

# 2024 ESG Sustainability Report

華城電機永續報告書  
FORTUNE ELECTRIC CO., LTD.

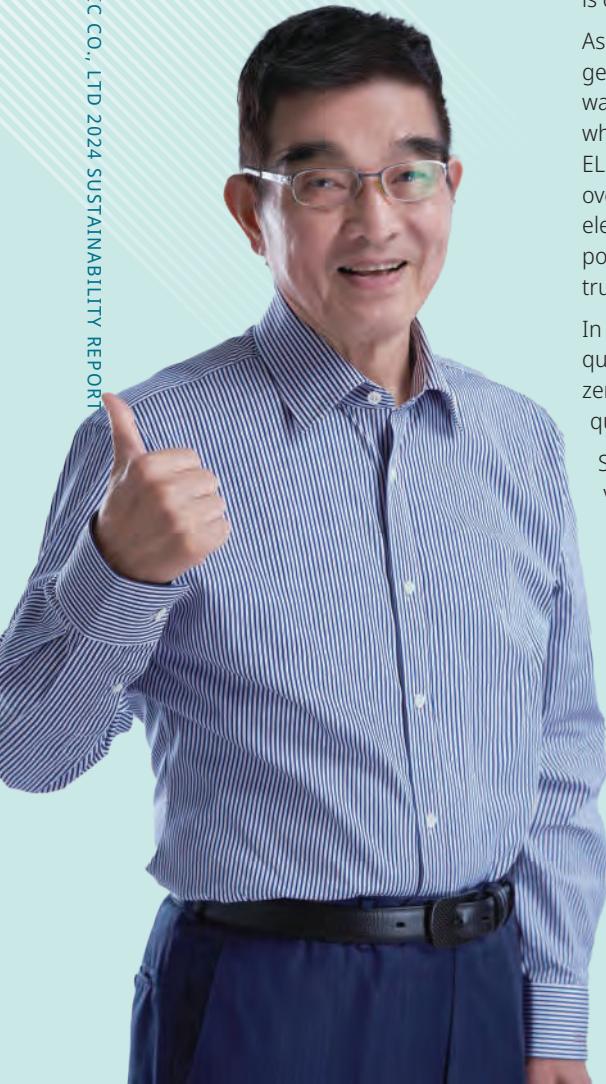


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# LETTER FROM THE CHAIRMAN



Founded in 1969 in Tucheng, then part of Taipei County, FORTUNE ELECTRIC CO., LTD. derives its Chinese name “華城” from its roots in a predominantly Chinese community in Tucheng. The company's English name, “Fortune,” was carefully selected to reflect both its sound and meaning, symbolizing its founding purpose: to create prosperity and benefit society. Guided by the belief that “producing quality products is a virtuous act,” the company upholds a mission to “reassure employees,” “reassure customers,” “reassure shareholders,” and “reassure society.” Over the past 56 years, FORTUNE ELECTRIC has steadily advanced through diligent learning, continuous innovation, and product development. It has proactively responded to political, economic, social, environmental, and technological changes by expanding into new business areas and markets and by investing in green product innovation. The company is dedicated to delivering comprehensive green energy solutions to its customers and promoting environmental sustainability.

As the “mother industry” of the broader industrial sector, the extra high voltage industry plays a critical role in the power supply chain, encompassing power generation, transmission, and distribution. The products offered by FORTUNE ELECTRIC are at the very core of this value chain. In recent years, global warming, driven by the greenhouse effect and increasingly extreme climate events, has made the development of renewable energy a top priority. Even when Taiwan's energy-saving and renewable energy sectors were in their infancy, shrouded by market uncertainty and lacking positive outlooks, FORTUNE ELECTRIC took the lead as part of its corporate social responsibility. More than 30 years ago, it developed energy-saving amorphous core transformers, and over 20 years ago, it began engaging in solar power, wind power, and energy storage system projects. Over a decade ago, the company also entered the electric vehicle charging infrastructure space, including the operation of charging stations. By providing comprehensive pre-sales technical services and post-sales product support, along with high-quality, competitive pricing, and shortened delivery timelines, FORTUNE ELECTRIC has earned long-standing trust and recognition from customers. Its operational performance continues to grow steadily.

In response to the global urgency of climate change and decarbonization, FORTUNE ELECTRIC launched its Sustainability Indicator System in 2021, a quantitative tool to measure the company's carbon contribution and green innovation results. To pragmatically align its business performance with net-zero emissions goals, FORTUNE ELECTRIC has officially integrated these sustainability indicators into its external disclosure framework this year. By sharing quantifiable data, the company enhances transparency and builds social trust while reinforcing its strong commitment to the 2050 net-zero emission vision.

Sustainable corporate development at FORTUNE ELECTRIC transcends mere profitability. It embeds legal compliance and corporate governance as core values. The company is dedicated to enhancing employee well-being while fostering a welcoming workplace culture to strengthen its employer brand. Furthermore, it promotes board diversity, protects shareholder interests, and ensures both sustainable operations and stable growth. FORTUNE ELECTRIC places a strong emphasis on human rights, environmental protection, occupational safety and health, and community engagement. Committed to operating with integrity, the company actively pursues green energy development, corporate social responsibility, and environmental sustainability. As a testament to its efforts, FORTUNE ELECTRIC garnered numerous prestigious awards in 2024, including: #1 in CommonWealth Magazine's Top 100 Traditional Industries for Operational Performance; #1 in the CRIF Taiwan's First Top 100 Hybrid Technology Industry Operational Performance List; #9 in the Taiwan FINI 100 Companies; the HR Asia Best Companies to Work for in Asia Award; and the Diversity, Equity, and Inclusion Award; along with the National Model Migrant Worker Employer Recognition. These accolades reflect significant market attention and commendation from across the industry.

Looking forward, FORTUNE ELECTRIC is dedicated to enhancing its core strengths, streamlining management structures, and cultivating a high-performance team to attain operational excellence. The company will continue to implement a uniquely Fortune-style ESG strategy that aligns with industry characteristics and strengths, promotes workplace happiness, boosts corporate image, and seeks shared success through sustainable development.

Chairman

Hsu, Bang-Fu  
許邦福

SPECIAL  
FEATURE

## BRILLIANT 55 – FORTUNE ELECTRIC ANNIVERSARY GAMES UNITE AND INSPIRE A GLORIOUS FUTURE

3

SPECIAL FEATURE

To celebrate its 55th anniversary, Fortune Group hosted its largest sports celebration to date — the "Brilliant 55 – FORTUNE ELECTRIC Anniversary Games." — a vibrant occasion inspired by the Olympic spirit. Over 1,232 employees from the Group's three main companies — FORTUNE ELECTRIC CO., LTD., FORTUNE ELECTRIC EXTRA HIGH VOLTAGE CO., LTD., and FORTUNE ELECTRIC Value Company Limited — joined together in solidarity to commemorate this milestone, showcasing team spirit, creativity, and dynamic energy. As a prominent name in the extra high voltage industry, FORTUNE ELECTRIC, often likened to a real-life "Transformer," shares its name with the iconic device it produces — the transformer. This symbolic connection highlights the company's adaptability and innovative approach in an ever-changing market. The anniversary games embodied this transformative spirit in a lively manner.

The event began with a creative team chant competition featuring ten participating teams, each demonstrating unity and honoring Fortune's 55 years of excellence. One of the event's

most heartfelt moments occurred when the Welfare Committee revealed a time capsule buried five years ago, reminiscing about the wishes and milestones shared by employees, followed by a symbolic cake-cutting ceremony to celebrate shared achievements. Throughout the day, a range of activities energized and inspired attendees, including sand art performances, enthusiastic group warm-ups, and various team competitions, blending tradition with innovation and motivating employees to pursue health, growth, and breakthroughs. In the grand finale, the company's executives and employees came together to articulate their visions for the future. These hopeful messages were released into the sky during the "ESG Sky Lantern Ceremony," symbolizing the Group's steadfast commitment to sustainability and its aspirations for the coming years. Much like Transformers, FORTUNE ELECTRIC continues to evolve and drive transformation in the global market, progressing towards a brighter and more brilliant tomorrow.



◀ The President, Chairman, Vice Chairman, and two managers collectively lit the ceremonial flame, symbolizing honor and heritage. The two managers then launched the "Glory Ball" into the air, echoing the event theme: "Give Five — Together, We Thrive."



55th Anniversary  
Sports Day -  
Opening Sand Art  
Performance



▼ Director Hsu Yi-Yang, Head of the Welfare Committee, opened the time capsule from five years ago, revisiting employee wishes for FORTUNE ELECTRIC's future. The Chairman read aloud the dreams that have since come true.

# HIGHLIGHTS OF THE YEAR

1

## The Proactive Disclosure of Sustainability Indicator Demonstrates FORTUNE ELECTRIC's Carbon Reduction Commitment

2024 Sustainability Indicator  
**102.56**

Baseline Year (2021)  
Sustainability Indicator  
**15.06**

Annual Growth  
**30% increase per year**

Tripling Rule  
**The value of the Sustainability Indicator is anticipated to double every three years**, aligning with the typical technological advancement cycle in theory and practice.

2030 Target Value of Sustainability  
**160**  
(rounded up from 159.49)

In response to global climate change and increasing pressures to decarbonize, FORTUNE ELECTRIC introduced the Sustainability Indicator system in 2021, in line with its vision for corporate sustainability. This metric acts as a quantitative measure to assess the company's impact on carbon reduction and performance in green innovation. Starting this year, the Sustainability Indicator has been officially integrated into our external disclosure framework, using data to showcase our concrete efforts in energy conservation and carbon reduction. This not only enhances transparency and public trust but also reinforces FORTUNE ELECTRIC's strong commitment to achieving net-zero emissions by 2050.

The Sustainability Indicator is defined as the ratio of carbon reduction contributions from Fortune's green product sales and renewable energy engineering services to the company's own carbon emissions (Scope 1 and Scope 2). In formulaic terms:

$\frac{\text{Carbon (Reduction) Contribution}}{\text{Company's Carbon Emissions (Scope 1 + Scope 2)}}$

FORTUNE ELECTRIC Sustainability Indicator Formula:

$\frac{\text{Carbon (Reduction) Contribution}}{\text{Company's Carbon Emissions (Scope 1 + Scope 2)}}$

(Year) Carbon Emissions

Carbon reduction contributions arise from the company's initiatives to promote high-efficiency transformer sales, develop and sell products made from alternative materials (such as vegetable oil transformers), and execute renewable energy engineering projects, providing transformers for solar, wind, and offshore wind power systems. This quantitative mechanism not only assesses FORTUNE ELECTRIC's overall contribution to the carbon reduction goals of its customers and society but also guides the company toward expanding green revenue streams, investing in the development of green products, and implementing renewable energy projects.

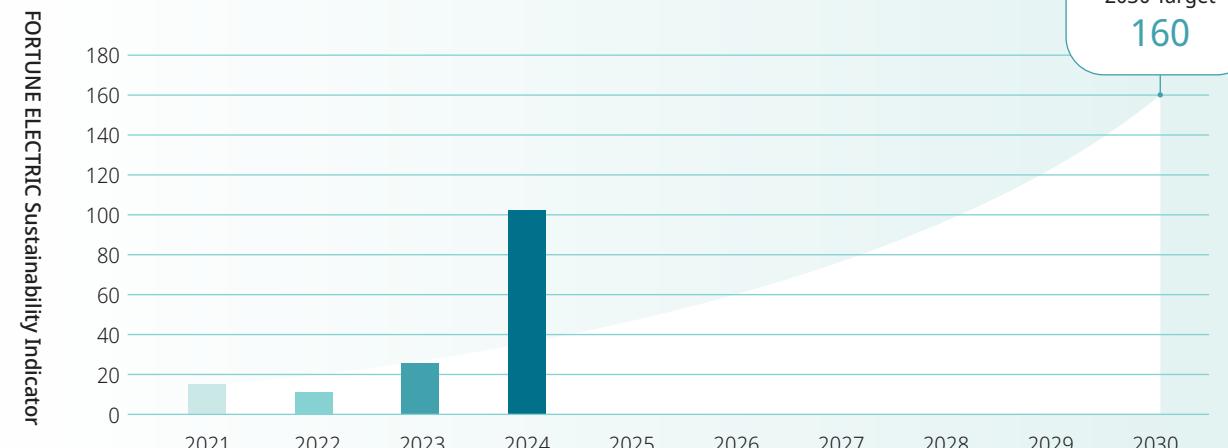
	Sustainability Indicator	2021	2022	2023	2024	
Numerator	Carbon Reduction Contribution	<ul style="list-style-type: none"> <li>Improved performance efficiency of transformer products</li> <li>Use of vegetable-based insulating oil</li> <li>Transformer supply and engineering contracting for renewable energy sites</li> </ul>	308,180 tCO <sub>2</sub> e	575,321 tCO <sub>2</sub> e	1,451,220 tCO <sub>2</sub> e	3,533,137 tCO <sub>2</sub> e
Denominator	Company Carbon Emissions	Annual carbon emissions from Scope 1 and Scope 2	20,464.7 tCO <sub>2</sub> e	46,962.4 tCO <sub>2</sub> e	55,486.8 tCO <sub>2</sub> e	34,449.6850 tCO <sub>2</sub> e

Note: 1. Carbon emissions for 2021–2024 were calculated based on SF<sub>6</sub> procurement volumes. Scope 1 emissions were disclosed using internally verified data.

2. The carbon reduction contribution from improved product efficiency is calculated based on transformer capacity using CNS, IEC, and Taipower standards as benchmarks. It is assumed that the products operate at full load for a lifespan of 20 years, with cumulative carbon reduction benefits adjusted annually based on declining conversion efficiency.

## FORTUNE ELECTRIC Sustainability Indicator

Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Target Sustainability Value	15	20	25	33	43	56	73	94	123	160
Actual Sustainability Value	15.06	12.25	26.15	102.56	-	-	-	-	-	-



Note: As of 2023, SF<sub>6</sub> emissions are calculated based on procurement volumes. Adjustments will be made once the recovery mechanism is established later this year.

FORTUNE ELECTRIC has designated 2021 as the baseline year for its Sustainability Indicator, establishing the initial sustainability value at 15.06. Using this as a starting point, we have set a target growth rate of 30% annually, with a milestone of doubling the indicator every three years. By 2030, our goal is to achieve a sustainability value of 160, signifying that the carbon reduction benefit contributed by FORTUNE ELECTRIC will be 160 times its own carbon emissions.

This target strikes a balance between ambition and feasibility, aligning with current industry developments and policy trends. We believe that through ongoing technological advancements, green manufacturing practices, and optimized energy efficiency, FORTUNE ELECTRIC is both capable and committed to achieving this goal. Throughout this journey, we are strengthening our data monitoring and verification processes to ensure that all contributions to carbon reduction are credible and traceable. Moving forward, we will continue to optimize the indicator framework by integrating innovative results and analyzing carbon performance, while regularly disclosing our progress to the public for enhanced transparency and external feedback.

By establishing and disclosing our Sustainability Indicator, FORTUNE ELECTRIC actively supports Taiwan's sustainable development goals. This initiative not only enhances our internal energy-saving and carbon-reduction efforts but also promotes green transformation throughout our entire value chain. We firmly believe that only by embedding sustainability into our daily business operations can we confidently progress in a low-carbon era and create shared value for all stakeholders.

## 2

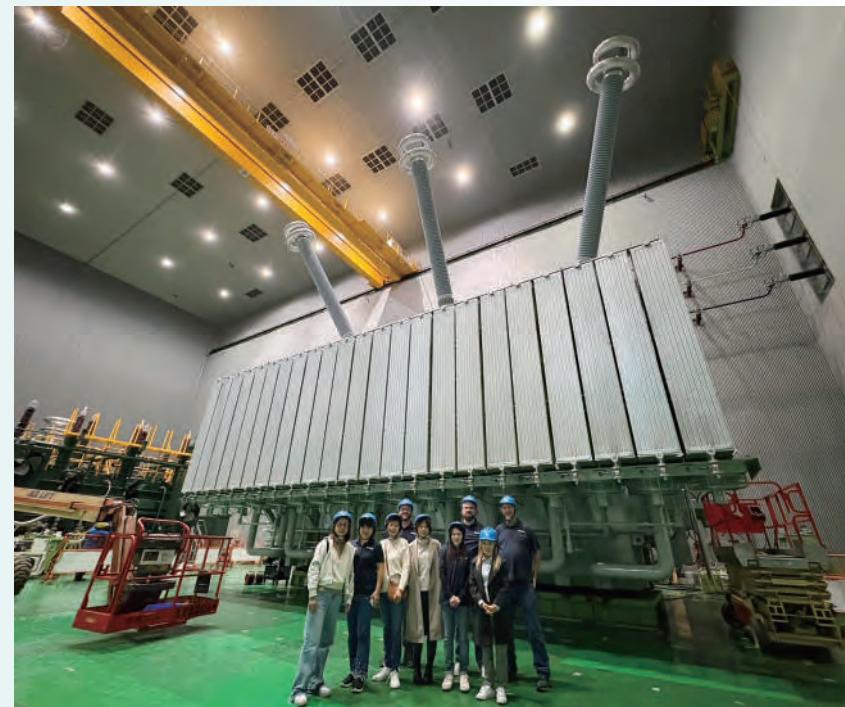
## Pushing Technological Limits: Development of the 525kV-672MVA Transformer

In 2024, FORTUNE ELECTRIC once again demonstrated its exceptional engineering capabilities by successfully developing a 525kV-672MVA ultra-high voltage transformer, completing type tests on four units. These transformers enhance the reliability of global power grids. To meet the increasing demands for high-temperature endurance under extreme climate conditions (50°C), our design further improved upon IEEE temperature rise standards by reducing the allowable rise by 10°C. Enhanced measures included increasing the number of radiators and enlarging the oil tank capacity to prevent overheating during full-load operations, thereby extending the transformer's lifespan.

In light of the growing size of transformer bodies and the weight of heavier attachments driven by advanced performance designs, we recognized the structural integrity of support frames as a vital concern. To tackle this, we enhanced seismic resistance through careful material selection and thorough structural data analysis, ensuring reliable operation even during intense earthquake events. Although this project did not require deployment in cold regions, FORTUNE ELECTRIC has proactively invested in technology reserves for such conditions. This includes implementing low-temperature welding techniques and utilizing cold-resistant components like breathers, butterfly valves, and gaskets, thereby guaranteeing product reliability in extreme climates—albeit at a higher cost.

On the manufacturing front, the coil and core dimensions of this transformer marked the largest in our history, significantly increasing production complexity. We dedicated additional time and resources to meticulous coil winding and precise lamination of the core, utilizing high-accuracy fixtures. To satisfy the stringent load-bearing requirements, we also improved structural bracing. During assembly, each step was accompanied by on-site quality evaluation meetings, mid-inspections with clients, extra self-checkpoints, and real-time monitoring of core data and the transformer's appearance using the RFY program, ensure compliance with the strictest standards.

As of 2024, FORTUNE ELECTRIC has successfully delivered nearly 10,000 transformers, which are extensively used in households, industrial facilities, and critical infrastructure—ensuring a stable power supply. Our innovations not only promote industrial advancement but also significantly contribute to global energy transitions and infrastructure development. We remain dedicated to breaking new ground and providing more reliable power solutions for the world.



▲FORTUNE ELECTRIC has joined the power transmission upgrade project of the largest utility company in the western United States, firmly establishing itself as part of Taiwan's extra high voltage "national team" and supplying extra high voltage equipment to the world. Pictured is the first 525kV autotransformer shipped to a region in the U.S. known for extreme climates.

## 3

## Awarded Multiple Honors for Workplace Happiness, Continuing to Build an Outstanding Employer Brand

At FORTUNE ELECTRIC, our people come first. We are committed to fostering a happy and fulfilling workplace, a dedication recognized in 2024 with several awards celebrating our focus on employee welfare. We proudly received the Taichung City Happy Workplace "Happiness Creativity Award," which reflects our excellence in employee care and innovative management practices. By implementing diverse recruitment strategies, enhancing interview experiences, and emphasizing employee value, we successfully boosted both our talent appeal and employee satisfaction. In 2024, we earned a PR score of 96 in employer branding and a PR score of 90 in talent attraction, leading to the prestigious 2024 Best Employer Award from 104 Corporation. Additionally, we were honored with the Silver Award in the "Happiest Employees" poll conducted by 1111 Job Bank, which reaffirms our commitment to effective human resource management, employee benefits, and a positive workplace culture.



▲In 2024, FORTUNE ELECTRIC was honored as the exclusive recipient in the extra high voltage industry at the inaugural Employer Brand Awards hosted by 104 Corporation!

FORTUNE ELECTRIC has been recognized for two consecutive years as one of the HR Asia Best Companies to Work for in Asia Award, and in 2024, we also received the HR Asia Diversity, Equity & Inclusion (DEI) Award. This international honor affirms our strong competitiveness in employee care, corporate culture, and talent development. We firmly believe that a happy work environment boosts employee satisfaction and productivity, thereby driving sustainable corporate growth.

Notably, one of our migrant worker colleagues has been honored with the National Model Migrant Worker Award, receiving recognition from the nation's head of state. This achievement underscores our commitment to fostering a diverse, inclusive, and equitable workplace. We believe in respecting and supporting employees from all backgrounds by providing comprehensive training and development opportunities that empower each team member to reach their full potential. These accolades not only reflect FORTUNE ELECTRIC's longstanding dedication but also inspire us to keep progressing. As we look to the future, we will continue to cultivate a positive workplace culture, enhance talent development, and create an even more appealing working environment, working hand in hand with our employees to build a brighter future together.



▲CEO Hsu I-Sheng and the management team accepted the HR Asia Best Companies to Work for in Asia Award on behalf of all our employees, showcasing FORTUNE ELECTRIC's outstanding achievements in human resource management and employee care.

## 4

## Sustainability Family Day: Conserving Wildlife, Creating a Better Future Together

On December 14, 2024, the FORTUNE ELECTRIC Sustainability Family Day was successfully held at the Taipei Zoo, bringing together over 1,000 employees and their family members from the parent company and its subsidiaries for a joyful and meaningful day.

By adopting the Formosan black bear and pangolin, FORTUNE ELECTRIC showcased its commitment to wildlife and environmental conservation. Interactive booths, like the Wildlife Conservation Station and DIY craft zone, helped attendees learn about the protection efforts for Formosan black bears and pangolins. Employees and their families, demonstrating their support for wildlife conservation, created meaningful keepsakes while discovering how they can help protect endangered species. Besides an energetic opening dance, the event included several short videos, such as the "Song of Fortune" MV, employee stories about the significance of their work, and winning clips from the AI Video Challenge, highlighting the company's dedication to innovation and social responsibility.

The event concluded with an exciting digital lucky draw, where winners received attractive prizes, including hotel vouchers, iPads, and flight tickets. A post-event survey showed a satisfaction rate of 92.6%, marking the event as a great success. Employees expressed their hope for more eco-focused activities in the future and looked forward to coming together again to support environmental and wildlife conservation efforts.



▲The Family Day featured a variety of fun and educational booths and activity zones, designed to raise awareness of wildlife conservation. Employees who completed all the activity checkpoints successfully received tokens for the claw machine, adding to the event's lively and engaging atmosphere.

## 5

## Cross-Sector Collaboration with TAICCA: Driving Cultural Sustainability

With over 55 years of history, FORTUNE ELECTRIC has consistently remained true to its founding mission of Reassuring Employees, Reassuring Customers, Reassuring Shareholders, and Reassuring Society. Deeply rooted in Taoyuan, the company has demonstrated its commitment to engaging with the local community. Through the ESG for Culture matchmaking platform led by the Taiwan Creative Content Agency (TAICCA), FORTUNE ELECTRIC collaborated with cultural creators to introduce art into communities, elder care centers, and child welfare institutions, bringing warmth and joy to both children and seniors.

In this initiative, the Somm Jazz/La.up evoked cherished memories among seniors with familiar tunes. The Tien Circus Theatre entertained children with lively, animated circus performances. The A-Nee-Gu welcomed children from orphanages into the theater to experience the magic of the performing arts firsthand. CEO Hsu I-Sheng shared a personal reflection: "Every time I visit an orphanage, the children rush over asking for hugs. In those moments, I realize that while material goods fulfill basic needs,

emotional care is equally vital. This collaboration has shown us the power of culture—it brings warmth we hadn't reached before and offers genuine companionship."

Beyond social care, FORTUNE ELECTRIC continues to explore new possibilities in environmental sustainability. Thanks to the creativity of artist Tsong Pu, discarded cardboard boxes that were once used for transporting equipment have been repurposed into materials for a children's art installation, which was later exhibited at the National Taiwan Museum of Fine Arts, demonstrating new life through upcycling and artistic transformation. This engagement with culture has significantly enhanced FORTUNE ELECTRIC's understanding of sustainability. From environmental conservation and social responsibility to cultural inclusivity, even the smallest actions can ignite significant change. "We aim to continue amplifying this impact, transforming each initiative into a lasting ripple effect. Looking ahead, we eagerly anticipate further collaborations with the cultural sector and creating even more inspiring stories together."



▲Group photo of FORTUNE ELECTRIC and TAICCA representatives at the signing of the MOU



▲FORTUNE ELECTRIC collaborated with the Tien Circus Theatre to deliver an engaging performance for children at the Taoyuan Family Support Center.

## 6

## Foreign Worker from FORTUNE ELECTRIC Honored as the 2024 National Model Migrant Worker

In 2024, FORTUNE ELECTRIC's foreign employee, Mr. Wullapa, stood out from the competition among over 400 candidates in Taoyuan City and was highly acknowledged by the city government. Living in Taiwan for over 10 years, Mr. Wullapa holds crane and forklift operation licenses and has extensive experience in interior decoration and civil engineering. His outstanding performance earned him a promotion to become mid-level technician, making him a role model among foreign workers.

FORTUNE ELECTRIC nominated Mr. Wullapa to represent Taoyuan City in the 2024 National Model Migrant Worker Selection. Mr. Wullapa was the top ten among 86 candidates nationwide, and was one of only three with mid-level technical qualifications.

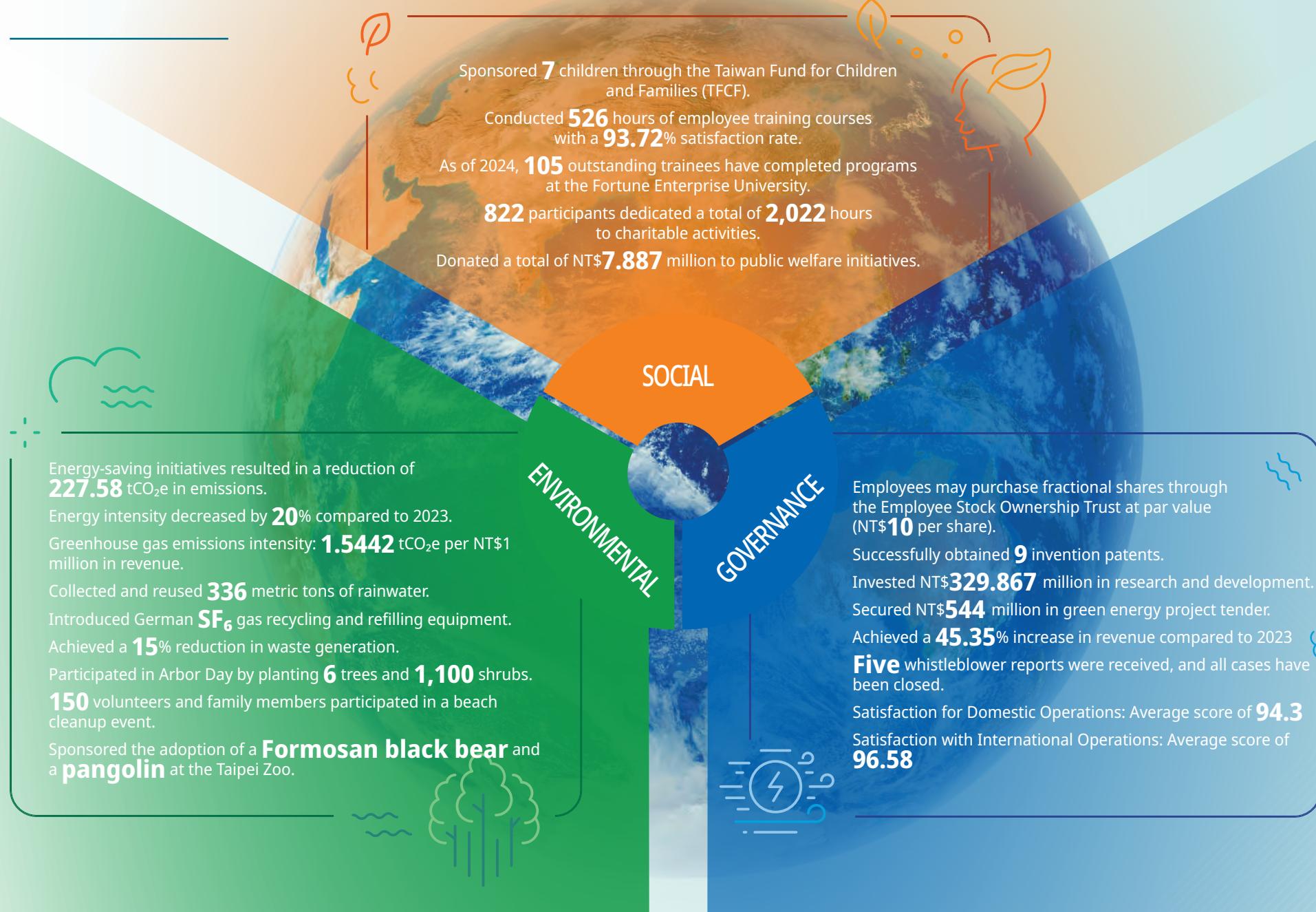
He was invited to attend the awards ceremony with his family, and was received by the President. This recognition underscores FORTUNE ELECTRIC's commitment to supporting employees' career development and fostering a friendly, inclusive workplace. It also reflects the company's genuine efforts to treat employees like family.

Mr. Wullapa's sons, Jisala and Siwayu, have also joined the Power Production Division, embodying the company's mission to "secure employees' well-being" and the spirit of the Fortune family.



▲Mr. Wullapa was selected as the 2024 National Model Migrant Worker and received by the President.

# SUSTAINABILITY PERFORMANCE HIGHLIGHTS



# AWARDS AND RECOGNITIONS

Ranked No. 1 in CommonWealth Magazine Top 100 Traditional Industries for Operational Performance

## 「傳產營運績效100強」榜單

Named HR Asia Best Companies to Work for in Asia for consecutive years. First-time recipient of the HR Asia Diversity, Equity & Inclusion (DEI) Award.

本調查以2024年入榜「兩千大企業調查」之傳統製造產業公司為依據，篩選符合2023年營業收入及稅後純益高於2019年，且2024年1至6月稅後純益同期成長率為正之公司，依過去5年（2019至2023）的長期成長、單年表現及企業規模等7項財務指標，評估營運績效。符合上述條件的企業，分別在每項指標中，依數值高低分級20等分，再依據相對位置給予1到20分。最後將7項指標的得分加總，以總分排名；名次相同者，依公司名稱單割排序。

主要營業項目為高科技製造業、2019至2023年間稅後純益、上述財務指標所需資料不全、註冊地非為台灣之公司不納入本次計算範圍。

榜單內於2023年營收分為三等級：▲100億以下為輕量級、■100~500億為中量級、★500億以上為重量級。

排名	公司名稱	行業別	等級	總分	2019~23 營收 複合成長率 (%)	2019~23 稅後純益 複合成長率 (%)	2023 股東權益 報酬率 (%)	2023 營收 成長率 (%)	2023 稅後純益 成長率 (%)	2019~23 稅後純益 總和 (億元)	2024年1至6月 稅後純益 總和 (億元)	2024年1至6月 稅後純益 同期成長率 (%)
1	華城電機	機電設備	■	131	17.97	58.24	42.02	79.33	207.52	45.74	99.11	9.04
2	保瑞藥業	製藥與生物科技	■	120	76.57	77.54	25.75	35.32	117.67	60.55	9.04	9.04
3	龍德造船工業	其他運輸工具	▲	118	46.15	51.90	18.96	30.14	100.35	13.27	98.42	98.42

Ranked No. 1 in CRIF Taiwan's First Top 100 Hybrid Technology Industry Operational Performance List

Recipient of the 2024 Best Employer Award from 104 Corporation



Ranked No. 9 in the 2024 Taiwan Institute of Directors' Taiwan FINI 100 Companies.



Winner of the Taichung City Happy Workplace "Happiness Creativity Award"

Silver Award in the 1111 Job Bank Happiest Employees Selection



Silver Medal for Training Quality Management under the Talent Quality Management System (TTQS)



Chairman Hsu Bang-Fu ranked No. 40 in the Harvard Business Review Taiwan Top 100 Best-Performing Business Leaders of 2024



Chairman Hsu Bang-Fu received the 2024 Tohoku University International Award, Japan



President Hsu I-Te was awarded the 2024 EY Entrepreneur of the Year Award, and will represent Taiwan at the EY World Entrepreneur of the Year competition in June



President Hsu I-Te was re-elected as Chairman of the Taiwan Wind Industry Association for the 7th consecutive term



# SDGS ACHIEVEMENT OF THE YEAR EVALUATION

In 2015, the United Nations introduced the Sustainable Development Goals (SDGs)—a set of 17 global objectives aimed at promoting economic prosperity, social inclusion, and environmental protection. The SDGs serve as a roadmap to ensure peace and prosperity for all, with the ambition of addressing the world's most pressing challenges by 2030. FORTUNE ELECTRIC aligns its corporate philosophy with the Sustainable Development Goals (SDGs) by developing policies and initiatives that integrate economic growth with social equity and environmental stewardship. Our actions exemplify a commitment to justice and the protection of essential natural resources, including water, air, and land, as well as the broader objective of sustainable development. The following table summarizes our key achievements and action outcomes for the year, in alignment with the Sustainable Development Goals (SDGs).

United Nations SDGs indicators	Our company responds to SDGs target action performance list
<b>1 NO POVERTY</b> 	<ul style="list-style-type: none"><li>Participated in the Genesis Social Welfare Foundation's receipt donation campaign to support fundraising for social welfare institutions.</li><li>Organized street charity sales and material donation events in collaboration with Genesis Social Welfare Foundation to assist underprivileged groups.</li><li>Provided scholarships to financially disadvantaged students to help them complete their education.</li><li>Sponsored seven children from the Taiwan Fund for Children and Families (TFCF), supporting the growth of underprivileged children and ensuring access to stable living and educational opportunities.</li><li>Took part in the "Step30" campaign and second-hand clothing donation initiatives to promote resource reuse and support the needy.</li><li>Supported long-term care programs for children and dispatched volunteers to participate in related charitable activities.</li><li>Donated NT\$800,000 to the Taoyuan City Government Social Assistance Fund to support the "Anja Goods Bank" and the "Child and Youth Development Accounts" programs.</li></ul>
<b>2 ZERO HUNGER</b> 	<ul style="list-style-type: none"><li>Joined the "Love Rice Field" food security volunteer program, assisting with food production and distribution.</li><li>Helped elderly individuals living alone by cleaning their homes and delivering meals, improving their quality of life and ensuring their basic nutritional needs are met.</li><li>Held a "Proportional Donation" campaign, in which the company matched employee donations dollar-for-dollar to support disadvantaged groups through concrete action.</li><li>80 New Year meal boxes were donated to the Huashan Social Welfare Foundation to help elderly individuals living alone celebrate the Lunar New Year with warmth.</li></ul>
<b>3 GOOD HEALTH AND WELL-BEING</b> 	<ul style="list-style-type: none"><li>Participated in blood donation drives in the Taipei area to support the demand for medical blood supplies.</li><li>Arranged annual health checkups for employees and regularly invited doctors and nurses to provide on-site health consultations.</li><li>Implemented group insurance programs to enhance employees' health protection and overall well-being.</li><li>Established employee clubs, including aerobic dance and badminton groups, to promote healthy lifestyles.</li><li>Nurses regularly provide health-related information to raise employees' awareness of personal health management.</li><li>Donated chest percussion boards, washing machines, and dryers to the Genesis Social Welfare Foundation to improve care facilities for vegetative patients.</li><li>Sponsored the Home-Waiting Children Social Welfare Association's Fruits project, providing children with safe, chemical-free fruits to support their healthy development.</li><li>Participated in handicraft workshops organized by the Genesis Social Welfare Foundation to help improve the quality of life for people with disabilities.</li></ul>

## United Nations SDGs indicators



## Our company responds to SDGs target action performance list

- Continuously operated Fortune Enterprise University to promote internal training and talent development.
- Published regular weekly newsletters to share professional knowledge and industry trends with employees.
- Participated in industry-academia collaboration programs with National Taiwan University of Science and Technology, Chung Yuan Christian University, and Yuan Ze University to bridge academic knowledge and practical industry needs.
- Supported training center courses and internal/external training programs to enhance professional skills and competitiveness.
- Donated to Grass Book House, providing after-school tutoring for underprivileged children to ensure educational equity.
- Supported Sanmin Elementary School's volleyball team cheerleading program, including donating related equipment to encourage youth sports development.
- Collaborated with Feng Chia University's "Industry Practice Elite Program", helping students explore opportunities in the electric vehicle industry.



- Established a nursing room, creating a mother-friendly workplace environment and safeguarding the rights of female employees.
- Offered menstrual leave, parental leave, and family care leave to help employees maintain a healthy work-life balance.
- Donated to the Garden of Hope Foundation, which supports initiatives aimed at preventing domestic violence and sexual assault while also strengthening the social safety net.



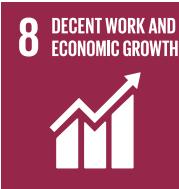
- Conducted regular disinfection across all facilities to maintain a clean and hygienic working environment.
- Encouraged employees to bring their own utensils to reduce single-use plastic consumption and promote sustainable practices.
- Performed semi-annual effluent water quality testing to ensure compliance with environmental standards.
- Conducted quarterly testing of drinking water quality and regularly replaced water dispenser filters to ensure drinking safety and quality.
- Renovated employee cafeterias across facilities to improve dining hygiene and the overall environment.



- Continues to expand the development of energy storage systems, while providing comprehensive operation and maintenance services.
- Participated in the 2024 Energy Taiwan and Net-Zero Taiwan events, showcasing innovative low-energy power equipment, solar energy solutions, smart energy technologies, advanced storage systems, and effective monitoring systems.
- Implemented energy-saving lighting initiatives and carbon reduction strategies, such as switching off lights at noon.
- Installed energy storage charging stations to facilitate the growth of green transportation.
- Supplied power transformers for the gas-fired units of Hsingta Power Plant and Taichung Power Plant, significantly contributing to Taiwan's energy transition.
- Assembled and tested 69kV GIS equipment for the Siemens Wind Power Generator at the Hai Long Offshore Wind Farm, promoting the advancement of wind energy.
- Installed various solar energy systems, including rooftop solar installations at Kuozi Motors and Pao-Lu Construction, to enhance renewable energy generation

## United Nations SDGs indicators

## Our company responds to SDGs target action performance list



- Offered referral bonuses to employees for recommending talent; in 2024, 130 employees actively participated, resulting in 91 successful hires.
- Encouraged intern-to-full-time transitions, providing job opportunities for young talent.
- Established the Outstanding Newcomer Award and Long-Service Award to enhance employee retention and engagement.
- Collaborated with the Industrial Technology Research Institute (ITRI) to launch the Power Grid Talent Development Alliance Scholarship, supporting the advancement of Taiwan's power industry.
- Honored with the 2024 EY Entrepreneur of the Year Award, highlighting the company's operational excellence and innovative spirit.



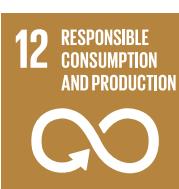
- Participated in Mobility 2024 Asia-Pacific Smart Transportation Exhibition to showcase DC traction power system technology.
- Participated in the TaiPower "Grid Reinforcement Project," carrying out equipment replacement initiatives to improve power supply stability.
- Increased R&D spending to continuously develop or improve high-performance, energy-efficient, and environmentally friendly products, further smart factory initiatives, and establish solar energy sites, energy storage facilities, and charging stations.
- Received the Taichung City Happy Workplace "Happiness Creativity Award," enhancing the employer brand with the Company's excellent employee welfare and recreational facilities.
- Won the Silver Award for Best Sustainability Report at the Taiwan Corporate Sustainability Awards (TCSA), affirming the Company's steadfast commitment to environmental, social, and governance (ESG) sustainability.



- Promoted workplace diversity and inclusion by hiring one person with disabilities and three indigenous employees in 2024, representing 0.4% of the total workforce.
- Employed 238 Non-Taiwanese employees in 2024 to nurture a multicultural and inclusive work environment.
- Supported mid-to-senior-aged employment by hiring 23 individuals in 2024, further enhancing workplace diversity and inclusivity.
- Held regular labor-management and welfare committee meetings to ensure internal management transparency and fairness.
- Conducted workplace bullying prevention training courses to create a friendly work environment.
- Participated in handcraft workshops organized by the Genesis Social Welfare Foundation, aiding skills development for individuals with disabilities.
- Contributed to the Taiwan Creative Content Agency (TAICCA) to support four cultural organizations in providing performances for disadvantaged groups in the Taoyuan region, thereby promoting cultural equity.
- Installed accessible elevators, restrooms, and ramps at the Zhongli plant to enhance equity and accessibility in the workplace.



- 51 volunteers participated in street-cleaning activities in Guanyin District, contributing to a clean and orderly community environment.
- Conducted fire drills at the plant to enhance emergency response capabilities and safety awareness.
- Motivated employees to become community service volunteers to give back to society.
- Donated to the Tribal Dream Library in Jianshi Township to support educational development in remote areas.
- Contributed NT\$2 million to aid earthquake relief efforts in Hualien after the April 3rd earthquake, bringing warmth and assistance to residents affected by the disaster.



- Promoted the reduction of industrial waste and the recycling of resources to improve environmental protection efforts.
- Procured green-labeled products, including laptops, copy paper, air conditioners, hybrid vehicles, and electric vehicles, to adopt sustainable consumption practices.

## United Nations SDGs indicators

## Our company responds to SDGs target action performance list



- Promoted waste sorting and recycling to reduce waste generation.
- Implemented a paper reduction policy and encouraged digitization to improve resource utilization efficiency.
- Implemented switching off lights at noon initiative to reduce energy consumption.
- Supported environmental education by inviting 10,000 schoolchildren to visit and raise environmental awareness.
- In 2024, reduced carbon emissions by 228.514 metric tons through energy-saving initiatives and performance plans, achieving a 20% decrease in energy intensity compared to last year, resulting in significant energy savings.



- 150 volunteers and their families participated in a collaborative beach cleanup event across Taoyuan, Hsinchu City, Hsinchu County, and Miaoli, removing hundreds of kilograms of litter to protect the marine ecosystem.
- Contributed NT\$800,000 to the National Museum of Marine Science and Technology for coral breeding and ecological conservation projects.



- Participated in Arbor Day tree planting activities by planting six trees and 1,100 shrubs, and distributing 1,300 gardenia seedlings to Taoyuan City residents, while continuously promoting afforestation and reforestation initiatives.
- Adopted a Formosan black bear and a pangolin at the Taipei Zoo to support wildlife conservation efforts.
- Donated NT\$500,000 to the Taiwan Reforestation Association to aid in cultivating native saplings for restoring low elevation mountain vegetation in Nantou.



- Required suppliers to sign integrity clauses to ensure ethical standards throughout the supply chain.
- Launched a "Character Building Season" campaign to strengthen corporate integrity culture.
- Established an external third-party whistleblower platform to protect whistleblowers and safeguard the rights and interests of the company, employees, suppliers, and customers. In 2024, five whistleblower cases were received, and all have been resolved.



- Continued collaboration with international companies such as HITACHI, Meidensha Corporation, ABB, and GE to promote cross-border technology development.
- Actively increased the production of transformers for both domestic and international markets to ensure stable voltage for global power grids.

# ABOUT THE REPORT

## Report Overview & Publication Frequency

This Sustainability Report is published in August 2025 as part of our routine disclosure of financial and operational achievements. The publication will continue alongside our efforts to maintain sustainable operations. The next edition is scheduled for August 2026. Any rearrangement of information, if applicable, is footnoted in the paragraph under each topic throughout this Report.

## Reporting Boundaries and Scopes

The information provided in this report covers the period from January 1 to December 31, 2024, and includes FORTUNE ELECTRIC HQ/Zhongli 1st factory, Guanyin 2nd & 3rd factory, Taipei Office, Kaohsiung Office, FORTUNE ELECTRIC Extra High Voltage, and EVALUE. Overseas subsidiaries (offices) are not included. No significant changes were made during the reporting period regarding the scale, structure, ownership, or supply chain of the organization.

The economic statistics and data in the report are derived from the 2024 consolidated financial statements, which cover the HQ and subsidiaries as the disclosure scope. The environmental disclosure includes the Zhongli 1st factory, Guanyin 2nd and 3rd factories, and FORTUNE ELECTRIC Extra High Voltage. We have excluded the Taipei Office, Kaohsiung Site, and EVALUE from the report scope, as these three locations have a relatively small influence and impact. The information boundary regarding the social aspect includes the Taipei Office, Zhongli 1st factory, Guanyin 2nd and 3rd factories, FORTUNE ELECTRIC Extra High Voltage, and Kaohsiung Site. EVALUE has been excluded from the disclosure due to its employee size, level of influence, and incomplete information. Please see the FE Annual Report 2024 for details of affiliated companies.

## Compilation Guidelines

This report is compiled based on GRI Standards 2021, FSB's declared TCFD, sustainability reports by TWSE-listed companies, and the SDGs. The GRI index is included in the appendix of the report.



## Department in Charge and Quality Management Methods

To ensure the integrity and credibility of our report, we follow the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies. We have established procedures for compiling sustainability reports and conducting internal audits and/or external assurance. These procedures are then reported to the Board of Directors for inspection and approval regarding suitability.

Procedure	Method	Responsible Unit (Position)
Compilation	The ESG Committee is responsible for planning this report. Data, information, strategic objectives, and performance indicators disclosed in the report are provided by relevant departments and subsequently edited and reviewed by the Corporate Governance Department Office.	Admin Div./SDC, applicable departments
Internal Review	This report must be confirmed by each department and authenticated by the director of each department.	Applicable departments and dept. heads
External Assurance	To further support the accuracy and credibility of this report, <ul style="list-style-type: none"> <li>AFNOR Asia Ltd, as an independent party, ensures compliance with GRI Standards and AA1000AP (2018), based on Type 1 and Moderate Assurance, as well as accountability as specified in AA1000AS v3.</li> <li>The financial data complies with IFRS, as certified by Deloitte Taiwan. The calculation currency is the Taiwan dollar.</li> <li>For the following systems: the Energy Management System (ISO 50001), the Occupational Health and Safety Management System (ISO 45001), the Environmental Management System (ISO 14001), the Information Security Management System (ISO 27001), and Greenhouse Gas Inventory (ISO 14064-1), internal audits, along with external verifications, are conducted annually to ensure the accuracy of information and data.</li> </ul>	AFNOR Asia Ltd. / Deloitte & Touche
Finalization	The publication is by the ESG Committee in compliance with the FE Sustainability Report Compilation Procedure.	Board of Directors / Chairman

## Contact Information

If you have any suggestions or inquiries about the FORTUNE ELECTRIC Sustainability Report 2024, please feel free to reach out to us using the contact information provided. The report will also be available on our website for complete access disclosure.

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# STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

## Stakeholder Identification and Engagement

To effectively identify key stakeholder groups closely tied to the Company's operations or business activities and possessing significant levels of interest and influence, we referred to the five principles outlined in the AA1000 Stakeholder Engagement Standard (SES 2015). These principles are: (1) Dependency, (2) Responsibility, (3) Tension/Concern, (4) Influence, and (5) Diverse Perspectives. Based on these principles, we developed and distributed a "Stakeholder Identification Questionnaire" to internal managers and external-facing units, collecting a total of 128 responses in 2024.

Through comprehensive analysis and evaluation, we identified seven core stakeholder groups that have a high level of relevance and influence on the Company's operations, listed in order of priority:

(1) Customers (2) Suppliers/Contractors (3) Employees (4) Investors/Shareholders (5) Business Partners/Distributors (6) Government Agencies (7) Local Communities/Public

To ensure smooth and effective communication with stakeholders, we have established a dedicated Stakeholder Section on our corporate website. This section includes a message submission function, allowing visitors to raise questions, provide suggestions, or file complaints about material topics. This facilitates prompt feedback, further enhancing two-way communication and transparency.

## Stakeholder Communication and Performance Evaluation Table

Stakeholder	Topics of concern	Engagement method and frequency	Communication performance
 Customer	Customer service Integrity operations Supply chain management Procurement practice and management Product Quality and Safety Occupational safety and health	<ul style="list-style-type: none"> <li>Regular and irregularly hosting of electricity technology seminars</li> <li>Global service locations on our <a href="#">Website</a></li> <li>Routine survey; visits as often as needed</li> <li>Participation in customers' annual supplier conferences</li> <li>Irregularly phone calls, emails, or instant messaging</li> <li>Toll-free line +886-800-211-569</li> </ul>	<ul style="list-style-type: none"> <li>Participation in 3 shows as an exhibitor in 2024</li> <li>Q3 routine survey</li> <li>4 customer e-newsletters</li> <li>6 domestic customer visits in 2024</li> <li>41 international customer visits in 2024</li> <li>Approximately 200 total customer visits to factories or offices</li> </ul>
 Supplier/ contractor	Operational performance Integrity operations Procurement practice and management Product Quality and Safety Occupational safety and health	<ul style="list-style-type: none"> <li>Yan-qing Chang, Procurement Team (03)483-6155 Ext269</li> <li><a href="#">Vendor Feedback</a>, Company webpage</li> <li>Irregularly phone calls, emails, or instant messaging</li> </ul>	<ul style="list-style-type: none"> <li>1 Suppliers meeting</li> <li>35 spot checks; 779 evaluations</li> </ul>

Stakeholder	Topics of concern	Engagement method and frequency	Communication performance
 <b>Employees</b>	Operational performance Integrity operations Product Quality and Safety Talent incubation and recruitment Workplace equality and diversity Human right	<ul style="list-style-type: none"> <li>Employee Feedback Area/Exchange of Opinion- voice inbox</li> <li>Routine employee interviews and responses to feedback</li> <li>Interviews with leaders as often as needed</li> <li>Senior management/HR head inbox</li> </ul>	<ul style="list-style-type: none"> <li>One employee surveys every six months</li> </ul>
 <b>Investor/shareholder</b>	Operational performance Integrity operations Occupational safety and health Talent incubation and recruitment	<ul style="list-style-type: none"> <li>Spokesperson system (for shareholders meeting and communications when required)</li> <li>Annual shareholders' meeting</li> <li>Company website- <a href="#">investor feedback</a></li> <li>Key information and press release</li> <li>Foundation briefing session</li> <li>Irregularly phone calls, emails, or instant messaging</li> </ul>	<ul style="list-style-type: none"> <li>One earnings call and 48 communications (telephone/email)</li> <li>31 releases of key information (including regular announcement of regulatory requirements)</li> <li>One shareholders' meeting</li> </ul>
 <b>Business Partners/ Distributors</b>	Customer service Integrity operations Product Quality and Safety	<ul style="list-style-type: none"> <li>Regular and irregularly visits and exchanges</li> <li>Irregularly phone calls, emails, or instant messaging</li> </ul>	<ul style="list-style-type: none"> <li>Participated in 3 supplier conferences</li> </ul>
 <b>Government Agencies</b>	Integrity operations Product Quality and Safety	<ul style="list-style-type: none"> <li>Formal correspondence</li> <li>Irregularly visits, phone calls, emails, or instant messaging</li> <li>Participation in joint visits with industry associations and providing suggestions to government agencies</li> </ul>	<ul style="list-style-type: none"> <li>Engaged in 8 visits or exchanges</li> </ul>
 <b>Local community/ public</b>	Integrity operations Occupational safety and health Workplace equality and diversity Social welfare	<ul style="list-style-type: none"> <li>Occupational safety and health departments or managers of each factory regularly or irregularly engage in exchanges and participate in relevant industrial zone activities</li> <li>The Volunteer Committee regularly organizes neighborhood activities</li> <li>Irregularly phone calls, emails, or instant messaging</li> </ul>	<ul style="list-style-type: none"> <li>Active engagement in 2023 vendor social gatherings</li> <li>Serving as a director/supervisor in the Zhongli/Guanyin Industrial Park Manufacturers Association</li> <li>Two beach cleanings every year in Guanyin Dist. by the Volunteer Committee; tree planting events by the Taoyuan City Government, and other charitable activities such as those by the Taiwan Fund for Children and Families (TFCF) and Huashan Foundation</li> </ul>

## Topic Materiality Analysis

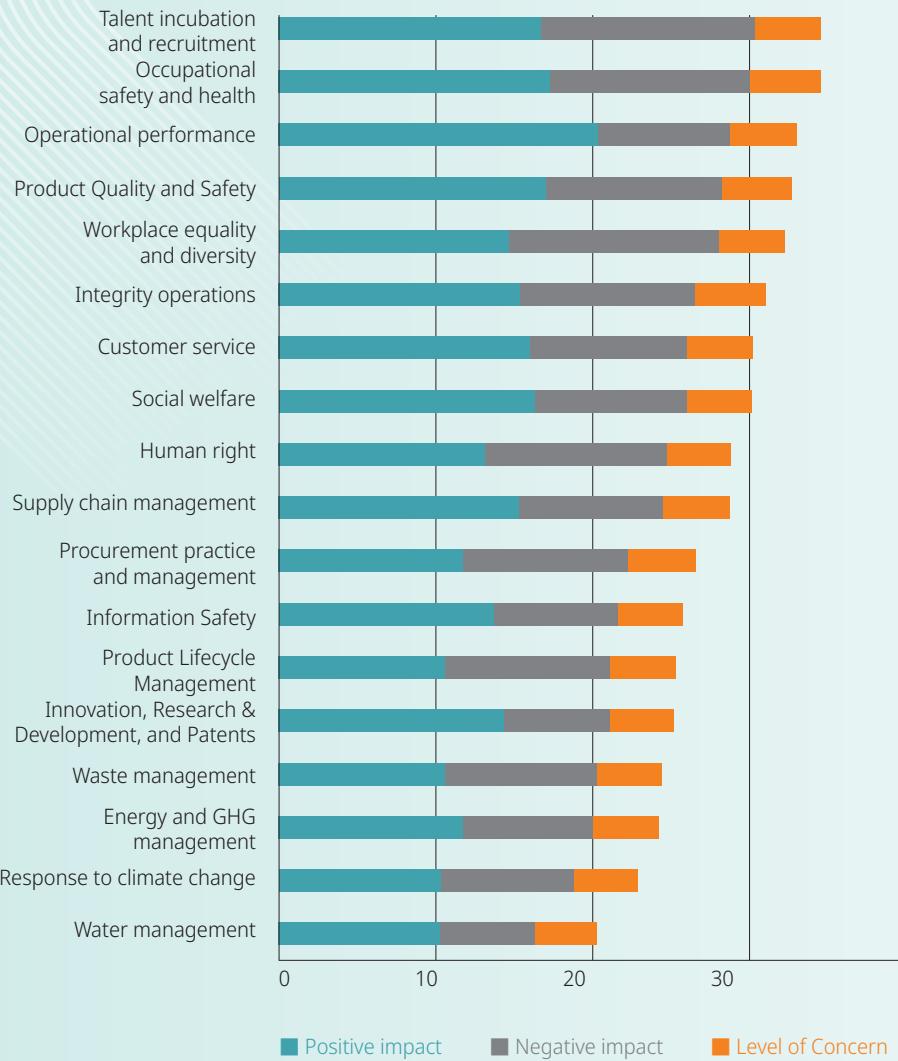
FORTUNE ELECTRIC, aligned with GRI Standards and international sustainability trends, has adopted industry disclosure practices to ensure the completeness and comparability of our sustainability information. We follow the AA1000 AccountAbility Principles (2018), identifying key material topics through four critical aspects: inclusivity, materiality, responsiveness, and impact. The disclosure and prioritization of these topics are guided by the GRI Universal Standards 2021. Additionally, we consult international standards, such as the TCFD and SASB, to evaluate sustainability-related risks and opportunities pertinent to our industry, thereby enhancing FORTUNE ELECTRIC's sustainability strategy and communication mechanisms for transparent and forward-looking information.

After a thorough evaluation, we identified eight material topics for 2024. This report provides comprehensive disclosures on each subject, including its scope of impact, significance to business operations, related risks and opportunities, as well as the company's policies, objectives, risk assessments, and management practices, showcasing our firm commitment to sustainable development.

The final identified material topics are presented in this report, providing stakeholders with valuable insights to assist their assessment and decision-making processes. To ensure the effective implementation of our sustainability strategy, the Sustainability Development Committee reports at least once a year to the Board of Directors on ESG performance outcomes and execution targets for the upcoming year. This process guarantees that sustainability policies and decisions are implemented effectively, thus enhancing the long-term sustainable value of the company.

Stakeholder Identification and Collection of sustainability topics	7 Stakeholder Groups	Based on our business model, industry characteristics, and sustainability impacts, FORTUNE ELECTRIC has identified seven primary stakeholder groups: customers, suppliers/contractors, employees, investors/shareholders, business partners/distributors, government agencies, and local communities/public.
Assessment for operational impact	18 Sustainability Issues	Through internal meetings and external trend analyses, we review FORTUNE ELECTRIC's operational activities, business relationships, and sustainability context, identifying potential environmental, social, and governance (ESG) issues. This forms the basis for a comprehensive assessment of the topic.
Identification of material topics	694 Valid Questionnaires	To better understand the concerns of stakeholders and how these issues may impact our business, we conduct a "Stakeholder Topics of Concern Survey" targeting each stakeholder group.
Examination of material topics	12 Senior Executives	We also invite senior executives from various departments to analyze the "positive and negative impacts" of each topic in alignment with the company's business objectives and risk assessments, ensuring the material impact of key issues.
Validation of material topics	8 Material Topics	We calculate the "likelihood of occurrence" and "degree of impact" for each issue, integrating these factors with the stakeholder survey results to create a weighted ranking. This approach ensures data-backed decision-making.
Review and Approval	Board Approval	Through consultations with both internal and external experts, we evaluate the appropriateness of the materiality identification standards and processes, ensuring they align with international standards such as GRI and TCFD. After deliberation by the Sustainability Development Committee, the final list of material topics is presented to the Board of Directors for approval, ensuring it aligns with top-level decision-making and robust corporate governance.

## 2024 Assessment of positive and negative impact of the topics



## Material topic matrix



## Material topics lists

Aspect	Material topic	Impact to the Company	Impact to value chain			Chapter	In accordance with GRI/ SASB standards
			Upper stream	FORTUNE ELECTRIC	Lower stream		
GOVERNANCE	Operational performance	<p>The company's financial performance and business management.</p> <p><b>Positive actual impact:</b> Healthy financial statements and numbers have a positive effect on both the company and stakeholder levels.</p> <p><b>Negative impact:</b> A decline in financial performance may lead to reductions in capital expenditure, additional employee benefits, and vacation time.</p>	●	●		Ch1	GRI 201-1 GRI 201-4
	Product Quality and Safety	<p>Product quality and safety issues impact the company's market competitiveness, financial performance, and brand image.</p> <p><b>Positive actual impact:</b> Ensuring product quality and enhancing safety performance help boost customer satisfaction and loyalty, driving steady growth in operational performance.</p> <p><b>Negative impact:</b> If products fail to meet safety standards or incidents occur, the company may face lawsuits, fines, and significant failure costs.</p>		●	●	Ch1	Customized Topics RT-EE-250a.1 RT-EE-250a.2
	Integrity operations	<p>Management of integrity-related issues, such as corruption (e.g., bribery), antitrust (e.g., monopoly practices), and unfair competition.</p> <p><b>Positive actual impact:</b> Through robust integrity training and communication, potential corruption and unfair competition can be prevented, reducing the risk of penalties or losses.</p> <p><b>Negative impact:</b> If employees engage in corrupt practices or the company itself participates in unfair competition, the company may face fines or financial losses.</p>		●	●	Ch2	GRI 205-1 GRI 205-2 GRI 205-3 GRI 206-1 RT-EE-510a.1 RT-EE-510a.2 RT-EE-510a.3
	Customer service	<p>We uphold a customer-first, patient-centric philosophy, delivering service quality that not only meets but often exceeds expectations. This includes a comprehensive pre- and after-sales service system, customer satisfaction surveys, and a mechanism for handling feedback and complaints.</p> <p><b>Positive actual impact:</b> We consistently deliver attentive service to enhance customer satisfaction and loyalty, ultimately driving improved operational performance.</p> <p><b>Negative impact:</b> If customer needs are not addressed or resolved promptly, it may result in missed future cooperation opportunities and reduced revenue.</p>		●	●	Ch3	Customized Topics

Aspect	Material topic	Impact to the Company	Impact to value chain			Chapter	In accordance with GRI/ SASB standards
			Upper stream	FORTUNE ELECTRIC	Lower stream		
SOCIETY	Talent incubation and recruitment	<p>We are committed to improving employee professional capabilities and prioritizing their career development planning.</p> <p><b>Positive actual impact</b> By focusing on human resources, providing training, and ensuring clear promotion pathways, we strengthen the company's long-term sustainability.</p> <p><b>Negative impact</b> Failure to support employee development and advancement could lead to talent shortages and reduced competitiveness.</p>		●		Ch5	GRI 401-1 GRI 404-1 GRI 404-2 GRI 404-3
	Occupational safety and health	<p>We ensure the safety and health of all workers, including employees and contractors, by establishing a safe and healthy workplace and preventing occupational hazards.</p> <p><b>Positive actual impact</b> Compliance with occupational safety regulations, provision of proper protective equipment, and maintenance of a safe work environment help safeguard employees' health and well-being.</p> <p><b>Negative impact</b> A lack of dedicated safety personnel and poor workplace safety practices can result in injuries, financial losses, and reputational damage.</p>		●			Ch5 GRI 403
	Workplace equality and diversity	<p>We embrace a diverse workforce and ensure equal employment opportunities.</p> <p><b>Positive actual impact</b> By integrating diversity and equity into our management practices, we foster a harmonious and collaborative work environment.</p> <p><b>Negative impact</b> Failing to address issues like discrimination or bullying can undermine trust, reduce work efficiency, and negatively impact the company's operations.</p>		●		Ch5	GRI 405-1 GRI 405-2
	Social welfare	<p>Reassuring society: We actively invest in resources and care for socially disadvantaged groups to promote social harmony and public welfare.</p> <p><b>Positive actual impact</b> Fortune Group, driven by its mission of "reassuring employees," "reassuring customers," "reassuring shareholders," and "reassuring society," remains committed to employee care, social contributions, and corporate governance, thereby enhancing our corporate social responsibility image.</p> <p><b>Negative impact</b> Insufficient social engagement may damage the company's public image.</p>		●	●	Ch6	GRI 203-1

## Changes of Material Topics

In the 2024 material topic assessment, we thoroughly referred to the GRI and SASB standards, industry ESG reports, and annual sustainability trends to ensure the chosen topics align with FORTUNE ELECTRIC's business development needs. At the same time, we redefined "financial performance" as the more comprehensive "Operational performance" to better reflect the overall operational status of the Company. The following table summarizes the changes to our material topics in 2024:

### Changes of FORTUNE ELECTRIC material topics in 2024

2023 Material Topic	2024 Material Topic	Description
Talent, incubation and recruitment	Talent, incubation and recruitment	No change
Occupational safety and health	Occupational safety and health	No change
Customer service	Operational performance	Renamed and ranking raised
Financial performance	Product Quality and Safety	Add new topic
Social welfare	Workplace equality and diversity	Ranking increased
Supply chain management	Integrity operations	Add new topic
Workplace equality and diversity	Customer service	Ranking lowered
Energy and GHG management	Social welfare	Ranking lowered
Response to climate change		

About FORTUNE ELECTRIC  
Main Business and Services  
Innovation and R&D  
Product Quality and Safety

Smart Factory  
Green Energy Project Promotion  
Economic Performance  
Participation in External  
Organizations

# GLOBAL LEADING HEAVY ELECTRICAL EQUIPMENT BRAND

1  
CHAPTER



## Mission of Fortune

Reassuring Employees

Reassuring Customers

Reassuring Shareholders

Reassuring Society

## Core Values

Innovation

R&amp;D

Quality

Participation

Welfare

Sustainability

## Four Tests

Is it realistic.

Are all parties are treated fairly.

Can it promote friendship and trust?

Can mutual interests be equally considered?

## Material Topics

## GRI Principle

Commitments  
and PoliciesAppeal and  
Communication  
PipelinesMetrics and  
TargetsEffectiveness  
Tracking  
MechanismActions and  
Measures

## Operational performance

## GRI 201-1, GRI 201-4

The Company will focus on "Equipment Manufacturing, System Engineering, and Service Operations" as its primary service offerings. The Company will continually develop and innovate new products and technologies, transforming the traditional heavy electrical equipment industry into a high-tech manufacturing service sector. Additionally, the Company will actively implement international operational strategies.

- Investor Contact Mailbox
- Stakeholder Section on the Company Website
- Investor Conferences

## Short-term goal (1-2 years):

Enhance the Company's capabilities in electromechanical engineering and green energy, integrate group resources to develop new products, markets, businesses, and business models, and expand the company's footprint in the energy sector.

## Medium-term goal (2-5 years):

Cultivate significant strengths to capitalize on business opportunities in green energy, integrate resources for professional services, and expand the business landscape to achieve substantial growth. Aim to become a leader in Taiwan's green energy sector.

## Long-term goal (over 5 years):

Optimize the management structure, establish high-performance teams, and implement ESG initiatives to create a friendly workplace, foster a culture of workplace happiness, enhance the corporate image, and achieve shared and sustainable success.

- Annual report and financial statements
- Investor Conferences

The Company's total operating revenue reached NT\$20,202,779,000 in 2024. For detailed information about financial performance, please see [Economic Performance](#) in this report.



## Quality Policy

Caring about Customers  
and Adhering to 6σ

— Customer Priority —  
Customer Satisfaction  
as the Priority

— Full Participation —  
Full Participation Regardless  
of Class

— Process Orientation —  
PDCA Efficiency Improvement

— Continual  
Improvement  
Operating within 6σ Targets

— Profit Creation  
for Benefits  
Co-prosperity with Corporate  
Synergy Development Center  
and Sustainable Welfare



## Material Topics

## GRI Principle

Commitments  
and PoliciesAppeal and  
Communication  
PipelinesMetrics and  
TargetsEffectiveness  
Tracking  
MechanismActions and  
Measures

## Product Quality and Safety

## Customized Topics

- FORTUNE ELECTRIC has developed a thorough product quality and safety management system to guarantee that essential electrical equipment, such as transformers and switchgear, meets both international and domestic safety standards.
- Each year, we conduct internal and external audits to identify and mitigate potential product risks, thereby strengthening our quality management system.
- Regular product risk assessment meetings are held to review operational status, customer feedback, and market needs, optimizing product design and manufacturing processes accordingly.
- In alignment with company policies, comprehensive pre-sales and after-sales services are provided. FORTUNE ELECTRIC dispatches technical teams promptly to sites for equipment inspections and to deliver solutions, ensuring the safety and stability of its products throughout operation.

## Customer feedback platform managed by the Business and Quality Assurance Departments

- 24-hour toll-free service hotlines:
  - Distribution transformers: +886-0800-003-610
  - Cast resin transformers: +886-0800-003-610
  - Power transformers: +886-0800-060-889
  - GIS: +886-0800-060-889
  - Switchgear: +886-0800-023-678

## Short-term goal (1~2 years):

- Enhance safety design of transformers and switchgear, e.g., adding protective barriers on top of transformers to ensure the safety of construction and maintenance personnel.
- Complete the initial implementation of the SIOT transformer diagnostic system to facilitate real-time monitoring and diagnostics, which enhances equipment stability.
- Strengthen supply chain quality management by raising raw material inspection standards to ensure that components comply with IEC, IEEE, and CNS standards.

## Medium-term goal (2~5 years):

- Expand the application of smart power equipment monitoring technologies, fully implement the SIOT transformer diagnostic system to enhance remote monitoring and data analytics capabilities.
- Promote the use of low-carbon and environmentally friendly materials, optimizing material selection for transformers and switchgear to align with net-zero carbon emission trends.
- Establish a comprehensive Product Lifecycle Management (PLM) system to ensure that products meet environmental and safety standards throughout their lifecycle, from design through manufacturing to end-of-life.

## Long-term goal (over 5 years):

- Develop an intelligent ecosystem for transformers and switchgear, enabling digital operations and AI-driven fault prediction to enhance power supply reliability.
- Continuously enhance global market competitiveness by driving R&D innovation and developing products that comply with the latest international standards, expanding into international markets.
- Participate in domestic and international power infrastructure projects, promoting safe, energy-efficient, and high-performance power solutions to ensure the company's long-term sustainable development.
- Establish a mechanism for customer feedback and product monitoring to gather user opinions through the feedback platforms of the Business and Quality Assurance Departments. The Technical Division analyzes and evaluates feasibility, integrating viable improvements into future product optimization.
- Conduct thorough tracking and certification of product quality by work order, ensuring that every item from production to shipment meets established standards.
- Strengthen internal training and knowledge management by regularly holding product quality training sessions and uploading key information to the KM knowledge management platform, ensuring the continuous improvement of the company's internal technical and safety standards.

- Zero incidents of non-compliance with health and safety regulations related to products and services.
- All products comply with international safety standards, including IEC, IEEE, and CNS.

# ABOUT FORTUNE ELECTRIC

Since its founding in 1969, FORTUNE ELECTRIC has remained dedicated to its core values of "Quality, Participation, Welfare, and Sustainability." With a strong foundation in the heavy electrical industry, the company has continually strived for excellence, cementing its status as a leader. We focus on manufacturing transformers, switchgear, distribution panels, and other electrical equipment. In alignment with government policies, we have also ventured into the green energy sector. Not only do we provide the most extensive product line in the industry, but we also possess the highest number of certifications from Taiwan Power Company (Taipower) for top capacity and voltage specifications. Over the years, we have been honored with the "International Trade Awards," and Taiwan Best-in-Class 100, solidifying our position as the foremost exporter of power transmission and distribution equipment in Taiwan.



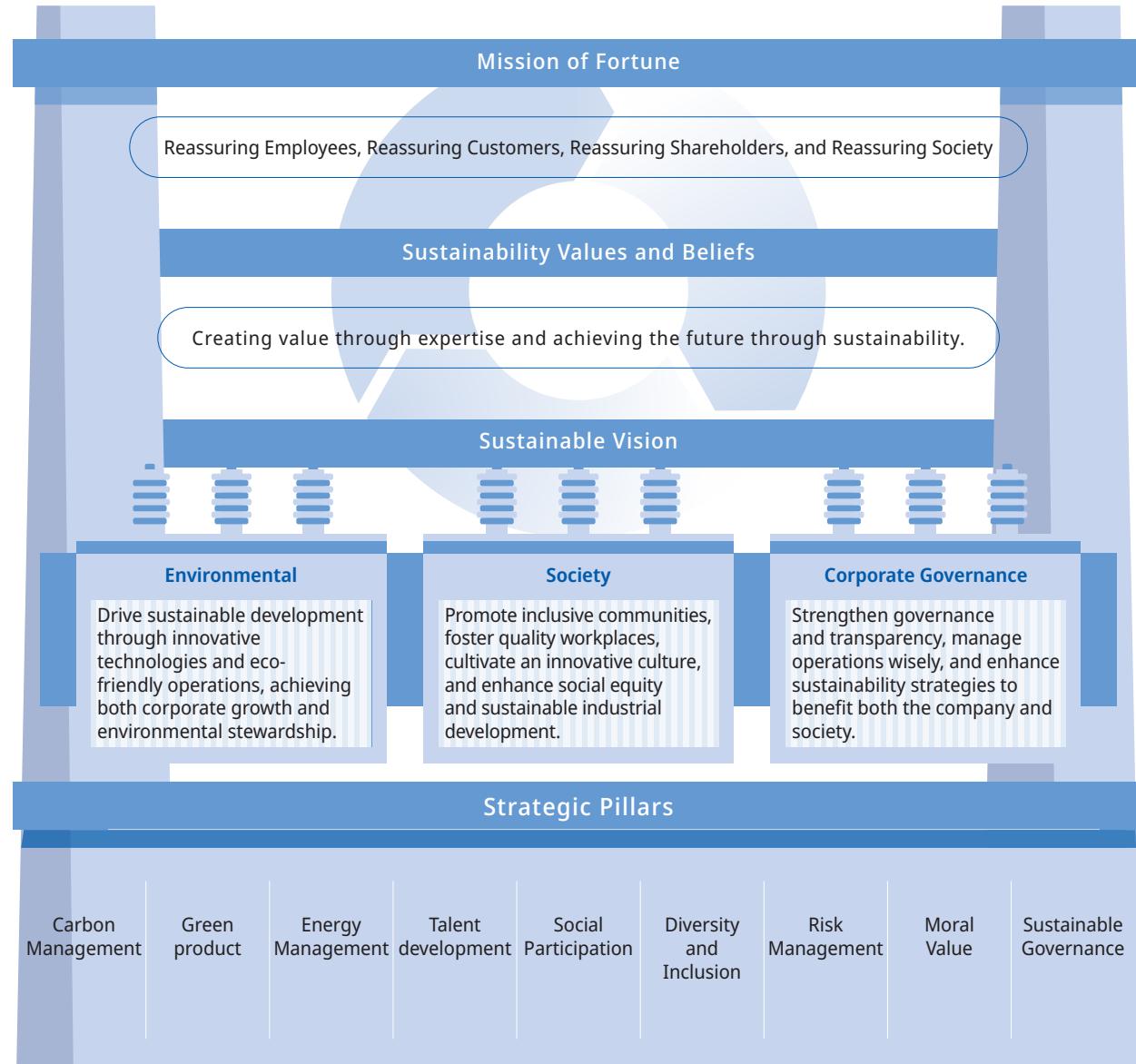
In a rapidly changing market, where standing still means falling behind, FORTUNE ELECTRIC chooses to move forward. We have expanded our existing facilities and planned new factories, optimizing production lines and enhancing manufacturing efficiency to ensure superior product quality while simultaneously reducing carbon emissions and strengthening our production capabilities. To prepare for global market challenges, we have adopted forward-thinking strategies, incorporating smart manufacturing and operating in three shifts to guarantee stable supply and build a solid foundation for future development.

FORTUNE ELECTRIC understands that corporate responsibility extends beyond operational performance to encompass long-term commitments to environmental, social, and governance (ESG) issues. We have been actively investing in green energy, implementing sustainable ecological strategies, and responding to the needs of the times through innovative technologies. In the area of corporate governance, we have strengthened decision-making processes, enhanced information transparency, and earned market trust through integrity operations. We recognize that our people are our most valuable asset. Through full employee participation and technical advancement, we have built an internationally competitive professional team that serves as a solid foundation for long-term development.

FORTUNE ELECTRIC not only embraces intelligent manufacturing but also actively participates in Taipower's Grid Resilience Strengthening Construction Plan, positioning us at the forefront of the global new energy revolution. We are committed to providing more reliable and greener energy solutions. Looking ahead, we will continue to enhance R&D efforts, drive product innovation, and transform the heavy electrical industry from traditional manufacturing to high-tech service sectors. We are determined to create a new industry paradigm and strive to become a world-class leader in the heavy electrical industry—pursuing excellence while achieving a win-win future for corporate profitability and social responsibility.

## Sustainability Commitments and Strategies

FORTUNE ELECTRIC established a dedicated sustainability unit, the "Sustainable Development Committee," in 2022 and considers sustainable development a part of its corporate decision-making. The company evaluates its management practices through an ESG framework and formulates sustainable strategies to meet its management goals. Additionally, the company fulfills its corporate social responsibility. FORTUNE ELECTRIC acknowledges that sustainable operations are not only essential for maintaining competitiveness but also a commitment to society and the environment. Consequently, it has developed a series of concrete action plans that incorporate environmental, social, and governance (ESG) practices, ensuring the company's long-term development and creating a positive impact on society and the environment. By collaborating with all stakeholders, FORTUNE ELECTRIC aims to build a more resilient future.



# MAIN BUSINESS AND SERVICES

In addition to specializing in manufacturing transformers, switchgear, distribution panels, and related distribution equipment, FORTUNE ELECTRIC has also been deeply engaged in renewable energy and energy storage. Its business scope includes solar power, wind power, small hydropower, energy storage systems, EV charging stations, and geothermal and ocean energy. FORTUNE ELECTRIC actively participates in the energy policies and grid infrastructure projects of various countries, including Taipower's Grid Resilience Strengthening Construction Plan, to enhance power supply stability and efficiency. At the same time, by expanding into international markets, the company serves energy-heavy industries including utilities, EPCs, and production sites, seizing opportunities in the global energy transition and grid modernization. In recent years, FORTUNE ELECTRIC has achieved steady growth in both domestic and export markets, with the proportion of green energy businesses increasing annually, demonstrating strong growth momentum. Through technological innovation, grid enhancement, and global expansion, FORTUNE ELECTRIC is committed to advancing energy transition and providing efficient and reliable power solutions to meet its sustainable development goals. The company has evolved from being a transformer supplier to actively developing grid resilience, expanding international markets, and investing in the green energy sector, paving the way for a new blueprint for corporate development.

## FORTUNE ELECTRIC

- Founded in 1969, the company focuses on the manufacturing and sales of power system equipment, with product lines that cover power generation, power transmission, and power distribution. It operates three main business units: the Electrical Engineering Division, the Power Division, and the Switchgear Division.
- The Company is the leading manufacturer of heavy electrical equipment, holding the most certificates obtained from Taipower. It specializes in 500kV EHV power transformers, MRT AC equipment, and advanced technology for ultra-low noise transformers. Additionally, FORTUNE ELECTRIC is the first heavy electrical equipment manufacturer to successfully pass the 230kV and 500kV short-circuit tests conducted by KEMA of the Netherlands.
- In recent years, FORTUNE ELECTRIC has actively expanded into the wind power and energy storage markets while also broadening its reach to international markets, including the United States, Australia, Japan, and Southeast Asia. The company provides local transportation, installation, and on-site testing services for its equipment in these regions.
- We attach great importance to corporate governance and sustainable management, having won multiple honors, including the National Sustainable Development Award and the Industrial Excellence Award, among others. These accolades highlight our leading position in the industry.

- Transformers and Power Equipment:** Exporting 500kV and above transformers to the United States and Southeast Asia, while supplying transformers to Taipower power plants and to solar and wind power plants.
- Distribution and Power Transmission & Distribution Equipment:** Supplying power transformers, GIS switchgear, and power control equipment to both domestic and international markets.

## FORTUNE ELECTRIC Extra High Voltage

- A subsidiary of the Fortune Group, FORTUNE ELECTRIC Extra High Voltage specializes in 500kV and above extra-high voltage transformers, supplying markets in the United States, Southeast Asia, and beyond. It is also a key supplier for Taipower's "Ten-Year Grid Resilience Strengthening Construction Plan."
- Situated in the Port of Taichung Free Trade Zone, the subsidiary navigates domestic road weight restrictions and takes advantage of its proximity—just 600 meters from the factory to the port—to tackle transportation challenges for export products, effectively lowering logistics costs. The facility is also outfitted with an independent testing hall that eliminates external noise and electromagnetic interference, thereby improving testing accuracy and demonstrating a strong commitment to quality that has garnered widespread recognition from international customers.
- Over a three-year period, the company completed the delivery of 17 power transformers in 2024, including 11 units for the Hsingta Power Plant and 6 units for the Taichung Power Plant.
- Additionally, with its employee recreation center and restroom facilities, the company was honored with the Taichung City Government "Happiness Creativity Award," further enhancing its employer brand image.

- Extra-High Voltage Transformers:** 500kV and above transformers, successfully passing KEMA short-circuit tests and exported to the United States and Southeast Asia.
- Wind Power Transformers:** Deployed in multiple offshore wind farms in Taiwan, enhancing the stability of renewable energy generation.
- Grid Resilience Equipment:** Contributing to innovative grid construction by supplying grid stabilization and energy storage equipment.

## FORTUNE ELECTRIC VALUE COMPANY LIMITED.

- Founded in 2011, FORTUNE ELECTRIC VALUE COMPANY LIMITED, focuses on electric vehicle (EV) charging equipment and intelligent management systems. As Taiwan's first heavy electrical equipment manufacturer to enter the EV charging equipment supply chain, the company installs residential, public, and commercial charging stations, providing one-stop planning and installation services. It is committed to becoming a key player in linking the green economy, driving the smart grid, and fostering low-carbon sustainable development.
- In partnership with automakers such as Tesla, Mercedes-Benz, and Porsche, the company supplies charging stations, fast-charging stations, and intelligent cloud management systems, thereby contributing to the establishment of Taiwan's electric vehicle (EV) charging network.
- In 2024, FORTUNE ELECTRIC Value actively expanded its market presence by participating in major construction and building material exhibitions, showcasing its core products, including a variety of charging stations and the EMS Energy Management System. Simultaneously, the company collaborated with local governments, including Taipei City and New Taipei City, to gradually build 320 and 1,200 charging stations, respectively, shaping these cities into smart-charging capitals.

- AC Charging Equipment (slow charging):** Supports SAE J1772 and Type 2 charging standards, suitable for communities and individual users, compliant with CNS certification.
- DC Charging Equipment (fast charging):** Supports CCS1, CCS2, and CHAdeMO standards, with an output power of up to 480kW, ideal for highways and large vehicle fleets.
- EVALUE Smart Charging Management System:** Provides real-time monitoring, data analytics, and remote maintenance for charging stations, enhancing the stability of the EV charging network.

## National Team for Sustainable Infrastructure

FORTUNE ELECTRIC is committed to advancing power infrastructure with high-quality switchgear equipment that supports major national energy and transportation projects, contributing to Taiwan's vision of a sustainable future. We actively engage in the renewal of gas-fired power plants and MRT electromechanical projects, ensuring stable and efficient power system operations, enhancing energy efficiency, and minimizing environmental impact.

In the "Hsingta Power Plant Gas-Fired Unit Renewal and Reconstruction Project" by Taipower, we provided switchgear equipment for the expansion units at the GE-Hsingta Power Plant, aiming to enhance power generation efficiency and minimize carbon emissions. For Units 1 to 3, we completed the production and installation of 161 switchgear panels, ensuring the seamless operation of the combined-cycle gas turbine units.

Additionally, we played a key role in the "Taichung Power Plant New Gas-Fired Unit Construction Project," where we supplied 134 switchgear panels, reinforcing the stability of the regional power supply and supporting the government's energy transition objectives.

Our expertise also extends to transportation infrastructure: in the "Taoyuan Metro Green Line GM01 Contract Electromechanical System," we delivered 98 switchgear panels to construct power facilities for 14 stations. These initiatives not only guarantee stable MRT operations but also contribute to realizing the vision of a "One-Hour Rail Transit Living Circle" for Taipei, New Taipei, and Taoyuan, thereby advancing urban green transportation systems.



## Delivering a Sustainable Urban Future: Three-Phase Pad-Mounted Transformers



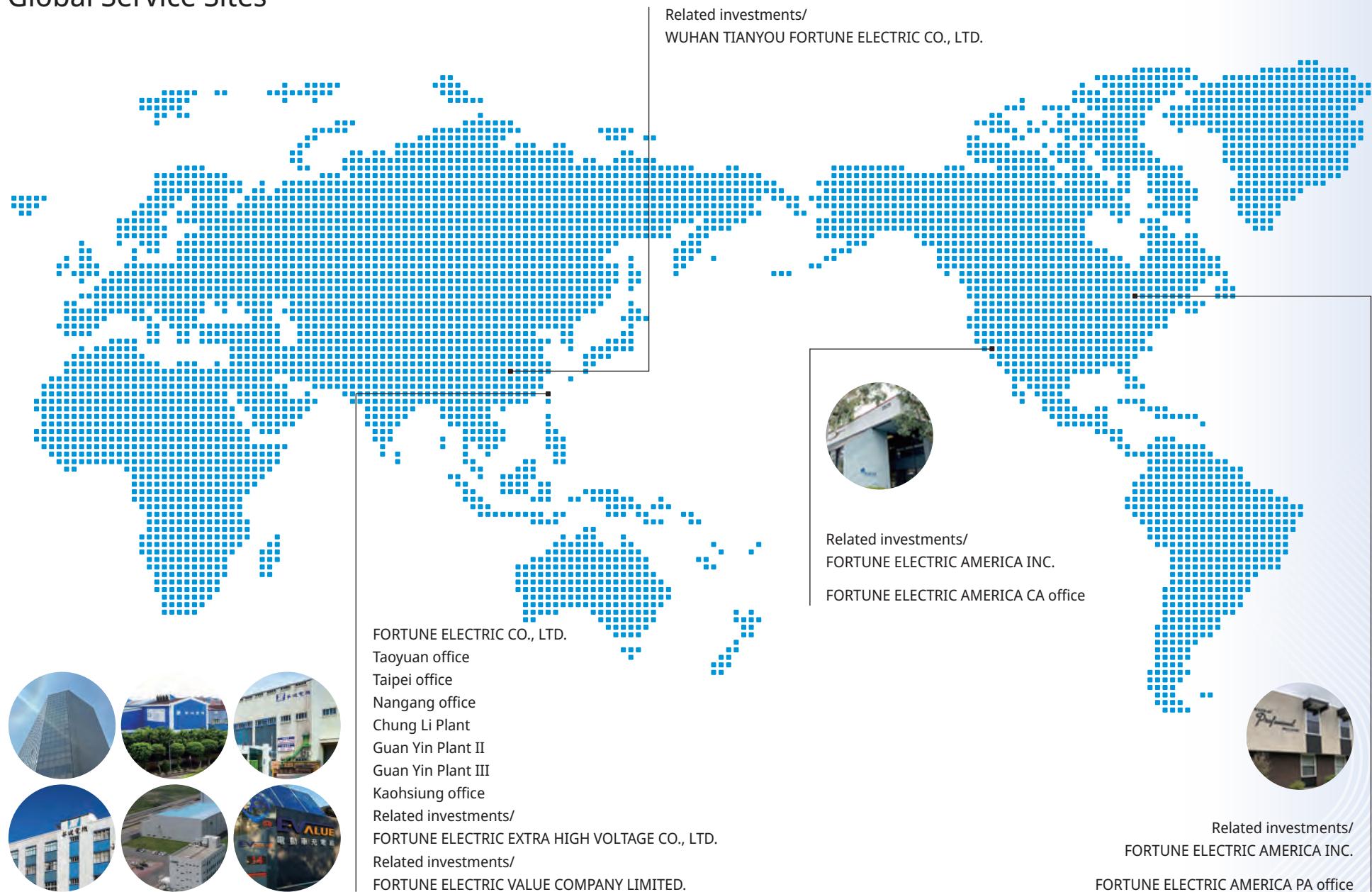
Fortune's three-phase pad-mounted transformers are designed for modern distribution needs, providing not only reliable power delivery but also high efficiency and environmental adaptability. With fully enclosed metal enclosures, they enhance safety and are ideal for urban communities, industrial facilities, renewable energy generation, and power supply in specialized environments. These transformers ensure stable power for commercial and residential areas; by utilizing underground cable applications, they reduce overhead lines, thereby improving urban landscapes and safety. In renewable energy applications, their capability to convert medium-voltage to low-voltage electricity meets the needs of large manufacturing facilities and solar and wind power systems, facilitating efficient integration into the renewable energy grid. Additionally, for outdoor and extreme environments, these transformers feature waterproof, dustproof, and corrosion-resistant designs, making them well-suited for critical infrastructure such as airports, ports, and parks. This ensures a stable power supply under harsh weather conditions and establishes them as an essential component of sustainable urban development.

## Green Energy Charging Evolution: Fourth-Generation Commercial Destination AC Charger

FORTUNE ELECTRIC continues to advance the development of new energy technologies with its latest fourth-generation commercial destination AC charger, which fully supports Type 1 and Type 2 charging standards. It features USB ports, remote OTA firmware upgrades, and IoT connectivity for more convenient maintenance and use. The charger has passed VPC, cybersecurity, and metrology certifications, and includes built-in digital meters for accurate billing. It also supports RFID card swiping, app payments, and EasyCard payments to enhance the user experience. Looking ahead, the charger will further integrate with the TaiSEIA smart home protocol and EMS energy management system to optimize charging load control. The upgraded app version 2.1 introduces smart features such as inductive charging and plug-and-charge capability, making the charging process even more intelligent. Additionally, the introduction of a membership tier system will strengthen customer relationships and provide more personalized charging services.



# Global Service Sites



Currently, Taiwan and the United States serve as the primary sales regions for the Company's (provision) products and services. The areas in which each subsidiary provides services are as follows:

## FORTUNE ELECTRIC's operational sites in 2024

Headquarter / Factories	Address	Tel.
Headquarter / Taoyuan office	No.10, Jilin Rd., Zhongli Dist., Taoyuan City 32063, Taiwan (R.O.C.)	+886-3-4526-111
Taipei office	10F, No. 370, Sec. 1, Fuxing S. Rd., Da'an Dist., Taipei City 106 , Taiwan (R.O.C.)	+886-2-2704-7001
Nangang office	11F, No. 66, Sanchong Rd., Nangang Dist., Taipei City, Taiwan (R.O.C.)	+886-2-2655-9520
Kaohsiung office	Kaohsiung Section: No.8, Jiaoren Rd., Sanmin Dist., Kaohsiung City 80764, Taiwan (R.O.C.)  Taichung Section: 1#, 2F, No. 767, Section 4, Taiwan Avenue, Xitun Dist., Taichung City, Taiwan (R.O.C.)	+886-7-3847-001  +886-4-23582-681
Chung Li Plant	No.10, Jilin Rd., Zhongli Dist., Taoyuan City 32063, Taiwan (R.O.C.)	+886-3-4526-111
Guan Yin Plant II	No. 33, Jingjian 2nd Rd., Guanyin Dist., Taoyuan City 32853, Taiwan (R.O.C.)	+886-3-4836-155
Guan Yin Plant III	No. 55, Zhongzheng Rd., Guanyin Dist., Taoyuan City 32843, Taiwan (R.O.C.)	+886-3-4736-957



Investee	Address	Tel.
WUHAN TIANYOU FORTUNE ELECTRIC CO., LTD.	No. 2832, Dongxihu Avenue, Xihu Dist., Wuhan, Hubei Province	+86-27-8324-0089
FORTUNE ELECTRIC EXTRA HIGH VOLTAGE CO., LTD.	No. 500, Nanheng 1st Rd., Wuqi Dist., Taichung City 435, Taiwan (R.O.C.)	+886-4-2657-8118
FORTUNE ELECTRIC VALUE COMPANY LIMITED.	12F, No. 66, Sanchong Rd., Nangang Dist., Taipei City , Taiwan (R.O.C.) (Nangang Software Park Phase III Office Building) 6F-3, No.121, Tianwen Rd., Zuoying Dist., Kaohsiung City, Taiwan (R.O.C.)	+886-2-2325-3320 +886-7-345-9855
FORTUNE ELECTRIC AMERICA INC.	Pennsylvania Office: Shenango Valley Freeway, Hermitage, PA. 16148, U.S.A California Office: Lomita Blvd, Suite 100 Torrance, CA. 90505, U.S.A	+1-888-283-3777

# INNOVATION AND R&D

FORTUNE ELECTRIC leverages its strong R&D capabilities to provide innovative solutions that empower customers to grow their businesses and enhance their research and production processes. Through collaborative innovation with customers and industry partners, we create materials specifically designed to meet unique needs, boost product performance and durability, increase production efficiency, and focus on aesthetics alongside environmental protection. In 2024, FORTUNE ELECTRIC invested NT\$329,867 thousand in R&D, representing 1.63% of our operating revenue—underscoring our commitment to technological innovation and strengthened market competitiveness.

Continuing its innovative approach, FORTUNE ELECTRIC has successfully developed a range of smart accessory products designed to provide customers with enhanced value. This impressive lineup features a Self-Dehydrating Breather, core grounding current detectors, intelligent remote real-time monitoring devices, and IoT systems for smart transformers. Each of these products can be easily installed on different types of transformers, delivering advanced intelligent functionality. Moreover, FORTUNE ELECTRIC's self-developed smart accessories not only possess invention patents but have also received recognition through awards for excellence.

In 2024, we proudly filed nine invention patents and received the Silver Award in the Invention Competition at the Taiwan Innotech Expo for our innovative Transformer Oil Level Monitoring and Early Warning System. These accomplishments highlight the growth of FORTUNE ELECTRIC's technical expertise in product development and establish a strong foundation for future commercialization—delivering more stable and intelligent products and services.

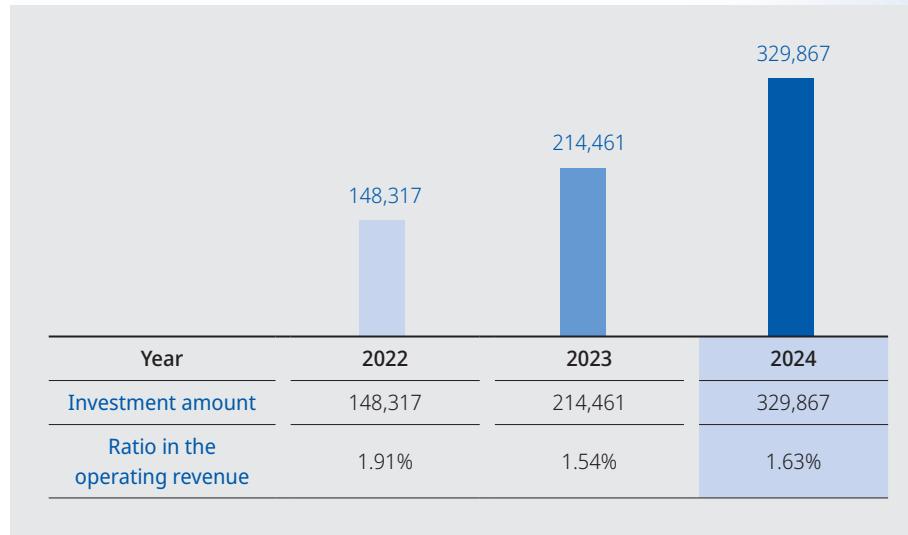


▲Patented Smart Regulating Transformer

## FORTUNE ELECTRIC's Patent Acquisitions in 2024

Patent Name	Patent Type	Number of Patents	Key Technical Content
Smart Transformer Regulation	Patent Subsidized by the Energy Technology Program	5	Achieves ±10Vac voltage adjustment to bring load voltage closer to 220V, even with distribution phase voltage variations between 200Vac and 240Vac.
Smart Oil Level Gauge	Smart Transformer Accessories Patent	3	Utilizes externally mounted sonar sensing technology to detect changes in the oil level within the transformer's oil reservoir.
Smart Self-Dehydrating Breather, SDB	Smart Transformer Accessories Patent	1	Features automatic heating and dehumidification functions to enhance the ventilation performance of the transformer's oil conservator bladder.

## Investments of FORTUNE ELECTRIC in R&D in the Last 3 Years (Unit: NT\$)



## Reflection on Winning the Silver Award at the 2024 Taiwan Innotech Expo by the Ministry of Economic Affairs

Winning the Silver Award at this year's Innotech Expo has been an incredible honor and a great source of motivation for us. From the initial concept and technical integration to the final presentation and booth setup, every detail underwent countless discussions and adjustments. Throughout the preparation period, we repeatedly rehearsed the presentation multiple times to effectively communicate the technical highlights and practical value within the limited time, ensuring a balance between professionalism and audience understanding.

In addition to enhancing the technical content, visual presentation and site planning posed significant challenges. To help visitors quickly grasp the core concepts, we invested considerable time in designing the display panels and organizing the physical exhibits, striving to create an engaging and educational exhibition space. Throughout the process, we learned to communicate technical value more systematically and utilized feedback from judges and attendees to reflect on areas for improvement.

This exhibition opportunity enabled us to apply our knowledge while also fostering significant personal growth. We enhanced my skills in technology promotion, collaborated across departments, improved my public speaking, and developed our problem-solving abilities on the spot. These experiences have significantly strengthened our overall capabilities. Moving forward, we will continue to refine our skills and channel this experience into motivation for driving technological innovation and enhancing team collaboration.



## Patent Technology: Smart Oil Level Gauge

The Smart Oil Level Gauge, patented in 2024, continuously monitors transformer oil levels and temperatures. It analyzes data according to IEEE standards to create oil level curves that ensure stable equipment operation. With capabilities for remote data transmission and alerts for abnormal conditions, the gauge provides real-time warnings and diagnostics, effectively reducing the risk of failures and enhancing operational efficiency.

The smart algorithm automatically generates predictive curves based on the monitoring data, helping detect anomalies in advance and ensuring equipment operates at optimal performance. Installing the device is both simple and convenient—compatible with various types of transformers. Its externally mounted sonar probe can be directly attached to the exterior of the oil tank, enabling easy upgrades even if the traditional oil gauge cannot be dismantled. This not only enhances the monitoring capabilities of older equipment but also reduces operational risks for personnel and improves the convenience and safety of management.



## Promoting Energy-Saving Processes for Heavy Electrical Transformers: Subsidized by the Technology Development Program and Certified by a Third-Party Institution

FORTUNE ELECTRIC has actively promoted green manufacturing practices. We successfully secured funding through the Taiwan Industry Innovation Platform Program (Innovation Optimization Program), Industrial Development Administration, MOEA. Our project, titled "Development of Energy-Saving Processes and Energy Management Systems for Heavy Electrical Transformers," received NT\$15.7 million in funding. The project spanned 18 months, from July 2023 to December 2024, and was completed successfully with unanimous approval from the review committee.

The project focused on three main areas: coil energy-saving drying processes (45%), plant-wide energy management systems (20%), and a detection and compensation system for insulating oil consumption (35%). It featured eight comprehensive implementation plans. To ensure the success of the energy-saving measures, FORTUNE ELECTRIC engaged a team of professors from the Department of Electrical Engineering at Tamkang University as a third-party verification body. They performed data analysis and compared energy consumption levels. The findings revealed that the new one-time drying process significantly reduced energy consumption compared to the traditional two-time drying process, improving overall energy efficiency. Ultimately, the project successfully passed the review, underscoring FORTUNE ELECTRIC's dedication to innovation and practical achievements in energy conservation and carbon reduction.



▲ Academia-industry collaboration discussions



▲ Professor team visiting the Zhongli Plant to conduct the review processes



## Benchmarking with International Giants and Advancing Together: Internal Strategy Workshops to Foster Consensus



◀▼ We organized benchmarking learning sessions with leading European heavy electrical equipment manufacturers, inviting them to Taiwan for visits and exchanges. At the same time, we also visited other major international manufacturers in Europe for on-site learning and exchanges.



▲▶ Through regular internal strategic workshops, we continuously foster consensus and alignment within the company.



# PRODUCT QUALITY AND SAFETY

FORTUNE ELECTRIC is dedicated to delivering safe, reliable, and internationally compliant products, ensuring the highest level of safety and protection for our customers throughout their usage. Our product range includes transformers, switchgear, smart grid solutions, and energy storage systems. All products comply with international standards such as IEC, IEEE, and CNS, and undergo rigorous testing and quality certification. We strictly adhere to ISO 9001 Quality Management System and ISO 17025 Laboratory Quality Management System, and we have implemented product recall and anomaly notification mechanisms to ensure that any product issues are promptly reported to customers and relevant authorities for swift resolution.

We have implemented a comprehensive Product Lifecycle Management (PLM) system that covers design, manufacturing, testing, and delivery to ensure our products' safety at every stage. Additionally, we actively promote the Smart Transformer IoT System (SIOT), utilizing remote monitoring and real-time data analysis to minimize failure risks and enhance the safety and stability of power equipment.

FORTUNE ELECTRIC will continue investing in product innovation and safety technology upgrades, including the development of smart monitoring systems and green manufacturing technologies, to ensure that our products not only meet current safety standards but also address the high safety demands of future smart grid and renewable energy applications. We are dedicated to ongoing improvement to guarantee that all products meet the highest safety standards, providing customers and society with safe and sustainable power solutions.



▲FORTUNE ELECTRIC's ISO 9001 Quality Management ▲FORTUNE ELECTRIC's testing laboratory is accredited with ISO 17025 TAF certification Certificate



► FORTLINE ELECTRIC's testing laboratory is accredited with ISO 17025 TAE certification.



Edited with ISO 17025 TAE certification



## High-Standard Compliant Products

FORTUNE ELECTRIC has consistently been dedicated to creating high-quality power equipment, maintaining strict adherence to both domestic and international standards. This commitment ensures our products meet the safety and stability requirements essential for power systems. Our switchgear and distribution equipment are trusted by Taiwan Power Company (Taipower) and other public utilities. This includes gas-insulated switchgear (GIS), automatic line switches, low-voltage streetlight switches, armored switchboards, air circuit breakers, and distribution panels—all vital components that ensure the safe and efficient operation of the power grid.

All products are manufactured to meet stringent technical specifications, including standards for 23kV GIS (GIS4), underground line switches (Y241, Y234), low-voltage streetlight switches (Y451), 161kV air circuit breakers (ABS1), and distribution panels (DSPL, PL01). These products undergo thorough testing to ensure both durability and adaptability to environmental conditions. Over the years, our products have proven their value in the market and fully comply with Taipower's technical standards, making them essential for Taiwan's power infrastructure.

Standard / Certification	Product Category
IEC 60076-1(2011); IEC 60076-2(2011); IEC 60076-3(2013); IEEE Std C57.12.90(2015); CNS 598(106); IEEE Std C57.12.00	Power Transformers (Oil-Immersed)
IEC 60076-1(2011); IEC 60076-2(2011); IEC 60076-3(2013); IEEE Std C57.12.90(2015); CNS 598(106); IEEE Std C57.12.00	Distribution Transformers (Oil-Immersed)
CNS 13390(90); IEC 60076-11(2018)	Distribution Transformers (Dry Type, Including Cast-Resin and Resin Types)
CNS 3990; C4130(84)	3.3kV Armored Metal-Clad Switchgear
CNS 3990 & CNS 3991(84); CNS 15156-200(100); IEC 62271-200(2011); IEC 62271-1(2017); IEC 62271-200(2021)	Metal-Enclosed Switchgear and Controlgear
IEEE Std C37.20.2(1999)	High-Voltage Metal-Enclosed Distribution Panels
CNS 13542 C4470(84) CNS 13543 C3210(84)	Low-Voltage Metal-Enclosed Distribution Panels
NEMA ICS 18(2001)	Low-Voltage Motor Control Centers (MCC Panels)
IEEE Std C37.20.1(2015)	Low-Voltage Power Load Centers
IEC 61439-1(2020)	Low-Voltage Switchgear and Controlgear Assemblies



▲ FORTUNE ELECTRIC focuses on product safety and quality, manufacturing distribution panels through rigorous and comprehensive

## Type Tests

Type testing consists of a series of rigorous assessments conducted during the product development phase of distribution panels. The objective is to validate equipment performance, safety, and compliance with international standards under extreme operating conditions. These tests are typically performed in accordance with international standards such as IEC 62271-200, ensuring that the equipment meets various environmental and load requirements during real-world operations.

As a leader in the power equipment industry, FORTUNE ELECTRIC not only specializes in the manufacturing of high-quality distribution panels and equipment engineering but also actively broadens the use of high-voltage GIS (Gas-Insulated Switchgear) technology in medium-voltage applications. We have successfully developed the cabinet-type gas-insulated metal-enclosed switchgear (C-GIS) 16kA, providing efficient, safe, and sustainable power distribution solutions to the market.

This equipment uses low-pressure SF6 gas insulation and incorporates intelligent control, monitoring, and communication technologies. It has a compact footprint, maintenance-free operation, and strong environmental adaptability—enhancing grid efficiency while reducing carbon emissions. The C-GIS 16kA meets IEC 62271-200 (2021) and CNS 15156-200 (111) standards and has passed arc fault tests to ensure the safety of personnel and equipment.

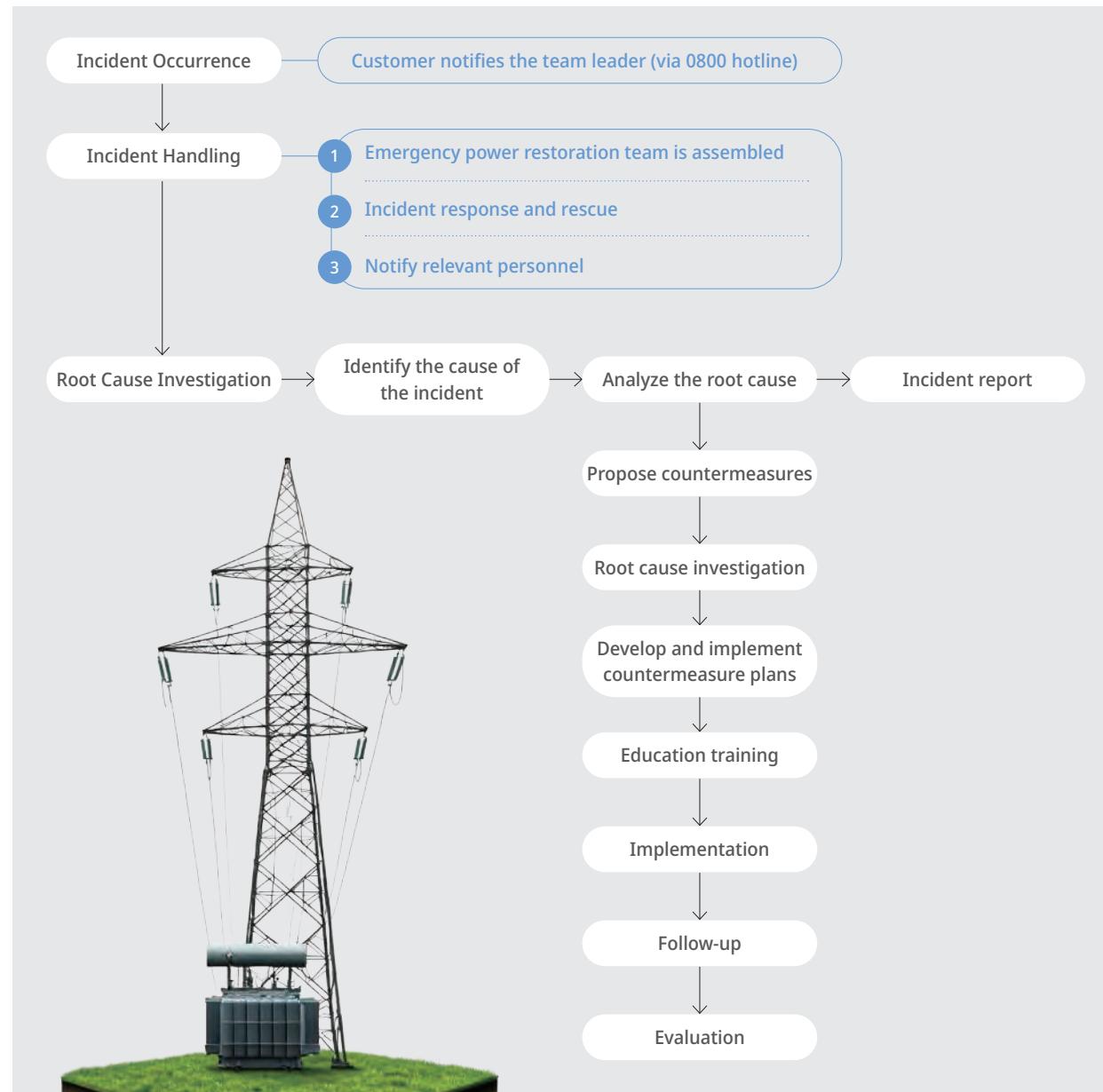
## Emergency Power Restoration System

FORTUNE ELECTRIC is dedicated to delivering high-quality, safe, and reliable electrical products, along with a comprehensive contingency plan to ensure that customers can quickly resume operations when power supply disruptions occur. Our emergency power restoration service is not merely an after-sales offering—it underscores our commitment to product safety and quality management, ensuring that power equipment operates at its peak performance while minimizing risks.

To ensure stable equipment operation during unexpected incidents, we have established a 24/7 emergency response system that offers prompt support for any anomalies related to power systems and distribution equipment. Our dedicated response team can quickly assess faults, deploy the appropriate equipment, and provide effective restoration solutions, ensuring minimal disruption to our customers' operations. Additionally, we maintain a 24-hour toll-free service hotline, allowing customers to reach out at any time for professional technical support, thus minimizing the impact of emergencies on their production.

To improve our responsiveness and service quality, we provide regular training and drills for our technical team, ensuring they possess the skills needed for prompt assessment and swift power restoration. Through rigorous product quality control and a strong emergency restoration mechanism, we strive to enhance equipment reliability and build customer trust in FORTUNE ELECTRIC.

### Emergency Power Restoration Process



# SMART FACTORY

Since 2016, FORTUNE ELECTRIC has actively promoted smart factory initiatives. After the successful trial of IoT projects at the Power Transformer Division, the program was expanded factory-wide from 2017 to 2019, achieving electronic self-checklists, equipment monitoring with IoT connectivity, and visual dashboards. These efforts were further enhanced by the Technology Department's digitization of technical drawings, which strengthened internal management.

At the end of 2021, FORTUNE ELECTRIC established the Intelligent Manufacturing Development Center within the G.M. Office to support the implementation of smart projects across its factories. This initiative focused on information integration and data analysis applications. Several IoT projects were successfully completed, including the digitalization of daily reports integrated with the EMS, the automatic generation of production process reports, in-process product control systems, and visualization reports. To realize the vision of a smart factory, various equipment enhancements were undertaken. These included installing tension meters on winding machines, counters at welding stations, and load cells along with data acquisition systems on oil-filling machines. Additionally, FORTUNE ELECTRIC fostered collaboration with academic institutions to optimize production lines and improve line-side inventory. This partnership led to increased production space and reduced material search times.

In an effort to lower carbon emissions and enhance energy management, FORTUNE ELECTRIC has introduced energy management systems at both the Guanyin 2nd Factory and the Fortune Heavy Electric Taichung Plant. These systems provide a visual representation of energy usage within the facilities, allowing for optimization of contract capacity, control over abnormal energy consumption, analysis of production value, and alert notifications. Consequently, this leads to a significant improvement in energy efficiency.

In the field of smart manufacturing, FORTUNE ELECTRIC launched projects in 2023 such as "automated storage and retrieval system (AS/RS)" and "automated guided vehicle (AGV) systems." These systems integrate AGVs, charging stations, automatic conveyors, AS/RS, and stacker cranes to enhance logistics automation. To boost production management efficiency, FineVis 3D visualization technology was introduced, establishing Taiwan's first FineVis 3D Command Center. This center provides real-time mapping and monitoring of production line layouts, including equipment operation, safety management, and environmental monitoring. Furthermore, the integration of FineReport's early-warning function allows the system to promptly notify relevant personnel via communication software or email whenever the temperature or humidity of equipment deviates from set limits, improving decision-making efficiency and ensuring stable and safe production.

At the Power Transformer Division, advancements in implementing a smart factory have led to the development of an integrated scheduling and data acquisition system. This system

automates the determination of when coil drying is complete in the drying ovens by utilizing coordinate positioning technology to gather data. It facilitates remote monitoring of drying progress and quality through mobile devices, while also improving energy efficiency. To tackle the challenge of inconsistent coil temperatures inside the drying ovens, FORTUNE ELECTRIC has taken several steps. Firstly, they have installed multi-point temperature recorders that monitor the temperature of each coil directly, adjusting air volume and ensuring proper door sealing to achieve even temperature distribution. Secondly, they have established monitoring systems capable of sending notifications via online communication software, allowing

## Hot-Air Drying Oven



The start and end time of the drying process will be notified via LINE.

When the standard is met, the oven can be turned off remotely.

In case of temperature abnormality, an alert will be sent via LINE and check for the condition through the monitor.

## Automated Oil-Filling Machine to Enhance Accuracy and Efficiency

To address precision issues in the traditional oil-filling process, FORTUNE ELECTRIC has introduced an automated oil-filling machine that significantly enhances the accuracy and consistency of filling transformer insulating oil. In the past, conventional oil-filling machines frequently experienced measurement deviations (for instance, setting 10 liters but actually injecting 9.9 or 10.1 liters). Visual inspections by operators were susceptible to fatigue and subjective errors, resulting in either overfilling, which leads to waste, or underfilling, which poses operational risks. Additionally, due to temperature variations within the transformer tank, the volume of insulating oil can fluctuate by as much as 4 liters, further complicating final volume control.

Equipped with a PLC control system, integrated compensation values, and automatic feedback compensation mechanisms, the automated oil-filling machine can self-correct errors and maintain stable oil volume quality, ensuring accurate filling for every batch. The implementation of automated logic enables unmanned operation, requiring only the selection of specifications during line changeovers. This significantly enhances production efficiency, reduces lead times, and supports ongoing optimization of process management.

# GREEN ENERGY PROJECT IMPLEMENTATION

FORTUNE ELECTRIC is committed to the power and energy sector, actively supporting green energy and energy-saving initiatives designed to reduce energy consumption and carbon emissions. The company works closely with the government to foster green energy development and environmental protection. In line with the government's green power development goals, FORTUNE ELECTRIC has been advancing cutting-edge technologies and equipments. One such innovation is the containerized solution known as the "PV BOX," designed for solar power projects such as the 100MW project in Changbin and the 150MW project in Qigu. The PV BOX can be deployed in parallel with on-site construction, accelerating the overall installation schedule. It also provides equipment protection, prolongs service life, and enhances operational efficiency. Its access control mechanism improves safety and reduces disputes arising from invisible equipment failures. The Switchgear Division has also developed a containerized step-up substation specifically for solar power applications. This innovative solution significantly shortens the construction timeline for large-scale solar farms, making a meaningful contribution to the advancement of green energy.

In 2024, FORTUNE ELECTRIC secured green energy projects worth a total of NT\$544 million.

## OKGO Green Energy Storage Project for Changhua Coastal Industrial Park

FORTUNE ELECTRIC is expanding into the energy storage sector by collaborating with OKGO to construct a 4.9MW front-of-the-meter energy storage system in the Shanglin section of the Changhua Coastal Industrial Park. This project incorporates CATL battery cabinets and Delta Power Conversion Systems (PCS), connecting to the 22.8kV grid through external lines, effectively functioning as a front-of-the-meter energy storage system. In May 2024, the project achieved energization, completed capacity testing for Taipower's electricity trading platform from June to July, and officially commenced trading in August. With its technical expertise, FORTUNE ELECTRIC improves energy dispatch efficiency, strengthens grid stability, and actively supports the development of energy storage in Taiwan as it transitions to sustainable energy.



## Zysun Power Energy Storage Project

FORTUNE ELECTRIC is actively involved in green energy development, assisting Zysun Power Company Limited in constructing a 4 MW/4.72 MWH outdoor cabinet-type energy storage system at Meilun Industrial Park in Hualien. The system utilizes CATL battery cabinets and PE-PCS, features a 5-ohm grounding system, and connects in parallel to Taipower's 11.4 kV systems as a front-of-the-meter energy storage device. The project was successfully energized in February 2024, underwent capacity testing from March to April, and officially began trading at the end of April. Through advanced energy storage technologies, FORTUNE ELECTRIC enhances grid stability and energy dispatch efficiency, driving Taiwan's green energy transition and supporting sustainable development goals.





## Hualien Wansheng 50 MW Energy Storage Construction Project

In 2024, FORTUNE ELECTRIC completed Hualien's first large-scale transmission-grade energy storage project. This facility, which has a storage capacity of 50 MW/250 MWh, will significantly enhance the stability and flexibility of Hualien's power system, ensuring safe and reliable power dispatch and supply for Taipower. To ensure the secure operation of the storage site and provide immediate response capabilities, FORTUNE ELECTRIC has established a 24-hour on-site maintenance team at the Hualien 50 MW facility—an approach that distinguishes this project from typical energy storage installations. The team monitors and promptly addresses anomalies such as overheating, equipment malfunctions, or battery management system warnings, ensuring rapid response, minimizing fire risk, and maintaining stable trading operations.

## ARK International – Xinhe 120 MW Solar Project

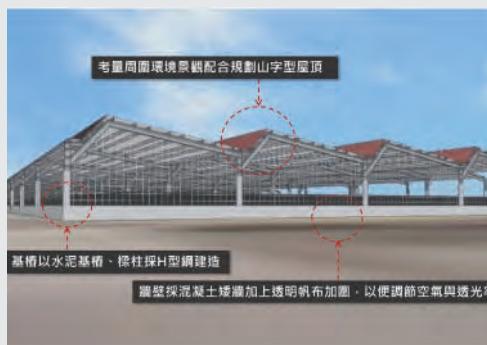


The Xinhe 120 MW solar project, featuring 363,620 solar panels over an area of 97.13 hectares, bringing the supply capacity of renewable energy to 119.99MW. With a 0.38 hectares 161 kV substation, the project is capable of accommodating three 120 MVA transformers to effectively facilitate grid integration with neighboring solar projects.

The project has an average annual power generation of 160 million kWh, which is enough to meet the annual electricity needs of about 40,000 households. It also reduces carbon emissions by over 80,000 metric tons each year, demonstrating FORTUNE ELECTRIC's strong commitment to promoting renewable energy and low-carbon transition.

By establishing indoor white shrimp farms and introducing AI technology to optimize the farming environment, we generate green electricity while collaborating with local aquaculture farmers to safeguard their livelihoods. This initiative enhances industry value, promotes the transformation and upgrading of traditional aquaculture, and moves toward intelligent management.

The project adopts three 161kV 120MVA power transformers manufactured by FORTUNE ELECTRIC, along with high- and low-voltage switchboards, ring main units, and other equipment to ensure stable power supply and efficient operation. Scheduled for completion by the end of 2026, the project aims to establish a new sustainable model for fishery-solar symbiosis.



# ECONOMIC PERFORMANCE

With a solid financial foundation, FORTUNE ELECTRIC is dedicated to establishing stable operational plans and capital management while aiming to achieve favorable financial performance that creates long-term, stable economic value and returns benefits to all stakeholders. The company has set a long-term goal of becoming a sustainable enterprise. In response to changes in the market environment and increased demand, the company's operating revenue grew significantly in 2024, rising nearly 45.35% compared to 2023. Earnings per share increased from NT\$ 8.97 (adjusted retrospectively for stock dividends) to NT\$ 14.93, highlighting our strengths in product innovation and market expansion.

When highlighting its stable financial performance, FORTUNE ELECTRIC is also committed to enhancing investors' interests. It shared the earnings for the current year with its shareholders through a distribution of stock dividends and bonuses. In 2024, the Board of Directors approved an increase in the cash dividend per share to NT\$9 and a stock dividend of NT\$1, thereby offering greater rewards to investors.

Consolidated Financial Statements of FORTUNE ELECTRIC and Subsidiaries in the Last Three Years <sup>(Note 1)</sup> (Unit: NT\$)

Year/item	Unit	2022	2023	2024
Capital	Thousand dollar	2,610,585	2,610,585	2,871,644
Operating revenue	Thousand dollar	7,750,727	13,899,740	20,202,779
Gross profit	Thousand dollar	1,587,608	4,334,019	7,384,693
Profit from operations	Thousand dollar	429,227	2,853,582	4,890,544
Income tax	Thousand dollar	127,476	510,295	1,168,328
Net profit for the year	Thousand dollar	822,304	2,561,785	4,270,996
Net profit attributable to owners of parent company	Thousand dollar	838,249	2,577,260	4,286,020
Earnings per share <sup>(Note 2)</sup>	NT\$	2.92	8.97	14.93
R&D expenses	Thousand dollar	148,317	214,461	329,867
Employee compensation and welfare expenses	Thousand dollar	1,108,748	1,778,389	2,575,433
Community investment	Thousand dollar	118	791	7,887
Cash dividends distributed to shareholders	NT\$/share	2.5	6	9
Stock dividends are distributed to shareholders	NT\$/share	0	1	1

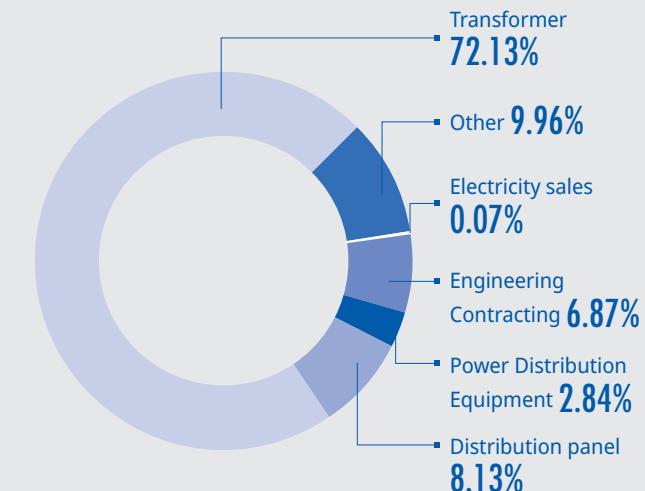
Notes: 1. The entities included in the consolidated financial statements include the headquarters of FORTUNE ELECTRIC and its subsidiaries.

2. Due to the retrospective adjustment for earnings capitalized into stock dividends, the information has been restated.

## 2024 Product Categories and Revenue Composition

Items	Production Quantity	Revenue Amount	Percentage
Transformer	17,831,235 KVA	14,572,285	72.13%
Distribution panel	77 units	1,641,651	8.13%
Power Distribution Equipment	2,084 units	574,559	2.84%
Engineering Contracting	-	1,388,819	6.87%
Electricity sales	2,038,271 kWh	14,269	0.07%
Other	-	2,011,196	9.96%
<b>Total</b>	<b>-</b>	<b>20,202,779</b>	<b>100.00%</b>

Note: Others' refers to peripheral products not included among the aforementioned items, and their quantities are considered negligible.



## Direct Economic Value Generated and Distributed by the Organization

	Item (Unit: Thousand dollar)	2022	2023	2024
Direct economic value generated	Operating revenue	7,750,727	13,899,740	20,202,779
	Non-operating revenue	567,464	267,783	586,607
Economic value distributed	Operating cost	6,163,119	9,565,721	12,818,086
	Employee compensation and welfare	1,108,748	1,778,389	2,575,433
	Payments to the contributors	307,970	701,931	1,865,237
	Payments to the government	125,609	20,060	918,949
	Community investment	118	791	7,887
	Economic value retained	612,627	2,100,631	2,603,794

Note: Economic value retained = Direct economic value generated - Economic value distributed

Financial Subsidies  
from the Government

In 2024, FORTUNE ELECTRIC successfully obtained multiple subsidies from the Taiwanese government, including rewards for hiring disabled employees, incentives for youth employment, and subsidies for stable employment. Additionally, the company received a subsidy for energy-saving equipment from the Industrial Development Administration, Ministry of Economic Affairs, a subsidy for energy project programs from the Energy Administration, Ministry of Economic Affairs, a subsidy for energy storage equipment from the Taoyuan City Government, and a subsidy from the 2024 Charging Development Program through the Workforce Development Agency. Other relevant subsidies were also received for promoting the replacement of energy-saving electrical appliances. The total amount of subsidies reached NT\$ 15,571,000.

## Tax Policy, Governance, and Risk Management

FORTUNE ELECTRIC adheres to the principles of tax compliance and corporate social responsibility, striving to create corporate value and establish strong tax risk management practices. To achieve this, we have developed tax governance policies and transfer pricing policies, built a solid tax management system and culture, and ensured timely and efficient handling procedures. These policies not only seek to enhance corporate value but also demonstrate our commitment to fulfilling corporate social responsibility and civic duties, thereby promoting the company's sustainable development. In 2024, the company did not incur any penalties for violations of tax-related regulations.

In terms of tax governance, the company has established a clear organizational structure and a well-defined division of responsibilities. The Director of the Administration Division also currently serves as the top executive for financial governance, responsible for making overarching tax governance decisions and ensuring that the tax management mechanisms function effectively within the context of operational strategies and business environments. The Accounting Department oversees tax management and reports monthly to the Director of the Administration Division on tax-related management matters.

The tax governance policy of the Company is founded on transparency, openness, and regulatory compliance. The Company adheres to the following tax policy and code of conduct:

Regulatory Compliance	Information Transparency	Commercial Essence	Honest Communication	Risk Management
<ul style="list-style-type: none"><li>Commit to following local tax regulations and legislative principles at every operational location, and ensure compliance with international tax standards. Ensure accurate tax calculation, declaration, and timely payment within statutory deadlines to fulfill tax obligations.</li><li>The Company's tax compliance audit is exclusively entrusted to local accounting firms of a specific scale. Deloitte Taiwan receives the Company's annual financial data for the tax compliance audit declaration.</li></ul>	<ul style="list-style-type: none"><li>Ensure information transparency in tax reports by submitting the country-by-country report, the Group master file report, and the transfer pricing reports to the appropriate tax authorities as required.</li><li>Ensure that the tax assessment related to decision-making includes the collaborative involvement of the qualified and experienced professional internal tax team, along with external experts.</li><li>Regularly disclose tax information to stakeholders through public channels (e.g., official website and annual report), thereby ensuring transparency of information.</li><li>Implement legal and transparent tax reward policies, and refrain from taking advantage of tax reductions or exemptions in a manner that undermines the spirit of the law.</li></ul>	<ul style="list-style-type: none"><li>Ensure that the corporate structure and transactions accurately reflect their true commercial essence; avoid using tax structures designed to evade taxes or transfer profits to regions with lower tax rates for tax avoidance purposes.</li><li>Ensure that related party transactions comply with the arm's length principle, and commit to adhering to the transfer pricing regulations in each region of business operation. Perform tax obligations in the areas where value is created.</li><li>Based on mutual trust, transparency of information, and regulatory compliance. Initiate discussions on material tax topics and assist in improving the tax environment and system.</li></ul>	<ul style="list-style-type: none"><li>Ensure that transactions between affiliated enterprises adhere to the transfer pricing principle set forth by the Organization for Economic Cooperation and Development (OECD) and the relevant regulations addressing Base Erosion and Profit Shifting (BEPS).</li><li>Establish a relationship built on mutual trust and honest communication with the tax authorities in the regions of business operations, providing practical industry insights and professional opinions, and assisting with the improvement of the tax environment and system.</li></ul>	<ul style="list-style-type: none"><li>Establish a solid tax risk control structure, as well as an organizational culture, that gives due consideration to the impact of optimizing the Company's overall taxes, risk control, and sustainable value. Prudently evaluate tax risks and response measures.</li></ul>

## Policy for Communication with Stakeholders of Tax-related Issues

Our primary stakeholders in tax-related matters include government tax authorities. All tax filings and payments are conducted rigorously in accordance with relevant national laws and regulations. If any ambiguity arises in the applicable laws during daily operations, we will communicate directly or through Deloitte Taiwan with government agencies to ensure accurate and compliant handling. In the event of a tax audit, we will promptly prepare the relevant materials upon receiving the notification and fully cooperate with the inspection process. To enhance transparency in tax governance, we also provide pertinent tax information to shareholders and investors through the stakeholder section of our official website, our annual report, and our shareholders' meeting, thereby addressing the concerns of all parties involved.

# PARTICIPATION IN EXTERNAL ORGANIZATIONS

## External Initiatives

In addition to publishing sustainability reports in accordance with GRI sustainability principles, FORTUNE ELECTRIC has also endorsed 17 Sustainable Development Goals (SDGs) of the United Nations and has introduced various ISO systems to support sustainable corporate management. The company has achieved ISO 14001 certification for its environmental management system to improve environmental performance, implemented the ISO 45001 occupational health and safety management system to guarantee workplace safety and health, and, as the first company in the heavy electrical industry to obtain ISO 50001 energy management system certification, continues to enhance energy efficiency. Furthermore, FORTUNE ELECTRIC has established an information security management system based on the ISO 27001:2013 standard to ensure that corporate data and cybersecurity meet international standards.

## Membership to associations

Item No.	Associations participated	Membership
1	Taiwan Electrical and Electronic Manufacturer's Association	Group member
2	Taiwan Listed Companies Association	Group member
3	The Third Wednesday Club-Young Entrepreneur Group	Group member
4	Taiwan Japan Association for Business Communication	Group member
5	Taiwan Wind Industry Association	Group member
6	The European Chamber of Commerce Taiwan, ECCT	Group member
7	Taiwan Smart Grid Industry Association	Group member
8	PV Generation System Association (PVGSA)	Group member
9	SEMI (Semiconductor Equipment and Materials International)	Group member
10	Taiwan Cogeneration Association	Group member
11	Taiwan Power and Energy Engineering Association	Group member
12	Taiwan Water Pipe Engineering Industry Association	Group member

Item No.	Associations participated	Membership
13	Taiwan Refrigeration & Conditioning Engineering Association of ROC	Group member
14	Taiwan Building Equipment Engineering Technical Association	Group member
15	Taiwan Electric Vehicle Power Supplement Industry Technology Promotion Alliance	Group member
16	Mobility In Harmony (MIH Open EV Alliance)	Group member
17	Taiwan Professional Electrical Engineers Association R.O.C	Group member
18	Chung-Hwa Railway Industry Development Association	Group member
19	Taiwan Hydrogen & Fuel Cell Partnership	Group member
20	Taiwan Photovoltaic Industry Association	Group member
21	Taiwan Advanced Automotive Technology Development Association, TADA	Start-up member
22	Green Impact Academy	Corporate member

Corporate Governance Policy and Guidelines

Functional Committee

Risk Management

Integrity operations

Information Security Risks

# **ROBUST GOVERNANCE AND SUSTAINABLE OPERATIONS**

# 2

CHAPTER



## Governance policy

Values, Principles, Standards,  
and Code of Conduct

## Risks Management Policies

### Creating Corporate Value:

To maximize customer and investor interests and align with the company's operational strategies, we proactively identify and mitigate potential risks while striving for an optimal balance between risk and reward to create greater value.

### Pursuing Corporate Sustainability:

We have established and implemented a comprehensive risk management system to effectively identify, analyze, assess, and address risks across all business activities. We continuously monitor and review its effectiveness to ensure risks remain within acceptable thresholds for stakeholders, fulfilling our mission of sustainable operations.

### Enterprise-wide Risk Management:

From the top down, we enhance employees' risk awareness through company commitment and the creation of risk management mechanisms. From the bottom up, we develop employees' risk management skills through training and education. This dual approach promotes a risk-aware corporate culture, ensuring that risk management is integrated into company systems and becomes a part of every employee's daily work and life.

### Material Topics

### GRI Principle

### Commitments and Policies

### Appeal and Communication Pipelines

### Metrics and Targets

### Effectiveness Tracking Mechanism

### Actions and Measures

### Integrity operations

#### GRI 205-1, GRI 205-2, GRI 205-3, GRI 206-1

FORTUNE ELECTRIC considers integrity operations a fundamental principle of corporate governance. We uphold corporate ethics to guarantee transparency and legality in business. By establishing a comprehensive integrity management system, we aim to prevent misconduct and continuously strengthen the trust between the company and all stakeholders. Regarding integrity operations, we commit to:

- Implementing the Code of Corporate Integrity Conduct, which covers anti-corruption, conflict of interest management, and internal reporting mechanisms.
- Providing integrity-related education and training to strengthen employees' ethical awareness.
- Regularly reviewing the implementation of integrity policies to ensure compliance and effectiveness, while making adjustments as needed based on actual circumstances.
- Strengthening the integrity management of the supply chain and encouraging partners to follow corporate ethics to maintain long-term, positive partnerships jointly.

#### Whistleblower reporting platform (FORTUNE ELECTRIC CO., LTD.)

#### Investor feedback (FORTUNE ELECTRIC CO., LTD.)

#### Vendor feedback (FORTUNE ELECTRIC CO., LTD.)

#### Short-term goal (1~2 years):

- Complete an internal risk assessment and establish a comprehensive anti-corruption mechanism.
- Ensure 100% of new employees participate in integrity education and training.
- Establish an internal whistleblower system and ensure 100% of cases are responded to within 30 days.

#### Medium-term goal (2~5 years):

- Require partners to sign an integrity commitment, extending the scope of anti-corruption policies to suppliers.
- Provide at least one integrity refresher training annually for all employees.
- Expand whistleblower reporting to the supply chain and provide external reporting channels.

#### Long-term goal (over 5 years):

- Establish a dedicated Integrity Operations Task Force to continuously enhance global integrity management, promote a culture of accountability, and emphasize our strong commitment to integrity.
- Digitize integrity education by creating a learning platform to embed integrity principles throughout the company culture.
- Regularly publish whistleblower case handling reports to demonstrate FORTUNE ELECTRIC's operational transparency and credibility.

Conduct annual internal audits of activities related to integrity and propose recommendations for improvements to ensure alignment with the principles of our anti-corruption policy implementation.

- Submit quarterly reports on the Integrity Code and Corporate Social Responsibility Implementation to the Board of Directors, and disclose them on the company's official website to keep stakeholders informed about our integrity operations and performance.
- Strengthen anti-corruption awareness among employees by publishing a total of five case studies on the Integrity Code throughout the year.
- Conduct three integrity-related training sessions for new employees in the year, with all participants successfully passing assessments.
- Achieve a 100% closure rate for whistleblower cases through the whistleblower reporting platform.
- Incorporate integrity compliance clauses in a total of 529 standard contracts throughout the year.

# CORPORATE GOVERNANCE POLICY AND GUIDELINES

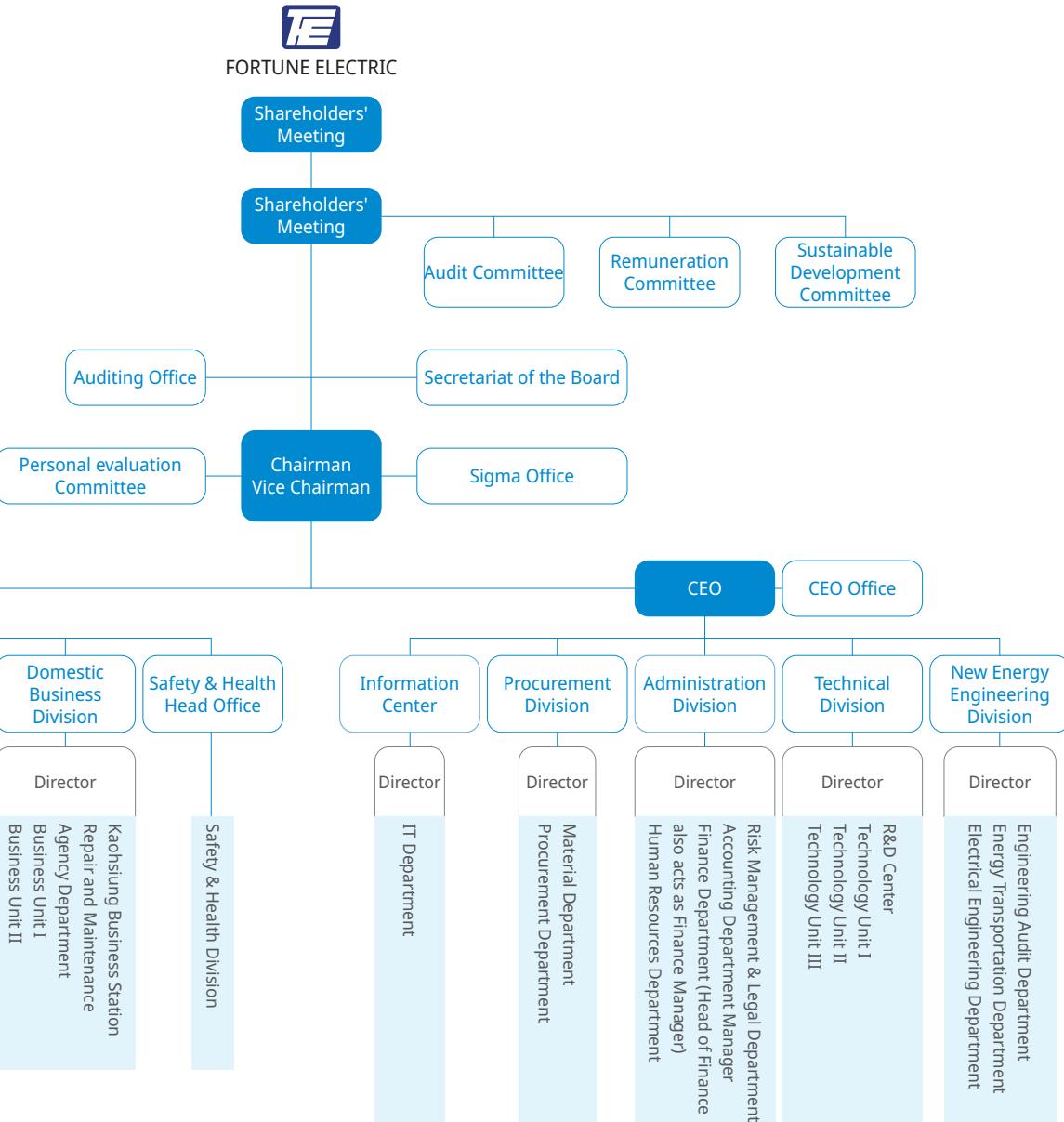
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FORTUNE ELECTRIC CO., LTD 2024 SUSTAINABILITY REPORT

FORTUNE ELECTRIC is dedicated to maximizing value for shareholders and stakeholders while maintaining the highest standards of corporate governance to ensure transparency in governance structures and fairness in decision-making. Through robust oversight and a system of checks and balances, we clearly define and optimize the rights and responsibilities of shareholders, management teams, and stakeholders, ensuring that corporate operations align with the principles of fairness and sustainable development.

We actively promote transparency and accountability by publicly disclosing the structure and operations of our top governance body. This ensures that decisions across economic, environmental, and social dimensions align with our corporate mission and vision for sustainable development. With a strong governance framework and strategic planning, we enhance our corporate resilience and competitiveness, while also reinforcing our positive impact on society and the environment, fulfilling our commitment as a responsible corporate citizen.

## FORTUNE ELECTRIC's Organizational Chart



## Diversified Members of the Board of Directors

FORTUNE ELECTRIC's Board of Directors consists of ten members who are elected through a candidate nomination system by shareholders from eligible individuals. Each term lasts three years, with the possibility of re-election. The Board of Directors was re-elected on June 15, 2023, for a term of three years. This term will expire in June 2026. Of the board members, four are independent directors, making up 40% of the total directors, while two are employees, representing 20% of the total directors. All directors are elected in accordance with Article 192-1 of the Company Act, ensuring compliance with legal requirements and best practices in corporate governance. In 2024, the Board of Directors held eight meetings.

The Board supports the principles of diversity and professional expertise by including members of various genders, age groups, and professional backgrounds. We actively encourage generational renewal and gender balance to enhance the diversity of decision-making, minimize operational risks, and ensure that Board decisions are inclusive and future-oriented.

According to our "Corporate Governance Best Practice Principles," the Board of Directors should possess a diverse professional background and essential competencies, including expertise in finance, law, industry, and operational management, to ensure effective oversight mechanisms. The Board's core responsibilities encompass overseeing legal compliance, ensuring financial transparency, timely disclosure of significant information, and providing objective and independent judgments on financial and operational development. Through robust selection processes and governance frameworks, we uphold the highest standards of governance and promote long-term sustainable development. For additional details regarding the Board, please refer to the "II. Corporate Governance Report" section of our annual report.

## Avoidance of Interest

The chairperson of FORTUNE ELECTRIC's top governance unit is Chairman B. F. Hsu, who concurrently serves as the chairman of FORTUNE ELECTRIC CO., LTD., FORTUNE ELECTRIC Extra High Voltage Co., Ltd., and Fortune Energy Technology Co., Ltd. Chairman B. F. Hsu holds this position due to having over five years of corporate business experience and his expertise in leadership, operational judgment, operations management, crisis management, industrial knowledge, and awareness of international markets. A candidate nomination system is implemented for the election of directors. The Shareholders' Meeting elects independent directors from the list of candidates for independent directors in accordance with the provisions of Article 192-1 of the *Company Act*, ensuring the independence and professionalism of the Board.

The Board of Directors is primarily responsible for enhancing supervisory functions and

## Diversified members of FORTUNE ELECTRIC's Board of Directors

Title	Name	Gender	Employee identity	Basic composition					Concurrent Directorships in Other Companies	
				Age						
				41 – 50	51 – 60	61 – 70	71 – 80	81 – 90		
Directors	Hsu, Bang-Fu	M							V	None
Directors	Hsu, Shou-Hsiung	M							V	None
Independent directors	Shu, Yi-Cheun	M				V				Yes
Independent directors	Hsu, I-Te	M	V		V					None
Independent directors	Hsu, I-Sheng	M	V	V						None
Independent directors	Weng, Jen-Pei	M						V		None
Independent directors	Hu, Len-Kuo	M					V			None
Independent directors	Lei, Whey-Min	M						V		None
Independent directors	Liao, Chih-Hsiang	M		V						None
Independent directors	Yeh, Yun-Ching	F			V					None

strengthening management capabilities. Functional committees, including the "Remuneration Committee", "Audit Committee", and "Sustainable Development Committee", have been established to improve the effectiveness of the Board of Directors. The company has established comprehensive principles regarding recusal for conflicts of interest. Board members are required to uphold moral obligations and conduct business with self-discipline and a prudent attitude. If there is a risk of harming the Company's interests, the relevant members shall not participate in any discussion and must excuse themselves during voting. Additionally, they shall not serve as proxies for other directors or exercise their voting rights, thereby ensuring fairness and transparency in decision-making. For detailed information on the recusal policy for conflicts of interest, please refer to the [Ethical Corporate Management Best Practice Principles of FORTUNE ELECTRIC CO., LTD.](#)

## Progressive Governance Team

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To assess the operational efficiency and functionality of the Board of Directors, the Company established the "Performance Evaluation Measures for the Board of Directors" during a meeting on May 11, 2020. The Board's evaluation has been conducted annually since 2020, with performance results announced before the end of the first quarter of the following year. In 2024, the evaluation results for the Board of Directors and individual directors were excellent, and the results were submitted and reported to the Board on March 10, 2025. This Board includes six general directors and four independent directors who specialize in leadership, operational judgment, operations management, and crisis handling, possessing industrial knowledge and an understanding of international markets. The general directors are B. F. Hsu, S. H. Hsu, Y. C. Shu, I. S. Hsu, I. T. Hsu, and J. P. Weng; the independent directors are W. M. Lei, L. K. Hu, C. H. Liao, and Y. C. Yeh. Among them, Mr. W. M. Lei and Mr. L. K. Hu, former lecturers at the Department of International Trade, National Chengchi University, specialize in international trade and corporate management. Mr. C. H. Liao, as an accountant at Chainye Accounting Firm, makes significant contributions to management and corporate governance practices. Y. C. Yeh is currently a full-time university professor with a Ph.D. in law, which equips him to supervise the Company and mitigate relevant legal risks. A diversity policy has already been established in Article 20 of the Company's [\[Corporate Governance Best Practice Principles\]](#) and disclosed on the Company's website. For detailed information, please refer to the "state of the company's implementation of corporate governance" section in the annual report for the current year.

### 2024 Continuing Education Courses attended by the FORTUNE ELECTRIC Board of Directors and their Total Duration

Title/Trainee	Course name	Training duration (h)
CHAIRMAN Hsu, Bang-Fu	• 2024 Second Half Global Economic Outlook (3H)	6
VICE CHAIRMAN Hsu, Shou-Hsiung	• ESG Corporate Sustainable Governance Awareness—Global Net Zero Emissions Trends and Corporate Responses (3H)	6
DIRECTOR & GENERAL MANAGER Hsu, I-Te	• 2024 Second Half Global Economic Outlook (3H) • ESG Corporate Sustainable Governance Awareness—Global Net Zero Emissions Trends and Corporate Responses (3H) • 2024 Global Economic Key Insights (3H) • ITBS CEO 10th Anniversary: [2024 Global Enterprise Trends: Mastering New Digital Applications] (3H) • Exploring Taiwan's International Competitiveness Amid Global Competition (1H)	13
DIRECTOR & CEO Hsu, I-Sheng	• 2024 Second Half Global Economic Outlook (3H) • ESG Corporate Sustainable Governance Awareness—Global Net Zero Emissions Trends and Corporate Responses (3H)	6
DIRECTOR Shu, Yi-Cheun	• ESG Corporate Sustainable Governance Awareness—Global Net Zero Emissions Trends and Corporate Responses (3H) • ESG Corporate Sustainable Governance Awareness—Global Net Zero Emissions Trends and Corporate Responses (3H) • 2024 Global Economic Outlook (3H)	9
DIRECTOR Weng, Jen-Pei	• 2024 Second Half Global Economic Outlook (3H)	6
INDEPENDENT DIRECTOR Lei, Whey-Min	• ESG Corporate Sustainable Governance Awareness—Global Net Zero Emissions Trends and Corporate Responses (3H)	6
INDEPENDENT DIRECTOR Hu, Len-Kuo		6
INDEPENDENT DIRECTOR Liao, Chih-Hsiang		6
INDEPENDENT DIRECTOR Yeh, Yun-Ching		6
Total duration (h)		70

## Remuneration Policy

FORTUNE ELECTRIC conducts annual performance evaluations of the Board of Directors and individual directors using a structured self-assessment questionnaire to ensure the continuous improvement of Board effectiveness. Evaluation criteria encompass five key areas: the level of directors' engagement in company operations, enhancement of decision-making quality, and the integrity of Board composition and structure. Based on the evaluation results, the Remuneration Committee reviews and proposes appropriate compensation standards and distribution recommendations, ensuring that directors' performance aligns with the company's development strategies and further strengthens the governance framework.

In response to global sustainability trends and regulatory requirements, the company is committed to promoting sustainable development by seamlessly integrating sustainable practices and tangible measures into its operations. Since 2022, FORTUNE ELECTRIC has partnered with professional organizations to provide employees with comprehensive sustainability training courses, enhancing their understanding and practical skills. Each business unit facilitates internal communication by sharing the latest sustainability updates through weekly reports, which cultivates a culture of sustainability across the company. Additionally, the company incorporates its sustainability development policy into the annual business plan. Looking ahead, FORTUNE ELECTRIC intends to implement a "Sustainability Performance-Linked Compensation" system that integrates sustainability-related KPIs into departmental and individual performance evaluations. This strategy ensures that sustainability objectives align with overall operational goals, fostering mutually beneficial growth for the company and its stakeholders.

The company and its directors, managers, employees, agents, or those with actual control must not directly or indirectly offer or accept any improper gifts, entertainment, or other undue benefits to establish business relationships or influence business decisions. The company's designated unit will assess the nature and value of such benefits and recommend appropriate actions—such as returning the item, paying for it, donating it to charity, or other suitable solutions—which will be implemented upon approval by the supervisor of the designated unit.

# FUNCTIONAL COMMITTEE

FORTUNE ELECTRIC has established an Audit Committee, a Remuneration Committee, and a Sustainable Development Committee, and had the Board of Directors pass a risk management commitment and risk management policy in 2010. Each management unit is responsible for regularly evaluating and reviewing risk issues and for reporting the implementation status of the previous year's risk management activities at the beginning of each year. During operations management, possible risks will be mitigated and controlled, with relevant early-warning measures established.

Name	Audit Committee		Remuneration Committee	
	Title	Actual attendance rate in 2024	Title	Actual attendance rate in 2024
INDEPENDENT DIRECTOR Hu, Len-Kuo	Convener	88%	Convener	100%
INDEPENDENT DIRECTOR Lei, Whey-Min	Member	100%	Member	100%
INDEPENDENT DIRECTOR Liao, Chih-Hsiang	Member	100%	Member	100%
INDEPENDENT DIRECTOR Yeh, Yun-Ching	Member	100%	Member	100%



## Remuneration Committee

To strengthen corporate governance and sustainable management and improve the remuneration system for its directors and managers, the Company has established a "Remuneration Committee." The operation of this committee is governed by the Company's "Rules of Procedure of the Remuneration Committee." The Company's Remuneration Committee comprises four members, all of whom are independent directors, with one appointed as the convener. This committee evaluates the remuneration policy and system for the Company's directors and managers in a professional and objective manner, providing suggestions to the Board of Directors for its decision-making. The committee's responsibilities are defined by the rules established by the Company regarding the scope of independent directors. The tenure of the members of this (the fifth) Board of Directors is from June 15, 2023, to June 14, 2026. In 2024, the Remuneration Committee convened two meetings.

## Audit Committee

The Company has established an Audit Committee in accordance with the provisions of Article 14-4 of the Securities and Exchange Act to enhance the structure and operation of the Board of Directors. The Audit Committee is comprised of four independent directors. It is responsible for assisting the Board of Directors in overseeing the quality and integrity of the Company, executing relevant accounting, audit, and financial reporting processes, and ensuring financial control to maintain transparency and accuracy of financial information.

With the consent of more than half of its total members, the Audit Committee may submit relevant matters to the Board of Directors for resolution, exercising its authority. The Audit Committee convenes a meeting at least once a quarter and may hold additional meetings at any time. Its key responsibilities include reviewing quarterly financial reports, endorsements and guarantees, profit distribution plans, major asset transactions, and derivative financial instrument transactions. Additionally, the committee assesses the effectiveness of internal control systems to ensure the company's operations are compliant, secure, and aligned with sustainable development principles. All committee resolutions are submitted to the Board of Directors to uphold sound corporate governance and robust financial management.

## Sustainable Development Committee

To further promote sustainable operations, in March 2022, the Board of Directors established a Sustainable Development Committee. This committee is affiliated with the Board and serves as a functional committee. Guided by the five core pillars of "Corporate Governance," "Green Sustainability," "Social Care," "Happy Workplace," and "Partnerships," the committee is dedicated to advancing corporate sustainability, strengthening corporate governance, implementing environmental protection initiatives, and fulfilling social responsibility commitments. On March 8, 2024, the Sustainable Development Committee submitted a report to the Board outlining ESG short-, medium-, and long-term targets. Additionally, the Company actively monitors the latest sustainability trends and policies in Taiwan. In May 2024, the Committee revised the Sustainable Development Committee Organization and Regulations to ensure that its structure and responsibilities better meet the needs of sustainability management.

The Chairman of the Board serves as the Chief Sustainability Officer, the Vice Chairman of the Board serves as the Director, the General Manager and the CEO serve as Deputy Directors, and the Corporate Governance Director acts as the Executive Secretary. The committee members are managers appointed by the company, forming a cross-department group focused on sustainable development initiatives. The term of office for the committee aligns with the Board's term and is eligible for re-election. If any member of this committee is dismissed for any reason, and the number of members falls below three, they will be reappointed at the latest board meeting to ensure the committee's stability and continued progress toward the Company's sustainability goals.

### Organizational Chart of the Sustainable Development Committee



The full-time and part-time unit of sustainable development and the Executive Secretary assist the Sustainable Development Committee in implementing various plans, covering the following organizational tasks and reporting the implementation status of sustainable development to the Sustainable Development Committee:

#### Corporate Governance Group

Responsible for ensuring compliance with corporate governance laws, developing reasonable remuneration policies and employee performance appraisal systems, providing education and training, and establishing stakeholder communication mechanisms to achieve the company's sustainable development goals.

#### Social Welfare Group

Responsible for managing human rights policies and procedures, ensuring compliance with human rights-related laws and international standards, and establishing communication with all members of the organization, including employees, subsidiaries, joint ventures, and key members of the value chain. Additionally, it involves assessing relevant risks and management mechanisms while promoting community and cultural development to achieve sustainable management goals.

#### Sustainable Environment Group

Responsible for the environmental management system, ensuring compliance with environmental laws and international standards, evaluating sustainable transformation, improving resource utilization, developing climate change response mechanisms, and establishing dedicated environmental management units or personnel to achieve environmental sustainability goals.

#### Sustainable Information Disclosure Team

Responsible for sustainable information management policies while complying with relevant laws and international standards on sustainable information disclosure, and ensuring the complete disclosure of relevant and reliable sustainable information to enhance transparency. The cross-departmental team executes the business outlined in the previous paragraph, compiles execution plans and other sustainability-related matters, and reports the results of execution to both the full-time and part-time sustainable development units or this committee.

Additionally, the Board of Directors has authorized the Administration Division to establish a "Volunteer Committee Organization," guided by the principle of "Serve to Achieve Self-Fulfillment, Beautify Communities with Passion, Serve People with Patience, and Foster a Caring and Healthy Society," to promote activities that encourage good neighborliness and public charity. The Volunteer Committee reports to the Board of Directors quarterly and regularly updates the website while also publishing relevant information in various Company periodicals.

# RISK MANAGEMENT

In 2010, FORTUNE ELECTRIC established a risk management organization and system to fulfill its long-term sustainable management responsibilities of "Reassuring Employees, Reassuring Customers, Reassuring Shareholders, and Reassuring Society." The organization and system focus on cost-effectiveness and aim to integrate and manage all risks that could impact its operations and profitability. This includes risks related to strategy, operations, finance, potential hazards, and other relevant aspects. The director of the Administration Division is designated as the head manager for the company's risk management. They are responsible for overseeing the operations of the risk management organization, driving the execution of relevant plans, and reporting on the previous year's risk management activities to the Board of Directors at the start of each year. This ensures transparency and accountability, thereby further strengthening corporate competitiveness.

FORTUNE ELECTRIC has adhered to the risk management structure principle outlined in ISO 31000 and utilized the PDCA (Plan-Do-Check-Act) management cycle as the foundation for establishing its risk management system. This system has standardized the requirements for products, processes, and activities throughout the Company and ensured compliance with risk management standards. Through ongoing improvement, we aim to enhance the Company's resilience. Moving forward, we will continue to strengthen our risk management effectiveness regarding all sustainability issues by referring to the IFRS S1 and S2 standards, identifying various sustainability risks, assessing and analyzing their financial impacts on the Company, and effectively implementing subsequent management measures.

## FORTUNE ELECTRIC Risk Management Organizational Structure



## Risk Management Review Committee

FORTUNE ELECTRIC has established a Risk Management Review Committee composed of experts from each department of the company. This committee is tasked with regularly holding risk review meetings to ensure that all staff members engage with and implement the risk management policy, expand the benefits of the risk management system, and reduce the risk of information asymmetry. Additionally, we have set up a risk information collection system to keep the company informed about relevant internal and external risk information, thereby enhancing the effectiveness of risk prevention. By taking these measures, we can better manage risks and ensure the company's sustainable development and sound operations.

## Risk Management Department & Legal Affairs Office

After the Administration Division formulates the relevant policies, the Risk Management and Legal Affairs Office (hereinafter referred to as Risk Management Legal Affairs Office) is responsible for executing the Company's risk management policy. The Risk Management and Legal Affairs Office oversees various potential risks that may impact the Company's operations and profitability, including strategic, operational, financial, environmental, legal, and hazard risks. It assists each department in establishing risk management objectives and supervises their risk management activities. The Risk Management and Legal Affairs Office also regularly monitors the risk status of each department and submits evaluation reports to the top management of each business division and the Risk Management Review Committee.

At the beginning of each year, the Risk Management & Legal Affairs Office reports to the Board of Directors on the implementation status of the previous year's risk management efforts (at least once a year). The implementation status of the 2024 risk management policy was reported to the Board of Directors on March 10, 2025:

- Implementation of risk management work as scheduled: In 2024, a total of 181 incidents categorized as high-risk or above were identified concerning operations, the environment, and climate. Plans to address and improve items with significant impacts or needing timely enhancements were proposed. Additionally, incidents classified as high-risk or above that did not have relevant handling plans would be tracked and controlled. Other medium- and low-level risk events were managed by each unit and summarized, then reported to the Risk Management Department and Legal Affairs Office.
- Implementation of risk management education and training: By the end of 2024, relevant education and training for new employees in the current year, as well as the course "Risk Perception and Control," were implemented, with a total of 204 trainees. The accumulated class hours reached 364 hours.
- Regarding risk handling performance in 2024, a total of 204 risk handling countermeasures were completed. It evaluated that 80% of risk events could be minimized and effectively controlled. For risk events that were not immediately addressed, the relevant improvement measures should be revised in the coming year, and such incidents should be managed according to the PDCA cycle within the Company's risk management framework.

## Impacts of Sustainability-Related Risks and Management Measures

According to the Global Risks Report published by the World Economic Forum, the top ten risks are no longer limited to economic impacts alone. They also include increasingly severe ESG sustainability issues, such as climate change and social and human rights concerns, which can vary in their impacts on the Company's operations and stakeholders. To effectively manage these sustainability-related risks, we have referenced the relevant requirements of the IFRS S1 sustainability disclosure standards and identified the reasonably expected risk issues that may influence the Company's financial performance and operational status in the future, based on the SASB framework. We have also evaluated the significant and potential impacts of these issues on the Company's business model, value chain, and finances.

Items	Description of Impact			Response and Management Measures
	Impact on Business Model	Impact on Value Chain	Financial Impact	
Energy Management	Continuously optimize energy usage, enhance equipment efficiency, and lower carbon emissions to meet international environmental standards.	Customer regulations on carbon emissions have tightened, necessitating stronger green supply chain management and motivating suppliers to enhance production and transportation practices.	Increased capital expenditure (CAPEX) for equipment upgrades and energy-saving technologies, along with higher depreciation and maintenance costs, impacting profitability, increasing non-current assets, and reducing cash flow. Expected future reductions in energy use costs and operating expenses will positively affect operating income.	<ul style="list-style-type: none"> <li>Promote energy conservation and carbon reduction to reduce operational carbon footprint.</li> <li>ISO 50001 Energy Management Certification obtained, annual energy-saving targets established, and energy management systems implemented for real-time monitoring and optimization of factory energy consumption with minimal waste.</li> </ul>
Hazardous Waste Management	Implement waste sorting and reduction strategies, adopt a circular economy approach, and ensure compliance with relevant regulations.	This affects the overall waste management model and requires upstream suppliers to reduce pollutant emissions.	Directly increases waste treatment and compliance costs, raising operating expenses. If not properly managed, it may result in future fines or reputational risks.	<ul style="list-style-type: none"> <li>Implement ISO 14001 environmental management, including source reduction, sorting, and recycling, as well as refined management, to improve recycling rates. For example, utilize outsourced reuse of waste transformer insulating oil and paint waste powder, and reuse of waste sludge in brick manufacturing.</li> </ul>
Raw Material Sourcing	Ensure the stable supply of critical materials, reduce risks of material shortages and price volatility.	Suppliers must comply with environmental standards and responsible sourcing requirements.	Raw material price fluctuations may impact production costs, operating gross margins, and increase accounts payable. Long-term supply agreements and environmentally-friendly procurement can lower financial risks and boost competitiveness.	<ul style="list-style-type: none"> <li>Local sourcing, supply chain diversification, and green procurement help mitigate operational disruptions and financial impacts caused by raw material price fluctuations.</li> </ul>
Product Safety	Enhance product safety and quality standards to minimize the risks of market recalls and regulatory non-compliance.	To protect customer trust and FORTUNE ELECTRIC's brand reputation, products must meet market and regulatory requirements.	If product safety issues arise, they may result in legal liability, product recalls, increased inventory costs, or customer compensation claims, ultimately leading to brand damage and additional non-operating expenses.	<ul style="list-style-type: none"> <li>Apply product lifecycle management (PLM) principles to enhance the safety design of transformers and switchgear, introduce SOT transformer diagnostic systems for real-time monitoring, and ensure compliance with product safety regulations and market standards.</li> </ul>
Business Ethics	Implement integrity operations, strengthen internal controls and audits to prevent unfair competition and corruption risks.	To protect our partners' reputation, we ensure that all partners comply with the principles of integrity and operations.	Involvement in corruption or unfair competition can lead to fines, legal liability, and a decline in shareholder confidence and share price, ultimately impacting shareholders' equity.	<ul style="list-style-type: none"> <li>Establish an integrity operations code, set up a whistleblower mechanism to protect whistleblower confidentiality, and conduct anti-corruption and regulatory compliance training to ensure that the entire supply chain and employees adhere to corporate ethical standards.</li> </ul>
Workplace Safety	Strengthen occupational safety and health management, implement risk prevention and response plans, and improve workplace safety.	Focus on ensuring that suppliers and partners comply with occupational safety regulations and standards to secure full value chain compliance.	Occupational accidents would raise insurance and compensation costs, and result in increased expenses for training, equipment upgrades, depreciation, and maintenance to minimize future occupational injury incidents.	<ul style="list-style-type: none"> <li>Achieve ISO 45001 occupational health and safety management certification, perform regular risk assessments, conduct emergency drills and inspections, and arrange occupational safety education and training programs.</li> </ul>

# INTEGRITY OPERATIONS

In 2024, Corruption-related risk assessments were conducted at all operational units, achieving a **100%** completion rate.

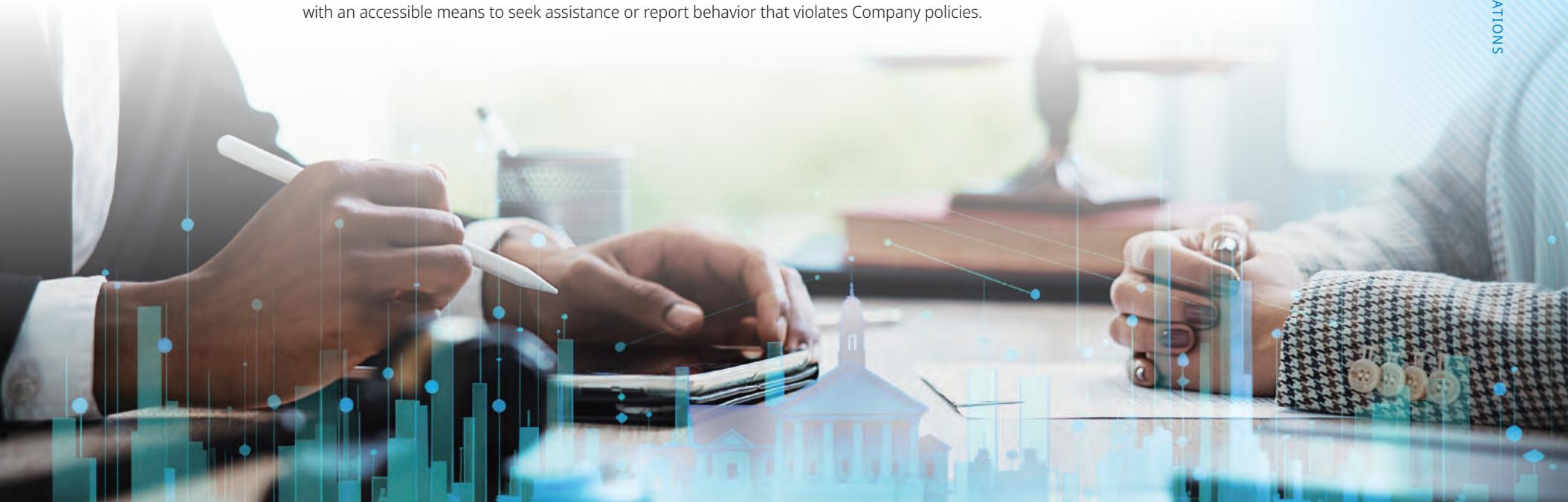
**Zero**  
incidents of illegal  
conduct reported in 2024

## Moral Value and Professional Behavior

To enhance integrity operations, the Company has tasked the Human Resources and Risk Management Departments, along with the Legal Affairs Office of the Administration Division, to establish Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Work Rules, and Operating Procedures for the Personnel Review Committee, all of which have already been approved by the Board of Directors. The policies and practices for integrity operations are clearly outlined in the internal rules and regulations, as well as in outgoing documents, showcasing the commitment and compliance of the Board of Directors and management. Furthermore, the Company has adopted the Guidelines for Employee Ethics Assessment as behavioral standards, which are accessible on the internal platform for employee reference and compliance. The effectiveness of integrity operations promotion can be found on the Company's website.

Upholding the principle of integrity in operations, the Company manages conflict-of-interest risks through clear regulations, education and training, and internal audits—prioritizing the Company's best interests. Integrity policies are actively communicated to stakeholders through meetings, publications, and manufacturer engagement sessions, ensuring that our partners fully comprehend the principles of ethical conduct. To promote whistleblowing and foster a fair and transparent corporate culture, the Company has also established Operating Procedures for Whistleblower Protection and Whistleblowing.

A Personnel Review Committee has been established, with an Executive Secretary designated as the sole point of contact for managing reports, investigations, disciplinary actions, appeals, and the rewards and penalties system. If any internal personnel are found to have submitted false or malicious reports, they will face disciplinary actions corresponding to the severity of the violation in line with Company rules. The Company has also implemented feedback and reporting mailboxes on both the corporate website and the internal site for use by internal and external personnel. Since 2021, to further promote the reporting of internal misconduct, the Company has partnered with Deloitte to create a whistleblower reporting platform, providing employees with an accessible means to seek assistance or report behavior that violates Company policies.



## Communication and Training of Anti-corruption Policy and Procedures

According to the amended Regulations Governing Internal Control System, the Company has implemented operational control measures for the "Management of Insider Trading Prevention." This includes defining the scope of significant internal information that can affect stock prices, ensuring confidentiality prior to the disclosure of such information,

prohibiting sales and purchases, and establishing operating procedures for the content, timing, methods, and personnel involved in the external disclosure of significant information that can affect stock prices. These measures are designed to prevent insider trading. In 2024, the performance of anti-corruption and integrity policy implementation is as follows:

### Implementation of the concept of integrity operation

In addition to standardizing provisions related to professional ethics in its organizational rules and regulations, the Company also requires colleagues to implement four major workplace tests: authenticity, fairness, reputation and friendship, and mutual benefit. The Company continually promotes this concept to its customers and suppliers to ensure integrity operations. In 2024, the Company organized seven internal and external training sessions on topics related to integrity operations, including compliance with integrity operation regulations, anti-bribery and anti-corruption practices, accounting systems, and internal controls. A total of 195 participants attended, amounting to 195 cumulative training hours.

### Regulatory compliance

The Company diligently adheres to the Company Act, the Securities and Exchange Act, relevant rules and regulations governing TWSE-listed companies, and other laws related to commercial practices. Additionally, the Company regularly discloses its corporate information on MOPS as required, to ensure information openness and transparency. For many years, the Company has consistently earned an A grade for information transparency in evaluations of TWSE/TPEX listed companies.

### Advocacy of internal periodicals

FORTUNE ELECTRIC regularly publishes relevant content on character advocacy, manpower quality projects, and the promotion of teaching materials in its internally published periodical "Fortune Weekly." In 2024, a total of 39 articles were published, including 5 articles that focused on advocating for cases of the code of integrity.

### Manufacturer engagement meeting

Various meetings and events are regularly utilized to conduct internal education and training as well as to advocate for the Company. Additionally, the company has established a "Manufacturer Engagement Meeting" to invite business partners to gain a complete understanding of the company's commitment to ethical practices, relevant policies, and prevention programs.

### Education, training, advocacy, and assessment of new employees

Each new employee is scheduled to receive training on our integrity operation policy upon starting their duties. In 2024, three training sessions were conducted, and all participants successfully passed the assessment.

### Whistleblower reporting platform

In 2024, five letters of accusations were received by the whistleblower reporting platform, and all three cases were later closed; besides, only the number of the cases was disclosed to protect whistleblowers' information and ensure the confidentiality of these cases.

### Ethical contract performance clause

The Company has included a clause for ethical contract performance in its standard contract. This clause explicitly states that disqualified suppliers will be removed, and a list of reputable manufacturers will be provided to the design unit and the factory. This is to prevent engaging in business with manufacturers who have unethical records. In 2024, a total of 529 cases were recorded.

## Effect of Education on Regulatory Compliance

With the implementation of the management philosophy focusing on "Quality, Participation, Welfare, and Sustainability," the company consistently provides relevant resources to ensure that all employees understand the various aspects of regulatory compliance. These resources include the collection of laws and regulations, tracking and evaluation, policies and measures, education and training, and legal advocacy. This practice enhances employee awareness of the law, maintains the company's image, and reduces legal risks in its operations. We also closely monitor any domestic and foreign policies and regulations that may affect the company's finances and business operations, establish operating procedures for regulatory compliance, and assign the legal affairs unit to summarize and inspect the compliance status.

In 2024, FORTUNE ELECTRIC did not incur any major monetary or non-monetary penalties for failing to abide by the laws and regulations governing economic, environmental, and social categories. FORTUNE ELECTRIC implemented internal control and audits for 39 cases that year. Of these cases, none were found to have deficiencies, and one improvement was made, resulting in an improvement completion rate of 100%.



## Appeal and Suggestion Pipelines

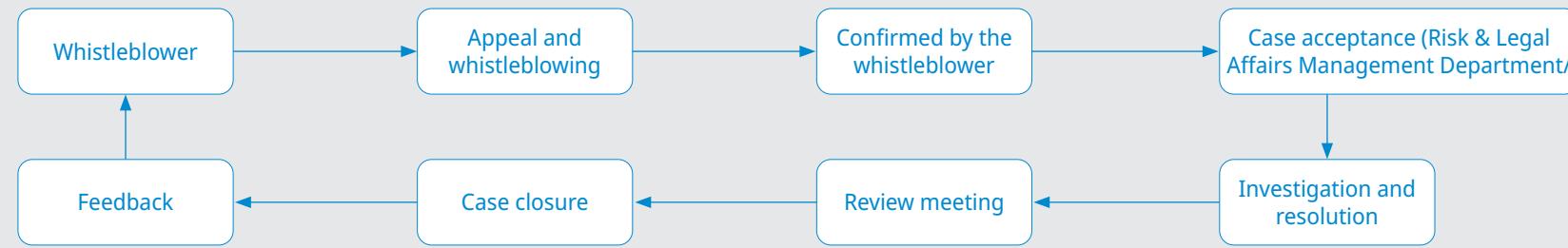
Ethical and responsible business practices form the foundation of corporate sustainable management. Therefore, we have established various appeal, whistleblowing, and suggestion channels, which we have announced on our official website. Stakeholders and both internal and external personnel of the Company are encouraged to report or appeal any unethical or immoral behavior, the impacts of our operating activities on the environment, economy, society, and human rights, or to provide relevant suggestions through the public whistleblowing web pages.

We also provide an option for anonymous reporting. The acceptance units must ensure

the confidentiality of the whistleblowers' identities and incidents. They shall not provide the relevant information to any third parties not involved in the investigation, unless otherwise necessary for the investigation, to avoid the whistleblowers from being treated unfairly and unfavorably. Furthermore, we have explicitly defined the relevant protection system, case acceptance process, and standards for handling violations in our Operating Procedures for Whistleblower Protection and Whistleblowing. The complaint mechanism at FORTUNE ELECTRIC is transparent and functions effectively; in 2024, there were five report cases, all of which have been fully closed.

### FORTUNE ELECTRIC Whistleblower Reporting Platform

#### Acceptance Process of Whistleblowing and Appeal Cases



#### Statistics of FORTUNE ELECTRIC's Appeal and Whistleblowing Cases in the Last 3 Years

Year	2022		2023		2024	
	Type of case	Number of cases	Case closure rate	Number of cases	Case closure rate	Number of cases
Business practice	1	100%	2	100%	0	0
Environmental issue	0	0	0	0	1	100%
Labor rights and interests	1	100%	5	100%	2	100%
Related to human rights (e.g., discrimination and inequality)	2	100%	0	0	2	100%
Total	4	100%	7	100%	5	100%

# INFORMATION SECURITY RISKS

FORTUNE ELECTRIC has a comprehensive internal audit and control system and conducts regular internal audits, focusing on critical risk areas such as information security to bolster the Company's resilience against cybersecurity threats. In addition to the ongoing replacement of outdated equipment and system upgrades performed in recent years, the Company has established a Cybersecurity Management Committee in accordance with ISO 27001 and appointed dedicated information security management representatives and personnel. A formal appointment of a Chief Information Security Officer is anticipated in the future. Furthermore, we routinely perform vulnerability scans of key host computers, conduct social engineering drills, and provide information security education and training to identify any system vulnerabilities in our personnel's behavior and software/hardware. Internally, antivirus software is employed to safeguard the security of our terminal systems. Additionally, the Company has activated the relevant maintenance contracts with our information security vendors to aid in analyzing the necessary measures to address various terminal information security incidents.

To accommodate the continuous growth of business operations and data volume, we introduced NetApp A150 storage equipment in 2024 to expand system capacity and ensure stable operations of our information systems. The Company has restructured the previously consolidated storage area into independently managed sections, with each 6TB storage space used separately to prevent management errors from causing system disruptions. A storage monitoring system has also been implemented; when usage reaches 80%, the system automatically sends out alerts, allowing the IT team to promptly address issues and maintain system stability. Additionally, the Company will continue optimizing internal monitoring and maintenance mechanisms, regularly inspecting equipment performance, and ensuring information system stability while mitigating business risks.



Looking ahead, the company will continue to enhance its information management capabilities, optimize system performance, and ensure the enterprise operates smoothly. We aim to provide more stable data support to strengthen long-term business development.

## Information Security Policy

The Company has established information security management policies and objectives aligned with its business activities and associated risks. This comprehensive information security management system standardizes the establishment and development, operational implementation, monitoring, review, and ongoing maintenance and improvement processes. We also rely on continuous supervision and management to ensure that all employees are clearly instructed to follow the relevant measures in their daily work, sustaining the confidentiality, integrity, and availability of the Company's vital information systems while minimizing potential security risks.

Additionally, the Company actively promotes information security education and training, reinforcing the concept that "Information security is everyone's responsibility" to ensure that all employees understand the critical role information security plays in business operations. This helps guarantee that all information security management measures can be effectively implemented and maintained. To achieve information security goals, the Company requires all employees to rigorously implement information security management measures to prevent the risks of data breaches, destruction, or loss resulting from external attacks or internal mismanagement.

## Information Security Management System

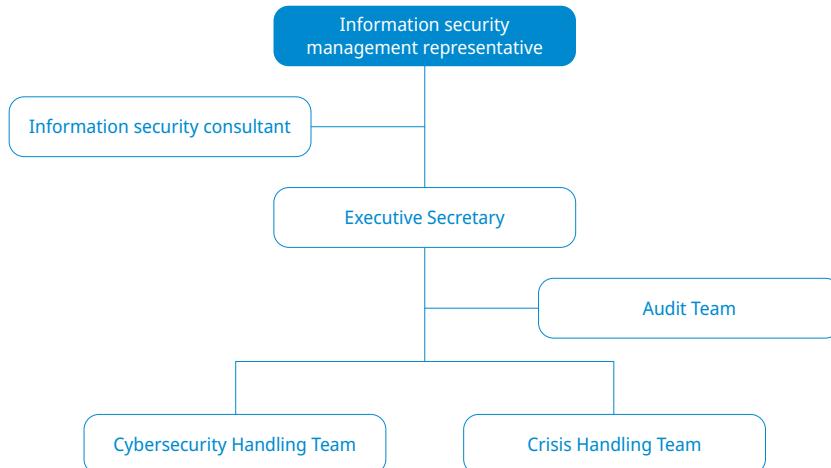
The Company obtained the ISMI ISO 27001 "Information Security Management System" certificate from AFNOR Asia in 2014 and has established an institutional, documented, and systematic information security management system in accordance with the steps specified in ISO 27001:2013. The certificate is valid from April 19, 2023, to August 31, 2025. We plan to complete the ISO 27001 version upgrade certification in 2025.

By continually supervising and reviewing management performance, the Company implements the concepts of information security management and enhances its information security intelligence and emergency response capabilities. As a result, information security risks are reduced, and the confidentiality, integrity, and availability of the Company's information assets,

along with their compliance with relevant laws and regulations, are ensured. Additionally, it secures the rights and interests of the Company's employees and customers.

The following objectives will be implemented in the Company's information security management system: Executing the information security management policy by fully integrating the Information Security Management System (ISMS), enhancing the professional skills of information security personnel, and strengthening the information security environment and response capabilities to meet the quantitative objectives specified in the information security management policy. Additionally, to maximize the effectiveness of the current information security management system, the Company has established a Cybersecurity Management Committee that convenes at least once a year to review its current information security management system. The purpose of these meetings is to ensure that the procedures related to the information security management system are applicable, appropriate, and effective. Furthermore, the Committee assesses the timing for improving the relevant policies, objectives, and other change requirements. In case of a major change in this policy, an immediate review will be conducted, and the documents and records related to the review results will be retained for future reference. Moreover, the relevant units and cooperative manufacturers will be notified as needed to ensure joint compliance and the appropriateness and effectiveness of the policy.

## Organizational Structure of FORTUNE ELECTRIC's Information Security Team



## Smart Knowledge AI Learning Team

To enhance employees' digital literacy and artificial intelligence (AI) application capabilities, FORTUNE ELECTRIC actively promotes relevant initiatives. This includes offering systematic learning courses to enable employees to proficiently use AI tools, improving work efficiency and driving innovation. In 2024, we organized the "From Zero to Professional: Instantly Create Powerful Presentations with ChatGPT and Gamma" training course. The course covered AI-assisted content creation, intelligent presentation generation, and the application of design tools, helping employees master the practical applications of AI in their daily work while elevating their professional communication and data visualization skills.

The Company also prioritizes the privacy and security of AI tools, ensuring that employees adhere to international standards, such as the General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA), while using AI technologies to enhance data security and compliance.

Through ongoing training and oversight, the company ensures that employees can effectively and flexibly leverage AI technologies within the framework of information security standards, thereby enhancing work efficiency and supporting the company's overall competitiveness.



Sustainable Supply Chain  
Supplier Management  
Services Satisfying Customers

# COLLABORATIVE AND PROSPEROUS SUPPLY CHAIN MANAGEMENT

3  
CHAPTER



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CUSTOMER SERVICE POLICY

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“ FORTUNE ELECTRIC upholds the quality policy of “Caring for Customers, Committing to 6σ (Six Sigma).” The company is committed to continuous innovation and technological breakthroughs to deliver products and services that provide the highest quality, competitive pricing, and cutting-edge technology, thus fulfilling the needs of customers and society. ”

Material Topics	Customer Services
GRI Principle	Self-determined
Commitments and Policies	FORTUNE ELECTRIC prioritizes customers, values their feelings and feedback, and maintains a policy of “Caring about Customers and Adhering to 6σ.” The company is committed to continuous innovation and technological advancements to produce the highest quality and most technologically advanced products and services at reasonable prices, thereby satisfying all customer and societal needs. We firmly believe that our ongoing efforts and innovations will provide higher-quality products and services to our customers, making a greater contribution to society.
Appeal and Communication Pipelines	Satisfaction Questionnaire
Metrics and Targets	<b>Short-term goals (1-2 years):</b> Increase customer satisfaction score to 95. <b>Medium-term goals (2-5 years):</b> Increase customer satisfaction score to 96. <b>Long-term goals (over 5 years):</b> Increase customer satisfaction score to 96.5.
Effectiveness Tracking Mechanism	Customer Satisfaction Questionnaire
Actions and Measures	<ul style="list-style-type: none"><li>In 2024, the Domestic Business Division received 189 customer satisfaction questionnaires with a recovery rate of 91.75%. The average customer satisfaction score reached 94.3 points.</li><li>In 2024, the International Business Division received 24 customer satisfaction questionnaires, achieving a 100% recovery rate. The average customer satisfaction score reached 96.58 points.</li><li>In the satisfaction surveys in the last three years, the customer satisfaction scores were higher than 90% for both domestic and international business.</li></ul>



# SUSTAINABLE SUPPLY CHAIN

FORTUNE ELECTRIC plays a key role in the sustainable supply chain by providing essential power equipment such as transformers and distribution panels, which support infrastructure and new energy development. With the government's promotion of a non-nuclear homeland and initiatives to strengthen grid resilience, the company actively participates in distributed grid construction to enhance power supply stability and facilitate the energy transition. As an upstream equipment supplier, FORTUNE ELECTRIC ensures a stable supply of critical materials like silicon steel sheets and copper wire while optimizing mid- and downstream component management to improve resource efficiency, bolster supply chain resilience, and promote the industry's shift toward low-carbon sustainable development.

To address short-term material shortage risks in 2024, the Company has implemented a variety of supplier management measures targeting medium-risk materials to ensure supply stability and reduce production risks. First, direct communication channels have been established to bypass agents and connect directly with suppliers' production management departments, allowing for real-time monitoring of production

capacity and order progress. Regular visits to suppliers are carried out for risk assessments and production audits to ensure smooth supply chain operations. Additionally, for project-specific needs, orders are placed early to secure sufficient stock of key materials. Through demand forecasting and negotiations with suppliers, production capacity is secured in advance to prevent shortages caused by market fluctuations in supply and demand.

Regarding supplier diversification, the Company actively develops second and third sources to reduce dependency on single suppliers. New suppliers undergo small-batch trial production and verification to ensure that quality and delivery requirements are met. Meanwhile, support is provided to existing suppliers to promote capacity expansion plans, including equipment upgrades, production line expansions, and raw material stockpiling to enhance production flexibility. Long-term cooperation agreements ensure priority access to critical materials during peak demand. Technical support and production collaboration further enhance overall supplier capabilities. The comprehensive application of these measures strengthens FORTUNE ELECTRIC's supply chain resilience, ensuring stable production unaffected by short-term material shortages.

## Supply of main upstream raw materials status

Main raw materials	Usage	Source of supply
Silicon steel sheet	Manufacturing of transformer core	Taiwan, Asia, Europe, America and Middle East
Copper wire	Manufacturing of transformer core	Manufacturers in Taiwan and Asia
Insulating oil	Transformer insulation	Taiwan, America, Europe, Australia, and Asia
Switchbox	Armored switchboards and varied switches	Taiwan and overseas manufacturers
Metal materials (casing)	Transformer and distribution board casing	Taiwan and Asia manufacturers



## Implementation of Supplier Integrated Information System to Enhance Supply Chain Efficiency and Transparency

FORTUNE ELECTRIC has successfully implemented a supplier information integration system, allowing suppliers to upload material inventory data directly for rapid order placement by the procurement team. By the end of 2024, data integration for core suppliers of iron cores, casings, and copper wire will be completed, ensuring transparent production progress, real-time optimization of delivery forecasts, and a reduced risk of delays.

Through permission-setting mechanisms, the system restricts supplier login access to ensure the security of inventory information. Automated inventory notification workflows improve operational efficiency. Suppliers upload updated inventory data according to system notification cycles, enabling the procurement team to quickly grasp the inventory status and plan procurement accordingly, thereby reducing manual communication costs. This system not only enhances supply chain transparency and delivery forecast accuracy but also strengthens collaboration efficiency between suppliers and the Company, further boosting FORTUNE

ELECTRIC's market competitiveness.



▲Real-time display of production line status, delivery schedules, and material usage ensures efficient supply chain operation and improves production coordination and accuracy.

## Green Procurement and Local Procurement

The Company emphasizes the principle of energy conservation and emission reduction in each operating activity. This principle has already been integrated into our design and manufacturing stages. For example, in the transportation of the silicon steel sheets, transformer cases, and accessories, we have comprehensively adopted recyclable pallets to reduce the packaging materials needed for transportation. At the same time, we also strive to implement local procurement, in order to mitigate our carbon footprint. Additionally, we are also committed to lowering the overuse of packaging materials in product packaging design, to reduce waste.

Moreover, FORTUNE ELECTRIC highly values both green and local procurement. In 2024, the Company's green procurement expenditures reached NT\$20,799,260, which included leasing environmentally certified vehicles and electric cars, eco-labeled photocopiers, and the purchase of eco-labeled paper. All operational sites have also implemented energy-efficient lighting to conserve electricity. Local procurement not only supports regional industries but also significantly reduces carbon emissions associated with transportation, thus aiding our corporate carbon reduction objectives. It remains a key consideration in our procurement strategy. Although the share of local procurement dropped slightly to 79% this year, mainly due to a rise in export orders, the total procurement amount increased by NT\$1.489 billion compared to 2023.

### Ratio of FORTUNE ELECTRIC's Expenditure in Local Procurement in the Last Three Years

(Unit: NT\$ 100 million)

Year	Amount of raw materials procured locally	Total amount of raw materials procured	Ratio of amount of raw materials locally procured
2022	69.87	87.10	80%
2023	113.89	139.02	82%
2024	128.78	163.01	79%

## Conflict-Free Minerals Policy

FORTUNE ELECTRIC emphasizes the source and quality of its materials to ensure that all products adhere to the highest standards. The primary materials used include silicon steel sheets, steel plates, copper wires, and copper sheets—all sourced from reputable domestic and international manufacturers. The Company explicitly mandates the use of high-purity copper wires and sheets. Considering the specific characteristics of the industry, FORTUNE ELECTRIC guarantees that all materials used are free from conflict minerals.

# SUPPLIER MANAGEMENT

We are dedicated to managing key domestic and international suppliers more effectively, fostering mutual loyalty and securing preferred collaboration opportunities to create win-win partnerships. This approach underscores our Group's distinct competitive advantage and facilitates the steady expansion of both domestic and international markets. We actively support suppliers in implementing continuous improvement plans to meet quality, environmental protection, and product safety requirements, while ensuring on-time delivery as scheduled. Suppliers are also expected to prioritize employee health and safety, human rights, and corporate social responsibility, while continuously enhancing their risk management capabilities.

To diversify risk and continuously improve overall supply chain quality, all new suppliers added in 2024 signed the Supplier Ethics Clause, the "Environmental and Occupational Health and Safety Policy Compliance Commitment," and a Safety Commitment Letter.



## Environmental

- All suppliers must sign the "Letter of commitment to coordinate their environment and occupational health and safety policies," pledging to reduce and prevent pollution, continuously implement waste reduction, and comply with environmental regulations.
- Suppliers must implement policies for hazard prevention and mutual care to ensure occupational safety. This includes identifying potential hazards related to their operations and employing practices that reduce risks. Additionally, they are required to adhere to FORTUNE ELECTRIC's ISO 14001 Environmental Policy, ISO 45001 Occupational Health and Safety Policy, and ISO 50001 Energy Policy, all of which serve as key criteria for selecting qualified suppliers.



## Social

- By signing the ethics clause, suppliers promise and agree to the following:
  - Not to engage in irregular business practices.
  - Not to be suspected of offering bribes to Company employees.
  - Not to participate in unlawful behavior that causes reputational damage to the Company and its employees, as well as asset injuries and losses.
  - If any suppliers are involved in unlawful behavior, the Company will seek compensation and retain the right to legal recourse.
- Additionally, the Company prohibits the use of child labor (below the age of 16), forced labor, or any form of improper employment discrimination. We also require our suppliers to adhere to the same international standards as well as laws concerning labor employment at our operating sites.
- In 2024, neither the Company nor its suppliers were involved in any significant risk or situation regarding the use of child or forced labor.

## Supplier Risk Assessment and Response

To effectively reduce the risk of supply chain disruptions and enhance the Company's pricing stability and order fulfillment capabilities, we have implemented a series of response strategies. These strategies range from prevention and contingency planning to continuous improvement, aiming to comprehensively strengthen the resilience and responsiveness of our supply chain. This ensures that we maintain a competitive edge in an ever-changing market environment.

Responsive Strategies Addressing Suppliers' Risk of Chain Breakage

- Before bidding on new projects, we collaborate closely with the R&D and design departments to identify and filter out critical components with longer lead times, ensuring smooth project execution.
- An efficient strategic inventory system is established to maintain sufficient stock levels during demand surges or supply disruptions, thereby reducing the risk of supply chain breaks.
- A supply-demand platform has been created to track the delivery status of key materials in real-time, enabling timely visibility into supply conditions and effective risk management.

Responsive Strategies Addressing the Longer Early Manufacturing Stage of Parts in Important Cases

- For critical components with long lead times, internal processes are proactively initiated once order fulfillment reaches a predetermined threshold (e.g., 60%) to ensure on-time project delivery.
- A collaborative model among production, sales, and R&D departments is established to activate a strategic inventory mechanism, increasing stock levels of key components to address fluctuations in market demand.
- Reliable suppliers are chosen, and agreements are signed prior to bidding, ensuring stable supply support upon project award.
- To meet customer needs, diversified sourcing strategies are embraced to reduce reliance on single suppliers and mitigate supply risks.
- For components with extended lead times, we recommend high-quality domestic suppliers to customers, helping shorten delivery times and enhance customer satisfaction.
- We actively visit major suppliers to foster strong partnerships and secure priority access to critical components, ensuring a timely and stable supply.

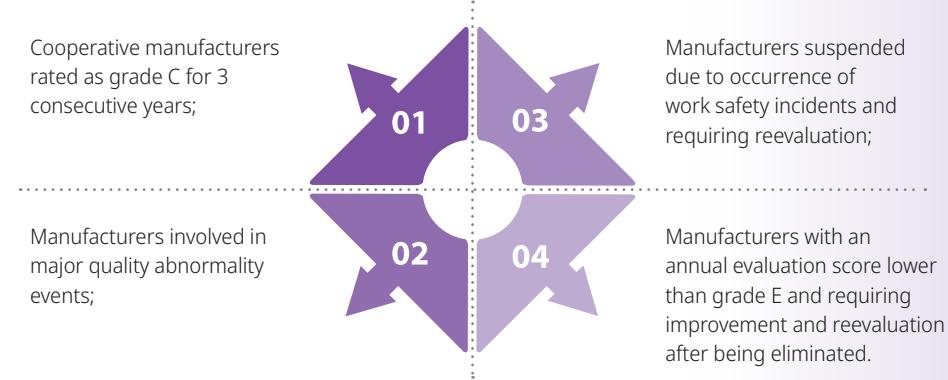
## Supplier Evaluation and Audit

To ensure the sustainable development of its supply chain, FORTUNE ELECTRIC has established standards for Supplier Development, Evaluation, and Assessment Procedures. Through annual evaluations and unscheduled audits, we ensure that suppliers meet standards related to quality, occupational safety, and environmental protection. Each year, the evaluation team reviews suppliers and arranges either documentation reviews or on-site assessments as needed. Key suppliers are subject to on-site audits by a cross-functional audit team, while the Procurement Department evaluates other suppliers. In 2024, face-to-face engagements were arranged with long-term contractors and suppliers with a high proportion and volume of orders. A total of 35 suppliers were managed under this supply chain initiative, achieving a 100% completion rate with no significant deficiencies or risks identified. These mechanisms ensure that suppliers continuously meet our corporate requirements and reinforce their awareness of social responsibility.

FORTUNE ELECTRIC also conducts annual assessments to ensure that suppliers remain compliant with legal and regulatory requirements. The evaluation criteria are adjusted based on the operational significance of each supplier. In 2024, the evaluation weightings were as follows: Quality 40%, Delivery 30%, Price 20%, and Cooperation 10%. Evaluation results are categorized into five grades: A, B, C, D, and E. Suppliers rated D will receive a corrective action notice and are required to respond with improvement plans. If no improvement is observed, transactions will be suspended (with exceptions for customer-designated suppliers). Suppliers rated E will face order reductions or removal from the supply chain. To resume business, they must submit an improvement plan and undergo re-evaluation at least one quarter later. Additionally, suppliers identified with deficiencies—such as undefined upper and lower control limits in process data or inadequate control over returned finished goods—must submit corrective measures within one month of the audit to ensure supply chain stability and continuous quality improvement.



### Four major indicators for suppliers included in the on-site evaluation



### Evaluation Results of FORTUNE ELECTRIC's Suppliers for the Last Three Years

Grade	2022	2023	2024
Grade A	0	0	1
Grade B	781	712	768
Grade C	5	6	10
Grade D	2	3	0
Grade E	0	1	0

### Implementation Status of FORTUNE ELECTRIC's Supplier Audit for the Last Three Years

Auditing method	2022	2023	2024	
	Number of suppliers expected to receive an on-site audit	30	34	35
On-site audit	Number of suppliers actually receiving an on-site audit	31	38	35
	Achievement rate	103.3%	111.8%	100%

# SERVICES THAT SATISFY CUSTOMERS

"Production is only the process; service is the ultimate goal." With 55 years of experience in both domestic and international markets, FORTUNE ELECTRIC is well-versed in global standards and the regulatory requirements of various countries. This enables us to respond flexibly to diverse market challenges and offer customers a wide range of tailored solutions. In the domestic market, we maintain close communication with our clients, adjusting quotation validity periods to accommodate unforeseen events beyond our control. This proactive approach ensures the on-time execution of projects, and to date, we have had no instances of contract breaches. In the international market, amid global uncertainties and port congestion leading to material shortages, we take the initiative to coordinate delivery schedules with our customers. Although this may lead to higher shipping costs, our dedication to integrity and professionalism has garnered strong customer support and helped us avoid substantial losses.

To enhance the reliability of power equipment and improve service quality, FORTUNE ELECTRIC has implemented the Emergency Power Restoration Service System (EWE001 Standard). This system ensures that customers receive prompt support when encountering power-related issues. Available 24 hours a day, customers can report power outages or equipment abnormalities, such as distribution panel failures, through a toll-free 0800 hotline or by directly contacting the Quality Assurance Department. Upon receiving a report, the Quality Assurance team swiftly activates the emergency response mechanism, assesses the issue according to standard procedures, and sends professional technical personnel to provide either remote assistance or on-site support. Depending on the situation, replacement parts may be deployed, or faulty equipment may be replaced. Through this service system, FORTUNE ELECTRIC significantly minimizes customer downtime due to equipment issues, ensures a stable power supply, and enhances the company's professional image and customer trust in the realm of emergency power support. For more information about the Emergency Power Restoration System, please refer to the Product Quality and Safety section.

## BEFORE DESIGN

Implement multiple meetings and reviews with customers before design, discuss detailed product items gradually, and carefully listen to customer requirements and offer suggestions.

## DURING MANUFACTURING

Provide a Gantt chart of the production progress, arrange progress meetings and inspections, and assist customers in learning about the production progress of our products and the quality of materials used.

## ACCEPTANCE OF FINISHED PRODUCTS

Test finished products according to customer requirements and international standards, and provide reports and operation manuals to the customers for review and retention.

## SHIPMENT AND INSTALLATION

Make it convenient for customers to receive goods according to customers' varying delivery conditions and assign technical engineers to guide customers on how to use and install the products.

## AFTER-SALES SERVICES

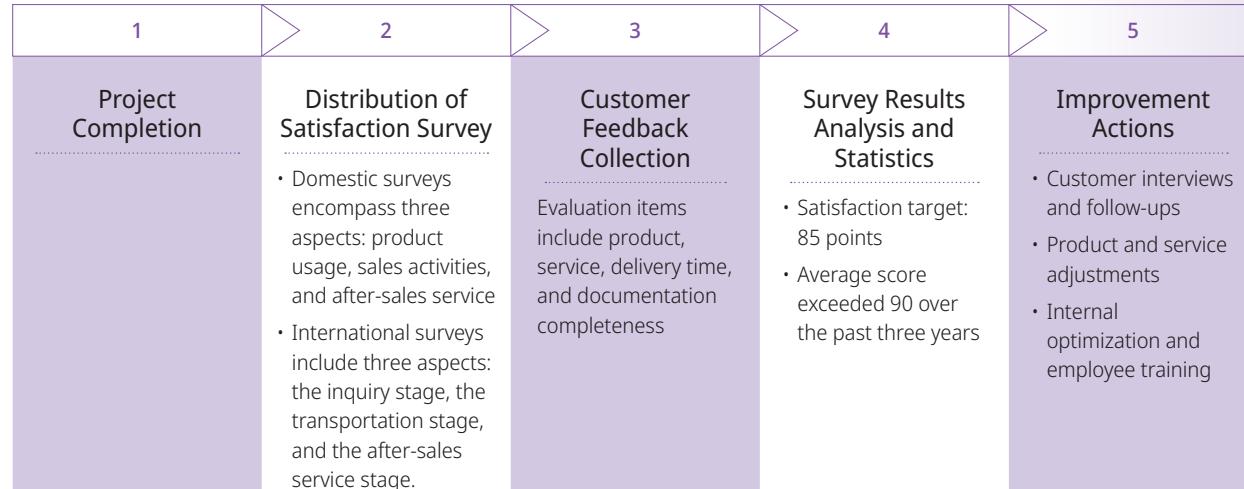
A 24-hour customer service telephone is available to provide comprehensive support for customer emergencies.

## Customer Satisfaction Survey

FORTUNE ELECTRIC is dedicated to delivering high-quality products and services, placing great importance on customer satisfaction. After completing domestic and international projects, we proactively distribute satisfaction surveys to gather customer feedback and suggestions. This enables us to quickly understand customer needs, identify areas for improvement, and enhance the quality of our products and services. We regard customer feedback as a catalyst for continuous improvement, ensuring that customers maintain a high level of recognition and trust in FORTUNE ELECTRIC.

To further improve our offerings, both domestic and international business units collaboratively plan the customer satisfaction survey process. Surveys are distributed either in person by sales or Quality Assurance personnel or mailed to ensure comprehensive feedback collection. Survey results are integrated into service improvement plans, guaranteeing that every piece of feedback leads to concrete actions that promote quality enhancement and increased customer satisfaction.

### Customer Satisfaction Survey Process



### Results of FORTUNE ELECTRIC's Customer Satisfaction Survey in the Last Three Years

Domestic Business Division			
Year	2022	2023	2024
Replied quantity	194	191	189
Recovery rate	93.78%	91%	91.75%
Average score of customer satisfaction	93.6	92.3	94.3

International Business Division			
Year	2022	2023	2024
Replied quantity	40	19	24
Recovery rate	100%	100%	100%
Average score of customer satisfaction	96.54	94.01	96.58

Note: In 2023, the replied quantity was much lower than that in the previous years, and the reason primarily lied in centralized customers, higher degree of concentration of orders.

Risks and Opportunities of Climate Change

Energy Management

Greenhouse Gas Emissions

Air Pollution Prevention and Control

Water Management

Waste Management

# SMART ENERGY CONSERVATION AND ENVIRONMENTAL SUSTAINABILITY

4  
CHAPTER



# RISKS AND OPPORTUNITIES OF CLIMATE CHANGE

In response to the risks presented by climate change for industrial operations, FORTUNE ELECTRIC has assigned its Sustainable Development Committee the task of collaborating with relevant departments to pinpoint potential climate-related risks and opportunities. Following the structure outlined by the Task Force on Climate-related Financial Disclosures (TCFD), the Company assesses impacts across four key areas: Governance, Strategy, Risk Management, and Metrics and Targets. Based on these assessments, we have proactively developed strategies and measures aimed at mitigating potential risks and minimizing losses due to climate change. As a prominent player in Taiwan's heavy electric industry, FORTUNE ELECTRIC is dedicated to addressing global climate challenges and facilitating the transition towards net-zero emissions. By comprehensively assessing climate-related risks and bolstering corporate resilience through product innovation and supply chain management, we aim to secure long-term competitive advantages.

## Environmental Policy

- Commit to reducing and preventing emissions from pollution sources
- Continually promote waste reduction
- Establish the concept of full involvement in environmental conservation and resource preservation
- Commit to adhering to environmental conservation regulations and continually making improvements

## Energy Policy

- Enhance energy efficiency and continuously improve energy performance
- Comply with energy-related regulations and prioritize the procurement of energy-efficient products
- Review energy targets and ensure access to relevant information and resources
- Implement the Energy Management System (EnMS) and encourage company-wide participation in energy conservation and carbon reduction
- Create corporate energy value and cultivate a culture of sustainability

## TCFD Core Elements and Financial Disclosures

### Core Elements

#### Governance

#### Action Plan

The Sustainable Development Committee is charged with convening relevant units to annually assess and confirm the potential impacts of each risk topic on the organization, both internally and externally. This includes identifying and evaluating the causes of climate change risks and developing responses to climate impacts. Furthermore, annual meetings are conducted to prioritize initiatives for corporate sustainable development, including matters related to climate change, in order to fulfill corporate social responsibility through concrete actions. At the beginning of each year, the committee reports the implementation status of the previous year's risk management efforts to the Board of Directors.

#### Strategy

Identify physical and transition risks and opportunities based on business types and operational conditions and actively promote green energy and environmental protection policies. In response to the impact of global climate change and the greenhouse effect on the environment, the Company has developed energy-saving and carbon-reduction measures. These measures include promoting energy conservation in offices and public areas, reducing waste, and implementing green procurement practices by purchasing products with energy-saving and environmental labels.

#### Risk Management

FORTUNE ELECTRIC has already established a risk management organization and system. The Company has created its risk management system according to the ISO 31000 risk management framework and based on the PDCA management cycle, to comprehensively manage various strategies, operations, finances, hazards, and other potential risks (including risk events such as operational and environmental climate) that may impact its operations and profits. This system aims to provide sufficient risk management for the Company's stakeholders, shareholders, and other relevant groups.

#### Metrics and Targets

In response to mitigating the impacts and risks associated with climate change and to meet targets related to green energy and carbon reduction, metrics have been utilized to manage risks and opportunities linked to climate change:

- The Company has established an energy management system compliant with ISO 50001, prioritizing solutions and responses to issues raised by stakeholders, identifying, responding to, and improving potential risks and opportunities. Relevant projects have been established based on the statistics of electricity, oil, and water consumption to implement energy conservation and carbon reduction measures. Additionally, the Company demonstrates its responsible corporate performance through energy management, water recycling, waste resource recovery, and carbon footprint reduction.
- Power consumption: The Company has established an energy management system and relied on third-party verification to develop relevant plans through systematic management. This promotes the implementation of the energy conservation and carbon reduction goal, aiming to save approximately 1% of electricity consumption within the Company.
- Power consumption: The Company has established an energy management system and relied on third-party verification to develop relevant plans through systematic management. This promotes the implementation of the energy conservation and carbon reduction goal, aiming to save approximately 1% of electricity consumption within the Company.
- Waste: The Company has implemented an environmental management system according to ISO 14001, customized to fit the industrial characteristics, to systematically manage process waste, reduce waste, recover resources, and handle other relevant tasks.
- Greenhouse gas: The following conclusions are drawn from the internal inventory of greenhouse gases emitted in 2024. The carbon emissions in Scope 1 and Scope 2 reached 24,589.3000 tCO<sub>2</sub>e and 9,860.3850 tCO<sub>2</sub>e, respectively. For the greenhouse gas SF<sub>6</sub>, the Company has developed recycling equipment and established a recycling mechanism for processes, detection, maintenance, and renovation, thereby minimizing the environmental impact. Regarding the use of insulating oil, the Company may opt for biodegradable insulating oil, such as vegetable oil, for manufacturing some transformers to make them more environmentally friendly. Concerning the supply chain, some manufacturers have coordinated a recycling mechanism for certain products of the Company to minimize the environmental impact.

On October 14, 2024, the Company convened a TCFD Risk and Opportunity Identification Meeting, attended by department heads and personnel from the ESG Sustainability Management Team of Fortune Group. The discussion was guided by an external advisory team. The meeting focused on a thorough assessment of the risks and opportunities outlined in the TCFD framework, including: Transition Risks: Policies and regulations, technology, market dynamics, and reputation; Physical Risks: Acute (short-term) and chronic (long-term) risks; Opportunities: Resource efficiency, energy sources, products and services, market potential, and resilience. Team members actively participated in the discussion and shared insights, collaborating to identify effective strategies for the Company's sustainable development. The key risks and opportunities identified in the 2024 assessment are summarized as follows:

## Transition Risks and Financial Impacts

Climate-related Risk	Subject	Potential Financial Impact	Responsive Actions
Risk of Policies and Regulation	Increasingly Stringent Regulations	In recent years, governments and international markets have imposed stricter regulations on carbon emissions, energy efficiency, and the development of green products. As a result, companies must allocate more resources to ensure compliance throughout the entire product development, manufacturing, and sales process. For FORTUNE ELECTRIC, this may lead to increased R&D expenses and higher costs associated with green design, particularly for high-energy-consuming equipment such as transformers and switchgear, as well as the potential for even stricter environmental standards and market demands in the future.	<ul style="list-style-type: none"> <li>Continue developing transformers, switchgear, and energy storage solutions that comply with international environmental standards.</li> <li>Increase investment in green energy technologies, such as high-efficiency transformers and low-carbon switchgear.</li> <li>Strengthen internal mechanisms for regulatory tracking and compliance review to ensure all products meet the latest environmental laws.</li> </ul>
	GHG Inventory (Scope 3-5 in Supply Chain)	GHG emissions from the supply chain (Scope 3-5) are increasingly subject to regulatory oversight. Companies are expected to account for emissions from suppliers and logistics, which could lead to rising transportation costs and affect overall supply chain management. Failure to reduce carbon emissions effectively may impact the company's green supply chain rating and, in turn, competitiveness in securing orders.	<ul style="list-style-type: none"> <li>Establish carbon emissions management mechanisms for the supply chain and optimize transport schedules to minimize trips and reduce emissions.</li> <li>Develop a Supplier Code of Conduct requiring suppliers to improve production and logistics models to reduce indirect emissions.</li> <li>Implement a carbon footprint tracking system in the Information Center to monitor emissions from business travel and logistics.</li> </ul>
	Stricter Environmental Laws	Increasingly stringent environmental laws may raise FORTUNE ELECTRIC's capital expenditures and operating costs. In particular, the value of high-carbon-emission and energy-intensive equipment used in manufacturing transformers, switchgear, and other power transmission and distribution products may decline. Additionally, plant expansion plans may face increased ESG scrutiny, potentially leading to higher expansion costs.	<ul style="list-style-type: none"> <li>Gradually phase out energy-intensive, high-emission equipment and improve production energy efficiency.</li> <li>Incorporate carbon emission and environmental impact factors in new plant assessments to ensure compliance with low-carbon operational standards.</li> <li>Proactively respond to investor ESG expectations to optimize capital expenditures and financial management, reducing future financing challenges.</li> </ul>
	Replacement of SF <sub>6</sub> Gas with Low-Carbon Alternatives	Currently, FORTUNE ELECTRIC uses SF <sub>6</sub> gas in gas-insulated switchgear (GIS), but global regulatory trends are moving toward restricting its use. This may render existing products noncompliant with future market demands, potentially affecting orders and business expansion. Moreover, low-carbon alternatives are still in the development stage, and transitioning may result in increased R&D and testing costs.	<ul style="list-style-type: none"> <li>Develop low-carbon alternative gas technologies, such as dry air or other eco-friendly gases, to reduce dependence on SF<sub>6</sub>.</li> <li>Adapt current product designs to comply with regulatory changes and maintain market competitiveness.</li> <li>Strengthen in-house manufacturing support for R&amp;D to accelerate the commercialization of new technologies.</li> </ul>
Technology Risk	Rising Customer Expectations for Energy Efficiency	Customers are placing higher demands on the energy efficiency of power transmission and distribution equipment. This could impact the competitiveness of FORTUNE ELECTRIC's transformers, switchgear, and energy storage products. Failure to meet customer expectations for high-efficiency products may result in unsuccessful bids and negatively impact business performance.	<ul style="list-style-type: none"> <li>Develop high-efficiency transformers and switchgear that meet both customer needs and regulatory standards.</li> <li>Collaborate with customers on technical development to ensure product designs align with market demand.</li> <li>Promote a green supply chain to ensure stable access to high-specification materials.</li> </ul>
	Increased R&D Costs and Resource Allocation	In response to market changes and regulatory requirements, FORTUNE ELECTRIC must invest more heavily in R&D and innovation. This will raise R&D expenditure and necessitate more precise resource allocation to ensure a return on investment.	<ul style="list-style-type: none"> <li>Promote open innovation through collaboration with academic institutions and industry alliances to accelerate technological breakthroughs.</li> <li>Enhance internal R&amp;D risk management to maximize the effectiveness of technology investments.</li> </ul>
Market Risk			

Climate-related Risk	Subject	Potential Financial Impact	Responsive Actions
Goodwill Risks	<b>Net Zero Carbon Transition Pathway</b>	The global push for net-zero carbon emissions is reshaping operational models, particularly in the power equipment and energy storage sectors. To meet government and market expectations for low-carbon equipment, FORTUNE ELECTRIC must continue to invest in high-efficiency transformers, solar, wind, storage, and EV charging infrastructure, while expanding its warehousing and production capacity to meet rising market demand.	<ul style="list-style-type: none"> <li>Continuously develop or upgrade high-efficiency and energy-saving products and promote smart factories to enhance product competitiveness.</li> <li>Actively participate in government projects to promote the deployment of electric vehicle (EV) chargers in public parking areas and industrial parks, thereby expanding the low-carbon product market.</li> <li>Improve warehousing and production efficiency to support the transition toward net-zero.</li> <li>Promote CSR initiatives, such as corporate tree-planting programs, to enhance the brand's sustainable image.</li> </ul>

## Physical Risks and Financial Impacts

Climate-related Risk	Subject	Potential Financial Impact	Responsive Actions
Acute Risk	<b>Extreme Weather (Typhoons, Heavy Rain) Causing Damage to Facilities and Equipment</b>	Flooding at the Taichung and Taoyuan plants due to typhoons or heavy rainfall could disrupt the production of transformers, switchgear, and electric vehicle (EV) chargers. This may result in delivery delays, an increased risk of contract breaches, and higher repair costs.	In addition to scheduled maintenance of plants and equipment, enhance site drainage systems and improve waterproofing levels of key equipment. Establish emergency response plans to minimize the impact of downtime.
	<b>Extreme Weather Disrupting Supply Chain and Logistics</b>	Typhoons and heavy rainfall can delay supplier deliveries and logistics, resulting in shortages of key components (e.g., silicon steel sheets, copper, and aluminum). This can disrupt transformers and switchgear production, increase delivery risk, and raise operational costs.	Maintain safety stock and sign early delivery agreements with suppliers. Secure alternative transportation arrangements to ensure supply continuity.
	<b>Extreme Weather Impacting Production and Workforce Scheduling</b>	Employee commuting may be disrupted by severe weather or natural disasters, which can impact plant operations and production schedules. This can lead to delayed deliveries and increased costs due to overtime.	Implement flexible work hour policies to ensure the availability of a critical workforce. Strengthen remote work capabilities to reduce operational risks.
	<b>Extreme Weather Delaying Construction Projects</b>	Typhoons may disrupt power transmission and distribution projects, as well as EV charger installations, potentially causing schedule delays, late penalties, and reduced credibility in project fulfillment.	Incorporate buffer time into construction schedules and avoid typhoon seasons. Ensure contingency flexibility in project timelines.
	<b>Extreme Weather Damaging Operational Equipment</b>	Power equipment and EV chargers may be damaged by storms, affecting customer electricity access and user experience, leading to higher emergency repair, maintenance, and replacement costs.	Enhance equipment weather-resistance testing. Implement emergency restoration service mechanisms (especially for natural disasters). Establish post-typooh inspection and rapid repair protocols to ensure customer power recovery and service continuity.
Long-term Risk	<b>High Temperatures Impacting Factories and Outdoor Work</b>	Rising summer temperatures may drive up cooling and air conditioning costs, decrease production efficiency, and heighten the risk of heat-related injuries among outdoor workers, leading to increased medical expenses and compensation claims.	Strengthen factory cooling systems and optimize shift schedules and work hours. Provide heat protection equipment and financial subsidies for outdoor workers.

## Climate-related Opportunities and Financial Impacts

Type	Climate-related Opportunity	Potential Financial Impact	Responsive Actions
Market	<b>Growing demand for power equipment under global resilient grid initiatives and net-zero trends</b>	The demand for power equipment continues to grow steadily, but supply shortages and rising operational costs resulting from global trade tensions pose significant risks.	Continuously optimize production lines, enhance product competitiveness, diversify supply sources, and integrate core supplier teams. Leverage the 60% production activation mechanism to ensure timely and quality deliveries and strengthen reliance among Tier A customers.
	<b>Adoption of low-carbon gases (SF<sub>6</sub> alternatives) in gas-insulated switchgear</b>	Successfully developing new products enhances market competitiveness, increases order volumes and revenue, and ensures compliance with environmental regulations, supporting government and corporate procurement.	Conduct in-depth market analysis, monitor regulatory trends, and maintain close collaboration with customers to align product development with market needs, improving business expansion outcomes.
	<b>Enhanced brand image and market competitiveness</b>	Although green marketing may increase costs, it helps boost brand visibility, attract potential customers, enhance corporate social image, and drive business growth.	Actively participate in major international exhibitions and technical seminars on energy efficiency, engage customers, increase brand exposure, and enhance loyalty and market recognition.
	<b>Expansion of EV charging infrastructure market</b>	EV charging businesses can generate charging service fees, secure government subsidies and public tenders, and boost market share.	Actively participate in government tenders, collaborate with public parking lots to expand charger deployment, increase market penetration, and develop smart charging management systems to enhance service competitiveness.
Energy Source	<b>Optimization of factory energy management and standardized air-conditioning settings</b>	Installing temperature sensors and an energy management system requires initial investment but reduces long-term electricity consumption, lowers energy costs, improves operational efficiency, and reduces carbon emissions.	Install temperature sensors and integrate visualized management systems to enhance energy monitoring, maintain optimal temperature ranges, and reduce unnecessary power consumption.
	<b>Use of low-carbon gases (SF<sub>6</sub> alternatives) in gas-insulated switchgear</b>	As the market shifts toward eco-friendly switchgear, developing low-carbon gas products secures early market entry, improves competitiveness, and drives revenue growth.	R&D teams are actively engaged in developing new low-carbon gas switchgear and collaborating with domestic and international standard-setting bodies to ensure compliance with global regulations and market trends, thereby enhancing product competitiveness.
Products and Services	<b>Rising demand for high-reliability equipment (e.g., low/high temperature resistant, humidity-proof, shock-resistant)</b>	Meeting specific customer needs secures early advantages, drives revenue growth, and improves market competitiveness.	Provide professional pre-sales technical services, develop equipment suited for extreme environments (such as those with extreme temperatures or shock resistance), and continuously implement SIoT-based remote monitoring systems.
	<b>Government and corporate efforts to strengthen the power grid and electrical infrastructure are driving increased replacement demand</b>	Drives demand for ultra-high voltage and high-efficiency power equipment, contributing to long-term operation and maintenance revenue.	Continuously optimize production lines, implement a three-shift system to expand capacity, improve equipment utilization rates, and accelerate technical talent development. Standardize and lighten product designs to enhance competitiveness.
Resource Efficiency	<b>Water resource recycling and reuse</b>	Installing a water recycling system requires initial investment but can significantly reduce long-term water procurement costs, lower operational expenses, and enhance ESG performance, increasing competitiveness in government and green energy tenders.	Guanyin Plant III introduced a wastewater recycling system designed to achieve a 50% recovery rate. Recycled water is used for toilet flushing and plant irrigation, with an eco-pond established to reduce wastewater discharge and improve resource efficiency.

# ENERGY MANAGEMENT

To improve energy efficiency and support our carbon reduction objectives, FORTUNE ELECTRIC has introduced an advanced Energy Management System designed to monitor energy consumption across all factory locations. In collaboration with the Health and Safety Department and expert external partners, we have formulated energy maps for our facilities. These maps pinpoint high-energy-consuming equipment and facilitate the installation of meters for data integration. All consumption data feeds into a visualized energy management platform, enabling management to swiftly track equipment energy usage across plants. This capability allows for the optimization of contract capacities, immediate identification of unusual electricity usage, and data-driven analysis. The system also features an alert function that promptly informs relevant departments when abnormal consumption is detected, ensuring timely interventions and supporting stable and efficient energy usage.

We conducted zoning and mapping for each facility and took inventory of both monitored and unmonitored equipment. At the Zhongli Plant, for example, all work and office areas were clearly defined, and equipment with installed meters was marked, resulting in the creation of a visualized energy management map. This approach not only enables effective monitoring of energy usage by area but also allows for early detection of anomalies, significantly improving energy efficiency and reducing waste. The system provides strong data support for energy-saving and carbon reduction objectives.



▲Group-Wide Factory Energy Overview and Chung Li Plant Energy Map and Consumption Dashboard.

## Energy Consumption inside the Organization

FORTUNE ELECTRIC uses Scope 1 and Scope 2 energy sources. Scope 1 includes gasoline, diesel, and LPG (Liquefied Petroleum Gas); Scope 2 primarily includes electric power purchased from the Taiwan Power Company. Additionally, the total output value of all four factories is adopted as the denominator to calculate the intensity of energy consumption and observe the energy changes consumed in multiple years. However, each factory adopted different calculation methods to calculate Scope 3 energy sources, resulting in only the relevant data of Scope 1 and Scope 2 being disclosed.

### FORTUNE ELECTRIC's Energy Consumption and Energy Intensity Unit: MJ

Factory	Type	2022	2023	2024
Chung Li Plant	Scope 1	264,294.72	375,548.31	1,311,033.05
	Scope 2	9,631,440	1,146,600	14,423,400
Guan Yin Plant II	Scope 1	372,322.096	382,233.50	931,007.93
	Scope 2	21,854,880	23,670,720	28,584,000
Guan Yin Plant III	Scope 1	2,167,455.430	2,421,502.20	1,888,672.87
	Scope 2	2,988,000	3,123,360	2,710,080
FORTUNE ELECTRIC Extra High Voltage Co., Ltd.	Scope 1	-	48,245.12	75,105.32
	Scope 2	-	23,182,560	28,864,800
Total of Energy Consumption		37,278,392.246	54,350,769.13	78,788,099.17
Total output value of all four factories, i.e., Chung Li Plant, Guan Yin Plant II, Guan Yin Plant III, and FORTUNE ELECTRIC Extra High Voltage Co., Ltd. (NT\$ 1 million)		8,167.979	15,096.945	22,308.586
Energy Intensity		4,563.968	3,600.117	3,531.739

Notes: 1. The Greenhouse Gas Emission Coefficient Management Table (Version 6.0.4) announced by the Environmental Protection Administration, was adopted as the source of the conversion coefficient used as the main basis for the calculation of emission sources inside the organization.

2. The source of energy data in Scope 2 was purchased electricity. Calculation formula of purchased electricity: 1kWh = 3.6MJ.

3. Calculation formula of energy intensity: Energy consumption (MJ)/Total output value of all four factories (NT\$1 million)

4. The data in 2022 didn't include FORTUNE ELECTRIC Extra High Voltage Co., Ltd. The total output value reached NT\$ 8,167.979,000 in 2022, respectively.

# GREENHOUSE GAS EMISSIONS

To fulfill its responsibilities as a citizen of Earth, FORTUNE ELECTRIC actively discloses information on greenhouse gas emissions and calculates the total greenhouse gas emissions. The types of emissions include Scope 1, Scope 2, and Scope 3. The carbon emissions generated from Scope 1 include gasoline, diesel, LPG (Liquefied Petroleum Gas), and SF6 (sulfur hexafluoride). In contrast, the carbon emissions generated from Scope 2 primarily include electric power purchased from the Taiwan Power Company.

Additionally, the greenhouse gas (GHG) emission intensity is calculated using "operating revenue" as the denominator to determine the intensity ratio. In 2024, the total GHG emissions amounted to 34,449.6850 tCO<sub>2</sub>e, resulting in a GHG emission intensity of 1.5442 tCO<sub>2</sub>e per NT\$ million. To strengthen the company's greenhouse gas management, FORTUNE ELECTRIC conducted a greenhouse gas (GHG) inventory in 2021, in accordance with the ISO 14064-1 standard, which has been set as the base year. Moving forward, the company will establish specific carbon reduction targets to further enhance climate action.



## FORTUNE ELECTRIC's Greenhouse Gas Emissions

Unit: tCO<sub>2</sub>e

Factory	Type	2022	2023	2024
Chung Li Plant	Scope 1	112.7100	123.0380	163.0890
	Scope 2	1,324.3230	1,573.1430	1,899.0810
Guan Yin Plant II	Scope 1	98.1830	21,498.0500	24,099.4070
	Scope 2	3,005.0460	3,248.1490	3,763.5600
Guan Yin Plant III	Scope 1	175.6740	185.3720	156.0370
	Scope 2	410.8500	429.4620	397.2120
FORTUNE ELECTRIC Extra High Voltage Co., Ltd.	Scope 1	39,089.9780	25,253.4218	170.7670
	Scope 2	2,745.6660	3,176.2224	3,800.5320
Total		46,962.4310	55,486.8582	34,449.6850

Notes: 1. The Greenhouse Gas Emission Coefficient Management Table (Version 6.0.4), announced by the Environmental Protection Administration on June 27, 2019, was adopted as the source of the conversion coefficient, serving as the primary basis for calculating emission sources within the organization.

2. The carbon emission coefficient of electric power, as announced by the Energy Administration, Ministry of Economic Affairs, was 0.495 kg CO<sub>2</sub>e/kWh in 2022, 0.494 kg CO<sub>2</sub>e/kWh in 2023, and 0.474 kg CO<sub>2</sub>e/kWh in 2024, which were used for calculation.

3. In 2024, FORTUNE ELECTRIC underwent external verification of its 2022 and 2023 greenhouse gas emissions data; therefore, the information has been restated accordingly.

## FORTUNE ELECTRIC's Greenhouse Gas Emission Intensity

	2022	2023	2024
Greenhouse gas emissions (tCO <sub>2</sub> e)	5,126.7860	55,486.8582	34,449.6850
Total output value of all four factories, i.e., Chung Li Plant, Guan Yin Plant II, Guan Yin Plant III, and FORTUNE ELECTRIC Extra High Voltage Co., Ltd. (NT\$ 1 million)	8,167.979	15,096.945	22,308.586
Greenhouse gas emissions intensity	0.6276	3.6753	1.5442

Notes: 1. Calculation formula of greenhouse gas emission intensity: Greenhouse gas emissions (tCO<sub>2</sub>e)/Total output value of all four factories (NT\$ 1 million)

2. The data in 2022 didn't include FORTUNE ELECTRIC Extra High Voltage Co., Ltd. The total output value NT\$ 8,167,979,000.

3. In 2024, FORTUNE ELECTRIC underwent external verification of its 2022 and 2023 greenhouse gas emissions data; therefore, the information has been restated accordingly.

## Reduction of Energy Consumption

The Company is dedicated to improving energy efficiency and reducing equipment energy consumption. It manages the real-time energy consumption of the plant area through the energy management system. On October 16, 2024, the Company acquired an award for factory greening counseling plan achievements from the Taoyuan City Government and obtained a subsidy of NT\$ 225,000 for the promotion of replacement of the original water heaters with energy-saving heat pump water heaters in employees' dormitories.

Additionally, FORTUNE ELECTRIC improves energy consumption and saves resources by relying on the benefits brought by intelligent projects. The relevant expenditure reduced due to electricity savings became tangible assets; additionally, the Company improves its operating processes and quality and other relevant intangible benefits. FORTUNE ELECTRIC includes its annual energy consumption reduction plans in the following table, to clearly present the practical actions taken by FORTUNE ELECTRIC to continually care about the environment and reduce pollution.

## FORTUNE ELECTRIC's Energy-saving Action Plans and Energy-saving Performance in 2024

Action Plan	Electricity saved (Unit: kWh)	Energy consumption reduced (Unit: MJ)	Carbon emission reduced (Unit: tCO <sub>2</sub> e)
Replacement of electric water heaters with heat pump water heaters in the dormitories on the 2nd and 3rd floors at Chung Li Plant.	6,012.8	21,646.08	2.85
The electric water heaters in the foreign employees' dormitory were replaced with heat pump water heaters at Plant II	21,499	77,396.40	10.19
Replacement of electric water heaters with heat pump models (two units) in the employee dormitory at Plant III	13,875	49,950.00	6.58
Enhancement of air compressors in Manufacturing Section 2, Plant III	16,034	57,722.40	7.60
Replacement of air conditioning units in the employee cafeteria at Plant III	1,489	5,360.40	0.71
New water chillers (100 refrigerating tons) were installed at the Taichung Factory of FORTUNE ELECTRIC Extra High Voltage Co., Ltd. for dispatching and air conditioning adjustments.	421,200	1,516,320.00	199.65
Total	480,109.8	1,728,395.28	227.58

Notes: 1. Purchased electricity: 1kWh=3.6MJ

2. According to the 2024 announcement from the Energy Administration, Ministry of Economic Affairs, the electricity carbon emission factor is 0.474kg CO<sub>2</sub>e/kWh.

# AIR POLLUTION PREVENTION AND CONTROL

FORTUNE ELECTRIC conducts biannual measurements of carbon dioxide (CO2) concentrations in the indoor work environments across all its plants, with all results consistently meeting regulatory standards. In the coating processes at Plant II, Plant III, and the Taichung Factory of FORTUNE ELECTRIC Extra High Voltage Co., Ltd., the company manages fixed pollution sources by adhering strictly to established operational procedures. Additionally, air pollution prevention and control equipment is regularly maintained, and emissions are monitored in accordance with legal requirements. This year's testing results fully comply with all applicable regulations. Furthermore, Plant III has actively promoted air pollutant reduction in recent years by transitioning from liquid coating processes containing volatile organic compounds (VOCs) to powder coating processes, which generate significantly lower pollution levels. This shift effectively reduces environmental and atmospheric contamination.

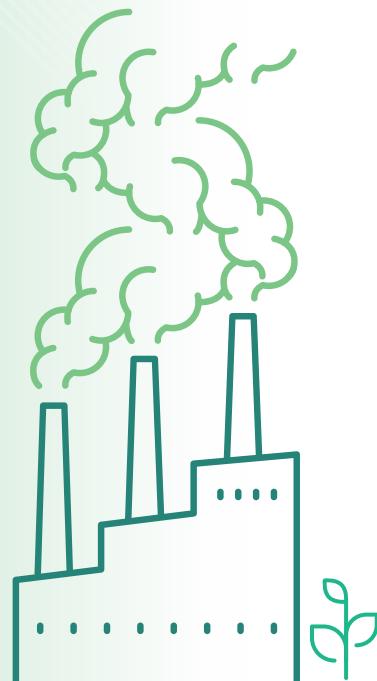
## FORTUNE ELECTRIC's Major Gas Emissions

Unit: ton

Type of gas	2022	2023	2024	Increase or decrease compared with the previous year
Nitrogen oxides (NOx)	0.1098	0.120	0.13	8%
Sulfur oxides (SOx)	0.0087	0.01	0.01	0
Persistent Organic Pollutant (POP)	0	0	0	0
Volatile Organic Compounds (VOCs)	9.7913	21.619	23.939	11%
Hazardous Air Pollutant (HAP)	0	0	0	0
Particulate Matter (PM)	0.0466	0.049	0.048	-2%

Notes: 1. The increase of major gases is included in the relevant statistical data of FORTUNE ELECTRIC Extra High Voltage Co., Ltd.

2. The 2023 data for volatile organic compounds (VOCs) and particulate matter (PM) were initially omitted from the statistics and have since been recompiled accordingly.



# WATER RESOURCE MANAGEMENT

FORTUNE ELECTRIC is dedicated to sustainable development through proactive water resource recycling and environmental protection initiatives. The company has implemented rainwater harvesting projects across all its plants, with Guanyin Plant III achieving an impressive wastewater recycling rate of 50%. Each facility is equipped with a rainwater recovery system. In 2024, FORTUNE ELECTRIC successfully recycled a total of 336 metric tons of rainwater—16 tons at the Zhongli 1st Factory and 320 tons at the Guanyin 3rd Factory. Meanwhile, the Taichung Factory of FORTUNE ELECTRIC Extra High Voltage Co., Ltd. has yet to install a rainwater recovery system. The recovered water is mainly utilized for toilet flushing, and there are plans in place to expand its usage to enhance overall water use efficiency.

In terms of wastewater treatment, FORTUNE ELECTRIC strictly complies with the sewage discharge standards of the industrial zone. The Zhongli 1st Factory and Guanyin 2nd Factory ensure that their discharged water meets regulatory requirements. Due to specific production needs, Guanyin Plant III has implemented specialized acid-base neutralization and sludge treatment processes, guaranteeing that the water released into Guanyin Creek adheres to environmental standards and minimizes ecological impact.

Beyond managing internal water resources, FORTUNE ELECTRIC actively engages in ecological conservation and environmental cleanup efforts. The company has long participated in river restoration initiatives to maintain healthy waterways and is involved in the Taoyuan "Centennial Harmony" project by adopting Guanyin Creek. Through these efforts, FORTUNE ELECTRIC helps protect local biodiversity and preserve the creek's role as an ecological corridor. In response to global water scarcity challenges, FORTUNE ELECTRIC will continue to promote water-saving measures, enhance water recycling efficiency, and collaborate with the community to protect precious natural resources.

## Environmental Impact Assessment of Effluent

FORTUNE ELECTRIC's Plant I and Plant II do not generate process wastewater. Domestic sewage from these facilities is discharged to the industrial park's sewage treatment plant for proper handling. At Guanyin Plant III, all process wastewater is treated through dedicated on-site facilities to ensure it meets regulatory discharge standards. To safeguard the water quality of Guanyin Creek, FORTUNE ELECTRIC conducts routine monitoring and promptly reports any irregularities to the relevant environmental authorities. FORTUNE ELECTRIC Extra High Voltage Co., Ltd. does not produce process wastewater. Since there is no sewage treatment facility at its location, the company conducts water quality testing biannually and submits the results to the Port Authority for compliance review and record-keeping.

### FORTUNE ELECTRIC's Total Water Withdrawal in All Regions in the Last Three Years

Unit: 1,000,000L

Plant Category	2022		2023		2024	
	Tap water	Rainwater	Tap water	Rainwater	Tap water	Rainwater
Chung Li Plant	6.925	0.005	12.660	0.008	14.165	0.016
Guan Yin Plant II	22.454	0.025	27.612	0.019	20.761	0
Guan Yin Plant III	6.187	0.300	6.879	0.315	6.879	0.32
FORTUNE ELECTRIC Extra High Voltage Co., Ltd.	-	-	11.090	0	12.974	0
Total	35.566	0.330	58.241	0.342	54.779	0.336

## Monitoring Results of FORTUNE ELECTRIC's Water Discharge and Water Quality in the Last Three Years

Unit: 1,000,000L

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Plant area	Local pipeline inclusion standard	2022			2023		2024		Destination of discharge
		2022	2023	2024	2023	2024	2023	2024	
Chung Li Plant	Water discharge	1,000,000L	6.925	12.660	11.433				Sewage treatment plant of the industrial park
	Rainwater	1,000,000L	0.005	0.008	0.016				Sewage treatment plant of the industrial park
	Chemical oxygen demand (COD)	480mg/L	453	427	171				Sewage treatment plant of the industrial park
	Suspended Solids (SS)	320mg/L	39.3	78.5	30.8				Sewage treatment plant of the industrial park
Guan Yin Plant II	Water discharge	1,000,000L	17.312	21.746	17.368				Sewage treatment plant of the industrial park
	Rainwater	1,000,000L	0.013	0.010	0				Partially included in water pipeline
	Chemical oxygen demand (COD)	480mg/L	348	189	297				Sewage treatment plant of the industrial park
	Suspended Solids (SS)	320mg/L	55.10	26.5	52				Sewage treatment plant of the industrial park
Guan Yin Plant III	Water discharge	1,000,000L	5.793	3.972	4.64				Guanyin Creek
	Rainwater	1,000,000L	-	-	-				Included in sewage treatment plant
	Chemical oxygen demand (COD)	100mg/L	10.7	10.4	12.7				Guanyin Creek
	Suspended Solids (SS)	30mg/L	8.0	7.85	6.6				Guanyin Creek
FORTUNE ELECTRIC Extra High Voltage Co., Ltd.	Water discharge	1,000,000L	-	11.090	12.974				Port of Taichung
	Rainwater	1,000,000L	-	0	0				Port of Taichung
	Chemical oxygen demand (COD)	100mg/L	-	24.3	80.2				Port of Taichung
	Suspended Solids (SS)	80mg/L	-	54	12.6				Port of Taichung
Total water discharge		1,000,000L	30.048	49.486	46.431				

## FORTUNE ELECTRIC's Total Water Consumption in All Regions in the Last 3 Years

Unit: 1,000,000L

Year	2022	2023	2024
Annual water consumption	5.848	9.097	8.684



# WASTE MANAGEMENT

FORTUNE ELECTRIC fully recognizes its corporate responsibility to protect the environment and is dedicated to fostering a circular economy through various initiatives aimed at reducing environmental impact and improving waste management efficiency. The company actively promotes sustainable material management, concentrating on the lifecycle management of materials—from production to recycling—to significantly decrease resource consumption. Recyclable materials are integrated into product design to facilitate the creation of environmentally friendly products.

In terms of waste management, FORTUNE ELECTRIC implements source reduction and resource recycling, assigning dedicated personnel to oversee waste classification and ensure effective recycling of copper, iron, oil, paper, and other materials. Through refined management practices, the company has set a target to reduce waste intensity by 10%-15% per million NTD of production output, continuously optimizing resource utilization. Household waste is incinerated in cooperation with local authorities to minimize volume and environmental impact, while recyclable materials are handled by licensed recycling firms to maximize recovery rates.

On the production side, the company enforces waste recycling and reuse, including recovering and reusing pallets to reduce single-use consumption. Some waste is converted into fuel through waste-to-energy processes. For instance, motor manufacturers repurpose scrap silicon steel sheets to produce small transformers, which are then resold to vendors—FORTUNE ELECTRIC Extra High Voltage Co., Ltd. recycled 57.237 metric tons of such materials in 2024. Waste copper is either sold back to original suppliers or recycled by qualified operators, ensuring the highest possible resource efficiency and promoting the principles of a circular economy.

In response to climate change challenges, FORTUNE ELECTRIC will continue to enhance green supply chain management and collaborate closely with suppliers, customers, and government agencies to promote environmental technologies and work toward a “zero waste” goal—contributing to the sustainable development of our planet.

## Total Waste Volume and Disposal Methods in 2024 (Unit: metric tons)

Waste Composition	Total Waste Volume	Total Waste Transferred for Recycling	Total Waste Disposed (Incineration/Landfill)
Hazardous Waste	0	0	0
Non-hazardous Waste	954.047	692.588	261.459
Total Waste	954.047	692.588	261.459

## Improvement of Coating and Sandblasting Work Environment at Taichung Plant

FORTUNE ELECTRIC's Taichung Plant continues to enhance its production environment by implementing engineering upgrades aimed at improving the safety and environmental performance of its coating and sandblasting operations. For the sandblasting process, a recycling system was introduced to effectively collect dust and residue, which reduces environmental dust dispersion and minimizes health risks for operators. Additionally, improvements were needed for the paint mixing operations needed improving. Previously, no exhaust system was in place, leading to the accumulation of volatile organic compounds (VOCs) in the workspace, which affected air quality and posed health risks to employees. In 2024, the Taichung Plant installed a new ventilation and exhaust system in the paint mixing area, directing exhaust gases to pollution control equipment for treatment. This upgrade has not only enhanced the working environment but also ensured compliance with regulatory requirements. These improvements reflect FORTUNE ELECTRIC's strong commitment to occupational safety and environmental protection, ensuring that employees can work in a safer and healthier environment while minimizing the impact on the surrounding community.



## Introduction of German SF<sub>6</sub> Gas Recovery and Filling Equipment to Enhance Environmental Performance

In alignment with ESG initiatives, FORTUNE ELECTRIC introduced advanced German-made SF<sub>6</sub> gas recovery and filling equipment in December 2024 to enhance gas management during transformer optimization testing processes. This equipment features high-efficiency recovery capabilities and a fail-safe design, significantly reducing the risk of SF<sub>6</sub> leakage and preventing gas loss due to human error—thereby improving environmental management performance. The new system also enables each plant to independently handle SF<sub>6</sub> recovery, eliminating the need to share equipment across sites. This not only allows for more accurate tracking of SF<sub>6</sub> usage but also reduces the risk of leakage during equipment transportation. Through this technological upgrade, FORTUNE ELECTRIC continues to optimize its manufacturing processes, lower greenhouse gas emissions, and fulfill its commitment to green manufacturing and sustainable operations.



## Management of the Relevant Significant Impact from Waste

FORTUNE ELECTRIC deeply understands that an enterprise is responsible for protecting the environment. Therefore, it integrates environmental and safety considerations into its corporate operations. The Company has introduced ISO 45001 Occupational safety and health management systems and integrated them into the production process. The Company is committed to providing all employees with a favorable and safe work environment, reducing environmental and work safety risks, improving production efficiency, complying with standards for green products, minimizing waste generation, increasing resource reutilization, reducing resource waste in pollution discharge, advancing towards green design, contributing to an environmentally friendly Earth, and

achieving the goal of corporate sustainable development.

To minimize our environmental impact, we are dedicated to waste management. Colleagues from each unit are required to participate in waste classification daily. At the same time, special personnel are assigned to supervise, ensuring the effective practice of resource recycling. The main waste generated in the factories primarily includes recyclable metals, plastics, and paper. General waste is handed over to the combined heat and power incineration plant for treatment. As for waste wood, approximately 15% is allocated to kindergartens for revitalization and reuse in classroom decorations and the production of tables and chairs. The remaining portion is sent to a cogeneration plant for further

reutilization. The waste insulating oil generated in the transformer process and the waste powder generated from the coating processes of Plant II and Plant III are handed over to a re-utilization treatment manufacturer for processing. The sludge generated from the sewage treatment plant of Plant III is transported to a specific treatment plant and then reused in the brick-making process.

To minimize waste generation in our processes, we've implemented measures such as waste reduction, recycling, and re-utilization. Currently, our goal is to reduce waste by 8%, calculated per weight and NT\$ 1,000,000 of output value. In 2024, the goal of waste reduction by 15% was already achieved.

### Waste Transferred from Disposal to Recovery in 2024 (Unit: metric tons)

Operation Type		On-site	Off-site	Total
Hazardous Waste	Preparation for Reuse	0	0	0
	Recycling	0	0	0
	Other Recovery Methods	0	0	0
	Total	0	0	0
Non-Hazardous Waste	Preparation for Reuse	0	9.16	9.16
	Recycling	0	631.738	631.738
	Other Recovery Methods	0	51.69	51.69
	Total	0	692.588	692.588

Notes: 1. Preparation for Reuse: Operations such as inspection, cleaning, or repair to allow products or components that were considered waste to be reused for their original purpose.

2. Recycling: Reprocessing products or components considered waste into new materials.

3. On-site: Waste treated in-house.

4. Off-site: Waste outsourced for treatment.

### Waste Directly Disposed of in 2024 (Unit: metric tons)

Operation Type		On-site	Off-site	Total
Hazardous Waste	Incineration (with energy recovery)	0	0	0
	Incineration (without energy recovery)	0	0	0
	Landfilling	0	0	0
	Other Disposal Methods	0	0	0
Non-Hazardous Waste	Total	0	0	0
	Incineration (with energy recovery)	0	106.023	106.023
	Incineration (without energy recovery)	0	141.766	141.766
	Landfilling	0	11.58	11.58
Other Disposal Methods		0	2.09	2.09
Total		0	261.459	261.459

Notes: 1. Incineration: Controlled high-temperature combustion of waste.

2. Landfilling: Final disposal of solid waste in engineered underground or above-ground facilities.

3. On-site: Waste treated in-house.

4. Off-site: Waste outsourced for treatment.

FORTUNE ELECTRIC requires all suppliers to comply with applicable environmental, health, and safety regulations. Suppliers are expected to uphold principles of corporate social responsibility and minimize the impact of their operations on ecosystems, local communities, and society. They are also encouraged to promote sustainable consumption practices. The following principles should guide their R&D, procurement, production, operations, and services:

1 Reduce the consumption of resources and energy in products and services.

2 Minimize the discharge of pollutants, toxic substances, and waste, and ensure proper waste treatment.

3 Enhance the recyclability and reusability of raw materials and products.

Maximize the sustainable use of renewable resources.

4

Extend product durability.

5

Improve the performance of products and services.

6



▲The axles and pallets were provided to kindergartens for creative reuse in classroom decoration and the making of tables and chairs, combining sustainability with innovative design

Human Rights Prioritized in the Workplace  
Remuneration and Welfare  
Employee-Management Relationship  
Talent Training Pipelines  
Occupational Health and Safety  
Promotion of Worker Health

Occupational Health and Safety  
Management for Contractors  
Creating a Safe Workplace

# PEOPLE-CENTERED AND FULFILLING WORKPLACE

CHAPTER  
5



## • Human Resources Policies and Commitments

Integrate group resources and strengthen competitive advantage  
Deepen core competencies and enhance technical expertise  
Implement clear responsibilities and emphasize full participation  
Cultivate top-tier talent and move toward sustainable operations

## • Occupational Health and Safety Policy

### Compliance (Legal Adherence):

Comply with all relevant regulations related to environmental protection, occupational health and safety, fire safety, and directives from supervisory authorities. Regular inspections are conducted to ensure that workplace conditions meet legal standards. The company strictly adheres to five categories of regulations: labor, fire safety, traffic, environmental, and water resource laws, fully honoring its corporate social responsibilities.

### Prevention (Hazard Prevention):

Based on the annual workplace injury report, key risk areas at the plant include crane operations, working at heights, and commuting accidents. Management efforts focus on hazard prevention and process improvements. During the R&D phase, materials are carefully selected, with active identification of alternatives. Automated inspections are implemented to improve work efficiency and reduce potential Health and Safety risks associated with products, activities, and services.

### Improvement (Continuous Improvement):

Through the PDCA cycle and a proposal improvement system, the company continually conducts audits and management reviews to meet the requirements of its Health and Safety policies, goals, and management programs—enhancing self-management capabilities in occupational Health and Safety.

### Shared Responsibility (Self and Mutual Protection):

Employees actively participate in Health and Safety activities, receive relevant training, and develop a strong internal consensus. Open communication channels are maintained to ensure all stakeholders work together to improve workplace health and safety.

### Material Topics

### Workplace Equality and Diversity

### GRI Principle

GRI 405-1, GRI 405-2

### Policies or Commitments

FORTUNE ELECTRIC is dedicated to its corporate mission of "reassuring employees," "reassuring customers," "reassuring shareholders," and "reassuring society," striving to create a happy and inclusive workplace. We uphold the universal value of gender equality, promote diversity within the Board of Directors and the workforce, and ensure a safe, harassment-free work environment for all employees and job applicants. We are committed to fostering a fair and respectful corporate culture.

### Appeal and Communication Pipelines

- Open communication channels for employees: FE Family Suggestion Box.
- Regular employee interviews to gain deeper insights into working conditions.
- Prompt handling of employee feedback.

### Metrics and Targets

#### Short-term goals (1~2 years):

- Support the employment of at least 10 middle-aged and older people every year.
- Actively employ at least 10 fresh graduates every year.
- Employ disabled or indigenous people as a priority. The number of disabled or indigenous people annually hired shall account for at least 1% of the workforce.
- Organize reviews for foreign model employees every year. The annual quota of foreign model employees shall account for at least 10% (one model representative selected for every 10 foreign employees) of the total number of foreign employees in the plant area.

### Effectiveness Tracking Mechanism

#### Mid-long-term goals (2~5 years):

- Pay active attention to the work interests of disadvantaged groups and provide complete benefits.
- Strengthen the energy of industry-university cooperation and emphasize the development of EHV talent in Taiwan.
- Improve the relevant interests of foreign workers.
- Support a work-life balance, and promote the implementation of measures related to flexible working, e.g., teleworking, flexible working hours, etc.
- Provide a family-friendly workplace for all employees, ensuring both male and female staff can enjoy adequate and flexible family care leave.
- Build a friendly workplace environment, abide by the Gender Equality in Employment Act, and implement sexual harassment prevention and control measures.

### Annual Action Plan and Measure

- Workplace sexual harassment prevention and control measures adopted by FORTUNE ELECTRIC CO., LTD.
- Regulations governing appeal and punishment.
- Received the 2024 HR Asia Best Companies to Work for in Asia Award and Diversity, Equity and Inclusion Award.
- Awarded the Silver Award in the "Happiest Employees" poll conducted by 1111 Job Bank.
- Recognized in the 2024 Best Employer Award from 104 Corporation.
- Fully implemented the Gender Equality in Employment Act and sexual harassment prevention measures — no reported incidents of workplace harassment in 2024.
- Employed 23 middle-aged and older workers.
- Maintained workplace diversity by employing 1 person with disabilities and 3 indigenous individuals, representing 0.4% of the total workforce.
- Promoted 6 foreign blue-collar workers to mid-level skilled positions in 2024.



# HUMAN RIGHTS PRIORITIZED IN THE WORKPLACE

Fortune Group is dedicated to its mission of "Reassuring Employees," "Reassuring Customers," "Reassuring Shareholders," and "Reassuring Society." We prioritize regulatory compliance and corporate governance as our core values, and we strive to create a happy workplace while actively participating in various sustainability initiatives. We aim to ensure sustainable operations and consistent growth.

We acknowledge and adhere to international human rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, and the core labor standards established by the International Labour Organization (ILO), and relevant local laws and regulations. In fulfilling our corporate social responsibility, we are devoted to protecting the fundamental human rights and interests of our employees.

To support this commitment, we have implemented the FORTUNE ELECTRIC CO., LTD. Human Rights Policy and Statement, along with related regulations that encompass fundamental labor rights, gender equality, the right to work, and protection against discrimination. These principles lay the groundwork for our company's dedication to labor rights, social responsibility, and favorable employment conditions.

Fortune Group has implemented human rights protection initiatives, including board diversity, comprehensive compensation and benefits, career development opportunities, and the establishment of a safe and healthy workplace. These demonstrate the Company's commitment to aligning with international human rights standards across all levels of business operation. Every year, the Company identifies potential impacts in business operation with stakeholders through due diligence and relevant responds accordingly. The annual performance is summarized as follows:

## Due Diligence of Risks Related to Human Rights

Stakeholder	Issue of Concern	Human rights issues and impact	Monitoring and Management	Responsible Unit	Outcome
Employees	Employee-management Relationship	Employee-management negotiation and appeal	<ul style="list-style-type: none"> <li>Regularly hold employee-management meetings, discuss employees' work interests and benefits every quarter, and keep meeting minutes to continually track and improve problems.</li> <li>Provide multiple pipelines, such as an appeal line, complaint box, and complaint email, etc., so employees can express their opinions.</li> </ul>	Human Resources Department	No violations of the Labor Standards Act.
		Remuneration complying with regulations	Fortune Group strictly abides by labor laws and regulations in places where each operating site is located, and prohibits any form of discrimination against employees based on gender, race, nationality, age, religion, or political affiliation, etc. The Company is dedicated to creating a fair and equal work environment where employees can enjoy fair remuneration and benefits. The Company has also established an institutionalized performance assessment system to assess various factors including employees' performance, market remuneration level, and future development potential to make corresponding salary adjustments, thus inspiring employees and retaining excellent talent. The Company additionally promotes innovative development to improve corporate competitiveness.	Human Resources Department	Biannual performance evaluations; a comprehensive salary adjustment implemented in July 2024.

Stakeholder	Issue of Concern	Human rights issues and impact	Monitoring and Management	Responsible Unit	Outcome
Employees	Diversity and Equal Rights	Anti-discrimination	We uphold the principle of equal opportunity and ensure that no discriminatory practices occur during the recruitment, employment, promotion, or management of employees. We are committed to fostering an open, diverse, and inclusive workplace that empowers our people to reach their full potential. To prevent employees from being subjected to unlawful harm while performing their duties, we provide comprehensive training and robust response measures. Through our Employee Assistance Program (EAP), we offer professional psychological counseling and life resources to support employees' physical and mental well-being, strengthen their self-esteem, and enhance job satisfaction.	Human Resources Department	In 2024, 122 department-level managers (including the energy division) completed training on preventing "unlawful harm at work" (workplace bullying).
		Gender Equality	Fortune Group places great importance on the value of female employees in the workplace. While strictly following relevant labor laws and regulations, the Company also adjusts its service items and environmental equipment in response to the specific physiological needs of female employees, specifically implementing a comprehensive Maternal Health Protection Program, which covers female employees who are pregnant, within one year of giving birth, or are breastfeeding so they are protected and supported. The Company also invests efforts to improving employees' working efficiency and morale, and attracts excellent female talent. We are dedicated to fostering a truly gender-equal corporate culture.	Safety & Health Department	100% parental leave retention rate.
	Safe Working Environment	Safe work environment and training	<ul style="list-style-type: none"> <li>Through regular inspections of workplaces, vehicles, equipment, facilities, and fire safety systems, we implement protective measures to ensure a safe working environment. Safety audits are conducted, including documentation of occupational health and safety training, pre-use, mid-use, and post-use inspections of machinery and equipment, operations involving organic solvents, checks of ionizing radiation dosage, and infrared inspections.</li> <li>To enhance employees' awareness of occupational Health and Safety and ensure compliance with relevant regulations, we also provide basic training on general Health and Safety, as well as the use of hazardous substances and materials. Additionally, specialized training is provided for employees operating hazardous machinery or engaging in high-risk or specialized operations.</li> </ul>	Health & Safety Department	No violations of occupational health and safety regulations.
		Employee healthcare	To provide all employees with a comfortable and healthy work environment, the Company is committed to caring for employees' health, promoting club activities, and holding health-related lectures, etc., so that everyone can maintain their physical and mental health and achieve a life-work balance.	Human Resources Department	In 2024, employees formed three clubs. Two-thirds of the club expenses are subsidized by the Welfare Committee.
		Prohibition of forced labor	Fortune Group strictly prohibits any form of forced labor and guarantees that employees have the freedom to terminate their employment contract.	Human Resources Department	No incidents of forced labor at any operating site.
		Prohibition of underage or illegal labor	The Company strictly prohibits all operating sites and global suppliers from employing child labor or illegal workers in violation of the law. Each operating site is required to comply with local labor regulations and verify the age of employees when hiring. Additionally, we ensure that students participating in industry-academia collaboration programs meet all relevant legal requirements, thereby safeguarding their labor rights.	Human Resources Department	All employees legally hired and above 15 years old.
		Freedom of association	Fortune Group respects employees' rights to freedom of association and is dedicated to providing an environment where opinions can be freely expressed. Employees are encouraged to share their views through various labor-management communication and grievance mechanisms, including labor-management meetings, the FE Family suggestion platform, organizational climate surveys, and FORTUNE ELECTRIC's external reporting channels.	Human Resources Department	The organizational climate survey is conducted twice a year (in the first and second halves of the year), with a 100% participation rate achieved in 2024. Through open and transparent communication channels, we gain a deep understanding of employees' thoughts and needs, enabling management to comprehensively optimize systems and implement improvement measures that meet employee expectations.
	Accessible facilities	Fortune Group has installed accessibility facilities in buildings, including elevators and ramps to ensure a friendly work environment for those with physical and mental disabilities.		Safety & Health Department	Comprehensive inspections and compliance checks completed.

Stakeholder	Issue of Concern	Human rights issues and impact	Monitoring and Management	Responsible Unit	Outcome
Suppliers / Contractors	Integrity Clause	Suppliers are required to maintain the Health and Safety of their employees and must not engage in any improper conduct.	<ul style="list-style-type: none"> <li>Suppliers shall comply with laws and principles of fairness in the execution of contracts, treat construction personnel fairly, provide a safe and healthy working environment, and protect environmental quality. Under no circumstances shall suppliers obtain benefits through improper means, as such illegal actions may expose both companies and their employees to criminal or civil liability.</li> <li>Suppliers hereby commit and agree to:           <ol style="list-style-type: none"> <li>(1) Refrain from any improper business conduct.</li> <li>(2) Not engage in bribery involving employees of our company.</li> <li>(3) Avoid any illegal activities that could cause harm or loss to the company or its employees in terms of personal safety, assets, or reputation.</li> <li>(4) In the event of any illegal conduct, the company reserves the right to seek compensation and pursue legal action.</li> </ol> </li> </ul>	Procurement Division	All suppliers must sign the integrity clause to join the supply chain.
Corporate Information Security	Personal Data Protection and Privacy	Information Security Measures	In accordance with the ISO 27001 framework, we have established an "Information Security Management Committee" to maximize the effectiveness of our current information security management system. The committee meets at least once a year to ensure the system's applicability, appropriateness, and effectiveness while assessing opportunities to improve related policies and objectives, as well as identifying any other necessary changes. In the event of significant policy changes, we conduct immediate reviews, retain the corresponding review documentation and records for future reference, and notify relevant departments and partners as necessary to ensure the integrity and effectiveness of our policies.	IT Center	The company strictly adheres to personal data protection laws and has not experienced any incidents of personal data or information leakage.

Human Rights Goals Achieved During Reporting Period:

No discrimination incidents or related complaints

No violations of freedom of association or collective bargaining rights

No employment of child labor

No forced or compulsory labor incidents

No major labor disputes

No unresolved employee grievances or delayed responses

## Supporting "2024 TALENT, in Taiwan" – Building a Sustainable Talent Workplace

FORTUNE ELECTRIC has proudly joined the 2024 TALENT initiative in Taiwan—Taiwan Talent Sustainability Action Alliance—not only to showcase our commitment to corporate social responsibility but also to reinforce our dedication to internal talent development. By leveraging the resources and platform of the Alliance, we are able to cultivate a workplace culture centered on Diversity, Equity, and Inclusion (DEI), enabling every employee to reach their full potential in a respectful and inclusive environment.

This collaboration allows FORTUNE ELECTRIC to connect with industry leaders and exchange effective strategies for talent management. By participating in international forums and sharing best practices along with case studies, we continuously refine and enhance our internal talent development mechanisms. Our employees enjoy expanded

opportunities for learning and growth, while also broadening their horizons and increasing their professional competitiveness through cross-sector collaboration. Furthermore, the external platforms and resources provided by the Alliance help to strengthen FORTUNE ELECTRIC's employer brand, attracting top-tier talent to join us in promoting sustainable corporate growth.

At FORTUNE ELECTRIC, we firmly believe that a fair, open, and development-oriented workplace nurtures both creativity and a sense of belonging. We are committed to investing in our people, ensuring that every employee discovers their unique strengths at FORTUNE ELECTRIC, as we progress together toward a more inclusive and competitive future.

## Diverse and Abundant Job Opportunities

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At FORTUNE ELECTRIC, we understand that our employees are our greatest asset. We are dedicated to cultivating a friendly and supportive workplace that promotes employee well-being, encourages both personal and professional growth, and helps individuals discover passion and balance in their work and personal lives. We firmly believe that our employees' development and satisfaction are crucial to the company's long-term success. In the past year, FORTUNE ELECTRIC has grown its workforce to a total of 1,294 employees, an increase of 206 compared to the previous year, mainly due to business expansion. Our workforce consists of 1,029 male employees (80%) and 265 female employees (20%). Additionally, we engage 119 non-employee workers, including 116 individuals whose jobs and/or worksites—such as coating, packaging, basic wiring, facility cleaning, food services, and security—are under our control at Zhongli Plant 1, Guanyin Plant 2, Guanyin Plant 3, and Fortune Extra High Voltage Co. One outsourced cleaning worker is stationed at the Kaohsiung Office, while two others are assigned to the Taipei Office.

Regarding recruitment, 130 employees participated by referring new hires in 2024, leading to the successful recruitment of 91 exceptional candidates. This high level of participation reflects our employees' alignment with the company's values and culture, showcasing their enthusiasm and sense of responsibility in building an outstanding team. These internal referrals not only attract top talent but also contribute to the ongoing transmission and promotion of our company culture through the endorsement of each employee.

FORTUNE ELECTRIC is also committed to inclusive hiring practices. In 2024, we employed one additional person with disabilities, increasing our total to 12 employees and fully complying with legal requirements for disability employment.

### Employees Hired by FORTUNE ELECTRIC in Each Region in 2024

(Unit: Person; %)

Employee classification		Chung Li Plant		Guan Yin Plant II		Guan Yin Plant III		FORTUNE ELECTRIC EXTRA HIGH VOLTAGE CO., LTD.		Taipei Office		Kaohsiung Office		Total			
(Unit: Number of persons)		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Total number	
Per contract	Permanent employees (permanent contract)	Number	264	117	199	42	104	21	126	32	68	39	7	8	768	259	1027
	Permanent employees (permanent contract)	Ratio	58%	26%	54%	11%	74%	15%	62%	16%	61%	35%	47%	53%	59%	20%	79%
	Contracted employees (fixed-term contract)	Number	70	2	129	1	14	1	45	1	3	1	0	0	261	6	267
	Contracted employees (fixed-term contract)	Ratio	15%	0%	35%	0%	10%	1%	22%	0%	3%	1%	0%	0%	20%	0%	21%
Per working hours	Full-time employees	Number	331	119	327	43	117	22	171	32	71	39	7	8	1024	263	1287
	Full-time employees	Ratio	73%	26%	88%	12%	84%	16%	84%	16%	64%	35%	47%	53%	79%	20%	99%
	Part-time employees	Number	3	0	1	0	1	0	0	1	0	1	0	0	5	2	7
	Part-time employees	Ratio	1%	0%	0%	0%	1%	0%	0%	0%	0%	1%	0%	0%	0%	0%	1%

Notes: 1. Full-time employees: Refers to regular employees with salaries calculated on monthly according to the definition in the Labor Standards Act.

2. Part-time employees: Refers to non-regular employees with salaries calculated using daily or hourly rates.

3. Category share = Number of employees per category ÷ Regional total for that category ×100%, calculated to the nearest integer, rounded off to the first decimal point.

Employee classification		Chung Li Plant		Guan Yin Plant II		Guan Yin Plant III		FORTUNE ELECTRIC EXTRA HIGH VOLTAGE CO., LTD.		Taipei Office		Kaohsiung Office		Total			
(Unit: Number of persons)		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Total number	
Per age	< 29	Number	98	36	116	9	29	5	51	9	15	6	0	1	309	66	375
		Ratio	22%	8%	31%	2%	21%	4%	25%	4%	14%	5%	0%	7%	24%	5%	29%
	30-49	Number	172	59	157	19	51	12	116	24	39	23	6	6	541	143	684
		Ratio	38%	13%	42%	5%	36%	9%	57%	12%	35%	21%	40%	40%	42%	11%	53%
	> 50	Number	64	24	55	15	38	5	4	0	17	11	1	1	179	56	235
		Ratio	14%	5%	15%	4%	27%	4%	2%	0%	15%	10%	7%	7%	14%	4%	18%
Per nationality	Taiwan	Number	276	118	207	42	110	21	126	33	69	39	7	8	795	261	1056
		Ratio	83%	99%	63%	98%	93%	95%	74%	100%	97%	98%	100%	100%	77%	98%	82%
	Thailand	Number	56	1	26	1	8	1	0	0	0	0	0	0	90	3	93
		Ratio	17%	1%	8%	2%	7%	5%	0%	0%	0%	0%	0%	0%	9%	1%	7%
	Indonesia	Number	0	0	94	0	0	0	45	0	1	0	0	0	140	0	140
		Ratio	0%	0%	29%	0%	0%	0%	26%	0%	1%	0%	0%	0%	14%	0%	11%
The People's Republic of China	India	Number	0	0	1	0	0	0	0	0	0	0	0	0	1	0	1
		Ratio	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Malaysia	Number	1	0	0	0	0	0	0	0	0	0	0	0	1	0	1
		Ratio	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	France	Number	0	0	0	0	0	0	0	0	1	0	0	0	1	0	1
		Ratio	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
Total		334	119	328	43	118	22	171	33	71	40	7	8	1029	265	1294	

## Workplace Equality and Diversity

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In 2024, the Company achieved a new hire rate of approximately 23%, primarily with new employees falling within the 21-30 age groups. The employee turnover rate dropped to around 4%, reflecting a significant 50% reduction from the previous year, showcasing FORTUNE ELECTRIC's early success in enhancing employee retention. To further bolster workforce stability and competitiveness, FORTUNE ELECTRIC is committed to improving internal communication, refining compensation and benefits programs, and cultivating a positive, supportive work environment. These ongoing initiatives are designed to create a more appealing and development-focused workplace for all employees.

Statistics on the Total Number and Ratios of New Employees and Employees Who Have Left, Broken Down by Age and Gender (Unit: Person; %)

Primary category	Secondary category	Male		Female		Age subtotal	
		Number	Ratio	Number	Ratio	Number	Ratio
New employees	21-30	128	42%	25	8%	153	51%
	31-40	92	31%	18	6%	110	36%
	41-50	31	10%	3	1%	34	11%
	Over 51	5	2%	0	0%	5	2%
	Subtotal of new employees	256	20%	46	4%	302	23%
Employees who have left (including retirees)	21-30	17	28%	3	5%	20	33%
	31-40	21	35%	3	5%	24	40%
	41-50	11	18%	0	0%	11	18%
	Over 51	4	7%	1	2%	5	9%
	Subtotal of employees who have left	53	4%	7	0.5%	60	5%

Notes: 1. Ratio of new employees of each category = Number of new employees of each category/Total number of new employees at the end of the period ×100%, calculated to the nearest integer, rounded off to the first decimal point.

2. Ratio of separated employees of each category/Total number of separated employees at the end of the period ×100%, calculated to integers, rounded off to the first decimal point.

3. New employment rate = Number of new employees/Total number of employees at the end of the period \*100%, calculated to the nearest integer, rounded off to the first decimal point.

4. Separation rate = Number of separated employees/Total number of employees at the end of the period \*100%, calculated to the nearest integer, rounded off to the first decimal point.

5. In 2024, a total of four newly hired employees were under the age of 20, all of whom were male. This figure excludes short-term contract staff and interns.

6. In 2024, a total of two employees under the age of 20 resigned from the company; both were male. This figure also excludes short-term contract staff and interns.

# REMUNERATION AND WELFARE

FORTUNE ELECTRIC is dedicated to establishing a fair and transparent remuneration system by providing market-competitive salaries and incentive mechanisms to attract and retain top talent. We actively strive for equal pay for equal work, ensuring that all employees—regardless of gender or background—receive fair and reasonable compensation. To uphold this commitment, the company has developed the Salary Management Guidelines and Performance Bonus Guidelines, which are communicated to all employees through onboarding training and internal announcements to ensure a clear understanding of the compensation system. For the remuneration of managerial-level personnel and above, a Remuneration Committee and Board of Directors review mechanism are in place to enhance corporate governance and promote transparency and fairness in salary policies.

Our salary structure effectively combines fixed and variable components to provide a balance of stability and incentive. Fixed salaries are paid out monthly and are periodically adjusted based on industry benchmarks, labor market trends, the nature of the job, and the dynamics of supply and demand, ensuring we remain competitive. Variable compensation includes year-end bonuses, employee profit-sharing, and performance bonuses, all designed to reflect individual performance while aligning with the company's overall operational results. This approach encourages shared growth between employees and the organization. Our remuneration framework guarantees that employees are fairly rewarded and promotes a motivating work environment that supports long-term development for both the organization and its talent. In 2024, we observed a slight decline in average salary levels, primarily driven by an increase in newly hired male employees and the retirement of several senior staff members. Notably, the total annual compensation of the highest-paid employee was 10.4 times the median annual salary of all other employees, and the annual salary adjustment ratio was 1.

## Mean Value and Median of Annual Pay of FORTUNE ELECTRIC's Full-time Employees Who Didn't Serve as Supervisors (Unit: NT\$ 10,000)

Year	Average salary	Changes from the previous year (%)	Median salary	Changes from the previous year (%)
2022	101.6	21.6%	81.6	15.2%
2023	154.5	52%	111.2	36.3%
2024	172.7	11.8%	115.9	4%

Notes: 1. The salaries listed in this table comprise annual pay.

2. FORTUNE ELECTRIC EXTRA HIGH VOLTAGE CO., LTD. has been included in the statistics since 2023.

3. Supervisory position: Managers are defined per the scope of "managers" stipulated in Letter Tai-Tsai-Cheng-San-Tzu No. 920001301 issued by the competent authority on March 27, 2003, consistent with the scope of managers disclosed in the Company's annual report.

## Salary Standards of Basic-level Personnel in FORTUNE ELECTRIC's Important Operating Sites in the Last Three Years

Year	Average standard salary of basic-level personnel		Average standard salary/local minimum wage of basic-level personnel	
	Male	Female	Male	Female
2022	40,372	37,418	1.60:1	1.48:1
2023	40,660	38,100	1.54:1	1.44:1
2024	40,219	39,461	1.46:1	1.44:1

Notes: 1. "Important operating sites" defined by the Company are sites in Taiwan.

2. The Company sets employees and other workers' salaries with reference to the basic salary announcement of the Ministry of Labor in the current year to ensure salaries are not lower than the basic salary.

3. Basic-level personnel: Includes technicians/managers, assistant engineers/assistant managers, and engineers/managers.

4. Standard salary: Refers to recurring salaries, such as basic salary and duty allowance, etc.

5. The local minimum wage was NT\$ 25,250, NT\$ 26,400, and NT\$ 27,470 in 2021, 2022, and 2024 respectively.

6. FORTUNE ELECTRIC EXTRA HIGH VOLTAGE CO., LTD. has been included in the statistics since 2023.

## Ratios of Basic Salary and Compensation of FORTUNE ELECTRIC's Female Employees Compared to Male Employees in 2024 (Unit: %)

Operating site	Chung Li Plant		Guan Yin Plant II		Guan Yin Plant III		FORTUNE ELECTRIC EXTRA HIGH VOLTAGE CO., LTD.	
	Male	Female	Male	Female	Male	Female	Male	Female
Indirect personnel	1.00	0.74	1.00	0.82	1.00	0.68	1.00	0.86
Direct personnel	1.00	1.14	1.00	1.18	1.00	0.8	1.00	1.18

Notes: 1. The salaries used for the calculations in this table represent the average monthly salaries of personnel as of December 2024.

2. The average monthly salaries of indirect and direct male employees per category are adopted as the denominator. In other words, the value of male employees is "1," and the ratio of salaries of female employees compared to male employees is then calculated (rounded off to two decimal points).

3. Among indirect personnel serving as supervisors, male employees outnumber female employees. Consequently, the salaries of male employees per capita are higher than those of female employees. As for direct personnel, although there are fewer female employees at Chung Li Plant and Guan Yin Plant II, most are senior employees, resulting in their per capita salaries being higher than those of male employees.

## Welfare System

To safeguard employees' rights concerning occupational health and safety and to foster a stronger sense of unity, the Company provides each employee with employer's liability insurance, group accident insurance, group medical insurance, and comprehensive coverage for statutory infectious diseases. An Employee Welfare Committee has also been established to promote and implement various welfare programs, ensuring that employees receive substantial support both financially and emotionally. The Company has adopted a range of benefits, including scholarships for employees and their children, birthday celebrations, travel subsidies, condolence compensation in the event of injury, wedding and funeral subsidies, maternity benefits, childcare assistance, pregnancy aid subsidies, childcare leave, and organizes family day events, annual dinner parties, and lucky draws. In 2024, the total amount spent on employee welfare reached NT\$30,010,404. Further details on the employee welfare programs are outlined below:

### Employee Benefits Provided by the Company

	Benefit	Description of benefit and performance
Leave	General leave	The Company abides by the Labor Standards Act and provides a flexible commuting system. Employees may also apply to work from home to take care of their families (without their salary being affected).
	Special annual leave	The Company provides new employees with the benefit of three days' special leave that can be used in advance upon entry into the Company, superior to the stipulations of the Labor Standards Act.
	School accompanying leave	Employees are provided with one additional day off when their children start kindergarten or first grade within seven days of the enrollment date.
	Early dismissal system	Employees are entitled to leave work one hour early on either the Lantern Festival or the Ghost Festival.
	Flexible commuting system	To provide a work-life balance, a flexible commuting system has been established for R&D personnel, commuting reasons, or individual family situations.
Rewards and benefits	Mission allowance and insurance	In addition to allowances and health checkup subsidies, employees on business trips will be provided with war risk subsidies, travel insurance, and overseas medical accident insurance when traveling to high-risk countries.
	Year-end bonus and employee reward	The year-end bonus is paid in accordance with the 2004 Operating Procedure for Year-end Bonuses and Salary Adjustments outlined in the Management Handbook. The employee reward is paid in accordance with the 5016 Operating Procedure for the Distribution and Payment of Employee Rewards, also outlined in the Management Handbook.
	Various performance bonuses and department performance bonuses	Each unit handles performance bonus payments in accordance with the relevant standard operating procedure.
	Bonuses for developing new technologies/products	Bonuses are paid in accordance with the 1W1714 Operating Standard for Payments of New Product Development Bonuses.
	Rewards for top talent	Rewards are administered and distributed to top talent in accordance with the 2015 Operating Procedures for Talent Evaluation and the 2045 Operating Procedures for Talent Management and Incentives outlined in the Management Handbook.
	Reward for model employees	A medal and a bonus of NT\$ 12,000 are provided for model employees, as outlined in the 2042 Operating Procedure for Selecting Model Employees in the Management Handbook. Representatives of model employees from each division who do not receive the reward are given a meal coupon worth NT\$ 5,000.
	Reward for outstanding newcomers	According to the "Management Manual 2040 Operating Procedures for Selecting Outstanding Newcomers", employees of FORTUNE ELECTRIC will receive medals and bonuses of NTD10,000.00 from the parent company. They will be given an honorary leave of 2 days, with the leave of absence being limited to one year from the month following the announcement date.

	Benefit	Description of benefit and performance
Rewards and benefits	Extraordinary charges for supervisors	Handled according to the 2066 Payment Standards of Other Physical Objects and Extraordinary Charges for Managers in the Management Handbook. The number of supervisors entitled to this benefit reached 106 in 2024.
	Employee proposal bonus	This bonus is paid according to the 6007 Procedure for the Implementation of the Proposal Improvement System in the Management Handbook.
	Promotion of the expert evaluation and license reward system	Experts are verified in accordance with the 2043 Operating Procedure for Expert Evaluations outlined in the Management Handbook. Professional skills are verified in accordance with the standard operating procedure outlined in the 1W1649 Standards for the Verification of Professional Skills and Recognition of Qualifications. Rewards are provided to qualified personnel.
	Provision of summer and winter uniforms and underwear	Three sets of summer and winter uniforms are provided to new employees upon their start date at the Company. Old uniforms are replaced with new ones as needed.
	Monetary gifts (coupons) for Labor Day and three festivals	Cash vouchers of NT\$ 3,000 per person are provided to employees on the Dragon Boat Festival, Mid-Autumn Festival, and year-end dinner. On Labor Day, the Company presents a gift certificate of NT\$ 2,000 per person.
	Birthday cash gift and birthday cake	In addition to a birthday cash gift of NT\$1,200 and a birthday cake provided by the Welfare Committee, people whose birthdays fall in a given month receive a free dessert from the restaurant.
	Marriage cash gift	A cash gift of NT\$ 15,000 is provided for each employee who gets married. The total amount of cash gift provided to a couple who are both employees of the Company is NT\$ 30,000.
	Maternity subsidy	NT\$ 3,600 is subsidized per birth. Employees may apply for NT\$ 7,200 for twins and NT\$ 10,800 for triplets.
	Growth fund for "Little Fortunes"	Each child of employees can receive a subsidy of NT\$ 2,000 each year from their first to their fifth birthday.
	Scholarships and education grants for employees and their children	Employees who engage in continuing education at university level or higher can receive scholarships of NT\$ 4,000 ~ NT\$ 12,000. Employees' children who attend schools from junior high to doctoral programs can receive a subsidy of NT\$ 1,500~NT\$ 7,000 each semester.
	Gifts for Mother's Day and Father's Day	Gifts such as carnations, desserts, anti-epidemic masks, or soap are given to share warmth with parents.
	Internal referral system	Employees are encouraged to refer friends and family members to join the Company, fostering mutual care and growth while truly embodying the spirit of the "FORTUNE ELECTRIC family." Additionally, group medical insurance coverage extends to employees' dependents, further demonstrating the Company's commitment to employee well-being.
	Annual dinner party and lucky draw on a workday	The annual year-end dinner party is held on a Friday at noon. Employees may leave work early if the event concludes before the end of the workday. The winning percentage for lucky draws is as high as 48%. Additionally, unsuccessful participants may receive a consolation prize of NT\$ 2,000.
	Flexible self-service welfare fund	This benefit was increased in 2024. Each employee may receive an annual subsidy of NT\$ 5,000 for family travel, group travel, and health check-ups.
Giving back to employees	Subsidies for pregnancy aid	In response to low birth rates, the Company provides subsidies for employees experiencing fertility issues to lower their economic burden. NT\$ 10,000 is subsidized for the first round of treatment. Employees requiring further rounds of treatment may apply for a subsidy of NT\$ 6,000 each round up to a maximum of five times (including the initial round).
	Commemorative gold coin for senior employees	Gold coins are awarded to employees who have served in the Company for 10 years and 20 years, respectively, upon the Company's anniversary celebrations
	Rewards for employees who have served in the company for 5, 15, and over 30 years	<ol style="list-style-type: none"> <li>1. A new "High-5 Fun Day and Low-5 Glory Day" reward scheme has been established for employees who have worked for 5 and 15 years respectively at the Company, specifically offering benefits like dinner vouchers and air travel coupons for employees' families, to foster a sense of belonging for both Fortune people and their family members. This scheme will run from September 2023 to August 2024.</li> <li>2. A new reward initiative has been introduced for employees who have served for over 30 years. Each year, eligible employees will receive one "Craftsmanship Excellence Voucher" valued at NT\$10,000. The longer the tenure, the more vouchers an employee will accumulate.</li> </ol>

	Benefit	Description of benefit and performance
Health promotion	Health and safety promotion activities include smoking cessation, weight loss, etc.	The Company holds health and safety promotion activities, and encourages employees to participate by providing them with competition bonuses.
	Various club activities	An annual budget of up to NT\$ 40,000 is subsidized for each club's annual activities.
	Annual employee health checkups	The Company arranges new employees to participate in health checkups, and provides employees with health checkups once every year.
	Senior Health Care Program	We provide annual healthcare benefits for employees aged 50 and above, offering up to NT\$ 3,000 per year to use for health checkups and wellness supplements.
Complete facilities	Free employee restaurants are set up at factories, and meal allowances are provided at each operating site.	The company has established employee restaurants in each factory that offer meals priced at NT\$ 85 (before tax). During the pandemic, the restaurants provided bento-style meals instead. They also occasionally supply snacks such as sweet and salty soup and fruit. On the winter solstice, salty/sweet glutinous rice balls are also served in the employee restaurants.
	Free employee dormitories	Dormitories with 2-3 persons per room are provided and include services like Wi-Fi.
	Shuttle buses for employees working at Guan Yin Plant II and Guan Yin Plant III	A free shuttle bus service is provided for employees when commuting.
	Fitness center at Guan Yin Plant II and Karaoke room at Guan Yin Plant III	The Company provides employees with places to relax and alleviate physical and mental stress. Colleagues may use these facilities when off-duty.
Retirement system	Old pension system	FORTUNE ELECTRIC has established a complete retirement system. For employees subject to the old pension system, in addition to the annual increase in the appropriation rate, the Company also appropriates employees' retirement reserves and deposits them at the Taiwan Bank to generate interest monthly, thereby ensuring that employee retirement reserves are sufficient.
	New pension system	To safeguard employees' rights, the Company assists employees subject to the new pension system in withdrawing 6% of their salaries as the basis for purchasing employee and health insurance, which is then deposited into their personal pension accounts. The Company handles relevant operations for employees to withdraw their pensions.
	Retired Employees as Internal Consultants	We invite retired employees to serve as internal consultants, utilizing their extensive experience and expertise to continue adding value to the company. Their insights enhance decision-making and training initiatives while ensuring the transfer and continuity of institutional knowledge.
Benefits for foreign employees	Talent Recruitment	The company covers round-trip airfare for mid-level technical personnel traveling to and from Taiwan.
	Meal and Accommodation Subsidies	In 2024, existing basic mattresses were upgraded to high-breathability models to improve accommodation quality. Additionally, the daily meal allowance was increased from NT\$200 to NT\$210.
	Planning employee travel activities	All foreign employees of the Company are provided with a one-day tour every year, and each receives a subsidy of NT\$2,500.
	Establishment of a bonus system for foreign model employees	The Company recognizes outstanding performance by foreign employees each year and awards them a model employee bonus. In 2024, a total of 19 foreign employees received a bonus of NT\$ 2,000 each, totaling NT\$38,000 in disbursements.
	Promotion of excellent foreign employees	In 2024, nine foreign employees applied for a promotion to mid-level technical positions.

## Maternal Health Protection Program

FORTUNE ELECTRIC is dedicated to cultivating a more inclusive and supportive work environment that empowers employees to confidently tackle the challenges and growth opportunities they encounter at various life stages. In line with the Gender Equality in Employment Act, we implement relevant measures to help employees balance their work and family responsibilities while safeguarding the rights of all staff to take unpaid parental leave. We encourage both male and female employees to fully utilize the parental leave system and share family responsibilities equally, thus promoting a workplace culture of gender equality. Employees who have completed at least six months of service are eligible to apply for unpaid parental leave until their child reaches three years of age, with a maximum duration of two years. During this time, employees may continue to participate in their existing social insurance programs to ensure their rights and benefits remain protected.

The 2024 retention rate for employees on parental leave reached 100%, demonstrating FORTUNE ELECTRIC's strong commitment to protecting employees' family care rights. Further aligning with government policy, starting May 1, 2024, the company introduced a flexible "daily application" unpaid parental leave option. This allows employees with children under the age of three to request leave on a daily basis according to their actual needs, helping everyone achieve a better balance between work and family life.

### Statistics of the Number of FORTUNE ELECTRIC's Employees on Unpaid Parental Leave in 2024

Unit: Person

	Male	Female	Total
(a) Number of employees who qualified to apply for parental leave in 2024	46	21	67
(b) Number of employees who applied for parental leave in 2024	2	8	10
Application rate of parental leave b/a	4%	38%	15%
(c) Number of employees on parental leave expected to be reinstated in 2024	2	7	9
(d) Number of employees on parental leave reinstated in 2024	2	7	9
Reinstatement rate of employees on parental leave d/c	100%	100%	100%
(e) Number of employees who applied for parental leave and reinstated in 2023	3	7	10
(f) Number of employees who applied for parental leave and worked continuously for one year after reinstatement in 2023	3	7	10
Retention rate of employees on parental leave f/e	100%	100%	100%

Notes: (a) Estimated number of employees who applied for maternity leave or paternity leave in the last three years (2022-2024).

(b) The actual date of unpaid parental leave was in 2024; two female employees in 2024 applied for flexible parental leave for children under the age of three.

(c) The expected date of reinstatement was in 2024.

(d) Number of employees reinstated with the expected date of reinstatement in 2024

(e) The actual date of reinstatement was in 2023.

(f) The actual date of reinstatement was in 2023, and the employees worked for one year after reinstatement (still in-service in 2023).

# EMPLOYEE-MANAGEMENT RELATIONSHIP

The Company has not established a trade union organization, however, it regularly holds employee-management meetings according to Article 83 of the Labor Standards Act. Interim meetings may be convened as necessary to promote employee-management cooperation, coordinate employee-management relationships, improve working conditions, and conduct two-way communication and negotiation of issues involving employees' benefits. Employee-management meetings comprise an equal number of employee representatives and management representatives. The representatives of employee-management meetings serve tenure of four years. Labor representatives may be reelected and reappointed. If the number of employees of a factory is above 100, there shall be at least five employee representatives and five management representatives; if the number of employees of a factory is less than 100, there shall be at least two labor representatives and two management representatives.

To safeguard employees' employment rights and working conditions in the event of major operational changes, FORTUNE ELECTRIC strictly complies with Article 16 of the Labor Standards Act, fully adhering to the legally mandated minimum notice period for terminating employment contracts. These measures aim to minimize potential impacts on employees. No major operational changes occurred during the reporting period.

## Unimpeded Communication Pipelines

To promote the harmonious and sustainable development of labor relations and effective communication between staff and management, the company has established a transparent, open, and efficient multi-directional communication channel to gather the valuable opinions of all employees. By organizing climate surveys every six months, we will conduct at least one labor-management meeting every three months (March, June, September, and December each year) and convene temporary meetings when necessary. Additionally, we will establish FE Family recommendation areas and install safe and confidential reporting channels.

### FE Family Suggestion Box

- Official website: [www.fortune.com.tw/tw/contact\\_whistle.html](http://www.fortune.com.tw/tw/contact_whistle.html)
- Email: [fe1969@reportnow.com.tw](mailto:fe1969@reportnow.com.tw)
- Fax: 02-2964-3919
- Physical mailbox: Taipei Post Mailbox 112-113

# TALENT TRAINING PIPELINES

Based on the company's business strategy and the development needs of its employees, FORTUNE ELECTRIC Training Center has designed seven key training directions to comprehensively enhance staff professional skills and overall competencies. In 2024, a total of 526 training hours were organized, with 2,516 recorded participant attendances. The training programs achieved a satisfaction rate of 93.72%, showcasing FORTUNE ELECTRIC's strong commitment to talent development and the exceptional effectiveness of its training initiatives. In 2024, the average training duration for each employee at the company was 6.6 hours. The average training duration for male employees was 6.2 hours, while for female employees it reached 8 hours.

In addition to centralized coordination by the Training Center, each department plans diverse training channels flexibly according to the annual training and talent development plans, ensuring that employees receive the most appropriate learning resources. These include:

- New Employee Orientation and Pre-Job Training:** Assisting new hires in quickly adapting to the corporate culture and workplace environment.
- On-Job and Off-Job Training:** Enhancing professional knowledge and practical skills.
- Job Rotation and Multi-Skill Development:** Promoting cross-functional growth to improve employee adaptability and competitiveness.
- Training Center Coordination and Fortune Enterprise University:** Systematic learning programs to cultivate the company's professional and managerial talent.
- Overseas Training:** Expanding international perspectives and acquiring the latest global technologies and management experiences.
- Management and Professional Competency Training:** Strengthening leadership and professional expertise to nurture core corporate talent.
- Self-Directed Learning:** Encouraging autonomous study to foster a culture of lifelong learning.

FORTUNE ELECTRIC continuously deepens its learning system by integrating digital transformation with individual development needs, ensuring employees can thrive in a rapidly changing environment, create greater value for the company, and collectively advance toward an excellent future.



## Average Training Duration of Each Employee of FORTUNE ELECTRIC per Gender and Type of Position in 2024

Category of employee	Calculation method	Male	Female	Subtotal
Indirect personnel	(a1) Actual number of employees trained in the reporting period	468	234	702
	(b1) Training duration in the reporting period	2823.5	1718	4541.5
	(b1/a1) Average training duration in the reporting period	6.03	7.34	6.47
Direct personnel	(a2) Actual number of employees trained in the reporting period	561	31	592
	(b2) Training duration in the reporting period	2522	134	2656
	(b2/a2) Average training duration in the reporting period	4.50	4.32	4.49
Total	(Q) Training hours	5345.5	1852	7197.5
Total number of employees at the end of the reporting period	(R) Number of employees	1029	265	1294
Average training duration of each employee	(Q/R) Training hours	5.19	6.99	5.56

## Percentage of FORTUNE ELECTRIC's Employees Undergoing a Performance and Career Development Evaluation in 2024

Category of employee	Calculation method	Male	Female	Subtotal
Indirect personnel	(A1) Total number of employees at the end of the reporting period	468	234	702
	(B1) Number of employees regularly accepting performance and career development review	449	230	679
	(B1/A1) Percentage	95.94%	98.29%	96.72%
Direct personnel	(A2) Total number of employees at the end of the reporting period	561	31	592
	(B2) Number of employees regularly accepting performance and career development review	556	30	586
	(B2/A2) Percentage	99.11%	96.77%	98.99%
Total	(A1+A2) Total number of employees at the end of the reporting period	1029	265	1294
	(B1+B2) Total number of employees regularly accepting performance and career development review	1005	260	1265
	(B1+B2)/(A1+A2) Percentage	97.67%	98.11%	97.76%

Notes: 1. The total number of employees at the end of the reporting period was calculated as the number of individuals receiving salaries from the Company in December 2024 (including five executives and managers).

2. The number of employees who regularly undergo performance and career development reviews excludes those who have been with the company for less than two months.

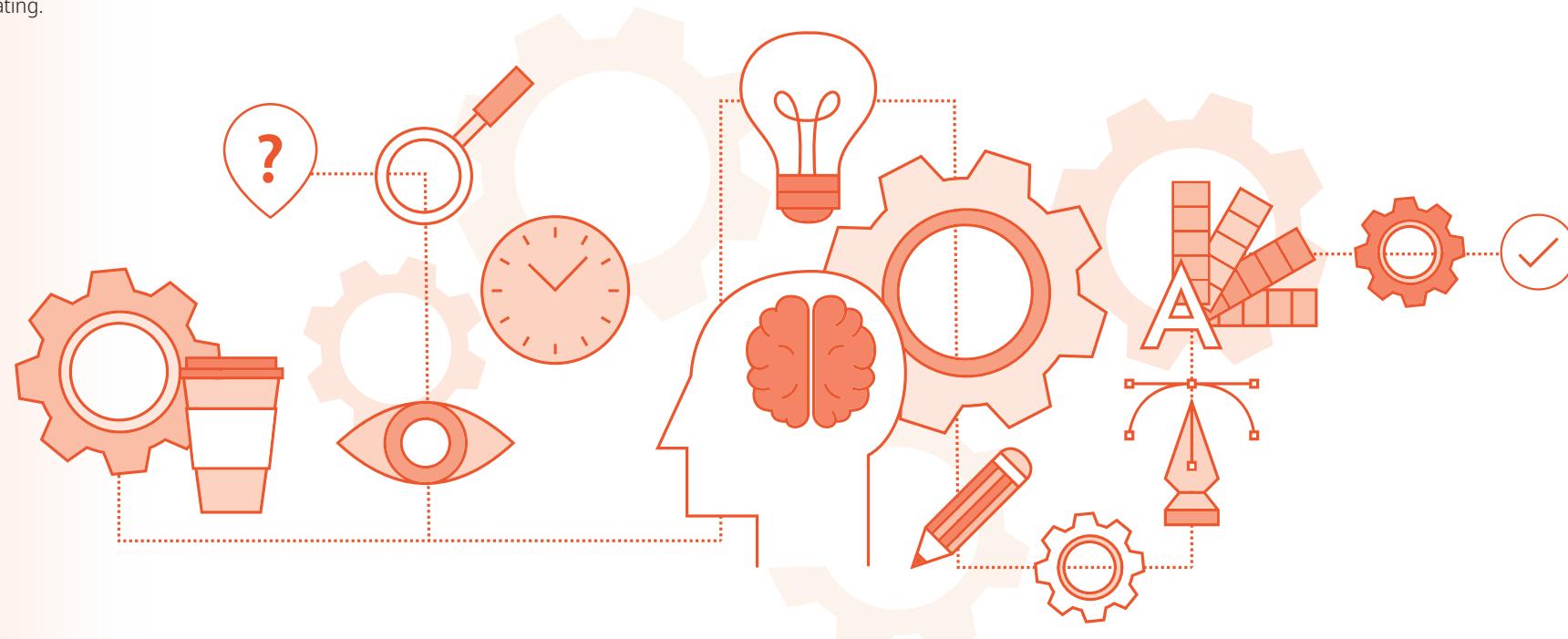
## Talent Incubation Center

FORTUNE ELECTRIC established the Training Center in 2005 to create a comprehensive talent development system. Through a three-pronged approach focusing on core values (ethics), professional expertise (annual training), and management (talent development training programs), the company enhances employees' technical skills and experience while cultivating future managerial talent. The Talent Development Training Program aims to develop internal management succession pipelines, with tiered training based on job levels. Department heads provide succession charts and formulate development plans for potential successors, alongside performance evaluations to ensure training effectiveness. The Training Center integrates annual plans and optimizes resource allocation. In 2024, it adopted TTQS (Talent Quality Management System) to align training with the company's mission, vision, strategy, competency gaps, and operational needs. A total of 76 training sessions were held, with 2,516 employees participating.

### A "Silver" Vision for Talent Development at FORTUNE ELECTRIC – Building a Sustainable Workforce with TTQS

Since its founding, FORTUNE ELECTRIC has upheld a "people-oriented" philosophy, firmly believing that accumulating human capital is key to enhancing corporate performance. Since 1986, the company has implemented Total Quality Management (TQM) and Quality Control Circles (QCC), while consistently strengthening education, training, and talent development. The company has also actively promoted knowledge management and system establishment to optimize its management and manufacturing processes.

In recent years, FORTUNE ELECTRIC has further advanced its talent development efforts by implementing the Talent Quality Management System (TTQS), ensuring that training planning and execution are effectively managed and precisely aligned. Through a strong learning organization, employee learning passports, and institutionalized competency management, the company continues to improve its talent development standards. These efforts have been recognized: after earning the Bronze Award in 2022, FORTUNE ELECTRIC was awarded the Silver Award in 2024, demonstrating its ongoing improvement and exceptional performance in talent development.



# Fortune Enterprise University

Fortune Enterprise University, established on September 28, 2010 (Teachers' Day), is dedicated to the mission of "Building Nests to Attract Phoenixes." The university encourages employees to pursue cross-disciplinary, on-the-job continuing education. It is organized into two main divisions: the College of Management and the College of Electromechanical Engineering. These colleges aim to strengthen both technical expertise and managerial capabilities, integrating academic theory with practical management experience and corporate culture. This ensures that employees can effectively apply what they learn and helps cultivate outstanding talent within the organization.

Fortune Enterprise University adopts a credit-based system over two years. Students must obtain at least 12 credits (four courses) each academic year. The total credits required for graduation is a minimum of 24 credits (eight courses). Performance evaluations are categorized into two main areas: conduct (including attendance and learning attitude) and academic performance (midterm exams, final exams, or project work). Depending on course requirements, FORTUNE ELECTRIC continues to collaborate with domestic universities and professional institutions—such as ITRI College and the Smart Grid Academy—and regularly invites distinguished professors and experts from both industry and academia, including National Central University, National Sun Yat-sen University, and National Chung Cheng University. As of 2024, a total of 105 outstanding trainees have successfully completed the program.

In 2024, the fourth cohort of Fortune Enterprise University was successfully launched. Tailored curricula were developed to meet the diverse needs of various departments and organizational functions. These included programs from the College of Engineering and Technology, which focuses on innovative technologies, and the College of Management, which emphasizes leadership skills. Courses are structured according to the nature of each academic track, maximizing learning outcomes and enhancing participants' future career competitiveness.

## College of Engineering and Technology

This curriculum focuses primarily—but not exclusively—on the power sector, encompassing cutting-edge technologies and certifications such as the Green Energy Engineer Certification, which covers power systems, renewable energy grid integration, energy storage, and smart grid applications. Power Operation Manager Program; Industrial IoT Engineer Training; Smart Grid Cybersecurity; Solid-State Transformer Technologies. The goal is to ensure that participants remain updated on the latest industry trends.

- Develop professionals with green energy expertise to enhance energy management and grid integration capabilities
- Strengthen operational decision-making related to electrical energy to improve enterprise energy efficiency
- Build proficiency in intelligent manufacturing and industrial IoT to drive automation
- Enhance cybersecurity defenses in smart grids to safeguard critical power infrastructure
- Promote technological advancement in power equipment to improve system stability and energy efficiency



## College of Management

Designed in alignment with the company's management competency framework, the curriculum addresses key areas such as Strategic Planning, Leadership Development, Marketing Management, Financial Decision-Making, Lean Management, and Smart Factory Applications. By using a practice-oriented learning approach, theoretical knowledge is closely integrated with practical applications, ensuring that participants can effectively apply what they learn in business operations and decision-making, thus enhancing overall organizational efficacy.

- Enhance corporate decision-making capabilities to align strategy with market needs
- Strengthen leadership skills within the management team to improve organizational collaboration and efficiency
- Improve market competitiveness through optimized brand marketing and customer relationship management
- Increase financial acumen for better resource allocation and risk management
- Boost production efficiency, reduce operational costs, and enhance competitive advantage
- Strengthen intelligent manufacturing capabilities to drive digital transformation across the enterprise



## Talent Evaluation and Reward Mechanism

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FORTUNE ELECTRIC recognizes that talent is essential for sustainable corporate growth. To support this, we have created a robust talent evaluation and reward system aimed at encouraging professional development through well-defined standards and incentives. Our objective is to carry out a systematic evaluation process that not only recognizes the achievements of exceptional employees but also outlines a clear development pathway for high-potential talent. This strategy boosts the company's overall competitiveness while cultivating an engaging and attractive workplace environment.

## Fortune Innovation Factory

To foster a culture of innovation and unlock employee potential, FORTUNE ELECTRIC launched a company-wide innovation initiative: "Ideas for Self-Wellbeing, Creativity for Fortune – Fortune Innovation Factory." This event aimed to inspire creativity, showcase technical expertise, and foster cross-departmental collaboration, all of which contributed to the company's ongoing development. The initiative received an enthusiastic response, with a total of 24 innovative proposals submitted—15 from teams and 9 from individuals. These entries reflected employees' strong commitment to innovation and continuous improvement in operational efficiency.

To ensure that the proposals bring real value to the company, a panel of judges composed of senior leaders from various business units was assembled. Proposals were evaluated based on technical feasibility, business value, and implementation potential. The panel also considered whether certain proposals could be integrated into the company's Balanced Scorecard (BSC) framework as references for future strategic direction. This initiative not only provided a platform for employees to present their innovative ideas but also created a pathway for outstanding concepts to align with corporate goals, ultimately transforming into tangible competitive advantages.



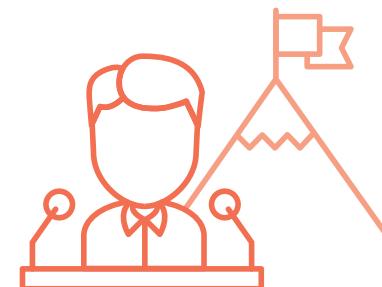
Evaluation System	Description	Reward Method	2022	2023	2024
A-Level / Outstanding Talent Evaluation System	Evaluation based on position, contribution, and potential. Individuals meeting the criteria are awarded A-Level or Outstanding Talent status.	Additional incentive rewards	69	64	A-Level Talent: 69 persons Outstanding Talent: 88 persons
Outstanding Newcomer Award	For employees with less than one year of service who pass the core competency evaluation and demonstrate excellent performance	Medal, NT\$10,000 bonus, and 2 days of honorary leave	8	7	10

Note: The Outstanding Talent Evaluation System was newly introduced in 2024.

## Mentor System

The Company has established a mentorship system to help new employees integrate into the corporate culture and adapt to the work environment. Before onboarding, each new hire is assigned a mentor who is responsible for guiding them during induction and pre-employment training over a six-month period. During this time, new employees cannot work alone in operational areas and must be accompanied by their mentor. In 2024, a total of 12 hours of mentor training were conducted, with 14 participants completing the sessions. Since the launch of the first Mentor Training and Certification Program by the Training Center in 2023, a cumulative total of 31 employees have completed the training and obtained certification as of the end of 2024.

◀ The Fortune Innovation Factory proposal presentation event brought together employees from across departments to actively share and exchange their ideas. The vibrant interaction on-site highlighted the company's creative energy.



## Factory Bimonthly Meetings and Rationalization Proposal Program

FORTUNE ELECTRIC values employee engagement and ongoing improvement. The company holds bimonthly factory meetings, which not only provide a platform for new employees to introduce themselves but also encourage all employees to share suggestions for enhancing workflows and the workplace environment. For example, in 2024, some employees proposed the installation of permanent pedestrian path indicators and route maps to improve safety and clarify internal movement. These suggestions have been compiled and are being progressively implemented.

Additionally, the company actively promotes a Rationalization Proposal Program that encourages each department to present innovative and feasible improvement ideas. Employees who submit proposals receive incentives such as gift vouchers or small prizes. For production-related proposals, the production units lead the organization and review of submissions. The Production Management Department then selects key proposals for further implementation. For proposals aimed at enhancing internal departmental operations, departments independently assess feasibility and translate time saved into tangible benefits—

with a minimum reward of NT\$200 per proposal. If a proposal involves cross-departmental collaboration, it must be elevated to senior management for further evaluation to ensure optimal execution. Through this mechanism, FORTUNE ELECTRIC not only strengthens employee participation in operational optimization but also boosts overall production efficiency and corporate competitiveness. The company will continue refining the Rationalization Proposal Program to encourage more creative ideas and drive ongoing improvement.

Through these initiatives, FORTUNE ELECTRIC not only strengthens its internal culture of innovation but also actively engages employees in shaping the company's future development. These efforts establish mechanisms for cross-departmental collaboration and knowledge sharing. Looking ahead, the company will continue to promote its innovation proposal program, integrating it with key trends such as digital transformation and green sustainability. Employees are encouraged to identify breakthrough opportunities in their daily work, collectively building a more competitive and forward-looking FORTUNE ELECTRIC.

提案表				
提案編號:	改	□管理與作業規定	□設備	
提案日期: 2024年11月24日	善	□工作安全及衛生	□產品、材料	
提案單位: 安衛部 提案人: 潘松霖	類	□環境保護	□其他	
承辦單位: 安衛部(三)員工代表:	別			
提案名稱: 客來客往看板安全改善				
改 善 理 由	由於現有客來客往顯示方式過於複雜，與公司並日上獲利成長累積不相符。			
1. 由本公司協助設計戶外型防水客來客往看板，可自動計算客來客往數，更可同時作為宣導職安衛政策之用，可謂一舉數得。				
改 善 理 由	已實施-附佐證(113年10月28日實施) □未實施: (預計 年 月 實施)			
做 法 措 施				
現狀: 本公司投入版本44000元(含安裝)				
改進: 1. 14000元				
總額: 改進投入總額每件五萬元(含)以上遞交至委員會決				
議論: 本公司會不斷朝向之際，安衛部更客來客往看板已函。同時可作為宣導職安衛政策定之用。提高指標職安衛文化，經改善後能職安衛文化深植同仁心中及擴大活動推廣，提升公司形象，也歡迎客門一賜鑑賞印鑑。				
初審: 提案類別: <input type="checkbox"/> 改善(已實施) <input type="checkbox"/> 構想(對策) <input type="checkbox"/> 問題(異常)				
意見: 確認本案是否受理: <input type="checkbox"/> 受理 <input type="checkbox"/> 不受理 選任委員:				
相關 單位 意見				
決 審	<input type="checkbox"/> 採用	<input type="checkbox"/> 不採用	<input type="checkbox"/> 申請專利案	<input type="checkbox"/> 非申請專利案
	獎勵及負擔額:		(部)課主管核定提案評點: 點	
	獎勵及負擔額		獎金: 元	
	獎勵額	小	中	大
	改善已完成	100元	300元	300元
		4倍	8倍	8倍
	構想對策	半現	200元	200元
		2倍	4倍	4倍
	問題	半現	100元	100元
		0倍	2倍	2倍
			(部)課主管委員:	
			總幹事:	
 <b>富士電機股份有限公司</b> <b>FURUKAWA ELECTRIC CO., LTD.</b>				
聯絡: 65007-1 線長: 2				



## Before improvement



## After improvement

# OCCUPATIONAL HEALTH AND SAFETY

To ensure workplace safety and reduce the risk of occupational hazards, the company actively implements various occupational health and safety management measures. These include regular environmental monitoring, equipment maintenance, and the establishment of an EHS (Environment, Health, and Safety) information platform to integrate data and support safety management. The company has adopted three major management systems—ISO 45001, ISO 14001, and ISO 50001—with the aim of creating a healthy and safe working environment. Furthermore, monthly occupational safety meetings are held to encourage each department to independently propose safety improvement measures, thereby fostering a strong safety culture. Through a safety performance evaluation system that combines both incentives and accountability, the company enhances safety awareness across departments and ensures the proactive implementation of safety management tasks. To promote employee health, the company allocates a dedicated budget for operating fitness centers and regularly launches health promotion programs, such as smoking cessation and weight loss campaigns. These initiatives are supplemented with on-site medical services and health consultations to support the overall physical and mental well-being of employees. All company facilities have obtained ISO 45001 certification and continue to undergo annual internal audits and external reviews to ensure the effective operation of the management systems and the validity of certifications. In 2024, the company had no incidents of penalties or violations concerning relevant regulations.

## Number of Penalties Resulting from Violation of Occupational Health and Safety Regulations in 2021~2023

Year	2022	2023	2024
Chung Li Plant	0	0	0
Guan Yin Plant II	0	0	0
Guan Yin Plant III	0	0	0
FORTUNE ELECTRIC Extra High Voltage Co., Ltd.	0	0	0
Total	0	0	0

## Occupational Health and Safety Committee

To safeguard employee rights, the company has established an Occupational Health and Safety Committee in line with relevant regulations outlined in the Occupational Health and Safety Management Regulations. The committee includes 29 members: one medical professional, one technical expert in occupational health and safety, and 14 departmental supervisors, managers, or staff responsible for directing work. Among them, 11 are labor representatives, accounting for more than one-third of the committee.

The Occupational Health and Safety Committee is responsible for planning, implementing, evaluating, and improving the occupational health and safety environment to enhance management standards and achieve safety goals. Occupational safety meetings are held monthly or annually on a regular basis. Key discussion topics include hazard identification and elimination, risk assessment, accident investigation and auditing, and setting audit standards for contractors and suppliers.



# Occupational Health and Safety Management System

FORTUNE ELECTRIC is dedicated to establishing a comprehensive Occupational Health and Safety Management System to ensure that all employees work in a safe and secure environment. Each year, we schedule two four-hour emergency response drills—one in the first half and one in the second half of the year—covering scenarios such as fires, hazardous materials, and chemical spills. These drills are conducted under the guidance of local fire departments or professional training institutions, enhancing employees' practical skills in operating firefighting equipment, executing evacuation procedures, and performing CPR and AED emergency response. Additionally, we implement annual hazardous operations training plans to bolster each department's ability to identify risks and respond effectively. These efforts help ensure that employees can remain calm and act appropriately in dangerous situations, further reducing occupational safety risks and significantly improving workplace safety.

## Workers Included in the Occupational Health and Safety Management System

Workplace	Employees		Workers who are not employees	
	Number	Ratio	Number	Ratio
Chung Li Plant	453	93%	33	7%
Guan Yin Plant II	371	92%	33	8%
Guan Yin Plant III	140	81%	33	19%
FORTUNE ELECTRIC Extra High Voltage Co., Ltd.	204	92%	17	8%
Total	1168	91%	116	9%

Notes: 1. "Workers who are not employees" refer to individuals whose work and/or workplace is controlled by the organization. Common types include workers involved in coating, packaging, basic wiring, facility cleaning, food services, and security.

2. The headcount is based on the number of personnel as of December 31, 2024.

3. Since the Taipei Office and Kaohsiung Office are primarily administrative and sales units, and their employees are involved in low-risk work that does not include high-voltage electrical operations, heavy machinery, or production processes, they are excluded from the occupational health and safety management personnel statistics.

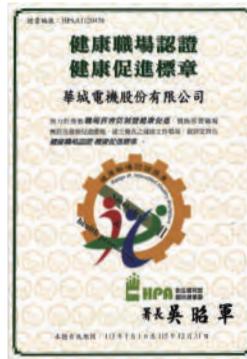
## Onsite Services – Number of Health Education Cases of Occupational Physicians

Year	2022		2023		2024	
Average number of employees	633		909		1040	
Number and ratio of health education cases of physicians and nurse practitioners	384	60.66%	503	55.33%	451	43.36%



# EMPLOYEE HEALTH PROMOTION

FORTUNE ELECTRIC places significant importance on the physical and mental well-being of its employees, striving to create an environment that supports both work efficiency and work-life balance. We have established fitness centers and launched health promotion programs such as smoking cessation and weight management initiatives. These programs are integrated with on-site medical services, which provide four core health guidelines along with personalized health counseling. Stress management seminars are held at all three plants, where professional nurses assist employees in managing stress and maintaining mental wellness. Additionally, a variety of health promotion activities are organized to enhance overall employee health. The company also actively implements a smoke-free workplace policy and has developed a self-management system to systematically carry out health initiatives. These efforts not only protect employees' health but also contribute to improved work performance.



## FORTUNE ELECTRIC's Employee Health Promotion Initiatives

Items	Smoking Cessation / Weight Management	Employee Fitness Centers
Description	Company-wide programs to promote smoking cessation and weight control, guided by professional nurses who provide health counseling and support. These efforts are complemented by a blood pressure monitoring and care interview system to enhance self-management motivation.	Fitness centers are established at various plant and office locations, equipped with facilities such as sports courts, fitness equipment, massage chairs, and gaming consoles to create a relaxing and social space. For example, each plant and office building has its own dedicated fitness area, available during breaks and after work.
Outcome	Helps employees improve unhealthy habits, raises health awareness, and fosters a healthier workplace environment.	Enhances physical and mental well-being, promotes team cohesion, and creates a more energetic work environment.

## Occupational Health Services

To safeguard the physical and mental well-being of its workers, FORTUNE ELECTRIC classifies its workplaces into general and high-risk areas. Contracted physicians or nurses conduct two health education sessions monthly, which include consultations and the management of employee health. Both the Zhongli and Guanyin Plant II have full-time occupational nurses who provide health management services, emergency medical care, and occupational health consultations. These nurses also help promote health initiatives to ensure a safe working environment and the overall well-being of employees.

Common occupational hazards at FORTUNE ELECTRIC include noise, dust, and organic solvents. To address these risks, the company requires pre-employment health screenings for all new employees. Additionally, all employees who have completed one year of service receive annual health check-ups each July—exceeding regulatory requirements. These check-ups are conducted by on-site physicians and nurses, and results are categorized into four risk levels: Level 2: Requires health education by a physician or nurse; Level 3: Requires the employee to return for follow-up consultation; Level 4: Requires physician evaluation to determine if job reassignment is necessary to prevent long-term occupational harm.

In addition to regular health check-ups, the company also offers on-site medical services. Physicians conduct health seminars that focus on the ten most common abnormalities identified in annual health screenings and provide body composition analysis, including assessments of body fat percentage and metabolic age. Since exercise is the best medicine, employees are encouraged to participate in aerobic activities, resistance training, or brisk walking—aiming for 10,000 steps per day—to maintain good health. FORTUNE ELECTRIC adjusts its medical staffing according to real-time needs. For instance, with the number of employees at the Guanyin Plant II exceeding 300, the company hired an additional full-time occupational health nurse. Additionally, an occupational physician now delivers on-site services three hours per month at the plant.

## FORTUNE ELECTRIC's Health Management Classification in the Last Three Years

Year	2022	2023	2024
Number of examined employees	547	618	731
Those requiring level-1 health management	25	28	55
Those requiring level-2 health management	106	142	232
Those requiring level-3 health management	84	102	123
Those requiring level-4 health management	27	33	38

# CONTRACTOR OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

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CHAPTER 5 PEOPLE-CENTERED AND FULFILLING WORKPLACE

FORTUNE ELECTRIC places a high importance on the occupational health and safety (OHS) of contractors and has established clear regulations through the "1P2036 Contractor Health and Safety Management Procedures" to ensure construction safety. All contractors entering the plant must complete a 3-hour general OHS training program and obtain a valid work permit. Additionally, contractors are required to attend the annual coordination meeting held each December. During construction activities, we conduct daily safety inspections and supervision to ensure all operations comply with safety standards. For contractors found in violation, a point-based, tiered management system is implemented. Those who accumulate a certain number of violations are prioritized for counseling and may face work restrictions for up to three months. These measures are designed to enhance contractors' safety awareness and execution capabilities, thereby ensuring the safety and integrity of the entire plant environment.

Additionally, the company improves the safety knowledge of both contractors and employees through safety education programs and guidance mechanisms, ensuring that all work environments meet high occupational health and safety standards. We prioritize hazard prevention and autonomous safety management, requiring contractors to identify potential risks and take appropriate measures to minimize occupational accidents and environmental impact. Contractors are also expected to comply with the company's management systems, and regulatory compliance is a mandatory criterion in the supplier selection process to ensure that all partners maintain high standards of workplace safety and environmental responsibility.

Environmental, health, and safety regulations are clearly outlined in contracts with partner vendors, requiring contractors to adopt the principles and practices of corporate sustainability and implement green production. Through these measures, FORTUNE ELECTRIC aims to create a low-impact, high-sustainability supply chain in collaboration with its partners, thereby promoting corporate social responsibility and environmental sustainability goals.

## Contractor Training

The Company conducted its annual contractor consultative meeting, attended by 334 participants from 80 partnering vendors. During the meeting, relevant professionals presented on several key topics, including the significance of personal protective equipment (PPE), the legal responsibilities of foremen and supervisors, and case studies of occupational accidents such as entanglement and pinch-point injuries. Furthermore, instances of violations within the plant, along with pertinent safety regulations, were discussed to improve contractors' ability to identify hazards and enhance overall safety awareness.

### Number of Contractor Counseling Cases

Year	Operational sites	2022	2023	2024
Number of contractors trained in the annual consultative organization meeting	Chung Li Plant	41	19	23
	Guan Yin Plant II	36	24	22
	Guan Yin Plant III	22	20	21
	FORTUNE ELECTRIC Extra High Voltage Co., Ltd.	35	9	14
	Total	134	72	80

Year	Operational sites	2022	2023	2024
Number of people participating in contractor training annually	Chung Li Plant	116	113	107
	Guan Yin Plant II	78	120	132
	Guan Yin Plant III	78	65	63
	FORTUNE ELECTRIC Extra High Voltage Co., Ltd.	72	25	32
	Total	344	323	334

# CREATING A SAFE WORKPLACE

FORTUNE ELECTRIC has implemented the ISO 45001 Occupational Health and Safety Management System, seamlessly incorporating safety principles into every facet of our business operations through rigorous environmental monitoring and comprehensive equipment maintenance programs. In 2019, we successfully transitioned the OHSAS 18001 systems at three of our plants to ISO 45001 and achieved certification, showcasing our dedication to systematic management and ongoing improvement.

To efficiently manage occupational health and safety risks, every plant performs an annual hazard identification and risk assessment in November, concentrating on workplace operations. Following this, a risk level assessment meeting takes place in December to classify risk levels (A/B/C/D). For risks designated as A or B, relevant occupational health and safety management plans are created, and a control register for significant environmental aspects is established.

## High Risks (Risk Level A) after Hazard Identification and Number of Management Programs

Year	2022	2023	2024
Number of assessment cases	2,580	3644	3616
Risk level A	22	30	18
Proportion (%)	0.85%	0.82%	0.49%
Number of programs	16	21	18
Completion rate (%)	100%	100%	100%

To ensure comprehensive employee protection, the Company actively provides personal protective equipment, including safety suits and face shields, and conducts various safety inspections. Regular safety awareness campaigns and training programs are also held to reduce the risk of occupational injuries and to safeguard employees' physical and mental well-being.

- **Annual Infrared Detection in Plant Areas:** In July and August, manufacturers visit each factory and conduct infrared measurements of distribution board of each unit in the entire plant area to ensure electrical safety.
- **Annual Safety Checks of Buildings in Plant Areas:** In July and August, architects visit each factory to conduct annual safety checks of buildings and application work. The inspection results of each factory must comply with building regulations and standards.
- **Respirator Fit Testing:** To ensure proper use of respiratory protection, the Company collaborates with nursing staff to conduct respirator fit testing. This enhances employees' understanding of correct usage and helps protect their respiratory health.
- **Smoke Ventilation Improvements:** New smoke louver vents are measured, evaluated, and installed to ensure effective smoke evacuation in the event of an emergency, minimizing potential safety risks.

## Fostering a Culture of Occupational Safety

Adhering to the principle of "Safety First, Continuous Improvement," FORTUNE ELECTRIC is committed to cultivating a strong culture of Occupational Health and Safety (OSH). We continuously optimize our OSH management to ensure that every employee can work in a safe, ergonomic, and comfortable environment. Our efforts span multiple dimensions, including upgrading surveillance systems, inspecting fire safety systems, and improving accessibility features—all part of our commitment to strengthening plant-wide safety management and enhancing overall workplace well-being.

At FORTUNE ELECTRIC, occupational health and safety is viewed as a fundamental pillar of sustainable business operations. We continue to invest resources to enhance workplace safety and comfort by integrating digital monitoring, improved fire protection, and barrier-free design. Our goal is to foster a safer, more inclusive, and internationally aligned safety culture—enabling every employee to perform at their best in a secure environment and grow alongside the company.

To enhance safety monitoring and management efficiency, we reassessed risk-prone areas across our plants and upgraded and integrated the surveillance system. Security monitoring has been refocused on critical zones to ensure real-time detection of irregularities. Cameras in operational areas have been repositioned based on risk assessments to expand coverage and eliminate blind spots. In addition, section-level and above supervisors can now access real-time surveillance of key areas via a mobile app, enabling prompt responses to potential risks and improving overall operational safety.

Fire safety measures have also been reviewed and upgraded, with particular emphasis on fire prevention planning for external and older warehouses to ensure compliance with the latest fire safety regulations. Fire protection equipment in high-risk zones is regularly inspected and maintained, ensuring that extinguishers, fire alarms, and emergency response systems remain in optimal condition. These efforts reduce fire risk and strengthen emergency response capabilities to protect both employees and company assets.

Beyond safety management, we also prioritize workplace comfort and accessibility. To enhance employee well-being, we renovated the cafeteria to tackle ventilation and odor issues, creating a more pleasant dining environment. We have also proactively improved accessibility features, including the addition of barrier-free ramps, elevators, and accessible restrooms, fostering a more inclusive workplace where all employees, including those with disabilities, can safely and efficiently access company facilities.

### Specific Measures to Enhance Occupational Safety Culture

Items	Description	Effectiveness & Impact
Enhanced Surveillance System	<ul style="list-style-type: none"><li>Integrated surveillance system; security personnel focus on key areas</li><li>Repositioned cameras in work zones based on risk</li><li>Supervisors (section level and above) can monitor key areas in real time via the mobile app</li></ul>	<ul style="list-style-type: none"><li>Improved monitoring efficiency and reduced blind spots</li><li>Enhanced operational safety and emergency response capability</li></ul>
Upgraded Fire Protection	<ul style="list-style-type: none"><li>Inspected fire safety equipment in external and aging warehouses</li><li>Reinforced fire extinguishers, alarms, and emergency response equipment</li></ul>	<ul style="list-style-type: none"><li>Reduced fire risks and enhanced emergency preparedness</li></ul>
Improved Working Environment	<ul style="list-style-type: none"><li>Renovated the cafeteria to improve ventilation and eliminate odors</li><li>Installed barrier-free ramps, elevators, and accessible restrooms</li></ul>	<ul style="list-style-type: none"><li>Enhanced employee comfort and workplace inclusiveness</li></ul>
"Point and Call" Safety Program	<ul style="list-style-type: none"><li>Conducted various "Point and Call" safety training sessions (e.g., proactive point and call practice, aerial work platforms, forklifts, lifting and rigging operations, testing activities)</li></ul>	<ul style="list-style-type: none"><li>Improved employees' safety awareness and compliance with operational protocols</li><li>Reduced operational risks and occupational accident rates</li><li>Strengthened corporate safety culture and promoted a safer, more inclusive workplace</li></ul>
On-site Occupational Health Services	<ul style="list-style-type: none"><li>Installed 3 AEDs in plant areas to improve emergency accessibility</li><li>QR codes posted for employees to easily check AED pad expiration dates</li><li>Provided AED operation training</li></ul>	<ul style="list-style-type: none"><li>Ensured AEDs remain in optimal condition and improved the success rate of emergency response</li><li>Increased employee familiarity and confidence in AED use</li><li>Shortened emergency response time and strengthened plant-wide safety management</li></ul>



## Improvement Measures

FORTUNE ELECTRIC continues to optimize equipment and the work environment to guarantee the health and safety of employees and partners. We are dedicated to improving workplace safety and operational sustainability through better equipment and management practices, allowing all personnel to function in a safe environment. In 2024, we initiated a series of safety improvement initiatives across production operations, fire safety, traffic management, and personnel protection, aiming to meet occupational safety targets while boosting both safety and efficiency in the workplace. Key proposals include:

### 1. Workplace Safety:

- Improved forklift safety by installing seatbelt locking mechanisms and safety chains to ensure correct operation and reduce the risk of accidents.
- Added document holders to aerial work platforms to support equipment inspections and personnel qualification management, reinforcing standardized operations.
- Installed buzzers and warning signals in lifting and rigging operation areas to prevent unauthorized access to high-risk zones and ensure safe material handling.

### 2. Fire Safety and Emergency Response:

- Enhanced smoke extraction efficiency in the Building A office area by adding new exhaust fans, improving emergency evacuation safety.
- Installed high-visibility photoluminescent fire extinguisher signs to ensure visibility and accessibility during emergencies.
- Updated the zero-accident safety board to promote a strong safety culture, raise employee risk awareness, and foster a safe workplace.

### 3. Traffic and Operational Area Safety:

- Installed warning lights in the temporary parking lot to alert both drivers and pedestrians, reducing the risk of traffic accidents.
- Added protective covers to manual hydraulic pallet jacks to prevent foreign object entanglement and reduce the risk of operational injuries, enhancing workplace safety.



## Emergency Response Plan

FORTUNE ELECTRIC is dedicated to fostering a strong occupational safety culture and continuously enhancing the Health and Safety management of its facilities. Through regular inspections and improvement initiatives, we ensure that our working environment meets the highest standards. By implementing comprehensive fire safety and emergency response plans, we consistently conduct fire drills to bolster employees' emergency response skills, ensuring swift and orderly actions in the event of a fire or other unexpected incidents and protecting the health and safety of all personnel.

Our fire suppression drills involve training on fire incident reporting, emergency evacuation guidance, operation of firefighting equipment, and first aid response. Each emergency response team must conduct simulation exercises according to the emergency response plan to ensure familiarity with the procedures and validate the effectiveness of on-site firefighting equipment.

**Drill Outcome:** The Company's fire emergency response system operated smoothly, with employees able to respond quickly and effectively execute the emergency procedures. Moving forward, we will further strengthen the inspection and maintenance of firefighting equipment, enhance the efficiency of collaboration among emergency response teams, and expand employee training in fire safety knowledge and practical skills to boost overall emergency preparedness.





## Occupational Safety Audits

FORTUNE ELECTRIC is dedicated to improving workplace safety and hygiene by conducting regular inspections and implementing enhancement plans to protect the health and safety of all employees. In 2024, our audits concentrated on key areas such as workplace hygiene and cleanliness, operational safety, traffic and parking management, labor rights and management, along with fire safety and emergency response. These audits have effectively addressed and rectified identified deficiencies.

We will continue to prioritize safety and hygiene management in all facilities and promote routine inspections and optimization measures to ensure a healthy and safe working environment for our employees. We regularly monitor the hygiene status of public facilities, maintain high standards of restroom cleanliness, and consistently replenish sanitation supplies to enhance convenience and hygiene for users. We are also strengthening environmental improvement initiatives, particularly by maintaining and upgrading lighting equipment to ensure adequate illumination in the workplace, which helps reduce visual fatigue and improve work efficiency.

We also conduct regular audits of our contracted food service providers to ensure their environmental hygiene and food quality meet established standards, safeguarding employees' dietary safety. In high-risk work areas—especially those involving lifting and rigging operations—we continuously monitor the working environment and inspect the functionality of warning lights and buzzers to ensure these safety devices operate properly, thereby minimizing operational risks. Regarding fire safety, the company enforces routine inspections and timely replacement of fire extinguishers to ensure all firefighting equipment remains in optimal condition and enhances emergency response capabilities.

Through these ongoing improvement initiatives and monitoring measures, we are committed to ensuring that our facility meets the highest safety standards, creating a healthier, more comfortable, and trustworthy workplace for our employees.

## Occupational Safety Guidance for Foreign Workers

FORTUNE ELECTRIC is dedicated to creating a safe and inclusive working environment, with a particular emphasis on the occupational safety and training needs of foreign workers. We understand the significance of ensuring that these employees fully comprehend workplace safety regulations, minimize potential risks, and transition smoothly into their working environment. Recognizing that language and cultural differences can present challenges to safety education, we provide multilingual safety instructions, visual learning materials, and hands-on drills to assist foreign workers in intuitively grasping key safety concepts and enhancing their emergency response skills during daily operations.

In addition, the company has established a dedicated Safety Guidance Program for foreign workers, led by a specialized team that conducts regular training sessions and provides personalized guidance. The program covers basic safety protocols, machinery operation, preventive measures for high-risk tasks, and emergency response procedures. Through case-based instruction and simulation drills, participants acquire practical skills to respond effectively to potential hazards. We also encourage feedback from migrant workers through open communication channels, enabling them to report safety concerns and allowing management to promptly adjust guidance strategies, thereby enhancing the overall effectiveness of safety management.

Through these safety guidance initiatives, FORTUNE ELECTRIC not only strengthens the workplace safety awareness of its foreign workers but also fosters a diverse and inclusive safety culture, ensuring that all employees can perform their duties in an equitable and secure environment. This shared commitment supports the long-term sustainability and success of both the company and its workforce.

## Occupational Health and Safety Education Training

FORTUNE ELECTRIC places a strong emphasis on maintaining a healthy and safe working environment. All new employees undergo three hours of introductory safety training upon onboarding. For existing employees, regular safety training is provided based on the nature of their job functions. Emergency response drills are conducted for different departments, focusing on key processes and high-risk areas to effectively mitigate and prevent potential occupational health and safety risks.

Training Program	Heat Hazard Prevention Training	Emergency Response, CPR & AED Training	First Aid and Laceration Management Training
Description	On-site medical service teams provide targeted training for employees with cardiovascular conditions and those working in high-temperature environments (e.g., Manufacturing Section III, Quality Assurance Department). The training covers heat hazard prevention, symptom recognition, and emergency response, reducing employees' risks of prolonged exposure to high-temperature environments.	Employees are taught how to perform CPR, including rescue breathing and chest compressions, and operate Automated External Defibrillators (AEDs), along with risk assessment and prevention strategies, to ensure calm and effective action in emergencies.	Covers basic first aid principles, wound treatment, and emergency response procedures to ensure employees possess the necessary knowledge for immediate care.
Outcomes	Enhanced employee awareness and preparedness for heat-related hazards, ensuring health and safety in high-temperature work environments.	Improved emergency response capabilities, enabling timely intervention during cardiopulmonary incidents and reducing workplace safety risks.	Strengthened basic first aid skills among employees, reducing the severity of injuries and enhancing overall workplace safety.



## Employee Occupational Health and Safety Training of FORTUNE ELECTRIC in 2024

Training received by workers	Training courses in 2024	Number of trainees	Total training time
General training (New employees)	Chung Li Plant	94	282
	Guan Yin Plant II	78	234
	Guan Yin Plant III	25	75
	FORTUNE ELECTRIC EXTRA HIGH VOLTAGE CO., LTD.	72	216
Specific training	Retraining for forklift operators	36	108
	Retraining for fixed crane operators	74	222
	On-the-job retraining for first-aid personnel	11	33
	Retraining for health and safety business supervisors	5	30
	Retraining for fire management personnel	7	42
	Retraining for occupational health and safety administrators	5	60
	Health and safety training (retraining) for operators of acetylene welding equipment	13	39
	On-the-job health and safety training (retraining) for supervisors of hazardous operations (supervisors of organic solvent, dust, special chemical, and oxygen-deficient operations)	16	96
	On-the-job health and safety training (retraining) for supervisors of overhead and construction equipment assembly operations	1	6
	Retraining for fire security supervision personnel	1	8
	Emergency response drills	62	248
	Level-A Certified Air Pollution Control Specialist – Onboarding Training	1	16
	Retraining for Rooftop Work Supervisors	6	36
	Basic Training for Forklift Operators	1	18
	First Training for Fixed Crane Operators	1	38
	General Occupational Health and Safety – On-the-Job Training	30	90
	Occupational Health and Safety Training (Basic) for Thai Nationals Operating Fixed Cranes (Overhead Type – Ground Control) with Lifting Capacity Over 3 Tons	9	441
	Internal Auditor Training for ISO 14001, ISO 45001, and ISO 50001 Systems	30	240

## Occupational Injuries

Occupational hazards primarily faced by FORTUNE ELECTRIC include nips and pinches, along with noise, dust, and organic solvent operations. Nips and pinches can lead to serious occupational injuries if strict management is not implemented. When an occupational injury occurs in the plant area, machinery is immediately stopped, and necessary emergency troubleshooting measures are adopted. We also emphasize that all operators should pay close attention to the interior conditions of machinery to minimize risks. The statistics in the table below apply to all workers.

### FORTUNE ELECTRIC's Accident Investigation Processes

Occurrence of an incident	After a major occupational disaster occurs, it shall be immediately reported to the Health & Safety Division and the superior, and the local labor inspection agency notified within eight hours. The relevant contractor shall notify the construction supervision unit by telephone within 30 minutes and request support from the fire protection and medical units according to the relevant provisions.
Tracing the cause of the incident	The Health and Safety Division shall establish an Occupational Disaster Investigation and Treatment Group following a major occupational disaster. The supervisors of each unit or designated personnel shall act as conveners and collaborate with supervisors of relevant departments to conduct a site survey and verification. After the Accident Prevention Report is provided to the General Manager by letter, a review meeting for the major occupational disaster investigation report shall be convened within three days. The occupational health and safety business supervisor serves as the convener and invites supervisors and labor representatives of each unit to the meeting. The Health & Safety Division shall explain the process and subsequent handling of the major occupational disaster.
Incident review and improvement	In accordance with matters requiring improvements in the incident investigation and analysis report submitted by the Occupational Disaster Investigation and Treatment Group, each unit shall implement tracking and control until improvements are completed, and conduct a comprehensive review to prevent the reoccurrence of similar incidents. Photos shall be taken at the site of the major occupational disaster as evidence to be submitted to the Health & Safety Division with the investigation report. They will also be used as training materials to prevent the recurrence of similar incidents.

### Recordable and Serious Occupational Injuries of FORTUNE ELECTRIC's Employees and External Workers over the Last Three Years

Year	Object	Total Experienced Working Hours	Number of Minor Occupational Injuries	Rate of Minor Occupational Injuries	Number of Serious Occupational Injuries	Disabling Frequency Rate (FR)	Number of fatalities	Death Rate	Number of Recordable Occupational Injuries	Total Recordable Injury Frequency Rate, (TRIFR)
2022	Employees	1,267,850	7	5.52	0	0	0	0	7	5.52
	Workers who are not employees	135,440	0	0	0	0	0	0	0	0
2023	Employees	1,739,790	7	4.02	0	0	0	0	7	4.02
	Workers who are not employees	181,264	0	0	0	0	0	0	0	0
2024	Employees	2,196,901	10	4.55	0	0	0	0	10	4.55
	Workers who are not employees	0	0	0	0	0	0	0	0	0

Notes: 1. The statistical benchmark of occupational disasters does not include "commuting disasters" during commuting hours.

2. Total experienced working hours: Total annual working hours of all workers calculated; total working hours and overtime of employees calculated; for those who are not employees (contractors), the annual data is estimated per 8 hours a day on average × (Number of personnel entering the site each month × Number of working days per month).

3. The rate of minor occupational injuries refers to the number of times a minor occupational injuries took place every 1,000,000 working hours. Calculation formula: Number of minor occupational injuries × 1,000,000/Total working hours. The data is calculated to 2 decimal places and not rounded off.

4. Disabling Frequency Rate (FR): Refers to the number of times serious occupational injuries (not including death) took place every 1,000,000 working hours; calculation formula: Number of serious occupational injuries × 1,000,000/Total working hours; a serious occupational injury refers to an injury causing disability or resulting in the victim's inability to return to his/her pre-injury state of health.

5. Total Recordable Injury Frequency Rate (TRIFR) refers to the number of times recordable occupational injuries took place every 1,000,000 working hours. Calculation formula: Number of recordable occupational injuries (including number of minor occupational injuries, number of serious occupational injuries, and death toll) × 1,000,000/Total working hours. The data is calculated to 2 decimal places and not rounded off.

6. Rate per 1,000,000 working hours refers to the number of occupational injuries caused to every 500 full-time workers within a year, assuming 2,000 working hours by a full-time worker in one year (suitable for an organization with more than 500 members).

## Disabling Injury Frequency and Severity Statistics of FORTUNE ELECTRIC's Employees and External Workers over the Last Three Years

Year	Object	Number of Working Days Lost due to Disabling Injury	Disabling Frequency Rate (FR)	Disabling Severity Rate (SR)	Frequency-Severity Indicator (FSI)	Category of Injury
2022	Employees	39	6.68	18	0.22	Hand injury from lifting, falling and injuring while missing one's step, and injury from clamping equipment. Falling of personnel due to abnormality of weld beads of coil tightening device and fingers being clamped when lifting equipment
	Workers who are not employees	0	0	0	0	N/A
2023	Employees	15	4.02	8.62	0.19	Ankle sprain from crossing conveyor line; Leg bruise from falling suspended object; Wrist contusion due to slope slip; Finger crushed while handling objects; Finger injury during aerial lift operation
	Workers who are not employees	0	0	0	0	N/A
2024	Employees	19	4.55	8.64	0.20	Ankle sprain from crossing conveyor line; Crush injury from falling object; Finger injury during equipment maintenance; Electric shock; Fall from height; Collision injury from swinging suspended load; Traffic accident during business trip; Fall from elevated work platform
	Workers who are not employees	0	0	0	0	N/A

Notes: 1. Number of working days lost: The number of days of absence from work (including rest days); the calculation benchmark includes work-related injury leave due to occupational incidents, but excludes sick leave and menstrual leave.

2. Disabling Frequency Rate (FR) = Number of person-times with disabling injury  $\times$  1,000,000/Total experienced working hours (calculated to 2 decimal points and not rounded off).

3. Disabling Severity Rate (SR) = (Number of days lost due to disabling injury  $\times$  1,000,000)/Total experienced working hours (not rounded off)

4. Frequency-Severity Indicator (FSI) =  $\sqrt{[(FR \times SR) \div 1,000]}$  (calculated to 2 decimal points and rounded off to 3 decimal points).

5. Rate per 1,000,000 working hours refers to the number of occupational injuries caused to every 500 full-time workers within a year, assuming 2,000 working hours by a full-time worker in one year (suitable for an organization with more than 500 members).

## Occupational Diseases

At FORTUNE ELECTRIC, due to the nature of our operations in manufacturing and maintaining heavy electrical equipment, certain work activities—such as welding, painting, coating, machining, assembly, and high-voltage testing—are classified as medium to high-risk and may pose potential occupational disease hazards. These include:

- Respiratory Diseases:** Prolonged exposure to welding fumes, organic solvents, or dust may lead to chronic bronchitis or other pulmonary conditions.
- Musculoskeletal Disorders (MSDs):** Repetitive tasks, prolonged standing, and manual handling of heavy objects can lead to back pain, joint strain, tendinitis, and other ergonomic-related injuries.
- Hearing Loss:** Long-term exposure to high noise levels from production lines and testing equipment may lead to occupational noise-induced hearing loss.
- Visual Fatigue and Skin Contact Risks:** Extended periods of detailed inspection or handling high-temperature materials may cause eye strain, skin irritation, and allergic reactions.

To prevent occupational diseases, FORTUNE ELECTRIC has implemented a robust occupational health and safety management system, thanks to the efforts of the Health and Safety Department. Effective measures include regular health check-ups, distribution of personal protective equipment, ergonomic improvements at workstations, early-warning and notification systems for high-risk operations, and specialized training for workers in hazardous job roles.

According to our 2024 statistics, there were no reported cases of occupational diseases, with an incidence rate of zero. There were also no ergonomics-related injuries diagnosed by physicians, demonstrating the effectiveness of our prevention and health management practices. Looking ahead, FORTUNE ELECTRIC will continue to strengthen risk identification and preventive mechanisms by promoting employee health, improving the working environment, and integrating ergonomic design principles—ensuring a safer, healthier, and more resilient workplace for all.

Occupational Disease Type	Employees			Workers who are not employees (contractors)		
	Number of cases	Number of fatalities	Fatality Rate	Number of cases	Number of fatalities	Fatality Rate
Respiratory diseases / Musculoskeletal disorders / Hearing loss / Visual fatigue and skin contact risks	0	0	0	0	0	0

Note: The total number of employees is calculated per total number of employees as of December 31, 2024.

Social Charity  
Educational Support  
Environmental Conservation

# LOCAL ENGAGEMENT AND SOCIAL INCLUSION

6  
CHAPTER



**FORTUNE ELECTRIC** is dedicated to its mission to  
**“ Serve to Achieve Self-Fulfillment, Beautify Communities with Passion, Serve People with Patience, and Foster a Caring and Healthy Society. ”**

In alignment with this philosophy, the company formed the **FORTUNE ELECTRIC Volunteer Committee** to support underprivileged groups, primarily in the Taoyuan area. Each year, the committee convenes at the end of the year to plan activities and projects for the upcoming year. **The Taipei H. L. Hsu Social Welfare Foundation** evaluates and provides funding, and at times, the company collaborates with suppliers to engage in charitable events together. To ensure optimal use of resources, the committee conducts interviews and needs assessments prior to implementation, allowing for thorough planning. These initiatives embody the company's commitment to enhancing its contributions to public welfare and fulfilling its corporate social responsibility.

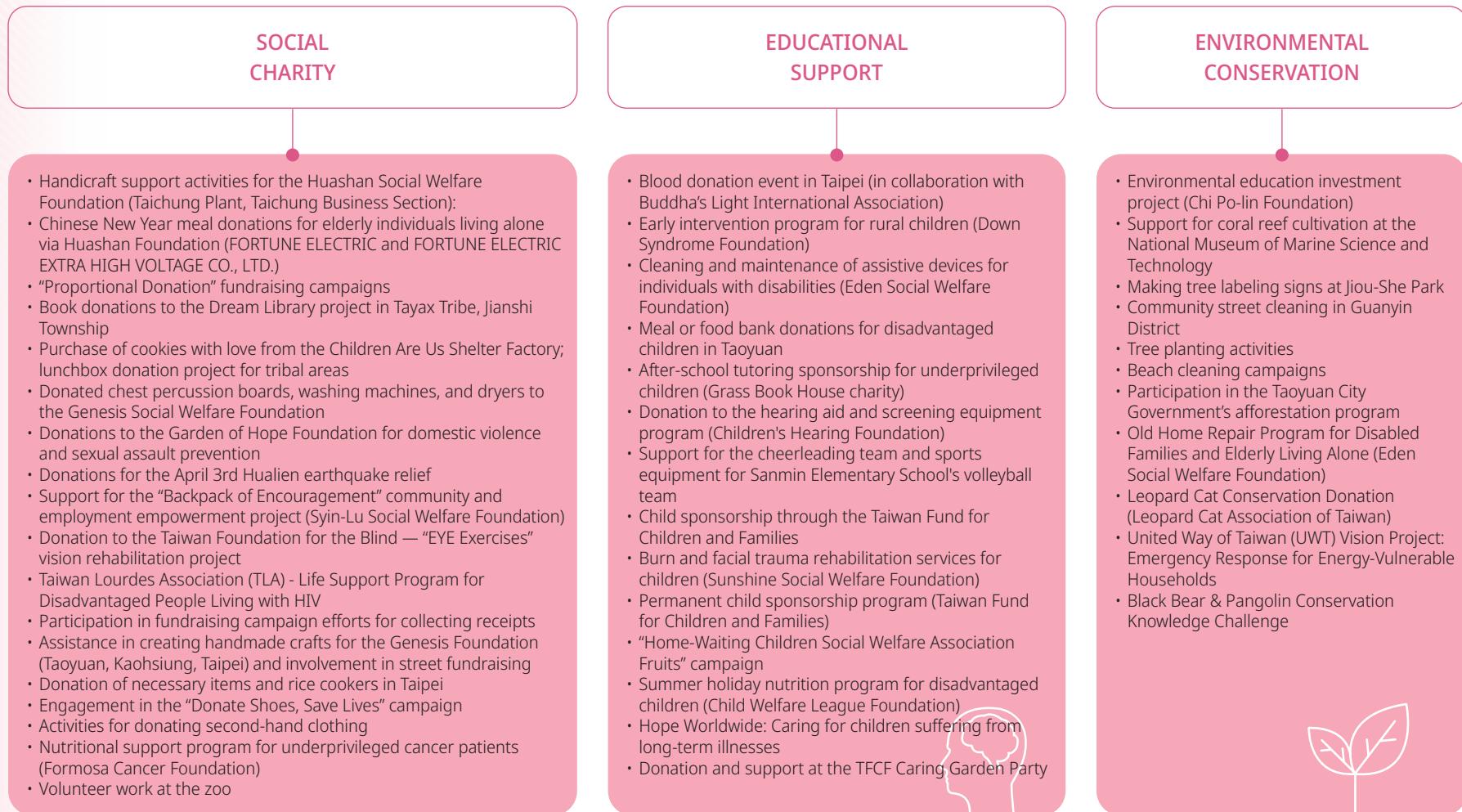


In 2024, the FORTUNE ELECTRIC Volunteer Committee conducted a series of impactful environmental initiatives, including tree planting, beach cleanups, street sweeping, and second-hand goods recycling. Environmental indicators were established to measure performance and assess outcomes. The company also put in place community management and engagement mechanisms to reduce operational impact on surrounding areas. Through ongoing public welfare efforts, FORTUNE ELECTRIC continues to uphold its corporate social responsibility, promoting community well-being and sustainable development. In 2024, a total of 822 participants contributed 2,022 volunteer hours, creating lasting and positive impacts on society.

### PURPOSE OF PUBLIC WELFARE INITIATIVES

**“ Serve to Achieve Self-Fulfillment, Beautify Communities with Passion, Serve People with Patience, and Foster a Caring and Healthy Society ”**

Key Themes of Public Welfare Initiatives



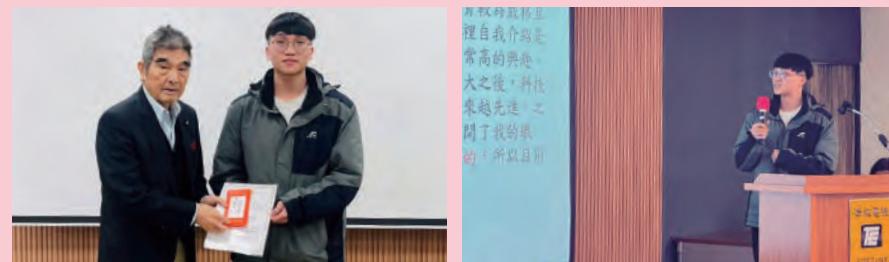
Public Welfare Highlights of 2024



## Fortune Charity Insight: Taipei H. L. Hsu Social Welfare Foundation

FORTUNE ELECTRIC embodies the spirit of social responsibility instilled by its founder, Mr. Hsu Hsian-Liang, upholding the principle of "giving back to society from what we gain." The company is dedicated to providing high-quality products while actively contributing to society. In 1997, Ms. Hsu Yin-Pi established the Taipei H. L. Hsu Social Welfare Foundation to continue Fortune's mission. Focused on supporting the underprivileged and offering emergency assistance, the Foundation works alongside the internal Volunteer Committee and external charitable organizations to promote public welfare initiatives.

The Foundation has long been committed to supporting a variety of causes, such as scholarships for financially disadvantaged students, child sponsorships, and Care Garden Parties through the Taiwan Fund for Children and Families, Taoyuan City Government's tree planting program, Chinese New Year meal sponsorships with the Huashan Social Welfare Foundation, care events for children with osteogenesis imperfecta, and charity calendar purchases from the Sunshine Social Welfare Foundation. It also provides ongoing funding to support volunteer-led charity activities promoted by the Volunteer Committee, broadening its impact across the community. Each year, the Foundation allocates approximately NT\$400,000 to NT\$500,000 to support public welfare programs. Through these efforts, FORTUNE ELECTRIC not only fulfills its corporate social responsibility but also enhances its corporate value, actively promoting shared prosperity and sustainable development.



- Long-term sponsorship of children through the Taiwan Fund for Children and Families
- Participation in the Chi Po-lin Foundation's environmental education campaigns
- Regular bulk purchases of charity calendars from the Sunshine Social Welfare Foundation for key clients. The latest edition, themed "If I Had Magic," features 12 paintings created by children with burn injuries or facial disfigurements, offering a heartfelt glimpse into their rich inner worlds.
- Scholarship provision: One student received an award this year and was invited to attend a key company meeting to deepen their understanding of FORTUNE ELECTRIC and share personal insights and learning aspirations.
- Annual joint participation with the Volunteer Committee in the TFCF Caring Garden Party
- Annual collaboration with the Volunteer Committee in the Taoyuan City Government's tree planting campaign
- Long-term support for the Taiwan Osteogenesis Imperfecta Association, including sponsoring recreational experiences for OI patients and families such as the "Step Out of the Shadows and Into the Sun" slow-travel tour of Penghu
- Participation in the United Way of Taiwan(UWT) Vision Project: Emergency Response for Energy-Vulnerable Households
- Participation in lunchbox donation campaigns for tribal communities organized by the Children Are Us Foundation
- Sponsorship of hearing aids and hearing screening equipment for the Children's Hearing Foundation
- Ongoing sponsorship of New Year meal donations for elderly individuals living alone through the Huashan Social Welfare Foundation.



# SOCIAL CHARITY

## Charity Sale at the TFCF Caring Garden Party: A Big Hug for the Underprivileged Children

FORTUNE ELECTRIC is dedicated to sustainable corporate development and actively supports community initiatives. Recently, the company co-hosted a TFCF Caring Garden Party charity sale at Xinshi Park, where 24 committed Fortune volunteers played a crucial role in event preparation and on-site coordination, ensuring everything ran smoothly. Besides the volunteer efforts, the Taipei H. L. Hsu Social Welfare Foundation generously donated NT\$130,000 to sustain TFCF's child welfare programs. Additionally, employees from the Guanyin Plant II contributed various items for sale at the event, which successfully raised NT\$14,390 to further support children's educational and living needs.

Despite the persistent drizzle on the day of the event, the volunteers from Fortune remained enthusiastic and dedicated. Their efforts created a heartwarming atmosphere and raised public awareness about the importance of child welfare and equitable education. Notably, to enhance volunteer identity and team cohesion, FORTUNE ELECTRIC unveiled newly designed volunteer vests for the first time in 2024. These vests symbolize the company's long-term commitment and ongoing investment in charitable initiatives. Looking ahead, FORTUNE ELECTRIC plans to further engage with child welfare issues in Taiwan, contributing to a more inclusive and compassionate sustainable society.



CH5  
PEOPLE-CENTERED AND  
FULFILLING WORKPLACE

CH6  
LOCAL ENGAGEMENT  
AND SOCIAL INCLUSION

APPENDIX

## Donation for Hualien Earthquake Relief

At 7:58 a.m. on April 3, 2024, a magnitude 7.2 earthquake struck eastern Taiwan. The violent tremor caused buildings in Hualien City to tilt and collapse, while roads in coastal and mountainous areas suffered severe damage. Instantly, many homes became uninhabitable. The Hualien County Government promptly activated emergency shelter plans, and people from all walks of life stepped up to offer support, providing shelter and essential supplies in hopes of restoring stability to the region.

In the wake of this unforeseen disaster, FORTUNE ELECTRIC refused to be just an observer—we actively took steps to make a difference. We swiftly responded with a generous donation of NT\$2 million to aid earthquake relief efforts, extending compassion and hope to the families affected. We recognize that recovery after a disaster transcends the mere rebuilding of physical structures; it involves supporting individuals in reconstructing their lives and reclaiming a sense of security. By working hand in hand with communities and organizations throughout Taiwan, we aspire to bring warmth and resilience to Hualien.



FORTUNE ELECTRIC remains committed to leveraging our corporate influence to promote sustainable initiatives, ensuring that every person in need feels embraced by a supportive society. Together, we stand alongside Hualien—helping the region to rise again with love and determination.



## Spreading Love Through a Circular Society: Donation of Second-hand Clothes and Shoes

The FORTUNE ELECTRIC Volunteer Committee actively promoted the donation of second-hand clothing and shoes, demonstrating its dedication to both environmental sustainability and social support for the underprivileged. By breathing new life into used items, this initiative not only minimized waste and maximized resource utility, but also ensured that acts of kindness reached those in greatest need.

The campaign garnered enthusiastic support from employees across all plants, with registrations fully booked in just two minutes. This quick response highlights the strong sense of social responsibility and the proactive attitude that characterize FORTUNE ELECTRIC's corporate culture. In collaboration with the Eden Social Welfare Foundation, gently used and clean clothing items were donated to welfare organizations that support underprivileged families, providing warmth and assistance where they're needed most. At the same time, the shoe donation project, conducted in partnership with Step30 International Ministries, successfully collected and sent 568 pairs of carefully selected shoes to economically disadvantaged communities in Africa. This initiative not only helps meet basic living needs while reducing the environmental impact of footwear waste.

By actively promoting the circulation of resources, we strive to reduce waste and guarantee a fair distribution of materials. From sorting and packaging to transportation, every volunteer participated with enthusiasm and a strong sense of responsibility. This initiative not only strengthened Fortune's dedication to corporate social responsibility but also exemplified the core values of resource reuse, environmental protection, and social compassion through tangible actions.

## Nutritional Support Program for Cancer Patients

In an era where healthcare and social equity are receiving increasing attention, access to proper nutrition for cancer patients should not be restricted by financial circumstances. Upholding the principles of health equity and social compassion, the FORTUNE ELECTRIC Volunteer Committee made a donation to the Formosa Cancer Foundation to support cancer patients from low- and middle-income families. The goal is to ensure these individuals receive the essential nutritional supplementation necessary to maintain treatment stability and enhance their quality of life.

Nutrition plays a vital role not only in individual health but also in the broader context of healthcare resource allocation and social development. Cancer patients often experience appetite loss and fatigue due to treatment, and inadequate nutrition may compromise treatment outcomes and increase the burden on healthcare systems. This dedicated donation targets patients aged eight and older who are undergoing cancer treatment, ensuring they receive sufficient nutrition to reduce health disparities, enhance recovery capacity, and relieve the caregiving pressure on families and society.

FORTUNE ELECTRIC believes that corporations should act as advocates for public health. By contributing resources, we not only enhance individual well-being but also raise societal awareness of health equity. Moving forward, we will continue collaborating with nonprofit organizations to create a more comprehensive support network for health, ensuring everyone has the opportunity to pursue well-being and collectively foster a more resilient society.



# EDUCATIONAL SUPPORT

## Talent Development Program: Cultivating Sustainable Partnerships with Academia

FORTUNE ELECTRIC has always been committed to nurturing talent in the power industry, firmly believing that talent development is a fundamental driver of corporate sustainability and industrial innovation. In 2024, we continued to roll out various talent development programs, actively fostering collaboration between academia and industry to close the gap between academic research and industry needs. By infusing new energy into the power sector, we ensure the ongoing advancement of both technical expertise and innovation.

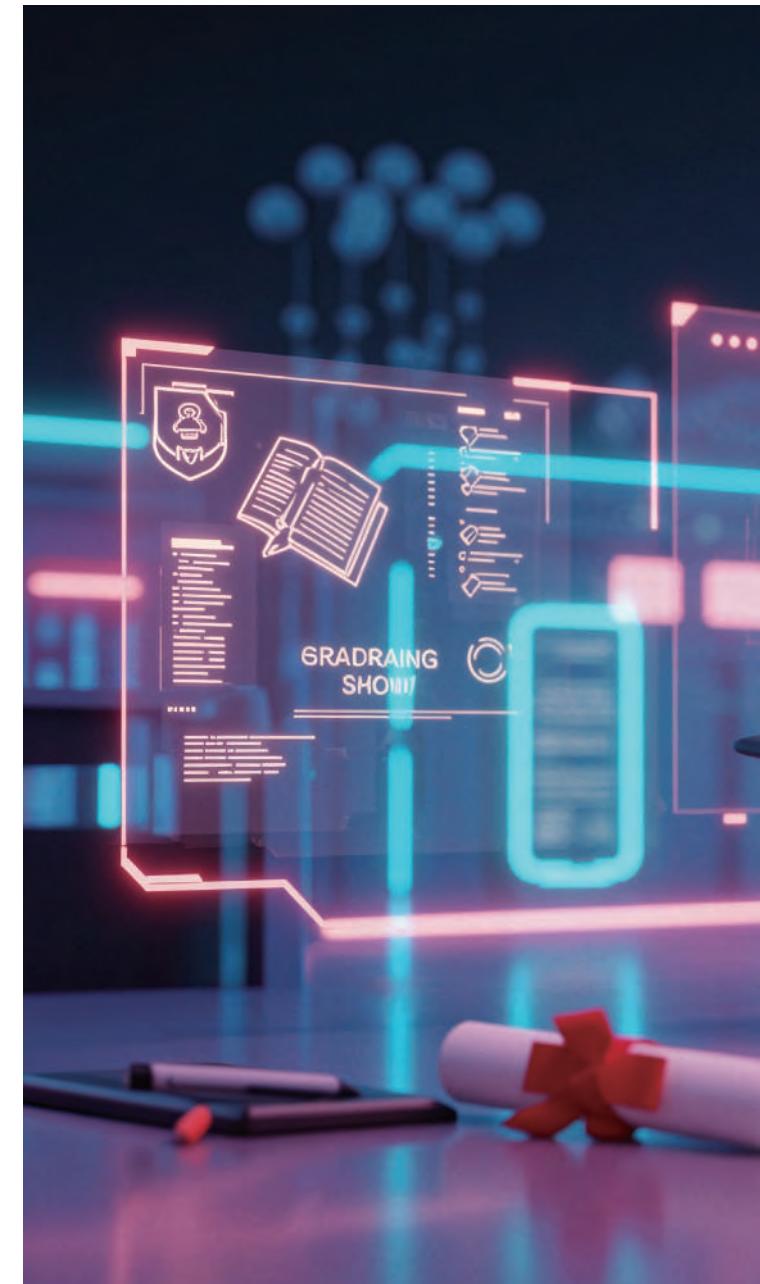
We have established partnerships with several academic institutions—including National Taiwan University, National Central University, Chung Yuan Christian University, Yuan Ze University, and Chien Hsin University of Science and Technology—to offer internship programs that provide students with hands-on experience in real-world industrial environments. These opportunities help bridge the gap between academic learning and practical application, laying a solid foundation for the future of the power industry. Through professional training and applied learning, we not only enhance internal knowledge transfer but also facilitate industrial upgrading, allowing new technologies and perspectives to be smoothly integrated into our operations. To improve learning efficiency, we have introduced a digital learning platform featuring micro-courses and online education. This makes educational resources more accessible and enables knowledge sharing without limitations of time or location.

We are committed not only to providing technical training but also to raising public awareness about power-related knowledge. Through campus talks and parent-child discovery camps, we aim to enhance the public's understanding of the power industry and stimulate interest in energy issues. In 2024, we partnered with the Power Grid Manpower Development Alliance, overseen by the Office of Power Grid at the Industrial Technology Research Institute, to launch a series of campus lectures. Chiu Wei-Jui, Manager of the Energy Management Systems Development Center at FORTUNE ELECTRIC, delivered the keynote address, offering valuable insights into the practical applications of green energy and energy management systems—key areas in which we continue to focus our technological development.

Looking ahead, FORTUNE ELECTRIC will continue investing in educational resources, expanding our cooperation with academic institutions, and strengthening our digital learning environment. Our goal is to create a forward-looking, professional ecosystem for talent in the power industry—equipping the sector to tackle future challenges and steadily progress toward a smarter and more sustainable future.

### 2024 Highlights in Industry-Academia Collaboration:

- Summer Internship Program (Chung Yuan / Yuan Ze / Chien Hsin) Integrated with the Youth Workplace Internship Plan. Among the three interns in 2024, one was selected as a finalist in a results presentation competition, representing a 33% finalist rate, and another received an award for outstanding performance.
- Semester/Annual Internships (Chung Yuan / Chien Hsin): After finishing their internships, three students remained with FORTUNE ELECTRIC and smoothly transitioned into full-time roles, facilitating a direct route from graduation to employment.
- Industry-Academia Collaboration Program (Chien Hsin University of Science and Technology): A total of three participants in 2024.
- Top University Internship Program (NTU Mentorship Program and National Central University): A total of 2 interns participated in 2024.



## Industry-Academia Collaboration: Advancing Innovation and Efficiency

In 2024, FORTUNE ELECTRIC continued its commitment to sustainable industrial development by fostering partnerships with academic institutions aimed at optimizing power systems and boosting energy efficiency. Our collaboration with Chung Yuan Christian University on the Power Line Workforce Allocation Research Project employs scientific methods to analyze the effects of workforce distribution on power line construction and maintenance. This initiative seeks to enhance labor resource planning, increase operational efficiency and safety, and create a more accurate management model for future power infrastructure projects. Additionally, we jointly launched a Drying Process Optimization Project with Chung Yuan Christian University to improve energy efficiency in manufacturing processes. Through advancements in equipment and streamlined operations, we aim to significantly lower energy consumption during production.

In collaboration with Tamkang University, we carried out data validation of energy-saving results. Post-improvement data confirmed that upgraded equipment could save approximately 1,200 kWh of electricity per day, showcasing substantial energy-saving outcomes. Third-party academic verification not only ensures the credibility of energy-saving data but also offers a solid reference for implementing similar measures in other facilities—assisting us in adopting best practices in energy management.

By joining forces with academic institutions, we are enhancing operational efficiency while leveraging technological innovation in the power industry. These partnerships provide scientific support for sustainable energy development and strengthen our commitment to smart power solutions and low-carbon transformation. Looking ahead, FORTUNE ELECTRIC will continue to increase its capacity for industry-academia collaboration, promoting more efficient power management and energy-saving technologies to create long-term, sustainable value for the power industry.

## Partnering with the Tayax Tribe to Support Educational Development in Remote Areas

Nestled in the remote mountains of Jianshi Township, Hsinchu, at an elevation of about 1,700 meters, the Tayax Tribe is an isolated Atayal community that has long faced limited access to medical and educational resources. Through our Volunteer Committee's thorough engagement, FORTUNE ELECTRIC discovered that, although the community relies on high-altitude agricultural products for self-funding, there is a pressing need for ongoing support from the private sector to enhance healthcare and educational services.

The Dream Library stands as a beacon of education within the community, founded by Grandma Suying, a local elder who generously converted one-third of her own home into a welcoming reading space for children. Her vision was to empower the next generation through learning. This modest initiative provides a calm and safe environment where children can read, study, and envision a brighter future. FORTUNE ELECTRIC has joined forces with the Dream Library Association to enhance its facilities and amplify its impact. By supporting this grassroots initiative, we aim to cultivate literacy and learning, offering children in the Tayax Tribe greater opportunities to grow and flourish. Together, we strive to create a more sustainable educational support system for rural communities.



# ENVIRONMENTAL CONSERVATION

## Environmental Action in Motion: From Tree Planting to Beach Cleaning

FORTUNE ELECTRIC is strongly committed to sustainable development and actively promotes environmental protection through hands-on initiatives such as tree planting, beach cleanups, and street sweeping campaigns. These efforts not only improve environmental quality but also raise eco-awareness among employees and local communities, showcasing our commitment to sustainability and our ongoing contributions to environmental protection and social well-being. In response to the Taoyuan City Government's "Tree Planting Month," we planted 6 trees and 1,100 shrubs, and distributed 1,300 gardenia saplings to encourage public participation in urban greening. These actions help enhance carbon absorption and lower overall urban carbon emissions.

We also took part in a joint beach-cleaning initiative across four counties—Taoyuan, Hsinchu, Miaoli, and Hsinchu City—along the Guanyin coastline in Taoyuan. A total of 150 volunteers and their family members helped remove hundreds of kilograms of trash, with a focus on non-biodegradable waste such as plastic bottles, caps, and polystyrene foam. This effort aimed to reduce marine pollution and restore coastal ecosystems. On-site environmental education further emphasized the importance of plastic reduction and increased awareness of our environmental responsibilities. Additionally, we organized a street-cleaning campaign in the Guanyin Industrial Park in Taoyuan, mobilizing 51 volunteers to clean roads, parks, and public spaces. By partnering with local communities to promote environmental awareness, we strengthened the connection between our company and residents, fulfilling our role as a responsible corporate citizen.



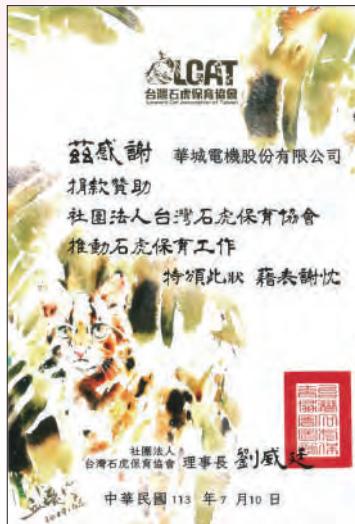


## Protecting Taiwan's Leopard Cats: Supporting Local Conservation Efforts

FORTUNE ELECTRIC acknowledges the essential role that biodiversity plays in maintaining ecological balance and fostering sustainable business development. In July 2024, we contributed to the Leopard Cat Association of Taiwan, a nonprofit dedicated to the conservation and research of this endangered native species, thereby demonstrating our commitment to protecting Taiwan's threatened wildlife.

According to the Red List of Terrestrial Mammals of Taiwan, 2017 published by the Taiwan Biodiversity Research Institute, Ministry of Agriculture, the leopard cat has been classified as an endangered species in Taiwan. In response to threats such as habitat destruction and human encroachment, the Leopard Cat Association of Taiwan has implemented a variety of conservation initiatives. These include assisting farmers in installing protective fencing, promoting strategies for coexistence between humans and leopard cats, and operating an online platform designed to mitigate conflicts between poultry and leopard cats. These efforts aim to raise public awareness and encourage greater community support for conservation.

FORTUNE ELECTRIC believes that effective conservation is only achievable through public engagement and social consensus. We motivate both our employees and the broader community to deepen their understanding of leopard cat conservation, take part in educational initiatives, and support collaborative efforts alongside local stakeholders. Moving forward, we are dedicated to enhancing biodiversity protection by partnering with local ecological organizations to foster a sustainable environment where both humans and wildlife can flourish together.



## Advocating for Energy Equity: Donation to "Emergency Response for Energy-Vulnerable Households" Campaign

Access to energy is not only essential for quality of life—it is also a matter of social equity and sustainable development. As a member of the green energy industry, FORTUNE ELECTRIC remains committed to advancing energy technology while fulfilling its social responsibility. In line with this mission, our Volunteer Committee, along with the Taipei H. L. Hsu Social Welfare Foundation, donated NT\$100,000 to support the United Way's "Emergency Response for Energy-Vulnerable Households" campaign. This initiative aims to assist families facing energy scarcity, alleviating the burden of daily life and promoting fairer and more sustainable energy access.

This donation deepened our understanding that a company's impact lies not only in its technological or financial contributions but also in its ability to raise social awareness and drive tangible action. Looking ahead, FORTUNE ELECTRIC will continue to participate in energy-related charitable initiatives, leveraging our technical expertise and industry resources to provide stable energy support to those in need. Together with communities and partners across society, we strive to build a more inclusive, equitable, and sustainable energy future.



## Promoting Environmental Education: Sponsorship of the Chi Po-lin Foundation

FORTUNE ELECTRIC firmly believes that environmental education is the cornerstone of addressing critical sustainability issues such as climate change, land conservation, and biodiversity protection. Long-term education and increased awareness are crucial for achieving meaningful change. To support environmental sustainability, our Volunteer Committee donated to the Chi Po-lin Foundation, an organization committed to promoting environmental awareness in Taiwan through visual storytelling and educational initiatives.

The foundation established the "Chi Po-lin Space" as a dedicated environmental learning center for schoolchildren. Over the past five years, the space has welcomed more than 10,000 student visitors, providing immersive experiences through documentaries, exhibitions, and interactive displays. By starting with "Seeing Taiwan," students gain a deeper understanding of the value of natural resources. Additionally, the foundation has traveled to all 22 counties and cities across Taiwan, bringing rare aerial footage and environmental stories directly into classrooms. These visual narratives and real-world examples help students understand the impact of environmental change and foster a sense of stewardship from a young age, embedding environmental values not just in textbooks but in their hearts and minds. Through these ongoing efforts, we hope that 20 or 30 years from now, Taiwan will remain a land of lush mountains and clean waters, where future generations continue to enjoy and cherish its natural richness.



## FORTUNE ELECTRIC Partners with the National Museum of Marine Science & Technology to Advance Coral Restoration and Demonstrate Commitment to Marine Biodiversity

As global climate change continues to escalate, research from the United Nations cautions that if the Earth's average temperature exceeds 1.5°C, up to 70–90% of the world's coral reefs could face extinction, potentially displacing a quarter of all marine species. In light of this, FORTUNE ELECTRIC, as a responsible corporate citizen, has taken proactive measures to support biodiversity conservation and demonstrate its commitment to sustainable development.

In 2023, FORTUNE ELECTRIC signed a formal partnership agreement with the National Museum of Marine Science & Technology, pledging NT\$800,000 to support coral restoration efforts. This collaboration underscores the company's strong commitment to the marine environment and its active role in ecological preservation through concrete actions.

The Chaojing Coral Conservation Center, guided by the International Union for Conservation of Nature (IUCN)'s Red List of Threatened Coral Species, has set a goal to conserve various key indicator coral species. FORTUNE ELECTRIC has adopted one of the museum's coral reef ecosystem display tanks, supporting the care and restoration of a wide range of coral species, including Favites sp., Platygryra sp., Cynarina lacrymalis, Briareum sp., Euphyllia sp., Stylophora pistillata, and Fungia sp. Through this initiative, the company is actively contributing to the conservation of Taiwan's marine biodiversity.

FORTUNE ELECTRIC has also integrated employee well-being into this initiative by offering exclusive admission discounts to the National Museum of Marine Science & Technology for employees who present their company ID. This initiative not only boosts awareness and engagement through education and recreation but also incorporates sustainability into daily life, reinforcing corporate social responsibility. Looking ahead, FORTUNE ELECTRIC will continue to tackle climate change challenges, strengthen cross-sector partnerships, and invest in marine conservation and biodiversity to help create a thriving, sustainable future for generations to come.



▲ FORTUNE ELECTRIC and the National Museum of Marine Science & Technology Coral Restoration Display Area

# APPENDIX

## GRI Standard Index

Use Statement	Fortune Electric Co., Ltd. has reported on the period from January 1 to December 31, 2024, in accordance with the GRI Standards.
Use of GRI 1	GRI 1: Foundation 2021
Applicable GRI Industry Code	None

## General Disclosure

GRI No.	Disclosure Item	Chapter	Page
<b>GRI 2: 2021 General Disclosure</b>			
GRI 2-1	Organizational details	<a href="#">About the Report</a> <a href="#">About Fortune Electric</a>	P.17 P.29
GRI 2-2	Entities included in the organization's sustainability reporting	<a href="#">About the Report</a>	P.17
GRI 2-3	Reporting period, frequency and contact	<a href="#">About the Report</a>	P.17
GRI 2-4	Restatements of information	<a href="#">Economic Performance</a> <a href="#">Greenhouse gas emissions</a> <a href="#">Air Pollution Prevention and Control</a>	P.44 P.76 P.78
GRI 2-5	External guarantee / Confirmation	<a href="#">About the Report</a>	P.17
GRI 2-6	Activities, value chain and other business relationships	<a href="#">Sustainable Supply Chain</a>	P.64
GRI 2-7	Employee	<a href="#">Human Rights Prioritized in the Workplace</a>	P.87
GRI 2-8	Non-employees workers	<a href="#">Human Rights Prioritized in the Workplace</a>	P.87
GRI 2-9	Governance structure and composition	<a href="#">Corporate Governance Policy and Guidelines</a>	P.50

GRI No.	Disclosure Item	Chapter	Page
GRI 2-10	Nomination and selection of the highest governance unit	<a href="#">Corporate Governance Policy and Guidelines</a>	<a href="#">P.50</a>
GRI 2-11	Chair of the highest governance unit	<a href="#">Corporate Governance Policy and Guidelines</a>	<a href="#">P.50</a>
GRI 2-12	Role of the highest governance unit in overseeing the management of impacts	<a href="#">Risk Management</a>	<a href="#">P.55</a>
GRI 2-13	Delegation of responsibility for managing impact	<a href="#">Risk Management</a>	<a href="#">P.55</a>
GRI 2-14	Role of the highest governance unit in sustainability reporting	<a href="#">About the Report</a>	<a href="#">P.17</a>
GRI 2-15	Conflicts of interest	<a href="#">Corporate Governance Policy and Guidelines</a>	<a href="#">P.50</a>
GRI 2-16	Communication of material concerns	<a href="#">Risk Management</a>	<a href="#">P.55</a>
GRI 2-17	Collective knowledge of the highest governance unit	<a href="#">Corporate Governance Policy and Guidelines</a>	<a href="#">P.50</a>
GRI 2-18	Evaluation of the performance of the highest governance unit	<a href="#">Corporate Governance Policy and Guidelines</a>	<a href="#">P.50</a>
GRI 2-19	Remuneration policies	<a href="#">Corporate Governance Policy and Guidelines</a>	<a href="#">P.50</a>
GRI 2-20	Process to determine remuneration	<a href="#">Functional Committee</a>	<a href="#">P.53</a>
GRI 2-21	Annual total compensation ratio	<a href="#">Remuneration and Welfare</a>	<a href="#">P.93</a>
GRI 2-22	Statement on the sustainable development strategy	<a href="#">About Fortune Electric</a>	<a href="#">P.29</a>
GRI 2-23	Policy commitments	<a href="#">Human Rights Prioritized in the Workplace</a>	<a href="#">P.87</a>
GRI 2-24	Embedding policy commitments	<a href="#">Integrity operations</a>	<a href="#">P.57</a>
GRI 2-25	Processes to remediate negative impacts	<a href="#">Integrity operations</a>	<a href="#">P.57</a>
GRI 2-26	Mechanisms for seeking advice and raising concerns	<a href="#">Employee-Management Relationship</a>	<a href="#">P.98</a>
GRI 2-27	Regulatory compliance	<a href="#">Integrity operations</a>	<a href="#">P.57</a>
GRI 2-28	Membership to associations	<a href="#">Participation in External Organizations</a>	<a href="#">P.47</a>
GRI 2-29	Approach to stakeholder engagement	<a href="#">Stakeholder Engagement and Materiality Analysis</a>	<a href="#">P.19</a>
GRI 2-30	Collective bargaining agreements	<a href="#">Employee-Management Relationship</a>	<a href="#">P.98</a>

## Material Topic Disclosure

GRI No.	Disclosure Item	Chapter	Page
<b>GRI 3: Material Topics 2021</b>			
GRI 3-1	Procedure to determine material topics	<a href="#">Stakeholder Engagement and Materiality Analysis</a>	<a href="#">P.19</a>
GRI 3-2	Material topic list	<a href="#">Stakeholder Engagement and Materiality Analysis</a>	<a href="#">P.19</a>
GRI 3-3	Material topic management	<a href="#">Stakeholder Engagement and Materiality Analysis</a>	<a href="#">P.19</a>

### Operational Performance

Disclosure Item No.	Disclosure Item Topics	Chapter	Page
GRI 3-3	Material topic management	<a href="#">Chapter 1 Global Leading Heavy Electrical Equipment Brand</a>	<a href="#">P.26</a>
GRI 201-1	Direct economic value generated and distributed by the organization	<a href="#">Economic Performance</a>	<a href="#">P.44</a>
GRI 201-4	Financial assistance received from government	<a href="#">Economic Performance</a>	<a href="#">P.44</a>

### Product Quality and Safety

Disclosure Item No.	Disclosure Item Topics	Chapter	Page
GRI 3-3	Material topic management	<a href="#">Chapter 1 Global Leading Heavy Electrical Equipment Brand</a>	<a href="#">P.26</a>
Custom theme	-	<a href="#">Product Quality and Safety</a>	<a href="#">P.38</a>

**Integrity Operations**

Disclosure Item No.	Disclosure Item Topics	Chapter	Page
GRI 3-3	Material topic management	<a href="#">Chapter 2 Robust Governance and Sustainable Operations</a>	<a href="#">P.48</a>
GRI 205-1	Operations assessed for risks related to corruption	<a href="#">Integrity operations</a>	<a href="#">P.57</a>
GRI 205-2	Communication and training about anti-corruption policies and procedures	<a href="#">Integrity operations</a>	<a href="#">P.57</a>
GRI 205-3	Confirmed incidents of corruption and actions taken	<a href="#">Integrity operations</a>	<a href="#">P.57</a>
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<a href="#">Integrity operations</a>	<a href="#">P.57</a>

**Customer Services**

Disclosure Item No.	Disclosure Item Topics	Chapter	Page
GRI 3-3	Material topic management	<a href="#">Chapter 3 Collaborative and Prosperous Supply Chain Management</a>	<a href="#">P.62</a>
Custom theme	-	<a href="#">Services Satisfying Customers</a>	<a href="#">P.68</a>

**Talent Incubation and Recruitment**

Disclosure Item No.	Disclosure Item Topics	Chapter	Page
GRI 3-3	Material topic management	<a href="#">Chapter 5 People-Centered and Fulfilling Workplace</a>	<a href="#">P.84</a>
GRI 401-1	New employee hires and employee turnover	<a href="#">Human Rights Prioritized in the Workplace</a>	<a href="#">P.87</a>
GRI 404-1	Average hours of training per year employee	<a href="#">Talent Training Pipelines</a>	<a href="#">P.98</a>
GRI 404-2	Programs for upgrading employee skills and transition assistance program	<a href="#">Talent Training Pipelines</a>	<a href="#">P.98</a>
GRI 404-3	Percentage of employees receiving regular performances and career development reviews	<a href="#">Talent Training Pipelines</a>	<a href="#">P.98</a>

## Occupational Safety and Health

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GRI 3-3	Material topic management	<a href="#">Chapter 5 People-Centered and Fulfilling Workplace</a>	<a href="#">P.84</a>
GRI 403-1	Occupational health and safety management system	<a href="#">Occupational Health and Safety</a>	<a href="#">P.104</a>
GRI 403-2	Hazard identification, risk assessment, and incident investigation	<a href="#">Employee Health Promotion</a>	<a href="#">P.106</a>
GRI 403-3	Occupational health services	<a href="#">Employee Health Promotion</a>	<a href="#">P.106</a>
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	<a href="#">Occupational Health and Safety</a>	<a href="#">P.104</a>
GRI 403-5	Worker training on occupational health and safety	<a href="#">Creating a Safe Workplace</a>	<a href="#">P.108</a>
GRI 403-6	Promotion of worker health	<a href="#">Employee Health Promotion</a>	<a href="#">P.106</a>
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<a href="#">Contractor Occupational Health and Safety Management</a>	<a href="#">P.107</a>
GRI 403-8	Worker covered by an occupational health and safety management system	<a href="#">Occupational Health and Safety</a>	<a href="#">P.104</a>
GRI 403-9	Work-related injuries	<a href="#">Creating a Safe Workplace</a>	<a href="#">P.108</a>
GRI 403-10	Work-related ill health	<a href="#">Creating a Safe Workplace</a>	<a href="#">P.108</a>

## Workplace Equality and Diversity

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GRI 3-3	Material topic management	<a href="#">Chapter 5 People-Centered and Fulfilling Workplace</a>	<a href="#">P.84</a>
GRI 405-1	Diversity of governance bodies and employees	<a href="#">Corporate Governance Policy and Guidelines</a> <a href="#">Human Rights Prioritized in the Workplace</a>	<a href="#">P.50</a> <a href="#">P.87</a>
GRI 405-2	Ratio of basic salary and remuneration of women to men	<a href="#">Remuneration and Welfare</a>	<a href="#">P.93</a>

## Social Welfare

Disclosure Item No.	Disclosure Item Topics	Chapter	Page
GRI 3-3	Material topic management	<a href="#">Chapter 6 Local Engagement and Social Inclusion</a>	<a href="#">P.116</a>
GRI 203-1	Infrastructure investments and services supported	<a href="#">Chapter 6 Local Engagement and Social Inclusion</a>	<a href="#">P.116</a>

## General Topic Disclosure

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GRI 201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">Risks and Opportunities of Climate Change</a>	<a href="#">P.71</a>
<b>GRI 202: Market Presence 2016</b>			
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	<a href="#">Remuneration and Welfare</a>	<a href="#">P.93</a>
<b>GRI 204: Procurement Practices 2016</b>			
GRI 204-1	Proportion of spending on local suppliers	<a href="#">Sustainable Supply Chain</a>	<a href="#">P.64</a>
<b>GRI 207: Tax 2019</b>			
GRI 207-1	Approach to tax	<a href="#">Economic Performance</a>	<a href="#">P.44</a>
GRI 207-2	Tax governance, control, and risk management	<a href="#">Economic Performance</a>	<a href="#">P.44</a>
GRI 207-3	Stakeholder engagement and management of concerns related to tax	<a href="#">Economic Performance</a>	<a href="#">P.44</a>
<b>GRI 302: Energy 2016</b>			
GRI 302-1	Energy consumption inside the organization	<a href="#">Energy Management</a>	<a href="#">P.75</a>
GRI 302-3	Energy intensity	<a href="#">Energy Management</a>	<a href="#">P.75</a>
GRI 302-4	Reduction of energy consumption	<a href="#">Energy Management</a>	<a href="#">P.75</a>
GRI 302-5	Reductions in energy requirements of products and services	<a href="#">Energy Management</a>	<a href="#">P.75</a>
<b>GRI 303: Water and Effluents 2018</b>			
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GRI 303-2	Management of water discharge related impacts	<a href="#">Water Resource Management</a>	<a href="#">P.79</a>
GRI 303-3	Water withdrawal	<a href="#">Water Resource Management</a>	<a href="#">P.79</a>
GRI 303-4	Water discharge	<a href="#">Water Resource Management</a>	<a href="#">P.79</a>
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GRI 305-1	Direct (Scope 1) GHG emissions	<a href="#">Energy Management</a>	<a href="#">P.75</a>
GRI 305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">Energy Management</a>	<a href="#">P.75</a>
GRI 305-4	GHG emissions intensity	<a href="#">Energy Management</a>	<a href="#">P.75</a>
GRI 305-5	Reduction of GHG emissions	<a href="#">Air Pollution Prevention and Control</a>	<a href="#">P.78</a>
GRI 305-6	Emissions of ozone-depleting substances (ODS)	No ODS gas is produced during the production process	-
GRI 305-7	Nitrogen oxides (Nox), sulfur oxides (SOx), and other significant air emissions	<a href="#">Air Pollution Prevention and Control</a>	<a href="#">P.78</a>
<b>GRI 306: Waste 2020</b>			
GRI 306-3	Waste generated	<a href="#">Waste Management</a>	<a href="#">P.81</a>
GRI 306-4	Waste diverted from disposal	<a href="#">Waste Management</a>	<a href="#">P.81</a>
GRI 306-5	Waste directed to disposal	<a href="#">Waste Management</a>	<a href="#">P.81</a>
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
GRI 308-1	New suppliers that were screened using environmental criteria	<a href="#">Supplier Management</a>	<a href="#">P.66</a>
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	No related matters	-
<b>GRI 406: Non-Discrimination 2016</b>			
GRI 406-1	Incidents of discrimination and corrective actions taken	No related matters	-
<b>GRI 408: Child Labor 2016</b>			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	<a href="#">Human Rights Prioritized in the Workplace</a> <a href="#">Supplier Management</a>	<a href="#">P.87</a> <a href="#">P.66</a>
<b>GRI 409: Forced or Compulsory Labor 2016</b>			
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<a href="#">Human Rights Prioritized in the Workplace</a> <a href="#">Supplier Management</a>	<a href="#">P.87</a> <a href="#">P.66</a>
<b>GRI 414: Supplier Social Assessment 2016</b>			
GRI 414-1	New suppliers that were screened using environmental criteria	<a href="#">Supplier Management</a>	<a href="#">P.66</a>
GRI 414-2	Negative social impacts in the supply chain and actions taken	No related matters	-

## Climate-Related Information of TWSE/TPEx Listed Company

Risks and opportunities posed by climate change to the Company and the relevant measures taken by and relevant countermeasures taken by the company

No.	Items	Execution situation
1	Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Disclosed, please refer to the " <a href="#">Risks and Opportunities of Climate Change</a> " section of this report.
3	Describe the financial impact of extreme weather events and transformative actions.	
4	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	No scenario analysis is applied.
6	If there is a transition plan for managing climate-related risks, describe the content of the plan, and the metric and target used to identify and manage physical risks and transition risks.	No transformation plan to manage climate-related risks.
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	No internal carbon pricing is in place.
8	If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	Disclosed, please refer to the " <a href="#">Risks and Opportunities of Climate Change</a> " section of this report.
9	Greenhouse gas inventory and assurance status.	Please refer to the table below "Greenhouse Gas Inventory and Assurance Status"

### Greenhouse gas inventory and assurance status

#### Basic information of the company

■ In accordance with the Sustainable Development Roadmap for Listed Companies, companies with a paid-in capital of less than NT\$5 billion are required to complete individual company inspections by 2026. For this year, the inspection and disclosure are conducted on a voluntary basis.

Scope I	Total emissions(tCO <sub>2</sub> e)	Density(tCO <sub>2</sub> e/million dollar)	Assurance organization	Status of Assurance
FORTUNE ELECTRIC CO.,LTD	24,589.3000	1.1020	DNV Business Assurance Co., Ltd.	To be held from May to June 2025
Scope II	Total emissions(tCO <sub>2</sub> e)	Density(tCO <sub>2</sub> e/million dollar)	Assurance organization	Status of Assurance
FORTUNE ELECTRIC CO.,LTD	9,860.3850	0.4420	DNV Business Assurance Co., Ltd.	To be held from May to June 2025

## SASB Disclosure Metrics - Electrical & Electronic Equipment

Topic	Code	Accounting Metric	Category	Unit of Measure	Data Response
Energy Management	RT-EE-130a.1	(1) Total energy consumed (2) Percentage of grid electricity (%) (3) Percentage of renewable energy (%)	Quantitative	Gigajoules (GJ), Percentage (%)	(1) 78,788.09917 GJ (2) 94.6% (3) 0%
Hazardous Waste Management	RT-EE-150a.1	(1) Amount of hazardous waste generated (mt), (2) Percentage Recycled (%)	Quantitative	Metric tons (mt), Percentage (%)	No hazardous waste No hazardous waste, 0%
	RT-EE-150a.2	(1) Number and total volume of reportable spills (cases) (2) Quantity Recovered	Quantitative	Number / Kilograms (kg)	No waste spills have occurred No hazardous waste, 0 kg
Product Safety	RT-EE-250a.1	Number of recalls issued, total units recalled	Quantitative	Number	0 time
	RT-EE-250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	NTD	NTD 0
Product Lifecycle Management	RT-EE-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances (%)	Quantitative	Percentage of revenue (%)	not applicable
	RT-EE-410a.2	Percentage of eligible products, by revenue, certified to an energy efficiency certification (%)	Quantitative	Percentage of revenue (%)	not applicable
	RT-EE-410a.3	Revenue from renewable energy-related and energy efficiency-related products	Quantitative	NTD	No statistics obtained
Business Ethics	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and analysis	not applicable	For details, please refer to <a href="#">Supplier Risk Assessment and Response</a>
	RT-EE-510a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behaviour	Discussion and analysis	not applicable	For details, please refer to <a href="#">Integrity operations</a>
	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	NTD	NTD 0
	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	NTD	NTD 0

Activity Metrics	Code	Category	Unit of Measure	Data Response
Number of units produced by product category	RT-EE-000.A	Quantitative	Number	See <a href="#">Economic Performance</a> for details. (1) Transformers 17,831,235 KVA (2) 77 sets of Switchgear (3) 2,084 sets of electrical equipment
No. of employees	RT-EE-000.B	Quantitative	Number	1294 people

# Independent Assurance Statement

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## Independent Assurance Statement

**FORTUNE ELECTRIC CO., LTD. 2024 SUSTAINABILITY REPORT**

The AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This assurance work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AAFAQ 26000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR ASIA LTD. (hereinafter referred to as AFNOR ASIA) and FORTUNE ELECTRIC CO., LTD. (hereinafter referred to as FE) are independent entities. Except for the contents described in this independent assurance statement, AFNOR ASIA is not involved in the preparation process of the sustainability report of FE.

**RESPONSITIES**

FE is responsible for reporting its economic (financial information including overseas locations), environmental, and social operating activities and performance in Taiwan operating locations in its sustainability report (hereinafter referred to as "the Report") in accordance with the declared sustainability reporting standards.

AFNOR ASIA is responsible for providing an independent assurance statement to FE and its stakeholders in accordance with the described scope and method. This statement is for FE use only and is not responsible for any other purpose.

**SCOPE AND CRITERIA**

The assurance scope of the agreement between FE and AFNOR ASIA includes:

1. The scope of assurance operation is consistent with the scope disclosed in the "FORTUNE ELECTRIC CO., LTD. 2024 SUSTAINABILITY REPORT".
2. AFNOR ASIA performs assurance operation according to the Type 1 assurance of the AA1000 assurance standard (v3), reviewing and evaluating FE's compliance with the AA1000 Accountability Principles (2018).
3. The assurance operation includes reviewing and evaluating FE's relevant processes, systems and controls and available performance information, as well as compliance with the following reporting criteria:
  - GRI Standards.

**METHODOLOGY**

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- The Report is reported in accordance with the GRI Standards, and the content of the Report is reviewed for compliance with the GRI Guidelines for general disclosure and specific topic disclosure.
- The verification team interviewed relevant personnel to confirm the communication and response mechanism for stakeholders and the decision-making process for material topics, but did not directly contact external stakeholders.
- All documents, data and information related to the preparation of the Report were verified by the verification team through interviews with relevant personnel.
- The process of reviewing organizational outputs, collecting and managing qualitative and quantitative data disclosed in reports based on a sampling plan.
- By interviewing the responsible personnel of each group, examining and reviewing the relevant documents, materials and information, the verification team evaluated the reasonableness of the sources of supporting materials and evidence for the contents of the Report.

**CONCLUSION**

◆ **AA1000 Accountability Principles**

**Inclusivity**

FE has established a diverse and extensive stakeholder engagement mechanism to identify and understand the important issues of concern to stakeholders and to include the opinions of all parties. The Report discloses information covering economic, environmental, social and governance aspects, fully demonstrating the organization's specific practices in inclusivity.

**Materiality**

FE has established a process to collect, analyze and identify issues related to its sustainable development. The Report has shown the results of the planned and implemented materiality analysis and decision-making, and used it to rank and respond to various material topics. In the future, the organization can continue to improve its decision-making process to make reasonable and balanced decisions and management on material topics.

**Responsiveness**

FE has disclosed economic, governance, environmental and social information in the Report, so that stakeholders can understand the company's governance and management performance. By introducing the reporting standards of international development trends, it fully demonstrates that the organization can respond in a way that meets the concerns and expectations of stakeholders.

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**Impact**

FE has provided the necessary resources to monitor and measure the impact of its operations on the overall environment. The Report has disclosed the various impacts and management measures identified, and presented the management performance of the impacts through qualitative and quantitative indicators, providing sufficient information for stakeholders to understand the organization's sustainable actions.

◆ **Global Reporting Initiative Sustainability Reporting Standards**

Based on the results of the review, it is confirmed that the general disclosures, specific topic disclosures, and material topics management disclosures in the Report have complied with the requirements of the GRI Standards. In the future, the organization can continue to provide resources and expand to various operating locations to collect and disclose information, providing sufficient and complete information to stakeholders.

**ASSURANCE OPINION**

AFNOR ASIA has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards. Based on the sufficient evidence provided by FE and the facts seen during on-site verification, we adhere to the principle of fairness and issue a statement on the global sustainability reporting standards followed by the organization. In our opinion, the information and data presented in the Report by FE provides a fair and balanced representation. We believe the focuses on economic, social, and environmental indicators in FE in 2024 are well represented.

**ASSURANCE LEVEL**

In accordance with the AA1000 Assurance Standard (v3), we verified this assurance statement corresponding to a moderate level. The scope and methods are as described in this statement.

For and on behalf of AFNOR :

  
August Tsai  
The Director for Certification and Assessment  
Jun.13.2025

Verification team: Jheng-Hao Jhan (Lead Verifier), Chung Pen Chen (Verifier), Chun-Teng Lin (Verifier).  
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