

# 2025 CyberTAN

## Human Rights Risk Identification and Management Report

## Contents

<b>I. Preamble and Commitment .....</b>	2
<b>II. Scope and Methodology of the Investigation .....</b>	3
<b>Scope and Period of Investigation .....</b>	3
<b>Execution Process .....</b>	3
<b>Risk Identification Mechanism .....</b>	4
<b>III. Annual Due Diligence Results.....</b>	6
<b>IV. Employee Human Rights Risk Assessment .....</b>	7
<b>V. Supplier Human Rights Risk Assessment.....</b>	18
<b>VI. Supplier Human Rights Risk Management Measures .....</b>	24
<b>VII. Conclusion and Outlook.....</b>	25

## I. Preamble and Commitment

CyberTAN Technology (hereinafter referred to as "the Company") deeply understands that "respecting and protecting human rights" is the foundation of corporate sustainable governance and responsible operations. The Company holds itself and its supply chain to the highest standards, commits to avoiding human rights abuses in any form, and incorporates human rights protection into its core policies for corporate governance, operational management, and supply chain management.

The Company's commitment to human rights is based on mainstream international standards, including the *United Nations Global Compact (UNGCG)*, the *International Bill of Human Rights*, the *UN Guiding Principles on Business and Human Rights (UNGPs)*, the International Labour Organization (ILO) *Declaration on Fundamental Principles and Rights at Work* and *Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy*, and referencing international norms such as the *OECD Due Diligence Guidance for Responsible Business Conduct*. The Company also fully complies with the labor laws and human rights regulations of all its operating locations, ensuring that the human rights policy is both legally sound and practically executable.

To fulfill these commitments, the Company has established a comprehensive human rights management system and internal control procedures, and formulated several management measures, including:

- *Management Measures for Prohibition of Child Labor and Remediation of Misemployment*
- *Management Measures for Juvenile Workers, Student Interns, and Part-Time Workers*
- *Management Measures for Anti-Human Trafficking and Labor*
- *Management Measures for Anti-Disciplinary, Forced Labor, and Prison Labor*

These systems clearly define the responsibilities, compliance requirements, and audit mechanisms at all corporate levels, ensuring that all employees, contractors, temporary personnel, and supply chain workers are treated with dignity and proper protection.

The Company commits to conducting a comprehensive Human Rights Due Diligence (HRDD) once a year, and initiating immediate assessments during significant operational changes, to systematically identify, prevent, and mitigate potential adverse human rights impacts. We will implement corrective actions through cross-departmental collaboration, continuously enhancing the maturity of human rights risk management and supply chain governance. The Company also pledges to be transparent with all stakeholders, publicly disclosing HRDD results, procedures for addressing material issues, and improvement outcomes in the Sustainability Report, thereby demonstrating the Company's seriousness, accountability, and trustworthiness regarding human rights issues.

CyberTAN Technology will continue to implement its corporate responsibility to respect human rights through concrete actions, institutionalized management, continuous improvement, and public disclosure, advancing toward a more resilient and sustainable corporate development.

## II. Scope and Methodology of the Investigation

### Scope and Period of Investigation

The time frame for this year's Human Rights Due Diligence covers the full year preceding the questionnaire distribution date, specifically January 1, 2024, to December 31, 2024. The scope of this investigation includes CyberTAN Technology and its operating locations, as well as supplier audits. This scope is designed to ensure that all internal operating locations, departmental functions, factory processes, and extending to key suppliers, contractors, and external labor service providers are included in the human rights risk assessment to identify material human rights issues.

The main data source for the investigation is the Human Rights Risk Assessment Questionnaire, which uses a two-dimensional quantification of risk value based on the frequency of occurrence and severity of impact, supplemented by interviews or actual operational data as reference.

### Execution Process

The Human Rights Due Diligence this year was coordinated and planned by the Sustainable Office, aiming to institutionalize HRDD and integrate it as a key governance tool for the Company's sustainability management. The overall process adheres to international human rights standards and frameworks, combined with the Company's risk management and sustainability management methodologies, to develop an execution structure that is both theoretically sound and practically credible.

After confirming the investigation methodology, the Company mobilized cross-departmental resources, including Human Resources, Environmental Safety and Health, Procurement, Factory Management, and Legal units. These units fully cooperated with the investigation by providing information, reviewing documents, explaining processes, and participating in interviews, ensuring an accurate grasp of the current human rights status and operational risks. The

Sustainable Office compiled a preliminary list of human rights issues based on international standards, industry characteristics, and the Company's operating model, which was provided to all units for review and confirmation. Each unit then expanded the issues or supplemented with other relevant issues based on their actual functions and operational scenarios, ensuring the comprehensiveness and applicability of the human rights issue identification.

Following the confirmation of human rights issues, the investigation proceeded to the information collection and assessment phase. The Company adopted a

parallel approach of quantitative and qualitative methods. The quantitative part collected scores from each unit on the frequency of occurrence and severity of impact of the issues through the Human Rights Risk Assessment Questionnaire. The qualitative part referenced departmental interviews, actual operating procedures, system documents, and operational data (such as working hours, complaint records, labor safety incidents, etc.) to cross-validate and enhance the objectivity and accuracy of the assessment results.

Based on the risk assessment results, the relevant responsible units are required to plan and execute concrete risk mitigation and remedy measures for medium-to-high-risk issues. Preventive mitigation actions include establishing or revising management policies, employee codes of conduct, and operating procedures; enhancing process monitoring, regular audits, internal controls on working hours and labor conditions, implementing monitoring tools, providing training for managers and employees, and offering additional protection measures for vulnerable groups to reduce the probability of risk occurrence. Should a human rights incident unfortunately occur, the Company will initiate remedy procedures based on the nature of the incident, providing immediate and tangible assistance, including both financial and non-financial compensation, with relevant dedicated units jointly verifying that the compensation process complies with fairness and humanitarian principles.

In addition to assessment and execution, each unit must record the implementation effectiveness of the risk mitigation and remedy measures. The types of outcomes include data improvement, behavioral change, or system refinement. All outcomes will be fed back into the PDCA management cycle as important basis for improvement and tracking in the next year.

After the investigation is complete, the Sustainable Office compiles the data from all phases and the risk analysis results to prepare the annual Human Rights Due Diligence Report, which will be appropriately included and publicly disclosed in the Sustainability Report. This demonstrates the Company's transparency, accountability, and commitment to continuous improvement regarding the issue of respecting human rights.

## Risk Identification Mechanism

The Company's human rights risk assessment adopts a systematic analytical approach, utilizing the "Risk Matrix" model to quantitatively evaluate and prioritize all human rights issues, ensuring objectivity and consistency in risk identification. The risk level is determined by two indicators: "Frequency of Occurrence" and "Severity". The calculation formula is: **Risk Level = Frequency of Occurrence x Severity**

The Frequency of Occurrence is rated on a scale of 1 to 5, which can be determined qualitatively or quantitatively depending on the situation.

Level	Degree	Qualitative Description	Quantitative Description
1	Extremely Low	Does not occur under normal circumstances	Less than once per year
2	Low	Occurs in very few cases	More than once per six months
3	Medium	Occurs in some cases	More than once per quarter
4	High	Occurs in many cases	More than once per month
5	Extremely High	Occurs frequently	More than once per week

The Severity rating considers the degree of impact on the affected party, the scope of impact, and its remediability, also rated on a scale of 1 to 5.

Level	Degree	Qualitative Description	Quantitative Description
1	Extremely Minor	Very little impact on physical and mental health and safety	Recoverable or impact eliminated within 1 year
2	Minor	Mild impact on physical and mental health and safety (no loss of working hours)	Recoverable or impact eliminated within 1-3 years
3	Medium	Moderate impact on physical and mental health and safety (loss of working hours)	Recoverable or impact eliminated within 3-5 years
4	Major	High impact on physical and mental health and safety (leading to physical or mental disability)	Recoverable or impact eliminated within 5-10 years
5	Extreme Major	Extremely high impact on physical and mental health and safety (leading to death)	Not recoverable or impact cannot be eliminated

To ensure the completeness of risk identification, the Company simultaneously includes the exposure level of vulnerable groups when assessing severity. This includes, but is not limited to, women, children and juvenile workers, foreign migrant workers, indigenous people, outsourced workers, supplier workers, customers, and nearby community residents. This enhances sensitivity to the risks faced by vulnerable groups during the judgment process. Through the analysis of the Risk Matrix model, the Company can objectively select the 10 most material human rights risk issues requiring priority management for the year. These issues then serve as an important basis for subsequent development of risk mitigation measures, initiation of remedy procedures, and promotion of the PDCA management cycle, allowing human rights management to be continuously deepened and improved on an institutionalized basis.

### III. Annual Due Diligence Results

This year's Human Rights Due Diligence is based on international standards and compiles a total of 29 human rights issues across five dimensions. These dimensions cover basic labor rights, working environment and health and safety, information and privacy, vulnerable groups and high-risk issues, and other rights protections. To ensure the investigation reflects the actual operating conditions, the Company used both online and physical questionnaires to enhance the convenience and completeness of interviewee feedback.

For employees, a total of 31 employee representative questionnaires were distributed and collected. The survey scope covered middle management across all operating locations (100% coverage), allowing the risk assessment of human rights issues to fully reflect the actual operations of each department. For the supply chain, a total of 76 supplier questionnaires were collected, covering 27% of all suppliers. This helped to understand the current state of human rights management among different types of suppliers and provided a reference for subsequent guidance and improvement directions.

In addition, the Company continuously tracked the implementation of human rights issues throughout the year through multiple channels, including the grievance mechanism, internal audits, document reviews, manager interviews, and daily management processes. Following a comprehensive review, no material human rights violations were identified this year. The received cases were primarily related to general labor-management communication or operational coordination needs, all of which were properly handled and responded to according to relevant procedures, with no need to initiate remedy mechanisms. Overall, the human rights risk management process operated smoothly this year. Various systems continued to be implemented and received participation and feedback from employees and suppliers, laying a solid foundation for the Company's subsequent efforts to deepen human rights governance.

## IV. Employee Human Rights Risk Assessment

In 2025, the Company comprehensively promoted human rights risk assessment based on its human rights policy and relevant regulations. The assessment dimensions covered issues such as fair compensation, working hours management, workplace safety, mental health, employment equality, and labor relations. The assessment results indicate that most items had medium-to-low risk, and management measures have been clearly established. Only compensation reasonableness and working hours issues were categorized as higher concern levels. The Company focuses on institutionalized monitoring, transparent communication, and the principle of non-discrimination to ensure that employees receive full protection and respect in the working environment.

In terms of compensation, the salaries of all Company employees are higher than the minimum wage. The Company continuously monitors government statistics and market salary benchmarks to maintain the reasonableness and competitiveness of compensation. It is also evaluating the introduction of the "Living Wage" concept to make salaries closer to employees' living needs. Compensation decisions adhere to the principle of fairness, with no differentiation based on gender, age, or ethnicity, and employee rights are protected through grievance channels. The execution rate of compensation-related measures reached 100% this year, indicating stable management mechanism operation.

In the management of working hours and the workplace environment, the Company monitors overtime daily through the working hours system. It implements manpower reinforcement, process optimization, and flexible working hours policies to reduce the risk of overwork. In terms of occupational safety, a comprehensive safety management system is established according to ISO 45001, including environmental monitoring, education and training, and contractor management, resulting in zero occupational accidents this year. Concurrently, the Company continues to enforce its sexual harassment prevention system and gender equality promotion, and maintains diverse grievance channels, ensuring the implementation of workplace safety and a culture of respect.

For employee development and physical and mental care, the Company promotes mental health seminars, post-health checkup consultations, and the release of health information. This assists employees in understanding their own status and enhancing their self-care abilities. Career development is fostered through training systems, succession plans, internal rotations, and learning platforms, ensuring development opportunities for all types of talent. Furthermore, the Company maintains labor-management meetings and employee feedback mechanisms to enhance communication transparency. Overall, the execution rate of human rights management measures was high this year, with good risk control effectiveness, and the system operation is mature and complete. Please refer to the following table for details: Employee Human Rights Risk Assessment and Management Table.

## Employee Human Rights Risk Assessment and Management Table.

Risk Issue	Reasonableness of Wages and Compensation						
Risk Level	High	Assessed Target	Employee	Potentially Affected Groups	Regular employees, new recruits		
Implementation Results			Impact Compensation Measures		Implementation Ratio of Impact Compensation (%)		
Implementation Count (people):	Implementation Ratio (%)	Frequency of Occurrence (%)					
267	100%	0%	NA		0%		
Risk Mitigation Measures							
<p>I. Master government-announced salary data and continuously monitor the difference between employee monthly/annual salaries and the benchmark.</p> <ol style="list-style-type: none"> <li>1. The minimum monthly salary in 2025 is \$28,590. CyberTAN employees' regular wages must not be lower than this standard.</li> <li>2. The latest statistics from the Ministry of Labor show the median total annual salary for employed workers in 2023 was \$525,000.</li> </ol> <p>For CyberTAN's non-managerial full-time employees in 2024, the proportion below this level was 6.4%. Except for those who did not meet performance targets, their names will be provided to responsible managers for reference during compensation planning.</p> <p>II. To ensure salary reasonableness and dignity, the Company will evaluate the introduction of surveys or initiatives consistent with the ILO's "Living Wage" principle, gradually strengthening compensation management. This will ensure salaries not only comply with the law but also meet employees' basic living needs and promote good labor relations and sustainable competitiveness.</p> <p>We commit that employees should not be subject to differential treatment based on gender, age, status, or ethnicity. The Company will continuously review the compensation system based on principles of fairness and transparency, ensuring that wages, overtime pay, and various compensations comply with regulations and reasonable expectations. We also maintain communication and grievance channels and use internal control mechanisms to prevent improper treatment, focusing on compensation differences and improvement directions to ensure the commitment to human rights is effectively implemented.</p>							
Outcome							
The monthly regular wages of all regular employees and new recruits this year are higher than the statutory minimum wage. The HR department has also established monitoring indicators to continuously track whether salary levels comply with laws and company standards, ensuring that compensation is reasonable and competitive.							

<b>Risk Issue</b>	Overtime Work				
<b>Risk Level</b>	Medium-High	<b>Assessed Target</b>	Employee	<b>Potentially Affected Groups</b>	All employee

Implementation Results			Impact Compensation Measures	Implementation Ratio of Impact Compensation (%)
Implementation Count (people):	Implementation Ratio (%)	Frequency of Occurrence (%)		
267	100%	5%	<ol style="list-style-type: none"> <li>1. The system confirms the reason for overtime daily, and overtime pay or compensatory leave is provided according to regulations.</li> <li>2. Understand colleagues' workload and reasons for excessive working hours, and actively improve processes and optimize operations to help enhance work efficiency.</li> </ol>	100%

#### Risk Mitigation Measures

I. The Company regularly reviews capacity and manpower needs, adjusting or recruiting personnel when necessary to prevent employee overtime due to insufficient staffing. The Company continuously reviews the compliance of related company rules with labor laws to ensure that the working hours and overtime system comply with legal requirements. The Company accurately records employee working hours through the attendance and overtime management system, which sends daily overtime reminders to prompt employees to comply with work schedules and overtime regulations. In addition, the Company regularly analyzes working hour data to help managers address related issues and take necessary actions, and periodically reviews overtime situations in each unit to ensure reasonable working hour arrangements.

II. The Company will continue to leverage the working hours management system and internal analysis mechanisms, ensuring working hours remain within a healthy and safe range through institutionalized monitoring and strengthened management by supervisors, and reducing the risk of overtime work.

We commit that no employee should bear unreasonable working hour burdens due to classification or work arrangements. The Company strives to prevent improper overtime or excessive hours through compliant systems and grievance channels, ensuring the respect and protection of employees' labor rights and physical and mental health.

#### Outcome

This year, the Company promoted flexible working hours and a work-from-home policy to help employees balance work and life. Approximately 5% more manpower was added to reduce the workload, making the working hours plan more reasonable.

<b>Risk Issue</b>	Workplace Harassment and Bullying				
<b>Risk Level</b>	Medium	<b>Assessed Target</b>	Employee	<b>Potentially Affected Groups</b>	All employee

Implementation Results			Impact Compensation Measures	Implementation Ratio of Impact Compensation (%)
Implementation Count (people):	Implementation Ratio (%)	Frequency of Occurrence (%)		
267	100%	0%	NA	0%

#### Risk Mitigation Measures

I. The Company complies with gender equality and sexual harassment prevention laws, formulating the *Measures, Complaints, and Disciplinary Actions for the Prevention of Sexual Harassment* to ensure employees enjoy a safe, harassment-free work environment. The Company adopts prevention, correction, and disciplinary mechanisms, while considering the rights and privacy of those involved. The Company also holds gender equality and sexual harassment prevention awareness courses to enhance the gender awareness of managers and employees. Multiple grievance channels, including written, telephone, and email, are provided for employees to report concerns immediately. Policies are promoted through education and training, bulletin boards, and posters to enhance employee legal compliance awareness. Furthermore, the Company has established a comprehensive complaint and tracking process, providing necessary remedies and protecting complainants from retaliation.

II. The Company will continue to enhance employees' awareness of prevention and managers' handling capabilities through education and training and the implementation of grievance mechanisms, to maintain a respectful, safe, and friendly working environment.

We commit that employees, regardless of gender, age, ethnicity, or status, should not be subjected to any form of harassment or bullying. The Company protects employees' dignity at work through institutionalized prevention measures and transparent complaint procedures, ensuring that relevant incidents are properly handled and improved.

#### Outcome

This year, the Company continued to implement the handling procedures for workplace unlawful infringement incidents, providing confidential handling, disciplinary action, and psychological counseling support measures according to procedures. Due to comprehensive prevention and response mechanisms, no workplace harassment or bullying incidents occurred this year.

Risk Issue	Reasonable Transfer and Termination Mechanisms				
Risk Level	Medium	Assessed Target	Employee	Potentially Affected Groups	All employee

Implementation Results			Impact Compensation Measures	Implementation Ratio of Impact Compensation (%)
Implementation Count (people):	Implementation Ratio (%)	Frequency of Occurrence (%)		
267	100%	4.7%	1. Department transfer forms must be signed by the employee to confirm consent. 2. Implementation of a PIP (Performance Improvement Plan) with tracking and coaching.	100%

#### Risk Mitigation Measures

I. In the transfer process, the Company will clearly explain the reasonableness and consideration factors for the transfer, including business needs, personal development, and position adjustment. Necessary communication and consultation will be conducted before the transfer, allowing employees to fully understand the adjustment content and express their opinions. If termination is involved, the Company will clearly state the reason, such as poor performance or violation of company rules, and explain the remedial measures that should be taken before termination, such as counseling, disciplinary action, or improvement plans.

II. The Company will continue to ensure that the transfer and termination procedures are transparent and compliant, and will assist managers in executing the procedures through clear procedural guidelines to protect employees' fundamental rights during job changes

We commit that employees should not be subjected to improper transfer or differential termination based on gender, age, status, or other personal characteristics. The Company will adhere to the principle of procedural justice and provide necessary communication and grievance mechanisms to ensure employees are treated fairly and respectfully during career changes.

#### Outcome

The proportion of personnel transfers between departments this year was approximately 1.2%. The adjustment process was conducted according to procedures and communication remained transparent. Additionally, approximately 3.5% of employees received coaching based on performance improvement plans to ensure fairness and procedural justice in the human resource management process.

<b>Risk Issue</b>	Employee Mental Health				
<b>Risk Level</b>	Medium-Low	<b>Assessed Target</b>	Employee	<b>Potentially Affected Groups</b>	All employee

Implementation Results			Impact Compensation Measures	Implementation Ratio of Impact Compensation (%)
Implementation Count (people):	Implementation Ratio (%)	Frequency of Occurrence (%)		
267	100%	0%	NA	0%

#### Risk Mitigation Measures

- I. The Company values employees' physical and mental health, regularly organizing seminars such as "Mindfulness" and "Well-being" to provide relevant information to help employees achieve work-life balance. Monthly health information newsletters are also published to help employees strengthen self-health management and obtain correct health knowledge. Furthermore, the Company provides consultation services for employees identified as high-risk after health checkups, allowing employees to better understand their physical condition and adjust work and rest in a timely manner to maintain health and reduce potential risks.
- II. The Company will continue to enhance employees' emphasis on physical and mental health and self-care abilities through educational seminars, health information, and follow-up consultation support measures, helping employees respond to stress and health changes early to maintain a good working state.
- We commit that employees' mental and physical health are equally important. The Company will continue to provide necessary support and channels to help employees work with peace of mind, maintain health, and receive reasonable assistance and respect when encountering health or psychological distress.

#### Outcome

The number of participants in employee mental health-related activities and seminars reached 100 this year, indicating employees' continuous involvement and use of the physical and mental support resources provided by the Company.

<b>Risk Issue</b>	Employment Discrimination				
<b>Risk Level</b>	Medium-Low	<b>Assessed Target</b>	Employee	<b>Potentially Affected Groups</b>	All employee

Implementation Results			Impact Compensation Measures	Implementation Ratio of Impact Compensation (%)
Implementation Count (people):	Implementation Ratio (%)	Frequency of Occurrence (%)		
267	100%	0%	NA	0%

#### Risk Mitigation Measures

- I. The Company strictly complies with the *Employment Service Act* and related human rights regulations, prohibiting any differential treatment based on gender, age, disability, indigenous status, etc. The Company regularly reviews company rules and procedures to eliminate clauses or operational methods that may cause unfair treatment. The Company also formulates human rights policies and promotes Diversity, Equality, and Inclusion (DEI) education and awareness campaigns to enhance the sensitivity and respect for employment equality among managers and employees. In recruitment, promotion, and compensation evaluation procedures, the Company always uses ability and performance as the sole criteria to ensure all employees are treated fairly.
- II. The Company will continue to build a non-discriminatory work environment through the promotion of DEI education, system review, and process optimization, enabling all employees to obtain development opportunities and reasonable treatment on an equal basis.

We commit that no employee should be subjected to differential treatment based on gender, age, physical and mental characteristics, ethnicity, or other personal categories. The Company will adhere to the principles of fairness, transparency, and respect, ensuring that employment decisions are based on professionalism and performance, allowing the value of human rights equality to be implemented.

#### Outcome

No employment discrimination incidents occurred this year, and the Company continues to enhance a diverse and inclusive employment environment. The employment ratio of employees aged 50 and over increased by approximately 3% compared to last year, demonstrating the enterprise's friendliness and acceptance of different age groups.

Risk Issue	Career Development and Training Opportunities				
Risk Level	Low	Assessed Target	Employee	Potentially Affected Groups	All employee

Implementation Results			Impact Compensation Measures	Implementation Ratio of Impact Compensation (%)
Implementation Count (people):	Implementation Ratio (%)	Frequency of Occurrence (%)		
267	100%	0%	NA	0%

#### Risk Mitigation Measures

- I. The Company plans comprehensive training and talent development programs based on overall growth strategy and departmental training needs, helping employees enhance their capabilities and career competitiveness. The Company also irregularly announces internal rotation and recruitment opportunities, providing employees with channels to apply for transfers to support diverse career paths. Furthermore, the Company implements a succession plan for key management levels, continuously cultivating key talent, and promotes a learning framework that is both institutionalized and digitized, creating a learning-oriented corporate culture.
- II. The Company will continue to improve the training system, strengthen the learning platform and career development channels, provide employees with diverse development opportunities, and support them in planning their future direction based on their abilities and aspirations.

We commit not to affect an employee's training, promotion, or career development opportunities due to their status, gender, or other personal conditions. The Company will maintain a fair and transparent development system, ensuring every employee receives appropriate training resources and growth support.

#### Outcome

This year, the Company continued to promote the talent development system, including: the General Manager Rotation System to enhance high-level leadership vision; an approximately 88% attendance rate for the "Million Dollar Successor Program" to improve the capabilities of medium-to-long-term succession talent; a 90% utilization rate for the Manager Training Program for new managers; and the establishment of a knowledge management platform, accumulating 740 SOPs to strengthen organizational knowledge transfer and learning culture.

<b>Risk Issue</b>	Employee Monitoring and Surveillance				
<b>Risk Level</b>	Low	<b>Assessed Target</b>	Employee	<b>Potentially Affected Groups</b>	All employee

Implementation Results			<b>Impact Compensation Measures</b>	<b>Implementation Ratio of Impact Compensation (%)</b>
<b>Implementation Count (people):</b>	<b>Implementation Ratio (%)</b>	<b>Frequency of Occurrence (%)</b>		
267	100%	0%	NA	0%

#### **Risk Mitigation Measures**

I. When conducting any operation involving employee monitoring or information collection, the Company carefully assesses the potential impact on employee privacy and ensures that relevant measures comply with legal regulations, such as the *Personal Data Protection Act*. The Company clearly explains the compliance of personal data collection, processing, and utilization, and carries out notification and management in accordance with legal requirements. At the same time, the Company pays special attention to whether the collected content involves "special personal data," such as sensitive information like health or medical records, to prevent improper use or infringement of privacy.

II. The Company will continue to ensure that all monitoring measures are necessary and legitimate through system review and legal compliance management, striking an appropriate balance between protecting corporate operational security and employee privacy rights.

We commit that employee privacy rights must be respected and protected. The Company adheres to the principles of legality, necessity, and transparency when collecting and processing employee information, avoiding any situation that may lead to improper monitoring or information abuse, ensuring the implementation of human rights and privacy protection.

#### **Outcome**

This year, the Company continued to strengthen information security management in accordance with relevant regulations and has established a comprehensive confidential document management measure to implement data protection and reduce the risk of information leakage.

Risk Issue	Occupational Health and Safety				
Risk Level	Low	Assessed Target	Employee	Potentially Affected Groups	All employee and contractors

Implementation Results			Impact Compensation Measures	Implementation Ratio of Impact Compensation (%)
Implementation Count (people):	Implementation Ratio (%)	Frequency of Occurrence (%)		
267	100%	0%	NA	0%

#### Risk Mitigation Measures

I. To ensure employee occupational safety and prevent occupational hazards, the Company regularly monitors the working environment, including carbon dioxide concentration, lighting, and other items, to ensure workplace safety. The Company also formulates safety and health work rules, establishes an occupational safety and health management manual, and promotes human factors hazard prevention and maternal health protection plans, forming a complete occupational safety and health management system. To enhance employees' ability to identify potential hazards, the Company provides new employee occupational safety and health and hazard communication education and training, and regularly promotes related information on the internal website to strengthen occupational safety awareness. Furthermore, the Taiwan plant introduced the international occupational safety and health management system ISO 45001 this year and passed third-party certification. The Company also establishes contractor procedures and forms to control personnel entering the plant for construction, ensuring their operations comply with safety regulations.

II. The Company will continue to strengthen the execution of the occupational safety system based on international standards and internal management measures to reduce accident risks and ensure that all personnel working in the plant can operate in a safe environment.

We commit that employees should not face any avoidable occupational hazards. The Company will continuously improve systems, education and training, and safety culture, ensuring every employee works in a safe environment and receives full protection.

#### Outcome

This year, the occupational accident notification and handling procedure was initiated according to the system, ensuring incidents are reported immediately and responded to promptly. At the same time, proactive care is provided to employees with occupational accidents and assistance is offered in applying for official injury leave, ensuring they receive necessary support when accidents occur. For contractors, they are required to comply with safety and health regulations and management systems during construction to ensure personnel operations comply with safety regulations. No occupational accidents occurred this year, indicating the effective implementation of the occupational safety management system and preventive measures.

Risk Issue	Labor-Management Communication Mechanism				
Risk Level	Low	Assessed Target	Employee	Potentially Affected Groups	All employee and contractors

Implementation Results			Impact Compensation Measures	Implementation Ratio of Impact Compensation (%)
Implementation Count (people):	Implementation Ratio (%)	Frequency of Occurrence (%)		
267	100%	2%	1. Labor-management meetings are held quarterly in accordance with the law. 2. The Company has set up a CEO mailbox, allowing employees' concerns to reach the upper management directly.	100%

#### Risk Mitigation Measures

I. The Company strictly complies with labor laws and clearly specifies relevant regulations in the work rules and internal regulations to establish a clear foundation for labor-management relationship operation. To promote mutual communication and consensus, the Company regularly holds labor-management meetings as a platform for exchanging opinions and solving problems. At the same time, an activity voting mechanism is used, allowing employees to directly participate in company decision-making related matters and express their opinions. In addition, the Company offers courses on labor laws and employee rights to enhance employees' legal compliance awareness and managers' management knowledge.

II. The Company will continue to strengthen labor-management communication through formal meetings, participatory mechanisms, and educational promotion, enabling both parties to coordinate and cooperate in an environment of mutual trust and transparency.

We commit that all employees should have the right to express opinions and participate in communication. The Company will maintain open channels and fair procedures, ensuring labor-management issues are fully discussed and reasonably addressed.

#### Outcome

This year, the Company handled and responded to employee suggestions regarding activity planning and plant construction through the Welfare Committee and General Affairs unit, continuously enhancing employee participation and transparency in plant improvements. Furthermore, the Human Resources unit also handled labor-management communication cases between employees and managers, successfully completing coordination and mediation, ensuring both parties' opinions were properly addressed, demonstrating the Company's active efforts in maintaining labor-management harmony.

## V. Supplier Human Rights Risk Assessment

CyberTAN fully promoted the supplier human rights risk assessment in 2025, in accordance with the human rights policy, RBA Code of Conduct, and international norms, to understand the human rights issues the supply chain may face. This assessment covered working hour management, compensation reasonableness, occupational health and safety (OHS), mental health, employment discrimination, forced labor, and labor-management communication. Generally, most supplier risks were categorized as medium-to-low level, indicating a certain level of management maturity. Excessive working hours and employee mental health were the areas of higher concern this year, reflecting room for strengthening in suppliers' manpower allocation and support measures.

In terms of working hour management, suppliers commonly implemented electronic time management systems, overtime approval processes, and shift optimization mechanisms. They reduced overtime pressure during peak seasons by increasing manpower, improving processes, and introducing automated equipment. Some suppliers also implemented working hour warnings and the "7-day break" regulation to reduce the risk of non-compliance. For mental health, support for employees' physical and mental well-being was increasingly institutionalized through psychological counseling services, stress management courses, managerial care, and team activities.

Regarding compensation management, most suppliers have established transparent wage systems, pay wages according to the law, and protect employee rights through grievance channels. In occupational safety, several suppliers have obtained ISO 45001 or equivalent management systems, with measures for risk identification, inspections, education and training, and contractor control, effectively reducing the possibility of occupational accidents. Career development is also enhanced through annual training plans, internal and external courses, and promotion systems to improve talent stability and strengthen the overall supply chain's operational resilience.

For employment discrimination and forced labor, most suppliers have clear policies in place and enforce control measures in areas like recruitment, identity verification, document management, grievances, and interviews. Labor relations are maintained through suggestion boxes, forums, labor-management meetings, and feedback mechanisms, promoting communication transparency and workplace harmony. Overall, supplier human rights management was stable this year, with good risk control. The Company will continue to strengthen supply chain human rights due diligence, audits, and improvement tracking, and promote more comprehensive human rights governance. Please refer to the following table for details.

## Supplier Human Rights Risk Assessment and Management Table

Issue	Overtime Work	Risk Level	Medium-High
<b>Risk Description</b>	Some suppliers still face the risk of excessively high overtime hours and inadequate working hour management during peak seasons or when manpower is insufficient.		
<b>Existing Supplier Management Measures</b>	<ol style="list-style-type: none"> <li>1. Most suppliers have implemented electronic attendance or working hour management systems to regularly track monthly working hours and overtime, and provide alerts and control for anomalies.</li> <li>2. Overtime requires pre-application and approval by the manager, and is strictly limited not to exceed national regulations or RBA working hour ceilings (e.g., maximum 60 working hours per week, implementation of "7-day break").</li> <li>3. Manpower is increased, processes are improved, or automated equipment is introduced in advance during peak order periods through production and sales meetings, manpower planning, and shift optimization, to reduce necessary overtime.</li> <li>4. A culture of leaving work on time is promoted through measures like turning off lights and mandatory shutting down of office electronics to prevent employees from unconsciously extending working hours.</li> <li>5. Overtime is paid in full according to the law, or compensatory leave is provided, and execution is confirmed through audits and internal checks.</li> </ol>		

Issue	Employee Mental Health	Risk Level	Medium-High
<b>Risk Description</b>	Employees may face mental health risks due to work pressure, long working hours, or family burdens. <sup>28</sup>		
<b>Existing Supplier Management Measures</b>	<ol style="list-style-type: none"> <li>1. Some suppliers have established mental health hotlines or on-site psychological counseling services, offering employees anonymous or appointment-based consultation channels.</li> <li>2. Stress management, mental health seminars, and questionnaire assessments are regularly conducted to help employees recognize stress sources and learn coping methods.</li> <li>3. Work adjustments, flexible working hours, or leave arrangements are provided for pregnant women, older employees, or those with special physical and mental needs to help balance work and family.</li> <li>4. Regular interviews and care are conducted by direct managers or HR units, and team interaction and support systems are enhanced through team building, travel, and dining events.</li> <li>5. Some suppliers incorporate mental health into corporate development and HR strategies, planning long-term promotion of employee physical and mental health and well-being.</li> </ol>		

<b>Issue</b>	Employee Mental Health	<b>Risk Level</b>	Medium-High
<b>Risk Description</b>	Employees may face mental health risks due to work pressure, long working hours, or family burdens.		
<b>Existing Supplier Management Measures</b>	1. Some suppliers have established mental health hotlines or on-site psychological counseling services, offering employees anonymous or appointment-based consultation channels. 2. Stress management, mental health seminars, and questionnaire assessments are regularly conducted to help employees recognize stress sources and learn coping methods. 3. Work adjustments, flexible working hours, or leave arrangements are provided for pregnant women, older employees, or those with special physical and mental needs to help balance work and family. 4. Regular interviews and care are conducted by direct managers or HR units, and team interaction and support systems are enhanced through team building, travel, and dining events. 5. Some suppliers incorporate mental health into corporate development and HR strategies, planning long-term promotion of employee physical and mental health and well-being.		

<b>Issue</b>	Reasonableness of Wages and Compensation	<b>Risk Level</b>	Medium
<b>Risk Description</b>	If the salary structure is not transparent or deviates from the market, it may lead to employee dissatisfaction and disputes.		
<b>Existing Supplier Management Measures</b>	1. Most suppliers have established salary management systems and transparent compensation policies, determining salaries and rewards based on job content, years of service, and performance. 2. Salary levels are regularly benchmarked against industry peers or market standards to review competitiveness, with adjustments made when necessary to reduce talent loss risk. 3. Channels for compensation and reward grievances or feedback are established, handled by dedicated departments with responses provided within a reasonable timeframe, ensuring employee opinions are addressed. 4. Overtime pay and various statutory payments are paid according to law, and explicitly prohibit using wage deductions, wage reduction, or threat of dismissal to pressure employees. 5. Clear procedures and time limits are set for settling the wages of departing employees; some suppliers confirm the payment date in writing with the employee on the day of leaving to comply with local regulations.		

Issue	Occupational Health and Safety (OHS)	Risk Level	Medium-Low
Risk Description	Inadequate safety management or uncontrolled operational risks may lead to occupational disasters or health damage. <sup>40</sup>		
Existing Supplier Management Measures	1. Most suppliers have implemented or obtained OHS management system certifications such as ISO 45001, continuously improving OHS management according to the PDCA framework. 2. Entrance and regular safety education training are provided for general employees and those in special hazardous operations, and OHS awareness sessions and drills are conducted. 3. Appropriate personal protective equipment (PPE) is provided based on the nature of work, and employees are required to wear and use it correctly; external contractors and personnel are also included in the scope of management. 4. Regular workplace risk assessments, safety inspections, and hazard elimination are conducted, and a notification and immediate improvement mechanism is established. 5. Regular health checks are provided for employees; some suppliers have factory-based occupational doctors or nurses to assist with health management and occupational disease prevention.		

Issue	Career Development and Training Opportunities	Risk Level	Medium-Low
Risk Description	A lack of training and promotion mechanisms may affect employee growth and retention. <sup>460</sup>		
Existing Supplier Management Measures	1. Most suppliers set annual education and training plans, covering orientation training, on-the-job training, professional skills, information security, and management courses. 2. Employees are encouraged to continuously enhance professional capabilities through internal training and external further education courses, and trained employees are required to share their knowledge to expand learning effectiveness. 3. A career development system and internal promotion channels are established, offering promotion opportunities and job rotations to high-performing or potential employees. 4. HR or managers regularly conduct career interviews with employees, assisting them in clarifying their professional development direction and linking it to the company's long-term goals. 5. Some suppliers implement competency assessments and a credit-based learning framework, allowing training results to be quantified and used as a reference for promotion and salary adjustment.		

<b>Issue</b>	Labor-Management Communication Mechanism	<b>Risk Level</b>	Low
<b>Risk Description</b>	Poor communication can easily lead to misunderstandings and labor-management conflicts, affecting operational stability.		
<b>Existing Supplier Management Measures</b>	<ol style="list-style-type: none"> <li>1. Most suppliers have established multiple feedback channels such as employee suggestion boxes, online questionnaires, and e-mail complaints, and promise confidentiality and prohibit retaliation.</li> <li>2. Labor-management meetings, employee forums, or employee assemblies are regularly held for discussions and consultations between employee representatives or unions and management.</li> <li>3. An employee representation or union system is established, allowing employees to participate in discussions on company policies, major adjustments, and personal interests through formal mechanisms.</li> <li>4. Managers proactively understand employee needs and opinions through daily interviews, irregular forums, and department meetings, emphasizing "communication and re-communication."</li> <li>5. Some suppliers compile material feedback into reports for the senior management team to enhance transparency and responsiveness in the decision-making process.</li> </ol>		

<b>Issue</b>	Workplace Harassment and Bullying	<b>Risk Level</b>	Low
<b>Risk Description</b>	A lack of prevention and grievance mechanisms may lead to sexual harassment, bullying, and other improper treatment.		
<b>Existing Supplier Management Measures</b>	<ol style="list-style-type: none"> <li>1. Most suppliers have established regulations related to workplace sexual harassment and anti-bullying, clearly specified in employee handbooks or work rules.</li> <li>2. Education and training related to gender equality and workplace harassment prevention are regularly conducted (at least once every six months).</li> <li>3. Multiple and confidential grievance channels are provided, such as complaint mailboxes, hotlines, and dedicated contact persons, ensuring victims or witnesses can report with confidence.</li> <li>4. Clear investigation and disciplinary procedures are designed; once verified, disciplinary action is taken according to company rules, and complainants are protected from retaliation.</li> <li>5. Awareness of a zero-tolerance policy for workplace harassment and bullying is enhanced among all employees through irregular promotion of case studies and relevant regulations.</li> </ol>		

<b>Issue</b>	Reasonable Transfer and Termination Mechanisms	<b>Risk Level</b>	Low
<b>Risk Description</b>	Non-transparent transfer and termination procedures may infringe upon employees' job stability and rights.		
<b>Existing Supplier Management Measures</b>	<ol style="list-style-type: none"> <li>1. Some suppliers have established performance management and annual key work review systems, using goal management to support personnel adjustments and job planning.</li> <li>2. For matters involving significant employee rights, such as transfer, demotion, or termination, employees' opinions are sought or union representatives participate, and both parties are required to sign a confirmation.</li> <li>3. The resignation process is documented in writing, including resignation application, handover, HR interview, and wage settlement timeline, to reduce disputes.</li> <li>4. It is emphasized that employees must not be forced to work overtime or accept unreasonable work arrangements through the threat of dismissal or non-renewal of contract.</li> <li>5. For outsourced or dispatched employees, some suppliers use contractual agreements to define basic labor conditions and termination procedures to protect the rights of dispatched personnel.</li> </ol>		

<b>Issue</b>	Employment Discrimination	<b>Risk Level</b>	Low
<b>Risk Description</b>	Improper differential treatment based on gender, age, pregnancy, etc., may occur in recruitment, promotion, and compensation.		
<b>Existing Supplier Management Measures</b>	<ol style="list-style-type: none"> <li>1. Most suppliers have formulated <i>Anti-Discrimination Management Procedures</i> or equivalent policies, explicitly prohibiting discrimination based on race, color, age, gender, sexual orientation, pregnancy, religion, political affiliation, etc.</li> <li>2. Identity documents are strictly verified for authenticity and age during the recruitment process, while prohibiting the use of discriminatory medical examinations as a condition for employment.</li> <li>3. An equal pay for equal work policy for men and women is promoted, and female employees are guaranteed legal protection during pregnancy, childbirth, and breastfeeding, and must not be arbitrarily transferred or terminated.</li> <li>4. Gender equality and a diverse and inclusive workplace culture are emphasized through internal promotion, education and training, and raising manager awareness.</li> <li>5. Some suppliers incorporate preferential hiring of local residents into their human resource strategy to strengthen positive interaction with the community and employment opportunities.</li> </ol>		

Issue	Forced Labor	Risk Level	Low
Risk Description	The existence of withholding documents, threats, or human trafficking constitutes a severe human rights violation.		
Existing Supplier Management Measures	<ol style="list-style-type: none"> <li>1. Most suppliers clearly declare a prohibition on the use of forced labor and human trafficking, and have established relevant management procedures and policies.</li> <li>2. The withholding of employee identification documents, bankbooks, or other important personal documents is explicitly prohibited during recruitment and employment, and employees must not be threatened with wage deduction or dismissal.</li> <li>3. Employee interviews, questionnaires, or grievance mechanisms are regularly used to confirm that employees are not subjected to forced labor, and employees are encouraged to report abnormal situations.</li> <li>4. For key raw materials and suppliers, some enterprises have promoted CMRT/EMRT and other conflict mineral and human rights risk surveys, requiring upstream supply chains to commit to not being involved in forced labor.</li> <li>5. Awareness of the risks of forced labor and human trafficking is raised among employees and the community through education and training and legal promotion.</li> </ol>		

## VI. Supplier Human Rights Risk Management Measures

The Company takes the protection of labor rights as the core requirement of supply chain governance, based on its human rights policy, OECD Due Diligence Guidance, and RBA Code of Conduct. All new suppliers must 100% sign the *Supplier Code of Conduct* and the *Social Responsibility and Environmental Commitment Letter*, explicitly committing to prohibit the use of child labor and forced labor, not to engage in discrimination or harassment, and to ensure that working hours, wages, safety and health, and grievance systems comply with regulations and international standards.

In terms of human rights due diligence, the Company annually conducts risk assessments for key raw materials and medium-to-high-risk suppliers. The review covers indicators such as compliance with working hours, whether overtime is voluntary and fairly compensated, whether wages are fully paid, whether documents are withheld or freedom is restricted, and whether equal employment and a harassment-free workplace are provided. Furthermore, through CMRT/EMRT and third-party verification procedures, the Company confirms that the source of minerals does not involve armed conflict or human rights abuses, ensuring that upstream procurement complies with responsible raw material requirements.

To strengthen supply chain human rights governance, an ESG performance evaluation standard and management dashboard have been established. In addition to on-site audits, supplier data on social indicators are incorporated into quantitative metrics and qualitative descriptions to statistically present risk hotspots and improvement trends. The dashboard instantly consolidates supplier self-assessment and audit results, enabling the Company to quickly identify human rights risks and perform precise management. To enhance suppliers' understanding and execution capabilities on human rights issues, the Company organized 3 online training sessions in 2024, with a total of 443 participants. The course content covered RBA labor clauses, working hours management, anti-discrimination and grievance systems, mental health support, and mineral due diligence requirements. Through continuous capacity building, the Company assists suppliers in improving the maturity of their systems and ensures effective implementation of human rights management at all levels.

The Company establishes a complete human rights governance process, from disclosure to improvement, through commitment signing, risk assessment, the ESG management dashboard, improvement tracking, and education and training, continuously enhancing the supply chain's performance in human rights protection, working dignity, and fair treatment.

## VII. Conclusion and Outlook

The Human Rights Risk Identification and Management work for the year 2025 enabled the Company to comprehensively review the overall situation of human rights issues both internally and within the supply chain. Observations from this year's assessment results show that most issues fall into the medium-to-low risk level, indicating that existing systems and management measures are generally effective in maintaining stability. Continuous promotion and concrete execution results have been seen in areas such as working hour management, compensation systems, workplace safety, anti-discrimination, and grievance mechanisms<sup>97</sup>. At the same time, we noted that compensation reasonableness and working hour load remain areas requiring continuous attention. In response, the Company has gradually implemented improvements through institutionalized monitoring, manpower reinforcement, and process optimization, aiming to achieve a better balance between operational needs and employee well-being.

In the supply chain, this year's assessment results also showed that overall risks are mostly medium-to-low. However, some suppliers still face challenges such as higher working hours during peak seasons and insufficient mental health support. The Company considers this an important area for future collaboration. We aim to establish a collaborative model with suppliers to collectively enhance human rights governance quality through the use of the Code of Conduct,

audits, self-assessments, education and training, and ESG management tools. Through more proactive exchange and guidance, we expect to assist the supply chain in gradually improving system maturity and continuously addressing relevant issues in long-term cooperation.

Looking ahead, the Company will use this year's results as a foundation to strengthen management, continuing to deepen human rights governance in a step-by-step manner. Firstly, we will focus on more vulnerable groups, such as older employees, pregnant and parenting employees, and contractors, to assess the necessity of supplementing existing systems or providing more assistance measures. Secondly, we will continue to review the operation of working hours and compensation systems, and study management approaches that better balance competitiveness and fairness, taking into account the external environment and employee needs.

On the supply chain side, the Company will gradually increase the depth of due diligence. This includes increasing the audit frequency for high-risk suppliers when necessary, leveraging third-party resources for verification assistance, and continuously optimizing the analytical functions of the ESG dashboard to grasp potential risks more promptly. The Company will also study a tiered supplier management system to facilitate more appropriate support at different stages of cooperation. Furthermore, we anticipate introducing digital tools and new technologies to make human rights management processes more timely and effective. In the future, we will also continue to promote education and training and stakeholder communication to help employees and suppliers have a more consistent understanding of human rights issues and jointly build a culture of respect and inclusion in the workplace.

In summary, the Company will promote human rights management with a spirit of prudence, pragmatism, and continuous improvement. We hope to gradually enhance the enterprise's sensitivity and capacity to respond to human rights issues while solidifying the existing foundation. Through continuous effort and cooperation, we aim to move toward a more robust, responsible, and sustainable direction in human rights governance in the future.



## CyberTAN technology, Inc.

No.99, Park Ave. 3, Science Based Park, Baoshan Township, Hsinchu, 300096 Twain, R.O.C.

Web : <https://esg.cybertan.com.tw/>

Tel : +886-3-577-7777