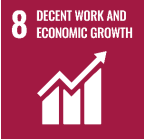



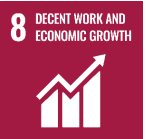








PHISON

Phison Electronics 2024 ESG Report Highlights

I Material Topics & Phison Value Chain

Material Topics (Prioritized according to the significance of impact)	Value Chain Impact Hotspots			GRI Standards/SASB Accounting Metrics	Contribution to SDGs
	Upstream (Raw Material Procurement/ Product Manufacturing)	Company Operations	Downstream (Customer Usage)		
1.Economic Performance	●	●		<ul style="list-style-type: none"> ▶ GRI 201: Economic Performance 2016 ▶ SASB: Activity Metrics 	
2.Risk Management	●	●	●	<ul style="list-style-type: none"> ▶ GRI 305: Emissions 2016 ▶ SASB: Greenhouse Gas Emissions ▶ SASB: Energy Management in Manufacturing ▶ SASB: Water Management 	
3.Innovation Management		●	●	<ul style="list-style-type: none"> ▶ GRI 302: Energy 2016 ▶ SASB: Intellectual Property Protection & Competitive Behaviour 	
4.Talent Attraction & Retention		●		<ul style="list-style-type: none"> ▶ GRI 401: Employment 2016 ▶ GRI 405: Diversity and Equal Opportunity 2016 ▶ GRI 406: Non-discrimination 2016 ▶ SASB: Recruiting & Managing a Global & Skilled Workforce ▶ SASB: Workforce Health & Safety 	 
5.Green Products	●	●	●	<ul style="list-style-type: none"> ▶ SASB: Product Lifecycle Management 	
6.Talent Development and Training		●		<ul style="list-style-type: none"> ▶ GRI 404: Training and Education 2016 	 
7.Supply Chain Management	●	●		<ul style="list-style-type: none"> ▶ GRI 308: Supplier Environmental Assessment 2016 ▶ GRI 414: Supplier Social Assessment 2016 ▶ SASB: Materials Sourcing 	



Sustainable Governance

- ▶ **8**
Number of Board meetings held
- ▶ **95.59%**
Average attendance rate of directors
- ▶ **6-20%**
Taiwan Stock Exchange corporate governance evaluation ranking among TPEX-listed companies
- ▶ **31**
Number of participations in investor conferences
- ▶ **32.41%**
Annual gross profit margin
- ▶ **100%**
Completion rate of employees signed a consent letter, agreeing to abide by the "Code of Business Practices and Ethics"
- ▶ **Became of member of the S&P Global Sustainability Yearbook**



Innovation & Service

- ▶ **12.6 billion**
Annual R&D expenses(NT\$)
- ▶ **2,074**
Accumulated patents worldwide in 2024
- ▶ **72 nd**
Ranking of the Taiwan's top 100 invention patent grants list
- ▶ **8.46 points**
Annual customer satisfaction score
- ▶ **ISO/SAE 21434 automotive certification**
Became the world's first independent NAND controller chip supplier to obtain ISO/SAE 21434 automotive certification
- ▶ **Taiwan Excellence Silver Award**
Exclusive patented AI solution aiDAPTIV+ was awarded the 2025 Taiwan Excellence Silver Award

Responsible Supply Chain

- ▶ **100%**
Completion rate of sustainable risk assessment on suppliers who meet the transaction criteria
- ▶ **100%**
Percentage of Suppliers having signed the "Supplier Code of Conduct"
- ▶ **48**
Number of critical suppliers audited under the RBA Code of Conduct
- ▶ **77.08%**
RBA audit passing rate of critical suppliers
- ▶ **79.73%**
Percentage of critical suppliers having received a RBA audit and made an improvement
- ▶ **27**
Established "Supply Chain Information Security Management Guidelines," conducted assessments on 27 major suppliers using the "Information Security Risk Assessment Form"
- ▶ **3**
Performed on-site information security audits on 3 major suppliers



Environmental Protection

▶ Join the RE 10x10 Enterprise Initiative Program

Committed to the goal of "transitioning at least 10% of total energy consumption to renewable electricity by 2025"

▶ 20%

Expect to purchase renewable energy in the amount equal to 20% or more of total electricity consumption by 2030

▶ ISO 14001

Continue to obtain ISO 14001 Environmental Management Systems

▶ ISO 14064-1

Continue to pass the verification against the ISO 14064-1:2018 standards

▶ ISO 50001

Phase V facility obtained ISO 50001 Energy Management System certification

▶ Initiate 3 energy-saving programs

Expected to save 489,287.72 kWh of electricity, which is equivalent to a reduction of 241.71 tCO₂e

▶ 50%

Newly launched SSD and UFS products achieved 50% improvement in Chip Power Efficiency Ratio compared to baseline products

▶ Being rated B- in the CDP climate change questionnaire and water security questionnaire



Employee Care

▶ **2.137 million**

The median salary for full-time employees in non-managerial positions(NT\$)

▶ **2.525 million**

The average salary for full-time employees in non-managerial positions(NT\$)

▶ **3.132 million**

The average benefits expenses per employee(NT\$)

▶ **18.93 hours**

The average training hours per employee

▶ **95.27 points**

Satisfaction score of training courses

▶ **5,935**

The number of people using Employee Assistance Programs consultation service

▶ **5.8 points**

Satisfaction score of Employee Assistance Programs (with 6 being the full score)

▶ **ISO 45001**

Continue to obtain the certification of ISO 45001 Occupational Health and Safety Management Systems



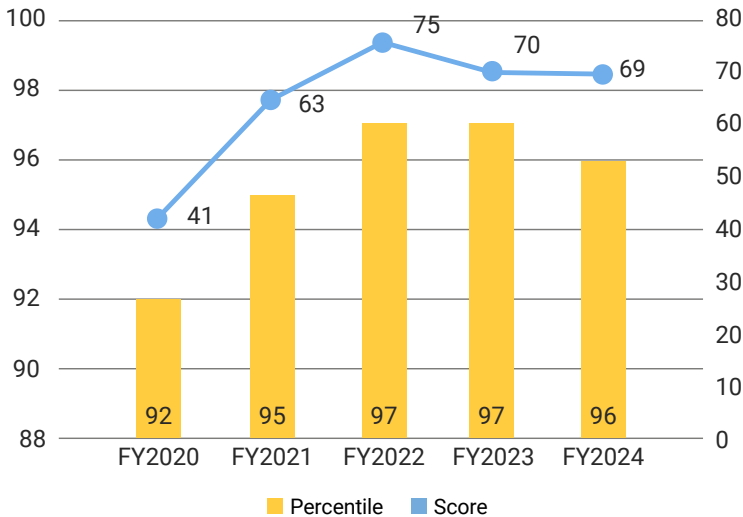
| Social Participation

- ▶ **13.29 million**
The amount of charity donation (including donations of funds and resources) (NT\$)
- ▶ **930 hours**
Volunteer service hours
- ▶ **25**
The number of charity sales held
- ▶ **11,590 trees**
Cumulative number of trees planted
- ▶ **2 million**
Cumulative donations to the "Shennong Farming Project" (NT\$)
- ▶ **198 square meters**
The total area of school field developed by the "Shennong Farming Project"

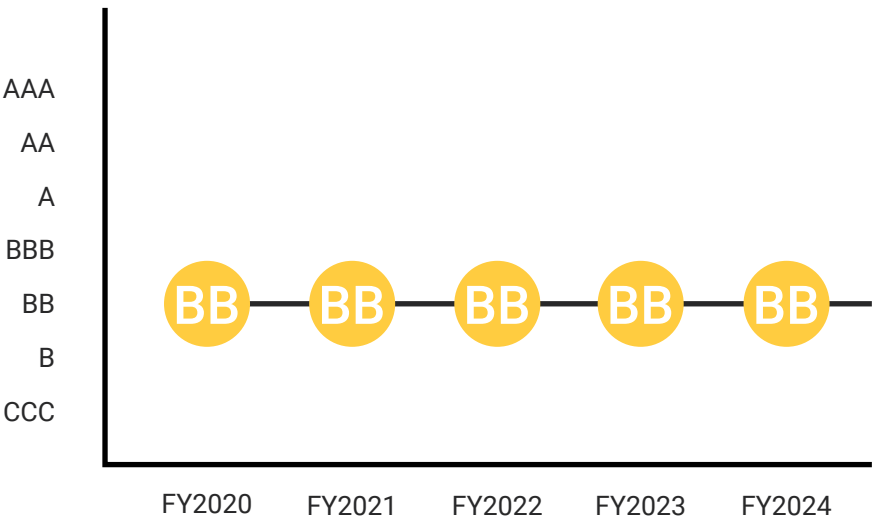


Appendix

DJSI Score



MSCI Grade



Sustainalytics Risk Rating

Year	FY 2021	FY 2022	FY 2023	FY 2024
Risk rating	High Risk	Medium Risk	Medium Risk	Medium Risk

FTSE Russell Score

Year	FY 2022	FY 2023	FY 2024	FY 2025
Score (Full score is 5)	3.0	3.6	4.1	4.0

Corporate Governance Evaluation Result

Year	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Score	80.56	88.21	96.49	89.27	96.03
OTC company ranking	6%-20%	6%-20%	Top 5%	6%-20%	6%-20%
Electronics industry with a market value above NT\$10 billion	21%-40%	21%-40%	21%-40%	41%-60%	21%-40%

PHISON