

2024

Billion Electric Co.,Ltd Sustainability Report





Contents

CHAPTER 0

INTRODUCTION 3

About This Report	4
Message from CSO	6
2024 Sustainability Highlights	8
2024 Awards and Recognitions	9

CHAPTER 1

IMPLEMENTING SUSTAINABLE MANAGEMENT 10

1.1 Sustainability Strategy and Goals	11
1.1.1 Sustainability Vision and Strategy	11
1.1.2 ESG Strategy Blueprint	11
1.1.3 Sustainability Commitment	13
1.2 Stakeholder Engagement	14
1.2.1 Stakeholder Identification	14
1.2.2 Stakeholder Communication Channels	15
1.3 Material Topics Identification	17
1.3.1 Materiality Assessment Results	18
1.4 Material Topics Value Chain Boundary	20

CHAPTER 2

ROBUST AND ETHICAL GOVERNANCE 25

Disclosure of Ethical Corporate Management	26
2.1 About BILLION	30
2.2 Corporate Governance	37
2.2.1 Board of Directors	38
2.2.2 Remuneration Committee	44
2.2.3 Audit Committee	45
2.2.4 Functional Committee	46
2.3 Operating Performance	48
2.4 Risk Management	49
2.5 Integrity and Legal Compliance	52

CHAPTER 3

SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT 55

Disclosure of Green Industry Management	56
3.1 Reassuring Quality	63
3.2 Sustainable Supply Chain	67
3.3 Sustainable Innovative Design	71
Feature: Pacific Allies Solar-Storage Project- Palau, Marshall Islands & Tuvalu	72

APPENDIX 116

Appendix 1: GRI Sustainability Reporting Standards Index	117
Appendix 2: SASB Sustainability Accounting Standards Index	124
Appendix 3: TWSE Sustainability Disclosure Indicators - Electronic Components Industry	126
Appendix 4: Climate-related Financial Disclosures for TWSE/TPEX Listed Companies	127
Appendix 5: Reference Guide for Sustainable Economic Activities	131
Appendix 6: UN Sustainable Development Goals (SDGs) Index	132
Appendix 7: Third-Party Verification Statement	133

CHAPTER 4

ENVIRONMENTALLY FRIENDLY PRACTICES 75

4.1 Raw Material Management	76
4.2 Energy Resource Management	77
4.3 Climate Change Financial Risks and Greenhouse Gas Emissions	79
4.4 Waste Management	82
Feature: Carbon Footprint of Power Supply Products & Green Procurement Across the Industry	84

CHAPTER 5

ADVANCING SOCIAL RESPONSIBILITY 85

Social Responsibility Management Disclosure	86
5.1 Workforce Overview	88
5.1.1 Recruitment of Diverse Employees	88
5.1.2 Talent Recruitment and Retention	92
5.2 Talent Cultivation and Development	97
5.3 Rights, Benefits and Welfare	100
5.3.1 Employee Retirement System and Implementation	100
5.3.2 Parental Leave	100
5.3.3 Comprehensive Employee Benefits	103
5.4 Health and Safety Protection	104
5.5 Social Participation	111
Feature: SDGs Multi-Stars Seed Projects- Rooting Sustainability in Schools	114

BILLION

CHAPTER 0

INTRODUCTION 3

About This Report	4
Message from CSO	6
2024 Sustainability Highlights	8
2024 Awards and Recognitions	9

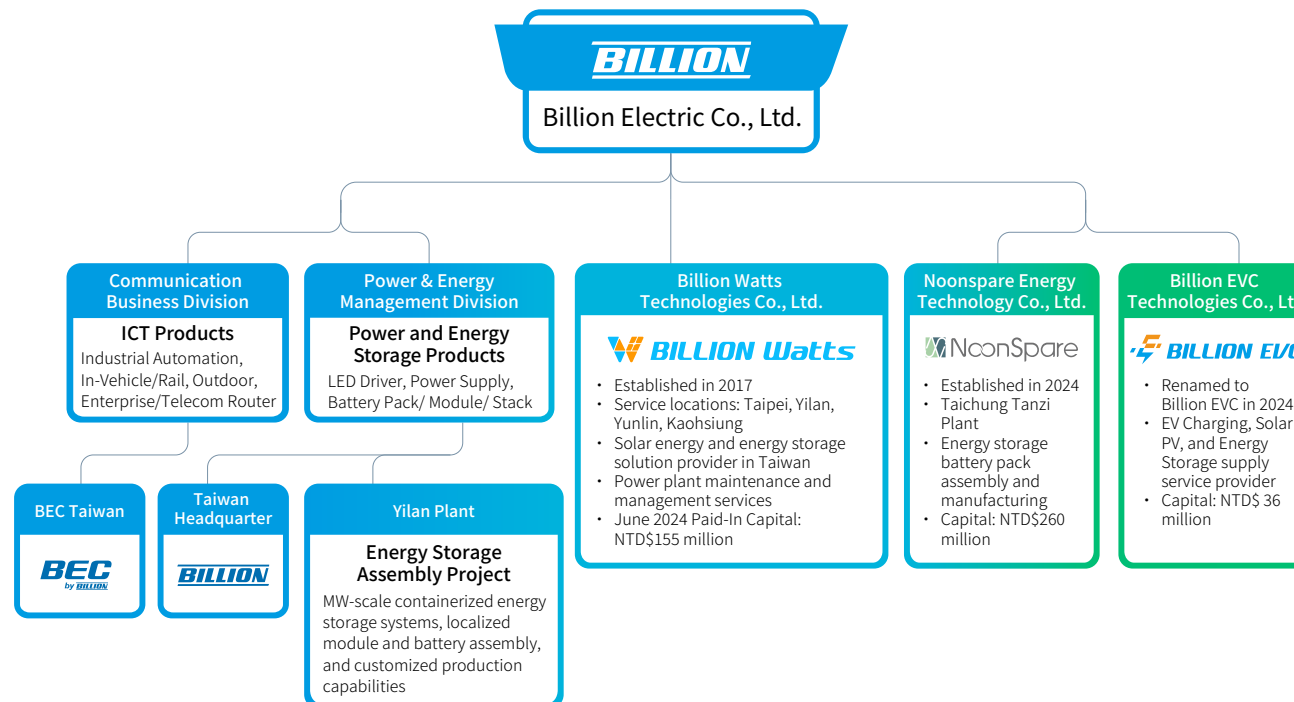


CHAPTER 0 INTRODUCTION

About This Report

Editorial Principles

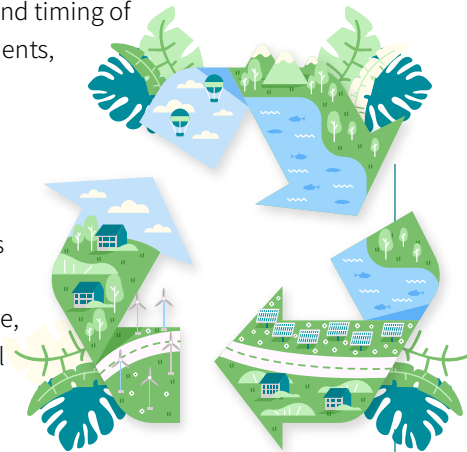
The 2024 Sustainability Report (hereinafter referred to as “this report”) is the fourth sustainability report published by Billion Electric Co., Ltd. (hereinafter referred to as “the Company”; collectively referred to as the “Billion Group” when including the covered subsidiaries). The content structure of this report is prepared with reference to the GRI Sustainability Reporting Standards issued by the Global Sustainability Standards Board (GSSB), following the eight reporting principles of GRI 2021: accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability. It also incorporates industry-specific disclosure topics and metrics from the HARDWARE sector of the Sustainability Accounting Standards Board (SASB). At the same time, it echoes the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and the United Nations Sustainable Development Goals (SDGs).



This report covers the period from January 1 to December 31, 2024. During the year, the Company merged with NoonSpare in April and established BEC Taiwan in August for communication product marketing and R&D. In December, VGWatt was renamed Billion EVC as part of business integration. The reporting scope has been updated accordingly from 2023.

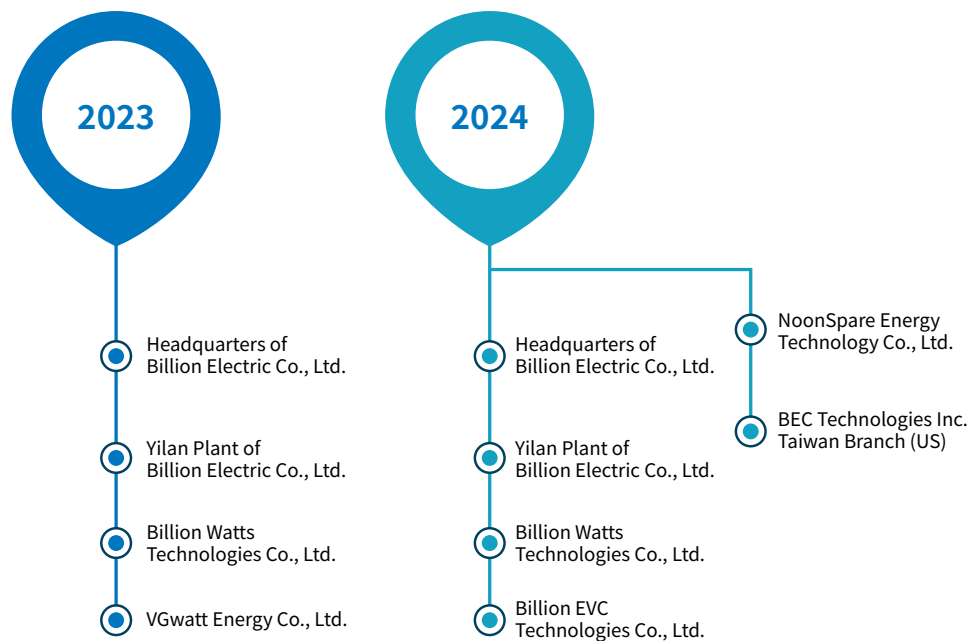
The report includes Billion Electric (headquarters and Yilan Plant) and four subsidiaries: Billion Watts, Billion EVC, NoonSpare, and BEC Taiwan, excluding other subsidiaries and the U.S. BEC entity. Financial data follows the scope and timing of the consolidated statements, presented in NTD. Any exceptions are noted in the report.

It was compiled by relevant departments, reviewed by the Sustainability Committee, approved by the General Manager and Chairman, and finalized by the Board of Directors.



About This Report

The financial report content of the Group includes the parent company of Billion Group and its subsidiaries:



Information Restatement

Aside from the organizational changes noted above, Chapter 4.2 “Energy Resource Management” was restated to include subsidiary data in 2024, whereas the 2023 disclosure reflected only parent company data. This adjustment was made to ensure consistency. No other major restatements were made, and all changes and reasons are noted in the relevant chapters.

Internal Audit and External Assurance

Before publication, ESG performance and strategic goals were reviewed by senior management to ensure ongoing progress and alignment with sustainability principles. The Sustainability Committee and department heads verified the accuracy of all content. The report was approved by the Board and published after third-party assurance.

This report is prepared in accordance with the GRI 2021 Standards and was verified in May 2025 by the independent third party SGS Taiwan Ltd., with AA1000 Type 1 moderate assurance and ISAE 3000 assurance on total water consumption and waste generation. External verification and rigorous internal controls ensure the accuracy of financial, environmental, and social data. The report is published on the Company’s official website under the sustainability section for public access.

Issuance Overview

This is the Company’s fourth Sustainability Report, which is published annually on a regular basis.

- Previous version: Published in July 2024
- Current version: Published in July 2025

Contact Information

If you have any questions, guidance or suggestions about this report, please contact us.

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Billion Electric
Co., Ltd.



ESG Corporate
Sustainability Section

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	BUILDING A HAPPY WORKPLACE	APPENDIX
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Message from CSO (Chief Sustainability Officer)

In the global push toward net-zero emissions, businesses are not only drivers of economic growth but also key forces in environmental and social progress. Guided by the core values of **integrity, innovation, excellence, and shared prosperity**, Billion Group embraces the principle of **advancement with the times and sustainable operation**, actively integrating ESG (Environmental, Social, and Governance) principles into its strategy. Through transparent communication and collaboration with stakeholders, we promote sustainability and strive for a vision of business coexisting with the environment and thriving with society.



Environmental Sustainability: Advancing Low-Carbon Transition

In 2024, Billion Group took key steps in environmental protection. We completed the 2023 GHG inventory across sites in Xindian, Yilan, and Hsinchu, covering subsidiaries including Billion Watts, VGwatt, Billion Energy Storage, and Billion Power System. We also released our first TCFD Report, showing our commitment to climate risk management.

We actively promote low-carbon products and obtained BS180 carbon footprint certification for our power products, ensuring compliance with environmental standards. Our goal is to reduce emissions and lead the industry toward a low-carbon future.



Social Responsibility: Supporting Communities and Employee Welfare

Billion Group is committed not only to environmental sustainability but also to social responsibility. In 2024, we continued promoting clean energy awareness among children through seven “Multi-Stars Project” events, and supported society through blood drives, a green energy education program in Palau, and ambulance donations.

To enhance employee welfare, we offered childcare subsidies, scholarships, regular health checkups, and on-site nurse consultations. We also improved staff housing and strengthened training programs. Billion Group believes that caring for employees is key to stable growth and achieving our vision of shared prosperity.



Corporate Governance: Striving for Excellence

Under global sustainability trends, Billion Group actively supports Taiwan’s “Corporate Governance 3.0 – Sustainable Development Roadmap.” We continue to strengthen governance structure, enhance transparency, and improve board functions. We adopted MDR (Managed Detection and Response) to boost cybersecurity, and conducted training on anti-corruption and trade secret laws to ensure compliance and ethics awareness.

In 2024, Billion Group achieved outstanding results. Among 952 listed companies in Taiwan, we ranked in the top 6–20% for corporate governance and were in the top 1% among companies with a market cap under NT\$5 billion—highlighting our strong governance and strategy.

We also received two honors from SGS: the ISO 9001 “Excellence in Change and Innovation Management” award and the “ESG Sustainability Governance” award. In the TCSA Taiwan Corporate Sustainability Awards, we won the Platinum Award in Electronic Manufacturing (Category II) and the Top Performance Award in Overall Sustainability, establishing Billion Group as a benchmark in the industry. These recognitions affirm our efforts and motivate us to aim even higher.

Message from CSO (Chief Sustainability Officer)



Climate Action: Driving Energy Transition

As climate challenges intensify, Billion Group is committed to green transformation and continues to invest in renewable energy. As a professional integrator of solar and energy storage systems, we aim not only to reduce our own emissions but also to support Taiwan's energy transition through innovative solutions.

Looking ahead to 2025, we plan to expand GHG inventory coverage across the entire group to better manage emissions and strengthen our carbon reduction strategies. We will continue to improve energy efficiency and resource utilization in accordance with the energy management system framework, ensuring that our operations align with international sustainability standards.

Billion Group believes a sustainable future requires joint efforts from businesses, government, and society.



Together for a Sustainable Future

Sustainability is not a short-term goal, but a long-term journey requiring commitment and continuous progress. Billion Group understands that its growth is built on the collective efforts of employees, partners, and society. Their support enables us to stay innovative and resilient amid change.

Moving forward, we will continue strengthening ESG strategies, enhancing governance, and advancing energy transition and social responsibility. We look forward to working with all stakeholders to drive impact and contribute to Taiwan's energy transition, global climate action, and sustainable development.



General Manager
&
Chief Sustainability Officer

Elea Chang

2024 Sustainability Highlights



Published first **TCFD** climate-related financial disclosures report

2023 GHG inventory **verified by third party**

BS180 carbon footprint certification completed and verified for power supply products

From the end of 2021 to 2024, Billion Group's energy storage sites reached a total installed trading capacity of **147.4 MW** through external client projects and **7.5 MW** through self-owned sites (a decrease from 2023 due to the transition from dreg to E-dreg). The combined total capacity of 154.9 MW contributes to enhancing grid stability.

Phased replacement of LED lighting in office areas and reduced electricity usage by **5,986 kWh** in 2024



Total employee training: **3,355.5** hours

Zero incidents of discrimination, labor rights violations, or ethics issues

Zero major occupational accidents

Delivered "**Billion SDGs Multi-Stars Project**" lectures at seven elementary schools and over **2,000 students** participated

Hosted first **overseas green energy workshop** in Palau



Revenue: NT\$2,024 million, **up 10.67%** from 2023

Each board director received **10+ hours** of training

No corruption, major violations, or unfair competition cases

No complaints or violations related to customer privacy or cybersecurity

Probability of employees being phished is **less than 3%**

Average customer satisfaction reached **above 9/10**

2024 Honors and Recognitions



Awarded by SGS

“ESG Sustainability
Governance Award”

“ISO 9001 Plus Innovation
Management Excellence Award”



Honored by TCSA

“Platinum Award for
Sustainability Report”

“Top Performance in
Overall Sustainability Award”



Corporate Governance Evaluation

2023

Ranked in the top 1% among
listed companies with a market
capitalization under NT\$5 billion



BILLION

CHAPTER 1

IMPLEMENTING SUSTAINABLE MANAGEMENT 10

1.1 Sustainability Strategy and Goals	11
1.1.1 Sustainability Vision and Strategy	11
1.1.2 ESG Strategy Blueprint	11
1.1.3 Sustainability Commitment	13
1.2 Stakeholder Engagement	14
1.2.1 Stakeholder Identification	14
1.2.2 Stakeholder Communication Channels	15
1.3 Material Topics Identification	17
1.3.1 Materiality Assessment Results	18
1.4 Material Topics Value Chain Boundary	20



CHAPTER 1 IMPLEMENTING SUSTAINABLE MANAGEMENT

1.1 Sustainability Strategy and Goals

1.1.1 Sustainability Vision and Strategy

Billion Group upholds the vision of “2025 Net Zero Emissions” as our long-term sustainability goal. We actively support global decarbonization actions and national energy transition policies, driving both corporate and low-carbon transformation. Our mission is to become the top brand for clean energy services, expanding our sustainability impact through technological innovation and green solutions. By aligning with the core values of the United Nations Sustainable Development Goals (SDGs), we work with stakeholders to pursue a sustainable future that balances environmental protection, social inclusion, and economic growth. This reflects our strong commitment to environmental responsibility and sustainable business practices.

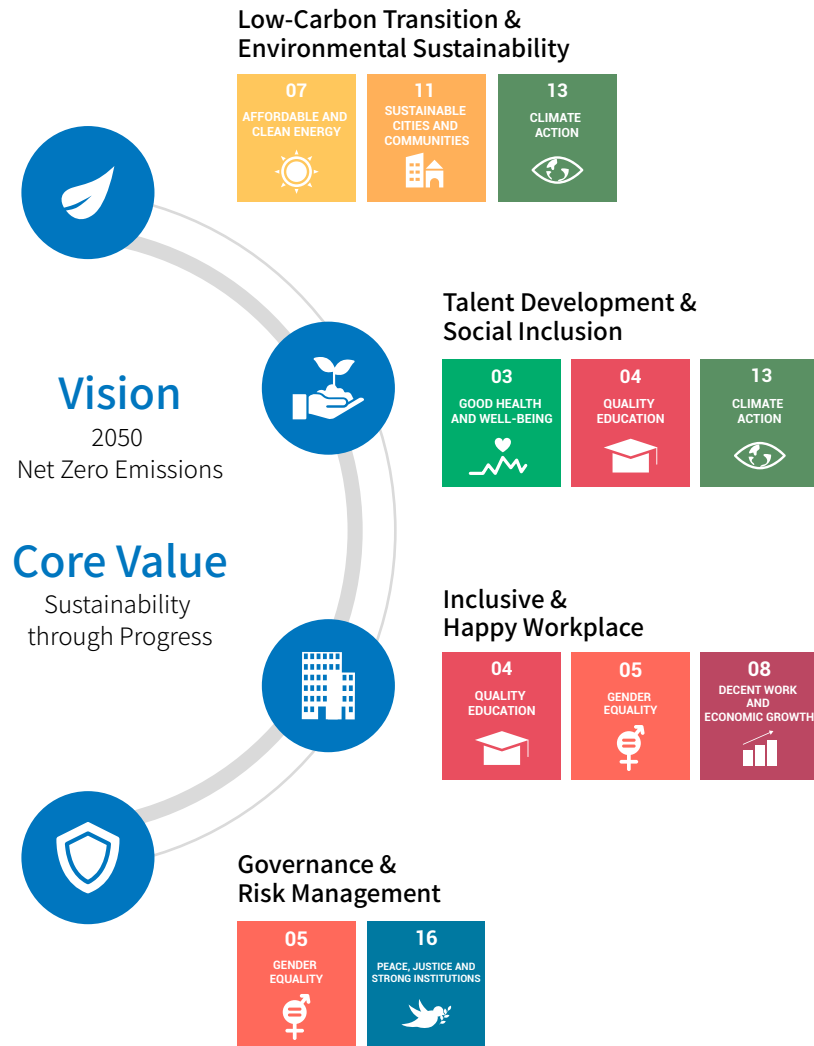
1.1.2 ESG Strategy Blueprint

Billion Group embraces the core principle of "Sustainability through Progress," continuously advancing our ESG transformation by integrating environmental protection, social responsibility, and corporate governance into our strategy, management, and culture. This approach fosters a resilient, responsible, and stakeholder-centered development model.

In response to the United Nations Sustainable Development Goals (SDGs), Billion Group focuses on four sustainable strategies: low-carbon transition and environmental sustainability, strengthened governance and risk management, talent development with social inclusion, and a workplace that promotes well-being and equality. Strategies are reviewed and adjusted regularly to stay aligned with the Group’s operational direction and development stage.

The General Manager leads the Sustainability Committee to coordinate actions across subsidiaries and departments. The Board of Directors, as the top governance body, is responsible for overseeing the overall ESG strategy, ensuring that sustainability governance moves in step with corporate governance.





Strategy	SDGs	Approach	2024 Key Actions
Low-Carbon Transition & Environmental Sustainability	07 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION	Provide climate-resilient solutions, promote renewable energy and storage systems, and conduct full GHG inventory	ESS deployment totaling 25MW Sustainable products: PV inverters, commercial and industrial ESS, EV chargers GHG inventory (ISO 14064-1): Completed 2024 Scope 3 emissions for downstream logistics, employee commuting, and business travel
Talent Development & Social Inclusion	03 GOOD HEALTH AND WELL-BEING 04 QUALITY EDUCATION 13 CLIMATE ACTION	Implement Billion's industry experience to deliver quality energy knowledge and promote volunteer engagement	SDGs multi-stars project for energy knowledge sharing: • 6 sessions planned, 7 completed • 2,276 participants • 504 volunteer hours
Inclusive & Happy Workplace	04 QUALITY EDUCATION 05 GENDER EQUALITY 08 DECENT WORK AND ECONOMIC GROWTH	Create a supportive work environment and training to enhance employees' knowledge, skills, productivity, and sense of achievement	3,355.5 hours of employee training completed in 2024 Zero workplace injuries in 2024
Strengthen Governance & Risk Management	05 GENDER EQUALITY 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Continuously improve governance structure, strengthen board functions, adopt ESG guidelines, and enhance organizational transparency and decision-making.	Policy and internal regulation updates Information Security Management – MDR (Threat Detection and Response) implemented Sustainability information control and audit policy established

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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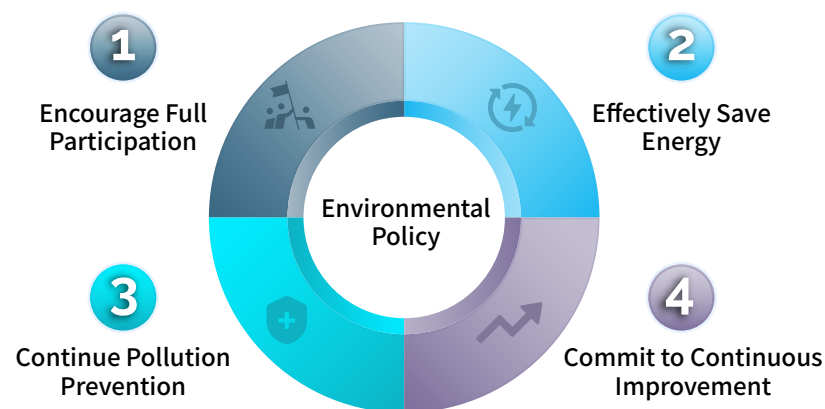
1.1.3 Sustainability Commitment

The Company commits to adopting IFRS S1 (Sustainability-related Financial Disclosures) and IFRS S2 (Climate-related Disclosures) in line with the schedule set by the Financial Supervisory Commission (FSC). We will strengthen our sustainability management framework, enhance the disclosure of related risks, opportunities, targets, and metrics, and ensure all information complies with ISSB standards, achieving transparent, complete, and reliable reporting.

To implement sustainable management, Billion Group has established the "Code of Business Ethics and Conduct", "Integrity Management Code of Conduct", "Integrity Management Implementation Procedures and Code of Conduct", and "Management and Operations Human Rights Plan". We are committed to developing green and sustainable products and actively taking actions to address climate change. We strive to fulfill our environmental and social responsibilities while protecting stakeholders' interests. Our green products comply with EU RoHS, China RoHS, and customer HSF requirements. We also encourage suppliers and employees to participate in similar initiatives, demonstrating our role as a responsible corporate citizen. We fully implement ISO 9001 Quality Management and ISO 14001 Environmental Management Systems.



Led by the Quality Assurance unit, each unit cooperates in implementation and regularly promotes policies and goals internally.



Led by the Administration Department, each unit cooperates in implementation and regularly promotes policies and implementation status internally.

Billion Group's human rights management covers workplace safety and health, equal and non-discriminatory employment, freedom of work, working hours, wages, benefits, prohibition of child labor, and business ethics. Relevant policies include the "Sexual Harassment Prevention Measures" and the "Unlawful Infringement Prevention Plan." A dedicated hotline and email are in place to ensure a work environment free from discrimination and harassment.

1.2 Stakeholder Engagement

1.2.1 Stakeholder Identification

To realize the goals and vision of sustainable management, Billion Group follows the GRI Standards 2021 stakeholder identification criteria for ESG (Environmental, Social, Governance) aspects. After identification by external experts and discussion with the Company, the results confirmed that the stakeholders in 2024 are employees and other workers, shareholders and other investors, customers, suppliers/contractors, banking institutions, and media, a total of 6 categories, which remain unchanged from 2023.



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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1.2.2 Stakeholder Communication Channels

The Company values the opinions of stakeholders and provides them with diverse communication mechanisms and interactions. Through various channels, we understand the needs of stakeholders, their expectations of the company, and the items they focus on regarding sustainable development. In addition to timely responses, the Company also uses the opinions and results of stakeholder communication as a reference for promoting corporate social responsibility and sustainable development plans. The communication channels and frequency for each stakeholder are shown in the table below:

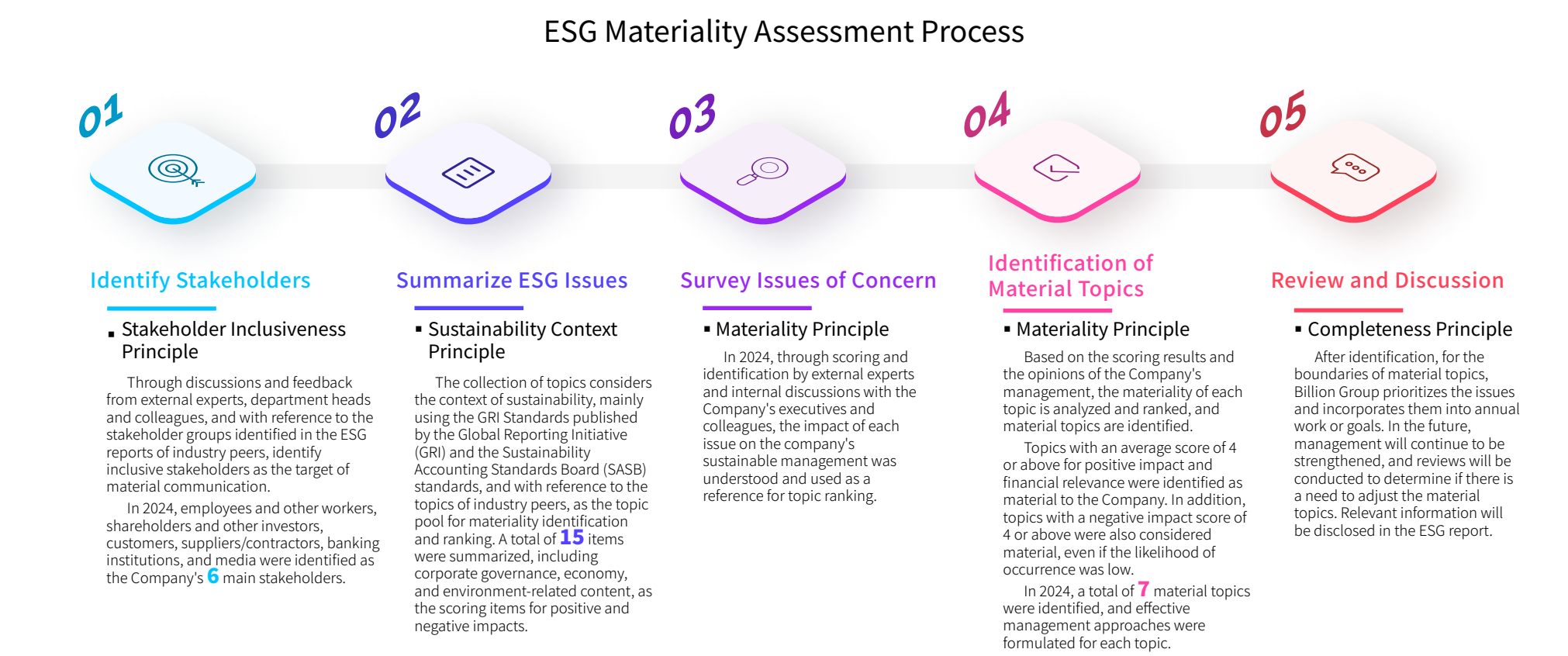
Stakeholders	Issues of Concern	Significance of Stakeholders to the Company	Communication Channels	Frequency	Communication Goals	Communication Effectiveness
Employees and Other Workers	Employee Diversity and Equal Opportunity Occupational Health and Safety	Employee engagement is the wealth of the company's sustainable management	- Employee Welfare Committee - Employee Suggestion Box - Grievance Channels	- Quarterly - Anytime - Anytime	- Conduct in-depth employee interviews - Care employee needs and concerns - Offer diverse communication channels - Foster an inclusive, equal, and non-discriminatory workplace - Promote work-life balance	- Held 4 welfare and 4 labor-management meetings in 2024 - No employee complaints in 2024 - Executed new benefits in 2024: birth gifts, childcare subsidies, extra leave, scholarships, and club support - Set up suggestion box, reporting hotline, and email - Employee care covered work, life, and health, with four in-depth work-related interviews conducted in 2024. - NoonSpare held 2 all-staff meetings and maintained a suggestion box
Shareholders and Other Investors	Economic Performance Innovative Product and R&D Operating Strategy and Market Competition Operating Performance and Financial Information	Shareholders are the foundation of the company and important helmsmen who control the direction of corporate development	- Shareholders Meeting - Annual Report - Company Website	- Annual - Annual - Anytime	Keep shareholders and investors informed with the latest updates	- Shareholders' Meeting held on May 29, 2024, with annual report provided - Released 38 press news in Chinese and 38 in English throughout 2024 - Held four investor conferences in 2024 - No shareholder or public complaints received in 2024
Customers	Economic Performance Information Security/Customer Privacy Customer Health and Safety Innovative Product and R&D Customer Service Management	Customers are the source of the Company's revenue. Developing long-term trust and cooperation is the core of improving products and services	- Satisfaction Survey - Business Visits - Telephone - Customer Complaints - LINE - Responsible Sales Contact Window - Company Website Sales Contact Email: sales@billion.com.tw	- Half-year to one year - Anytime - Anytime - Anytime - Anytime - Monthly - Anytime	- Achieve average customer satisfaction score of 9.5+ for communications and power products - Add 10 new customers to the communications and power business divisions within 5 years - Billion Watts achieves average satisfaction score of 9.1+ over 5 years - Increase Billion Watts' annual survey response rate by 1% over the previous year for 5 consecutive years - Increase Billion Watts' PV/ESS customer count by 1% over 5 years - Over 20% of revenue from new customers for NoonSpare within 2 years	- Billion's customer satisfaction survey scored an average of 9.4 or above (half a year to one year) - Billion Watts scored an average of 9 or above in customer satisfaction (twice a year) - Billion EVC scored an average of 9 in its 2024 H2 customer satisfaction survey - Facebook page reached 3,825 followers - Billion Watts sent three greeting messages during the year, each with 200–300 messages - NoonSpare achieved over 90% in annual customer satisfaction

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Stakeholders	Issues of Concern	Significance of Stakeholders to the Company	Communication Channels	Frequency	Communication Goals	Communication Effectiveness
Suppliers/ Contractors	Economic Performance Supplier Social Assessment Supplier Environmental Assessment Innovative Product and R&D Information Security	Proper supplier management lays the foundation for corporate development	• Supplier Evaluation • Business Visits • Telephone • Company website • WeChat • Email	• Regularly • Anytime • Anytime • Anytime • Anytime • Anytime	• Negotiate with suppliers to enhance competitiveness • Increase to 40 negotiation meetings within five years	• Held 40 price negotiation meetings in 2024 • Conducted re-evaluation of 15 suppliers in 2024 • Assessed risk levels for 159 suppliers in 2024 • Collected 152 signed Integrity Commitment Letters in 2024 • No complaints reported in 2024 • Billion EVC held one review meeting in 2024 • NoonSpare evaluated over 10 suppliers in 2024 • NoonSpare collected 10 signed Integrity Commitment Letters in 2024
Bank Institutions	Economic Performance Innovative Product and R&D Risk Management Information Security	Financial institutions provide funding support and guarantee limits to ensure smooth project progress, reduce operating capital pressure, and increase the efficiency of corporate fund utilization. They also pay long-term attention to Billion Electric's finances and provide timely assistance	• Telephone • Business Visits • Company Website • Company Annual Report, Financial Report • Instant Communication via Email • Routine Visits • Investor Conferences • Participation in Exhibitions • Corporate Seminars	• Anytime • Anytime • Anytime • Annual/Quarterly • Irregularly • At least once a year • At least twice a year • Irregularly • Irregularly	• Financial institutions provide timely market information • Financial institutions provide funding, transaction convenience and preferential terms	• Published the 2024 financial report and annual report • Participated in the 2024 Energy Taiwan and Net-Zero Taiwan; hosted seminars and investor briefings to help financial institutions better understand Billion Group's products and business model • Despite global interest rate cuts, maintained NT\$ and US\$ deposit rates at 1.24% and 4.8% above market average • Maintained stable credit lines with partner banks in line with business expansion
Media	Industry Market Trends Corporate Image and Social Responsibility Product and Service Innovation Policy and Global Collaboration Customer Needs and Solutions	Support brand promotion and amplify the company's influence in green energy and sustainability. Enhance public awareness of corporate value, gather market trends and social feedback through two-way communication, and support strategic adjustments and market expansion.	• Business Visits • Telephone • Investor Conferences • Spokesperson Mailbox • Stakeholder Questionnaire on ESG Website	• Anytime • Anytime • At least two sessions per year • Anytime • Collect opinions anytime	• Enhance brand image and market awareness, promote sustainability, build understanding and trust, gather industry insights and feedback, and strengthen influence on policy and international cooperation.	• In 2024, Billion, Billion Watts, and Billion EVC issued a total of 43 press releases, including 12 on public welfare, 10 on seminars, 5 on exhibitions, and 16 on company news • Held 4 investor conferences in 2024 (1 hosted by the company, 3 by invitation) and business model • Organized 9 in-person events in 2024, with 692 physical attendees and 950 online participants

1.3 Material Topics Identification

In preparing this report, the Company adopted a materiality analysis approach, referencing the hardware sector indicators from the Sustainability Accounting Standards Board (SASB) and benchmarking against industry peers. Building on last year’s material topics, external experts evaluated the actual or potential positive and negative impacts on the economy, environment, and people (including human rights). Based on expectations from international sustainability initiatives and potential investors, 15 sustainability issues were identified. The analysis also incorporated the European Sustainability Reporting Standards (ESRS) through a double materiality approach, considering both sustainability and financial significance. After internal discussions with management and staff, seven key topics across economic, environmental, social, and financial dimensions were confirmed as the basis for the 2024 disclosures. The materiality assessment process is detailed below:



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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1.3.1 Materiality Assessment Results

Based on external expert evaluations and internal discussions, Billion Group identified seven material topics for 2024: economic performance, customer privacy and information security, supplier environmental and social assessment, employee diversity and equal opportunity, occupational health and safety, customer relationship management, and innovative product development and marketing. These topics will serve as key areas of focus and the basis for future sustainability disclosures. Compared to 2023, “supplier social assessment” and “supplier environmental assessment” were merged into a single topic, and “risk management” was removed as a standalone material topic and incorporated into Chapter 2: Robust and Ethical Governance. The finalized topics will be reviewed by the Sustainability Committee and submitted to the Board of Directors for confirmation and disclosure.

Quantitative Impact of Material Topics

Billion Group's 2024 Material Topic External Expert Identification Scoring Results:

Positive ESG Impact Assessment Results

Topic	Avg. ESG Impact Score	Avg. Likelihood Score	Avg.
Economic Performance	4.73	4.50	4.61
Customer Relationship Management	4.68	4.50	4.59
Customer Privacy & Information Security	4.73	4.14	4.43
Product Innovation & Marketing	4.59	4.27	4.43
Employee Diversity & Equal Opportunity	4.23	4.55	4.39
Supplier Environmental & Social Assessment	4.09	3.95	4.02
Occupational Health & Safety	4.14	3.64	3.89
Training & Education	3.59	3.86	3.73
Anti-corruption	3.36	3.68	3.52
Tax	3.32	3.14	3.23
Materials	3.18	3.00	3.09
Energy	3.23	2.91	3.07
Emissions	2.59	2.09	2.34
Waste	2.45	1.86	2.16
Water & Effluents	2.00	1.68	1.84

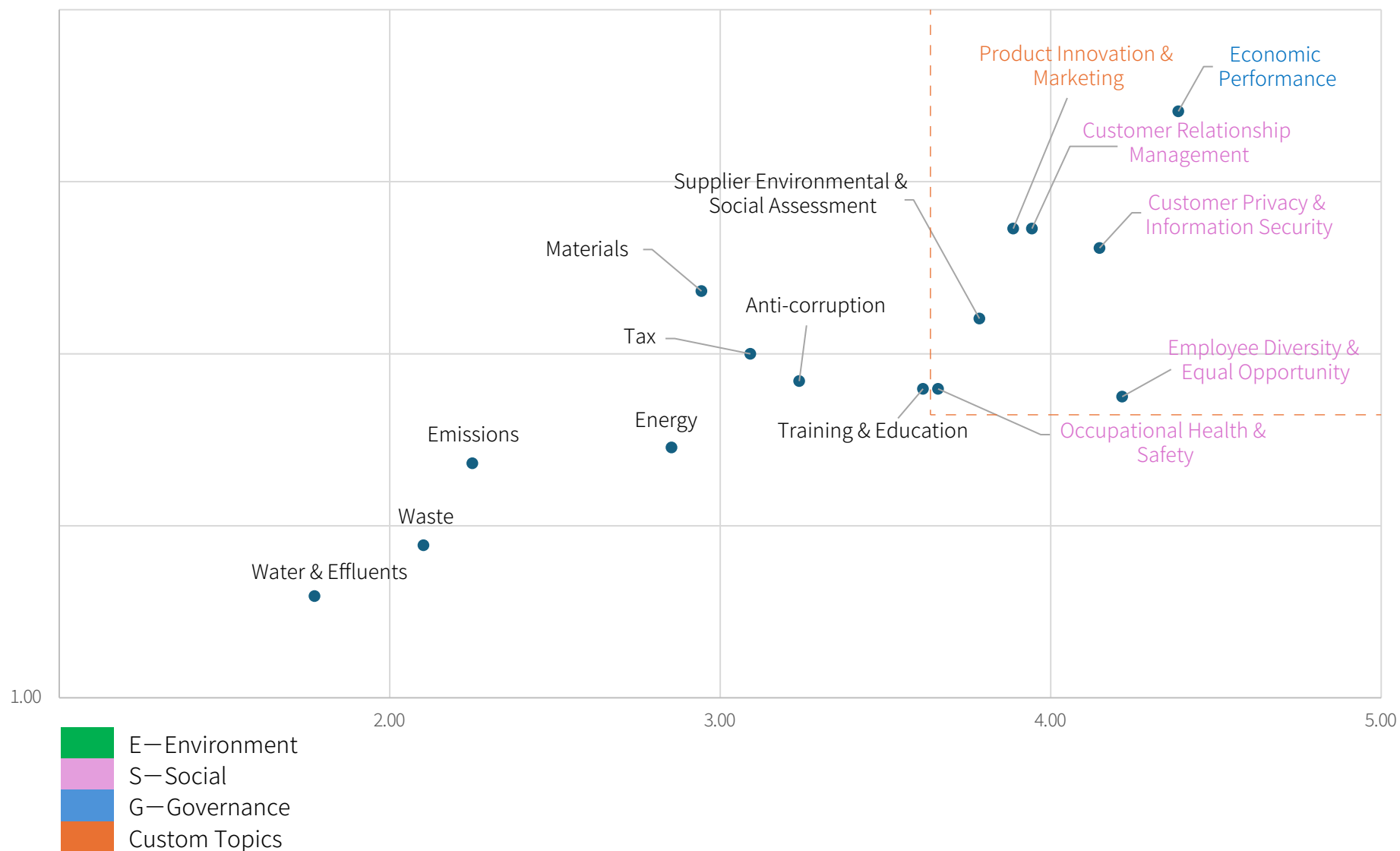
Negative ESG Impact Assessment Results

Topic	Avg. ESG Impact Score	Avg. Likelihood Score	Avg.
Economic Performance	4.59	3.73	4.16
Customer Privacy & Information Security	4.59	3.14	3.86
Customer Relationship Management	4.32	2.27	3.30
Occupational Health & Safety	4.23	2.64	3.43
Product Innovation & Marketing	4.09	2.59	3.34
Training & Education	3.91	3.09	3.50
Supplier Environmental & Social Assessment	3.86	3.23	3.55
Anti-corruption	3.68	2.23	2.95
Employee Diversity & Equal Opportunity	3.36	2.86	3.11
Tax	3.23	2.68	2.95
Materials	3.05	2.55	2.80
Energy	2.95	2.32	2.64
Emissions	2.45	1.86	2.16
Waste	2.32	1.77	2.05
Water & Effluents	1.95	1.45	1.70

Financial Impact Assessment Results

Topic	Avg. ESG Impact Score	Avg. Likelihood Score	Avg.
Economic Performance	4.68	4.14	4.41
Product Innovation & Marketing	4.05	3.41	3.73
Customer Relationship Management	4.27	3.18	3.73
Customer Privacy & Information Security	4.36	2.86	3.61
Materials	3.73	3.00	3.36
Supplier Environmental & Social Assessment	3.45	2.95	3.20
Tax	3.27	2.73	3.00
Anti-corruption	3.36	2.32	2.84
Occupational Health & Safety	3.23	2.36	2.80
Training & Education	3.09	2.50	2.80
Employee Diversity & Equal Opportunity	2.91	2.59	2.75
Energy	2.77	2.14	2.45
Emissions	2.05	2.68	2.36
Waste	1.95	1.82	1.89
Water & Effluents	1.64	1.55	1.59

Double Materiality Impact Matrix



1.4 Value Chain Boundaries of Material Topics

Material Topics	Relevance to Billion Group (Operational Value)	Corresponding GRI Topic / Custom Topic	Management Evaluation	Management Approach Disclosure Chapter	Value Chain Boundary of Billion Group's Material Topics						
					Internal		External				
					Billion Group	Employees and Other Workers	Shareholders and Other Investors	Customers	Suppliers/ Contractors	Bank Institutions	Media
Economic Performance	Profitability is key to sustainable operations	GRI201-1 GRI201-3 GRI201-4 Economic Performance	Monthly performance is reviewed against annual budgets through KPI-based management and performance meetings.	Ch 2. Robust and Ethical Governance 2.3 Operating Performance	■		□	▲	▲	□	
Information Security	Enhance cybersecurity awareness and build compliant, customer-focused systems	GRI418-1 Customer Privacy	In accordance with ISO 27001, internal audits and third-party verifications are conducted annually to ensure compliance. Personal data inventories are regularly reviewed to strengthen information security.	Ch 2. Robust and Ethical Governance 2.4 Risk Management	■			▲			□
Supplier Environmental & Social Assessment	Promote sustainable supply chains and grow with the industry	GRI308-1 GRI308-2 Supplier Environmental Assessment GRI414-1 Supplier Social Assessment	Supplier assessments are conducted annually under ISO 9001, based on material category and type.	Ch 3. Sustainable Product Innovation and Value Chain Management 3.2 Sustainable Supply Chain	■				▲		
Customer Relationship Management	Customer trust drives competitiveness and long-term sustainability	Custom Topic	Customer satisfaction and complaint processes are managed under ISO 9001 to meet expectations and enhance customer loyalty.	Ch 3. Sustainable Product Innovation and Value Chain Management 3.1 Reassuring Quality	■		□	▲			□

■: Direct Impact, □: Enabling Impact, ▲: Business Impact

Material Topics	Relevance to Billion Group (Operational Value)	Corresponding GRI Topic / Custom Topic	Management Evaluation	Management Approach Disclosure Chapter	Value Chain Boundary of Billion Group's Material Topics						
					Internal		External				
					Billion Group	Employees and Other Workers	Shareholders and Other Investors	Customers	Suppliers/ Contractors	Bank Institutions	Media
Employee Diversity & Equal Opportunity	Ensure fair treatment in recruitment, employment, development, and retention regardless of gender, race, religion, belief, or marital status, to foster an inclusive and harmonious workplace.	GRI405-1 GRI405-2 Employee Diversity & Equal Opportunity	Follow the Human Rights Policy to promote employee diversity and well-being, creating a diverse, equal, and inclusive workplace.	Ch 5. Advancing Soical Responsibility 5.1 Workforce Overview 5.2 Talent Cultivation and Development 5.3 Rights, Benefits and Welfare	■	■					
Occupational Health & Safety	Safeguarding workers' safety, health, and providing a quality work environment are the foundation of stable operations.	GRI403-1 GRI403-2 GRI403-3 GRI403-4 GRI403-5 GRI403-6 GRI403-7 GRI403-9 GRI-403-10 Occupational Health & Safety	In accordance with occupational safety risk assessment guidelines, regularly review OSH, hygiene, and toxic substance regulations to ensure legal compliance.	Ch 5. Advancing Soical Responsibility 5.4 Health and Safety Protection	■	■		▲			
Product Innovation & Marketing	Strengthen core innovation to enhance business performance and competitiveness through renewable energy products.	Custom Topic	Conduct market demand and technical feasibility analysis aligned with company strategy; initiate product development upon review and approval	Ch 3. Sustainable Product Innovation and Value Chain Management 3.3 Sustainable Innovative Design	■		□	▲	▲	□	□

■: Direct Impact, □: Enabling Impact, ▲: Business Impact

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	---	-------------------------------------	---	---------------------------------------	------------------------------------	----------

Billion Group ESG Material Topic Objectives

Corresponding Topic	Short-term Goal (2024) Targets for 2024	Achieved Targets in 2024	Targets for 2025
Economic Performance	- In 2024, the Company raised capital through financial markets to strengthen its capital structure (maintaining a debt ratio below 40%) and enhance operational capacity. - Core clients in the communications and power divisions remained a focus, while overseas market expansion and investment opportunities continued to drive overall group synergy.	- In 2024, increased short-term funding needs led to higher bank borrowing, raising the debt ratio slightly from 35% to 37%, while remaining below the 40% threshold. - Billion Group continued to strengthen relationships with existing clients and actively expanded into overseas markets by establishing a subsidiary in Japan. To enhance product integration and group competitiveness, the Group also invested in a capital increase of NoonSpare Technology Co., Ltd. in April 2024, making it a subsidiary to achieve better synergy through strategic alignment.	- The Power Division focuses on high-power industrial power supply development, continuing to serve key clients while expanding potential customer opportunities and exploring investment targets to enhance group synergy. - Billion Watts has completed overseas demo sites in Japan and Australia to promote proprietary branded products in international markets. - In 2025, Billion Group will continue to monitor market trends and adjust business strategies to enhance performance, with projected revenue growth of 25% compared to 2024.
Supplier Environmental & Social Assessment	Conducted a supplier sustainability self-assessment survey, with a response rate over 80%.	A total of 110 suppliers completed the sustainability self-assessment in 2024, covering 57% of all active vendors. Due to the limited ESG awareness among smaller suppliers, the 80% target was not met. In 2025, supplier engagement and guidance will be reinforced to improve the response rate.	- Billion and Billion Watts conduct supplier sustainability self-assessments, with an overall response rate exceeding 70%. - NoonSpare evaluates its suppliers with average scores above 80, and ensures that 95% of suppliers sign and acknowledge the Supplier Sustainability Code and related policies to meet environmental and social responsibility standards.
Customer Relationship Management	- Customer satisfaction in the communications and power divisions maintained an average score above 9.2. - Billion Watts achieved an annual average satisfaction score of 9; customer response rate reached over 48% every six months. - Billion EVC is scheduled to begin customer satisfaction surveys in the second half of 2024.	- The Power and Energy Management Division recorded an average customer satisfaction score of 9.43 in 2024. - Billion Watts maintained an average score of 9 in semiannual surveys, with response rates over 48%. However, the second half of 2024 fell below expectations due to dissatisfaction in pricing and maintenance services, which will be addressed by improving service quality and staffing. - Billion's Communications Division achieved an average customer satisfaction score of over 9.5 in 2024. - Billion EVC launched its customer satisfaction survey in the second half of 2024, achieving an average score of 9.	- The Communications Division maintains an average customer satisfaction score above 9.2. - The Power Division maintains an average customer satisfaction score above 9.4. - Billion Watts achieves an average annual satisfaction score of 9, with a response rate over 50%. - Billion EVC maintains an average annual customer satisfaction score of 9. - NoonSpare conducts customer satisfaction surveys semiannually, with an average annual satisfaction rate over 90%.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	---	-------------------------------------	---	---------------------------------------	------------------------------------	----------

Corresponding Topic	Short-term Goal (2024) Targets for 2024	Achieved Targets in 2024	Targets for 2025
Information Security	- Billion EVC launches cybersecurity training programs starting in 2024. - Billion requires a minimum of 3 training hours per year for all managers, 12 hours for IT personnel, 12 hours for cybersecurity personnel, and 3 hours for general users. - MDR (Managed Detection and Response) is fully implemented in 2024 to strengthen information system security	- Completes group-wide information security training in 2024: 3 hours for managers, 12 hours for IT staff, 12 hours for cybersecurity personnel, and 3 hours for general users. - Fully implements MDR (Managed Detection and Response) across the Group in 2024.	- Deploys SmartIT asset management and endpoint protection systems to enhance server and endpoint device security control. - Adopts Microsoft 365 (M365) Group-wide to drive digital transformation and strengthen digital resilience. - Upgrades the ERP system and introduces digital approval workflows to accelerate operational processes.
Employee Diversity & Equal Opportunity	- Plans to appoint two female board members in 2024. - Conducts one session each on gender equality, human rights, and workplace bullying awareness.	- Ensures 100% equality in recruitment, compensation, performance evaluation, training, and promotion practices. - As of 2024, the board includes two female directors. - Holds a gender equality seminar in November 2024. - Offers flexible working hours and benefits exceeding labor law requirements starting in 2024, including parental subsidies and education scholarships for employees' children. - NoonSpare holds two all-hands meetings in 2024 and maintains an employee suggestion box.	- Conducts one inclusive culture session in 2025 covering gender equality, human rights, and workplace bullying prevention. - Launches an employee satisfaction survey in 2025. - From 2025, relevant company policies and benefits reflect a commitment to employee diversity and well-being, aiming to build a diverse, equal, and inclusive workplace. - NoonSpare plans to hold quarterly all-hands meetings in 2025.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	---	-------------------------------------	---	---------------------------------------	------------------------------------	----------

Corresponding Topic	Short-term Goal (2024) Targets for 2024	Achieved Targets in 2024	Targets for 2025
Occupational Health & Safety	- Employees receive 3-hour occupational safety and health (OSH) training every three years. - Maintain zero major occupational injuries across the Group. - Billion EVC schedules OSH training in 2024.	- The Yilan Plant conducts two fire drills in 2024. - Billion Headquarters holds two joint fire drills with the building management in 2024. - ESD (Electrostatic Discharge) Protection Training held on 2024.05.22. 2-hour OSH training held on 2024.09.24. - Hazard Communication Training conducted on 2024.12.25. - Billion EVC completes OSH training on 2024.04.30.	- Maintain zero major occupational injuries. - Plan to implement ISO 45001 Occupational Health and Safety Management System. - NoonSpare conducts two fire safety drills annually.
Product Innovation & Marketing	- Billion Watts expands into overseas markets in 2024. - Successfully completes three industrial/commercial energy storage site projects. - Launches proprietary brand INVERTER. - In 2024, the Power R&D team develops a programmable, slim 240W industrial power supply designed in line with WEEE directives, focusing on easy disassembly and recyclability as a green product. - The Communications Division begins expanding the Japanese market in 2024. - In 2024, the Communications R&D team focuses on advancing 5G vertical applications.	- Billion Watts successfully enters overseas markets in 2024. - Billion Watts completes three industrial/commercial energy storage project deals. - Billion Watts establishes proprietary brand INVERTER. - The Power R&D team develops four 240W product series based on market research and customer needs, with safety certification and production scheduled for 2025 to deliver a complete power supply solution. - Completes one private network application deployment, with product shipments beginning in Q4 2024. - The planned expansion into the Japanese market is discontinued due to the closed industrial structure and challenges in software and cybersecurity support.	- Billion Watts holds two seminars and releases product news periodically in 2025. - Billion Watts secures two overseas project deals in 2025. - Billion Watts releases Pixel View v2.0 in 2025. - The Communications R&D team continues expanding into the 5G vertical application market. - The Power R&D team develops a 100W Power Delivery (PD) solution with dynamic voltage adjustment, offering high-performance charging. Product design follows WEEE guidelines, focusing on disassembly and recyclability. - NoonSpare completes its second-generation industrial/commercial all-in-one energy storage system, improving energy conversion efficiency by 1-2% and helping reduce peak-valley power imbalances. - NoonSpare also completes a low-voltage residential energy storage battery, enabling solar self-consumption users to store 5-20 kWh of surplus solar power and increase green energy utilization.

CHAPTER 2

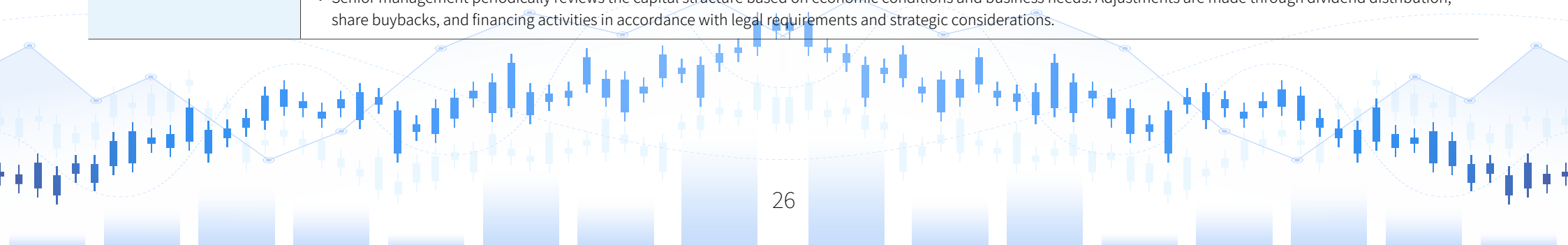
ROBUST AND ETHICAL GOVERNANCE 25

Disclosure of Ethical Corporate Management	26
2.1 About BILLION	30
2.2 Corporate Governance	37
2.2.1 Board of Directors	38
2.2.2 Remuneration Committee	44
2.2.3 Audit Committee	45
2.2.4 Functional Committee	46
2.3 Operating Performance	48
2.4 Risk Management	49
2.5 Integrity and Legal Compliance	52

CHAPTER 2 IMPLEMENTING SUSTAINABLE MANAGEMENT

Disclosure of Ethical Corporate Management

Material Topic: Economic Performance	
Materiality	Economic performance is key to a company’ s sustainable development, and a major concern for stakeholders. Only with stable profitability and continuous growth can a business achieve long-term success and give back to society.
Impacts	Actual Positive: Billion Group has achieved notable results in the development and investment of green energy and energy storage. This positive economic performance has strengthened investor confidence and encouraged further investment in the Group. Potential Positive: As the world moves steadily toward the 2050 net-zero emissions target, governments have responded by implementing a range of net-zero policies. In response to market demand, Billion Group is integrating internal resources to realign its green energy industry strategy. This approach aims to enhance competitiveness and drive revenue growth. Potential Negative: With the growing development of the green energy and energy storage industries, new competitors continue to enter the market. At the same time, market conditions may shift depending on the pace of government policy implementation. These factors may impact the Group’ s original business layout and strategic planning.
Policies/Strategies	Adopt a prudent business strategy to ensure sustained profitability, maximize corporate value, protect shareholder interests, and fulfill social responsibilities. For foreign currency positions arising from operations, natural hedging is applied first to reduce or avoid potential economic losses. • Continue investing in technological R&D to enhance product value and capture emerging market opportunities; stable profitability is critical to the Group's sustainable development. • Hold regular investor conferences to disclose financial statements and operating results, providing transparency to investors, shareholders, and all stakeholders. • Obtain ISO 9001 certification to align with market trends, earn customer trust, and expand global reach. • Conduct analyses on technological and industry trends to help the Group identify new business opportunities. • Develop and implement short- and long-term strategic plans, with ongoing tracking of implementation results. • Evaluate potential strategic investments, merger and acquisition targets, and partnership opportunities. • Expand global operational layouts to diversify business risks and reduce operating costs. • Manage capital structure to ensure operational continuity, and optimize debt-to-equity ratio to maximize shareholder returns. • Senior management periodically reviews the capital structure based on economic conditions and business needs. Adjustments are made through dividend distribution, share buybacks, and financing activities in accordance with legal requirements and strategic considerations.



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Goals and Targets	2025~2027: - Target a compound annual growth rate of 18.5% in consolidated revenue by 2027. - Continue monitoring foreign exchange and interest rate fluctuation risks, establish and implement hedging strategies accordingly. Conduct regular reviews of investment performance and financial risk assessments, applying a conservative investment principle with optimal portfolio adjustments. - Set revenue targets based on industry trends, market conditions, and competitive threats; strive to meet expectations to enhance shareholder satisfaction and investor confidence. - Continue investing in R&D to enhance product value, and improve gross margin through product mix optimization. - Expand into the Japanese and Australian markets; complete MIT (Made in Taiwan) manufacturing for the Group's energy storage products and promote self-branded products in overseas markets. 2025~2027: - Deepen relationships with key clients in the existing communications and power divisions, while broadening high-margin product lines to acquire new customers. For the energy division, continue expanding system integration services and launch new products in response to market demand. - Strictly assess customer credit terms and transaction limits; maintain strong control over accounts receivable collection and enforce effective collection procedures. 2031~: - Achieve NT\$10 billion in consolidated revenue by the 60th anniversary.
Management Evaluation Mechanism	- Monthly operating performance is compared against the annual budget, with regular management and performance review meetings held based on defined KPI indicators. - Management and department heads continuously monitor market trends and adjust business goals accordingly, implementing action plans to achieve revenue and profit targets, as well as improve product gross margins.
Performance and Adjustments	- In 2024, Billion Group continued to strengthen relationships with existing clients while actively expanding into overseas markets. A subsidiary was established in Japan to enter the Japanese market. In April 2024, to enhance product integration and overall competitiveness, the Group participated in a capital increase of NoonSpare Energy Technology Co., Ltd., making it a subsidiary. Through resource integration and strategic synergy, the Group expects to realize greater consolidated performance in the future. - Due to increased short-term working capital needs in 2024, the Group secured additional financing from financial institutions, leading to a slight rise in the debt ratio from 35% to 37%. However, the overall debt ratio remained below 40%.
Preventive or Remedial Measures	Preventive Measures: - Insure accounts receivable through bank underwriting to avoid revenue loss during business operations. - Billion Group conducts monthly reviews comparing annual budget with cumulative revenue and profit performance. For any shortfalls, improvement plans and suggestions are proposed. - Monthly and board meetings are held regularly to review business strategies and make timely adjustments, thereby enhancing customer satisfaction. - Quarterly performance review meetings are conducted, with meeting records used to track improvements in Group performance. Customer feedback is also collected to better understand needs and implement enhancements, maintaining strong client relationships and supporting sustainable operations. - When facing negative impacts, Billion Group ensures a stable source of operating funds to minimize potential operational losses caused by shipment delays or other factors that may lead to cash flow bottlenecks.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Material Topic: Information Security

Materiality	In recent years, businesses have increasingly faced threats such as hacker attacks and the leakage of sensitive information, making information and communications security a core focus of corporate management. According to the 2024 Global Risks Report by the World Economic Forum, AI-generated misinformation and cyberattacks are ranked among the top five global risks. As these risks continue to intensify, companies must strengthen their management of operational resilience, supply chain resilience, and cybersecurity resilience. Information security is not only an environmental, social, and governance (ESG) issue, but also a key factor in ensuring long-term corporate sustainability. To protect customer data, safeguard shareholder interests, and secure transaction information, Billion Group is committed to enhancing its information security systems, complying with relevant regulations, and maximizing the value of its data. The Group is actively working to reduce cyber risks, prevent unfair competition, and continuously improve and reinforce its cybersecurity management in order to mitigate operational risks.
Impacts	Positive Impact: Strengthening cyber resilience improves employees' cybersecurity awareness and helps reduce the risks of site signal interruptions and leakage of customer personal data. Negative Impact: Inadequate cybersecurity systems may result in the leakage of confidential company information. This requires dedicated personnel and ongoing investment in cybersecurity protection measures.
Policies/Strategies	Billion Group complies with all government regulations related to information security management, including the Cybersecurity Management Act, Criminal Code, Classified National Security Information Protection Act, Patent Act, Trademark Act, Copyright Act, and Personal Data Protection Act. The Group continuously strengthens its cybersecurity protection measures and enhances employees' awareness of information security. Given that Billion Watts provides site monitoring solutions involving customer data, it has appointed dedicated personnel within the IT department to establish and oversee personal data protection standards and practices. Annual review meetings are held to assess and update security management policies as needed to ensure continuous improvement in protection mechanisms. • For customer personal data, dedicated personnel in the IT department are responsible for regulation and management. Billion Watts conducts annual policy review meetings to evaluate whether existing measures need adjustment, removal, or enhancement to improve data protection. • Before engaging with suppliers, Billion Watts ensures that vendors fully understand its strict data protection requirements. The company also conducts careful evaluations of suppliers' past experience, service capabilities, and alignment with privacy standards to ensure a shared understanding of customer information protection before any collaboration begins. • To strengthen cybersecurity governance, the company has established a Cybersecurity Committee responsible for implementing and improving the information security management system (ISMS). Internal information security policies are formulated in accordance with ISO 27001 standards, with strategic planning and execution of cybersecurity practices to ensure effective policy enforcement and ongoing improvements.
Goals and Targets	2024~2026: • Reduce employee phishing click-through rates to below 3%. • Require annual cybersecurity training hours: Managers: at least 3 hours, IT personnel: at least 12 hours, Information security staff: at least 12 hours, General users: at least 3 hours. • Fully implement MDR (Managed Detection and Response) services to protect information system. • Deploy SmartIT for asset management and endpoint protection to strengthen control over servers and endpoint devices. • Adopt Microsoft 365 across the Group to enable digital transformation and enhance digital resilience. • Replace the existing ERP system and introduce electronic approval processes to streamline group operations.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Goals and Targets	2027~: • Migrate all application systems to the cloud. • Achieve zero major cybersecurity incidents. • Continuously improve information security and customer privacy management through risk assessments and threat mitigation strategies, ensuring uninterrupted operations.
Management Evaluation Mechanism	The Company follows the ISO 27001 Information Security Management System (ISMS) framework and conducts internal audits and third-party verifications annually to ensure compliance. Personal data files are regularly inventoried to enforce effective information security practices. • The status of information security governance is periodically reported to the Sustainability Development Committee and the Board of Directors. • Privileged Account Management: A local administrator account control system is implemented for endpoint devices. • Security Awareness Management: Information security awareness is continuously reinforced to reduce cybersecurity risks. • Remote Access Control: VPN access is provided and monitored to manage external remote connections. • Endpoint Protection: Endpoint devices are monitored through signature- and behavior-based malware detection systems.
Performance and Adjustments	• Completed group-wide cybersecurity training in 2024: 3 hours for all managers and general users, 12 hours for IT and cybersecurity personnel. • Reduced employee phishing susceptibility to below 3%; conducted follow-up evaluations on any successful attempts to determine the need for additional training. • No cybersecurity incidents occurred in 2024, and no customer data loss complaints were reported. • Fully implemented MDR (Managed Detection and Response) across the organization in 2024. • Completed setup and recovery drills for backup systems of critical application servers and cloud platforms. • In June 2024, successfully passed the ISO/IEC 27001:2022 surveillance audit with no major non-conformities, meeting all information security management system requirements.
Preventive or Remedial Measures	To reduce the likelihood and impact of information security risks, various cybersecurity protection measures have been implemented, supported by training programs and internal awareness campaigns. • Security Awareness Management: Information security training is conducted, and awareness of cyber risks is regularly promoted. • Social Engineering Simulation: Exercises are held to help employees recognize and defend against phishing and other social engineering threats. • Remote Access Control: VPN access is provided to enable secure use of internal information systems from outside the company. • Endpoint Protection: Endpoint behavior is monitored through behavioral signature detection to prevent cyberattacks. • Cybersecurity awareness campaigns are continuously promoted across the organization. • In compliance with FSC (Financial Supervisory Commission) requirements, Billion Group has appointed a Chief Information Security Officer (CISO) and dedicated security personnel. If staffing gaps occur, recruitment will be initiated or external security services will be considered. • Grievance Mechanism: Email: admin@billion.com Phone: +886-2-2914-5665

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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2.1 About BILLION

Corporate History and Brand Development

Billion Electric Co., Ltd. was established in 1973 and is headquartered in Taiwan. Initially focused on manufacturing power supplies and transformers, the company officially launched its own brand “BILLION” in 2004, actively expanding into the global broadband communication market. With strong R&D capabilities, a comprehensive manufacturing system, and a global network of agents and distributors, BILLION provides value-added broadband customer premises equipment (CPE) and highly flexible customized services. The brand is well-recognized internationally, especially in regions such as Australia, South Africa, Southeast Asia, and Latin America, where it has become a leading name in ADSL routers and ICT equipment.

Three Core Business Segments

Billion Group integrates two core technologies—power electronics and network communications—to strengthen its development in the fields of smart communications and green energy. The Group is committed to delivering high-performance and sustainable solutions through the following three core business segments:

- **Communications Division:** Provides industrial-grade routers, 5G/LTE wireless communication devices, and M2M IoT solutions, expanding into smart transportation, smart cities, and utility applications.
- **Power and Energy Management Division:** Specializes in the design and manufacturing of customized power modules and LED drivers, while also offering integrated EMS (Energy Management System) development services.
- **Green Energy and Energy Storage Division:** Covers energy storage systems (ESS), solar inverters, AC/DC EV chargers, and investment and deployment of solar power plants and energy storage sites.

Global Presence and Energy Transition Strategy

Billion Group and its subsidiary Billion Watts continue to deepen their commitment to local manufacturing, R&D, and systems integration. At the same time, the Group actively engages in global energy transition efforts by offering comprehensive green energy and energy storage solutions.

With overseas bases established in Japan and Australia, the Group has built stable partnerships with more than 40 countries worldwide, promoting net-zero emissions and advancing smart energy deployments globally.

Quality Management and Brand Culture

Billion Group emphasizes technological independence and quality control, certified by ISO 9001, QC 080000, and ISO 14001. With a vertically integrated structure spanning R&D, manufacturing, and marketing, our core values—Drive, Focus, and Discipline—are embodied across global teams. Strong financials and long-term client trust form the foundation of our sustainability. Our employees are dedicated to innovation across communications, power electronics, energy, and IoT, driving global competitiveness.

Smart Energy Management Solutions and Global Sales Network

Since 2012, Billion Group has developed smart energy IoT systems by combining over 50 years of technical expertise with ESCO energy monitoring solutions, in partnership with the Institute for Information Industry. These solutions have been applied across diverse sectors including solar facilities, schools, aquaculture, residential buildings, retail chains, utilities, factories, and e-bike charging stations. Through a global distribution network, our business has expanded to North America, Western Europe, Australia, Southeast Asia (Thailand, Indonesia, the Philippines, Malaysia, Singapore), and South Africa, with a presence across all major continents.

Looking Ahead

Billion Group will continue to integrate internal resources, strengthen technological R&D, and implement sustainable governance. We are committed to creating long-term value amid global trends in energy transition, communications innovation, and ESG development, while delivering high-quality, intelligent, and green integrated solutions to customers and partners worldwide.





Company Name	BILLION ELECTRIC CO., LTD.
Address	8 F., No. 192, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City 231017, Taiwan
Market Category	TWSE-Listed Company
Established Date	1973/03/27
TPEX-listed Date	2000/01/19
TWSE-listed Date	2002/08/26
Stock Code	3027
Industry Category	Internet Communication Businesses
Paid-in Capital	NTD 2,500,000,000
Chairman	Pedersen Chen (Appointed on March 13, 2025)
Operating Locations	Xindian Plant: 8F., No. 192, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City (02)2914-5665 Hsinchu Laboratory: 6F-6, No.120, Sec. 2, Gongdao 5th Rd., East Dist., Hsinchu City (03)575-3268 Yilan Plant: No. 8, Dexing 1st Rd, Su'ao Township, Yilan County (Lung Te Industry Park) (03)990-8297

Business Philosophy

With over 50 years of experience, the Billion team is committed to continuously developing innovative products and providing excellent customer service. Billion commits to operating with integrity, respect, and sound financial principles. We aim to enhance environmental quality and competitiveness while promoting resource recycling and minimizing our ecological footprint.

Business Objectives

- Focus on R&D innovation and quality management
- In addition to self-production, cooperate with partners to provide large-scale production
- Establish cross-national strategic alliances and global partnerships
- Continuously self-challenge and motivate employees for sustainable growth
- Create cost-effective and value-added solutions, providing highly attractive price-performance ratios

Corporate Culture

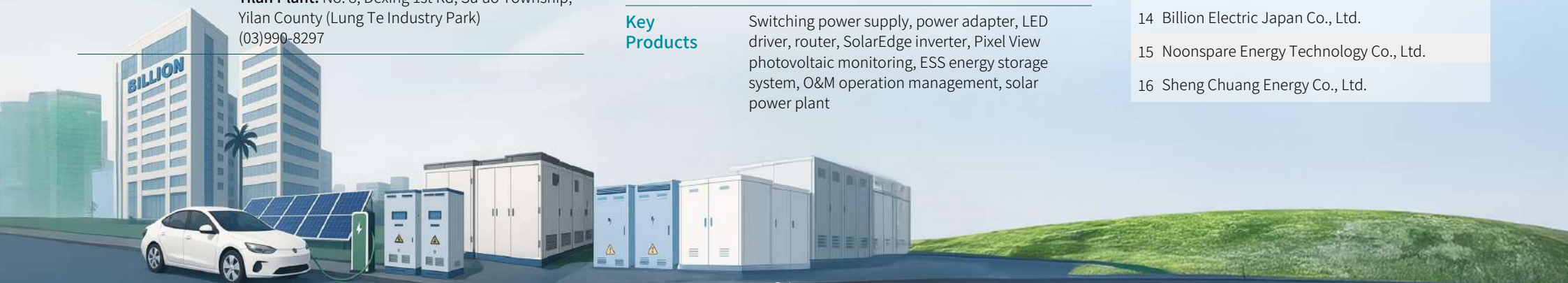
Integrity, Professionalism, Innovation, Momentum, Quality, Enthusiasm

Key Products

Switching power supply, power adapter, LED driver, router, SolarEdge inverter, Pixel View photovoltaic monitoring, ESS energy storage system, O&M operation management, solar power plant

Corporate Affiliations

- 1 Billion Electric Co., Ltd.
- 2 BEC Technologies Inc. (including Taiwan Branch)
- 3 Billion Watts Technologies Co., Ltd.
- 4 Billion Energy Storage Technologies Inc.
- 5 Pacific Solar Limited
- 6 Billion Sun Energy Storage Technologies Inc.
- 7 BEC International, LLC
- 8 Avantek Systems PTE. LTD
- 9 Shengzhida Tech Co., Ltd.
- 10 Billion EVC Technologies Co., Ltd.
(Note: formerly VGWatt Energy Co., Ltd.)
- 11 Billion EVC Technologies Co., Ltd.
- 12 Billion Electric Holding Co., Ltd.
- 13 Billion Kai Co., Ltd.
- 14 Billion Electric Japan Co., Ltd.
- 15 Noonspare Energy Technology Co., Ltd.
- 16 Sheng Chuang Energy Co., Ltd.





Corporate History and Brand Development

Billion Watts, a subsidiary of Billion Group, distributes SolarEdge inverters and launched its own Billion-branded inverter in 2024. Its product line also includes ESS and commercial/industrial energy storage systems. Billion Watts also developed Pixel View, a grid-level solar monitoring system with AI analytics and EMS integration, offering a 20-year cost-effective power plant maintenance solution.

Aligned with the Ministry of Economic Affairs' solar-plus-storage policy, Billion Watts provides after-sales maintenance and bidding services. The company is committed to becoming a comprehensive energy service provider guided by the principles of professionalism, neutrality, development, and integration, aiming to expand market share and deliver greater value to shareholders in Taiwan and Asia.

Company Name	Billion Watts Technologies Co., Ltd. (hereinafter referred to as the Billion Watts) BILLION WATTS TECHNOLOGIES CO., LTD.
Address	7 F., No. 190, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City 231017, Taiwan
Established Date	2017/01/18
Market Category	Self-usage power generation equipment utilizing renewable energy industry, electrical Installation Industry, energy technology service industry
Paid-in Capital	NTD 500,000,000
Chairman	Pedersen Chen (Appointed on March 13, 2025)
Operating Locations	Yunlin: No. 5-2, Jialu Rd., Douliu City, Yunlin County

Business Philosophy Taiwan promulgated a new green energy policy in 2017: "Achieve a power generation structure of 20% renewable energy, 50% natural gas, and 30% coal by 2025, while maintaining stable power supply", promoting national energy independence and non-nuclear homeland goals, increasing renewable energy installation to 20GWp. PV solar energy has become a long-term alternative energy solution to boost the domestic solar upstream industry and private power plant investment. Billion Watts was also established as an investment by Billion in the same year, providing high-quality equipment and professional technical services to assist Taiwan's solar energy industry chain, including rooftop and land owners, investors, engineering contractors, and maintenance operators, to build the highest quality, safest, and most efficient solar power stations, creating value and achieving energy sustainability goals.

Business Objectives

- "Seek a stable growth business model within five years after IPO"
- Business expansion of new energy storage products in five years
 - Increase the revenue proportion of sustainable income business models

Corporate Culture

- Innovation is the soul of Billion Watts's cultural characteristics
- Full confidence, believing that Billion Watts is a great company
- Start from small things, pay attention to details for observation and improvement
- Good at listening to opinions, self-criticism, and not giving up
- The team should never be overlooked

Key Products

SolarEdge inverter, Pixel View monitoring, ESS energy storage system, Industrial & Commercial ESS, Billion inverter, AC&DC EV Charger, O&M maintenance service, etc.



VGwatt Energy Co., Ltd. was established in 2019 and joined Billion Group in December 2022. As a professional solar energy consulting and hardware service provider, the company serves a wide range of industrial and residential solar needs. In response to business integration, the company was officially renamed Billion EVC Technologies Co., Ltd. following approval at an extraordinary shareholders' meeting in December 2024.

Company Name	Billion EVC Technologies CO.,Ltd. (hereinafter referred to as the Billion EVC)
Address	10F., No. 200, Sec. 2, Gaotie S. Rd., Zhongli Dist., Taoyuan City, Taiwan
Established Date	2019/06/27
Market Industry	Design, manufacturing, establishing and sales business of solar power plant.
Paid-in Capital	NTD 36,025,000
Chairman	Elsa Chang (Appointed on March 13, 2025)

Business Philosophy

VGwatt Energy, established in 2019, is the official authorized distributor of GROWATT in Taiwan. It is formed by a team of senior technical personnel who have been working in the power technology and solar energy industry for over 10 years, possessing rich practical experience and professional capabilities. Currently, it has service locations in Taoyuan and Tainan. The maintenance team has been adhering to rapid on-site service for many years and strives to provide better solar equipment choices and quality services for Taiwanese businesses.

Business Objectives

Increase the revenue proportion of sustainable income business models

Key Products

GROWATT inverter, solar power plant design, manufacturing, and construction.



Company Name	NOONSPARE ENERGY TECHNOLOGY CO., LTD. (hereinafter referred to as the NoonSpare)
Address	No. 486, Sec. 3, Zhongshan Rd., Tanzi Dist., Taichung City 427014, Taiwan
Established Date	2018/10/26
Paid-in Capital	NTD 260,560,000
Chairman	Elsa Chang (Appointed on March 13, 2025)
Key Products	Industrial & Commercial ESS, Residential ESS, Battery module design and manufacturing

Business Philosophy

NoonSpare brings together experts in lithium cell production, battery testing, module design, and packaging. With advanced testing systems and reliable energy storage technologies, the company ensures strict quality control and leverages global supply chains to offer flexible, stable manufacturing services for energy storage applications worldwide.

Business Objectives

NoonSpare aims to become a cornerstone of sustainable energy in the global net-zero transition, upholding the values of innovation, integrity, and practicality while developing reliable energy storage solutions in harmony with society and the environment.

Corporate Culture

Innovation, Integrity, and Practicality



BEC Technologies Inc., a U.S. subsidiary of Billion Group, established BEC Taiwan in August 2024 to lead marketing and R&D of communication products. It focuses on advanced 4G LTE and 5G wireless broadband solutions, serving applications such as FWA, IoT/M2M, industrial routers, fleet management, smart cities, and energy infrastructure.

Main Products and Services

Billion Group has built a strong reputation over the past 50 years in power and ICT solutions, with deep expertise in network equipment, power supplies, green energy, and storage systems. The Group works closely with global distributors, system integrators, and telecom operators to foster long-term, win-win partnerships. We specialize in the R&D, manufacturing, and sales of 5G/LTE routers, industrial networking products, power supplies, and energy storage systems, offering high-performance and sustainable solutions. Our key product lines include SolarEdge, Billion-branded and GROWATT inverters, Pixel View monitoring systems, ESS, commercial and residential energy storage, EMS, AC/DC chargers, O&M services, and solar power plants. Our business spans three major domains:

- Communications (routers, in-vehicle and industrial networking)
- Power and Energy Management (custom power and contract manufacturing)
- Green Energy (solar and energy storage solutions, plant investment)

Billion Group is committed to innovation, quality, and customer satisfaction—delivering responsive, reliable service to create value for clients around the world.

The Company operates in the communications network and energy technology service sectors, with a global sales footprint across Taiwan, Asia, the Americas, Africa, Europe, and Oceania.

As of 2024, the Group's investments focus on communication equipment trading and services, renewable energy generation, and energy technology services. Overseas investments involve 5 companies totaling approximately NT\$129.7 million (18.68% of total investments), while 15 domestic companies account for about NT\$694.4 million (81.32%).

In 2024, the Group expanded into the Japanese market by establishing Billion Electric Japan Co., Ltd., a wholly owned subsidiary focusing on communication product sales. To strengthen its energy storage portfolio, the Group acquired a 49.89% stake in NoonSpare Energy in April. In June, two investment entities, Billion Mega Energy and Billion Power Energy, were formally liquidated.

Billion Group's clients range from listed enterprises to SMEs. Its core businesses include:

1. Design, manufacturing, and sales of electronic components and related products
2. Development and sales of 5G/LTE, in-vehicle, and industrial-grade network products
3. Renewable energy generation and energy technology services

These business lines serve diverse customer needs and drive the Group's sustainable growth.

Billion's Products or Services

Products or Services Items	Sales Region	Customer Type	Sales Volume	Sales Volume Unit
Power Supply Products	Taiwan, Asia, Americas, Europe, Africa, Oceania	Electronic product suppliers	554,975	Units
Battery Storage Cabinets	Taiwan	ESS assembly contractors	36	Units
Communication Products	Taiwan, Asia, Americas, Europe, Africa, Oceania	Network equipment manufacturers	16,237	Units
PV Inverters	Taiwan	PV Inverters	98	Units
EV Chargers	Taiwan	Charging equipment providers	267	Units

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Billion Watts operates in the solar energy, self-use renewable energy equipment, electrical installation, and energy technology service industries. Its extensive product portfolio includes SolarEdge inverters, Billion-branded inverters, Pixel View monitoring systems, ESS and C&I energy storage systems, EMS (Energy Management Systems), AC & DC EV chargers, and O&M services. These offerings provide high-quality energy solutions tailored to growing customer demands.

In addition to its product line, Billion Watts is committed to delivering premium after-sales service and technical support, ensuring optimal customer experience. Its sales network covers Taiwan, with a customer base consisting of distributors, agents, resellers, system integrators, network service providers, and telecom companies. Through long-term partnerships, the company maintains a strong market presence and continuously adapts its strategies to meet evolving client needs.

Billion Watts' Products or Services

Products or Services Items	Sales Region	Customer Type	Sales Volume	Sales Volume Unit
ESS-EPC	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	70	UNIT
ESS-OM	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	113	UNIT
ESS-Turnkey	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	30	UNIT
ESS-Outsourced Operation	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	47	UNIT
ESS-C&I Project	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	2	UNIT
ESS-EMS	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	2	UNIT
GROWATT (Inverter)	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	490	EA
Pixel View (Solar Monitoring)	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	2,436	UNIT
SolarEdge (Inverter)	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	38,648	EA
Solar PV-EPC	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	7	UNIT
Solar PV-O&M	Taiwan	Distributors (including agents and resellers), network system integrators, network communication service providers, and telecommunications companies.	66	UNIT

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Billion EVC focuses on the distribution of solar power plant equipment and EV chargers, serving primarily customers in Taiwan. Its core business includes the sales of GROWATT inverters and chargers, promoting clean energy products while providing localized and professional services.

Billion EVC's Products or Services

Products or Services Items	Sales Region	Customer Type	Sales Volume	Sales Volume Unit
GROWATT Inverter	Taiwan	Solar Energy Industry	80	KW

All communication products are 100% produced in-house. Facility areas include 124 ping at HQ, 423.5 ping in Yilan, and 197 ping at NoonSpare. Billion Watts and Billion EVC have no production sites. In 2024, production at the Xindian plant and outsourced power supply volume were reported.

Network Communication Production

Category	Unit	Production Volume	% Produced In-House
Outdoor Routers	Unit	3,939	100%
Industrial M2M	Unit	4,265	100%
LTE Indoor Routers	Unit	5,168	100%
Others	Unit	2,865	100%
Total		16,237	

NoonSpare Battery Module Production

Category	Unit	Production Volume	% Produced In-House
Residential Battery System Modules	Set	3,485	100%
Electric Bus Battery Modules	Set	360	100%
C&I Energy Storage Battery Modules	Set	36	100%
Total		3,881	

To support sustainable industrial and environmental development and improve product quality, the Company actively engages with associations in the electronics and energy sectors.

Industry Associations or Related National/International Organizations	Membership Status
Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	General Member
Yilan County Industrial Association	Member

NoonSpare manufactures and supplies lithium battery energy storage systems, serving Taiwan, Japan, and North America with OEM, custom design, and system integration services.

NoonSpare's Products or Services

Products or Services Items	Sales Region	Customer Type	Sales Volume	Sales Volume Unit
Residential Energy Storage Sales	Taiwan	System Integrators	560	UNIT
Battery Pack OEM	Taiwan	Electric Bus Factories	360	UNIT
Industrial & Commercial Energy Storage System Design & Manufacturing	Taiwan, Japan	System Integrators	3	UNIT

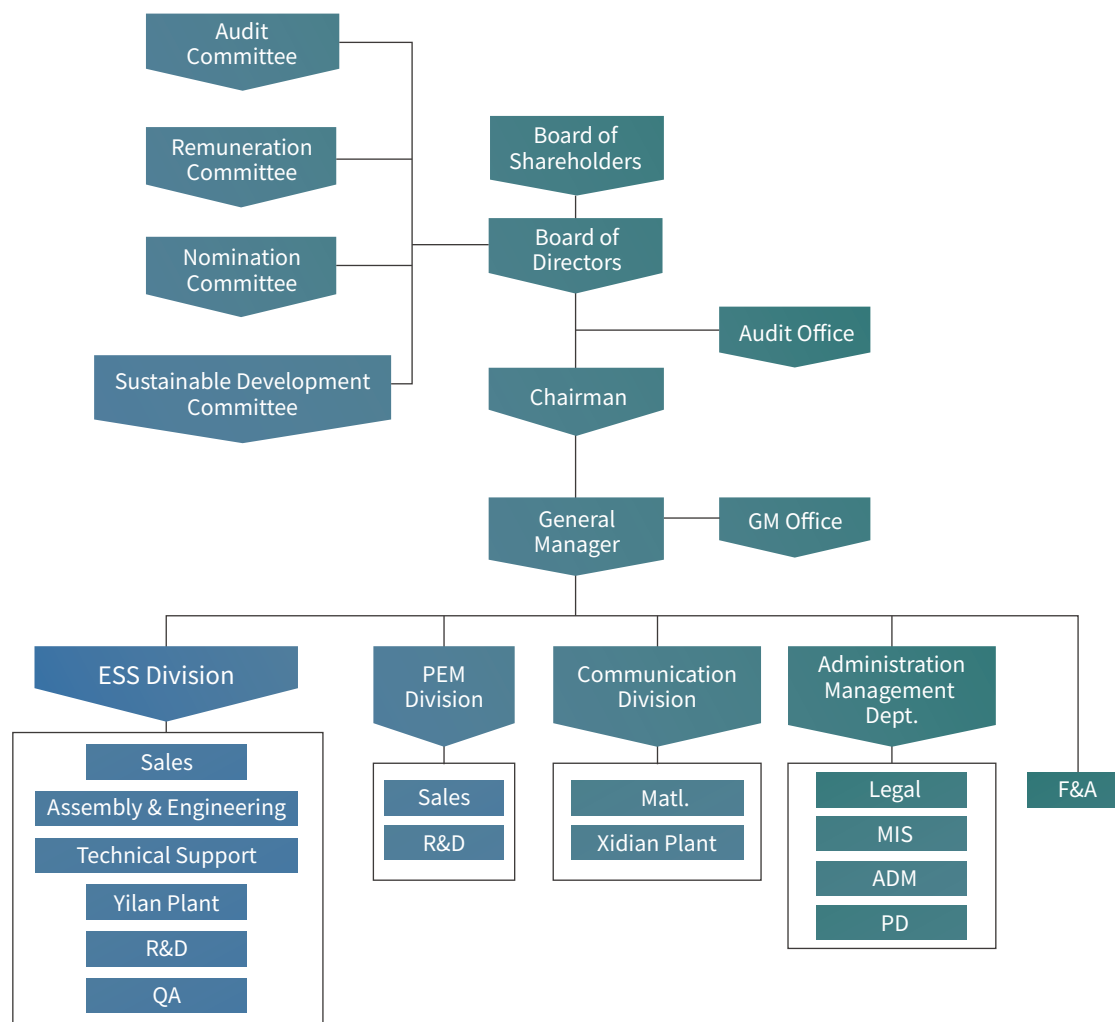
Outsourced Power Supply Production

Category	Unit	Sales Volume	% Produced In-House
Power Supply(PS)	PCS	533,954	0%
Driver (LED Driver) PL	PCS	21,021	0%
Total		544,975	

Yilan Energy Storage Production

Category	Unit	Sales Volume	% Produced In-House
Battery Energy Cabinets	MWh	22.36	100%
PV Inverters	MWh	30.1	100%
Total		54.46	
EV Chargers	PCS	696	100%
Total		696	

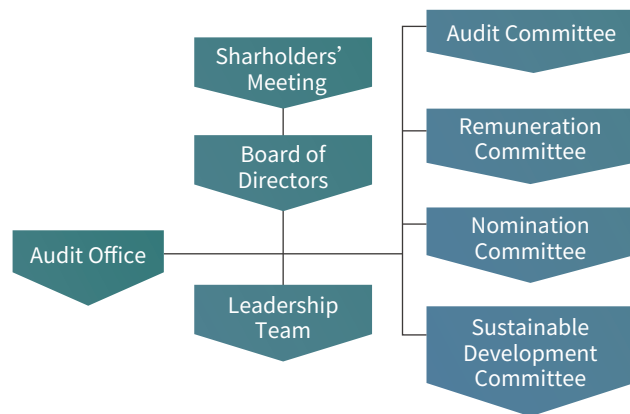
2.2 Corporate Governance



Company Organizational Chart

Responsibilities of Departments

Dept.	Functions
GM Office	Implement and coordinate project plans, assist various business units and departments in establishing or improving operational plans.
Audit Office	Evaluate and track the soundness, reasonableness, and effectiveness of the Company's internal control system and various management systems.
Finance & Accounting	- Fund allocation - Investment and financial planning - Accounting, finance, and related matters
Administration Management	- Establishment and implementation of management systems - Shareholder relations and stock affairs operations - Planning and management of human resources, labor relations, and employee training - Employee performance evaluation - General administration and fixed asset management - Planning and integration of information systems - Network communication connectivity and management - Procurement policies for raw materials of energy storage and power products - Assistance in drafting and reviewing legal documents, as well as executing contracts and legal paperwork
ESS Division	- Planning, executing, and overseeing the R&D, manufacturing, and sales of energy storage products - Planning and implementing production and quality policies for energy storage products - Warehouse management of raw materials for energy storage products
PEM Division	- Planning, executing, and overseeing the R&D, manufacturing, and sales of power supply products - Planning and implementing production and quality policies for power supply products - Warehouse management of raw materials for power supply product
Communication Division	- Planning and implementing production and quality policies for communication products - Procurement policies and warehouse management of raw materials for communication products



Board of Directors Organizational Chart

2.2.1 Board of Directors

Former Chairman Mr. Tim Chen retired on March 13, 2025, and was succeeded by Mr. Pedersen Chen, legal representative of Sino-American Silicon Products Inc., as Chairman of the Company and Billion Watts. Ms. Elsa Chang became Chairperson of Billion EVC and NoonSpare. According to the Articles of Incorporation, the Board consists of 7–9 directors serving three-year terms, elected through a candidate nomination system by shareholders. The Chairperson, elected by the Board, represents the Company externally and oversees major affairs. At least three independent directors are appointed in compliance with regulatory requirements.

The current Board has nine members, including three independent directors (33.3%). All are elected by shareholders without gender restrictions, and are responsible for supervising, appointing, and advising management to maximize shareholder value.

The Board emphasizes efficiency, transparency, diversity, and expertise, considering skills in operational judgment, finance, management, crisis handling, industry knowledge, global perspective, climate risk, leadership, and decision-making to ensure sound governance.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	---	-------------------------------------	---	---------------------------------------	------------------------------------	----------

Board Members Information

Updated: 2025.3.14

Title	Name	Gender	Age	First Elected Date	Major Working (Academic) Experience	Concurrent Positions
Chairman	Tim Chen(Retired on 2025.3.13)	Male	More than 50	1997.11.5	M.S. in Information Engineering, University of Mississippi; Former IBM Programmer	Chairman of Billion Sun, Billion Holdings, BEC Technologies
Chairman	Sino-American Silicon Products Inc. Representative:Pedersen Chen (Appointed on March 13, 2025)	Male	More than 50	2023.6.7	M.B.A., National Taiwan University Senior Partner of KPMG GM of Sino-American Silicon Products Inc.	GM, Sino-American Silicon Products Inc. Chairman, Billion Watts Technologies Inc. Director (Legal Representative), Advanced Wireless Semiconductor Company Director (Legal Representative), Sunrise Pv Three Co. Director (Legal Representative), Sustainable Energy Solution Co., Ltd. Chairman(Legal Representative), BT Energy Storage Co., Ltd. Director (Legal Representative), Sunrise Pv Four Co. Director, MEMC Electronic Materials S.p.A.
Director	Elsa Chang	Female	More than 50	2024.5.29	Faculty of Law, National Chengchi University Former associate manager of Taiwan Cooperative Bank Former CFO of Tatung Company	GM, Billion Electric Co., Ltd. Director, Billion Watts Technologies Inc. Chairman, Billion EVC Co., Ltd. Chairman, NoonSpare Energy Co., Ltd. Chairman, Billion Energy Storage Technologies Inc. Chairman, Billion Sun Energy Storage Technologies Inc. Independent Director, Actron Technology Co., Ltd.
Director	Cliff Wong	Male	More than 50	2024.5.29	Master of Electrical Engineering, NTU Former counsel at Winston & Strawn LLP	The principal lawyer of Hongqi Law Office Independent Director, Sinopower Semiconductor Co., Ltd.
Director	Yi-Shan Ko(Retired on 2025.2.18)	Female	More than 50	2024.5.29	LL.M., Harvard Law School Former VP, Global Trust Dept., BNY Mellon HK	The principal lawyer of IK Partners Law Office Director, Taiwan Law and Technology Association
Director	Yu-Chang Hung	Male	More than 40	2024.5.29	M.B.A., NTUST	Chairman & GM, Maohong Power Company
Independent Director	Yung-Yen Chen	Male	More than 50	2012.6.27	Ph.D. in Finance, Nova University, U.S. Assistant professor of the Dept. of International Trade, CCU	Assistant Professor, Department of International Trade, Chinese Culture University Independent Director, Ta Tun Electric Wire & Cable Co., Ltd.
Independent Director	Jeng-Ywan Jeng	Male	More than 50	2024.5.29	Ph.D. in Laser Processing, Institute of Mechanical Engineering, University of Liverpool Former Senior Counselor of NTUST	Distinguished Professor, Department of Mechanical Engineering, NTUST Director, Taiwan High-Speed 3D Printing Research Center Independent Director, Actron Technology Co., Ltd. Independent Director, Ant Precision Industry Co., Ltd. Independent Director, FORCERA Materials Co., Ltd.
Independent Director	Jeffrey Shih-Jey Chen	Male	More than 50	2024.5.29	Ph.D., European Studies, Tamkang University; Secretary & Counsel, Chinese Arbitration Association	Advisor, Chinese Arbitration Association, Taiepei

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Independence and Diversity of the Board of Directors

In accordance with the Company's Articles of Incorporation, board candidates are nominated and reviewed by the Nomination Committee for eligibility. Incumbent directors under review must recuse themselves, with the results approved by the Board and submitted to the shareholders' meeting for election. In May 2024, the 18th Board was elected, comprising 33.3% independent and 66.7% non-independent directors, including one director who is also an employee/manager, in compliance with the Securities and Exchange Act. There are no spousal or second-degree kinship relationships among directors, and the Chairperson does not serve as CEO. To enhance diversity, two female directors have been appointed.

The Board meets the Company's diversity policy, combining required knowledge and skills with varied professional backgrounds and experience, incorporating external stakeholder perspectives to improve governance. Three directors also serve as independent directors of other public companies, and several are professors at leading universities. All members possess extensive expertise, insight, leadership, and decision-making capabilities.

The implementation of the Board of Directors diversity policy is as follows:

Title	Name	Industry Experience				Professional Capabilities		
		Banking/Finance	Leadership	Sales/MKT	R&D	Accounting/Financial Analysis	IT	Risk Management
Chairman	Tim Chen	✓	✓	✓	✓	✓	✓	✓
Director	Pedersen Chen	✓	✓	✓		✓	✓	✓
Director	Elsa Chang	✓	✓	✓		✓	✓	✓
Director	Cliff Wong						✓	✓
Director	Yi-Shan Ko					✓	✓	✓
Director	Yu-Chang Hung	✓		✓	✓	✓	✓	✓
Independent Director	Yung-Yen Chen					✓	✓	✓
Independent Director	Jeng-Ywan Jeng						✓	✓
Independent Director	Jeffrey Chen						✓	✓

Operation of the Board of Directors

In 2024, the Board held eight meetings with an average attendance rate of 100%. Sustainability-related environmental, economic, and social issues were discussed to ensure progress. The Sustainability Development Committee reports quarterly to the Board on policy goals, key projects, and performance, with an annual summary presented at year-end. Any negative incidents affecting stakeholders are reported to the Board with corresponding actions.

Board of Directors attendance is as follows:

Title	Name	Actual Attendance	Attendance by Proxy	Actual Attendance Rate	Remarks
17th Session					
Chairman	Tim Chen	3	0	100%	Should attend 3 times
Director	Greg Chen	3	0	100%	Should attend 3 times
Director	Shih-Che Chien	3	0	100%	Should attend 3 times
Director	Kun-Chin Tsai	3	0	100%	Should attend 3 times
Director	Sino-American Silicon Products Inc. Representative: Pedersen Chen	3	0	100%	Should attend 3 times
Independent Director	Yung-Yen Chen	3	0	100%	Should attend 3 times
Independent Director	Chun-Yao Li	3	0	100%	Should attend 3 times
Independent Director	Chang-Hua Lin	3	0	100%	Should attend 3 times
Independent Director	Kuo-Hui Ning	3	0	100%	Should attend 3 times
18th Session					
Chairman	Time Chen	5	0	100%	Should attend 5 times
Director	Sino-American Silicon Products Inc. Representative: Pedersen Chen	5	0	100%	Should attend 5 times
Director	Elsa Chang	5	0	100%	Should attend 5 times
Director	Cliff Wong	5	0	100%	Should attend 5 times
Director	Yi-Shan Ko	5	0	100%	Should attend 5 times
Director	Yu-Chang Hung	5	0	100%	Should attend 5 times
Independent Director	Yung-Yen Chen	5	0	100%	Should attend 5 times
Independent Director	Jeng-Ywan Jeng	5	0	100%	Should attend 5 times
Independent Director	Jeffrey Chen	5	0	100%	Should attend 5 times

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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Conflict of Interest Avoidance Mechanism

The Company has clear regulations regarding directors' conflict of interest avoidance in the "Corporate Governance Best Practice Principles" and "Audit Committee Organization Regulations". In addition to matters that must be avoided according to relevant laws and regulations, it also clearly stipulates matters that directors should voluntarily avoid. After verification, if board members have relevance to the content of the proposal, they will implement conflict of interest avoidance. It also implements the relevant regulations of this administration bureau and subsidiaries regarding transactions with interested parties, prioritizing the Company's interests and ensuring fair trading principles to avoid opportunities to seek personal gain.

Details of Recusal Cases in 2024:

Meeting Date	Contents of Proposal	Remarks
6/21	Loan to Subsidiary Case	Chairman Tim Chen, being a stakeholder in this case, recused himself from discussion and voting. The motion was unanimously approved by the remaining attending directors.
	Loan to Subsidiary Case	
	Acquisition of Real Estate in Japan Case	
8/8	Signing of "Industry-Academia Cooperation and Academic Feedback Mechanism Agreement" with NTUST Case	Independent Director Jeng-Ywan Jeng, being a stakeholder in this case, recused himself from discussion and voting. The motion was unanimously approved by the remaining attending directors.
	Appointment of the Company's General Manager Case	Director Elsa Chang, being a stakeholder in this case, recused herself from discussion and voting. The motion was unanimously approved by the remaining attending directors.
	2023 Board Performance Evaluation and Compensation Allocation Case	Chairman Tim Chen and Director Pedersen Chen, being stakeholders in this case, recused themselves from discussion and voting. The motion was unanimously approved by the remaining attending directors.
	2023 Manager Performance Evaluation and Employee Compensation Allocation Case	Director Elsa Chang, being a stakeholder in this case, recused herself from discussion and voting. The motion was unanimously approved by the remaining attending directors.
11/7	Short-Term Financing to Subsidiary Case	Chairman Tim Chen, being a stakeholder in this case, recused himself from discussion and voting. The motion was unanimously approved by the remaining attending directors.
12/12	Loan to Subsidiary Case	

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Board of Directors' Training

To enhance board functions and diversity, the Company's election rules require independent directors to be nominated, including professionals such as lawyers, academics, and independent directors of listed companies. Guidelines for director training promote effective learning through flexible, diverse, and digital courses. One director attended a climate change forum, reflecting top management's focus on climate issues. Six of the nine directors completed over 10 hours of training, exceeding regulatory requirements.

Title	Name	Training Date	Organizer	Course Name	Training Hours	Total Hours
Chairman	Tim Chen	11/7	Securities & Futures Institute	Corporate ESG Governance Knowledge – Global Net Zero Emission	3	6
				Carbon Trading Mechanisms and Carbon Management Applications	3	
Director	Pedersen Chen	3/25	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3	6
		7/3	Securities & Futures Institute	2024 Cathay ESG Summit Forum	3	
Director	Elsa Chang	5/29	Billion Electric	Director Orientation (including Insider Trading, etc.)	2	14
		7/1	Taiwan Corporate Governance Association	Board Oversight of ESG-related Legal Issues	3	
		11/7	Securities & Futures Institute	Corporate ESG Governance Knowledge – Global Net Zero Emission	3	
		11/7	Securities & Futures Institute	Carbon Trading Mechanisms and Carbon Management Applications	3	
		11/21	Taiwan Project Management Association	Directors vs. Executive Team	3	
Director	Cliff Wong	5/29	Billion Electric	Director Orientation (including Insider Trading, etc.)	2	11
		10/4	Securities & Futures Institute	2024 Insider Trading Prevention Guide	3	
		11/7	Securities & Futures Institute	Corporate ESG Governance Knowledge – Global Net Zero Emission	3	
		11/7	Securities & Futures Institute	Carbon Trading Mechanisms and Carbon Management Applications	3	
Director	Yi-Shan Ko	5/29	Billion Electric	Director Orientation (including Insider Trading, etc.)	2	14
		9/20	Securities & Futures Institute	2024 Insider Trading Prevention Guide	3	
		11/7	Securities & Futures Institute	Corporate ESG Governance Knowledge – Global Net Zero Emission	3	
		11/7	Securities & Futures Institute	Carbon Trading Mechanisms and Carbon Management Applications	3	
		11/19	Taiwan Institute for Sustainable Energy	7th GCSF Global Corporate Sustainability Forum	3	
Director	Yu-Chang Hung	5/29	Billion Electric	Director Orientation (including Insider Trading, etc.)	2	14
		10/4	Securities & Futures Institute	2024 Insider Trading Prevention Guide	3	
		11/7	Securities & Futures Institute	Corporate ESG Governance Knowledge – Global Net Zero Emission	3	
		11/7	Securities & Futures Institute	Carbon Trading Mechanisms and Carbon Management Applications	3	
		12/20	Taiwan Corporate Governance Association	Criminals Exploit Unconventional and Related-Party Transactions	3	
Independent Director	Yung-Yen Chen	11/7	Securities & Futures Institute	Corporate ESG Governance Knowledge – Global Net Zero Emission	3	6
				Carbon Trading Mechanisms and Carbon Management Applications	3	
Independent Director	Jeng-Ywan Jeng	5/29	Billion Electric	Director Orientation (including Insider Trading, etc.)	2	11
		6/7	COSDA	Blueprint and Practices of Corporate Governance	3	
		11/7	Securities & Futures Institute	Corporate ESG Governance Knowledge – Global Net Zero Emission	3	
		11/7	Securities & Futures Institute	Carbon Trading Mechanisms and Carbon Management Applications	3	
Independent Director	Jeffrey Chen	5/29	Billion Electric	Director Orientation (including Insider Trading, etc.)	2	14
		8/6	TWSE	Building a New Carbon Era with Sustainability Knowledge	6	
		11/7	Securities & Futures Institute	Corporate ESG Governance Knowledge – Global Net Zero Emission	3	
		11/7	Securities & Futures Institute	Carbon Trading Mechanisms and Carbon Management Applications	3	

Total Training Hours in 2024: 96 Hours ▶

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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Board Performance Evaluation

To implement corporate governance and enhance the functions of the Board of Directors, establish performance goals to strengthen the efficiency of board operations, and in accordance with Article 37 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and with reference to the "Reference Examples for Board of Directors Self-Evaluation or Peer Evaluation of Corporations", this regulation is formulated. The regulations of the Board of Directors and each functional committee should include at least one internal committee performance evaluation annually, and at least one evaluation by an external professional independent institution or external expert scholar team every three years.

The Company's Board of Directors performance evaluation procedure is described as follows:

Establish the units, periods, and scope to be assessed for the year (the entire board of directors, individual directors, functional committees, etc.).

Determine the method of evaluation (board self-evaluation, director self-evaluation (self or peer), peer evaluation, outsourcing to professional institutions, expert evaluation, etc.).

Choose an appropriate unit to conduct the evaluation.

The executing units will collect information related to the activities of the board of directors and distribute the "Board Performance Self-Evaluation Questionnaire" in Table 1, the "Director Performance Self-Evaluation Questionnaire" in Table 2, or the "Functional Committee Performance Self-Evaluation Questionnaire" in Table 3 for completion. Finally, the secretariat coordinating unit will collect the data, record the evaluation results report based on the evaluation criteria in Article 8, and submit it to the Board of Directors for review and improvement.

2024 Board of Directors Self-Evaluation Results are as follows:

Evaluation Object	Evaluation Aspect	Number of Indicators	Average Score	Five Major Aspects	Total Score
Overall Board of Directors	Degree of participation in Company's operations	4	20.00	5.00	100
	Improvement of decision-making quality of the board of directors	7	35.00	5.00	
	Composition and structure of the board of directors	3	15.00	5.00	
	Election of Directors and continuous education	3	15.00	5.00	
	Internal control	3	15.00	5.00	
Board Members	Mastery of Company goals and tasks	3	14.67	4.89	99.22
	Awareness on Directors' responsibilities	4	19.56	4.89	
	Degree of participation in Company's operations	6	30.00	5.00	
	Internal relationship management and communication	3	15.00	5.00	
	Directors' professional and continuing education	2	10.00	5.00	
	Supervision internal control	2	10.00	5.00	
Audit Committee	Degree of participation in Company's operations	6	30.00	5.00	97.40
	Awareness on the responsibilities of the functional committee	3	15.00	5.00	
	Improvement of decision-making quality of the functional committees	4	19.20	4.80	
	Composition and selection of members of the functional committee	3	13.20	4.40	
	Internal control	4	20.00	5.00	
Remuneration and Compensation Committee	Degree of participation in Company's operations	4	20.00	5.00	97.00
	Awareness on the responsibilities of the functional committee	4	20.00	5.00	
	Improvement of decision-making quality of the functional committees	6	28.80	4.80	
	Composition and selection of members of the functional committee	3	13.20	4.40	
	Internal control	3	15.00	5.00	
Nomination Committee	Degree of participation in Company's operations	4	20.00	5.00	98.00
	Awareness on the responsibilities of the functional committee	5	25.00	5.00	
	Improvement of decision-making quality of the functional committees	4	19.20	4.80	
	Composition and selection of members of the functional committee	2	8.80	4.40	
	Internal control	5	25.00	5.00	
Overall Average					98.32

To effectively exert the functions of the Board of Directors and improve the quality of board decisions, the Audit Committee, Nomination Committee, Remuneration Committee, Sustainable Development Committee, and Board Risk Management Committee are set up under the Board of Directors according to their authorities and functions, responsible for important proposals and discussions on important issues such as economy, finance, operations, environment, and other risks. The Board Risk Management Committee consists of the Board of Directors, General Manager's Office, various functional units, and internal audit. The next external evaluation of board performance is expected to be in 2025.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

2.2.2 Remuneration Committee

To improve the remuneration system for directors and managers of the Company, in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" (hereinafter referred to as the "Remuneration Committee Exercise of Powers Regulations"), this Remuneration Committee Organization Charter (hereinafter referred to as the "Organization Charter") is formulated.

According to the regulations, the members of the Remuneration Committee are appointed by the Board of Directors. The Committee shall exercise due care as a good administrator, faithfully perform the following duties, and submit its recommendations to the Board of Directors for discussion. The responsibilities of the Company's Remuneration Committee are as follows:

1. Evaluate and supervise the Company's overall remuneration policy.
2. Evaluate and determine the appropriate level of compensation for directors.
3. Evaluate and approve the salary levels for associate managers and above.
4. Other matters related to remuneration and formulation of employee reward systems.

According to the Remuneration Committee Organization Charter of the Company, the members of this committee shall include the Company's Independent Directors, and the remaining members shall be appointed by resolution of the Board of Directors. The total number of members shall not be less than three. The Remuneration Committee shall hold at least two regular meetings every year.

Information on the Operation of the Remuneration Committee in 2024

Title	Name	Actual Attendance Times	Proxy Attendance Times	Actual Attendance Rate (%)
5th Session				
Convener & Chairperson	Yung-Yen Chen Independent Director	1	0	100%
Member	Chun-Yao Li Independent Director	1	0	100%
Member	Chang-Hua Lin Independent Director	1	0	100%
Member	Kuo-Hui Ning Independent Director	1	0	100%
6th Session				
Convener & Chairperson	Yung-Yen Chen Independent Director	3	0	100%
Member	Jeng-Ywan Jeng Independent Director	3	0	100%
Member	Jeffrey Chen Independent Director	3	0	100%

Remuneration Setting Process

The Remuneration Committee assists the Board of Directors in formulating and evaluating the Company's overall compensation and benefits policies. To regularly assess the remuneration of directors and managers, the Company has established the Board Performance Evaluation Guidelines and Employee Performance Management Guidelines, using performance results as the basis for determining individual compensation. Remuneration decisions balance sustainable business operations with risk control and are reviewed by both the Nomination Committee and the Remuneration Committee before submission to the Board for approval.

Manager performance evaluations consider individual achievement rates, contributions to the Company, overall business performance, industry risks and trends, as well as compliance with relevant laws and operational conditions. Director evaluations focus on goal alignment, role awareness, operational participation, relationship management, professional expertise, ongoing education, and internal control. According to the Company Act and Articles of Incorporation, director remuneration may not exceed 3% of the Company's annual profits. Compensation for directors and managers at the associate general manager level and above is reviewed by the Remuneration Committee and approved by the Board.

New employee salaries are determined based on education, experience, certifications, and language skills, while salary adjustments for current employees consider performance reviews, seniority, and contributions.

Starting in 2024, the Company has incorporated ESG (Environmental, Social, and Governance) metrics into the performance evaluation of senior executives (members of the Sustainability Development Committee), linking sustainable performance directly to compensation. This aims to strengthen leadership accountability in advancing corporate sustainability. Senior executive pay includes base salary, bonuses, and profit-sharing, with performance-based remuneration reviewed annually by the Remuneration Committee and the Board. Details are disclosed in the Company's published policy on linking executive pay to ESG performance.

2.2.3 Audit Committee

The Audit Committee aims to assist the Board of Directors in fulfilling its oversight responsibilities for the quality and integrity of the Company's accounting, auditing, financial reporting processes, and internal controls. To fulfill its responsibilities, according to its organizational charter, it has the right to conduct any appropriate audit and investigation, and has direct communication channels with the Company's internal auditors, certified public accountants, and all employees. The Audit Committee is also authorized to appoint and oversee attorneys, accountants, or other consultants to assist in performing its duties. The Committee's responsibilities are as follows:

1. Establish or amend internal control systems in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluate the effectiveness of internal control systems.
3. Establish or amend procedures for acquiring or disposing of assets, engaging in derivatives trading, lending funds to others, or providing endorsements/guarantees, as stipulated in Article 36-1 of the Securities and Exchange Act.
4. Handle matters involving directors' conflicts of interest.
5. Approve significant asset or derivatives transactions.
6. Approve major loans, endorsements, or guarantees.
7. Approve fundraising, issuance, or private placement of equity securities.
8. Appoint, dismiss, or determine remuneration for the external CPA.
9. Appoint or remove the heads of finance, accounting, or internal audit.
10. Review annual financial statements signed or sealed by the chairperson, managers, and chief accounting officer, as well as the second-quarter financial statements requiring CPA audit/review.
11. Review annual business reports and proposals for profit distribution or loss appropriation.
12. Address other significant matters required by the Company or regulators.

In compliance with regulations, the Audit Committee is composed entirely of independent directors and meets at least once per quarter.

Information on the Operation of the Remuneration Committee in 2024

Title	Name	Actual Attendance Times	Proxy Attendance Times	Actual Attendance Rate (%)
2th Session				
Convener & Chairperson	Yung-Yen Chen Independent Director	2	0	100%
Member	Chun-Yao Li Independent Director	2	0	100%
Member	Chang-Hua Lin Independent Director	2	0	100%
Member	Kuo-Hui Ning Independent Director	2	0	100%
3th Session				
Convener & Chairperson	Yung-Yen Chen Independent Director	5	0	100%
Member	Jeng-Ywan Jeng Independent Director	5	0	100%
Member	Jeffrey Chen Independent Director	5	0	100%



2.2.4 Functional Committee

Sustainable Development Committee

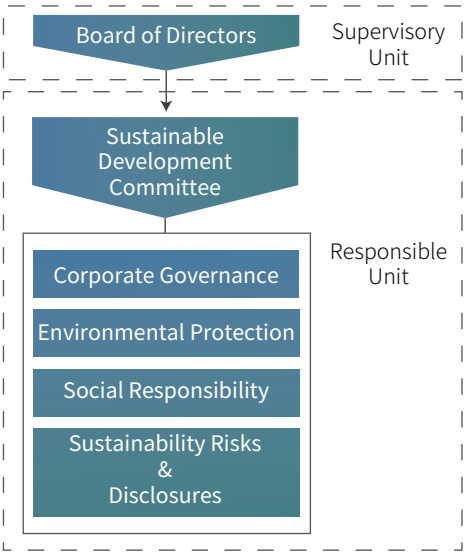
To advance Environmental, Social, and Governance (ESG) initiatives, the Company formed a Sustainability Task Force in 2021 (pilot) and officially established the Sustainability Development Committee in 2022. The committee comprises four subgroups—Corporate Governance, Environmental Protection, Social Responsibility, and Sustainability Risk Management & Information Disclosure—responsible for setting and implementing governance and sustainability policies.

The committee oversees Billion Group’ s corporate social responsibility strategies and sustainability goals, monitors progress, and compiles the Sustainability Report for Board review and approval. In 2024, it held five meetings, addressed business ethics issues, and promoted process improvements.

The Board receives quarterly ESG reports, evaluates the feasibility of proposed strategies, reviews progress, and ensures timely adjustments to achieve sustainable growth and fulfill corporate social responsibility.

2024 Members of the Sustainability Development Committee

Title	Name	Remarks
Chief Committee Member	Elsa Chang	General Manger(Director of Billion)
Advisory Committee Member	Greg Chen	BEC Technologies/General Manger
Ex Officio Member	Elaine Chen	Billion Watts/General Manger
Ex Officio Member	Dylan Yu	Billion EVC/General Manger
Ex Officio Member	YT SU	NoonSpare/Senior VP



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

In 2024, the Sustainability Development Committee reported to (and discussed with) the Board of Directors five times, advancing the following initiatives:

Category	Number of Major Events	Communication Proposal Summary
Environmental Aspect	3	- Completed 2023 greenhouse gas inventory and commenced 2024 inventory work. - Issued climate-related financial disclosure report based on TCFD recommendations. - Completed carbon footprint verification (BS180) for power products to support low-carbon transition.
Economic Aspect	8	- Implemented MDR (Managed Detection and Response) services to strengthen system protection. - Conducted corporate anti-corruption, confidentiality, and gender equality training, with participation from 260 Group employees. - Completed annual cybersecurity training for the Group, with participation from 260 employees. - Corporate governance evaluation: ranked in the 6%–20% tier among 952 listed companies in 2023; ranked in the top 1% for listed companies with market cap under NT\$5 billion. - Obtained SGS ISO 9001 certification – recognized as an innovative quality management model. - Obtained SGS ISO 9001 Innovation and Quality Management Excellence Award. - Received TCSA Taiwan Corporate Sustainability Award – Manufacturing Sector, 2nd Category, Platinum Award. - Received TCSA Comprehensive Performance Award – Taiwan Corporate Sustainability Comprehensive Award.
Social Aspect	9	- Organized seven “Multi-Stars Seed Projects” events in 2024. - Organized public blood donation and Palau green energy education promotion activities. - Donated an ambulance to support community care and public health initiatives. - Provide parenting allowances and children's scholarships. - Conducted health checkups and regular medical consultations for employees. - Enhanced employee training programs and improved dormitory facilities. - Hosted diverse club events. - A total of NT\$194,045 was invested, mainly allocated to public welfare activities, blood donation, childcare subsidies, and scholarships. - With over 2,000 participants, the activities demonstrated significant social impact and broad engagement.

Nomination Committee

The Nomination Committee is composed of independent directors to assist the Board of Directors in strengthening management mechanisms and improving corporate governance. Its purposes are:

- To formulate selection standards and succession plans for directors and senior managers, and to select, review, and nominate candidates for directors and senior managers accordingly.
- To construct and develop the organizational operations of the Board of Directors and its committees, plan and implement performance evaluations of the Board of Directors, various committees, and senior managers.
- To strengthen corporate sustainable management strategies and corporate governance systems and practices, and protect the rights and interests of stakeholders.

The Company’s Nomination Committee consists of three members and convenes at least twice annually. Members possess expertise in finance, electrical engineering, corporate strategy, business management, and law, enabling them to contribute effectively to the Committee’s operations and decision-making. The list of Committee members is as follows:

Information on the Operation of the Nomination Committee in 2024

Title	Name	Actual Attendance Times	Proxy Attendance Times	Actual Attendance Rate (%)	Remarks
2th Session					
Convener & Chairperson	Yung-Yen Chen Independent Director	2	0	100%	Should attend 2 times
Member	Chun-Yao Li Independent Director	2	0	100%	Should attend 2 times
Member	Chang-Hua Lin Independent Director	2	0	100%	Should attend 2 times
Member	Kuo-Hui Ning Independent Director	2	0	100%	Should attend 2 times
3th Session					
Convener & Chairperson	Jeffrey Chen Independent Director	5	0	100%	Should attend 3 times
Member	Yung-Yen Chen Independent Director	5	0	100%	Should attend 3 times
Member	Jeng-Ywan Jeng Independent Director	5	0	100%	Should attend 3 times

2.3 Operating Performance

In 2024, Billion Group recorded operating revenue of NT\$2,023,935 thousand, representing an increase of NT\$199,184 thousand or 10.67% compared to the previous year. This growth was primarily driven by the continued expansion of the energy storage business. In addition, the Company applied to the Industrial Development Bureau and the National Taxation Bureau for an income tax deduction under Article 23-3 of the Statute for Industrial Innovation.

Overview of Operating Performance for the Past Three Years

Unit: NT\$ Thousand

Item / Year	2022	2023	2024
Operating Revenue	1,211,418	1,828,751	2,023,935
Operating Costs	914,214	1,429,142	1,609,740
Gross Profit	297,204	399,609	414,195
Operating Profit (loss)	5,761	(2,343)	(19,675)
Non-operating Revenue and Expenses	60,908	136,701	64,328
Net Profit Before Tax	66,669	134,358	44,653
Net Profit After Tax for the Period	50,866	112,253	16,908
Total Comprehensive Income for the Period	74,373	128,949	22,617
Earnings (Loss) Per Share (NT\$)	0.41	0.64	(0.22)
Employee Benefits	1,134	1,744	3,027
Employee Salaries (Including Employee Benefits)	224,453	278,378	318,127
Retained Economic Value	32,347	42,178	(11,496)
Payments to Providers of Capital	12,683	61,706	66,993
Payments to Government	27,562	17,292	39,912
Community Investment	159	55	659

1. Payments to providers of capital refer to the total dividends paid to all shareholders plus interest paid to lenders.
 2. Payments to government refer to all taxes (including business tax, income tax, property tax) and fines.
 3. Employee salaries (including employee benefits)" encompasses labor and health insurance expenses, pension contributions, and other monetary benefits provided to employees. This category excludes costs directly related to job responsibilities such as education, training, and protective equipment. "Employee benefit" refers to non-monetary welfare expenses managed by the Employee Welfare Committee, including employee travel, health examinations, and holiday gift boxes. These two categories represent the total monetary and non-monetary benefits provided to employees, respectively.
 4. Community investments refer to donations and contributions, as well as the Company's direct costs for educational activities in the community (e.g., the Multi-Stars Seed Projects).
 5. The currency unit is New Taiwan Dollar.
 6. Retained economic value = "Direct economic value generated" – "Economic value distributed."
 7. Earnings per share (NT\$) is based on the company's own data.
- ※ Direct economic value generated: Revenue.
- ※ Economic value distributed: Operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, community investments.

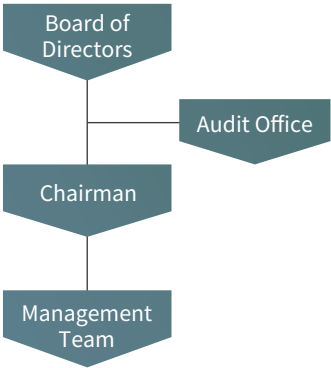
2.4 Risk Management

The Company operates as an independent unit under the Board of Directors, responsible for inspecting and evaluating the effectiveness of internal controls to enhance operational performance. The Audit Office is staffed with one Chief Internal Auditor and one dedicated auditor, both meeting the qualifications set by the Financial Supervisory Commission (FSC) and completing annual professional training in internal auditing. The list of audit personnel is filed with the Market Observation Post System (MOPS) by the end of January each year.

In accordance with the FSC’ s “Regulations Governing the Establishment of Internal Control Systems by Public Companies,” the Company has established its “Internal Control System” and “Internal Audit Implementation Rules” as the basis for audit execution. An annual audit plan is formulated to examine and evaluate the effectiveness of internal controls and provide timely improvement recommendations.

Each year, the Audit Office reviews the self-assessment reports of all departments, consolidates these results with audit findings and improvements, and submits them to the Board of Directors and the President as the basis for evaluating overall control effectiveness and issuing the Internal Control System Statement. This statement is disclosed on MOPS and in the annual report. Information such as the audit plan, execution status, internal control deficiencies, and improvement measures is also reported on MOPS as required.

Billion Group’ s risk management process includes risk identification, assessment, and response. In 2024, seven major risks were identified—foreign exchange, regulatory, liquidity, inventory, customer, contract, and personnel risks—along with corresponding countermeasures. The Company reports on its risk status to the Board at least once annually and, in line with SASB materiality principles, conducts ESG-related risk assessments to develop appropriate management policies or strategies.



Internal Audit Organization Chart

Risk Identification		
Financial Risk	Refers to credit risk, market risk, liquidity risk, operational risk, investment risk, etc.	Financial Exchange Rate Risk
Economic Risk	Refers to risks that uncertain factors in the Company's production and operation process affect normal operations, such as excessive concentration of sales/procurement, supply chain management, intellectual property protection, information security, recruitment and retention of talents, occupational safety and health, corporate image building and maintenance, etc.	Information Security Risk
Operational Risk		Procurement Concentration Risk



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Risk Control Scope

Type	Potential Risk	Response Measures
Financial Exchange Rate Risk	In 2024, Billion Group recorded a net exchange gain, mainly due to heightened global economic uncertainty and the U.S. Federal Reserve's slower-than-expected rate cuts, which drove capital inflows into U.S. dollar assets and strengthened the USD.	A. Certain contracts are denominated in USD, with related purchases also settled in USD, adopting a natural hedging approach to mitigate exchange rate risks on receivables and payables. B. Export pricing takes exchange rate fluctuations into account, adjusting sales prices to reflect costs when appropriate. C. The finance department maintains close contact with banks to gather relevant information for forecasting interest and exchange rate trends.
Information Security Risk	To strengthen information security management and prevent the leakage of operational data or personal information of employees and customers.	Billion Group implements proactive cybersecurity measures, including ISP data center intrusion prevention, dual-layer email protection, 24/7 SOC firewall monitoring, vulnerability scanning, and penetration testing. The Group has fully adopted MDR (Managed Detection and Response) services, established off-site and cloud backups, and conducts regular security awareness campaigns and social engineering drills to enhance employee awareness and ensure operational safety.
Procurement Concentration Risk	1. Procurement Concentration Risk: Billion Group actively develops alternative suppliers and has not experienced any supply shortages or disruptions. 2. Sales Concentration Risk: The Group actively expands its customer base to reduce client concentration risk. However, the energy storage business is primarily project-based, with service targets differing from the stable customer patterns in general manufacturing. Since contract periods are specified in project agreements, completion of high-value projects can cause revenues to be concentrated among certain customers during that period. This is considered an industry characteristic. The energy storage business will continue seeking new opportunities, and while sales concentration occurs, there is no significant related risk.	Billion Group continues to actively develop alternative suppliers and has not experienced any supply shortages or disruptions.

The Company has established appropriate risk assessment methods as the basis for risk management. After evaluating and consolidating risks, appropriate response measures are implemented. To ensure stable operations and sustainable development, and to serve as the foundation for managing and executing various risks, the Company formulated its Risk Management Policies and Procedures in 2023, in compliance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" issued by the Financial Supervisory Commission, which recommend that public companies establish effective risk management mechanisms to assess and monitor their risk-bearing capacity, current risk exposure, risk response strategies, and compliance with risk management procedures.

The Company identifies risks and formulates corresponding measures in accordance with its Risk Management Policies and Procedures, aiming to address and manage operational risks in the most cost-effective manner. An annual report is submitted to the Board of Directors and serves as a reference for internal auditors to assess the effectiveness of risk management implementation.



In addition, to address the impact of climate change on business operations, since 2023 the Sustainability Development Committee has been responsible for identifying and evaluating significant climate-related risks and opportunities for the Company, conducting a full reassessment every two years and reviewing updates annually.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Customer Privacy

In today's fast-paced digital business environment, protecting customer privacy is a critical component of corporate social responsibility and sustainable development. The Company has established the Customer and Supplier Property Control Procedure, which serves as the operational guideline for safeguarding customer rights and privacy, ensuring the security and integrity of customer data and related assets during internal handling. Access to customers' and suppliers' personal information is strictly restricted to authorized personnel, and such data is prohibited from being borrowed, disclosed, or used for any unauthorized purpose.

The Company reinforces internal control mechanisms by requiring all new employees to sign an Employment Contract upon onboarding, strengthening confidentiality awareness and accountability to prevent data leakage risks. A comprehensive storage and maintenance process is in place for both physical and digital customer-provided assets, including drawings, molds, equipment, and digital data, all of which are managed in accordance with warehousing and data control procedures with necessary physical and cybersecurity measures. Customer data is used solely for the execution of relevant products or services and is never used for unauthorized purposes. In 2024, Billion Group exercised strict caution in handling customer information, with no complaints from external parties or regulators regarding privacy violations, and no incidents of data leaks, theft, or loss. The Group remains committed to safeguarding customer data with the highest standards of care.

Information Security

With the widespread adoption of the internet, business models have evolved, but so have the risks of cybercrime and information security threats. Safeguarding internal information security has therefore become an urgent priority. To uphold corporate governance, mitigate operational and cybersecurity risks, and provide high-quality services to customers, the Company implements essential data center and network management measures while also establishing an information security management system to protect critical information assets and achieve the goal of sustainable operations.

All information security management practices comply with relevant government regulations, including the Cybersecurity Management Act, Criminal Code, National Secrets Protection Act, Patent Act, Trademark Act, Copyright Act, and Personal Data Protection Act. The Company also conducts regular information security training, promotes security policies and related implementation rules, and formulates detailed information security regulations and procedures.

- All employees are responsible for maintaining information security and must comply with the Company's relevant information security management standards.
- Conduct regular information asset inventory and risk assessments to effectively identify and control risks, strengthen defenses, and prevent potential security incidents.
- Establish clear authorization control systems for accounts, passwords, and access rights, including application and review processes, to ensure proper authorization management and prevent unauthorized data storage, access, or data leaks.
- Implement appropriate physical and environmental security controls, including access control, environmental monitoring, equipment maintenance, audits, and incident handling, to prevent unauthorized physical and environmental access and ensure normal operations across all work areas.
- Before deploying new systems and equipment, incorporate risk and security factors into the planning process to prevent potential information security threats.
- Establish an internal audit plan for the information security management system, regularly reviewing the use of personnel and equipment within its scope, and develop and implement corrective and preventive measures based on audit findings.
- Collect, filter, and analyze cybersecurity threat intelligence, implement detection and protection measures, and complete comprehensive inspections and controls to ensure identified threats do not impact the organization.
- Develop executable contingency plans for critical business processes in the event of major failures or disasters to ensure security, maintain business continuity, and reduce potential losses.

- Establish and conduct drills for business continuity management, including backup and restoration, to ensure uninterrupted company operations.
- During the management of internal and external projects, the Company clearly defines and states all information security requirements related to the projects to ensure the confidentiality, integrity, and availability of project information, thereby reducing the risk of sensitive information (including personal data) leakage and legal violations. The Company obtained the ISO 27001 Information Security Management System certification in August 2023 and completed the ISO/IEC 27001:2022 surveillance audit in June 2024, meeting all management system requirements with no major deficiencies. No information security incidents occurred in 2024.

In addition, endpoint protection software is installed on all servers and user computers, utilizing signatureless intrusion prevention technology to block zero-day malware, unknown malware variants, and stealth attacks. This software also features advanced anti-ransomware capabilities to safeguard company data.

When an information security incident occurs, the Emergency Response and Incident Reporting Team handles the incident in accordance with the cybersecurity threat intelligence and incident control procedures, involving the responsible unit for the affected information assets. Incident escalation, forensic requests, and the issuance of material announcements are carried out based on the severity level.

Internal Control and Audit Planning for Sustainability Information

To ensure the accuracy, completeness, and timeliness of sustainability information disclosure, the Company has established relevant internal control systems in accordance with the "Sustainability Information Disclosure Management Measures." The management and disclosure process for sustainability information is integrated into the overall internal control framework, covering key stages such as data collection, verification, disclosure, and third-party assurance, with each step assigned to responsible units and documented for traceability.

The internal control design is based on the "Reference Items for Determining the Effectiveness of Internal Control Systems" and the Company's risk assessment results. Relevant internal management measures are reviewed and revised as necessary to enhance disclosure quality and regulatory compliance.

In addition, sustainability information management has been incorporated into the Company's annual internal audit plan. Internal auditors perform at least one audit per year on sustainability information management operations to assess implementation and compliance, and prepare an audit report for the Board of Directors' review. If deficiencies are identified, corrective actions and follow-up reviews are carried out in accordance with legal requirements to ensure the effective operation and continuous improvement of the sustainability information disclosure mechanism.

2.5 Integrity and Legal Compliance

The Company has consistently adhered to principles of integrity, transparency, and accountability in its business operations, gradually formulating company policies based on honesty and establishing robust corporate governance and risk control mechanisms to foster a sustainable business environment. In recent years, in line with the international and governmental efforts to prevent internal corporate misconduct and combat corruption, the Company has followed global trends in establishing corporate integrity management standards. With reference to the United Nations Convention against Corruption, its Implementation Act, the Ministry of Justice' s "National Integrity Building Action Plan," and the Financial Supervisory Commission' s "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," the Board of Directors has successively approved the "Ethical Corporate Management Best Practice Principles," "Procedures for Ethical Management and Guidelines for Conduct," "Code of Ethical Conduct," and the "Regulations for Handling Reports of Illegal, Unethical, or Dishonest Conduct" to concretely implement the integrity management policy and cultivate a corporate culture of honesty.

The Company upholds the principles of integrity and fairness, strictly complies with government laws and regulations, and fulfills its social responsibilities. In 2024, there were no instances within the Billion Group involving anti-competitive behavior, cartels, monopolies, restrictions on employees' freedom of association, child labor, forced labor, or discrimination. Furthermore, no major violations occurred, with "major violation" defined by the Company as any single incident resulting in cumulative fines of NT\$1 million or more.

Implementation of the Company' s Integrity Program

All employees of the Billion Group signed the "Statement of Compliance with the Company' s Integrity Management Policy."

Continued implementation in 2024 of the "Code of Ethical Conduct" and the "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct."

In August 2024, revised the "Integrity Management Policy," "Procedures and Guidelines for Ethical Business Practices," and the "Insider Trading Prevention and Control Procedures."

2024 Compliance Seminar: "Corporate Anti-Corruption and Trade Secret Protection" with a total of 260 participants, including completion of an online assessment.

As of 2024, 152 suppliers had signed the "Integrity Management Commitment," achieving a coverage rate of 78%.

Anti-Corruption Mechanism

The Company is fully committed to implementing integrity initiatives to enhance its transparency and ethical standards. Through comprehensive risk assessments, it identifies business areas prone to misconduct, strengthens internal control systems, and leverages early warning functions. The "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct" serve as the foundation for these efforts. Commendable actions or violations subject to disciplinary measures are handled promptly in accordance with regulations. A whistleblower protection section is available on the Company' s official website, providing employees and the public with dedicated reporting hotlines and related information.

The Company places great importance on integrity and ethics, maintaining a zero-tolerance policy toward corruption and bribery. It has established a clear anti-corruption and anti-bribery framework through the Code of Ethical Conduct, Ethical Corporate Management Best Practice Principles, and Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct. Furthermore, anti-corruption training is provided during board member transitions to ensure senior management upholds high ethical standards.

To ensure all employees comply with the highest standards of conduct, Billion Group strictly prohibits any form of corrupt activity, including pursuing personal gain during official duties, fraud, theft, embezzlement, accepting bribes or commissions, and intentionally damaging company property. Confirmed violations result in immediate dismissal, termination of employment, and legal action. The Group also conducts corruption risk assessments across all operating sites and regularly provides anti-corruption training to strengthen compliance awareness and ethical conduct. As a result of these ongoing efforts, no incidents of corruption were reported in 2024.

Summary of Related Education and Training

Name	Participants	Training Hours	Completion Rate
Anti-Corruption Training	6 directors (upon board transition)	2 hours	66%
Anti-Corruption Training	260 employees across the Group	1.5 hours	100%

Anti-Corruption Education and Training



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	--------------------------------------	---	------------------------------------	---------------------------------	----------

The Company has clearly established a code of conduct and a system of rewards and penalties for employees, with disciplinary cases announced on the internal website as a reminder to staff. The “Integrity Management Procedures and Code of Conduct” specifies reporting channels and handling procedures for illegal, unethical, or dishonest behavior, providing multiple avenues for filing reports and complaints to ensure misconduct cannot go unnoticed, and committing to timely responses to stakeholder concerns. Each report or complaint is handled by designated personnel, with the Management Department and Audit Office processing cases according to their nature; major cases are submitted to the Chairman, and those involving senior executives are reported to the Board of Directors. Throughout the process, the identities of complainants and whistleblowers are kept strictly confidential. If the complainant or whistleblower is an employee, they may choose to disclose or keep their identity confidential. All such cases are handled as special assignments by designated personnel, recorded, managed, and tracked to ensure no retaliation occurs as a result of the report.

Whistleblower Case Handling Process

The Company’s designated Integrity Management Officer, who serves as Legal Counsel, is fully responsible for formulating and overseeing the implementation of the integrity management policy and prevention programs. Duties include regularly reviewing and updating relevant corporate integrity regulations for Board approval, promoting integrity-related legal education, and managing the signing of the Integrity Management Statement and Employee Integrity Commitment Letter. The Legal Counsel also conducts regular follow-ups and performance reviews, reporting at least once a year to the Board of Directors on the annual implementation status to ensure full compliance with the integrity management policy and related regulations.

Reporting Channels

Accepting Unit	Spokesperson: Accepts reports from shareholders, investors and other stakeholders.
	Human Resources Manager: Accepts reports from internal colleagues, customers, suppliers, contractors, etc.
	Legal Personnel: Accepts reports from internal colleagues, customers, suppliers, contractors, etc.; and manages the electronic mailbox for accepting reports and is responsible for the revision and interpretation of these procedures.
	Administration Management (ADM) Department
Mailing Address	8F., No. 192, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City
Report Number	(02)2914-5665
Report Email	admin@billion.com

Reporting Process

Reports Involving General Employees

- For monetary matters or those convertible to monetary value involving conflicts of interest, reports should be made directly to the General Manager.
- For non-monetary matters involving conflicts of interest, reports should also be made to the General Manager and the relevant department head.

Reports Involving Directors, the Chairperson, or Senior Executives

- Reports should be submitted to the independent directors or the Audit Committee.

Handling Procedure

General Employee Cases

- Monetary cases are handled by the HR Department.
- Non-monetary cases are handled by the relevant department head, with HR and Legal involved as needed.

Senior Executive Cases

- Regardless of whether monetary matters are involved, cases are handled by HR and Legal.

The above procedures may be adjusted by the General Manager based on actual circumstances.

If it is verified that the reported person has indeed violated relevant laws and regulations or the Company’s Codes of Ethical Conduct and Integrity Code of Conduct, the reported person shall be immediately required to stop the relevant behavior, and appropriate dispositions shall be made. If necessary, it shall be reported to the competent authority or transferred to the judicial authority for investigation, or legal procedures shall be taken to claim damages to maintain the Company’s reputation and rights and interests.

The acceptance, investigation process, and investigation results of the whistleblowing should all be retained as written documents and kept for 5 years. They may be kept electronically. If litigation related to the content of the whistleblowing occurs before the expiration of the retention period, the relevant information should continue to be retained until 2 years after the end of the litigation.

For whistleblowing matters that have been verified to be true, the relevant units of the company should be instructed to review the relevant internal control systems and operating procedures, and propose concrete improvement measures to prevent the same behavior from occurring again.

The Company’s responsible unit should report the whistleblowing matters, their handling methods, and subsequent review and improvement measures to the Board of Directors.

Tax Policy

The Comapny's tax affairs are handled by the General Accounting (GA) Department. The GA Department regularly updates relevant tax laws and regulations, and understands in advance the risks faced by the application of new laws and regulations. At the same time, it grasps the tax compliance status of the Group's subsidiaries and regularly reports to the responsible supervisors to enable the Board of Directors to grasp tax trends and the risks faced. Under ensuring the normal operation of the tax risk management mechanism, it can reduce tax risks when the Company faces tax disputes.

The Company's tax operations all comply with relevant tax laws and regulations, such as the Income Tax Act, Business Tax Act, Securities Transaction Tax Act, etc. The business income tax is also audited and certified by accountants, and taxes are honestly declared and paid within the statutory prescribed time limits, fulfilling the social responsibility of taxpayers. Relevant tax information is disclosed in financial reports as required by regulations to achieve information transparency. The tax policy formulated by the Company is as follows:

- The Company's decision-making tax assessments are all participated in discussions by internal dedicated departments and external qualified experts.
- The Company's major transactions (capital increase, mergers and acquisitions, disposal and reinvestment, etc.) will all undergo relevant tax assessments and be approved by the highest responsible supervisor.
- When the Company conducts transactions with group subsidiaries or related enterprises, it will always consider whether the pricing strategy for related party transactions conforms to arm's length transactions.

The Company actively exchanges with stakeholders through multiple channels and actually participates in tax advocacy actions to support the implementation of various new tax policies and jointly build a good tax environment.

- Tax collection authorities: When the Company has doubts about the application of laws and regulations in tax handling, it will actively consult and discuss with tax collection authorities; when receiving letters from tax authorities requesting information, it fully cooperates to submit relevant documents and explanations on time.
- Independent directors and investors: The Company communicates tax issues through the Board of Directors and independent directors to enable them to effectively grasp the tax risk control situation.



Company Annual Report,
Financial Report URL:
<https://www.esg.billion.com/en/investor/financial>

Billion's Financial Report



BILLION

CHAPTER 3

SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT 55

Disclosure of Green Industry Management	56
3.1 Reassuring Quality	63
3.2 Sustainable Supply Chain	67
3.3 Sustainable Innovative Design	71
Feature: Pacific Allies Solar-Storage Project- Palau, Marshall Islands & Tuvalu	72



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

CHAPTER 3 SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT

Disclosure of Green Industry Management

Material Topic: Environmental and Social Assessment of Suppliers	
Materiality	Selecting suppliers with social responsibility and environmental management is one of the important keys to sustainable operations. If suppliers fail to meet requirements, not only will the enterprise lose competitiveness, but it may also face relevant regulatory penalties in the future, increasing cost risks. Establishing stable, trusting, and long-term cooperative relationships with suppliers can also reduce the impact of potential risks.
Impacts	Positive Impact: Suppliers with social responsibility comply with ethical norms and take environmental responsibility, making the environment more friendly and mitigating global pollution. Enterprises can also enhance market competitiveness and increase profits. Negative Impact: If existing suppliers cannot meet social responsibility and environmental requirements and cannot improve in the short term, it may lead to supply problems and cause negative corporate image and impact on business performance due to delayed delivery.
Policies/ Strategies	• Social responsibility and environmental management have been included in supplier evaluations to ensure compliance, with regular reassessments of key suppliers to enforce supplier management. • Social Responsibility: Increase local sourcing, ensure working hours comply with local laws, prohibit illegal gains, and avoid use of conflict minerals from Congo and surrounding areas. • Environmental Policy: Communicate the policy with purchase orders—promoting participation, energy efficiency, pollution prevention, and ongoing improvement.
Goals and Targets	2025~2027: • In 2025, Billion and Billion Watts conducted a supplier sustainability self-assessment survey with an overall response rate exceeding 70%. • In 2026, Billion and Billion Watts conducted a supplier sustainability self-assessment survey with an overall response rate exceeding 80%. • In 2025, NoonSpare's supplier evaluations scored above 80, with 95% of suppliers signing the Supplier Sustainability Code of Conduct and related policy acknowledgments to ensure compliance with environmental and social responsibility. 2028~2030: • Evaluate the adoption of the RBA standards. • Conduct on-site audits of suppliers for environmental and human rights compliance.
Management Evaluation Mechanism	• The Company follows ISO 9001 supplier control procedures to assess key suppliers annually. • Each year, 15 suppliers are selected based on material categories for document-based evaluations, with 5 of them undergoing on-site audits. • NoonSpare conducts annual document reviews for its 5 key suppliers, including on-site audits for 4 of them.
Performance and Adjustments	• In 2024, the response rate for the supplier sustainability self-assessment questionnaire was 57%. Some small-scale suppliers lacked ESG awareness, resulting in a lower-than-expected response rate (target: 80%). The Company will continue supplier engagement and guidance in 2025 to improve participation.
Preventive or Remedial Measures	• Suppliers of production materials who fail to sign required environmental documents and supplier evaluation forms will not be classified as qualified suppliers. • To address existing suppliers' inability to meet increasing requirements, the company seeks alternative compliant suppliers to avoid delivery delays. Internally, a risk-based classification is applied to non-compliant suppliers for effective management and response.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Material Topic: Customer Relationship Management							
Materiality	Customer relationships are the foundation of the company's operations. Strong customer ties bring positive impacts across various areas and are especially vital in today's increasingly competitive market. Centered on customer needs, the Company proactively listens to client feedback, keeps pace with industry trends, and delivers professional and efficient services. A customer-oriented quality management system has been established, integrating service expertise with objective and comprehensive assessment mechanisms to regularly evaluate customer satisfaction with our products and services. In terms of communication, the Company enhances two-way engagement with customers to uncover their expectations and needs. These insights serve as key references for continuous improvement in operational management, ensuring our solutions align with customer expectations. By integrating internal resources and technology with a systematic approach, the company delivers comprehensive solutions and strives to enhance the overall customer experience, supporting the goal of sustainable business operations.						
Impacts	Positive Impact: Effective customer relationship management fosters stable, long-term partnerships, drives revenue growth, and creates added value. Satisfied customers also serve as brand advocates, helping to enhance the company's image and market competitiveness. Negative Impact: Poor customer relationship management may result in customer attrition and order loss, directly affecting revenue. Unresolved complaints or issues can further damage the brand's reputation.						
Policies/ Strategies	- The company and NoonSpare regularly hold customer satisfaction review meetings led by the highest division-level managers. Relevant departments—including Quality Assurance, R&D, Production Management, Procurement, and Sales—are involved to integrate internal resources, resolve customer dissatisfaction, deliver comprehensive services, and maintain high levels of customer satisfaction. - The company provides customers with high value-added products and solutions, and is committed to complying with international environmental sustainability standards and initiatives. - Billion Watts emphasizes client communication and a customer-first approach, providing professional service teams to offer product planning and budgeting suggestions. After-sales services are also reinforced to support warranty-related needs. - Billion Watts reviews and reduces customer complaint rates through satisfaction surveys and regular client visits. - Billion EVC focuses on customer communication and need-based service, delivering expert team support for product planning and budgeting. After-sales services are strengthened to address warranty concerns effectively.						
Goals and Targets	2025~2027: The company sets clear KPIs for each business unit annually and maintains regular communication with customers. KPI progress is reviewed monthly to ensure effective achievement rates. - BEC Taiwan aims to maintain an average customer satisfaction score of 9.2 or above in 2025. - The Company (power business) targets an average customer satisfaction score of 9.4 or above in 2025. - Billion Watts targets an average satisfaction score of 9.0 with a response rate over 50% in annual surveys. - Billion EVC aims to achieve an average customer satisfaction score of 9.0 annually. - NoonSpare has shifted to quarterly satisfaction surveys, with an annual average satisfaction rate of over 90%. 2028~2030: - Raise the average customer satisfaction score for the communications (BEC Taiwan) and power business to 9.5 or above. - Billion Watts aims to achieve an average satisfaction score of 9.0, with a 1% improvement compared to the previous year. - Billion Watts also targets a survey response rate increase of at least 3% compared to two years ago. - Billion Watts maintains a goal of average satisfaction score above 9.0. - Billion EVC aims for an annual survey response rate of at least 75%. - Billion EVC targets an average satisfaction score of 9.2 or above. - NoonSpare maintains an annual average customer satisfaction rate of over 90%. To achieve these goals, the company actively recruits talent, values customer feedback, and continuously improves service quality. By enhancing customer service processes and building long-term partnerships, the company aims to maximize customer satisfaction and increase revenue, with a target improvement in satisfaction by 5%.						

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Material Topic: Customer Relationship Management	
Management Evaluation Mechanism	• A comprehensive customer satisfaction survey is conducted at least once a year. • The Company and NoonSpare conduct annual customer satisfaction surveys, complemented by internal audits and third-party verifications under the quality management system, to assess service quality across departments. • The Company provides innovative products and continuously enhances professional knowledge and technical capabilities to meet customer needs and expectations, thereby improving customer loyalty. • Billion Watts offers customer service hotlines and LINE online support.
Performance and Adjustments	• In 2024, the Company achieved an average customer satisfaction score of 9.4, exceeding the target score of 9.2. • Billion Watts conducted customer satisfaction surveys twice in 2024. The average score reached 9.0, with a response rate of over 48% each half-year. However, the score in the second half of 2024 fell below the target due to lower satisfaction in pricing and maintenance services. Measures will be taken to improve maintenance quality and address staffing gaps. Despite the drop, the annual average score still met the target of 9.0. • Billion EVC launched its customer satisfaction survey in December 2024, achieving an average score of 9.0 with a response rate of 69%.
Preventive or Remedial Measures	• The Company and NoonSpare have established a Customer Satisfaction Measurement and Control Procedure for monitoring and review. • During quarterly meetings, overall survey data is reviewed. Items or clients with low satisfaction scores are analyzed, improvement actions are proposed, and results are compared in the following quarter. • Customers can report issues or requests through dedicated account managers. • Each quarter, specific improvements are implemented for low-scoring items, such as addressing service staff shortages or enhancing technical knowledge. • As the overall score declined compared to the previous year, adjustments will be made to staffing and customer service methods. • Billion Watts introduced an incentive program to boost survey response rates by offering small gifts for completed responses. • The company actively recruits talent, values customer feedback, improves service quality, and builds long-term partnerships.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Material Topic: Innovative Product R&D and Marketing

Materiality	- Technological innovation is one of the key factors for business success. Only through continuous innovation in product technologies can companies ensure their offerings meet user demands. Innovative product features enhance marginal profit, while innovation in production processes improves operational efficiency. - With the rapid advancement of technology and evolving consumer needs, product innovation is critical for meeting new market demands and gaining a competitive edge. Competitiveness comes from innovation that aligns with market trends, industry development, and differentiated customer needs. - Innovative products showcase a company's technical capabilities and its commitment to delivering high-quality solutions, thereby strengthening brand value and attracting more customers and business partners.	
Impacts	- Actual Positive Impact: Product innovation helps meet the evolving needs of the market, enhances employee expertise and sense of achievement, and—when supported by a comprehensive marketing strategy—enables quicker market entry and improved economic benefits. It also helps distinguish brand identity in a highly competitive landscape. - Potential Negative Impact: Innovation often requires substantial investment and faces market uncertainty. Incorrect market forecasts or misaligned product positioning may result in poor sales performance, negatively affecting financial outcomes and increasing business risk.	
Policies/ Strategies	Power Supply R&D - - Low-Cost, High-Quality Strategy: This approach reduces the cost of product components to lower the selling price while maintaining high quality, aiming to attract customers and expand market share. - Improved Energy Efficiency: In response to global trends in energy saving and carbon reduction, improving energy efficiency has become a key design priority for power products. Higher efficiency reduces power conversion losses during appliance use, contributing to overall energy savings for consumers. - Enhanced Power Factor: A high power factor indicates efficient use of electrical power and helps reduce energy loss. When the power factor approaches 1.0, the current performs mostly effective work, minimizing wasted reactive power. This reduces excess current in the grid caused by low power factor and lowers energy losses in transmission lines. - Comprehensive Service Strategy: The company implements thorough and thoughtful sales and after-sales services to build customer trust and enhance market competitiveness. These services include marketing, technical training, quality inspection, spare parts availability, installation and setup, operation guidance, and phone-based customer support. BEC Taiwan – Marketing - - Tracking industry trends: Focus on emerging technologies such as 5G NR and FWA (Fixed Wireless Access). - Integrating networking and AI: Targeting M2M applications in sectors like energy and private networks. - Product differentiation: Provide customized features and specifications tailored to meet the needs of specific industries. - Cloud-based value-added services: Offer cloud solutions to increase product value and attract customers.	Billion Watts - - Optimize product user interface through user-friendly design and affordable pricing to increase market share and improve rankings among existing customers. Establish an in-house inverter brand under the MIT label and expand sales to overseas markets. - Customer needs exploration strategy: Customer needs are categorized into current and potential demands. Billion Watts is committed to identifying and capturing emerging market needs to create new demand and drive market expansion. - Expand into overseas markets: Broaden reach to regions such as the Middle East, Indonesia, Japan, and Australia, and leverage successful case studies to open new chapters for business growth. - Extend green energy product lines to broaden the company's portfolio and market coverage. NoonSpare R&D - - Provide ODM and OEM battery systems and energy storage system integration services, with a focus on the behind-the-meter market. - Promote high-performance energy storage battery technologies to reduce carbon footprint. Through energy storage systems, help enterprises and telecom base stations reduce reliance on traditional lead-acid batteries and improve energy efficiency. - Continuously invest in battery technology innovation to increase energy density and extend lifespan, while exploring new materials and manufacturing processes to minimize environmental impact.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Material Topic: Innovative Product R&D and Marketing

Goals and Targets

2025~2027:

Power Supply R&D -

- In 2025, the company will develop a 100W Power Delivery (PD) solution to support voltage regulation and provide high-performance fast-charging technology. This aligns with WEEE (Waste Electrical and Electronic Equipment) design for disassembly and recycling, aiming to offer eco-friendly, easily recyclable green products.

BEC Taiwan – Marketing -

- Continue expanding into the 5G vertical market.

Billion Watts -

- Billion Watts completes two overseas project transactions in 2025.
- Billion Watts launches Pixel View v2.0 in 2025.
- The company holds two technical seminars and releases product press statements periodically throughout 2025.

NoonSpare -

- In 2025, NoonSpare completes the second-generation integrated commercial and industrial energy storage system, improving energy conversion efficiency by 1~2% and helping to reduce peak-valley power imbalance.
- In 2025, NoonSpare completes a low-voltage residential storage battery pack, allowing solar self-use customers to store 5~20 kWh of surplus solar energy, increasing green power usage.
- In 2026, NoonSpare completes a new-generation commercial and industrial energy storage system, improving energy efficiency by 1%.

2028~2030:

- Offer appropriate products based on customer needs, create new product lines to boost innovation and revenue, and strengthen R&D and competitiveness.
- Power Supply R&D – Improves product energy conversion efficiency and power factor to avoid conversion losses; designs products with smaller volume and fewer components to reduce transportation costs and energy-related emissions.
- Billion Watts aims to introduce two new PV product lines within the next five years.
- Billion Watts completes three overseas project transactions.
- NoonSpare develops an all-in-one solar-storage-charging system integrated with a cloud-based energy management system, reducing maintenance costs by over 10%.
- NoonSpare advances smart energy dispatch technology, using AI to analyze weather, load demand, and time-of-use pricing data to dynamically optimize charge/discharge strategies, increasing energy efficiency and returns by more than 3%.

2031~:

- Develop talent and industrial technologies aligned with long-term market demand, based on industry trends and future outlook.
- Billion Watts - Achieves a 10% market share for its proprietary Billion inverter brand.
- NoonSpare develops self-learning and predictive capabilities to automatically optimize charge and discharge schedules, improving overall energy usage efficiency.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Material Topic: Innovative Product R&D and Marketing

Management Evaluation Mechanism	Power Supply R&D - • Conducts market demand research and technical feasibility analysis, aligned with corporate strategies. Upon internal review and evaluation, product development is initiated. • Holds regular progress review meetings and semi-annual individual performance reviews to define objectives and necessary actions. BEC Taiwan - • Hosts biweekly management meetings to track progress in market development. • Reviews project-specific targets and estimated completion timelines, with semi-annual performance goals established.	Billion Watts - • Holds regular overseas marketing meetings to align operational and client development strategies. Long- and short-term technology development plans are set under consensus from the Group CEO and senior executives, integrating R&D resources. • Develops site-specific implementation timelines, reviewed annually against established targets. • Conducts biweekly reviews of market development progress, and regional managers visit overseas clients quarterly (adjusted flexibly by region). NoonSpare - • Continuously monitors market and energy storage technology trends, feeding insights back into the development cycle to enhance system efficiency and energy management technologies. • Applies the PDCA (Plan-Do-Check-Act) cycle to ensure effective energy storage development and alignment with ESG strategies. • Uses internationally recognized safety testing standards to ensure battery system safety.
Performance and Adjustments	• In 2024, the company completes development of a 240W power supply product, featuring high conversion efficiency, high power factor, and integrated design to effectively reduce product size and component count. Safety certification is scheduled for Q4, with mass production expected in 2025. • Billion Watts begins behind-the-meter energy storage site development in 2024, with two successful project deployments completed. • Power Supply R&D teams conduct review meetings to ensure all product development tasks proceed as planned, covering design review, progress tracking, resource allocation, and risk management. Development direction and resources are adjusted when needed to prevent delays and inefficiencies, ensuring timely product launches that meet market demands. • A planned communication R&D project targeting the Japanese market in 2024 is canceled due to the closed industry structure of local clients and challenges related to software cybersecurity support. • BEC Taiwan completes one vertical private network deployment in 2024, with product shipments commencing in Q4.	



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Material Topic: Innovative Product R&D and Marketing

Preventive or Remedial Measures

Power Supply R&D -

- During product planning, quality assurance, and implementation of the HSPM (Hazardous Substance Process Management) system, a life cycle perspective is applied to supply chain management, manufacturing process control, and end-product testing to ensure compliance with quality standards. This approach also serves as a risk and opportunity management measure to minimize negative impacts.
- The development schedule is adjusted based on market dynamics and customer demand urgency, optimizing development priority and specifications to better meet market and client needs.
- 100% pre-shipment inspection is conducted to ensure product quality. Working capital planning and resource deployment are also prepared accordingly. The company avoids relying on a single product line or isolated innovation projects, instead adopting risk diversification and personnel planning strategies.
- BEC Taiwan-In team meetings, project reports typically include the following:
 1. Progress updates on current development projects.
 2. Discussions on market promotion and related technical challenges.
 3. Support and coordination on joint development projects with partners.

NoonSpare -

Risk Prevention Measures: Implements risk reduction through technological innovation, supply chain management, and internal policies to lower the probability of potential risks.

- Selects low-environmental-impact materials and utilizes green energy sources such as solar power in production.
- Conducts battery cell material evaluations, including assessments of thermal stability and charge/discharge cycling performance.
- Applies smart battery management systems (BMS) to monitor battery temperature and voltage in real time, preventing thermal runaway.
- Complies with international safety standards such as IEC/CNS 62619 and UN 38.3, and keeps track of global energy and storage policies (e.g., EU CBAM, RE100) to ensure product alignment with national energy regulations.

Remedial Measures: When risks occur, the company activates a rapid response mechanism for damage control and follow-up improvements.

- Battery disposal pollution: Collaborates with certified recycling companies to properly handle battery waste.
- Low battery energy efficiency: Optimizes BMS settings for charge/discharge strategies and adopts higher-efficiency battery cells.
- Product safety incidents: Immediately recalls affected batches and enhances material testing and compliance with safety standards.

Incentive Mechanisms:

- Power supply R&D encourages employees to provide suggestions on product technology and quality, and has established a reward mechanism for saving raw materials and utilizing waste materials.
- BEC Taiwan offers the Billion-Lion Innovation Bonus, which incentivizes employee proposals for product design, quality improvement, and manufacturing process optimization. Proposals approved by department heads are submitted to an evaluation committee for final review and bonus approval, supporting innovation, efficiency, and sustainability.
- Billion Watts encourages employees to share insights or leads on new green energy business opportunities. If a submission is evaluated by business unit heads and deemed valuable, rewards may be granted. (Actual reward amounts are subject to approval by the General Manager.)
- Billion Watts-The management meeting will continuously review business progress and situations to exclude any issues. If the project's closing progress is not as expected, the responsible business unit must submit an improvement report.



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	---	-------------------------------------	---	---------------------------------------	------------------------------------	----------

3.1 Reassuring Quality

"Quality with care, meeting customer and regulatory requirements, responding to green product consensus, and establishing a green supply chain" is the Company's highest requirement for products. The quality management system is for company-wide quality improvement, from R&D design quality management and verification, supply chain quality management and guidance control, production manufacturing gate control, customer quality issue response and technical support, with the ultimate goal of meeting customer requirements and environmental regulations. With quality and technical advantages, flexible production process management capabilities, commitment to implementing quality policies, from new product design to mass production introduction, dedicated to overall manufacturing planning management, and with advanced manufacturing equipment and verification testing technical capabilities, demonstrating high-efficiency and high-quality production capabilities.

The EU' s RoHS and REACH regulations restrict harmful substances in products to protect human health and the environment. In line with these requirements and customer expectations, we have established internal "Hazardous Substance Management Procedures" and "Control Specifications." Products from Billion Group, Billion Watts, Billion EVC, and NoonSpare fully comply and have obtained all necessary safety certifications.

Billion Group Product Safety Certification Item Statistics			
Group Company	Product Name	Safety Certification	Proportion of Products or Services Provided to Customers that Have Been Evaluated
Billion	Communication Products	RoHS	100%
	Power Supply Products	RoHS 、 REACH	100%
Billion Watts	Energy Storage Cases	IEC/CNS 62933-5-2 (EESS)	100%
Billion EVC	Inverters	VPC	100%
NoonSpare	ESS Battery System	CNS 62619 、 UN38.3	100%

Note: Percentage = (Total quantity of products or services provided to customers that have been evaluated / Total quantity of products or services provided to customers) * 100.

The company is committed to the development of communication products and innovative market strategies to expand the scope of technology applications and enhance product value, creating a competitive edge. Through cooperation with telecom operators worldwide, we provide communication solutions tailored to the needs of different countries and services. This not only improves product and service quality but also reduces the environmental impact of operations and manufacturing. We actively promote green products and production practices in collaboration with customers and suppliers to lower resource consumption and environmental pollution. Our goal is to create greater economic and social value through diversified products and outstanding service.

The company is certified under ISO 9001, ISO 14001, and IECQ QC 080000 (applicable to the Power Division), and conducts regular internal audits and third-party verifications to ensure effective hazardous substance management. All products and services comply with customer requirements and international environmental and safety standards. Products are tested and certified according to each market' s regulations, including UL/C1D2 and FCC (USA), CE/RED (EU), RCM (Australia), PSE (Japan), and BSMI and NCC (Taiwan). Some domestic models are also cybersecurity certified to ensure wireless communication safety. All power supplies meet DOE Level VI standards and are developed, designed, and manufactured based on customer specifications.

If product abnormalities occur, customers may report issues via the company' s designated complaint mailbox. We handle such cases in accordance with the "Customer Complaint Handling Procedure," including root cause analysis and corrective action. In 2024, Billion Group reported no violations or penalties related to product or service health and safety regulations, demonstrating our strong commitment to quality and user safety.

Whistleblowing Channel

Dedicated Email for Complaints

sales@billion.com

Professional Certifications



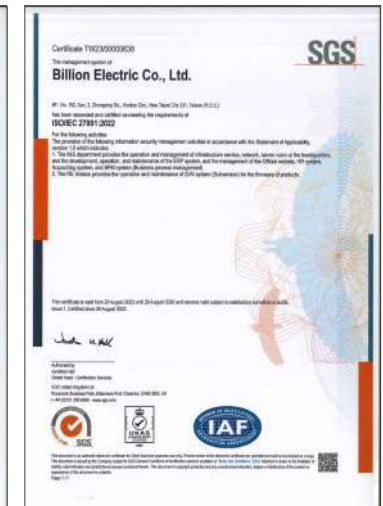
ISO 9001



ISO 14001



ISO 27001



QC 080000



FCC Certification



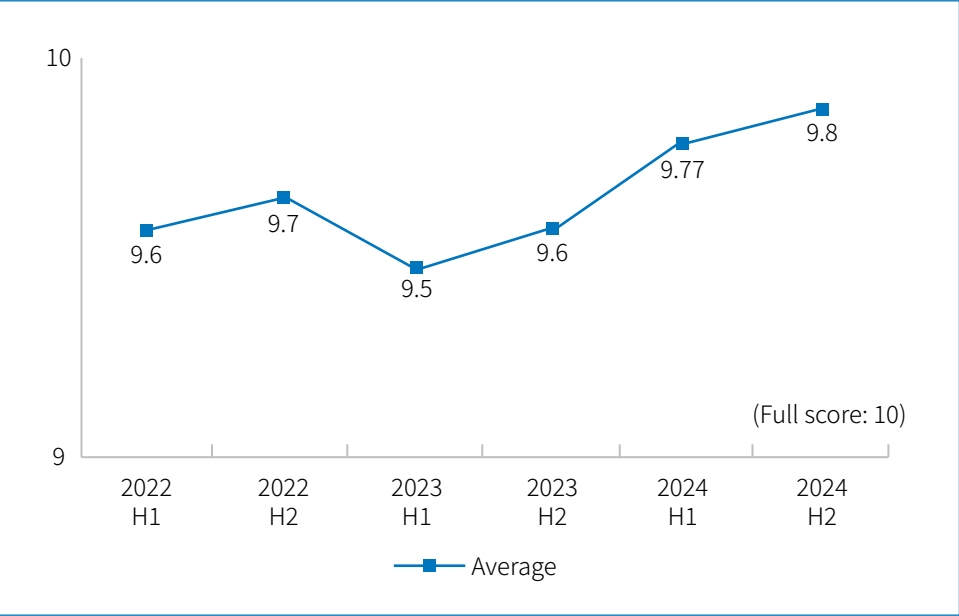
Customer Satisfaction

The company has established a Customer Satisfaction Measurement and Control Procedure, using regular surveys as the main tool to build a customer-oriented quality system and management mindset. Division heads regularly hold customer satisfaction review meetings involving departments such as Quality Assurance, R&D, Marketing, Production, and Procurement. These meetings help integrate internal resources and address customer complaints promptly, ensuring comprehensive service that meets customer needs.

The company’s customer survey analysis over the past three years is as follows:

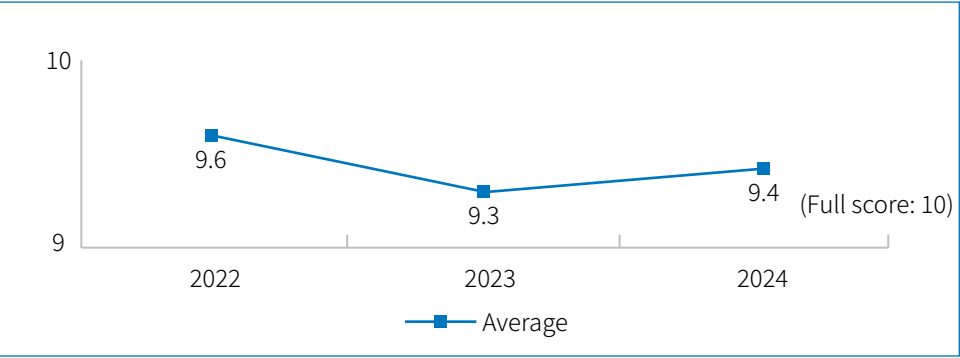
To better understand customer needs and improve service quality, the Communications Division (including BEC Taiwan) conducts customer satisfaction surveys every six months. From 2022 to 2024, the survey response rate was consistently 100%, and the average satisfaction score remained above 9.2 out of 10.

Customer Satisfaction Survey Results of the Communications Division (including BEC Taiwan) over the Past Three Years



The Power Business Division conducts an annual customer satisfaction survey. In 2024, the average satisfaction score reached 9.4, an increase of 1.08% compared to 9.3 in 2023.

Customer Satisfaction Survey Results of the Power Supply Division over the Past Three Years

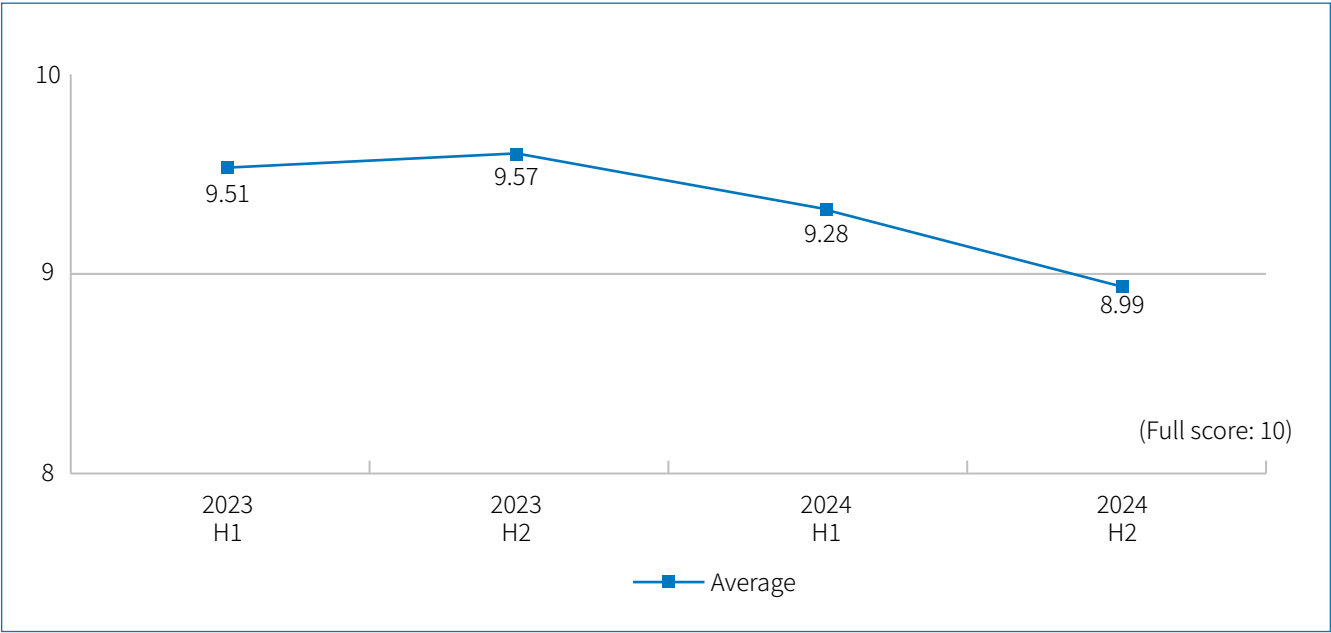


If satisfaction scores fall below the acceptable threshold, a Corrective Action Form is issued during the Customer Satisfaction Review meeting for any department with an average score below the annual target. The responsible unit is required to analyze the cause and propose improvement measures.

Billion Watts conducts customer satisfaction surveys every six months. In 2024, the average survey response rate increased by 1–2% compared to 2023.

However, the satisfaction score for the second half of 2024 fell below the expected 9.0, mainly due to lower satisfaction with pricing and maintenance services. The company has addressed these issues in monthly review meetings—sales teams are evaluating pricing strategies and discount structures to better meet market expectations, while maintenance gaps caused by staffing changes will be resolved promptly. The score is expected to return to previous levels by the first half of 2025.

Customer Satisfaction Surveys for the Recent Two-Year from Billion Watts



In December 2024, Billion EVC launched its first customer satisfaction survey to better understand and improve the customer experience. The results showed an average satisfaction score of 9.0 with a 69% response rate. As this was the first survey, no trend data is available yet. Future analysis and improvements will be based on ongoing data collection to enhance customer service and support long-term business growth.

NoonSpare conducted a customer satisfaction survey in 2024, achieving an average score of 92.5%, meeting the target (>90%). Starting in 2025, the survey content will be revised, and surveys will be conducted semi-annually to better align with customer needs.

3.2 Sustainable Supply Chain

The Company is committed to establishing a long-term stable supply chain to ensure the stability of production and business. To achieve this goal, the Company conducts supplier evaluations, including factors such as price, quality and on-time delivery rate, social responsibility and ethical norm management, to select the most suitable domestic suppliers. Through these measures, we can better manage the supply chain and ensure the quality and reliability of products and services.

For the use of critical materials, Billion has established relevant risk management systems as follows:

- Economy: Carefully select suppliers with sustainable operating capabilities, regularly review their supply quality, on-time delivery rate, price, service and financial stability
- Environment, Health and Safety : Require suppliers to provide products that comply with RoHS restricted substances / EU REACH Substances of Very High Concern (SVHC latest regulations) and other regulations
- Require manufacturers not to use conflict minerals sourced from illegal armed plunder
- Prioritize suppliers with relevant management system certifications
- Material suppliers must fully comply with domestic/international laws, regulations and practices on environmental safety.
- Material suppliers should establish an environmental hazardous substance-free management system.
- Fully comply with, including but not limited to, regulations on toxic substances prohibited in electronic and electrical products issued by the EU and REACH standards.

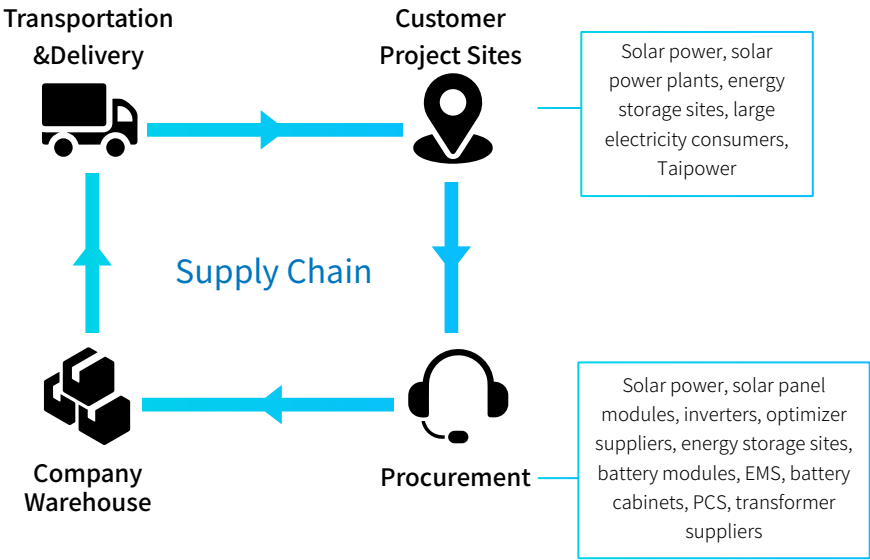
Supply Chain Upstream and Downstream Relationship Diagram

◆ Power and Energy Management Products

Upstream	Midstream	Downstream
• Circuit board manufacturing industry • Active component manufacturing industry (Semiconductor Industry IC) • Passive component manufacturing industry (Resistors, Transistors, etc.) • Magnetic component manufacturing industry (Transformers, Filters, etc.) • Wire and Cable Industry	• Transformer and power supply manufacturing industry	• Computer information and peripheral equipment • Communications electronics industry • Consumer electronics industry • Medical instruments and equipment • Industrial electronic instruments, military, and aerospace equipment • Lighting manufacturers • Systems integrators

◆ Network Communication Products

Upstream	Midstream	Downstream
• Key technology research and development design (software, hardware) • Active component manufacturing industry (communication chip sets) • Passive component manufacturing industry (Resistors, Transistors, etc.) • Magnetic component manufacturing industry (Transformers etc.) • Circuit board manufacturing industry	FTTH, 4G LTE/5G NR etc., network communication products design and manufacturing industry	• Distribution channel (agents, distributors, etc.) • Network system integration business • Network communication service business • Telecommunications company



◆ Energy Storage Service Providers

Upstream	Midstream	Downstream
Inverter suppliers	Distributors	Solar power plant

◆ Energy Storage Manufacturer

Upstream	Midstream	Downstream
Cell suppliers, inverters, converters, sheet metal suppliers, stamping factories, wiring harness suppliers, CNC/machined parts suppliers, liquid cooling systems, fire protection systems	Installers, inverter manufacturers, system integrators	End customers (residential energy storage, commercial and industrial energy storage)

The company's suppliers are categorized into three main groups: general procurement, production-related procurement, and product procurement. Based on 2024 procurement data:

- Billion Group headquarters worked with 154 suppliers in total, with 140 domestic suppliers accounting for 51.64% of total procurement value, and 14 foreign suppliers accounting for 48.36%.
- Billion Watts had 40 suppliers in total, including 39 domestic suppliers (92.09%) and 1 foreign supplier (7.91%).
- Billion EVC worked with 2 suppliers, of which 1 domestic supplier accounted for 5.8%, and 1 foreign supplier accounted for 94.2%.
- NoonSpare had 94 suppliers, with 80 domestic suppliers accounting for 52%, and 14 foreign suppliers for 48% of total procurement value.

Billion Procurement Statistics for the Recent Three Years							
Contract Type	Procurement Region	2022		2023		2024	
		Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)	Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)	Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)
General Procurement	Domestic	34	1.21%	36	4.81%	21	2.30%
	International	1	0.32%	0	0	0	0
Production-related Procurement	Domestic	132	30.15%	116	55.52%	116	49.1%
	International	4	0.44%	4	0.55%	5	39.26%
Product Procurement	Domestic	24	41.49%	11	25.10%	3	0.24%
	International	13	26.40%	7	14.02%	9	9.1%
Total		208	100%	174	100%	154	100%

Description: The term Domestic refers to local area in Taiwan; as for International, refers to areas aboard. (China/Korea)

Billion Watts Procurement Statistics for the Recent Three Years							
Contract Type	Procurement Region	2022		2023		2024	
		Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)	Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)	Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)
General Procurement (Reprocessing / Contracted Services / Administrative & General Services)	Domestic	12	0.40%	18	0.40%	9	6.97%
	International	1	0.0003%	0	-	0	-
Product Procurement (Inverters, optimizers, pyranometers, electric meters, monitoring cabinets, and other monitoring system equipment)	Domestic	17	29.13%	49	99.36%	30	85.12%
Product Procurement (Inverters, optimizers, pyranometers, other monitoring system equipment, and battery cabinets)	International	3	70.47%	2	0.6%	1	7.91%
Total		33	100%	69	100%	40	100%

Description: Billion Watts: The term Domestic refers to local area in Taiwan; as for International, refers to areas aboard. (Korea/France/China)

Billion EVC Procurement Statistics for the Recent Two Years					
Contract Type	Procurement Region	2023		2024	
		Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)	Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)
Inverter	Domestic	0	-	1	5.8%
	International	1	100%	1	94.2%
Total		1	100%	2	100%

Description: The term Domestic refers to local area in Taiwan; as for International, refers to areas aboard . (China)

NoonSpare Procurement Statistics for the Recent Three Years							
Contract Type	Procurement Region	2022		2023		2024	
		Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)	Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)	Number of Suppliers	Proportion of Procurement Amount to Total Procurement Amount (%)
General Procurement (Administrative items)	Domestic	50	32%	50	20%	58	12%
	International	0	-	0	-	0	-
Equipment	Domestic	12	63%	17	51%	22	40%
Battery cell and module-related materials	International	10	9%	12	29%	14	48%
Total		72	100%	79	100%	94	100%

Description: The term Domestic refers to local area in Taiwan; as for International, refers to areas aboard. (China)

Supplier Evaluation

Although the company has not yet adopted the RBA (Responsible Business Alliance) framework, supplier capability is evaluated through ISO 9001-based supplier management procedures, including supplier self-assessment forms to verify compliance with quality standards. In January 2024, the company also launched a "Supplier Code of Conduct for Sustainable Development" survey, requiring all suppliers, their employees, and subcontractors of Billion Group to comply with and implement this code. This ensures a safe working environment, respect and dignity for workers, and adherence to ethical conduct, as well as social and environmental responsibilities throughout the supply chain.

To effectively manage suppliers, ensure delivery quality and stable material sources, and evaluate the environmental impact of supplier activities and products, Billion Group has established a Supplier Control Procedure and Outsourcing Management Procedure. Through self-assessments, on-site visits, and audits, we ensure the safety of contracted personnel. All production sites follow occupational safety regulations and promote enhanced contractor safety management mechanisms. These systems help procurement teams pre-assess contractor sources and improve construction quality and work safety performance.

Suppliers involved in production are required to complete documentation such as: Declaration of Persistent Organic Pollutants, TSCA Statement, RoHS Guarantee, REACH Certificate, Red Phosphorus Declaration, Vendor Profile Form, Supplier Evaluation Form, Hazardous Substance-Free Declaration, Conflict Minerals Declaration, Quality Assurance Agreement, and Risk Rank Assessment Form.

New Suppliers Evaluation Items	
- Environmental management implementation - Whether environmental management systems and objectives and targets have been established in the factory - Whether there are any environmental pollution prevention or treatment measures in the factory and whether monitoring and measurement have been established for processes that have significant environmental impacts - Social responsibility and ethical norm management - Continuously improve the proportion of local procurement	- No use of child labor in any manufacturing process - Working hours should not exceed the maximum limit stipulated by local laws - No promise, approval, acceptance of bribes or other forms of improper benefits - Ensure products do not use conflict minerals from Congo and surrounding areas



Annual Supplier Evaluation Results

Every six months, the company evaluates the performance of active production material suppliers based on incoming quality and on-time delivery. If a supplier scores below 60 points, the Procurement and Quality Assurance departments jointly review whether to place the supplier under observation, request improvements, or suspend transactions.

Each year, the company selects 15 suppliers across different material categories for re-evaluation. If a supplier’ s self-assessment score is below 70 points, an on-site audit is conducted. If the supplier still fails to meet standards, the Procurement Department must request corrective actions. If no improvement is made within three months, the case is escalated to the authorized supervisor to decide whether to revoke qualified supplier status. In 2024, all 15 audited suppliers passed the evaluation, with an average score of 91.

In 2024, the company conducted environmental management evaluations using a Supplier Environmental Audit Checklist. The evaluation covered three key areas for manufacturers:

- Whether an environmental management system and corresponding goals are established,
- Whether pollution prevention or treatment measures are in place,
- Whether environmentally impactful processes are monitored and measured, and whether mechanisms exist for evaluating the environmental performance of their suppliers.

In addition to the checklist, on-site audits are conducted regularly. If a supplier scores below 60, they are required to submit corrective action plans. All suppliers evaluated in 2024 were found to be compliant, with an average score of 80.

	Evaluation Items	Frequency	Passing Score	Number of Suppliers	Supplier Proportion	Evaluation Results
Supplier Performance Statistics Table	1. Material Purchased Quality 2. Delivery time	Every six months	60 points	90	100%	Average 99 points
Supplier Evaluation Table	1. Quality 2. Environmental Management 3. Social Responsibility	Once a year	70 points	15	12.4%	Average 91 points
Supplier Environmental Assessment Audit Form	Environmental management (air, water, waste, toxicity, noise, etc.)	Once a year	60 points	2	1.65%	Average 80 points

Note: Evaluation References:

- Supplier Performance Statistics Table: Only evaluates production suppliers, including 90 suppliers, excluding agents and traders.
- Supplier Evaluation Form: A total of 15 key production material suppliers critical to the company’ s products were selected for re-evaluation in 2024.
- Supplier Environmental Audit Checklist: Based on the ISO 14000 certification scope, environmental management evaluations and audits were further conducted on 2 of the 15 suppliers.

Green Supply Chain

In addition to evaluating suppliers' quality, cost, delivery time, service, quality and technical capabilities, Billion prioritizes green supply chain and environmentally friendly manufacturers to reduce harm to the earth's environment in order to effectively manage suppliers and ensure material delivery quality. Implement procurement management based on green supply chain:

- Material suppliers must fully comply with domestic/international laws, regulations and practices on environmental safety.
- Material suppliers should establish an environmental hazardous substance-free management system.
- Only use qualified suppliers that comply with HSF materials.
- Fully comply with, including but not limited to, regulations on toxic substances prohibited in electronic and electrical products issued by the EU and REACH standards.

Conflict Minerals (Metals) Procurement Policy

On human rights issues, communicate to suppliers that we do not support or use metals from armed conflicts, illegal mining and poor working environments. As a global corporate citizen, Billion declares and commits not to accept the use of metals from conflict areas, and requires suppliers to comply with the conflict minerals (metals) procurement policy and convey this requirement to their upstream suppliers:

- Ensure that products do not use conflict minerals from Congo and surrounding areas, and comply with regional and international regulations on conflict minerals.
- Trace the sources of gold (Au), tantalum (Ta), tin (Sn) and tungsten (W) contained in all products. All suppliers should complete the survey form and conduct investigations according to the OECD guidelines to avoid directly or indirectly funding armed conflict groups.

3.3 Sustainable Innovative Design

In response to the growing challenges of global sustainability and climate change, Billion Group recognizes the responsibility and mission it bears. Guided by the principle of “Sustainable Innovation, Driving the Future,” the company actively advances innovative R&D strategies, leveraging technology to promote the adoption and development of green energy. Through continuous investment in technological innovation and resource optimization, we aim to meet modern social needs while contributing to environmental sustainability and social prosperity, and to enhance customer competitiveness and long-term value.

Based on environmental trends and market demand, Billion Group focuses on two main pillars: sustainable energy solutions and high energy-efficiency products. The company continues to strengthen technological innovation, with annual R&D expenditures as a percentage of total revenue in recent years as follows:

Unit: NT\$ Thousand

Billion Group's Total Research and Development Expenditure in Recent Three Years			
Year	Net Operating Revenue	R&D Expenses	Percentage %
2022	1,211,418	86,540	7.14%
2023	1,828,751	99,140	5.42%
2024	2,023,935	93,534	4.62%

Strategic Focus: Balancing Sustainability and Efficiency

Billion Group’ s innovation and R&D strategy centers on two core pillars: sustainable energy solutions and high energy-efficiency products. These directions reflect global environmental policy trends and the market’ s demand for energy-saving and carbon-reduction technologies, serving as the foundation of the company’ s long-term competitiveness.

Sustainable Energy Solutions - The company focuses on four key application areas and technology developments:

- PV Solar Applications: Development of PV solar inverters to enhance renewable energy conversion efficiency and ensure stable power supply to the grid.
- Solar Monitoring Systems: Deployment of the Pixel View system to provide real-time energy monitoring and data analysis, enabling intelligent energy management for users.
- Energy Storage Systems: Development of integrated C&I storage systems, grid-connected containerized storage solutions, telecom base station backup power, and other applications to increase energy flexibility and address the intermittency of renewable supply.
- EV Power and Charging Systems: Development of DC/AC EV charging stations to support electric mobility infrastructure and contribute to global smart city development.

High Energy-Efficiency Products:

- High conversion efficiency is a key approach to reducing energy loss. Billion Group focuses on the design of power supply products, leveraging technological innovation and integrated development modules to reduce energy consumption and raw material usage.

Strategy	Innovation Approach	Product Positioning	Product Items
Innovation Strategy	Sustainable Innovative Energy Solutions	High Energy-Efficiency Products	Power Supply Units
		PV Applications	PV Solar Inverters
		Solar Monitoring Systems	Pixel View
		Energy Storage Systems	C&I All-in-one Storage Systems, Grid-connected Containerized Storage Systems, Telecom Base Station Backup Power
			LFP Battery Systems
		EV Power and Charging Systems	DC/AC EV Charging Stations

Feature: Pacific Allies Solar-Storage Project - Palau • Marshall Islands • Tuvalu

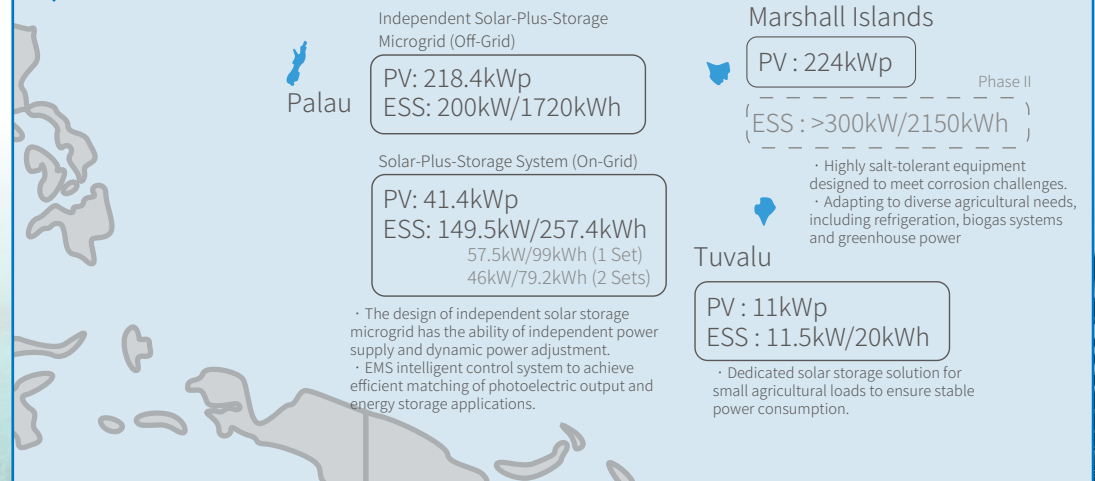
Billion Group, through its innovative solar-plus-storage microgrid solutions, supports Pacific ally nations in achieving energy independence and low-carbon development, setting a successful model for the energy transition of island nations.

◆ Key Challenges for Island Nations:

1. Weak infrastructure
2. High energy costs
3. Impacts of extreme climate conditions
4. Technical limitations

Together with the Billion Watts engineering team, the company adopts modular solar-plus-storage systems to reduce reliance on on-site manpower, as well as integrated solar-storage systems to enhance overall energy efficiency. In addition, highly durable equipment is deployed to improve stability under extreme weather conditions. The company also provides comprehensive technology transfer and training programs to lower maintenance requirements and ensure stable system operation.

◆ Overall Construction Scale



◆ Highlights & Solutions

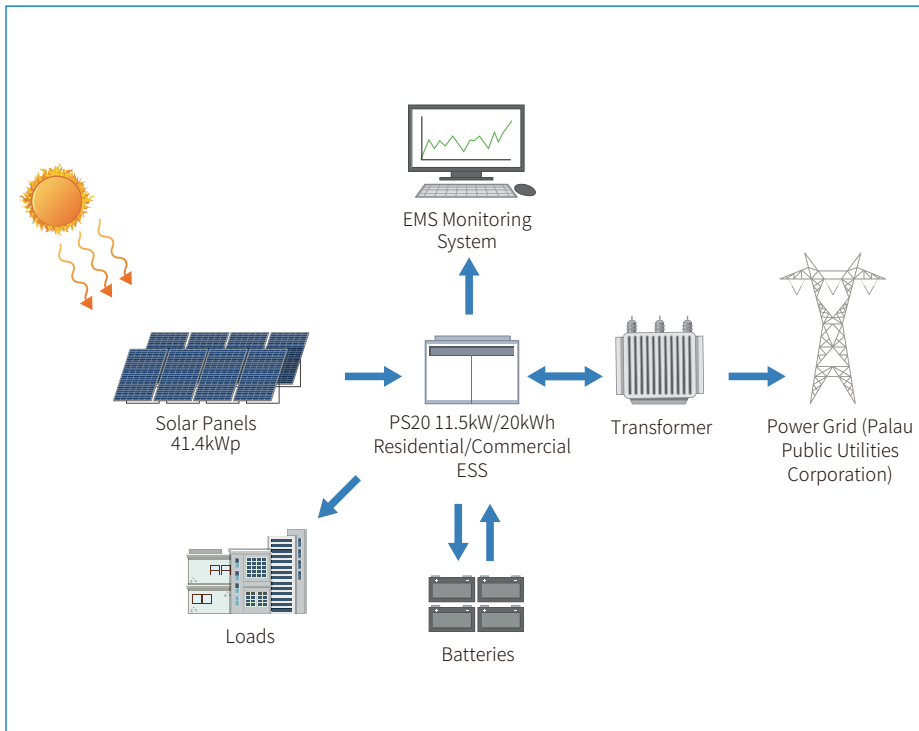
▪ Integrated Solar-Plus-Storage System

Dynamically adjust the power system at any time to optimize electricity costs and resource utilization

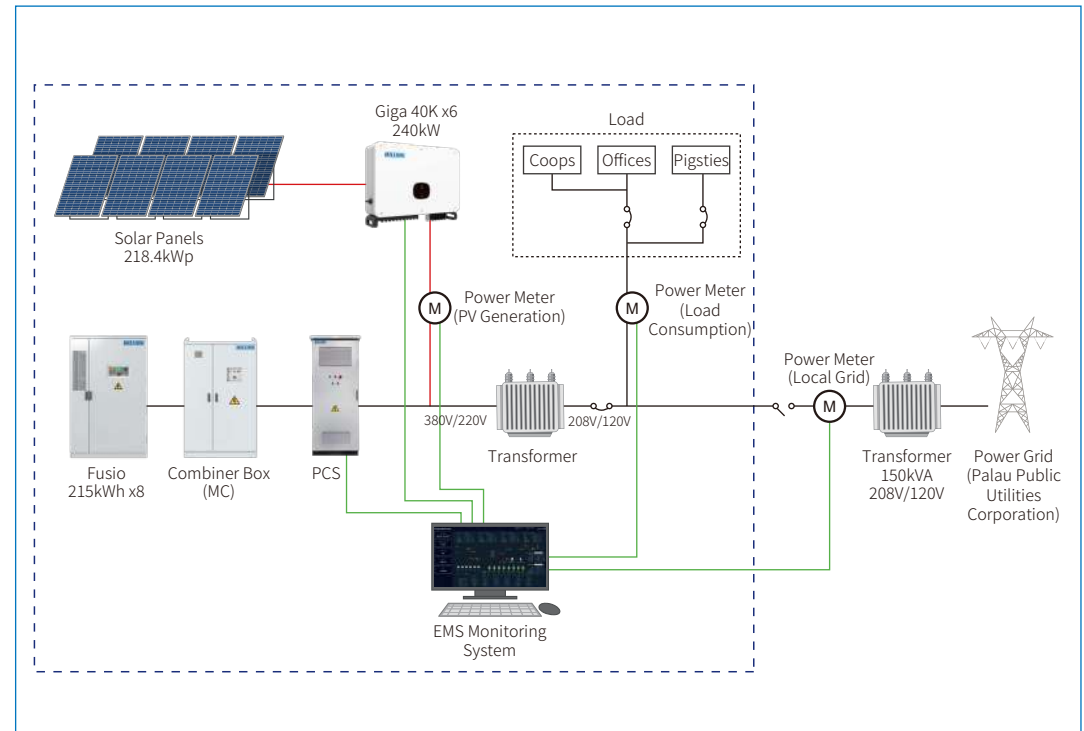
▪ Independent Solar-Plus-Storage Microgrid

Independent Power, Ultimate Stability
Achieving Stable, Self-Sufficient Power for the Entire Area

Integrated Solar-Plus-Storage System



Independent Solar-Plus-Storage Microgrid

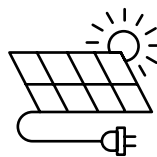


◆ Success Story - Palau

Self-Sufficient Energy and Efficient Utilization

Palau has long relied on imported diesel for power generation. With diverse electricity demands from agriculture, fisheries, and households, the country urgently requires a stable and sustainable green energy supply.

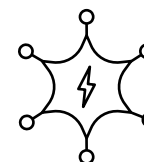
▪ Achievements



- Improve Area A/C energy efficiency
- Area B achieved 100% self-sufficient green electricity



- Reduce CO2 emissions by 800 tons per year
- Promote energy independence and carbon reduction goals



- Benchmark for renewable energy applications
- Provide replicable success stories



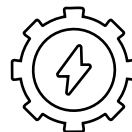
- Reduce the cost of imported fuel
- Enhance energy supply stability

◆ Success Story - Tuvalu

Creating Self-Sufficient Energy for Farmers

Tuvalu, one of the smallest and most geographically dispersed nations in the Pacific, faces multiple challenges including extreme climate events, weak infrastructure, and high electricity costs.

▪ Achievements



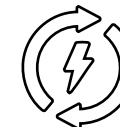
Enhance Energy Management Capabilities

- Improve Area A/C energy efficiency
- Area B achieved 100% self-sufficient green electricity



Promote Sustainable Development

- Reduce carbon emissions
- Support clean energy transition in Tuvalu



Stabilize Power Supply

- Improve local power stability
- Significantly reduced the impact of power outages



Reduce Energy Cost

- Substantially reduce reliance on diesel power generation
- Lower imported fuel expenses

◆ Success Story - Marshall Islands

Green Energy Transition in Saline Environment

The Marshall Islands, located in the central Pacific, have long depended on imported diesel for power generation, resulting in high energy costs and unstable supply.

▪ Achievements



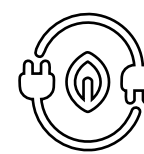
Improve Energy Efficiency

- Increase the proportion of local renewable energy
- Reduce reliance on imported diesel



Reduce Environmental Impact

- Reduce carbon emissions
- Achieve green energy transition goals



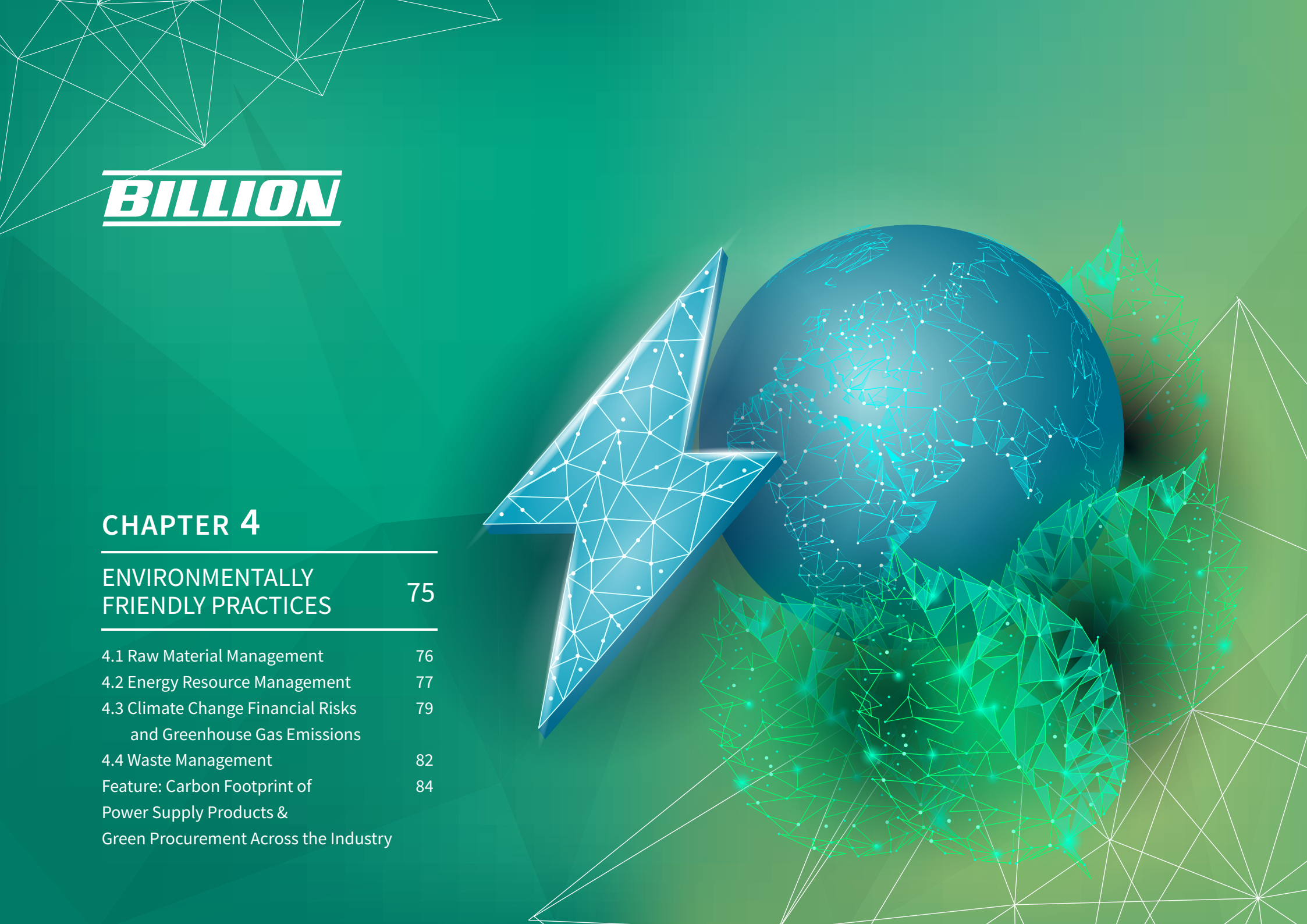
Stabilize Power Supply

- Enhance energy stability
- Effectively address unstable power supply issues



Support Agriculture and Economic Development

- Support infrastructure upgrades
- Facilitate local economic activities



BILLION

CHAPTER 4

ENVIRONMENTALLY FRIENDLY PRACTICES

75

4.1 Raw Material Management 76

4.2 Energy Resource Management 77

4.3 Climate Change Financial Risks
and Greenhouse Gas Emissions 79

4.4 Waste Management 82

Feature: Carbon Footprint of 84

Power Supply Products &
Green Procurement Across the Industry

CHAPTER 4 ENVIRONMENTALLY FRIENDLY PRACTICES

4.1 Raw Material Management

Electronic components are the main raw materials for power supply products. Other renewable and non-renewable materials include cartons, boxes, label paper, plastic casings, metal parts, PE bags, cables, and magnetic components. For communication products, materials include solder (including paste), ICs, PCBs, insulators, metal enclosures, and packaging. To standardize supply chain material control, the Company established the Hazardous Substance Control Specification and adopted the Green Product Management System (GPM) in 2021 to manage supplier material content and reports, ensuring compliance with environmental standards. Due to their business nature, Billion EVC and Billion Watts do not use raw materials, while NoonSpare, a battery module manufacturer, mainly uses metal parts such as screws and washers, and plastic parts such as EPE foam and double-sided tape. Its products comply with RoHS and REACH regulations.

Billion & BEC Taiwan Material Usage Statistics (Production Dept.+ R&D)				
Raw Material	Unit	Renewable or Not	2023	2024
Tin (including solder paste)	ton	Renewable/ Non-renewable	0.3668	0.19
Integrated circuits IC	ton	Non-renewable	1.57	0.82
PCB	ton	Non-renewable	2.40	1.55
Other Electronic Components	ton	Non-renewable	2.47	1.34
Insulation Materials	ton	Renewable/ Non-renewable	15.96	7.68
Metal Enclosures	ton	Non-renewable	-	1.00
Packaging Materials	ton	Renewable/ Non-renewable	14.80	6.95
Note: 1. Material types include: original natural resources such as ores, iron, wood, plastic pellets; lubricants used in machines, semi-finished components or parts; packaging materials. 2. Non-renewable refers to resources that cannot be replenished in the short term, such as metals, minerals, oil; renewable refers to those that grow back after harvesting.				

Power supply products undergo annual verification under the IECQ QC080000 Hazardous Substance Process Management System to ensure compliance with regulatory standards. The usage in 2024 is summarized as follows:

NoonSpare Material Usage Statistics (Manufacturing Dept.)			
Raw Material	Unit	Renewable or Not	2024
Electronic Components	PCS	Non-renewable	2,973
Metal Parts	PCS	Non-renewable	42,405
Batteries	PCS	Non-renewable	11,282
Plastic Parts	PCS	Non-renewable	15,108
Packaging Materials	PCS	Renewable	734
Insulation Materials	PCS	Non-renewable	15,712
Note: 1. Material types include: original natural resources such as ores, iron, wood, plastic pellets; lubricants used in machines, semi-finished components or parts; packaging materials. 2. Non-renewable refers to resources that cannot be replenished in the short term, such as metals, minerals, oil; renewable refers to those that grow back after harvesting.			

Billion Material Usage Statistics (Power Supply R&D Dept.)				
Raw Material	Unit	Renewable or Not	2023	2024
Electronic Components	pcs	Non-renewable	55,590,727	48,665,825
Paper Boxes	pcs	Renewable	8,783	13,861
Cartons	pcs	Renewable	67,985	67,504
Label Paper	pcs	Non-renewable	1,206,400	1,690,697
Plastic Components	pcs	Non-renewable	753,533	11,316,539
Metal Components	pcs	Non-renewable	855,951	4,087,258
PE Packaging Bags	pcs	Non-renewable	170,700	595,873
Cables	pcs	Non-renewable	512,816	1,219,707
Magnetic Components	pcs	Non-renewable	1,583,349	3,068,101
Note: 1. Material types include: original natural resources such as ores, iron, wood, plastic pellets; lubricants used in machines, semi-finished components or parts; packaging materials. 2. Non-renewable refers to resources that cannot be replenished in the short term, such as metals, minerals, oil; renewable refers to those that grow back after harvesting.				

To reduce environmental pollution from hazardous substances during the disposal of waste electronics, power supply products are designed for easy disassembly and recycling in accordance with the Waste Electrical and Electronic Equipment (WEEE) Directive. In 2024, newly developed products underwent WEEE 3R evaluation and met the 3R requirements, with reuse and recycled rates reaching 80% and recovery rates exceeding 83%. Products are clearly labeled with the WEEE symbol to indicate proper recycling and to discourage improper disposal.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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4.2 Energy Resource Management

The Billion Group's energy consumption in 2024 is shown in the table below. Compared to 2023, total energy use increased by 1,193.29GJ, and energy intensity rose by 0.44GJ per NT\$1 million in revenue. This increase was mainly due to the Group's ongoing expansion of energy storage projects. As the number of completed sites grew, so did the operational and maintenance demands. In 2024, the scale of new construction projects also increased significantly, resulting in more complex on-site operations and higher travel frequency, which contributed to increased fuel consumption. In addition, electricity usage rose in some facilities due to adjustments in the Group's operational strategy. These combined factors led to the overall rise in energy intensity in 2024.

Billion Group

Quantitative Indicators	Unit	2022	2023	2024
Electricity Consumption	kWh/Year	456,852	631,861.20	710,211.6
	GJ	1,644.67	2,274.70	2,556.76
Gasoline Consumption	L/Year	17,860.8	22,955.50	46,499.60
	GJ	582.89	749.16	1480.36
Diesel Consumption	L/Year	2	19.60	4,997.90
	GJ	0.07	0.69	180.71
Organization Specific Metric	Operating Revenue	Revenue	Revenue	Revenue
Organization-specific Metric Value	NT\$ million	880	1,574	1787.8
Total Energy Consumption	GJ	2,227.63	3,024.55	4,217.84
Energy Intensity	GJ/NT\$ million	2.53	1.92	2.36

Note:

- Electricity is converted using a heat value of 1kWh = 0.0036GJ.
- Fuel heat values are calculated based on the 2023 Energy Statistics Handbook by the Bureau of Energy and the EPA's GHG Emission Factor Management Table, Version 6.0.4. The calorific values used are as follows: gasoline – 7,609 kcal/L; diesel – 8,642 kcal/L; liquefied petroleum gas (LPG) – 6,635 kcal/m³. Conversion: 1 kcal = 4.184 kJ. Electricity heat value is calculated as 1kWh = 0.0036GJ.
- The revenue value used for organization-specific energy intensity in 2022 includes only Billion Electric, Billion Watts, and Billion Sunpower.
- The revenue values used for energy intensity in 2023 and 2024 include Billion Electric (Head Office, Yilan Plant, Hsinchu Laboratory), Billion Watts, Billion Energy Storage, Billion EVC, and Billion Power System. Energy consumption data includes the same entities.
- The 2023 data previously disclosed only covered the parent company. The updated version now includes subsidiaries, and related data has been restated accordingly.

Energy Conservation Achievements

Every year, Billion Group remains committed to energy conservation and carbon reduction, continuously reviewing and identifying areas for improvement at each site. In addition to ongoing promotion of daily energy-saving practices—such as turning off lights when not in use, installing remote-controlled air conditioning systems, using circulation fans to maintain comfort without lowering temperatures excessively, replacing faulty fluorescent lamps with LED lighting, and adopting digital forms and e-approval processes to reduce paper usage—the Company continues to improve energy efficiency.

In 2024, a total of 41 LED panel lights were installed, replacing traditional grid ceiling fixtures. Over 2,000 hours of use, this upgrade is estimated to save approximately 5,986 kWh and reduce carbon emissions by about 2,837 kg, equivalent to planting 236 trees. At NoonSpare, all lighting was fully upgraded to LED tubes by the end of 2023, and smart meters were installed to increase electricity monitoring frequency from once every two months to real-time monitoring every 15 minutes. This improvement enables more accurate detection of abnormal usage and enhances energy management performance.

Due to the intermittent and unstable nature of renewable energy, nighttime peak demand in Taiwan remains a challenge, making grid dispatch more difficult. To address this, Billion Group actively supports government green energy policies and has invested in renewable energy by establishing energy storage sites across Taiwan. These sites make effective use of idle land and rooftops, helping to increase the share of green energy in total electricity generation. In 2024, seven energy storage systems were installed. By responding rapidly to grid frequency fluctuations, these systems help stabilize the power supply. Excess renewable energy can be stored and used during peak demand, improving overall energy utilization and grid stability, mitigating power shortages, and supporting the goal of promoting the green energy industry.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Water Resource Management

To maximize water use efficiency, the Company promotes daily water-saving practices, such as turning off taps after use and installing water-saving devices. Through these ongoing efforts, employees are encouraged to value water resources and contribute to effective conservation.

Water use at the Company and the Yilan Plant is primarily for domestic purposes, sourced entirely from tap water. No groundwater is used. The head office water supply is managed centrally and mainly sourced from Feitsui Reservoir, while the Yilan Plant is supplied by the Xincheng River. NoonSpare sources all its water from the Taichung City water supply system, with no groundwater usage. Water is used only for office-related domestic purposes, without involvement in industrial processes or water recycling systems. Based on water risk assessments using external tools, the Company, Yilan Plant, and NoonSpare all fall within low to medium water risk areas, with no significant impact on local water sources or ecosystems. Water resource management is therefore not considered a material issue. The Yilan Plant conducts semi-annual wastewater quality testing, with all results meeting local regulatory discharge standards. Water consumption is calculated in accordance with the “Water Resource Indicator Disclosure Guidelines” issued by the Water Resources Agency. According to this guideline, water withdrawal refers to the sum of water intake and reused water. Since the Company does not reuse water in its production processes, the reported volume reflects actual water intake. In 2024, major production sites reported the following: Yilan Plant: Water withdrawal totaled 0.002042 million liters, with a water intensity of 0.0072. NoonSpare: Water withdrawal totaled 0.2770 million liters. As wastewater charges are not listed on NoonSpare’s water bills, discharge and consumption volumes are not disclosed. Detailed water data is presented in the table below.

Billion Yilan Plant Water Usage

Year	2023	2024
Water Withdrawal (million liters)	0.1054	0.2042
Water Discharge (million liters)	0.0870	0.1640
Water Consumption (million liters)	0.0230	0.0330
Organization-specific Metric(NT\$ million)	Revenue	Revenue
Organization-specific Metric Value	0	27.5130
Water Intensity	0	0.0072

Note:

1. Water consumption = Water withdrawal - Water discharge.
2. Water intensity calculation method: Water withdrawal (million liters) / Revenue (million NTD).

NoonSpare Water Usage

Year	2024
Water Withdrawal (million liters)	0.2770
Organization-specific Metric(NT\$ million)	Revenue
Organization-specific Metric Value	17.1800
Water Intensity	0.0183

Note:

1. Water consumption = Water withdrawal - Water discharge.
2. Water intensity calculation method: Water withdrawal (million liters) / Revenue (million NTD).
3. As wastewater charges are not listed on NoonSpare’s water bills, discharge and consumption volumes are not disclosed.
4. NoonSpare joined the Billion Group in April 2024; therefore, no data is available for 2023.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

4.3 Climate Change Financial Risks and Greenhouse Gas Emissions

The Company has always placed great emphasis on the impact of climate change on its operations. To effectively address potential climate-related risks and opportunities, and to reduce its environmental impact, the Company has followed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and completed its 2023 TCFD Report. This report outlines the Company's management and disclosure of climate-related risks and opportunities. Regular meetings are held to evaluate climate change responses and implement corresponding measures aimed at reducing energy consumption and carbon emissions, enhancing carbon management performance, and achieving long-term sustainability goals.

Governing Body	The Company holds regular Board of Directors meetings. In accordance with FSC regulations, the Sustainability Development Committee reports quarterly to the Board on ESG implementation progress and the achievement status of greenhouse gas inventory targets. Under the Committee, four working groups have been established: Corporate Governance, Environmental Protection, Social Responsibility, and Sustainability Risk Management & Information Disclosure. Members from these groups jointly form an execution team responsible for driving relevant sustainability initiatives.
Risk Category	• Regulatory – Net Zero and Carbon Reduction Requirements: In response to FSC regulations and the Climate Change Response Act, the Company must align with Taiwan's national goal of achieving net-zero emissions by 2050. Plans are underway to increase self-generated renewable energy and minimize carbon emissions. • Regulatory – Climate Change Response Act: Under the Climate Change Response Act, Taiwan has set a policy framework for net-zero emissions by 2050. Starting in 2026, carbon fees will be levied at NT\$300 per metric ton. Free emission allowances are set as follows: 25,000 tons in 2025, 15,000 tons in 2026–2027, and 10,000 tons in 2028–2029. Free allowances are expected to be eliminated by 2034, with carbon fees reaching NT\$1,500 per metric ton. • Market – Changing Customer Behavior: Customers increasingly demand emissions monitoring and reductions, requiring suppliers to commit to initiatives such as SBTi. Non-compliance may impact future revenue growth and market competitiveness. • Market – Rising Material and Energy Costs: To meet market demand, the Company must procure low-carbon materials and manage rising electricity and logistics costs. Electricity prices are projected to increase at an annual growth rate of approximately 3.5%. • Long-Term – Sea Level Rise: Climate-induced sea level rise poses physical risks, including potential flooding of factory sites in coastal or low-lying areas.
Opportunity Category	The demand for integrated solar photovoltaic and energy storage services is increasing.
Strategies	At the beginning of each year, the Sustainability Development Committee convenes to identify climate-related risks and opportunities that may impact the Company. In collaboration with external experts, these items are assessed and scored based on the likelihood of occurrence and potential financial impact. This process helps determine key transition risks, physical risks, and transition-related opportunities. The risk time horizons are defined as follows: • Short-term: 1–3 years • Medium-term: 4–10 years • Long-term: Over 10 years • Regulatory – Net Zero and Carbon Reduction / Climate Change Response Act: To reduce emissions and minimize exposure to carbon costs, the Company plans to purchase green power (renewable energy certificates, or RECs). REC prices are estimated at NT\$5,500–7,000 per certificate. Failure to meet emission reduction targets may result in carbon fees and excess emission penalties. Additionally, switching from gray power to green power or purchasing carbon credits for carbon neutrality is expected to increase operational and business expenses. • Market Risk – Changes in Customer Behavior and Raw Material Costs: To meet customer requirements for power supply products, the Company conducts carbon footprint verifications on designated items and regularly discloses its carbon reduction performance to retain business opportunities. In parallel, the Company implements group-wide energy-saving strategies to mitigate the impact of rising electricity costs. Under the 2°C warming scenario (SSP3-7.0), sea level rise around Taiwan is estimated at 0.5 meters. Under the 4°C warming scenario (SSP5-8.5), sea level rise around Taiwan is estimated at 1.2 meters. • Long-Term Physical Risk – Sea Level Rise: 1. There are currently no identified sea level rise risks for the sites covered within the reporting boundary. 2. The Company regularly monitors changes in potential physical climate hazards to assess their possible impacts and to enable timely implementation of preventive measures. Transition Opportunity In alignment with national energy transition policies, the Company regularly reviews opportunities to provide integrated solutions in solar power generation, energy storage, and EV charging infrastructure (“PV + ESS + EV charging”), aiming to drive revenue growth through sustainable services. In recent years, the Company has actively expanded into the solar energy, energy storage, and EV charging sectors, pursuing a strategy of business diversification and transformation. Subsidiaries such as Billion Watts and Billion EVC are aligned with government policies and are dedicated to the development of renewable energy and the delivery of comprehensive green energy solutions. As of 2024, revenue from green energy businesses accounted for over 81% of the Group's consolidated revenue, and this figure is expected to continue rising, contributing significantly to the Group's future growth.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	---	-------------------------------------	---	---------------------------------------	------------------------------------	----------

Risk Management	The Sustainability Development Committee has established four cross-departmental working groups. Every two years, these groups identify and assess climate-related risks and opportunities, and review annually whether adjustments are needed based on the actual operating environment. Day-to-day risk management is conducted by individual business units in accordance with internal control procedures, while each working group regularly reports progress and outcomes to the Sustainability Development Committee. To mitigate the impact of typhoons on production capacity and on-time delivery, the Company proactively arranges early production or overtime shifts to meet shipment schedules. In consideration of potential climate-related risks, the Company has also developed a risk assessment form to evaluate key operational activities across departments. This process considers threat level, impact, and severity to identify critical risks and formulate appropriate control strategies. To ensure the effectiveness of the risk assessment system, each assessment must be reviewed at least every three years, and aligned with organizational or personnel changes. In addition, the Company has developed emergency response procedures. In the event of a disaster, responsible department heads are required to carry out emergency notifications in accordance with site-specific contingency plans. A Crisis Management Task Force will oversee incident response and post-disaster recovery to ensure business continuity.
Indicators and Targets	The Company plans to develop specific transition risk response strategies and establish management indicators and targets following the completion of greenhouse gas inventories and baseline assessments of energy equipment. In the meantime, the following energy-saving measures have been implemented: 1. Assessing the feasibility of establishing an energy management system. 2. Replacing traditional lighting with LED tubes to improve energy efficiency. 3. In support of Taiwan's "2050 Net Zero Emissions" policy and renewable energy expansion, the Company participates in Taipower's AFC (Automatic Frequency Control) energy storage system, which helps improve the utilization of renewable energy. In 2024, the Company increased its investment in Shengkai Energy Co., Ltd. by approximately NT\$18 million for the development and construction of solar power plants. The annual average green electricity generation from this investment is estimated at 1.1 million kWh, corresponding to a carbon reduction of approximately 543 tCO₂e. Additionally, the Company's own solar power facilities generated and sold approximately 1.426 million kWh of electricity to Taipower in 2024, helping to reduce carbon emissions by about 705 tCO₂e. • As part of its commitment to energy conservation and carbon reduction, the Company promotes green production and sustainable operations under the framework of corporate social responsibility. Measures include reducing paper usage and greenhouse gas emissions, encouraging suppliers to recycle packaging materials, promoting energy-saving behaviors such as turning off lights, using remote-controlled air conditioning, using circulation fans to reduce the need for low-temperature settings, replacing faulty fluorescent lamps with LED lights, and adopting electronic forms and digital approval processes. • In 2024, the Company replaced 41 fluorescent lights, resulting in a total electricity saving of 5,986 kWh. • Billion Watts has also collaborated with clients and vendors to install solar PV systems on rooftops and land assets, maximizing space utilization while reducing fossil fuel use and environmental impact. As of 2024, the team has completed over 1,800 solar PV installations, including rooftop, floating, ground-mounted, and agrivoltaic systems, with a total installed capacity exceeding 580 MWp. The goal for 2025 is to reach a total installed capacity of over 620 MWp.
Carbon Pricing Basis	Following the completion of the Group's 2025 greenhouse gas inventory, Billion Group will identify major emission sources across subsidiaries and progressively implement an internal carbon pricing mechanism as a reference for evaluating carbon reduction costs. The Company also closely monitors the carbon fee regulations announced under the Climate Change Response Act and Carbon Management Act to ensure timely internal alignment and operational readiness.
Greenhouse Gas Inventory Plan	The Company has completed its 2024 greenhouse gas (GHG) inventory. In 2025, Scope 3 emissions accounting has been initiated, and the inventory boundaries have been expanded to include subsidiaries in accordance with the reporting timeline set by the competent authority under IFRS S1 and S2 standards.
External Assurance or Verification	The GHG inventory process continued throughout 2024, and third-party verification was completed in April 2025 by SGS.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Greenhouse Gas Emission Management

Greenhouse gases are the main cause of global warming; therefore, Billion Group actively responds by conducting greenhouse gas inventories. In 2024, the Group's emissions were classified into direct and indirect emissions, with direct emissions mainly from gasoline and diesel use, and indirect emissions from electricity consumption. Scope 3 emissions were also included in 2024. There were no emissions of ozone-depleting substances or other significant gases. Billion Group will continue to enhance its efforts to achieve environmental sustainability. The total emissions for 2024 are summarized as follows:

Billion Group

Item	2022	2023	2024
Scope 1:Direct greenhouse gas emissions (tons CO2e)	42.14	68.96	153.69
Scope 2:Indirect greenhouse gas emissions (tons CO2e)	232.54	312.77	336.64
Scope 3:Other Indirect greenhouse gas emissions (tons CO2e)	-	262.14	288.60
Total emissions =Scope 1 + Scope 2 + Scope 3 (tons CO2e)	274.68	643.87	778.92
Greenhouse Gas Emission Intensity	0.31	0.41	0.44

1. Emission factors are based on the Ministry of Environment' s announcement dated February 5, 2024.
2. Purchased electricity emissions are calculated using the emission factors published by the Bureau of Energy, Ministry of Economic Affairs: 0.495 kgCO2e/kWh for 2022, 0.494 kgCO2e/kWh for 2023, and 0.474 kgCO2e/kWh for 2024.
3. GHG emission intensity = Total emissions (tons CO2e) / Revenue (NT\$ million)
4. GHG inventory data for 2023 and 2024 includes Billion Electric (Head Office, Yilan Plant, Hsinchu Lab), Billion Watts, Billion Energy Storage, Billion EVC, and Billion Power System.
5. The 2022 inventory was self-conducted; from 2023 onward, GHG emissions have been verified by a third-party organization.

Energy Conservation and Carbon Reduction Strategy

2024 LED Panel Light Replacement Statistics

LED Light Fixture Specifications	Quantity	2,000 hours of Electricity Use	Estimated Electricity Savings	Estimated Electricity Savings (kWh)	Estimated Carbon Reduction (kg CO2e / kWh)
LED Panel Light 1. Appearance dimensions: Length 600mm * Width 600mm * Height 30mm 2. Color temperature: 5,700K 3. Input voltage: AC 100~240V full voltage 4. Power consumption: 25W 5. Luminous flux: 4,000 lm	41	For 2,000 hours of use, traditional grid ceiling lighting consumed a total power of 4,018 kW and electricity usage of 8,036 kWh; LED panel lights consumed a total power of 1,025 kW and electricity usage of 2,050 kWh.	Compared with traditional grid ceiling lighting, using LED panel lights saved about 5,986 kWh of electricity over 2,000 hours, equivalent to 21,549.6 million joules.	5,986.0	Compared with traditional grid ceiling lighting, using LED panel lights over 2,000 hours reduced carbon emissions by approximately 2,837 kg, equivalent to planting 236 trees.

Note:

1. Calculated using the 2024 electricity carbon emission factor of 0.474 kg CO2e / kWh.
2. Conversion factor source is from the Bureau of Energy, Ministry of Economic Affairs announcement: one kWh equals 3.6 million joules.
3. Energy savings are mainly in Scope 2.
4. Estimated values are calculated based on approximately 2,000 working hours of use per year.
5. According to research data from the Forestry Bureau, on average, each additional tree on Earth can reduce 12 kg of carbon dioxide per year

4.4 Waste Management

The Company categorizes its waste into general domestic waste and hazardous industrial waste. General domestic waste mainly originates from employee daily activities and includes household garbage, waste plastics, and paper waste. Hazardous industrial waste primarily includes discarded electronic components, defective products and rejects, waste printed circuit boards (PCBs) containing metals and their dust, PCBs with attached components, and scrapped customer returns that cannot be repaired (including metal-containing PCBs). Hazardous waste and solder dross generated during the Company's manufacturing processes are handled and recycled by licensed Class A waste disposal and recycling contractors.

Packaging materials used in raw material supplies—such as cardboard boxes and plastic packaging—along with scrapped customer returns containing cardboard and plastics, are also categorized as waste. All third-party disposal companies engaged by the Company comply with the Waste Disposal Act and related regulations. These contractors use GPS tracking systems and operate without any incidents of leakage or spillage, thereby minimizing environmental impact. Hazardous waste accounts for only a small proportion of total waste and is not considered material to the Company' s overall waste management performance.

Employee-generated domestic waste is centrally handled by the building management center. The Company only temporarily stores waste on-site before handing it over to external disposal or recycling contractors; no direct treatment is conducted internally. At the Yilan Plant, household waste is collected using designated Longde Industrial Park garbage bags, which are placed at the main entrance weekly for pickup by contracted cleaning companies.

The Company is committed to environmental protection and ensures proper waste sorting. It actively promotes circular economy practices and waste reduction initiatives, such as encouraging suppliers to take back and reuse packaging materials (e.g., bags and cushioning). In 2024, one supplier participated in the reuse of packaging bags and cushioning materials. The Company has also adopted the ISO 14001 management system for waste management. The Yilan Plant reported no industrial waste in 2024, with only general domestic waste generated.

NoonSpare, as an assembly-focused subsidiary, mainly generates general domestic waste such as employee garbage, waste plastics, and paper. Waste produced during manufacturing—including cardboard boxes and EPE foam—is classified as general waste and handled by licensed municipal waste contractors. Regarding lithium batteries used in energy storage systems, the Company confirmed with the Environmental Protection Administration (EPA) that batteries over 1 kg are not required to be reported by non-responsible parties.

Billion Group Hazardous Waste Generation and Treatment

Waste Composition		Off-site			
		2023		2024	
Item	Hazardous/Non-hazardous	Waste Treatment (tons)	Treatment Method	Waste Treatment (tons)	Treatment Method
Metal-containing PCB waste and powder	Hazardous	0.64	Other disposal operations	0.21	Other disposal operations
Waste electronic components, defective products, and substandard products	Hazardous	0.11	Other disposal operations	0.02	Other disposal operations
Waste PCB with attached components	Hazardous	6.36	Other disposal operations	8.37	Other disposal operations
Total		7.11	--	8.6	--

Note:

1. The above data pertains to Billion Group Headquarters.
2. Waste weight is in metric tons.
3. Recycle operation types: such as preparation for reuse, recycling, and other recycle operations.
4. Recycling types can be specified: such as downcycling, upcycling, composting, or anaerobic digestion.
5. Other recovery operations: such as changing the purpose of use or refurbishment.
6. Disposal method types, such as incineration (with energy recovery), incineration (without energy recovery), landfill, and other disposal operations.
7. Other disposal operations can be specified, such as dumping, open burning, or deep well injection.
8. "Off-site" refers to outside the physical boundary or administrative control of the reporting organization.

Billion Group Non-Hazardous Waste Generation and Treatment

Waste Composition	Off-site			
	2023		2024	
Item	Waste Treatment (tons)	Treatment Method	Waste Treatment (tons)	Treatment Method
Plastic waste	0.18	Other recycle operations	0.33	Other recycle operations
Tin waste	0.02	Resource recovery	0.01	Resource recovery
Waste paper	5.18	Other recycle operations	3.46	Other recycle operations
General household waste	13.32	Incineration	9.37	Incineration
Total	5.35	--	3.78	--

Note:

1. The above data pertains to Billion Group Headquarters.
2. Types of recycling methods include: preparation for reuse, resource recovery, and other recycling operations.
3. Types of resource recovery may include downcycling, upcycling, composting, or anaerobic digestion.
4. Other recycling operations refer to actions such as repurposing or refurbishing.
5. Disposal methods include incineration (with energy recovery), incineration (without energy recovery), landfill, and other disposal activities.
6. "Offsite" refers to areas outside the physical boundary or administrative control of the reporting organization.
7. The number of employees refers to the number of active employees as of year-end.
8. The amount of general domestic waste in 2024 decreased compared to 2023, mainly due to the transfer of some employees to the subsidiary BEC Taiwan.

Due to centralized waste management by the building management center, the general waste generated from daily operations at the Company's headquarters cannot be individually quantified or monitored with precision. To better estimate the general waste generated during operations for the purpose of future management and reduction efforts, the Company adopts local government-published average per capita waste generation data as a basis for reasonable estimation.

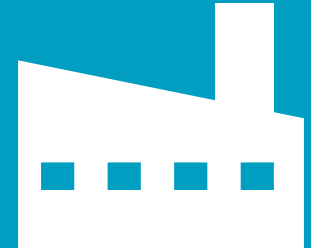
For certain office sites, estimations are based on the respective county or city's per capita waste statistics, resulting in the following calculated volumes: 10.25 metric tons for Billion Watts, 1.43 metric tons for BEC Taiwan, 1.92 metric tons for Billion EVC, and 1.37 metric tons for the Hsinchu Laboratory.

The Yilan Plant adopts a practical measurement-based estimation method. Based on statistical analysis, the plant's annual general waste is estimated by multiplying the average measured weekly weight by the number of working weeks per year, resulting in 0.67 metric tons.

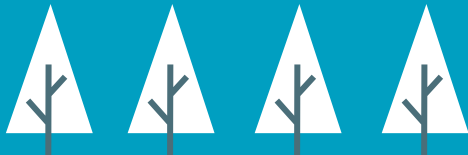
At NoonSpare, general domestic waste is collected and disposed of by local municipal waste contractors, making it difficult to directly monitor and track actual volumes. Based on the 2024 per capita daily waste generation rate of 1.575 kg published by the Taichung City Environmental Protection Bureau, with 31 employees and 250 working days, NoonSpare's total general waste for 2024 is estimated to be approximately 4.07 metric tons.

Carbon Footprint of Power Supply Products

Collective Green Procurement



With growing global attention to climate change, the European Union has taken the lead in implementing the Carbon Border Adjustment Mechanism (CBAM), which regulates the carbon content of imported products and imposes carbon tariffs on high-emission goods. This policy has had a profound impact on global supply chains and product design, particularly in energy-intensive sectors such as the electronics industry. As a key component of electronic devices, the carbon footprint of power supply units has become a priority for Billion Group's environmental management efforts.



Driving Green Transformation in the Supply Chain: Billion Group Implements Carbon Footprint Inventory

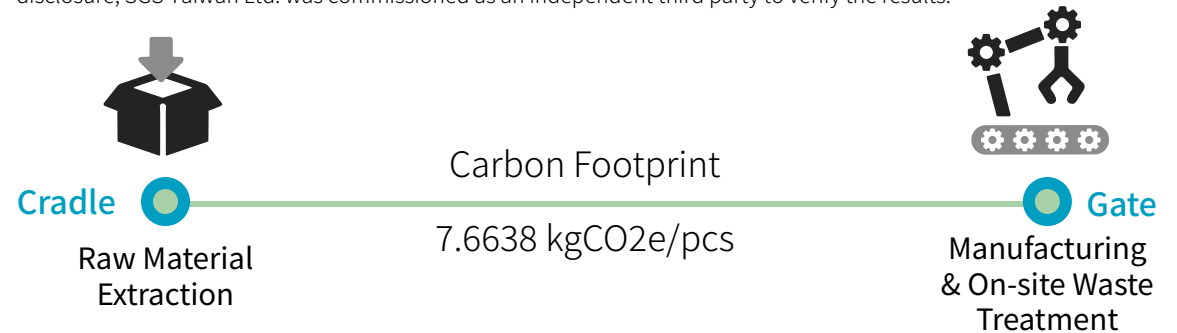
The power supply unit (PSU) features diverse raw materials, and its carbon footprint spans multiple life cycle stages—including raw material extraction, manufacturing, transportation, usage, and end-of-life disposal.

In accordance with international life cycle assessment standards (ISO 14040 / ISO 14044), each stage must be comprehensively assessed to identify key carbon emission hotspots. In 2024, Billion Group took the lead in completing a partial carbon footprint inventory for its BS180 power supply product. The results, based on ISO 14067 standards, provide a foundation for future low-carbon product design to reduce environmental impact and promote green procurement across the industry.

BS180 Adopts Two-Stage Boundary Verification, Third-Party Certified Carbon Disclosure

As a critical component in customer-branded electronic systems, PSU life cycle emissions during distribution, usage, and end-of-life may vary by application. For BS180, the carbon footprint assessment was defined within a Cradle-to-Gate boundary, which includes the raw material acquisition and manufacturing stages (including on-site waste treatment).

The assessment adopted emission factors from the Ministry of Environment's Product Carbon Footprint Platform and the Ecoinvent database to quantify environmental impacts in selected life cycle stages. To ensure credibility and reliability of the disclosure, SGS Taiwan Ltd. was commissioned as an independent third party to verify the results.



Assessment Year	Verification Valid Until	Carbon Footprint Unit	Emission Volume
2024	2026/09	kg CO ₂ e/pc	Inventory Factor of the Assessment Year

CHAPTER 5

ADVANCING SOCIAL RESPONSIBILITY 85

Social Responsibility	86
Management Disclosure	
5.1 Workforce Overview	88
5.1.1 Recruitment of Diverse Employees	88
5.1.2 Talent Recruitment and Retention	92
5.2 Talent Cultivation and Development	97
5.3 Rights, Benefits and Welfare	100
5.3.1 Employee Retirement System and Implementation	100
5.3.2 Parental Leave	100
5.3.3 Comprehensive Employee Benefits	103
5.4 Health and Safety Protection	104
5.5 Social Participation	111
Feature: SDGs Multi-Stars Seed Projects- Rooting Sustainability in Schools	114



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

CHAPTER 5 ADVANCING SOCIAL RESPONSIBILITY

Social Responsibility Management Disclosure

Material Topic: Employee Diversity and Equal Opportunity	
Materiality	Billion Group is committed to creating equal employment opportunities and environment, ensuring the work rights of various groups, establishing a friendly and inclusive workplace, attracting global talents, and building a good company reputation.
Impacts	• Positive Impact: Promoting diverse cultures can foster corporate innovative thinking, allowing different perspectives and skills to interact, avoiding organizational rigidity. • Negative Impact: Diverging opinions may lead to the lack of consensus and ineffective communication, which could escalate into conflict. This, in turn, may adversely affect organizational performance, employer branding, and overall employee satisfaction.
Policies/Strategies	Establish diverse complaint channels, implement the Company's diversity and equality policies, and protect employee rights.
Goals and Targets	• Establish diverse complaint channels, implement the Company's diversity and equality policies, and protect employee rights. • Ensure substantive equality and flexibility in policies for employment, development, and training. • Ensure no gender inequality in recruitment and promotion.
Management Evaluation Mechanism	2025~2027: • Conduct one session on gender equality, human rights, and prevention of workplace bullying in 2025. • Launch an employee satisfaction survey in 2025. • The company implements relevant policies and benefits to support employee diversity and well-being from 2025. • NoonSpare holds company-wide communication meetings quarterly in 2025. • The company will organize diversity and inclusion events in 2026, such as Women's Day. 2028~: • Conduct one session to promote inclusive culture, including gender equality, human rights, and prevention of workplace bullying. • Participate in employer branding or corporate DEI-related inclusion competitions or initiatives.
Performance and Adjustments	• A session on gender equality, human rights, and workplace bullying awareness was held in November 2024, meeting the set target. • As of 2024, the Board of Directors includes two female members, in line with the target.
Preventive or Remedial Measures	• Established policies for the prevention and handling of sexual harassment, and a protection plan against unlawful harm during duty, while ensuring all employees are informed of the grievance procedures. • Set up anonymous reporting channels to encourage employees to speak up and to protect the privacy of whistleblowers. • Grievance Mechanism: Grievance Email: admin@billion.com Grievance Hotline: +886-2-2914-5665

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Material Topic: Occupational Health and Safety

Materiality	Employees and supplier partners are important assets in the sustainable development of enterprises. Therefore, in addition to complying with Occupational Safety and Health Act. and related requirements, the Company's operational activities and service processes should continuously improve occupational safety and health, avoid unsafe behaviors, environments or equipment, and take relevant measures to prevent occupational hazards and protect the safety and health of employees and supplier partners.	
Impacts	• Positive Impact: Protect workers' health and life safety, effectively prevent and control occupational injuries and diseases. • Negative Impact: The Company needs to invest resources to ensure the effective operation of occupational safety and health, which will also increase management burden.	
Policies/ Strategies	Comply with Occupational Safety and Health Act. to ensure the safety and health of personnel and the environment. • Comply with regulations: Comply with domestic Occupational Safety and Health Act. and related requirements, and regularly review regulatory compliance. • Education and training: Provide workplace safety and health-related education, training and resources to enhance employee awareness of safety and health. • Health management: Regularly implement employee health examinations to prevent occupational injuries or diseases.	
Goals and Targets	2025~2027: • Maintain zero major occupational injuries. • Plan to implement ISO 45001.	2028~: • Maintain the validity of ISO 45001 certification. • Continue maintaining zero major occupational injuries.
Management Evaluation Mechanism	• According to the ISO 14001 internal audit procedures, an annual assessment of the PDCA effectiveness for risk control is conducted. • Regularly identify and review occupational safety, health, hygiene, and toxic substance regulations to ensure legal compliance in the workplace. • NoonSpare periodically reviews comprehensive fire risk assessments and prevention mechanisms, strengthens the installation and maintenance of fire safety equipment, and conducts regular fire drills and emergency response exercises to reduce fire risk and enhance workplace safety.	
Performance and Adjustments	• Billion Group reported zero occupational injuries in 2024, meeting the target. • In 2024, three occupational health and safety training sessions were conducted, totaling 6 hours, achieving the set goal. • Billion EVC completed occupational health and safety training on April 30, 2024.	
Preventive or Remedial Measures	• When an employee experiences an occupational injury or illness, the company will proactively report the case and handle it in accordance with internal procedures. The number of incidents and corresponding improvement measures are compiled quarterly and annually, and reported to department heads and the administration division. The company will provide appropriate support and resources depending on the situation. • Enhance employee awareness and collaboration in disaster prevention. • Strengthen the frequency and rigor of factory inspections. • Implement corrective and preventive actions through the PDCA cycle for any accidents or deficiencies. • Grievance Mechanism: Grievance Email: admin@billion.com Grievance Hotline: +886-2-2914-5665	NoonSpare – When an occupational injury occurs, NoonSpare promptly follows internal procedures to report and respond to the incident through emergency measures. A thorough incident investigation and analysis is conducted, followed by the implementation of corrective and preventive actions. Occupational injury cases are reviewed quarterly and annually to analyze incident statistics and improvement results. Additionally, safety-sharing meetings are held irregularly to enhance workplace safety awareness and foster a safety-oriented corporate culture. • Strengthen the risk identification and reporting system for occupational safety. • Enhance employee awareness and participation in disaster prevention. • Increase the frequency and depth of factory inspections. • Implement corrective and preventive actions through the PDCA cycle for accidents or deficiencies. • Grievance Hotline: +886-4-25332296 ext.105

5.1 Workforce Overview

5.1.1 Recruitment of Diverse Employees

Employees are the Company's most important asset and an important factor in the Company's stable development. The Company has established relevant regulations and norms to protect employee rights and interests, strictly abides by labor and human rights regulations, treats all employees fairly and with respect, continues to promote employee care, promotes employee physical and mental health, and through fair appointment and promotion systems, seeks talents with various backgrounds and specialties, continues to develop personal ability cultivation, and creates a "win-win" working environment for employees and the Company.

The Group treats all groups fairly. According to the "Recruitment and Appointment Management Measures", recruitment targets are all adults over 18 years old and willing to provide labor or services. The recruitment process and decisions are not affected by factors such as race, religion, belief, gender, marital or fertility status, age, political background, nationality, disability, sexual orientation, zodiac sign, blood type, etc., without discrimination and differential pay treatment. To effectively protect employee rights, the Company complies with relevant provisions of the Labor Standards Act. In the future, if there is a possibility of affecting employees' right to work, advance notice will be given according to the Labor Standards Act based on employee seniority. At the same time, if there is a need for mass layoffs due to major changes in operations, notice will be given to relevant units according to regulations and announced. The minimum notice period for operational changes follows the Labor Standards Act regulations:

1. Ten days' notice for those who have worked continuously for more than three months but less than one year.
2. Twenty days' notice for those who have worked continuously for more than one year but less than three years.
3. Thirty days' notice for those who have worked continuously for more than three years.

As of December 31, 2024, the Company had a total of 85 employees, consisting of 45 females and 40 males. In addition, there were 4 non-employee workers (cleaning personnel). BEC Taiwan had 25 employees (9 females and 16 males); Billion Watts had 93 employees (33 females and 60 males); Billion EVC had 16 employees (8 females and 8 males); and NoonSpare had 31 employees (9 females and 22 males). Among all employees, 75% of those in management positions were male and 25% were female; for non-management roles, 53% were male and 47% were female. Overall, the workforce was composed of 58% male and 42% female employees. The detailed breakdown of employee headcount and gender distribution in 2024 is shown in the table below.

Number of Employees				
Region/Type		Female	Male	Total
Billion	Number of Employees	45	40	85
	Number of permanent employees	45	40	85
	Number of temporary employees	0	0	0
	Number of full-time employees	45	40	85
	Number of part-time employees	0	0	0
Billion Watts	Number of Employees	33	60	93
	Number of permanent employees	33	60	93
	Number of temporary employees	0	0	0
	Number of full-time employees	33	60	93
	Number of part-time employees	0	0	0
Billion EVC	Number of Employees	8	8	16
	Number of permanent employees	8	8	16
	Number of temporary employees	0	0	0
	Number of full-time employees	8	8	16
	Number of part-time employees	0	0	0

Number of Employees				
Region/Type		Female	Male	Total
NoonSpare	Number of Employees	9	22	31
	Number of permanent employees	9	22	31
	Number of temporary employees	0	0	0
	Number of full-time employees	9	22	31
	Number of part-time employees	0	0	0
BEC Taiwan	Number of Employees	9	16	25
	Number of permanent employees	9	16	25
	Number of temporary employees	0	0	0
	Number of full-time employees	9	16	25
	Number of part-time employees	0	0	0

Note:

1. Gender is self-identified by employees.
2. The statistics cover only active employees based in Taiwan.
3. Employees: Individuals who have an employment relationship with the organization according to national laws or relevant applicable requirements (in Taiwan, employees who have labor insurance).
4. Permanent: Individuals who have signed indefinite-term contracts.
5. Temporary: Individuals who have signed fixed-term contracts.
6. No guaranteed hours: Employees who are not guaranteed minimum or fixed working hours per day, week or month, but may need to be available for work as required.
7. Full-time: Individuals subject to the working hours definition of the Labor Standards Act, which in Taiwan is no more than 8 hours per day and no more than 40 hours per week.
8. Part-time: Employees excluding full-time employees.

When recruiting personnel, to strengthen harmonious relationships with local communities and maximize the stability of employee work, the Company mainly recruits residents from the Taiwan area. Senior management level refers to managers and above in the Company, of which 100% of those serving as senior managers at the managerial level and above are local residents. The employee job category distribution for the past three years is as follows:

Billion					
Year			2022	2023	2024
Item/Gender		Age	Number of People	Number of People	Number of People
Management Staff	Male	Under 30 year-old	0	0	0
		30-50 year-old	5	6	6
		Over 50 year-old	12	12	6
	Female	Under 30 year-old	0	0	0
		30-50 year-old	0	1	3
		Over 50 year-old	7	5	4
Total Management Staffs			24	24	19
Non-Management Staff	Male	Under 30 year-old	0	2	2
		30-50 year-old	34	35	20
		Over 50 year-old	14	13	6
	Female	Under 30 year-old	4	5	4
		30-50 year-old	30	32	22
		Over 50 year-old	14	16	12
Total Non-Management Staffs			96	103	66
Total Permanent Employee			120	127	85

Billion Watts											
Year			2022	2023	2024	Year			2022	2023	2024
Item/Gender		Age	Number of People			Item/Gender		Age	Number of People		
Management Staff	Male	Under 30 year-old	0	0	1	Non-Management Staff	Male	Under 30 year-old	5	6	9
		30-50 year-old	7	6	6			30-50 year-old	19	29	36
		Over 50 year-old	1	1	2			Over 50 year-old	2	3	6
	Female	Under 30 year-old	0	0	0		Female	Under 30 year-old	3	10	7
		30-50 year-old	7	4	3			30-50 year-old	9	16	22
		Over 50 year-old	0	0	0			Over 50 year-old	0	0	1
Total Management Staffs			15	11	12	Total Non-Management Staffs			38	64	81
Total Permanent Employee			Year	2022			2023			2024	
			Number of People	53			75			93	

Billion EVC				
Year			2023	2024
Item/Gender		Age	Number of People	Number of People
Management Staff	Male	Under 30 year-old	0	0
		30-50 year-old	2	2
		Over 50 year-old	1	1
	Female	Under 30 year-old	0	0
		30-50 year-old	1	1
		Over 50 year-old	0	0
Total Management Staffs			4	4
Non-Management Staff	Male	Under 30 year-old	0	0
		30-50 year-old	0	5
		Over 50 year-old	5	0
	Female	Under 30 year-old	0	5
		30-50 year-old	2	1
		Over 50 year-old	2	1
Total Non-Management Staffs			9	12
Total Permanent Employee			13	16

NoonSpare			
Year			2024
Item/Gender		Age	Number of People
Management Staff	Male	Under 30 year-old	0
		30-50 year-old	8
		Over 50 year-old	3
	Female	Under 30 year-old	0
		30-50 year-old	2
		Over 50 year-old	0
Total Management Staffs			13
Non-Management Staff	Male	Under 30 year-old	3
		30-50 year-old	8
		Over 50 year-old	0
	Female	Under 30 year-old	0
		30-50 year-old	7
		Over 50 year-old	0
Total Non-Management Staffs			18
Total Permanent Employee			31

BEC Taiwan			
Year			2024
Item/Gender		Age	Number of People
Management Staff	Male	Under 30 year-old	0
		30-50 year-old	1
		Over 50 year-old	5
	Female	Under 30 year-old	0
		30-50 year-old	0
		Over 50 year-old	1
Total Management Staffs			7
Non-Management Staff	Male	Under 30 year-old	0
		30-50 year-old	7
		Over 50 year-old	1
	Female	Under 30 year-old	1
		30-50 year-old	5
		Over 50 year-old	4
Total Non-Management Staffs			18
Total Permanent Employee			25

Billion Group follows labor and human rights-related regulations, including the Labor Standards Act, Employment Services Act, and Gender Equality in Employment Act, in all talent recruitment and employment practices. In alignment with government policies, the Company takes concrete actions to protect equal employment rights for minorities and disadvantaged groups. As of 2024, Billion EVC and NoonSpare had 16 and 31 employees respectively; therefore, neither company currently employs individuals from diverse ethnic groups. The following table presents the distribution of employees from diverse groups employed by Billion Group and BEC Taiwan over the past three years. All employees in these categories are non-managerial staff. In 2024, Billion Watts employed over 93 people but did not meet the statutory requirement of hiring one person with a disability. In accordance with the People with Disabilities Rights Protection Act, the company is required to pay a compensatory subsidy for the shortfall.

Billion					
Year			2022	2023	2024
Item/Gender		Age	Number of People		
Indigenous group	Male	Under 30 year-old	0	0	0
		30-50 year-old	1	1	1
		Over 51 year-old	0	0	0
	Female	Under 30 year-old	0	0	0
		30-50 year-old	0	0	0
		Over 51 year-old	0	0	0
Foreign Nations and New Immigrants	Male	Under 30 year-old	0	0	0
		30-50 year-old	1	1	0
		Over 51 year-old	0	0	0
	Female	Under 30 year-old	0	0	0
		30-50 year-old	0	1	0
		Over 51 year-old	0	0	0
Persons with Disabilities	Male	Under 30 year-old	0	0	0
		30-50 year-old	1	1	1
		Over 51 year-old	0	0	0
	Female	Under 30 year-old	0	0	0
		30-50 year-old	0	0	0
		Over 51 year-old	0	0	0

BEC Taiwan			
Year		2024	
Item/Gender	Age	Number of People	
Indigenous group	Male	Under 30 year-old	0
		30-50 year-old	0
		Over 51 year-old	0
	Female	Under 30 year-old	0
		30-50 year-old	0
		Over 51 year-old	0
Foreign Nations and New Immigrants	Male	Under 30 year-old	0
		30-50 year-old	1
		Over 51 year-old	0
	Female	Under 30 year-old	0
		30-50 year-old	0
		Over 51 year-old	0
Persons with Disabilities	Male	Under 30 year-old	0
		30-50 year-old	0
		Over 51 year-old	0
	Female	Under 30 year-old	0
		30-50 year-old	0
		Over 51 year-old	0

All of the Company's security personnel are outsourced and hired through legally registered security service providers with verified training programs. Human rights education and training are conducted in accordance with relevant regulations and international human rights conventions, and have been incorporated into the internal training programs of the contracted security companies.

5.1.2 Talent Recruitment and Retention

The Company's starting salary for both men and women meets the minimum wage stipulated by the Labor Standards Act. However, salary considerations also include years of service and job performance, resulting in differences in salary ratios by job category. The salary ratios for 2023 are shown in the following table:

Billion				
Salary ratio by job category	Number of People		Salary Ratio	
	Female	Male	Female	Male
Managerial Position	7	12	1	0.97
Non-Managerial Position	38	28	1	1.51
Direct labor	10	0	1	0.00
Indirect labor	35	40	1	1.32

- Notes:
- The female-to-male compensation ratio (annual salary ratio) is calculated as: average annual salary of males in the category / average annual salary of females in the same category.
 - The reason for the higher male salary ratio is primarily due to longer average tenure, resulting in higher bonuses and profit-sharing.
 - Employees with less than one year of service are excluded from the compensation ratio calculation.

NoonSpare				
Salary ratio by job category	Number of People		Salary Ratio	
	Female	Male	Female	Male
Managerial Position	2	11	1	1.96
Non-Managerial Position	7	11	1	1.29
Direct labor	1	4	-	1
Indirect labor	8	18	1	1.38

- Notes:
- The female-to-male compensation ratio (annual salary ratio) is calculated as: average annual salary of males in the category / average annual salary of females in the same category.
 - The reason for the higher male salary ratio is primarily due to longer average tenure, resulting in higher bonuses and profit-sharing.
 - Employees with less than one year of service are excluded from the compensation ratio calculation. Since there was only one female direct labor employee in 2024 and her tenure was less than one year, she was excluded from the calculation.

Billion EVC				
Salary ratio by job category	Number of People		Salary Ratio	
	Female	Male	Female	Male
Managerial Position	1	2	1	1.41
Non-Managerial Position	3	2	1	1.72
Direct labor	0	0	-	-
Indirect labor	4	4	1	1.51

- Notes:
- The female-to-male compensation ratio (annual salary ratio) is calculated as: average annual salary of males in the category / average annual salary of females in the same category.
 - The reason for the higher male salary ratio is primarily due to longer average tenure, resulting in higher bonuses and profit-sharing.
 - Employees with less than one year of service are excluded from the compensation ratio calculation.

Billion Watts				
Salary ratio by job category	Number of People		Salary Ratio	
	Female	Male	Female	Male
Managerial Position	3	9	1	0.89
Non-Managerial Position	30	51	1	1.17
Direct labor	0	0	-	-
Indirect labor	33	60	1	1.10

- Notes:
- The female-to-male compensation ratio (annual salary ratio) is calculated as: average annual salary of males in the category / average annual salary of females in the same category.
 - The reason for the higher male salary ratio is primarily due to longer average tenure, resulting in higher bonuses and profit-sharing.
 - Employees with less than one year of service are excluded from the compensation ratio calculation.

BEC Taiwan				
Salary ratio by job category	Number of People		Salary Ratio	
	Female	Male	Female	Male
Managerial Position	1	6	-	-
Non-Managerial Position	8	10	-	-
Direct labor	0	0	-	-
Indirect labor	9	16	-	-

- Notes:
- The female-to-male compensation ratio (annual salary ratio) is calculated as: average annual salary of males in the category / average annual salary of females in the same category.
 - The reason for the higher male salary ratio is primarily due to longer average tenure, resulting in higher bonuses and profit-sharing.
 - Employees with less than one year of service are excluded from the compensation ratio calculation.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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Country/Region	Ratio of standard entry level wage for male employees to local minimum wage	Ratio of standard entry level wage for female employees to local minimum wage
Billion	1.31 times	1 times
Billion Watts	1.31 times	1.13 times
Billion EVC	2.35 times	1.52 times
NoonSpare	1.13 times	1.13 times
BEC Taiwan	1.53 times	1.4 times

Note:

- Employees' basic salaries do not differ due to gender, race, religion, political stance, marital status, union membership, etc., but may differ considering factors such as education, work experience, and job performance.
- The local minimum wage is the 2024 government-announced basic wage of NT\$27,470 per month by the Ministry of Labor.
- The reason for the higher ratio of male salaries compared to local wages is because males have higher technical levels, longer years of service, and deeper experience.

Country/Region	The ratio of the annual total compensation of the company's highest-paid individual to the median of the annual total compensation of all employees (excluding the highest-paid individual)	The ratio of the percentage increase in annual total compensation for the company's highest-paid individual to the percentage increase in the median of the annual total compensation of all employees (excluding the highest-paid individual)
Billion	4.55	5.01
Billion Watts	4.41	1.28
Billion EVC	2.11	-0.41

Note:

- Median pay ratio calculation: The ratio of the annual total compensation of the highest-paid individual to the median of the annual total compensation of all other employees (excluding the highest-paid individual).
- Pay increase ratio calculation: The ratio of the percentage increase in the annual total compensation of the highest-paid individual to the median percentage increase in the average annual total compensation of all other employees (excluding the highest-paid individual).
- Billion EVC designs its compensation structure based on job responsibilities, performance, and market salary benchmarks. In 2024, the ratio of the annual total compensation of the highest-paid individual to the median of all other employees' annual total compensation was -0.41:1. Some bonus components have not yet been disbursed and are reasonably estimated based on the company's incentive system and historical payout levels. This ratio reflects the differentiation in responsibilities and compensation mechanisms for management roles. The company remains committed to enhancing fairness and transparency in its compensation practices.
- NoonSpare was newly included in the reporting scope in 2024; therefore, no prior-year data is available.
- BEC Taiwan was established in August 2024 and does not yet have full-year compensation data.

In accordance with regulatory requirements, the Company discloses salary information for full-time employees not holding managerial positions. Compared to 2023, both the average salary and median salary for 2024 increased. This was primarily due to some employees receiving lump-sum payments of pension benefits under the old system, which contributed to the rise in the average salary figure. The salary data for full-time non-managerial employees in 2024 is presented in the table below.

Item		Taiwan Region
Full-time employees not holding managerial positions (headcount)		89
Total annual salary of full-time non-managerial employees (NTD thousands)		77,253
Annual salary of full-time non-managerial employees (NTD thousands)	Average	868
	Median	882

Notes:

- This statistical disclosure for the Taiwan region only covers publicly listed companies, and is consistent with disclosures made to the Taiwan Market Observation Post System (MOPS).
- The number of full-time employees represents the annual average headcount.



CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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Billion Group adopts recruitment principles based on academic qualifications, integrity, competence, experience, and suitability for the position. As of the end of 2024, the Company recorded 26 new hires (14 males and 12 females), accounting for 30.59% of total employees, with a turnover rate of 74.12%. Billion Watts had 42 new hires (28 males and 14 females), representing 45.16% of its total workforce and a turnover rate of 32.26%. Billion EVC hired 3 new employees (1 male and 2 females), accounting for 37.5% of its employees, with a turnover rate of 18.75%. NoonSpare reported 19 new hires (11 males and 8 females), representing 61.29% of its staff and a turnover rate of 41.94%. BEC Taiwan had 26 new hires (16 males and 10 females), equivalent to 104.00% of its total workforce, and a turnover rate of 4%. Compared to 2023, Billion Group's employee turnover rate increased in 2024, mainly due to internal transfers to BEC Taiwan. A detailed summary of new hires and employee turnover over the past three years is provided in the table below.

Billion New Hires												
Year	2022				2023				2024			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)
Under 30 year-old	0	0	6	5.00	3	2.36	4	3.15	3	3.53	3	3.53
30-50 year-old	14	11.67	2	1.67	8	6.3	5	3.94	11	12.94	9	10.59
Over 51 year-old	4	3.33	2	1.67	0	0	1	0.79	1	1.18	0	0
Total New Hires	28				21				26			
Total Employees	120				127				85			
Total new hire rate (%)	23.33				16.54				30.59			

Description:

1. The number of new hires does not exclude those who resigned during the year.
2. New hire rate by age group and gender = Number of new male (or female) hires in the age group during the year / Total number of employees at operational sites at year-end.
3. Overall new hire rate = Total number of new hires during the year / Total number of employees at operational sites at year-end.

Billion Departures												
Year	2022				2023				2024			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)
Under 30 year-old	1	0.83	5	4.17	0	0	2	1.57	4	4.71	3	3.53
30-50 year-old	11	9.17	8	6.67	4	3.15	3	2.36	17	20	21	24.71
Over 51 year-old	3	2.50	3	2.50	3	2.36	2	1.57	3	3.53	15	17.65
Total New Hires	31				14				63			
Total Employees	120				127				85			
Total new hire rate (%)	25.83				11.02				74.12			

Description:

1. The definition of employee turnover includes all employees who have left the company, such as those who resigned voluntarily, were laid off, or retired.
2. Turnover rate by age group and gender = Number of male (or female) employees in that age group who left during the year / Total number of employees at operational sites at year-end.
3. Overall turnover rate = Total number of employees who left during the year / Total number of employees at operational sites at year-end.
4. The higher overall turnover rate of Billion Group in 2024 was mainly due to internal transfers of employees to BEC Taiwan.

Billion Watts New Hires												
Year	2022				2023				2024			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)
Under 30 year-old	2	3.77	3	5.66	7	9.33	9	12.00	8	8.60	5	5.38
30-50 year-old	17	32.08	11	20.75	15	20.00	9	12.00	19	20.43	9	9.68
Over 51 year-old	2	3.77	0	0	2	2.67	0	0	1	1.08	0	0
Total New Hires	35				42				42			
Total Employees	53				75				93			
Total new hire rate (%)	66.04				56.00				45.16			

Description:

1. The number of new hires does not exclude those who resigned during the year.
2. New hire rate by age group and gender = Number of new male (or female) hires in the age group during the year / Total number of employees at operational sites at year-end.
3. Overall new hire rate = Total number of new hires during the year / Total number of employees at operational sites at year-end.

Billion Watts Departures												
Year	2022				2023				2024			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)	Number of People	Turnover rates(%)
Under 30 year-old	0	0	0	0	3	4.00	3	4.00	3	3.23	3	3.23
30-50 year-old	8	15.1	6	11.32	9	12.00	6	8.00	13	13.98	8	8.60
Over 51 year-old	0	0	0	0	0	0	0	0	2	2.15	1	1.08
Total New Hires	14				21				30			
Total Employees	53				75				93			
Total new hire rate (%)	26.42				28.00				32.26			

Description:

1. The definition of employee turnover includes all employees who have left the company, such as those who resigned voluntarily, were laid off, or retired.
2. Turnover rate by age group and gender = Number of male (or female) employees in that age group who left during the year / Total number of employees at operational sites at year-end.
3. Overall turnover rate = Total number of employees who left during the year / Total number of employees at operational sites at year-end.

Billion EVC New Hires								
Year	2023				2024			
Gender	Male		Female		Male		Female	
Age/Item	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)	Number of People	New hire rate (%)
Under 30 year-old	0	0	1	7.69	0	0	4	25
30-50 year-old	3	23.08	1	7.69	2	13	0	0
Over 51 year-old	0	0	0	0	0	0	0	0
Total New Hires	5				6			
Total Employees	13				16			
Total new hire rate (%)	38.46				37.5			

Description:

- The number of new hires does not exclude those who left the company during the year.
- New hire rate by age group and gender = Number of male (or female) new hires in the age group during the year / Total number of employees at operational sites at year-end.
- Overall new hire rate = Total number of new hires during the year / Total number of employees at operational sites at year-end.
- Billion EVC was newly included in the reporting scope in 2023; therefore, no data is available for 2021 and 2022.

NoonSpare New Hires				
Year	2024			
Gender	Male		Female	
Age/Item	Number of People	New hire rate (%)	Number of People	New hire rate (%)
Under 30 year-old	3	10	0	0
30-50 year-old	8	26.67	8	26.67
Over 51 year-old	0	0	0	0
Total New Hires	19			
Total Employees	31			
Total new hire rate (%)	61.29			

Description:

- The number of new hires does not exclude those who resigned during the year.
- New hire rate by age group and gender = Number of male (or female) new hires in the age group during the year / Total number of employees at operational sites at year-end.
- Overall new hire rate = Total number of new hires during the year / Total number of employees at operational sites at year-end.
- NoonSpare was newly included in the reporting scope in 2024; therefore, no data is available for 2021, 2022, or 2023.

Billion EVC Departures								
Year	2023				2024			
Gender	Male		Female		Male		Female	
Age/Item	Number of People	Turnover rate (%)	Number of People	Turnover rate (%)	Number of People	Turnover rate (%)	Number of People	Turnover rate (%)
Under 30 year-old	0	0	0	0	0	0	0	0
30-50 year-old	1	7.69	1	7.69	0	0	0	0
Over 51 year-old	0	0	0	0	2	20	1	10
Total New Hires	2				3			
Total Employees	13				16			
Total new hire rate (%)	15.38				18.75			

Description:

- The definition of employee turnover includes voluntary resignations, dismissals, retirements, and all cases where individuals are no longer employed by the company.
- Turnover rate by age group and gender = Number of male (or female) employees in the age group who left during the year / Total number of employees at operational sites at year-end.
- Overall turnover rate = Total number of employees who left during the year / Total number of employees at operational sites at year-end.
- Billion EVC was newly included in the reporting scope in 2023; therefore, no data is available for 2021 and 2022.

NoonSpare Departures				
Year	2024			
Gender	Male		Female	
Age/Item	Number of People	New hire rate (%)	Number of People	New hire rate (%)
Under 30 year-old	1	0	1	0
30-50 year-old	8	7.69	3	7.69
Over 51 year-old	0	0	0	0
Total New Hires	13			
Total Employees	31			
Total new hire rate (%)	41.94			

Description:

- The definition of employee turnover includes voluntary resignations, terminations, retirements, and any situation where an individual is no longer employed by the company.
- Turnover rate by age group and gender = Number of male (or female) employees in the age group who left during the year / Total number of employees at operational sites at year-end.
- Overall turnover rate = Total number of employees who left during the year / Total number of employees at operational sites at year-end.
- NoonSpare was newly included in the reporting scope in 2024; therefore, no data is available for 2021, 2022, or 2023.

BEC Taiwan New Hires				
Year	2024			
Gender	Male		Female	
Age/Item	Number of People	New hire rate (%)	Number of People	New hire rate (%)
Under 30 year-old	1	4	0	0
30-50 year-old	7	28	8	32
Over 51 year-old	8	32	2	8
Total New Hires	26			
Total Employees	25			
Total new hire rate (%)	104			

- Description:
- The number of new hires does not exclude those who left the company during the year.
 - New hire rate by age group and gender = Number of male (or female) new hires in the age group during the year / Total number of employees at operational sites at year-end.
 - Overall new hire rate = Total number of new hires during the year / Total number of employees at operational sites at year-end.
 - BEC Taiwan was newly included in the reporting scope in 2024; therefore, no data is available for 2021, 2022, and 2023.

BEC Taiwan Departures				
Year	2024			
Gender	Male		Female	
Age/Item	Number of People	New hire rate (%)	Number of People	New hire rate (%)
Under 30 year-old	0	0	0	0
30-50 year-old	0	0	1	4
Over 51 year-old	0	0	0	0
Total New Hires	1			
Total Employees	25			
Total new hire rate (%)	4			

- Description:
- The definition of employee turnover includes voluntary resignations, terminations, retirements, and all other cases where individuals are no longer employed by the company.
 - Turnover rate by age group and gender = Number of male (or female) employees in the age group who left during the year / Total number of employees at operational sites at year-end.
 - Overall turnover rate = Total number of employees who left during the year / Total number of employees at operational sites at year-end.
 - BEC Taiwan was newly included in the reporting scope in 2024; therefore, no data is available for 2021, 2022, or 2023

5.2 Talent Cultivation and Development

Education and Training

Billion Group places strong emphasis on talent development and growing together with its employees. To strengthen employee competencies and meet the company's development needs, the Group has established a Human Resource Management Procedure, through which training programs are planned based on job categories and practical requirements, balancing operational efficiency and individual career development.

The training framework covers new employee onboarding, professional development, leadership training, job rotation training, and strategic programs. It targets all employees and management levels, with diverse formats including in-person sessions, online learning, and external seminars. Post-training assessments, feedback collection, and effectiveness evaluations are conducted based on the nature of each course, and employees are encouraged to pursue relevant certifications.

At the end of each year, all departments submit training plans for the following year, which are then consolidated and approved by the General Manager. Aside from mandatory courses, all other training programs are flexibly designed based on operational practices and strategic needs to ensure that employee development progresses in step with the company’ s growth.

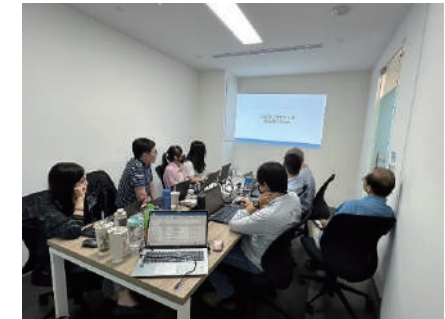
Billion									
Items/Type		Managerial Position		Non-Managerial Position		Direct labor		Indirect labor	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total Participants	Person	12	7	27	39	0	10	40	35
Total Training Hours	Hours	343.5	358	659	650	0	119	1002.5	889
Total Average Training Hours	Hours-persons	18.13	51.14	24.41	16.67	0	11.9	25.06	25.40
Training Overheads	NT\$	44,660	28,000	14,060	62,200	0	0	58,720	90,200

BEC Taiwan									
Items/Type		Managerial Position		Non-Managerial Position		Direct labor		Indirect labor	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total Participants	Person	6	1	10	8	0	0	16	9
Total Training Hours	Hours	95	28.5	71.5	120	0	0	166.5	148.5
Total Average Training Hours	Hours-persons	6.5	6.5	7.15	15	0	0	10.41	16.5
Training Overheads	NT\$	0	0	5,000	0	0	0	5,000	0

Billion Watts									
Items/Type		Managerial Position		Non-Managerial Position		Direct labor		Indirect labor	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total Participants	Person	9	3	51	30	0	0	60	33
Total Training Hours	Hours	83.5	98.5	632.5	259	0	0	716	357.5
Total Average Training Hours	Hours-persons	9.28	32.83	12.40	8.63	0	0	11.93	10.83
Training Overheads	NT\$	12,690	74,190	152,676	32,500	0	0	165,366	106,690



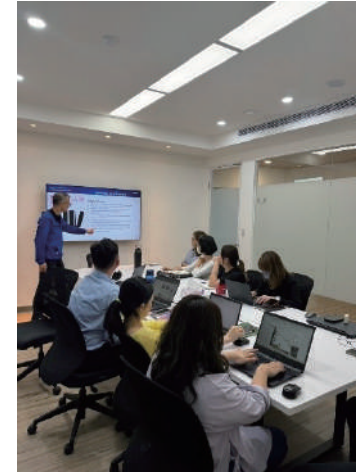
ESG Training



TCFD Training

Billion EVC									
Items/Type		Managerial Position		Non-Managerial Position		Direct labor		Indirect labor	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total Participants	Person	3	1	5	7	0	0	8	8
Total Training Hours	Hours	19.5	6.5	32.5	45.5	0	0	52	52
Total Average Training Hours	Hours-persons	6.5	6.5	6.5	6.5	0	0	6.5	6.5
Training Overheads	NT\$	0	0	0	0	0	0	0	0

NoonSpare									
Items/Type		Managerial Position		Non-Managerial Position		Direct labor		Indirect labor	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total Participants	Person	11	2	11	7	8	2	14	7
Total Training Hours	Hours	165	24.5	211	67	78.5	18	297.5	60.5
Total Average Training Hours	Hours-persons	15	12.3	19.2	9.6	9.8	9	21.3	8.6
Training Overheads	NT\$	3,220	0	5,612	0	0	0	0	0



Industrial-Grade Product Knowledge Training



Strategic Alignment Workshop

Performance Management System

Billion Group adopts a transparent and open performance evaluation system that allows employees to engage in regular performance reviews with their immediate supervisors. Through these assessments, the company not only evaluates performance but also gains insight into employees’ skills and developmental needs. By cultivating employees’ technical competencies, the company enhances its competitiveness and overall organizational efficiency. All employees—regardless of gender, age, employment type (permanent, dispatched, or temporary)—are treated equally and fairly. Promotion and reward mechanisms are used to encourage employees to grow with the company and share in its operational achievements.

Billion Group conducts performance evaluations twice a year, excluding the Chairman and employees who have not completed the three-month probation period. However, direct labor employees undergo monthly evaluations. The performance evaluation participation rates for each company in 2024 are shown in the table below.

Billion				
Item	Managerial Position	Non-Managerial Position	Direct labor	Indirect labor
Proportion of male employees undergoing performance evaluation	100%	100%	100%	100%
Proportion of female employees undergoing performance evaluation	100%	100%	100%	100%

Note: Chairman and those still in their probationary period (less than three months) are not included.

Billion EVC				
Item	Managerial Position	Non-Managerial Position	Direct labor	Indirect labor
Proportion of male employees undergoing performance evaluation	100%	100%	0%	100%
Proportion of female employees undergoing performance evaluation	100%	100%	0%	100%

Note:

1. Billion EVC does not have any direct labor employees.
2. Chairman and those still in their probationary period (less than three months) are not included.

Billion Watts				
Item	Managerial Position	Non-Managerial Position	Direct labor	Indirect labor
Proportion of male employees undergoing performance evaluation	100%	100%	0%	100%
Proportion of female employees undergoing performance evaluation	100%	100%	0%	100%

Note:

1. Billion Watts does not have any direct labor employees.
2. Chairman and those still in their probationary period (less than three months) are not included.

NoonSpare				
Item	Managerial Position	Non-Managerial Position	Direct labor	Indirect labor
Proportion of male employees undergoing performance evaluation	100%	100%	100%	100%
Proportion of female employees undergoing performance evaluation	100%	100%	-	100%

Note:

1. NoonSpare does not have any female direct labor employees.
2. Chairman and those still in their probationary period (less than three months) are not included.

BEC Taiwan				
Item	Managerial Position	Non-Managerial Position	Direct labor	Indirect labor
Proportion of male employees undergoing performance evaluation	100%	100%	100%	100%
Proportion of female employees undergoing performance evaluation	100%	100%	-	100%

Note:

1. BEC Taiwan does not have any direct labor employees.
2. Chairman and those still in their probationary period (less than three months) are not included.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

5.3 Rights, Benefits and Welfare

5.3.1 Employee Retirement System and Implementation

Billion Group handles employee retirement matters in accordance with the Labor Standards Act and the Labor Pension Act. In line with the Labor Standards Act, the Company allocates 6% of the total monthly salary to a retirement reserve fund, which is supervised by the Labor Retirement Reserve Supervisory Committee. As of now, the balance of the retirement reserve account is NT\$16,222,387. Currently, four employees, representing 4.7% of the total workforce, have chosen to remain under the old pension system. In accordance with the Labor Pension Act, the Company also contributes 6% of each employee's monthly salary to their individual pension accounts established with the Bureau of Labor Insurance under the Ministry of Labor.

5.3.2 Parental Leave

To promote work-life balance and a supportive environment for employees' physical and mental well-being—as well as to provide a secure foundation for childbirth—Billion Group implements a parental leave without pay policy in accordance with the Labor Standards Act and the Act of Gender Equality in Employment. This policy allows employees to better balance their professional and family responsibilities. Upon the expiration of parental leave, employees are reinstated to their original positions and departments, with active support provided to help them reintegrate into the workplace. Parental leave data for each company over the past three years is shown in the table below.

Billion									
Year	2022			2023			2024		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave A	1	1	2	4	0	4	1	0	1
Number of employees who actually applied for parental leave in the current year B	0	1	1	0	0	0	0	0	0
Number of employees expected to return to work after parental leave in the current year C	0	1	1	0	0	0	0	0	0
Number of employees who actually returned after parental leave in the current year D	0	0	0	0	0	0	0	0	0
Number of employees who actually returned to work after parental leave in the previous year E	0	0	0	0	0	0	0	0	0
Number of employees who continued to work for one year after returning from parental leave in the previous year E	0	0	0	0	0	0	0	0	0
Return-to-work rate after parental leave in the current year % (D/C)	0	0	0	0	0	0	0	0	0
Retention rate after parental leave in the current year % (F/E)	0	0	0	0	0	0	0	0	0

Note:

1. The number of employees eligible to apply for parental leave without pay (A) refers to those who applied for maternity or paternity leave between 2021 and 2024.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

BEC Taiwan			
Year	2024		
Gender/Total	Male	Female	Total
Number of employees eligible for parental leave A	1	0	1
Number of employees who actually applied for parental leave in the current year B	0	0	0
Number of employees expected to return to work after parental leave in the current year C	0	0	0
Number of employees who actually returned after parental leave in the current year D	0	0	0
Number of employees who actually returned to work after parental leave in the previous year E	0	0	0
Number of employees who continued to work for one year after returning from parental leave in the previous year E	0	0	0
Return-to-work rate after parental leave in the current year % (D/C)	0	0	0
Retention rate after parental leave in the current year % (F/E)	0	0	0

Note:

1. The number of employees eligible to apply for parental leave without pay (A) refers to those who applied for maternity or paternity leave between 2021 and 2024.
2. BEC Taiwan was established in August 2024; therefore, no data is available for 2023.



Billion EVC									
Year	2022			2023			2024		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave A	0	0	0	0	0	0	0	0	0
Number of employees who actually applied for parental leave in the current year B	0	0	0	0	0	0	0	0	0
Number of employees expected to return to work after parental leave in the current year C	0	0	0	0	0	0	0	0	0
Number of employees who actually returned after parental leave in the current year D	0	0	0	0	0	0	0	0	0
Number of employees who actually returned to work after parental leave in the previous year E	0	0	0	0	0	0	0	0	0
Number of employees who continued to work for one year after returning from parental leave in the previous year E	0	0	0	0	0	0	0	0	0
Return-to-work rate after parental leave in the current year % (D/C)	0	0	0	0	0	0	0	0	0
Retention rate after parental leave in the current year % (F/E)	0	0	0	0	0	0	0	0	0

Note:

1. The number of employees eligible to apply for parental leave without pay (A) refers to those who applied for maternity or paternity leave between 2021 and 2024.

Billion Watts									
Year	2022			2023			2024		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave A	1	0	1	0	0	0	1	2	3
Number of employees who actually applied for parental leave in the current year B	0	0	0	0	0	0	0	1	1
Number of employees expected to return to work after parental leave in the current year C	0	0	0	0	0	0	0	1	1
Number of employees who actually returned after parental leave in the current year D	0	0	0	0	0	0	0	1	1
Number of employees who actually returned to work after parental leave in the previous year E	0	0	0	0	0	0	0	0	0
Number of employees who continued to work for one year after returning from parental leave in the previous year E	0	0	0	0	0	0	0	0	0
Return-to-work rate after parental leave in the current year % (D/C)	0	0	0	0	0	0	0	100	100
Retention rate after parental leave in the current year % (F/E)	0	0	0	0	0	0	0	0	0

Note:

1. The number of employees eligible to apply for parental leave without pay (A) refers to those who applied for maternity or paternity leave between 2021 and 2024.

NoonSpare									
Year	2022			2023			2024		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave A	0	1	1	0	1	1	1	1	2
Number of employees who actually applied for parental leave in the current year B	0	0	0	0	0	0	0	1	1
Number of employees expected to return to work after parental leave in the current year C	0	0	0	0	0	0	0	0	0
Number of employees who actually returned after parental leave in the current year D	0	0	0	0	0	0	0	0	0
Number of employees who actually returned to work after parental leave in the previous year E	0	0	0	0	0	0	0	0	0
Number of employees who continued to work for one year after returning from parental leave in the previous year E	0	0	0	0	0	0	0	0	0
Return-to-work rate after parental leave in the current year % (D/C)	0	0	0	0	0	0	0	0	0
Retention rate after parental leave in the current year % (F/E)	0	0	0	0	0	0	0	0	0

Note:

1. The number of employees eligible to apply for parental leave without pay (A) refers to those who applied for maternity or paternity leave between 2021 and 2024.

5.3.3 Comprehensive Employee Benefits

Billion Group provides a quality workplace and comprehensive employee benefits to foster well-being and work-life balance. A wide range of benefits is offered to employees, including flexible working hours, annual leave days exceeding the requirements of the Labor Standards Act, year-end bonuses, holiday gift allowances, education scholarships for employees' children, childcare subsidies, group insurance, travel allowances, and subsidies for club activities. These benefits are designed to help employees relax and relieve stress while maintaining balance between work and life. The Company also provides free annual health check-ups and arranges regular consultations with occupational health nurses to care for and protect employee well-being.

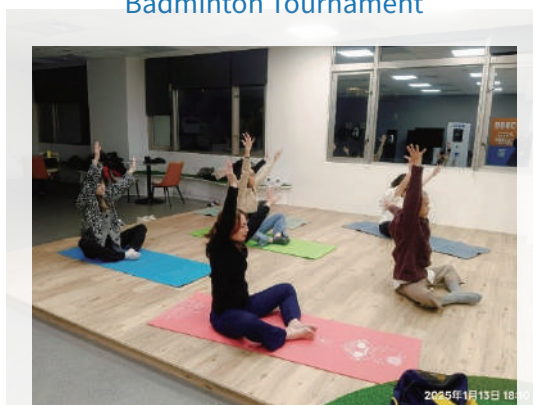
The Company's headquarters and the majority of its work locations comply with national labor laws and international human rights conventions, reflecting its strong commitment to safeguarding employee rights. This protection applies to 100% of the workforce. Although the Company currently does not have a labor union or collective bargaining agreement, regular labor-management meetings are held. These meetings follow an agenda-based discussion format, and decisions are made by majority vote after thorough communication. This process fosters positive labor relations and creates mutually beneficial outcomes for both labor and management. In 2024, Billion Group held four labor-management meetings with a total of 56 participants. The meetings were led by the Manager of the Administration Division, serving as the highest-level representative in labor communication.



Badminton Tournament



Employee Trip



Yoga Club



Year-End Gift Box

5.4 Health and Safety Protection

Billion Group has established relevant procedures in accordance with the Occupational Safety and Health Administration’ s (OSHA) Risk Assessment Technical Guidelines to carry out the identification, assessment, and control of workplace and operational hazards. Employees and supplier partners are considered vital assets in the Group’ s sustainable development. Therefore, all operational activities and service processes are not only required to comply with occupational safety and health laws and related regulations, but are also subject to continuous improvement to eliminate unsafe behaviors, environments, or equipment. Preventive measures are adopted to avoid occupational injuries, and the safety and health of both employees and partners are safeguarded. The occupational safety and health (OSH) management framework applies to all employees across the Group’ s headquarters and subsidiaries.

At the Yilan Plant, where the number of employees is fewer than 30, a Category A OSH Officer has been appointed in accordance with regulations. The officer is responsible for identifying and managing workplace hazards, enhancing site safety, and promoting autonomous safety management with the goal of reducing occupational incidents.

At Billion Watts, employees are regarded as key assets in the company’ s growth. Weekly energy storage meetings are used to promote the importance of OSH awareness and ensure safety across all project sites. The company’ s operational activities and service delivery processes follow all relevant OSH laws and standards and are continuously improved to eliminate unsafe conditions or behaviors. Input from employees is incorporated into the safety and health management policy to further protect their well-being.

At Billion EVC, employee safety is also considered a top priority. OSH is promoted through irregular briefings, reinforcing that all operational and service procedures must comply with safety regulations and be continuously improved. Feedback is collected and incorporated into the safety management policy to ensure workplace safety.

At NoonSpare, with more than 30 employees, a Fire Prevention Manager has been appointed in accordance with legal requirements. The manager must complete a two-day certified training program and pass an exam to obtain official certification. Responsibilities include strengthening employees’ emergency response and evacuation readiness in public spaces, with fire drills held every six months to practice escape routes in real scenarios.

Billion Group's occupational safety-related regulations apply to all employees, as follows:

- Set up necessary prevention equipment or measures in accordance with the law to prevent employees from occupational hazards.
- Conduct internal occupational safety and health education and training for at least three hours every three years in accordance with the law, strengthening related advocacy.
- Set up occupational safety and health signs in accordance with the law.
- Provide appropriate lighting or illumination for workplace entrances and exits, stairs, passages, emergency exits, safety ladders, etc.
- Set up first aid medicines and equipment.
- For hazardous chemicals, provide labeling, prepare lists, and display safety data sheets, and take necessary general knowledge measures.
- Occupational safety personnel regularly review the safety data sheets of various hazardous chemicals, and the procurement unit or user unit obtains new data from suppliers before the expiration date.
- Regularly outsource work environment monitoring every six months and announce the monitoring results.
- The Company arranges general health check-ups and special health check-ups annually, with contracted medical personnel handling health management, occupational disease prevention, and health promotion for worker health protection.
- Billion headquarters provides special health check-ups for employees working with XRF testing (ionizing radiation risk).
- Implement legal requirements to ensure the work safety and physical and mental health of female workers.
- Regularly promote occupational safety and health regulations, conduct safety and health education and training, etc., with employee participation, consultation, and communication.
- Arrange self-defense fire drills (disaster emergency response and evacuation courses in public places) every six months.
- Formulate safety and health work rules and report to the Labor Standards Inspection Office New Taipei City Government for reference.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	---	-------------------------------------	---	---------------------------------------	------------------------------------	----------

When there is an immediate danger in the workplace, supervisors should immediately order work to stop and have employees evacuate to a safe place. In addition, when employees find an immediate danger while performing their duties, they may stop work and evacuate to a safe place without endangering the safety of other workers, and immediately report to their supervisors. Use hazard identification risk assessment forms to conduct work hazard identification and risk assessment. Employees who exercise the right to evacuate and leave work temporarily without false reports will not be subject to unfavorable treatment, to protect employees' right to evacuate.

The company should keep the identity of whistleblowers confidential and not dismiss, remove from office, demote, reduce salary, or take other unfavorable actions against whistleblowers due to reported cases, which would damage the rights and interests that whistleblowers should enjoy. Employees who exercise the right to evacuate and leave work temporarily without false reports will not be subject to unfavorable treatment, to protect employees' right to evacuate.

Reporting Channels	
Workplace consultation and complaint hotline	Contact Person Annie Tsai 02-29145665 #128
Dedicated complaint email	annietsai@billion.com

Billion Group values the safety and health of every employee and enhances employees' risk awareness and safety knowledge through the implementation of risk assessment, hazard identification, safety and health education advocacy, and pre-work meetings. It follows regulatory content, aiming to achieve zero hazards. Random inspections of various process execution results are conducted at each operating site to ensure compliance with occupational safety and health management requirements. When dangers occur, appropriate handling measures are taken, followed by a review of occupational safety and health for continuous improvement.

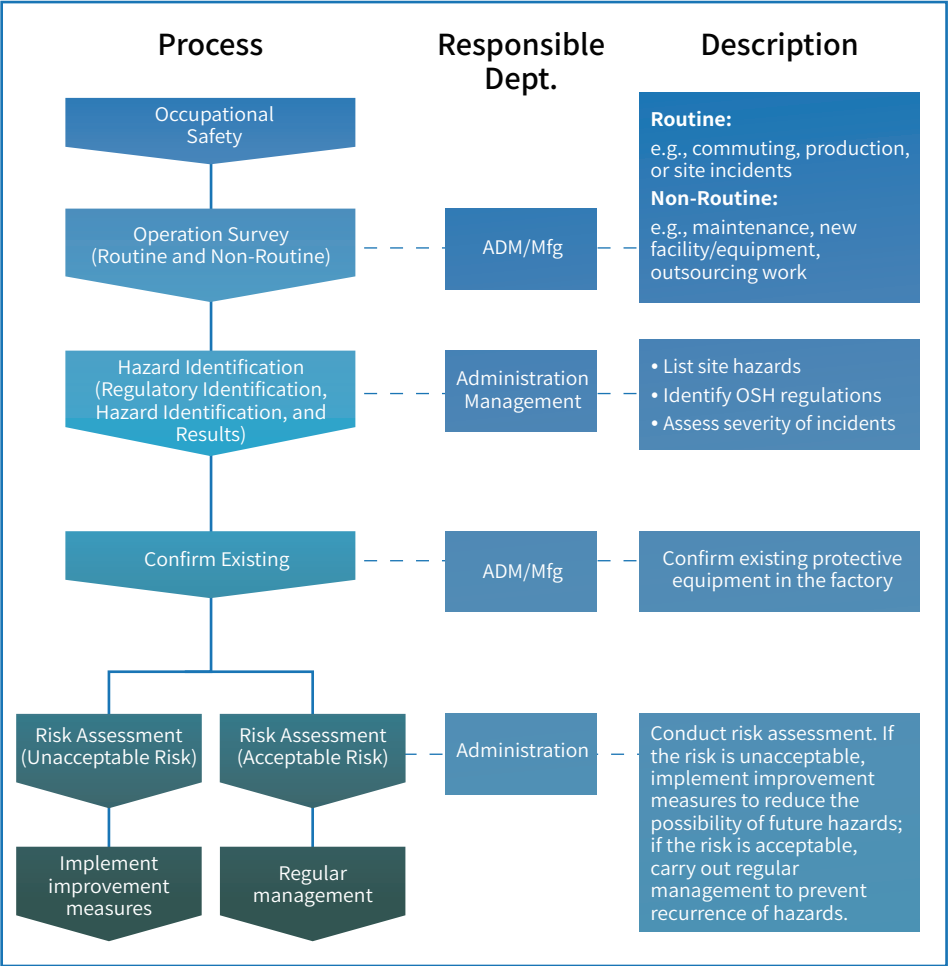
Based on the level of risk, high-risk operations or hazards are prioritized for handling, and improvement deadlines and responsible personnel are set. Appropriate control measures are taken to reduce or eliminate risks. The selection of control measures should follow these principles:

- Eliminate hazards from the source whenever possible, such as changing operating methods, replacing with safer substances or equipment, etc.
- If hazards cannot be eliminated, reduce the probability or degree of impact of hazards, such as installing protective devices, strengthening management controls, providing personal protective equipment, etc.
- Adopt multiple control measures to enhance control effectiveness.

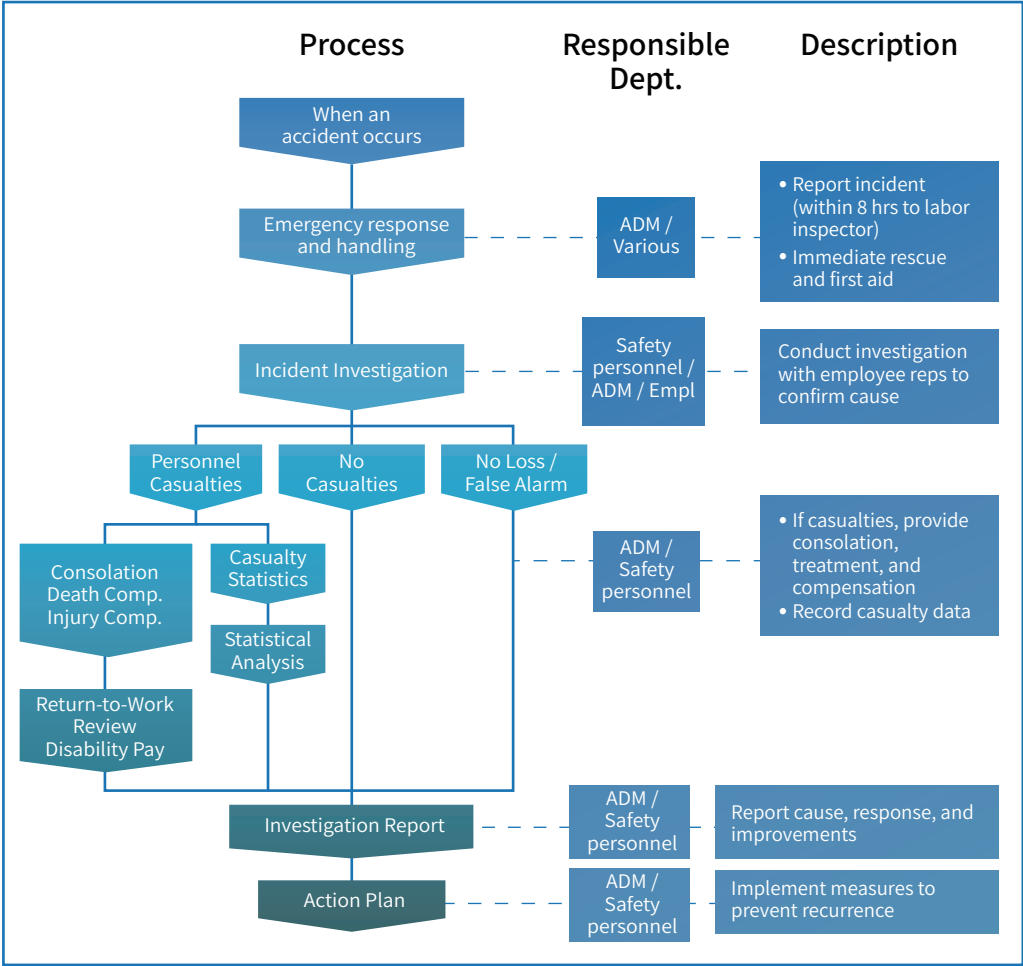
After implementing control measures, reassess the risk level and record it in the risk assessment form. Continuously monitor and inspect the implementation of control measures, and regularly review the results of risk assessments to ensure their effectiveness.

Following hazard identification, the primary risk factor identified was ionizing radiation from XRF (X-ray fluorescence) equipment. In response to this risk, the Company has provided the necessary protective equipment, established standard operating procedures, and implemented relevant training to ensure employees can effectively avoid radiation exposure during operations, thereby safeguarding their health and safety. In addition, specific ionizing radiation tests have been added to the employee health examination program to further strengthen the Company's health management system.

Hazard Identification and Risk Assessment Process Diagram



Incident Investigation Process Diagram



Due to the nature of operations and limited headcount, Billion EVC and Billion Watts were initially assessed for hazard risks in 2024. The assessment confirmed that Billion EVC, as a distribution and sales agent, does not engage in work involving hazardous risks; therefore, no further hazard identification is required. Additionally, Billion Watts completed a preliminary hazard identification in 2024 and will conduct a more in-depth hazard identification and risk assessment in 2025 for units with higher risk exposure to ensure operational safety and effective risk management.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Employee Health Check-ups

To ensure a healthy and safe working environment, Billion Group has partnered with designated health service providers to improve workplace conditions based on the characteristics of each operational site. General health checkups are conducted annually for employees engaged in routine work, while special medical examinations are provided according to the nature of specific job functions. For employees with abnormal health indicators, the company offers health consultations and follow-up management to safeguard their well-being and ensure they can work with peace of mind.

Employee health is regarded as the company's most valuable asset. In addition to regular health checkups, all employees are required to receive training related to occupational safety and health. Health care services are also available, and special examination items—such as ionizing radiation exposure tests—are provided during checkups based on job types.

In 2024, a total of 191 out of 219 employees across Billion Group, BEC Taiwan, Billion EVC, and Billion Watts participated in health examinations, achieving an overall coverage rate of 87%. All employees required by the Occupational Safety and Health Act to undergo medical examinations have fully complied. The company's annual health examination program continues to exceed regulatory requirements in terms of both scope and execution.

Employee Health Check-up Numbers and Expenses Statistical Table					
General Health Check-up ^{Note1}					
Examination Items	Height, weight, blood pressure, waist circumference, vision, color blindness test, hearing test, routine urine test, routine blood test, blood cell classification count, liver function test, gallbladder function, kidney function test, diabetes test, blood lipid test, heart function test, chest X-ray, physical examination, ultrasound examination, bone density test.				
	Billion Headquarters	Yilan Plant	BEC Taiwan	Billion EVC	Billion Watts
Number of people examined	67	5	25	12	82
Examination expenses (NT\$)	33,500	2,500	12,500	6,000	41,000
Special Health Check-up ^{Note2}					
Examination Items	Ionizing radiation examination				
Number of people examined	1				
Examination expenses (NT\$)	0				

Note:

1. Not all employees underwent health check-ups due to personal reasons and failure to complete the check-up within the required time, voluntarily giving up this right.
2. The special health check-up expenses were covered by the Labor Insurance Bureau according to the relevant items listed in the National Health Insurance Medical Fee Payment Standards, as the application for labor insurance occupational disease prevention health check-up was approved.

To reduce health hazards and lower safety risks, the Company has relevant protective measures:

- For hazardous chemicals, provide labeling, prepare lists, and display safety data sheets, and take necessary general knowledge measures
- Occupational safety personnel regularly review the safety data sheets of various hazardous chemicals, and the procurement unit or user unit obtains new data from suppliers before the expiration date
- Regularly outsource work environment monitoring every six months and announce the monitoring results

Occupational Diseases and Injury

In order to effectively prevent the occurrence of occupational diseases and accidents, Billion Group operates in accordance with relevant laws and regulations, such as the Enforcement Rules of the Occupational Safety and Health Act, the Occupational Safety and Health Facilities Rules, the Occupational Safety and Health Management Measures, the Occupational Safety and Health Labeling Standards, the Occupational Safety and Health Education and Training Rules, the Labor Health Protection Rules, the Measures for the Implementation of Labor Work Environment Monitoring, the Standards Allowed Exposure in the Workplace, the Measures for the Implementation of Maternal Health Protection of Female Workers, the Standards for Identifying Hazardous or Harmful Work Prohibited for Pregnant and Postpartum Female Workers and Workers Under 18 Years of Age, the Measures for the Assessment and Classification of Hazardous Chemicals, the Safety Standards for Machinery and Equipment, the Labor Protection Act for Occupational Accident, the Enforcement Rules of the Labor Protection Act for Occupational Accident, the Regulations on Labeling and General Knowledge of Hazardous Chemicals, the Regulations on the Prevention of Organic Solvent Poisoning. In addition, management personnel also conduct periodic inspections of work environments in various units. They also publicly disseminate and promote labor safety-related operational standards, management system-related standards, and safety data sheets for employees to access, enabling employees to gain a deeper understanding of safety and health concepts and apply them in their daily work. When company employees have injuries or illnesses, they will actively report and handle according to procedures, and report the number of incidents and improvement measures to department heads and the administration department quarterly/annually. The Company will provide resources and assistance based on actual situations. The Group defines occupational diseases according to the Occupational Safety and Health Administration as diseases that workers develop due to exposure to certain risk factors while performing their duties over time. As of the end of 2024, Billion Group has not had any recordable occupational injuries or work-related illnesses in the past three years.

Billion Employee Total Working Hours Statistics				
Category	Item	2022	2023	2024
Total Working Hours	Female Total Working Hours	109,120	117,056	89,640
	Male Total Working Hours	128,960	134,912	79,680
	Total Working Hours	238,080	251,968	169,320

- Note:
- These hours include Billion headquarters, and Yilan plant.
 - Calculation formula: Number of people × Annual working days (249 days) × Working hours.

Billion Non-Employee Total Working Hours Statistics				
Category	Item	2022	2023	2024
Total Working Hours	Female Total Working Hours	48	48	48
	Male Total Working Hours	48	48	48
	Total Working Hours	96	96	96

Note: Calculation formula: Number of People x Working Hours (4 hours/Month) x 12 Months.

Yilan Plant Non-Employee Total Working Hours Statistics				
Category	Item	2022	2023	2024
Total Working Hours	Female Total Working Hours	48	0	11
	Male Total Working Hours	624	292	638.5
	Total Working Hours	672	292	649.5

Note: Calculation based on actual non-employee entry registration hours.

Billion Watts Employee Total Working Hours Statistics				
Category	Item	2022	2023	2024
Total Working Hours	Female Total Working Hours	39,680	59,520	65,736
	Male Total Working Hours	65,472	89,280	119,520
	Total Working Hours	105,152	148,800	185,256

Note: Calculation formula: Number of People x Annual Working Days (249 days) x Working Hours.

Billion EVC Employee Total Working Hours Statistics			
Category	Item	2023	2024
Total Working Hours	Female Total Working Hours	9,920	15,936
	Male Total Working Hours	15,872	15,936
	Total Working Hours	25,792	31,872

Note: Calculation formula: Number of People x Annual Working Days (249 days) x Working Hours.

NoonSpare Employee Total Working Hours Statistics		
Category	Item	2024
Total Working Hours	Female Total Working Hours	16,000
	Male Total Working Hours	44,000
	Total Working Hours	60,000

Note: Calculation formula: Number of People x Annual Working Days (250 days) x Working Hours.

BEC Taiwan Employee Total Working Hours Statistics		
Category	Item	2024
Total Working Hours	Female Total Working Hours	9,416
	Male Total Working Hours	11,984
	Total Working Hours	21,400

Note: Calculation formula: Number of People x Annual Working Days (107 days) x Working Hours.
(BEC Taiwan was established in August 2024.)

Preventive and Improvement Measures

Employee health is the Company's greatest asset, and a healthy workplace is a topic of concern in today's society. Billion Group regularly holds health lectures every year and requires company employees to receive relevant occupational safety and health education and training. Health care is provided, and special examination items are offered during health check-ups based on employees' occupational types (for example, XRF testing (ionizing radiation risk). In 2024, related training statistics are as follows:

Occupational Safety and Health Training Item Statistics				
Training Item Name	Number of Billion Trainees	Number of Billion Watts Trainees	Number of NoonSpare Trainees	Total Training Expenses (NT\$)
First Aid Personnel (Basic Training)	2 (Yilan Plant)	0	0	800
Forklift Operator (Basic Training)	0	0	1	2,530
Fire Prevention Manager (Basic Training)	1 (Yilan Plant)	0	0	3,600
Supervisor of Organic Solvent Operations ^{Note4}	-	-	-	0
ESD (Electrostatic Discharge) Protection	19	0	0	0
Hazard Communication	13	0	0	0
Occupational Safety and Health Education and Training	15 (including Yilan Plant)	0	52	0
Fire Safety, Occupational Safety and Health Promotion	12	0	0	0
Ionizing Radiation Equipment Operator	2	0	0	7,500
Category C Occupational Safety and Health Affairs Supervisor (Basic Training)	0	1	1	3,500

- Note:
- Includes both employees and non-employees whose work and/or workplace is controlled by the organization.
 - Occupational safety and health training includes general training or training specific to certain occupational hazards and risks.
 - Billion EVC acts as a distributor; therefore, occupational safety and health training is not required.
 - No training was conducted for organic solvent operations in 2024.





Billion Group upholds the principle of creating a safe, healthy, and comfortable working environment and prioritizes the protection of all employees' lives and safety. The Group adheres to its occupational safety and environmental protection policy based on the pillars of “respect for life, environmental and safety discipline, risk management, audit and guidance, performance management, safety culture, communication mechanisms, and continuous improvement,” with the goal of achieving zero workplace accidents.

The Group places great emphasis on employee safety and health through comprehensive policies and practices—from pre-employment physical examinations and annual health checkups to the implementation of safety operating procedures for field personnel. These efforts aim to raise safety standards and ensure a secure and comfortable workplace.

Both the Group and NoonSpare recognize that health and safety in the workplace are critical to business operations. Inadequate safety management could lead to reduced revenue, delayed project site maintenance, and lower customer satisfaction and retention. Therefore, the Group discloses the number and proportion of both employees and non-employees covered under its legally compliant occupational safety and health management system.

Billion Watts and Billion EVC also uphold a people-centered safety culture by managing safety risks and building inherently safe working environments, reflecting their responsibility toward both environmental and social aspects of sustainable operations. The companies expect their suppliers to follow ethical standards and move toward a safer, more environmentally friendly labor environment. Safety protocols are regularly communicated at each energy storage and solar project site to reduce occupational risks for every on-site technician. The procurement department also actively promotes awareness of occupational safety measures and compliance within the supply chain.

The Group has also implemented supplier management procedures that require new production material suppliers to meet minimum occupational safety management system requirements. Evaluations cover delivery time, quality, cost, process capability, and occupational safety systems. All approved domestic and international suppliers must undergo audits covering quality systems, safety systems, and on-site inspections, including assessments of green products, environmental safety, and social responsibility.

Suppliers who do not meet audit standards must correct all deficiencies within three months. If they fail to pass re-verification, they will be disqualified from the approved supplier list. Additionally, qualified suppliers are assessed semi-annually on delivery, quality, cost, and engineering services, with evaluation scores affecting the volume of procurement orders awarded.

5.5 Social Participation

Billion Group is committed to giving back to society and encourages employees to actively participate in charitable activities, creating a positive collective impact. We organize blood donation drives to help ease medical blood shortages and support primary school children through the "Multi-Stars Seed Projects" to promote access to education. In times of disaster, we extend a helping hand by providing immediate assistance. Moving forward, Billion Group will continue to respond to social needs, deepen community engagement, and fulfill its corporate social responsibility.

Summary of Public Welfare Activities	
Public Welfare Initiative	Amount (NT\$)
Billion Charity Day – Blood Donation for Love	31,900
Multi-Stars Seed Projects for Elementary School Students	41,408
Hualien Earthquake Relief Donation	500,000
Shareholder Gifts from Little Lamb Seed Sheltered Workshop	730,800

Blood Donation Campaign

On August 22, 2024, Billion Group held its second blood donation campaign of the year. With enthusiastic participation from both employees and community members, a total of 82 bags of precious blood were collected, bringing hope and vitality to patients in need. The event was supported and coordinated by 10 employees, with a total contribution of NT\$31,900, demonstrating the company’s firm commitment to fulfilling its corporate social responsibility.

Billion Electric has long been dedicated to promoting ESG values and embedding social care into its corporate culture. The blood donation initiative not only responds to the urgent need for medical resources but also strengthens employees’ sense of identification with the company’s mission—fostering unity and becoming a vital force for sustainable development.

On the day of the event, the atmosphere was warm and spirited. Employees and local residents participated actively, completing the donation process in a safe and comfortable environment under the guidance of trained staff at the mobile blood station. The company also prepared thoughtful gifts to express appreciation and respect to every donor.

"Donate a bag of blood, save a life" is more than just a slogan—it reflects Billion Group’s genuine spirit of love and hope shared with society. The event not only made a tangible contribution to healthcare but also fostered a positive cycle inside and outside the company, highlighting the depth and warmth of its social commitment.

Looking ahead, Billion Group will continue investing in initiatives focused on environmental protection, education, support for disadvantaged groups, and health promotion. Through concrete actions, the company strives to spread positive energy and help build a more sustainable and compassionate society.



Employees Uphold Corporate Values Through Ambulance Donation

Billion Electric firmly believes that employees are the company’s most valuable asset, and their growth and development are closely tied to the organization’s progress. Over the years, the company has not only focused on business expansion but has also strived to provide a high-quality work environment and growth opportunities. Through this, employees have developed a strong sense of identification with the company.

Two and a half years ago, Mr. Hsu-Feng Cheng, then Chief Operating Officer, deeply appreciated the company’s support and cultivation throughout his career. Upon stepping down from his position, he voluntarily proposed donating an ambulance in the name of Billion Electric as an expression of gratitude and a gesture of giving back to society—embodying the company’s enduring culture.

This generous initiative received strong support and admiration from senior leadership, reflecting the deep connection and shared values between employees and the company. The ambulance was ultimately donated to Hsinchu City, a key base of the Telecommunications Business Unit, thereby strengthening local emergency response capabilities and enhancing public health and safety. This act not only demonstrated a shared sense of social responsibility between the company and its employees but also highlighted the success of Billion Electric’s talent cultivation, with employees choosing to give back after their professional growth.

In addition, Billion Electric and its subsidiary Billion Watts jointly stated that this donation represents not just the transfer of a vehicle, but the continuation of compassion—providing frontline emergency responders with improved resources and enhancing rescue efficiency. Looking ahead, the company will continue to inspire employee participation in public welfare through ongoing talent development and cultural continuity, putting ESG values into action and working together toward a safer, better future.

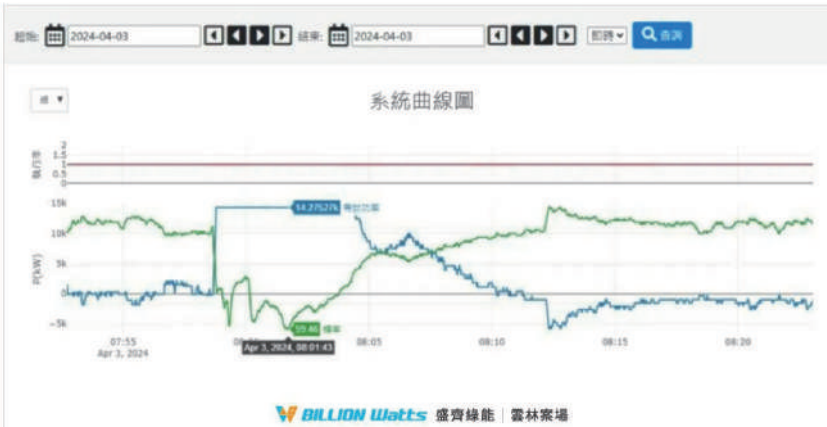


Safeguarding Power Stability – Billion Electric’s Contribution

On April 3, 2024, a magnitude 7.2 earthquake struck off the coast of Hualien, impacting Taiwan’s power system. In response, Billion Electric, together with its subsidiary Billion Watts, immediately donated NT\$500,000 to disaster relief foundations and mobilized 15 energy storage sites across Taiwan—totaling 58 MW of capacity—to discharge power in real time, stabilizing the grid and preventing large-scale blackouts.

Within two minutes after the earthquake, power generators were affected, and system frequency dropped to 59.46 Hz, nearing the blackout threshold. The energy storage systems discharged 510,000 kW to help restore the frequency, and by 8:10 a.m., output reached 1.281 million kW, working alongside solar power to maintain grid stability. Billion Watts’ AFC-enabled storage systems, distributed across Taiwan, provided a rapid response that outpaced traditional infrastructure, ensuring a stable electricity supply.

Following the quake, technical teams conducted immediate equipment inspections to ensure the proper operation of photovoltaic and energy storage systems. This event underscored the critical role of energy storage in grid resilience and highlighted the urgency of Taiwan’s transition toward a “Green Energy + Storage” model. Billion Electric and Billion Watts remain committed to advancing storage technologies and strengthening grid resilience to mitigate the impact of extreme disasters on power supply. Billion Group will continue to uphold ESG principles by working with the government and industry partners to advance Taiwan’s 2050 net-zero emissions target—building a more reliable and sustainable energy future for all.



Billion Watts' Yunlin storage system rapidly discharged 14 MW (blue line), easing frequency drop (green line) — a critical 5-minute response to stabilize the grid.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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Public Welfare Initiative through Shareholder Meeting Gifts

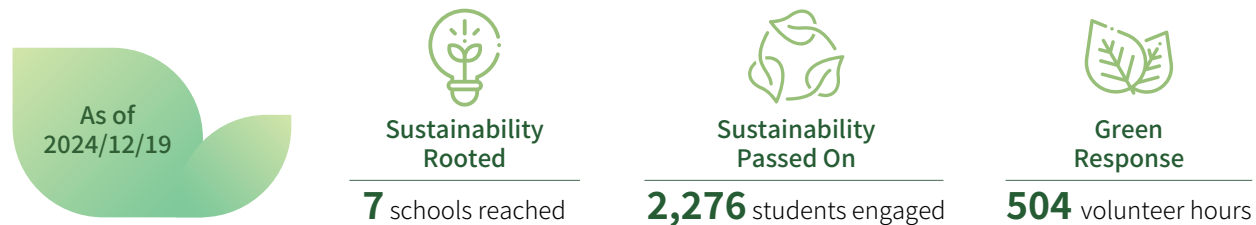
Upholding its commitment to corporate social responsibility, Billion Electric selected a meaningful shareholder gift for 2024 by ordering Chamomile Skin-Friendly Soap from the Little Lamb Seed Sheltered Workshop. This gift not only expresses heartfelt gratitude but also embodies the company's support for public welfare initiatives.

The Little Lamb Seed Sheltered Workshop offers employment opportunities to individuals with disabilities who are willing to work but face challenges in securing open employment. Through this shelter-based employment model, they are able to gain a sense of achievement and financial independence through labor. Through this collaboration, Billion Electric hopes to raise awareness and encourage broader support for such social causes. The company firmly believes that its influence should go beyond business success—to actively serve as a force for good in society, spreading kindness and care to those in need.



Feature: SDGs Multi-Stars Seed Projects - Rooting Sustainability in Schools

With the support and leadership of the Chairman and Chief Sustainability Officer, Billion Group launched the “SDGs Multi-Stars Seed Projects” in 2023, aiming to introduce clean energy and sustainability concepts into schools. Through engaging lectures and interactive activities, the program encourages children to develop environmental awareness from an early age and integrate sustainable actions into their daily lives. The initiative focuses on elementary schools near Billion Group’s headquarters, particularly in Xindian District of New Taipei City and Wenshan District of Taipei City, leveraging close community ties to deepen collaboration between the company and local education, and further amplify the company’s impact on social responsibility.



As of December 19, 2024, Billion Group has successfully held events at seven schools, engaging a total of 2,276 students and investing NT\$41,408 in the initiative. Corporate volunteers have also played a crucial role, contributing 56 volunteer instances, totaling 9 hours per person and accumulating 504 volunteer hours. Through these efforts, Billion Group aims to promote environmental education through concrete actions, nurturing children to grow and become future advocates of sustainability.

Seven School Highlights: Nurturing a Greener Future

In 2024, the “SDGs Star Seed Project” reached seven schools, each event designed with unique educational goals and hands-on experiences to offer students meaningful and inspiring learning opportunities.

Zhongzheng Elementary School (December 19, 2024)

As the year-end finale, Billion Group’s volunteer team visited Zhongzheng Elementary in New Taipei City. Through presentations, storytelling, and interactive Q&A, students were introduced to solar and wind energy and their applications, while exploring the environmental impacts of traditional energy sources. The session sparked student interest in environmental protection and innovation.

Wulai Elementary School (November 26, 2024)

At Wulai Elementary, volunteers explained the basics of renewable energy and conducted live demonstrations to help students understand how technology can drive sustainability. The event not only deepened their knowledge of green energy but also encouraged students to practice eco-friendly habits in daily life.

Wanxing Elementary School (June 13, 2024)

Using storytelling and group discussions, Billion Group guided students to reflect on climate change and its effects. Students were encouraged to explore how their actions can influence the future, showing strong interest and concern for environmental issues.



Beixin Elementary School (May 9, 2024)

As one of the first schools to join the initiative, Beixin Elementary welcomed the program again in 2024. This time, alumni were invited to share their experiences in energy development and renewable energy, helping deepen younger students' understanding of clean energy through peer learning.

Ankang Elementary School (April 23, 2024)

At Ankang Elementary, students participated in immersive simulations to explore how different energy choices impact the planet. The experience helped instill core values of sustainability and environmental responsibility.

Shijian Elementary School (March 15, 2024)

Volunteers hosted an energy awareness event at Shijian Elementary, using stories and Q&A sessions to introduce the concepts of clean, renewable energy and environmental protection. Students were inspired to think critically about a sustainable future.

Lixing Elementary School (January 17, 2024)

Billion Group and students at Lixing Elementary embarked on an “eco-exploration” journey. Through storybooks and discussion, students learned about renewable energy and climate change strategies. Their active participation demonstrated strong interest and laid the foundation for sustainable thinking.

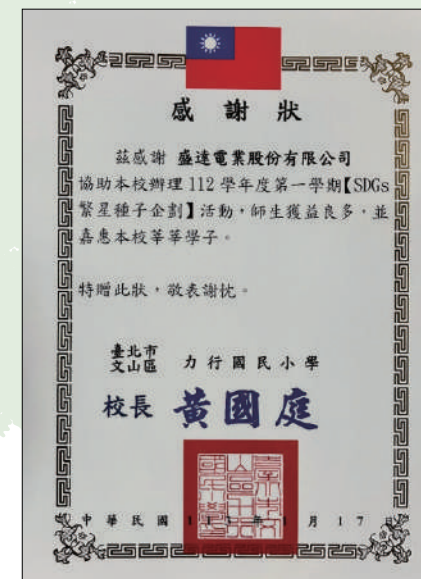


Looking Ahead: Expanding Our Impact

Since launching at Beixin Elementary in October 2023, the SDGs Star Seed Project has expanded to several more schools. In 2024 alone, the program reached seven campuses, including six new schools and a return visit to Beixin. Over the next five years, Billion Group plans to host more than 40 sessions, aiming to engage over 12,600 students.

To enhance program effectiveness, Billion Group conducts post-event surveys with participating teachers. These feedback forms guide future improvements, ensuring that each session is aligned with school needs and delivers meaningful learning outcomes.

Through this initiative, Billion Group leverages its core expertise in energy technology to deepen connections with local schools and communities. The project not only enhances students' awareness of clean energy but also plants the seeds of sustainability in the next generation. It reflects the company's commitment to corporate social responsibility—and more importantly, to the environment and future generations.



BILLION



APPENDIX

116

Appendix 1: GRI Sustainability Reporting Standards Index	117
Appendix 2: SASB Sustainability Accounting Standards Index	124
Appendix 3: TWSE Sustainability Disclosure Indicators - Electronic Components Industry	126
Appendix 4: Climate-related Financial Disclosures for TWSE/TPEX Listed Companies	127
Appendix 5: Reference Guide for Sustainable Economic Activities	131
Appendix 6: UN Sustainable Development Goals (SDGs) Index	132
Appendix 7: Third-Party Verification Statement	133

CHAPTER 6 APPENDIX

Appendix 1: GRI Sustainability Reporting Standards Index

The following content has been verified by a third-party impartial unit, SGS Taiwan Ltd. (Société Générale de Surveillance S.A., SGS). The verification results are shown in Appendix 7 Verification Statement.

" * " indicates material topics, " ● " indicates externally assured.

Statement of use	The Report has been prepared in reference to the GRI Standards, with information disclosure period covering the year 2024 (January 1 to December 31, 2024).
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

No.	GRI Standards Disclosure	Corresponding Chapter	Page	Omission/Remarks
GRI 2: General Disclosures 2021				
Organization and Reporting Practices				
2-1	Organizational details	2.1 About BILLION	30	
2-2	Entities included in the Organization's sustainability reporting	About This Report	4	
2-3	Reporting period, frequency and contact point	About This Report	4	
2-4	Information Restatement	About This Report	4	
2-5	External Assurance or Verification	About This Report	4	
Activities and Workers				
2-6	Activities, value chain and other business relationships	2.1 About BILLION	30	
2-7	Employees	5.1.1 Recruitment of Diverse Employees	88	
2-8	Workers who are not employees	5.1.1 Recruitment of Diverse Employees	88	
Governance				
2-9	Governance structure and composition	2.2.1 Board of Directors	38	
2-10	Nomination and selection of the highest governance body	2.2.1 Board of Directors	38	
2-11	Chair of the highest governance body	2.2.1 Board of Directors	38	
2-12	Role of the highest governance body in overseeing the management of impacts	2.2.1 Board of Directors	38	
2-13	Delegation of responsibility for managing impacts	2.2.1 Board of Directors/2.2.4 Functional Committee	38/46	
2-14	Role of the highest governance body in ESG report	2.2.1 Board of Directors/2.2.4 Functional Committee	38/46	
2-15	Conflicts of interest	2.2.1 Board of Directors	38	

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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No.	GRI Standards Disclosure	Corresponding Chapter	Page	Omission/Remarks
2-16	Communication of critical concerns	2.2.1 Board of Directors/2.2.4 Functional Committee	38/46	
2-17	Collective knowledge of the highest governance body	2.2.1 Board of Directors	38	
2-18	Evaluation of the performance of the highest governance body	2.2.1 Board of Directors/2.2.2 Remuneration Committee	38/44	
2-19	Remuneration policies	2.2.2 Remuneration Committee	44	
2-20	Process to determine remuneration	2.2.2 Remuneration Committee	44	
2-21	Annual total compensation ratio	5.1.2 Talent Recruitment and Retention	92	
Strategy, Policies and Practices				
2-22	Statement on sustainable development strategy	1.1.1 Sustainability Vision and Strategy	11	
2-23	Policy commitment	1.1.3 Sustainability Commitment	13	
2-24	Embedding policy commitments	1.1.3 Sustainability Commitment	13	
2-25	Processes to remediate negative impacts	1.1.3 Sustainability Commitment	13	
		2.5 Integrity and Legal Compliance	52	
2-26	Mechanisms for seeking advice and raising concerns	2.5 Integrity and Legal Compliance	52	
2-27	Compliance with laws and regulations	2.5 Integrity and Legal Compliance	52	
2-28	Membership in associations	2.1 About BILLION	30	
Stakeholder Engagement				
2-29	Approach to stakeholder engagement	1.2.2 Stakeholder Communication Channels	15	
2-30	Collective bargaining agreements	5.3.3 Comprehensive Employee Benefits	103	The Company does not participate in labor unions, but has labor-management meetings to protect employee rights.
GRI 3: Material Topics 2021				
3-1	Process to determine material topics	1.3 Material Topics Identification	17	
3-2	List of material topics	1.3 Material Topics Identification	17	

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	---	-------------------------------------	---	---------------------------------------	------------------------------------	----------

GRI Standards Category/ Topic Number	No.	GRI Standards Disclosure	Corresponding Chapter	Page	Omission/Remarks
Specific Topic Standards: 200 Series (Economic topics)					
*Economic Performance					
GRI 3 Economic Performance Management Approach 2021	3-3	Management of material topics	Disclosure of Ethical Corporate Management	26	
GRI 201 Economic Performance 2016	201-1	Direct economic value generated and distributed	2.3 Operating Performance	48	
	201-3	Defined benefit plan obligations and other retirement plans	5.3.1 Employee Retirement System and Implementation	100	
	201-4	Financial assistance received from government	2.3 Operating Performance	48	The Company did not apply for any government subsidy programs in 2024.
Market Presence					
GRI 202 Market Presence 2016	202-1	Ratio of standard entry level wage by gender compared to local minimum wage	5.1.2 Talent Recruitment and Retention	92	
	202-2	Proportion of senior management hired from the local community	5.1.1 Recruitment of Diverse Employees	88	
Procurement Practices					
GRI 204 Procurement Practices 2016	204-1	Proportion of spending on local suppliers	3.2 Green Supply Chain	67	
Anti-corruption					
GRI 205 Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	2.5 Integrity and Legal Compliance	52	
	205-2	Communication and training about anti-corruption policies and procedures	2.5 Integrity and Legal Compliance	52	
	205-3	Confirmed incidents of corruption and actions taken	2.5 Integrity and Legal Compliance	52	
Anti-competitive Behavior					
GRI 206 Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.5 Integrity and Legal Compliance	52	
Tax					
GRI 207 Tax 2019	207-1	Tax Policy	2.5 Integrity and Legal Compliance	52	
	207-2	Tax governance, control, and risk management	2.5 Integrity and Legal Compliance	52	
	207-3	Stakeholder engagement and management of concerns related to tax	2.5 Integrity and Legal Compliance	52	
	207-4	Country-by-country reporting	2.5 Integrity and Legal Compliance	52	

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	---	-------------------------------------	---	---------------------------------------	------------------------------------	----------

GRI Standards Category/ Topic Number	No.	GRI Standards Disclosure	Corresponding Chapter	Page	Omission/ Remarks
Specific Topic Standards: 300 Series (Environmental topics)					
Energy					
GRI 302 Energy 2016	302-1	Energy consumption within the organization	4.2 Energy Resource Management	77	
	302-3	Energy Intensity	4.2 Energy Resource Management	77	
	302-4	Reduction of energy consumption	4.2 Energy Resource Management	77	
Emissions					
GRI 305 Emissions 2016	305-1	Direct (Scope 1) greenhouse gas emissions	4.3 Climate Change Financial Risks and Greenhouse Gas Emissions	79	
	305-2	Energy indirect (Scope 2) greenhouse gas emissions	4.3 Climate Change Financial Risks and Greenhouse Gas Emissions	79	
	305-4	Greenhouse gas emission intensity	4.3 Climate Change Financial Risks and Greenhouse Gas Emissions	79	
	305-5	Reduction of greenhouse gas emission	4.3 Climate Change Financial Risks and Greenhouse Gas Emissions	79	
Waste					
GRI 306 Waste 2020	306-1	Generation of waste and significant waste-related impacts	4.4 Waste Management	82	
	306-2	Management of significant waste-related impacts	4.4 Waste Management	82	
	306-3	Waste generated	4.4 Waste Management	82	
	306-4	Waste diverted from disposal	4.4 Waste Management	82	
	306-5	Waste directed to disposal	4.4 Waste Management	82	
*Supplier Environmental Assessment					
GRI 3 Supplier Environmental Assessment 2021	3-3	Management of material topics	Disclosure of Green Industry Management	56	
GRI 3 Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	3.2 Sustainable Supply Chain	67	
	308-2	Negative environmental impacts in the supply chain and actions taken	3.2 Sustainable Supply Chain	67	

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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GRI Standards Category/ Topic Number	No.	GRI Standards Disclosure	Corresponding Chapter	Page	Omission/Remarks
Specific Topic Standards: 400 Series (Society Topics)					
Labor/Management Relations					
GRI 401 Employment 2016	401-1	New employee hires and employee turnover	5.1.2 Talent Recruitment and Retention	92	
	401-2	Benefits to full-time employees, not offered to temporary or part-time staff.	5.3.3 Comprehensive Employee Benefits	103	
	401-3	Parental leave	5.3.2 Parental Leave	100	
Labor Relations					
GRI 402 Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	5.1.1 Recruitment of Diverse Employees	88	
*Occupational Health and Safety					
GRI 3 Occupational Health and Safety Management Approach 2021	3-3	Management of material topics	Social Responsibility Management Disclosure	86	
GRI 403 Occupational Health and Safety 2018	403-1	Occupational Health and Safety Management System	5.4 Health and Safety Protection	104	
	403-2	Hazard identification, risk assessment, and incident investigation	5.4 Health and Safety Protection	104	
	403-3	Occupational health services	5.4 Health and Safety Protection	104	
	403-4	Worker participation, consultation, and communication on OSH	5.4 Health and Safety Protection	104	
	403-5	Worker training on occupational health and safety	5.4 Health and Safety Protection	104	
	403-6	Promotion of worker health	5.4 Health and Safety Protection	104	
	403-7	Prevention and mitigation of OHS impacts linked to business relationships	5.4 Health and Safety Protection	104	
	403-9	Work-related injuries	5.4 Health and Safety Protection	104	
	403-10	Work-related ill health	5.4 Health and Safety Protection	104	
Training and Education					
GRI 404 Training and Education 2016	401-1	Average hours of training per year per employee	5.2 Talent Cultivation and Development	97	
	401-2	Programs for upgrading employee skills and transition assistance programs	5.2 Talent Cultivation and Development	97	
	401-3	Employees receiving regular performance and career reviews (%)	5.2 Talent Cultivation and Development	97	

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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GRI Standards Category/ Topic Number	No.	GRI Standards Disclosure	Corresponding Chapter	Page	Omission/Remarks
Specific Topic Standards: 400 Series (Society Topics)					
*Diversity and Equal Opportunity					
GRI 3 Diversity and Equal Opportunity 2021	3-3	Management of material topics	Social Responsibility Management Disclosure	86	
GRI 405 Diversity and Equal Opportunity Topic Disclosures 2016	405-1	Diversity of governance bodies and employees	5.1.1 Recruitment of Diverse Employees	88	
	405-2	Ratio of basic salary and remuneration of women to men	5.1.2 Talent Recruitment and Retention	92	
Non-discrimination					
GRI 406 Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	2.5 Integrity and Legal Compliance	52	
Freedom of Association and Collective Bargaining					
GRI 407 Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	2.5 Integrity and Legal Compliance	52	
Child Labor					
GRI 408 Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	2.5 Integrity and Legal Compliance	52	
Forced or Compulsory Labor					
GRI 409 Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.5 Integrity and Legal Compliance	52	
Security Practices					
GRI 410 Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	5.1.1 Recruitment of Diverse Employees	88	
Rights of Indigenous Peoples					
GRI 411 Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	5.1.1 Recruitment of Diverse Employees	88	
*Supplier Social Assessment					
GRI 3 Supplier Social Assessment Management Approach 2021	3-3	Management of material topics	Disclosure of Green Industry Management	56	
GRI 414 Supplier Society Assessment 2016	414-1	New suppliers that were screened using social criteria	3.2 Sustainable Supply Chain	67	
	414-2	Negative social impacts in the supply chain and actions taken	3.2 Sustainable Supply Chain	67	
Public Policy					
GRI 415 Public Policy 2016	415-1	Political contributions	2.3 Operating Performance	48	

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
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GRI Standards Category/ Topic Number	No.	GRI Standards Disclosure	Corresponding Chapter	Page	Omission/Remarks
Specific Topic Standards: 400 Series (Society Topics)					
Customer Health and Safety					
GRI 416 Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.1 Reassuring Quality	63	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.1 Reassuring Quality	63	
Marketing and Labeling					
GRI 417 Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	3.1 Reassuring Quality	63	
	417-2	Requirements for product and service information and labeling	3.1 Reassuring Quality	63	
	417-3	Incidents of non-compliance concerning marketing communications	3.1 Reassuring Quality	63	
*Customer Privacy					
GRI 418 Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4 Risk Management	49	
Custom Sustainability Topics					
*Customer Relationship Management					
GRI3 Customer Relationship Management Disclosure	3-3	Management of material topics	Disclosure of Green Industry Management	56	
Customer Relationship Management Disclosure	-	-	3.1 Reassuring Quality	63	
*Information Security					
GRI3 Information Security	3-3	Management of material topics	Disclosure of Green Industry Management	56	
Information Security	-	-	2.4 Risk Management	49	
*Product Innovative R&D and Marketing					
GRI3 Product Innovative R&D and Marketing Management Disclosure	3-3	Management of material topics	Disclosure of Green Industry Management	56	
Product Innovative R&D and Marketing Disclosure	-	-	3.3 Sustainable Innovative Design	71	

Appendix 2:SASB Sustainability Accounting Standards Index

Following the SASB Sustainability Accounting Standards, "HARDWARE" has been selected as the indicator disclosure item based on the Company's business attributes.

Topics	Indicator Code	Disclosure Metric	Nature	2024 Disclosure Status		Corresponding Chapter	Page
Product Information Security	TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	Discussion and Analysis	Information security requirements are clearly defined and communicated throughout internal and external project management processes to ensure the confidentiality, integrity, and availability of project data. This reduces the risk of sensitive information leakage (including personal data) and legal violations. The Company obtained ISO/IEC 27001 certification in August 2023.		2.4 Risk Management	49
Employee Diversity & Inclusion	TC-HW-330a.1	Gender ratio of global employees by management, technical, and total staff	Quantitative (%)	Management positions: Male: 75% Female: 25%	Non-management positions: Male: 53% Female: 47%	5.1.1 Recruitment of Diverse Employees	88
Product Lifecycle Management	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative (%)	Power products accounted for 7.09% of annual revenue. Communication products accounted for 6.49% of annual revenue		3.1 Reassuring Quality	63
	TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Quantitative (%)	No EPEAT certification required for the Company’ s products.		-	-
	TC-HW-410a.3	Percentage of eligible products, by revenue, meeting Energy Star® criteria	Quantitative (%)	No Energy Star certification required for the Company’ s products.		-	-
	TC-HW-410a.4	Total weight of waste products recycled globally and percentage of recycled weight relative to total products sold	Quantitative (t, %)	Products are sold globally. End-of-life treatment is handled locally by users; data not yet quantified.		-	-
Supply Chain Management	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Quantitative (%)	Although RBA is not yet implemented, the Company assesses supplier capabilities through ISO 9001-based evaluation forms to ensure quality standards are met. RBA adoption is included in future plans.		3.2 Sustainable Supply Chain	67
	TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	Quantitative (Rate)	The Company has not yet adopted the RBA, but evaluates supplier capabilities through ISO 9001-based assessment forms to ensure compliance with quality standards. RBA adoption is planned for the future.		3.2 Sustainable Supply Chain	67
Materials Sourcing	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	- Environmental, Health, and Safety: Suppliers are required to ensure product compliance with RoHS restricted substances and EU REACH Substances of Very High Concern (SVHC). - Suppliers must not use conflict minerals sourced from illegal armed groups. - Full compliance is required with all applicable toxic substance regulations, including but not limited to EU directives on hazardous substances in electrical and electronic equipment and REACH standards.		3.2 Sustainable Supply Chain	67

Indicator Code	Disclosure Metric	Nature		Corresponding Chapter	Page
TC-HW-000.A	Number of units produced by product category	Quantitative (Number)	• Power Supply Products 554,978 units • C&I All-in-one ESS 98 units • Communication Devices 199.85 thousand units • EV Chargers 30 units • Residential ESS 56 units • Battery Pack OEM 360 units • C&I ESS 3 units	2.1 About BILLION	30
TC-HW-000.B	Area of manufacturing facilities	Quantitative (ft2)	744.5 Taiwan Pings	2.1 About BILLION	30
TC-HW-000.C	Percentage of production from owned facilities	Quantitative (%)	100%	2.1 About BILLION	30

Appendix 3: TWSE Sustainability Disclosure Indicators - Electronic Components Industry

No.	Indicator	Annual Disclosure Status	Corresponding Chapter	Page
I	Total energy consumption, percentage of purchased electricity, and renewable energy usage rate	1. The total energy consumption in 2024 was 4,217.84 GJ. 2. Purchased electricity accounted for 2,556.76 GJ, representing 60.64% of total energy use. 3. Renewable energy usage rate: 0%.	4.2 Energy Resource Management	77
II	Total water withdrawal and total water consumption	In 2024, the total water withdrawal was 0.504 million liters, and the total water consumption was 0.065 million liters.	4.2 Energy Resource Management	77
III	Weight of hazardous waste generated and recycling percentage	In 2024, a total of 10.37 metric tons of hazardous waste was generated, with no recycling or reuse.	4.4 Waste Management	82
IV	Description of occupational accident categories, number of people, and rates	No occupational injuries occurred in the Company in 2024.	5.4 Health and Safety Protection	104
V	Disclosure of product lifecycle management: including the weight of waste products and electronic waste and the percentage in circulation (Note 1)	Products are sold globally, and end-of-life disposal is handled locally. No quantitative data is currently available.	-	-
VI	Description of risk management related to the use of critical materials	To manage risks associated with the use of critical materials, Billion has implemented the following measures: - Economic aspect: Carefully select suppliers with sustainable operating capacity and regularly review their product quality, on-time delivery rate, pricing, service, and financial stability. - Environmental, Health, and Safety (EHS): Require suppliers to ensure products comply with RoHS restrictions and EU REACH SVHC 224 regulations. - Prohibit the use of conflict minerals sourced from illegal armed groups. - Give priority to suppliers with relevant management system certifications. - Require material suppliers to fully comply with applicable environmental safety laws, regulations, and practices, both domestic and international. - Require suppliers to establish a hazardous substance-free (HSF) management system. - Only qualified suppliers providing HSF-compliant materials are selected. - Full compliance is required with all applicable hazardous substance regulations, including but not limited to EU directives and REACH standards.	3.2 Sustainable Supply Chain	67
VII	Total monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	In 2024, the Company and its subsidiaries had no incidents of violations related to anti-competitive behavior, antitrust, monopoly, restriction of freedom of association, use of child labor, forced labor, or discrimination. No major violations occurred (defined as a single fine exceeding NT\$1 million).	4.2 Energy Resource Management	77
VIII	Main product production volume by product category	- Power Supply Products 554,978 units - C&I All-in-one ESS 98 units - Communication Devices 199.85 thousand units - EV Chargers 30 units - Residential ESS 56 units - Battery Pack OEM 360 units	2.1 About BILLION	30

Note 1: Including the sale of scrap materials or other recycling treatments, relevant explanations should be provided

Appendix 4: Climate-related Financial Disclosures for TWSE/TPEX Listed Companies

1. Implementation Status of Climate-related Information

Item	Implementation Status
1. Describe the supervision and governance of climate-related risks and opportunities by the Board and management.	The Company holds regular board meetings. In line with FSC regulations, the Sustainability Committee reports to the Board quarterly on ESG implementation and progress of GHG inventory targets. Four sub-groups under the Committee—Corporate Governance, Environmental Protection, Social Responsibility, and Sustainability Risk & Disclosure—form a task force to drive related actions.
2. Describe how the identified climate risks and opportunities impact the Company's business, strategy and finances planning (short, medium and long term).	Climate risks and opportunities that may impact the Company are discussed and identified by the Sustainability Committee at the beginning of each year. External experts are engaged to evaluate each item based on likelihood and financial impact, in order to screen out key transition risks, physical risks, and transition opportunities. Risk timeframes are defined as: • Short-term: 1–3 years • Medium-term: 4–10 years • Long-term: over 10 years Transition Risk Scenarios International Energy Agency (IEA) STEPS – Stated Policies Scenario (2.5°C) NZE – Net Zero Emissions Scenario (1.5°C) • Regulations – Net Zero and Carbon Reduction Requirements & Climate Change Response Act: To reduce emissions and lower carbon fees and excess emission costs, the Company plans to purchase green electricity through Renewable Energy Certificates (RECs), each estimated at NT\$5,500–7,000. Paying carbon fees based on emissions, penalties for not meeting reduction targets, switching from grid to green power, or purchasing carbon credits for carbon neutrality are expected to increase operating or administrative costs. • Market Risk (Changes in Customer Behavior and Rising Material Costs): To reduce the risk of losing orders, the Company conducts product carbon footprint verifications as required by power product customers and regularly discloses carbon reduction performance. It also actively supports group energy-saving strategies to mitigate the impact of rising electricity costs. Physical Risk Scenarios 2°C warming scenario (SSP3-7.0): Estimated sea level rise around Taiwan: 0.5 meters 4°C warming scenario (SSP5-8.5): Estimated sea level rise around Taiwan: 1.2 meters • Long-term – Sea Level Rise: 1. No relevant risks identified at the operational sites covered within the reporting boundary. 2. Physical climate risks are regularly reviewed to assess potential impacts and to enable early implementation of preventive measures. Transition Opportunities • Aligned with government energy transition policies, the Company regularly reviews its integrated solar, storage, and charging service solutions to enhance revenue. In recent years, the Company has actively expanded into solar power, energy storage, and EV charging businesses, aiming for diversification and business transformation. Subsidiaries such as Billion Watts and Billion EVC support regulatory goals by promoting renewable energy development and offering comprehensive green energy solutions. In 2024, green energy business accounted for over 81% of the Group’ s consolidated revenue and is expected to further boost future growth.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Item	Implementation Status
3. Describe the financial impact of extreme weather events and actions for transformation.	• Regulatory – Net Zero and Emission Reduction Requirements: In response to FSC and Climate Change Response Act targets for 2050 net zero, the Company plans to increase on-site renewable energy generation to maximize carbon reduction. • Regulatory – Climate Change Response Act: Under the Act, a net zero policy for 2050 has been established. Starting in 2026, carbon fees will be levied at NT\$300 per metric ton. Free emission allowances are set at 25,000 tons in 2025, 15,000 tons for 2026–2027, and 10,000 tons for 2028–2029. From 2034 onward, all allowances will be removed, with the carbon fee expected to rise to NT\$1,500 per ton. • Market – Changing Customer Behavior: Customers are increasingly requiring carbon monitoring and reduction, and demand participation in SBTi or other climate initiatives. Non-compliance may affect future revenue growth. • Market – Rising Raw Material Costs: To meet market demand, the Company must procure low-carbon materials, and rising electricity prices may lead to higher production and logistics costs. Power prices are projected to grow at an annual rate of 3.5%. • Long-Term – Sea Level Rise: Global warming may lead to sea level rise, posing flood risks to factory sites.
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	The Sustainability Committee has formed four cross-functional working groups responsible for identifying and assessing climate risks and opportunities every two years, with annual reviews to determine if adjustments are needed based on actual operations. Daily risk control is managed by each business unit through internal procedures, while each group reports its progress and outcomes to the Committee on a regular basis. To mitigate the impact of typhoons on production and delivery schedules, Billion arranges early production or overtime shifts to meet demand. A risk assessment form is used to evaluate climate-related risks across key operations, considering threats, impacts, and severity. Identified key risks are addressed with appropriate control strategies. Risk reviews are conducted at least every three years or when business or personnel changes occur. An emergency response plan is also in place: designated department heads handle incident reporting per plant protocols, while a crisis management team coordinates response and recovery efforts to ensure business continuity.
5. Where situational analysis is used to assess resilience to climate change risks, the scenario, parameters, assumptions, analysis factors and key financial impacts used should be described.	For more details, please refer to the Company’s Sustainability Report and TCFD Report available on the official website. https://irp.cdn-website.com/d70e71db/files/uploaded/Billion_TCFD-report-2023.pdf
6. If there is a transitional plan for managing climate-related risks, please describe the contents of the plan, as well as the indicators and targets used to identify and manage physical risks and transition risks.	After completing the greenhouse gas inventory and baseline survey of energy facilities, the Company will develop specific transition risk response plans and control targets. In the meantime, several energy-saving initiatives have been implemented as follows: 1. The Company began replacing traditional lighting with LED tubes in 2023 and will complete the remaining replacements in the coming years to achieve energy-saving goals. 2. From 2022 to 2023, the Company invested NT\$46.8 million in solar power plants and NT\$230.1 million in energy storage. In 2024, it further invested NT\$18 million in Billion Kai Energy for solar power construction. The expected annual green electricity generation is 1.1 million kWh, reducing approximately 543 tCO₂e. In 2024, Company-owned solar plants sold about 1.426 million kWh to Taipower, reducing around 705 tCO₂e in emissions. 3. Billion promotes energy conservation and carbon reduction as part of its corporate social responsibility and commitment to sustainable green production. Actions include reducing paper use and greenhouse gas emissions by encouraging suppliers to recycle packaging materials, promoting lights-off habits, installing remote-controlled air conditioning, using circulation fans to reduce cooling needs, replacing faulty fluorescent fixtures with LEDs, and adopting electronic forms and approval workflows. 4. In 2024, Billion headquarters replaced 41 fluorescent lights, saving 5,986 kWh of electricity. 5. Billion Watts has partnered with vendors to install solar systems on customer rooftops and land, reducing fossil fuel use and pollution. As of 2024, over 1,800 projects—including rooftop, floating, ground-mounted, and aquavoltaic types—have been installed with a total capacity exceeding 580 MWp, aiming to reach 620 MWp by 2025.

CONTENTS	INTRODUCTION	IMPLEMENTING SUSTAINABLE MANAGEMENT	ROBUST AND ETHICAL GOVERNANCE	SUSTAINABLE PRODUCT INNOVATION AND VALUE CHAIN MANAGEMENT	ENVIRONMENTALLY FRIENDLY PRACTICES	ADVANCING SOCIAL RESPONSIBILITY	APPENDIX
----------	--------------	-------------------------------------	-------------------------------	---	------------------------------------	---------------------------------	----------

Item	Implementation Status
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be stated.	In 2024, the Company adopted TCFD project guidance and will prudently evaluate the use of internal carbon pricing as a reference for assessing carbon reduction costs. The Company also closely monitors carbon fee policies announced under the Climate Change Response Act and related regulations to support internal implementation.
8. If climate-related targets are set, the Company should disclose the covered activities, GHG emission scopes, target timeframe, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used to meet targets, the sources and volumes of offsets or the number of RECs used should also be disclosed.	The Company will evaluate setting specific climate targets and the potential use of carbon offsets or Renewable Energy Certificates (RECs) after completing its 2024 GHG inventory. In addition, Scope 3 emissions inventory was initiated in 2025, aligned with the IFRS S1 and S2 disclosure timeline, and includes the boundary coverage of subsidiaries.
9. Greenhouse gas inventory and verification situation, and reduction targets, strategies, and specific action plans (also fill in 1-1 and 1-2)	As shown in the tables 1-1-1 and 1-1-2 below:

1-1 Company's Greenhouse Gas Inventory and Verification for The Last Two Years

1-1-1 Greenhouse Gas Inventory Information

State the emission amount (tonnes CO2e), intensity (tonnes CO2e/NT\$ million), and data coverage for the last two years.		
	2023	2024
Scope 1: Direct greenhouse gas emissions (tons CO2e)	68.96	153.69
Scope 2: Indirect greenhouse gas emissions (tons CO2e)	312.77	336.64
Scope 3: Other Indirect greenhouse gas emissions (tons CO2e)	262.14	288.60
Intensity (tonnes CO2e/NT\$ million):	0.41	0.44

Note1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the Company), energy indirect emissions (Scope 2, i.e., indirect greenhouse gas emissions from imported electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions from company activities, not energy indirect emissions, but from emission sources owned or controlled by other companies).

Note2: The data coverage of direct emissions and energy indirect emissions shall be handled in accordance with the timeline stipulated in Paragraph 2, Article 4-1 of the "Regulations Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies" (hereinafter referred to as these Regulations). Other indirect emission information can be disclosed voluntarily.

Note3: Greenhouse Gas Inventory Standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 released by the International Organization for Standardization (ISO).

Note4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or revenue, but at least the data calculated based on revenue (in millions of New Taiwan Dollars) should be stated.

Note5: The 2023 and 2024 GHG inventory data covers Billion Group (Headquarters, Yilan Plant, and Hsinchu Lab), Billion Watts, Billion Power, Billion EVC, and Billion Power System.

Note6: GHG emissions have been third-party verified since 2023.

1-1-2 Greenhouse Gas Verification Information

Description of assurance activities over the past two years, including the scope of assurance, assurance provider, applied standards, and assurance opinion.

On April 25, 2025, the verification was completed by SGS in accordance with ISO 14064-1.

The assurance scope covers Billion Group (Headquarters, Yilan Plant, and Hsinchu Lab), Billion Watts, Billion Power, VGwatt, and Billion Power System.

Assurance Opinion: A modified opinion was issued, with the following key findings:

- Certain activity data were corrected.
- Some emission factors were clarified and adjusted.
- It is recommended to standardize data collection and calculation methods across all sites in the future.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Disclosure of GHG emissions baseline year and data, reduction targets, strategies, action plans, and progress toward targets.

By the end of March 2025, verification was completed, with 2023 set as the baseline year. The Company targets a 25% carbon reduction by 2030 compared to the baseline. The specific reduction action plans are as follows:

1. Based on the Group’s business activities, the Company will collect and analyze electricity consumption data to evaluate the use of green power—either purchased or self-generated—to reduce reliance on grid electricity.
2. The Company began replacing traditional lighting with LED tubes in 2024 and will continue completing replacements in subsequent years to achieve energy-saving goals.

Appendix 5:Reference Guide for Sustainable Economic Activities

Billion Group follows an environmentally friendly economic model by providing solar and energy storage system equipment sales, engineering, and maintenance services. In accordance with the Sustainable Economic Activities Recognition Guidelines (2nd Edition) jointly issued by Taiwan’ s FSC, Ministry of Environment, Ministry of Economic Affairs, Ministry of Transportation, Ministry of the Interior, and Ministry of Agriculture, these services are classified as "Enabling Activities" under sustainable economic activities.

In response to the global net-zero carbon trend, Billion Group continues to deepen its integrated solar, charging, and storage services, and actively invests in technology development to drive energy transition—demonstrating its firm commitment to global net-zero goals.

The following are Billion Group’ s sustainable economic activities in 2024:

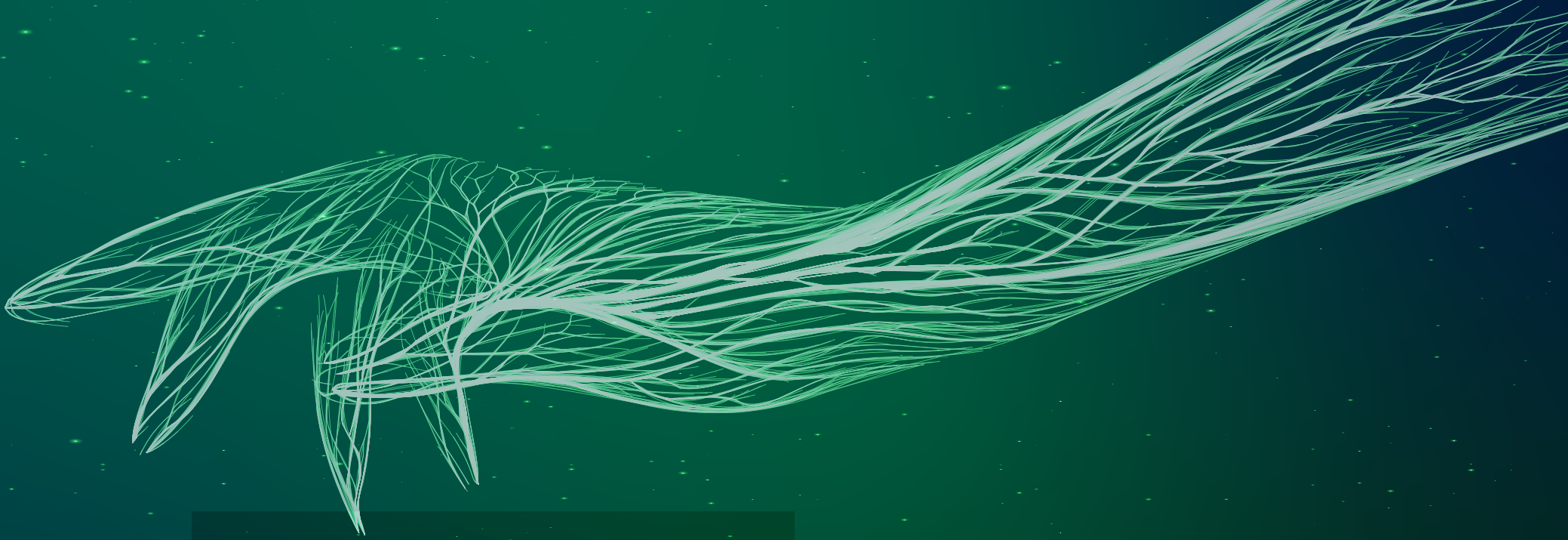
Unit: NT\$ Thousand

Item	Renewable Energy Equipment Sales	Renewable Energy System Integration	Renewable Energy – Others
Standalone Revenue	725,783	817,421	86,640
Consolidated Revenue	2,023,935	2,023,935	2,023,935
Revenue Contribution (%)	35.86%	40.39%	4.28%
Applicable Classification	Enabling Activities: - Renewable energy generation, facilities, and related components - Smart grid system R&D and infrastructure - Energy storage facilities and related components		

Assessment of Alignment with the Guidelines for Sustainable Economic Activities:	
◆ Meets the technical screening criteria for making a substantial contribution to at least one environmental objective	1. Billion Group provides comprehensive solar power plant construction services, including system design and planning, installation training, grid connection setup, equipment warranty, and after-sales technical support. These services help clients achieve self-consumption or supply electricity to other businesses. 2. Billion Group offers grid-connected and off-grid energy storage system construction services, assisting clients in participating in Taipower's ancillary services market or reserve capacity market. These projects aim to enhance power system stability and grid resilience. All energy storage systems are built in compliance with Taipower’ s “Electricity Trading Platform Management Regulations and Procedures” and meet communication protocol standards defined in “Electricity Trading Platform IEC 61850 & DNP 3.0 Format Specifications.” 3. All Billion Group energy storage systems have progressively passed on-site testing under international standards IEC/CNS 62933-5-2, ensuring compliance with grid-connected energy storage safety regulations. 4. Billion Group provides commercial and industrial (C&I) energy storage system construction services, integrating solar and storage systems through modular microgrid technology to deliver reliable green energy while reducing energy costs and environmental impact. 5. Billion Group also offers solar and energy storage operation and maintenance (O&M) services to ensure stable system performance, improve grid stability, and support efforts to mitigate climate change.
◆ Not causing significant harm to any of the six environmental objectives	Aligned
◆ Does not cause significant harm to social safeguards	Aligned
Assessment Result: Each economic activity is in alignment with the guidelines.	Aligned

Appendix 6: UN Sustainable Development Goals (SDGs) Index

No.	Sustainable Development Goal	Corresponding Chapter	Page
Goal 3	Ensure healthy lives and promote well-being for all at all ages	5.4 Health and Safety Protection	104
Goal 4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	5.2 Talent Cultivation and Development 5.5 Social Participation	97 111
Goal 5	Achieve gender equality and empower all women rights	5.1.1 Recruitment of Diverse Employees	88
Goal 7	Ensure access to affordable and clean energy by expanding renewable energy services	3.3 Sustainable Innovative Design	71
Goal 8	Promote decent work and economic growth through workplace equality	5.2 Talent Cultivation and Development 5.3 Rights, Benefits and Welfare	97 100
Goal 11	Build sustainable cities and communities by enhancing grid stability	3.3 Sustainable Innovative Design	71
Goal 13	Take urgent action to combat climate change and its impacts	4.2 Energy Resource Management 4.3 Climate Change Financial Risks and Greenhouse Gas Emissions	77 79
Goal 16	Promote peaceful and inclusive societies for sustainable development; provide access to justice for all; and build effective, accountable, and inclusive institutions at all levels	1.2.2 Stakeholder Communication Channels	15



2024

Sustainability Report
Billion Electric Co., Ltd