make Love Barrier-Free], and are long-term sponsors of the committee, and hold a Charity Day every year to allow company colleagues and their families to participate in interactive exchanges with people with disabilities and donate materials. To the committee.	Our company came into contact with the New Taipei City Luzhou District Sports Association Obstacle Sports Committee and felt the needs of slow-witted babies and to increase the community identity of our company's New Taipei City office, so we participated as volunteers in this event.	Through this charity activity, the company increases its sense of identity with communities or units in New Taipei City, society or the environment.	
June,2023	New Taipei City Luzhou District Sports Association, Sports Committee for People with Disabilities.	LEO Company charity event, floor bocce will be held on June 4 (Sunday) from 9:30 to 14:00 at Yong'an Children's Park Activity Center (No. 42-6, Section 2, Yong'an North Road, Luzhou District, New Taipei City) Experience activities, colleagues and their families, participate in the grand event together.	The company came into contact with the New Taipei City Luzhou District Sports Association Obstacle Sports Committee and felt the needs of slow-witted babies and to increase the community identity of our company's New Taipei City office, so we participated as volunteers in this event.	Through this charity activity, the company increases its sense of identity with New Taipei City communities or units, society or the environment.	

Date	Sponsor	Specific measures	Reasons for participation	Implementation results	Remarks
August,2023	Save the ocean #sustainable ocean Waimushan Studio	<p>On a hot summer Saturday morning, more than 50 people came to clean the beach. The chairman led his colleagues to participate, taking the lead and participating seriously. Along the way, he also reminded employees to take a break and drink before serving. The chairman picked up three bags of PET bottles under the observation deck in a short period of time. Do you think it is littered by tourists? There is also a yellow smelly liquid in the bottle? Full of doubts! At this time, the organizer shared with old chairman his long-term inspiration for beach cleaning. Each bottle is an independent event, blown by the wind, floating on the sea, deliberately thrown away... there is a story behind every bottle. Sea water is flowing.</p> <p>Bottles from other countries flow over. The bottles of our country are flowing out. If we pick up other countries' garbage, other countries will also pick up our garbage. Each bottle is an independent event, not just one person or one reason. There is no way to blame someone intuitively. Therefore, in life, it often happens that I directly blame someone for my fault based on my impression. After cleaning up the beach, I am always careful about myself and treat everything as an independent incident in order to be neutral.</p>	<p>The head office is located in Taipei City. This beach cleanup has two key points in common: # National Cheng Kung University and #Jesus Christ.</p> <p>After National Cheng Kung University alumni organized a beach clean-up activity for Christians, one of the alumni, through other alumni, and the chairman of the company, who is also an alumnus of National Cheng Kung University, called for this beach clean-up activity.</p>	Through this beach clean-up activity, the company has increased its identity with the community or unit of Taipei City & New Taipei City& Keelung City in terms of sustainability and marine environment.	

Date	Sponsor	Specific measures	Reasons for participation	Implementation results	Remarks
November,2024	New Taipei City Manzhi Baby Support Association	LEO Company public welfare activity, the itinerary on the morning of November 3 (Sunday) is as follows: 08:30 Gather at 1F Guozhong Neihsu Office and set off to Luzhou to collect breakfast 09:30 Hutoushan Innovation Park 12:00 restaurant lunch 13:30 Zhongli XPark Aquarium Gather at 16:00 and return 17:00 Pick up delicious lunch box at Luzhou District Office The tour bus will arrive at Neihsu Office at 18:00. After the trip, our company donated sponsorship money to the association.	Our company came into contact with the Obstacle Sports Committee of the New Taipei City Luzhou District Sports Association and felt the needs of slow-witted babies and to increase the community identity of our company's New Taipei City office, so we participated as volunteers in this event.	Through this charity activity, the company increases its sense of identity with the New Taipei City community or unit, society or the environment.	

Date	Sponsor	Specific measures	Reasons for participation	Implementation results	Remarks
November,2024	Save the ocean #sustainable ocean Waimushan Studio	1.2024 LEO Company Beach Cleaning Activity 2.Time: 2024/11/23 (Saturday) 8:40~13:30 3.Meeting point: The open space next to the parking lot diagonally opposite Waimushan Private Island Restaurant (No. 37, Section 1, Huhai Road, Zhongshan District, Keelung City). 4.Activity process: 08:45 "Sustainable Ocean Waimushan Studio" will host beach cleaning instructions and receive tools 09:00 to 11:00 Beach cleaning and garbage collection 11:30 Change clothes and get ready for lunch 12:00~13:30 at private island Mykonos sea view restaurant Meal	The head office is located in Taipei City. This beach cleanup has two key points in common: # National Cheng Kung University and #Jesus Christ. After National Cheng Kung University alumni organized a beach cleanup activity for Christian Christians, one of the alumni, through other alumni, and the chairman of the company, who is also an alumnus of National Cheng Kung University, called for this beach cleanup activity.	Through this beach clean-up activity, the company has increased its identity with the community or unit of Taipei City & New Taipei City& Keelung City in terms of sustainability and marine environment.	





## 2、Local community

### (1)、Community industry-university cooperation

Year	Partner school	Number of partners	Community scope	Implementation results	Remarks
2022	Shih Chien University	1	Taipei City Head Office	Appropriately employ community manpower to increase community recognition	
	Chihlee University of Technology	11	New Taipei City Office	Appropriately employ community manpower to increase community recognition	
2023	Shih Chien University	5	Taipei City Head Office	Appropriately employ community manpower to increase community recognition	
	Chihlee University of Technology	4	New Taipei City Office	Appropriately employ community manpower to increase community recognition	
2024	Shih Chien University	2	Taipei City Head Office	Appropriately employ community manpower to increase community recognition	
	Chihlee University of Technology	3	New Taipei City Office	Appropriately employ community manpower to increase community recognition	
	University of Kang Ning	2	Taipei City Head Office	Appropriately employ community manpower to increase community recognition	



## (2) 、Community Sustainable Agricultural Tourism

On April 13, 2025 (Sunday), our company organized a one-day tour for employees at Daluntou Strawberry Farm, with a total of 49 people participating. Through actual agricultural tours, we sustainably support local small farmers. We also received a letter from the Taiwan Leisure Agriculture Development Association and sent our company a "Sustainable Agricultural Tourism" leaflet, which provides employees with a preferred venue for green tourism, supports local agriculture through tourism, and includes it in the corporate sustainability report.



## iv 、Others

None.

## VI、Environmental aspect

The company's environmental aspects include climate change, greenhouse gas management, energy management, water resources management and waste management, as follows:

### i、Climate change

The risks and opportunities that climate change poses to the company and the response measures taken by the company are described in detail below.

#### 1、Risks and opportunities that climate change poses to the

company and the response measures taken by the company

According to VII、ii、Appendix 2. Climate related information are illustrated in the following order:

A. Describe the board's and management's oversight and governance of climate-related risks and opportunities : Regarding the role of the company's management in the assessment and management of climate-related risks and opportunities, the chairman of the Corporate Sustainability Committee appoints internal managers to form an working groups to plan and implement sustainable development and climate change strategies. It is also responsible for identifying climate-related risks and opportunities and formulating climate risk management policies. In the future, the working groups will carry out cross-departmental coordination and communication and integrate management activities on sustainability and climate change issues, and will regularly report the implementation status to the Corporate Sustainability Committee.

B. Describe how the identified climate risks and opportunities will affect the company's business, strategy and finances (short-term, medium-term and long-term) : As the Company is a general information service industry, not a manufacturing industry, the management of greenhouse gases, water and energy is less significant than that of other manufacturing industries.

C. Describe the financial impacts of extreme climate events and transformational actions : As the Company is a general information service industry, not a manufacturing industry, the management of greenhouse gases, water and energy is less significant than that of other manufacturing industries.

D. Describe how the climate risk identification, assessment and management process is integrated into the overall risk management system : The

chairman of the Corporate Sustainability Committee of the Company appoints internal managers to form an working group. This working group implements the planning, execution and integration of climate risk management, including introducing risk management mechanisms, establishing climate risk analysis methodologies, identifying climate-related risks and opportunities, performing climate change scenario analysis, and monitoring and evaluating climate change-related laws and regulations. Compliance and climate-related financial disclosures. In addition, this working groups will also be responsible for formulating corporate energy conservation and carbon reduction measures, promoting the use of renewable energy, and the possibility of other corporate measures to respond to climate change.

E.If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained : The Company has not performed any scenario analysis.

F.If there is a transformation plan to manage climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical and transformation risks : Since our company is a general information service industry, not a manufacturing industry, the management of greenhouse gases, water and energy is less significant than other manufacturing industries, so we do not have a transformation plan to manage climate-related risks.

G.If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained : The Company does not have such a situation at present.

H.If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress achieved should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of the carbon reduction credits or the number of renewable energy certificates (RECs) used should be explained : The Company does not have such a situation at present.

## ii 、 Greenhouse Gas Management

The greenhouse gas management part of the company includes the strategies, methods and objectives of greenhouse gas management and greenhouse gas emissions, which are described in order as follows:

### 1 、 Strategies, methods and objectives of greenhouse gas management

Regarding greenhouse gas management strategies, it is first necessary to identify short-, medium- and long-term climate-related risks and opportunities. Secondly, it is necessary to judge and evaluate the impact of climate-related risks and opportunities on business, strategy and financial planning. Finally, decisions and implement strategic resilience and consider different climate-related scenarios.

Metrics used to assess climate-related risks and opportunities against strategies and risk management processes. In terms of climate change mitigation, the company will evaluate the following quantitative key indicators:

1. Enterprise Category 1 and 2 emissions.
2. Energy management performance.
3. Enterprise water consumption.

The above will be combined with greenhouse gas reduction targets, strategies and specific action plans to gradually achieve the requirements and targets in accordance with the requirements of the competent authorities. According to the 2023 Greenhouse Gas Inventory Report commissioned by CHASE Sustainability Technology, the greenhouse gas reduction strategy is from the greenhouse gas emission inventory. It can be seen that raw materials are the main source of greenhouse gas emissions in this inventory, and low-carbon procurement should be the most effective reduction solution. In the future, we will conduct emission assessments on the overall purchase of raw materials to achieve the goal of reducing greenhouse gases. Therefore, in terms of greenhouse gas reduction management policy:

- (1) Reduction target: a gradual reduction of 1% each year.
- (2) Promotion measures: Low-carbon procurement should be the most effective reduction solution.
- (3) Achievement status: Total greenhouse gas emissions The Company's total greenhouse gas emissions in fiscal 2023 were 10,023.049 metric tons of carbon dioxide. The relevant data is described in the following section. Finally, the carbon reduction targets, strategies and action plans for 2030 are expected to be as follows:

- (1) Carbon reduction target: a gradual reduction of 1% each year until it reaches 5% by 2030.

(2) Strategy: In the future, we will conduct emission assessments on all purchased raw materials to achieve the goal of reducing greenhouse gas emissions.

(3) Action Plan: Raw materials are the main source of greenhouse gas emissions in this inventory, so strengthening low-carbon procurement should be the most effective reduction solution.

## 2、Greenhouse gas emissions

In response to VI、ii、1、Greenhouse Gas Management Strategies, Methods, and Objectives, regarding greenhouse gas emissions and related risks in Category 1, Category 2, and Category 3, the company has planned to launch a carbon inspection, which is expected to be completed within the deadline specified by the competent authority. And based on the inspection results, we will steadily plan short, medium and long-term greenhouse gas reduction targets. The relevant greenhouse gas inspection and verification report is explained as follows:

The Company has commissioned CHASE Sustainability Technology to conduct an inventory of the Company's headquarters, Neihu Office, No. 296, 3F and No. 298, 3F, Yangguang Street, Neihu District, Taipei City, excluding the area within the site: the office space leased by our subsidiary (GeoIntelligence Systems, Inc.) accounts for approximately 4% of the floor area. In order to effectively manage the sources of greenhouse gas emissions, the Company has conducted an inventory based on the ISO 14064-1:2018 standard, setting the reporting boundaries to include direct greenhouse gas emission sources (category 1) and indirect greenhouse gas emission sources (category 2 to category 6); and the types of greenhouse gases include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>), a total of seven greenhouse gases. This inventory covers the above seven greenhouse gases produced within the reporting boundary from January 1, 2023 to December 31, 2023. The greenhouse gas emissions in this inventory are calculated mainly using the "emission coefficient method", which is quantified as activity data × emission coefficient × global warming potential (hereinafter referred to as GWP), and all calculation results are converted into carbon dioxide equivalent (CO<sub>2</sub>e) in metric tons. In addition to the above emission factor method, the mass balance method is also used to calculate some items, such as refrigerants, gas-powered sprays and fire extinguishers. Final total greenhouse gas emissions The company's total greenhouse gas emissions in 2023 are 10,023.049 metric tons of carbon dioxide equivalent, of which: Category 1 greenhouse gas emissions are 2.5102 metric tons of carbon dioxide equivalent, accounting for 0.03% of the total, including mobile

combustion and fugitive emissions; Category 2 greenhouse gas emissions are 152.7270 metric tons of carbon dioxide equivalent, accounting for 1.52% of the total, including purchased electricity; Category 4 greenhouse gas emissions are 9,867.8116 metric tons of carbon dioxide equivalent, accounting for 98.45% of the total, including emissions from indirect emissions such as purchased products; Category 3, Category 5 and Category 6 were identified as non-significant emission sources based on the significance assessment criteria of this inventory, and therefore were not included in this inventory.

According to the "Sustainable Development Roadmap for Listed Overseas Companies" released by the Financial Supervisory Commission in March 2022, the company is a company with a paid-in capital of less than NTD\$5 billion. The individual company (i.e. the parent company) should apply for greenhouse gas emissions in the third stage. Inspection (i.e., the inspection will be completed in 2026, and the verification will be completed in 2028); subsidiaries included in the consolidated statements shall apply for greenhouse gas inspection in the fourth stage (i.e., the inspection will be completed in 2027, and the verification will be completed in 2029), and will be based on the reference guidelines issued by the competent authority and Relevant regulations continue to control the completion of greenhouse gas inspection and verification disclosure schedules. The company's greenhouse gas inspection and verification schedule is as follows, which is reported to the board of directors and controlled on a quarterly basis: (Therefore, the greenhouse gas inventory information and confirmation information for the past two years will be completed in sequence according to the following planning schedule.)

#### Parent company

Work items	Estimated completion time	Progress
Determine the establishment of full-time (part-time) units, the number of full-time (part-time) personnel and their scope of duties	June 2025	Established
Develop an inspection plan	December 2025	In progress
Complete greenhouse gas inspection	December 2026	In progress
Develop verification plan	December 2026	In progress
Complete Greenhouse Gas Verificatio	December 2028	In progress

## Consolidated report

Work items	Estimated completion time	Progress
Determine the establishment of full-time (part-time) units, the number of full-time (part-time) personnel and their scope of duties	June 2026	In progress
Develop an inspection plan	December 2026	In progress
Complete greenhouse gas inspection	December 2027	In progress
Develop verification plan	December 2027	In progress
Complete Greenhouse Gas Verificatio	December 2029	In progress

### iii 、Energy management

The company's energy management is divided into two aspects: energy use policy and energy usage, which are explained in sequence as follows:

#### 1 、Energy use policy

In order to achieve ESG sustainable management and fulfill corporate social responsibility, our company has long been concerned about environmental issues and has been continuously promoting energy conservation and carbon reduction. In addition to the annual water resource consumption inventory, we will further formulate various energy conservation and carbon reduction actions. Therefore, the energy management plan is as follows:

(i) Reduction target: a gradual reduction of 1% each year.

(II) Promotion measures: as follows

##### 1. Policies to improve energy efficiency

(1) Promote e-operation, import standard documents into the company's ESS system, reduce paper usage, and promote the reuse of paper.

(2) Carry out waste sorting, battery recycling and waste reduction activities in office buildings.

(3) Care for the earth, turn up the air conditioning temperature, save energy and reduce carbon emissions.

(4) Neihu Head Office replaced the lamps with energy-saving lamps.

##### 2. Policy on the use of recycled materials

(1) Promote e-operation, import standard documents into the company's ESS system, reduce paper usage, and promote the reuse of paper.

(2) Carry out waste sorting, battery recycling and waste reduction activities in office buildings.

(3) Care for the earth, turn up the air conditioning temperature, save energy



and reduce carbon emissions.

(III) Achievement: The usage in 2024 decreased by 1.31% compared to 2023, with a decrease of 8,860 degrees. The usage in 2023 decreased by 6,349 degrees compared to 2022. The continuous decrease for two consecutive years proves the successful implementation of the Company's energy conservation and carbon reduction plan. The relevant data is described in the following section.

(IV) Energy and renewable energy sources: The Company's main energy sources are all purchased 100% from Taiwan Power Company, so the renewable energy utilization rate is 0%.

## 2 、Energy usage

The electricity bill data is as follows:

Year	kilowatt-hour		Increase/ decrease%	NTD\$		Increase/ decrease%
	2023	2024		2023	2024	
Total	675,917	667,057	-1.31%	2,641,806	2,926,077	10.76%
Difference	-6,349	-8,860		118,873	284,271	

Note: The data includes the company's Neihu headquarters, Xindian, Linkou, Zhongli, Hsinchu, Taichung, Tainan and Kaohsiung offices and subsidiaries LEO Image Inc., Full Fortune Technology Co., Ltd (Cayman) and Unity SmartTech Inc.

The company belongs to the information service industry, not the manufacturing industry, so the electricity consumption is all required by the company's colleagues for daily services. Therefore, the electricity consumption is not high, and it is not significant to the company's internal and external environment. In terms of energy use, the company is carrying out various energy conservation and carbon reduction plans, hoping to gradually reduce 1% each year and maximize the benefits of available energy. Therefore, the usage in 2024 will decrease by 1.31% compared to 2023, with a decrease of 8,860 degrees. The usage in 2023 will decrease by 6,349 degrees compared to 2022. It has continued to decrease for two consecutive years, proving the successful implementation of the company's energy-saving and carbon reduction plan. The company's main energy source is 100% purchased from Taiwan Electric Power Company, so the renewable energy utilization rate is 0% .

## iv 、Water resources management

The company's water resources management is divided into two aspects: water resources management or reduction targets and water usage, which are explained in order as follows:

### 1 、Water resources management or reduction targets



The company belongs to the information service industry, not the manufacturing industry, so the water consumption is only the water consumption required by the company's colleagues for daily services. Therefore, the water consumption is not high, and it is not significant to the company's internal and external environment. In terms of water resource management policy:

(1) Reduction target: a gradual reduction of 1% each year.

(2) Promotion measures: The company implements various water conservation plans, such as actively advocating turning off the tap after use, and immediately notifying the general affairs department to repair any leaks or damages in the toilet, so as to maximize the benefits of available water resources.

(3) Achievement: Total water withdrawal (consumption) in 2024 will increase by 450 metric tons, a 13.53% increase, compared to 2023. Further control will be required. Furthermore, in 2023, due to the resumption of post-pandemic life, total water withdrawal (consumption) will increase by 231 metric tons, a 7.46% increase, compared to 2022. The relevant data is detailed in the following section.

(4) The main water source is tap water.

## 2、Water usage

The average total water intake (consumption) and water intensity in recent years are as follows:

Year	Total water intake (consumption) (metric tons)	Data coverage	Number of employees	Average total water intake (consumption) (metric tons) (Note 2)	Revenue in millions of NTD\$ (consolidated)	Water intensity (Note 3)
2024	3,777	Note1	374	10.10	3,896	96.95
Difference from the previous year	450		(6)	1.34	438	0.74
Difference ratio from the previous year	13.53%		1.58%	15.30%	12.67%	0.77%
2023	3,327	Note1	380	8.76	3,458	96.21
2022	3,096	Note1	384	8.06	6,645	46.59
Difference from the previous year	231		(4)	0.7	(3,187)	49.62
Difference ratio from the previous year	7.46%		(1.04%)	8.68%	(47.96%)	106.50%

Note 1: Including the Group's offices in Neihu, Xindian, Linkou, Zhongli, Hsinchu and Kaohsiung, excluding offices in Taichung, Tainan and Mainland China.

Note 2: The average water consumption in 2024 decreased, mainly due to the benefits of the Company's termination of water use contracts. In 2023, the total water consumption will increase compared to 2022 due to the resumption of life after the epidemic.

Note 3: The formula is water consumption (metric tons)/turnover in NTD\$ million.

## v 、Waste Management

The company's waste management is divided into two aspects: waste management or reduction goals and waste generation situation, which are explained in order as follows:

### 1 、Waste management or reduction goals

The company is not a manufacturing industry and the waste it generates is general non-hazardous waste for people's daily life. The company continues to do a good job in waste sorting to achieve the goal of waste reduction. We hope to effectively reduce the average per capita water consumption and waste generation in the future, with the goal of reducing it by 1% each year compared to the previous year. We will continue to evaluate and respond to climate-related issues in the future to reduce the impact on corporate operations and the social environment. In terms of waste management policy:

(1) Reduction target: We aim to reduce emissions by 1% each year compared to the previous year. We will continue to evaluate and respond to climate-related issues in the future to reduce the impact on corporate operations and the social environment.

(2) Promotion measures: garbage and food waste should be properly sorted to achieve the waste reduction target. Written documents that have reached the statutory deadline should be regularly reviewed and destroyed. Due to the principle of commercial confidentiality, such written documents should not be sold to recyclers.

(3) Achievement Circumstances: The number of kilograms of paper destroyed by recycling plants will be 1,120 kilograms in 2024, 1,680 kilograms in 2023 and 690 kilograms in 2022. It has decreased by 33% kilograms in 2024 and increased by 143% kilograms in 2023. The main reason is that the documents were not fully compiled and destroyed during the epidemic, so they were destroyed all at once in 2023. Finally, the amount of paper destroyed in July 2025 is 1,500 kilograms.

(4) Hazardous waste weight and recycling percentage: both are zero.

### 2 、Waste generation situation

Because our company is in the information service industry, not manufacturing, the main waste is non-hazardous waste generated by

colleagues' daily services. Therefore, the hazardous waste weight and recycling percentage are both zero, and the carbon emissions generated are not significant. The disposal method is in accordance with the government regulations of the company's local offices, but the company will continue to strive to reduce the waste carbon emissions generated in the process of providing information services to customers, and will continue to pay attention to this issue in the future. The Company conservatively calculated the Company's carbon footprint to account for 0.0000473% of total greenhouse gas emissions in 2024 and 0.0000478% in 2023 based on the annual headcount and attendance days, and the assumption that each person consumes one meal per day at the Company. This shows that the Company's waste carbon emissions are not significant. The relevant formula is shown in the table below:

Year	Trial formula	2024	2023	2022	Note
Number of employees in the Group at the end of the year (Note1)	A	390	395	383	Number of employees
Carbon footprint emission factor (Note2)	B	1.29	1.29	1.29	Unit: per person per meal
Annual attendance days	C	249	248	249	Number of days
Total carbon footprint emissions	$D=A*B*C/1,000$	125	126	123	Metric ton
Total greenhouse gas emissions (Note3)	E	264,133,000	264,133,000	264,133,000	Metric ton
Carbon footprint emissions as a percentage of total greenhouse gas emissions	$F=D/E$	0.0000473%	0.0000478%	0.0000466%	

Note 1. Includes the Company's offices in Neihu, Xindian, Linkou, Zhongli, Hsinchu, Taichung, Tainan and Kaohsiung, as well as the offices of its subsidiaries LEO Image Inc. Unity SmartTech Inc. Full Fortune Technology Co., Ltd (Cayman) and its subsidiary LEO System Inc. (China).

Note 2. Data source: Ministry of Environment: [https://data.moenv.gov.tw/dataset/detail/CFP\\_P\\_02](https://data.moenv.gov.tw/dataset/detail/CFP_P_02)

Note 3. Data source: Greenhouse Gas Emissions Information (2024 Edition)

<https://www.business-netzero.tw/OpenData/Index?id=6ec24a41c9bf4f69880b343903aa67ad>

- Ministry of Environment, "Republic of China National Greenhouse Gas Emissions Inventory Report (2024 Edition)" (emission statistics updated to 2022).

vi 、Others

None.

## VII、Appendix

### i、Appendix 1. GRI Content Index Table

LEO Company discloses the following indicators in accordance with the 2021 new version of the GRI General Standards, covering information from January 1, 2024 to December 31, 2024 for Taiwan locations.

GRI Content Index Table：

No.	Disclosure Item	Corresponding Chapter	Page Number	Remarks
General Disclosures				
GRI 2：General Disclosures 2021				
2-1	Organizational details	Report information	5	
2-2	Entities included in the organization's sustainability reporting	Boundaries and scope of reports	6	
2-3	Reporting period, frequency and contact point	Report coverage period and frequency	6	
2-4	Restatements of information	Information reorganization	6	
2-5	External assurance	External assurance/guarantee situation	6	
2-6	Activities, value chain and other business relationships	Supplier Management	60	
2-7	Employees	Human resources composition	65	
2-8	Workers who are not employees	Human resources composition	65	
2-9	Governance structure and composition	Members and diversity	14	
2-10	Nomination and selection of the highest governance body	Nomination and selection	22	
2-11	Chair of the highest governance body	Avoidance of interests	23	
2-12	Role of the highest governance body in overseeing the management of impacts	The role and supervision of sustainable management	10	
2-13	Delegation of responsibility for managing impacts	Promote sustainable development governance structure	9	

No.	Disclosure Item	Corresponding Chapter	Page Number	Remarks
2-14	Role of the highest governance body in sustainability reporting	The role and supervision of sustainable management	10	
2-15	Conflicts of interest	Avoidance of interests	23	
2-16	Communication of critical concerns	Communication channels and complaint mechanisms	49	
2-17	Collective knowledge of the highest governance body	Continuous learning for sustainable development	12	
2-18	Evaluation of the performance of the highest governance body	Supervise the performance evaluation of sustainable Management	11	
2-19	Remuneration policies	Remuneration policy	25	
2-20	Process to determine remuneration	Remuneration policy	25	
2-21	Annual total compensation ratio	Remuneration policy	25	
2-22	Statement on sustainable development strategy	Words from the operator	1	
2-23	Policy commitments	Sustainable Development Strategy	8	
2-24	Embedding policy commitments	Sustainable Development Strategy	8	
2-25	Processes to remediate negative impacts	Management of major themes	39	
2-26	Mechanisms for seeking advice and raising concerns	Communication channels and complaint mechanisms	49	
2-27	Compliance with laws and regulations	Compliance with regulations	51	
2-28	Membership associations	Participate in various social organizations	54	
2-29	Approach to stakeholder engagement	Stakeholders consultation	31	
2-30	Collective bargaining agreements	Group Agreement	72	
Major topics				
GRI 3 : Major topics 021				
3-1	Process to determine material topics	The process of deciding major themes	31	
3-2	List of material topics	List of major themes	33	

No.	Disclosure Item	Corresponding Chapter	Page Number	Remarks
3-3	Management of material topics	Management of major themes	39	
Economic aspect				
GRI 201 : Economic performance 2016				
201-1	Ratios of standard entry level wage by gender compared to local minimum wage	Economic performance	45	
201-2	Financial impacts and other risks and opportunities arising from climate change	Climate change	92	
201-3	Defined benefit plan obligations and other retirement plans	Economic performance	45	
201-4	Financial assistance from the government	Economic performance	45	
GRI 203 : Indirect economic impact 2016				
203-1	Infrastructure investments and services supported	Investment in infrastructure and support services	84	
203-2	Significant indirect economic impact	Investment in infrastructure and support services	84	
GRI 204 : Purchase Practice 2016				
204-1	From local suppliers	Supplier Management	60	
GRI 205 : Anti-corruption 2016				
205-1	Operational locations that have undergone corruption risk assessment	Anti-corruption mechanism	48	
205-2	Communication and training about anti-corruption policies and procedures	Anti-corruption mechanism	48	

No.	Disclosure Item	Corresponding Chapter	Page Number	Remarks
205-3	Confirmed incidents of corruption and actions taken	Anti-corruption mechanism	48	
GRI 206 : Anti-competitive behavior 2016				
206-1	Anti-competitive behavior, antitrust and monopoly actions	Anti-competitive behavior	49	
GRI 207 : Tax 2019				
207-1	Tax Policy	Taxation	47	
207-2	Tax governance, control and risk management	Taxation	47	
207-3	Stakeholder consultation and management of tax-related issues	Taxation	47	
207-4	Country Report	Taxation	47	
Environmental aspect				
GRI 302 : Energy 2016				
302-1	Energy consumption within the organization	Energy usage	98	
302-2	Energy intensity	Energy usage	98	
302-3	Reduction of energy consumption	Energy usage	98	
GRI 303 : Water and Drainage Water 2018				
303-1	Mutual impacts of shared water resources	Water resources management or reduction targets	98	

No.	Disclosure Item	Corresponding Chapter	Page Number	Remarks
303-2	Management of drainage-related shocks	Water resources management or reduction targets	98	
303-3	Water intake	Water usage	99	
303-4	Displacement	Water usage	99	
303-5	Water consumption	Water usage	99	
GRI 305 : Emission 2016				
305-1	Direct (Scope 1) greenhouse gas emissions	Greenhouse gas emissions	95	
305-2	Energy indirect (scope 2) greenhouse gas emissions	Greenhouse gas emissions	95	
305-3	Other indirect (Scope 3) greenhouse gas emissions	Greenhouse gas emissions	95	
305-4	Greenhouse gas emission intensity	Greenhouse gas emissions	95	
305-5	Reduction of greenhouse gas emissions	Strategies, methods and objectives of greenhouse gasManagement	94	
305-6	Emissions of ozone-depleting substances	Greenhouse gas emissions	95	
GRI 306 : Waste 2020				
306-1	Waste generation and waste-related significant impacts	Waste management or reduction goals	100	
306-2	Managing significant waste-related impacts	Waste management or reduction goals	100	
306-3	Waste Generation	Waste generation situation	100	
306-4	Disposal and transfer of waste	Waste generation situation	100	
306-5	Direct disposal of waste	Waste generation situation	100	
GRI 308 : Supplier Environmental Assessment 2016				



No.	Disclosure Item	Corresponding Chapter	Page Number	Remarks
308-1	New suppliers that were screened using environmental criteria	Supplier Management	60	
308-2	Negative environmental impacts in the supply chain and actions taken	Supplier Management	60	
Social aspect				
GRI 401 : Labor-employment relations 2016				
401-1	New employee hires and employee turnover	Diversity, inclusion and equality among employees	66	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee rights and benefits	68	
401-3	Parental leave	Employee rights and benefits	68	
GRI 403 : Occupational Safety and Health 2018				
403-1	Occupational health and safety management system	Occupational safety and health	75	
403-2	Hazard identification, risk assessment, and incident investigation	Occupational safety and health	75	
403-3	Occupational health services	Occupational safety and health	75	
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational safety and health	75	
403-5	Worker training on occupational health and safety	Occupational safety and health	75	

No.	Disclosure Item	Corresponding Chapter	Page Number	Remarks
403-6	Promotion of worker health	Occupational safety and health	75	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational safety and health	75	
403-8	Workers covered by an occupational health and safety management system	Occupational safety and health	75	
403-9	Work-related injuries	Occupational injuries	77	
403-10	Work-related ill health	Occupational injuries	77	
GRI 404 : Training and Education 2016				
404-1	Average hours of training per year per employee	Talent cultivation and development	72	
404-2	Programs for upgrading employee skills and transition assistance programs	Talent cultivation and development	72	
404-3	Percentage of employees receiving regular performance and career development reviews	Talent cultivation and development	72	
GRI 405 : Employee Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	Members and diversity&3、Diversity, inclusion and equality among employees	14&66	
405-2	Ratio of basic salary and remuneration of women to men	Human resources composition	65	
GRI 406 Non-discrimination 2016				

No.	Disclosure Item	Corresponding Chapter	Page Number	Remarks
406-1	Incidents of discrimination and corrective actions taken	Human Rights Policy and Commitment	63	
GRI 407 Freedom of Association and Group Bargaining 2016				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Governance aspect	45	
GRI 408 Child labor 2016				
408-1	Operations and suppliers at significant risk for incidents of child labor	Governance aspect	45	
GRI 409 Forced or compulsory labor 2016				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Governance aspect	45	
GRI 413 : Local community 2016				
413-1	Operational activities based on local community consultation, impact assessment and development planning	Local community	90	
413-2	Operations that have significant actual or potential negative impacts on local communities	Local community	90	

No.	Disclosure Item	Corresponding Chapter	Page Number	Remarks
GRI 414 : Supplier Social Assessment 2016				
414-1	New suppliers that were screened using social criteria	Supplier Management	60	
414-2	Negative social impacts in the supply	Supplier Management	60	
GRI 416 : Customer Health and Safety 2016				
416-1	Assess the health and safety impact of product and service categories	Customer health and safety	58	
416-2	Violations of health and safety regulations related to products and services	Customer health and safety	58	
GRI 417 : Marketing and Labeling 2016				
417-1	Product and service information and labeling requirements	Marketing and labeling	60	
417-2	Incidents of non-compliance with regulations regarding product and service information and labeling	Marketing and labeling	60	
417-3	Incidents of non-compliance with marketing communications regulations	Marketing and labeling	60	
GRI 418Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer privacy protection	53	

## ii 、 Appendix 2. Climate related information

Item	Content	Corresponding Chapter	Page
1	Describe the board's and management's oversight and governance of climate-related risks and opportunities.	VI 、 i 、 Climate change	
2	Describe how the identified climate risks and opportunities will affect the company's business, strategy and finances (short-term, medium-term and long-term).	VI 、 i 、 Climate change	
3	Describe the financial impacts of extreme climate events and transformational actions.	VI 、 i 、 Climate change	
4	Describe how the climate risk identification, assessment and management process is integrated into the overall risk management system.	VI 、 i 、 Climate change	
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.	VI 、 i 、 Climate change	
6	If there is a transformation plan to manage climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical and transformation risks.	VI 、 i 、 Climate change	
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained	VI 、 i 、 Climate change	
8	If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress achieved should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of the carbon reduction credits or the number of renewable energy certificates (RECs) used should be explained.	VI 、 i 、 Climate change	
9-1-1	Greenhouse gas inventory information for the last two years.	VI 、 ii 、 2 、 Greenhouse gas emissions	
9-1-2	Greenhouse gas confirmation information for the last two years.	VI 、 ii 、 2 、 Greenhouse gas emissions	
9-2	Greenhouse gas reduction targets, strategies and specific action plans.	VI 、 ii 、 1 、 Strategies, methods and objectives of greenhouse gas Management	

iii 、Appendix 3: Industry-specific Sustainability Indicator Information – Semiconductor Industry, Computer and Peripheral Equipment Industry, Optoelectronics Industry, Communication Network Industry, Electronic Components Industry, Electronic Distribution Industry, Other Electronic Industries.

No	Index	Indicator Type	Annual Disclosure	Unit	Remark
1	Total energy consumption, percentage of purchased electricity and renewable energy usage.	Quantification	VI 、Environmental aspect /iii 、Energy management	Gigajoule (GJ), percentage (%)	Page97
2	Total water intake and total water consumption.	Quantification	VI 、Environmental aspect /iv 、Water resources management	Thousand cubic meters (1,000 m <sup>3</sup> )	Page98
3	The weight of hazardous waste generated and the percentage of recycling.	Quantification	VI 、Environmental aspect /v 、Waste Management	Tonnes (t), Percentage (%)	Page100
4	Describe the types, number and ratio of occupational hazards.	Quantification	V 、Social aspect /ii 、Occupational safety and health	Quantity, ratio (%)	Page75
5	Disclosure of product life cycle management: including the weight of end-of-life products and electronic waste and the percentage of recycling (note).	Quantification	IV 、Governance aspect /viii 、Product and service management	Tonnes (t), Percentage (%)	Page54
6	Description of risk management associated with the use of key materials.	Qualitative description	IV 、Governance aspect /v 、Risk management	Not applicable	Page50
7	Total monetary losses resulting from legal actions related to anti-competitive conduct regulations.	Quantification	IV 、Governance aspect /iii 、Integrity management	Report currency	Page48
8	Output of major products by product category.	Quantification	IV 、Governance aspect /i 、Economic performance	Varies by product type	Page45

Note : f it includes the sale of scraps or other recycling, relevant instructions should be provided.

iv 、 Appendix 4. Content index of other standards (such as TCFD/SASB)-SASB

Topic	No	Code	Accounting Metric	Page	Note
Energy Management in Manufacturing	1	TC-SI-130a.1	(1)Total water withdrawn,  (2)Percentage grid electricity,  (3)Percentage renewable	(1) VI 、 iii 、 Energy management (2) Revealed here, no corresponding chapter (3) Revealed here, no corresponding chapter	
	2	TC-SI-130a.2	(1)Total water withdrawn,  (2)total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	(1) Revealed here, no corresponding chapter (2) 0%	
	3	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Not applicable	
Data Privacy & Freedom of Expression	4	TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	IV 、 vi 、 Information security and Customer privacy protection	
	5	TC-SI-220a.2	Number of users whose information is used for secondary purposes	Not applicable	
	6	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Not applicable	
	7	TC-SI-220a.4	(1)Number of law enforcement requests for customer information, (2)number of customers whose information was requested, (3)percentage resulting in disclosure List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Not applicable	
	8	TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring.	Not applicable	

Topic	No	Code	Accounting Metric	Page	Note
Data Security	9	TC-SI-230a.1	(1)Number of data breaches, (2)percentage involving personally identifiable information (PII), (3)number of users affected	Not applicable	
	10	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	IV 、 vi 、 1 、 Information Security Management	
Recruiting & Managing a Global, Diverse & Skilled Workforce	11	TC-SI-330a.1	Percentage of employees that are (1)foreign nationals and (2)located offshore	(1)0 (2) Only 1 person	
	12	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1)management, (2)technical staff, and (3)all other employees	i 、 Human Resources Development	
Intellectual Property Protection & Competitive Behavior	13	TC-SI-520a.	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Not applicable	
Managing Systemic Risks from Technology Disruptions	14	TC-SI-550a.1	Number of (1) performance issues, (2) service disruptions, (3) total customer downtime	Not applicable	
	15	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Not applicable	

v 、 Appendix 5. Confirmed Institution Opinion

vi 、 Appendix 6. Others



**LEO Systems, Inc.**

**Chairman Wang, Chau-  
Chyun**



**Professionalism · Technology · Quality ·  
Service**