



2025 HTC ESG Report

2025

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ESG Report

2025 Environment, Social, Governance

Publication Date: August 04, 2026

Editorial Principle

Thank you for reading the 14th ESG Report issued by the HTC Corporation (HTC). HTC has an open and honest approach to the review and disclosure of our executive performance related to all Sustainability matters and offers our stakeholders a clear picture of all the related issues. Our aim is to use our brand's influence to integrate our ESG strategies into the organization, and we start off with a comprehensive response to all these issues.

As a global virtual reality and smart phone brand, we are ready to confront all the challenges that might present themselves. For each major Sustainability issue that relates to our future development, we make it clear at the beginning of each section which challenge we are facing, our management approaches and current achievements, and our goals for future development.

By understanding and commitment to these topics, HTC will define and confirm our direction toward sustainable development, and also let our stakeholders know everything about our performance and the results with respect to ESG in 2025.

This report has been prepared in Chinese and English. Both versions are posted on our official website and are available for download (www.htc.com/us/esg/)

Report Scope and Boundary

The organizational boundary of the information in this annual report is mainly based on HTC Taiwan^{Note 1}. The boundary of financial information is HTC Global^{Note 2}, disclosed by way of consolidated financial statements.

Environment part: The scope of greenhouse gas inventory, TCFD and electricity boundary is HTC Global, and the rest of the data disclosure scope is only HTC Taiwan.

Social part: The scope of human resources boundary is HTC Global, and the rest of the information disclosure scope is only HTC Taiwan.

Notes:
1. HTC Taiwan: HTC and its subsidiaries Hungxu Technology Co., Ltd., Viveport Digital Co., Ltd., REIGN Technology Co., Ltd., DeepQ Technology Corp., VIVE Arts Corporation, Uomo Vitruviano Corporation.
2. HTC Global: HTC and its subsidiaries, please refer to Section 71 of the Annual Report for the current year.

2025 HTC ESG Report Organization Coverage Information

Boundary	Address	Tel
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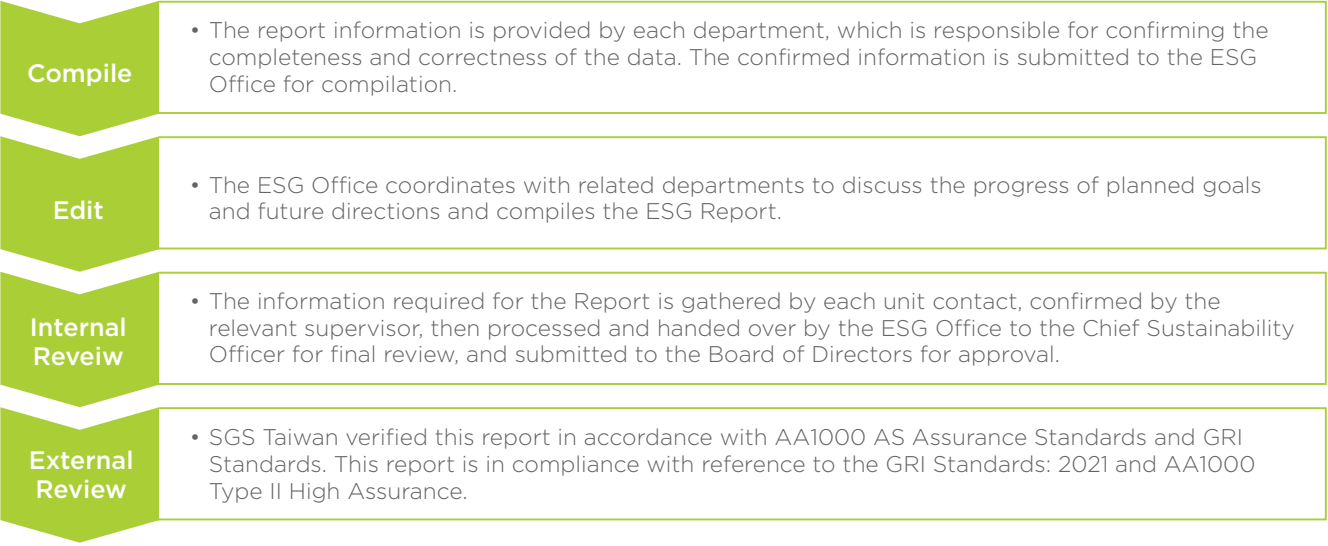
Time Coverage of Disclosure

We publish the HTC Sustainability Report on a regular basis every year. The information disclosed in this report covers the year 2025 from January 1 to December 31. In order to present complete information or the project progress, the information on some topics may also be retroactive to 2024 or extended to May 2026.

Report Basis

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: 2021, the sustainability indicators of the Sustainability Accounting Standard Board (SASB), and the United Nations Sustainable Development Goals. , SDGs), and AA1000 standards and has been confirmed by SGS-Taiwan to be in compliance with AA1000AS v3 Type II high-level assurance and reference to the GRI Standards and SASB (Hardware) industry standards.

Process of Reporting Quality Management



Forward-Looking Statements & Statistical Calculations

In this report, HTC makes some forward-looking statements about future ESG challenges and developments. However, because some of these issues are uncertain and subject to variable factors (such as policies, laws, and international regulations), it should be noted that they have been made after discussions on current HTC status and are made as forecasts, the purpose being to give our stakeholders a picture of the HTC understanding and realization of ESG issues. The forecasts are not promises by HTC of guaranteed financial, operational, and business performance.

The figures shown in this report are in the metric system and are statistical and calculated results generated according to the related international standards and bases of calculation. In the event that any special calculation methods are implemented for particular indicators, notes are provided below the corresponding tables or graphics.

- Financial data was checked and confirmed by Deloitte & Touche, and was calculated in NT\$. The report period of this year's financial report is the year 2025 from January 1 to December 31.
- ISO 14001:2015 Environment Management System, ISO 45001:2018 Occupational Health and Safety Management, ISO 14064-1:2018 Greenhouse Gas Emissions were verified by AFNOR Asia.
- ISO 50001:2018 Energy Management Systems were verified by Istituto Italiano del Marchio di Qualità.
- ISO 14067:2018 Product Carbon Footprint, IECQ QC080000:2017 Hazardous Substance Process Management System, ISO 27001:2022 Information Security Management Systems, ISO 27701:2019 Privacy Information Management System and ISO 27799:2016 Information security management in health were verified by SGS Taiwan.
- The AA1000AS Standard was assured by SGS Taiwan.
- TCFD report was passed by SGS's TCFD performance evaluation.

Feedback

If you have any questions about this 2025 HTC ESG Report, please let us know to help us make continuous progress.

Contact Us

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ESG Website: www.htc.com/us/esg/



Statement of the Management

We sincerely appreciate your continued support and encouragement. This report serves as a vital platform for communication between HTC and our stakeholders. We continue to follow the latest Global Reporting Initiative (GRI) Standards and achieving the AA1000 AS v3 Type II High Level of Assurance. Through these verification mechanisms, we ensure the absolute accuracy and reliability of the information disclosed herein, while demonstrating HTC's unwavering dedication and achievements in corporate social responsibility and sustainable development to the public

Over the course of its 29-year history, HTC has successfully executed two major strategic transformations, each pioneering new markets, aligning its engineering and design capabilities with evolving market dynamics and emerging opportunities, and redefining how we empower creators and connect people.

The Company is now embarking on a third phase, centered on enabling the future of immersive content. By integrating accessible creation tools, a world-class hosting and discovery platform, and a new generation of intelligent devices, HTC is building a scalable ecosystem designed to enable new forms of engagement, one that unlocks creator potential and establishes a sustainable growth platform within the evolving digital content landscape.

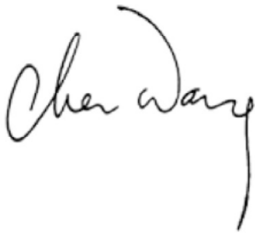
As part of this strategy, we completed the transfer of some of the VR team to Google in early 2025, reinforcing HTC's objective of accelerating the growth of the XR ecosystem while further concentrating resources on the highest-priority growth areas through a more streamlined product portfolio and greater financial flexibility. This in turn will help boost adoption of immersive technologies around the world, and serves to strengthen our commitment to building the VIVE brand around the world.

In the first half of 2025, HTC strengthened its sustainability leadership through major global recognitions and continued progress in climate strategy, value chain responsibility, and ESG transparency. The company maintained top CDP Supplier Engagement Assessment ratings, earned repeated EcoVadis distinctions, and was included in leading ESG indices, including the FTSE4Good TIP Taiwan ESG Index. HTC also advanced its climate disclosures aligned with TCFD and leveraged Microsoft Cloud for Sustainability to complete verified greenhouse gas inventories and product carbon footprints, reinforcing its data-driven, accountable approach to environmental management.

HTC further deepened its ESG commitment through multiple prestigious awards, including four Taiwan Corporate Sustainability Awards, a TRIPs 1.5°C "EXCELLENT" rating by CommonWealth magazine, ISS STOXX Prime status, and three ESG for Culture Impact Awards recognizing its immersive cultural initiatives. The launch of an Internal Carbon Pricing mechanism marked another milestone, embedding climate accountability into strategic and financial decision-making. Together, these achievements demonstrate HTC's integrated approach to sustainability — combining governance, innovation, cultural impact, and measurable climate action to advance its long-term net-zero target.

In 2025, we strengthened our foundation, advanced our innovation roadmap, and moved decisively toward sustainable profitability. The energy and strategic thinking behind our innovation ensures that we will be well positioned to seize the opportunities ahead. I would like to thank shareholders from the bottom of my heart for your unwavering trust and commitment to our vision of VIVE Reality

HTC Corporation
Chairwoman and CEO



Letter from Chief Sustainability Officer

Since I had the privilege of taking on the responsibility of Chief Sustainability Officer in 2022, we have collectively witnessed the dramatic changes in the global environment and industrial landscape over the past four years. For HTC, this journey has been not just about complying with regulations, but also about reshaping and pursuing the core values of the company. Looking back to 2021, when we established our sustainability base year, HTC has transformed "sustainability" from an abstract concept into a fundamental part of our organizational operations. Over the years, we have penned HTC's sustainability chapter at the intersection of "technology" and "humanity."

1. Science-Driven Climate Leadership: From Commitment to "EXCELLENT" Evidence

Climate change is one of the most challenging issues of our time, and HTC has chosen to respond in the most scientific and transparent way. In 2023, we submitted our commitment to the Science Based Targets initiative (SBTi), and by August 2024, HTC officially passed the SBTi target approval process, becoming the fifth technology hardware and equipment company in Taiwan to have its net-zero target approved. This is not just a certificate but a promise to the planet, a commitment to achieve net-zero emissions by 2050.

Moving into 2025, we have turned this promise into tangible competitiveness. This year, HTC officially launched an Internal Carbon Pricing (ICP) mechanism, incorporating Shadow Pricing. This means that the cost of carbon emissions is considered from the outset in every investment decision and product development. We proactively internalize climate risks to ensure our company has stronger resilience in a low-carbon economy.

This steadfast commitment to addressing climate change has received high recognition externally: HTC earned an "EXCELLENT" rating in the 1.5°C assessment of the "Temperature Rising Index for Pathways (TRIPs)" by CommonWealth Magazine and was recognized by the Taoyuan City Government as a "1.5°C Model Enterprise." This signifies that our carbon reduction path is not only scientifically sound but also holds industry demonstration value.

2. Green Innovation and Circular Practice: Infusing Technology with Gentle Vitality

We have always believed that the best environmental technology should originate from product design. From 2022 to 2025, HTC has continuously advanced its practice of "circular economy." Our flagship product, VIVE XR Elite, features packaging made from 100% recyclable materials, with 99.99% composed of paper materials. Additionally, 99% of the packaging utilizes recycled materials. The HTC U24 pro, launched in 2024, received a high score of 8.5 in "French Repairability Index," demonstrating our long-term commitment to extending product life and reducing electronic waste.

On the operational side, we enhance carbon management through digital transformation, adopting Microsoft Cloud for Sustainability solution for our Carbon Management Platform, becoming the first in Asia to use Microsoft Cloud for Sustainability solution for complete full scopes carbon data integration and dual ISO verification. This makes our carbon reduction actions no longer "estimates" but precise real-time monitoring.

Simultaneously, we actively invest in renewable energy. The 200kW solar facility activated at our Taipei R&D headquarters in May 2024 has significantly increased our energy self-sufficiency, systematically integrating green power into operations. These efforts led to HTC being selected for the first time as a constituent of the FTSE4Good TIP Taiwan ESG Index in 2025 and consistently being reselected in semi-annual evaluations. We have also been selected as a constituent of the FTSE4Good Index Series for four consecutive years, and achieving a "Prime" rating from the internationally renowned sustainable investment and responsible investment research institution ISS STOXX for the first time in 2025. This represents our ongoing efforts and initiatives in sustainable development, consistently recognized by domestic and international investment institutions.

3. Technology for Kind and Cultural Inclusion: Making the VIVERSE a Warm Carrier for Society

HTC's vision, "VIVEVERSE," has always placed "humanity" at its core. We utilize XR and AI technologies to transcend time and space limitations, creating a lasting positive impact. In 2025, HTC participated in the inaugural "ESG for Culture Impact Awards" hosted by the TAICCA and received three awards, recognizing our continuous contributions to corporate social responsibility and the cultural sector through innovation and technology.

4. Excellent Governance and Integrity Transparency: Earning Long-Term Trust from Stakeholders

Sound governance is the cornerstone of sustainable operations. In 2025, HTC achieved sweeping recognition in the field of ESG governance: we received the highest honor, the "Corporate Sustainability Report Award - Platinum Award," from the Taiwan Corporate Sustainability Awards (TCSA) for three consecutive years, won the "Information Security Leadership Award" for the second time, and was selected as one of the "Taiwan's Top 100 Sustainable Companies Award" and the "Climate Leadership Award" for two consecutive years.

What excites us even more is that this represents our sustainability performance entering the high-standard echelon of global investment evaluation systems. Internally, we continue to promote Diversity, Equity, and Inclusion (DEI), with women now accounting for more than 31% of global management, and for many years, we have actively responded to the "TALENT, in Taiwan, Taiwan Talent Sustainability Action Alliance," and keep safeguarding our colleagues' mental and physical health and professional growth.

In terms of the supply chain, we have demonstrated outstanding leadership. Since 2024, HTC has consecutively topped the CDP Supplier Engagement Assessment (SEA) with the highest honor of A-level leader board for two years. We have led over 118 key suppliers in participating in carbon reduction and implemented a conflict-free mineral procurement policy, ensuring responsible operations throughout the entire value chain.

Reflecting on the milestones of the past four years, I feel honored and responsible. Our planning and layout for sustainable development have laid a stable foundation over these years, and the results continue to be recognized by all parties. Sustainable development is a marathon with no finish line. Looking to the future, HTC will continue to uphold the core value of "Quietly Brilliant," combining technology with humanity to unleash the imagination. We commit to continuously weaving a better, fairer, and more resilient sustainable new world for the next generation under the vast starry sky of VIVERSE.



HTC Corporation
Chief Sustainability Officer

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About HTC

Name

HTC Corporation (TWSE stock symbol 2498)

Address

No 1, Lane 21, Xinghua Rd, Taoyuan Dist.,
Taoyuan City, Taiwan

Established

May 15, 1997

Sector

Telecommunications network Industry

Main business

Virtual reality device/ Smartphone

Consolidated revenue

NT\$8,360,210,860 (2025/12/31)



The global leader in innovative Virtual reality & Smartphone design – HTC

The HTC Corporation (HTC) was established in 1997. HTC brings brilliance to life through leading innovation in smart mobile device and experience design. Beginning with a vision to put a personal computer in the palm of our customers' hands, we have led the way in the evolution from palm PC to smartphone, and are now applying that same innovative approach to connected devices and virtual reality. To date, our Company has been through four major transformations that have helped us reinvent ourselves and achieve new growth. Starting from the beginning of the company's professional PDA design, HTC has continued to deepen innovation in R&D technology. HTC's first major turning point came in 1999, when the Company moved into the telecommunications arena. HTC was the first to integrate Internet, entertainment, video and personal assistant functions into a mobile phone with a large dimension onto high resolution and full-color display panel. Since 2007, the launch of the HTC brand globally has committed the Company to longterm global brand development. In 2014, HTC began to seek new fields to apply our distinguished heritage in design, engineering and manufacturing excellence as well as innovative thinking. In 2015, we began to enter the virtual reality industry, and explore and create a new real experience with HTC VIVE.

In 2018, HTC set a new vision: VIVE Reality, cutting-edge technology such as virtual reality (VR), augmented reality (AR), artificial intelligence (AI), 5G high-speed connection and blockchain. Integrate humanity, humanities and imagination to achieve a richer enjoyment of a better life. Today, we call it VIVERSE.

Through our leading virtual reality line, HTC VIVE, our rich history of experience in mobile internet devices, and focused investment in key technology areas, HTC is now helping to drive this new computing paradigm and the society transformation that will ensue. This remarkable new world will be all-embracing, generating a far larger virtual economy, a much broader range of fantastic experiences, and far more meaningful social interaction, which will bring people closer together and foster greater empathy for each other.

At the same time, HTC continued to develop and refine our industry-leading mobile technology expertise. The smartphone division continues to integrate the latest technologies such as 5G and advanced photographic capabilities into some of the most beautifully crafted devices on the market. At the same time, HTC created a new division focusing solely on applying our world-class 5G networking expertise to consumer, enterprise and municipal sectors, supporting the drive to expedite 5G adoption and solve challenges for business and society.

Human health is fundamental to improving people's lives, and the HTC DeepQ business embeds advanced artificial intelligence and VR technologies into a range of hardware and software solutions aimed at raising awareness of health issues, enabling effective remote healthcare, and supporting the medical profession and government in a variety of ways.

The restructuring of HTC over 2021 saw the creation of separate business units out of VIVE Systems, VIVERSE (formerly Content and Platforms, including VIVERSE, VIVEPORT and VIVE Wave), G REIGNS (formerly 5G Networking Solutions), HTC Smart Devices, VIVE Arts, VIVE Originals and DeepQ. This new structure gives each business leader greater autonomy and clear focus on their own portfolio and resources, while obtaining operational support, and guidance on strategy and financing from the HTC mother company.

The advent of the metaverse sees the Company focused around VIVERSE, whereby the strategic direction of all business units is to enable, enhance or expand the remarkable wealth of experiences available in the metaverse, which can be accessed from virtually any connected device.

The pursuit of VIVE Reality has seen HTC transition into a complete VIVERSE solution company, creating not only leading hardware in strategic markets, but also building industry-leading platforms, software, content and services to create new revenue streams and lay the foundation for our future growth.



Global Operation Locations

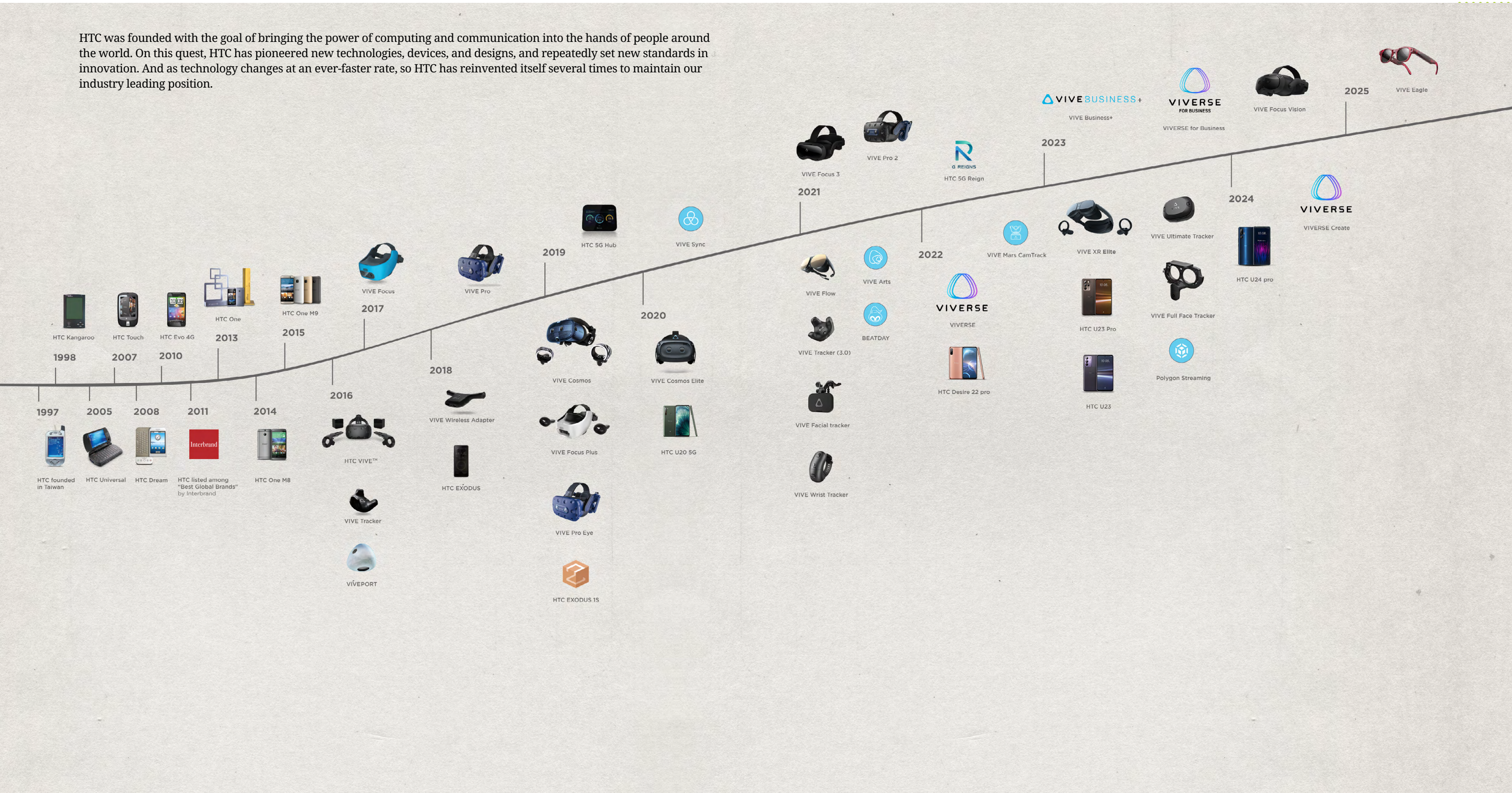


HTC is headquartered in Taiwan. Driven by effective branding, HTC now has operations, sales, and services covering most areas in the world, including Europe, the Americas and Asia. With the coordination and integration of our operational HQ, HTC provides customers with a network of professional services. Offices have been established in all the major markets of the world, including the USA, Canada, the UK, Germany, France, India, Australia, China, Japan, Hong Kong, Singapore, Ireland, Poland and UAE.



Industry Overview

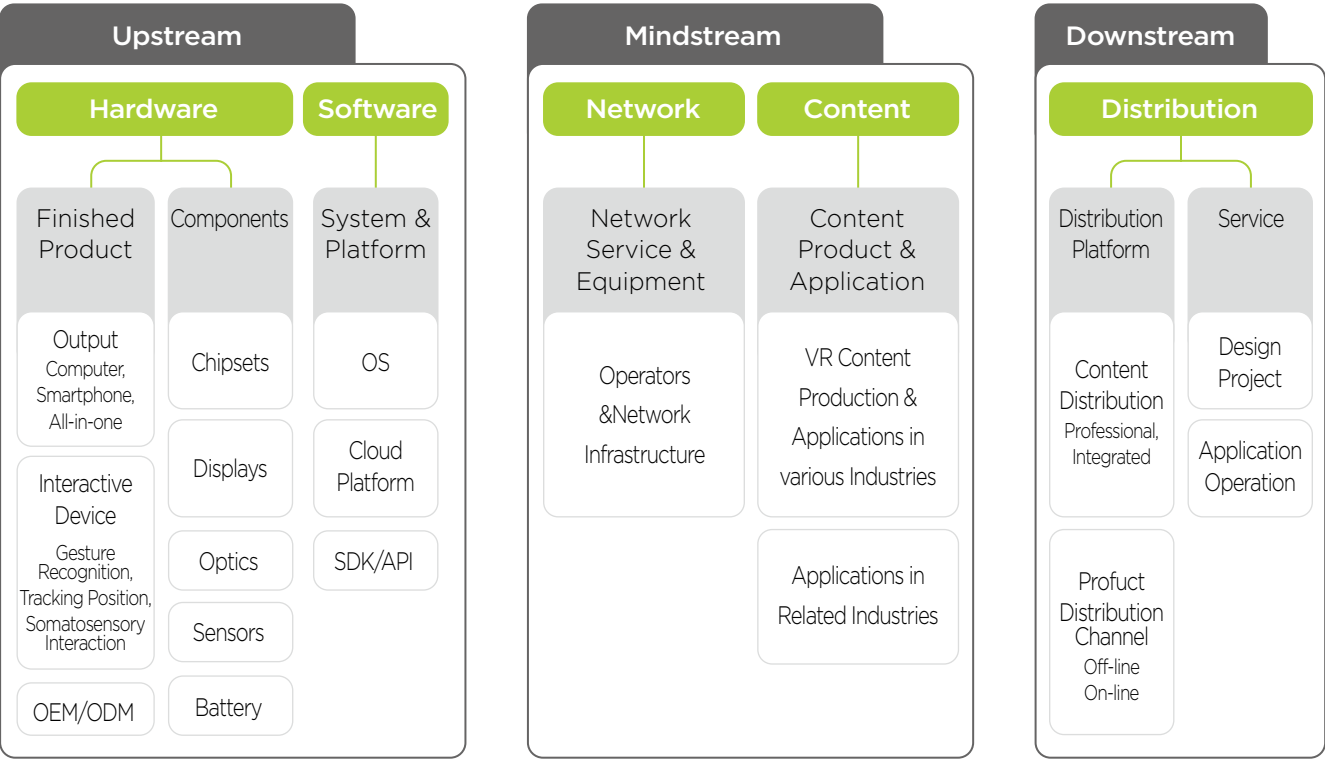
HTC was founded with the goal of bringing the power of computing and communication into the hands of people around the world. On this quest, HTC has pioneered new technologies, devices, and designs, and repeatedly set new standards in innovation. And as technology changes at an ever-faster rate, so HTC has reinvented itself several times to maintain our industry leading position.



Virtual Reality

Virtual reality comes from the human pursuit of immersion. VR is also the technology development direction that has been encouraged by the smartphone industry through the advancement of various display technologies, processors, controllers and other key components over the past 10 years. While consumers are satisfied with visual effects, they also hope to experience "new virtual worlds".

According to IDC's public release of the 2020 VR industry research white paper, the VR industry chain can be subdivided into five parts: hardware equipment, software, network, content, and distribution. Each part is linked and inseparable.



The hardware and software sessions can be regarded as the upstream of the VR industry. The hardware includes component parts like chipsets, displays, optical modules, and sensors, as well as various types of integration with hand recognition, tracking and positioning, and somatosensory interaction; Software includes various development platforms and tools including OS, cloud platforms, SDKs. The network and content can be regarded as the midstream of the VR industry, where the network includes operators and various levels of network infrastructure; the content includes content production related to the VR applications in various industries. Distribution can be regarded as the downstream of the VR industry, including content distribution platforms, product distribution channels.

Ever since the so-called "first year of VR" in 2016, when VR products began to enter the consumer market, first attracted the public with gaming applications. Playing games with VR not only provides advanced visual stimulation, but also delivers a more immersive content experience.

In the past, VR headsets were mainly connected to a computer. A gaming PC with strong graphics capabilities was required to have a better visual experience. Recently, standalone VR headsets have overtaken the market to become the mainstream form factor, as they have matured to include vital features of wireless connectivity, better mobility, accurate 6DoF spatial positioning, and powerful processing performance. Standalone VR headsets allow users to enjoy more freedom of movement, reducing interference from tethered cables, to provide an overall friendlier user experience. HTC continues to innovate in hardware, launching four exclusive accessories for the VIVE XR Elite in 2024. These include a more balanced and stable comfort head strap, immersive VR and MR face cushions, and temple mounts, all designed to provide users with an outstanding all-in-one headset wearing experience. In addition to improved hardware comfort, HTC has integrated DisplayPort support into its latest generation all-in one headset, the VIVE Focus Vision, allowing the lightweight AIO device to deliver a high-quality PCVR gaming experience. This makes it a versatile hybrid product that combines the mobility of an AIO with the superior visual quality of PCVR.

2024 also saw an increasing number of VR manufacturers launching full-body trackers, drawing more attention to the VR accessory market. Unlike most trackers that use IMU technology, HTC's VIVE Ultimate Tracker is equipped with two ultra-wide-angle cameras, enabling low-latency and high-precision tracking. This allows for smooth full-body motion capture in games and virtual reality interactions, enhancing the realism of avatars. In enterprise applications, it can be used in professional fields such as sports training, emergency services training, and film motion capture. The VIVE Ultimate Tracker does not require base stations or a studio setup, significantly reducing preparation time compared to professional motion capture equipment, while also offering a more affordable solution for enterprise users.

Unlike other brands that typically only support their own products, HTC remains committed to building a more open ecosystem for the VR industry, offering users a broader range of options. The VIVE Ultimate Tracker can quickly pair with various VIVE AIO headsets, including the VIVE XR Elite, VIVE Focus 3, and VIVE Focus Vision. In 2024, it also officially supports SteamVR-compatible headsets, providing high precision full-body tracking solutions for third-party VR device users, enabling users across ecosystems to easily enjoy a more realistic and immersive VR experience.

The development of virtual reality not only relies on continuous device innovation but also requires robust enterprise management platforms to ensure smooth hardware deployment. HTC's VIVE Business+ offers enterprise users an all-in-one management software and solution. It enables batch configuration, synchronized management, and monitoring of multiple VIVE AIO headsets and trackers. Content deployment and updates can be performed remotely, with real-time device status tracking and customizable services that cater to actual enterprise needs. With its fast and user-friendly advanced features, VIVE Business+ has made VIVE AIO devices the top choice for enterprise training, healthcare, and emergency service training, further driving the growth of related hardware sales.

The development of VR hardware depends on the continuous cooperation of software developers. For example, game applications are represented by the well-known game platform Steam, and HTC cooperates with developers to independently develop for the VIVEPORT platform so that developers can offer their application services, allowing for the use of VR not only in games, but also in movies, social media, and other visual mediums. As for VR, we believe that abundant content and application support is the key to attract consumers and stimulate VR market growth. That's why we are building a VR ecosystem that can integrate software and hardware to expand our penetration into the consumer market.

Another major development direction of VR is to develop useful applications for professional use. From the perspective of the currently known application industries, medical and architectural professional fields are especially quick to adopt and apply VR, especially for use cases which require heavy 3D visualization. HTC aims to use VR to make medical training more efficient and effective. By using VR for surgery simulation and medical equipment operation training, for example, students and surgeons have significantly increased their surgery success rate and their confidence in how to deal with high-pressure scenarios. With the emergence of the 5G era and the acceleration of network speeds, VR medical treatment can transmit high-resolution images and data in real time, facilitating real-time multi-party consultations, and even enable remote surgery.

Entering the new 5G era, 5G technologies and technical demands have contributed to the advancement and popularity of high refresh rate displays and other low-latency components critical for VR. The development of AI and big data technology has also accelerated the development of VR from consumer-level to large-scale commercial-level applications.

The metaverse has become the focal point of conversations within the tech industry and investors in 2021. Development roadmaps were planned and announced by top global tech firms. Facebook also changed its name to Meta as a show of determination for their efforts to build their metaverse. The VR / AR industry quickly became the highlight of many metaverse market discussions, as this new direction fueled the market and triggered the development of more immersive applications and the growth of device shipment volume. Gartner projected that 25% of people will spend at least 1 hour per day for work, shopping, education, social, or entertainment in the Metaverse in 2026.

The global pandemic in the past few years has greatly accelerated the digitization of almost all activities, which is also simultaneously enriching the metaverse concept and realizing different use cases for a digital virtual world. Thus, people see 2021 as the first year of the metaverse. The metaverse is widely regarded as an "always-live" and persistent virtual ecosystem where people can meet, interact, socialize, work, learn, and play games. These systems will also have to meet the data demands of millions, billions of people. And that's where blockchain and cryptocurrencies come in. The metaverse will be built on the foundation of blockchain technologies, and cryptocurrencies will enable its economy. This means that Blockchain and NFTs will play a vital role in the Metaverse, providing verifiable, undisputed ownership of characters, in game items, or even virtual real estate.

To realize social, gaming, shopping, office, and educational scenes in virtual space, immersion, low latency, and being unbound by space are three essential elements. Advanced high-performance communication networks will play an important role. In fact, since the development of 5G, all sectors have regarded immersive and virtual-reality technologies and services as key applications that complement 5G communication technologies. Therefore, the continuous development and improvement of 5G wireless communication technologies will lay a solid foundation for realizing the Metaverse.

With the rise of the Metaverse topic, telecommunication operators have found new hope. According to research by Ericsson AB's Consumer & Industry Lab, if telecommunications operators can successfully launch innovative applications and services that support the Metaverse on 5G communication infrastructure, their revenues have the potential to increase by one-third. By 2030, global telecommunications operators could obtain revenue of up to \$712 billion, truly realizing the monetization of 5G investments. Although it is not possible to accurately estimate how many Metaverse applications will occur, it is expected that early Metaverse applications such as advanced augmented and immersive media services will account for 40% of the 5G application service market by 2030.

There are now many examples of Metaverse applications, which are spreading and being used in many fields by combining 3D/XR, blockchain, Digital Twin, 5G, and other technologies. These applications can be divided into two parts: those aimed at the general public and those aimed at institutions.

In the section aimed at the general public, the main areas include entertainment, cities, and retail applications. In the entertainment field, it is mainly based on the large audience base of game socialization. From the direction of adding activities and creating worlds, it opens up the appearance of the Metaverse, and then attracts industries other than entertainment, it is highly malleable, and the content generation ecology is also the key to its development. such as Sandbox to create digital assets, earn while playing P2E as entry points to develop. In the development of twin cities, it is mainly based on government support or leadership, and the content mainly aims to promote social mobility, promote tourism and public services and other transformations, and gradually expand various industry services. It also has high malleability, such as Japan's promotion of virtual Shibuya, which is a classic city example of the Metaverse. Finally, in the retail application, it focuses on linking consumer attention through NFT, 3D/XR, and other technologies, and creating innovative services such as post-epidemic digital transformation, experience economy, innovative marketing, and OMO. For example, Isetan Mitsukoshi's twin department store, which provides social, pet care, salesperson services, and product guidance. Metaverse applications in the field of general public have high malleability, and its development depends on the content generation ecology and user-facing it is based on, with different development directions according to demand.

On the other hand, in the institutional sector, the prototype of the metaverse is mainly used for educational, office and industrial applications. In the field of education, the popularity of educational metaverse applications is gradually increasing due to the impact of the pandemic. Many people hope to have a more immersive, deeper experience and to break away from traditional educational models, such as Labster's scenario-based science, which allows students to experience safe experiments and realistic learning in a metaverse environment. In the field of office, in order to meet the needs of different stages and situations of enterprises, the ability to integrate virtual and physical tools as well as the "virtual + physical" hybrid working mode will become an important option for future work. Such as Gather's virtual office service, which uses office scenarios to provide video conferencing, whiteboard collaboration, and space adjustments. Finally, in industrial applications, digital twins are an important trend in industrial transformation, which has entered the stage of market deployment in recent years and can be considered as the foundation of the future industrial metaverse. For example, Siemens' introduction of industrial twins mechanisms helps production ends to collect, simulate and optimize various devices and production efficiency. These institutional applications will help improve work, learning, and production efficiency and bring more innovation and immersive experiences to people.

The metaverse as it is being described today is what HTC has continuously built and heralded as VIVERSE since a few years ago, the future that's enabled by the integration of VR, AR, AI, 5G, and Blockchain technologies. HTC has long since been leading the industry in paving the way to build and enable the metaverse.

HTC has always been committed to making the future life better and actively promoting the VIVE Reality vision through the integration of technology and humanity, to create a better metaverse experience.

5G and Smart Devices

Over the past few years, smartphones have been constantly and continuously updated with new and innovative functionality. Smartphones have fully transitioned from traditional feature phones into the touchscreen-enabled communication products with independent operating systems we all know today. Consumer demand has led to the development of components including high-performance miniature camera lenses and powerful batteries, and this has also greatly accelerated and stimulated the vigorous development of all communications-related hardware industries. At present, the smartphone industry is already a mature industrial chain with professional divisions of labor. Each specialized component integrated into smartphones comes from a different specialized supplier. After being assembled by the manufacturer, it is then sold by a dealer or a telecommunications company.

Recently the sales growth of the smartphone sector has slowed, partly due to the maturation and standardization of the hardware functions found on mobile phones, and partly due to developed markets including Europe and the United States have reached a saturation point, leading to longer life cycles and slower replacement rates for all mobile phone products.

The smartphone industry welcome new technologies to enter the 5G era in 2020. The global smartphone market was expected to embrace the new business opportunities with a wave of new 5G smartphone purchases after 5G was commercially deployed globally in 2020. However, due to COVID-19 since the beginning of 2020, the global smartphone supply and demand declined, and it also partially delayed the launch of 5G in some regional market. Therefore, global smartphone shipments continued to decline in 2020. Due to the incentive by the implementation of 5G use cases in Chinese market, the 2020 global 5G smartphone market still shared a 19% of penetration rate. Especially Chinese smartphone brands have around 60% of market share.

Smartphone market continued paying attention on 5G topic in 2021, while countries recovering back to 5G infrastructure, mobile processor manufacturers roll out low-end and middle-end processors, global 5G smartphone penetrate rate rapidly raised to around 40%. In 2022, 5G communication continued to become a market trend, prompting the continuous roll out of 5G network construction in various countries and resulting in a 5G mobile phone penetration rate of over 50%. The number of new 5G users in 2023 increased significantly by about 63% compared to 2022. The total number of global 5G users will also exceed the 1.6 billion mark with the growth of the total number of users exceeding original expectations. Although some markets are facing economic challenges and geopolitical uncertainty, the growth in the number of 5G users continues to show resilience. Signs of recovery in the smartphone market can also be observed from the growth of 5G. 5G mobile phones accounted for 62% of smartphone shipments in 2023, while it was only 57% in 2022. In addition, new 5G smartphones are coming out one after another. Even though the global economy has not yet fully recovered, the general trend of 5G remains unchanged and the impact is relatively low. It is worth noting that the application of artificial intelligence (AI) in mobile phones is expected to become the key to the recovery and growth of the smartphone market in the future.

In recent years, uncertainties and risks such as geopolitics and tariff barriers have increased rapidly. The challenges facing the smartphone market have also increased day by day, including the challenge of supply chain reconfiguration, rising costs and prices, changes in the market competition landscape, the continuous advancement of new technologies, and cross-border and cross-regional cooperation models, etc., which also makes the growth potential of emerging markets highly valued.

Re-investment & Affiliated Companies

HTC's reinvestment policy is to provide different solutions for enterprise clients, personal consumers, and telecom operators, the company continues to deepen the enhancement of virtual reality and augmented reality related new technology, application software, and content expansion through strategic investment, to deepen the enterprise market and mass consumer market. 2023 HTC affiliated companies please referred [2025 annual report - 7.1 Affiliates](#).

Product Overview

HTC has been tapping into the possibilities of smartphones through brand new technology in the telecommunications area. Extensive and innovative VR, AR, AI, blockchain, and high-speed 5G networks are amalgamated to create HTC's technological vision of VIVERSE.

VIVE Intelligence System



VIVE Eagle AI

● VIVE Eagle

In 2025, our company officially launched its first AI-powered smart glasses — VIVE Eagle. This product marks a critical milestone in the transition of smart glasses from conceptual applications to real-world deployment and represents a major achievement in our journey across Spatial Computing and Generative AI (GenAI).

• Product Positioning and Design Philosophy

VIVE Eagle is built around the core principles of ultimate lightweight design and high-performance edge computing, successfully integrating computing, sensing, and AI inference capabilities into an everyday wearable platform. Through close hardware-software co-design, the product seamlessly combines technological performance with lifestyle aesthetics. It not only supports a wide range of intelligent assistance applications, but also serves as a shared platform for future product line extensions, laying the foundation for long-term growth in the AI wearable ecosystem.

• Hardware Technology Breakthroughs

- Computing and Performance Balance:
Powered by a Qualcomm processor, VIVE Eagle achieves an excellent balance between high performance and low power consumption, enabling real-time image analysis, context awareness, and voice interaction.
- Ergonomics and Materials:
The device is constructed with TR-90 hypoallergenic material and Zeiss optical lenses, breaking away from the traditional perception of smart glasses as bulky and heavy, while providing a comfortable wearing experience close to that of conventional eyewear.

- Sensing and Acoustics:
Equipped with a 12-megapixel ultra-wide camera with AI-powered automatic leveling, as well as a patented beamforming four-microphone array, the device delivers reliable image capture stability, accurate voice recognition, and enhanced awareness of the surrounding environment.
- Battery Life and Connectivity
By incorporating low-power system integration technology, magnetic fast charging, and next-generation wireless communication capabilities, VIVE Eagle ensures stable connectivity while on the move.

• Software and AI Platform

At the core of VIVE Eagle is the VIVE AI platform, which connects with a range of large language models (LLMs), including Google Gemini and OpenAI GPT, to enable deep semantic understanding, real-time image interpretation, and multilingual translation capabilities. HTC independently manages system firmware optimization and privacy/security architecture, achieving a high degree of hardware-software synergy. As HTC's first AI-powered smart glasses, VIVE Eagle's R&D focus centers on highly integrated system architecture, immersive spatial audio, user privacy protection, and conversational AI optimization.

• Core Technical Achievements

- Ultra-Lightweight Engineering:
The overall device weight has been successfully reduced to approximately 49 grams, while integrating an open stereo audio design and advanced sensors.
- Personalized Immersive Sound:
With an open-ear speaker system hidden within the temple arms, the device delivers a full soundstage and extended low-frequency performance within a compact form factor. Acoustic design also minimizes sound leakage, allowing users to enjoy high-quality music playback without disturbing those nearby.
- High-Sensitivity Audio Capture and Noise Reduction:
The directional microphone array, combined with environmental noise reduction algorithms, ensures clear voice pickup during AI conversations and calls, free from interference caused by ambient noise.
- User Privacy Protection:
Through HTC's proprietary AI service proxy middleware, user identity information and source data are masked when accessing third-party cloud-based LLM services, helping protect user privacy from being tracked.
- Edge Computing and AI Integration:
An edge computing architecture has been developed to optimize voice-triggered AI functions, significantly improving conversational fluency and the immediacy of contextual interactions.
- Scalable Architecture:
wearables, enabling rapid adaptation to diverse needs ranging from everyday assistance to professional and industrial applications.

VR (Virtual Reality)

VR (Virtual Reality) is an exciting feature of next-generation computing and entertainment. HTC VIVE allows users to browse through the VR world and use unique hand-simulation controllers to interact with objects.

● VIVE Focus Vision

This latest addition to the VIVE Focus Series combines standalone XR capabilities with DisplayPort mode for visually lossless PCVR experiences, making it ideal for immersive gaming, industrial training, and collaborative enterprise applications. Designed to meet the needs of both gamers and businesses, the device bridges the gap between high-end VR arcades and home PC gaming setups.

Building on the success of the VIVE Focus 3, which was proven in microgravity conditions on the International Space Station, the VIVE Focus Vision introduces significant upgrades in visual quality, comfort, and operational efficiency. It's tailored for multi-user sharing, making it especially valuable for businesses such as VR arcades and sectors like healthcare, defense, finance, and manufacturing that rely on high-turnover training environments. The device's auto-IPD adjustment with built-in eye tracking ensures crystal-clear visuals for every user, while its stereoscopic passthrough cameras provide depth-accurate Mixed Reality experiences.

The VIVE Focus Vision also enhances comfort with a revamped cooling system for longer, more comfortable sessions. It features a built-in sub-battery that allows up to 20 minutes of runtime during battery swaps, ensuring uninterrupted experiences. With 5K resolution, a 120-degree FOV, and a 90Hz refresh rate (with support for 120Hz coming soon via DisplayPort mode), the headset delivers a visually stunning experience. Dual 16MP color cameras, a depth sensor for scene recognition, and infra-red tracking for low-light conditions further elevate the device's performance.

Highlighted features include visually lossless PCVR via DisplayPort, auto-IPD adjustment, and dual color cameras for full-color stereoscopic passthrough. Its combination of cutting-edge visuals, precise tracking, and user-centric design positions the VIVE Focus Vision as a leading choice for both enterprise applications and premium gaming, offering unparalleled versatility and performance in the XR space.



VR Solution: AXON and HTC VIVE Join Forces to Shape the Next Generation of Police Training

In recent years, new virtual reality training technologies have entered the public eye and gradually transformed the traditional training methods used by police officers and armed security personnel. VR training enables officers to enter "real-world" scenarios anytime and anywhere for learning, while allowing instructors in the VR environment to provide real-time feedback and guidance. Recognizing this trend, Axon has partnered with HTC VIVE to explore the limitless potential of VR training. VR Professional Applications: Public Safety and Law Enforcement Training Solutions

Together with Axon, HTC has launched an integrated virtual reality training solution for law enforcement and security agencies. The key achievements are as follows:

- **Advanced Hardware Integration:**
VIVE Focus 3 / Focus Vision all-in-one immersive headsets are combined with Axon's life-size VR controllers modeled after real-world devices (Taser and handgun), enabling military-grade training for muscle memory and operational precision.
- **Immersive Scenario-Based Decision-Making:**
Through open-ended scenario simulations, such as domestic violence response and community mediation, officers are trained to apply appropriate verbal communication and crisis management under pressure, with a focus on enhancing empathy training and non-lethal force judgment.
- **Technical Features:**
 - **High-Precision Tracking:** Leveraging the excellent 6DoF tracking technology of the VIVE Focus series, the solution enables seamless interaction between physical props and the virtual environment.
 - **Mobile Teaching and Instruction:** By removing geographic limitations, instructors can provide remote guidance and performance evaluation through a real-time feedback system.
- **Market Performance:**
The solution has been widely adopted in North America and has established a mature subscription-based service model, creating stable revenue and brand influence for HTC in the B2B professional vertical market.



VIVERSE

VR is an embodiment of people's pursuit for an immersive experience. The development of this technology is also the foundation for the continuous advancement of the smartphone industry after the accumulation of key technologies, including display technology, processors, and controllers in the past decade. Through VR technology, consumers are able to admire visual effects and experience the virtual world personally.

As a leading enterprise in the VR industry, HTC has established "VIVERSE", an ecosystem that provides an immersive, highly interactive, and profoundly explorative open experience through the use of the latest technologies like VR, AR, AI, Blockchain and 5G. At the MWC 2022, HTC unveiled the vision of the VIVERSE metaverse platform for the first time where people can utilize various devices and platforms to connect with VIVERSE at any time. In 2023, HTC has launched VIVERSE for Business (<https://www.viverse.com/>), a modular and customizable platform-as-a-service (PaaS) solution which enables enterprises to engage in more realistic and efficient remote virtual collaboration.

VIVERSE also launched its exclusive 3D streaming technology "Polygon Streaming," which brings revolutionary progress to the seamless integration of the real and virtual worlds. This technology can easily display 3D models of any size on the web, and supports cross-platform and multiple devices. In addition to seamlessly integrating with VIVERSE and VIVERSE for Business platforms, it can also empower various industries to meet their business needs. This technology provides more possibilities for creating metaverse scenes and brings more efficient and cost-saving 3D display and collaboration experiences to various industries.

The newly introduced VIVERSE Create v1.0 empowers creators to build interactive multiplayer virtual spaces without the need for coding or installing software. Accessible directly through a web browser, it offers seamless cross-platform compatibility, allowing virtual spaces to be shared across various devices, including mobile phones, PCs, and XR headsets. VIVERSE Create v1.0 not only grants creators worldwide the freedom to craft unique virtual worlds but also enhances the integration of entertainment, culture, and technology. For instance, in collaboration with the Kaohsiung City Government, VIVERSE developed VIVERSE Metropolis, a groundbreaking digital living experience rooted in Kaohsiung's cultural, artistic, and pop music venues. This initiative enables citizens across Taiwan to access immersive virtual exhibitions anytime and anywhere, experiencing a wide array of cultural and entertainment activities. Furthermore, this project has significantly expanded VIVERSE's role in advancing global cultural digitization. Within this fusion of virtual and physical digital life, the National Kaohsiung Center for the Arts plays a pivotal role. Featuring Asia's largest pipe organ, meticulously crafted over three years, this concert hall is now accessible in a virtual space through VIVERSE, allowing audiences to closely appreciate this world-class instrument and gain deeper insights into music and art.

In 2025, VIVERSE continued to advance its open, cross-device, and shareable strategy. At MWC 2025, VIVERSE highlighted browser-based no-code creation through VIVERSE Create, enabling users to intuitively build interactive content and share it across platforms. AI was also integrated into the creation and interaction workflow, lowering the barrier to adoption for both consumers and enterprises. In terms of ecosystem expansion, VIVERSE launched VIVERSE Studio and added support for major WebXR engines. Creators can develop with Unity WebGL, Three.js, Babylon.js, R3F, PlayCanvas, A-Frame, Godot, Wonderland, and other tools, and rapidly deploy content to VIVERSE Worlds via ZIP packages, avoiding dependency on proprietary workflows. The platform also provides content management, performance metrics, and a gaming service entry point, supporting accounts, avatars, leaderboards, and matchmaking to accelerate the rollout of multiplayer experiences. For AI and content production workflows, VIVERSE introduced tools such as Object AI (text/image to 3D models) and Scene AI (video to 3D Gaussian Splatting). At the same time, Polygon Streaming was further enhanced in both performance and content formats, including increased polygon counts and support for animated models. In terms of platform growth, VIVERSE reached 1 million monthly active users, more than 23,000 pieces of content, and support for 140+ projects through its creator program. The platform's terms were also further clarified to better protect creator rights and AI usage, while monetization models such as one-time purchases and channel subscriptions were introduced based on an 80% creator / 20% platform revenue split.

In VIVERSE, everyone can have a unique virtual avatar, freely move through content across different platforms, interact and socialize with other avatars, and explore virtual worlds created by others. VIVERSE not only delivers entertainment experiences, but can also be applied in areas such as education. For example, high-risk or hazardous professional activities, such as surgery, can be learned and refined in VIVERSE, enabling professionals and enterprises to gain experience and accelerate learning without being constrained by time or location, thereby realizing the vision of "VIVE Reality."



VIVEPORT

As the global VR application store and content subscription service platform of HTC, VIVEPORT provides more than 2,000 types of experience content in over 70 countries. It supports various major VR head-mounted displays, including computer driven head-mounted displays, all-in-one devices, and mobile devices.

Launched in 2019, VIVEPORT Infinity is the first unlimited VR subscription service in the world, bringing a brand-new content commercial model to the VR industry. This service not only creates more VR application demands, but also benefits developers to get closer to consumers. After experiencing the challenges of the epidemic, VIVEPORT will continue to grow its content, and occupy a dominant position in the virtual field.

Besides the benefits of being eco-friendly by transforming physical to virtual platforms which can effectively decrease consumption of resources, VIVEPORT also emphasizes equality and mental health in the sustainable field. All content needs to be confirmed with the "Content Guidelines" of VIVEPORT before being released. If there is any discriminatory content related to race, ethnicity, social class, or language, etc., it will not be fit for the market. After content is released, it is still under surveillance for any violations of the guidelines. HTC exists to collaborate with all developers to create a high-quality virtual content environment.

VIVE Arts

HTC launched VIVE Arts in 2017 and kicked off the Global Virtual Reality Art Program. VIVE Arts is devoted to exploring art and culture ever since it was established. Virtual reality is a new medium full of potential that provides people with a different perspective of how to appreciate artistic treasures in the world. VIVE Arts is dedicated to integrating cutting-edge technology into art and culture, enabling art and culture to transcend geographical boundaries and reach every corner of the world. Since 2017, it has collaborated with over 70 art and cultural institutions, including the Tate Modern in London, the Victoria and Albert Museum, the Louvre in Paris, the Musée de l'Orangerie, the Musée d'Orsay, the American Museum of Natural History, the National Palace Museum, the ArtScience Museum in Singapore, and the Venice Biennale.

In 2025, VIVE Arts will further integrate innovative technologies with diverse artistic disciplines, opening a new chapter in immersive culture. By deeply combining virtual reality (VR), XR, AI, and Web3 technologies with artistic creation, historic architecture, music performance, and cultural heritage, VIVE Arts will present immersive experiences across 25 VR location-based entertainment (VR LBE) venues worldwide. Through immersive and interactive design, audiences can step into historical settings, art works, and architectural spaces, and experience the vision and artistic appeal of creators firsthand. These exhibitions not only expand the forms through which art is presented, but also bring the value of technology and cultural heritage to a wider global audience, further demonstrating VIVE Arts' leading position in digital art and immersive cultural experiences.

In 2025, VIVE Arts will also expand its collaborations with more internationally recognized cultural institutions and launch a number of innovative projects, including Versailles: Lost Gardens of the Sun King at Château de Versailles in France, La Magie Opéra at the Opéra Garnier in Paris, Terracotta Warriors: Secrets of the First Emperor's Mausoleum, and Playing with Fire: An Immersive Odyssey with Yuja Wang. Each project combines cutting-edge immersive technology, allowing audiences to interact with, learn from, and explore art and history in new ways. VIVE Arts will continue to explore the possibilities of XR and immersive interactive design, integrating innovative technologies with digital art and using multi-user collaboration and virtual community experiences to elevate artistic creation, historical culture, and audience interaction to new heights. In doing so, immersive art becomes more than viewing—it becomes a shared, participatory, and exploratory cultural journey for audiences around the world, inspiring limitless imagination at the intersection of art, history, and technology. VIVE Arts will continue to push beyond past limitations and frameworks, collaborating with the world's top museums, cultural institutions, and artists to boldly reimagine art and create culture. Through emerging technologies, it will accelerate connections across the globe, showcasing not only art but also HTC's technological capabilities and establishing the company's exceptional influence.

VIVE ORIGINALS

HTC VIVE ORIGINALS is a content brand owned by HTC VIVE. It is devoted to original IP development and original content production. It also engages in the distribution and exploration of VR in film, art, animation, music, cultural collections, as well as the cultural creativity and entertainment industries.

To provide an extended variety of VR solutions, VIVE ORIGINALS is also actively building a cross-domain team to create content and VR technical specifications standardization. Moreover, it aims to create a content production SOP. Profit comes from various channels, such as licensing for public broadcasting, organizing exhibitions, and trading for art collections with cross-domain content. We also actively strive for government collaborations to garner film and television investments. Additionally, we want to expand the scale of content and build up a VIVE Reality ecosystem by content clustering to fulfill the ultimate goal of enriching people's cultural life through new technologies and creativity.

The vision of VIVE ORIGINALS is to create an entertaining experience with cultural values in the virtual world. In 2026, VIVE ORIGINALS will continue expanding its presence in the virtual entertainment industry, covering areas such as virtual idol IP development, new-format program production, and VR location-based entertainment (VR LBE). At the end of 2024, VIVE ORIGINALS received funding support from TAICCA and the Ministry of Culture and will launch VPOP ASIA, Asia's first virtual idol television talent show, in 2026, marking its entry into virtual idol artist management and music distribution.

In the XR original content space, VIVE ORIGINALS launched the world's first VR LBE title performed by a VTuber in 2025. Building on this momentum, and with support from the Ministry of Culture, VIVE ORIGINALS will further collaborate in 2026 with the French team Atlas V to create "Gloomy Eyes" as a VR LBE experience. The project combines an international animated IP with local Taiwan elements from Alishan, creating immersive cultural content with deeper artistic value.



Healthcare

● DeepQ



HTC DeepQ is comprised of cross-domain experts and engineers in areas such as computer science, software engineering, medicine, regulations, user experience, design, through digital technology, big data and artificial intelligence technology, all with the goal of developing and providing precision personalized medical products and services to reduce costs and improve the effectiveness of healthcare. This is a platform that has integrated technologies including deep learning, machine learning, and natural language processing. Through the applications of these technologies, we can provide customers with multiple intelligent solutions.

Multiple AI models are built in the DeepQ AI platform. Through the optimization of training environments, fully automated parameter adjustments, and the simple user interface, this platform has greatly reduced the learning threshold and the training cost of AI models. Doctors can quickly train AI models and easily step into the field of medical imaging AI.

The application of medical AI is reflected in the level of convenience of intelligent medicine. Through AI chatbots and public health assistance systems, DeepQ helps the general public acquire real-time epidemic information and deal with medical-related issues, reminds them to see a doctor, publicizes health information and education, and offers concepts on medication, thus making healthcare smarter and more convenient.

● HTC Medical VR



HTC Medical VR team is dedicated to applying Generative AI and VR technology in medical education and clinical applications with the objective of improving learning, bettering doctor-patient communication and medical quality, and promoting the development of global medical VR ecology. The team cooperates with developers to implement medical innovation technology VR in the actual fields. The team has already established world-class benchmarks with multiple hospitals and universities to create a world-class VR medical teaching center to improve medical education and training levels. In addition to applications in medical education and clinical applications, VR-based applications including anatomy and physiology teaching, development of customized VR teaching materials, clinical skills training, drug development, pain management, and rehabilitation can benefit student internships, teacher training, personnel training, and doctor-patient communication, and significantly enhance learning and medical quality.

Main Medical VR products currently include a platform that can assist in the development of VR and generative AI virtual lesson plans, and 3D Organon, which provides internships on human anatomy, VR training workshops, etc., and that were expanded to 18 medical centers in 2025.

G Reigns

G REIGNS is built on leading-edge technologies and focuses on advancing the 5G enterprise private network business through the O-RAN architecture. By optimizing the integration of software and hardware, G REIGNS is committed to connecting the virtual and physical worlds. We have launched REIGN CORE, a portable private network solution that enables enterprises to deploy a network in as little as 15 minutes, making it well suited for exhibitions, demonstrations, and similar scenarios, and supporting digital transformation in a simple and cost-effective way. In addition, with 20 years of experience in telecommunications software, we provide customized services and highly reliable integration testing to ensure system scalability and support the long-term development of ecosystem growth.

This year, our efforts in the defense sector have gradually gained recognition from customers. In Europe, we successfully became a supplier to the German military, completed deployment of a 5G private network for the German armed forces, and plan to expand applications in 2026. In North America, we have established a strategic partnership with a well-known aircraft manufacturer. The customer has already passed critical technical validation and presented a complete solution to the end customer. Through our 5G network kit solution, we are helping customers address rapidly evolving challenges



Overview of Financial Performance

In 2025, HTC recorded consolidated revenue of NT\$2.9 billion, consolidated gross profit of NT\$1.04 billion, and a consolidated gross margin of 35.9%. Operating margin was -119%, net profit attributable to owners of the parent was NT\$6.03 billion, and earnings per share (EPS) was NT\$7.21.

	Unit	2023	2024	2025
Operating Revenue	NT\$ Million	4,418	3,081	2,901
Operating Costs	NT\$ Million	2,594	1,827	1,860
Operating Expenses	NT\$ Million	6,118	5,893	4,493
Income Tax (Expenses) Benefit	NT\$ Million	3	(2)	(2,417)
Employee Wages	NT\$ Million	4,223	4,310	3,554
Dividends	NT\$	0	0	Note 2
Social Investment /Donation	NT\$ Million	0	0	0

Note:
1. The related figures are those listed in the consolidated statement.
2. Final decision after annual shareholders' meeting.

Production: Virtual Reality, 5G, Smartphones and Connected Devices (accessories)

Year	Production Capacity (Thousands)	Production Quantity (Thousands)	Value (Millions)
2023	7,300	276	1,969
2024	7,000	246	1,335
2025	7,000	274	1,631

Note: Production capacity represents the normal capacity of current production equipment after making adjustments for necessary production stoppages, non-work holidays, etc.

Sales: Virtual Reality, 5G, Smartphones and Connected Devices (accessories)

Year	Domestic Sales		Export Sales	
	Quantity (Thousands)	Value (Millions)	Quantity (Thousands)	Value (Millions)
2023	66	672	350	3,330
2024	50	432	329	2,274
2025	38	307	714	2,064

Note: Main product item data not inclusive of income from maintenance / repairs or product development work.



The Pursuit of Brilliance



Future Goal

- Integrate products and services to strengthen brand-added value.
- Create professional images of products with strong technological competency to increase market shares.
- Strengthen marketing resources to elevate the brand's image.

Current Achievement

- Creating a global smartphone with excellent designs
- The most valuable international brand from Taiwan
- The world's first virtual reality system VIVE brings real-world interaction and experience through space-based positioning technology
- Through virtual reality and augmented reality, big data, and artificial intelligence technology, with the goal of developing and providing precision personalized medical products and services to reduce costs and improve the effectiveness of healthcare

HTC's
Challenge
How to enhance
brand loyalty

HTC is an innovation company, creating powerful new products, solutions, and platforms in mobile and immersive technologies. Beginning with a vision to put a personal computer in the palm of our customers' hands, we have led the way in the evolution of smartphones, and are now applying that same innovative approach to connected devices and virtual reality as we enter the era of VIVERSE, our version of the metaverse.

At the heart of this is a bold innovative spirit of pushing new boundaries, while leveraging our industry leading capabilities. The notion of Dare to Dream is at the heart of our daily ambitions. We ask fundamental questions at the intersection of customer aspirations and our capability to delight and surprise with innovative solutions. We challenge ourselves and our customers to achieve their full human potential. What's your dream? Can you visualize it? Will it shift our perspective? Will we feel it? The future belongs to the dreamers to power creation and innovation. Because our dreams power the future. Dare to Dream.

As we live this philosophy, we employ powerful technologies and combine them in creative new ways in order to deliver this. At this time in history, building block technologies like VR, AR, 5G, AI, and blockchain are evolving and coming together in new ways with the potential to deliver utility and experiences previously unavailable. We called this VIVE Reality in 2018, and today we see our vision as VIVERSE.

VIVERSE is the future that we strive to enable. That means understanding people's needs and desires, their hopes and aspirations, and embedding them into the building block technologies of today and tomorrow. Through creating wonderful devices, platforms, content and solutions, we can unleash imagination from the bounds of reality and realize the true potential of technology for the benefit of humankind. Our future is enhanced in a world where HTC innovation and VIVERSE experiences blend to create a new and better world. These three pillars are central to that mission:



Humanity

For HTC, our innovation is human-centered in the broadest sense. We endeavor to anticipate the needs of people, businesses and society as a whole, and expand our vision to impact people's lives in ways never before considered.



Technology

Our heritage of and commitment to technology excellence is the great enabler of our pursuit. We strive for a world in which customers, large and small, have access to the most powerful hardware, platforms, tools, and services, a world where the technology becomes secondary to the experiences that it creates.



Imagination

Imagination is one of the most powerful tools we know, and one we seek to unlock. A world where a continuum of immersive realities is possible, and experience is unbounded.

Imagination that invents new ways to make life better for people and enable them to be the best they can be, help businesses achieve their vision, and solve the greater challenges faced by society.



ESG Management



Our Sustainability Commitment

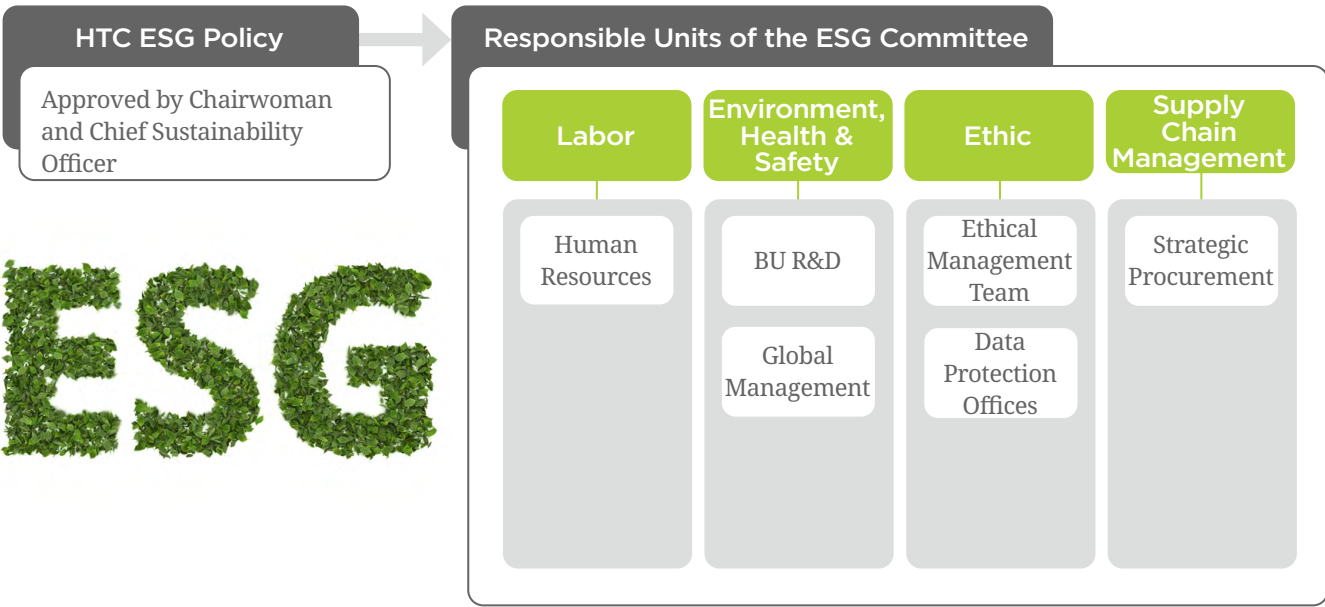


The HTC Environment, Social, and Governance (ESG) Policy

HTC conducts its business with integrity and integrity, and is committed to complying with relevant national and international laws and regulations in the regions in which it operates. We will continue to provide innovative and quality products, protect the environment, care for the health, safety and human rights of our employees, and positively maintain our stakeholders'rights and interests.

This ESG policy helps HTC maintain social responsibility and realize the vision of sustainable development. All our related business partners advocate and share this policy with us and in this way, we all protect and enhance the rights and interests of our internal and external stakeholders.

- Using Responsible Business Alliance Code of Conduct as a reference for code of conduct, developing HTC as a good corporate citizen and participating in international Initiatives
- Promotion of energy efficiency, carbon-reduction practices and various environmental protection activities
- Sustainable innovation from creation to development
- Sustainable supply chain management
- Be a responsible corporate citizen, with the highest ethical standards



2025 ESG Performance

ESG	2025 Performance
Governance	21 % to 35 % The evaluation result was 21%-35% in the 11th (2024) Corporate Governance Evaluation
	1.65 Billion R&D investment accounted for 57% of HTC revenue
	9,425 Cumulative number of HTC Global Patent Granted
Environment	33.9 % SBT reduction target, Scope 1+2 reduction of 33.9% compared with the base year (2021)
	45.2 % SBT reduction target, Scope 3 reduction of 45.2% compared to the base year (2021)
	299,409 kWh In 2025, the spontaneous self-consumption of solar power generation will be 299,409 kWh, accounting for about 3.17% of the total annual electricity consumption
	495,022 kWh Cooperate with the electricity saving measures of the current year to save electricity consumption
	175 kg In 2025, we continued optimizing manufacturing unit processes and introduced multiple electronic approval forms, further reducing paper usage by 175 kilograms.
	91.26 % In 2025, the total amount of non-hazardous waste recycled will reach 303.1 metric tons, and the annual waste recycling rate will reach 91.26%
	4,202 m ³ In 2025, the Taipei office will recycle a total of rainwater to make a contribution to saving water resources
Social	99 % VIVE XR Elite, VIVE XR Series Battery Holder, VIVE Self-Positioning Tracker, VIVE Wireless Modular and other types of paper packaging have a 99% higher percentage of recycled content
	98 % In 2025, 98% of key suppliers responded to the CDP questionnaire, of which more than 90% of suppliers have reported Scope 1 / Scope 2, 73% have set carbon reduction targets, and 65% have reported their renewable energy use
	31.47 % Female of the supervisors in global, HTC is committed in Gender Equality advance
	3.81 points HTC surveys direct employee engagement annually through a questionnaire, with a 2025 survey score of 3.81
	5 Major core functions Construct a systematic learning and development blueprint and integrate internal and external training resources so colleagues can acquire the professional knowledge and skills required to cope with future challenges.
	0 violations against customer privacy and loss of customer data in 2025
	88 % Tier 1 suppliers completed the RBA Self-Assessment Questionnaire (SAQ)
	0 products that use conflict minerals in 2025

ESG Achievements



FTSE4Good

HTC is a constituent of the FTSE4Good Index Series for four consecutive years

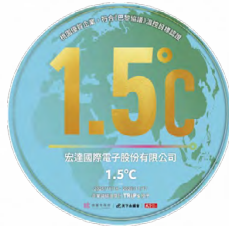


For the fifth year in a row, HTC has been recognized with the EcoVadis Silver Award for Sustainability



At the 2025 Taiwan Corporate Sustainability Awards, HTC received four major honors

- Selected as one of the Taiwan Top 100 Sustainable Company's Award for the second consecutive year
- Awarded the highest-level Corporate Sustainability Report Award — Platinum Award for the third consecutive year
- Received the Sustainability Performance Award — Climate Leadership Award for the second consecutive year
- Won the Sustainability Performance Award — Information Security Leadership Award for the second time



HTC received an "EXCELLENT" rating in the TRIPs (Temperature Rising Index for Pathways) evaluation, developed by CommonWealth Magazine and Tunghai University. In addition, Taoyuan City recognized HTC as a 1.5°C Model Enterprise



Selected as a constituent of the FTSE4Good TIP Taiwan ESG Index for the first time in 2025

<https://www.lseg.com/en/ftse-russell/indices/ftse4good>
<https://taiwanindex.com.tw/en/indexes/F4GTTE>



2024 CDP –Climate Change : Management Level (B) for three consecutive years

2024 CDP –SER : Leaderboard (A) for two consecutive years



Corporate Governance Evaluation

HTC participated in the 11th (2024) Corporate Governance Evaluation organized by the Taiwan Stock Exchange, and obtained results in the range of 21%-35%.



Climate Initiatives

In 2024, HTC's Near-Term and Net-Zero Science Based Target Approved by SBTi



At the first ESG for Culture Impact Awards in 2025, HTC received three major honors

- VIVE Arts "LE BAL DE PARIS" : Industry Advancement Award
- VIVE Mars "Golden Moment Awards Ceremony Film Production": Diverse Collaboration Award
- VIVE Originals "Illusionary": Professional Assistance Award



Received a "Prime" Rating from ISS STOXX



ESG Committee

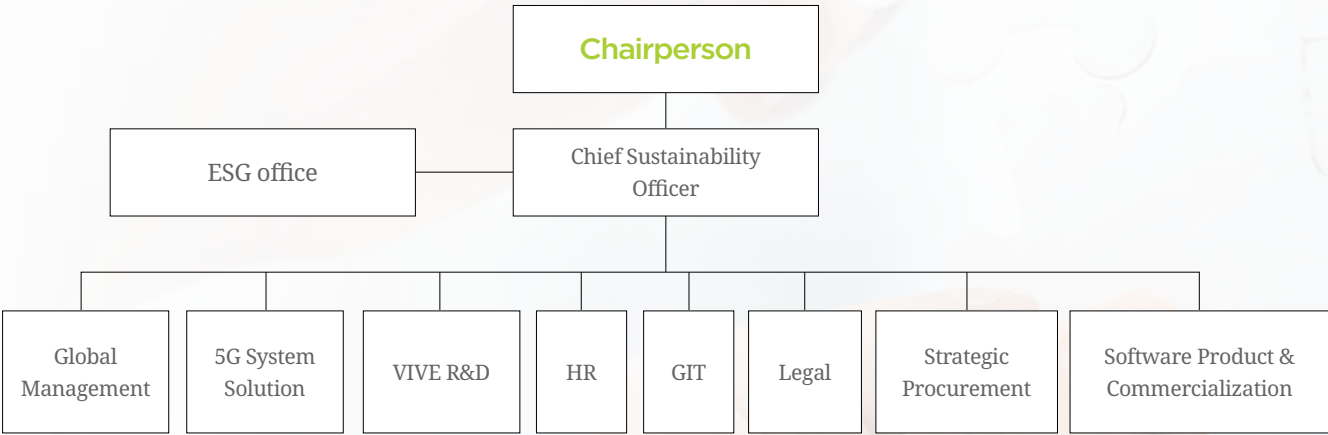
In early 2022, HTC upgraded its original Corporate Social Responsibility (CSR) Committee to the ESG Committee, with Chairwoman Cher Wang serving as Committee Chair, SVP Madeline Chen as Chief Sustainability Officer, and senior executives from relevant departments as committee members. The Committee is responsible for decision-making on economic, environmental, and social matters. HTC also established the ESG Office as a dedicated function to support the planning and implementation of the Company's ESG initiatives. The ESG Office is responsible for communication and feedback with HTC's external stakeholders, including key supply chain partners, and regularly reports to the ESG Committee on the trends, impacts, and performance of relevant sustainability issues. Several task forces operate under the Committee to address ESG-related matters and align sustainability goals across departments. Through a clear organizational structure and division of responsibilities, HTC aims to balance economic, environmental, and social considerations and embed sustainable business practices into daily operations through concrete actions.

The Board of Directors is responsible for overseeing HTC's overall ESG management policies, strategy and target setting, major decisions, and the effective operation of the ESG management mechanism. The Chief Sustainability Officer reports to the Board on an irregular basis each year. In addition, the ESG Committee reports to the Audit Committee of the Board at least once a year on ESG material topics, stakeholder engagement, execution performance, and the strategy and targets for the year.

In 2025, HTC completed the two-year project commissioned by the Industrial Development Administration, Ministry of Economic Affairs. The Company continued using the carbon management platform to conduct greenhouse gas inventories and verification, as well as product carbon footprint assessments, while also completing the implementation of an internal carbon pricing mechanism. In response to new regulatory requirements, HTC launched its IFRS Sustainability Disclosure Standards project in the fourth quarter of the year, completed the first phase of IFRS analysis and planning, established an IFRS Sustainability Disclosure Standards project team, formulated an implementation plan, and identified key differences and impacts between current sustainability information and the IFRS Sustainability Disclosure Standards. The project will continue in 2026.

To strengthen employees' awareness of ESG, the ESG Office publishes two newsletters, "ESG Office Newsletter" and "ESG Office Weekly News." The former is published periodically to share important ESG-related information within HTC, including sustainability achievements and recognition, ESG report highlights, Earth Day activities, and other updates, so as to deepen employees' ESG awareness. The latter is issued weekly and delivers popular ESG-related news from Taiwan and abroad, including net-zero emissions, carbon tax and carbon fee trends, renewable energy, DEI, human rights, and domestic and international regulatory developments, helping employees stay up to date on the latest ESG issues. These initiatives help the Company promote the implementation of ESG-related policies and targets.

Structure of the HTC ESG Committee



Ministry of Economic Affairs, Industrial Development Administration: Large-Enterprise-Led Low-Carbon Manufacturing Process and Supply Chain Transformation Program

Since November 2023, HTC has participated in the two-year "Large-Enterprise-Led Low-Carbon Manufacturing Process and Supply Chain Transformation Program" organized by the Industrial Development Administration, Ministry of Economic Affairs. Through quantitative and standardized digital carbon management tools, HTC has integrated carbon reduction targets into daily operations. By automating testing stations and applying artificial intelligence technologies, the Company has improved production process efficiency and reduced error-related costs. In addition, HTC has established an energy management platform to set energy management targets and monitor energy consumption. Through supply chain engagement and advisory support, HTC has encouraged suppliers to participate in low-carbon transformation initiatives and helped them build awareness, goals, and management capabilities for carbon reduction.

This program takes a comprehensive approach, covering carbon data management, smart manufacturing processes, in-house energy control and optimization, and supply chain decarbonization. By leveraging HTC's leading role, the Company is driving the entire supply chain toward a smarter and low-carbon future. The program received total government subsidies of approximately NT\$18.39 million, and comprises the following four sub-projects:

Sub-project	Purpose	Related Section
Supply Chain Carbon Inventory / Footprint System Development	To achieve quantitative and systematic carbon emissions management through digital tools	Structure of the HTC ESG Committee
Smart Manufacturing Decarbonization	To improve production process efficiency, reduce error-related costs, and lower carbon emissions through smart technologies	Sustainable Manufacturing Process
Energy Management and Optimization	To address energy consumption issues at major in-plant energy-consuming equipment, such as chilled water systems, which accounted for 47.9% of total electricity consumption, and improve energy use by more than 8%	Energy Saving and Carbon Reduction Actions
Supply Chain Engagement and Guidance	To develop HTC's net-zero transition roadmap and support suppliers in building carbon reduction awareness, goals, and management capabilities through value chain engagement	Supply Chain Engagement

ESG-related management system and initiative

The Green Products Management System	HTC's HQ and factories have acquired and sustained the IECQ QC080000 Certificate of Conformity to Hazardous Substance Process Management (HSPM). Suppliers are also required to abide by HSPM to decrease the risk of hazardous substances. HTC HSPM Policy : Design and Manufacture Green Products, Meet Regulations and Customer Requirements, Continuous Improvement to Protect the Environment
Green Product Verification	To comply with the EU Restriction of Hazardous Substances (RoHS), HTC products are sent to third-party international verification institutions for chemical analysis. The verification on products' energy consumption in compliance with the U.S. and Canadian charging energy consumption requirements is performed. Verification on power supply's energy efficiency is conducted to ensure that the energy conversion efficiency of products is higher than the standards in various countries.
Geenhouse Gas	The carbon management platform was established and more efficiently to perform greenhouse gas (ISO14064-1) inventory in 2023. Start from 2024, the scope of the third-party greenhouse gas verification report opinion includes parent-subsidiary verification.
Product Carbon Footprint	The product carbon footprint management platform was established and more efficiently to perform product carbon footprint (ISO14067) inventory in 2023. In 2024, third-party product carbon footprint verification opinion (VIVE XR Elite) included the greenhouse gas emissions of the five stages of the product life cycle, . In 2025, VIVE Focus Vision also obtained a third-party product carbon footprint verification report opinion.
The Environment Management System	We are committed to minimizing the environmental impact of our operations. HTC have established an ISO 14001 environmental management system at our Taoyuan factory, obtained and maintained the ISO 14001:2015 certificate, with a factory coverage rate of 100% and a company coverage rate of 48.64%. Through the PDCA management cycle principle, the management system complies with environmental regulations, achieves environmental goals and improves environmental performance. No penalty have been recorded in 2025. *Company coverage rate : Number of employees in the building or factory ISO 14001 certified /Total number of employees of the parent company in Taiwan
The Energy Management System	We introduced the ISO 50001 Energy Management System to implement and plan energy management, and successfully obtained and maintained the certificate, with a factory coverage rate of 100% and a company-wide coverage rate of 92.80%, which contributes to the company's sustainable business goals, conserves energy resources, and responds to climate change issues. * Company coverage rate : Number of employees in the building or factory ISO 50001 certified /Total number of employees of the parent company in Taiwan.
The Occupational Safety & Health Management System	In order to reduce the risk of workplace hazards and prevent occupational accidents, we have established an ISO 45001 Occupational health and safety management systems at our Taoyuan factory, with a factory coverage rate of 100%, to prevent occupational disasters and ensure the safety and health of workers. The proportion of workers covered by the management system was 50.97%. * Company coverage rate : Number of workers in the building or factory ISO 45001 certified /Total number of employees of the parent company in Taiwan. * This calculation is for the Taoyuan factory, which may pose higher risk to workers, excluding non-employee workers in Taiwan, as well as Non-Taiwan-based workers .(Non-Taiwan-based workers mainly conduct business in the office and have a lower risk of occupational injuries and diseases). * The proportion of workers in internal and external audit and certification is the same.

Information Security and Privacy Information Management System	HTC has introduced an Information Security Management System (ISMS) and a Personal Information Management System (PIMS) and has developed 76 management policies and guidelines, including personal information protection and information security risk assessments, which have been implemented in employee training, product development, vendor management, and information security incident management. Since 2021, HTC has continuously maintained ISO 27001 and ISO 27701 certifications and has passed annual surveillance audits during the validity period of the certificates. In accordance with updates to international standards, the Company has also completed system revisions and ongoing optimization. The most recent audit was successfully completed in August 2025. HTC Group subsidiary DeepQ has long been dedicated to the fields of healthcare and AI, and places strong emphasis on information security and personal data protection in the healthcare sector. DeepQ obtained certification for ISO 27001, ISO 27701, and ISO 27799 management systems and guidelines in 2022, and has since continued to pass annual surveillance audits each year. The most recent audit was successfully completed in 2025.
Supplier Management	As a member of the RBA, HTC has established the HTC Supplier Code of Conduct in accordance with the Responsible Business Alliance (RBA) Code of Conduct. In addition to requiring suppliers to sign the Supplier Code of Conduct, management initiatives include new supplier audits, quarterly evaluations of key suppliers, annual ESG programs, and annual audits of high-risk suppliers. In 2025, HTC evaluated a total of 50 suppliers, covering 83 manufacturing facilities, and completed on-site audits at 38 facilities, all of which were conducted as RBA Validated Assessment Program (VAP) on-site audits. Among high-risk suppliers, approximately 50% had undergone RBA VAP assessment. HTC will continue to monitor high-risk suppliers and, where necessary, select high-risk suppliers that have not yet undergone RBA VAP for on-site audits in 2026. Compared with 2024, the number of high-risk facilities decreased by 83% in 2025, and the proportion of high-risk facilities declined by approximately 78%.
Internal Carbon Pricing	In 2025, HTC officially implemented its Internal Carbon Pricing (ICP) system, using shadow pricing as the core operating model. By integrating this mechanism into the corporate decision-making process, HTC can more accurately assess and strengthen the environmental impact of its operations and investment activities. HTC comprehensively considers a range of internal potential costs and external risk factors, including the costs of introducing renewable energy, purchasing carbon credits, and implementing various carbon reduction technologies required to achieve net-zero emissions. The Company also takes into account the potential financial impact of global carbon tax trends, ensuring that its carbon price setting is forward-looking and responsive to policy developments. In addition, given that carbon reduction costs, carbon tax policies, and market conditions may change over time, HTC has established an annual review and rolling update mechanism to ensure that internal carbon pricing reflects the latest internal carbon abatement costs as well as external risks and opportunities in a timely manner, maintaining strategic foresight and flexibility.

The United Nation's Sustainable Development Goals

In 2015, the United Nations passed the 17 Sustainable Development Goals. These goals not only ensure peace and prosperity, but also provide a blueprint for specific goals for the next 15 years, guiding the direction for achieving sustainable development. This is a global call for medium- to long-term action, aimed at promoting the responsibility and power of businesses, governments, and society to achieve a more sustainable future.

As global citizens, we spare no effort to implement the goals of the United Nations. We are committed to integrating SDGs into corporate operations and business development planning. In addition to establishing gender equality in practice and empowering female employees and providing them with benefits, we also focus on green sustainability in the manufacturing process, achieving responsible consumption and production. Moreover, the HTC team has also collaborated with external institutions on the research and development of products and services that enhance healthcare quality, making full use of innovative technologies to promote sound health and well-being of people of all ages. We have established multiple partnerships with teams from different fields to accelerate the implementation of the goals, working together to promote a better life for humanity and achieve the vision of a sustainable world.

HTC Focus Goals

HTC has always focused on the United States SDGs, and is dedicated to promoting and realizing goals including SDG 5 (Gender Equality), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action) internally within operations as the starting point. HTC also continues to exert efforts to realize diversified group equality, and pays particular attention to the promotion of SDG 5 Gender Equality. For further detail, please refer to the relevant section of the report.

HTC promotes SDGs through its business divisions externally based on its technologies and positioning. It mainly focuses on SDG 3 (Good Health and Well-Being), SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 12 (Responsible Consumption and Production), and SDG 17 (Partnerships for the Goals). All of these efforts have demonstrated HTC's focus and commitments to SDGs, as well as continuous progress and uninterrupted growth.





Ensure access to affordable, reliable, sustainable and modern energy for all

HTC has always placed a strong emphasis on energy management and is achieving its goal of net zero by gradually improving energy efficiency and green power generation

- Invest in renewable energy power generation systems and develop sustainable green energy

Related Chapters:

- Use of green energy



Build resilient and sustainable industries and accelerate innovation

HTC expands its industrial infrastructure,
integrates the metaverse and 5G technology,
and lays a new direction for future cities

- HTC supports Taiwan's talent through practical actions
- HTC G REIGNS innovative portable 5G private networks provides reliable private network for enterprises and introducing them into various industries
- HTC cooperates with the government to create a new sustainable industry
- HTC's innovative rendering technology creates a smooth metaverse

Related Chapters:

- Engaging Diversified R&D Talent
- REIGN CORE S8-Portable 5G Enterprise Network Solution
- Accelerate industrial innovation with a solid scientific and technological foundation and promote a virtual and sustainable life
- Product Overview / G Reigns



Through mitigation and adaptation to combat climate change and its impacts

HTC's expertise in mobile technology and its continuous pursuit of product innovation have enabled us to integrate climate change into our VIVE Reality vision to provide comprehensive solutions for businesses and society to create richer life experiences

- Carbon Management and Policy: Climate Change Management Policy and SBTi Net Zero Strategy
- Low-Carbon Operations: Improve energy efficiency and invest in renewable energy
- Low-Carbon Products: Promote circular economy and low-carbon business models
- Low-Carbon Transportation: Optimize the distribution mode and adjust the global warehousing setup strategy
- Value Chain Engagement: Working together to decarbonize the supply chain

Related Chapters:

- Climate Change Management
- Sustainable Agenda



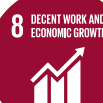
**Strengthen the means
of implementation
and revitalize the
Global Partnership
for Sustainable
Development**

HTC has worked with many partners to enrich the energy of medical education and training, and established the "Multiverse Application Alliance" to create industry value

- The Multiverse Application Alliance gathers partners in the metaverse industry value chain
- VIVE Arts collaborates with arts and cultural institutions to expand the field of arts and culture
- VIVE Originals creates a new ecosystem of community entertainment
- DeepQ collaborates with sustainable partners for the well-being of human healthcare
- VIVERSE drives innovation in XR and Metaverse education
- Medical VR works with hospitals, schools, and businesses in Taiwan to promote innovative teaching and learning models

Related Chapters:

- Use immersive technology to promote art and culture and preserve cultural assets
- Contribute to the public with technology and promote social health and welfare
- Inspire the diverse spirit of innovation and open up crosssector applications for the Metaverse industry
- Use VR to expand educational horizons and create diverse learning channels
- Strengthen the means of implementation and revitalize the global partnership for sustainable development



Promote inclusive and sustainable economic growth

HTC's reinterpretation of the value of the industry with the metaverse is not only a technological breakthrough, but also a symbol of diversity, inclusion and innovation

- HTC supports Taiwan's talent through practical actions
- The integration of virtual and real entertainment creates new value for art and cultural performances
- VIVERSE creates a full range of applications to enhance the business value of the metaverse

Related Chapters:

- HTC Human Resource Structure Overview
- Occupational Safety and Health Committee
- Inspire the diverse spirit of innovation and open up cross-sector applications for the Metaverse industry
- Multiverse Application Alliance



Ensure sustainable consumption and production patterns

HTC values resource conservation and aims to help making the planet more sustainable through sustainable design and circular economy

- Focus on the circular economy and improve the recyclability of products
- Increase the proportion of recycled packaging materials and adopt sustainable packaging

Related Chapters:

- Sustainable Design
- Sustainable Products

ESG Management Procedures and Systems

HTC's ESG topics management uses materiality analysis as an important guideline for formulating long-term sustainable goals and communicating with stakeholders. In materiality analysis, GRI guidelines and AA1000 AP 2018 responsibility principle standards are adopted, and the four principles of inclusiveness, materiality, responsiveness, and impact are used to respond to the needs of stakeholders and focus on the disclosure of material topics, and these are further used for the judgment of disclosure of relevant actions, performance and results.

At the same time, HTC attaches great importance to communication and interaction with its stakeholders. In addition to setting up various communication channels, we respond to important suggestions or opinions from stakeholders based on their concerns and impact on HTC's operational impact. The feedback is submitted to the relevant departments for response and processing, than regularly disclosed in the ESG report. We will gradually invite and encourage internal and external entities to join the ESG disclosure process in the future.

Step 1

Understand the organization's contex

The overall management process of ESG topics in current year was same as that of previous year, in order to comply with the output principle of the material topics of GRI 2021: Based on industry and operating activities, as well as indicators such as interaction with the company, dependence, responsibility, attention, and influence, HTC evaluates stakeholders from multiple perspectives and identifies six key stakeholders in 2025, including (1) employees, (2) suppliers/contractors, (3) consumers/customers, (4) shareholders and investors, (5) media & NGOs, (6) rating agencies (7) local communities, (8) academic institutions, (9) government regulatory agencies.

In addition to stakeholders, ESG Office also consider product services and operating activities, business relationships with the value chain, interested entities related to HTC (including subsidiaries and affiliated companies), sustainability context and human rights topics to determine the main framework and disclosure direction of this report.

Step 2

Identify impacts and assess the significance of the impacts

Based on GRI, SASB indicators, domestic and foreign corporate trends, peer ESG reports and other indicators, screen the issues of concern, focus on 19 sustainable topics that are highly relevant to the company covering economic, environmental, and social aspects, and distribute questionnaires to each stakeholder. Design and make a HTC Sustainable Topics Questionnaire according to the new version of GRI 3. The content of the questionnaire involves positive/negative impacts (the degree of significance of negative impacts is evaluated according to severity, possibility, and human rights; the degree of significance of positive impacts is evaluated according to scale, scope, and possibility). All the items in the questionnaire use the two major indicators of impact and possibility, and is provided to stakeholders in a zero-to-three manner to identify possible or existing impacts. HTC distributed questionnaires to its stakeholders extensively s, also invited members of the ESG working group to fill in the operational impact questionnaire, and a total of 209 valid questionnaires were collected. The company later gathered statistics on the number of various kinds of stakeholders as the cornerstone for weight adjustment so the principle that the ratio of each stakeholder does not exceed one third is adopted to prevent bias due to a relatively high ratio occupied by a certain group of stakeholders.

Step 3

Prioritize the most significant impacts for reporting

After screening and sorting by the ESG Office, HTC acquired 15 material topics in total. A discussion meeting was held internally, and the Chief Sustainability Officer also participated in the discussion. The material topics are including "Product Quality and Safety", "Economic Performance", "Information Security and Privacy Protection", "Waste Management", "Talent Attraction and Retention", "Sustainable Supply Chain", "Customer Privacy and Health & Safety Management", "Innovation Management", "Occupational Health and Safety", "Human Rights, Diversity and Inclusion", "Labor Management Relations", "Circular Economy and Product Life Cycle", "Climate Change", "Energy Management", "Integrity Management". These topics have been carefully screened and identified to ensure that they fully cover HTC's sustainability issues. The ESG Office reports the results to the Audit Committee before presenting to the Board of Directors, and serves as the main line of information disclosure in this year's ESG Report, to respond to stakeholders' concerns about HTC's material issues, and to demonstrate our commitment and responsibility for sustainable development.



HTC 2025 Material Topics and Boundary

2025 HTC Material Topics Boundaries Matrix (HTC to External Environment)

Economic Environmental Social ★ Major Topics

★ Information Security and Privacy Protection ★ Sustainable Supply Chain ★ Economic Performance			High		★ Sustainable Supply Chain ★ Economic Performance	★ Information Security and Privacy Protection ★ Innovation Management ★ Integrity Management	
★ Human Rights, Diversity and Inclusiveness	★ Talent Attraction and Retention ★ Employment/ Labor Relationship ★ Occupational Safety and Health ★ Product Quality and Safety ★ Customer Privacy and Health Safety Management ★ Integrity Management ★ Waste Management		Likelihood	★ Human Rights, Diversity, and Inclusiveness ★ Occupational Safety and Health	★ Product Quality and Safety ★ Waste Management ★ Circular Economy and Product Life Cycle ★ Talent Attraction and Retention ★ Climate Change ★ Customer Privacy and Health Safety Management	★ Energy Management	
	★ Climate Change ★ Energy Management Social Investment and Contribution	★ Innovation Management Water Resources Management ★ Circular Economy and Product Life Cycle Biodiversity Education Training and Career Development		★ Employment/ Labor Relationship Water Resource Management Biodiversity Social Investment and Contribution Education Training and Career Development			
High	Negative Impact to Economic/ Environment/ Society			Low	Positive Impact to Economic/ Environment/ Society		

2025 HTC Material Topics Boundaries Matrix (External Environment to HTC)

Economic Environmental Social ★ Major Topics

★ Economic Performance ★ Customer Privacy, Safety and Health Management ★ Employment/ Labor Relationship ★ Occupational Safety and Health ★ Product Quality and Safety ★ Innovation Management			High		★ Customer Privacy and Health Safety Management ★ Information Security and Privacy Protection ★ Sustainable Supply Chain ★ Occupational Safety and Health ★ Circular Economy and Product Life Cycle ★ Waste Management
★ Information Security and Privacy Protection	★ Talent Attraction and Retention ★ Human Rights, Diversity and Inclusiveness ★ Waste Management ★ Climate Change ★ Sustainable Supply Chain ★ Circular Economy and Product Life Cycle ★ Integrity Management - Education Training and Career Development	★ Energy Management - Social Investment and Contribution	Likelihood	★ Human Rights, Diversity and Inclusiveness ★ Integrity Management - Education Training and Career Development - Social Investment and Contribution	★ Climate Change ★ Product Quality and Safety ★ Innovation Management ★ Economic Performance ★ Talent Attraction and Retention ★ Employment/ Labor Relationship
		- Water Resource Management - Biodiversity		- Water Resource Management - Biodiversity	
High	Negative Impact to Economic/ Environment/ Society			Low	Positive Impact to Economic/ Environment/ Society
High					

2025 HTC Material Topics and Boundary Identification

Item	Material Topics	GRI	Chapter	Value chain			Outside the value chain					
				Upstream	HTC	Downstream	Shareholders and Investors	Academic institutions	Rating Agencies	Local communities	Media & NGOs	Government regulatory agency
1	Economic Performance	201-1	Overview of Financial Performance	✓	✓	✓	✓	✓			✓	✓
2	Customer Privacy and Health & Safety Management	416-1、416-2、418-1	Customer Privacy and Health & Safety Management	✓	✓	✓	✓	✓	✓	✓		✓
3	Information Security and Privacy Protection	418-1	Information Security and Privacy Protection		✓	✓	✓		✓		✓	✓
4	Integrity Management	205-2、205-3	Integrity Management		✓	✓	✓		✓		✓	✓
5	Innovation Management	Custom Topic	Innovation Management	✓	✓	✓	✓	✓			✓	✓
6	Sustainable Supply Chain	308-1、308-2、414-1、414-2	Sustainable Supply Chain	✓	✓	✓	✓				✓	✓
7	Climate Change	201-2、305-1、305-2、305-3、305-4、305-5	Climate Change		✓	✓	✓		✓		✓	
8	Circular Economy and Product Life Cycle	306-1、306-2、306-3、306-4	Sustainable Design Sustainable Manufacturing Process Sustainable Products Overview of HTC's Energy and Climate Change Management	✓	✓	✓	✓	✓			✓	✓
9	Energy Management	302-1、302-4	HTC's Energy and Climate Change Management Electricity and Emissions		✓	✓	✓	✓	✓		✓	✓
10	Waste Management	306-1、306-2、306-3、306-4、306-5	Hazardous Waste Management	✓	✓	✓	✓		✓		✓	✓

11	Product Quality and Safety	416-1、416-2、417-1、417-2	Customer Management Regulation Compliance Product Recyclability Design	✓	✓	✓	✓	✓		✓	✓
12	Labor Management Relations	401-1、401-2、401-3、402-1	HTC Global Site Employee Structure Distribution Diversified Employee Welfare Work-life Balance Support Listening to the Voice of the Employee	✓	✓	✓		✓			✓
13	Human Rights, Diversity and Inclusion	405-1、405-2、406-1、407-1、408-1、409-1、410-1	Board of Directors Human Rights Management and Commitment Salary and Benefits	✓	✓	✓			✓	✓	✓
14	Occupational Health and Safety	403-1-403-7 403-9, 403-10	Occupational Health and Safety	✓	✓	✓		✓	✓	✓	✓
15	Talent Attraction and Retention	401-2、404-1、404-2、404-3	Talent Attraction and Retention	✓	✓	✓			✓		✓

For SASB indicators, please refer to "Appendix 4,SASB Index "



Changes to HTC’s Material Topics in 2025

2024 Material Topics	2025 Material Topics	Description of changes
Corporate Governance (X)	Information Security and Privacy Protection	In 2025, HTC conducted a review based on its corporate development strategy, industry conditions, value chain practices, and global trends. A total of 19 candidate topics were identified, and a questionnaire was developed to gauge stakeholder perspectives. Taking into account the positive and negative impacts perceived by both internal and external stakeholders, topics with an impact level and likelihood of occurrence greater than moderate, and appearing more than twice in the four-materiality matrix, were included in the shortlist of potential material topics. After screening, 12 material topics were identified. Of the three topics that did not appear repeatedly, further discussion concluded that they remain important to HTC. As a result, HTC identified 15 material topics in 2025, the same number as in 2024, to ensure coverage of all stakeholder concerns. Following the determination of the material topics, the Sustainability Office also reached the consensus that topics not selected as material topics for the year would still be disclosed to the greatest extent possible, demonstrating the Company's core commitment to sustainable development.
Regulation Compliance (X)	Innovation Management	
Customer Privacy and Health & Safety Management	Customer Privacy and Health & Safety Management	
Economic Performance	Economic Performance	
Integrity Management	Integrity Management	
Information Security and Privacy Protection	Waste Management <i>New</i>	
Sustainable Supply Chain	Sustainable Supply Chain	
Innovation Management	Circular Economy and Product Life Cycle	
Risk Management (X)	Energy Management	
Climate Change	Climate Change	
Energy Management	Product Quality and Safety <i>New</i>	
Circular Economy and Product Life Cycle	Labor Management Relations <i>New</i>	
Occupational Health and Safety	Occupational Health and Safety	
Human Rights, Diversity and Inclusion	Human Rights, Diversity and Inclusion	
Talent Attraction and Retention	Talent Attraction and Retention	



Stakeholders Engagement

	Employees	Suppliers / Contractors	Consumers/ Enterprise customers	Shareholders and Investors	Local communities, academic institutions & NGOs	Government regulatory agencies
Significance for HTC	HTC upholds the people-oriented belief. Employees are the most valuable asset and the key to innovation	Suppliers are indispensable partners for corporates to realize continuing operating growths. Contractors provide a safe working environment helping build up a sense of cohesiveness and improve corporate image.	Consumers build strong customer relationships by providing first-class customer experience; corporate customers enhance company value and pursue growth through cooperation and product and business development, and gradually improve corporate sustainable operations.	Shareholders and investors' support have positive impact to the sustainability of HTC. Information on HTC's corporate governance policies and related regulations is available on the Company's website.	Communicating with community residents, academic institutions and non-governmental organizations will help HTC better understand market needs, promote technological innovation, and practice corporate social responsibility.	The foundation of the Company is to build an excellent external environment for the corporation, by following the legal guidelines, cooperating with government policies, and earning trust, support, and collaboration with the government.
Concerned Topics	● Information security and privacy protection ● Customer Privacy and Health & Safety Management ● Occupational Health and Safety ● Innovation management ● Integrity management ● Economic performance ● Human Rights, Diversity and Inclusion ● Product quality and safety ● Education training and career development ● Circular economy and product life cycle ● Labor Management Relations ● Talent attraction and retention	● Customer Privacy and Health & Safety Management ● Integrity management ● Information security and privacy protection ● Sustainable supply chain ● Economic performance ● Occupational Health and Safety ● Product quality and safety ● Waste management ● Innovative management ● Social investment and contribution ● Climate change	● Customer Privacy and Health & Safety Management ● Integrity management ● Economic performance ● nformation security and privacy protection ● Sustainable supply chain ● Occupational Health and Safety ● Product quality and safety ● Labor Management Relations	● Customer Privacy and Health & Safety Management ● Circular economy and product life cycle ● Energy management ● Integrity management ● Economic performance ● Innovation management ● Information security and privacy protection ● Sustainable supply chain ● Climate change	● Water resource management ● Biodiversity ● Customer Privacy and Health & Safety Management ● Talent attraction and retention ● Human rights, Diversity and Inclusion ● Education and Training and Career Development ● Occupational Health and Safety ● Product quality and safety	● Customer Privacy and Health & Safety Management ● Human rights, Diversity and Inclusion ● Occupational Health and Safety ● Product quality and safety ● Circular economy and product life cycle ● Energy management ● Waste management ● Integrity management ● Economic performance ● Innovation management
Communication Channels	● Department quarterly meeting. - Irregular ● One-on-one interview with supervisors. - Irregular ● Annual performance appraisal/ interview. - 2/ Yearly ● New employee seminar. - Quarterly ● Employee assistance hotline and mailbox, Health Center, Employee Aid Scheme. - From time to time ● Labor-management meeting. - Quarterly	Suppliers: ● Supplier communication conference - Irregular ● Guidance and audit for suppliers - Yearly ● Cooperation project with suppliers for addressing ESG and greenhouse gas issues Contractors: ● Induction training. - Weekly ● Patrol inspection in the facility. - Irregular ● Coordinative organization meetings. - Yearly	Consumers (Daily Ongoing): ● Local service contact channels in 10 languages to provide customers with real-time communication and assistance. ● Websites in different languages for customers to give feedback and to access information in a real-time manner (over 60 established) ● Dedicated email boxes for different functions (Support, Copyright, Security, etc.) to provide convenient customer contact with HTC ● Automated support survey invitations to collect customer satisfaction feedback ● Immediate corrective actions in place based on customer's insights Enterprise Customers: ● Reply to customer inquiries. - From time to time ● Customer audit and replies to customer's questionnaires. - By customer request ● Meeting the customer requirements about environmental and social responsibilities. - By customer request	● Shareholder conference - Yearly ● Annual report - Yearly ● Monthly revenue statement - Monthly ● Visiting investors - Irregular ● Market Observation Post System - Irregular ● Investor Relationship Website - Standing ● Spokesperson - Standing	● Support the activities of non-profit organizations in the fields of ecology, environmental protection and different public welfare - Irregular ● Attending academic conferences, interviews or questionnaires - Irregular ● Invite local artists to HTC for art exhibitions -Irregular	● Official document, E-mail, Visit, Act and regulations database. - Irregular ● Meeting such as Forums, Seminars etc. -Irregularly ● Voluntary Greenhouse Gas Emissions Inventory - Yearly ● Participate in the sustainable programs of the government agency - Irregular. ● The major stakeholders are tax authorities in different countries. The Company files and pays its taxes in accordance with the legal regulations of each country. Furthermore, the Company consults with any of the four major accounting firms or contacts the authorities directly if there is anything unclear or a lack of understanding about the regulations. For any tax audit, the Company prepares the relevant information and cooperates with the tax authority after receiving the notification

Risk Management

HTC manages corporate risk with a focus on sustaining value for the shareholders and stakeholders. Based on the principle of materiality, we conduct risk assessments on environmental, social and corporate governance issues related to company operations, and establish appropriate control mechanisms after careful consideration of all the various operational uncertainties that ensures a rapid response to uncertainty, as well as to any attendant risks and opportunities. Such careful risk management enhances our ability to create value.

We integrate ESG policy commitments (including RBA) such as integrity management, occupational safety and health, environmental and climate change risks, and human rights-related risks into relevant risk management strategies to ensure that these risks can be effectively implemented.

Note: For information regarding human rights related risks and due diligence, please refer to section "Annual Human Rights Issues" in this report

Main Risk Type	Financial risk	Tax risk	Integrity management risk	Climate change risk	Supply chain management risk	Occupational safety risk	Information Security and Privacy Information risk
Management Strategy	In recent years, the Company has mainly utilized its internal capital to satisfy operating capital needs in response to business scale. Therefore, fluctuations in interest rates did not have a significant impact on the company's liabilities. During 2025, the US dollar against to the NT dollar fluctuated from 1:32.79 to 1:31.429. Net exchange loss during 2025 totaled NT\$ 131.088 million. Under eective management by the Company, negative eects of exchange rate fluctuations on profits in recent years have been minimal. During 2025, the inflation in Taiwan was approximately 1.66%, 2.7% in North American and 1.9% in European markets. Although the global inflation decline, overall, it had no significant impact on HTC profits.	Each company in the Group appoints local, sizable accounting firms and provides them with annual financial data for tax declaration.	HTC conducts risk evaluations annually, including categories of impacts related to ethics. The legal affairs department and key competent departments are responsible for further analyzing data related to anti-corruption and ethics. In recent years, the risk levels authenticated were not high.	In 2025, HTC launched a process for identifying risks and opportunities of climate change, completed risk and opportunity identification, and evaluated the financial impact in accordance with the risk evaluation mechanism recommended by the TCFD. Types of climate risks include transition risks and physical risks which are further distinguished into policies and regulations, technology, market, reputation, as well as those with immediate or long-term impact. After identifying potential risks, HTC establishes appropriate measurement approaches based on different risk types as the basis for risk management.	HTC has established a Supplier Code of Conduct in alignment with the code of conduct of RBA and the contents of the United Nations Universal Declaration of Human Rights to clearly specify the responsibilities and norms regarding workers, health and safety, and ethics. HTC expects that any suppliers with business contact comply with and practically execute this code. HTC also regularly evaluates whether suppliers comply and implement this code as the basis for appraisal and selection of business partners.	HTC has established an automatic health and safety inspection plan in accordance with the Occupational Health and Safety Act and the Regulations Governing Occupational Health and Safety to stress the prevention of occupational accidents. We monitor health and safety issues, eliminate and control risks, and improve unsafe work environments and machinery equipment periodically. Relevant systems for inspection and maintenance of machinery equipment have also been established.	HTC has established and promoted various information security management systems in accordance with the information security standards specified in ISO 27001. The company conducts risk evaluations and internal audits annually to ensure the effective implementation of these management systems.
Reference	Please refer to section 6.6 "Competitive Advantages, Business Growth and Assessment of Risks" in the company's annual report for the current year.	"Tax Management"	"Integrity Management"	"Climate Change Management"	"Sustainable Supply Chain"	"Proactively Preventing Occupational Accidents"	"Information Security Management"

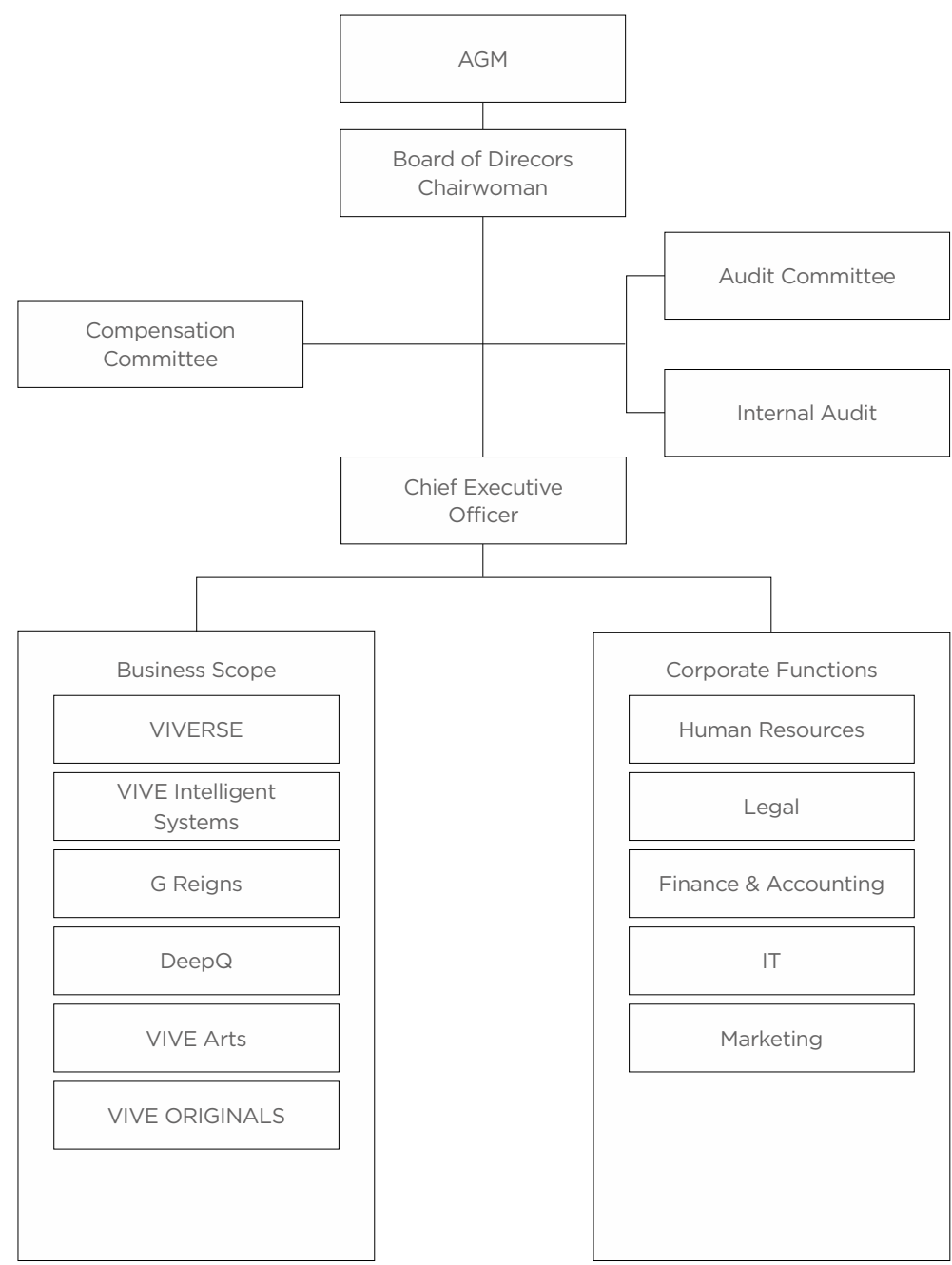
Responsibility Management _____



Corporate Governance

The core foundation for sustainable business operations lies in a sound governance structure, HTC believes that the core values of " Quietly Brilliant " is the foundation of corporate culture and attaches great importance to corporate governance and operational transparency. We have formulated a corporate governance structure in accordance with relevant laws and regulations, such as "Company Law" and "Taiwan's Securities Exchange Act" to protect the rights and interests of stakeholders. At the same time, we also continue to improve management performance to ensure that the company can effectively achieve its operational goals. The results of our participation in the 11th (2024) corporate governance evaluation of the Taiwan Stock Exchange were 21% to 35%. In addition, in order to better achieve operational goals, we have established a comprehensive and systematic ESG implementation system to protect the rights and interests of investors and other stakeholders.

Organization Structure



To achieve this high standard, we formulated the HTC Corporate Governance Framework in 2014, which has been approved by the Board of Directors and complies with the "Corporate Governance Principles for TWSE/GTSM Listed Companies" as a basis for establishing an effective corporate governance structure. The objectives being:

1.

Protect the rights and interests of shareholders
2.

Strengthen the powers of the board of directors
3.

Fulfill the function of the Audit Committee
4.

Respect the rights and interests of stakeholders
5.

Enhance information transparency

Board of Directors

The Board of Directors are elected by stakeholders and aims to monitor the management of the Company to ensure the long-term benefits of the stakeholders. Additionally, it is committed to taking care of various related parties including employees, customers, suppliers, government, and the general public, in order to fulfill its governance responsibilities.

HTC's 11th term of directors has a total of 8 directors, of which 4 are independent directors, including different nationalities, with world-class company management experience. The directors have rich practical experience in domestic and foreign corporate management or government management positions, and have leadership decision-making, international market insight and crisis management capabilities. They have diverse professional backgrounds, including marketing, technology, operations management, industry knowledge, and operational judgment. In addition, the Company attaches great importance to gender equality, and currently has one female director, representing 12.5% of all board seats. The company has also set a target of no more than 30% of directors concurrently serving as employees; At present, there is one director who is also an employee of the Company, accounting for 12.5% of the total number of board seats. The board's responsibilities include setting and monitoring management goals and long-term business strategy. They are also responsible for maintaining an internal financial and accounting inspection system, assessing operating risks, and proposing strategies for the reduction of such risks. The Regulations Governing Procedure for Board of Directors Meetings of Public Companies" legally stipulate the Strict Mechanisms for Avoiding Conflicts of Interest to ensure the compliance of the board's operations.

For detailed information regarding board members and their terms of office, please refer to the Section "2.1: Information on the Company's Directors, , Assistant General Managers, Deputy Assistant General Managers, and Managers of All the Company's Divisions and Branch Units" and Section "2.3: The State of the Company's Implementation of Corporate Governance" in the annual report.

In the year 2025, the board of directors of HTC convened a total of 7 meetings, and an overall attendance rate of directors reaching 92.86 %. The board meetings primarily focused on setting and monitoring the company's management goals and long-term business strategy, maintaining an internal financial and accounting inspection system, evaluating operational risks, and addressing key significant events. Key significant events include major events discovered in the organization's operations and business relationships, which are reported to the Board of Directors after consolidation. In 2025, a total of 44 proposals were submitted to the Board of Directors, including 38 corporate governance and 6 social, with topics such as monitoring business performance and ensuring that the company complies with various laws and regulations. Additionally, the board also assigned responsibilities to relevant units and continued to track, supervise, and follow up on the progress in subsequent meetings. For detailed information, please refer to the Section "2.3.1: Directors" in the annual report.

Nomination and Selection of Board of Directors

HTC carefully considers the composition and diversity criteria of the Board of Directors, and in accordance with the regulations outlined in the company's "Articles of Incorporation", "Bylaws for the Election of Directors" and "Corporate Governance Best Practice Principles", we follow a candidate nomination system and nominates candidates with the necessary knowledge and skills to perform their duties as directors based on the candidates' professional background, work field and practical experience. We attach great importance on a diverse range of qualifications, including educational background, gender, professional expertise, and work experience when selecting our directors so as to strengthen the board's diversity and professionalism. For further information regarding the board of directors' nomination and selection process, please refer to the Section "2.1.1: Directors" and Section "2.1.3: Board Diversity and Independence" in the annual report.

The composition of HTC Management(Directors) by Age & Gender

Age	Male	Female	Total
<30	0	0	0
30-50	0	0	0
>50	7	1	8
Total	7	1	8

Avoidance of Conflict of Interest

Here at HTC, our highest governing body is led by Ms. Cher Wang, who also serves as the Chairperson, and CEO to enhance operational efficiency and decision-making effectiveness. We adhere to a nomination system for the appointment of our board of directors to ensure a rigorous and transparent selection process. To expediting decision-making for more dynamic execution, the Chairwoman concurrently serves as the CEO and no more than half of the directors will serve as employees and managers, so as to strengthen the supervision function of the Board of Directors. In accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies," we have established the "Rules of Procedure for Board of Directors Meetings", which govern the principles of conflict of interest for our directors. We recognize that potential conflicts of interest exist within our company, including the presence of controlling shareholders and transactions with related parties that may involve outstanding balances. To safeguard against conflicts of interest and to mitigate any risks that may arise, our board of directors upholds the principles of integrity and accountability and requires directors to demonstrate a high level of self-discipline and prudence in fulfilling their moral obligations as stewards of the company. They are also expected to faithfully execute their duties and prioritize the best interests of HTC. Additionally, our directors are obligated to disclose any significant personal interests that may pose a potential risk to the company. Should such an interest be identified, the director in question is prohibited from participating in discussions or voting on related matters. Furthermore, they are not authorized to vote on behalf of other directors to ensure a fair and unbiased decision-making process.

Professional Development for Board Members

To stay well-informed of global business trends and enhance our corporate governance and risk management capabilities, the members of the board are dedicated to continually deepening their industry-specific knowledge and have an in-depth understanding of their roles, functions, responsibilities and obligations on the board of directors to effectively implement the corporate governance system, strengthening their expertise in corporate governance. This commitment is aimed at elevating the collective wisdom of our highest governing body in the pursuit of sustainable development. Detailed information regarding the specific professional development endeavors undertaken by our board members can be found in the "Note 3: Continuous Education/Training of the Board of Directors and Corporate Governance Officer" of the annual report.

Performance Evaluation of Board of Directors

To enhance the operational efficiency of the board, ensure effective corporate governance, and establish performance objectives, the Board of Directors of our company approved the Director Performance Assessment Guidelines in November 2019. The performance evaluation of the Board of Directors is conducted by an external entity at least once every three years, and the last external evaluation of the performance of the Board of Directors of the Company was conducted in 2025. The Company commissioned the "Taiwan Corporate Governance Association" to conduct an evaluation of the performance of the Company 's Board of Directors. The association and executive experts have no business dealings with the Company and are independent. The effectiveness of the Board of Directors had been issued on November 20, 2025, and the evaluation report been published. The results of the external assessment have been submitted to the Board of Directors of the Company on March 10, 2026. Detailed information regarding the execution of the performance assessment for that fiscal year can be found in the "2.3.3 Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons" of the annual report.

Remuneration Policy for Directors and Executives

At our company, the reasonableness of our executives' remuneration is thoroughly evaluated by the Remuneration Committee. The committee's findings are then provided to the Board of Directors, who engage in thoughtful deliberations to ensure the overall fairness of the remuneration structure. Regular reviews are conducted to align the system with our actual business performance and in compliance with applicable laws and regulations.

In recent years, as the Company has placed greater emphasis on sustainable development and corporate governance, it has initiated an assessment process to incorporate environmental, social, and governance (ESG) considerations into the performance management and compensation structure for senior executives. The relevant mechanisms are currently under review by the Compensation Committee and related departments. Going forward, the Company will gradually establish an appropriate linkage mechanism, while balancing long-term business objectives and governance principles. The implementation approach and timeline will depend on the outcome of internal review and approval processes.

In regards to the distribution of remuneration, performance evaluations, and the decision-making process for remuneration of our senior executives this year, the remuneration of the Board of Directors is determined in accordance with the provisions outlined in our company's by laws, as well as their level of participation in the company's operations and the value of their contributions. We strive to provide remuneration that is in line with industry standards. For further details, please refer to section "2.2 Compensation to Directors (Including Independent Directors), President, Vice Presidents, and Others in the Most Recent Year " in our annual report.

Recovery of Improper Benefits due to Misconduct

To ensure that all employees of our company, including executives and directors, exhibit behavior that aligns with our expectations for sustainable business practices, HTC has established an "HTC Code of Conduct". Irrespective of their positions, job levels, or locations, employees are required to adhere to high ethical standards, thereby minimizing any potential loss or damage to the company's interests. Any individual found to be in violation of this code will face disciplinary actions. In addition to reclaiming any improper benefits obtained, the severity of the offense will determine the appropriate disciplinary measures, which may include but are not limited to the withholding of bonuses, dividends, termination of employment, demotion, or the pursuit of legal action. It is our goal to ensure that all employees diligently fulfill their management and oversight responsibilities, thereby safeguarding the company's sustainable development and growth.

Independent Directors

HTC believes that good corporate governance is critical if a business is to gain the long-term funding that underlies further investment and growth. We recognize that to achieve good corporate governance, it is necessary to widen the scope of independent viewpoints in order to win the trust of the public and the shareholders. According to the Company Law, the term of the board of directors is three years and may be re-elected. According to the "Key Points of Matters to be Followed in the Establishment and Exercise of the Board of Directors of Listed Companies of Taiwan Stock Exchange Corporation", an additional independent director was elected at the 2025 regular meeting of shareholders. After the additional election, the company will have a total of eight directors (including four independent directors), starting from the date of election and ending on June 19, 2027, to strengthen the independence and functions of the directors, and improve the general performance of the Board of Directors.

Compensation Committee

The Board of Directors at HTC has established a Remuneration Committee comprised of three independent members, including two independent directors and one external independent expert, appointed by the Board. The committee is responsible for setting performance standards for HTC's directors, supervisors, and senior executives. It also assesses the achievement of performance targets, evaluates the remuneration policy and system, and ultimately provides recommendations to the Board of Directors for reference in decision-making.

The committee operates independently of the HTC Board of Directors, senior executives, and internal staff. It consists of one external independent expert who brings extensive industry experience and professional expertise to the table. The expert also provides professional and objective advice to the committee, specifically in the field of human resources. The committee conducts regular reviews and puts forth recommendations for improvement to ensure a comprehensive and unbiased evaluation of performance and compensation matters.

The Remuneration Committee held a total of 2 regular meetings in 2025, and the average attendance rate of members was 100%. The composition, responsibilities, and operations of the Remuneration Committee can be found in the "2.3.4 Formation, scope of duties and operation of the Compensation Committee" of our annual report.

Audit Committee

HTC established the "Audit Committee" to replace the Supervisors, which is composed of all independent directors. The Audit Committee assists the Board of Directors in fulfilling the quality and integrity requirement while carrying out the company's supervision work in accounting, auditing, financial reporting process and financial control. The Audit Committee has the right to conduct any appropriate audits and investigations, and has direct communication channels with the company's internal auditors and independent accountants. The Audit Committee convenes a meeting at least once a quarter. The audit supervisor and accountants should report on audit and financial statement review results, and report important discussions and resolutions to the Board of Directors.

The Audit Committee held a total of 6 meetings in 2025, with an average attendance rate of 95.83%. The composition, responsibilities, and operations of the Remuneration Committee can be found in the "The operational Information of the Audit Committee2.3.2 The operational Information of the Audit Committee" of our annual report.

Integrity Management

Strict Mechanisms for Avoiding Conflicts of Interest

To prevent potential risk of corruption and being unethical, HTC has formulated a series of internal rules and declarations, including the "Anti-corruption and Bribery Statement" passed by the chairman of the board, "Rules for Derivatives Transaction", "Credit Policy & Operational Procedure", and "Regulations for the Appointment of Directors/ Supervisors in Re-investment" and has revised the "Operational Procedures for Transactions of Specific Companies, Business Conglomerates, and Parties", "Regulations for Budget Management", "Regulations for Management of Subsidiaries", and "Operational Procedures for Processing Internal Material Information and Preventing Insider Trading" as bases for internal operations. Also, in its Rules of Procedure for Board of Directors Meetings, it has duly set out a system for recusal and avoidance of conflicts of interest by directors, for compliance in the operations of the board of directors. And add legal compliance training to the compulsory training courses for new recruits to strengthen the anticorruption awareness of new recruits. It was made as an annual compulsory course in 2025 to ensure that all employees are up-to-date with the latest integrity management requirements and maintain consistent compliance standards and codes of conduct.

A risk evaluation will be carried out every year, including on the impact related to ethical issues. The Legal and other responsible divisions will provide an advanced analysis according to information collected about anti-corruption and ethics. The risk levels assessed these years are relatively low. Thus, those divisions proceeded to risk management for possible issues, internal trainings, statements of anti-corruption, and control measures according to the processes.

We have disclosed the procedures for reporting violations of ethical management policy in the "Procedures for Ethical Management and Guidelines for Conduct" and "Procedures for Reporting and Handling of Violation of Ethical Management Policy". The unit responsible for receiving complaints involving personnel of different job levels is designated to handle whistleblower cases, with the Human Resources Department being responsible for executing the disciplinary procedures. Also, HTC set up an email inbox specifically for corruption reporting (anti-corruption@htc.com). Anyone can report via this email with proof, if they are aware of any corruption-related events or infringement of the Company. The identity of the reporter will remain confidential to prevent inappropriate treatment. There were no corruption related incidents in 2025.

HTC Anti-Corruption Mechanism

Employees

There are special clauses in the employee code of conduct that regulate confidentiality obligations, employees' obligations to treat manufacturers and customers fairly, standards of communication and business etiquette between employees, customers and manufacturers, prohibition of providing or receiving improper benefits, avoidance of conflicts of interest, and prohibition of insider information. transactions, etc., to prevent dishonest behavior. Additionally, the provisions explicitly state that engaging in embezzlement, accepting bribes, misappropriation of public funds, violation of non-competition agreements, and similar actions will result in disciplinary measures, including dismissal.

Collaborating Partners

For procurement contracts or engineering contracts signed with collaborating partners, it is required that they comply with the "Integrity Policy Statement" or sign a Vendor Integrity Commitment Letter. These documents clearly establish the guidelines that collaborating partners must adhere to, which include compliance with laws and regulations and refraining from obtaining business or work-related advantages through improper means, such as offering kickbacks, providing lavish entertainment, or engaging in other forms of undue benefits. The terms and conditions explicitly state that our company will proactively terminate any collaborating partner found to be in violation of the "Integrity Policy." In cases where such violations result in financial losses for the company, we will seek compensations to uphold the integrity of the relationship between both parties.

2025 Anti-corruption training rates for Board of Directors and all levels of the Employees in Taiwan

	All Other Employees	Technical Employees	Non-executive Management	Executive Management	Highest Governing Institution
Number of training recipient	103	169	366	27	4
Number of employees by grade in Taiwan	393	181	392	32	9
Completion rate	26%	93%	93%	84%	44%

Note:
1. The calculation for the training recipient rate at each level is based on the number of employees completing the training/ number of employees by grade in Taiwan.
2. The calculation for the training recipient rate of the highest governing unit is based on the number of Directors completing the training/the total number of Directors.
3. The training period is from December 17, 2025 to January 30, 2026.

HTC New Employees Legal Training in Taiwan

Course	Course hours (Minutes)	Number of trainees			2025 Completion rate
		2023	2024	2025	
Confidentiality and anti-insider trading	35	196	166	51	100%
HTC Code of Conduct	10	196	166	51	100%

Note: A total of 51 new employees should be trained in 2024

Internal Audit System

HTC has set up our internal audit unit as subordinate to the Board of Directors. The internal unit is responsible for assisting the Board of Directors and management in checking any defects in internal control and in the assessment of operational efficiency and performance, as well as the reliability, timeliness, transparency of the financial statements and compliance with the related laws. The unit also addresses areas that need improvement in a timely manner to ensure internal control is continuously and effectively implemented. The audit results are used as a basis for the review and amendment of the internal control system to advance sound management in HTC. The composition and operations of the Internal Audit System can be found in the our annual report and [company website](#).

Completed Disclosures

HTC firmly believes that transparent disclosure of information is crucial to safeguarding the rights and confidence of stakeholders. We are committed to improving the immediacy and transparency of information disclosure. In addition to the timely disclosure of important financial and business-related information at the Market Observation Post System in accordance with regulations, it also actively participates in forums and investor conferences organized by domestic and foreign securities firms to help investors understand more about HTC's financial and business information.

We disclose our practice of corporate governance and legal compliance on the company website. For more information about HTC governance policy and other related guidelines, please visit <https://investors.htc.com/en/>

Transparent Information Disclosure

Spokesperson	In accordance with the "Corporate Governance Principles for TWSE/GTSM Listed Companies", a spokesperson is appointed to ensure that information that may affect the decisions of shareholders and stakeholders can be promptly disclosed.
Press Release, Press Conference & Media Interview	The company's latest developments are also communicated to our investors and the public through press releases, press conferences, and media interviews.
Website Platform	HTC has established an Investor Relations Website (in both Chinese and English) through which the investors can access and download the company's financial statements, annual reports, other financial news, information about investor conferences, and correspondence with shareholders. In the "Investor Service" section, contact information and electronic forms are provided for investors to make contact with the Investor Relations Division by phone or by email.
Investor Conference	HTC participates irregularly in international and domestic forums held by foreign brokers. Details of these are provided to explain company operation, financial profile, strategic development, and business policies to the investors.

Legal Compliance

Legal compliance serves as the cornerstone of HTC's sustainable development. We consistently adhere to relevant laws and regulations through anti-corruption and comprehensive conflict-of-interest management mechanisms, as well as regular training and routine management on environmental, health and safety, information security, human rights, and other related topics. In 2025, HTC did not encounter the following incidents:

- Any penalties related to labor/environmental issues.
- Significant monetary penalties or non-monetary sanctions due to violations of laws and regulations.
- Products or services that violated consumer health and safety laws.
- Products or services that violated information or labeling regulations.
- Marketing and communication activities that contravened relevant legal requirements.
- Incidents involving confirmed infringements of customer privacy or loss of customer data.
- Publicly reported cases of violations involving money laundering or insider trading.
- Any actual or potential material conflicts of interest.

HTC's Adjudication Incidents and Financial Penalties in the Past Two Years

	2024	2025
Number of significant adjudication incidents	0	0
Total number of incidents	1	0
Total amount of penalties	22,000	0

Note:

1. HTC defines significant adjudication incidents as individual penalties exceeding NT\$1 million.

2. There was a case of violation of the Fire Services Act in 2024. The fine of NT\$22,000 was paid and the violation was corrected.

Tax Management

The Company upholds the spirit of tax compliance and corporate social responsibility. Therefore, we aim to create corporate value and improve tax risk management. We set out tax management and transfer pricing policies to establish a sound tax stewardship regulation and culture, as well as an instant management process. The Company has formulated the following tax governance policies to elevate corporate value and carry out corporate sustainability

Tax Guidelines

- Comply with the local tax law and the rule of law. Calculate tax carefully and file it before the deadline.
- Ensure that experienced and professional internal and external personnel are involved in the evaluation and decision making of tax-related issues.
- Ensure that information on tax reports is transparent, such as reports to tax authorities in different countries, master files, and transfer pricing reports.
- Trades between affiliate companies shall follow the principles of transfer pricing of OECD, as well as the Base Erosion and Profit Shifting (BEPS).
- Ensure that the corporate structure and trades are in accordance with the commercial substance. The structuring and trades are not to be aimed at reducing the tax burden.
- Utilize legitimate and transparent tax incentives without tax deductions that violate the rules of law.
- Do not use tax havens or engage in tax planning for tax avoidance purposes.
- HTC works with tax authorities in different countries in honesty, integrity, respect, and fairness following three pillars: mutual trust, information transparency, and legal protocol. In addition, HTC provides solutions for major tax issues to help improve the tax system and institution on business environment.

Tax and Risk Management

All companies in the group appoint a large-scale local accounting firm for their tax visas, and the company provides the tax signature accounting firms with annual financial information for tax signature declaration

Information Security Management

ISO
27001

ISO
27701

ISO
27799

GDPR

Results of Privacy and Information Security Management in 2024

Policy

60 Copies

information security management policies/guidelines/processes/forms posted.

16 Copies

PIMS (Personal Information Management System) policies/ forms Guidelines posted

Verification

ISO 27001, ISO 27701

In addition to obtaining the certificates for key products and services in 2021, HTC headquarters has continued to include key products and services within the surveillance audit scope each year thereafter and successfully obtained the certificates, most recently passed the certification in 2025.

ISO 27001, ISO 27701, ISO 27799

DeepQ also obtained the certificates since 2022, and has continued to pass annual surveillance audits each year thereafter, most recently in 2025.

Educational Campaign

12 Copies

Privacy and Security Newsletters are published on a monthly basis to share key points and case studies on cybersecurity and data protection.

358 Individuals

Education and training are provided to software development personnel, with a 100% completion rate of the courses and passing the exams.

Risk Management

100 Sessions

internal audits on personal data protection and information security were conducted.

63 Projects

were put under review for product/service privacy and security.

34

Outsourcing and business Partners have received audits for privacy and information security assessment.

916,891 Services

static code security testing (white-box scanning) were conducted in 2025.

178 Services

dynamic code security testing (black-box scanning) were conducted in 2025.

578 Services

host vulnerability scans were conducted in 2025.

Exercise of Rights

667 Cases

A total of 667 requests were made by the parties involved. After excluding cases of impersonation of personal information and cases where customers did not respond, the Data Protection Office identified 114 cases that required the initiation of internal processing procedures. All of these cases have been fully resolved.

To protect the company's R&D achievements and customer's personal data, HTC emphasizes that protecting information security and personal information is the responsibility and mission of every employee. HTC has incorporated information security and personal data protection policies into its corporate culture and core values, and complies with all relevant information security and applicable personal information protection regulations in various countries.

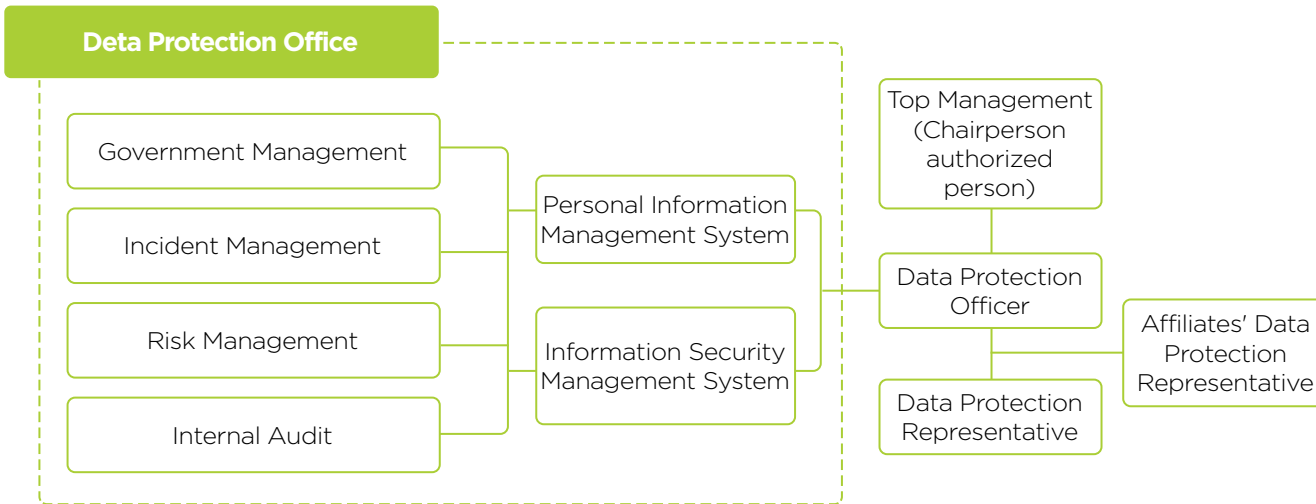
HTC has established an information security management system (ISMS) and a personal information management system (PIMS), and has formulated management policies and guidelines, including personal information protection and information security risk assessment. These policies and guidelines have been implemented in employee training, product development, vendor management, and information security incident management. In addition, in terms of product development, HTC has taken a series of measures to improve the security development standards and management mechanisms of software products. The company has adopted the BSIMM framework and established and implemented relevant security control measures to strengthen the management of software product security development.

HTC adheres to the information security standards of ISO 27001 and establishes various information security measures. Annual risk assessments and internal audits are conducted to ensure the effective implementation of the management system. We also establish defense and protection mechanisms such as firewalls, intrusion detection, anti-virus systems, virtual private networks (VPN) and data leakage prevention (DLP). During the period from 2022 to 2025, HTC Headquarters continued to include key products and services within the audit scope each year and successfully passed the annual surveillance audits. Additionally, the subsidiary DeepQ successfully obtained certification and received recommendations for ISO 27001, ISO 27701, and ISO 27799 during the same period. Thanks to the protection provided by a layered defense approach, HTC did not experience any significant cybersecurity incidents in 2025. The Company's dedicated unit audits the operation of the ISMS information security management system and the PIMS personal information management system every year to confirm whether the system is correct and effectively implemented. The company has obtained ISO/IEC 27001:2022 and ISO/IEC 27701:2019 certifications within the scope of certification, and the certification unit will verify the operations within the scope of the company's certification every year during the certification period.

In 2025, in order to strengthen awareness promotion, instant news or policy release related to privacy protection and information security, and to further strengthen the vigilance of employees against phishing email attacks, HTC regularly conducts social engineering drills to enhance employees' awareness of information security and their ability to identify malicious social emails. For endpoint security in layered defense, we have gradually introduced a zero-trust architecture since this year, and plans to fully deploy it to all company-wide computers to achieve more secure and refined authentication and access control, combined with real-time risk assessment, to provide more resilient security protection.

Organizational Structure

To effectively control potential risks associated with personal information and information systems, HTC continuously optimizes its Personal Information Management System and Information Security Management System. A dedicated team, comprised of departments such as Legal, Product Security, and Information Security, is responsible for driving privacy protection and information security initiatives.



Personal Information and Information Security Risk Management

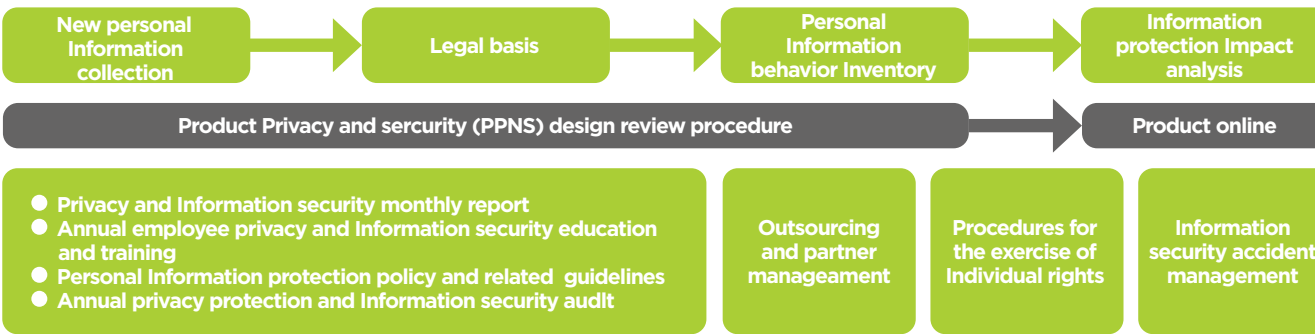
To mitigate personal data and information security risks, HTC has established guidelines for information security risk assessment and data protection impact analysis. Each year, the company conducts regular risk assessments based on these guidelines and carries out risk controls based on the results of the assessments. HTC's key business areas conduct disaster recovery plans (emergency responses) at least once a year, and the scope of validation continues to expand.

HTC is committed to the responsible adoption of artificial intelligence technologies, ensuring that all AI applications comply with privacy protection, information security, and ethical principles. The Company has established an AI tool review process, under which all AI solutions must undergo risk assessment and approval by the Privacy and Security team prior to implementation, and must comply with the Company's cybersecurity policies and relevant regulations. In addition, HTC has issued the AI Code Generator Usage Guidelines, requiring employees to follow the principle of data minimization, avoid entering sensitive information, and ensure that generated code undergoes static application security testing (SAST) and manual code review to reduce cybersecurity and privacy risks.

To mitigate the risk of operational disruptions, HTC collaborates with cloud service providers who have obtained multiple security certifications such as ISO 27001/27701/27017/27018, etc. The company migrates critical core systems to the cloud and takes various cloud services and cloud security measures to establish a secure and modern cloud networking environment. This not only enhances work efficiency but also enables quick disaster recovery in the event of system failures, ensuring system stability and availability. The elasticity and high availability of the cloud computing facilitate rapid deployment and efficient disaster recovery, effectively improving work efficiency.

Personal Information Management System

Structure of HTC Personal Information Management System (PIMS)



HTC's Personal Information Management System complies with the Personal Data Protection Act and other international privacy laws and regulations, such as the General Data Protection Regulation (GDPR) of the European Union, the Children's Online Privacy Protection Act (COPPA) of the United States, the California Consumer Privacy Act (CCPA), the Personal Information Protection Law of the People's Republic of China, the UK Age Appropriate Design Code, and the California Age-Appropriate Design Code Act, etc.). It also adheres to the relevant specifications of ISO 27701 Privacy Information Management System, ensuring that all business operations are conducted in a legal and ethical manner. In addition to protecting the data of corporate users and consumers, HTC's personal information management system is also committed to effectively protecting employees' personal information. In addition, the PIMS personal information management system is a management policy and guidelines formulated to regulate the collection, processing and utilization of personal information, promote the reasonable use of personal information, and prevent personal information from being stolen, tampered with, damaged, lost or leaked. The content includes the commitment and support from senior management for personal information protection, the investment of manpower and resources, training and promotion of the personal information management system, compliance management and regulatory inventory and update operations for personal information protection, the operation process for the exercise of the rights of the parties and the management of appeal or complaints, the prevention/response/ handling of security incidents for information security incidents, the inventory of the behavior process of each department and the risk assessment operation, etc.

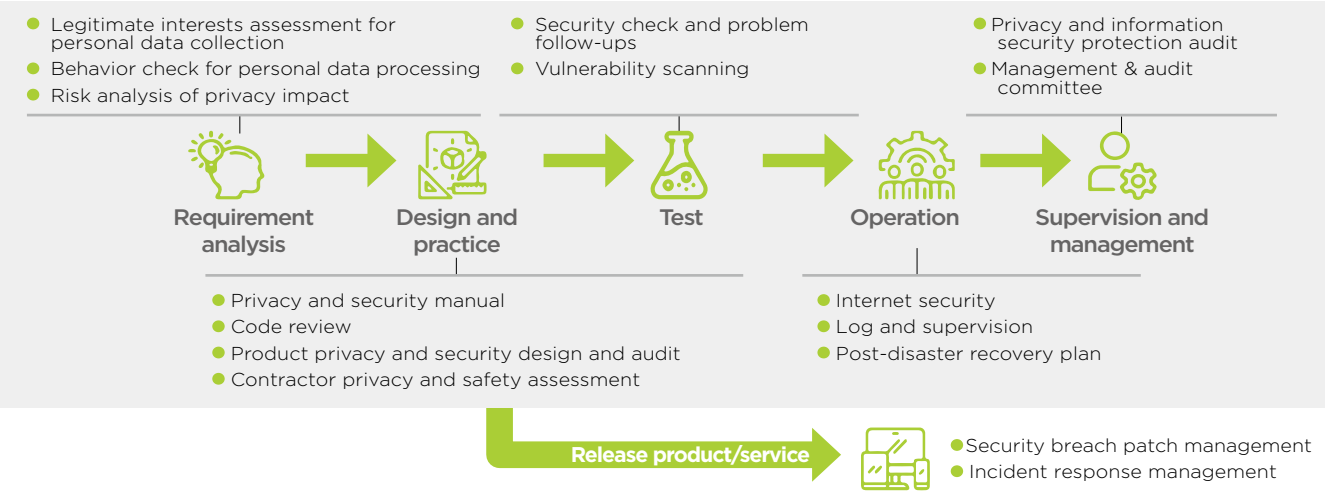
Product Information Security

HTC has implemented a series of measures to enhance the security development standards and management mechanisms for its software products. The Company has adopted BSIMM (Building Security In Maturity Model) and related security measures to strengthen the governance and management of secure software development. Development teams are required to comply with data security and privacy engineering requirements from the product design stage, and before software products are launched, independent reviews, personal data privacy impact assessments, and cybersecurity risk evaluations are conducted as security controls. In addition, HTC has introduced privacy and security review workflows, including automated testing mechanisms such as information security testing, static code scanning, and vulnerability scanning.

In risk management practice, the Company adheres to the principles of Security by Design and Privacy by Design, integrating risk identification procedures deeply into the product development life cycle. Development units are required, during the design and development phases, to conduct standardized cybersecurity risk assessments and privacy impact analyses for architectural threats and privacy impacts. This process also incorporates architectural threat modeling and vulnerability detection techniques, including static, dynamic, and host-based scanning. The relevant identification and analysis results are incorporated into the Product Privacy and Security Review Mechanism, serving as the basis for independent review by dedicated cybersecurity and privacy teams. HTC strictly requires that necessary risk mitigation measures be completed before product launch to ensure that residual risks meet organizational policy requirements and to establish a closed-loop security governance process.

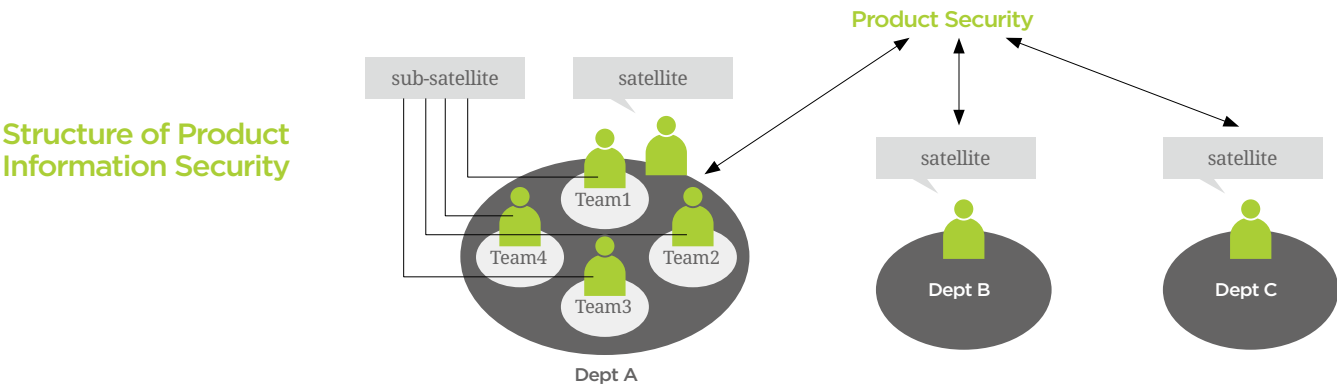
After products and services are launched, the relevant development teams also use a defect tracking management system to monitor the remediation and improvement status of software security vulnerabilities. Through continuous integration processes, the Company ensures that products and services comply with privacy protection and information security requirements. On the hardware side, certain products are equipped with fingerprint authentication and other identity verification mechanisms to reduce the risk of unauthorized access to products and sensitive personal information, thereby strengthening user information protection. In addition, HTC continuously promotes training on product development, privacy, and information security protection. The training content is based not only on the laws and regulations of various countries, but also on industry best practices and HTC's internal experience, thereby strengthening employees' security awareness, professional capabilities, and product development processes, while also reducing cybersecurity risks. For personal information, HTC manages the following in accordance with applicable regulations: (1) collection, processing, and use; (2) disclosure; (3) retention; and (4) destruction, in order to reduce the risk of improper use of personal data.

Software Security Control Measures of HTC Products



HTC requires that all personal data collection, use, processing, and storage activities involved in its products and services be assessed and reviewed in accordance with its established privacy and security design review procedures. This strengthens privacy protection and information security controls during the design and development stages of products and services, aligns operations with internationally recognized cybersecurity and privacy governance requirements, and ensures compliance with applicable laws, regulations, and contractual obligations.

To safeguard consumer rights, meet the Company's privacy and cybersecurity standards, and protect HTC's information assets, HTC completed 63 privacy and information security review cases for products and services in 2025. For a small number of cases that were unable to complete the prescribed review procedures before the launch milestone, HTC has also initiated supplementary reviews and corrective actions, and continues to track follow-up handling to reduce potential privacy and information security risks and protect users' rights



To more effectively promote privacy and information security policies and reduce risks related to the privacy and cybersecurity aspects of products and services, HTC has established security focal points within each development team to provide consulting and technical support for secure design and development, and to facilitate internal communication and the implementation of privacy and information security policies and requirements. Because these security focal points have a deeper understanding of product features and system designs, their participation in privacy and security design reviews also helps improve the completeness and technical appropriateness of the review process.

In software design and development, HTC has established privacy protection and secure software development standards as well as secure coding guidelines, requiring development teams to carry out code reviews, source code security testing, and vulnerability remediation in accordance with the relevant guidelines during product development, so as to identify and mitigate potential security risks at an early stage. In addition, depending on the type of product or service and its technical characteristics, HTC introduces diversified security scanning and testing measures to strengthen the overall level of privacy and information security protection in software development.

HTC has also established an external cybersecurity incident reporting mechanism. For cybersecurity incidents reported by external researchers or partners, a dedicated intake channel is in place to receive and preliminarily classify the reports, and the technical teams responsible for the relevant products or services assist in analysis and assessment. The reporting-handling unit then consolidates the risk assessment and response recommendations based on the analysis results, so that appropriate measures can be taken in a timely manner.

In addition, HTC continuously monitors cybersecurity notices and threat intelligence issued by domestic and international government agencies, cybersecurity organizations, partners, and suppliers, which serve as important references for monitoring and assessing potential cybersecurity risks.

At the internal reporting level, HTC provides employees with appropriate information security reporting channels and requires employees to report suspicious incidents promptly in accordance with established procedures when identified. The incident response team then assesses and handles the incidents in accordance with established procedures to prevent or reduce potential information security impacts. In 2025, HTC's products and services did not experience any cybersecurity incidents that materially affected operations or customers.

HTC Cybersecurity Advocacy and Education

To ensure compliance with the policies and guidelines outlined in the "HTC Information Security Management System", HTC requires all employees to complete annual privacy protection and information security training and assessment. In addition to adhering to ISO 27001 information security management standards, which ensure the confidentiality, availability, and integrity of information, we also publish a monthly Privacy and Information Security Newsletter. This newsletter, consisting of 12 issues, serves to enhance employees' awareness of information security and privacy protection with its regulation highlights and case studies.

To raise colleagues' awareness of personal data protection and information security, we provided new employees with training on the regulations and guidelines pertaining to personal data protection and information security. In 2025, a total of 12 sessions were held. Of the 51 people who were supposed to attend the training, 51 actually completed it, resulting in a completion rate of 100%. Following the completion of the training courses, all participants successfully passed the assessments, achieving a 100% pass rate. Additionally, to strengthen the knowledge of software developers regarding privacy and information security measures during the product development process, we provided educational training and assessments for the software development team, with a pass rate also reaching 100%. At the same time, the completion rate of "HTC Privacy and Security Awareness Training" for all employees in 2025 is 100%.

Supplier Information Security Management

HTC places a strong emphasis on information security, not only within the company but also in our relationships with external suppliers and partners. We require them to adhere to applicable personal information protection regulations and HTC's personal information protection and information security requirements to jointly protect personal information and data security. When evaluating external suppliers, we conduct comprehensive assessments of various information security controls, such as information security policies, business continuity management, and access controls.

Furthermore, in response to the acceleration of digital transformation, IT technology applications continue to innovate, and new attack technologies and system vulnerabilities are constantly emerging. Therefore, a supplier's ability to effectively manage disclosed vulnerabilities and stay updated on industry security events has become one of HTC's evaluation criteria. During the current year, we conducted privacy and security assessments of 34 of our partners to ensure their compliance with HTC's relevant requirements.

Innovative Management



- VIVE XR Elite won the "Best of CES 2023".
- VIVERSE won VR Platform of the Year at the ICT Champion Awards and Top Metaverse Platform - Consumer category at the European Metaverse Awards.
- London Design Awards 2024: VIVERSE was recognized as the "Gold Winner of Best Innovation" award.
- VIVERSE won the "Best Immersive Collaboration Solution" award for its excellence in promoting immersive collaboration at XR Awards 2024.
- DeepQ Disease Control Butler and Disease Containment won Excelsior Award of National Innovation Award for three consecutive years in 2025.

HTC's Challenge

Expediting patent layout
Strengthening advertising of product innovation

Engaging Diversified R&D Talent

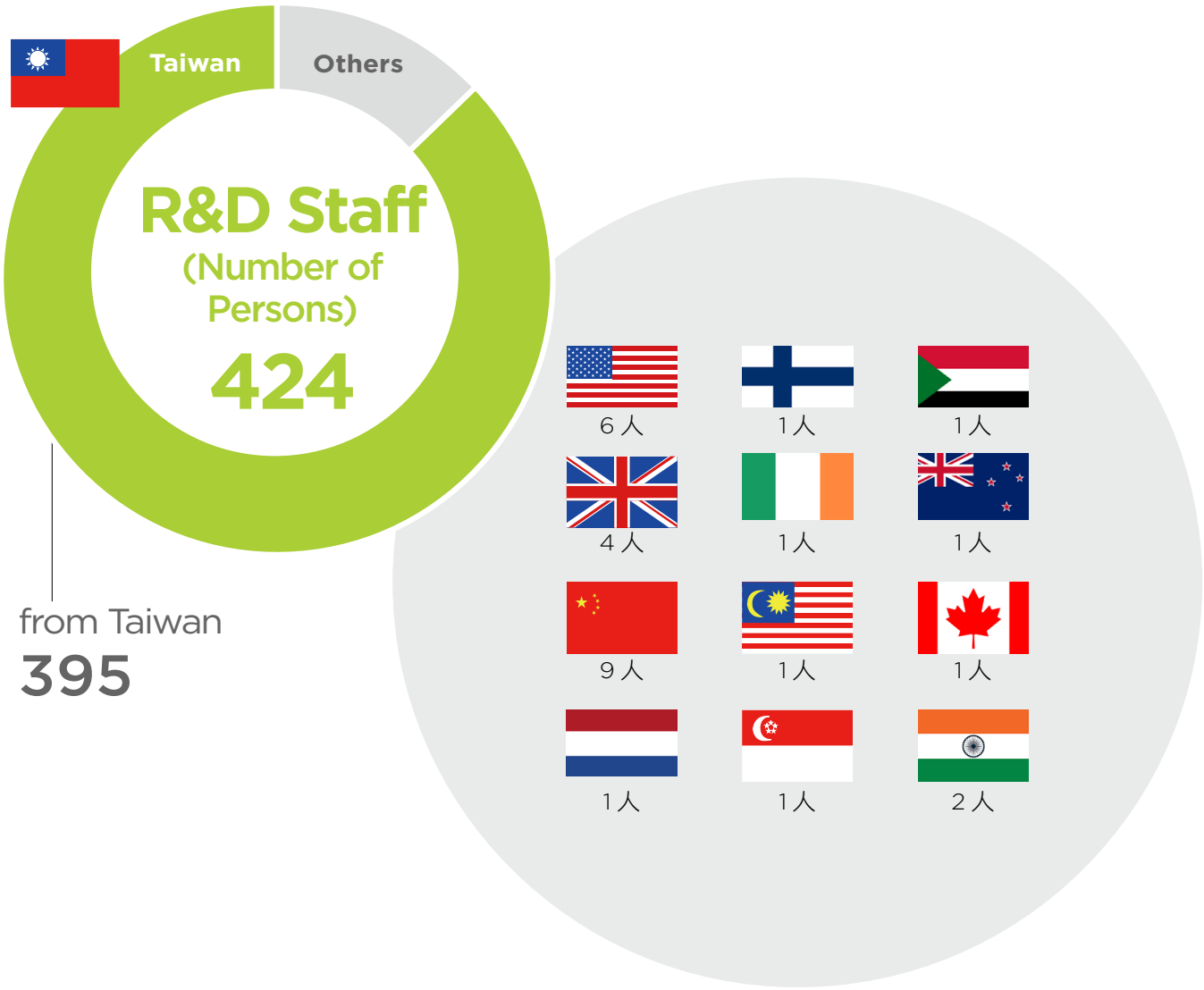
By the end of 2025, a total of 424 R&D workers joined HTC globally, coming from or based in other countries, such as Europe, America, and Asia. HTC expects to promote cultural exchange and integration among employees from different regions through such a diverse talent structure, inspiring more innovative thinking to develop products that are more in line with the needs of global consumers and local cultural characteristics.

HTC has long been committed to the cultivation of R&D talents and technological innovation. Currently, R&D personnel make up 37% of the global workforce, and investment in R&D resources accounts for about 57% of operating income.

Investment in Innovative R&D

	Unit	2023	2024	2025
Fixed R&D Investment	Million(NT)	2,684	2,649	1,652
Total Revenue	Million(NT)	4,418	3,081	2,901
Percentage	%	61	86	57

Note: The related figures are those listed in the consolidated statement



Smart Innovative Products

2025 Highlighted Product: VIVE Eagle



In 2025, our company officially launched its first AI-powered smart glasses — VIVE Eagle. This product marks a critical milestone in the transition of smart glasses from conceptual applications to real-world deployment and represents a major achievement in our journey across Spatial Computing and Generative AI (GenAI).

VIVE Eagle is built around the core principles of ultralightweight design and high-performance edge computing, successfully integrating computing, sensing, and AI inference capabilities into an everyday wearable form factor. Through tightly coupled hardware–software codesign, the product achieves a deep balance between technological performance and lifestyle aesthetics. Beyond supporting a wide range of intelligent assistive applications, VIVE Eagle also serves as a shared platform for future product extensions, laying a strong foundation for long-term growth in our AI wearable ecosystem.

In terms of hardware technology, the VIVE Eagle is powered by a Qualcomm processor, achieving an excellent balance between high performance and low power consumption, enabling real-time image analysis, context awareness, and voice interaction. Meanwhile, the frame is constructed with TR-90 hypoallergenic material paired with Zeiss optical lenses, overcoming the traditional perception of bulky smart glasses and providing a comfortable wearing experience compared to conventional eyewear. Furthermore, it is equipped with a 12-megapixel ultrawide camera with AI-based automatic horizontal correction along with a proprietary four microphone beamforming array, ensuring stable image capture, high-accuracy speech recognition, and enhancing environmental awareness. Regarding battery life and connectivity, it advanced low-power system integration, magnetic fast charging, and next-generation wireless communication technologies to provide stable connectivity and sustained performance in mobile scenarios.

In terms of software and AI platforms, the VIVE AI platform serves as the core, connecting various large-scale language models (LLM) such as Google Gemini and OpenAI GPT to enable the device with deep semantic understanding, real-time visual analysis, and multilingual translation capabilities. HTC maintains full control over the system firmware optimization and privacy by design security architecture, achieving a high degree of synergy between hardware and software.

REIGN CORE S8-Portable 5G Enterprise Network Solution

In 2025, the G REIGNS team launched the all-new REIGN CORE S8, a portable 5G private network solution designed for large indoor and outdoor venues. Building on the concept of the REIGN CORE series, the solution also centers on a portable 5G enterprise private network. G REIGNS integrates the 5G core network and baseband unit into a single x86-architecture server, and leverages the team's advanced technology to develop a dedicated network that can integrate multiple indoor and outdoor O-RUs while offering the broadest coverage across the product lineup.

Compliant with 3GPP specifications and the O-RAN architecture, the solution enables enterprises to build and deploy an optimized 5G private network using an open ecosystem, making it suitable for a wide range of application scenarios. Users can conveniently monitor the network, create profiles, and make customized settings through an intuitive WebUI interface. REIGN CORE S8 is not only suitable for fully indoor and fully outdoor environments, but can also flexibly extend to mixed indoor-outdoor applications, enabling seamless transitions between venues without interruption.



The Taiwan-originated XR works showcase HTC's innovative strength

《XR Immersive Music Film Debut - Runaway Boss》XR Music Film

We created the world's first large-scale experiential music film featuring a VTuber, combining virtual technology to build immersive scenes and a walk-through map platform, while leveraging the performance and character appeal of the VTuber IP to guide audience participation in the storyline. This delivers an innovative mixed-format entertainment experience that blends technology, entertainment, and historical culture.



▲ HTC VIVE ORIGINALS created the world's first large-scale XR experiential film featuring VTubers



▲ BEATDAY X Xtreme Deep Field summer dual experience takes audiences on a time-travel journey to Dadaocheng in the 1930s



▲ 《Op.1》online concert leads audiences through time and space, sparking a new wave of immersive entertainment.



▲ 《Op.1》features 7 specially crafted immersive scenes created by the VIVE ORIGINALS team.

This experience is not just about "watching a movie" — it's about truly stepping into the film. Runaway Boss, created by HTC VIVE ORIGINALS using large-scale location-based entertainment (LBE) technology, invites audiences to wear VR devices and enter a vast physical space. Through 6DoF free movement and interactive storytelling, audiences join VTuber members of Xtreme Deep Field — Earendel, Nemesis, Emuya, and Xige — as they travel back to 1930s Dadaocheng to take on a mission.

The film combines large-scale location-based entertainment technology, 3D 6DoF (six degrees of freedom) positional tracking, and other innovations, allowing multiple audience members to participate simultaneously in an interactive narrative. In August, audiences can also enjoy Op.1 in a 3D 6DoF full-view online concert format, experiencing another musical side of Xtreme Deep Field. This two-in-one summer experience delivers a double dose of excitement.

Protection of IP Rights

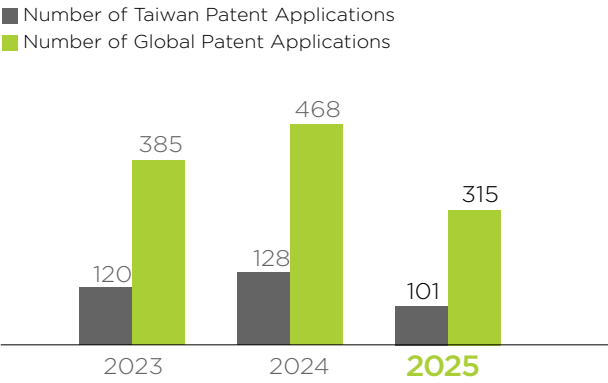
HTC regards R&D and innovation as an essential force needed for the company to remain sustainable and competitive. We actively formulate comprehensive strategies and regulations to protect various intellectual property rights and consolidate the cornerstone of the company's development.

Our company takes proactive measures to defend against the infringement of intellectual property rights. In terms of patents, we actively defend against patent infringements while also acquiring patent licenses from international giants. At the same time, we proactively combat patent infringement and participate in international licensing organizations to secure royalty income, to safeguard our company's rights and enhance our competitive advantage. Regarding trademarks, we file trademark registrations and collaborate with customs and law enforcement agencies worldwide to combat counterfeit products. Additionally, the Company clearly stipulates the ownership of intellectual property rights and related regulations in the employment contract, and restricts the access to internal data to ensure that our trade secrets are not infringed.

	2023	2024	2025
Number of Global Patent Applications	385	468	315
Number of Taiwan Patent Applications	120	128	101
Cumulative Number of Global Patent Grants ^{note}	8,808	9,135	9,425

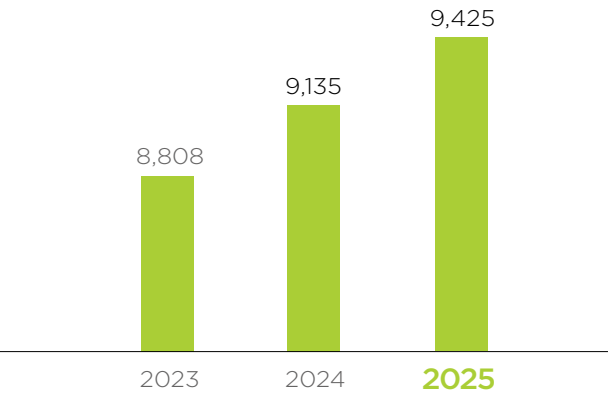
Note : The cumulative number of global patent approvals does not include purchased patents. The information here has been re-edited due to changes in the calculation basis. For detailed revisions, please refer to "Appendix 8, Attachment: Information Re-edited List".

Statistics on the number of patent applications in the past three years



Note : The number of patents includes inventions, utility models, and industrial designs.

Cumulative Number of Global Patent Grants



Internal

- 1. Positive filing of patent applications to protect the results of our various product R&D and technical innovation.
- 2. Organize regular training courses for R&D personnel to promote the company's intellectual property policy to establish a correct intellectual property concept.
- 3. Encouraging our employees to invent and create.
- 4. Setting up a dedicated unit under the Legal Affairs Division for the protection and dispute resolution of intangible assets such as patents, trademarks, copyrights and business secrets.

External

- Engaging in technical cooperation with leading domestic and foreign research institutions, providing top talents with the opportunity to receive practical training in HTC, thereby fueling our R&D with innovative thinking.
- Mergers and Acquisitions Company to obtain key technologies and patents to speed up research and development.
- Join international licensing organizations to obtain royalty income.

Overview of Patent Performance and Outcome

HTC regularly reviews its patent portfolio and makes adjustment to allocate patent budgets efficiently. As of the end of 2025, HTC holds 6,657 valid patents (including 6,641 internal R&D and 16 M&A patents), with 330 patent families related to 4G and 5G technology. HTC plays a significant role in the research and development of wireless communication standards and patents in Taiwan, successfully joined the Avanci licensing platform in 2025 and began collecting royalties. Additionally, HTC won the Gold Medal for its design patent for head-mounted displays in the 2024 National Invention and Creation Award competition. In 2025 top 100 patent rankings announced by the Intellectual Property Office of Ministry of Economic Affairs, HTC ranks among the top 34 resident invention patent applications.

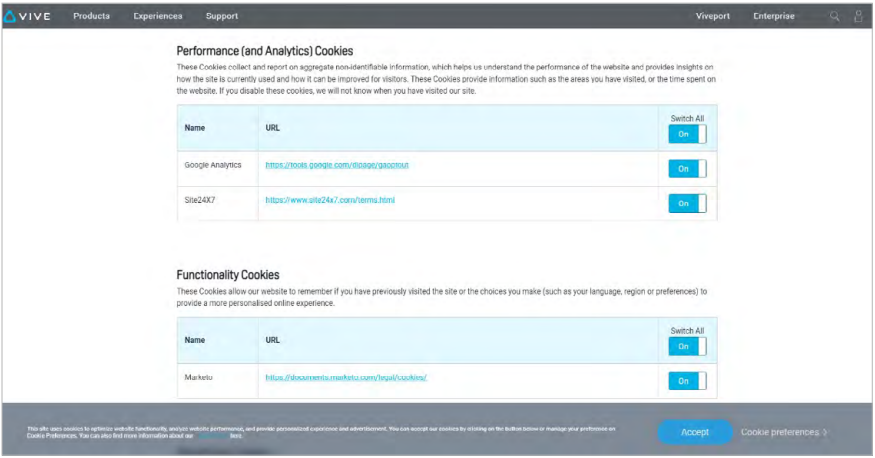


Customer Management

Customer experience is a core value that HTC has always emphasized. We believe that delivering exceptional products and services can only be achieved by understanding customer needs and expectations, and continuously optimizing the customer experience. Therefore, our team frequently interacts with customers, collects feedback, and improves our products and services to ensure that they consistently maintain the highest level of quality and competitiveness. We are also highly concerned about our customers' health. HTC's products are 100% thoroughly evaluated for consumer safety and health at the design stage. For example, the raw materials used in both the products themselves and their packaging do not contain toxic substances. Some products, such as VR headsets, also indicate recommended continuous usage time in the user manual to reduce potential effects on the body. In the year 2025, there were no product recalls due to safety issues, and no related complaints affecting customer health were reported.

Protection of Customer Privacy

HTC is committed to strictly adhering to customer contracts and non-disclosure agreements. We have established policies and internal control mechanisms to rigorously safeguard the information provided by our customers, including confidential data related to customer patents, intellectual property, and personal information. HTC enters into non-disclosure agreements with customers and suppliers and incorporates customer information and personal information protection courses into the onboarding training to ensure that every employee is able to properly protect confidential information. HTC continuously monitors the personal data protection laws and regulations in various countries and is committed to improving personal information protection measures. Since 2018, we have launched a personal information management system and, in 2020, provided communication channels for users to exercise their rights and a user cookie management center to protect users' personal information in compliance with the California Consumer Privacy Act (CCPA). In 2023, we adjusted internal procedures and privacy statements to comply with the updated CCPA, ensuring that HTC protects customers' personal information in accordance with relevant laws and regulations. In 2024, HTC further incorporated key content from UK Age Appropriate Design Code and California Age-Appropriate Design Code Act into the documents of the personal information management system to strengthen the protection of children's privacy. In 2025, in accordance with the key provisions of China's Internet Data Security Management Regulations, we incorporated the relevant requirements into the documentation of our personal information management system, continuously improving overall regulatory compliance and data protection standards. There has been a total of 667 requests for exercise of data subject rights, out of which 114 requests have been confirmed by the Data Protection Office to be legally required to initiate internal processing during the year. The requests include deleting user accounts and usage data, deleting transaction data, understanding the personal information collected by HTC, provide a copy of personal data, and canceling subscription services. All requests from 2025 have been fully completed within the statutory deadline, and there have been no incidents of violating customer personal information protection rights or compromising customer data that would harm customer interests.



Customer Satisfaction Management

HTC has established the "Customer Satisfaction Management Procedure ", and after reviewing customer satisfaction at quarterly business meetings, corrective actions or improvement measures will be proposed and then regularly tracked. The dedicated department will regularly compile ESG information for communication and response.

Customer Warranty Maintenance Service Flow Chart, Locations, and Performance

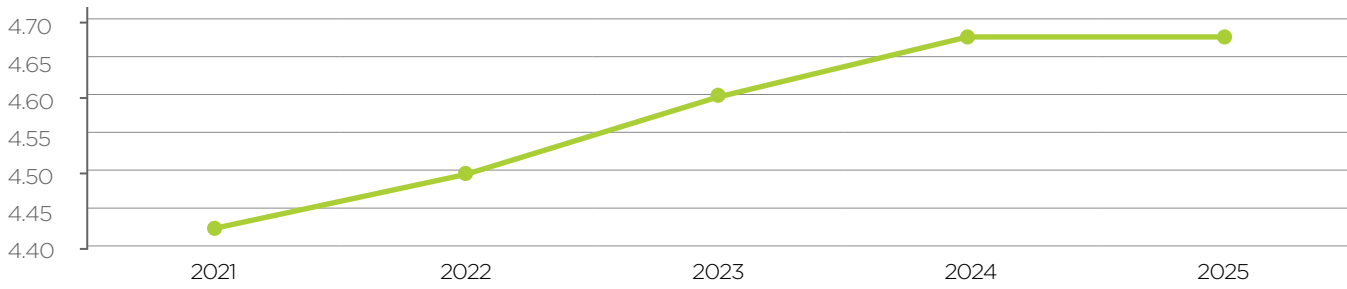
Customer Service Center

HTC has set up customer service centers in key regions worldwide, including Taiwan, the Americas, Europe, the Middle East, Africa, China, North Asia, South Asia, and Australia and New Zealand, and provides multi-language communication services. We are committed to providing diverse and locally tailored communication methods to bridge the communication gap with customers. In response to the impact of natural disasters (such as typhoons) that may be caused by climate change, resulting in local transportation and network disruptions, HTC's global customer service staff has the capability to work remotely through the customer service system using English as the common language for communication. In the event of an emergency, customers can be smoothly transferred to the service of partners in another region.



Satisfaction survey after receiving customer service

After each customer service, we extend an invitation for our customers to participate in our customer satisfaction survey, and take the initiative to contact and assist in solving problems for dissatisfied customers. This survey allows us to assess the level of satisfaction our customers have with their recent interactions with HTC. We strive to achieve a satisfaction key performance indicator of 4.0 or higher, and this KPI has continued to grow for 7 consecutive years.



Customer Warranty Maintenance Service Flow Chart

HTC has a total of 15 repair centers and 5 collection points worldwide, offering tailored services based on the specific requirements of different countries. The time required for repair varies depending on the country. In Taiwan, HTC provides an "on-site pickup and delivery" repair service, which accounted for 91.73% of the total repair volume in 2025. Customers can arrange logistics pick-up and delivery through the customer service hotline or online customer service, and track the progress of their repairs through the online website. In the United States, HTC offers a 100% exchange service.

HTC Mobile phone Health Check for HTC good friends

Starting from January 2022, HTC has launched the "HTC Mobile phone Health Check for HTC good friends" original mobile phone health check and door-to-door repair services in Taiwan. Customers only need to call the customer service hotline or use online customer service to easily arrange logistics. For mobile phone delivery services, HTC will bear the logistics freight. This service provides customers with a more convenient and faster repair service and has received a wide response. HTC continues to promote this event and expands applicable models. By the end of 2025, it has provided this service to more than 4,325 mobile phones. Through practical actions, we have extended the service life and life cycle of our products, improved customer service experience, promoted the effective use of resources and reduced environmental burden, reflecting HTC's commitment to sustainable development.

Testimony

On April 2, 2025, we successfully helped a U.S. user resolve intermittent connectivity issues with their VIVE Focus Vision headset during use. The device had previously operated stably, but the sudden technical issue temporarily affected the user experience.

The VIVE support team intervened immediately, patiently learning about the user's usage environment and systematically checking system settings, software updates, and hardware connections. While the user was traveling, the team continued to track the case progress to ensure uninterrupted support. Through professional and attentive communication, the team built a strong relationship of cooperation and trust with the user.

In the end, the issue was resolved, and the device returned to stable operation. The user also proactively shared feedback, expressing high appreciation for the VIVE support team's patience, professionalism, and ongoing care.

"I am truly very grateful that you were willing to spend so much time continuously helping me address this issue. Even when the problem kept recurring, you remained patient and worked with me to identify the cause, never making me feel overlooked. Throughout the entire support process, I deeply felt your professionalism and dedication. This level of service is very reassuring and has left me with a very strong and positive impression of the VIVE support team."



Climate Change Management _____



2025 SBTi Target Achievement Status: **(Achieved!)**

✓ Scope 1+2: **33.9%** reduction compared to the base year

✓ Scope 3: **45.2%** reduction compared to the base year



Climate Initiative

The Science Based Targets initiative (SBTi) provides a scientific methodology for companies to set reasonable carbon reduction targets that can be third-party certified, based on the global carbon budget scenario aimed at limiting global warming to within 1.5°C.

In 2024, HTC passed the SBTi Near-Term and Net-Zero target reviews, becoming the 5th company in Taiwan's high-tech hardware industry to have its net-zero targets approved by SBTi. HTC is actively supporting the Paris Agreement and is committed to following the 1.5°C reduction pathway to achieve net-zero emissions.



HTC leverages its professional expertise in mobile technology and continuous pursuit of product innovation by integrating climate change elements into the VIVERSE vision. This commitment aims to provide comprehensive solutions for businesses and society, creating richer life experiences. To enhance the company's governance of climate change and mitigate threats posed by it, we have incorporated the Task Force on Climate-related Financial Disclosures (TCFD) framework into our management scope. The ESG Committee has designated members to form a TCFD Risk Management Group, which regularly assesses and identifies relevant risk and opportunity factors, analyzing potential future transition and physical risks and opportunities, and actively responding to related impacts.

We have established a risk framework based on four core elements: "Governance," "Strategy," "Risk Management," and "Metrics and Targets." Additionally, we adopt the Science Based Targets initiative (SBTi) methodology to conduct comprehensive carbon emissions analysis, calculation, and assessment, and we have developed a net-zero carbon pathway, along with corresponding short-, medium-, and long-term carbon reduction strategies and management indicators to tackle the challenges posed by climate change.

In 2025, HTC published its 3rd standalone TCFD report and received the highest "Pioneer" rating for two consecutive years in SGS – TCFD performance assessment. We will continue to publish standalone TCFD reports in 2026. This section provides a brief explanation of the core elements of TCFD disclosure recommendations, categorized into Governance, Strategy, Risk Management, and Metrics and Targets. For detailed information, please refer to the "HTC TCFD Report."

Climate Governance

HTC has established a "Climate Change Management Policy" to promote the company's sustainable operations. The governance and management structure for climate change at HTC is led by the Board of Directors, which is responsible for final decisions and reviews. Under it, the ESG Committee is tasked with executing decisions related to climate change management. Led by the Chief Sustainability Officer, the ESG Committee is responsible for executing the climate change management policies and major resolutions reviewed by the Board. It integrates resources and progress across departments for climate actions and conducts a comprehensive assessment of climate change risks alongside other company risks.

Designated members of the ESG Committee form a TCFD Risk Management Group to participate in projects. The ESG Office is responsible for continuously tracking and reviewing the achievement of various climate change-related initiatives, while also monitoring the latest climate governance policies and industry practices domestically and internationally to adjust climate risk assessment analysis results. The ESG Office regularly reports on related issue trends, impacts, and execution performance to the ESG Committee, which in turn reports these actions to the Audit Committee annually. The Chief Sustainability Officer also regularly reports to the Board of Directors.

The ESG Office is in charge of the company's overall "greenhouse gas inventory and verification schedule planning," with progress reported quarterly to the Board to ensure continuous progress in climate change governance.

Risk Management

Risk Management Process

To strengthen corporate governance, achieve stable operations, and promote sustainable development, HTC has established "Risk Management Policies" for various types of risks and set up dedicated units responsible for executing the company's risk management and measurement tasks, thereby establishing a sound risk management mechanism. The ESG Office is in charge of managing the company's climate change and ESG-related risks and coordinates the TCFD risk management team to carry out related tasks. The risk management organizational structure has the Board of Directors as the highest decision-making body, with an ESG Committee responsible for reviewing risk management policies and management reports on material risk topics.

When identifying risks, HTC manages them qualitatively or quantitatively by analyzing the operating environment and covering various business and operational activities. The company uses different risk measurement methods as the basis for risk management and utilizes various information to assess the likelihood of risk events and their impact on the company. Through risk analysis, the company evaluates risk levels and provides necessary information as a basis for risk assessment and response. In the climate change risk and opportunity identification process, relevant departments provide information to the TCFD risk management team, which then reports to the ESG Committee. The ESG Committee measures and monitors the overall quality of risk management and regularly reports risk assessment results and progress to the Board of Directors.

HTC has established a "Climate Change Management Policy" and "Climate Change Risk Management Procedures." Based on the risk assessment mechanism recommended by the TCFD, the company has initiated a process to identify climate change risks and opportunities, completed the identification of these risks and opportunities, and assessed their financial impact. HTC categorizes climate-related risks and opportunities into short, medium, and long-term and formulates corresponding response measures for the top three risks and opportunities with the highest likelihood and impact. Starting from 2022, the company reassesses risks annually and adjusts response strategies based on the top three risks and opportunities, while also monitoring the execution results of related targets and indicators.

Scenario Analysis

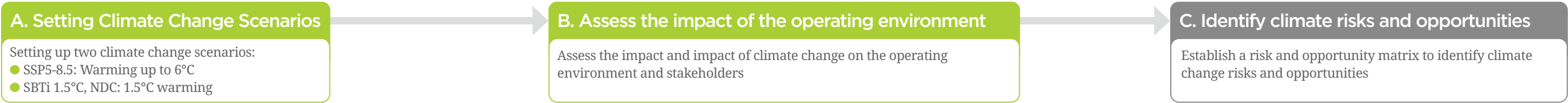
HTC follows the TCFD guidelines and uses climate scenario analysis to effectively identify and assess the potential impact of climate-related risks on business performance, and formulate robust coping strategies based on the analysis results to strengthen HTC's resilience to climate change.

			
Risks and Opportunities	Physical Risk	Transition Risk Opportunity	
Scenarios	IPCC Global Warming Scenarios in 6th Scientific Assessment Report RCP 8.5 (or SSP5 8.5)	SBTi 1.5° C : Science-Based Target and Net-Zero Pathway NDC : Nationally Determined Expected Contribution of Taiwan	
Contextual Content	Under the high emissions scenario (SSP5-8.5), climate change could lead to increased average temperatures, more extreme heat, and intensified rainfall and severe typhoons. These changes may disrupt HTC's operations and value chain, increasing costs and necessitating strategic adjustments for resilience.	When the global warming is controlled within 1.5° C, the risks arising from the low-carbon transformation faced by enterprises HTC sets a net-zero path that meets the requirements of SBT, sets reduction targets, and refers to the carbon price of NDC and IEA to calculate the financial impact of carbon tax on enterprises	

Risk and Opportunity Identification

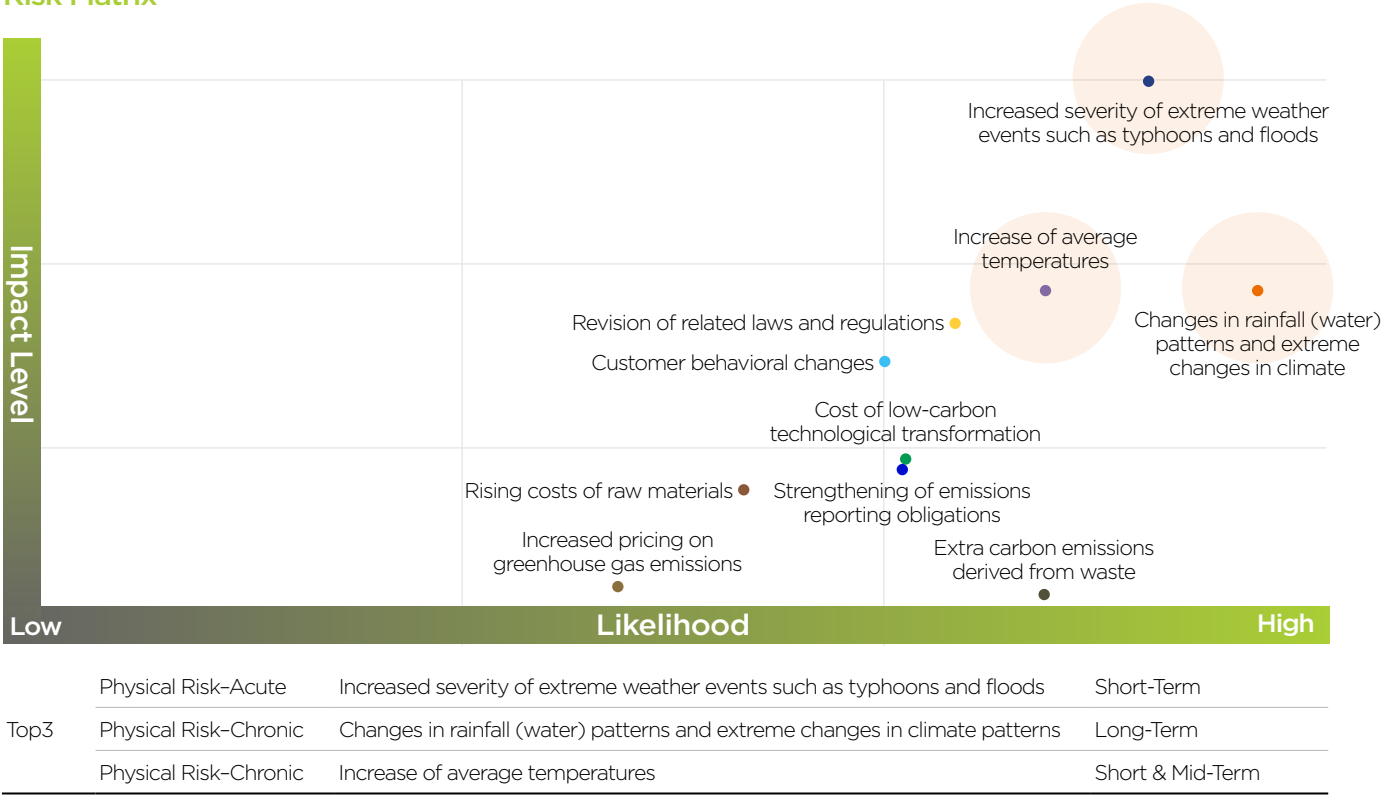
Adhering to HTC's corporate vision and sustainable responsibilities, HTC includes the risks related to climate change into the scope of assessment and tracking, and continues to pay attention to climate risks that will impact HTC's operations, including international regulations and extreme weather conditions, etc., and according to the climate change recommended by TCFD Climate change risk and opportunity assessment framework, climate change scenario setting and derived risks and opportunities, assess climate change risks and opportunities faced in the operation process, and further discuss relevant coping strategies and target targets for high-impact risks and opportunities, as a climate change specific management measures.

The specific identification process of risks and opportunities related to climate change is as follows:

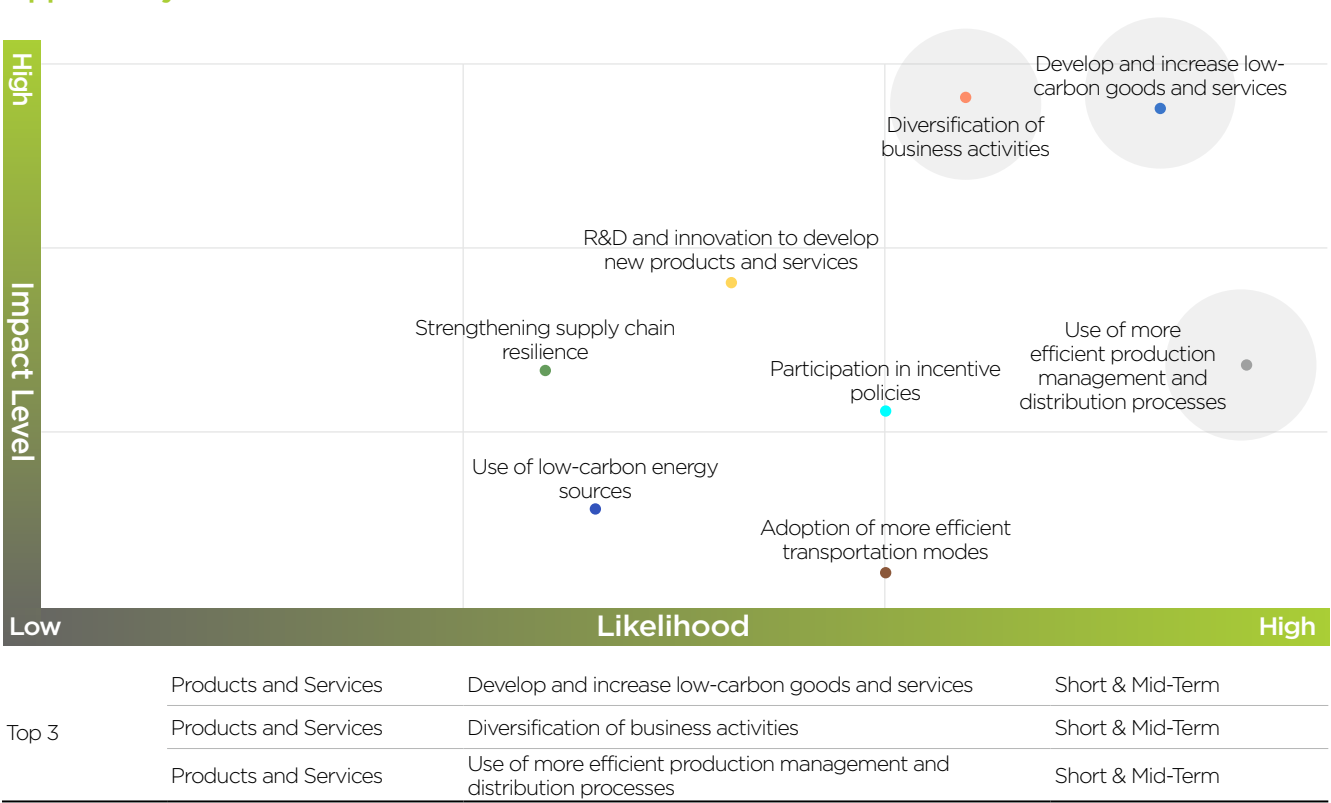


Top 3 HTC high-risk factors and three high-opportunity factors were identified, and the climate change risk matrix and opportunity matrix are shown in the figure below:

Risk Matrix



Opportunity Matrix



Response Strategies and Their Financial Impact

For each climate change risk and opportunity, HTC considers the impact of products or services, supply chain or value chain, climate adaptation or mitigation activities, new R&D or investment, and the type of business operation or the location of business operation facilities. Conduct impact assessment, and carry out climate "mitigation" and climate "adaptation" coping strategies for possible shocks.

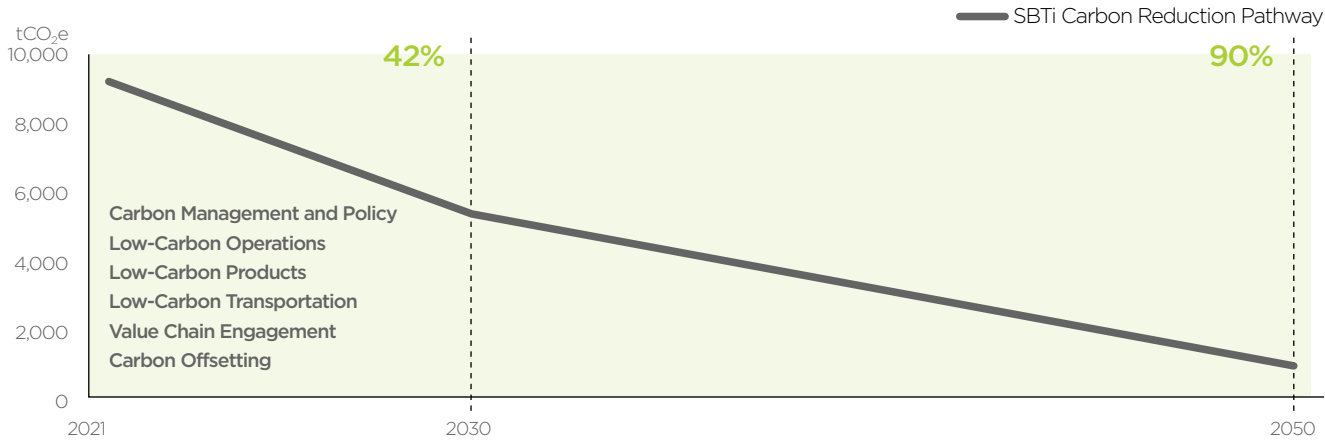
Based on the identified risk/opportunity items, HTC estimates the financial changes that climate change may cause to HTC, and develops various risk response strategies, evaluates and estimates "management costs" and "management benefits", based on each risk/ The short-, medium- and long-term characteristics of opportunities, and the estimated impact of climate change risks/opportunities on HTC's finances.

Metrics and Targets

HTC has committed to the Science Based Targets initiative (SBTi) in 2024, setting the company's greenhouse gas reduction and net-zero carbon emission targets based on the carbon reduction guidelines and methodologies published by SBTi, with the goal of achieving net-zero emissions by 2050. By linking its core business with comprehensive quantitative management, HTC has developed a clear carbon reduction path that includes six major strategies: "Carbon Management and Policies," "Low-Carbon Operations," "Low-Carbon Products," "Low-Carbon Transportation," "Value Chain engagement," and using "Carbon Offsetting" as a last resort. This multifaceted approach is designed to move towards the net-zero target by 2050.

HTC Net zero path map

HTC Net zero path: Scope 1 + Scope 2 (100%) / 2030: -42% / 2050: -90%



HTC's annual greenhouse gas emission information is disclosed using two major frameworks: the ISO 14064-1:2018 verification information based on the operational control method and the GHG Protocol's full scope inventory information. This includes a summary of the greenhouse gas emissions from the company and all its subsidiaries as reported in the consolidated financial statements.

In 2025, the total greenhouse gas emissions calculated according to the GHG Protocol amounted to 23,033 tCO₂e. Of this, the total verified emissions for HTC globally, as per the significance analysis and verified under ISO 14064-1, were 9,133.13 tCO₂e. Compared to the baseline year of 2021, the change in greenhouse gas emissions across all scopes in 2025 did not exceed the significance threshold of 3%. Overall, CO₂ was the major greenhouse gas generated by HTC; CH₄, N₂O emissions accounted for a very minimal ratio. PFCs, SF₆, NF₃ and HFCs emissions were maintained at 0. No VOCs are emitted into the atmosphere during the manufacturing process. HTC does not emit sulfur oxides or other exhaust gases, nor does it use substances that may deplete the ozone layer. The cooling systems in HTC buildings utilize environmentally friendly refrigerants like R-134a and R-410a, commonly available in the market, and have completed the phase-out of other refrigerant models with high Global Warming Potential (GWP) values to reduce the rapid warming effects caused by ozone layer depletion

HTC Global Greenhouse Gas Emissions in the Past Three Years(Verified by ISO14064-1) Unit: tCO₂e

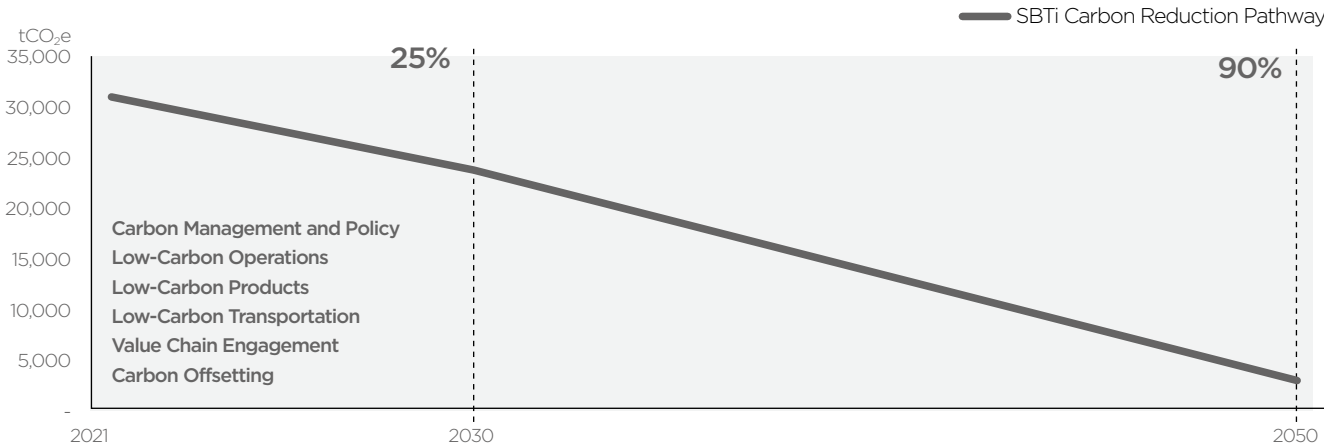
Carbon Emission (Unit : tCO ₂ e)		2023		2024		2025	
ISO 14064-1: 2006	ISO 14064-1:2018	Taiwan	Global	Taiwan	Global	Taiwan	Global
Scope 1	Category 1- Direct GHG emissions	163.540	163.540	128.91	163.790	87.5913	87.5955
Scope 2	Category 2- Indirect GHG emissions from imported energy	7,304.965	7,841.977	6,800.436	7,184.498	5,560.6004	5,930.9623
Scope 3	Category 3 - Indirect GHG emissions from transport (Shuttle bus, garbage trucks, overseas travel)	1,244.839	1,418.307	1,489.997	1,646.313	1,672.8048	1,743.3298
	Category 4- Indirect GHG emissions from Products used by the organization (Upstream emission from outsourced electricity, Waste disposal, and Procurement - tap water, Gasoline and diesel)	1,545.072	1,555.825	1,431.905	1,431.905	1,371.1858	1,371.2427
Total		10,258.4157	10,979.649	9,851.248	10,426.506	8,692.182	9,133.131
Emission CO ₂		10,200.225	10,921.458	9,810.920	10,505.390	8,691.928	9,132.876
Emission CH ₄		58.006	58.006	40.12	40.3	0.083	0.084
Emission N ₂ O		0.1855	0.186	0.21	0.45	0.171	0.171
Emission HFCs		0	0	0	0	0	0

Remark :
1. The scope of investigation for Taiwan locations includes HTC headquarters and factories, Taipei office (including subsidiaries such as HungXu Technology Corporation, Viveport Digital Corporation, and REIGN Technology Corporation) and DeepQ.
2. For the year 2025, Taiwan's electricity consumption will be calculated using the 2024 power emission factor announced by the Energy Bureau. Overseas locations will use the respective power emission factors of each country.
3. 2025 Data Adoption GWP: Calculated using the AR6 GWP as per the greenhouse gas inventory and verification guidelines announced by the Ministry of Environment.

HTC SBTi Net Zero Target: (Based Year: 2021)

2025	
● Scope 1 and 2 reduction targets are 42% reduction compared with the base year in 2030, and 90% reduction compared with the base year in 2050	✓ 33.91%
● Scope 3 reduction target is 25% reduction compared with the base year in 2030; and 90% reduction compared with the base year in 2050	✓ 45.2%

HTC Net zero path: Scope3 (100%) / 2030: -25% / 2050: -90%



HTC Global Greenhouse Gas Emissions in the Past Three Years (GHG Protocol) Unit: tCO₂e

Scope		2021	2023	2024	2025
Scope 1	Direct GHG Emissions	209.646	163.769	162.564	91.786
Scope 2	Purchased Electricity (Location Based)	8,828.427	7,850.136	7,197.857	5,881.522
	Purchased Electricity (Market Based)	8,828.427	7,850.136	7,197.857	5,881.522
Scope 3	Scope3 Total	31,143.524	19,211.877	16,960.304	17,059.545
	Category 1: Purchased goods and services	22,333.364	10,341.389	8,444.587	9,695.166
	Category 2: Capital goods	379.028	562.287	714.709	354.293
	Category 3: Fuel and energy related activities	1,465.454	1,467.574	1,583.529	1,574.748
	Category 4: Upstream transportation & distribution	1,820.583	1,141.641	1,324.848	1,603.359
	Category 5: Waste generated in operations	40.756	39.985	31.247	28.664
	Category 6: Business travel	46.260	285.461	292.954	287.755
	Category 7: Employee commuting	821.358	1,333.053	918.002	625.326
	Category 8: Upstream leased assets	155.980	0.000	0.000	0.000
	Category 9: Downstream transportation & distribution	545.916	22.013	20.479	0.630
	Category 10: Processing of sold products	N/A	N/A	N/A	N/A
	Category 11: Use of sold products	702.371	703.535	381.574	254.145
	Category 12: End-of-life treatment of sold products	124.237	20.675	11.843	13.267
	Category 13: Downstream leased assets	2,708.216	3,294.264	3,236.532	2,622.191
	Category 14: Franchises	N/A	N/A	N/A	N/A
	Category 15: Investments	N/A	N/A	N/A	N/A
Total		40,181.597	27,225.782	24,320.725	23,032.853

Remark:
1. The scope of inventory covers the main global operating sites of HTC below (since some subsidiaries belong to BVI, they are not included in the scope): Taiwan, mainland China, Japan, the United States, the UK, and Poland.
2. Simple carbon inventory was conducted according to the GHG Protocol in 2021.
3. For the year 2025, Taiwan's electricity consumption will be calculated using the 2024 power emission factor announced by the Energy Bureau. Overseas locations will use the respective power emission factors of each country.
4. 2025 Data Adoption GWP: Calculated using the GHG Protocol based on the IPCC Sixth Assessment Report (AR6) from 2021.

Carbon Management Platform

As a leading brand in the virtual reality industry, HTC VIVE has invested resources in developing and implementing the latest cloud-based sustainable solutions. In 2023, we launched the HTC Carbon Management Platform, successfully integrating carbon-related software and hardware to achieve digitalization and automation. This platform enables real-time monitoring of the company's carbon emissions and significantly enhances the efficiency of conducting greenhouse gas inventories (ISO 14064-1:2018) and product carbon footprint assessments (ISO 14067:2018). It also facilitates the setting and tracking of the company's greenhouse gas reduction and net-zero carbon targets, aiming to fulfill our commitment to achieving net-zero emissions by 2050.

HTC became the first company in Asia to complete greenhouse gas inventories and product carbon footprint verifications using Microsoft's sustainable cloud platform. This achievement led to HTC collaborating with Microsoft to publish a corporate success story on sustainable cloud solutions ([Microsoft website link: HTC Customer Success Story](#)), setting a benchmark for carbon management for other companies.

In 2025, **HTC officially implemented** an internal carbon pricing (ICP) mechanism in combination with a carbon management platform to proactively prepare for potential future external carbon regulatory risks, thereby enhancing ESG competitiveness.

On the path to achieving net-zero, besides meeting compliance requirements and stakeholder expectations, HTC is proactively deploying advanced measures:

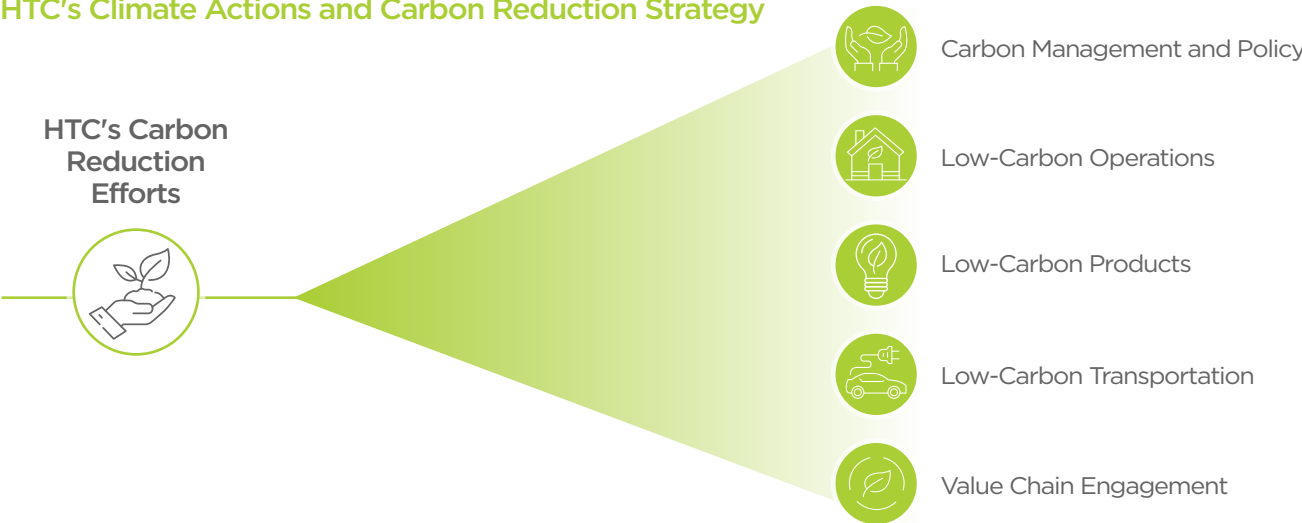
By the end of 2023, HTC will establish the "HTC Carbon Management Platform," which will enable real-time, digital, and transparent cloud-based mechanisms for auditing, disclosing, and managing targets for greenhouse gas emissions across all company scopes.

Using the "HTC Carbon Management Platform" as a tool, HTC aims to complete the auditing and verification of greenhouse gas emissions for the parent company and consolidated subsidiaries (for the year 2023) by 2024. This will be achieved 3-4 years ahead of regulatory requirements!

Overview of HTC's Climate Change Management

HTC has established six major decarbonization strategies, which are gradually implemented in the short, medium and long term, to manage and adapt to climate change indicators such as carbon emissions, and we invest considerable resources and human resources to improve and advance these goals every year. We firmly believe that through the implementation of these policies, we can gradually move towards a net-zero path and contribute to sustainable development.

HTC's Climate Actions and Carbon Reduction Strategy



Strategy	Year	Key Results
Carbon Management and Policy	2008	HTC began to participate in CDP and regularly reported carbon risk and carbon management planning, systems, and results regarding climate change.
	2008	Implementation of ISO 14064-1:2006 Greenhouse Gas Inventory, and conducting the revision process for the ISO 14064-1:2018 edition in 2022, in order to address international greenhouse gas and global warming issues, and establish and plan carbon reduction strategies and actions.
	2011	Implementing the ISO 50001 energy management system, and upgrading to the ISO 50001:2018 edition in 2020, to establish energy-saving strategies and actions needed to address climate change and extreme weather issues, in order to achieve the goal of sustainable business operation for the enterprise.
	2022	We signed a commitment with SBTi to set HTC's greenhouse gas emission reduction targets and net zero carbon emission goals based on its published decarbonization guidance tools and methodologies, demonstrating our commitment to achieve net zero emissions by 2050.
	2022	Starting from April 2022, quarterly reports on the "Greenhouse Gas Inventory and Verification Scheduling" and the progress of implementation will be submitted to the board for control.
	2023	Submit the "Climate Change Management Policy" to the board for review and implementation; introduce the HTC Carbon Management Platform, which has been launched in early 2024.
	2024	Expand the investigation of 14064-1 boundary, focusing on HTC Group for investigation and conducting third-party verification; initiate the "Low-Carbon Manufacturing Process and Supply Chain Transformation Promotion Plan"; implement internal carbon pricing.
	2025	2025 – Officially implemented internal carbon pricing, using "shadow pricing" as the core operating model. For details on the annual " Carbon Management and Policy " strategy and performance, please refer to this section.

Strategy	Year	Key Results
 Low-Carbon Operations	2012	HTC established a complete energy management system in its Taipei office. The total number of physical monitoring points exceeded 7,000, and the total number of software points exceeded 20,000.
	2013	The Taipei office obtained a Green Building Label from the Ministry of the Interior and LEED Gold certification from the U.S. Green Building Council.
	2025	2025 - Through management efforts, we saved 495,022 kWh of electricity, equivalent to 1,779.667 GJ, reduced total carbon emissions by 234.343 tCO ₂ e, and saved NT\$2.26 million in total.
	2024 – 2025	Implementing the "Low-Carbon Manufacturing Process and Supply Chain Transformation Promotion Project" - "Energy management and optimization" and "Process intelligence for carbon reduction" projects. A new solar power generation facility will be installed on the top floor of Taipei Office 1 (Taipei R&D HQ Building) to increase the proportion of self-consumption, and it is expected to open around April 2024. - The HQ & plant will convert waste D-0299 to R-0201 to increase resource reuse, with the permit expected to be obtained in April 2024. 2025 – Elevator notices were replaced with LED electronic signage instead of paper; reducing energy consumption and paper use. An umbrella water remover was also installed at the main entrance to remove rainwater from umbrellas, eliminating the need for disposable umbrella covers while helping keep floors dry and slip-resistant. For details on the annual "Low Carbon Operations" strategy and performance, please refer to this chapter; the "Sustainable Environment" and "Sustainable Manufacturing Process" section.
 Low-Carbon Products		HTC began product environmental impact inventory and analysis using the life cycle evaluation method in 2010.
	2022	VIVE Flow: 1st HTC VR product to complete ISO 14067 Product carbon footprint verification.
	2023	VR product packaging design has made significant progress, with the release of the VIVE XR Elite in 2024. The product packaging is made of 100% recyclable materials, with 99.99% being paper-based. 99% of the packaging is made from recycled materials, which is beneficial for reducing environmental impact.
	2024/03	The VIVE XR Elite annual VR product carbon footprint inventory and report generated through HTC's carbon management platform has passed ISO 14067-1 verification.
 Low-Carbon Transportation	2025	2025 – The product carbon footprint inventory and report for HTC's annual flagship model, VIVE Focus Vision, generated through HTC's carbon management platform, has passed ISO 14067 verification. For details on the annual "Low-Carbon Products" strategy and performance, please refer to this chapter; the "Sustainable Product" section.
	Form 2012	Operating Base our operating locations have provided bicycle parking spaces to encourage employees to ride low-pollution green energy transportation devices.
	2020	HTC fully promoted the use of online meetings to replace physical meetings, with approximately 37,000 online meetings held throughout the year; estimated to reduce about 25 tCO ₂ e. In January 2021, the online employee conference was the annual highlight event, estimated to reduce about 30 tCO ₂ e.
	2021-2023	operational sites are gradually installing electric vehicle dedicated charging stations to enhance charging convenience, and encourage employees to purchase electric vehicles.
	2024	2024 onward – Shuttle services at operational sites were further optimized by tracking passenger numbers and adjusting service frequency. In 2025, the shuttle schedule was reduced from 23 trips per day to 14 trips per day. Official vehicles were also replaced with hybrid vehicles.

Strategy	Year	Key Results
Low-Carbon Transportation	From 2016	Product Transportation The global warehouse setup strategy aims to optimize distribution patterns and reduce the distance to international air/sea ports by adjusting warehouse locations. Through a comprehensive review, it is possible to significantly reduce carbon emissions from transportation by approximately 38.6%.
	2025	By consolidating shipments, we aim to reduce the overall carbon emissions from product transportation. In 2025 , the consolidation rate for air, sea, and land shipments is expected to reach 49%. Through the selection of low-carbon transportation options, we will gradually increase sea and rail transport. In 2025, the proportion of sea transport for the VIVE FOCUS VISION in the combined air and sea shipment weight is expected to increase by 13.63% compared to 2024. For details on the annual "Low-Carbon Transportation" strategy and performance, please refer to this chapter; the "Sustainable Product" section.
	2018~2019	HTC became a member of the CDP Supply Chain Program and invited suppliers to participate in and respond to a climate change questionnaire. In the first year, HTC invited key suppliers with an annual reply rate of 48%; in 2019, the suppliers' response rate reached 61%.
	2023~2024	Recognized on the CDP SEA Leadership A List for two consecutive years.
 Value Chain Engagement	2025	Continue inviting 41 key suppliers to participate in the CDP Climate Change Questionnaire through the CDP supply chain project, achieving an annual supplier response rate of 98%.
	2024~2025	Implement a two-year "Low Carbon Process and Supply Chain Transformation Promotion Plan" - Supply Chain Collaboration Project. For details on the annual " Supply chain Engagement " strategy and performance, please refer to this chapter; the "Sustainable Supply Chain" section.

Electricity and Emissions

HTC primarily uses electricity as its main energy source. To reduce electricity consumption, we continuously promote various energy performance management initiatives. Through energy-saving improvement management solutions for building lighting and air conditioning equipment, we aim to save 495,022 kWh(1,779.667 GJ) in 2025, with a total reduction in carbon emissions reaching 234.343 tCO₂e, saving a total of NT\$2.26 million.

Electricity Usage at HTC Global

(Unit : GJ)

Area	Facilities		2025
Taiwan	HQ & Plant	Non-renewable energy	25,172.44
		Renewable energy - Solar energy	252.94
	Taipei Office 1	Non-renewable energy	13,082.16
		Renewable energy - Solar energy	824.93
China	Taipei Office 2	Non-renewable energy	3,553.83
	Taipei Office 3	Non-renewable energy	423.97
	Shanghai Office	Non-renewable energy	1,488.93
Japan	Beijing Office	Non-renewable energy	52.60
UK	TOKYO Office	Non-renewable energy	64.28
US	SLOUGH Office	Non-renewable energy	242.35
Poland	BERKELEY Office	Renewable energy - Wind + Solar energy	365.60
	WARSAW Office	Non-renewable energy	42.22
Total			45,566.25
HTC Global Purchased Electricity Usage		kwh/ Year	12,357.88
HTC Global Greenhouse Gas Emissions [Scope 1 + Scope 2]		tCO ₂ e	5,973.31
Operating Revenue		NT\$million	2,901
Revenue Generated per Unit of Electricity Used		NT\$million / kwh	0.23
Revenue Generated per Unit of Greenhouse Gas Emissions		NT\$million /tCO ₂ e	0.49
Greenhouse Gas Carbon Emissions per Unit of Revenue (Carbon Intensity/Density)		tCO ₂ e/ NT\$ million	2.06
Energy Intensity		GJ /NT\$ million	15.71

Note:

1. Revenue Generated per Unit of Electricity Used = Operating Revenue (million) / Electricity Usage

2. Revenue Generated per Unit of Greenhouse Gas Emissions = Operating Revenue (million) / Greenhouse Gas Emissions (Scope 1 + Scope 2)

		2025	
		MWh	GJ
Total energy consumption		12,657.292	45,566.250
Purchased electricity	Non-renewable energy	12,256.328	44,122.780
	Renewable energy - Wind + Solar energy	101.556	365.601
Self-consumption	Renewable energy - Solar energy	299.409	1,077.871
Percentage of grid-connected electric quantity (%)			97.63
Percentage of renewable energy sources (%)			3.17

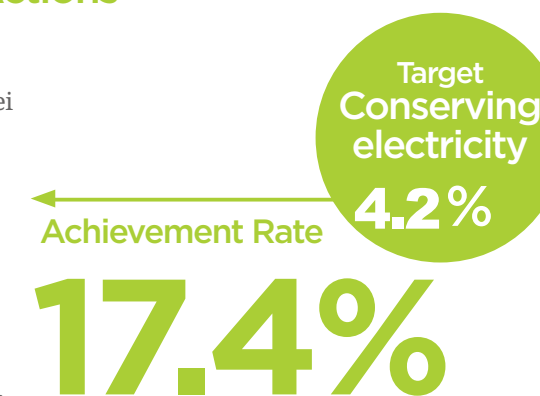
HTC's Taoyuan headquarters and factory have implemented and continuously maintained ISO 50001 certification since 2011. The Taipei office has adopted the same management system to monitor internal energy usage, continuously review relevant regulatory requirements, and adjust the energy baseline. This approach helps in setting HTC's energy performance indicators and short-, medium-, and long-term improvement targets, with the goal of "conserving electricity and reducing carbon emissions." The Taipei office building has been certified under ISO 50001:2018 Energy Management Systems since 2023, and has been progressively achieving energy-saving goals each year in accordance with the PDCA cycle under the system framework.

HTC utilizes a real-time information monitoring system in its head office and factories to understand existing energy consuming equipment in buildings to continually save energy. A building energy management system has also been introduced to the Taipei office to cover energy-saving and water-saving application systems involving total power resources, air-conditioning, lighting, solar panels, variable frequency control, tap water supply, and reclaimed water recovery. Furthermore, through big data analysis and comparison, HTC strives to optimize equipment operations, improve power consumption efficiency, and effectively lower scope 2 greenhouse gas emissions. For example, the electricity consumption of the resumption of normal office in Taiwan in 2023 was lower than that in 2022 Electricity consumption of working from home in Taiwan in the first half of the year.

We focus on improving the energy efficiency and overall energy-saving performance of computer rooms and data centers. Through a project to consolidate and relocate two Taoyuan server rooms to the TPE1 server room, along with service system consolidation and physical equipment decommissioning, we had saved 117,504 kWh of electricity and reduced carbon emissions by 48.963 metric tons of CO₂e by the end of 2025. This project not only reduced energy consumption and carbon emissions, but also improved operational efficiency and reduced equipment idle time through centralized resource management. Going forward, we will continue to phase out and consolidate low-utilization services, optimize server configurations, and further enhance energy efficiency. Additionally, the following are HTC's disclosed environmental strategy plans for each data center:

The building is equipped with green energy, featuring management facilities such as UPS, generators, CCTV, fire protection, and air conditioning. It also includes solar energy collectors and rainwater collection facilities. It is located near major city center transportation hubs.

Located next to the central government district in downtown Taipei, it has excellent management and protection of water and power resources, with multiple facility certifications, including ISO27001, ISO27011, ISO14001, and ISO50001. The power supply is designed with dual feed lines, the fuel tank can support 60 hours of operation, the cooling water capacity is 2,350 tons, and the cooling tower capacity is 2,800 tons. Additionally, considering operational efficiency and owning green energy buildings, we focus on the high humidity and temperature of Taoyuan and Taipei City Government areas. We chose dedicated water-cooled multi-unit air conditioning systems to ensure stable and fault-tolerant cooling technology, and to improve energy efficiency.



2024 Energy Saving and Carbon Reduction Performance

Location	Item	Equipment Investment Amount	Electricity Saved (kwh)	Energy Savings (GJ)	Money Saved (NT\$)	Carbon Reduction This Year (kg CO ₂ e)	Accumulation Period	Estimated Annual Carbon Reduction (kg CO ₂ e)
HQ & Plants	Water system Energy-saving Program	0	367.000	0.419	4,432	55.0500	2025/01-2025/12	55.050
	Lighting Fixtures Energy-saving Program	616,200	44,575.920	160.473	203,266	21,128.986	2025/1-2025/05	58,305.640
	Data Center Consolidation Program	0	117,504.000	423.014	593,395	55,696.896	2025/1-2025/12	55,656.896
	Air Conditioning Energy-saving Program	732,750	18,280.800	65.811	83,360	8,665.099	2025/1-2025/07	25,275.693
Taipei Office	Water System Energy-saving Program	0	470.000	0.181	2,143	44.688	2025/06-2025/10	107.250
	Lighting Energy-saving Program	300,000	12,639.000	45.500	57,634	5,990.886	2025/1-2025/09	7,987.848
	Equipment adjustment and energy-saving Program	0	1,777.000	6.397	8,103	842.190	2025/6-2025/12	1,443.754
HQ & Plants	Solar panels (180kW)	8,756,000	70,260.000	252.936	320,386	33,303.240	2025/1-2025/06	49,954.860
Taipei R&D HQ	Electric vehicle charging station	710,000	7,875.167	28.351	35,911	2,951.843	2025/1-2025/12	2,951.843
	Solar panels (13.8kW)	1,704,381	14,424.000	51.926	65,773	6,836.976	2025/1-2025/12	6,836.976
	Solar panels (197.725kW)	12,000,000	214,724.570	773.008	979,144	101,779.446	2025/1-2025/12	101,779.446
Total		24,819,331	495,022.290	1,779.667	2,260,060	234,343.457		307,681.813

Note:
1. he cost savings are calculated based on the average electricity price of NT\$4.56 per kWh, derived from the energy prices reported in the 2025 online energy audit declaration system for headquarters, factories, and the Taipei office.
2. Carbon emissions are calculated based on the 2024 electricity emission factor of 0.474 kg CO₂e per kWh, as announced by the Energy Administration.
3. Based on data published on the Taiwan Water Corporation website in 2024, the annual unit energy intensity is 0.001141 GJ/kWh.
4. According to the 2024 sustainability report of Taipei Water Department, the unit water supply energy consumption is 0.385 MJ/kWh = 0.000385 GJ/kWh.
5. Estimated values are calculated using the formula: equipment operating power X operating time = actual value.
6. "Electricity savings" are disclosed based on information from the online energy audit declaration system.
7. Charging station energy-saving calculations: the amount of charged electricity is converted into the corresponding carbon emissions from fuel consumption, and the electricity-related carbon emissions from charging are deducted to calculate the net carbon reduction from electric vehicles in 2025. The carbon reduction conversion factor is derived from the energy efficiency of electric vehicles (using the average Tesla Model X value of 5 km/kWh), the average passenger car fuel efficiency of 172 km/L announced by the Energy Administration under the Ministry of Economic Affairs in 2022, and the carbon footprint factor of 95-octane unleaded gasoline for vehicles, 2.92 kg CO₂e, announced by the Ministry of Environment.

Promote the Use of Eco-Friendly Stationery

In response to sustainable development, HTC is promoting the use of eco-friendly stationery and environmentally certified paper company-wide. The company is committed to reducing resource waste and fostering a green office culture, embedding the awareness of carbon reduction and environmental protection in every employee's mindset.

Use certified environmentally friendly paper



HTC's Taipei office, The Golden LEED Certified Green Building

HTC is committed to reducing its environmental impact. Therefore, in planning the Taipei R&D Headquarters building, sustainability and lower energy resource usage were considered from design and construction to operation. The EUI for 2025 is 93 kWh/m² per year. Our efforts can be referenced on our company's website under "[Sustainable Environment.](#)"



▲ HTC obtained a LEED Gold certification and Green Building Label certified in 2013 and keep operate the headquarters in Taipei according to the LEED certification.

To create a low carbon life, we use only green energy, which includes the use of solar panels, eco-cooler air conditioners, and other low carbon emission sources like electric cars.

Solar Power Generation System (Self-consumption)

Energy-saving program	Descriptions																				
Solar Power Generation System (Self-consumption)	The Taipei R&D Headquarters originally had a solar power generation system installed to supply lighting for stairways and the basement, with a total generating capacity of 13.8 kW. In 2023, a new rooftop solar power generation system with an installed capacity of approximately 197.725 kW was planned at the Taipei R&D Headquarters for self-consumption, with a total investment of about NT\$12 million, and it began operation in May 2024. The Taoyuan plant area has also installed a solar power generation system on the parking shelter rooftop, with a total generating capacity of 180 kW. In 2025, a total of 287 T-RECs were obtained.																				
	<table><tr><th>Solar Power Generation System (kWh)</th><th>2023</th><th>2024</th><th>2025 Cumulative Since Installation</th></tr><tr><td>Taipei</td><td>14,316</td><td>13,645</td><td>14,424</td></tr><tr><td>Taipei Phase II</td><td>N/A</td><td>134,797</td><td>214,724</td></tr><tr><td>Taoyuan</td><td>149,351</td><td>146,326</td><td>89,743</td></tr><tr><td>Annual Total</td><td>163,667</td><td>294,768</td><td>318,891</td></tr></table>	Solar Power Generation System (kWh)	2023	2024	2025 Cumulative Since Installation	Taipei	14,316	13,645	14,424	Taipei Phase II	N/A	134,797	214,724	Taoyuan	149,351	146,326	89,743	Annual Total	163,667	294,768	318,891
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Taoyuan-Solar Power Generation System	Taipei R&D HQ -Solar Power Generation System	Taipei R&D HQ- Phase II Solar Power Generation System																			

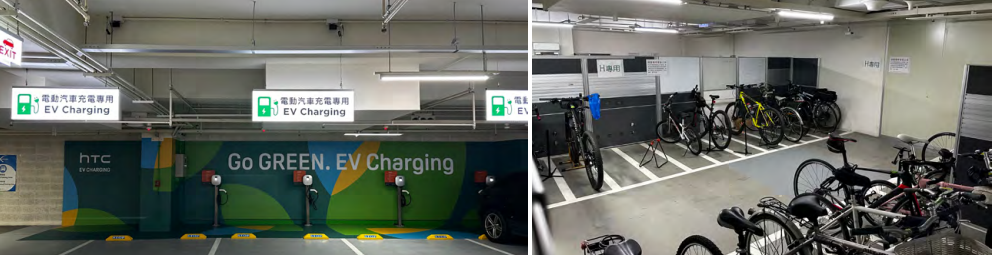
We installed a heat pump system in the Taipei R&D HQ to provide hot water for showering in the staff gymnasium and hot water for cleaning in the kitchen. Besides providing heat, it can also provide partial cooling energy. The iced water produced during the heat exchange can be used for air conditioning. This system provides hot water and cold air at the same time.

Phase-out of air-conditioning refrigerant to R410A

Traditional R22 refrigeration includes chlorofluorocarbons (CFCs), the culprit of ozone layer destruction. We gradually replaced the current R22 refrigeration split-system air conditioners with R410A refrigeration to save the ozone layer that protects the earth against most ultraviolet (UV). The phased replacement of two one-to-one split air conditioning units (14.5 kW and 9 kW) has been completed.

Electric vehicles and bicycles

Taipei R&D Headquarters has installed 12 dedicated EV charging stations, as well as motorcycle charging outlets and bicycle parking spaces, to encourage employees to use low-pollution, green transportation. In 2025, based on charging usage, this is estimated to have reduced 2,951.8 kg CO₂e.



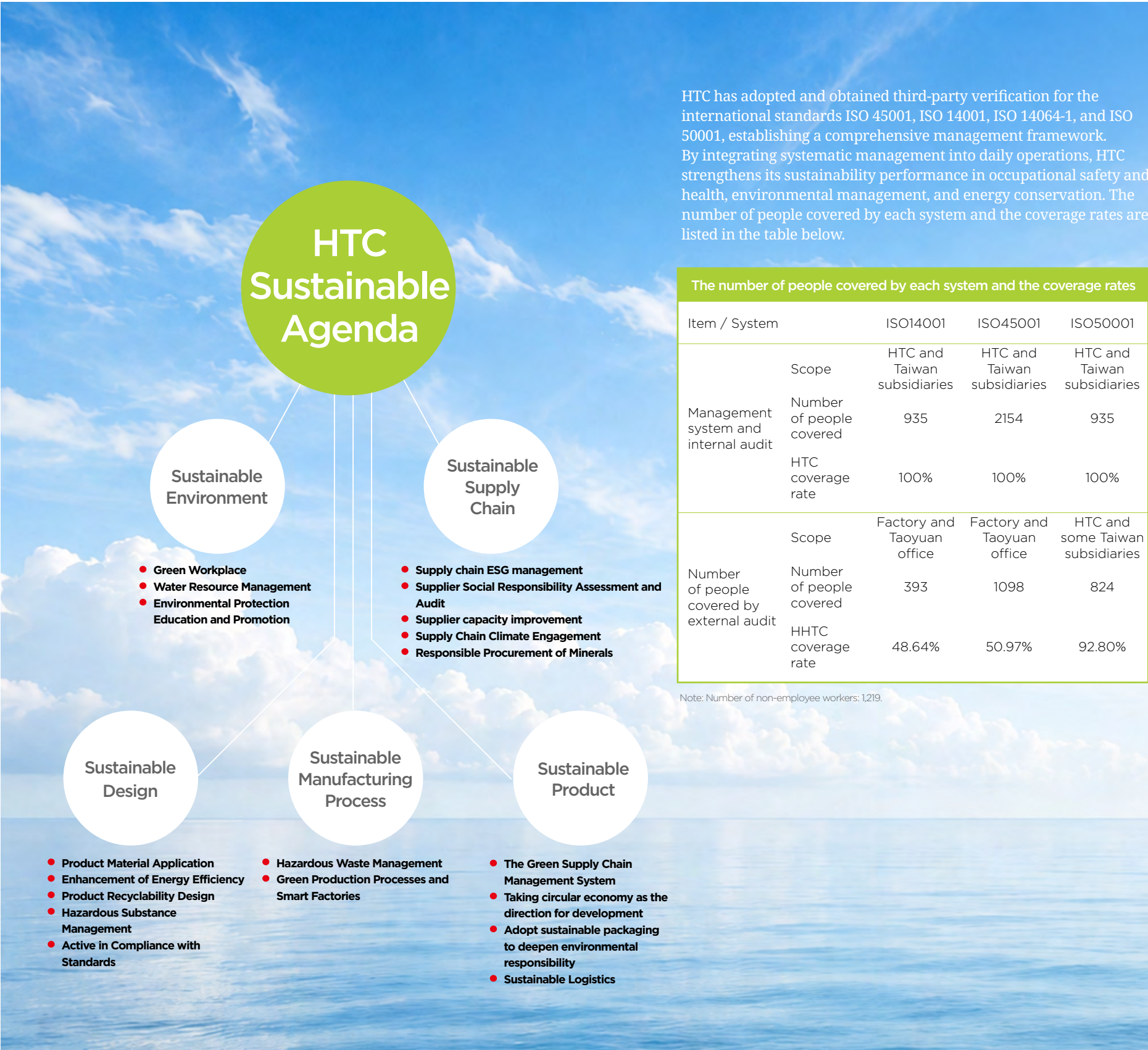
▲ Electric vehicle charging area ▲ Free bicycles for rides

Sustainable Agenda



As a global leader in the innovative design of virtual reality, HTC is committed to controlling and reducing the impact of its operations on the natural environment. We recognize that reducing the environmental impact of the manufacturing process is an important part of achieving sustainable developments for the company.

To this end, HTC has set up a "Sustainable Agenda" from five aspects: "sustainable environment, design, manufacturing processes, product and supply chain." HTC promotes the concept of environmental sustainability and integrates it into all aspects of corporate operations, demonstrating HTC's active pursuit of corporate responsibility for sustainable development.



HTC complies with applicable regulations and has established an Occupational Safety and Health Department and a Health Center. The Occupational Safety and Health Department is responsible for implementing and maintaining the occupational safety and health management system. Each year, it develops plans, strategies, and objectives based on the management status, with a focus on regulatory identification, risk assessment, management review, internal audits, and external audits, continuously following the PDCA cycle. In occupational safety and health management, HTC implements preventive measures such as automatic inspections, chemical management, workplace environmental monitoring, exposure assessments, engineering controls, change management, procurement safety, emergency response, contractor management, and regular or ad hoc inspections. HTC also arranges for personnel to attend external occupational safety and health training, conducts regular awareness campaigns on safety and health prevention measures, provides safety and health training for new employees, organizes emergency response drills, and implements annual occupational safety and health training and related awareness activities. In addition, when incidents occur, HTC conducts incident investigation, analysis, and risk assessment to identify the root causes and provide improvement measures based on the findings. Risk assessments before and after improvements are used as key inputs for decision-making, helping prevent hazards and reduce the recurrence of incidents, thereby safeguarding employees' safety and health at work. The Health Center is responsible for health management, health promotion, and health care. Through health management and risk assessment, it helps prevent occupational diseases, regularly organizes health and first-aid seminars, and conducts periodic health awareness campaigns to protect employees' health and well-being and jointly create a safer, healthier, and more sustainable workplace.

To respond to emergencies, we have established response plans that are managed through hazard identification, response measures, and a review and feedback mechanism. We also conduct regular fire and evacuation drills. At the Taipei office building, VR fire extinguisher simulation training is used to reduce carbon dioxide emissions. In 2025, self-protection fire brigade organization and building evacuation drills were completed at both the Taipei office and the Taoyuan plant to ensure that everyone can respond calmly in emergency situations.



▲ We conducted an evacuation drill on December 4, 2025. Elevator operations were suspended, and everyone used the nearest emergency stairs to reach the first floor.

▲ Fire self-protection brigade training at the Taipei office, including fire extinguisher practice

HTC Environment Protection, Occupational Safety, Health, and Energy Policy

HTC strives to provide a safe and healthy working atmosphere for all of our employees while adhering to sustainability best practices which protect our environment. HTC follows the guidelines below to achieve sustainable development and to ensure a better quality-working environment for our employees, customers, suppliers and contractors.

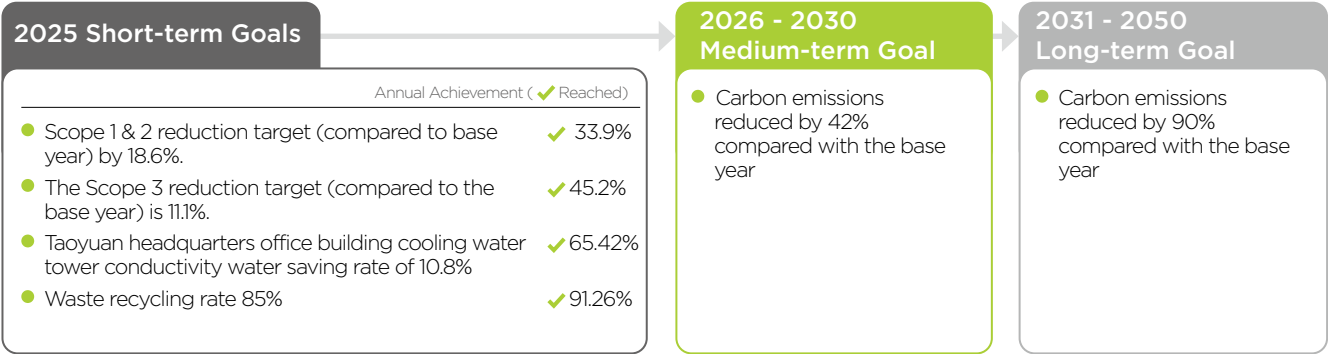
- We regard environment, safety, health, productivity, quality, and effective energy management with equal importance.
- We regard the safety and health of employees, customers, suppliers, and contractors with equal importance.
- We require our employees to observe all guideline regarding safety, operating procedures, environmental protection, hygiene, health and energy management.
- We are committed to preventing foreseeable dangers and loss control.
- We are committed to ensuring the organization establishes and implement a process for consultation and participation of workers.
- We follow required laws and regulations.
- We are committed to give priority to the purchase of green products.
- We will continue to practice and improve on our environment, safety, health and energy management systems.

Sustainable Environment

HTC is committed to protect environment, integrate the concept into our corporate culture, enhance employees' awareness of environmental protection and caring, improve energy, water and waste management, and reduce the impact to biodiversity.

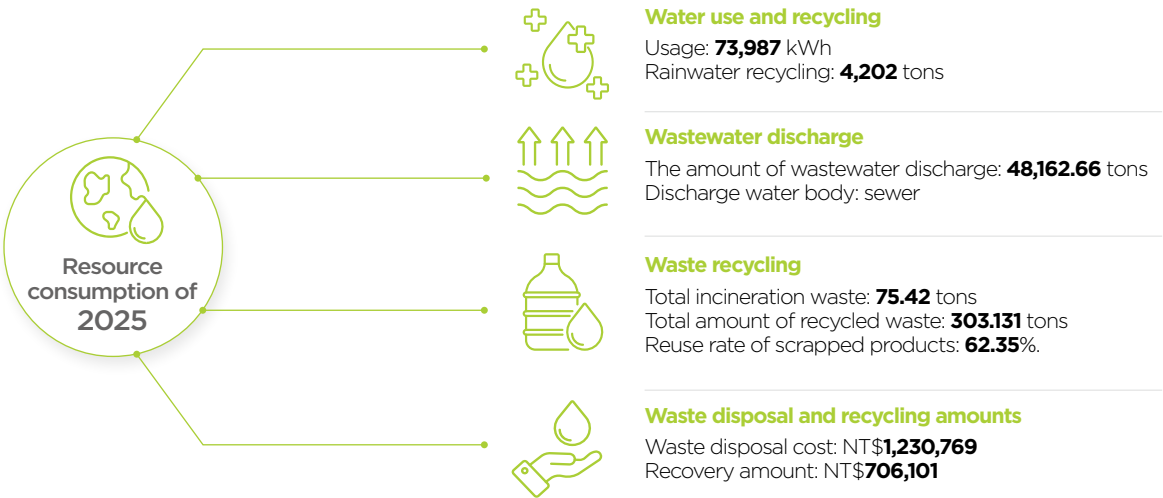
In addition, HTC organizes environmental protection activities for our employees and further improve their environmental awareness. We believe that only through working together can we create more value for the environment and the society. Energy and climate change related action, please refer "Climate Change Management" section.

Sustainable Environmental Management Vision



Note: The waste recycling rate target applies to the General Corporation and Taoyuan Plant.

Resource consumption of 2025



Green Workplace

All of our sites and offices are located in industrial and commercial areas that have been environmentally considered and assessed, and HTC complies with local regulations as well as internal environmental policies and practices to ensure that our activities do not have a significant impact on local ecosystems and plant and animal species. We actively encourage all our operations to carry out environmental beautification actions, introduce green building solutions in new buildings, improve the quality of the working environment for employees, and promote sustainable development practices.

Green Landscaping

HTC's commitment to sustainability is a testament to our commitment to environmental protection and biodiversity by taking into account the environmental and ecological impacts of our offices and factories, and by creating indoor and outdoor green spaces.

In the HQ and factory, a total of more than 134 native tree species (such as camphor tree, Taiwan luan tree, etc.) and a variety of green plants have been planted. The Taipei office building is a green building with an outdoor landscape green coverage ratio of approximately 41%. It adopts a native and multilayer planting landscape design to enhance biodiversity on site. For example, more than 260 native trees and large trees have been planted on the first floor. (such as camphor trees, sweetgum, podocarpus, larch pine, cherry trees, etc.), as well as more than 3,200 shrubs, and an ecological pond that attracts animals such as tree magpies, green eyeballs, and bees, forming a rich ecosystem that helps slow soil erosion, regulate climate, and improve air quality. In order to create a healthier working environment, the interior of the building is also planted with air-purifying plants, such as eucalyptus, dracaena and saxifera, and the decoration is changed with festivals to add a natural atmosphere to the office. In 2025, to ensure providing a refreshing and comfortable working environment for employees and sustainable enviromnent, about 20.52million NTD was allocated towards green maintenance, and regular pest control measures were carried out to reduce the density of disease-carrying mosquitoes.



Green shade



Cherry Blossom Avenue



Perimeter of the first floor



Bees collect nectar on cherry blossom trees



A small tree magpie waiting to be fed on the camphor tree



Green embroidered eyes perched on cherry blossom trees

Environmental Expenditures

Year	2023	2024	2025
Environmental maintenance expenditure (NT\$ Thousand).	23,668	20,094	26,759

Green Procurement

HTC integrates environmental protection principles into its daily procurement practices and follows the principles of "recyclable, low-pollution, and resource-efficient" when purchasing a wide range of products with green labels, including energy-efficient lighting, electrical appliances, bathroom fixtures, and eco-labeled paper and hygiene products, in order to reduce environmental impact and protect the planet. In 2025, the total procurement amount of environmentally friendly products reached NT\$1.297 million. From 2012 to 2025, the cumulative procurement amount was approximately NT\$36.68 million, covering various green-labeled products. Through green procurement, we hope to contribute to environmental protection while promoting the industry's transition toward sustainable development.

Water Resource Management

Global warming is exacerbating climate change, and water management is becoming increasingly important. In our Taipei office, we still maintain a rainwater harvesting system for toilet flushing and planting. Most of the water used is tap water obtained from the Taiwan Water Supply Company.

Since the production line uses a dry process, it does not produce wastewater, so the effluent discharged only comes from the domestic water used by employees for general office. Although the manufacturing process does not generate wastewater, we strive to reduce water use and encourage water management and recycling, such as collecting and reusing rainwater at the Taipei office.

To ensure that our operations do not affect water sources, we have conducted an assessment based on the World Resources Institute's "Aqueduct Water Risk Atlas", which confirms that the water risk in Taiwan is low to medium (1-2) and there is no immediate risk. In addition, we ensure that we do not burden the environment through sewage testing and safe discharge.

Environmental indicators	unit	2023		2024		2025	
		HQ and factory	Taipei Office	HQ and factory	Taipei Office	HQ and factory	Taipei Office
Usage of Tap Water	degree	36,465	49,913	30,847	48,903	25,242	44,543
Rainwater Harvesting Volume	ton	N/A	3,522	N/A	4,838	N/A	4,202
Recycled and Reused Water Volume/Total Water Usage Ratio	%	N/A	6.59	N/A	9.00	N/A	8.62
Wastewater Discharge	river	Dongmen Creek	public sewer system	Dongmen Creek	public sewer system	park sewer system	public sewer system
Total Wastewater Discharge Volume	ton	18,174	32,520	22,714	42,992.8	9,166.66	38,996
Data coverage	%	100		100		100	

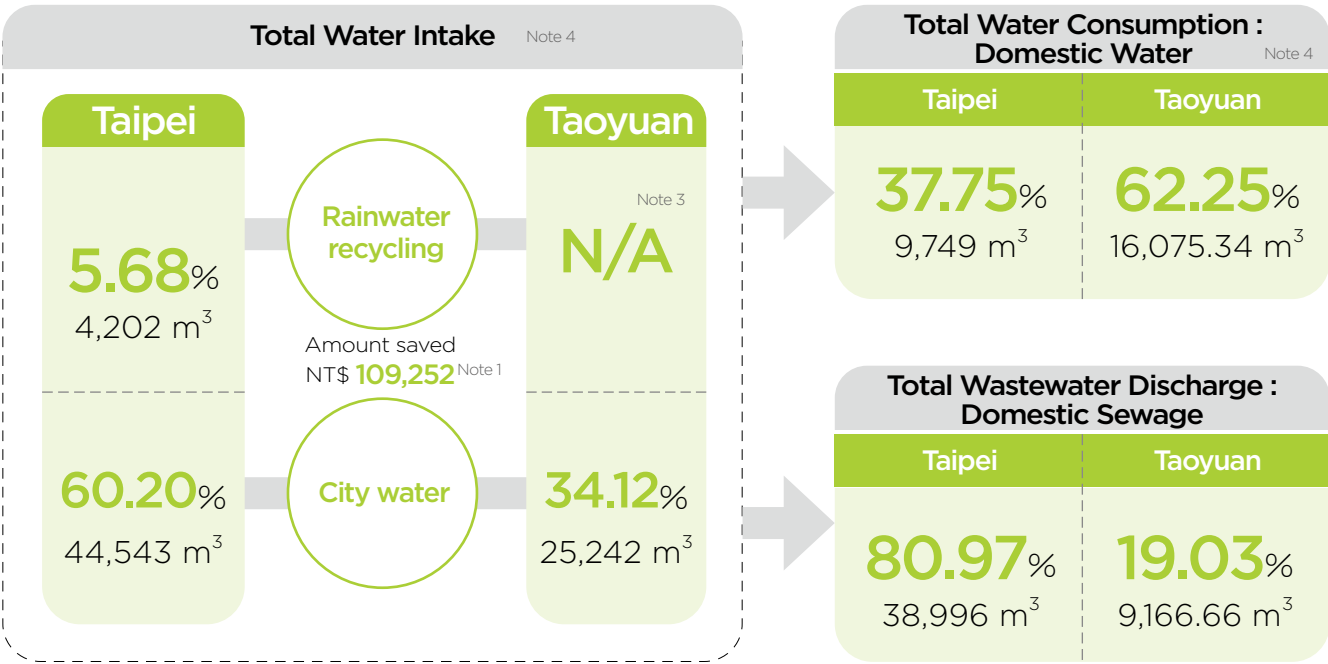
Remarks:
1. The total effluent discharge of the Taipei office is estimated based on 80% of the water consumption
2. The domestic wastewater from the headquarters and factory was connected to the Guishan Industrial Park sewer system in Q4 2024, ending discharge to the on-site wastewater treatment plant. The deregistration process was completed in Q1 2025.*

3. Data coverage: The scope of environmental information disclosure in this report is HTC Taiwan, and the data coverage rate of water use accounts for 100% of HTC Taiwan.

Water Resource Recycling

To reduce dependence on tap water, HTC adopts water-saving equipment and gives priority to purchasing fixtures with water-saving labels or functions. For example, we have installed sensor-activated faucets that reduce water flow. In addition, HTC's Taipei office has built a rainwater recycling system that reuses recovered air-conditioning condensate and rainwater for toilet flushing and plant irrigation. At the headquarters and factory, we have selected cooling towers with higher water consumption and effectively managed the water-saving rate of conductivity-controlled water to further conserve water resources. In 2025, the Taipei office recycled a total of 4,202 tons of rainwater, effectively saving water resources.

2025 Water Resource Management Effectiveness



Note:
1. The estimated savings is estimated at NT\$26 per degree of water
2. The denominator for the ratios is the total water intake, total water consumption, and total wastewater discharge, respectively.
3. The Taoyuan headquarters and factory do not have a rainwater recycling system, as the premises are leased, Therefore, this item is N/A.
4. According to the World Resources Institute (WRI) water stress assessment, Taoyuan and Xindian are not high or very high-risk areas, so they both account for 0%.

Drinking water quality control

HTC has set up a comprehensive water fountain inspection plan to ensure the standard of purity of drinking water. Regular maintenance, water sample testing, and records disclosure are done according to the Drinking Water Management Act. A professional company carries out the maintenance and care of the drinking fountains and testing of water purity is carried out by an environmental testing agency that is authorized by the EPA to take regular samples and perform the tests every 3 months. The total bacteria count of drinking water and E. coli colonies have passed the test in 2025.

Environmental Protection Education and Promotion

HTC continues to promote and enhance environmental protection consciousness and awareness in employees using a diversified interface. Through the new employee educational training and the provided training materials, the idea of environmental protection is promoted within the organization and allowing employees to feel HTC's efforts in environmental protection and give their full support through actions as well as everyday life habits, and inspire their active participation and support.

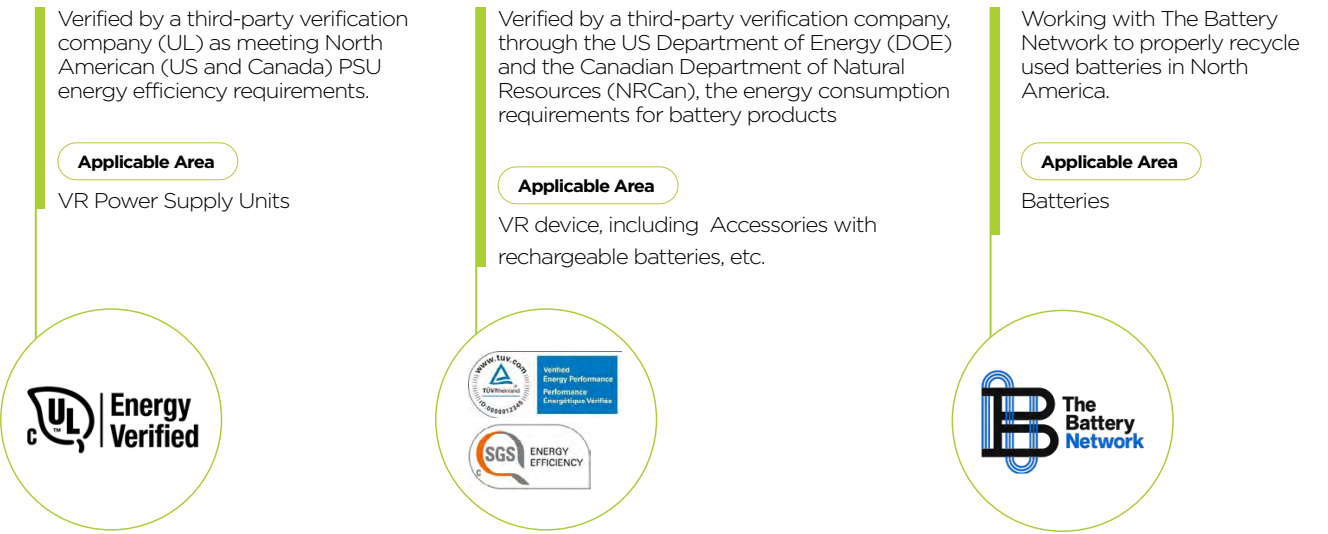
The organization process is comprehensively paperless, digital, and optimized

Through the ESG Committee, we conducted a comprehensive review of all company workflows. With the active participation and cooperation of all employees:

- In 2023, we successfully reduced paper usage by nearly 80%, achieving the first phase of our paperless transition.
- In 2024, we continued with the second phase, focusing mainly on process optimization in the manufacturing unit. Paper-based documents previously used by the manufacturing unit were classified by actual usage scenarios, and process optimization measures were developed for 56% of high-frequency paper documents. This effectively improved management efficiency and reduced paper consumption, resulting in an additional 34.6% decrease in paper usage in the manufacturing unit in 2024.
- In 2025, we continued to advance our paperless goals and integrated improvements to internal systems by introducing a smart inquiry and form-filling function for inspection and acceptance forms, along with multiple electronic approval forms. Through digitalized processes, we not only reduced the risk of manual input errors but also improved overall operational efficiency by approximately 10%, while further reducing paper consumption by 175 kilograms.

Sustainable Design

HTC's thinking on the development of sustainable products is to starts from the product life cycle, and adopts different measures at various stages through innovative thinking. It uses the concept of The Precautionary Principle to carefully select the ones with lower environmental risks. it complies with the internationally Restriction of Hazardous Substances Directive, reduces the environmental impact of products, and develops sustainable products that are more environmentally friendly.



HTC actively promotes sustainable design, improves recycling and resource reuse efficiency through product life cycle considerations, and reduces the use of hazardous substances to reduce environmental impact. Next, we will further explain the specific sustainable practices and achievements in four aspects, including product material application, energy efficiency improvement, product recyclability design, and hazardous substance management, hoping to create more environmentally friendly and sustainable products and make a contribution to environmental protection.

Product Material Application

HTC VIVE's latest head-mounted device, Eagle, uses TR90 as the frame material. This material offers excellent flexibility and shape recovery, allowing the frame to quickly return to its original form after compression or bending without permanent deformation. In addition, TR90 has superior impact resistance and is less likely to crack compared with ordinary plastic frames, resulting in high durability and a long service life. It also contains no metal components, has low skin irritation, and is particularly suitable for users with metal allergies or sensitive skin.



Enhancement of Energy Efficiency

HTC is committed to developing energy-saving and low-carbon products, with energy efficiency regarded as a key goal during the product design stage. Eagle performs well in energy-efficient design and has been verified by the third-party laboratory SGS in accordance with the U.S. DoE 10 CFR Part 430 and California CEC Title 20 energy efficiency test methods. Its annual energy consumption is only 0.979 kWh, significantly below the maximum regulatory limit, demonstrating substantial energy-efficiency compliance margin.



Through optimized charging and power management mechanisms, the product effectively controls energy consumption during daily use and when not actively charging. Its total energy consumption over 24 hours is only 5.15 Wh, and the maintenance-mode power after charging completion is as low as 0.16 W, greatly reducing background power consumption caused by long periods of being plugged in. This low-power design not only directly meets the stringent energy efficiency requirements for battery charging products in the U.S. and California markets, but also responds to market trends toward energy conservation and sustainability, providing users with a product experience that combines performance and energy efficiency.

Energy efficiency regulations for battery charging products from the U.S. Department of Energy(DOE) and Natural Resources Canada(NRCan)

Since 2016, the U.S. Department of Energy (DOE) has enforced stringent energy efficiency requirements for battery charging products sold in the U.S. market. Natural Resources Canada has implemented the same standard since 2019. These regulations require that the additional energy consumed during the charging process must comply with specific limits to avoid energy waste.

HTC actively references and complies with these international regulations, continuously improving product energy efficiency and striving to reduce environmental impact in support of its corporate sustainability goals.

Product Recyclability Design

HTC considers waste reduction and resource reuse in the early stages of product development, and uses the concept of circular economy to transform waste products into high-value recycled materials, extending the product life cycle and reducing the environmental burden.

We prioritize the use of highly recyclable plastic materials to ensure that products can be recycled at the end of their useful life, reducing their environmental impact. The recyclability of the products has been dismantled, simulated and tested by a third party, and the recycling rate of all products, including head-mounted device and smartphone, significantly exceeds the EU WEEE Directive standard (55%).

HTC sees the circular economy as an important direction for sustainable development, and all electronic products and packaging are marked with the EU WEEE logo to remind consumers to recycle properly. Through local recycling centers or outlets, products can be properly collected, recycled and reused, reducing the environmental impact of hazardous substances and improving the efficiency of natural resources.

In 2025, we excelled in the circular economy design of our new products. VIVE Eagle was tested by a third party and achieved a recycling rate of 76.6%, which is 21.6% higher than the WEEE standard.



Head-mounted device



Vive Eagle Smart Glasses
Weight 52.65 g
Recycling rate **76.6%**
Recycling rate compared to regulatory standard
↑ **21.6%**

EU WEEE standards
55%

Smartphone- U Series



8,5
/10
INDICE DE RÉPARABILITÉ

U24 pro
Weight 195.09 g
Recycling rate **92.83%**
Recycling rate compared to regulatory standard
↑ **37.8%**

Highest Dark Green Label

EU WEEE standards
55%

Note: 3R includes Reuse, Recycling and Recovery ratios, which are defined in the EU WEEE Directive (2012/19/EU).

HTC actively promotes sustainable and low-carbon design in the design of products and accessories, and adopts recyclable design. From 2023, we changed our wire packaging from plastic to 100% recyclable paper rings, which are not only kinder to the environment, but also easier to dispose of than plastic. In the future, HTC's cables will be fully paper-wrapped to further reduce the carbon footprint and create more environmentally friendly products.

In response to the European law on the circular economy, France has adopted a law on the labelling of consumer information based on the principle of product classification called the "Triman logo", which contains the product information required by consumers and the graphic of the classification collection. HTC follows the regulations and labels the product according to its contents, and by adding classification information to the product, the product can be properly sorted and recycled and promote resource recycling.



Hazardous Substance Management

Always taking environmental protection and consumer health as integral factors of our consideration, we strictly adhere to the Restricted Substances List in all our product designs. This list encompasses international environmental regulations and customer requirements, which not only restricts the ten substances regulated by RoHS, but also prohibits the use of toxic substances such as polyvinyl chloride and brominated flame retardants. We require suppliers to submit testing reports and continuously monitor regulatory changes to ensure a pollution-free production that aligns with our environmental goals. At present, HTC VIVE products have a 100% RoHS compliance rate. We also demand that our suppliers comply with relevant regulations to safeguard consumer health and the environment.

Furthermore, concerning the REACH regulation, we annually request our suppliers to provide the latest published list of Substances of Very High Concern (SVHC) and relevant information regarding components with SVHC concentrations exceeding 0.1%. We cross-reference the supplier survey results with our GSM system to assess the SVHC content of the components. By the end of 2025, a total of 49 suppliers participated in the REACH regulation SVHC survey, with a response rate and compliance rate of 73%. In the future, we will strive to achieve the goal of 100% compliance with regulatory requirements for SCIP reporting of all our products. This ensures that our products not only meet environmental requirements but also have no adverse effects on product users.

In 2024, HTC's new product, VIVE Focus Vision, responded to China RoHS (China Restriction of Hazardous Substances) requirements. Although virtual head-mounted displays are not included in the scope of China RoHS regulation, HTC proactively conducted product testing and obtained certification. All components of VIVE Focus Vision comply with HTC's toxic substance-free standards, and the finished product fully meets global hazardous substance management regulations, achieving a non-toxic product design and reducing potential risks to human health and the environment.

In addition, the European Union officially published the Battery and Waste Battery Regulation in July 2023 to promote the European Green Deal and promote sustainable development. The regulation will manage the life cycle of battery products in stages. HTC has already initiated compliance with this regulation and have completed labeling and third-party composition analysis to comply with the restrictions on hazardous substances in batteries in Annex 17 of the REACH Regulation. In the future, HTC will continue to disclose battery composition and recycling information in line with regulations to ensure compliance with regulations and promote the proper recycling of used batteries.

HTC's hardware products include virtual reality devices and smartphone, and at present, the countries in the sales area do not have requirements for IEC 62474, so this disclosure data adopts the two control standards of RoHS and REACH, and among the 193 substances to be controlled by IEC 62474, the overlap rate with the hazardous substances controlled by RoHS and REACH SVHC is 82%. (There are already 160 substances in the IEC 62474 substance list). According to statistics, the proportion of product revenue of these two standards of hardware products sold in the current year is 100%, and the materials for SVHC > 0.1% have been declared in the REACH SCIP database in accordance with regulatory requirements.

Phone and Battery Recycling

To properly fulfill their responsibilities as a manufacturer, HTC, which is 100% in line with EU WEEE requirements, has also promoted the US and Canadian related electronic product recycling program. To reduce the undue disposal or handling of old mobile phones and the impact of this upon the environment.

- 1. HTC began operating its own mail back device recycling program from 2020. Customers can contact HTC's customer care team and request a free mailing label to send their phone, tablet, or VR headset to our ISO 14001 certified recycling partner for proper disposal. For more details, see "<https://www.htc.com/us/recycling/>."
- 2. HTC participates in The Battery Network, (former Call2Recycle) , the oldest and largest battery management and recycling program in North America, which continues to collect and recycle all types of batteries, including lithium-ion batteries for mobile phones, in the United States and Canada. HTC pays The Battery Network to assist with recycling of every phone sold in the United States. [The Battery Network Official Website](#).
- 3. HTC participates in more than 20 states' state-run e-waste recycling program to ensure electronics are responsibly recycled. Recycling regulations vary slightly from state to state:

Only three states (New Jersey, West Virginia, Maryland) are cellphone recycling-only; In other states, computers, televisions and electronic devices of all kinds are covered. Some states have begun to include VR devices with built-in processors in the definition of computers or gaming devices. HTC has filed applications in New York and Maine for recycling registrations that include VR devices and will continue to monitor regulatory changes.

- States have different mechanisms for determining a manufacturer's annual recycling liability:
- Recycled weight system: Some states charge a fee based on the weight of the recycled product.
 - Registration fee system: Other states allow manufacturers to take mail recycling and pay an annual registration fee without meeting a specific recycling target.
 - Market share system: In Washington state, for example, HTC pays based on the market share of the tablet, and the local government is responsible for statewide recycling, and legal recyclers are monitored by the state department of ecology to ensure that the recycling process is responsible and compliant.
- For details, please refer to: [Official Washington State website](#).

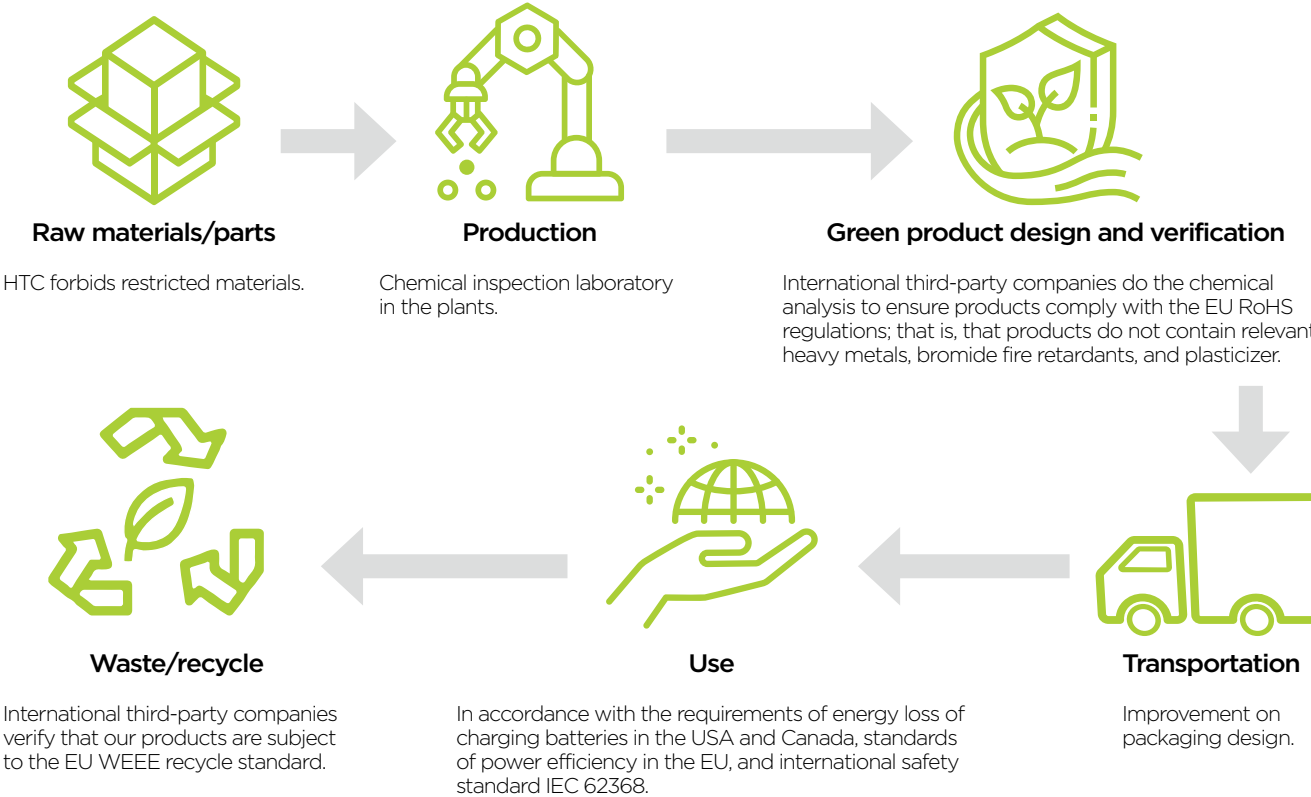


Active in Compliance with Standards

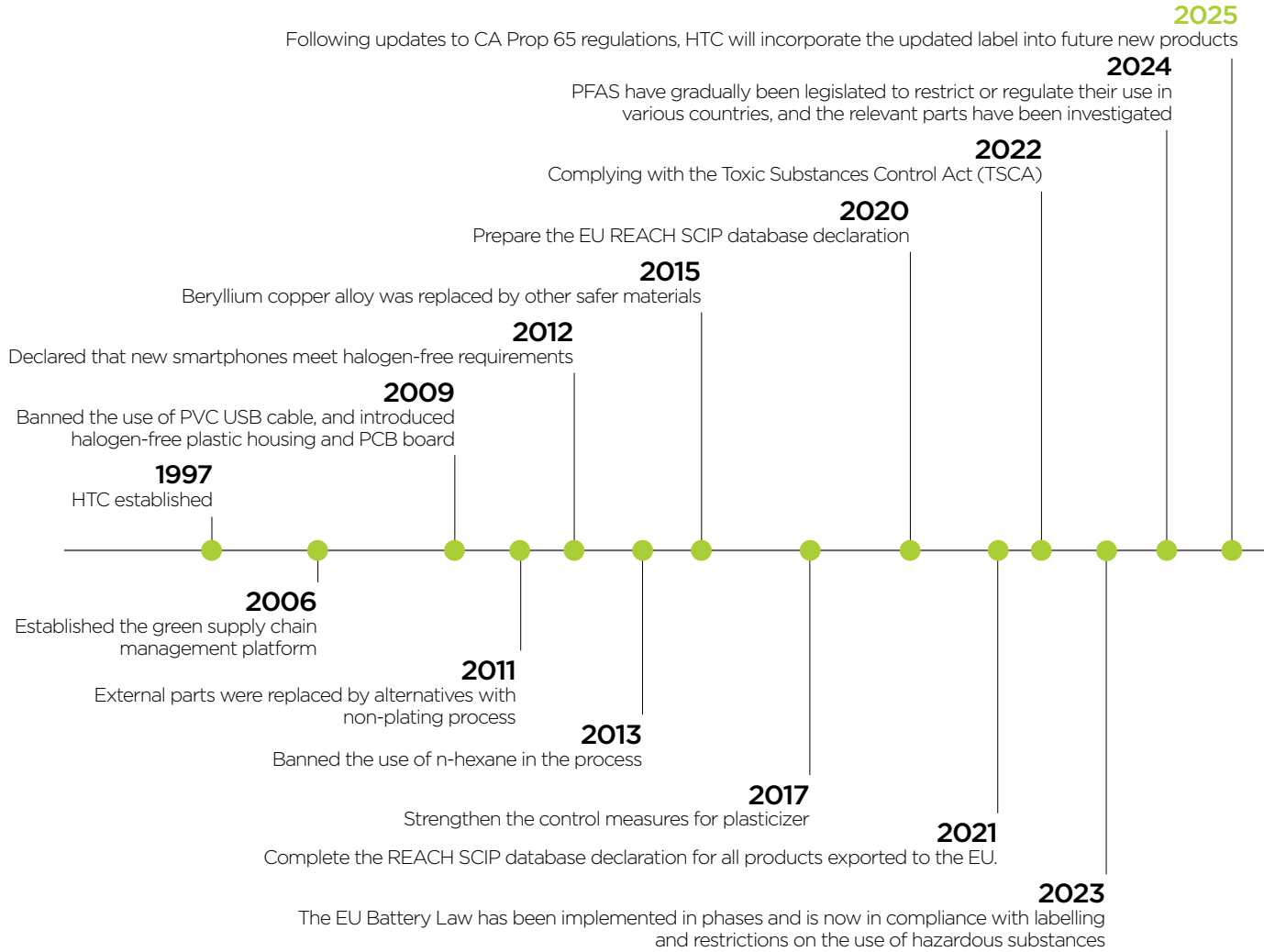
All HTC products are verified by international public certification companies. Chemical analysis is carried out to ensure compliance with the EU environmental directives. In addition, HTC has updated to the latest version of IEC62368:2018 for all products in the market with CB certificates provided. By adhering to the concept of precautionary principle, we comprehensively regulate the known hazards of our products to provide a higher level of safety in their use.



Description of the HTC product lifecycle and its different stages



HTC Hazardous Substance Control Schedule



Sustainable Manufacturing Process

The VR devices by HTC combine new forms of operation, life, working, learning and traveling through green product design and help users to reach the goal of energy saving and carbon-reduction. For energy consumption during the production process, we have strengthened our management and introduced operation control center(OCC) to reduce energy consumption and implement waste management.

Hazardous Waste Management

HTC manages waste from a holistic value chain perspective

In the upstream value chain, HTC ensures proper waste management through its supplier management system and considers waste reduction and the circular economy starting from the sustainable product design phase.

We adhere to our established "Waste Management Procedures" in our operational activities to ensure that all waste is properly classified, managed, and disposed of in accordance with procedures and regulatory requirements. We outsource the treatment of the waste generated from our operations by engaging authorized waste removal and treatment facilities approved by the Environmental Protection Administration for backend processing. Similarly, qualified vendors are entrusted with the treatment of our recyclable materials for internal recycling within the company. Our focus is on reducing the environmental impact of waste and improving waste recycling rates, thereby ensuring the effective resource recovery and proper waste management.

We minimize the amount of waste that has a negative impact on the environment in our manufacturing process and comply with environmental, safety and hygiene standards to ensure that waste is removed and disposed of legally and without environmental impact.

HTC is committed to the proper disposal of waste and takes the following steps to ensure that the disposal process complies with regulatory requirements:

- We entrust a legal waste removal and disposal company to select the most suitable disposal method for the nature of the waste.
- Supervise waste removal and transportation through online reporting, and regularly audit waste disposal manufacturers.
- Processed waste will be registered on the Ministry of Environment's "Waste Declaration and Management Information System" platform to ensure compliance with laws and regulations and implement HTC's commitment to environmental sustainability.

For more information on value chain impacts, please refer to the Flow Chart of Activities for Significant waste-related Impacts in 2025.

HTC's domestic waste disposal measures

Measure	Method
Set up recycling bins and commission manual sorting of domestic waste.	Set up recycling bins and encourage and propagandize staff to sort domestic waste. The employees recycled 27.722 Metric tons of domestic waste in 2025.
Used batteries, light tubes and information technology objects must be recycled	We have recycling stations for used batteries and light tubes available to the employees

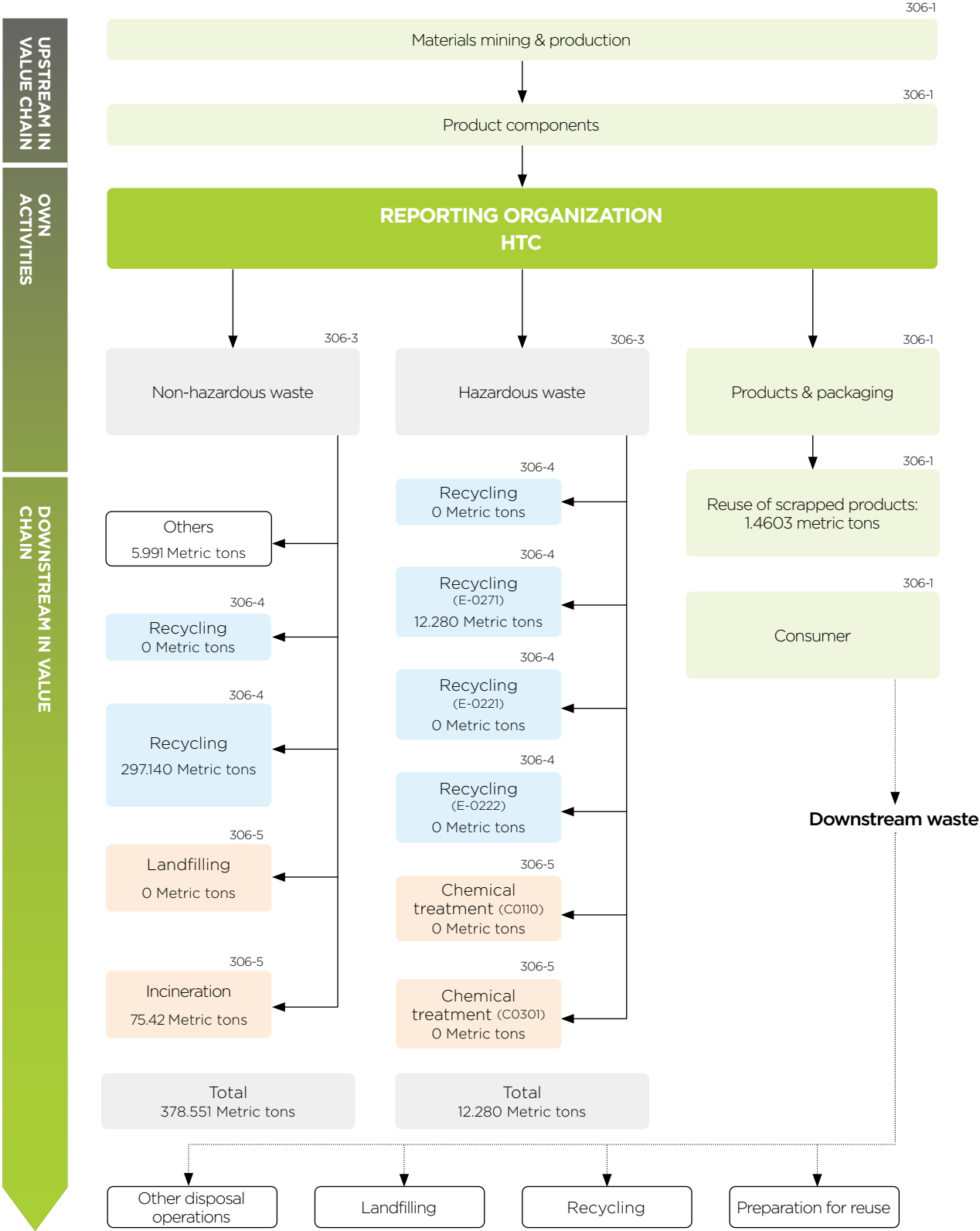
Note: Recycling domestic waste includes non-hazardous waste recycling and kitchen waste recycling.

HTC Waste Statistics

Type	Recovery Operations	Unit	Offsite Weight (Outsourcing)			2025 Density	Description
			2023	2024	2025		
Non-hazardous waste	Preparation for reuse	Metric tons	0	0	0	0.130	Including Tray plate, foam, miscellaneous plastic, waste wood pallets, Recycling of living resources and confidential documents , Computer peripherals (host, screen, laptop, electronic waste)
	Recycling	Metric tons	255.695	176.871	297.140		
	Incineration	Metric tons	100.650	77.980	75.420		Including Domestic garbage
	Landfilling	Metric tons	0	0	0		Waste Bakelite
	Other: Recycling	Metric tons	12.285	7.210	5.991		Kitchen leftover
	Subtotal	Metric tons	368.63	262.061	378.551	0.130	
Hazardous waste	Preparation for reuse	Metric tons	0	0	0	0.004	Scrapped electronic parts and components, leftover scrap and defective goods.
	Recycling: E-0217	Metric tons	9.755	4.859	12.280		
	Recycling: E-0221	Metric tons	0	1.739	0		Scrapped metal containing PCBs and scrapped powder
	Recycling: E-0222	Metric tons	0.201	0.141	0		Scrapped PCBs containing parts and components
	Chemical treatment: C-0110	Metric tons	0	0	0		C0110- Harmful waste liquid containing copper C0301- Harmful waste liquid The chemical treatment shall be conducted once every two years for the treatment according to "Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste".
	Chemical treatment: C-0301	Metric tons	0	0.84	0		
Subtotal		Metric tons	9.956	7.579	12.280	0.004	
Total		Metric tons	378.586	269.64	390.831	0.135	

Note:
1. The computer host and screen are estimated based on the weight information obtained from the official website.
2. Preparation for reuse: Checking, cleaning, or repairing operations, by which products or components of products that have become waste are prepared to be put to use for the same purpose for which they were conceived.
3. Recycling: Reprocessing of products or components of products that have become waste, to make new materials.
4. The method of estimating the weight of food waste: It is used as a feed additive by legal livestock farms, and it is calculated as 189 kg per barrel.
5. The formula for density is as follows: Waste Weight (in metric tons) / Annual Revenue (in millions of dollars). For the year 2025 the annual revenue is 2,901 million dollars.

Flow Chart of Activities for Significant waste-related Impacts in 2025

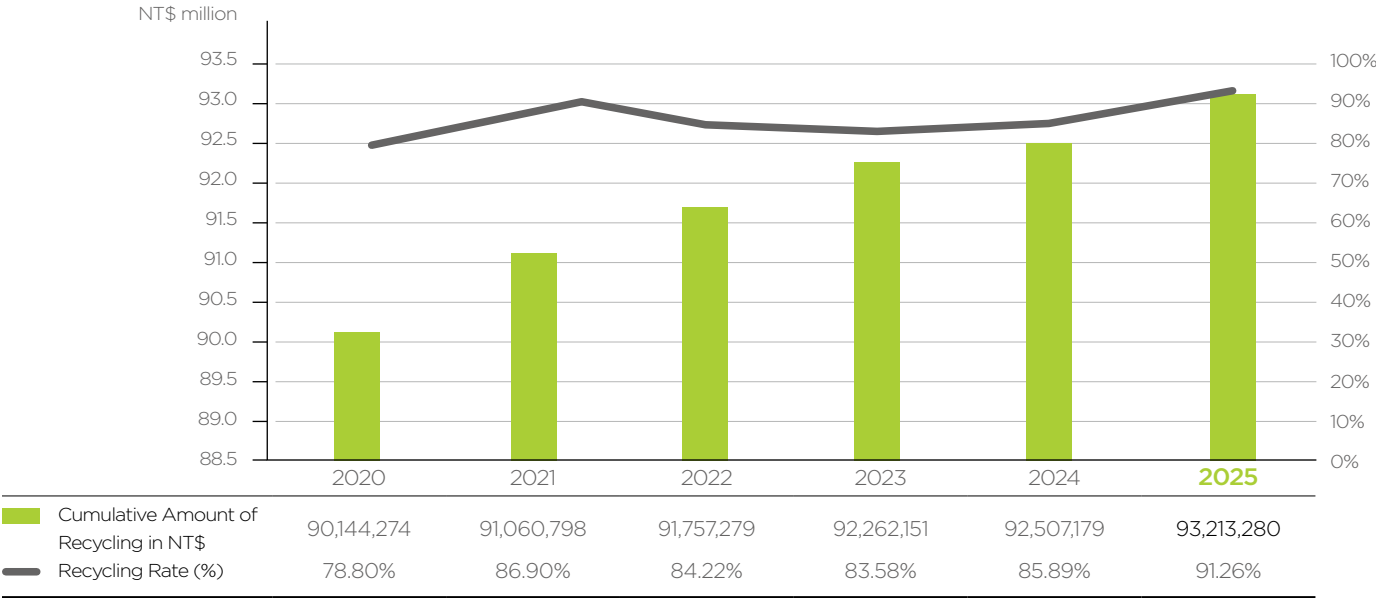


Waste Reduction, Recycling and Reuse

Committed to waste reduction strategies, such as sorting, advocacy, reducing waste at the source, and promoting resource reuse, we sort materials such as plastics, foam trays, plastic bags, containers, and plastic film rolls, which are commissioned to certified vendors for recycling with an aim to increase the efficiency of resource recovery and reuse. Usable foam trays and sponges are recycled and reused within our production line, while other waste undergoes physical sorting to increase reusability. Final disposal is only carried out when reuse is not possible, and we comply with legal requirements by reporting cases of waste disposal online.

From 2011 to 2025, HTC continued to promote sorting and reuse measures and conducts regular annual training to educate employees on environmental protection topics to improve the efficiency of waste recycling year by year. HTC's parent and subsidiary companies in Taiwan had a recycling benefit of NT\$ 706,101 in 2025, and the recycling rate of non-hazardous waste increased from 56.89% in 2011 to 91.26%. In 2025, the total amount of non-hazardous waste recycled reached 303.131 metric tons, and the cumulative amount of recycling reached NT\$93,213,280 by 2025.

Waste Recycling Effect and Rate



Annual indicators of waste in the past three years

Annual indicators of waste	Units	2023		2024		2025	
		HQ & Plants	Taipei Office	HQ & Plants	Taipei Office	HQ & Plants	Taipei Office
Weight of scrapped products for recycling	Metric ton		5.3978		2.2529		2.4603
Total recycled weight of scrapped products	Metric ton		6.5680		2.9179		3.9457
Percentage of scrapped products recycled and reused	%		82.18%		77.21%		62.35%
Total amount of waste recycled and disposed of - Information Products	Metric ton		3.819		1.610		4.200
Total waste collected for recycling - General	Metric ton	261.461	2.7	182.470	N/A	282.209	16.722
The total amount of waste reused and disposed	Metric ton	N/A	N/A	N/A	N/A	N/A	N/A
Total amount of waste incinerated (domestic garbage)	Metric ton	51.350	49.300	29.980	48.000	27.020	48.400
Waste disposal costs	NTD	632,022	721,729	552,854.4	619,546.2	504,399	726,370
Environmental Management Recycling Amount - Information Products	NTD		181,275		118,077		402,475
Environmental Management Recycling Amount - General	NTD	305,169	18,428	126,951	N/A	290,626	13,000
Data coverage	%		100		100		100

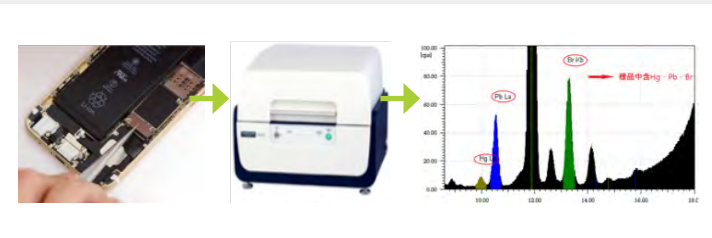
Note:
1. Some of the domestic waste in the Taipei office belongs to recycling cartons, and the number cannot be counted, and all of them have been entrusted to qualified recyclers for disposal.
2. Waste statistics include plastics, paper, scrap iron, scrap aluminum, scrap white iron, waste board edges, waste information products, waste wood (pallets), miscellaneous plastics, scrapped parts, abandoned desktops, abandoned screens, discarded laptops, restaurant kitchen waste, recycling weight of living resources and general garbage.
3. Waste disposal costs include the fees of personnel involved in preliminary sorting and preparation.
4. Data coverage: The environmental information disclosure scope of this report is HTC Taiwan, and the data coverage rate of waste use accounts for 100% of HTC Taiwan.

Reduction of Hazardous Substances - Raw Material Management Mechanism

Always been dedicated to becoming an environmentally friendly enterprise, we place equal emphasis on the EP features of our products and the establishment of a green supply chain. We continuously strive to improve the environmental performance of our supply chain by regularly convening supplier conferences. During these conferences, we integrate our environmental protection policies with the concept of a green supply chain and collaborate with component suppliers to explore the use of non-toxic materials. We adhere to the principle of source management and exercise stringent control over the procurement of raw materials. In addition to maintaining the validity of the IECQ QC 080000:2017 Hazardous Substances Process Management System Certificate every year.

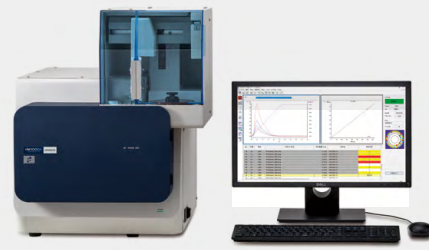
In the product development stage, we will deliver the relevant parts materials to the ISO 17025 qualified laboratories, such as SGS, TUV, to ensure that the materials used in the product comply with international environmental protection specifications. In terms of production management, factories regularly conduct hazardous substance tests on materials according to the "Incoming Toxic Substance Control Work Instructions". This is done to ensure that these materials comply with the RoHS 2.0 requirements, are all non-toxic, and are harmless green products.

X-ray fluorescence analyzer detects heavy metals and halogen elements



Sample preparation Sampling analysis Element data acquired

TD-GC/MS is used to check plasticizer



TD-GC/MS is used to check plasticizer

We are committed to actively managing hazardous substances and chemical use in the fiercely competitive global business environment to ensure compliance with national laws and customer specifications, thereby reducing the risk of product non-compliance. In order to comply with the stringent international regulations regarding chemical use, we have banned four chemicals: n-hexane, n-heptane, benzene, and toluene. Additionally, we have restricted the use of 527 other chemicals, including beryllium and dichlorobromomethane, to meet the requirements of our customers and relevant domestic and international regulations.

To ensure the safe management of chemicals, we have taken the following measures:

- We have dedicated personnel who regularly check, inspect, and verify the management of chemicals within the facility, including the types, quantities, storage conditions, completeness of labeling, and adequacy of documentation.
- Personnel are required to wear basic safety protective equipment when handling chemicals.
- Our gas fire suppression systems use halogenated fire suppression equipment instead of CO₂ systems.
- We have also replaced lead-acid batteries with environmentally friendly batteries. Any scrapped nickel-cadmium batteries are delivered to qualified Class E waste treatment facilities for proper disposal.
- We have established principles for managing chemicals used in cooling water towers. We select cooling tower cleaning agents that have relevant safety certifications or comply with specified regulations.
- We ensure that our suppliers/contractors manage chemicals properly. We conduct investigations, audits, and risk assessments on internal management system with a focus on environmental safety and health.
- HTC continues to strengthen its management capabilities for chemical substances and promote green and sustainable corporate responsibility.

Green Production Process and Smart Factory

2025 Smart Factory Programs

In 2025, the factory continued to promote process optimization and energy-saving improvement projects, achieving multiple concrete results. Through the integration of smart systems and the adoption of AI technologies, it has not only improved production line efficiency and reduced costs, but also lowered energy consumption and environmental impact, creating a positive effect on environmental sustainability.

With AI artificial intelligence, the test station automation and site integration > AI line control center are introduced

In order to continue to improve the efficiency of the production line and low-carbon operations, it was gradually introduced in 2025: (1) AI test station automation and site integration, and (2) AI line control center - smart factory auxiliary tool in 2024, successfully saving US\$44,389.

AI test station automation and site integration

Using HTC MFG's existing automated testing technology capabilities, the original product needs human work in the PCA factory and system factory functional test station to realize test automation through AI image recognition and control technology, power automation, image capture, sound capture and other automation equipment accessories and programs. A 66% reduction in manpower was achieved at a specific station. In addition, the system factory part is integrated with the OQC site for the test process. This improvement not only reduces the complexity of personnel work, but also completely eliminate the risk of human error at the specific station, activates the use of manpower and optimizes the production line production efficiency.

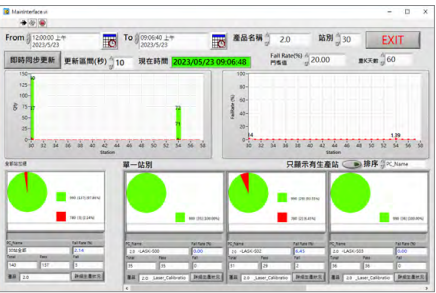
HTC MFG developed an integrated automated testing system using the following hardware and software:

1. AI image recognition and control technology: allows the computer to decide whether to automatically control or press the keyboard according to the current screen.
2. Automated control I/O and relays: measure voltage, current, and switch settings.
3. Image capture technology: the program automatically captures images from the equipment, replacing the screen required by the device under test, and extracts the display for test status determination.

AI line control center

We use intelligent software to monitor product testing to identify potential problems early. After implementation in 2025, the frequency of unexpected equipment failures and repeated reporting was effectively reduced by 57%, and the number of maintenance notifications from production line personnel was reduced by 60%. In addition, we also use AI to suggest troubleshooting methods, and through step-by-step human-machine learning, we can improve the repair accuracy rate by more than 80%.

In the future, we will continue to use automation and AI technologies to improve process efficiency and reduce carbon emissions, and promote the sustainable development of the industry.



Energy conservation, power saving, paper reduction, and material recycling

In recent years, HTC has actively promoted paperless and energy-saving measures, and the results have been remarkable. Since 2020, we have saved more than 130 kg of paper consumption annually by implementing OQC paperless processes, significantly reducing costs and carbon emissions. In 2025, we continued to advance our paperless initiatives by optimizing and integrating internal systems, adding an intelligent inquiry and form-filling function for acceptance forms, and introducing multiple electronic approval forms. Through process digitalization, we not only effectively reduced the risk of manual input errors but also improved overall operational efficiency by approximately 10%, while further reducing paper consumption by 175 kg.

In terms of energy saving, through site consolidation projects and the introduction of an AI control center, we integrated existing equipment configurations, reduced equipment setup requirements and manpower demand in production, and effectively prevented unexpected equipment maintenance events. By improving operational efficiency and equipment utilization, overall energy use was optimized, with an estimated reduction in electricity consumption of 3,415 kWh, demonstrating tangible achievements in energy conservation and carbon reduction.

In terms of material recycling, we further improved resource efficiency and implemented circular resource utilization by recycling materials such as solder paste, solder dross, steel plates, and synthetic stone carriers. In 2025, we also fully promoted supplier packaging material revitalization measures, converting packaging materials provided by suppliers into semi-finished product protection equipment required for production, and discontinued the purchase of semi-finished product storage boxes and disposable protective plastic materials. This effectively reduced raw material consumption and waste generation, further strengthening resource circularity.

In the future, HTC will continue to promote environmental protection measures, and is committed to fulfilling its commitment to sustainability to create a greener and more sustainable business operating model.

Sustainable Product

The Green Supply Chain Management System

In order to enhance the reliability of green products and comply with international regulations and customer requirements, we established a Green Supply Chain Management platform in 2006. This platform enables our R&D engineers to select environmentally friendly materials from the product database during the early stages of product design to reduce the subsequent verification time significantly. Furthermore, we require all new suppliers to meet the HSF rating criteria, with a 100% compliance rate achieved in 2023. To strengthen the ESG standards of our business partners, we have incorporated ESG performance assessments into our quarterly business review (QBR) starting from 2022 with an aim to foster a green and sustainable supply chain.

Taking circular economy as the direction for development

As part of HTC's commitment to the Sustainable Development Goals, we are committed to designing and manufacturing products that use the planet's limited resources efficiently and prudently. We focus on extending the life cycle of our products and continuing to recycle them in the following directions:

- Maximal use of single plastic material helps make recycling easier. Exclusion of materials made with hazardous chemical substances and lightweight products are the future product design.
- Extended product lifecycle; use of modular designs for hardware upgradability and for changing spare parts.
- Product energy-saving design.
- Use recycled materials for manufacturing and packaging.
- Reduce the environmental impact of the manufacturing process, use recycled water and renewable energy.

Extending the product life cycle, HTC is committed to sustainability

The magnetic charging cable, specially designed for VIVE Eagle, provides consumers with an intuitive and convenient charging experience. Its magnetic design allows instant attachment and connection without the need to align the connector direction, enabling quick and easy charging. At the same time, it reduces wear and tear caused by frequent plugging and unplugging, thereby extending the lifespan of both the cable and the device. It also supports charging while in use. When used with VIVE Eagle, it can charge to 50% in 10 minutes and to 80% in 23 minutes. Combined with Eagle's low-power design, it not only saves energy but also helps extend the product lifecycle.



VIVE Focus Vision Product Carbon Footprint

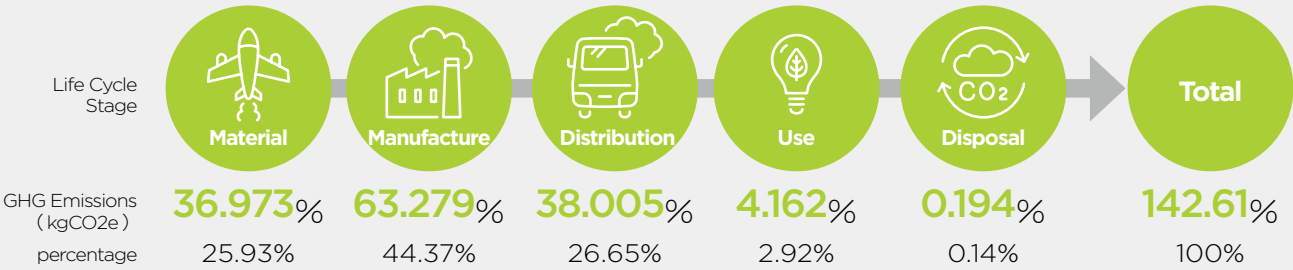


As a leading brand in virtual reality industry, HTC has been committed to environmental protection and sustainability. To reduce the impact of products to the environment, from 2024 Q1, we used the new established internal carbon management platform to conduct a comprehensive carbon footprint assessment of each stage process of the VIVE Focus Vision, including raw material selection and packaging methods, and obtained ISO 14067:2018 product carbon footprint verification opinion in April of the same year, covering from Cradle to Grave. Product carbon footprint is an analysis of greenhouse gas emissions throughout the product life cycle, including the acquisition of raw materials, manufacturing, distribution, use, disposal and other stages.

The carbon footprint of each VIVE Focus Vision (including packaging) is 142.61 kgCO₂e, and the main carbon emission hotspots are concentrated in the raw material manufacturing and distribution and product manufacturing stage. When developing new products in the future, we will be committed to sustainable design and sustainable supply chain promotion. In addition, since the electricity consumption in the manufacturing process is the main carbon hotspot, we can also improve the efficiency of electricity consumption in the future. HTC is committed to improving carbon emissions in every process, and providing products to consumers that are more green, environmentally friendly, and healthy, and integrating the spirit of sustainability into the entire life cycle of each product.

HTC VIVE Focus Vision Product Carbon Footprint Verification Opinion:
<https://www.htc.com/us/esg/certificate-report/>

HTC VIVE Focus Vision Product Carbon Footprint



Adopt sustainable packaging to deepen environmental responsibility

Continuing HTC's long-term commitment to corporate social responsibility and sustainable development, the 2025 packaging design further centers on the VIVE Eagle smart glasses, with "Design for Sustainability" as the core packaging strategy. While ensuring product protection, user experience, and brand quality, we systematically reduce the environmental impact of packaging through structural simplification, material standardization, and reusable design.

HTC's packaging materials for all products continue to comply with relevant EU and U.S. regulatory requirements, and the following principles have been fully adopted :

- Use low-VOC plant-based inks and single-color or low-color printing strategies
- Replace composite or plastic materials entirely with paper-based and paper fiber materials
- Incorporate volume minimization and reuse concepts from the earliest stages of packaging design

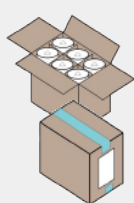
HTC's five Major Directions for Sustainable Packaging

Minimize packaging volume	Design packaging to facilitate transportation	Simplify printing colors	Expand the use of sustainable materials	Reuse: design for repeated us
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Compact Box Design

VIVE Eagle adopts a high-rigidity standard paper tube as its primary outer packaging. Through its cylindrical structure and precise dimensional configuration, unnecessary empty space is effectively reduced. Compared with traditional eyewear or electronic product packaging, the overall outer box volume has been reduced by 21.5%, while packaging material usage and weight have also been lowered. This approach meets product protection requirements while avoiding overpackaging



Packaging Designed for Transportation Efficiency

VIVE Eagle uses a consolidated six-unit-per-box packaging method. Through this source reduction strategy, compared with a one-unit-per-box design, packaging material usage is effectively reduced, and both loading efficiency and overall logistics performance are significantly improved. Under the same pallet volume conditions, the number of VIVE Eagle units loaded per pallet has increased from 500 to 840, representing an approximately 68% increase in shipping capacity. This helps:

- reduce transportation costs per unit
- reduce the number of shipments and warehouse space requirements
- lower carbon emissions throughout the logistics process

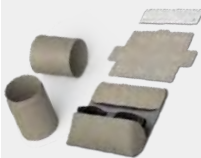


Less Color

In 2025, VIVE Eagle packaging continues HTC's minimalist aesthetic by adopting:

- single-color printing and unprinted embossed texture design
- simplified graphic hierarchy and visual elements

This not only reduces ink usage but also lessens the environmental burden during recycling, while maintaining a premium and modern brand identity.



Expanded Use of Sustainable Materials (100% Paper-Based)

VIVE Eagle packaging is fully centered on paper and paper fiber materials, including:

- paper tube outer box
- paper-based instruction materials / fold-out structural guide
- paper fiber protective design to replace traditional plastic inner linings

The internal storage pouch is made of eco-friendly leather-like material, balancing protection, quality, and long-term usability while avoiding single-use consumables.



Reuse Design

VIVE Eagle packaging is designed not only as a transportation container, but also as a long-term reusable storage item

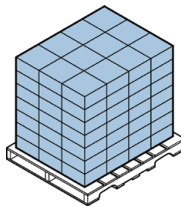
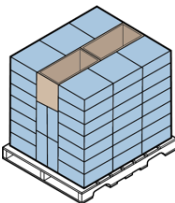
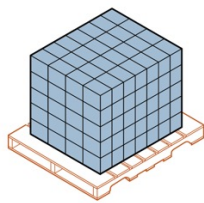
- the paper tube outer box can be reused as a pen holder or desktop storage container
- the internal storage pouch can be reused for eyewear or personal accessories

Through the design concept of extending packaging lifespan, HTC meaningfully reduces single-use packaging waste and extends sustainable practices into consumers' daily lives.

History of HTC "Sustainable Packaging"

Weight optimization	Minimal packaging volume	Material standardization and high recyclability	Reuse-oriented design
By simplifying the structure and material configuration, the weight of each packaged product is reduced, helping to lower greenhouse gas emissions during transportation.	Improved pallet stacking efficiency helps reduce the carbon footprint of transportation and warehousing.	Avoiding mixed-material packaging improves recycling efficiency and actual recycling rates.	Packaging is transformed from a single-use item into a long-term reusable object.

2025 VIVE Eagle Packaging Material Analysis - Ultimate lightweight design and improved pallet stacking efficiency

	Dimensions	Weight (g)	Units per shipping pallet	Sustainability features
2023 Pizza Box (VIVE XR Elite)	 288x278x130mm	777.5	 84pcs	● Minimal single-color printing with simple ink to highlight the product's refined and elegant texture ● Extensive use of paper-based packaging to replace some of the previous plastic bag packaging, while the main device is protected with a fiber bag for a higher-quality feel
2024 Pizza Box (Focus Vision)	 375x338x126.5mm	783.2	 54pcs	● Minimal single-color printing with simple ink to highlight the product's elegant and refined quality ● Use of corrugated board, which is lighter and more durable ● Optimized pallet stacking to reduce the carbon footprint
2025 GiftBox (VIVE Eagle)	 76.5x76.5x175.5mm	237	 840pcs	● Simplified structure and material configuration help reduce the weight of each unit, lowering greenhouse gas emissions during transportation. ● Improved pallet stacking efficiency reduces the carbon footprint of transportation and warehousing. ● Avoiding mixed-material use

Sustainable Logistics

HTC serves customers worldwide. In support of sustainable development, we continue to reduce the volume and weight of product packaging to improve transportation efficiency, while also selecting lower-carbon transport methods to reduce our carbon footprint and fulfill our responsibility to global sustainability. By implementing carbon reduction measures in distribution, we are also able to control costs and pass the savings on to our customers, creating a win-win outcome.



Global warehouse setup strategy to optimize distribution mode and shorten the distance to international airports/seaports, adjust warehouse locations:

In 2016, HTC set up logistics warehouses in the eastern United States to meet the needs of the e-commerce market in the United States, however, with the deepening of operations and data analysis, HTC found that the proportion of customers in the western United States is higher. In order to reduce the carbon footprint during transportation, it was decided to add a warehouse in the West Coast in October of the same year. This not only improves distribution efficiency, reflects the emphasis on customer service, but also significantly reduces carbon emissions. In addition, HTC has successively adjusted the location of its warehouses in Europe, America and Australia, focusing on locations close to international airports/seaports. Through a comprehensive review, this strategy has been validated by warehouse adjustments, and products can significantly reduce the carbon emissions generated by transportation by about 38.6% during the distribution process.



Choosing a low-carbon means of transport:

According to the data, replacing air freight with sea freight can reduce carbon emissions by more than 95%. In addition to increasing the volume of ocean freight, for shipments to the eastern United States, after shipping to the western ports of the United States, the transportation to the eastern United States by rail instead of trucks can reduce carbon emissions by an average of 91.3% per pallet. In 2025, between sea and air freight for the VIVE FOCUS VISION, the proportion of sea freight increased by 13.63% compared to 2024 .



Multiple orders or multiple products are combined to reduce the number of deliveries:

HTC continues to consolidate deliveries and consolidate orders from the same customer or destination as much as possible, resulting in a 49% consolidation rate by air, sea, and land in FY2025.

HTC's efforts in sustainable logistics are focused on reducing carbon emissions, lowering transportation costs, and improving delivery efficiency, creating a win-win outcome for both the company and its customers. Looking ahead, HTC will continue to explore green transportation solutions and work with its partners to achieve sustainable development goals.



Sustainable Supply Chain

HTC understands that supplier partners are the key to the continued growth of our operations. Based in Taiwan, we actively promote local procurement and supply chain diversification, giving priority to the procurement of local raw materials and related equipment in addition to key components, so as to reduce carbon emissions in the supply chain, create local employment opportunities, and improve supply chain stability.

In 2025, HTC's local procurement of raw materials accounted for 62%. While ensuring the provision of high-quality products and services, we also require our suppliers to follow high ethical standards and environmental practices, in order to grow together with our supply chain partners on the road of sustainability.

Supply chain ESG management

HTC has participated in the Responsible Business Alliance (RBA) since 2023 and actively participates in discussions and actions on various supply chain social and environmental responsibility issues to understand the trends in the implementation of social responsibility by international companies and the practical experience of members. The company follows the RBA Global Responsible Business Alliance Code of Conduct and formulated the HTC Supplier Code of Conduct. It is committed to improving and enhancing the environment, labor rights, ethics, safety and health, and expanding the social responsibility of the supply chain system. We also hold supplier meetings from time to time every year to promote relevant issues.

To ensure effective implementation, supply chain ESG management and plans are formulated and implemented after discussions between the procurement unit and the sustainability office, and are supervised by the ESG Committee. HTC will continue to work with supply chain partners to promote supply chain diversification and responsible management, and achieve the common sustainable development of enterprises and partners.

HTC Supplier Code of Conduct

The HTC Supplier Code of Conduct details the responsibilities and regulations that have to be followed by all suppliers doing business with HTC. In addition, HTC also conducts a regular assessment of the implementation of the Code as the basis for our further selection of business partners. At the end of 2025, there were 1 suppliers(new in 2025) signed the Supplier Code of Conduct, with the rate of signing reached 100%.

Additional supply chain-related policies and performance can be found on the website and can be downloaded from the "HTC Supplier Code of Conduct".

Supplier management objectives

INDEX	2025	2026	2030
Target: Tier 1 suppliers	Target	Target	
● Supplier Code of Conduct return rate	100%	100%	100%
● RBA SAQ completion rate	85%	85%	90%
● CDP survey response rate	90%	--	--
● Suppliers report carbon emissions data % to CDP	75%	--	--
● 100% conflict-free minerals (3TG)	100%	100%	100%
● Conflict Minerals (Cobalt and Cloud) survey rate	100%	100%	100%

Note: The CDP Supply Chain Member Program ended in 2025, and no separate targets have been set for 2026 or 2030.

Supplier Social Responsibility Assessment and Audit

In addition to fulfilling its own corporate sustainability responsibilities, HTC has also extended the concept of sustainability management to the supply chain. The supplier factories are mainly located in Taiwan and China, and the rest are located in the United States, the Philippines, Japan, South Korea, Malaysia, Thailand and other regions.

HTC values the ESG performance of its suppliers, and not only evaluates its suppliers' ESG performance on a regular basis, but also conducts supplier ESG communication meetings and provides RBAs from time to time Web-based training courses to ensure that supplier partners understand and comply with the Supplier Code of Conduct. By providing consulting and counselling services, we work hand-in-hand with our suppliers to build stronger partnerships to drive sustainable development.

A Quick Look at the HTC Supply Chain Management

Definition of HTC Critical Supplier	
Due to differences in industry characteristics and supplier category attributes, critical suppliers are defined based on purchase amount (annual transaction amount is the top 80% of the total purchase amount for direct suppliers), substitutability, strategy and technological leadership.	
Management Mechanism	
New Supplier Management	New suppliers must pass the new supplier assessment and sign the HTC (RBA) Code of Conduct before they can become an official supplier. All supplier candidates are required to fill in a self-assessment questionnaire, which is designed in accordance with the five aspects of the RBA Code of Conduct, and conduct on-site audits for high-risk suppliers to ensure compliance and social responsibility, and 1 new suppliers have passed the new supplier assessment in 2025, accounting for 100% of all new suppliers.
Quarterly Evaluations	During the quarterly supplier business review meeting, key suppliers are evaluated on their sustainability performance through the ESG scorecard based on the five major aspects of labor, environment, health and safety, ethics, and quarterly project performance. Each aspect is assessed in terms of legal compliance, performance exceeding legal requirements, and management system certification, and the sustainability performance of key suppliers is verified to be included in the priority supplier selection considerations.
Yearly On-site Audit	- HTC implements the "Supply Chain Social Responsibility Audits and Performance Evaluations" and we have adopted the latest version of the RBA Code of Conduct, which includes: labor, health and safety, environment, ethics, and management systems. We introduced the RBA Risk Assessment Platform in 2023 to assess high-risk suppliers through information such as supplier country risks, manufacturing processes and product categories, as well as the RBA Self-Assessment Questionnaire (SAQ). We also encourage suppliers to actively implement the Validated Assessment Program (VAP) to enhance industry responsibility and compliance. - In 2025, HTC evaluated 50 suppliers across 83 factories and completed on-site audits at 38 factories, all of which were RBA Validated Audit Program (VAP) on-site audits. Among high-risk suppliers, approximately 50% had undergone RBA VAP audits. Going forward, we will continue to monitor high-risk suppliers and, where necessary, select high-risk suppliers that have not yet completed an RBA VAP audit for on-site audits in 2026. Compared with 2024, the number of high-risk facilities in 2025 decreased by 83%, and the proportion of high-risk facilities decreased by approximately 78%. - For audit findings, HTC requires suppliers to submit corrective action plans and provides reference examples from its own management system implementation and rollout experience. If audit results do not meet the required standards, the supplier will be placed on the priority list for the following year's on-site audit to prevent recurrence of similar issues. In 2025, no supplier failed to meet the audit requirements.

On-site Audit Results

Percentage of all Tier 1 suppliers in the RBA-validated audit process

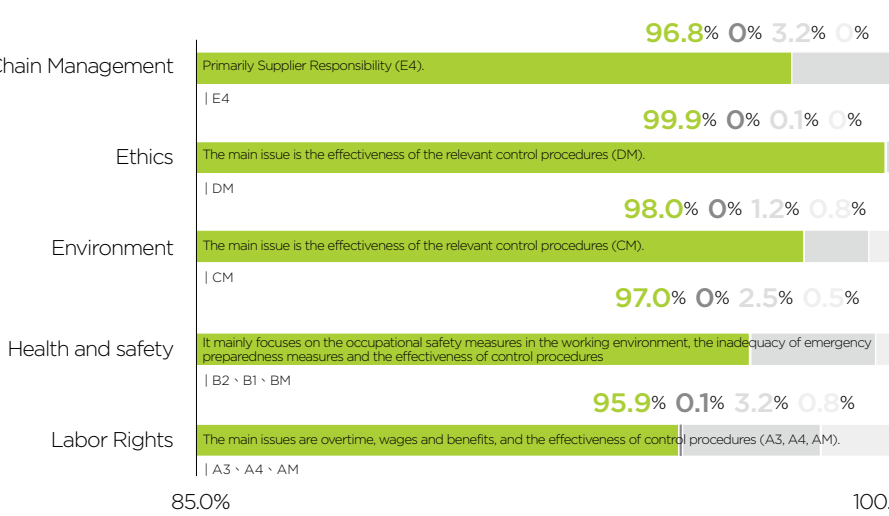
SASB Criterion	2025
The number of suppliers that have been audited by a third party / Number of facilities across all trading providers	36%
The number of high-risk suppliers that have been audited by a third party / Number of high-risk provider facilities	50%
Percentage of people who fail to pass the audit	0%
Significant missing numbers / Number of supplier facilities that have been audited by a third party	0.03
Other missing numbers / Number of supplier facilities that have been audited by a third party	3.70
Number of significant missing improvements / Significant missing numbers	0%
Number of other missing improvements / Other missing numbers	37%

Note:
1. HTC uses the RBA risk assessment tool and uses the RBA Self-Assessment Questionnaire (SAQ) to investigate high-risk suppliers, or high-risk suppliers who have not completed the SAQ and are judged to be high-risk by the RBA Risk Assessment Platform/ Medium-risk facilities.
2. Third-party audits include HTC on-site audits and VAPs, and are based on RES pass standards.
3. The statistical period is the data of supplier facilities that were audited by HTC in 2025 or VAP.
4. In response to the above findings, HTC in addition to requiring suppliers to reply to improvement measures, it also provides suppliers with experience in the introduction and implementation of the management system, and if the audit results do not meet the standards, they will be included in the priority list of on-site audits in the next year to avoid similar situations from happening again. Suppliers who have not had audit results that do not meet the standards in the current year.

Distribution of non-conformities found in the audit



RBA Compliance with the Code of Conduct (%)



Note: The statistical period is the supplier's facility data that was audited by HTC's on-site audit or Effectiveness Audit Program (VAP) in 2025



Supplier capacity improvement

Vendor ESG Communication meetings

We continue to communicate with our suppliers to help them improve their ability to respond to sustainability issues, and encourage them to incorporate sustainability into their corporate management agendas. In line with HTC's sustainability strategy, we hold various supplier sustainability seminars, and provide the latest ESG development trends, analyze the main priorities and actions of the supply chain in various issues, and strengthen the cooperative relationship through two-way communication. It also provides the supply chain with the ability to enhance environmental and social responsibility. In 2025, three supplier training sessions were held, with more than 78 suppliers participating.

RBA Web-based training courses

We offer the RBA e-Learning Academy e-learning training system to encourage suppliers to learn synchronously, and to keep an eye on updates to the RBA Code of Conduct, providing timely information and suggestions for improvement. When there are significant changes to the Code, we train our internal staff and suppliers to ensure that the new Code is introduced quickly.

Following the release of the RBA 8th Edition Code of Conduct in 2024, HTC continued to arrange for relevant employees and suppliers to participate in RBA promotional meetings and member assemblies in Taiwan in 2025. The agenda covered global regulations, updated standards, audit results, and best practices, ensuring alignment with the latest requirements.

Supply Chain Climate Engagement

To truly reduce environmental harm in a meaningful way, companies must connect with their entire supply chain and take collective action to assess and reduce supply chain climate risks. HTC's net-zero commitment represents not only HTC's determination to promote zero-carbon transformation, but also an oath to work with the supply chain to take positive actions towards low-carbon transformations. We are committed to reducing value chain carbon emissions by 25% in 2030 compared with the base year (2021) through initiatives, establishment of supplier climate capabilities, and supply chain greenhouse gas management strategies.

Climate capacity building

HTC uses various supply chain projects combined with education and training to enhance the supply chain's ability to respond to sustainable development challenges. We continue to invite suppliers to participate in supplier ESG communication meetings, CDP project briefings, and provide relevant social and environmental responsibility management training, so that suppliers can understand the latest knowledge and trends. We provide suppliers, HTC management, and industry experts with opportunities for multilateral communication. In the series of annual supplier communication meetings, we shared the latest international corporate sustainability trends and climate change mitigation and adaptation, as well as HTC's project goals related to supply chain ESG management.

In 2025, HTC continued to effectively collect and manage supply chain carbon emissions through its Supply Chain Carbon Management System, while participating in the CDP Supply Chain Program to strengthen climate management capabilities across its supply chain. At the same time, from 2024 to 2025, HTC took part in the two-year Ministry of Economic Affairs, Administration for Industry Development project, "Large Companies Supporting Smaller Suppliers for Low-Carbon and Smart Upgrading," working with supply chain partners to drive low-carbon transformation and smart upgrading.

During the project period, HTC held a total of three carbon management training sessions and product life cycle workshops, helping 57 suppliers improve their carbon inventory and management capabilities, and assisting 23 suppliers in adopting carbon management tools to strengthen data management and support decarbonization decision-making.

In addition, through supplier engagement and advisory support, HTC promoted low-carbon transformation across its supply chain by focusing on 10 key suppliers for in-depth guidance. Carbon management digital tools, specialized knowledge, and customized decarbonization strategies were effectively transferred to these core supply chain partners, putting the "large-company-led support for smaller suppliers" model into practice. Through systematic guidance and practical implementation, HTC helped supply chain partners gradually establish decarbonization action plans, achieving a total supplier emissions reduction of 103.12 metric tons of CO₂e.



Industrial Development Department - Large Companies Supporting Smaller Suppliers for Low-Carbon and Smart Upgrading: Supply Chain Engagement - Product Carbon Footprint Workshop

CDP Briefing

In 2025, HTC continued to work with CDP to hold CDP briefings to share international climate management trends and updates. Through CDP explanation, we helped suppliers understand the revised version of the CDP questionnaire and its environmental management maturity in HTC's supply chain, covering the process of using the new CDP website, HTC's key projects and best case sharing.

We expect suppliers to understand the value of climate disclosure, improve the quality of disclosure, reinforce the importance of climate management, and further enhance the maturity of environmental management, so as to encourage more enterprises to join the ranks of climate management.

Supply Chain GHG Management

In early 2025, HTC was named to the 2024 CDP Supplier Engagement Assessment (SEA) Leaderboard, which is the highest grade of Supplier Engagement Assessment (Grade A). Among more than 24,800 companies around the world that participated in the rating, only 1,394 companies can receive this highest honor.

To truly and meaningfully reduce environmental harm, companies must connect the entire supply chain and take action to measure and reduce climate risk in their supply chains. We are proud to have a place in this space as a leader in CDP's Supply Chain Engagement Assessment in 2 consecutive years.

HTC became a CDP Supply Chain Member in 2023 and further integrated supply chain CDP performance into the ESG scorecard to manage the environmental impacts caused by the supply chain and incorporate supplier rating results into procurement evaluations, thereby advancing the overall supply chain's ability to address climate change.

In 2025, the response rate to the CDP questionnaire from key suppliers reached 98%. More than 90% of suppliers reported Scope 1 and Scope 2 emissions, 88% included climate issues within board-level oversight, 73% had set carbon reduction targets, and 65% reported their use of renewable energy. We will continue engaging with tier-1 suppliers to gradually expand our influence and work with upstream suppliers to jointly strengthen carbon management capabilities across the value chain.

Suppliers achieve performance

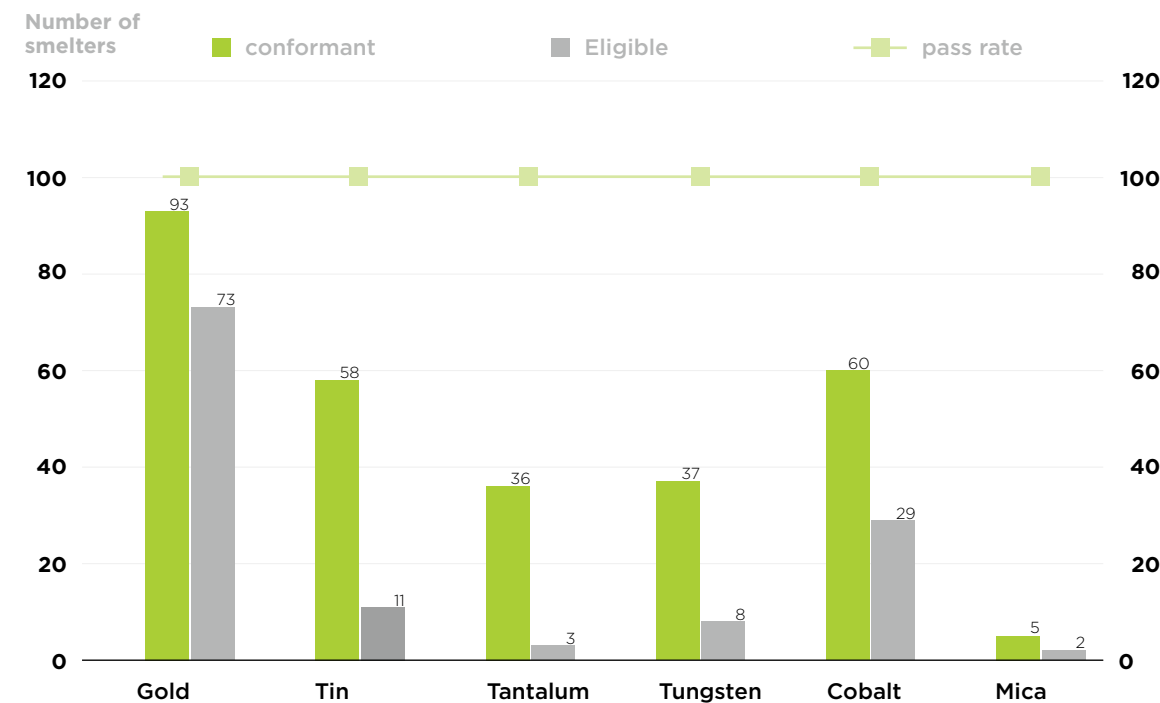
Percentage of suppliers reached	2024 HTC Supply Chain	2025 HTC Supply Chain	2025 CDP Global Supplier Average
Overall response rate	94%	98%	67%
Climate issues are included in the scope of director-level supervision	77%	88%	
Carbon reduction target setting	62%	73%	
Take action to reduce carbon emissions	66%	85%	
Report Scope 1 emissions information	78%	93%	
Report Scope 2 emissions information	74%	91%	
Report on the use of renewable energy	62%	65%	



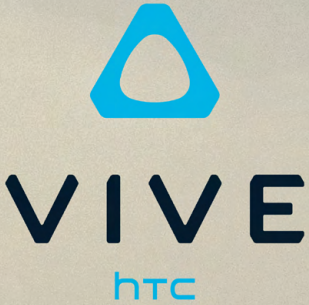
Responsible Procurement of Minerals

HTC has included conflict minerals issues in its procurement contracts, supplier code of conduct, purchase order terms, supplier social responsibility management procedures, and supplier social responsibility audits, requiring suppliers to comply with the "HTC Conflict Free Mineral Statement" to ensure that conflict minerals are not used. Each year, we use the Conflict Minerals Reporting Template (CMRT) of the Responsible Minerals Initiative (RMI) to investigate the sources of metal mines of our suppliers, effectively managing the supply chain and reducing default risks. In 2022, all minerals used in HTC products were sourced from qualified smelters. HTC has also included "cobalt" and "mica" in its metal mine source investigations since 2020 and 2022, using the Responsible Minerals Initiative's Extended Minerals Reporting Template (EMRT). This year, 289 conformant smelters and 126 eligible smelters were identified.

The intended use of conflict minerals



Note 1: A conformant facility refers to a facility that has successfully completed an assessment under the applicable RMI standard.
Note 2: An eligible facility refers to a facility that, based on the applicable RMI standard, is capable of undergoing an RMI assessment.



Friendly Workplace



Human Rights Management and Commitment

In HTC's commitment, special attention is paid to interested parties in vulnerable groups, such as children, women, indigenous peoples, people with disabilities, and other vulnerable groups. We promise not to participate in any form of human rights violations, including forced labor, child labor, discrimination, harassment, and infringement of the right to freedom of association and assembly. We also regularly review and update our policy to ensure effective implementation, including identifying and addressing potential human rights issues through due diligence by applying early warning principles. When a complaint is received, HTC follows a clearly defined incident handling process to ensure whistleblowing cases are addressed independently, fairly, confidentially, and in a timely manner, with corresponding disciplinary and remedial actions implemented based on the approved findings.

With regard to the protection of human rights and other related policies, HTC has posted on its official website its declaration and **policy commitments**. We promise to integrate policies into daily economic activities and business relations, striving to protect and respect human rights, for example, we require all suppliers to fulfill their corporate responsibilities to the same standard, and publicly announce compliance with the latest version of the Modern Slavery Act together with suppliers to demonstrate protection of labor rights. We believe that through our commitments and actions, we can make positive contributions to global human rights and sustainable development.

Human Rights Topics

HTC places great importance on human rights issues and is committed to ensuring that our business activities do not negatively impact the human rights of any interested party. We believe that identifying and developing annual human rights issues is an important step to ensuring the fulfillment of our commitment. Therefore, we use the following methods to identify and develop annual human rights issues:

1
Identifying human rights risks

We clarify and identify potential human rights risks and hazards through parties interested in our business, and list potential risk items.

2
Conduct due diligence

Internal departments conduct investigations on potential human rights risks to determine whether our policies and practices comply with relevant laws, guidelines, and standards. HTC assessed the overall level of human rights-related risks as low in 2025, including areas such as "freedom of association," "no employment of child labor and illegal workers," and "no forced labor."

3
External participation

Regularly disclose human rights risks and performance in the annual sustainability report to share progress and outcomes with stakeholders.

Regularly disclose human rights risks and performance in the annual sustainability report to share progress and outcomes with stakeholders.

Based on the above approach, the annual human rights issues identified and formulated by HTC in 2024 include:

- ✔ Labor relations
- ✔ Diversity and equality
- ✔ A good working environment
- ✔ Conflict minerals
- ✔ Personal information security and privacy

HTC will continue to ensure the identification and management of human rights issues through internal and external mechanisms, actively improving human rights risks and fulfilling corporate social responsibility.

Due diligence on human rights-related risks

Human Rights Topics/Impacts	Severity Assessment	Annual Management Measures and Results
Employees		
Labor-capital Relation		
Labor consultations and appeals	The grievance mechanism serves as the last line of defense for workers to protect their rights and interests. Without an effective and protective (anti-retaliation) communication and grievance mechanism, employees would have nowhere to turn when their rights are violated, resulting in prolonged harm and increased psychological stress.	HTC holds labor meetings to discuss employees' work rights and benefits on a quarterly basis, and produces meeting minutes to continuously track and improve issues. We also provide various channels for employees to express their opinions, including an appeal hotline, appeal opinion box, email, etc. In 2025, a total of four employee complaints were received and handled by the Human Resources department. Depending on the case requirements, relevant units such as Occupational Safety and Legal Affairs were involved to conduct fair investigations, address the issues, and respond under the principle of confidentiality, with continuous tracking of case progress. Of the four cases, one involved workplace communication issues, and the other three were complaints of workplace harassment or unlawful intrusion. Of these, two were substantiated after investigation, and one was found unsubstantiated. No cases in violation of the Labor Standards Act.
Salaries comply with relevant regulations	Wages are fundamental to workers' ability to meet the basic living needs of themselves and their families. If wages are not paid in accordance with the law, are delayed, or are improperly deducted, workers' financial safety net will be directly undermined, jeopardizing their basic right to livelihood.	HTC strictly adheres to the labor laws and regulations of each location, prohibiting discrimination against employees based on gender, race, nationality, age, religion, or party affiliation. It is committed to creating a fair and equal work environment, allowing employees to enjoy fair wages and benefits. The company also adopts a systematic performance evaluation system, taking factors into account such as employee performance, market level, and future development potential to adjust salaries, motivate employees, retain outstanding talent, and continuously promote innovative development to improve the company's competitiveness.
Diversified equal rights		
Anti-discrimination	Workplace discrimination not only deprives employees of their fundamental rights to fair compensation, promotion, and career development, but also severely undermines their dignity and self-confidence at work, causing profound psychological stress and a sense of exclusion in the workplace.	At HTC, we uphold the principle of equal opportunity and ensure that we do not tolerate any form of discrimination in recruiting, hiring, promotion, and management of employees. We are committed to creating an open, diverse, and inclusive workplace, and we foster an inclusive environment through the following mechanisms: 1.Prevention and Protection Mechanisms: We provide training on preventing workplace unlawful conduct and offer professional psychological counseling and life resources through the Employee Assistance Program (EAP) to support employees' physical and mental well-being. 2.Promotion of Diversity and Equity Principles: We emphasize the daily practice of Diversity, Equity, and Inclusion (DEI). To address bias at its root, we plan to introduce an "Unconscious Bias" course in 2026 to help employees build awareness of DEI concepts and actively promote a more open and inclusive workplace.
Respect for women	If gender equality is not effectively implemented, or if incidents such as unequal pay for equal work or workplace sexual harassment occur, they will pose a serious threat to female employees' mental health and personal safety, and give rise to long-term fear and a sense of insecurity in the workplace.	HTC values the importance of female employees in the workplace and believes that gender equality is very important. Therefore, in addition to strictly complying with relevant labor laws, it also considers adjusting service items and environmental equipment for female employees to diverse needs, and is committed to establishing a true corporate culture of gender equality. Since 2016, HTC has implemented a comprehensive Protecting and Managing Maternal Health policy, to include female employees who are pregnant, are breastfeeding for the first year after giving birth, or are still breastfeeding, to ensure that they receive the necessary protection and support. Through the above measures, we believe that we can improve the work efficiency and morale of our employees, while also attracting outstanding female talent.
Good Workplace		
Provide a safe working environment and training for workers	If a safe and healthy workplace environment, together with relevant preventive measures against hazards, is not established, workers will be more vulnerable to harm, face increased physical and mental burdens, and be unable to focus on their work. In mild cases, this may result in injuries; in severe cases, it may even cost lives.	HTC is committed to creating a safe and healthy workplace environment and conducts regular and irregular inspections of workplaces, vehicles, equipment, facilities, and firefighting equipment to ensure a safe working environment. We also conduct audits of safety requirements such as protective measures, personnel safety, and health education records, and pre-, during, and post-use inspections of machinery and equipment, including organic solvents, ionizing radiation, and infrared detection. To enhance employees' awareness of health and safety and regulatory requirements, we provide basic training on general health and safety and use of hazardous and harmful materials, and education and training for employees engaged in hazardous or special operations.

Employee healthcare	If a healthy working environment and related measures are not provided, workers may easily overlook early signs of physical or mental illness, delaying timely treatment. In mild cases, this can reduce work efficiency; in severe cases, it may damage health, prevent workers from fully applying their expertise, and even force them to leave the workplace.	To provide a comfortable and healthy working environment for all employees, we are committed to providing healthcare services across three major areas: "health management", "health promotion", and "healthcare", to ensure the physical and mental health of employees and to ensure a work-life balance.
No forced labor	Forced labor completely deprives workers of personal freedom and the right to choose autonomously. Accompanying economic coercion, such as withholding wages, or restrictions on movement, can cause severe and long-lasting physical and psychological trauma, constituting a serious violation of fundamental human rights.	HTC strictly prohibits any form of forced labor and ensures that employees have the freedom to terminate their labor contracts. As of 2025, no operating site has experienced any form of forced labor.
Unemployed child labor and illegal labor	The misuse of child labor directly deprives minors of their right to education. Being drawn into the labor environment too early can also cause irreversible harm to bone development and mental growth. Illegal migrant workers are likewise highly vulnerable groups, easily subjected to exploitation and unable to seek assistance through formal systems.	HTC strictly prohibits all operating sites and global suppliers from illegally hiring children and engaging in illegal labor. We require employees to provide age certificates when hiring them, and ensure that students in cooperative education also comply with the law. We also ensure that all operating sites comply with local labor laws and regulations to protect labor rights. In 2025, none of HTC's operational sites employed child labor.
Temporary agency workers	Temporary agency workers are relatively disadvantaged in the workplace. If they face unequal pay for equal work, exclusion from benefits, or a lack of employment stability, they may experience a strong sense of relative deprivation and economic anxiety, affecting their dignity at work.	For high-risk external workers such as temporary staffing agencies, HTC has established the HTC Agency Staffing Selection and Management Guidelines as the basis for management and oversight. Prior to entering into a contract with a vendor, HTC conducts a comprehensive assessment of its labor conditions, including the vendor's contract terms, labor sources, wages, working hours, and relevant occupational safety and health certifications. During the course of the partnership, HTC also continuously monitors the use of dispatched labor and, as needed, conducts audits or confirmations of labor-related conditions, covering records such as wage payments and labor and health insurance coverage, to safeguard labor rights and interests °
Free association	Restricting freedom of association weakens employees' collective right to speak out. When employees face unreasonable changes to labor conditions, they lack organizational protection and bargaining power, increasing the risk of their labor rights being harmed.	HTC respects employees' right of free association and is committed to providing channels and an environment for free expression of opinions. We encourage employees to effectively express their opinions and ideas through diverse labor negotiation and appeal channels, such as unions, labor meetings, and appeal procedures.
Provide accessible facilities for individuals with physical and mental disabilities	If accessibility measures are not provided, the efficiency of employees with disabilities in the workplace will be affected, and psychological discomfort will be intensified. In mild cases, this may lead to falls; in severe cases, it may even be fatal.	The accessibility facilities of the building include ramps, escalators, and elevators. We have set up blind spot signs on the disabled elevators in our Taipei office so that people with limited vision can use these facilities.

Suppliers		
Conflict Minerals		
No use of conflict minerals	If suppliers use conflict minerals, they may face legal violations, damage the company's reputation, lose customers and orders, and cause raw material interruptions, higher costs, and the need for re-validation.	We conduct responsible investigations and management of conflict minerals, conduct annual investigations on the sources of raw materials from suppliers, and incorporate them into the supplier's social responsibility management program. No products were found to have used conflict minerals in 2025. See the ' Sustainable Supply Chain ' section for further details.
Labour human rights		
Free choice of profession	If a supplier violates the Responsible Business Alliance (RBA) Code of Conduct and the principles of the Universal Declaration of Human Rights, the consequences may be severe, including: ● Legal and compliance risks: Potential violations of labor, human rights, or supply chain regulations, leading to fines or sanctions. ● Loss of customers: Major technology companies often require RBA compliance, and noncompliant suppliers may be eliminated. ● Brand damage: Issues involving forced labor or child labor can easily be amplified by public opinion. ● Supply chain disruption: Suppliers may need to be replaced after audits or sanctions. ● Investor withdrawal: ESG ratings and enterprise value may be adversely affected.	HTC places great importance on suppliers' protection of human rights, and followed the Code of Conduct of the Responsible Business Alliance and the United Nations Declaration of Human Rights to develop the HTC Supplier Code of Conduct, which clearly outlines the responsibilities and norms related to labor, health and safety, ethics, and other key areas. It is implemented through multiple measures, including: ● On-site audits, identifying deficiencies and taking corrective actions ● Training on human rights issues for colleagues working in procurement ● Participation in the Responsible Business Alliance (RBA) so we can understand the trends of international enterprises and member experience and practice. ● We hold supplier meetings every year to promote and demand human rights issues such as prohibitions on child labor, forced labor, and conflict minerals to expand the social responsibility of the supply chain system. We expect any supplier who has business dealings with HTC to comply with and implement this standard. By the end of 2025, HTC has signed 1 new suppliers to the Code of Conduct, with a 100% return rate. See the "Sustainable Supply Chain" section for more details.
Unemployed child labor and illegal labor		
No Forced Labor		
Salary and Benefits		
Human Treatment		
Anti-discrimination		
Freedom of Association		
Corporate Customers		
Personal Information Security and Privacy		
No personal information or other information leaks	HTC assesses the likelihood of personal data and information leakage incidents as low; however, once such an incident occurs, it may infringe on the privacy rights and related interests of stakeholders, while also creating regulatory compliance risks and reputational damage. Therefore, this issue is treated as a material human rights management topic, and HTC continues to implement preventive management and controls.	Attaching great importance to the security of personal data and information, HTC has imported a personal data management system and an information security management system, and has taken various management measures to ensure the security of personal data and other information. There have been no incidents of personal data or other information leaks to date.

A Workplace that values Human Rights

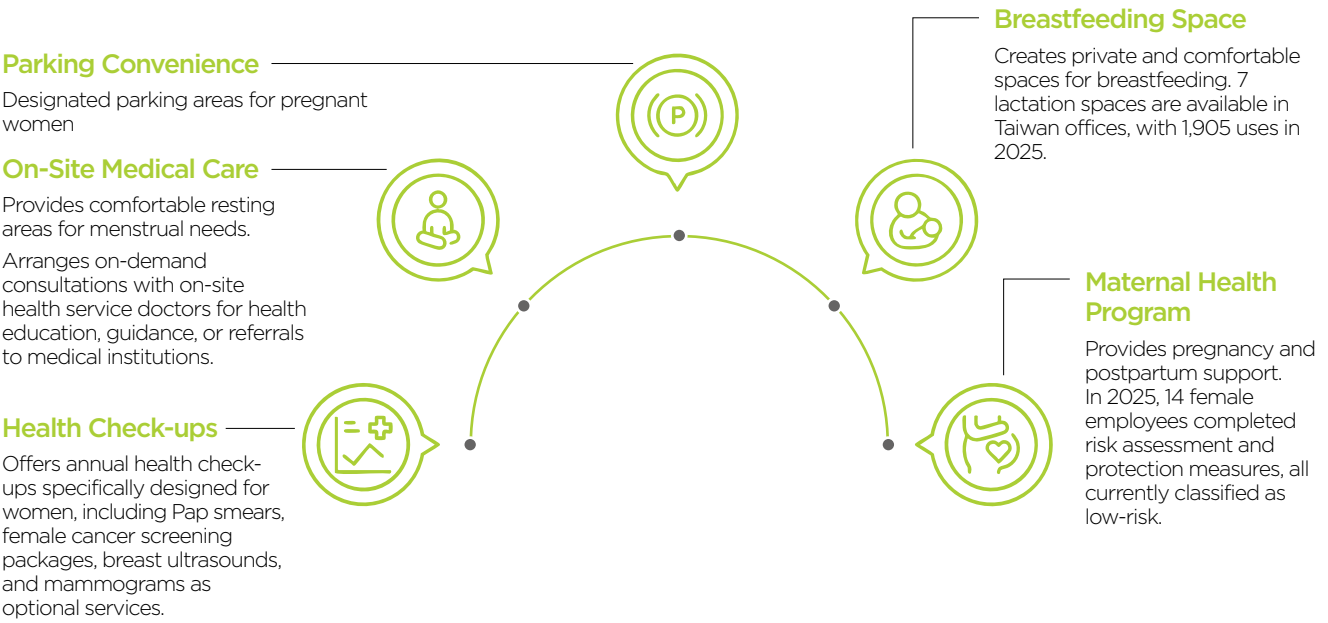
As an international enterprise, HTC values labor human rights and upholds the basic principles of equality, inclusiveness, and anti-discrimination. We adhere to providing fair and open employment opportunities for every candidate, and respect the human rights and workplace equality of every employee. We are committed to the highest environmental, social, and moral integrity standards to create a healthy, just, and fair work environment.

No Child Labor

HTC complies with human rights standards and labor laws, and safeguards employees' labor rights in accordance with the law while implementing human rights management. Child labor is strictly prohibited across all HTC operating sites and supply chains. Employees are required to provide proof of age upon employment, and students participating in cooperative education programs must also meet local legal age requirements to protect the rights and welfare of children and adolescents.

To date, no related violations have occurred. Nevertheless, HTC continues to uphold a highly cautious approach and actively improve its internal grievance and remediation mechanisms to ensure that risks can be identified and addressed in a timely and appropriate manner. If any verified human rights violation occurs, HTC will immediately launch an investigation, provide necessary assistance to victims based on the principle of victim first, and implement corrective measures. At the same time, HTC will strengthen education, training, and institutional controls to prevent recurrence and demonstrate its commitment and determination to continuously improve human rights protection.

Valuing Female Employees



HTC places great emphasis on the value of female employees in the workplace, and has established a corporate culture of gender equality by adjusting our service offerings and improving environmental equipment. We also promote physical and mental healthcare measures for female employees, including the following:



Accessible parking spaces for pregnant women and people with a disability

- A female free cancer-screening program is part of the annual health check. This includes the choice of a Pap smear, a breast ultrasound exam, or a mammogram.
- Consideration for the physiological needs of female workers during menstrual cycles, providing a comfortable environment for rest, equipped with electric heating pads and far-infrared therapy devices, menstrual pain assessment, health knowledge and education, physician consultation or referrals and so on.
- Car/ scooter parking spaces near the parking lot entrance/exit for pregnant women.
- Seven breastfeeding rooms in the offices in Taiwan, each equipped with ultraviolet milk bottle boxes, a microcomputer water boiler, comfortable couch, refrigerator to store breast milk, and relaxing music. These facilities were used 1,905 times in 2025.
- The Mother Health Protection Plan kicked off in 2016 and covers pregnant women, mothers within the first year of giving birth, and mothers who are breastfeeding. The Plan made an inventory, underwent risk identification, and offers individual medical consultations, work adjustments and a reinstatement program following pregnancy. In 2025, a total of 14 female employees completed risk classification and protection measures, all of which are currently considered a low risk level and are being monitored.

Work-life Balance Support

To encourage and support employees in raising the next generation with peace of mind, HTC Taiwan has established a comprehensive leave application mechanism for family care leave and parental leave, safeguarding employees' right to work so they can balance family and work with confidence. In response to the amended law taking effect in 2026, which introduces greater flexibility for parental leave—allowing leave to be taken on a daily basis (up to 30 days) and adjusting related family care leave rules—the company has updated its application mechanism accordingly to enhance flexibility.

For employees who apply for parental leave on a daily basis, their group insurance coverage remains uninterrupted, helping them raise children with peace of mind. For family care leave, HTC also provides measures more favorable than the legal requirements by combining family care leave and personal leave up to 14 days, without separately limiting family care leave to 7 days.

Through these system improvements, HTC Taiwan continues to strengthen support for employees and their families, promote work-life balance, and enhance employee retention and organizational long-term competitiveness.

Employees applying for Family care leave

Year	Male	Female	Total
2023	16	25	41
2024	20	23	43
2025	11	25	36

Employees Applying for Unpaid Parental Leave and Resuming Duty after Leave in 2025

	Male	Female	Total
The Number of Qualified for UPL for Raising Children in 2025 ^(Note 1) .	54	23	77
The Number of Person Actual Applied UPL in 2025	0	6	6
UPL Application Rate in 2025 ^(Note 2) .	0%	26.1%	7.8%
The Number of Reinstatement-to-be in 2025 (A)	3	10	13
The Number of Application for Reinstatement in 2025 ^(Note 4) (B).	2	10	12
Reinstatement Rate in 2025 ^(Note 5) (B/A) %	66.7%	100%	92.3%
The number of Application for Reinstatement in 2024 ^(Note 3) (C)	1	9	10
The Number of Retention Over 1 Year After Reinstatement in 2024 (D)	0	2	2
Retention Rate in 2025 (Note 6) (D/C)%.	0%	22.2%	20%

Note:
1. The number of employees eligible to apply for maternity leave and paternity leave in 2025 is calculated based on the number of employees who have taken maternity leave and paternity leave in the past three years (2023-2025)
2. The 2025 application rate for parental leave = the actual number of people applying for parental leave in 2025 /the number of people eligible for parental leave application × 100%
3. The number of people who have been reinstated in 2024 includes those who applied in 2022, 2023 and 2024, and were reinstated in 2024.
4. The number of people who have been reinstated in 2025 includes those who applied in 2023, 2024 and 2025, and were reinstated in 2024.
5. The 2025 Reinstated Rate = Number of reinstated people in 2025 / Number of reinstated people expected in 2025 × 100%
6. The 2025 retention rate = Number of people who continued working for one year after resuming employment in 2024 / Number of people who resumed employment in 2024 × 100%.

Listening to the Voice of the Employee

HTC has nearly 1,200 employees worldwide, and the improvement of internal communication mechanisms has a significant impact on the company's operational growth. Therefore, HTC places great emphasis on internal communication and is committed to establishing a harmonious atmosphere of mutual trust between labor and management. To ensure the rights and freedom of expression of employees. In 2025, there were no cases of violation of the Labor Standards Act by HTC.

HTC has established a comprehensive grievance, whistleblowing, and violation reporting mechanism, including a dedicated hotline and email address for employees and stakeholders to report suspected violations of laws, company policies, or inappropriate workplace conduct, such as sexual harassment, discrimination, and other complaints. This ensures that employee concerns are heard and addressed promptly, while maintaining confidentiality and fairness throughout the reporting proces.

1. Statistics on grievance cases related to workplace misconduct during the reporting year

Item	Total reports received regarding workplace misconduct	Cases substantiated after investigation	Cases under investigation	Unsubstantiated
2025	3	2	0	1
For cases substantiated through investigation, the company takes the following actions according to the nature and severity of the violation:				
Item	Warning / written warning	Demerit, demotion, or job reassignment	Dismissal or termination of employment	Referral to judicial authorities or legal proceedings
2025	0	0	2	0
All cases are handled in accordance with company policies, applicable laws, and due process principles. No major violations requiring referral to judicial authorities occurred during the year.				

2. Case handling and corrective process

The company has established a clear violation-handling process to ensure that reported cases are addressed independently, fairly, and in a timely manner, as described below:

- Receipt of report:**
Reports are received through internal complaint channels, a dedicated reporting mailbox, or a third-party whistleblowing mechanism. The confidentiality of whistleblowers' identities and protection from retaliation are strictly maintained.
- Preliminary assessment and independent investigation:**
The HR department, Legal department, or a designated independent unit conducts fact-finding. Where necessary, external professional advisors may be engaged to ensure objectivity and completeness.
- Committee review:**
Investigation results are submitted to the relevant internal review mechanism for deliberation, and the disposition is determined in accordance with company rules and applicable laws.
- Implementation of discipline and improvement:**
Appropriate disciplinary actions are carried out based on the approved findings, and the adequacy of related management systems is reviewed.
- Post-disposition prevention and follow-up:**
Based on the root causes of each case, the company strengthens training, revises policies, and improves management controls, while continuously tracking the effectiveness of corrective actions to prevent recurrence.

3. Zero-tolerance policy and remedial measures

The company adopts a zero-tolerance policy toward any form of illegal conduct, workplace bullying, sexual harassment, discrimination, misconduct, corruption, or retaliation against whistleblowers. Once substantiated, such cases will be handled strictly in accordance with the law and company regulations.

To protect employees' rights and create a safe workplace, the company also provides appropriate support and remedial measures for affected individuals, including but not limited to:

- access to psychological counseling or Employee Assistance Program (EAP) resources;
- work content or job adjustments when necessary;
- protection from any form of adverse treatment or retaliation;
- ongoing care and follow-up as needed.

The company also strengthens employee awareness of relevant policies through regular training and internal communications, thereby reinforcing a corporate culture of integrity and respect for human rights.

- Labor-management meeting mechanism**

HTC places great importance on labor management harmony. If there are any labor disputes, we conduct labor management negotiations in accordance with the law, and handle the dispute promptly and properly.

At least 4 labor-management meetings are held regularly every year. The labor meetings consisting of 13 representatives selected by employees and seven representatives designated by the company, to discuss the previous unresolved cases and new issues, and invite relevant supervisors to participate. After the meeting, the minutes are posted on the internal website for employees to review the processing status. The most frequently discussed topics in collective meetings include:
 - ✔ Work environment
 - ✔ Employee welfare

● **Respect for corporate labor union rights**

HTC has established the corporate labor union since 2015. We keep communication with members of the labor union and respect their opinions, and discuss employee feedbacks at labor-management meetings every quarter. As of the end of 2025, the corporate labor union has not proposed any demand for collective agreement.

● **Comply with regulatory requirements**

When significant operational changes occur, HTC will comply with the relevant requirements of the Labor Standards Act. In 2025, HTC had no cases of violations of the Labor Standards Act. In the event of involuntary separation, the company will not only provide job-seeking leave in accordance with the law and explain government support programs to assist employees in reemployment or in obtaining unemployment benefits, but will also extend its employee care mechanism to the separation stage, establishing a comprehensive transition support system.

In addition to the existing Employee Assistance Program (EAP), HTC has introduced flexible support measures for special cases. Through proactive care mechanisms led by managers and HR, employees with high support needs can be identified in advance and provided with timely and appropriate resources, including extended service access periods, additional counseling sessions, and services such as psychological support, stress adjustment, and career development counseling. This ensures that employees continue to receive stable and sufficient support during critical transition periods.

Employee Town Hall

The Employee Town Hall is one of HTC's important annual internal communication events. In 2025, it was held in February, with the Chairman presenting the company's vision and future direction. Heads of each business unit also shared their achievements and outlook for the new year, helping employees better understand the development of each function, promoting cross-department collaboration and communication, and enhancing overall organizational synergy.

Employee Engagement Survey

HTC values employee voice and recognition, and annually conducts employee engagement surveys to gauge employees' feelings about the company's priority measures so we can strengthen and improve specific programs accordingly.

In 2025, HTC conducted an employee engagement survey for manufacturing department employees, with a sample of 51 employees and a response rate of 98%. The survey result was 3.81 out of 5. It covered six dimensions: job content, work environment, compensation and benefits, internal communication, gender equality, and company identification, in order to better understand employees' job satisfaction, sense of mission, well-being, and work pressure. The results show that employees recognize HTC's performance in gender equality and job design.

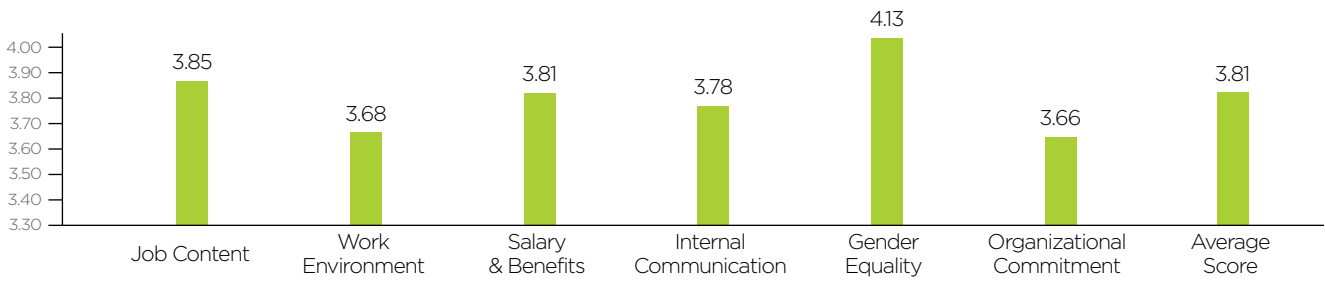
According to the latest survey, employee agreement with the statement regarding "implementation of the Gender Equality Act" reached 4.52 out of 5, indicating that measures such as parental leave, menstrual leave, and equal opportunity promotion have become a highly trusted part of the company culture. In addition, the score for fairness in recruitment and promotion was 4.20 out of 5. In talent attraction and internal promotion, HTC uses professional competence as the sole evaluation criterion, without gender-based restrictions.

The survey also showed relatively lower scores in work environment and organizational commitment, indicating room for improvement in employees' perception of manpower allocation and overall organizational commitment. To address these issues, the following improvement actions have been planned:

- 1. Continue introducing process optimization and digital tools to reduce repetitive work burdens.
- 2. Develop employer branding optimization strategies to gradually build a positive workplace image.

Going forward, HTC will continue to monitor improvement effectiveness through employee opinion surveys and make dynamic adjustments to management strategies to ensure that employee feedback is valued, enhance the overall employee experience, and create a better working environment.

The manufacturing employee’s questionnaire survey conducted in 2025



HTC Employee Code of Conduct

Through a well-established onboarding training mechanism, HTC helps new employees develop workplace standards grounded in integrity, responsibility, and a strong sense of ethics from the start of employment, ensuring that the company's values are consistently reflected in daily work and reinforcing its long-term commitment to stakeholders.

All new employees at HTC Taiwan are required to complete the online "Employee Code of Conduct" course and pass the post-training assessment after joining the company. In 2025, a total of 51 employees participated in the training, and the assessment pass rate remained at 100%.

2025 HTC Taiwan New Employees’ Participation in the “New Employee Training - Employee Code of Conduct” Course

Item				2025
New Employee Training - Employee Code of Conduct	Hours	Number	Total hours	Percentage of employees in Taiwan
	0.17	51	8.67	5.11%

Overview of Human Resource Structure

As of the end of 2025, HTC had a total of 1,155 employees worldwide. Women accounted for 31.47% of HTC's global management team. In addition, HTC's 2025 turnover rate in Taiwan for direct employees was 6.13%, covering manufacturing employees and fixed-term employees; the global turnover rate for indirect employees was 13.88%, covering regular employees, interns, and fixed-term employees; and the global voluntary turnover rate for full-time employees was 12.30%.

Note:
The turnover rate is calculated as the number of employees who left during the year divided by the average total number of employees for the year. The figures exclude employees who left involuntarily.

HTC Human Resource Structure Overview

			Male		Female		Total	
Direct / Indirect			Person	%	Person	%	Person	%
Employee category	Executive management	Indirect	32	2.77%	8	0.69%	40	3.46%
	Non-executive management	Indirect	349	30.22%	167	14.46%	516	44.68%
	Technical employees	Indirect	128	11.08%	58	5.02%	186	16.10%
	All other employees - Indirect	Indirect	42	3.64%	97	8.40%	139	12.03%
	All other employees - Direct	Direct	87	7.53%	187	16.19%	274	23.72%
Type of employment	Full-time employees		626	54.20%	504	43.64%	1,130	97.84%
	Part-time employee		12	1.04%	13	1.13%	25	2.16%
	Employees without set hours		0	0.00%	0	0.00%	0	0.00%
Employment contract	Irregular contract/ permanent employees		617	53.42%	503	43.55%	1,120	96.97%
	Fixed-term contracts/ temporary employees		21	1.82%	14	1.21%	35	3.03%
Sales Department Management	Number of Management Personnel		381	32.99%	175	15.15%	556	48.14%
	Sales Department Management		53	4.59%	32	2.77%	85	7.36%
Employees with physical and mental disabilities			5	0.43%	3	0.26%	8	0.69%
STEM people			103	8.92%	26	2.25%	129	11.17%
Total number of employees	Global employees		638	55.24%	517	44.76%	1,155	100.00%

- Note:
1. The calculation method in the "Percentage" column is: the number of employees in this type / the total number of employees as of December 31, 2025. The decrease in total headcount compared with the previous year was mainly due to a transformation in the company's operating strategy and did not affect talent retention or career development.
2. The definition of employment job titles is as follows
- Executive management : executive directors, marketing directors, finance directors, and vice presidents or above. *
 - Non-executive management : section chief, managers, deputy managers, etc.
 - Technical employees : engineers, senior engineers, chief engineers, etc.
 - Other employees - direct: manufacturing employees.
 - Other Employees - Indirect: All non-"executive management", "non-executive management", "technical employees", "other employees - direct" fall into this category.
3. The definition of employment type is as follows:
- Full-time employees: the number of working hours per week, month, or year as defined by national laws and practices regarding working hours.
 - Part-time employees: employees who work fewer hours per week, month, or year than full-time employees.
 - Employees without set hours: employees who are not guaranteed a minimum amount or fixed working hours per day, week, or month, but may be required to be ready to work according to requirements.
4. The definition of employment contract is as follows:
- Permanent employees: full-time or part-time employees who sign open-ended (i.e. indefinite) contracts.
 - Temporary employees: employees who sign fixed-term (i.e. with fixed term) contracts. The contract expires at a specified time, or ends when a specific task or event with an evaluation schedule is completed (such as the end of a project or upon the return of an employee to whom the role belongs)
5. Definition of management hierarchy in the sales department:
- Management Hierarchy: Executive Management, Non-Executive Management.
 - Sales Department: This category refers to business units that generate revenue.
6. Definition of STEM employees: STEM employees are those working in the fields of Science, Technology, Engineering, and Mathematics. This includes the union of two groups:
1. Employees who graduated from programs in Science, Technology, Engineering, and Mathematics, and 2. Employees working in departments that execute STEM-related business.



Employee Rank Distribution by Age

Male										
	Executive management		Non-executive management		Technical employees		All other employees		Total	
Age	Person	%	Person	%	Person	%	Person	%	Person	%
≤ 29	0	0.00%	3	0.26%	23	1.99%	24	2.08%	50	4.33%
30-50	12	1.04%	271	23.46%	102	8.83%	91	7.88%	476	41.21%
≥ 51	20	1.73%	75	6.49%	3	0.26%	14	1.21%	112	9.70%
Total	32	2.77%	349	30.22%	128	11.08%	129	11.17%	638	55.24%

Female										
	Executive management		Non-executive management		Technical employees		All other employees		Total	
Age	Person	%	Person	%	Person	%	Person	%	Person	%
≤ 29	0	0.00%	2	0.17%	15	1.30%	29	2.51%	46	3.98%
30-50	2	0.17%	133	11.52%	42	3.64%	187	16.19%	364	31.52%
≥ 51	6	0.52%	32	2.77%	1	0.09%	68	5.89%	107	9.26%
Total	8	0.69%	167	14.46%	58	5.02%	284	24.59%	517	44.76%

Note: The calculation method of the proportion is the number of persons in this category / the total number of employees at the end of the period

HTC's total employees by job title in the past 3 years

(Unit: person/%)

		Executive management		Non-executive management		Technical employees		All other employees		Total	
Year		Person	%	Person	%	Person	%	Person	%	Person	%
2023	Male	46	2.21%	640	30.78%	374	17.99%	205	9.86%	1,265	60.85%
	Female	9	0.43%	260	12.51%	144	6.93%	401	19.29%	814	39.15%
	Subtotal	55	2.65%	900	43.29%	518	24.92%	606	29.15%	2,079	100.00%
2024	Male	43	2.21%	627	32.22%	341	17.52%	189	9.71%	1,200	61.66%
	Female	10	0.51%	258	13.26%	139	7.14%	339	17.42%	746	38.34%
	Subtotal	53	2.72%	885	45.48%	480	24.67%	528	27.13%	1,946	100.00%
2025	Male	32	2.77%	349	30.22%	128	11.08%	129	11.17%	638	55.24%
	Female	8	0.69%	167	14.46%	58	5.02%	284	24.59%	517	44.76%
	Subtotal	40	3.46%	516	44.68%	186	16.10%	413	35.76%	1,155	100.00%

HTC Global Site Employee Structure Distribution

Percentage of gender group representation of global employees

	Local Employees		Foreign Employees		Total	
	Male	Female	Male	Female	Male	Female
Executive management	2.08%	0.61%	0.69%	0.09%	2.77%	0.69%
Non-executive management	23.55%	10.39%	6.67%	4.07%	30.22%	14.46%
Technical employees	10.74%	4.85%	0.35%	0.17%	11.08%	5.02%
All other employees	10.82%	22.86%	0.35%	1.73%	11.17%	24.59%
Total	47.19%	38.70%	8.05%	6.06%	55.24%	44.76%

Note:
Local Employees: Employees who hold the nationality of the company's location (Taiwan).
Foreign Employees: Employees who do not hold the nationality of the company's location.

The total number of employees that require a work visa in the past three years

Year	Employees that require a work visa			
	Male		Female	
	Person	%	Person	%
2023	12	0.58%	5	0.24%
2024	16	0.82%	6	0.31%
2025	7	0.61%	4	0.35%

Total number of employees by region

		Permanent employees	Full-time employees	Part-time employees	Temporary employees	Employees without set hours
APAC	Taiwan	966	32	975	23	0
	Others	58	3	61	0	0
America		47	0	47	0	0
EMEA		49	0	47	2	0

The total number of employees country in the past three years

Year	Local Employees				Foreign Employees			
	Male		Female		Male		Female	
	Person	%	Person	%	Person	%	Person	%
2023	1,062	51.10%	688	33.10%	203	9.80%	126	6.10%
2024	1,016	52.2%	634	32.6%	184	9.5%	112	5.8%
2025	545	47.2%	447	38.7%	93	8.1%	70	6.1%

Note:
Local Employees: Employees who hold the nationality of the company's location (Taiwan).
Foreign Employees: Employees who do not hold the nationality of the company's location.

Number of employees by nationality

Year	Nationality					
2025	Taiwan	992	India	3	Sudan	1
	China	50	Australia	3	Vietnam	1
	United States	41	Singapore	2	Myanmar	1
	United Kingdom	27	Mexico	2	Finland	1
	France	7	Ireland	2	Netherlands	1
	Japan	6	New Zealand	2	Russia	1
	Poland	4	Macau	1	Philippines	1
	Malaysia	4	Germany	1	Canada	1

The total number of employees by region in the past three years

	APAC				America		EMEA		Total
	Taiwan	Others	Subtotal						
Year	Person	Person	Person	%	Person	%	Person	%	Person
2023	1,764	137	1,901	91.40%	99	4.80%	79	3.80%	2,079
2024	1,665	109	1,774	91.2%	98	5.0%	74	3.8%	1,946
2025	998	61	1,059	91.7%	47	4.1%	49	4.2%	1,155

Global Workforce Structure, Diversity, and Local Talent Hiring Ratio for the Past 3 Years

Year	Regional Group		Executive Management	Non-executive Management	Non-management	Regional Total	Local Talent Ratio (%)
2025	APAC	Taiwan	2.77%	33.94%	49.7%	86.41%	99.20%
		Others	0.17%	3.90%	1.21%	5.28%	100.00%
	NAM		0.43%	2.94%	0.69%	4.07%	93.62%
	EMEA		0.09%	3.90%	0.26%	4.24%	100.00%
	2025 Global Total		3.46%	44.68%	51.86%	100%	99.05%
Year	Regional Group		Executive Management	Non-executive Management	Non-management	Regional Total	Local Talent Ratio (%)
2024	APAC	Taiwan	2.21%	34.12%	49.23%	85.56%	98.98%
		Others	0.10%	4.27%	1.23%	5.60%	100.00%
	NAM		0.36%	3.49%	1.18%	5.04%	94.90%
	EMEA		0.05%	3.60%	0.15%	3.80%	100.00%
	2024 Global Total		2.72%	45.48%	51.80%	100.00%	98.87%
2023	APAC	Taiwan	2.12%	31.89%	50.84%	84.85%	99.32%
		Others	0.05%	4.91%	1.64%	6.59%	100.00%
	NAM		0.34%	3.22%	1.20%	4.76%	94.95%
	EMEA		0.14%	3.27%	0.38%	3.80%	100.00%
	2023 Global Total		2.65%	43.29%	54.06%	100.00%	99.18%

Note:
1. Other Asia-Pacific regions include mainland China, Japan, Singapore, Australia, and other regions outside Taiwan; the Americas include the United States, Canada, and other locations; Europe and the Middle East include five countries, such as the United Kingdom, France, and Poland.
2. Local talent refers to employees who hold the nationality of the country where the company is established.

HTC global new and resigned employee statistics

APAC								America				EMEA				
Taiwan				Other												
New Recruits of Employees																
Age	Male		Female		Male		Female		Male		Female		Male		Female	
	Person	%	Person	%	Person	%	Person	%	Person	%	Person	%	Person	%	Person	%
≤ 29	19	1.79%	31	2.93%	1	0.09%	1	0.09%	2	4.26%	0	0%	0	0.00%	2	4.08%
30-50	13	1.23%	9	0.85%	1	0.09%	1	0.09%	2	4.26%	0	0%	1	2.04%	2	4.08%
≥ 51	0	0.00%	0	0.00%	2	0.19%	0	0.00%	0	0.00%	0	0%	0	0.00%	0	0.00%
小計	32	3.02%	40	3.78%	4	0.38%	2	0.19%	4	8.51%	0	0%	1	2.04%	4	8.16%
Total	78								4				5			
%	7.37%								8.51%				10.2%			
Turnover of Employees																
Age	Male		Female		Male		Female		Male		Female		Male		Female	
	Person	%	Person	%	Person	%	Person	%	Person	%	Person	%	Person	%	Person	%
≤ 29	55	5.19%	52	4.91%	1	0.09%	2	0.19%	2	4.26%	0	0.00%	2	4.08%	2	4.08%
30-50	140	13.22%	101	9.54%	21	1.98%	17	1.61%	29	61.70%	14	29.79%	11	22.45%	5	10.20%
≥ 51	37	3.49%	21	1.98%	3	0.28%	0	0.00%	5	10.64%	0	0.00%	2	4.08%	1	2.04%
Subtotal	232	21.91%	174	16.43%	25	2.36%	19	1.80%	36	76.60%	14	29.79%	15	30.61%	8	16.33%
Voluntary Turnover	80	7.55%	69	6.52%	8	0.76%	2	0.19%	5	10.64%	2	4.26%	3	6.12%	2	4.08%
Involuntary Turnover	152	14.35%	105	9.92%	17	1.61%	17	1.61%	31	65.96%	12	25.53%	12	24.49%	6	12.24%
Departures Excluding Retirements	195	18.41%	145	13.69%	25	2.36%	18	1.70%	36	76.60%	14	29.79%	15	30.61%	8	16.33%
New Employee Turnover Within One Year	106	10.01%	57	5.38%	1	0.09%	1	0.09%	4	8.51%	2	4.26%	2	4.08%	1	2.04%
Total	450								50				23			
%	42.49%								106.38%				46.94%			

Note:
1. Proportion calculation method = Number of new or resigned employees / total number of employees in the region at the end of the period
2. Total number of employees at the period end of each region: 1,059 people from Asia; 47 people from the Americas; and 49 people from Europe and the Middle East

Talent Attraction and Retention

HTC understands that the driving force of enterprise innovation comes from talent. Therefore, in addition to encouraging employees to explore unknown fields and bring innovative design into their lives, it is also committed to building a diverse, dynamic, and enthusiastic work environment, adhering to an open and inclusive policy, and giving employees sufficient authorization and room to grow to attract outstanding talent from around the world. In addition to jointly focusing on environmental protection, social welfare, and other issues with general enterprises, HTC has a deeper understanding that investment in talent is the primary responsibility of enterprises, and continues to expand the influence of HTC's employer brand through diverse recruitment channels, such as social media, and participating in external talent sustainable alliances. To this end, we continuously strive to build a diverse and motivating work environment where employees can unleash their strength and creativity, and achieve common growth of personal values and corporate goals.

Talent Attraction - Diversified recruitment channels to strengthen the employer brand

HTC is committed to the philosophy of deep local engagement and shared growth, and pledges to prioritize the hiring and development of outstanding local talent at all major operational locations. This not only contributes directly to the economic development of local communities, but also leverages local talent's keen market insight to strengthen the company's resilience and decision-making quality. In addition, it reduces the additional costs and carbon footprint associated with overseas assignments, achieving sustainable shared growth between the company and local communities.

HTC is also dedicated to creating a diverse and inclusive recruitment environment through a multi-channel strategy to continuously attract outstanding talent. In addition to posting job openings on major recruitment platforms, we actively participate in campus and industry recruitment events to expand our reach to potential candidates.

In 2025, HTC further participated in the Kaohsiung Asia New Bay Area Overseas and Foreign Talent Employment Briefing and the Kaohsiung City Government Youth Bureau Talent Job Matching Event, collaborating with local governments and industry partners to promote cross-regional and cross-border talent mobility, demonstrating our support for youth employment and international talent.

In employer brand development, HTC was honored in 2025 with the Yourator Annual Employer Brand Award and the 1111 Happy Enterprise Silver Award, recognizing our efforts in talent attraction and brand value. We will continue enhancing our corporate image and attracting more outstanding talent to join us.

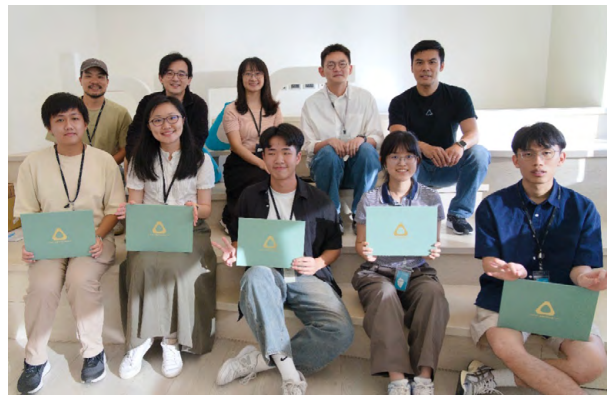
Youth Empowerment Around the Globe

To recruit the best talent worldwide, HTC adheres to the concept of "all talent is useful", and actively recruit local elites in the fields of AR/VR, 5G, artificial intelligence, and others. We release recruitment information on our official website and social media, regularly participate in campus recruitment activities, symposiums, and technical seminars, and cooperate with schools to hold youth resume health screening activities and the "Talent Sustainability and Industry-Academia Co-Creation" initiative to promote in-depth exchanges and interactions with academia and jointly nurture future talents.

Additionally, HTC offers internship opportunities every year, helping students apply what they have learned in practice, gain experience, and quickly adapt to the workplace. In 2025, we once again partnered with National Taiwan University in the "Taiwan Mentor Program – Interdisciplinary Internship Project," opening internship positions to students from all majors and introducing a corporate mentorship system to help young people explore their career directions. We focus on three core areas—sustainability, intelligence, and innovation—allowing students to take part in forward-looking projects and prepare for the future. Through this program, HTC not only discovers promising emerging talent but also provides priority hiring opportunities, enabling interns to transition directly from internship to full-time employment and become part of HTC.

In addition, HTC actively establishes long-term partnerships with multiple universities. For consecutive years, we have collaborated with National Taiwan University of Science and Technology and National Yang Ming Chiao Tung University to host resume review and career counseling events, further strengthening industry-academia collaboration and building a sustainable talent development ecosystem.





△ NTU Taiwan Mentor Program x HTC: Results Sharing



△ National Taiwan University of Science and Technology Industry Mentor Consultation Event



△ HTC continues to organize resume review events to help students highlight their strengths and stand out



△ Shared insights with students at the "2025 Hsinchu City Youth Future APEC International Issues Innovation Camp" on the talent blueprint and key workplace capabilities in the AI era

Building a quality workplace and expanding brand influence

In recent years, HTC has adopted a technology-trend-driven and theme-based approach to carefully design job roles with strong growth potential, while also providing comprehensive employee care and supporting a healthy work-life balance. At the same time, we actively promote our strengths through online platforms such as Instagram and LinkedIn, expanding our reach and strengthening our brand image to establish a competitive advantage in recruitment. HTC is committed to giving back to society and actively collaborates with various recruitment channels, disability employment counseling organizations, and government agencies—such as the Workforce Development Agency under the Ministry of Labor—to create a more friendly and accessible job-seeking environment for people with disabilities. Through these partnerships, we hope to provide more employment opportunities, enabling every job seeker to make the most of their strengths in the right workplace and help build a more inclusive society.

Supporting Taiwan's talent through practical actions

As a pioneer in technological innovation, HTC has always regarded talent cultivation and development as a top priority. With the rise of ESG and DEI, global companies are paying more and more attention to the social responsibility of talents. In this environment, in 2025, HTC continued to participate in and support the initiative of "TALENT, In Taiwan, Talent EGS Action Alliance" in 4 consecutive years!

We are committed to promoting six aspects of sustainable talent development, including "Meaning & Value", "Diversity & Inclusion", "Rewards & Incentives", "Physical & Mental Health", "Talent Growth", and "Communication and Engagement." In a rapidly changing industrial environment, we are committed to take these key aspects into account to ensure the sustainable competitiveness of our talents.

We work with "Commonwealth Learning", "Cheers Happy Workers" and more than 500 alliance partners to advocate for the Hope Project to nurture talent and create a better future for everyone.

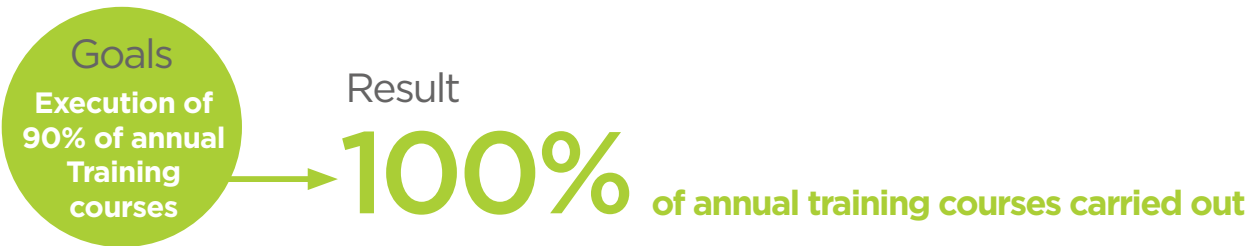


Talent Cultivation and Development

Facing rapid changes in the global market and the wave of digital transformation, HTC not only pursues business performance and long-term value, but also places great importance on employees' continuous growth and career development. We are committed to fostering a forward-looking and inclusive learning culture that integrates industry trends, organizational development needs, and employees' individual career plans, supporting employees in continuously enhancing their professional capabilities and key competencies.

We regard talent development as one of the key management indicators supporting the company's sustainable operation. Based on our overall business and strategy, HTC has established a comprehensive talent development system. We define learning priorities for different job levels and roles, and provide corresponding training resources and learning mechanisms to strengthen human capital, enhance organizational resilience, and promote long-term mutual growth between employees and the company.

2025 HTC talent training goals and achievement



HTC Global Human Capital Return

2023	2024	2025
56.0%	28.6%	45.5%

Note: Global Human Capital Return is calculated as follows: ((Total Revenue - (Total Expenses - Total Employee Expenses)) / Total Employee Expenses. Total employee expenses include costs associated with salaries, benefits, and education and training.

Talent Review Mechanism

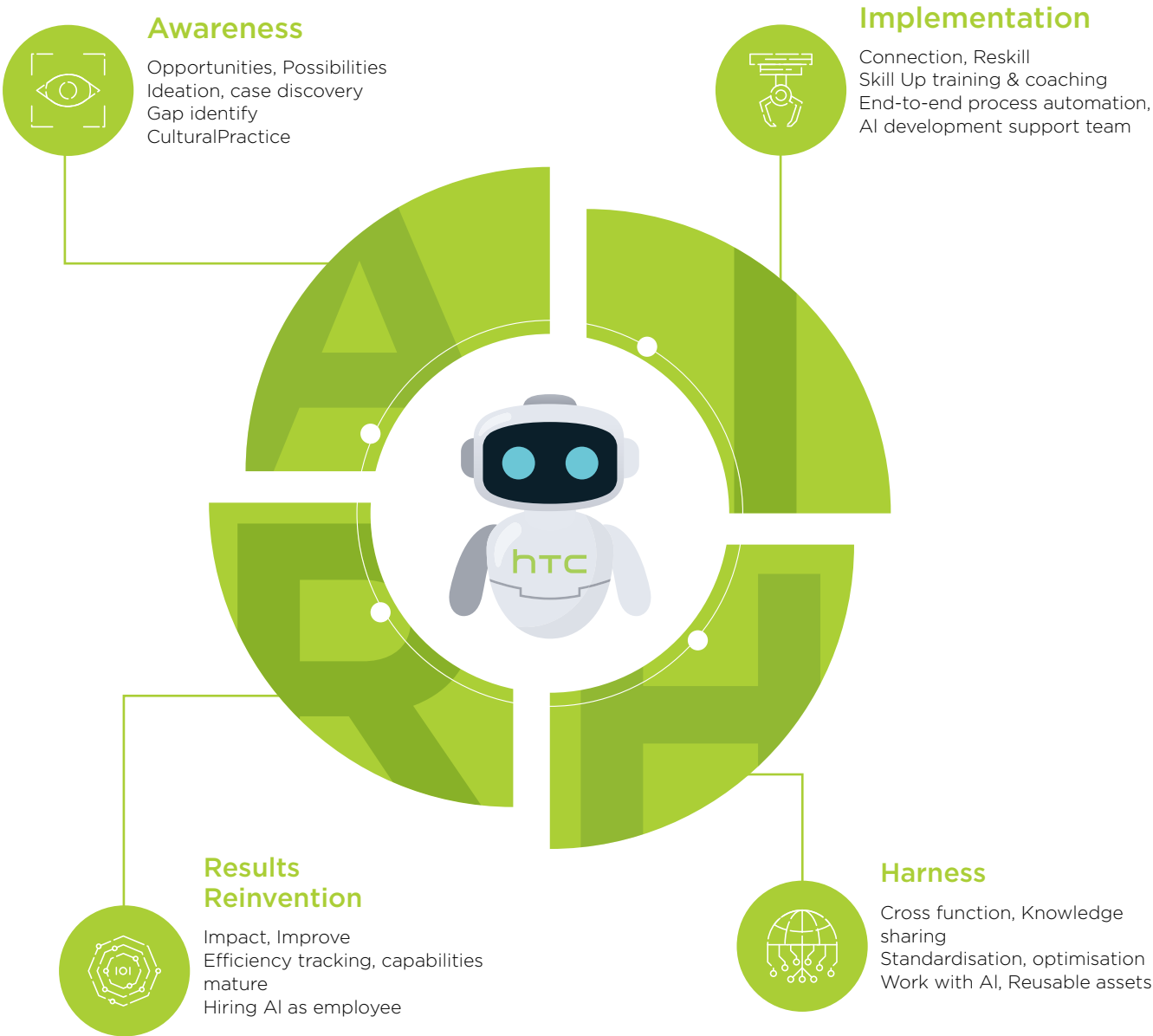
To optimize organizational effectiveness and drive transformation, how to better develop talent potential and create value has become a top priority. HTC continues to promote a systematic talent review process, collaborating with key business units and subsidiaries to assess and map talent deployment. This enables us to accurately identify organizational and role gaps and accelerate the development of a strong talent pipeline.



AI Empowerment to Strengthen Organizational Resilience

Amid the global wave of digital transformation, HTC regards AI as a key tool for helping employees create greater value. In this process, the HR function plays the role of a critical enabler, driving AI empowerment to help employees focus their efforts on high-value creation and decision-making, thereby strengthening organizational resilience.

Through the AIHR framework, the HR function demonstrates a culture and mindset of continuous evolution, supporting the collaborative operation of HR and AI as a "digital workforce." AIHR follows four development phases—Awareness, Implementation, Harness, and Results & Reinvention—to progressively deepen employees' understanding of AI, identify business application opportunities, and translate strategy into concrete actions. These include launching HR AI projects that help colleagues save more than 600 hours annually in repetitive work, developing and reskilling talent, building AI support teams, and integrating automation and analytics capabilities into daily operations. Through standardization, cross-functional collaboration, and knowledge sharing, AIHR continues to strengthen human-AI collaboration, improve operational efficiency, and measure AI's tangible contribution to the business with quantifiable indicators. In doing so, HTC continuously optimizes processes, reshapes job roles, cultivates an innovative culture, and ensures that AI adoption aligns with governance and regulatory requirements while maintaining reliability and sustainability—laying a solid foundation for long-term value and responsible business operations.



Concrete AI Empowerment Practices and Sustainable Value

Unlocking Potential, Enhancing Experience:

Through process automation and the introduction of AI tools, HTC has enhanced employees' digital experience. For example, we created a Digital Appreciation Wall, which has accumulated over 1,000 positive messages. More than just a message board, it enables real-time interaction that spreads positive sentiment across the organization, breaks down geographic barriers in global collaboration, and allows employees' efforts to be seen and recognized instantly by colleagues worldwide. This helps strengthen psychological safety and an inclusive culture in the workplace. This sense of "being seen and valued" is a key driver of employee engagement.

Building Digital Skills through Reskilling:

In response to practical business needs, HTC launched a series of AI hands-on workshops to expand employees' digital and technology application capabilities. These included "Introduction to AIGC Design: Creative Generation and Practice," "Building Enterprise Process Automation with Power Automate," "AIGC Workflow: Applying Design Thinking to Creative Execution," and "Power Apps Hands-on Practice for Beginners." The curriculum covered generative AI applications, process automation, and low-code development tools, helping employees integrate AI technologies into their daily workflows. The program reached 143 participant sessions and achieved an overall satisfaction score of 4.5 out of 5. By equipping employees with skills progressively and comprehensively, HTC ensures they remain competitive in the AI era

Comprehensive Talent Development Map

HTC recognizes that employees at different job levels and career stages face distinct challenges and growth needs. Therefore, we have moved beyond a one-size-fits-all training framework to create tailored learning paths designed for specific levels and groups. Through this systematic blueprint, we aim to provide colleagues with the most relevant and precise resource support, turning individual potential into tangible momentum that drives the company's long-term growth. Based on this framework, we provide appropriate learning resources for key target groups:

Manager

- Leadership Development Programs: Combining professional content and platform resources from LinkedIn Learning, HTC offers a six-month AI Leadership Bootcamp to help leaders understand AI trends, strengthen their perspective on technology applications, and cultivate forward-looking leadership thinking. In addition, HTC Learning provides a wide range of management courses, such as "Strategic Thinking for Business Models" and "Enterprise Agile Transformation," supporting managers in deepening their strategic judgment and overall business thinking capabilities.
- Occupational Health and Safety Courses: To enhance managers' awareness of workplace safety and compliance issues, completion of mandatory occupational health and safety courses is required. These courses help managers strengthen legal compliance awareness and their ability to respond to workplace risks.

HTC Power Up Live! Lecture Series

To support employees' physical and mental well-being as well as positive career development, HTC launched the "Power Up Live!" growth lecture series in 2025. By inviting outstanding professionals as speakers, the series shared career journeys, experiences in overcoming challenges, and the drive to break through personal limits. A total of 3 sessions were held both in person and online, with 207 participant sessions in total. The course satisfaction scores were 4.68, 4.80, and 4.91 out of 5, demonstrating strong employee recognition of the content and its practical value. The series helps employees build a positive mindset and psychological resilience, serving as an important learning resource in HTC's efforts to foster a culture of care and employee support.

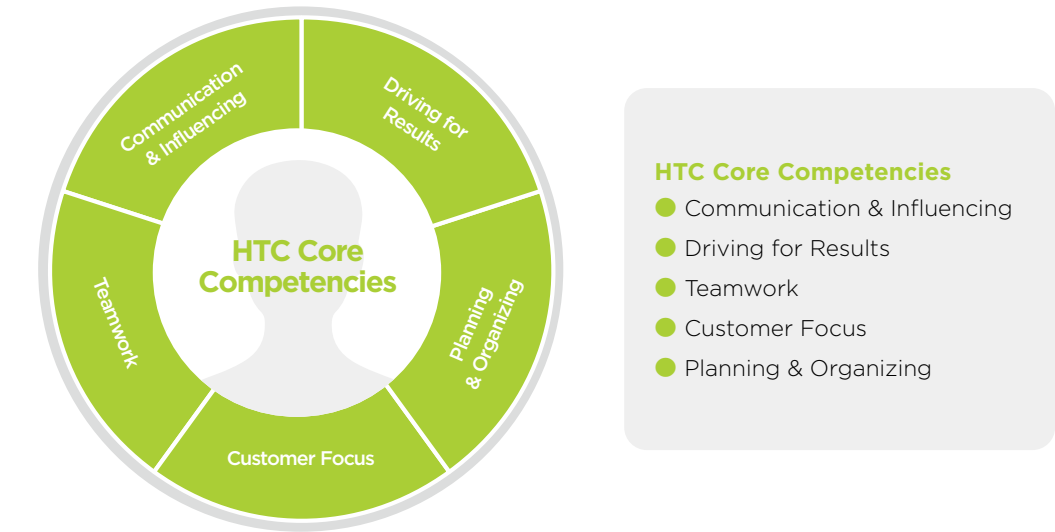


2025 HTC Power Up Live

Professional Employees

Five Core Competencies:

Based on the company's operational strategy, we have defined five core competencies to ensure employees possess the professional knowledge and skills needed to meet future challenges. We have established a systematic learning and development roadmap that integrates internal and external training resources and offers a diverse range of learning platforms to strengthen employee training programs and maximize learning outcomes.



2025 IC Training

HTC Learning Online Learning Resources:

In 2025, HTC continued to provide diverse online learning resources through HTC Learning, enabling employees to pursue self-directed learning based on their job requirements and learning pace. Course topics covered professional skills, innovative thinking, and AI applications, including "Python Beginner Village: Building a Strong Foundation," "A Three-Stage Framework for Rapid Breakthroughs: Creative Thinking Skills," "Three International Case Studies: Challenges and Solutions in Enterprise Agile Transformation," "M365 Copilot: Microsoft AI-Powered Productivity Workflow—Redefining AI-Enabled Work," and "ChatGPT as an AI Knowledge Manager: Upgrading Your Workflow and Efficiency." These courses helped employees strengthen digital literacy and work efficiency. With a total of 421 participant sessions, employees were able to learn during fragmented time according to their own job needs and learning rhythm. This not only helped the organization continuously build knowledge capital, but also enhanced employees' digital literacy and professional competitiveness through self-directed learning.

Helping New Employees Integrate Quickly

HTC has optimized its onboarding training model by offering flexible online learning to help new employees quickly understand the company culture, policies, and available work resources.

Welcome and Guidance on Day One	HR specialists assist with registration paperwork and introduce the company environment, facilities, and internal platform systems, helping new employees become familiar with the workplace quickly.
New Employee Training Program	Within the first month after joining, new employees complete an online onboarding training program covering occupational safety, information security awareness, and self-study modules. This helps them quickly understand company regulations and behavioral guidelines, building a strong foundation for their work.
Online New Employee Training Sessions	In response to changes in work patterns and learning preferences, HTC shifted its quarterly in-person onboarding sessions to an online format in 2025. A total of 3 sessions were held, covering 65 new employees. The content continued to introduce the company's organizational structure, vision and values, as well as key business areas and products, helping new employees understand HTC's development direction and integrate into the corporate culture. Satisfaction scores for the three sessions were 4.61, 4.68, and 4.80 out of 5.
New Employee Experience Survey	After completing the onboarding programs, new employees were invited to complete a survey covering areas such as job content, relationships with supervisors and colleagues, work environment, and training resources. The overall satisfaction score reached 4.46 out of 5.

Training and Performance Integration

As HTC's organization and business expand, we actively drive innovation and development, while expecting every employee to align with the organization's common understanding and goals. To this end, we have established a systematic performance management system to help employees clarify their job objectives and performance standards. This system covers relevant indicators to help employees think about and plan their annual priorities.

HTC 's performance management system is closely integrated with the training and development system, so employees can review their plan progress at any time according to the individual performance goals set at the beginning of the year, and identify the abilities that need to be strengthened and learned. At the same time, they can also participate in courses planned by the company or external training to improve their abilities. In the performance management system, supervisors and employees have in-depth meetings at the beginning of the year to jointly set personal annual goals and performance standards, and at the same time clarify the ability of employees to strengthen and learn for personal development. As time progresses, in the middle of the year, supervisors and employees will jointly review the achievement of goals and adjust the focus and schedule according to the company's development needs. In addition, at the end of the year, We encourage each department to adopt a 360-degree performance feedback mechanism. In addition to employees conducting self-assessments to review their annual goal achievement, departments may also, depending on job requirements or the nature of project collaboration, incorporate feedback from cross-functional managers and peers as reference inputs. Such a system allows supervisors to comprehensively evaluate the overall performance of employees and team results, making performance management a core tool for employee development, compensation design and training planning.

In 2025, we have completely updated our performance management training materials, focusing on providing managers and employees with accurate understanding and practical case exercises. This aims to prevent common cognitive biases in performance evaluations and enhance communication effectiveness.



Yearly	Overall employee performance appraisal rate	360-degree performance feedback
2023	100%	28.55%
2024	100%	16.00%
2025	100%	29.55%

Note:
1. Full-time indirect employees and new recruits who have completed the assessment are required to participate in the assessment.
2. Calculation method of overall appraisal rate = number of employees participating in performance appraisal / total number of employees to participate in appraisal
3. 360-degree performance feedback calculation method = the number of people who give feedback to the supervisor / the number of people who participate in the performance appraisal

Distribution of job levels and proportions of global employees receiving performance appraisals

Level/ Gender	Employee performance appraisal rate	
	Male	Female
Executive management	3.66%	0.95%
Non-executive management	40.31%	19.15%
Technical employees	14.78%	6.50%
All other employees	4.02%	10.64%

Training Result

The company continues to strengthen employees' career development and learning growth. In 2025, it sustained investment in employee training and learning resources, with total training-related expenses of approximately NT\$2.94 million and an average training time per employee rising to 13.98 hours.

HTC Taiwan Employees Training Hours in the Past 2 Years

Year	Total Training Hours	Number of Trainees	Average Training Hours per Employee	Average Training Days per Employee
2024	17,196.95	1,638	10.33	1.29
2025	13,956.80	980	13.98	1.75

Note:
1. Total of training hours of the year/ Total of Taiwan employees of the year end of period = Average of training hours per person of the year.
2. Average of training days per person = Total annual training hours / 8 hours (daily working hours) / Total of employees at the end of the year in Taiwan.

HTC's Taiwan training courses in the past 2 years

Year	General Courses			Professional Courses			Highest Completion Rate for a Single Course
	Total Training Hours	Number of Trainees	Average Training Hours per Employee	Total Training Hours	Number of Trainees	Average Training Hours per Employee	
2024	4,708.10	1,445	2.83	12,488.85	827	7.50	100%
2025	2,510.40	980	2.56	11,446.39	784	14.60	100%

Note:
1. Total of training hours of the year/ Total of Taiwan employees of the year end of period = Average of training hours per person of the year.
2. General courses include newcomer training, IC training and Wellbeing. Professional training includes supervisor management courses, direct staff training, forum lectures, and external professional training.

The training status of employees in each position at the Taiwan base

Level/ Gender	Total Course (Hours)		Average Training Hours		Number of Trainees	
	Male	Female	Male	Female	Male	Female
Executive management	242.84	56.62	9.71	8.09	25	7
Non-executive management	2,300.32	1,256.48	8.43	10.38	273	121
Technical employees	873.71	407.71	6.93	7.28	126	56
Other employees - indirect	305.47	1,156.34	8.26	13.77	37	84
Other employees - directly	2,060.42	5,296.89	26.76	29.43	77	180

Note: Total of training hours of the year/ Total of Taiwan employees of the year end of period = Average of training hours per person of the year

Salary and Benefits

HTC is grateful for the hard work of all employees so we provide excellent salary and benefits, and comprehensive welfare policies to share profits with our employees. In terms of salary and welfare policies, we strictly comply with local labor laws and regulations, and do not discriminate based on gender, race, nationality, age, religion, or political position. We also implement a systematic performance evaluation system to ensure the fairness and reasonableness of remuneration that considers market level and future development prospects, adjust salaries, and provide bonuses to align employee salaries with organizational performance, effectively retain and motivate talent, and promote continuous innovation.

Competitive Compensation

HTC is committed to creating a high-talent density environment and has therefore developed a comprehensive salary system. It participates in international salary surveys every year to understand market standards and provide employees with salaries higher than the market average guaranteed.

To retain outstanding talent, we provide appropriate salary adjustments based on employees' annual performance, development potential, company operating conditions and market salary adjustment expectations. In addition, key technology colleagues are provided with retention bonuses and long-term incentives ranging.

Promoting a Living Wage

HTC believes that fair compensation is the foundation for safeguarding employee dignity and upholding human rights. We not only strictly comply with the statutory minimum wage requirements in the jurisdictions where we operate, but also go a step further by committing to provide a Living Wage that reflects local living standards, ensuring that every employee and their family can enjoy a decent quality of life and achieve true financial security.

We refer to the latest annual living wage data published by the WageIndicator Foundation and compare it with employee compensation. In our calculation, we include only base salary, meal allowances, and fixed recurring bonuses, while explicitly excluding overtime pay and variable bonuses, so as to ensure that employees are still able to maintain a sufficient standard of living without working excessive hours. As this is the first year of the program, and benchmark data is unavailable for certain countries, the current assessment scope includes only employees in Taiwan, covering nearly 90% of the Company's total workforce. We are committed to achieving 100% coverage by 2028.

The results show that 100% of employees in Taiwan meet the living wage standard. Nevertheless, the Company will continue to conduct assessments to ensure that employee compensation keeps pace with changes in the living wage. If any gap arises, we will seek to gradually reduce the disparity through measures such as annual salary adjustments and compensation structure optimization.

Promoting a Living Wage

Item	2023	2024	2025	Annual increase/decrease rate (compared to 2024)
Number of full-time employees	1,024	906	897	99%
Average salary (NT\$ thousand)	1,208	1,332	1,400	105%
Median salary (NT\$ thousand)	937	1,092	1,139	104%
Total employee salary and welfare expenses (NT\$ thousand)	1,602,177	1,531,749	2,266,135	148%

Note: The data in this table is audited by accountants, and the total employee salary and welfare expenses refer to individual financial reports.

2025 Ratio of basic starting salary to minimum wage in Taiwan(parent company)

New Recruits Basic Pay / Taiwan Minimum Wage Rate	
Five-day workweek scheme	100%
Monthly rotating shift scheme	100%

Note:
1. Regular earnings include a base salary with additional benefits.
2. The 2025 Taiwan minimum wage is NT\$28,590.

HTC Average Compensation Ratio for Men and Women in Taiwan(parent company)

Average Base Salary Ratio (Male:Female)				
Employee Type	Executive management	Non-executive management	Technical employees	All other employees
2023	1.12:1	1.09:1	1.05:1	1.11:1
2024	1.06:1	1.10:1	1.04:1	1.08:1
2025	0.93:1	1.11:1	1:1	1:1

Average Compensation Ratio (Male: Female)				
Employee Type	Executive management	Non-executive management	Technical employees	All other employees
2023	1.41:1	1.20:1	1.14:1	1.10:1
2024	1.21:1	1.18:1	1.12:1	1.07:1
2025	1.34:1	1.20:1	1.04:1	0.98:1

Note:
1. The average base salary includes recurring salary (including basic salary and food allowance)
2. Average compensation: In addition to the recurring salary mentioned above, it also includes non-recurring compensation (e.g., year-end bonuses, performance bonuses, overtime pay, and stock-based income).
3. The data in this table is calculated based on the monthly salary of employees still in service as of December 2025.
4. The primary reason for the pay gap in executive management levels within our company is that most of our organizational units are research and development-based, a sector where market salaries tend to be higher. Additionally, the supply of talent in science and engineering from Taiwan's education system is predominantly male, contributing to the observed salary differences.

Diversified Employee Welfare

In order to ensure the rights and interests of employees and improve the cohesion of the company, we provide a comprehensive welfare system to all regular employees, and strive to improve the happiness of employees and create a pleasant working environment.

HTC Taiwan employee welfare measures

Basic benefits	Insurance	Upon joining the company, employees immediately receive group insurance coverage, which includes protection for injuries, illnesses, accidental death, and hospitalization expenses, providing financial security.
	Emergency assistance fund	When employees suffer from illness, injury, disability, or death due to occupational disasters, HTC will compensate them in accordance with the Labor Insurance Regulations or other laws and regulations. For example, the coverage includes medical benefits, injury and illness benefits, disability benefits, and survivor pensions. These ensure that affected employees and their families receive financial security.
	Pension systems	- For those to whom the old system of the Labor Standards Act apply: a monthly pension of 2% of the total wages of workers shall be allocated, and shall be deposited and disbursed in a special account of the Labor Retirement Reserve Supervision Committee. For those to whom the new pension system of the Labor Pension Act applies: a labor pension contribution rate of 6% of the monthly salary of the worker and the monthly salary classification table approved by the Executive Yuan shall be the contributed and deposited in the individual labor pension account. - As of December 31, 2025, the fair value of the Company's plan assets was NT\$783,520 thousand, which was sufficient to cover the present value of defined benefit obligations of NT\$143,407 thousand. The Company's retirement plan is adequately funded, with a net defined benefit asset of NT\$640,113 thousand, sufficient to meet all related future obligations.
Rewards and benefits	Encouragement from senior employees	HTC places great importance on employees who have made long-term contributions, and presents long-term service commemorative prizes and thank-you cards to employees who have been in service for 5, 10, 15, 20, and 25 years to thank their long-term contributions to HTC.
	Employee Association	- HTC provides a variety of clubs to promote employee well-being and interdepartmental interaction, including: Badminton, Basketball, and Fitness & Ball Sports Clubs: These encourage a culture of physical activity, enhancing fitness and teamwork. - Music and Arts Club: This club promotes cultural, artistic, and creative activities. - Charity and Volunteering Club: It focuses on community service and practicing corporate social responsibility. - HTC continuously promotes health and employee care by strengthening team cohesion through club activities, fostering a joyful work environment.
Improve facilities	Stadium	The 17th floor of the Taipei office is a sports floor with a height of 10 meters, and can be used as an indoor basketball or badminton court; employees can register for free to use the facilities.
	Gym	HTC has set up a professional fitness space, including free weight training equipment and a heavy training mat area. It also cooperates with professional fitness management consultants and entrusts professional brands to manage facilities. Six coaches with first aid certificates or sports injury protection certificates are stationed to provide on-site fitness guidance, course planning, sports injury protection, and other services. In 2025, a total of 20,328 users availed of the facility.
Benefits and subsidies	Flexible working hours	HTC is committed to creating a friendly workplace and recognizes the diverse needs of employees at different life stages and in varying circumstances. Provided that the total daily working hours are not affected, the Company offers flexible start-time arrangements, enabling employees to better balance work and life according to their personal situation. Related arrangements are handled in accordance with Company policy.
	Healthy Catering	- HTC collaborates with professional catering providers to offer a diverse range of meal options based on employee dietary needs, following the principle of using seasonal ingredients to ensure balanced nutrition. All suppliers must meet food safety certifications such as CAS, TQF, ISO, and HACCP. Additionally, pork products must be free from ractopamine to ensure food safety. - In response to environmental regulations, HTC's cafeteria actively promotes sustainable dining practices by: - Providing reusable and recyclable eco-friendly utensils. - Offering discounts at food stalls and convenience stores to encourage employees to bring their own reusable cups, thereby reducing single-use waste. - HTC continues to enhance its healthy dining and sustainable environmental measures, ensuring employees have access to high-quality food options while minimizing environmental impact.
	Meal allowance	- HTC offers a multi-tiered meal subsidy program to ensure employees receive adequate nutrition during work hours: Indirect Employees: Receive a daily meal subsidy of NT\$ 130 on weekdays and up to NT\$ 100 for lunch and dinner on holidays. Clock-in Employees (Interns, Contract Staff) and Direct Employees: Receive a subsidy ranging from NT\$ 35 to 60 based on their shift schedule. - Additionally, HTC provides free afternoon tea daily to enhance employee satisfaction and well-being. The company is committed to creating an employee-friendly work environment through comprehensive meal subsidies that cater to the needs of different roles, promoting health and work efficiency.

Benefits and subsidies	Transportation	HTC provides a shuttle service for employees, with waiting areas equipped with a GPS monitoring system so employees can track vehicle movements in real-time. Since 2022, the shuttles have been equipped with card readers to record the number of passengers. From 2023 to 2024, HTC is gradually improving vehicle dispatch to reduce carbon emissions, further enhancing the efficiency and environmental friendliness of their transportation services. Starting in June 2025, the shuttle bus schedule was adjusted from 23 trips per day to 14 trips per day.
	Mobile Benefits Platform	To enhance convenience and support a paperless policy, HTC has partnered with the PayEasy platform since 2023 and converted the Mid-Autumn Festival, Dragon Boat Festival, and year-end gift vouchers into digital points. Employees can use the online platform to quickly purchase travel packages, accommodations, and a wide range of dining, leisure, and entertainment tickets, reducing the time required for paper-based applications and reimbursements. In addition, the Employee Welfare Committee launched online subsidy applications in the second quarter of 2023, further streamlining the welfare process.
	Preferred Vendors	To promote work-life balance, the Company has expanded its preferred vendor network for travel, recreation, and cultural activities, encouraging employees to spend quality time with family and friends outside of work. In 2025, 36 new leisure-related preferred partners were added, extending benefits from the workplace to the home and creating a more holistic sense of well-being. By integrating with the mobile benefits platform, employees can also check nearby participating stores and present discounts directly through their mobile app anytime, anywhere. This allows the Company's care for employees to be accessible at all times and significantly enhances the frequency of benefit use and overall satisfaction.
	Children's Scholarship	The HTC Welfare Commission provides scholarships of different amounts for employees' children from primary school through to junior college. Those who meet the standards can apply for scholarships, which are NT\$ 800 for elementary school, NT\$ 1,600 for junior high school, NT\$ 2,000 for high school (including first grade, second grade, and third grade in a five-year junior college), and NT\$ 3,000 for junior college (including fourth grade and fifth grade in a five-year junior college). The total number of applicants in the first semester of 2025 was 254, and 194 in the second semester.
	Subsidy for the second child	HTC is committed to creating a supportive work environment for our employees, and we provide employees with a monthly subsidy of NT\$500 for their second child until the child reaches the age of 1. At the same time, we also encourage our colleagues to achieve a balance between family and career.
	Care, attention and protection of people with disabilities	- Proportion of employees with disabilities : 0.82% (parent + subsidiary) - Actively participate in the government's employment policy for people with disabilities, and strive to make jobs more suitable for people with disabilities and improve their work skills through job redesign to improve ability to adapt - We engage with people with disabilities to understand their needs and continue to work to create a more inclusive work environment.



Happy Workplace

The most important asset of the HTC brand is the creativity of its employees. To stimulate innovative thinking, we place great importance on frequent communication across departments and incorporate multiple employee interaction areas in the spatial design of the Taipei office, such as staggered sky bridges, channels connecting departmental offices, and transparent communication spaces. We hope that these areas can enhance cooperation between departments and allow creativity to be unleashed.

HTC emphasizes that sharing is the best way of interaction so we have set up the HTC Gallery in our Taipei office to provide an art exhibition venue, not only helping young local artists showcase their creativity and work, but also provide space for local schools and the public to visit, promoting interaction and exchange between HTC and the local community.

A Working Environment Incorporating Brand Spirit

HTC Gallery

HTC Gallery is a place where colleagues can rest in their minds, bodies and spirits in a work environment, and stimulate creativity through different artistic creations. Every season, we invite different artists from home and abroad to exhibit their works in the gallery, which has become a creative and dynamic art exchange platform. We cordially invite anyone interested in art to come to HTC Gallery and explore new ideas. In order to enrich and diversify the exhibitions of HTC Gallery, through cooperation with professional galleries in Taiwan and other islands, artists can go out of the gallery space and exhibit their creations in a wider office building. It is also introduced through guided tours such as professional art galleries to enhance HTC's internal artistic atmosphere and increase creative thinking. Below are photos from each of the 2025 HTC Gallery showcases.

2025 Zhang Yuhong's Contemporary Calligraphy Solo Exhibition, organized by Astar Gallery



2025 A Technological and Photographic Perspective, organized by Sam's Art Co



2025 IN | FINITE by Modern Art Gallery



2025 "Interwoven Parallel Symphony: A Harmonious Illusion of Art" by Ming Dian Gallery



HTC Employee Appreciation and Recognition

HTC firmly believes that employees' continued commitment and sense of belonging are the foundation of the Company's steady development. We are committed to creating a people-centered workplace experience and strengthening employees' sense of belonging and organizational cohesion through diverse recognition mechanisms and interactive platforms.

- **Recognition of Long-term Contributions and Achievements:** We place great importance on employees' long-term commitment. At annual events such as the year-end celebration, we not only publicly thank all employees for their hard work, but also invite senior employees to receive commemorative medals personally presented by the Chairman, honoring their long-standing contributions and loyalty to the Company with the highest level of ceremony.
- **Inspiring Bottom-up Innovation:** We actively provide employees with a stage to showcase their creativity. In recent years, we have hosted the "AI Hackathon" and "VIVERSE Hackathon" consecutively, encouraging employees to apply the latest technologies and the VIVERSE platform to solve real business challenges. In addition to receiving public recognition at the year-end celebration and employee meetings, some award-winning projects have also been given opportunities for real-world implementation, truly achieving a win-win outcome by transforming employee ideas into business value.
- **Promoting a Culture of Gratitude:** Every November, we launch activities to share appreciation. Over the past two years, we have further introduced a digital global "online gratitude wall," where employees can leave messages and likes through an instant online interaction mechanism, breaking down geographical barriers and encouraging colleagues to express gratitude to partners around the world at year-end.

Employee Activities in 2025

Mother's Day

To celebrate Mother's Day in May, HTC organized special activities at its two major sites in Taiwan:

1. On-site activity: Candle DIY with Scented Moments

A candle perfumer was invited to provide live instruction, allowing employees to create their own unique scented candle works and spend Mother's Day with their families.

2. Taoyuan second-hand charity sale

To promote the circular economy and local care, HTC held a "Second-hand Goods Charity Sale" at the Taoyuan site in 2025. The event received an enthusiastic response from employees, demonstrating strong organizational cohesion and a sense of corporate social responsibility.

Participation

1. **145** participants; satisfaction score: **4.92/5**
2. Second-hand charity sale total amount: NT\$**29,096**

Power Up Health Energy Station

To enhance employees' inner energy and physical and mental vitality, HTC China launched the "Power Up Health Energy Station" program, which includes healthy meals, wellness seminars, health-themed articles, and vitality competitions (such as cycling ranking races and daily exercise check-in challenges). The program empowers employees to take control of their health, unlock their physical and mental potential, improve overall well-being and work efficiency, and face future challenges together.

Participation

100% awareness rate of health knowledge among employees;
53.6% of employees participated in at least two health initiatives;
average satisfaction score: **4.72/5**



Employees in China participated in the "Power Up Health Energy Station" program, which encouraged colleagues to work together to improve their physical and mental well-being

Employee Mental Resilience Series

In 2025, HTC launched a series of mental resilience activities for all employees. The program began with self-awareness and introduced engaging and professional "Mental Buddy" psychology mini-games to open dialogue, along with expert stress-relief seminars that equipped employees with practical tools to cope with high-pressure environments.

In addition, the Company incorporated cultural elements by offering courses such as "Effective Stress Relief and Enhancing Mental Resilience" and "Mental Resilience Through Movies," transforming abstract psychological concepts into meaningful emotional experiences. Through a multi-dimensional support system, the Company is committed to creating a workplace with a high level of psychological safety and resilience, ensuring that employees and the Company grow together.

Participation

Satisfaction score: **4.65/5**, **306** participant instances

Thanksgiving

HTC held global celebration activities and established an online Gratitude Wall section on the homepage of the internal website myHTC, enabling employees worldwide to participate together and encouraging colleagues to express thanks to those who have supported them as the year comes to a close. To enrich the experience, the Company also combined offline mini-games with the distribution of "charity cookies," extending employee care to social participation.

Participation

612 employees posted messages on the Gratitude Wall, leaving **1,271** gratitude messages in total; the event page recorded 3,481 views; satisfaction score: **4.83/5**



Employees expressed their abundant gratitude through the online Wall of Gratitude

Sports Season

"Employees are HTC's most valuable asset" HTC places great importance on employees' physical and mental well-being. The Company organized four team activities, including back-to-back ball holding, dragon ride teamwork, basketball shooting competitions, and badminton team matches. These activities allowed employees to showcase their skills, fostered a company-wide sports culture, strengthened interpersonal relationships, promoted health, and aimed to cultivate an active lifestyle and a high-performance workplace.

Participation

290 participants at headquarters; satisfaction score: **4.61/5**



Through the competitions held during the Sports Season, employees were able to relax both physically and mentally while also strengthening emotional connections with their colleagues

Father's Day

HTC is committed to helping employees build better parent-child relationships. Specially during Father's Day, the Company held an on-site DIY course titled "Hey, Happy Dad's Day." Through a leathercraft DIY activity, professional artisans guided employees to handcraft ID card holders and business card cases. This allowed employees to relieve stress through a calming hands-on process amid busy work schedules. These heartfelt handmade gifts are not only a reward for themselves, but also the best way to share a sense of accomplishment with their families.

Participation

160 participants; satisfaction score: **4.8/5**

Beach Cleanup Activity

In November 2025, during the Thanksgiving month, HTC also held the "Sea, We Have You" beach cleanup activity. Leveraging corporate cohesion, more than 40 employees participated in the cleanup, successfully intercepting 173 kilograms of marine waste from entering the ecosystem and taking concrete action to address marine debris issues. This activity not only raised employees' environmental awareness, but also implemented environmental stewardship through data-driven management.

Participation

173 kg of marine debris collected/recycled
Satisfaction score: **4.9/5**



Mobilizing employees to participate in a beach cleanup at the intertidal zone of Changtanli Fishing Harbor in Keelung, HTC collected a total of 173 kilograms of waste, demonstrating the Company's commitment to sustainability through concrete action.

Christmas Love Without Limits (North America: HR)

In 2024, continuing HTC's annual Christmas concert tradition, the Company invited performers to deliver brilliant performances, adding more joy and warmth to the holiday season.

The North America region also held the "The HTC Elves Save Christmas" activity for two consecutive years, mobilizing employees to assist at The Forgotten Children's Fund warehouse by packing Christmas gifts for children and families in need, helping them receive encouraging gifts during the special holiday. This activity showed employees that even a small amount of effort and teamwork can make a difference in the world.

Participation

More than **250** participants



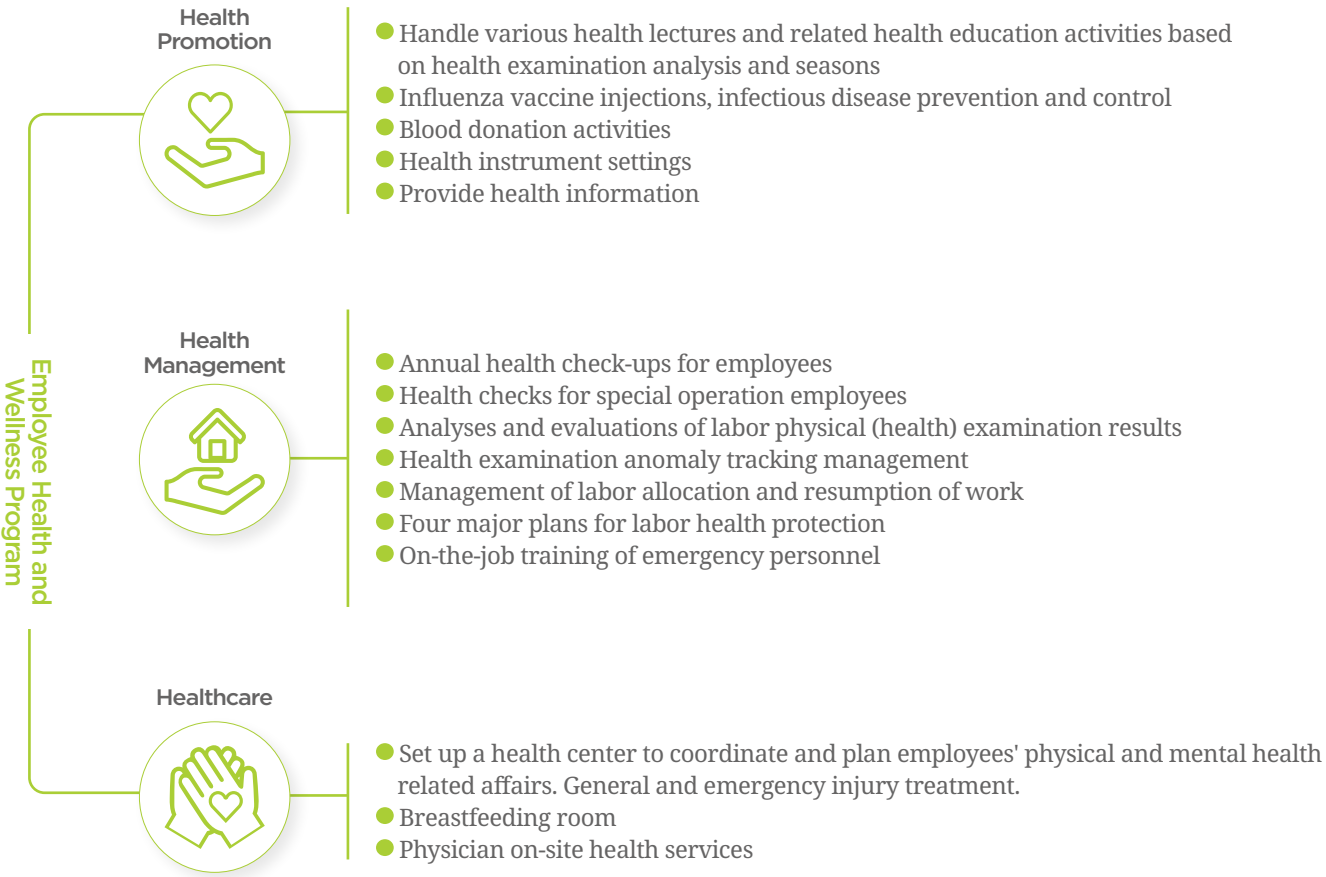
Employees in North America volunteered at The Forgotten Children's Fund warehouse to help pack Christmas gifts, hoping to share love and joy with children in need

Occupational Health and Safety

Employee Health and Wellness Program

HTC promotes various health and wellness programs with the three main directions of "Health Promotion", "Health Management", "Healthcare " to help employees achieve a balance between work and life. Maintaining physical and mental health and ensuring the health of every employee.

HTC Employee Health and Wellness Blueprint



Health Management and Promotion

The HTC Health Center subsidizes employee health examinations in accordance with company regulations, provides health protection services for all workers, and offers comprehensive healthcare for employees through cooperation with Linkou Chang Gung Hospital's resident physician health services. According to 2025 statistics, among indirect employees scheduled for health examinations, 416 were planned to participate, and 307 had completed their checkups, resulting in a completion rate of 73.8%. In the manufacturing department, all 267 employees required to undergo health examinations completed them, including 17 employees who received special occupational health examinations, achieving a 100% completion rate. In 2025, no injury incidents caused by overwork occurred, reflecting our ongoing commitment and efforts to safeguard employee health.

Annual Health Check Subsidies and abnormal tracking

After the employee undergoes a health examination, the caregiver and appointed on-site health service physician at the health center classifies the employee into high-, medium-, and low-risk levels based on the examination results, and provides on-site health service hours that are better than those specified by laws and regulations. Physicians provide health guidance and education tailored to the individual needs of each employee, while nurses are responsible for individual health management and monitoring to understand health status. In addition, employees can also access relevant resources and referrals to receive comprehensive and appropriate healthcare.

HTC's General Health Examination Regulations and Implementation Status in 2025

	Direct Employees	Indirect Employees
% of people with abnormal health check	A total of 267 people, 161 abnormal cases, representing 60.3%	A total of 307 people, 131 abnormal cases, representing 42.7%
Top 3 abnormal items	High blood pressure, elevated total cholesterol, positive urine occult blood	Elevated total cholesterol, elevated low-density lipoprotein (LDL), elevated triglycerides
Follow-up	Based on health diagnosis and hierarchical management, it provides consulting services, health education, etc., to help employees manage health-related matters.	

Specific Health Check

In 2025, the work environment at the HTC Taoyuan Plant was carefully tested and monitored. Special health hazardous operations, such as those involving ionizing radiation, dust and MDI, must receive a thorough health sweep. Therefore, special health screenings have been arranged for these activities.

Subsequently, 7 employees with abnormal special health results in second-level management were arranged to go to the health center for a consultation. Physicians provided personal health guidance for employees, and strengthened disease-related health education and promotion. Currently, all environmental testing and cause analyses and monitoring have been completed, confirming that the examination results are normal, and regular tracking and management of employees' physical health will continue to ensure the safety and well-being of our employees.

2025 HTC Special Health Check Implementation

	No. of people requiring a Specific Health Check	Inspection completion rate
Employees engaged in special health hazardous operations	17 people	100%

2025 HTC Specific Health Check Results

Employees under Grade 1 Control: all categories normal, or no abnormal results as declared by a physician	10 people	Continue with regular examinations
Employees under Grade 2 Control: part or all categories declared abnormal and not related to work	7 people	Arrange a professional consultation with a physician according to Labor Health Protection Rules so employees receive specific health instructions and reinforced their health education.

Four Major Plans for Labor Health Protection

Four Major Plans for Labor Health Protection



Abnormal Workload-triggered Disorders

Description

To ensure the physical and mental health of employees, measures have been established to prevent diseases caused by abnormal workloads, including identification and evaluation of high-risk work such as shifts, night work, and long hours, as well as physician interviews and health guidance, such as measures to adjust or shorten work hours, and adjust work content. Regular health checks, management, and promotion have also been conducted, and the effectiveness evaluated and improved. In addition, other relevant health and safety matters are also being noted.

Annual performance

In 2025, 45 employees identified as moderate-to-high risk were screened and notified. After excluding 12 non-active employees, 33 employees were arranged to receive consultation interviews with the on-site occupational health physician. Following the assessment, no occupational injury incidents caused by abnormal workload were determined to have occurred this year.



Maternal Health Protection Plan

Female employees subject to maternal health protection, i.e., from the date of pregnancy to one year after delivery, and when breastfeeding, are included in the scope of protection. The health center developed a "Protecting and Managing Maternal Health" plan for such employees, and implemented measures such as hazard assessment and control, physician interview guidance, risk grading management, and work suitability arrangements to ensure the physical and mental health of female employees.

As of the end of 2025, a total of 14 employees completed risk classification and protection measures, and the results show that the working environment and job responsibilities of female employees are deemed to be at a safe level.



Preventing and Managing Musculoskeletal Health

To maintain the physical and mental health of employees engaged in repetitive operations, we have formulated a "Prevent Musculoskeletal Disorders Triggered by Repeated Operations" plan to ensure the safety and physical and mental health of employees, including taking the following measures:

1. During the biennial physical examination of direct employees, a musculoskeletal symptom questionnaire is distributed.
2. Indirect employees conduct musculoskeletal symptom surveys via email every two years.

Evaluate employees with abnormal pain symptoms to prevent and promote musculoskeletal diseases. Continue to conduct musculoskeletal health questionnaires. In 2025, a total of 238 musculoskeletal health questionnaires were collected. For 24 employees whose discomfort symptoms had affected their work performance, individual interviews with the on-site occupational health physician were arranged to provide health guidance and improvement recommendations, along with infrared therapy device reservation services based on individual needs.



Execution Infringement Prevention

To prevent employees from being subjected to unlawful harm in the workplace, HTC has implemented a "Prevention Plan for Unlawful Infringement During the Performance of Duties" in accordance with relevant laws and guidelines, and has accordingly developed various preventive and response measures. In addition to providing occupational health service medical staff, HTC also offers training to help employees and supervisors understand the principles of prevention, reporting procedures, and handling mechanisms for unlawful infringement, thereby enhancing overall workplace safety and risk awareness.

In 2025, HTC continued to promote relevant training programs. A total of 254 manufacturing employees completed training on the prevention of unlawful infringement during the performance of duties. In addition, 201 team leaders and managers completed courses on workplace bullying and unlawful infringement prevention.

Employee Assistance Program (EAP)

HTC has been working with the Hsinchu Lifeline Association since February 2009 to provide employees with psychological counseling and guidance with respect to working career, relationships, family and parenting, gender sentiments, mental illness, and physical and mental stress. Each year, employees can enjoy unlimited telephone consultations and 6 free face-to-face consultation services, which are paid in full by the company. In 2025, a total of 168 people used the psychological counseling service telephone and professional counseling services; In 2025, 13.83% of employee inquiries involved psychological issues such as emotional adjustment, while 1.50% were related to legal matters, all of which are focal points of our attention. In the future, we will offer soft-topic seminars, such as self-management of physical and mental stress, emotional regulation, and stress reduction, to help employees achieve balance and adjust their mental and physical states amidst their busy lives.

In addition, HTC promotes the spirit of diversity and equality, in addition to telephone and email consultation resources, we commission professional organizations to share diversity topics on a monthly basis. The articles cover topics such as interpersonal relationships, management and leadership skills in the workplace, DEI diversity and inclusion, and daily fitness stress relief, etc., to help supervisors and colleagues make more flexible use of professional resources to enhance physical and mental health.

In order to establish a good communication environment and assist employees in resolving complaints and dissatisfaction caused by work or related matters, the company has set up a care and consultation referral hotline within the company, where human resources colleagues can assist or coordinate in real time to solve employees' daily work troubles, management conflicts, or gender equality disputes. Through a variety of consultation channels and assistance solutions, we stabilize the physical and mental health of our employees, thereby improving their work mood and enhancing work efficiency.

Advisory and Assistance Channels

- Call the HR hotline 02-89124138 #28585 or 38585
- Employee Help hotline E-mail: HelpMe_8585@htc.com

Achievements in the use of EAP

Year	2023	2024	2025
The number of consultations with individual managers	11	22	18
Individual Consultant Consultation Sessions	120	142	150
Invested expense (NT\$)	540,128	674,526	641,028

Note: The total expenditure includes case manager assessments, consultant consultations, and occasional dedicated seminars.



▲ To help employees improve self-care and workplace adaptation, HTC invited experts to write articles for the Employee Assistance Program (EAP) column, providing professional and practical insights and advice.



▲ The relevant articles have been made available on the Wellbeing+ web section, covering topics such as diverse care, physical and mental health, leadership and management, and workplace interpersonal relationships. Through systematic organization and categorization, employees can quickly search according to their own needs and access timely, professional support and reference resources.

Occupational Safety and Health Committee

HTC Taiwan's parent company Occupational Safety and Health Committee consists of 19 members, including 7 labor representatives, 2 medical and nursing staff, 6 occupational safety and health engineering/technical personnel, and 4 managers, supervisors, and directors. Other Taiwanese subsidiaries do not need to establish such positions; any related issues will be directly addressed by contacting the respective representatives of each subsidiary.

The HTC headquarters and factory have passed the ISO 45001 standard certification, and the management scope includes all personnel engaged in labor activities within the factory, including contractors. The construction management methods of relevant contractors are made public to ensure that everyone is fully aware of them. All new employees receive complete occupational health and safety training before commencing work with the company, and implement worker protection measures. The Taipei office and subsidiaries also follow the management system of the headquarters and factories to implement relevant measures.

We develop an occupational health and safety management plan annually based on the status of health and safety management to prevent the occurrence of occupational incidents and to ensure the health and safety of workers. We regularly conduct fire drills and evacuation drills to respond to emergencies that may be caused by human negligence or natural disasters.

Proactively Preventing Occupational Accidents

In accordance with the Occupational Safety and Health Act and relevant management regulations, HTC has established a comprehensive annual safety and health management plan. This includes conducting hazard identification and risk assessments every year to confirm that operational risks are at an acceptable level. If risks exceed acceptable levels, HTC communicates and implements improvements until the work method becomes acceptable. For outsourced projects, depending on the hazard risks and construction scale, the contractor's site supervisor, HTC's responsible personnel, and occupational safety staff jointly discuss safe work methods and submit a construction plan, including a construction risk assessment form. Work is then carried out according to the approved plan to reduce and prevent occupational accidents.

Our management approach is based on the PDCA cycle, aligning with regulatory requirements and ISO 45001. We have established procurement safety, source management for machinery and equipment, and self-inspection procedures, while also conducting regular and ad hoc inspections of safety and health matters. These efforts aim to eliminate or control potential hazards, improve unsafe work environments and equipment, reduce unsafe behaviors, and thereby prevent and minimize accidents.

In addition, for unsafe conditions before an accident occurs, employees are encouraged to report them proactively. Once the occupational safety department receives a report, it first confirms the situation, performs hazard identification and risk assessment, and then provides improvement recommendations to the responsible department. Progress is tracked until completion to actively prevent accidents. To reduce unsafe behavior, employees are encouraged to remind one another, while department supervisors and occupational safety staff conduct inspections and corrective actions.

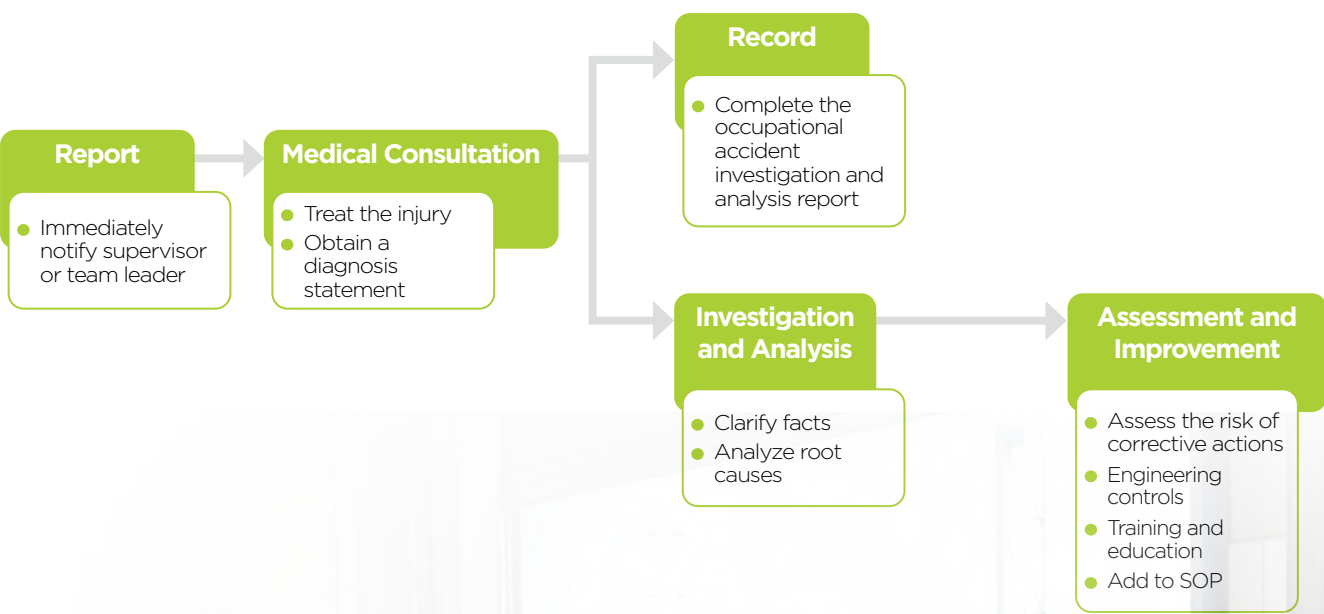
This management approach and internal audit scope cover HTC and its Taiwan subsidiaries. The coverage rate is 100% for HTC and 100% for the Taiwan subsidiaries. Among these, the scope externally audited and certified to ISO 45001 covers the factories and Taoyuan office, with HTC's coverage rate at 48.64%. In 2025, the annual target for HTC and its subsidiaries was an FSI of less than 0.09, and the actual FSI was 0.

We have also divided our occupational safety and health priorities into seven areas: "Safety and Health Management," "Safety and Health Education and Training," "Standard Operating Procedures and Job Safety Analysis," "Safety and Health Inspections," "Emergency Response," "Health Management and Promotion," and "Safety and Health Activities," to comprehensively prevent occupational accidents.

When employees face imminent danger during work, such as natural disasters or equipment failure, they are permitted to stop work on their own, retreat immediately to a safe location, and report to their supervisor. This right is stated in the company work rules and is exempt from penalty.

If an occupational accident as defined under the Occupational Safety and Health Act occurs, the reporting process follows the flowchart below. After the occupational safety department receives the report, it conducts an incident investigation and causal analysis, provides improvement recommendations and the hazard risk levels before and after corrective actions, and supports the involved department in selecting low-risk, feasible improvement measures. Progress is continuously tracked until completion to avoid recurrence.

Accidents in the factory area



Comprehensive Occupational Health and Safety Management



Management of Safety and Health

Comprehensive management in accordance with ISO 45001. If there is any change in the organization or addition of new business units, this has to be reported to the authorities concerned. Such information ranges from hazard statistics, hazard investigation analysis, meetings convened by the company occupational safety and health committee, preventive inspections, and the management of the entry of contractors into plants.



Education and Training for Safety and Health

Provide occupational safety and health-related courses on a regular basis, and learning effectiveness is assessed through a post-training test; only those who pass are considered to have completed the course. For example, employees are required to complete one hour of general occupational safety and health training each year and achieve a post-test score of at least 90 points to be deemed as having completed the training.



Standard Operating Procedures and Job Safety Analysis

- Operational norms, maintain norms, and safety work procedures have been established.
- Health and safety work guidelines have been updated, and hazard substance communication and risk assessments are conducted.
- Work safety work procedures, including operational and maintenance standards, have been developed, health and safety work guidelines updates, and general hazardous substance studies and risk assessments conducted.



Inspections for Safety and Health

We conduct regular and irregular inspections of various work environments, vehicles, equipment, facilities, and fire protection systems to ensure the safety of the work environment. It is also necessary to inspect protective measures, personnel health and safety education records, and safety requirements for tools and equipment before, during, and after use, and conduct on-site inspections and audits. These inspections include operating environments such as organic solvent operations, ionizing radiation doses, and infrared detection.



Emergency Response

Implement an emergency response plan for the year and launch emergency response drills.

1. An emergency rescue Hot Line has been set up as part of a fully comprehensive emergency notification system.
2. Sufficient first aid personnel have been put in place according to regulations and handle training courses for first aid personnel.
3. 20 Automated External Defibrillators (AED) are available at specific places within the company.
4. Annual fire emergency evacuation drills and personnel training are arranged.
5. Regular AED+CPR lectures are held internally.



Health Management and Enhancing

Regularly arrange special hazard health examinations for employees engaged in special operations, and conduct relevant inspections for existing employees and new employees to assess the possible impact of abnormal workloads on health, and conduct human and sexual hazard prevention assessments and abnormal tracking management.



Safety and Health Campaign

We cooperate with the government to implement regulations and actively participate in various symposiums to promote the importance of work safety. We also often obtain opinions on job security through internal discussions and communications to improve work efficiency.

Education and training statistics for new and in-service colleagues in the past three years

Course	Hours	Frequency	Responsible Unit	2023	2024		2025		
				Person	Total Hour	Person	Total Hour	Person	Total Hour
General Training									
Environmental protection and safety and health education training	3	On board	OES Dept.	206	618	173	519	67	201
Operational equipment hazard notifications	3	After arriving at the dept. of work	Equipment	0	0	0	0	0	0
General labor safety and health in-service education training	1	Annual/ On-job training	MFG OES Dept.	1,286	1,286	1,587	1,587	957	957
Hazardous chemical use notice	1	Annual/ On-job training	MFG	165	165	124	124	125	125
Professional Training									
Various occupational safety and health external training		Inclusion Preliminary Training and Retraining	External training	89	690	33	173	11	48

Note: Various occupational safety and health external training includes: Health and Safety Education and Training For Class-1 Managers of Occupational Health and Safety, Occupational safety and health specialist/ management personnel, Occupational Health Service Nurses, First Aid Personnel, Hazardous Machinery/Equipment Operation, Construction Work, Hazardous Operations Supervisors, Special Operations Personnel, Other Operators, and Firefighting.
Note: Hazardous machinery/equipment operation includes high-pressure gas supply; construction work includes scaffolding assembly and roof work; hazardous operations include work in oxygen-deficient environments, organic solvents, and dust; special operations include aerial work platforms and forklift operations; others involve radiation work.



▲ In response to the hot summer in Taiwan, it is easy to cause heat hazards to outdoor workers, so we have strengthened the advocacy of relevant policies

Professional Security Service Team

At HTC, security guards are provided by a contracted professional security service company. They are responsible not only for maintaining safety but also for emphasizing service and professionalism. They treat the company's assets and equipment as their own and approach all employees, visitors, and vendors with sincerity and professionalism, demonstrating a trustworthy service quality.

Apart from labor and health insurance (including dependents), there are no other deductions from the security guards' salaries, and insurance is handled according to salary brackets. According to Article 8-2 of the Security Service Contract, guards must complete pre-job education training, 36 hours of apprenticeship, and hazard notification courses before deployment. The training courses cover respect for privacy, prohibition of discrimination, restricted use of force, and special response methods (such as checking labels for pregnant women to avoid direct contact or using security wands). In 2025, three guards completed this training, achieving a 100% coverage rate. HTC will continue to conduct regular retraining to ensure ongoing compliance with human rights standards.

Contractor Management

HTC places great importance on the safety of its contractors and partners, and regularly formulates a complete occupational health and safety management plans to ensure the prevention of occupational disasters, and evaluate contractors' health and safety management. Engineering personnel monitor contractors' work sites.

In the event of an accident, contractors can call 821919/831919 to request assistance from medical personnel. Based on the assessment of the injury by the nursing staff, arrangements will be made for either hospital transport or treatment at the health center. A notification form also needs to be filled out, and public injury incidents recorded.

If an injury occurs, we will lunch an investigation and analysis to understand the cause of the incident and request immediate on-site improvement. HTC also conducts health and safety hazard education and training for new construction company personnel through the ISO 45001:2018 occupational health and safety system to promote their understanding of the working environment, process safety regulations, and the use of firefighting equipment to improve safety awareness.

Measure of Contractor Construction Management

1. The provision of site safety induction sessions at construction sites.
2. Verifying the information about construction workers and vendors.
3. Monitoring high-risk operations.
4. Personnel access control.
5. Ensuring construction site safety.
6. Conducting safety and health management for new facility construction.
7. Obtaining the required insurance for contractor employees.

Contractors Health and Safety Audit

- Incorporating requirements for safety & health management in the written agreements with all contractors according to the applicable regulations to clearly define contractor obligation and responsibility, and evaluate all the risks in the working environment including that from dangerous machines, so as to have proactive control and eliminate potential hazards.
- Formulating a system for on-site patrols and inspections according to the applicable regulations and contractual requirements about labor safety & health. On-site inspections and audits are conducted on a regular/irregular basis., working precaution, records of the safety & health education of the workers, and all safety requirements to be met before, during and after the use of machines, tools and equipment.

2025 Occupational injury in Taiwan

In 2025, HTC's parent and subsidiary companies in Taiwan average Injury Frequency Rate (FR) was 0 person times per million working hours, the average Severity Rate (SR) of disability injuries is 0 days per million working hours. In terms of occupational diseases, as HTC Company's working environment is not a heavily polluted environment nor a toxic working environment, there have been no occupational diseases caused by the nature of the work or the workplace in 2025. Neither the parent and subsidiary companies nor their non-employees have any cases of occupational diseases confirmed through the occupational disease determination process.

Types of non-employee workers and their job responsibilities at HTC

Type	Count/ Person	Work content	On-site person
Cleaning personnel	Taoyuan 14 Xindian 30	Cleaning and disinfection of public areas	Yes
Horticultural personnel	Taoyuan 2 Xindian 3	Gardening and greening maintenance of factory and office building	Yes
Security and Real estate service personnel	Taoyuan 15 Xindian 12	Personnel entering and exiting the factory and office building areas (including employees, visitors, manufacturers), and vehicle management	Yes
Catering staff	Taoyuan 12 Xindian 65	Catering suppliers (serving counters, tea shops, coffee bars)	Yes
Engineering construction personnel	Taoyuan 658 Xindian 402	Contractor enters the factory for construction	Yes
Recycling and sorting of resource waste personnel	1	Recycling and sorting of resource waste	Yes
Dispatched personnel	2	Financial administration related work	Yes

Note: The scope of disclosure for non-employee workers of HTC is consistent with the scope of this report, mainly in the Taiwan region of HTC.

Main types and statistics of occupational injuries (Unit: person)

(Unit: person)

Item	Recordable Occupational Injuries				
	Pinch injury	Falling over	Colliding	Cutting	Improvement Measures
Staff	0	0	0	0	No occupational injuries occurred
Non-staff worker	0	0	0	0	

Recordable injuries and the severity of injuries that resulted in disability of HTC's parent and subsidiary companies and non-HTC workers in the past three years

Year	Object	Total working Hours (Unit: Hours)	Recordable Occupational Injury Count	Recordable Occupational Injury Rate	Deaths count	Severity Occupational Injury Count	Severity Occupational Injury Rate
2023	Staff	3,631,299.9	2	0.55	0	0	0
	Non-staff worker	141,865.5	0	0	0	0	0
2024	Staff	3,554,278.79	2	0.56	0	0	0
	Non-staff worker	172,434.5	0	0	0	0	0
2025	Staff	2,092,030.0	0	0	0	0	0
	Non-staff worker	264,008.87	0	0	0	0	0

- Note:
1. Employee working hours are calculated as the sum of working hours of a year = no. of employees by the end of every month x monthly working days x daily working hours (subject to employee type)
 2. Working hours of non-HTC workers: provided by contractors.
 3. Recordable injury rate: (recordable cases x 1,000,000) / total working hours; Recordable occupational injury numbers refer to the number of occupational injuries that must be legally reported to the Occupational Safety and Health Administration.
 4. The Disability Severity Rate is the frequency of severe injuries per Million Hours Worked(exclude death) = Disability Severity Injuries ×1,000,000/Total Hours Worked; Severe occupational injuries refer to major occupational incidents that must be reported within eight hours, as stipulated in Article 37, Paragraph 2 of Taiwan's Occupational Safety and Health Act.
 5. 1,000,000 work hours rate indicates the occupational injuries of every 500 full time workers in one year, based on 2,000 working hours per full time worker.

Disability injury frequency and Disability Severity Rate of HTC’s parent and subsidiary companies and non-HTC workers in the past three years

Year	Object	Total working Hours (Unit: Hours)	Injuries that resulted in disability	Days away from work due to injury that resulted in disability	Disabling Frequency Rate (FR)	Disabling Severity Rate (SR)	Frequency-Severity Indicator (FSI)
2023	Staff	3,631,299.9	1	28	0.275	8	0.046
	Non-staff worker	141,865.5	0	0	0	0	0
2024	Staff	3,554,278.79	1	31	0.281	9	0.050
	Non-staff worker	172,434.5	0	0	0	0	0
2025	Staff	2,092,030.0	0	0	0	0	0
	Non-staff worker	172,434.5	0	0	0	0	0
Target			-	-	-	-	0.09

Note:

1. Occupational accidents, as any diseases, injuries, disabilities, or deaths of workers caused by buildings, machinery, equipment, raw material, material, chemical, gas, vapor, dust or other at the place of duty, or as a result of work activities, or due to other occupational causes, should be included in the calculation of the disability injury rate/ Disability Severity Rate. Injuries caused by personal factors, such as an injury during the commute to work, is not included in occupational disaster statistics

2. Employee working hours are calculated as the sum of working hours of a year = no. of employees by the end of every month x monthly working days x daily working hours (subject to employee type)

3. Working hours of non-HTC workers: provided by contractors

4. Days away from work: days unable to work (rest days); includes occupational disaster rest days and excludes sick leave and menstrual leave

5. FR (Disabling Injury Frequency Rate): (Injury Frequency Rate per Million Hours Worked) = Incidence of Lost-Time Injury X1,000,000/total hours worked. FR is counted to the second decimal place, excluding the following

6. SR (Disabling Injury Severity Rate): (Lost Day Injury Frequency Rate per Million Hours Worked) =Days Lost for Lost-Time Injury X1,000,000 /Total Hours Worked. SR is taken as an integer, excluding decimal places

7. Frequency-Severity Indicator (FSI) = $\sqrt{FR \times SR}$ ÷ 1,000

8. 1,000,000 work hours rate indicates the occupational injuries of every 500 full time workers in one year, based on 2,000 working hours per full time worker.

Absentee Days and Absentee Rate of HTC Employees Over the Past 3 Years

Year	Sick Leave Days	Absentee Days	Absentee Rate
2023	3,200.82	3,245.95	0.9%
2024	2,140.58	2,234.58	0.6%
2025	1,374.76	1,408.76	0.6%

Note:

1. Absentee Days: Lost Workdays (including commuting accidents while traveling to and from work)+ Sick Leave Days

2. Absentee Rate Calculation: Absentee Rate = Total Absentee Days / (Total Number of Employees * Workdays in a Year)

3. Does not include absentee records of non-employees



Social Investment & Contribution



HTC has always defined caring for society and promoting public welfare as our corporate mission. We have long been and continue to be the supporter and sponsor of the "HTC Foundation", upholding people-oriented values and shaping corporate culture and character. While pursuing corporate growth and technological innovation, we also actively participate in social contributions, care for disadvantaged families, and provide educational opportunities for disadvantaged students, demonstrating HTC's unique humanistic spirit. At the same time, we give full play to our industrial expertise and create more possibilities for society through technology research and development and innovation. In recent years, the company has been committed to developing innovative products that not only supporting the United Nations' Sustainable Development Goals (SDGs) with our core technologies, but also implementing social care through product innovation, actively meeting people's diverse needs, and promoting the sustainable development of enterprises and society.



HTC Foundation is committed to supporting schools in promoting character education by providing continuous and systematic educational programs that influence school faculty, students, and parents, working together to create a high-quality campus and family culture. We also provide educational resources for children and adolescents, inspiring them to become positive leaders who serve society and bring positive influence to others and themselves. At the same time, we collaborate with local governments and communities to foster a culture of character in cities and communities. In addition, our organizational governance aims to become a trusted and accountable foundation, jointly shaping a culture and values of integrity and honesty..

In 2025, the HTC Education Foundation invested approximately NT\$52 million throughout the year in promoting character education and public welfare initiatives.



Many Blessings Courses

The HTC Education Foundation is committed to the development of character education for young people. It hopes to shape character through joint efforts by schools, parents, and society. Following the principle of "lighting a candle rather than cursing the darkness," the foundation has established the "Many Blessings Course" for senior high school students. These free courses and activities each last for five weeks and 3 hours per week, and a scholarship of NT\$5,000 is provided per semester until graduation after obtaining the certificate of completion. A total of 12 classes from 4 schools were implemented, benefiting a total of 247 students in 2025. The students get the energy to move forward and make changes inspired by their instructors and volunteers, They are encouraged to become leaders who can actively serve the public and use their own power to change the world.



Character Town

HTC foundation not only launches character education in schools but also signs "Character Town" with various towns in Taiwan. Each year, we regularly arrange visits to partner government agencies or other nonprofit organizations, with each session focusing on sharing one character theme. Group discussion and experience sharing with different themes and related to work will be arranged timely. Participants include public service units and other non-profit organizations; public service units such as units directly under the county government, township offices, prisons, Ministry of Resources and Electricity, etc. Some institutions have even transformed their character monthly meetings into staff monthly meetings. Leaders in the institutes encourage good deed via communication and integration of thoughts, which becomes the internal operating mechanism.



Character Academy

As a cooperative program between HTC Foundation and County /City Government, the Character Academy primarily targets fourth-grade students and offers immersive residential camps and on-campus teaching services on weekdays. During the school year, there are approximately 12-14 camp sessions, with an additional 3 sessions during the summer. The courses and activities focus on nurturing core character and key competencies, guiding students to understand the importance and benefits of character through diverse activities. The academy emphasizes that its team members should serve as role models for students' character learning and encourages students to practice good character in their daily lives to enhance their quality of life. In 2025, 107 sessions were conducted by five academies, with 2,926 students completing the program.



Grant program for Schools of Character-Building Education in Practice

We conduct character education seminars to advocate for core education that emphasizes holistic character development and lifelong learning. These initiatives will be promoted nationwide through principal workshops and further explained in character education practice plan briefings. Schools will be invited to form character education leadership teams to build consensus and draft implementation guidelines. After these activities, schools below the high school level interested in implementing comprehensive and widespread character education to shape campus culture can submit project proposals to the foundation. After initial reviewed by the foundation staff, followed by re-evaluation by a review committee composed of external experts in character education, retired principals or teachers. Schools ultimately selected will receive an annual grant of NT\$200,000 to 300,000 for three years to promote character education within their campuses. Before the end of the three-year period, schools must organize a public presentation of their results. In 2025, the second through fourth rounds of grant disbursements were completed for a total of 31 schools, and the selection process for the fifth round of schools will continue in 2026.



Vision

Everyone has a good personality.
People respect and support each other.
Let us make the planet lovely together.
We hope to influence everyone to collectively shape a culture and core values filled with responsibility, integrity, mutual respect, care for one another, and positive thinking.

Use immersive technology to promote art and culture and preserve cultural assets

VIVE Arts is the first to apply immersive technologies such as VR, XR, and the metaverse to the art and cultural sectors, pioneering groundbreaking digital art pieces and experiences. This effort sparks infinite creativity among artists and creators while also preserving the world's heritage and culture. From 2024 to 2025, VIVE Arts continued to focus on immersive content production, completing and advancing a number of representative international cultural and arts VR projects spanning diverse fields such as historical heritage, music, and performing arts, including the Mausoleum of the First Qin Emperor, the Musée de la Musique in Paris, the Palace of Versailles, and the Opéra Garnier in Paris. Through highly realistic digital reconstruction and immersive storytelling, these works allow audiences to transcend the boundaries of time, geography, and distance, bringing them closer to world-class cultural assets and deepening public understanding of different civilizations and art forms.

2025 was a year of strong growth for VIVE Arts, as it continued to engage in in-depth collaborations with international artists and institutions. Through distribution and licensing, its immersive art content has crossed geographic and cultural boundaries to be shared and promoted globally, creating unprecedented international art experiences and further expanding the worldwide influence of immersive art content. This has enabled cultural communication and artistic innovation across regions and media. Since 2024, VIVE Arts has showcased nearly 40 LBE venues worldwide, attracting audiences from diverse cultural backgrounds through varied, high-quality immersive content, demonstrating the strong appeal of immersive cultural content. VIVE Arts has not only continued its long-term partnerships but also expanded into many new forward-looking collaborations and industry perspectives, covering both the integration of artistic creation and technology and immersive cultural heritage experiences, bringing audiences a brand-new sensory experience.

Combination of Creativity and Technology: Artist Programs, VR Experiences, and Global Tours

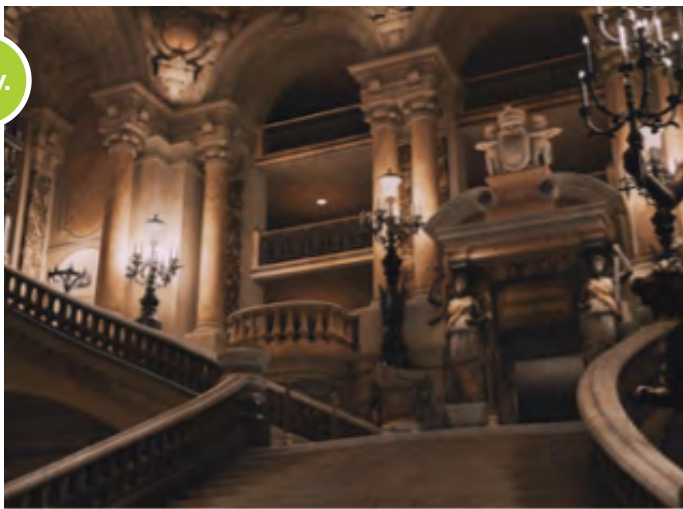


Paris, 《Versailles: The Lost Garden of the Sun King》

Versailles: The Lost Garden of the Sun King

This exhibition recreates three historic lost spaces from the gardens of Versailles built under Louis XIV. The project is a landmark collaboration between VIVE Arts, GEDEON Experiences, Small Creative, and Château de Versailles. This landmark collaboration offers an immersive, shared, and interactive virtual reality (VR) location-based experience (LBE) that allows visitors to step into these vanished historical scenes and explored lesserknown aspects of French royal history. and the legacy of Louis XIV. Through the scientific and artistic reconstruction of three symbolic sites — the Royal Menagerie, Labyrinth Grove, and the Grotto of Tethys — visitors can deeply explore the key role these spaces played in shaping the Sun King's historical legacy.

May.



Paris, 《La Magie Opéra》

La Magie Opéra

To celebrate the 150th anniversary of Opéra Garnier in Paris, VIVE Arts, in collaboration with BackLight and the Paris Opera, launched La Magie Opéra, an immersive VR experience. Audiences can follow soprano Céleste across reality and imagination as they explore the iconic spaces of the opera house. Visitors are immersed in classic opera scenes such as Dvořák's "The Fairy of Water", Puccini's "Tosca" and Bizet's "Carmen", expanding the accessibility and interactive experience of the art form, offering audiences a new way to engage with opera and performing arts.

Jul.



Xi'an, 《Empire Code: Mausoleum of First Qin Emperor》

Empire Code: Mausoleum of First Qin Emperor

VIVE Arts, in collaboration with Wevr and Horizon Technology, launched "Empire Code: Mausoleum of First Qin Emperor" in Xi'an, the first immersive VR experience themed around Qin Emperor's Mausoleum. Visitors can explore the long-sealed mausoleum chambers, pass through ancient workshops and witness the formation of the Terracotta Army, and experience the historical scene of 2,200 years ago. The project is powered by Unreal Engine and HTC VIVE technology, cultural preservation with interactive immersive experiences, and creating a new way to understand cultural heritage and history.

Nov.



Paris, 《Dancing with Fire: Wang Yujia Wang Immersive Piano Experience》

Cité de la Musique - "Playing with Fire: An Immersive Odyssey with Yuja Wang"

VIVE Arts has teamed up with Atlas V, Lightroom, and director Pierre-Alain Giraud to present "Dancing with Fire", featuring internationally renowned pianist Yujia Wang, combining surreal animation by Icelandic visual artist Gabriela Friðriksdóttir, advanced sound design by Oscar-winning sound designer Nicolas Becker, and 360-degree volumetric imaging and VIVE Focus Vision MR technology to create an immersive, multisensory immersive music experience. The audience can freely move around the piano, feel the interaction between music, image and space under the image of flames, break through the boundaries of traditional concerts, and explore new possibilities for musical interpretation and sensory engagement.

VR LBE (Virtual Reality Location-Based Entertainment) Immersive Cultural Heritage Experiences Expand Worldwid



Horizon of Khufu opened across multiple cities in China

This immersive exploration of Egypt's Great Pyramid launches in Chengdu, Xi'an, Beijing, and Shanghai. Created by Emissive Studio in France and the Giza Project at Harvard University, the project is the world's first immersive experience that recreates the interior and surroundings of the pyramid through complete scanning, mapping, and modeling. In 2025, the exhibition further expanded to Taiwan and opened at the Chimei Museum in Tainan and Songshan Cultural and Creative Park in Taipei. Through XR technology, the visitors can explore the interior and surrounding environment of the Pyramid of Khufu from 4,500 years ago, experiencing the life and rituals of the pharaohs, allowing more audiences to experience the immersive history and cultural richness of the Great Pyramid of Khufu.



Eternal Notre-Dame expanded to four cities in 2024

This immersive VR experience, which recreates the history and artistic value of Notre-Dame Cathedral in Paris, was first launched in Kaohsiung in 2023. In 2024, it expanded to Xi'an, Shanghai, Beijing, and Hangzhou, marking an important milestone in the exhibition's global tour plan. In 2025, the exhibition opened a new venue in Shanghai and added three new cities: Chengdu, Wuhan, and Shenzhen, extending the experience to more important cities in China, allowing more audiences to immerse themselves in the historical scenes and artistic treasures of Notre Dame Cathedral and experience its cultural heritage value.



Gaudi, the Atelier of the Divine XR Exhibition

Through XR technology, the Gaudí exhibition takes the audience into the creative world of master architect Antoni Gaudí, exploring classic buildings such as the Sagrada Família, Park Güell, Casa Mila, and more. The exhibition combines high-resolution 3D scanning, panoramic projection, and interactive experiences, allowing visitors to deeply experience Gaudí's design philosophy. The specially designed virtual interactive area allows visitors to construct virtual buildings and experience how Gaudí integrated natural elements with architectural structures to create a vibrant art space. The exhibition exhibited at VIVELAND in Kaohsiung, Taiwan at the end of 2024, and expanded to Fosun Art Center in Shanghai and 798 Art District in Beijing in early 2025, gradually expanding its Asian exhibition and performance territory. At the end of 2025, the exhibition set up a new site in Shanghai, and simultaneously promote cooperation plans in Seoul, continuously enhancing the global visibility of the exhibition through an international touring mechanism, allowing more audiences to deeply understand the architectural value and creative spirit of Antoni Gaudí, further strengthening cross-cultural exchanges, and expanding his influence in the global cultural and artistic fields.



La Palette de Van Gogh

VIVE Arts has a collaboration with the Musée d'Orsay in Paris to present the virtual reality experience "La Palette de Van Gogh", featuring Van Gogh's representative works created in Auvers in the final stages of his life. Inspired by Van Gogh's last drawing board, the experience combines high-resolution scanning, interactive design, and the VIVE XR Elite headset to immerse viewers in the artist's world of color and artistic creation process. In 2025, the tour expanded to Shanghai and Kaohsiung, allowing more Asian audiences to experience Van Gogh's artistic charm and creative spirit firsthand.



Versailles: Lost Gardens of the Sun King

VIVE Arts, in collaboration with the Palace of Versailles, GEDEON Experiences and Small Creative, presents Versailles: The Lost Gardens of the Sun King, the first representation of three historical lost gardens from the time of Louis XIV. Through VR technology and HTC VIVE Focus Vision, visitors can freely explore and interact with the Royal Zoo, the Labyrinth Garden, and the Grotto of Tethys, and experience the history, art, and imperial culture of Versailles. In 2025, the exhibition expanded to Hong Kong, Shanghai, and Chengdu, further expanding the Asian market and allowing more audiences to immerse themselves in the historical scenes and artistic charm of the Gardens of Versailles.



Titanic: Echoes from the Past

VIVE Arts presents the Titanic's "Titanic — Echoes from the past" walkthrough VR exhibition. The content of this VR exhibition allows participants to simulate following a technology research ship, see the wreckage of the shipwreck when diving with the submarine, and shuttle back to the footsteps of a photographer who recorded the maiden voyage on the Titanic, restoring various scenes on the ship back then, and the overall narrative is intertwined with the past and the future. In 2025, the exhibitio actively expanded into the Asian market, and in addition to cooperating with the Kaohsiung Film Festival, it has successfully expanded to Shanghai and Chengdu sites, and with ongoing partnership discussions in Shenzhen. This goal is to bring the exhibition to more cities, allowing more audiences to experience the historical story of Titanic and immerse themselves in interaction. In addition, the exhibition use the latest technology and interactive design to enhance immersion, interactivity, and multi-user collaboration experiences, further demonstrating VIVE Arts's innovative capabilities and global influence in the field of location-based entertainment (LBE).

Looking ahead to 2026, VIVE Arts will continue to advance the integration of art and technology, deepening the application of cutting-edge technologies such as XR, immersive experiences, and AI. In partnership with internationally renowned artists and cultural institutions, it will develop more innovative, diverse, and inspiring art projects, further expanding its international cultural influence and enhancing audiences' immersive experiences and engagement with art.

Contribute to the public with technology and promote social health and welfare

HTC leverages digital technology to promote convenient healthcare services, providing comprehensive solutions for health and medical care. HTC DeepQ collaborates with the Centers for Disease Control, Changhua Christian Hospital, and Chi Mei Hospital to develop an AI technology-based Linebot, offering diverse medical services to enhance quality of life. Through the DeepQ AI Platform, HTC helps doctors and patients diagnose and treat more quickly and accurately, contributing to public health.

Continuous collaborating with CDC and promoting healthcare services to the public

HTC DeepQ cooperated with CDC to develop Disease Control Butler Line@ to provide related information of COVID-19, and pandemic prevention information, decrees and health education propaganda, etc. As of the end of 2025, the user number of DCB has reached 10.56 million, , becoming an important platform for the command center's policy advocacy. The system updates domestic infectious disease-related screening, treatment, and preventive medication hospital query map data every week, as well as important domestic and foreign epidemic statistical data to ensure the timeliness and accuracy. In 2025, the Disease Control Butler strengthened its health education on infectious disease prevention by launching quiz activities on topics such as measles, influenza and COVID-19, and pneumococcal vaccines. In July, it introduced a new semantic retrieval engine (Embedding Model) to build a vector knowledge base for semantic analysis and intent recognition in handling public inquiries and responses. This further enhanced the platform's disease prevention Q&A functions and synchronized the latest epidemic-related news and knowledge from the official global information website in real time, providing the public with more timely and accurate responses and raising awareness of disease prevention.



Additionally, DCB's epidemic risk information push notification service for health centers and medical institutions. In 2025, the "push notifications for filling out feedback questionnaires by designated doctors" was also implemented, and it is scheduled to be launched in 2026. Through reports from designated doctors in various regions, the government can more quickly grasp the epidemic situation across different areas and deploy preventive measures in advance.



In addition, DeepQ cooperated with the CDC to launch "Campus Influenza Vaccination System" (CIVS), which has been piloted in 381 schools in 22 counties and cities in 2022 and implemented in 4,000 schools at all levels across Taiwan in 2024. 3 million parents completed online consent forms and accessed real-time vaccination schedules and information, streamlining the process and improving digital record management. The system has since been upgraded to support multiple vaccines and was renamed the "National Immunization Administration System (NIAS)" in 2024 to serve a broader population. In 2025, the pilot program expanded to long-term care facilities and community vaccination sites to serve more diverse groups and help more people complete their vaccinations. In 2026, the program will be expanded to include HPV vaccinations under the Health Promotion Administration, benefiting junior and senior high school students.



DeepQ received the 2024 Ministry of Health and Welfare's Award for Excellence in Epidemic Prevention (Non-Government Category) for Disease Control Butle and NIAS platforms. With its unique innovative products – Disease Control Butler (DCB) and Disease Containment Expert chatbots, DeepQ continued to provide assistance to the CDC in epidemic prevention publicity and management and won the Excelsior Award of the National Innovation Award for three consecutive years in 2025. Moving forward, DeepQ remains committed to leveraging technology innovation to make greater contributions to human health and societal progress..

Furthermore, HTC DeepQ and the CDC's joint proposal, " Universal Multilingual Epidemic Prevention Chatbot," ranked among the top 10 teams at the 2024 Presidential Hackathon. The CDC plans to adopt this solution at border control points to reduce the multilingual communication burden on quarantine staff.

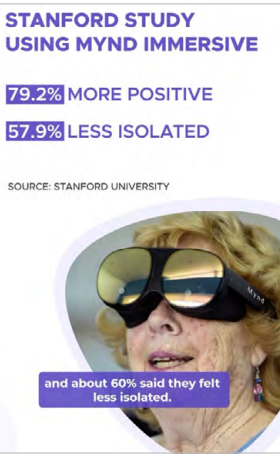
HTC DeepQ providing the public with a choice of multiple health services with Chi-Mei Hospital and Changhua Christian Hospital

HTC DeepQ Healthcare cooperated Changhua Christian Hospital to launch the Linebot of “Dr. Lan,” the first AI healthcare chatbot across 10 hospitals in Taiwan, provided comprehensive patient care services across 10 hospitals. In 2023, the introduction of AI health education Q&A function can accurately answer public health education questions in natural language and reduce the workload of medical staff , and is planned to be launched on the official website and App of Changhua Christian Hospital. As of the end of 2025, the user number of Dr. Lan has reached 45,000. Besides, in June 2022, HTC DeepQ cooperated with Chi-Mei Hospital to launch “Chi-Yi Butlert” healthcare linebot, which provides the public with more convenient quick access to medical services in various branches of Chi Mei Hospital. As of the end of 2025, the user number of Chi-Yi Butler has reached 48,000.



Enriching Senior Lives: HTC Launches Immersive VR Therapy Program

HTC, together with AT&T, VIVE global partner Mynd Immersive, and the Consumer Technology Association Foundation (CTAF), announced the launch of the "Great American Elderverse" immersive VR therapy program at CES 2024. This program aims to introduce VR therapy to over 500 underserved senior communities across the U.S., supported by VIVE's expanding product lineup, including VIVE Flow, VIVE XR Elite, and VIVE Focus 3. The program seeks practical and effective technological solutions to major challenges in aging societies worldwide, such as Alzheimer's disease, loneliness, and depression, marking the beginning of an XR revolution in elderly care.



Elderverse primarily aims to improve seniors' psychological, physical, emotional, and cognitive health through immersive experiences. Recent research from Stanford University shows that seniors and caregivers using Mynd Immersive have experienced improvements in cognitive and psychological states, with 57.9% of seniors feeling less isolated and 81.5% of caregivers preferring interactions with residents while using Mynd Immersive. Cher Wang, Chairwoman and CEO of HTC, emphasized that enhancing the quality of life for seniors has been a longstanding goal, with simple and user-friendly designs reflecting HTC's commitment to innovation, bringing joy and convenience to seniors.

The first quarter target of 2025 has been achieved, successfully entering 150 long-term care communities across the U.S, expanding with its service provision and staff training, aiming to reach 500 communities and serve up to 45,000 seniors within one year - it can be called the largest XR experience deployment in the history of elderly care.

Use VR to expand educational horizons and create diverse learning channels

HTC is committed to driving educational innovation through VR and metaverse technologies, reducing the urban-rural education gap and promoting equality in education, injecting new energy into Taiwan's education system, and nurturing future tech talent. In collaboration with the Taipei Computer Association and National University of Kaohsiung, HTC launched VIVERSE Create, enabling students to unleash their creative potential in education and digital content creation without coding, blending digital technology with cultural heritage to build immersive learning environments.

Promoting Educational Equality with VR and Metaverse

HTC's "Digital Twin Science Lab" targets children aged 6 to 12, offering ten lesson plans and three virtual labs that leverage 5G and metaverse technologies to create immersive, interactive, and exploratory learning experiences, echoing the core values of SDG 4: Quality Education.

In 2024, HTC and the Taipei Computer Association launched the "VIVERSE Smart Education Metaverse" at the Taiwan EdTech Expo, integrating virtual teaching scenes, a 360-degree lesson plan creation platform, and multi-user synchronous management to narrow the gap in educational resources between urban and rural areas and promote educational equity. HTC hosted over 20 teacher workshops this year, engaging more than 300 educators to share the application of the education metaverse, injecting fresh momentum into the education ecosystem.



HTC launched the "VIVERSE Smart Education Metaverse" at the Taiwan EdTech Expo, enabled students to attend classes inside the metaverse.

In 2025, HTC collaborated with Xinhai Elementary School in Taipei to introduce AI-driven VIVERSE Create into elementary school information courses. Students progressed from hand-drawing concepts to AI-generated 3D characters, and then arranged their works within the virtual exhibition room, completing a full set of 3D learning processes from creation, space planning to exhibition presentation, echoing the core literacy and practical ability of the 12-year national education.



HTC collaborated with Xinhai Elementary School to promote XR courses

Digital Empowerment in Education and Cultural Heritage

In 2024, students from the Department of Crafts and Creative Design at National University of Kaohsiung used VIVERSE Create to build the "Between Reality and Virtuality Digital Twin Gallery," featuring virtual exhibits on themes such as fishery culture, nature conservation, autism rehabilitation, the history of Taiwan's cypress industry, pastry culture, and ecological protection. These works blend interactive games, scene design, and cultural storytelling, showcasing the deep integration of digital technology and cultural heritage, creating immersive art learning environments.



National University of Kaohsiung partnered with HTC to empower education and creativity with "VIVERSE Create".

In 2025, amid the rapid convergence of AI and XR technologies, the Department of Crafts and Creative Design at National University of Kaohsiung became the first university undergraduate program in Taiwan to introduce the VIVERSE Create platform. It launched a hands-on "WebXR 3D Immersive Creation" course, enabling students with no programming background to create original 3D virtual spaces with cultural depth and social perspectives through a practice-oriented approach. This experimental course, which transforms design into storytelling and digital interactive experiences, demonstrates the application potential of VIVERSE immersive technology in cultural, social, and self-narrative contexts.

In addition, HTC held the inaugural "VIVERSE Spark Global University Hackathon" in 2025, attracting top institutions from Taiwan, the UK, the US, and other regions. Student teams used VIVERSE SDK and WebXR technology to create impressive virtual experiences. The champion works, The Knight Watcher from the University of Houston and Nimbus from the Royal College of Art, demonstrated outstanding creativity in the areas of immersive storytelling and social experience, respectively. Taiwanese teams also performed strongly, with a team from National University of Kaohsiung receiving Honorable Mention in two different categories.

At the same time, to encourage the integration of local culture and the virtual influencer industry, HTC partnered with Edits Technology to co-host the "2025 Metaverse Virtual Influencer Design Competition." Teams from Taipei University of Business and Tainan University of Technology combined the precision tracking capabilities concept of VIVE Focus Vision to design VTuber characters with local cultural characteristics. These competitions not only provided a platform for technical practice, but also helped young creators learn how to use digital tools to tell stories, realizing a transformation from "receiver" to "creator."



HTC Launches the "VIVERSE Spark" Global University Hackathon, Offering a Top Prize of US\$5,000

HTC remains dedicated to advancing Taiwan's innovation in XR and metaverse education while actively fostering the next generation of tech talent. Through the VIVERSE Education Metaverse, teachers and students can engage in new forms of collaborative learning, exchange, and exploration in virtual spaces.

Inspire the diverse spirit of innovation and open up cross-sector applications for the Metaverse industry

VIVE ORIGINALS leveraged the BEATDAY metaverse brand to provide audiences with new immersive entertainment experiences and promote the development of Taiwan's virtual reality entertainment industry. We expect to make entertainment more fun, and through cross-sector cooperation with other brands in different fields, we have demonstrated the possibilities of diverse applications and created a new social entertainment ecosystem. BEATDAY is not only a new breakthrough in entertainment, but also an important step towards inclusive and sustainable economic growth.

Creating brand value—the brand new BEATDAY entertainment experience metaverse

To explore new possibilities with people for cultural, VIVE ORIGINALS uses innovative technology to create the world's first music metaverse brand BEATDAY, which provides audiences with a new immersive entertainment experience and promotes the development of Taiwan's virtual reality entertainment industry.

BEATDAY not only combines music and technology but also elevates the experience to the level of the metaverse, allowing the audience to experience the charm of music in the virtual world. By watching the metaverse concert, the audience not only avoid the risks caused by participating in large-scale events during the epidemic but also reduce the energy consumption and transportation carbon emissions of attending physical events, contributing to environmental sustainability while enjoying entertainment.

In 2025, BEATDAY held the following events:

1. Annin Miru "BIG DREAMER" concert

After six years since debut, Annin Miru has captivated global fans with her innovation and diverse charm, and also brought the dream "Almond Palace" to the virtual world, with the opening ceremony featuring a Year of the Snake-themed main lantern lighting, marking the start of the event. The finale highlight of the festival was the "BIG DREAMER Concert" held on February 22nd and 23rd. Inspired by the "Almond Palace" symbolized by the iconic "Wululu Pork Rice", has become the core design inspiration of this concert. Combined with BEATDAY's exclusive 9 major scenes, so that fans can not only listen to her singing, but also interact with her at close range through 6-degree-of-freedom technology, creating a fully immersive experience.



VIVE ORIGINALS created the "Almond Palace Lantern Festival Gala" to celebrate the Chinese New Year as a surpris



Annin Miru Big Dreamer Concert

2. Xtreme Deep Field "Op. 1" Online Concert

The "Op. 1" online concert is led by "Xtreme Deep Field" members Erelntir, Nemo, Emuya, and Xige, and the content continues the world view of the VR location-based music film "Runaway Boss", integrating music, visuals, interaction and game elements, leading the audience through time and space and embarking on a time-travel journey through Dadaocheng in the 1930s, creating a fantastical and immersive narrative. The VIVE ORIGINALS team created 7 immersive scenes for this purpose, recreating iconic locations such as the Yongle Theater, Japanese-style cafes, and nostalgic street scences of the past, allowing the audience to immerse themselves in the scene.



The "Op.1" online concert lead the audience through time and space and set off a new wave of immersive entertainment



AThe VIVE ORIGINALS team specially created 7 immersive scenes for this purpose

3. "ReLive Project : The Greatest Carnival" and "XiaYuYao Idol Evolution" Taiwan Creative Content Agency supports the commercial verification of Cultural Technology Content Fields

HTC collaborated with Taiwan Creative Content Agency to jointly promote the "Cultural Technology Content Field Commercial Verification Project". Together with the VTuber team ReLive Project and virtual idol XiaYuYao to launch "ReLive Project : The Greatest Carnival" and "XiaYuYao Idol Evolution", each consisting of three 3D VTuber performances. The first show, "ReLive Halloween Night," performed by OctJun and DaDa, achieved outstanding results. It received strong positive feedback from fans, with many requesting additional shows. Online fan contributions exceeded NTD 10,000 demonstrating enthusiastic engagement and highlighting the commercial potential of 3D virtual variety entertainment.

BEATDAY integrates WebGL technology into its performances to create a lightweight experience, breaking hardware barriers by allowing audiences to access content without downloading any application. Users can easily enjoy 6DoF (six degrees of freedom) immersive interactive content directly through a web browser on a computer or mobile device, delivering a more immersive experience than traditional 2D live streaming.

In addition, BEATDAY's WebGL solution not only lowers the barrier to participation for audiences but also provides a highly effective and replicable new business model for the VTuber industry, allowing content creators to focus more on improving the quality of performance and interactions, and obtain substantial commercial feedback from it.



Laughing heartily! ReLive "ReLive Carnival" start three 3D variety shows at the end of the year



XiaYuYao Idol Evolution

Accelerate industrial innovation with a solid technological foundation and promote virtual and physical sustainable living

In the era of globalization and digitalization, innovation is one of the goals pursued by enterprises. The Ministry of Economic Affairs' A+ Enterprise Innovation R&D Forging Program takes advantage of the opportunities in the metaverse market and integrates technologies such as 5G, AIoT and XR to promote demonstrative services using the metaverse virtual town concept, aiming to drive new business opportunities and value.

VIVERSE GEM: The Operations Hub for Multiplayer Immersive Experiences, Driving Virtual-Physical Integration

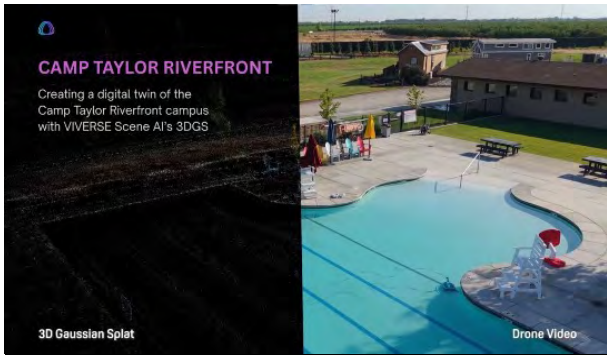
GEM (Group Experience Management) is VIVERSE's group experience management platform for LBE (Location-Based Entertainment). It integrates "content deployment, multi-user synchronization, and on-site operations" into a reproducible standard workflow, enabling large venues to deliver walkable, interactive immersive experiences to multiple users simultaneously in a stable manner. GEM supports device and session management, user allocation and pairing, synchronized status monitoring, operational dashboards, and log tracking, helping on-site staff quickly handle launch, crowd control, and recovery, thereby improving operational efficiency and safety. In the representative project The Little Prince: Call to Adventure, GEM supported the on-site workflow for a walkable, multiplayer immersive experience and was advanced in collaboration with partners such as NTT DOCOMO, validating its commercial viability in scenarios involving high concurrency, multi-user synchronization, and the integration of virtual content with physical pathways and venue management. This helps create a coherent hybrid journey that connects "online shareable content entry points" with "offline scalable physical experiences."



▲ In partnership with NTT DOCOMO, the walkable multiplayer immersive experience The Little Prince: Call to Adventure made its global debut in Japan

VIVERSE AI Creation Tools: Object AI and Scene AI Accelerate Content Generation and Deployment

In 2025, VIVERSE integrated AI into its content production workflow by launching Object AI and Scene AI, helping creators build assets and scenes with a lower barrier to entry and greater efficiency, while shortening the cycle from concept to publication. Creators can quickly generate usable assets from text or images, or create highly realistic spaces from video, and save them directly back to the asset library for subsequent editing, multiplayer interaction design, and online sharing. This not only improves prototyping and iteration speed, but also supports virtual-physical integration use cases such as exhibition tours, educational scenarios, and the digitization of physical spaces, expanding content supply and platform vitality. With task-based guidance, it also reduces the learning curve, enabling more creators without an engineering background to participate.



▲ Through VIVERSE Scene AI, drone footage can be transformed into highly realistic spaces

Strength the means of implementation and revitalize the global partnership for sustainable development

HTC Medical VR is advancing diverse partnerships in medical education and contributing to sustainable development. We are committed to utilizing VR and generative AI technologies to collaborate with hospitals, schools, and businesses in Taiwan to cultivate medical talent and promote innovative teaching models. Through various collaborative projects, we have demonstrated active efforts in the field of medical education and created tangible value for society. The establishment of the "Diverse Metaverse Application Alliance" integrates elements of metaverse applications, calls for related industries to join, promotes metaverse applications, facilitates digital transformation in industries, and enhances Taiwan's competitiveness on the international stage.

The establishment of "Metaverse Application Alliance"

HTC announced the establishment of the "Metaverse Application Alliance" at the "2023 Smart City Exhibition". This alliance is the first of its kind to have a dual-chairman system, with HTC Global Sales VP Charles Huang and Far EasTone Telecommunications Executive Vice General Manager and Chief Information Officer Hu Demin as co-chairmen.

The Alliance's key development areas includes: "retail e-commerce", "medical care", "green sustainability", "manufacturing industry", "culture and entertainment", "education and learning", and "public welfare governance", calling on relevant metaverse industry players to join in driving metaverse applications, accelerating the digital transformation of the industry, and strengthening Taiwan's international competitiveness. The alliance's founding meeting attracted 49 founding members and many government guests, demonstrating the importance and support from all walks of life for the development of the metaverse.



▲ Launching ceremony of the founding conference of the Metaverse Application Alliance

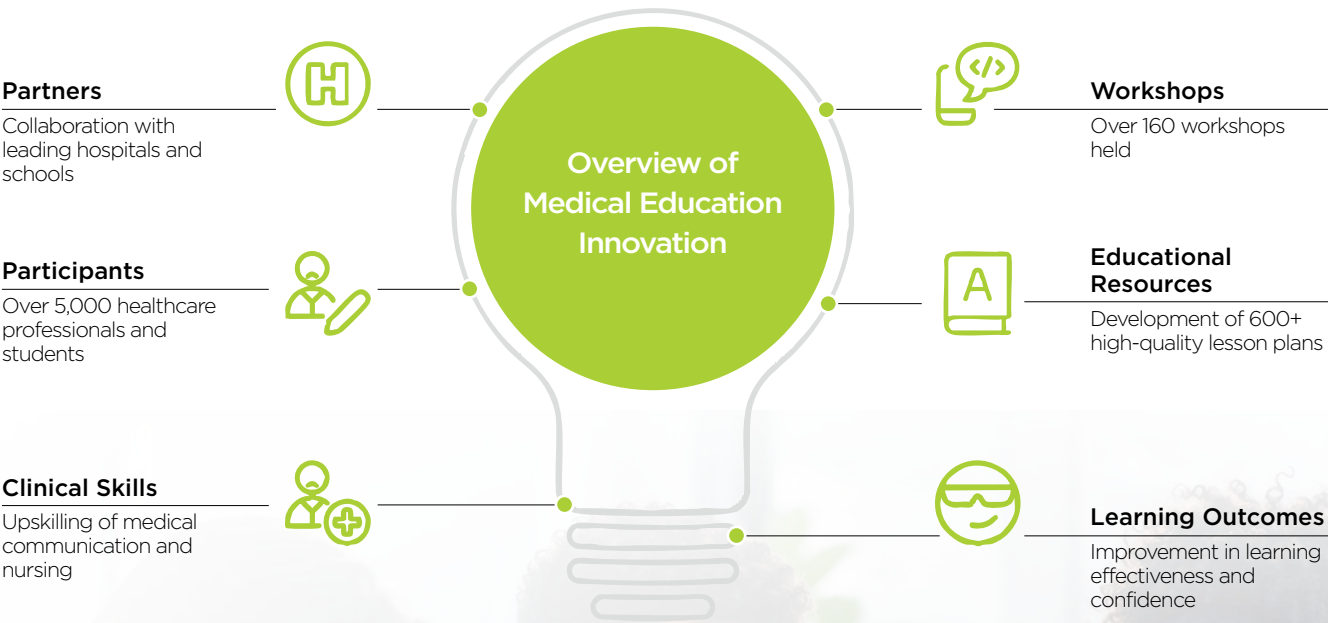


Efforts in Nurturing Medical Talent

Partnering with Taiwan's top hospitals and schools, we developed an AI & VR teaching platform that, by 2025, has conducted over 160 workshops, trained 5,000+ healthcare professionals, and produced 600+ quality lesson plans.

Collaborations with 18 medical centers have improved clinical skills training, integrated care, and doctor-patient communication — enhancing patient safety and healthcare quality. The platform also empowers teachers through data-driven insights, elevating educational outcomes. In partnership with Tri-Service General Hospital, learners showed notable improvements in clinical thinking and adaptability, winning national competitions.

Overview of Medical Education Innovation



Using AI innovation to support suicide gatekeeper training, recognized by a top international journal

We collaborated with the Taiwan Association Against Depression and Professor Wu Chia-yi's team at National Taiwan University to develop Suicide Gatekeeper communication training through AI virtual human simulation technology, in response to the growing mental health challenges posed by depression and suicide risk.

Depression is often accompanied by prolonged low mood, helplessness, and withdrawal. If not identified and addressed early, it can further increase the risk of self-harm and suicide. Suicide Gatekeeper education is regarded as a key strategy in suicide prevention; however, traditional teaching methods are mostly lecture-based and struggle to cultivate the practical communication and response skills needed in high-risk situations. To address this, the project uses generative AI and virtual human scenario simulation to provide a safe, repeatable learning environment, helping learners practice core communication skills such as QPR (Question–Persuade–Refer).

Overall training results showed that the AI virtual human training model effectively improved learners' understanding of the importance of suicide prevention, and delivered significant benefits in communication skills, empathy, and practical readiness, receiving highly positive feedback. The related research was published in 2025 in the top international medical education journal Medical Teacher, earning recognition from the global academic community and validating the academic value and practical impact of AI innovation in mental health education and suicide prevention training.

This project demonstrates HTC's use of AI innovation to respond to the challenges of depression and suicide prevention, deepen mental health promotion and ESG social responsibility, and continue creating long-term positive impact for sustainable medical education.



▲ HTC collaborated with the Taiwan Association Against Depression and Professor Wu Chia-yi's team at National Taiwan University to develop Suicide Gatekeeper communication training using AI virtual human simulation technology.

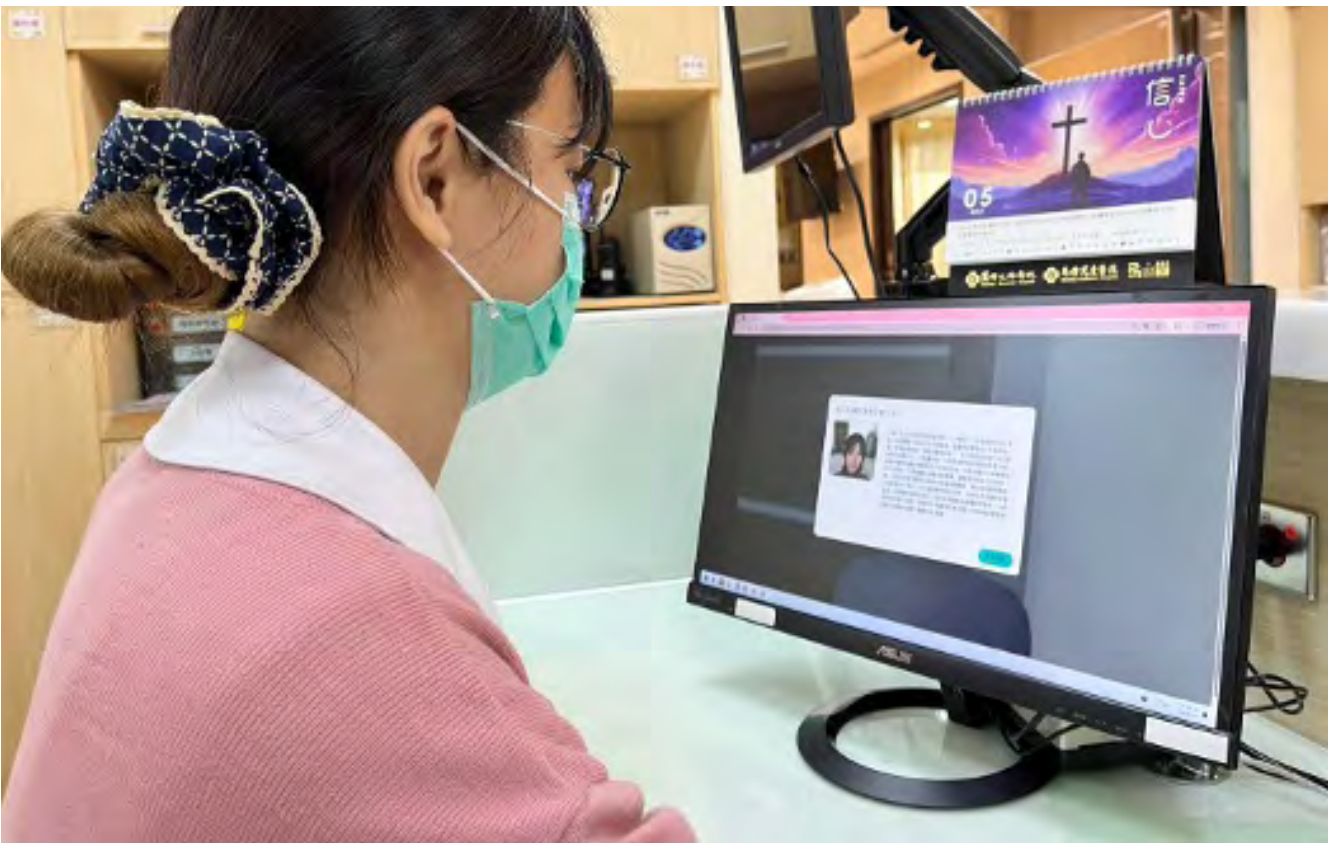
Addressing nursing workforce attrition by strengthening clinical communication resilience with AI

Facing ongoing nursing workforce attrition and a high-pressure clinical environment, nurses are required not only to possess professional clinical skills, but also to manage intense emotional labor and communication stress over the long term. Communication errors, misunderstandings, and conflicts not only affect patient satisfaction, but also gradually erode nurses' professional confidence and willingness to stay in the profession. To address this structural challenge, we partnered with Mackay Memorial Hospital to introduce an AI virtual human training program, focusing on communication resilience to support nurses in maintaining stable expression, effective listening, and professional judgment in emotionally charged clinical situations.

Clinical communication often involves a "It was spoken without intent, but heard with meaning" dynamic: even well-intentioned remarks may be misunderstood due to differences in tone, timing, or context, potentially leading to conflict or even medical disputes. The cumulative burden of communication frustration has become an important hidden factor behind nursing turnover. This project targets the most frequent, critical, and difficult-to-handle communication scenarios in clinical practice, using AI virtual humans for situational simulation so nurses can practice in a risk-free environment through repeated rehearsal.

The AI virtual human training covers common clinical scenarios such as calming patients' emotions, responding to family conflicts, communicating treatment refusal, and explaining major medical decisions. Integrating the principles of Competency-Based Medical Education (CBME), the program provides structured feedback and learning analytics across communication skills, listening and understanding, empathy expression, emotional management, professional attitude, problem-solving, and teamwork, helping nurses become aware of their communication patterns and gradually build stable, adaptable response capabilities.

Through repeated practice with AI virtual humans, nurses can accumulate "safe communication experience," making it less likely for them to become overwhelmed in high-pressure or conflict situations, while enhancing professional confidence and psychological resilience, thereby strengthening mutual trust between patients and providers and improving team collaboration. This collaboration demonstrates HTC's use of AI innovation to address nursing workforce attrition by strengthening communication resilience, creating a more supportive and sustainable healthcare workplace culture, and fulfilling a long-term commitment to medical education and ESG social responsibility.



▲ Mackay Memorial Hospital and HTC Medical joined forces to strengthen clinical communication resilience with AI.

Taichung Tzu Chi Hospital teamed up to build a generative AI virtual patient database for dementia

As Taiwan moves into a super-aged society, patients with dementia place long-term and high-intensity care demands on healthcare professionals and family caregivers due to memory decline, mood fluctuations, and behavioral changes. Traditional clinical training is limited by the difficulty of accumulating practical experience and the wide variability among cases, making it hard to systematically cultivate healthcare professionals' response capabilities. To address this, HTC Medical VR, in collaboration with Taichung Tzu Chi Hospital, jointly established Taiwan's first generative AI virtual patient database for dementia and introduced an AI virtual patient case-authoring platform, creating a dementia care training model that is repeatable, low-risk, and equipped with real-time feedback.



▲ HTC and Taichung Tzu Chi Hospital co-hosted a generative AI holistic care workshop to enhance the quality of dementia care.

The platform combines generative AI and scenario simulation technologies, allowing healthcare professionals to interact in a safe environment with virtual dementia patients configured with different disease stages and personality traits. Through real-time feedback and data analysis, the system strengthens clinical response and empathetic communication skills. The first holistic care generative AI workshop in 2025 received highly positive feedback.

This collaboration demonstrates HTC's use of AI innovation to respond to the challenges of aging and dementia care, promote holistic healthcare and sustainable medical education, and deepen the company's long-term value in healthcare and ESG social impact.

HTC Medical VR, through innovative technology and diverse partnerships, continues to drive the development of medical education, enhance healthcare quality, and promote effective communication between healthcare professionals and patients, delivering tangible value to society. We have achieved significant breakthroughs in smart healthcare, metaverse education, and holistic medical care, earning strong international recognition. Looking ahead, HTC Medical VR remains committed to advancing smart healthcare and holistic education, aiming to achieve a win-win outcome for both medical education and societal well-being.

Other Social Engagement Activities The HTC Child Support Club

The HTC Child Support Club was founded in 2006 as a spontaneous association formed by HTC employees. The members raise money that is donated to the Taiwan Fund for Children and Families (TFCF) to support the sponsorship of children in need. HTC Child Support Club has donated a total of NTD17,343,430 Since from September 2012. In 2025, a total of 26 children were adopted, including 22 children from Taiwan, as well as 4 children from Kyrgyzstan, the Philippines, Paraguay, and Guatemala.

Appendix



Appendix 1: Participation in Industry Associations and Non-Profit Organizations

Organization Name	Membership
SDA (Secure Digital Card Association)	General member
Wi-Fi (WECA Wireless Ethernet Compatibility Alliance)	General member
Khronos Group-OpenGL (Open Standards for media Authoring and Acceleration) (The Industry's Foundation for High Performance Graphics)	Member
NMEA (New Media Entertainment Association)	Group member
JBRC (Japan Battery Recycling Collection)	General member
Taoyuan importers & exporters chamber of commerce	General member
CCSA (China Communications Standards Association)	General member
Bluetooth SIG (Bluetooth Special Interest Group)	General member
CTIA (Cellular Telecommunications Industry Association)	Operators and industry member
Taiwan Academia Industry Consortium	Group member
TCFD	Supporter
RBA (Responsible Business Alliance)	Affiliate member
CDP Supplier chain Member	Standard Member
Metaverse Application Alliance	Founding Member and President
Taiwan Electrical and Electronic Manufacturers' Association	Sponsoring Members
5G Industrial Innovation and Development Alliance	General member
ORAN Alliance	Contributor
OnGo Alliance	Adopter member
Accounting Research and Development Foundation of the Republic of China	Group Honored Member
Telecom Infra Project	Band E
Open RAN Policy Coalition	General member
AI-RAN Alliance	General member
8 Foundry Alliance	General member

Appendix 2: Material Topics Management Approach Assessment

Material topics	Waste Management
GRI Standard	306-1、306-2、306-3、306-4、306-5
Chapter	P.099 Sustainable Agenda
Impact Description	Positive impacts (actual): Effective environmental management can reduce the amount of waste sent to landfills and incineration, minimize the mixing of hazardous waste into general waste, and prevent soil, water, and groundwater contamination. Negative impacts (potential): Without environmental management, ongoing pollutant generation could contaminate the environment and harm all living organisms, affecting the entire ecosystem. It would also increase waste generation and raise the volume requiring incineration or landfill disposal, thereby increasing carbon emissions and worsening the greenhouse effect.
Policy or Commitment	HTC follows the international ISO 14001 Environmental Management Standard and continuously operates an environmental management system. Annual and ad hoc regulatory reviews are conducted to ensure compliance with local laws and regulations. Each year, HTC implements risk assessments, internal audits, and other management processes, requiring employees and contractors to comply with environmental management rules and operating standards. Since HTC's manufacturing and operations do not use water in the process and mainly use raw materials that do not generate VOCs, there is no discharge of process wastewater or VOCs. The only environmental impact generated by HTC's manufacturing and operations is waste, and the company continues to implement source control and waste reduction measures.
Metrics and Targets	✔ Waste recycling rate: 84.5%
Mechanism of Evaluation	● Environmental Management Committee ● Sustainability Management Committee ● ISO 14001 internal/external audits
Communication Channel	● Environmental Management Committee meetings, Sustainability Management Committee, email
Annual Actions and Measures	● Actual waste recycling rate: 91.26%
Material topics	Product quality and safety
GRI Standard	416-1、416-2、417-1、417-2
Chapter	P.106 Sustainable Design
Impact Description	Positive impacts (actual): Positive impacts (actual): HTC provides users with a better AI device experience through high-quality and safe design, while reducing the environmental burden of electronic waste, thereby creating value for users and society. Negative impacts (potential): If quality control is inadequate, it may result in damage to the brand's reputation or legal litigation.
Policy or Commitment	HTC complies with international safety standards (e.g., CE, FCC, RoHS, REACH). The Company is committed to providing safe and reliable wearable products, ensuring that all products comply with international safety standards and hazardous substance limits during both the design and manufacturing stages.
Metrics and Targets	✔ 100% of products pass safety certifications in all sales regions (e.g., BSMI, NCC, etc.).
Mechanism of Evaluation	● ISO 9001 Quality Management System ● ISO 14001 Environmental Management System ● IECQ QC 080000 ● 歐盟 WEEE 指令（2012/19/EU）
Communication Channel	● Product safety manuals, official website ● Customer satisfaction surveys ● Customer service hotline: 0809-090-166 / Mobile direct line: 02-2162-6788 ● Localized service contact channels supporting 10 languages, and websites in more than 60 country languages worldwide ● External channels (Privacy & Information Security, Product Safety): global-privacy@htc.com , security@htc.com
Annual Actions and Measures	● VIVE Eagle has obtained FCC/CB/BSMI/NCC certifications. ● Through third-party testing, the recycling rate reached 76.6%, which is 21.6% higher than the WEEE standard ● Passed ISO 10993 skin sensitization and irritation tests. ● Customer satisfaction survey achieved an annual average score of 4.68 out of 5.

Material topics	Labor Management Relations
GRI Standard	401-1、401-2、401-3、402-1
Chapter	P.142 Overview of Human Resource Structure, P.157 Salary and Benefits, P.138 Work-Life Balance, P.139 Listening to the Voice of the Employee
Impact Description	Positive impacts (actual): By providing competitive compensation and benefits, flexible working hours, and an Employee Assistance Program (EAP), HTC helps safeguard employees' and their families' financial security and significantly supports employees in achieving work-life balance. Through regular labor-management meetings and accessible communication channels (such as employee town halls and grievance mailboxes), employees are empowered to voice their concerns, thereby strengthening organizational cohesion.
	Negative impacts (potential): If working conditions are not continuously improved, compensation and benefits are not competitive in the market, or employee career development is not adequately supported, key talent may leave and recruitment may become difficult, which would weaken the company's innovation momentum over time. If major operational changes (such as organizational restructuring) are made without legally required notice periods or proper communication, labor rights may be harmed, potentially leading to labor disputes and impacting operational stability and corporate reputation.
	Policy or Commitment ● HTC Employee Code of Conduct ● Modern Slavery Act Declaration ● Work Rules
	Metrics and Targets ✓ Ensure harmonious labor-management relations throughout the year, with 0 major violations or penalties. ✓ Hold labor-management meetings quarterly.
	Mechanism of Evaluation ● Employee grievance mechanism, labor-management meetings
Communication Channel	● Multiple grievance channels, including the employee grievance hotline, grievance suggestion box, grievance email, and sexual harassment grievance email ● Human Resources hotline - Employee assistance hotline email: HelpMe_8585@htc.com - External channel: ESG_email_esg@htc.com
Annual Actions and Measures	● 0 major violations or penalties in 2025. ● Held 4 labor-management meetings
Material topics	Economic performance
GRI Standard	201-1
Chapter	P.029 Financial Performance Snapshot
Impact Description	Positive impact (actual): We attach great importance to corporate governance and operational transparency, formulate and implement a corporate governance structure in accordance with the Company Act, the Securities and Exchange Act and other relevant laws and regulations, and continuously improve management performance.
	Policy or Commitment ● Appropriately and effectively distribute the powers and responsibilities of the Board of Directors, managers and shareholders to establish and maintain a management team that is accountable to shareholders. ● Through a comprehensive and systematic ESG implementation system, the rights and interests of investors and other stakeholders are protected.
	Metrics and Targets ✓ Create innovative high-end hardware in strategic markets and establish industry-leading platforms, software, content and services to create revenue
	Mechanism of Evaluation ● Independent Director ● Internal audit system ● Audit Committee ● Evaluation by relevant authorities
	Communication Channel ● Investor contact channels ● Tel: +886-2-8912-4138 ● Email: ir@htc.com ● Company Spokesman: spokesman@htc.com
Annual Actions and Measures	While advancing cutting-edge technologies, HTC continues to optimize corporate resource allocation, strictly control operating expenses and costs, and improve overall operational efficiency through asset management, internal systems, and administrative process optimization, resulting in an operating gross margin of 35.9% in 2025. We believe that pragmatic operational management and investment planning will help HTC gradually strengthen its market competitive position and lay a solid foundation for long-term development. ● Hardware innovation: Launched high-end virtual reality devices and 5G edge computing solutions to consolidate its strategic market position. ● Platform and services: Developed industry-leading software platforms and content services to increase high-margin subscription and licensing revenue. ● Original content: Through VIVE Arts and VIVE Originals, HTC has built a presence in the art and entertainment sectors by developing high-quality original immersive content, successfully transforming into a high-margin service model and achieving the goal of optimizing its overall profitability structure. ● Gross margin improvement: By enriching the integrated hardware and software product portfolio and reducing dependence on single hardware sales, HTC effectively optimized its profitability structure and achieved its operating gross margin target. 2025 operating gross margin: 35.9%

Material topics	Customer Privacy and Health Safety Management	
GRI Standard	416-1 、 416-2 、 418-1	
Chapter	P.079 Customer Privacy and Health Safety Management	
Impact Description	Positive impact (actual): HTC is a member of the software and hardware information industry, and maintaining good information security measures can effectively protect commercial interests and intellectual property rights. Negative impact (potential): Without sufficient implementation of security measures, sensitive information may be leaked, which not only directly affects commercial interests, but also the reputation and the business.	
Policy or Commitment	● HTC follows the ISO 27001 Information Security Management System and ISO 27701 Privacy Information Management System published by the International Organization for Standardization (ISO) to establish and implement various customer privacy management policies. HTC actively builds and promotes its information security management system and personal information management system to ensure the security of customer information and comply with relevant national privacy protection regulations. ● HTC’s wholly-owned subsidiary, DeepQ, adheres to ISO 27001 and ISO 27701, and further aligns with ISO 27799 guidelines to enhance the protection of personal health information. ● HTC prioritizes consumer health by ensuring that products and packaging materials are free of toxic substances. Additionally, VR product manuals include recommended usage durations to minimize potential impacts on health.	
Metrics and Targets	✓ Violations of customer personal data protection or data loss harming customer rights: 0 ✓ Complaints related to customer health issues: 0 ✓ Customer satisfaction ≥ 4.0 (out of 5)	
Mechanism of Evaluation	● ISO 27701 Privacy Information Management System ● ISO 27799 Health and Medical Industry Information Security Management Guidelines	● Customer Satisfaction Survey ● Privacy protection regulations of relevant countries
Communication Channel	● Customer Satisfaction Survey ● Customer Service Hotline: 0809-090-166 Mobile Direct Dial: 02-2162-6788 ● Local service contact channels supporting 10 languages, with websites in over 60 different country languages ● External Channels (Privacy and Information Security, Product Safety): global-privacy@htc.com 、 security@htc.com	
Annual Actions and Measures	● There were no product recalls due to safety issues in 2025, and no customer complaints related to health impacts. ● In 2025, HTC incorporated the key provisions of the China Network Data Security Management Regulations into the system documentation of its personal information management system. ● In 2025, HTC received a total of 667 requests. Of these, 114 cases were confirmed by the Data Protection Office as requiring internal processing procedures under applicable laws, and all were fully resolved. There were no incidents of customer personal data protection violations or customer data loss that harmed customer rights and interests. Customer satisfaction surveys recorded an annual average score of 4.68 out of 5.	
Material topics	Information Security and Privacy Protection	
GRI Standard	418-1	
Chapter	P.068 Information Security Management	
Impact Description	Positive impact (actual): HTC is a member of the software and hardware information industry, and maintaining good information security measures can effectively protect commercial interests and intellectual property rights. Negative impact (potential): Without sufficient implementation of security measures, sensitive information may be leaked, which not only directly affects commercial interests, but also the reputation and the business.	
Policy or Commitment	● HTC adheres to the ISO 27001 Information Security Standard, establishes and promotes various information security measures, and conducts annual risk assessments and internal audits on privacy and information security. ● HTC actively establishes and implements the HTC Information Security Policy and Personal Information Management System to ensure the security of company information and comply with information security and privacy protection laws and regulations in various countries.	
Metrics and Targets	✓ The completion rate of the annual HTC Privacy and Security Awareness training for all staff is ≥ 95% ✓ The completion rate of the annual HTC Product Security training for all engineering functional department employees is ≥ 100%	
Mechanism of Evaluation	● ISO 27001 Information security management systems ● ISO 27701 Privacy Information Management System	● ISO 27799 Information Security Management in Health
Communication Channel	● Internal: e-mail, announcements ● Outside channel (info-security): global-privacy@htc.com 、 security@htc.com ● Outside channels (intellectual property rights): Global-Copyright@htc.com	

Material topics	Information Security and Privacy Protection	
Annual Actions and Measures	● Publish monthly privacy and information security newsletters ● Completion rate of the annual “HTC Privacy and Security Awareness Training” for all employees: 100% ● Completion rate of the annua “HTC Product Safety Training” for all employees in all engineering functions: 100% ● Conduct 100 internal audits on personal data protection and information security. ● Complete 63 product and service privacy and security reviews, and 34 partner privacy and security assessments. ● No personal data or information leakage incidents in 2025.	
Material topics	Sustainable Supply Chain	
GRI Standard	308-1 、 308-2 、 414-1 、 414-2	
Chapter	P.123 Sustainable Supply Chain	
Impact Description	Negative impact (potential): If the supply chain has endangered human rights and social and environmental regulations, it may cause damage to HTC's goodwill, so HTC attaches great importance to supplier management to avoid negative impacts.	
Policy or Commitment	● HTC has participated in the Responsible Business Alliance (RBA) since 2023 and actively participates in discussions and actions on various supply chain social and environmental responsibility issues to understand the trends in the implementation of social responsibility by international companies and the practical experience of members. The company follows the RBA Global Responsible Business Alliance Code of Conduct and formulated the HTC Supplier Code of Conduct. It is committed to improving and enhancing the environment, labor rights, ethics, safety and health, and expanding the social responsibility of the supply chain system. We also hold supplier meetings from time to time every year to promote relevant issues. To ensure effective implementation, supply chain ESG management and plans are formulated and implemented after discussions between the procurement unit and the sustainability office, and are supervised by the ESG Committee. ● 《HTC Sustainable Development Policy》 ● Responsible Business Alliance Code of Conduct (RBA). ● HTC Supplier Code of Conduct ● Modern Slavery Act Declaration	
Metrics and Targets	✓ Tier 1 suppliers signed the “Supplier Code of Conduct,” with a 100% return rate ✓ Tier 1 supplier CDP survey response rate: 90% ✓ Conflict minerals (3TG): 100% ✓ Conflict minerals (cobalt and mica) survey rate: 100% ✓ RBA SAQ completion rate: 85%	
Mechanism of Evaluation	● Sustainable Development Committee ● CDP Supplier Chain project ● Quarterly Supplier Operations Meeting (QBR).	● Supplier Social Responsibility Audit ● Conflict Minerals
Communication Channel	● Supplier Advocacy Symposium (Occasional) ● Supplier Coaching and Audit (Annual) ● Cooperate with suppliers on projects related to sustainable development (ESG) and greenhouse gas inventory	
Annual Actions and Measures	● Tier 1 suppliers signed the “ Supplier Code of Conduct,” return rate: 100% ● Tier 1 supplier CDP survey response rate: 98% ● Conflict minerals (3TG): 100% ● Conflict minerals (cobalt and mica) survey rate: 100% ● RBA SAQ completion rate: 88%	
Material topics	Integrity Management	
GRI Standard	205-2 、 205-3 、 308-1 、 414-1	
Chapter	P.065 Integrity Management	
Impact Description	Positive impact (potential): The implementation of honest business policies helps to strengthen a company's reputation and brand value, enhancing the trust of stakeholders (including consumers, partners, suppliers, and investors) in the company. It also encourages companies to be responsible in terms of Environmental, Social, and Governance (ESG) aspects, thereby reducing operational risks and minimizing negative environmental impacts. Additionally, implementing honest business practices contributes to establishing solid labor relations, fair supply chain competition environment, and a good corporate culture, increasing employee satisfaction, cohesion, and productivity. Negative impact (potential): Ineffective management of honest business practices, such as fraudulent activities or false advertising, or supplier bribery and corruption, can undermine the trust of stakeholders (including consumers, partners, and investors), leading to a decline in revenue and negatively impacting the company's image. Violations of environmental regulations may affect communities, natural resources, and the company's sustainable development. Non-compliance with labor laws or unfair compensation practices can result in employee dissatisfaction, low morale, and decreased productivity. Furthermore, dishonest competitive behavior may unfairly affect other businesses and consumers, potentially leading to supply chain disruption, the loss of partners and damaging the company's reputation.	

Material topics	Integrity Management
Policy or Commitment	● Integrity Management Operating Procedures and Conduct Guidelines, Reporting and Handling Measures for Violations of Honest Business Practices, Employee Code of Conduct will be established to disclose the guidelines for our employees during company operations. The audit department will strictly supervise the formulation and implementation of ethical management policies and regularly report to the board of directors. ● To extend the integrity value chain, the Company has established and implemented the "Supplier Code of Conduct" and requires relevant business partners to sign the "Integrity Commitment Letter;" pledging not to engage in bribery, illegal kickbacks, or any other conduct that violates business ethics.
Metrics and Targets	✔ Improve the completion rate of new employee Anti-Corruption Training and Employee Code of Conduct training by $\geq$ 97% ✔ Implementation of key suppliers signing integrity commitment clauses, with a target coverage rate of $\geq$ 90%
Mechanism of Evaluation	● Establish an Ethical Management Promotion Group to supervise the effective operation of the preventive measures established for ethical management. ● The rules of procedure of the board of directors include a system for avoiding conflicts of interest of directors. ● Internal department heads, the human resources department, and the auditing unit all accept appeals, and the human resources department is responsible for implementing disciplinary procedures. ● The procurement department ensures that all contracts signed with key suppliers include integrity commitment clauses.
Communication Channel	● HTC has a dedicated mailbox for reporting corruption (anti-corruption@htc.com). Anyone who discovers that HTC employees are involved in corrupt or other illegal activities can file a report to this email address
Annual Actions and Measures	● New employee training-"Anti-corruption training-Employee Code of Conduct training completion rate: 100% ● No corruption-related incidents occurred in 2025 ● Coverage rate of key suppliers signing the Integrity Commitment Letter in 2025: 99%

Material topics	Innovation Management
GRI Standard	Custom theme
Chapter	P.073 Innovation Management
Impact Description	Positive impact (potential): Innovation can help HTC create value, stimulate employee creativity, respond to market changes, generate new products and processes, and achieve sustainable goals.
Policy or Commitment	● Combining cutting-edge technologies such as VR, AR, AI, 5G, and Blockchain with arts and humanities to unleash people's imagination. ● Measures for the Administration of Patents ● Notice and Procedure for Complaints of Copyright Infringement
Metrics and Targets	✔ Patent rights operation is used to revitalize patent assets and enhance the effectiveness of patent rights implementation.
Mechanism of Evaluation	● Patent management
Communication Channel	● Internal R&D innovation strategy specification ● Reward employees for invention and creation
Annual Actions and Measures	● HTC has long been committed to cultivating R&D talent and driving technological innovation. R&D personnel account for 37% of the Company's global workforce, and investment in R&D resources is approximately 57% of operating revenue. ● In 2025, the Company filed 315 patent applications worldwide, bringing cumulative global patents granted to 9,425 as of the end of 2025. ● DeepQ's innovative products, "Jiguanjia" and "Yizhisentong," continued to support the Taiwan CDC in epidemic prevention promotion and management, and received the National Innovation and Entrepreneurship Award for three consecutive years in 2025. ● Two sessions of the VIVERSE Hackathon were held, and the winning teams were recognized at the 2025 Employee Assembly.

Material topics	Climate Change Adaptation
GRI Standard	201-2 、 305-1 、 305-2 、 305-3 、 305-4 、 305-5 、 305-7
Chapter	P.083 Climate Change Management
Impact Description	Frontal impact (actual): As the market tends to expect products and services to be low-carbon products, HTC cares about environmental sustainability, and our products are designed with the impact on the environment in mind, so they meet market needs and regulations, which not only reduces the risk of fines for violating regulations, but also enhances consumers' impression and evaluation of HTC.
Policy or Commitment	● HTC's expertise in mobile technology and our continued pursuit of product innovation have enabled us to integrate climate change into our VIVE Reality vision to provide comprehensive solutions for businesses and society to create richer life experiences. In order to strengthen the company's governance of climate change and mitigate the threat posed by climate change, we have incorporated the Climate-related Financial Disclosure Framework (TCFD) into our management. ● HTC Sustainable Development Policy ● Climate Change Management Policy and Climate Change Risk Management Procedures
Metrics and Targets	✔ First-tier supplier CDP questionnaire response rate >90% ✔ SBT net zero target: (base year: 2021) ✔ Scope 1 and 2 reduction targets are 42% reduction in 2030 compared with the base year, and 90% reduction in 2050 compared with the base year. ✔ The scope 3 reduction target is to reduce the amount by 25% in 2030 compared with the base year; and to reduce the amount by 90% in 2050 compared with the base year.
Mechanism of Evaluation	● HTC Carbon Management Platform ● Join the CDP Supply Chain Program to invite suppliers to participate in carbon disclosure. ● ISO 14064-1 ● ISO 50001
Communication Channel	● Internal channels: e-mail, announcement method, proposal improvement form, or discussion in the Sustainability Committee working group ● External Channel : ESG mailbox esg@htc.com ● Supplier Advocacy Symposium (Irregular) ● Cooperate with suppliers on projects related to sustainable development (ESG) and greenhouse gas inventory
Annual Actions and Measures	● Continued issuance of an independent TCFD report in 2025. ● Conducted comprehensive Scope 1 to Scope 3 greenhouse gas inventories across the upstream, midstream, and downstream value chain each year. ● Continued implementing energy-saving projects for equipment and investing in solar power facilities for self-consumption, in line with annual energy management actions and measures. ● In July 2025, HTC's carbon management platform was used to generate the product carbon footprint inventory and report for the annual flagship model, VIVE Focus Vision, which was verified under ISO 14067. Supplier engagement was also strengthened, with a CDP survey response rate of 98%. ● Compared with the baseline year, Scope 1 and Scope 2 emissions were reduced by 33.9%. ● Compared with the baseline year, Scope 3 emissions were reduced by 45.2%.
Material topics	Energy Management
GRI Standard	302-1 、 302-3 、 302-4
Chapter	P.092 HTC Overview of Energy and Climate Change Management, P.094 Electricity and emissions

Impact Description	Positive impact (potential): Effective energy management can help HTC improve energy efficiency, reduce the negative impact on the environment, and also reduce HTC's operating costs and energy regulatory risks. Negative impact (potential): Poor energy management policies may continue to cause energy waste and increase operating costs, or may generate regulatory risks due to increasingly strict energy policies.
Policy or Commitment	● HTC uses electricity as its main energy source, and we reduce electricity usage through various energy-saving improvement plans. ● Use green energy, including low-polluting energy sources such as solar panels, heat pump systems, and electric vehicles.
Metrics and Targets	✔ Starting from 2023, the power saving ratio will be set according to HTC's net zero path. The target in 2025 is the carbon emission reduction ratio > 4.2%.
Mechanism of Evaluation	● ISO 50001 Energy management system ● CDP ● Sustainable Development Committee
Communication Channel	● Internal channel: e-mail, announcements, improvement proposals, discussions during Health and Safety Committee meetings. ● External stakeholders may file an appeal through esg@htc.com, and the case will be handled by the internal responsible unit.

Material topics	Energy Management
Annual Actions and Measures	● The Company continued to promote renewable energy deployment and various energy performance management initiatives. Through energy-saving improvement measures for building lighting, air-conditioning systems, and other facilities, it saved 495,022 kWh of electricity in 2025, equivalent to 1,779.667 GJ, reducing carbon emissions by 234.343 tCO2e and generating cost savings of NT\$2.26 million. ● The solar power systems at the Taipei office building, Taoyuan headquarters, and factory generated a total of 318,891 kWh in 2025, equivalent to 1,148.008 GJ, reducing carbon emissions by 151.154 tCO2e. ● In 2025, the Company achieved a 17.4% year-on-year reduction in Scope 2 carbon emissions.
Material topics	Circular Economy and Product Lifecycle
GRI Standard	306-1、306-2、306-3、306-4
Chapter	P106 Sustainable Design, P113 Sustainable Manufacturing Process, P119 Sustainable Products, P092 HTC Energy and Climate Change Management Overview
Impact Description	Frontal impact (actual): The circular economy is one of the means to achieve sustainability, which can enable HTC to improve climate-related resilience and energy conservation and carbon reduction, in line with the net-zero goal. Sustainability requires circulation, and creating value can create an economy. HTC is committed to a circular economy that not only helps slow the damage caused by climate change to the planet, but also promotes energy conservation and carbon reduction from the inside out to meet net-zero goals. Negative impact (potential): If HTC does not follow a circular economy policy, it will not only waste a lot of resources, but also make it difficult to achieve the net-zero goal. In the past, under the condition of “only focusing on product production, not resource efficiency” in the linear economy, industrial waste was incinerated and buried and disposed of in the environment, whether it was traditional industries, science and technology, agriculture, forestry, fishery and animal husbandry, a large amount of pollution was generated in the production process, and many harmful substances were discharged into the air, water and soil, causing great harm to the environment and human body. If we do not strive to promote a circular economy, we will face major problems such as resource depletion and ecosystem imbalance, and it will be difficult to achieve the net-zero goal.
Policy or Commitment	● HTC sees the circular economy as one of the key directions for sustainable development. Waste reduction and resource reuse are taken into account early in product development, and material recycling rates are well above WEEE specifications. ● HTC's sustainable packaging has four major directions: reducing the use of plastic products, expanding the use of sustainable materials, simplifying printing colors, and packaging design that is conducive to transportation. ● HTC Hazardous Substances Management Policy: Design and manufacture green products, comply with regulatory and customer requirements, and continuously improve to protect the environment.
Metrics and Targets	✔ Product recovery rates are higher than regulations (Directive 2012/19/EU, WEEE) Normative 55% : HTC VIVE XR Elite The percentage of materials that can be recycled and reused is reached 76.7% ✔ Waste recycling rate in 2025: 84.5%.
Mechanism of Evaluation	● Directive 2012/19/EU, WEEE ● LOI n° 2020-105, art. 16, French Repairability Index ● Directive 2011/65/EU(EU RoHS), EAEU TR 037/2016(EAC RoHS), GB/T 39560(China RoHS) ● IECQ QC 080000 Hazardous Substances Process Management System ● ISO 14067 Product Carbon Footprint Standard ● ISO 14001 Environmental Management System
Communication Channel	● Internal Channels (Waste): Email, announcements, improvement proposal forms, or discussions in the Safety and Health Committee ● External Channels (Waste): Complaints can be submitted via the ESG mailbox at esg@htc.com, and the case will be handled by the responsible internal unit ● External Channels (Product): Global sales locations, recycling systems, and mechanisms
Annual Actions and Measures	● The recovery rate of product WEEE exceeded 75% (above the regulatory standard of 55%): VIVE Ultimate Tracker at 79.6% and HTC U24 Pro at 92.83%. ● IECQ QC 080000:2017 Hazardous Substance Process Management System Certificate. ● The resource waste recycling rate increased to 91.26%, and the cumulative recycling benefits reached NT\$93,213,280 by 2025.
Material topics	Human Right, Diversity and Inclusiveness
GRI Standard	405-1、405-2、406-1、407-1、408-1、409-1、410-1
Chapter	P062 Board of Directors, P133 Human Rights Management and Commitment, P157 Compensation and Benefits
Impact Description	Positive impact (potential): As a company that values human rights, HTC makes its colleagues feel valued and cultivates a harmonious and united company culture, promoting the overall growth of the company's interests. Negative impact (potential): Neglecting human rights and diversity may lead to disharmony in company culture, talent loss, and tension in labor relations.

Material topics	Energy Management
Policy or Commitment	HTC values labor human rights, upholds the basic principles of equality, inclusiveness, and non-discrimination, is committed to the highest standards of environmental, social, and ethical integrity, respects the human rights and workplace equality of every employee, and requires all suppliers to fulfill their corporate responsibilities to the same standards ● Responsible Business Alliance Code of Conduct ● Modern Slavery Act Declaration ● Employee Code of Conduct ● HTC Supplier Code of Conduct ● “TALENT, in Taiwan” Taiwan Talent Sustainability Alliance
Metrics and Targets	✔ 100% maternity protection ✔ Weekly working hours: ≤ 60 hours/week ✔ New employee training - Completion rate of employee Code of Conduct training by ≥ 97%
Mechanism of Evaluation	● Quarterly labor-management meetings are held to record and track problems and improvement results ● Parental leave application mechanism ● The Occupational Safety and Health Committee monitors the implementation of the occupational safety and health management system, formulates an annual plan ● Supplier social responsibility audit mechanism
Communication Channel	● Multiple grievance channels include employee grievance hotline, grievance suggestion box, grievance e-mail, and sexual harassment complaint mailbox ● Call the human resources hotline ● Employee Assistance Line Email: HelpMe_8585@htc.com ● External channel: ESG mailbox esg@htc.com
Annual Actions and Measures	● Annual human rights related risk due diligence ● Announce the latest version of the Modern Slavery Act Declaration ● Respect human rights and workplace equality of every employee, prohibit child labor, prioritize gender equality, provide a good work environment, and implement a friendly workplace. ● Maternity protection coverage: 100% ● Weekly working hours: 48 hours/week ● New employee training — “Code of Conduct completion rate”: 100%
Material topics	Occupational Safety and Health
GRI Standard	403-1、403-2、403-3、403-4、403-5、403-6、403-7、403-9、403-10
Chapter	P169 Occupational Safety and Health
Impact Description	Positive impact (potential): A safe work environment can increase employee productivity and reduce absenteeism due to occupational injuries. Negative impact (potential): Absenteeism caused by occupational injuries, violations of labor regulations leading to reputational damage, legal lawsuits, and fines.
Policy or Commitment	● HTC, in accordance with the Occupational Safety and Health Act and the Occupational Safety and Health Management Regulations, has established an automatic safety and health inspection plan to emphasize and prevent occupational hazards. We conduct regular proactive inspections of safety and health matters to eliminate or control dangers, improve unsafe work environments and machinery, and establish systems for machinery inspection and maintenance. ● “HTC Sustainable Development Policy” ● “Environmental Protection, Occupational Safety, Health, and Energy Policy” ● “Safety, Health, and Environment Management Manual” ● “Responsible Business Alliance Code of Conduct” ● “HTC Supplier Code of Conduct”
Metrics and Targets	✔ 2025 FSI < 0.09
Mechanism of Evaluation	● ISO 45001 Occupational Health and Safety Management System ● Monitored by the Occupational Safety and Health Committee, which oversees the implementation of the occupational safety and health management system and formulates annual plans ● Contractor Occupational Safety Management ● Supplier Social Responsibility Audit Mechanism

Material topics	Occupational Safety and Health
Communication Channel	- Multiple grievance channels include an employee grievance hotline, a grievance email box, and a sexual harassment grievance mailbox. - Company extension for production line manufacturing colleagues: 38585 - Company extension for other general colleagues: 28585 - Employee Assistance Hotline Email: HelpMe_8585@htc.com - External channel: ESG email esg@htc.com - In the event of an accident, contractors can call 821919/831919 for medical assistance. - Regular organizational meetings - Quarterly Occupational Safety and Health Committee meetings
Annual Actions and Measures	Through regular training and awareness programs, increased mobile inspections and inspections for high-risk operations, and requiring on-site supervisors to enforce safe work practices, the final FSI was 0.
Material topics	Talent attraction and retention
GRI Standard	401-2 、 404-1 、 404-2 、 404-3
Chapter	P147 Talent attraction and retention
Impact Description	Frontal impact (actual): As a pioneer in technological innovation, HTC has always regarded talent cultivation and development as a top priority. With the rise of ESG and DEI, global companies are paying more and more attention to the social responsibility of talents. Negative impact (potential): If we fail to pay attention to talent cultivation and retention, when we encounter market shocks, we may reduce resilience and increase the cost of risk response.
Policy or Commitment	- We will continue to expand the influence of HTC's employer brand through multiple recruitment channels, social media management, and participation in external talent sustainability alliances. - Constantly strive to build a diverse, challenging, dynamic and enthusiastic work environment, uphold an open and inclusive attitude, and give enough to colleagues Empowerment and development space. - HTC is committed to using only talent and actively recruiting local elites in AR/VR, 5G, blockchain, artificial intelligence, and more. - We are committed to promoting six aspects of sustainable talent development, including "Meaning & Value", "Diversity & Inclusion", "Organizational Communication", "Reward & Incentive", "Physical and mental health" and "talent development". - Depending on the employee's annual performance, development potential, company operating conditions and market salary adjustment expectations, we provide appropriate salary adjustments. In addition, it provides talent retention bonuses and long-term incentives for key technical colleagues.
Metrics and Targets	✔ Direct employee satisfaction ≥ 3.8 ✔ The annual turnover rate of direct employees $\leq 9.5\%$ ✔ The actual operating rate of the annual training plan should be more than 90%
Mechanism of Evaluation	- Direct employee engagement survey - Turnover rate tracking - Training plan start rate
Communication Channel	- Social media - Company internal website - Activity and course announcements
Annual Actions and Measures	- In 2025, HTC continued to participate in and support the "TALENT, in Taiwan" Taiwan Talent Sustainability Alliance initiative. - Together with Commonwealth Learning, Cheers Happy Work, and more than 500 alliance partners, the Company jointly promoted a "hope projec" for talent development, creating a better future for every worker. - Direct employee satisfaction: 3.81 - Annual turnover rate of direct employees: 6.13% - Actual implementation rate of the annual training plan: 100%

Appendix 3: GRI Standards Index

Statement Of Use	HTC Corporation has reported in accordance with the GRI Standards for the period 1 January 2025 to 31 December 2025
GRI 1 Used	GRI 1 : Foundation 2021
Applicable GRI Sector Standard(s)	None

Disclosed		Location [Referring Page]	
GRI 2 : General Disclosures 2021			
2-1	Organizational details	P009 About HTC P001 Report Scope and Boundary	
2-2	Entities included in the organization's sustainability reporting	P001 Report Scope and Boundary	
2-3	Reporting period, frequency and contact point	P001 Time Coverage of Disclosure P002 Contact Us	
2-4	Restatements of information	P.220 Some 2023 and 2024 data include restated information, Attached Table: Information Reorganization List	
2-5	External assurance	P002 Process of Reporting Quality Management P.223 Assurance Statement	
2-6	Activities, value chain and other business relationships	P012 Global Operation Locations P013 Industry Overview	
2-7	Employees	P.142 Overview of Human Resource Structure	
2-8	Workers who are not employees	P.174 Table 'Types of Workers and Their Job Responsibilities for HTC Non-Employees'	
2-9	Governance structure and composition	P061 Organization Structure P062 Board of Directors P039 ESG Committee	
2-10	Nomination and selection of the highest governance body	P062 Board of Directors P062 Nomination and Selection of the Board of Directors	
2-11	Chair of the highest governance body	P062 Board of Directors P063 Benefit Avoidance	
2-12	Role of the highest governance body in overseeing the management of impacts	P039 ESG Committee	
2-13	Delegation of responsibility for managing impacts	P039 ESG Committee	
2-14	Role of the highest governance body in sustainability reporting	P039 ESG Committee P047 ESG Management Procedures and Systems	
2-15	Conflicts of interest	P062 Board of Directors P063 Benefit Avoidance	
2-16	Communication of critical concerns	P062 Board of Directors P039 ESG Committee	
2-17	Collective knowledge of the highest governance body	P063 Board of Directors Continuing Education	
2-18	Evaluation of the performance of the highest governance body	P063 Performance Evaluation of the Board of Directors The Board of Directors' Performance Evaluation Report issued by the Taiwan Corporate Governance Association	
2-19	Remuneration policies	P063 Compensation Policy for Employees and Managers	

Disclosed		Location [Referring Page]	
2-20	Process to determine remuneration	P.063 Compensation Policy for Employees and Managers P.064 Compensation Committee	
2-22	Statement on sustainable development strategy	P.005 Letter from Chief Sustainability Officer P.035 Our Sustainability Commitment P.133 Human Rights Management and Commitment	
2-23	Policy commitments	P.033 ESG Management P.102 Sustainable Environment P.133 Human Rights Management and Commitment P.065 Integrity Management	
2-24	Embedding policy commitments	P.065 Integrity Management P.133 Human Rights Management and Commitment P.035 Our Sustainability Commitment P.086 Risk Management	
2-25	Processes to remediate negative impacts	P.055 Stakeholder Engagement P.065 Strict Mechanisms for Avoiding Conflicts of Interest P.139 Listening to the Voice of the Employee P.199 Material Topics Management Approach Assessment P.057 Risk Management	
2-26	Processes to remediate negative impacts	P.065 Strict Mechanisms for Avoiding Conflicts of Interest	
2-27	Compliance with laws and regulations	P.067 Regulatory Compliance P.139 Listening to the Voice of the Employee P.133 Human Rights Topics	
2-28	Membership associations	P.198 Participation in Industry Associations and Non-Profit Organizations	
2-29	Approach to stakeholder engagement	P.047 ESG Management Procedures and Systems	
2-30	Collective bargaining agreements	P.139 Listening to the Voice of the Employee	
GRI 3 Material Topics 2021			
3-1	Process to determine material topics	P.047 ESG Management Procedures and Systems	
3-2	List of material topics	P.049 HTC 2025 Material Topics and Boundary	
3-3	Management of material topics	P.199 Material Topics Management Approach Assessment	
Topic-Specific Disclosures: GRI 200 (Economic topics)			
GRI 201 : Economic-Performance 2016			
201-1	Direct economic value generated and distributed	P.029 Overview of Financial Performance	●
201-2	Financial implications and other risks and opportunities due to climate change	P.083 Climate Change Management	●
201-3	Defined benefit plan obligations and other retirement plans	P.159 Diversified Employee Welfare	●
GRI 202 : Market-Presence 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	P.157 Competitive Compensation	
GRI 204 : Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	P.123 Sustainable Supply Chain	●
GRI 205 : Anti-Corruption 2016			
205-2	Communication and training about anti-corruption policies and procedures	P.065 Strict Mechanisms for Avoiding Conflicts of Interest P.123 Sustaianble Supply Chain	●

Disclosed		Location [Referring Page]	
205-3	Confirmed incidents of corruption and actions taken	P.065 Strict Mechanisms for Avoiding Conflicts of Interest None	●
GRI 207 : Tax 2019			
207-1	Approach to tax	P.067 Tax Guidelines	
207-2	Tax governance, control, and risk management	P.067 Tax and Risk Management	
207-3	Stakeholder engagement and management of concerns related to tax	P.055 Stakeholder Engagement	
Topic-Specific Disclosures: GRI 300 Environmental topics			
GRI 302 : Energy 2016			
302-1	Energy consumption within the organization	P.094 Energy and Emission P.098 The Use of Green Energy	●
302-3	Energy intensity	P.094 Energy and Emission	●
302-4	Reduction of energy consumption	P.096 Energy-saving and carbon reduction Actions	●
GRI 303 : Water and Effluents 2018			
303-1	Interactions with water as a shared resource	P.104 Water Resource Management	
303-2	Management of water discharge-related impacts	P.104 Sewage Treatment	
303-4	Water withdrawal	P.104 Sewage Treatment	
GRI 305 : Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	P.089 Climate Change Management-Metrics & Targets	●
305-2	Energy indirect (Scope 2) GHG emissions	P.089 Climate Change Management-Metrics & Targets	●
305-3	Other indirect (Scope 3) GHG emissions	P.089 Climate Change Management-Metrics & Targets	●
305-4	Greenhouse gas emission intensity	P.094 Energy and Emission	●
305-5	Reduction of GHG emissions	P.096 Energy-saving and carbon reduction Actions	●
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.	P.089 Climate Change Management-Metrics & Targets	
GRI 306 : Waste 2020			
306-1	Waste generation and significant waste-related impacts	P.113 Hazardous Waste Management	●
306-2	Management of significant waste-related impacts	P.107 Product Recyclability Design	●
306-3	Waste generated	P.113 Hazardous Waste Management	●
306-4	Waste diverted from disposal	P.113 Hazardous Waste Management P.116 Waste Reduction, Recycling and Reuse	●
306-5	Direct disposal of waste	P.113 Hazardous Waste Management	●
GRI 308 : Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	P.125 The HTC Supplier social responsibility Assessment and Audit	●
308-2	Negative environmental impacts in the supply chain and actions taken	P.125 The HTC Supplier social responsibility Assessment and Audit	●

Disclosed		Location [Referring Page]	
Topic-Specific Disclosures: GRI 400 (Social topics)			
GRI 401 : Employment 2016			
401-1	New employee hires and employee turnover	P144 HTC Global Site Employee Structure Distribution	●
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P159 Diversified Employee Welfare	●
401-3	Parental leave	P138 Work-life Balance Support	●
GRI 402 : Labor Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	P139 Listening to the Voice of the Employee	●
GRI 403 : Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	P169 Occupational Safety and Health Committee	●
403-2	Hazard identification, risk assessment, and incident investigation	P169 Positively Preventing Occupational Accidents	●
403-3	Occupational health services	P165 Health Management and Promotion	●
403-4	Worker participation, consultation, and communication on occupational health and safety	P169 Occupational Safety and Health Committee	●
403-5	Worker training on occupational health and safety	P169 Positively Preventing Occupational Accidents	●
403-6	Promotion of worker health	P165 Employee Health and Wellness Program	●
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P117 Hazardous Substances and Chemical Control P125 The HTC Supplier social responsibility Assessment and Audit P169 Positively Preventing Occupational Accidents P173 Contractor Management	●
403-9	Work-related injuries	P174 2025 Occupational injury in Taiwan	●
403-10	Work-related ill health	P174 2025 Occupational injury in Taiwan	●
GRI 404 : Training and Education 2016			
404-1	Average hours of training per year per employee	P156 Training Result	●
404-2	Programs for upgrading employee skills and transition assistance programs	P151 Talent Cultivation and Development	●
404-3	Percentage of employees receiving regular performance and career development reviews	P155 Training and Performance Integration	●
GRI 405 : Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	P062 The composition of HTC Management (Directors) by Age & Gender P142 Overview of Human Resource Structure P144 HTC Global Site Employee Structure Distribution	●
405-2	Ratio of basic salary and remuneration of women to men	P157 Competitive Compensation	●
GRI 406 : Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	P134 Human Rights Due Diligence (HRDD) Form None	●

Disclosed		Location [Referring Page]	
GRI 407 : Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	P134 Human Rights Due Diligence (HRDD) Form None	●
GRI 408 : Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	P134 Human Rights Due Diligence (HRDD) Form None	●
GRI 409 : Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	P134 Human Rights Due Diligence (HRDD) Form None	●
GRI 410 : Security Practices 2016			
410-1	Security personnel trained in human rights policies or procedures	P173 Professional Security Service Team	●
GRI 414 : Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	P125 The HTC Supplier social responsibility Assessment and Audit	●
414-2	Negative social impacts in the supply chain and actions taken	P125 The HTC Supplier social responsibility Assessment and Audit	●
GRI 416 : Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	P079 Customer Management	●
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	P079 Customer Management P067 Regulatory Compliance No related situation	●
GRI 417 : Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	P107 Product Recyclability Design	●
417-2	Incidents of non-compliance concerning product and service information and labeling	P067 Regulatory Compliance: No related situation	●
417-3	Incidents of non-compliance concerning marketing communications	P067 Regulatory Compliance: No related situation	●
GRI 418 : Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P067 Regulatory Compliance: No related situation	●

Note: ● means material topics

Appendix 4: SASB Index

HTC selects applicable indicators from the 11 sectors and 77 industries in the SASB Material Map of the SASB Guidelines, taking into account the company's own operational activities and referring to the recommendations of the regulatory authority to disclose:

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

SASB Index : Hardware

Scope: The organizational boundary mainly covers the company office buildings and plants in Taiwan. All HTC business operations in Taiwan are within the boundary. The scope of financial information is consolidated financial disclosure; the scope of human resources information covers employees worldwide.

TOPIC	SASB Code	ACCOUNTING METRIC	Location	Page
Product Security	TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	Information Security Management	P068
Employee Diversity & Inclusion	TC-HW-330a.1	Representation of (1) gender and (2) diversity groups in (a) executive management, (b) non-executive management, (c) technical employees, and (d) all other employees	Employee Structure Distribution at HTC Global Locations	P144
Product Lifecycle Management	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Hazardous Substances Management	P113
	TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	EPEAT is a voluntary environmental performance assessment tool for electronic products in the United States, currently covering 8 product categories. However, VR products are not yet included in the applicable product range. HTC continues to monitor and track international environmental product certifications. If applicable product categories are announced, HTC will further evaluate and actively incorporate them into product research and design.	
	TC-HW-410a.3	Percentage of eligible products that have achieved energy efficiency certification (by revenue).	HTC's current external power adapters comply with the U.S. Department of Energy's Level VI energy efficiency standards. All HTC devices using rechargeable batteries are 100% compliant with charging efficiency certification standards, accounting for 100% of revenue. See more on Energy Efficiency Improvement	P107
	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	Sustainable Environment	P102

Supply Chain Management	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Supplier sustainability assessment and audit	P125
	TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	Supplier sustainability assessment and audit	P125
			Regarding the risk assessment of critical materials, during each project development phase, we evaluate the risk based on the lifecycle of raw materials, and the recent ease of acquisition/supply and demand status, to determine whether there is a risk and if early material preparation/substitution is needed. Currently, graphite is frequently used in our materials list. After evaluation, graphite is not expected to face supply shortages in the coming years, but we will continue to monitor and update as necessary. Besides graphite, HTC also considers conflict minerals as critical raw materials. To prevent conflict minerals from entering the supply chain, we investigate suppliers' raw material sources annually and incorporate this into the supplier social responsibility management procedures. For detailed management guidelines, please refer to Responsible Mineral Procurement Management.	
Materials Sourcing	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials		P129

TOPIC	ACCOUNTING METRIC	Location	Page
TC-HW-000.A	Number of units produced by product category	Overview of Financial Performance	P029
TC-HW-000.B	Area of manufacturing facilities	HTC had a factory area of 27,984 m ²	
TC-HW-000.C	Percentage of production from owned facilities	Not disclosing sensitive information	

SASB Index : Software & IT Services

Voluntary disclosure

In addition to the hardware industry in which HTC operates, we independently disclose indicators related to significant themes in the same industry category. Scope: The organizational boundary mainly covers the company office buildings and plants in Taiwan. All HTC business operations in Taiwan are within the boundary. The scope of financial information is consolidated financial disclosure; the scope of human resources information covers employees worldwide.

TOPIC	SASB Code	ACCOUNTING METRIC	Location	Page
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.1	(1) Total energy consumed,	(1) 45,566,250 GJ (2) 97.63% (3) 3.17% See more on Electricity and Emissions	P094
	TC-SI-130a.2	(2) percentage grid electricity,	Water Resource Recycling and Reuse	P104
	TC-SI-130a.3	(3) percentage renewable	Energy Saving and Carbon Reduction Actions	P096
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Information Security Management	P068
	TC-SI-220a.2	Number of users whose information is used for secondary purposes	During the reporting period, the company did not use user information for secondary purposes	
	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	During the reporting period, the company did not encounter any legal proceedings or economic losses related to user privacy incidents	
	TC-SI-220a.4	(1) Number of law enforcement requests for user information (2) number of users whose information was requested (3) percentage resulting in disclosure	During the reporting period, the company did not receive any requests from government or law enforcement agencies to provide user information	
	TC-SI-220a.5	List of countries where core products or services are subject to government required monitoring, blocking, content filtering, or censoring	During the reporting period, there were no instances where the company was required by any government, judicial, or investigative agencies to monitor, block, or censor content related to the company's products or services	
Data Security	TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	During the reporting period, the company did not experience any incidents of customer data breaches	P079
	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	To effectively manage potential risks in privacy protection and information security, HTC continually improves its Personal Data Management System and Information Security Management System. Since 2021, the Company has continuously maintained ISO 27001 and ISO 27701 certifications. It has since consistently passed annual surveillance audits throughout the validity period of the certificates, completed system version updates in accordance with revised international standards, and continued to optimize its processes. The latest audit was passed in August 2025. Additionally, HTC sends out a monthly Privacy and Information Security report to all employees to enhance awareness and advocacy of privacy protection and information security, including real-time news or policy releases. To further improve employees' awareness of phishing email attacks, HTC regularly conducts social engineering exercises aimed at enhancing employees' information security awareness and their ability to identify malicious social engineering emails. Regarding endpoint security in defense-in-depth, a zero-trust architecture is being gradually introduced starting this year, with plans to deploy it across all company computers. This aims to achieve more secure and refined identity verification and access control, combined with real-time risk assessment, providing more flexible security protection.	P068

TOPIC	SASB Code	ACCOUNTING METRIC	Location	Page
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a.1	Percentage of employees who need a work visa	HTC Global Site Employee Structure Distribution	P144
	TC-SI-330a.2	Employee engagement as a percentage	Open Communication Channels	P139
	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	HTC Global Site Employee Structure Distribution	P144
Intellectual Property Protection & Competitive Behavior	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	During the reporting period, the company did not incur any economic losses from legal proceedings related to anti-competitive behavior.	
Managing Systemic Risks from Technology Disruptions	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Information Security Management	P068
SASB Code	ACCOUNTING METRIC	Location	Page	
TC-SI-000.A	(1) Number of licenses or subscriptions, (2) Cloud percentage	As of the end of 2025, 2,369,224 VIVRSE/VIVEPORT accounts have been opened on the VIVEPORT platform, and 100% of this website service is located in the cloud.		
TC-SI-000.B	(1) Data computing capabilities, (2) Percentage of outsourcing	SASB Index: Software & IT Services	P216	
TC-SI-000.C	(1) amount of data stored, (2) Percentage of outsourcing	SASB Index: Software & IT Services	P216	

TC-SI-000.B (1) Data processing capabilities 、(2) Outsourcing percentage

HTC 's overall data center computing power is as follows:

- Physical servers: We have more than 400 physical servers equipped with more than 2,900 CPU cores to meet the diverse application and service needs of enterprises.
- Memory (RAM): Data centers currently have about 24.39 petabytes of RAM to ensure that the system has enough memory to run and to ensure an optimal balance of performance and usage.
- Storage: With 3.272 petabytes of disk capacity, physical servers provide the storage space businesses need to hold data and applications while ensuring high-speed access and data protection.
- Outsourcing: The company rents a secure and reliable physical computer room facility provided by an external IDC, including access control, cabinets, power and air conditioning, for storage and to operate our information resources. These outsourced resources account for nearly 6.7% of the company's physical server count, 10.9% of the number of CPU cores, and 1.253% of the total storage space.

TC-SI-000.C (1) Data storage capacity 、(2) Outsourcing percentage

With an overall storage capacity of 2.419 petabytes, HTC's data centers can cope with the company's massive data storage needs, while also ensuring data security, availability, and instant access.

- Outsourcing: The company's data is stored in the self-built or rented information center; and there is no outsourcing to the contractor.

Appendix 5: Sustainability Disclosure Metric-Telecommunication & Internet Services

NO.	METRIC	CATEGORY	Annual Disclosure (Referring Page)	UNIT OF MEASURE
1	Total energy consumed, percentage grid electricity, percentage renewable	Quantitative	Disclosed information can be found in the "Energy and Emissions" chapter of this report.	Gigajoules (GJ) 、Percentage (%)
2	Total water withdrawn, total water consumed	Quantitative	Disclosed information can be found in the "Water Resource Management" chapter of this report.	Thousand cubic meters (m³)
3	Amount of hazardous waste from manufacturing, percentage recycled	Quantitative	Disclosed information can be found in the "Hazardous Waste Management" chapter of this report.	Metric tons (t), Percentage (%)
4	Explain the type, number and rate of occupational hazards	Quantitative	Disclosed information can be found in the "2025 Occupational injury in Taiwan" chapter of this report.	Percentage (%), Quantity
5	Product Lifecycle Management : Weight of end-of-life products and e-waste recovered, percentage recycled	Quantitative	Disclosed information can be found in the "Sustainable Environment" chapter of this report.	Metric tons (t), Percentage (%)
6	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	HTC investigates conflict minerals (CMRT/ EMRT) in the supply chain every year, but currently has not investigated and controlled the metals or elements covered by key materials.	N/A
7	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	None	Reporting currency
8	Number of units produced by product category	Quantitative	Overview of Financial Performance	Various, by product category

Appendix 6: Climate-related information of listed for IPO companies

The risks and opportunities caused by climate change to the company and the relevant response measures taken by the company

No.	Item	Execution Status
1	Describe the boards and management's role in assessing and managing climate-related risks and opportunities.	Disclosed information can be found in the "Climate Change Management" chapter of this report and the independent TCFD report.
2	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	
3	Describe the financial impact on the organization from extreme climate change and relevant corporate transformation.	
4	Explain how the identification, assessment, and management of climate risk are incorporated into the overall risk management system.	
5	Provide details of the scenarios, parameters, assumptions, analytical factors, and major financial impacts if scenario analysis is used to assess resilience to climate change risks.	
6	Describe the content of the plan, as well as the indicators and targets used to identify and manage physical and transition risks if there is a transition plan for managing climate-related risks.	
7	Explain the basis for price determination if internal carbon pricing is used as a planning tool.	In 2025, the Company formally implemented an internal carbon pricing mechanism. Please refer to the "Sustainable Management" section of this report.
8	Provide information on the activities covered, the scope of greenhouse gas emissions, planning timeline, annual progress, and other relevant details if climate-related targets are determined. Explain the sources and quantities of carbon offsets or the number of renewable energy certificates (RECs) used for carbon reduction if carbon offsets or RECs are used to achieve these targets.	Disclosed information can be found in the "Climate Change Management" chapter of this report and the independent TCFD report and Tables 1-1 and 1-2 below
9	Greenhouse Gas Inventory and Assurance Engagements.	

1-1 Recent Two-Year Company Greenhouse Gas Inventory and Assurance Status
1-1-1 Greenhouse Gas Inventory Information

Describe the greenhouse gas emissions over the past two years (tons of CO2e), intensity (tons of CO2e/million), and the scope of data covered
1. The parent company has conducted inventory since 2008. 2. Consolidated financial report subsidiaries have conducted inventory since 2021. Annual greenhouse gas emissions information is disclosed based on two frameworks: ISO 14064-1:2018 verification information and GHG Protocol full-scope inventory information. Since 2021, HTC has conducted annual inventories of greenhouse gas emissions from the Company and its subsidiaries included in the consolidated financial statements (some subsidiaries are BVI entities and therefore excluded from the inventory scope), in order to fully understand greenhouse gas usage and emissions and verify the effectiveness of reduction actions. The greenhouse gas inventory data for the past three years is compiled based on the operational control approach, covering the greenhouse gas emissions of HTC and all subsidiaries included in the consolidated financial statements. For detailed scope and emissions information, please refer to the table of greenhouse gas emissions at HTC global sites for the past three years in the "Climate Change Management" section of this report.

1-1-2 Greenhouse Gas Assurance Information

Describe the assurance status for the most recent two years as of the date of publication of the annual report, including assurance scope, assurance provider, assurance standard, and assurance opinion.

In accordance with the regulations under the Sustainable Development Roadmap for TWSE/TPEX-listed companies, HTC, with capital of TWD 5 billion to TWD 10 billion, is required to:

1. Begin assurance for the parent company starting in 2027.
2. Begin assurance for consolidated financial report subsidiaries starting in 2028.

HTC has completed assurance four years ahead of regulatory requirements.

The greenhouse gas inventory information for the past three years regarding the Company and its subsidiaries included in the consolidated financial statements (some subsidiaries are BVI entities and therefore excluded from the inventory scope) is set forth in 1-1-1 above. All inventories were assured by the assurance provider Bureau Veritas Certification Taiwan Ltd., in accordance with ISO 14064-3:2019. The assurance opinions were as follows: (1) reasonable assurance level for Category 1 and Category 2 in Taiwan, and (2) limited assurance level for Category 3 and Category 4 in Taiwan, as well as Categories 1 to 4 overseas, with no qualifications

Please refer to the greenhouse gas inventory opinion statements at: <https://www.htc.com/us/esg/certificate-report/>

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

Describe the greenhouse gas reduction baseline year and its data, reduction targets, strategies, specific action plans, and the progress in achieving the reduction targets.

Greenhouse Gas Reduction Baseline Year and Reduction Targets

Net-zero targets (baseline year: 2021):

- (1) Total Scope 1 and 2 emissions to be reduced by 42% by 2030 compared with the baseline year (with an absolute annual reduction of at least 4.2%); and by 90% by 2050 compared with the baseline year.
- (2) Scope 3 emissions to be reduced by 25% by 2030 compared with the baseline year (with an absolute annual reduction of at least 2.5%); and by 90% by 2050 compared with the baseline year.

Greenhouse Gas Reduction Strategies and Specific Action Plans

HTC passed the SBTi short-term and net-zero target review in 2024. Based on the carbon reduction guidelines, tools, and methodologies published by SBTi, the Company has established its greenhouse gas reduction and net-zero carbon emission targets to fulfill its commitment to achieve net-zero emissions by 2050. By linking its core businesses with holistic and quantified management, HTC has built a clear decarbonization roadmap, including six major carbon reduction strategies: "carbon management and policy" "low-carbon operations," "low-carbon products," "low-carbon transportation," and "value chain engagement," with "carbon offsetting" as a last resort, moving toward the 2050 net-zero target through a multifaceted integrated approach.

Progress Toward Reduction Targets

Through the above measures, HTC achieved its annual carbon reduction target in 2025. In 2025, total Scope 1 and 2 emissions were reduced by 33.9% compared with the baseline year, and Scope 3 emissions were reduced by 45.2% compared with the baseline year, both meeting the target.

For further details on the above "Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans," please refer to the "Indicators and Targets" section under "Climate Change Management" in this report or the "Indicators and Targets" chapter of HTC's TCFD report.

Appendix 7: T-REC delcaration



In addition to the hardware industry in which HTC operates, we independently disclose indicators related to significant The HTC self-generated and self-consumed solar power system has been accounted for since it was put into operation. Renewable energy certificates are issued upon approval by the competent authority in Taiwan. In 2025, HTC obtained 287 T-REC renewable energy certificates, for disclose purose only in this report.

2025 Renewable Energy Certificate Information:

Region	Certificate Issuance Year	Power Generation Site	Number of Certificates
Taiwan	2025	HTC_TAO_180KW Solar Power	69
		HTC_TPE1_197.925KW Solar Power	218
Total			287

Appendix 8: Attached Table: Information Reorganization List

In this annual report, due to some changes in the statistical methodology of previous information, there have been instances of information rewriting. Please refer to the attached table for details. The changes are all changes in the presentation of calculation methods and therefore have no significant impact.

HTC Global Human Capital Return on Investment (HCROI)			
2023 Original Data	2023 Updated Data	2024 Original Data	2024 Updated Data
59.7%	56.0%	34.8%	28.6%

Note: Reason for restatement: Starting from this year, the calculation basis and methodology have been optimized by using regular salary and benefits expenses as the benchmark, while excluding non-recurring human resource adjustment expenses, so as to more accurately reflect the long-term input-output effectiveness of human capital. To ensure consistency in annual trends, data for prior years have also been recalculated using the new methodology.

Total Number of Employees Requiring Work Visas for the Past 3 Years (SASB TC-SI-330a.1)

Yea	Work Visa Required			
	Male		Female	
	Number	%	Number	%
2023 Original Data	10	0.48%	2	0.10%
2023 Updated Data	12	0.58%	5	0.24%
2024 Original Data	13	0.67%	4	0.21%
2024 Updated Data	16	0.82%	6	0.31%

Note: Reason for restatement: This year, through data verification and supplementation with regional offices, the work visa information of certain employees was corrected. The discrepancy mainly resulted from an optimized statistical process and enhanced data accuracy, in order to more faithfully reflect the current employment status of foreign talent.

HTC Taiwan Sites – Employee Training Status for the Past 2 Years

Year	Total Training Hours	Average Training Hours per Employee	Average Training Workdays per Employee
2024 Original Data	17,805.68	10.69	1.34
2024 Updated Data	17,196.95	10.33	1.29

Note: Reason for restatement: Starting this year, the calculation basis and methodology have been optimized by excluding training hours for employees who were no longer employed at the end of the past two years, so as to more accurately reflect employee training status.

HTC Taiwan Sites – Training Course Status for the Past 2 Years

Year	General Courses		Professional Courses	
	Total Training Hours	Average Training Hours per Employee	Total Training Hours	Average Training Hours per Employee
2024 Original Data	5,113.37	3.07	12,692.31	7.62
2024 Updated Data	4,708.10	2.83	12,488.85	7.50

Note: Reason for restatement: Starting this year, the calculation basis and methodology have been optimized by excluding training hours for employees who were no longer employed at the end of the past two years, so as to more accurately reflect employee training status.

Financial Performance Overview

		Unit	2023
Original Data	Income tax expense	NT\$ million	(3)
Updated Data	Income tax (expense) benefit	NT\$ million	3

Note: Reason for restatement: The income tax item was renamed to "Income tax (expense) benefit" to clearly distinguish positive values as income tax benefit and negative values as income tax expense, and the 2023 misreported figure was adjusted accordingly.

Solar Power Generation (Self-generated and Self-consumed)

		Solar Power System
Original Data	Taoyuan	139,544
Updated Data	Taoyuan	146,326

Note: Because the Taoyuan plant's solar power system was switched to self-generated and self-consumed operation starting in June 2024, the 2024 data have been revised based on renewable energy certificate records.





ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE HTC CORPORATION'S ESG REPORT FOR 2025

NATURE AND SCOPE OF THE ASSURANCE

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by HTC Corporation (hereinafter referred to as HTC) to conduct an independent assurance of the ESG Report for 2025. The assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 2 High level during 2026/03/23 to 2026/05/15. The boundary of this report includes HTC Corporation Taiwan and overseas operational and production or service sites as disclosed in HTC's ESG Report of 2025. The boundary is not the same as HTC's consolidated financial statements. SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all HTC's stakeholders stated in the ESG Report for 2025.

RESPONSIBILITIES

The sustainability information in the HTC's ESG Report of 2025 and its presentation are the responsibility of the directors or governing body (as applicable) and management of HTC. SGS has not been involved in the preparation of any of the material included in the ESG Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP, 2018).

Assurance has been conducted at a type 2 high level of scrutiny.

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options	
1	AA1000 Accountability Principles (2018)
2	GRI (With Reference to)
3	SASB Technology & Communications Sector – Hardware (2023-12)

- The evaluation of the reliability and quality of specified sustainability performance information in HTC's ESG Report is limited to determined material topics or those clearly marked in the ESG Report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement at a high level of scrutiny for HTC and moderate level of scrutiny for its subsidiaries or joint ventures.
- The evaluation of the report against the requirements of GRI Standards is listed in the GRI content index as material in the report and is conducted with reference to the Standard.

SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE

The specified performance information includes the data for 2025, which is related to GRI 2, GRI 3, GRI 200, 300 and 400 series claimed in the GRI content index as material in HTC's ESG Report as well as the SASB Disclosures and Metrics included in the Technology & Communications Sector – Hardware (Version 2023-12).

ASSURANCE METHODOLOGY

The assurance comprised a combination of desktop research, interviews with relevant employees, superintendents, ESG committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and stakeholders where relevant.

LIMITATIONS

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirms our independence from HTC, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with professional qualifications such as ISO 26000, ISO 20121, ISO 50001, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

FINDINGS AND CONCLUSIONS

ASSURANCE OPINION

On the basis of the methodology described and the assurance work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the AA1000 AccountAbility Principles (2018).

We believe that HTC has chosen an appropriate level of assurance for this stage in their reporting.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

HTC has demonstrated its good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, sustainability experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. It is recommended that HTC could build a structured governance framework that guarantees the full participation of stakeholders in the organization's strategic sustainability decision-making processes.

MATERIALITY

HTC has aligned its materiality determination process directly with its strategic planning, compliance frameworks, and risk management systems. Driven by the active engagement and oversight of the highest governance body, material issues across all divisions are reviewed at the board level. The reported disclosures accurately address these topics, mirroring the strict priority and significance assigned to them by the organization's stakeholders.

RESPONSIVENESS

The ESG Report includes coverage given to stakeholder engagement and channels for stakeholder feedback. HTC has responded to its material sustainability topics, related impacts and stakeholders in a comprehensive, accurate, timely, accessible and balanced manner.

IMPACT

HTC has demonstrated a process on identifying impacts that fairly encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. The identified material impacts are systematically incorporated into institutional target-setting via comprehensive qualitative and quantitative evaluations.

QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION

On the basis of the methodology described and the verification work performed, we checked minutes of meetings, management documents, system reports, receipts, ISO certification, etc. We have confidence that the specified performance information included in the scope of assurance is reliable at a high level of scrutiny for HTC and at a moderate level of scrutiny for its subsidiaries or joint ventures.

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ADHERENCE TO GRI

The report, HTC's ESG Report of 2025, is reporting with reference to the GRI Universal Standards 2021. The significant impacts were assessed and disclosed with reference to the guidance defined in GRI 3: Material Topics 2021 and the relevant 200/300/400 series Topic Standards related to the material topics claimed in the GRI content index. The ESG Report has properly disclosed information related to HTC's contributions to sustainability development. For future reporting, it is recommended that HTC incorporate monetization methods within its materiality framework. This will allow the organization to more robustly monitor, measure, and quantify the severity of its sustainability impacts, while effectively illuminating the financial materiality and strategic opportunities linked to these key topics.

ADHERENCE TO SASB

HTC has referenced with SASB's Standard, Technology & Communications Sector – Hardware (2023-12) to disclose information of material topics that are vital for enterprise value creation. The reporting boundaries of the disclosed SASB information correspond to HTC's audited ESG Report of 2025. Process to identify, assess, and manage SASB-topic-related risks and opportunities were integrated into HTC's overall management process. HTC is encouraged to establish a formal framework for monitoring peer disclosures to stay aligned with shifting investor expectations and sector benchmarks. Continual tracking of industry reporting practices provides valuable strategic insights into emerging trends and methodologies.

Signed:
For and on behalf of SGS Taiwan Ltd.



Stephen Pao
Business Assurance Director
Taipei, Taiwan
16 June, 2026
WWW.SGS.COM



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