



Delta Asia International Corporation

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Company Vision

Improving healthcare to all and preserving a cleaner environment for many generations to come!

At Delta Asia, we implement smart production lines and compulsively refine the processes of medical device manufacturing and assembly of finished products.

While we have achieved impressive growth in just 20 years, more than our greatest expectations ever and dreams, we remain firmly committed to the principles of sustainability and consistently integrate core ESG values into all aspects of our operations.

As we look to the upcoming decade, Delta Asia will continue to generate values for our investors, who also embrace the same philosophies. Through our devotions to quality and innovations, we march courageously toward and accept all the challenges that may lie ahead in the next generation of medical device manufacturing.

Corporate Governance

In 2024, Delta Asia strengthened its corporate governance by enhancing the business integrity framework and the effectiveness of leadership execution within the Board of Directors by increasing the number of independent directors who contribute their vast professional expertise and future visions.

In addition, reduction of human and manufacturing errors through risk management and internal audit mechanisms enhances our commitment to full transparency in business practices and improves the accuracy of our future predictions through intelligent, experience-based decision-making algorithms.

We are fully committed to the international governance standards, ensuring the timely and accurate disclosure of all material information to foster complete trust among our shareholders.

We strictly adhere to the ISO 13485 Quality Management Systems for Medical Devices to maintain rigorous control over product quality, ensuring that each product meets global safety and quality standards.

Environmental Sustainability

Delta Asia is fully aware of the importance of environmental sustainability and actively reduces carbon emissions in all company operations in accordance with the ISO 14064-1 standard.

We have completed the greenhouse gas inventory in 2024, and have established clear carbon reduction objectives, accompanied by active plans to reduce carbon footprints.

Concurrently, we diligently monitor and manage energy consumption while implementing energy saving measures whenever feasible. Through proactive and concrete actions, we have turned our environmental commitments into specific actions and collaborate closely with all our suppliers to develop an increasingly sustainable supply chain, ultimately aiming to establish a net-zero emissions model collaboratively.



Staff Well-being and Social Responsibilities

Our personnel are our most priceless assets. Complimentary breakfast, lunch, and dinner are provided daily, along with a generous monthly allowance for onsite vending machines that are stocked with beverages and snacks available 24 hours a day. Through the convenience of having meals and rejuvenating snacks in-house, we greatly increase our staff's resting time and lessened their burden of having to travel out to get food.

Company-sponsored fun-trips, both domestic and abroad, foster stronger relationships among staff and enhance team morale.

Comprehensive annual health checkups that exceed basic general practice standards, aimed at safeguarding our employees' health through early detection of illnesses.

The Employee Stock Ownership Committee allocates cash or stock-based rewards to a trust to safeguard employees' financial future and provide much-needed stability.

Diverse career development options, and abundant learning resources both are provided to encourage employees to continuously grow and enhance their existing knowledge base.

With these efforts in place, we have shaped a workplace culture that is inclusive, dynamic, and protects our staff's health and well-being.

Delta Asia holds dear the passion of "Built in Taiwan, and will contribute back to Taiwan."

Through the many years in Delta Asia's existence, we have made it our mission to care for those in need. We consistently make generous donations to local charity groups and ensure the timely delivery of meals and supplies to elderly individuals living alone.

We humbly have taken the leadership role of giving, holding on to the spirit of a close-knit community that we share with others, and spreading kindness by these small gestures of love for humanity, it can bring warmth and hope throughout our society and eventually realize the vision of co-prosperity between the community and a business enterprise.

Delta Asia International Corporation

President and CEO MS Ya-Wen Hsu/
Sustainable Development Committee All members

Editorial Guidelines

Delta Asia International Corporation (hereinafter referred to as “Delta Asia”) is pleased to announce the publication of the 2024 Sustainability Report (hereinafter referred to as “the Report”) to further promote sustainable operations and enhance information transparency. This Report conveys to our stakeholders our commitments and advancements in achieving sustainable operations objectives, including the enhancement of ethical corporate governance, the implementation of environmental protection and occupational safety measures, and the improvement of employee compensation and welfare. We also outline the associated initiatives and performance outcomes. Delta Asia invites our stakeholders to maintain their engagement with us and provide valuable feedback, so that we can take greater steps on the path toward corporate sustainability.

Report Boundaries and Scopes

The Report disclosure covers business information from January 1, 2024 to December 31, 2024, focusing on the business activities of Delta Asia International Corporation.

Basis of Writing and Information Confirmation Methods

- The structure of the Report adheres to the GRI Standards 2021, Universal Standards, published by the Global Reporting Initiative (GRI). It complies with the requirements of the “Procedures for the Preparation and Submission of Sustainability Reports by TPEX Listed Companies” and incorporates the frameworks established by the Task Force on Climate-Related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) Standards. The Appendix of the Report includes the GRI Standards content index, the SASB comparison table, and climate-related information pertaining to listed companies for stakeholders’ reference.
- The financial data presented in the Report have been audited and attested by PricewaterhouseCoopers Taiwan (PwC Taiwan) in accordance with International Financial Reporting Standards (IFRS), and the amounts are expressed in thousands of New Taiwan dollars (NTD). The statistical data on environmental protection, employees, and other areas are compiled by the relevant departments and verified by the departmental directors, presented in accordance with international generic indicators (IGI). If certain business activities extend across multiple fiscal years or regions, they will be addressed separately in the Report. The data on greenhouse gas emissions has been validated by an independent assurance agency.
- The Report is our first sustainability report, and there is no information restatement.



Publication Frequency

This is the first ESG Report voluntarily published by Delta Asia. In the future, Delta Asia plans to publish the report annually. To improve transparency of the information disclosure and accessibility of the report, the electronic version of the full report can be downloaded from the Market Observation Post System (MOPS) and the company website. There will be no printing of paper copies of the report.

- Publication date: August 2025
- Next publication date: August 2026

Feedback

Please feel free to contact us with any advice or suggestions on the contents of the Report.

Sustainable Development Committee, Delta Asia International Corporation

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2024 Sustainable Performance Overview

Corporate Governance

21–35% Ranked among the top 21% to 35% of the OTC-listed companies in the 11 th (2024) Corporate Governance Evaluation.	7.03% NT\$40.807 million R&D investment for product development and the enhancement of production technology, accounting for 7.03% of the overall revenue.	0 time No information security attack in 2024.
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Environmental Sustainability

ISO14064-1:2018 The company greenhouse gas emissions have been verified in accordance with ISO 14064-1. The climate-related risks are also incorporated into our operational strategies to enhance the company’s resilience to sustainability.	0 violations In 2024, there were no environmental regulatory violations or penalties. The suppliers of waste management strictly complied with contractual agreements and legal obligations.	100% signing rate 100% of suppliers have signed the sustainability-related requirements to qualify as approved suppliers
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Social Co-Prosperity

NT\$21.987 million The mechanism of cash or stock-base reward to employee had been developed and established in 2022. As of end of 2024, an amount of NT\$21.987 million has been distributed.	4 times The labor relations meetings were convened in accordance with law to promote harmonious labor–management relations.	5.3% growth The average annual employee salary rose by 5.3% for non-managerial staff in 2024.
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I. Stakeholders and Material Themes Identification Procedures

Stakeholders and Material Themes Identification Procedures



1.1 Sustainable Development Group – Organization Chart

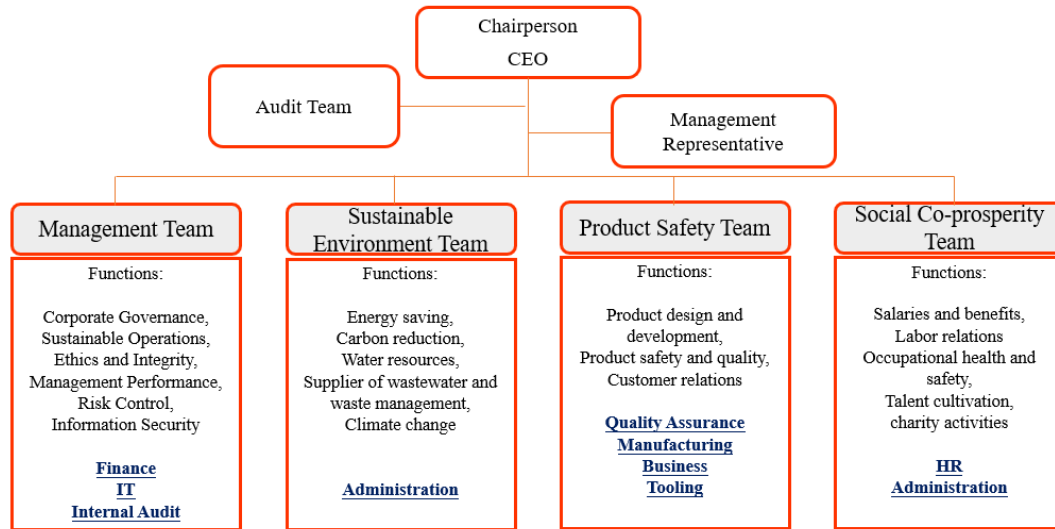
In response to domestic, international sustainability trends and industry developments, Delta Asia's Sustainable Development Committee established an ESG Sustainable Development Group. In accordance with the "Sustainable Development Best-Practice Principles," CEO, the highest decision-maker, shall appoint senior managers to server as the representatives and deputies responsible for corporate sustainability management.

To promote sustainable development, the Company shall safeguard the interests and rights of stakeholders, while pursuing sustainability and profitability, incorporate environmental, social and governance considerations into its management guidelines and business operation.

The Sustainable Development Group is responsible for proposing relevant topics for discussions and drafting plans. The proposals will be reviewed and approved by the CEO before being submitted to the Board of Directors for further review. Once approved by the Board of Directors, the corresponding action plans shall be implemented within the Company and progress shall be reported to the Board of Directors regularly.

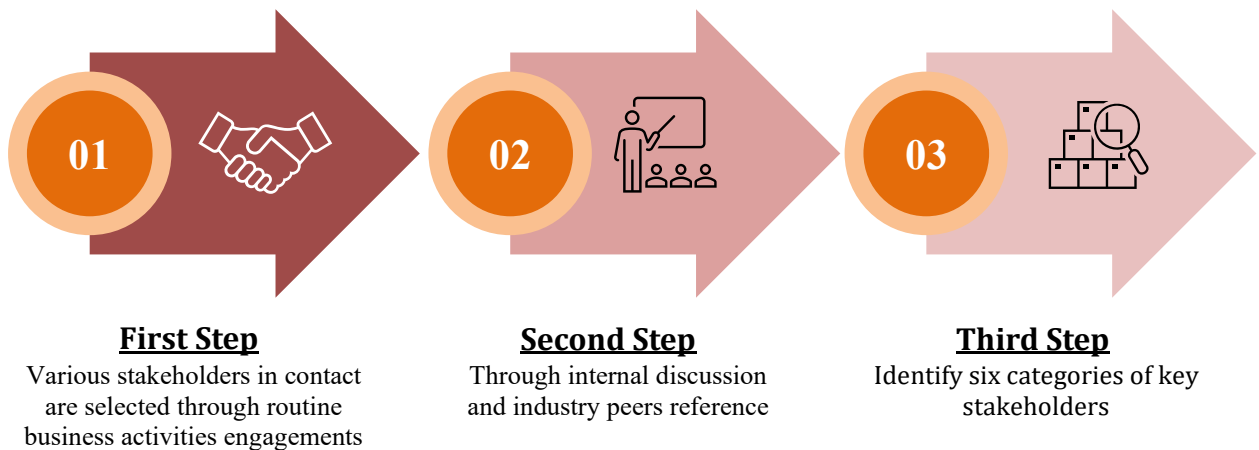
Sustainable Development Group – Organization Chart

Sustainable Development Promotion Working Group - Organization Chart



1.2 Stakeholders Identification

Identify the key stakeholders



Stakeholders are individuals or groups that influence Delta Asia. Each department identifies relevant stakeholder categories which they regularly engage with through routine business activities.

According to the frequency of interactions, level of mutual influence and importance between the stakeholders and Delta Asia, and with reference to situations of industry peers, the six categories of key stakeholders are selected including shareholders/investors, customers, suppliers, employees, government agencies, and communities and non-profit organizations.



1.3 Stakeholders Communication Channels and Topics of Concern

Due to differences in stakeholder categories, the issues of concern to Delta Asia's key stakeholders vary. Each department maintains positive interactions via diverse channels, enabling stakeholders to gain an understanding of the company's operational status in a timely manner. In parallel, the Company learns the stakeholders' reasonable demands and expectations to the Company through the process. The Company makes appropriate and immediate responses to important sustainable development topics of concern and provides annual reports to the Board of Directors on the communication status with key stakeholders.

Each department will gather the topics of concern raised in regular business activities with key stakeholders. The Company's Sustainable Development Promotion Working Group compile such topics of concern and with reference to the 2021 version of the GRI Sustainability Reporting Standards and the ESG reports of industry peers to sort and categorize sustainability topics, that cover economic, environmental, and social aspects and ensure information disclosure meets the completeness, accuracy, reliability, and diversity standards outlined by the GRI.

Key stakeholders	Importance to the company	Topics of concern	Communication channel/frequency	Communications results	Contact window	Report chapter
Shareholders/ investors	Shareholders are the investors in the company. The company shall protect the interests and rights of the shareholders and treat them fairly, ensuring their rights to sufficient knowledge about the company's material matters, as well as participation in	<ul style="list-style-type: none"> Ethical corporate management Operational performance R&D innovations Information security and personal data protection 	The operational relevant information via material information announcement. Any immediate material information is released through media or the MOPS. Examples include corporate governance, important business developments,	<ul style="list-style-type: none"> Released 21 material information announcement in 2024. Convened regular shareholders' meeting on May 20, 2024. Held investors conference on May 20, 2024. Convened six Board meetings 	Vice President Hung-Wen Wei 03-3116588 ir@deltaasia.com.tw	2. About Delta Asia 3. Ethical governance 4. Sustainable Environment 5. Social Care

	decision-making.		operational performance, and other matters of interest to shareholders and investors. We regularly hold investor conferences, shareholders' meetings, or Board meetings to discuss company operations, decisions, and matters related to shareholder rights.	in 2024.		
Customers	Customers are key stakeholders in the company's operations. We are deeply committed to delivering high product quality, ensuring product safety, and providing reliable after-sales services. By upholding the highest standards of customer satisfaction, the company continuously	<ul style="list-style-type: none"> • Customer relations management • Ethical corporate management • Product quality • R&D innovations • Information security and personal data protection • Product lifecycle management 	Through email correspondences with potential and existing customers on a daily basis. Through teleconferences with new and key customers on a weekly basis. The customer satisfaction survey is conducted annually.	<ul style="list-style-type: none"> • Conducted regular sales video conferences with 8 customers to discuss progress on a weekly basis. • Conducted irregular video conferences, about once every two weeks, with other customers for project discussions. • Conducted the 	Business Department 03-3116588 sales@deltaasia.com.tw	3. Ethical governance 4. Sustainable Environment

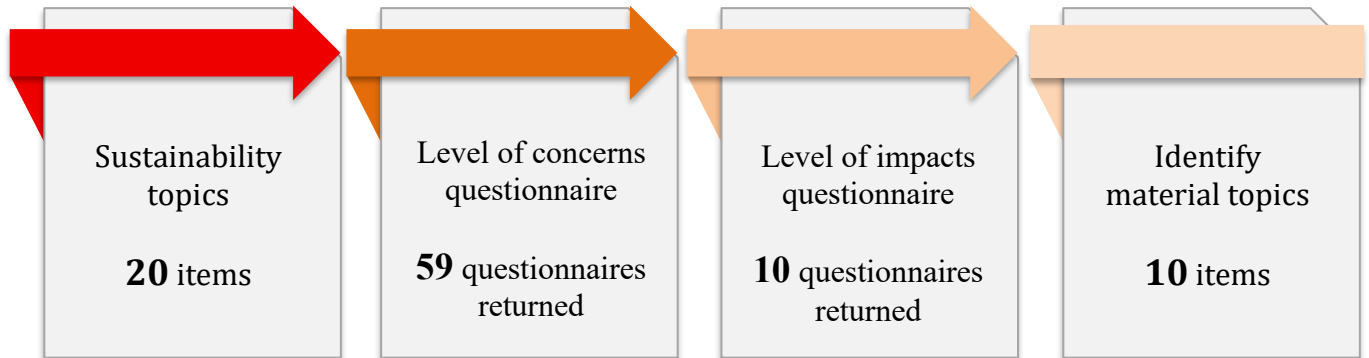
	strengthens customer trust and builds a solid foundation for sustainable operations.			customer satisfaction survey with the key customers with average score of 98.7.		
Suppliers	<p>The company maintains long-term, positive interactions with suppliers. Our products and services depend on a reliable network of suppliers that consistently deliver high quality materials. Leveraging our industry influence, we collaborate with our suppliers to promote sustainable supply chain and to prevent environmental pollution and human right violations.</p>	<ul style="list-style-type: none"> • Supply chain management • Product lifecycle management • Human rights policy 	<p>Conducted monthly supplier scoring to track performance in quality, cooperation, and delivery. Performing regular supplier evaluations based on the suppliers' grade level to ensure that each supplier's facility, quality control process, shipment capabilities, and manufacturing capacity meet our established standards.</p>	<ul style="list-style-type: none"> • The 2024 supplier evaluation recorded an average score of 96.4. • A total of 76 supplier evaluations and re-evaluations were conducted in 2024. 	<p>Material Department 03-3116588 material@deltaasia.com.tw</p>	4. Sustainable Environment

Employees	<p>Employees are the backbone of the company's operations. We are committed to provide a work environment that supports diverse development opportunities, promotes employee health and well-being, and enables them work with peace of mind.</p>	<ul style="list-style-type: none"> • Talent attraction and retention • Occupational safety and health • Talent cultivation • Human rights policy • Employee diversity and inclusion 	<p>To ensure employee occupational safety and health by arranging regular onsite consultations with qualified health professionals. To establish a complaint mailbox to provide employees with a confidential reporting channel. In addition, quarterly labor-management meetings, employee training and internal announcements help ensure transparent communication and continuous improvement.</p>	<p>Execution status in 2024</p> <ul style="list-style-type: none"> • Conducted four monthly on-site health consultations with health professionals and quarterly health consultations with physicians. • Provided 999 on-line course training for employees, totaling 37,334 minutes of training. • Held 4 labor-management meetings. • Issued eight announcements related to employee benefits. • Recorded zero employee complaints. 	<p>Administration Department 03-3116588 comment@deltaasia.com.tw</p>	5. Social Care
Competent authorities	<p>Competent authorities or commissioned verification units conduct monitoring and audits of compliance practices.</p>	<ul style="list-style-type: none"> • Ethical corporate management • Information security and personal data protection • Waste management • Greenhouse gases 	<p>Cooperating fully with the competent authorities or verification units during their monitoring and audit processes. Participated in policy</p>	<ul style="list-style-type: none"> • Conducted an ISO 13485 audit by the BSI verification agent from July 16 to 19, 2024 	<p>Quality Assurance Department 03-3116588 info@deltaasia.com.tw</p>	<p>3. Ethical governance 4. Sustainable Environment</p>

		<ul style="list-style-type: none"> management • Energy resources management • Climate change factors • Water resources management 	discussion forums, seminars, or awareness promotion sessions organized by the authorities as needed. Established dedicated contact channels, i.e. the mailboxes of spokesperson and deputy spokesperson, and maintains positive and responsive interactions with the competent authorities.			
Communities and non-profit units	Demonstrating company's commitment to social responsibility, we participate in charitable activities and supports local development, reflecting our dedication to and contribution toward sustainable development.	<ul style="list-style-type: none"> • Social participation • Waste management • Biodiversity 	Through the Luzhu District Community Development Association, we support disadvantaged groups in the community by delivering lunch and dinner each day to seven elderly residents.	<ul style="list-style-type: none"> • In 2024, with the assistance of community volunteers, we consistently provided daily lunch and dinner meals to 7 elders in the community. 	Administration Department 03-3116588 comment@deltaasia.com.tw	5. Social Care

1.4 Identify Material Topics

Material Topics Identification Procedures

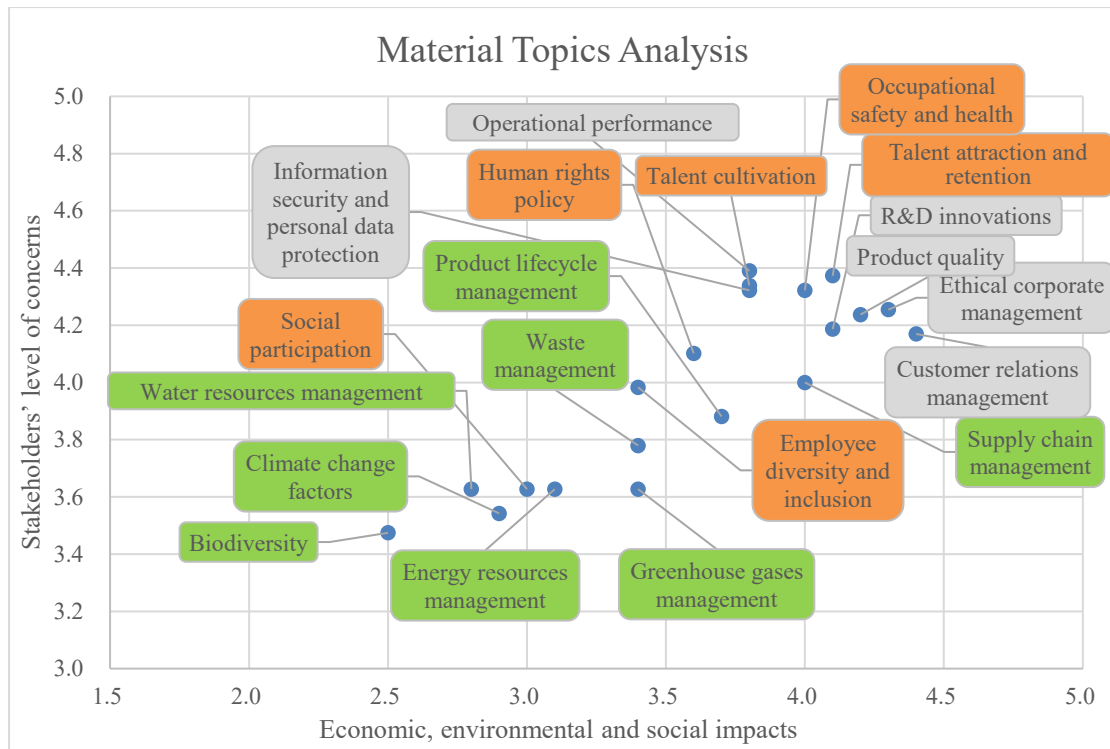


Aspects	Sustainability Topics
Environment	Supply chain management, Climate change, Water resources management, Greenhouse gases management, Energy resources management, Waste management, Biodiversity, Product lifecycle management
Social	Employee diversity and inclusion, Talent attraction and retention, Talent cultivation, Human rights policy, Occupational safety and health, Social participation
Economy	Operational performance, Ethical corporate management, R&D innovations, Product quality, Customer relations, Information security and personal data protection

Delta Asia's Sustainable Development Committee has identified 20 sustainability topics. Six categories of key stakeholders were invited to complete an online questionnaire, and their levels of concern regarding each topic was assessed based on 59 valid responses. Additionally, ten managers were invited to complete an online questionnaire evaluating the impact level of each sustainability topics on Delta Asia. The material topic matrix was developed by compiling and analyzing the scores from the aforementioned questionnaires.

After discussions by the Sustainable Development Committee, the top 10 sustainability topics across the three aspects of environment, social, and economy were included in the material topics for the current year.

The top 10 material topics were customer relations management, ethical corporate management, talent attraction and retention, product quality, occupational safety and health, R&D innovations, operational performance, talent cultivation, information security and personal data protection, and supply chain management. Along with the discussions between the Sustainability Promotion Committee and experts regarding the positive and negative, as well as actual and potential impacts, Delta Asia outlines the management guidelines for various material topics and related disclosure items in this sustainability report.



Note: Gray represents the economy aspect, green represents the environment aspect and orange represents the social aspect.

Confirm Material Topics and Boundaries

Aspects	Material topics	Positive/ Negative	Impact description	Internal boundary	External boundary			Relevant GRI Standards	Report disclosure
		Actual/ Potential		Company	Suppliers	Customers	Local Community		
Economy	Customer relations management	Positive and Actual	Customer satisfaction levels have met the company's target for the past three years, with an average score of 98.7 in 2024.	•		•		Self-determined topic	3.5.3 Customer relations
Economy	Ethical corporate management	Positive and Actual	No case of corruption, insider trading, or related complaint have occurred in the past three years.	•	•	•		GRI 205: Anti-corruption 2016	3.1.4 Ethics and integrity
Social	Talent attraction and retention	Positive and Actual	A well-structured Employee Stock Ownership Trust, and company cash rewards mechanism help attract outstanding talent to join Delta Asia.	•			•	GRI 401: Employment 2016	5.2.1 Salaries and benefits
Economy	Product quality	Positive and Actual	Since implementing of ISO 13485 Medical Devices Quality Management	•		•		Self-determined topic/	3.5.2 Product quality

			Systems in 2018, there are no major regulatory violations for the past three years that lead to product recalls and rework.					GRI 416: Customer Health and Safety 2016	
Social	Occupational safety and health	Positive and Potential	The company emphasizes occupational safety. There have been no occurrences of major occupational safety events in the past three years. In the future, the ISO 45001 Occupational Health and Safety Management System will be gradually introduced.	•	•			GRI 403: Occupational Health and Safety 2018	5.3 Occupational safety and health
Economy	R&D innovations	Positive and Actual	R&D investment has exceeded 6% for three consecutive years.	•		•		Self-determined topic	3.5.1 Innovative R&D
Economy	Operational performance	Positive and Potential	Profit in 2024 was lower than in 2023, primarily due to investments in equipment assets and capacity expansion for the new plant.	•		•		GRI 201: Economic Performance 2016	3.4 Operational performance

			These investments are expected to turn into mid- to long-term benefits and drive future revenue growth, thereby enhancing the company's attractiveness to investors and support continued investment.						
Social	Talent cultivation	Positive and Actual	The average training hours per employee have exceeded 10 hours over the past three years.	•				GRI 404: Training and Education 2016	5.2.2 Talent cultivation
Economy	Information security and personal data protection	Positive and Actual	No material information security incidents for three consecutive years. In 2023, internal Cybersecurity Maintenance and Emergency Response Team was established. In 2024, the company joined the TWCERT, further strengthening the implementation of information security	•		•		Self-determined topic/ GRI 418: Customer Privacy 2016	3.6 Information security protection



			protection measures.						
Environment	Supply chain management	Negative and Potential	All of the key manufacturers have signed the sustainability-related commitment document. Going forward, environmental and social criteria will be incorporated into the annual supplier evaluation process.	•	•			GRI 204: Procurement Practices 2016 GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016	4.1 Sustainable supply chain





1.4 Sustainable Development Goals

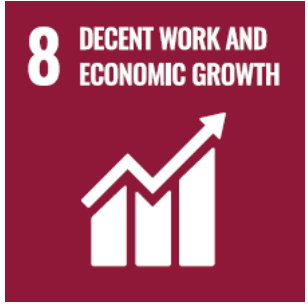


The United Nations Sustainable Development Goals (SDGs), announced in 2015, comprises 17 goals and 169 specific targets that serve as guiding principles for all member countries and global corporations in advancing sustainable development by 2030.




Delta Asia integrates the SDGs into its operating strategies by evolving from focusing on economic performance emphasis to a more comprehensive approach that incorporates environmental considerations. These include the reduction of wastewater discharge and greenhouse gas emissions, as well as active collaboration with suppliers to promote environmental sustainability and regulatory compliance.

Furthermore, the company continues to enhance employee benefits to retain outstanding talent and promote equality in the workplace. Through these efforts, Delta Asia aims to further contribute to achievement of the SDGs while fulfilling its corporate social responsibilities.

SDGs	Detailed Targets	Delta Asia
	<p>1.4 Ensure that all men and women, in particular the poor and vulnerable, have equal rights to economic resources.</p>	<ul style="list-style-type: none"> ● Provide market-competitive compensation that exceeds legal requirements and includes comprehensive welfare measures, enabling employees to work with dignity and improve their personal and family standard of living. ● Adjust employee salaries according to the company's profitability to enhance employees commitment and engagement.
	<p>3.4 Reduce premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.</p> <p>3.d Strengthen the capacity for early warnings, risk reduction, and management of national health risks.</p>	<ul style="list-style-type: none"> ● Completed comprehensive health checkups for all employees in August 2024, supporting employee health and well-being. ● Established quality management system in accordance with ISO 13485, FDA 21 CFR part 820 (QSR) and tGMP requirements to ensure the quality of medical devices manufacturing.

	<p>4.5 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations.</p> <p>4.7 Promote education for sustainable development and sustainable lifestyles, human rights, gender equality, and the promotion of a culture of peace and non-violence.</p>	<ul style="list-style-type: none"> ● Continue to provide employee education and training with each employee receiving an average of 18 training hours. ● Encourage employees to participate in courses covering sustainable development, workplace equality and labor rights. ● Employ persons with disabilities and provide appropriate guidance and support to ensure they receive the same benefits as other employees.
	<p>5.1 End all forms of discrimination against women and girls everywhere.</p> <p>5.2 Eliminate all forms of violence against women and girls in both public and private spheres.</p> <p>5.4 Recognize and value unpaid care and domestic work through the provision of social protection policies.</p>	<ul style="list-style-type: none"> ● Regularly review gender pay gap analysis to ensure that gender is not a factor in employee appointment and promotion evaluations. ● Establish and strictly enforce policies for the prevention of sexual harassment. ● Provide both male and female employees with equal access to apply for unpaid parental leave.
	<p>6.1 Achieve universal and equitable access to safe and affordable drinking water for all.</p> <p>6.4 Increase water-use efficiency and ensure sustainable withdrawals, supply, and recycling of freshwater.</p>	<ul style="list-style-type: none"> ● Conduct daily patrol inspections and regularly contracted water quality testing to ensure compliance with applicable water quality standards. ● Monitor and analyze water consumption across manufacturing facility and throughout the product lifecycle.
	<p>7.3 Raise the rate of improvement in energy efficiency</p>	<ul style="list-style-type: none"> ● Improve energy efficiency by adopting smart and energy-efficient lighting system to reduce unnecessary energy consumption. ● Conduct regular energy review through routine patrol inspection of plant energy usage, assessing consumption patterns and implementing specific measures to reduce energy consumption.

	<p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation.</p> <p>8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p> <p>8.7 Secure the prohibition and elimination of the worse forms of child labor and eradication of forced labor.</p> <p>8.8 Protect labor rights and promote safe and secure working environments for all workers, in particular women migrants, and those in precarious employment.</p>	<ul style="list-style-type: none"> ● Promote intelligent manufacturing and technological upgrades by continuing investment in automation and AI technologies to enhance productivity while creating new employment opportunities. ● Provide equal employment opportunities for all genders and apply consistent evaluation standards. ● Implement a comprehensive annual salary adjustment program to support employee to enhance development and career growth. ● Respect labor rights, including the prohibition of child labor and all forms of workplace discrimination. ● Make appropriate adjustments to the job responsibilities of female employees in accordance with applicable laws, appointing the right talent to suitable positions to safeguard their rights. ● Ensure a safe working environment by conducting equipment self-checks to prevent work injuries and enhance occupational safety.
	<p>9.1 Develop quality, reliable, sustainable and resilient infrastructure.</p> <p>9.2 Upgrade infrastructure to make them sustainable and improve energy utilization rates.</p>	<ul style="list-style-type: none"> ● Promote industrial automation by gradually introducing automated production and measurement process to reduce human error and enhance product quality. ● Advance smart manufacturing by implementing in house MES system for key data monitoring and control, supporting the transition toward intelligent manufacturing company.
	<p>10.2 Promote the social, economic and political inclusion of all, irrespective of age, sex, disability, religion or economic or other status.</p> <p>10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory practices.</p>	<ul style="list-style-type: none"> ● Conduct the recruitment, evaluation, and promotion mechanisms without discrimination based on employees' physical or psychological conditions. ● Provide established employee complaint channels and an existing complaint-handling process to protect whistleblowers.

	<p>12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse.</p> <p>12.6 Encourage companies to adopt sustainable practices and integrate sustainability information into their reporting cycles.</p>	<ul style="list-style-type: none"> ● Promote sustainable resource management by increasing the utilization rate of plastic materials through recycling, thereby reducing raw material waste and resource depletion during the production process. ● Publish an annual ESG Sustainability Report to transparently disclose sustainability-related data and enhance communications with stakeholders.
	<p>13.2 Integrate climate change measures into national policies, strategies and planning.</p> <p>13.3 Improve education, raise awareness, and enhance human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.</p>	<ul style="list-style-type: none"> ● Conduct a greenhouse gas inventory and third-party verification in 2024 as a basis for developing a carbon reduction plan and demonstrating progress toward emission reduction. ● Identify material risks and opportunities related to climate change and establish corresponding mitigation and response measures.
	<p>16.6 Develop effective, accountable and transparent institutions at all levels.</p> <p>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels.</p>	<ul style="list-style-type: none"> ● Strengthen corporate governance through robust internal controls to ensure compliance with company policies, and establish independent complaint channels and comprehensive whistleblowing procedure. ● Engage in regular stakeholder communication to understand their expectations and concerns to the company, and regularly report relevant matters to the Board of Directors.



II. About Delta Asia

2.1 Company Introduction

Delta Asia International Corporation was established in November 2004. The Company has been dedicated to research and development as an original design manufacturer (ODM) of class II and class III medical devices and related components. Delta Asia provides vertically integrated total-solution service, including professional tooling design and manufacture, injection molding, and the assembly of semi-finished and finished products.

The Company was listed in 2020 with the stock code 6762, demonstrating technical capabilities and reputation in the medical device manufacturing industry.

Delta Asia initially focused on precision mold manufacturing and injection molding services, primarily servicing well-known consumer electronics manufacturers including those in the mobile phone sector. However, as the significant westward expansion of the consumer electronics industry and the market competitors increasing, the founder recognized the need for strategic transformation.

In 2008, during a period of strong business growth, the founder decisively led the company into the high-entry-barrier medical devices industry. This strategic shift was inspired by personal experience that highlighted the critical importance of quality, safety and reliability in medical devices over cost consideration alone.

Since entering the medical device sector, Delta Asia has continuously refined its manufacturing processes and technologies. The Company focuses on high-quality and high-precision production of medical devices and has established a comprehensive, vertically integrated manufacturing service model. The products are widely applied in the advanced medical fields, including minimally invasive cardiac surgery, laparoscopic surgery, robotic surgical instruments, as well as gynecological, urological, and ophthalmic procedures.

To ensure product quality and regulatory compliance, Delta Asia has established a comprehensive quality management system, including ISO 13485 certification for medical devices and compliance with FDA 21 CFR Part 820 (QSR). The Company operates ISO Class 6 and ISO Class 5 cleanroom assembly lines and controls injection molding environment that meets international standards. All injection molding machines are equipped with automated material feeding systems, significantly reducing the need for manual handle and ensuring a clean and controlled production environment.

In 2023, Delta Asia made significant progress through substantial investments in injection molding equipment, mold processing machinery, precision measurement instruments, and automation systems. The Company expanded recruitment of skilled professionals and developed proprietary software to integrate automated systems across operations. Manufacturing processes and production line layouts were further optimized to advance the implementation of a smart factory framework. To address



diverse product specifications, Delta Asia expanded both variety and quantity of injection molding machines, offering a comprehensive range of tonnage capabilities.

The Company are planning to introduce multi-material coating injection molding machines and further strengthen secondary processing capabilities, including printing, laser marking, tapping and insertion, ultrasonic welding, heat staking, and soldering. Delta Asia will continuous to expand capabilities and build production lines for semi-finished products processing and in-house finished product assembly.

To enhance the production capacity of tooling and injection molding, Delta Asia has expanded tooling capabilities to include wire electrical discharge machining (WEDM), electrical discharge machines (EDM), and CNC processing equipment. In parallel, with emphasis on quality, the Company has invested in advanced quality measurement technologies, including 3D Coordinate Measuring Machines (CMM), Vision Measuring Machines (VMS), and Computed Tomography (CT) systems, providing ultra-high-precision inspection capabilities aligned with smart factory requirements.

Furthermore, Automated Optical Inspection (AOI) systems have been developed and integrated alongside the injection molding machines, enabling intelligent, high-precision quality inspection to meet the diverse requirements of different product specifications.

The foundation of Delta Asia's smart factory is built upon standardization, system integration, automation, digitalization, and intelligentization. By integrating standardized procedures with software platforms and automated hardware to digitize operational data, enabling the progressive development of intelligent management and advancing toward the vision of a smart factory for medical devices manufacturing.

Going forward, Delta Asia will continue to invest in research, development, and innovation while deepening collaborations with globally recognized medical device company. The Company is committed to becoming a leading global expert in medical device manufacturing and to making meaningful contributions to the advancement of human health.

Note: For the history of Delta Asia, please visit the website under [About Us – History](#).

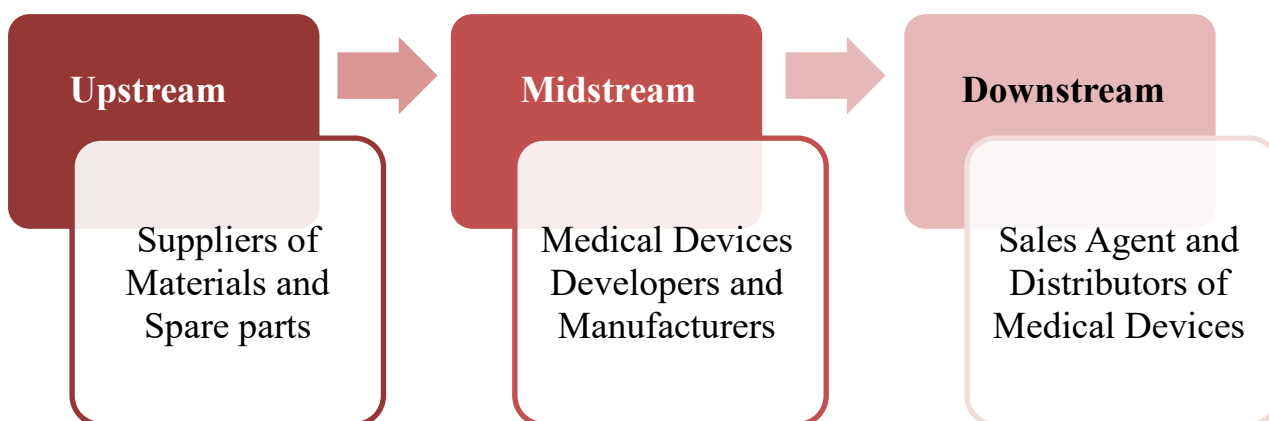
[Our history](#)



Basic information

Company name	Delta Asia International Corporation
Stock code	6762
Industry type	Listed biotechnology and healthcare industry
Main products/services	We provide advanced manufacturing services for disposable Class II and III medical devices, including tooling design and manufacturing for medical device, injection molding of component, and assembly of semi-finished and finished products.
Headquarters location	No.200, Sec. 1, Nanshan Rd., Luzhu Dist., Taoyuan City, 338021, Taiwan R.O.C.
Capital (Unit: NTD thousand)	500,000
Revenue for the current year (Unit: NTD thousand)	580,510
Operating locations	Taiwan
Revenue breakdown by region	Americas 97.40 Asia 1.56 Europe 0.97 Taiwan 0.07

The Correlation of Upstream, Midstream and Downstream in the Operations of Delta Asia



The upstream segment of the medical device industry value chain comprises various suppliers of materials and spare parts, including but not limited to electronic components, metals, plastics, and biological materials. Delta Asia operates within the upstream segment by procuring raw materials, equipment and related services.

The midstream segment comprises manufacturers that purchase materials from the upstream segment to produce functional medical devices. Products range from basic home-use medical consumables and equipment to professional medical consumables



and devices. Delta Asia operates within the midstream segment by providing manufacturing service for medical device and assembly services for finished product.

The downstream segment comprises sales agencies and distributors of medical devices. Sales channels include hospitals, clinics, and pharmacies. Sales channels are closely aligned with product functions. Medical consumables are primarily sold to hospitals and pharmacies, whereas professional medical devices are mainly marketed to hospitals and clinics.

For home-care products, such as electronic thermometers and electronic sphygmomanometers, pharmacies serve as the primary sale channel. Delta Asia provides manufacturing services for semi-finished or finished products on a contract basis for brand customers, allowing them to use these products for further assembly or direct sales.



2.2 Management Philosophy

Delta Asia was founded during a period when many industries were relocating operations overseas. In alignment with our business philosophy and culture, we have consistently maintained sustainable improvement and development, even as we have faced various tests and challenges over the years.

At Delta Asia, we firmly believe that our employees are our most valuable assets. They are vital partners in achieving company success. Although injection molding is a traditional viewed as a mature industry in Taiwan, we are confident that, through the collective determination and resilience of all partners, we can achieve our objectives.

For our customers, we strive to be rigorous in managing every project, ensuring we are deliberate and detailed in completing each customer's consignment on time. We commit to what we can responsibly deliver and we deliver on that commitment.

Success Does Not Mean Creating Wealth.

At Delta Asia, success is defined that every member feels happy to be part of the team, feel satisfied, and reach achievement of their individual goals. Additionally, it entails elevating product quality to align with a professional commitment. As a result, Delta Asia is able to enhance customer satisfaction and continuously contribute to society.

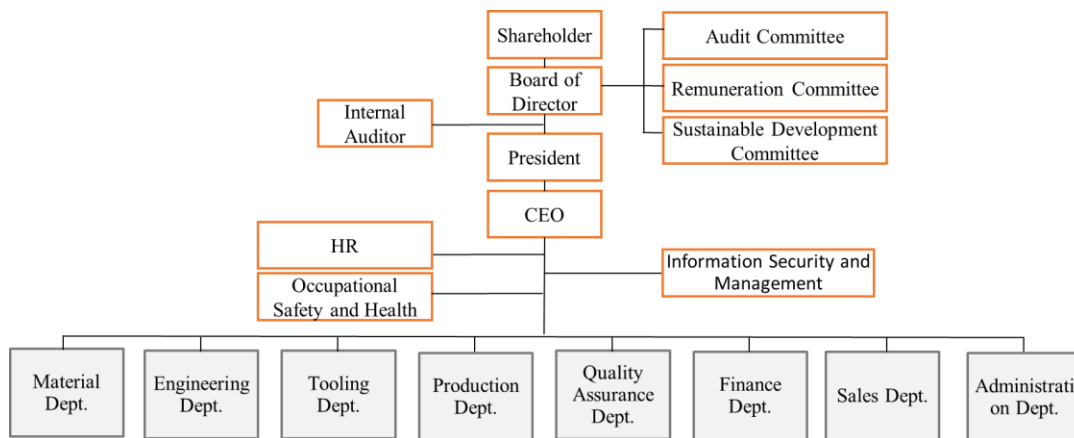
Therefore, “employee happiness,” “customer satisfaction,” and “social contribution” are the core values that drive Delta Asia forward with persistence and clarity. We strive to create a workplace where every employee feels secure and values, and to earn the trust of our customers by consistently delivering high-quality products. With this foundation, Delta Asia is well positioned to contribute positively and sustainably to society.

2.3 Participation in Associations

Association Name	Participation Identity
Taoyuan City Industrial Association	Member
Taiwan Computer Emergency Response Team/Coordination Center (TWCERT)	Member

III. Ethical Governance

Organization structure



A comprehensive corporate governance structure includes a sound Board of Directors, strict internal controls, and stable financial management. It can be effective in lowering company management risk, enhancing company competitiveness, and creating brand value. It guides the establishment of a corporate culture of integrity and responsibility by adhering to laws and regulations, thereby realizing ethical corporate management. At the same time, a well-functioning corporate governance structure ensures sound development for company operations while safeguarding the rights of investors and other stakeholders.

Delta Asia has established a corporate governance framework in accordance with the Securities and Exchange Act and related regulations. To strengthen the protection of shareholders' interests, enhance Board functions, safeguard shareholder rights, and improve information transparency, the Board of Directors has approved and adopted the "Corporate Governance Best-Practice Principles." Guided by the principles of fairness, integrity and transparency in Board selection procedures, and through the establishment of independent mechanism, the Company has strengthened the Board's management and supervisory functions.

The Board of Directors has approved the "Regulations on Insider Trading," which prohibits directors, managers, employees, and other insiders from using non-public information for personal gain. In addition, the Board has also approved the "Procedures for Ethical Management and Guidelines for Conduct." Guided by principles of integrity, transparency and accountability, the Company has established ethics-based policies as the foundation and built a robust corporate governance, and risk management framework to support sustainable development.

Moreover, the Company is committed to the principles of accuracy, timeliness, and fairness in information disclosure. We have implemented a comprehensive information disclosure system that provides transparent information on the Company's operations, financial condition, Board activities, and shareholders' meetings. Relevant information is made available through the Company's website and the Market



Observation Post System (MOPS), ensuring that shareholders have timely access to material information.

Information related to corporate governance regulations, as well as the operations and status of each functional unit, is disclosed in the annual report and on the Company's website, and is reported to the Board of Directors at least once a year.

Note: Details of the above governance policies and procedures are available in Corporate Governance section of the Delta Asia website.

[Corporate Governance](#)



3.1 Governance Practice

The shareholders' meeting is composed of all the shareholders and serves as the forum for making decisions on the Company's material matters. The Board of Directors regularly reports to the shareholders and is responsible for implementing resolutions adopted at shareholders' meetings.

The Board of Directors is the Company's highest governing body. Board members fulfill their duty of care by formulating operational policies, reviewing financial performance, and ensuring compliance with applicable laws and regulations. To strengthen corporate governance and competitiveness, the Company has established an Audit Committee and a Remuneration Committee to support and improve Board operations.

An independent audit office has been established under the Board of Directors. This office conducts regular internal audits and reports audits results to the Remuneration Committee and the Board of Directors.

Delta Asia places strong emphasis on corporate governance as a foundation for sustainable growth and ethical management. We continue to strengthen our corporate governance framework and information transparency through an effective internal control system that safeguards stakeholder rights. In accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies," the Company takes into consideration its overall operational activities to design the internal control system and ensures proper implementation. Internal control reviews are conducted at any time so as to respond to internal and external environmental changes and to ensure the continuous effectiveness of the design and execution. Through a



comprehensive management mechanism, the Company enhances operational performance and advances its sustainable development objectives.

To further support the directors in performing their duties and enhancing Board effectiveness, the Board of Directors has approved the appointment of the Finance Director as the Corporate Governance Officer. This role is responsible for safeguarding shareholder rights and strengthening Board functions by assisting directors with access to necessary information, arranging continuing education, coordinating Board and shareholders' meetings, facilitating the implementation of resolutions, and maintaining investor relations.

Going forward, the Company will continue to enhance the overall effectiveness of corporate governance framework, and strengthen the trust of stakeholders.

Delta Asia has engaged independent auditors to conduct regular audits and attestation of financial statements. The Company fulfills all statutory information disclosure requirements in an accurate and timely manner. Authorized personnel are responsible for public disclosures and the Company establishes a spokesperson system, ensuring material information is disclosed promptly and appropriately so that shareholders and stakeholders can obtain related information regarding the company's financial condition and business operation.

Looking toward the future, the Company continues to enhance Board operations, improve information transparency, and gradually integrate sustainability governance strategies into overall governance framework.

2024 Corporate Governance Officer Business Execution Results

1. Assisting independent Directors and general Directors in performing their duties by providing the necessary information and arranging continuing education:

- (1) Provided the board members with the latest legal and regulatory developments relating to company management and corporate governance when the Directors get onboard, and updated them on such developments on a regular basis.
- (2) Reviewed confidentiality classifications, and provided Directors with required company information, ensuring effective communication and interaction between the Board and management team.
- (3) Assisted in arranging meetings between the independent Directors and the internal audit officer or independent auditors, as needed, to let Directors obtain an understanding of the Company's financial and operational status, according to the Corporate Governance Best-Practice Principles.
- (4) Assisted independent Directors and general Directors in developing annual continuous education plans and arranging courses based on industry field and the Directors' backgrounds.

2. Assisting the Board of Directors and shareholders' meetings in complying with applicable laws and regulation to make decisions.:

- (1) Reported to the Board of Directors and independent Directors on status of corporate governance practices, and confirm whether the convening of shareholders' and Board meetings complies with applicable laws and the Corporate Governance Best-Practice Principles.

- (2) Assisted and remind Directors of relevant laws and regulations while they perform their duties or implement Board resolutions, and provided guidance where a proposed resolution may violate legal risks.
 - (3) Reviewed material information announcement related to key Board resolutions to ensure the legality and accuracy and safeguard fair access to information for investors.
 - (4) Prepared Board meeting agendas and notify the board directors seven days before the meeting, and convened the meetings and provide all required meeting materials. Where it is necessary for the Director to recuse him/herself from any topics due to conflicts of interest, a reminder shall be given in advance. The board meeting minutes shall be completed within twenty days.
 - (5) Handle shareholders' meeting registration matters before the meeting date, and prepare the meeting notice, meeting handbook, and meeting minutes within the statutory deadlines. Assisted with amendments to the articles of incorporation and handle the re-election and registration of Directors.
3. Purchase directors' liability insurance with an insured amount of NT\$60 million with an insurance period from 2024/7 to 2025/7.

3.1.1 Board of Directors

The Board of Directors is responsible for formulating the Company's management strategies and is accountable to the shareholders as well as other stakeholders. The Board of Directors shall faithfully conduct corporate affairs and uphold their duty of care as prudent administrators. In exercising their power, Directors must act with due diligence and sound judgment.

The Company's business activities and governance-related operations are decided by the Board of Directors, except for matters that must be resolved by the shareholders' meeting pursuant to the laws or the articles of incorporation. Elections of Board members are conducted in accordance with Delta Asia's Articles of Incorporation through a candidate nomination system to ensure that individuals with the appropriate expertise and integrity are elected through regular re-election procedures.

In line with the "Corporate Governance Best-Practice Principles," no more than one-third of the Board seats may be held by directors who concurrently serve as managers of the Company. In addition, Board diversity is emphasized, taking into consideration a range of attributes, including but not limited to personal background, professional knowledge and relevant industry experience. They shall possess the essential skills, professional competencies and qualities required to fulfill their responsibilities. Directors of Delta Asia have strong professional expertise and extensive practical experience, with deep familiarity with industry trends and development.

The Board currently consists of seven Directors, including four independent Directors, thereby strengthening independence of the Board in accordance with regulatory requirements. Each Director serves a three-year term. The Board convenes at least once every quarter to review the Company's management performance and to deliberate on significant matters relating to economic, environmental, and social impacts, as well as associated risks and opportunities. The responsible unit for follow-up actions is designated during the meeting, and progress is reported at the next Board meeting.

The information about Delta Asia's Directors and related corporate governance is disclosed in the Company's annual report and on the Company official website. The annual report is publicly available through the MOPS and on the Company website. Disclosed information includes Director profiles, educational and career backgrounds, concurrent positions held, independent Director qualifications, and the operational status of each functional committee.

Statistics on the structure of the board members:

Diversity statistics/Year			2022		2023		2024	
			No. of persons	%	No. of persons	%	No. of persons	%
Directors	Gender	Male	3	43	3	43	3	43
		Female	4	57	4	57	4	57
	Age	Under 50	2	28	2	28	2	28
		50 to 60	3	43	3	43	3	43

		Over 60	2	28	2	28	2	28
	Education	Graduate school	6	86	6	86	6	86
		University / College	1	14	1	14	1	14

Note: Please refer to the official website – [Board member diversity policy and implementation status](#) for Delta Asia’s Director’ education and experiences, concurrent job roles, and major shareholders’ names list.

[Board member diversity policy and implementation status](#)



Board attendance:

Title	Name	Required attendance [A]	Actual attendance [B]	Attendance rate (%) [B/A]
President	Ya-Wen Hsu	6	6	100%
Directors	Hung-Wen Wei	6	6	100%
Directors	TAINET Communication System Corp. Representative: Chih-Cheng Chang	6	6	100%
Independent director	Cheng-Wen Li	6	6	100%
Independent director	Su-Chen Yang	6	6	100%
Independent director	Chi-Ying Chiu	6	6	100%
Independent director	Juk-Ling Ting	6	5	83%

To establish an effective Board operation mechanism, ensure a sound supervisory function, and safeguard the independence of independent Directors in performing their duties, the Company’s Board of Directors has approved the “Rules of Procedure for Board Meetings” and established the “Rules Governing the Scope of Powers of Independent Directors”. These rules clearly define the responsibilities and authority of independent Directors.



The Board members adhere to the highest standard of self-discipline by enforcing conflicts of interest recusal. When a director or the entity they represent has a conflict of interest in any proposal under discussion at a Board meeting, they shall fully disclose the key aspects of the conflict and recuse themselves from discussions and voting if their participation may prejudice the Company's interests. They are also prohibited from exercising any voting rights on behalf of other directors.

The President, Ya-Wen Hsu, also serves as CEO. Given that the Company operates in the medical device manufacturing industry that demands advanced expertise, technology, and quality management, and that talent cultivation in this field requires substantial time so that this dual role supports operational needs, enhances management efficiency and strengthens decision-making.

President Hsu is the founder of Delta Asia and has worked in the medical manufacturing industry for more than two decades. With strong capabilities in operational judgment, business management, leadership, and strategic decision-making, she has guided the Company in establishing a solid corporate culture and achieving stable operations. To comply with corporate governance requirements, the Company has increased the number of independent directors and ensured that no more than half of the Board members concurrently serve as Company employees or managers. In addition, the Company continues to develop qualified candidates for future CEO succession.

To further enhance the quality of Board decision-making, the Board has approved the "Rules for Performance Evaluation of Board Directors and Managerial Officers." Each year, internal evaluations are conducted for the Board of Directors, individual Directors, and functional committees. The Board Affairs Unit distributes self-evaluation questionnaire to all Directors, consolidates the results, and reports them to the Board. Evaluation results serve as an important reference for the selection or nomination of Directors and provide a basis for determining Director compensation.

The 2024 Board performance evaluation results were reviewed and approved at the 17th meeting of the 5th Board of Directors on January 20, 2025. The evaluation results are as follows:

Board of Directors' Performance Evaluation			
Self-evaluation (questionnaire)	2022	2023	2024
Board of Directors	99.30	97.64	94.64
Audit Committee	98.78	99.09	96.08
Remuneration Committee	98.37	98.85	92.14
Sustainable Development Committee	-	93.33	91.33

Note: The Sustainable Development Committee was established in 2022. Hence, there was no performance evaluation conducted for that year.

To strengthen risk management and support effective Board operation, the Company has purchased Director's liability insurance to enhance the willingness of professional qualified talents to serve as Board members. This measure allows them to perform their duties with peace of mind while helping the Company reduce and diversify the risks of significant loss that may arise from errors or negligence.

The Company also actively encourages Directors to participate in continuing professional education. In 2024, all board members collectively completed 42 hours of relevant training. Going forward, the Corporate Governance Officer plans to incorporate additional courses related to corporate sustainability into the continuing education curriculum. The Company believes that, under the leadership of board members who have extensive experience in ethical business management and diverse industry expertise, operations will continue to advance toward stable performance and sustainable development, enabling the Company to further expand positive impact on society.

Course name	Hours
Business contract management and audit practice	6
Generative AI and ChatGPT applications	3
SDGs and ESG sustainable management	3
Responsibilities of the directors and supervisors in corporate mergers and acquisitions	3
Industry 4.0 and how can businesses lead innovative transition	3
Introduction to the Nomination and Compensation Committee Under the US Law: Case analysis	3
Corporate governance performance management system operations and evaluations	3
Operation practice of the Audit Committee, 6th term	3
Establishing ESG sustainable corporate strategies by the Board of Directors	3
Due diligence and finance evaluation for M&A transactions	3
Case analysis of unethical corporate management responsibilities and securities manipulation	3
Corporate digital transition and digital governance	3
SDGs and ESG sustainable management	3

3.1.2 Functional Committees

To ensure effective supervisory and management functions, the Board of Directors has established the Audit Committee and the Remuneration Committee. These functional committees operate independently in accordance with relevant laws and regulations, and report their findings and recommendations to the Board. All proposals reviewed by the committees are submitted to the Board of Directors for further deliberation and resolution.

Audit Committee

The Audit Committee assists the Board of Directors in overseeing the Company's accounting quality, audit effectiveness, financial reporting processes, and internal control system. The Committee submits its assessment results to the Board for discussion. The Board has approved the "Audit Committee Charter" and formally appointed the Committee during the Board meeting. The Audit Committee consists of three independent Directors, one of whom serves as the convener and includes at least one member in accounting or finance. Meetings are conducted at least once every quarter. In 2024, the Audit Committee held five meetings with an attendance rate of 95%.

The internal audit officer provides quarterly written reports to the independent Directors, covering the progress of audit implementation, internal operational matters, updates to internal control systems, and related issues. The internal audit officer presented the audit report during the Board meeting to ensure clear communication regarding audit progress and outcomes. In 2024, the independent auditors presented the financial statements review to the independent Directors, through written communication, facilitated the exchange of views and the promotion of legal awareness.

Audit Committee Attendance Status

Title	Name	Required attendance (A)	Actual attendance (B)	Attendance rate (%) (B/A)
Independent Director	Cheng-Wen Li	5	5	100%
Independent Director	Su-Chen Yang	5	5	100%
Independent Director	Chi-Ying Chiu	5	5	100%
Independent Director	Juk-Ling Ting	5	4	80%

Remuneration Committee

To establish a sound remuneration system for directors and managerial officers, Delta Asia evaluates management performance to ensure that compensation levels are reasonable and aligned with responsibilities. The Board of Directors has approved the "Remuneration Committee Charter" and appointed the Remuneration Committee under the Board. The Committee must include at least one independent director; currently, all three members are independent Directors. In 2024, the Committee convened three meetings achieving an attendance rate of 100%.

The Remuneration Committee is responsible for regularly reviewing the performance and remuneration systems, and compensation standards of Directors and managerial officers. Evaluations are carried out in accordance with the “Rules for Performance Evaluation of Board Directors and Managerial Officers”. Key evaluation criteria include understanding of the Company goals and mission, understanding of the Directors’ duties, level of participation in the Company operations, management of internal relationships and communications, professional competency; and commitment to continuing education.

Directors receive remuneration that is determined based on performance evaluation outcomes, and takes into account the Company’s overall operational performance, future industry risks, and prevailing development trends. Reviews are conducted periodically in accordance with the Company’s operational status and relevant legal and regulatory requirements to maintain a balance between sustainable business operations and effective risk management. Remuneration for managerial officers includes both fixed salaries and performance-based rewards. Salary levels are benchmarked against industry peers and determined based on job grade, responsibilities, education, experience, professional capabilities, and performance evaluation results. Performance-based rewards are linked to the managerial officers contributions to Company operations and their overall performance.

Evaluation items include individual competencies (such as logical thinking, emotional stability, integrity, leadership influence, communication and coordination, skills, teamwork, and relationships management; management capabilities (including team building, communication, problem-solving, talent development, strategic and innovative management, and performance management); attendance; and other special contributions in ESG-related target. Additionally, future Company risks are considered when allocating performance-based remuneration. The evaluation results are reviewed by the Remuneration Committee and submitted to the Board of Directors for approval.

Remuneration Committee Attendance Status

Title	Name	Required attendance (A)	Actual attendance (B)	Attendance rate (%) (B/A)
Independent Director	Cheng-Wen Li	3	3	100%
Independent Director	Su-Chen Yang	3	3	100%
Independent Director	Chi-Ying Chiu	3	3	100%

Sustainable Development Committee

To advance the Company’s sustainable development objective and strengthen sustainable governance, the Sustainable Development Committee has been established and the “Sustainable Development Committee Charter” has been adopted in accordance with the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the “Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies.”

Primary Responsibilities:

- I. Formulate the Company’s annual sustainable development plan and strategic guidelines.
- II. Develop specific sustainable development promotion plans.

- III. Monitor on and review the implementation results of the annual sustainable development plan, strategic guidelines, and promotion plans.
- IV. Address and resolve other matters related to sustainable development.

The Committee submits specific sustainable development promotion plans and reports annually to the Board of Directors on the implementation progress and future work plans. The Board of Directors oversees the Company's sustainable development performance and monitors related progress to ensure continuous improvement.

Sustainable Development Committee Attendance Status

Title	Name	Required attendance (A)	Actual attendance (B)	Attendance rate (%) (B/A)
Independent director	Cheng-Wen Li	1	1	100%
Independent director	Su-Chen Yang	1	1	100%
Manager of Administration	Tsu-Mei Lee	1	1	100%

3.1.3 Internal Audit

The purpose of the Company's internal audit function is to assist the Board of Directors and managerial officers in examining and assessing deficiencies within the internal control system, evaluating the effectiveness and efficiency of operations, and providing timely recommendation for improvement. The objective is to ensure the continuous and effective implementation of the internal control system and to provide a basis for ongoing review and enhancement. In accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies," Delta Asia takes into account the Company's overall operational activities in designing a robust internal control framework.

The internal control system is periodically reviewed to ensure that improvements are made in response to internal and external changes, thereby maintaining the continues effectiveness of its design and implementation.

To ensure that audit personnel perform their duties impartially, an independent Audit Office has been established under the Board of Directors in accordance with relevant regulations. The Audit Office is staffed by an Audit Officer and one audit personnel. The recruitment and dismissal of the Audit Officer must be approved by the Audit Committee and resolved by the Board of Directors. Recruitment, dismissal, evaluation, and remuneration of audit personnel are proposed by the Audit Officer and submitted to the President for approval.

The Audit Officer attends Board meetings in a non-voting capacity to report on audit activities and also participates in Audit Committee meeting to present the status of internal audits and internal controls to the independent Directors. Each internal department of the Company conducts a self-assessment annually.

The internal audit unit reviews these self-assessments, including identified deficiencies or irregularities in the internal control system and the corresponding remediation progress. These review results form a key basis for the Board of Directors



and CEO in evaluating the overall internal control system and issuing the statement of internal controls.

The qualifications of the Company's audit personnel comply with applicable regulatory requirements. To strengthen professional audit capabilities, audit personnel continue to participate in relevant professional development and audit-related training organized by training institutions designated by the competent authority.

These training programs aim to enhance and maintain audit quality and execution outcomes. Each audit personnel must complete the required number of on-the-job training hours mandated for internal audit work. In 2024, a total of 12 training hours were completed.

Through the continuous efforts of audit personnel in monitoring the implementation of the Company's operational procedures, Delta Asia has established sound governance practices and an effective risk control mechanism, contributing to an operating environment conducive to sustainable development. In 2024, the Audit Office completed 47 audits engagement. No major deficiencies were identified, and all minor issues were corrected within the prescribed timeline.

3.1.4 Integrity and Ethical Corporate Management

Material Topics		Ethical Corporate Management
Importance to the Company		Establish a transparent and responsible corporate governance framework and uphold ethical business principles to ensure the corporate activities comply with legal requirements and meet the highest standards of integrity.
Policy/commitment		“Codes of Ethical Conduct,” “Ethical Corporate Management Best-Practice Principles,” “Procedures for Ethical Management and Guidelines for Conduct,” and the Reporting and Complaints Management Procedures.
Targets	Short term	1. A comprehensive corporate governance framework, covering Board composition, tenure, and internal oversight mechanism, is in place to effectively prevent of legal violations. 2. No complaints or reports of violations were received.
	Mid- to long term	Examine and adhere to the ethical corporate management policy, and continue to provide training courses related to ethical business practices. Facing increasingly intense global competition, the Company seeks to avoid legal liabilities and reputational damage arising from non-compliance with business ethics, thereby supporting long-term sustainable operations.
Invested resources for the current year and specific outcomes		1. Promote ethical corporate management principles to all employees. 2. Require new suppliers to sign and comply with sustainability-related terms.
Responsible department/ Complaint mechanism		- Administration Dept./Company internal complaint channel email - Spokesperson and deputy spokesperson/Company external complaint channel email

Integrity serves as the cornerstone of Delta Asia’s business operations. To cultivate a workplace grounded in ethical conduct, the Company requires all employees to thoroughly understand and comply with the code of ethics and business conduct. Legal compliance forms the foundation of our corporate behavior, while integrity stands as a core value guiding all business decision and operational activities.

To ensure the effective implementation of ethical corporate management, Delta Asia places strong emphasis on the moral character and ethical awareness of employees. During onboarding, the Human Resources Department provides training to familiarize new employees with the Company’s integrity policies. Management is also expected to lead by example, upholding the highest standards of integrity and fostering an ethical corporate culture across all levels of the organization.

Internally, the Corporate Governance Officer is responsible for driving ethical corporate management practices and developing relevant internal regulations, including the “Procedures for Ethical Management and Guidelines for Conduct,” and the “Codes of Ethical Conduct”. These documents are submitted to the Board for approval. The



Company discloses its integrity-related policies on the official website and provides a contact window for stakeholders. Employees may also refer to the internal regulations posted on the website or make inquiries through designated channels, such as email and telephone.

Within Board operations, Directors must adhere to strict conflict of interest rules. When a Director or the entity they represent has potential conflict of interest that may adversely affect the Company's interests, they must state their opinions, respond to questions, and recuse themselves from the related discussions and voting. They are prohibited from exercising voting rights on behalf of other directors. To reinforce integrity in corporate governance, the Company has established internal control mechanisms, including an accounting system that complies with applicable laws and regulations. Annual evaluations of the design and implementation effectiveness of internal control are conducted and reviewed by the audit personnel.

In alignment with the "Procedures for Ethical Management and Guidelines for Conduct," the Company has established multiple whistleblowing channels, including the stakeholder section on the Company website, the CEO mailbox, and the Audit mailbox. Complaints are reviewed by designated personnel in the Audit Office. Whistleblowers are encouraged to provide his/her name and details of the case, including the identity of the accused, time and location of the incidents and supporting evidence. Anonymous reports supported by sufficient evidence will also be investigated.

Audit personnel must proactively disclose any conflicts of interest with either the whistleblower or the accused. If such conflicts exist, the case will be reassigned to ensure impartial handling.

All investigations are conducted with strict confidentiality. Whistleblowers' identities are fully protected, and the Company strictly prohibits any form of retaliation or unfair treatment against individuals who report misconduct or participate in an investigation. All employees are responsible for reporting unethical behavior through the appropriate channels.

Regarding business activities, employees must communicate the Company's ethical management policies to business partners and clearly refuse to provide, promise, request, or accept, any improper benefits. Employees must also avoid transactions with agents, suppliers, customers, or other counterparties known to engage in unethical conduct.

If a business partner is found to have engaged in unethical behavior, the Company will evaluate whether to blacklist the entity to safeguard its integrity standards. Before entering into contracts, Delta Asia assesses the counterparty's ethical management practices and incorporates compliance with the Company's ethical policies into contractual terms. This provision includes requirement for mutual notification, cooperation in investigations, and indemnification in cases involving improper benefits or unethical behavior. The contract may be unconditionally terminated if the counterparty is found to have engaged in unethical conduct.

To further embed integrity into daily operation, particularly in sales activities, the Corporate Governance Office (CGO) plans to gradually introduce online integrity



training programs for employees. The CGO also reviews and evaluates the effectiveness of the Company's integrity-related preventive measures and assesses compliance within sales processes. Implementation results are reported to the Board of Directors at least once a year, while the Audit Office monitors overall performance and provides additional reporting.

The company evaluates corruption-related risks through its internal control and audit systems, identifying potential risks such as violation of trade secrets, misappropriation of assets, theft or unauthorized sale of Company property, and the acceptance of kickbacks or other improper benefits. As of the end of 2024, the Company has neither discovered nor received any reports involving irregular business conduct.

3.2 Risk Management

Delta Asia's risk management framework is structured around the various responsible departments that carry out the risk management operations. Based on the assessment of the possibility of risk occurrence, responses to risks are developed for specific high-risk items. This method ensures that the company achieves the goal of sustainable operations.

Delta Asia Risk Management Structure

Role	Responsibility
CEO	Highest-level manager for risk management
Executive Vice President and Directors of each department	Act as the level one risk management personnel responsible for identifying various risks, formulating countermeasures, and reporting the outcomes to the CEO.
Internal Auditor	Audit the implementation of various important controls based on the audit plan, and submit the audit report to the Audit Committee and Board of Directors.
Response Team	Based on the differences in the risk content, the CEO may convene meetings to review various countermeasures and establish a response team where necessary.

Risk Management

Risk Types	Risk Description	Risk Management Strategy
Operation risk	Talent recruitment and challenges in talent cultivation	Through the method of experience sharing, establish standard operating procedures and scientific technical parameters to accelerate the accumulation of professional knowledge and enhance the abilities of new employees in identifying root causes and solving issues. This aims to address the issue of insufficient professional talent in the medical device industry in Taiwan.
	Sales concentration	Improve technical and service quality to increase the reliability and trust of terminal medical device brand companies in the organization, and attract new customers to reduce sales concentration.
Market risk	Interest rate change	Continue to pay attention to the trends in interest rate changes, and flexibly utilize various funding and financing tools.
	Exchange rate change	Implement the various items as regulated under the "Exchange Risk Management Measures."
Environment	Extreme climate resulting in damage to assets	Strengthen the internal organization to respond to climate change, energy and resource savings, waste reduction and recycling, safety and health management, fire and explosion prevention, earthquake disaster prevention, and more. Cultivate organizational resilience to climate change, and

		enhance the capacity to withstand natural disasters.
	Non-conformity to environmental protection and climate change related regulations and agreements	Identify the laws and regulations announced by the government and establish a mechanism to communicate them to the internal organization. Relevant personnel shall assess the impact level and develop suitable countermeasures for the company. In 2024, the introduction of a greenhouse gas emissions inventory has been completed, and third-party verification has been planned.
Social	Occurrence of occupational disasters	Each year, contract service providers are tasked with implementing work environment testing and inspection, carrying out safety and health education outreach, and conducting fire drills on a regular basis. Cultivate employees' safety self-management and emergency response abilities.
	Occurrence of human rights violations	Implement educational training on human rights protection in the new employee training program. Continue to pay attention to human rights protection topics and promote related educational training to raise awareness of human rights protection and lower the possibility of related risks occurring. Build a smooth complaint channel and protect the identity of the whistleblower ensuring that they will not face improper punishment for whistleblowing.



3.3 Legal Compliance

Legal compliance is the foundation of our business management. As there are many laws and regulations, each department will learn about regulatory amendments through timely interactions with government agencies and news media reports. Each department will then provide both internal and external training to its colleagues to ensure that company operations conform to various laws and regulations.

Firstly, in terms of corporate governance, Delta Asia has established functional committees to monitor the company's financial operations and internal systems. With the approval of the "Corporate Governance Best-Practice Principles" and the "Rules for Performance Evaluation of Board Directors and Managerial Officers," these allow the board to actively participate in the decision-making process for important proposals of the company. At the same time, the Corporate Governance Officer has been appointed to assist with board operations and to provide professional opinions that strengthen board functions. In the future, the Company will continue to adhere to the corporate governance evaluation and the Corporate Governance Best-Practice Principles aimed at increasing employees' awareness of legal compliance.

Secondly, in terms of personnel management, the Company has established internal regulations related to integrity and has repeatedly promoted the core value of integrity within the organization. Through a series of regulatory establishments and implementations, self-reviews and smooth complaint channels, and protection mechanisms for whistleblowers, we have built a comprehensive legal compliance firewall. With management leading by example, employees are expected to ensure that their sales behavior conforms to applicable laws, regulations, company policies, and internal guidelines. Annual internal control, self-evaluation monitoring, compliance status, and internal audits are conducted.

The company has also established employee guidelines for sales execution. Employees at all positions, job levels, and locations are requested to follow the "Procedures for Ethical Management and Guidelines for Conduct" and the employee handbook. The contents comprise work environment standards, equal opportunities, confidentiality terms, prohibition of part-time work, recusal due to conflicts of interest, gifts and the acceptance of gifts, business etiquette, respect for employees and customers, reporting, protection, and exemption. It is important to gain public trust and enhance corporate image, ensuring sustainable operations and development. We want to engage in industry competition with integrity and fairness, shaping a corporate culture that conforms to the laws and building a company reputation that is trustworthy and reliable.

Next, regarding personnel training, the Company offers legal awareness and ethics training designed to enhance employees' understanding of the code of ethics. This training is customized to align with the specific business functions of employees across various departments and job levels. For instance, ensure that employees receive appropriate training materials tailored to their specific job functions, which encompass new employee orientation, physical training courses, unit specific awareness initiatives, and external training opportunities. Legal compliance guidelines are accessible on the



company website and displayed on posters, allowing employees to obtain legal knowledge at their convenience.

In terms of environmental, safety, health, and social aspects, the Company has established the “Procedures for application and procurement management” and “Procedures for Supplier Social Responsibility Management,” to ensure that corporate partners comply with legal requirements for environmental protection and occupational safety throughout the entire product lifecycle, while maintaining effective operations of the environmental and occupational safety management systems. Potential problems can be discovered through the circular management method. We also implement control measures to prevent damage to the company. By encouraging suppliers to understand the importance of social responsibility and collaborate with the Company’s social responsibility management activities, we hope to achieve a green and sustainable supply chain.

In terms of the Company’s overall legal compliance practice, there were no occurrences of major violations related to corporate governance, environmental protection, occupational safety, customer privacy leaks, product responsibilities, or marketing labels in 2024.

3.4 Operational Performance

Material topics		Operational performance
Importance to the company		The customer market share is stable and experiencing consistent growth, which contributes to stable company operations and ongoing expansion.
Policy/ commitment		Taking a step further in deepening the manufacturing technical threshold by building a corporate culture and operations of ethical corporate management, focusing on medical device spare parts, semi-finished products, finished product assembly, and contract manufacturing, along with automated auxiliary software, hardware equipment, and smart systems.
Targets	Short term	Robotic surgery equipment, insulin delivery systems, and injection needle modules will experience the largest growth momentum. Small-quantity production has started in the upper half of this year for robotic surgery equipment intended for clinical trial use. The mass production mold certification for insulin delivery and injection needle modules is expected to be completed this year and to enter mass production.
	Mid-/ Long term	There are plans to build a new Nanshan plant to accommodate mass production of new products for customers and to expand production capacity at the same time. In terms of mid- and long-term benefits, this can increase company revenue.
Invested resources for the current year and specific outcomes		Completion of new Nanshan plant construction. Capital expenditure of NT\$191 million in 2024.
Responsible department/Complaint mechanism		Responsible Dept.: Finance Complaint mechanism: Company website, investor conference, shareholders' meeting

Delta Asia is committed to supporting customers in the manufacturing of class II and class III medical devices and spare parts, with a strong focus on the collaborative development of advanced manufacturing technologies and processes. We provide comprehensive service covering product manufacturing feasibility assessment, mold design and fabrication, injection molding, secondary processes, finished-product assembly, and contracted sterilization. Our goal is to support customers in achieving stable product quality and rapid development through a fully integrated service chain.

The software, hardware, operations, and production lines design of Delta Asia's new Nanshan plant were developed with the vision of establishing a smart factory. We have since added precision mold-processing and measurement equipment, a full-ton injection molding machine, and are planning to install a multi-material coating injection molding machine. In addition, we have introduced AI-based visual inspection technologies. Through these smart-factory tools for monitoring, control, and inspection, we aim to ensure that every product delivered to our customers meets their expectations for consistent and reliable quality.



The foundation of Delta Asia's smart factory is built on standardization, systemization, automation, digitalization, and intelligentization, integrating software systems with automated hardware to enable smart and efficient medical device manufacturing management.

In terms of revenue contribution, insulin injection device and obstetrics/gynecology-related surgical consumables will enter the mass production in 2025, after which their share of Delta Asia's overall revenues is expected to increase progressively. Managing this customer segment will be a key focus in 2025 and will play an important role in the Company's long-term business development. As for the prostatectomy device, kidney metabolism devices, and minimally invasive surgery devices that have already entered mass production, we anticipate continued and stable growth. This customer category remains one of Delta Asia's core segment. The robotic surgery platform used for minimally invasive surgery procedure is still in the product-verification phase as of 2024 due to its longer development cycle. It is expected to enter the mass production in 2026 and is one of our key targets for future scale-up.

2024 financial performance

Unit: NTD thousand

Year	2022	2023	2024
Item			
Operating revenue	462,974	508,023	580,510
Gross profit	233,942	208,723	140,097
Operating expenses	101,020	98,094	102,836
Operating profit	132,922	110,629	37,261
Net income	171,297	85,784	57,189
Earnings per share (NTD)	6.62	3.31	1.87

Unit: NTD thousand

Economic value	Item/Accounting title	2022	2023	2024
Direct economic income	Net operating revenue	462,974	508,023	580,510
	Financial investment income	1,393	5,024	8,762
	Proceeds from asset sales	0	0	750
	Acquired government subsidies	35	141	1,230
	Other income	373	1,530	2,073
Direct economic value generated		464,775	514,718	593,325
Economic distribution	Operating costs	208,274	262,640	371,420
	Employee salaries and benefits	120,786	133,881	169,602
	Payments to investors ^[# 1]	33,671	18,265	25,511
	Payments to government ^[# 2]	44,959	21,116	3,099
	Community investment	427	393	359



	Other expenditures	27	108	3,149
Distributed economic value		408,144	436,403	573,140
Retained economic value ^[# 3]		56,631	78,315	20,185

[# 1]: Includes financial costs and the cash dividends resolved for the current year's earnings distribution proposal.

[# 2]: Taxes and various fees paid to the government, including current year income tax expenses.

[# 3]: Retained economic value = Direct economic value generated - Distributed economic value

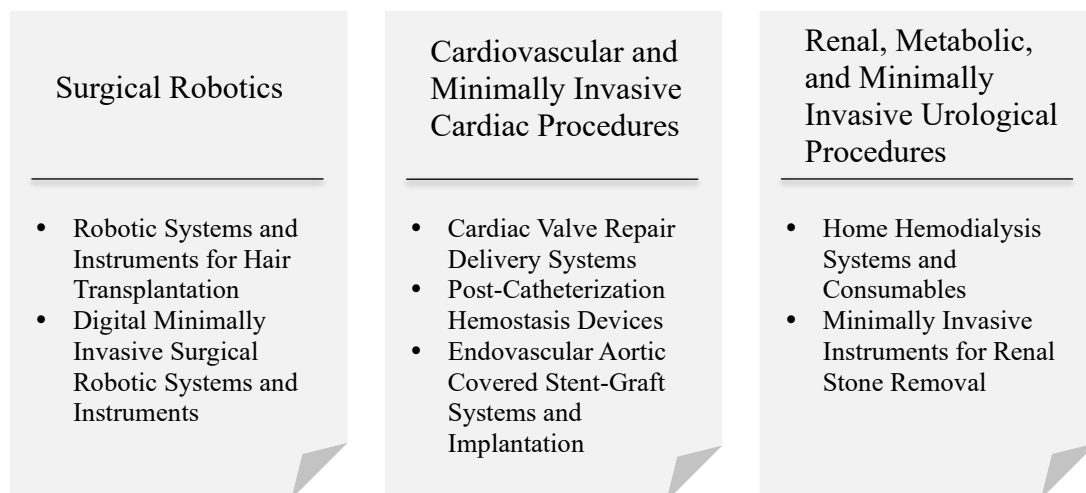


3.5 Products and Services

Delta Asia possesses 20 years of professional experience in medical device tooling and medical device injection molding. We are dedicated to the value of diligence and focus, refining the manufacturing and technology within the medical device industry. Our aim is to create a comprehensive manufacturing service process that includes mold development and manufacturing of medical device spare parts, injection molding of spare parts, assembly of semi-finished and finished products, and other services.

Delta Asia establishes long-term cooperation with major international manufacturers and medical device start-ups from the Americas and Europe. The products of our customers are disposable medical devices with high-level clinical and growth needs. We begin by understanding customer needs, and customers will provide their mold requirements. Delta Asia conducts multi-faceted professional analyses, manufacturing evaluations, comparisons of advantages and disadvantages, design changes and adjustments, and provides mold manufacturing, assembly, and testing services. After confirming that there are no errors in the finished product, large-scale mass production and end product assembly will be initiated. Our strategy is to provide a vertically integrated total solution for customers by being close to them and accommodating their market trends and product development progress.

Delta Asia specializes in the manufacturing services of advanced disposable medical devices. Our product range, as illustrated in the figure below, encompasses robotic surgery equipment, minimally invasive cardiac surgery, kidney metabolism, gynecological and urological surgery, as well as blood glucose monitoring and insulin injection devices, among other medical applications. Additional fields of product applications include transcutaneous electrical nerve stimulators for urinary incontinence, genetic testing devices, ophthalmic drug delivery systems, and safety syringes.



Obstetrics, Gynecology, and Urological Surgery <ul style="list-style-type: none"> • Devices for the Management of Abnormal Uterine Bleeding • Uterine Fibroid Resection Instruments • Robotic Systems for Prostatectomy 	Glucose Monitoring and Insulin Delivery Devices <ul style="list-style-type: none"> • Portable or Continuous Glucose Monitoring Devices • Insulin Delivery Devices 	Others <ul style="list-style-type: none"> • Neuromodulation Devices for Urinary Incontinence • Genetic Testing Devices • Safety Syringes
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3.5.1 Innovative R&D

Material topics		R&D innovations
Importance to the company		To satisfy various customer requests, our professional team continues to integrate advanced technology and become partners with customers by incorporating mold design for automated production and providing professional mold manufacturing to fully meet the requirements of medical devices and related industries. Delta Asia offers customized molds, specializing in a wide range from testing molds to mass production molds and provides customers with molds of stable quality at competitive prices.
Policy/commitment		Committed to assisting customers in the development and design of manufacturing technology for class II and class III medical devices and spare parts. It is a comprehensive service that encompasses product manufacturing feasibility assessment, mold design and manufacturing, injection molding, secondary processes, finished product assembly, and contracted sterilization processes, all delivering product development requirements for stable quality and rapid services to customers.
Targets	Short term	The processing capacity for molding and injection molding is enhanced by increasing the wire electrical discharge machining, electrical discharge machines, and CNC processing equipment needed for mold processing and molding, in response to the needs of major international manufacturers and medical device start-ups. By purchasing and installing 3D Coordinate Measuring Machines (CMM), Vision Measuring Machines (VMS), and Computed Tomography (CT), we offer more precise product quality testing. Developing various manufacturing technologies for semi-finished and finished products is another area in which we are actively engaged. We are expanding our in-house production

		capabilities and capacity for the full production of medical devices.
	Mid- to long term	The gradual development of smart factories at Delta Asia is built on the foundation of standardization, systematization, automation, digitalization, intelligentization, and other aspects, combining various procedural standards with software and automated hardware. This is presented in the form of digital or visualized data, accompanied by smart management, which deepens the technological threshold related to manufacturing, striving to achieve smart factory management for medical device manufacturing.
Invested resources for the current year and specific outcomes		Invested more than 6% in R&D Percentage of 2024 research and development expenses to operating revenue at 7.03% Specific results include successful development of: molds and manufacturing development for insulin injection pumps, robotic surgery platform minimally invasive surgery equipment, minimally invasive surgical equipment for gynecology and myomectomy, and transcutaneous electrical nerve stimulators for disposable urinary incontinence equipment
Responsible department/ Complaint mechanism		Tooling Dept./Telephone and email

Delta Asia exhibits rigorous manufacturing technology development and design capabilities, providing international medical device brand customers with professional manufacturing services for ultimate products and spare parts of class II and class III advanced medical devices.

Our established design philosophy and rigorous adherence to legal regulations for medical devices enable us to offer clients comprehensive services and consistent product quality, ranging from product manufacturing feasibility assessments and mold design to injection molding, thereby addressing customers' needs in product development. Delta Asia possesses extensive expertise in mold design and injection molding technology, encompassing insert molding molds and processes, overmolding molds and techniques, as well as co-injection mold technology. We remain committed to advancing the development of high-temperature and high-strength plastic injection molding molds, as well as enhancing injection molding technology, in order to meet the increasing clinical demands of class II and class III medical devices.

Delta Asia's services extend across various technical levels, and we enhance each level to ensure customer satisfaction. We assist in promoting more advanced medical devices to reach the market, contributing to the development of the medical device industry and addressing clinical needs.

Business item	Technical level
Development and manufacturing of medical device spare parts	The mold needs to be designed based on the raw materials of the spare part and its functions, while considering safety. The Company has longstanding development experience, establishing the technical threshold.
Injection molding processing of medical device spare parts	This technical level responds to the production model of small-scale and diverse new medical device products, as well as the large-scale and stable quality requirements for mass production. All of these must fall within the range of raw materials safety, necessitating a certain level of Design of Experiments (DOE), automated production technology, and certification capability.
Medical device finished product assembly	It includes printing, laser engraving, ultrasonic welding, thermal welding, tapping, component implantation, laser welding, cleaning, and other sub-processes, as well as assembly, packaging, and contracted sterilization. At the same time, manufacturing verification and validation are required, and they need to be within budget and meet legal requirements.

Unit: NTD thousand

	2022	2023	2024
Research and development expenses	29,030	33,817	40,807
Net operating revenue	462,974	508,023	580,510
Research and development expenses to operating revenue net amount percentage (%)	6.27%	6.66%	7.03%

Products/technologies successfully developed in recent 3 years

Item	Summary
Insulin injection equipment	The needle set consumables for insulin injection equipment include disposable inserters and insulin injection needle sets. Some of the products have entered the mass production certification stage at this point, and some of the products under development are expected to complete engineering verification by the first half of 2025, entering the mass production and mold manufacturing certification stage.

Robotic surgery platform minimally invasive surgery equipment	In terms of robotic surgery platform minimally invasive surgery consumables, the applications covered include lung and general surgical operations. The 2024 products are at the product certification stage. Some of the products are still undergoing continuous development optimization. The development of molds will be optimized based on the new customer designs, and the subsequent manufacturing and assembly will be performed.
Transcutaneous electrical nerve stimulator for urinary incontinence disposable equipment	Transcutaneous electrical nerve stimulation for urinary incontinence (sacral neuromodulation) can provide a long-acting, easy-to-use, safe, and clinically effective treatment for patients suffering from overactive bladder and/or fecal incontinence. Mold development and trial production for this model were completed in the second half of 2023, and subsequent certification work was carried out in the second half of 2024. The certification is expected to be completed in 2025, and it is anticipated to enter mass production in 2026.
Minimally invasive surgical treatment for kidney stone disease equipment	The minimally invasive surgical treatment for kidney stone disease integrates equipment such as ureteroscopy, laser lithotripsy, lavage, and suction, and can potentially avoid the need for further invasive surgery. The minimally invasive surgical equipment for treating kidney stone disease entered the mass production stage in 2024.
Minimally invasive cardiac surgical instrument	Certification has been completed for the transcatheter mitral valve repair device, and it has successfully entered the mass production stage.

3.5.2 Product Quality

Material topics		Product quality
Importance to the company		The stable quality of medical devices can effectively establish customer satisfaction and confidence, further driving company operations. At the same time, customers can promote their medical devices that meet clinical needs to enter the market earlier, benefiting more patients. This realization aligns with Delta Asia's aspirations to create positive values and contributions to society.
Policy/commitment		Quality first, customer satisfaction, Delta Asia's commitment: - Establish relationships between Delta Asia and customers or suppliers based on ethics and sense of responsibilities. - Meet or exceed customer and legal requirements - Ensure that all employees understand the importance of Good Manufacturing Practice. - Build a culture of continuous improvement.
Targets	Short term	1. No major defects were discovered by internal/external audits. 2. Passed the quality management related system verification.
	Mid- to long term	1. Current year complaints < 1 case. 2. Automated exterior appearance inspection achieving a reduction in manpower and improves efficiency and accuracy, minimizing the possibility of human error. 3. Become an internationally renowned excellent medical device manufacturer.
Invested resources for the current year and specific outcomes		Invested approximately NT\$64 million in inspection instruments and equipment assets, fully upgrading product quality testing and providing reliable testing capabilities.
Responsible department/ Complaint mechanism		Responsible department: Production Dept./Quality Assurance Dept. Complaint mechanism: Employee opinion mailbox/medical device adverse response reporting system/defective medical device reporting system

Generally, it is required for manufacturers of medical device spare parts to obtain the international standard ISO 9001 certification in accordance with the external regulatory environment. Medical device finished product manufacturers must obtain a pharmaceutical manufacturing license and Good Manufacturing Practice (GMP) certification in compliance with the Pharmaceutical Affairs Law, the Medical Device Management Regulations in Taiwan, and the Standards for the Establishment of Pharmaceutical Factories. Should the product be imported into the United States, it is required to comply with the US FDA Quality System Regulation (21 CFR Part 820).

In 2012, Delta Asia established a quality management system in accordance with the ISO 13485 standard, drawing on its accumulated experience in medical device



manufacturing to effectively meet the operational requirements of medical device manufacturing services. Each year, we renew our quality certification through audits conducted by BSI, a leading international standards organization. Our quality system is aligned with the requirements of the US FDA 21 CFR Part 820 (QSR). Delta Asia maintains a robust quality system, as demonstrated by regular audits conducted by prominent international medical device clients.

In addition, the Company has established internal quality management procedures to implement its quality policy and conduct quality audits, such as “Corrective and Preventive Action (CAPA)” quality procedures to ensure product quality. We have also established internal procedures to evaluate suppliers and thoroughly test materials in accordance with international material safety regulations to ensure product safety and minimize any impacts on the human body. We also review the Device History Record (DHR) before shipment to ensure that the manufacturing process conforms to GMP requirements.

Currently, the Company has obtained the certifications and complied with the regulations, as shown below:

- I. Approved and issued by Taoyuan City: License for medical device manufacturer engaged in the design, manufacturing, labeling, final inspection and release, wholesale, retail, and import
- II. The Certificate of Good Manufacturing Practice (GMP) for Medical Devices issued by the Ministry of Health and Welfare (MOHW) in Taiwan (registration number: GMP 1511), approved registration items: Endoscopes and their accessories (sterilized)
- III. ISO 13485:2016 Certification by a third-party certification body for the international standard of the medical device industry
- IV. Conform to the medical device Quality System Regulation of the US FDA 21 CFR Part 820(QSR)
- V. Registered as medical device contract manufacturer under the US FDA.

When major international medical device manufacturers abide by the relevant medical device laws and regulations, they must extend legal compliance and integrity to the products and services provided by their suppliers. For example: spare parts development, certification and supply; sterilization process services; microbial testing services; and instrument calibration. Therefore, when major international medical device manufacturers select suppliers, they consider whether the supplier has complied with relevant laws and regulations or has obtained the appropriate ISO standards.

Delta Asia has obtained ISO 13485 certification and complied with the required laws and regulations. The Company is a top choice supplier for major international medical device manufacturers. We strictly adhere to ISO 13485 and all applicable medical device laws and regulations, from product development and certification to manufacturing facilities certification and product quality management requirements. With the capability for quick and effective communication with major international medical device manufacturers, we meet the quality expectations of our customers.

To ensure traceability of product history, when a product safety issue occurs, we can quickly collect relevant information through batch traceability, thereby reducing product safety related risks. On product labeling, we adhere to customer requirements



as well as the laws and regulations of each country, such as the Medical Devices Act of Taiwan, and other related requirements to ensure compliance with the laws and regulations.

In terms of the certifications obtained, the laws and regulations adhered to, and the mandatory conditions for guaranteeing medical device quality, Delta Asia's international product quality system has also simultaneously complied with the requirements of the Quality System Regulation of the US FDA QSR 21 CFR Part 820, as our products are primarily intended for export to the US. This benefits the Company by expanding our assembly service for sub-assemblies and finished products of medical devices.

Concurrently, Delta Asia is a qualified manufacturer holding GMP certification for the production of medical device spare parts and finished products, conforming to both domestic and international medical device legal requirements, and is a contract manufacturer registered with the US FDA. Hence, whenever a major international medical device manufacturer succeeds in medical device development, undergoes clinical validation, and completes the market approval process, the Company is satisfied to have participated in the process as a member of the supply chain for the major international brand. We are a certified quality manufacturer contracted by a major overseas medical device manufacturer for the assembly production of spare parts, sub-assemblies, and finished products.

To elevate our quality testing capacity, the Company has invested a significant amount of capital in the installation of Zeiss Coordinate Measuring Machines (CMM) and Vision Measuring Machines (VMM) to increase measurement precision. Additionally, it has purchased a Computed Tomography (CT) precision scanning device to enable one-time scanning of various products. This is intended to effectively raise product inspection efficiency through the quality assurance (QA) process. In addition, with the aim of shifting toward an unmanned smart factory, we have gradually introduced Automated Optical Inspection (AOI) equipment. It can build more precise and intelligent quality inspection capabilities based on different product specifications.



3.5.3 Customer Relations

Material topics		Customer relations management
Importance to the company		Customer trust is the core value of Delta Asia. We have cultivated stable and long-term partnerships with internationally renowned manufacturers for a long time. We look forward to continuing to evolve with our customers, jointly creating extraordinary achievements in the international medical device industry.
Policy/ commitment		Starting with an understanding of customer needs and holding meetings for immediate communication with customers on product development topics, Delta Asia provides multi-faceted professional analysis, manufacturing evaluations, comparisons of advantages and disadvantages, and design changes and adjustments to establish long-term trust relationships.
Targets	Short term	Customer satisfaction reaches 95 points; Passed the audit of the customer audit quality system, and completed the corrective and preventive measures within the deadline.
	Mid- to long term	Customer satisfaction reaches 98 points; Passed the customer quality system audit, and there were no major defects.
Invested resources for the current year and specific outcomes		In 2024, overseas customers conducted a total of 5 onsite and online audits in Taiwan, with manpower resources dedicated for a total of 9 days. An achievement that there were no records of defect cases not yet closed for the quality system audits.
Responsible department/ Complaint mechanism		Responsible department: Quality Assurance Dept. Complaint mechanism: Product customer complaint mechanism

Quality first and immediate response are the keys to customer trust for Delta Asia. We have consistently been the best supplier of advanced medical device plastics spare parts and products for major international brand customers. Delta Asia is constantly moving forward with faith and persistence, accumulating experiences and developing quick response abilities. As a partner to our customers, we offer them the best service.

The project management service offered by Delta Asia includes

- Project management for product manufacturing process development of various products
- Dedicated project manager for customer's products
- Professional team integration
- Provide product verification/validation/development management for each stage of mass production

Equipped with extensive experience in the development of medical device products and manufacturing, we can work with customers from the early stages of product development. We assign a dedicated project manager to oversee the quality, schedule, and mass production of product development for the customer, providing



optimized and professional insights. It is our goal to enable our customers' products to reach the market in the shortest time possible.



Delta Asia is committed to product quality improvements and upgrading manufacturing process technology, providing customers with the highest level of service quality. The company's quality system adopts the US FDA 21 CFR Part 820 (QSR) and the ISO 13485 international standard. Through regular audits by leading international medical device customers and based on our internal procedures for quality audits, we have eliminated identified defects and prevented potential problems with our Corrective and Preventive Action (CAPA) quality process to ensure continuous improvement of our product quality.

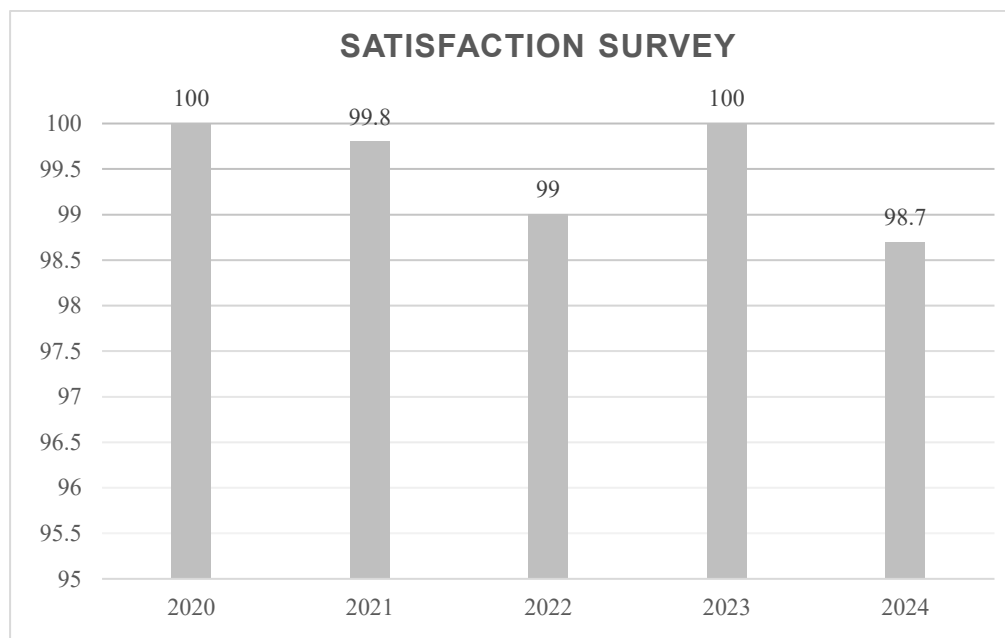
Delta Asia conducts strict controls for every stage of the product lifecycle development. For example, the evaluation of suppliers based on internal processes, thorough testing of materials according to international substance safety regulations, and reviewing the Device History Record (DHR) before shipment. We strive to ensure the quality of the medical products that we deliver to customers and ultimately use in medical institutions. At the same time, to strengthen customer communications and ensure careful handling of quality issues with medical devices, we have established a customer complaint channel. When a customer complaint event occurs, dedicated personnel will be responsible for handling the matter in accordance with the "Customer Complaint Handling Procedures" for an immediate understanding of the reasons for its occurrence, managing the handling progress, and simultaneously maintaining contact with the customer. It can reduce the time difference between internal and external communications and enhance service efficiency.

Customer satisfaction surveys are carried out on a regular basis. Delta Asia is able to propose response methods and overall solutions accurately and rapidly for customers' problems and feedback. The customer satisfaction survey is developed according to the business management procedures. By assessing customer satisfaction levels through the annual customer survey, we can gather information on customer demand and provide sound and sustainable services. We will be able to identify the problems that require improvements and the opportunities by analyzing the survey results. Immediate and effective improvements will be made, along with regular follow-ups. Our goal is to ensure the proper handling of customer feedback and opinions to continue improving customer satisfaction.



The customer satisfaction results from the past five years are shown in the table below:

	2020	2021	2022	2023	2024
Average score	100	99.8	99	100	98.7



The Company places an emphasis on customers' confidential information and the protection of business information. Both parties will establish terms for the protection of confidential information, as agreed upon in the contract, before the transaction begins. We are committed to protecting our customers' confidential information at the same level as our own to ensure that our customers can make profits. In addition, we agreed on the proper preservation and protection of customer assets, ensuring that both intangible and tangible assets receive suitable and reasonable protection.

However, with the escalation of global geopolitical risks, the continuing US–China trade war, inflation, the Russia–Ukraine war, the Israel–Palestine conflict, and other geopolitical conflicts, these have caused profound impacts on the global industrial supply chain. Furthermore, in this era of intense competition for long-term interests, no single region or country can fully lead. The confrontation between the United States and China is unsettling, and participants in every industry must make trade-offs based on their considerations.

At present, Delta Asia has one customer in the United Kingdom, and the rest of the customers are in the Americas. The supply chain of Delta Asia is mostly concentrated in Taiwan, Japan, and local companies in the United States. Hence, there is little impact on the Company during the confrontation between US and Chinese technologies. Geopolitical risks have made decision-making in corporate management increasingly difficult. Delta Asia will continuously monitor the impacts of geopolitical risks on the supply chain and customers from a broader perspective.

By organizing irregular online conferences on various technology exchanges and demand seminars, we interact with customers to understand and gather their demands



and feedback, which we incorporate into the operational decision-making processes at Delta Asia.

3.6 Information Security Protection

Material topics	Information security and personal data protection
Importance to the company	The Company places a strong emphasis on cybersecurity and personal data protection to mitigate the potential impacts that information security issues may have on the organization and its operations. This is to ensure and maintain the confidentiality, availability, and integrity of the confidential information and assets of the organization and its customers during the operating process.
Policy/ commitment	The Company is committed to information security management. The goal is to protect the information related to the company's products and services, avoid unauthorized access, amendment, use, and disclosure, and prevent damages caused by natural disasters, while also providing complete and usable information in a timely manner. We are devoted to protecting our customers' confidential information at the same level as our own. We have earned the trust of our customers and fulfilled our commitments to our shareholders, ensuring the continuous operation of the company's important business.
Targets	<ul style="list-style-type: none"> • To maintain the continuous operations of various information system • To prevent hackers and viruses from intrusion and damages • To prevent the inappropriate and/or illegal use of information • To prevent leakage of confidential information • To maintain physical and environmental safety • Organize information security educational training, promote employee information security awareness and strengthen their understanding of relevant responsibilities
Invested resources for the current year and specific outcomes	<ol style="list-style-type: none"> 1. Joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT) on February 26, 2024, for real-time information security sharing and to reduce information security risks. It can facilitate cross-organizational cooperation and elevate protection capacity. 2. Provide educational training related to information security to new employees. The educational training courses and their respective course hours for the years are as follows: <p>(A) Information system protection management procedure: Organized the 28th educational training for 2024. A total of 83 people, including managers and employees, participated in 0.5 hours of educational training.</p> <p>(B) Discussion on network safety evolution and prevention: Organized the 29th educational training for 2024. A total</p>

	<p>of 84 people, including managers and employees, participated in 0.5 hours of educational training.</p> <p>3. The Company organized two rounds of social engineering drills in July and November 2024, with a total of 166 participants, including managers and employees. The purpose is to enhance employee awareness of information security risks and promote corporate network safety.</p> <p>4. In 2024, there were no reports of information safety incidents that impacted company operations or infringed on customer privacy.</p> <p>5. Report at least once a year to the Board of Directors on annual information security risk situation.</p>
Responsible department/ Complaint mechanism	Responsible Dept.: Information Security and Management Report mechanism: Cybersecurity risk management team member

Delta Asia prioritizes information security by establishing a robust protection framework for information and data, aimed at mitigating risks associated with the leakage of confidential information and data destruction. Related internal information security prevention control mechanisms, applied technologies, and data security standards have been established. An information backup mechanism has been established for the important company system. Each year, restoration tests are performed periodically to ensure that the information system can be restored to normal status. This can lower the risks of interruptions to the systems caused by natural disasters or human errors, ensuring that they conform to the system restoration goals set by the company.

On October 23, 2023, the Cybersecurity Maintenance and Emergency Response Team was appointed. The team is responsible for cybersecurity maintenance management, emergency response execution, and appointing one team leader and three team members. Starting in October 2023, convene at least one meeting to review the cybersecurity execution situation.

The responsible unit for leading and planning Delta Asia's current information security protection strategy is the Information Security and Management team, in cooperation with all relevant units. The execution adheres to the internal cybersecurity policy and the cybersecurity operations procedures. At the same time, the Cybersecurity Maintenance and Emergency Response Team was established to manage cybersecurity maintenance and execute emergency responses. Its functional teams and missions are as follows: (A) The intelligence and planning team is responsible for reporting cybersecurity events, conducting research, and formulating response strategies and plans; (B) the response execution team is responsible for executing damage control, dispatching personnel to carry out emergency rescue and damage management, and conducting restoration operations; (C) the logistics dispatch team is responsible for preserving and retaining evidence, identifying root causes, and proposing improvement suggestions.



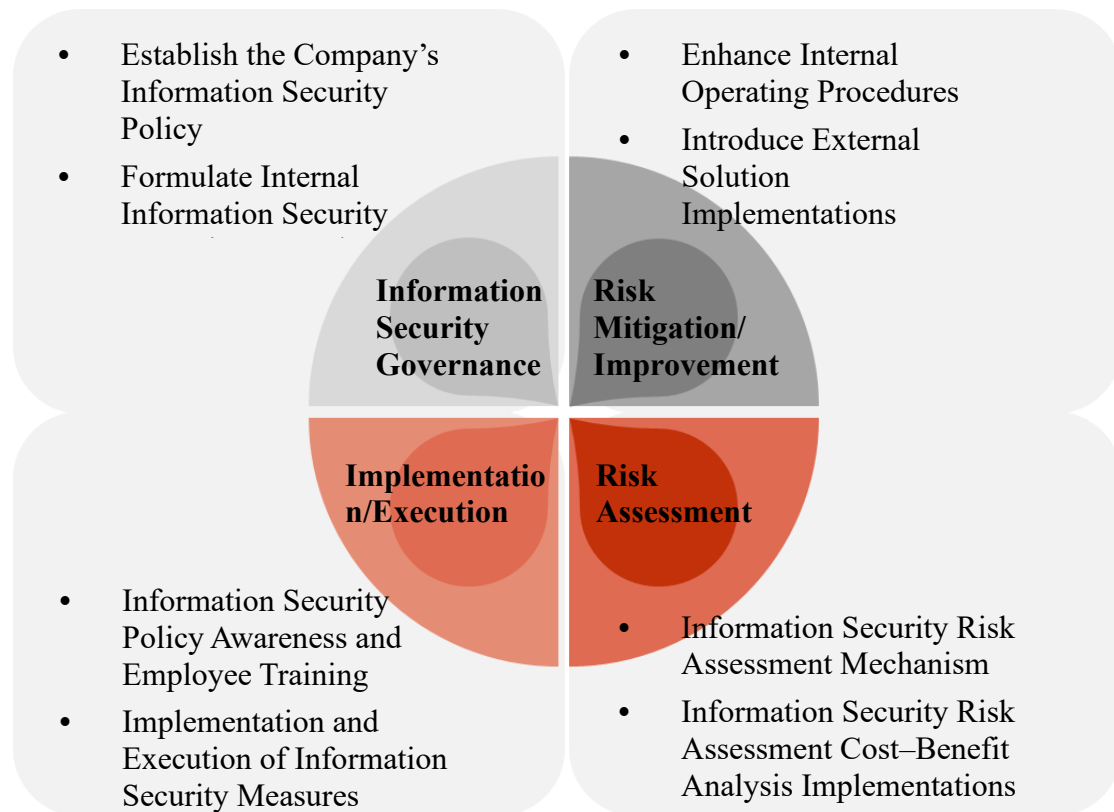
To promote the concept of information security to every employee, Delta Asia provides e-learning courses and conducts social engineering drills every six months to simulate phishing emails from hackers and test employee awareness of information security risks. This is supplemented by information security promotions and educational training. The purpose is to enhance employees' awareness and vigilance regarding information security to reduce risks and impacts to company operations. Review the non-conformity items from cybersecurity audits and health checks, and adopt effective countermeasures for implementing preventive improvement measures. This is to ensure that every business of the company strictly abides by relevant information security regulations and maintains the normal operations of the information security management system.

Delta Asia Information Security and Management irregularly executes the following internal audit activities each year:

1. Monitor abnormal network traffic and amend the preventive communications regulations.
2. Send the system authorization table to each unit for review and confirmation.
3. Review the information storage of the backup system for abnormalities.
4. Execute cybersecurity risk evaluation and amend the company cybersecurity policy.
5. Execute each information system restoration plan test.
6. Execute vulnerability scanning and safety testing software to perform system safety inspections and vulnerability scans.
7. Execute Endpoint Protection and network segmentation to reduce the risks of ransomware, malware and hacker intrusion.

In addition, in response to sudden information security events, organize a project audit plan to ensure the effectiveness of the company's cybersecurity operations.

Based on the management mechanism shown in the figure below, Delta Asia conducts risk management to safeguard the confidentiality, integrity, and availability of company information. This is to prevent improper use, leaks, tampering, damage, or loss of company assets due to human error, intentional harm, or natural hazards, which could impact company operations or violate company rights.





IV. Sustainable Environment

Delta Asia is firmly committed to sustainable environmental stewardship as it pursues operational growth and long-term business continuity. Employees are encouraged to strengthen their awareness of environmental protection and to incorporate energy-saving practices into their daily work activities. Environmental management guidelines have been established in alignment with the Company's sustainability objectives, with environmental responsibility serving as a core foundation to ensure that development initiatives comply with Delta Asia's environmental protection plans.

In 2024, Delta Asia conducted routine internal audits and identified deficiencies that required corrective action. Through the application of the Plan-Do-Check-Act (PDCA) cycle for continuous improvement, the Company is dedicated to ensuring that its management systems remain compliant with applicable environmental laws and regulations while fostering a culture of ongoing enhancement and environmental responsibility.

Environmental management guidelines

- **Abide by domestic laws, regulations, and standards related to environmental protection, energy saving, and carbon reduction to establish standard operating procedures and management systems as internal execution guidelines**
- **Commit to reducing manufacturing waste by enhancing manufacturing efficiency, rework, and other measures to minimize environmental impacts**
- **Encourage the use of eco-friendly utensils and containers to reduce single-use consumables, enhance resource recycling to reduce resource consumption**

4.1 Sustainable Supply Chain

Material topics		Supply chain management
Importance to the company		Quality suppliers provide high quality products and services. By strengthening Delta Asia's relationship with its supply chain based on the foundation of mutual trust and long-term cooperation, we work jointly toward the goals of sustainable development.
Policy/commitment		Delta Asia has established the "Procurement Management Procedures" and the "Sustainable Development Best-Practice Principles" to regulate all business dealings. Employees are to evaluate whether a supplier conforms to the requirements for environmental and social aspects and to avoid transactions with suppliers that conflict with the company's corporate social responsibility policy for achieving effective supplier evaluation.
Targets	Short term	<ul style="list-style-type: none"> New supplier signing rate for "Supplier Sustainable Development Survey" reaches 100% Build the supplier environment and social aspects evaluation system Local procurement amount is more than 70%
	Mid- to long term	<ul style="list-style-type: none"> Supplier signing rate for "Supplier Sustainable Development Commitment Statement" reaches 100% Passing rate for supplier evaluation on environment and social aspects reaches 100% Local procurement amount is more than 80%
Invested resources for the current year and specific outcomes		<ul style="list-style-type: none"> Optimize Supplier Sustainable Development Survey Plan the evaluation mechanism for "Human rights, Environment, Safety, Health and Management System" Statistics for local procurement amount
Responsible department/Complaint mechanism		Procurement Director 03-3116588 material@deltaasia.com.tw

Delta Asia regards its suppliers as vital strategic partners. In addition to offering products and services that align with customer requirements, we encourage our suppliers to attain ISO 9001 Quality Management System or ISO 13485 Medical Device Management System certification. We also promote a commitment to environmental, social, and operational management, collaborating with our suppliers to fulfill our corporate social responsibilities.

In the management of suppliers, Delta Asia intends to implement the "Supplier Sustainable Development Survey" to assess the compliance of its suppliers with the relevant laws and regulations of their respective locations, ensuring adherence to



established standards. Delta Asia is committed to taking the requisite measures to develop a supply chain that prioritizes environmental protection, labor rights, safety, social responsibility, and sustainable development through collaboration with its suppliers.

Currently, when suppliers complete and sign the supplier information form, qualified suppliers are required to acknowledge and agree to the terms stating that they will adhere to the corporate responsibility policies of both parties. Should the supplier be found in violation of policies that result in substantial impacts on the environment and the community from which the supply is sourced, the agreements may be terminated or canceled at any time. In addition, to convey the Company's sustainability philosophy and goals, when a supplier becomes one of the Company's suppliers, the supplier must sign on to the procurement form that contains this additional term stating to promise that "the supplier will adhere to providing products, systems or services that shall conform to the relevant and applicable laws, regulations, orders or standards for safety, health, social and environment aspects, and must not hire illegal labor or child labor."

Delta Asia is preparing to introduce the evaluation mechanism to its supply chain for "human rights, environment, safety, health and management systems" in 2025 in order to gain a better understanding of the suppliers' management of environmental, safety, and health aspects and their level of implementation. There are ongoing efforts to encourage suppliers to emphasize ethical corporate management, safeguard labor rights, improve the work environment, and ensure safety and health, as well as to develop environmentally friendly materials and manufacturing processes.

Supplier evaluation mechanism

New supplier selection	Delta Asia is concerned about the impacts of the supply chain on the environment and society. Procurement targets are selected according to the "New Supplier Evaluation Table" for suppliers who meet the requirements of every aspect. A "Supplier Information Table" is then developed. plant and production equipment, quality capacity, shipment capacity, and manufacturing capacity. In 2024, the signing rate by suppliers to adhere to sustainability-related terms for becoming a qualified supplier has reached 100%. New supplier definition: A supplier of raw materials and molds and jigs with transactions in the current year.
Existing supplier evaluation	Delta Asia is a publicly listed company, and it is very important to work with reliable and resilient suppliers. At the same time, suppliers are important partners for the company's continuous growth. The Company performs quality evaluation and audit operations on its suppliers led by the procurement unit and relevant departmental personnel in accordance with the "Supplier Evaluation Operations Guide" and the "Supplier Audit Operations Guide." In 2024, a total of 102 suppliers were evaluated, with those scoring above 70% accounting for 99.02%. There were no suppliers with



	significant or potential impacts on the environment and society.
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Supplier Management Evaluation Standard

New suppliers over the past three years by classifications

Item	2022	2023	2024
Number of new raw material suppliers	11	11	14
Number of new mold and jig suppliers	11	5	11
Total number of suppliers	22	16	25
Number of suppliers signing the ESG commitment	22	16	25
Percentage of suppliers signing the ESG commitment%	100%	100%	100%

Note: New supplier refers to a supplier of raw materials and mold or jig with transactions in the current year.

	2022	2023	2024
Number of suppliers under quality evaluation	78	87	102
Number of suppliers at above 70 points	78	87	101
Percentage of suppliers at above 70 points	100.00%	100.00%	99.02%

Note: Raw material suppliers which have transaction in the current year.

Procurement Policy

Local procurement helps promote local economic development by providing employment opportunities, generating tax revenue, and supporting local community construction. At the same time, it reduces transport costs and carbon emissions, lowers fuel consumption and carbon footprint, which helps decrease negative impacts on the environment. Delta Asia upholds the local procurement policy. Every procurement case prioritizes considerations for local cooperating vendors. Our major operating locations are in Taiwan. In 2024, our expenses to local suppliers in Taiwan account for 75.82%.

Delta Asia emphasizes long-term cooperation with its suppliers and extends the scope of sustainable supply chain management to incorporate elements of corporate social responsibility, including economic and governance aspects, environmental protection, and social co-prosperity. This includes key supplier evaluation and audit requirements related to labor rights, environmental protection, safety and health, ethics, and management systems.

The risk control items and the identification of high-risk suppliers have been established. Improvement measures are formulated based on the evaluation results to assist suppliers in their continuous improvement. It is hoped that sustainable supply chain management outcomes will be elevated and supply chain operation risks will be reduced in order to build sustainable, long-term partner relationships. Local procurement benefits include improved flexibility in the supply of goods, shorter new product development times, and lower production costs, all aimed at reducing the overall carbon emissions volume from supply chain transport.



Local Procurement Situations Over the Past Three Year

Item/Year	2022	2023	2024
Percentage of local suppliers	83.05%	83.33%	80.95%
Percentage of local procurement amount	76.95%	70.33%	75.82%

Note: 1. Local defined by the operation locations.

2. The suppliers are mainly for raw materials and mold and jig.

3. Local procurements are differentiated based on the issuance of uniform invoice and invoice.

4. Local procurement amount percentage = Local procurement amount ÷ total procurement amount × 100%.

Supplier Engagement

Delta Asia uses diverse channels to communicate with suppliers to gain a better understanding and oversight of their operational status.

- A mailbox has been set up on the company website for suppliers to submit their opinions.
- Every month, Delta Asia conducts evaluations of the four major aspects – namely, quality, delivery, document integrity, and level of cooperation – of the suppliers according to the Supplier Evaluation Operations Guide.” For suppliers who do not meet the scores from the evaluation results, they will be requested to make corrections within the deadline, and the results from the “Supplier Re-evaluation Table” will be the basis for determining whether the supplier meets the qualification standard.
- Organize the supplier technology exchange meetings from time to time.



4.2 Energy Resources Management

Energy management represents a significant challenge encountered by contemporary corporations. This is a topic that Delta Asia must carefully consider. The rapid economic development leads to an upward trajectory in energy demand, thereby intensifying the pressure on various energy resources. The foundation of energy management is focused on enhancing efficiency and minimizing waste. By implementing strategic planning, energy saving technologies, an energy monitoring system, and appropriate policies, we can enhance energy efficiency and reduce dependency, thereby advancing our corporate sustainability objectives.

- Each year, we maximize energy efficiency and reduce carbon emissions through energy saving plans. This aspect is included in our management goals to reduce carbon emissions year by year in order to fulfill our responsibilities as a corporate citizen.

Energy usage

The overall energy use structure of Delta Asia consists of two types of energy consumption. The electricity required for company operations accounts for the largest portion, followed by the use of diesel in generators. In 2024, the total electricity consumption was 4,228,000 kWh, which represents an increase compared to 2023. This is mainly due to the relocation of the Nanshang plant to the Nanshan plant in July 2023. With the increase in production, the externally purchased electricity has gradually increased. In the future, Delta Asia will conduct regular energy consumption inventories to assess the energy usage situation for each year, which will serve as an important reference for developing subsequent plans related to energy saving proposals.

The overall energy consumption during 2022 to 2024

Item		Unit	2022	2023	2024
Externally purchased electricity	Non-renewable energy use	kWh	1,955,200.00	3,084,000.00	4,228,000.00
		GJ	7,038.72	11,102.40	15,220.80
Generator	Diesel	Liter	-	-	149.9
		GJ	-	-	5.27
Total	Total energy consumption	GJ	7,038.72	11,102.40	15,226.07
intensity	Revenue	Million NTD	462.90	508.00	580.50
	Energy intensity	GJ/million NTD	15.2057	21.8551	26.2292

Note: Every kWh of electricity is 3.6 megajoules (MJ), 1 GJ is 10⁹ J; diesel heat value is 8,642 kcal/L, 1 kcal is 4,186 J.

Energy intensity = Total energy consumption volume (GJ) / million NTD revenue per year of the company

• Energy saving results

1. Purchase high efficiency chillers and air compressors; use IE3 high efficiency or inverter motors for pumps and fans.



2. Conduct water quality tests for manufacturing water and pure water to reduce the frequency of water changes.
3. Build EMS system (environmental management system) and set suitable environmental control parameters and an operational schedule.
4. Use LED energy saving lighting throughout the plants, and implement sensor or timer designs in some areas.
5. Regularly review the electricity contract capacity to ensure it fits the current power load of the plants.

• Below is a presentation of select projects along with their associated benefits:

Year	Energy saving project	Project description	Benefit
2024	Purchase high efficiency chillers	Select magnetic bearing centrifugal chiller, COP value > 6.1, which meets level 3 energy efficiency grade level.	Compared to the air-conditioning system of the Nanshang plant, the power consumption per refrigeration ton has declined from 0.92 kW to 0.57 kW, resulting in an energy saving of 38%.
	Purchase high efficiency air compressor	Purchase a level 1 energy efficient air compressor and an IE4 high efficiency motor, a 100 HP air compressor equipped with an inverter, meeting the “Motor-driven systems subsidy project” standard of the Energy Administration.	Compared to the air compressor at the Nanshang plant, the power consumption of each CMM air compressor has declined from 5.88 kW to 5.16 kW, resulting in an energy saving of 12%. A total of \$1,022,760 in energy saving subsidies was received.
	Power contract capacity management	Regular assessment of power load and revise the power contract capacity.	A drop in the basic electricity charges and the release of excess power capacity to Taipower as backup power supply.
	Purchase energy saving production equipment such as injection molding machine	Invest in energy saving injection molding machine, electric discharge machine (EDM), and milling machine.	The energy saving injection molding machine can save 40% of power consumption during the production process, reducing 303 kWh/hour of power usage.

4.3 Greenhouse Gases Management

Extreme climate caused by greenhouse gases is an important environmental issue faced by the world. Although Delta Asia is not a major energy consumer, as a responsible global citizen and a participant in the medical health industry, we recognize the reduction of greenhouse gas emissions as a collective corporate objective. In 2024, Delta Asia conducted ISO 14064-1 Greenhouse gases inventory. We aim to initiate prompt responses through inventory analysis to assess the current status and trends. By conducting ongoing and systematic audits of the Company's greenhouse gas emissions resulting from energy consumption, we will establish a reference point for future evaluations of energy saving and carbon reduction performance. We invite aligned suppliers to collaborate on long-term initiatives aimed at safeguarding our unique environmental and natural resources, thereby enhancing public health and well-being.

For the emission sources owned or controlled by Delta Asia, the direct emission sources are mainly the emergency power generator and diffuse sources, while the indirect emission sources are mainly the indirect GHG emissions from externally purchased electricity and the power consumption of equipment, offices, and public areas. In addition, the Company began calculating the diesel storage tank consumption of the Nanshan plant in 2024 and voluntarily compiled the statistics for Scope 3 GHG emissions. The activity data includes the transportation of raw materials, upstream mining, the transport of electricity, waste treatment, and the transport of household and industrial waste. By continuously conducting GHG inventories, Delta Asia plans to implement subsequent carbon reduction measures based on the results of the carbon inventory to minimize environmental impacts.

Greenhouse Gases Emissions during 2022–2024

Scope boundary	2022	2023	2024
Scope 1/Direct GHG emissions volume	-	125.27	295.4860
Scope 2/Indirect GHG emissions volume	967.82	1523.50	2004.0720
Scope 3/Other indirect GHG emissions volume	-	-	452.9773
Total (metric tons CO ₂ e)	967.82	1648.77	2752.5353
Revenue (million NTD)	462.90	508.00	580.50
GHG emissions intensity (metric tons CO ₂ e/million NTD)	2.0908	3.2456	4.7417

Note: 2024 is the base year for GHG emissions. Diesel consumption is included in the calculation of the GHGs. There was no diesel procurement between 2022 to 2024.

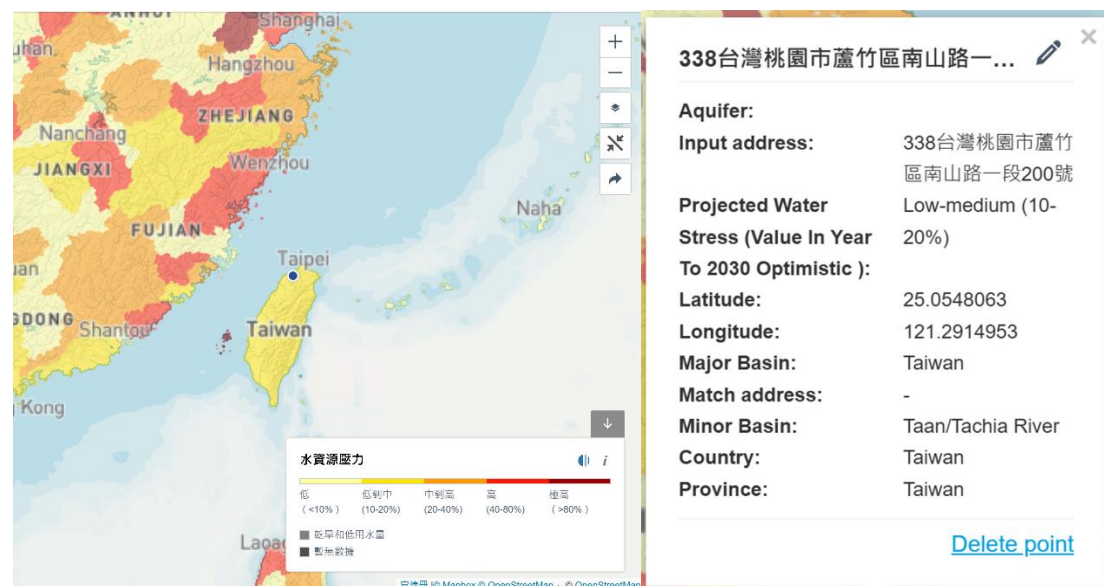
Note: The types of greenhouse gases included in the inventory are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

Note: Intensity is based on the annual product total sales amount (million NTD) as a measurement standard for use density and emission intensity.

4.4 Water Resources Management

In recent years, the frequency of extreme weather events has increased due to the impact of climate change. It has resulted in changes to rainfall trends, which lead to increasing risks related to water shortages, water quality, water withdrawal, and so on. Water resource use and management has gradually become an important environmental topic.

To understand the water situation at Delta Asia's operating locations, we have conducted an assessment of the potential risks to water resources and referenced the water resources risk assessment tool developed by the World Resources Institute (WRI) to identify these risks. The results showed that the Company's operating locations are situated in areas with low to moderate water stress.



- **Water withdrawal and water discharge**

Delta Asia is engaged in the mold and injection molding manufacturing industry. The source of its water withdrawal is the tap water supplied by the Taiwan Water Corporation, which is fresh water from a third party, with $\leq 1,000$ mg/L total dissolved solids. There is no withdrawal of seawater, groundwater or other water sources.

Currently, there is no discharge of manufacturing water, only domestic water. Wastewater is discharged into the sewage treatment plant. Although the company's operational location is not in a water stressed area, the risk level of water resource impacts on operations is relatively low. However, the Company is still dedicated to implementing comprehensive water resource management. Reduction measures are adopted for the volume of water used. Examples include installing water storage tanks and regularly conducting water quality testing to reduce the frequency of changing the process cooling water, providing constant supervision of employees, promoting water saving environmental education, and employing other methods. The Company is devoted to water saving methods to reduce our impact on water resources and the environment.

Water resources management measures	
1.	Build a water cooling tower to recycle the water used in the production process wherever possible to enhance water resource recycling.
2.	Set the appropriate chilled water differential pressure, as the water volume can be adjusted according to the actual load to achieve energy savings.
3.	Promote the company's water saving policy to all employees to reduce domestic water usage.
4.	The management unit regularly reviews the water charges, identifies the reasons for any abnormalities, and implements improvement measures for the use of water resources.

Unit: million liters	Type of water withdrawal	Plant area	Water withdrawal volume	Total water withdrawal volume
2022	Third-party water	Nanshang plant	4.17	4.17
2023	Third-party water	Nanshang plant	1.08	6.99
	Third-party water	Nanshan plant	5.91	
2024	Third-party water	Nanshan plant	11.03	11.03

Note: Due to the relocation of the plant in 2023, the data for the first half of the year is for the Nanshang plant and for Nanshan plant in the lower second half of the year.

Water resources usage

Unit: million liters

Volume of water resources used			
Year	Total water withdrawal	Total water discharge	Water consumption
2024	11.03	10.89	0.14

Note: A water meter is installed at the recycled water entry point of the water facility. The water meter will automatically replenish and record the amount of water consumed. The calculation method is water withdrawal - water consumption = water discharge. Data is available only for the second half of the year, as the water meter was installed during that time. Hence, there were no data available for the years 2022 and 2023.

• Water pollution prevention and wastewater discharge management

Delta Asia irregularly accepts third-party testing of the quality of the discharged water. The test results for the past three years show conformity with the legal requirements for discharged water.



4.5 Waste Management

All waste generated at Delta Asia is classified as general industrial waste, with no hazardous industrial waste present. The general industrial wastes comprise mixed waste plastics generated from the injection molding machine, as well as waste iron and copper resulting from mold processing, and waste lubricating, cooling, and cutting oils produced during the manufacturing process. Additionally, daily living waste generated by employees, along with waste wood from packaging materials, as well as waste plastics and other waste products, are produced from non-manufacturing processes.

A qualified waste clearance service provider has been engaged to manage the disposal of these wastes. To facilitate the clearance of waste iron and copper, which are produced in small volumes, these materials will be temporarily stored at the plant site until their accumulation reaches a sufficient quantity for a full load for waste clearance and transportation. All waste is collected and sorted in accordance with applicable laws and regulations, and a qualified waste clearance service provider is engaged for waste removal and transportation, ensuring that the final handling process complies with legal requirements.

The objective is to mitigate the risks of legal violations and environmental pollution resulting from the improper management of waste. Simultaneously, the company proactively monitors the evolution of environmental protection laws and regulations to ensure compliance with relevant waste legislation. In 2024, Delta Asia reported no incidents of violations of environmental laws and regulations.

Waste Generation during 2022–2024

Category (Unit: metric tons)	Item	2022	2023	2024	Treatment method	Treatment location
General industrial waste	Domestic waste	1.20	8.10	10.00	Physical/ incineration	Offsite
	Waste iron	0.54	0	0	Reuse and recycle	Offsite
	Waste copper	0.229	0	0	Reuse and recycle	Offsite
	Waste plastic	1.00	14.42	8.889	Physical/ incineration	Offsite
	Waste oil	1.50	0	4.13	Physical	Offsite
Total		4.469	22.52	23.019	-	-

Note: There is no hazardous industrial waste.

In 2023, Delta Asia relocated and opened a new plant, which led to an increase in waste intensity. The company's current measures for waste reduction consist of minimizing unnecessary waste by enhancing the efficiency of manufacturing processes and implementing rework processes to improve the utilization of various resources.

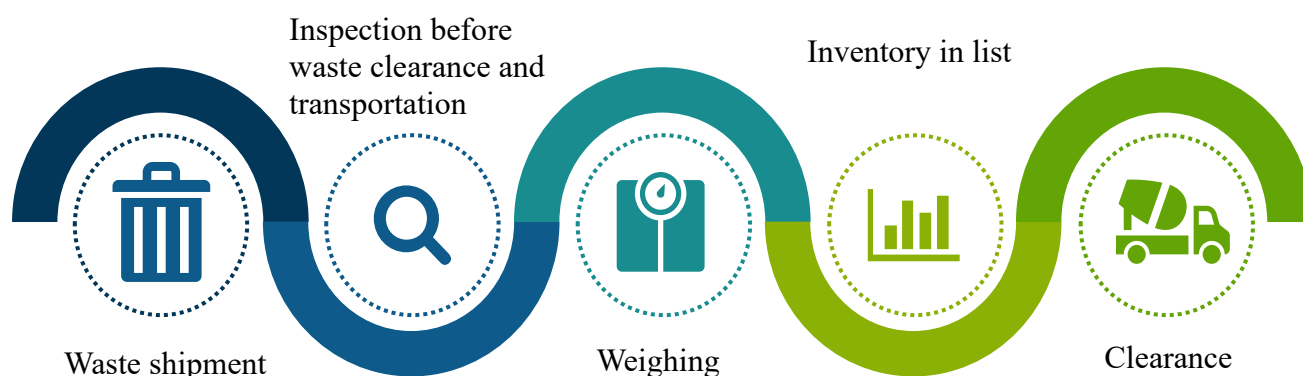
Each month, secondary materials are collected for reuse and recycling and sold as scrap materials to increase the recycling rate. Although the production volume and

number of employees have increased, the waste intensity for 2024 has significantly improved, showing a decline of 10.38% compared to the previous year. Delta Asia has planned to reduce single-use tableware by 2025 and replace it with eco-friendly alternatives. The goal is to reduce waste generation through reuse, achieving environmentally friendly practices.

Waste intensity during 2022 to 2024

	Total wastes (metric tons)	Revenue in million (NTD)	Intensity (metric ton/million NTD revenue)
2022	4.469	462.90	0.97%
2023	22.520	508.00	4.43%
2024	23.019	580.50	3.97%

◆ Waste treatment process



4.6 Climate Change Management

Recent years have seen an increased frequency of extreme climate events, highlighting the imminent crisis of global warming. In light of this, governments globally are placing greater emphasis on addressing climate change issues. Through the establishment and amendment of laws and regulations in each country and region encourage corporations to integrate climate change considerations into their operations and management practices. In addition to identifying operational risks associated with climate change, Delta Asia has referenced the Task Force on Climate-Related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB) to integrate the four core elements of disclosure – governance, strategy, risk management, and indicators and targets – into our operational management. We will also report these governance performance outcomes in our sustainability report. It is anticipated that stakeholders will comprehend the implications of associated climate change risks and opportunities, as well as the pertinent countermeasures employed by Delta Asia.

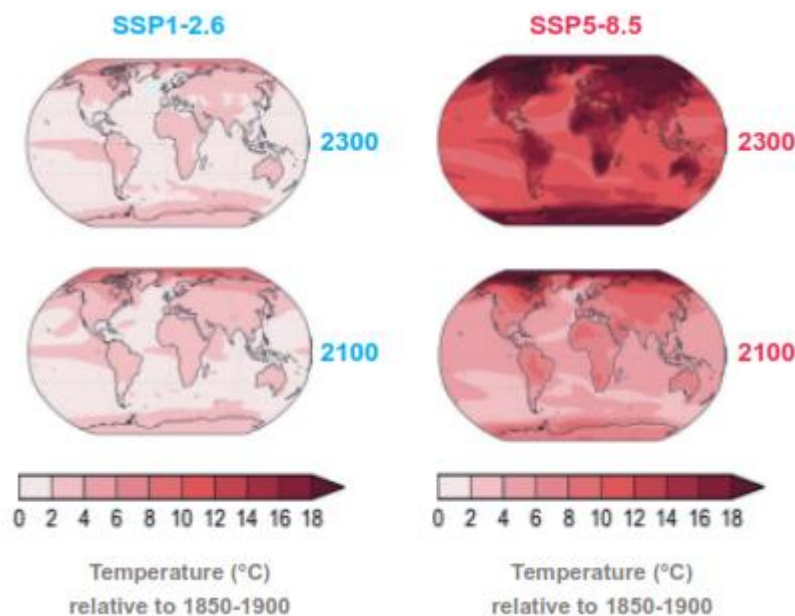
- Governance

The Sustainable Development Committee of Delta Asia will engage in discussions and evaluations regarding relevant climate change topics and management practices. The Board of Directors formulates resolutions pertaining to climate change. The board is composed of two independent directors, with the director possessing financial

expertise serving as the chairperson. The Sustainable Development Promotion Team, appointed by the Sustainable Development Committee, is tasked with coordinating efforts across various teams for the collection and analysis of relevant data. The management team will provide quarterly reports to the Board of Directors regarding the progress and results of the GHG inventory, as well as proposing energy saving and carbon reduction initiatives for discussion and performance evaluation.

- Strategy

To address the risks and opportunities associated with climate change that may impact the Company's strategies and financial plans, Delta Asia conducted an analysis of climate change topics referencing the Shared Socioeconomic Pathways (SSPs), specifically SSP1-2.6 and SSP5-8.5, as outlined in the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC). The table below illustrates the projected global temperature increases over the next 200 years, based on data from the period between 1850 and 1900 under two distinct scenarios. It simulates and analyzes the potential impacts of climate change in the future. The results are utilized in conjunction with the Science Based Targets initiative (SBTi) to project future carbon reduction volumes, serving as a basis for adjustments to operational strategies. Additionally, we have concurrently employed the resources offered by the Taiwan Climate Change Projection and Information Platform Project (TCCIP) as a reference for evaluating climate change physical risk scenarios. By simulating the physical risks encountered by Delta Asia under both the ideal scenario (SSP1-2.6) and the worst-case scenario (SSP5-8.5), we can assess the impact and potential financial implications for future operations, enabling us to develop appropriate management strategies.





Climate change risks and opportunities response

Risks and opportunities	Type	Topics	Time scope	Impact on the company operations and finance	Corresponding measures for risks and opportunities
Opportunities	Resource efficiency	Utilize higher efficiency production and distribution process	Short term Mid-term Long term	1. Lower operating costs (such as increasing efficiency and reducing costs) 2. Raise productivity and increase income 3. Increase fixed asset value (such as high efficiency building) 4. Benefit labor management and planning (such as improving health and safety, employee satisfaction), reduce costs	<ul style="list-style-type: none"> • Build an automated manufacturing scheduling system to enhance production flow efficiency and achieve smart manufacturing. • Build visual management systems for machinery and equipment manufacturing processes and monitor robotic machinery and equipment operating efficiency for effective enhancement of capacity utilization. • Continue to strengthen water resources management to enhance water efficiency. • Establish environment monitoring items and frequency based on the level of harmful and exposed risks, and arrange for employees to receive special health checkups to fulfill labor management.
Transition risk	Market	Rising raw material costs	Short term Mid-term Long term	Changes in investment costs (e.g. energy, water) and production needs (e.g. waste management) result in increased production costs.	<ul style="list-style-type: none"> • Increase plant energy utilization rate and plan to participate in the renewable energy market to address rising costs after future production capacity is enhanced. • Strengthen waste management within the plant, source reduction of waste and promote resource reuse and recycling to reduce wastage of resources.



Opportunities	Energy source	Use new technology	Short term Mid-term Long term	1. Reduce the risk of exposure to rising future fossil fuel price. 2. Reduce GHG emissions risk, and hence lower the sensitivity to changes in carbon price.	<ul style="list-style-type: none"> Participate in renewable energy market and accommodate government's renewable energy policy. Focus on new international carbon reduction measures and implement internal educational training so that the concepts are internalized and the carbon reduction measures are implemented by the employees.
Opportunities	Energy source	Use low carbon energy source	Short term Mid-term Long term	1. Reduce operating costs through developing low carbon energy source (such as solar power). 2. The corporate image and reputation is enhanced and it helps in elevating company competitiveness.	<ul style="list-style-type: none"> Gradually convert high carbon energy sources to low carbon energy sources by accommodating government policy. Low carbon energy use or reuse will gradually lower operating costs and enhance corporate competitiveness.
Transition risk	Policies and laws and regulations	Strengthen the obligation for emissions reporting	Short term Mid-term Long term	Increased operating costs, such as increased compliance costs, insurance fees, GHG inventory and assurance costs.	<ul style="list-style-type: none"> Through internal cross departmental discussions and external consultations, while adhering to government laws and policies, we continue to promote transparent disclosure to implement sustainable management, which can further impact and encourage sustainable actions throughout the supply chain, both upstream and downstream.
Opportunities	Resource efficiency	Adopts higher efficiency transport method	Short term Mid-term Long term	1. Lower operating costs (such as increasing efficiency and reducing costs) 2. Raise productivity and increase income 3. Increase fixed asset value (such as high efficiency building) 4. Benefit labor management and planning (such as improving health and safety, employee satisfaction), reduce costs	<ul style="list-style-type: none"> Promote local procurement to lower transport emissions; Optimize and maximize container loading capacity for shipped products, and use ocean freight to replace air freight.

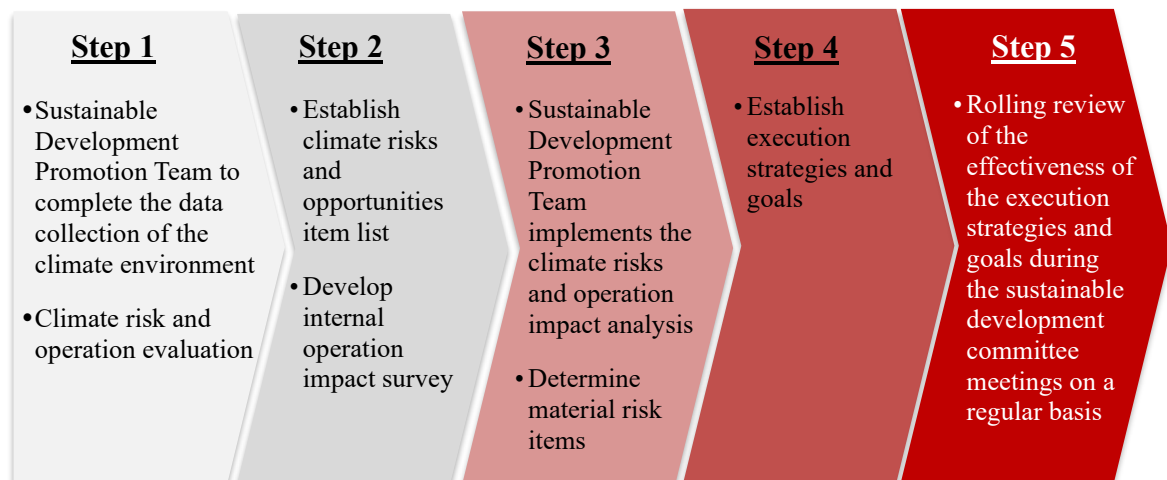
Note: Short term is 1 to 3 years, mid-term is 3 to 5 years, long term is 6 to 10 years.

- Risk management

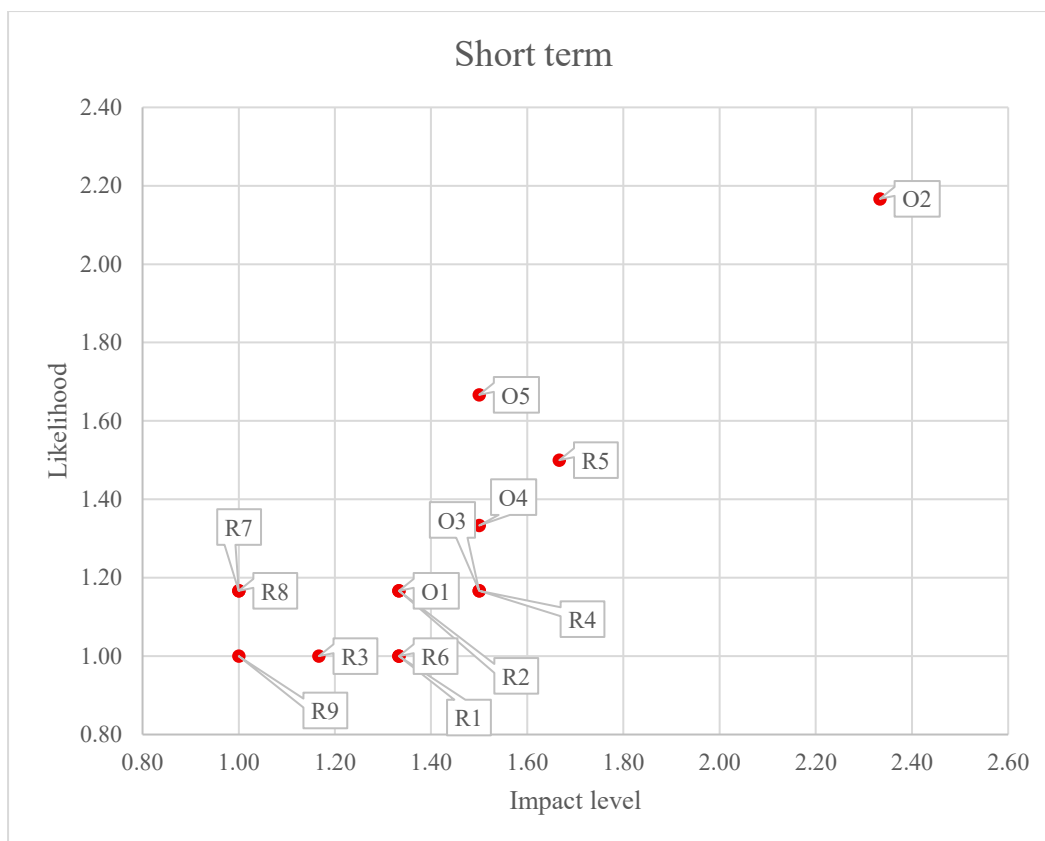
The Delta Asia Sustainable Development Promotion Team will conduct discussions to describe climate change risks and opportunities related to transition risks (policies, laws and regulations, technologies, markets, reputation), physical risks (immediate and long-term risks), and opportunities (resource efficiency, energy sources, products/services, markets, resilience) under the worst-case physical risk scenario (SSP5-8.5). They will also collect data on future climate development trends in external markets, laws and regulations, technology, and entities. The possible climate risks and opportunities that the Company may face are then listed.

Considering the impact level and possibilities, the material climate-related risks and opportunities have been identified. Climate-related risks will be evaluated by relevant units for items that may cause financial impacts exceeding NTD ten million each year, classifying them as significant risks and opportunities. The risks are prioritized based on their likelihood and severity to establish corresponding measures. Climate scenario analysis will be performed to evaluate results with higher risks. Taking into account the current operational layout, calculations of their potential financial impacts will be made. Lastly, risks and opportunities related to the operational scope of Delta Asia will be identified. The meeting convenes relevant members to discuss and identify climate change risks and opportunities.

TCFD Risk management procedure



Note: This flowchart describes how Delta Asia tracks, monitors, and collects data on climate change risks and determines the risk level based on the risk matrix. The ESG Sustainable Promotion Team conducts overall analysis, evaluation, and review, followed by setting strategies and goals, as well as a rolling review of the achieved performances year by year.



Risks and opportunities	Item	Code	Topics
Transition risk	Policies and laws and regulations	R1	Improving greenhouse gas emissions pricing
		R2	Strengthen the obligation for emissions reporting
	Technology	R3	Replacing current products and services with low carbon products
		R4	Low carbon technology transition costs
	Market	R5	Rising raw material costs
Physical risk	Immediate	R6	Increasing severity of extreme climate events, such as typhoons and floods
	Long term	R7	Changes in rainfall patterns and extreme changes in climate patterns
		R8	Average temperature rise
		R9	Average sea level rise
Opportunities	Resource efficiency	O1	Adopts higher efficiency transport method
		O2	Utilize higher efficiency production and distribution process
		O3	Reduce water use and consumption
Opportunities	Energy source	O4	Use low carbon energy source
		O5	Use new technology
Opportunities	Products and services	O6	Develop and/or increase low carbon products and services
Opportunities	Market	O7	Enter new market

- Metrics and Targets

The Company further sets goals according to the indicator items established by the TCFD climate risks and opportunities:

1. Average annual power saving rate needs to meet 1% and above.



2. For the short term, follow ISO 14064-1 to promote GHG emissions inventory and complete self-inventory GHG inventory report.
3. Each year, reduce more than 1% of carbon emissions.



V. Social Care

Delta Asia is committed to upholding employee labor rights to foster a positive and secure workplace environment. We aim to ensure equitable work opportunities, implement a gender equality policy, and promote mutual respect within the workplace. One of the objectives is to minimize employee turnover by offering market competitive salaries, thereby fostering employee loyalty and supporting the stable development of company operations. Conversely, we prioritize employee educational training by organizing both regular internal and external courses, enabling employees to enhance their professional skills and improve workplace competitiveness.

By building transparent promotion channels, employees can anticipate future career development. With good labor–management interactions, employees can feel free to voice their thoughts and opinions, and the Company responds in good faith to reach consensus between labor and management. In addition, Delta Asia strengthens vocational education, reduces potential risks in the work environment, decreases the likelihood of occupational hazards, and enhances management performance in occupational safety and health to effectively protect the health and well-being of employees. Lastly, Delta Asia upholds the philosophy of “Taken from the community, giving back to society.” Apart from its revenue performance, it is dedicated to charity activities and caring for disadvantaged groups to fulfill its social responsibilities.

5.1 Employee Overview

Delta Asia ensures equal treatment for all its employees. Through various affirmative action measures, we aim to eliminate any labor conditions that could lead to unequal workplace environments, thereby safeguarding employees’ labor rights.

5.1.1 Human Rights Protection

Delta Asia is committed to upholding employee rights and fostering a supportive environment that safeguards human rights. The organization respects employees’ freedom of association, advocates for disadvantaged groups, prohibits child labor, eliminates all forms of forced labor and employment discrimination, and prevents infringements and violations of human rights. Additionally, Delta Asia promotes gender equality and ensures equal treatment for all employees. The remuneration policy of Delta Asia ensures that employee salaries are assessed without consideration of gender, age, race, religion, or political affiliation.

The human rights policy was announced in 2021 and is actively promoted to newly hired employees. Annual on-the-job personnel training is scheduled.



Note: Delta Asia website – investors – corporate governance – internal regulations

[Human rights protection policy](#)



Concurrently, Delta Asia complies with labor rights regulations. Essential information regarding human rights protection and labor rights is disseminated to both new and existing employees. Channels for submitting complaints are also provided. A due diligence investigation will be conducted following the acceptance of the case by designated personnel. The confidentiality of the whistleblower's personal data is strictly maintained.

Upon verification of the report's accuracy, the company assures that no retaliatory actions will be undertaken against the whistleblower. In 2024, a total of four complaints were received. The issues identified included changes to group meal arrangements, performance evaluations, distribution of uniforms, and participation in company activities. The processing of these reports has been completed, and responses have been provided to the parties involved.

5.1.2 Employee Statistics

Delta Asia actively develops talent to drive corporate innovations and growth, as high-caliber personnel are the foundation of sustainable operations. We provide various educational training programs to cultivate talents equipped with the professional knowledge and skills required for operations management, in order to discover and nurture future leaders. At the same time, the introduction of corporate management philosophy and spirit can enhance employee loyalty and consensus, accelerate corporate growth, and elevate overall organizational effectiveness.

Specifically, Delta Asia's employees consist of non-fixed term contract types (i.e. full-time employees), and there are no part-time personnel. The non-employee workers from the past two years are the security personnel who belong to a contractor agreement. There are four of them, and it is expected that they will transition to internal personnel recruitment in 2025.

Statistics/Year		2022		2023		2024	
Total employees ^{#1}		131		165		190	
Employment contract ^{#2}		Non-fixed	Fixed	Non-fixed	Fixed	Non-fixed	Fixed
Gender	Male	75	0	91	0	106	0
	Female	56	0	74	0	84	0



[#1]: Based on the total employees at the end of the current year (12/31).

[#2]: Employment contracts consist of non-fixed term contract employees (full time) and fixed term employees (short term, seasonal, special projects, employees applying for maternity leave/unpaid parental leave).

Employees include both direct and indirect personnel. Due to the nature of the work performed by direct personnel, there are more male employees. Indirect personnel mainly assist with or enhance production related business. The analysis is conducted based on age distribution. In recent years, employees under age 50, including both direct and indirect employees, accounted for 93.16% of the total. This data shows that Delta Asia is at a stage where strong middle-aged employees are the core. Senior managers with practical experience lead young teams to charge forward. The manpower structure is stable, and there have been no occurrences of labor shortages.

Diversity Statistics/Year				2022		2023		2024	
				No. of persons	Percentage (%)	No. of persons	Percentage (%)	No. of persons	Percentage (%)
Employees	Direct	Gender	Male	37	28.24%	44	26.67%	49	25.79%
			Female	25	19.08%	31	18.79%	33	17.37%
		Age	Under 30	10	7.63%	16	9.70%	17	8.95%
			30 and above	48	36.64%	53	32.12%	59	31.05%
			Under 50						
			Over 50	4	3.05%	6	3.64%	6	3.16%
		Education	Graduate school	0	0.00%	0	0.00%	0	0.00%
			Universities and colleges	30	22.90%	39	23.64%	47	24.74%
			Others	32	24.43%	36	21.82%	35	18.42%
	Indirect	Gender	Male	38	29.01%	47	28.48%	57	30.00%
			Female	31	23.66%	43	26.06%	51	26.84%
		Age	Under 30	13	9.92%	23	13.94%	30	15.79%
			30 and above	52	39.69%	61	36.97%	71	37.37%
			Under 50						
			Over 50	4	3.05%	6	3.64%	7	3.68%
		Education	Graduate school	9	6.87%	16	9.70%	20	10.53%
			Universities and colleges	49	37.40%	65	39.39%	75	39.47%
			Others	11	8.40%	9	5.45%	13	6.84%

Note: Diversity percentage for specific category for current year = (Total specific category for current year / Total employees at end of year) x 100%.

Delta Asia established the Employee Stock Ownership Committee on December 20, 2022, and officially launched the employee stock ownership trust plan. The plan is applicable to Taiwanese employees who are formal personnel of the Company and have been employed for a duration exceeding 12 months. The company will allocate “company cash rewards” on a monthly basis to the dedicated shared trust account, based on employee job levels and their average performance from the previous year. The objective is to retain talent and facilitate employees in building wealth to ensure their future financial security. This can enhance employee loyalty to the organization and contribute to a reduction in turnover rates. A decline of 4.77% in 2024 compared to 2022.

Statistics on new employees and resignation/Year		2022		2023		2024	
		No.	% (Note)	No.	%	No.	%
New employees							
Age	Under 30	14	10.69%	26	15.76%	26	13.68%
	30 and above Under 50	35	26.72%	53	32.12%	54	28.42%
	Over 50	4	3.05%	5	3.03%	7	3.68%
Gender	Male	30	22.90%	46	27.88%	48	25.26%
	Female	23	17.56%	38	23.03%	39	20.53%
Education	Graduate school	5	3.82%	12	7.27%	9	4.74%
	Universities and colleges	33	25.19%	52	31.52%	56	29.47%
	Others	15	11.45%	20	12.12%	22	11.58%
Resigned employees							
Age	Under 30	8	6.11%	7	4.24%	12	6.32%
	30 and above Under 50	36	27.48%	38	23.03%	44	23.16%
	Over 50	5	3.82%	5	3.03%	6	3.16%
Gender	Male	27	20.61%	30	18.18%	33	17.37%
	Female	22	16.79%	20	12.12%	29	15.26%
Education	Graduate school	6	4.58%	7	4.24%	6	3.16%
	Universities and colleges	27	20.61%	27	16.36%	38	20.00%
	Others	16	12.21%	16	9.70%	18	9.47%

Note: Employment rate = (Total new employees of specific category for current year / Total employees at end of current year) *100%.

Turnover rate = (Total resigned employees of specific category for current year / Total employees at end of current year) *100%.

Delta Asia values gender equality and equal rights. Female employees account for 44.2%, and female managers make up 31%. This shows that the company values its female employees. Delta Asia recruits 100% local talent as senior managers. This fully demonstrates the company's willingness to nurture talent in Taiwan in order to attract outstanding individuals to work nearby.

5.2 Talent Compatibilities and Allocations

Sound human resources are key to the sustainable operations of Delta Asia. To attract outstanding talent, the company offers competitive salaries and benefits, rewards employees who achieve strong performance, and recognizes those who make long-term contributions. The company upholds the philosophy of equal treatment for employees and plans to implement a transparent review, reward, and punishment system. By doing so, it can generate a positive atmosphere of fair competition among employees, making them more willing to commit to their work performance. This can also shape Delta Asia's corporate culture of talent retention and increase employee loyalty to the company, encouraging them to become more active participants in company affairs. With information transparency and openness in the company, employees who demonstrate good work performance will be offered promotion opportunities. This, in turn, shapes a culture where employees learn from benchmarks, allowing the company to constantly nurture more outstanding talent. Simultaneously, the company arranges educational training plans for the employees' further education. Employees from various professional disciplines can continue to grow and realize their self-worth. Lastly, Delta Asia has established diverse channels to facilitate communication and dialog with its employees. Employees may submit timely opinions to which the company will faithfully respond. The labor and management sides maintain harmonious and trustworthy interactions.

5.2.1 Salaries and Benefits

Material topics		Talent attraction and retention
Importance to the company		Talents are the foundation of corporate sustainability. They are vital partners in achieving the company's success. Delta Asia cherished them as important assets. Upholding the principles of respecting human rights, utilizing the right talent for the right role, and promoting gender equality, we strive to create an equal, inclusive, and safe workplace environment, along with promotion channels to attract and retain outstanding talent.
Policy/commitment		Create a safe and friendly work environment, eliminate discrimination, workplace harassment, and bullying, comply with related labor laws and regulations, safeguard employees' legitimate rights, and provide employee life protection and benefit policies.
Targets	Short term	Follow market trends, make timely adjustments to salary and welfare package design, and determine salary adjustments based on performance reviews to attract and retain outstanding talent.
	Mid- to long term	Foster talent and promotion, incorporate gender equality into considerations, and strive for gender balance in management.

Invested resources for the current year and specific outcomes	<p>1. The Employee Stock Ownership Trust and the company cash reward mechanism were established in 2022. As of 2024, an amount of NT\$21,987,000 has been distributed.</p> <p>2. The turnover rate has declined by 4.77% compared to 2022.</p> <p>3. Full-time employee of non-managerial positions, their average salary increased by NT\$38 thousand in 2024.</p>
Responsible department/ Complaint mechanism	<p>Responsible Dept.: HR</p> <p>Complaint mechanism: Employee opinion mailbox</p>

Delta Asia determines employee salaries and compensation based on its annual operational target achievement rate and company profit performance, aiming to provide salaries and wages that exceed legal requirements and remain competitive in the market. Delta Asia aims to offer individual salaries and compensation that appropriately reflect employees' work performance. In principle, all employees receive regular performance and career development reviews, and the results of these reviews will be included in the consideration of an employee's workplace promotion.

Employees possessing specialized technical skills can advance to become professionals in their respective fields through their dedication and effort, while those with management capabilities and leadership qualities can progress to management positions. We offer opportunities for professional growth and career development for our employees. Generally, the primary factors influencing the salaries of Delta Asia's employees are their education, experience, and professional skills, with no preferential consideration given to physical or psychological differences. The Company is pleased to share its profits with employees who demonstrate long term service, thereby enhancing their industry knowledge and experience. Consequently, the average annual salary for employees in non-managerial positions increased by 5.3%. Employees can focus on their contributions to the company without concern for their individual economic well-being. This has the potential to enhance employee loyalty and foster a sense of belonging.

Gender	Standard salaries and local basic wages percentage
Male	1.23
Female	1.23

Note 1: Entry-level personnel are the production line operators.

Note 2: Standard salaries refers to the monthly salaries provided to entry-level full-time personnel (the definition is the same as the regular wage under the Labor Standards Act).

Note 3: The 2024 basic salary was NT\$27,470.

Basic salary and wages percentage		Percentage					
		2022		2023		2024	
Employee type	Item	Male	Female	Male	Female	Male	Female
Direct	Basic salary	1.33	1	1.37	1	1.30	1
	Compensation	1.29	1	1.45	1	1.25	1
Indirect	Basic salary	1.11	1	1.09	1	1.31	1
	Compensation	1.10	1	1.08	1	1.30	1

Note 1: Base salary refers to the lowest fixed salary paid to an employee for performing his or her duties. This does not include additional compensation, such as overtime pay, bonuses, or allowances. The average base salary shall be disclosed separately for each gender and specific employee category.

Note 2: Compensation refers to the base salary plus any additional amounts paid to the worker. "Additional amounts paid to the worker" includes years of service allowances, rewards (including cash and equity), benefits, overtime pay, compensatory leave, and any other subsidies (such as transportation allowance, living allowance, and childcare allowance). The average compensation shall be disclosed separately for each gender and specific employee category.

Furthermore, Delta Asia provides its employees with many welfare measures and a comfortable office environment in order to enhance work efficiency. By organizing employee welfare activities from time to time, we can help reduce work stress and increase positive interactions among colleagues.

In our pursuit of sustainable operations and the cultivation of a positive work environment, we strive to promote stability for our employees, enabling them to perform at their best. Our objective is to align individual growth with the development of the company. The Company has appointed an Employee Welfare Committee, which will regularly hold labor management meetings and organize various welfare measures, including festival cash gifts, birthday cash gifts, employee wedding and funeral subsidies, uniform production, group insurance, emergency loans and relief funds, domestic and overseas travel, meal gatherings, competitions, and other outdoor activities.

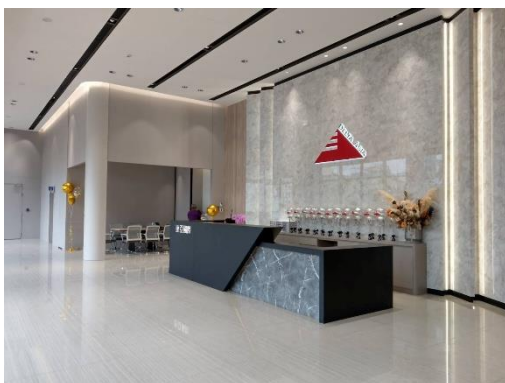
Unit: Person/NTD thousand

Full-time employee of non-managerial role	Number of employees	Average annual salary	Median of annual salary
2023	124	721	622
2024	146	759	687
Difference	22	38	65

Employees who underwent performance evaluation in 2024		Number of employees evaluated	Total employees	Percentage
Gender	Male	106	106	100%
	Female	81	81	100%
Employee type	Indirect	106	106	100%
	Direct	81	81	100%

Note: Employee performance evaluation excludes those who have worked for less than 3 months and interns.

Employee welfare item	Description
Company trip	The company regularly organizes trips to help relieve employees from daily work stress and to encourage the establishment of friendships and teamwork.
Insurance benefits	Labor insurance, health insurance, employee group insurance.
Organize social events from time to time	Activities such as employee meal gathering and festival celebrations.
Company annual party lucky draw	Provide cash gift each year at year-end to reward employees for their one year of hard work.
Health checkup subsidies	Care for employee health so that they can regularly understand their health conditions and work without worries.
Employee birthday celebrations	The company shows that it values the important personal event of every employee by giving a 6-inch cake to every employee with a birthday in that month.
Festival reward	Giving out cash reward during Dragon Boat Festival, Mid-Autumn Festival and Lunar New Year.
Clothing benefit	Provide uniforms for employees to exhibit vigor and vitality and corporate spirit.
Women benefit	Provide female menstrual leave and prenatal checkup leave.
Group meal benefit	Provide breakfast, lunch, and dinner meals for employees so that they can save time and energy for meal preparation.
Parking space	Provide parking spaces for automobiles and motorcycles for the convenience of employees.
Employee stock ownership trust	The Employee Stock Ownership Committee has been established. The company will allocate rewards to a trust to safeguard employees' future lives for stability.



Bright lobby



Tea time break for employee training



Spacious dining environment



Employee birthday gift

Pension Scheme

According to the Labor Pension Act, the pension payment is based on the “Monthly Contribution Classification of Labor Pension,” and pensions are paid at no less than six percent of the monthly wage each month, and deposited into the Individual Labor Pension Accounts.

Employee Unpaid Childcare Leave

Delta Asia values work life balance of employees. Each year, employees can apply for unpaid childcare leave and return to the workplace after the end of the leave.

In 2024, the reinstatement rate for female employees was 100%. The employee retention rate was 50%. This indicates that the work environment at Delta Asia is relatively friendly for female employees with infant children.

Employee unpaid childcare leave/Year	Gender	Statistics		
		2022	2023	2024
Number of employees entitled to unpaid childcare leave	Male	8	6	7
	Female	3	5	8
Number of employees applying for unpaid childcare leave	Male	0	3	1
	Female	1	3	4
Number of employees returning to work after the end of unpaid childcare leave (A)	Male	0	2	1
	Female	1	2	2
Actual number of employees returning to work after the end of unpaid childcare leave (B) (including work resumption prior to the end of unpaid childcare leave)	Male	0	1	0
	Female	1	2	2
Reinstatement rate (B/A)	Male	0%	50%	0%
	Female	100%	100%	100%
Number of employees who are still in service twelve months after reinstatement from unpaid childcare leave in the previous year (C)	Male	0	0	0
	Female	1	1	1
Retention rate (C/previous year B)	Male	0%	0%	0%

	Female	100%	100%	50%
<p>Note 1: Number of employees entitled to unpaid childcare leave is based on the number of male and female employees who have applied for maternity leave and paternity leave in the past 3 years.</p> <p>Note 2: Reinstatement rate = (Actual total number of employees reinstated for the year / Number of employees who should have been reinstated for the year) *100%.</p> <p>Note 3: Retention rate = (Total number of employees who are still in service twelve months after reinstatement from unpaid childcare leave in the previous year / Actual number of employees reinstated in the previous year) *100%.</p>				

5.2.2 Talent Cultivation

Material topics		Talent cultivation
Importance to the company		Talents are important assets for Delta Asia. The Company places an emphasis on educational training courses to nurture talent and improve personal professionalism. Delta Asia provides diverse courses after understanding the requirement gaps in employees' work functions. Through on-the-job learning, we assist employees in refining their abilities and demonstrating the training outcomes in their work performance and quality enhancement.
Policy/ commitment		The company has appointed a dedicated training unit to provide relevant training and learning resources to employees and managers across various functions. It is meant to assist them in the development of their work functions and careers.
Targets	Short term	1. Continue to train employees in refining their knowledge, skills and abilities to elevate their work performance and accomplishments. 2. Average training hours for employees in the current year is more than 15 hours.
	Mid- to long term	Management trainees' future capabilities will build employee self-learning and increase the percentage of internal employee substitutes.
Invested resources for the current year and specific outcomes		1. In 2024, the e-learning training platform will be introduced. Employees can learn using computers and mobile devices, which offer greater autonomy and flexibility in learning. As of now, 16,606 individuals have received training. 2. In 2024, the average number of training hours for employees was 18.2 hours.
Responsible department/ Complaint mechanism		Responsible Dept.: HR Complaint mechanism: Employee opinion mailbox

The key to corporate sustainable operations for Delta Asia lies in the constant learning and growth of employees. Educational training is an important pathway to ensure that human resources continue to increase value. Therefore, Delta Asia always places an emphasis on employee training. The overall learning development strategy is based on on-the-job training, with new employee training, professional training, and management training as its pillars. It accommodates annual targets and various business needs to build a comprehensive educational training system.

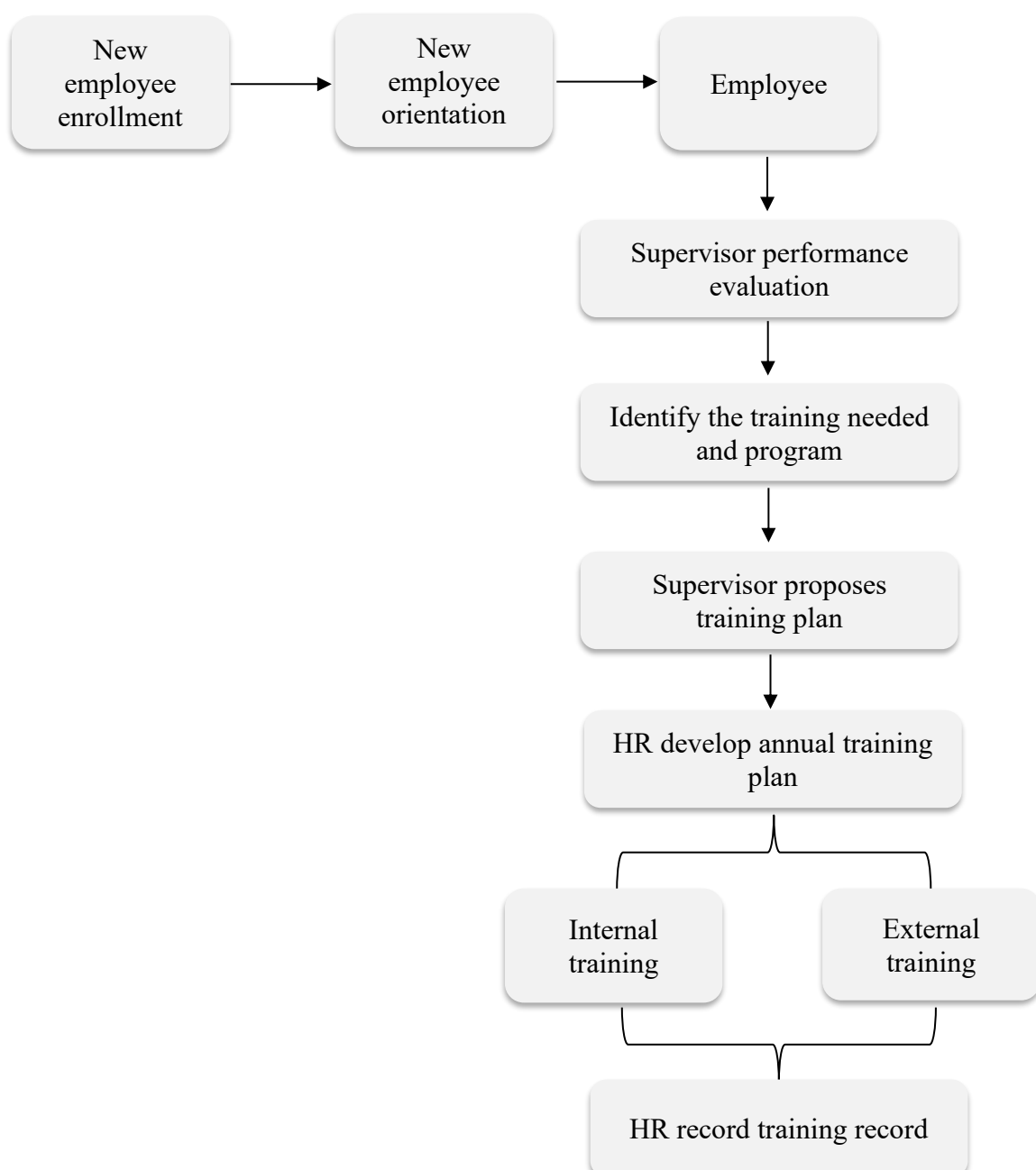
I. New employees: General training courses are arranged for new employees within two weeks of onboarding. For example: an overview of the company's organizational structure, its vision, employee conduct guidelines, product categories, employee welfare system, and quality policy.

II. Current employees: Each unit supervisor will propose training needs each year. The human resources unit will compile the annual training plan for CEO approval. Internal and external training will be organized afterward. To maintain the mandatory

abilities of employees, such as first line operators and engineers who impact product quality, a core abilities evaluation is conducted each year. Educational training is enhanced for disqualified personnel.

III. Professional training: Before specific personnel can perform their jobs, they are required to complete training and assessments to meet the qualifications. The “Specific Personnel Qualification Name List” is reviewed every six months. The name list will be updated immediately whenever there are changes. For personnel who need to perform specific tasks upon onboarding, the human resources unit must check whether the personnel meet the qualifications and possess the necessary certifications during the interview process. A copy of the certificate shall be obtained on the day the personnel reports to work. If the personnel are not able to show their certificate on the reporting day, their recruitment qualifications will be canceled.

Training management procedures



Delta Asia ensures that employees can advance in their careers by following the aforementioned training system structure. Each year, the company will request relevant units to develop training plans for the following year in accordance with the management system and to implement the training goals. The company is able to enjoy the benefits of employee growth and progress. Through internal training that continues to pass on job function skills and experiences to relevant departments, employees can formulate their learning and development goals, which serves as a foundation for planning their individual career paths.

The reason the average number of training hours in 2023 is higher than in the other two years is that there were more new employees in 2023. As a result, the number of training hours for new employees increased. Furthermore, the duration of the professional training course was longer, and the number of participants was higher, which led to an increase in the overall training hours compared to the other years.

Statistics/Year		2022	2023	2024
Average number of training hours per employee ^[# 1]		16.4	20.9	18.2
Average number of employee training hours by gender ^[#2]	Female	--	--	14.6
	Male	--	--	21.0
Average number of employee training hours by category ^[#3]	Indirect	--	--	20.8
	Direct	--	--	16.2

[#1]: The average number of training hours for all employees was (Total number of training hours for all employees for the current year / Total number of employees at the end of the year).

[#2]: The average number of training hours for every female employee was (Total number of training hours for every female employee for the current year / Total number of female employees at the end of the year).

[#3]: The average number of training hours for each of the employee category was (Total number of training hours for that employee category for the current year / Total number of employees for that category at the end of the year).

[#4]: Due to the e-system not being introduced in educational training for 2022 and 2023, the statistics will not be sorted by gender and categories, but will only show the total number of hours for all employees.



Operational documents training



Operational documents training



Remote courses



Remote courses



Professional training by external lecturers



Small group discussions



New employee training

5.2.3 Labor-Management Relations

Effective communication between labor and management fosters collaboration between both parties. Facilitating employees' understanding of the company's production plan, business overview, and market conditions, while providing management with insights into employee labor conditions, fosters the development of a workplace that prioritizes employee needs. Delta Asia rigorously adheres to all applicable laws. The internal management of personnel administration is conducted in accordance with the local labor laws applicable to each operating location. Labor-management meetings are convened a minimum of once every three months. The management representatives comprise the Director of the Production Department, the Corporate Governance Officer, and the Director of Human Resources, who collaborate with labor representatives to coordinate labor relations.



Regular communication and dialog between both parties facilitate cooperation. Employees are encouraged to express their opinions and advocate for improved labor conditions, thereby enhancing the overall status of labor. The interests and rights they advocate for are relevant to all employees. Furthermore, in the event of significant operational changes within the company that affect employees' employment rights, as well as changes to various labor conditions, the Company will adhere to the "Labor Standards Act" regarding the minimum notice period for the termination of labor contracts.

At the same time, Delta Asia has established multiple communication channels. Through two-way communication, employees can effectively express their opinions, and the company can respond in a timely manner. Eventually, these suggestions can be transformed into policies for implementation. In 2024, Delta Asia's labor relations were in a harmonious state, and there were no occurrences of labor disputes.

5.3 Occupational Safety

Material topics		Occupational safety and health
Importance to the company		The company is committed to creating a safe work environment that enables employees to feel secure and focus on performing to the fullest. Build a security system to protect personal safety, monitor and maintain environmental and health standards, pay attention to employees' psychological and biological health, and provide a transparent complaint channel to facilitate two-way communication opportunities.
Policy/commitment		Build a safe workplace environment through people-centered design, and strengthen the safety culture within the organization. Through regular educational training, implement safety and health awareness in the work environment, and consistently check and improve safety issues, eliminating harmful factors to ensure a safe and worry-free work environment.
Targets	Short term	<ul style="list-style-type: none"> • Number of disability or death incidents caused by occupational safety remains 0; • Number of defects found from inspection for harmful work environment is 0; • Conforms to the legal requirements for the employee health checkup frequency.
	Mid- to long term	<ul style="list-style-type: none"> • Percentage of incidents due to occupational safety is <0.02; • Passed the ISO 45001 Occupational health and safety management system certification; • Create a zero occupational accident work environment.
Invested resources for the current year and specific outcomes		<ul style="list-style-type: none"> • In 2024, 175 persons involved, 3 hours of occupational safety and health educational training for each person; • In 2024, an amount of NTD 1,800,000 was invested for employee health checkup funds.
Responsible department/ Complaint mechanism		Responsible Dept.: Management department Complaint mechanism: Employee opinion mailbox

5.3.1 Health Systems

Delta Asia is committed to maintaining a safe and healthy work environment for its employees, as part of our corporate sustainable operations, in addition to complying with applicable government laws and regulations. The Company has implemented the following policy regarding environment, health, and safety.

Environment, Health and Safety Policy

Our Vision

The company is dedicated to fostering a safe work environment that allows employees to feel secure and perform at their best. Our vision is to establish a security system to ensure personal safety, monitor and sustain environmental and health standards,



prioritize the psychological and physical well-being of employees, and implement a transparent complaint channel to facilitate two-way communication.

Occupational Safety and Health Management

- Identify plant areas with potential dangers and health and safety risks through risk assessment procedures. Implement improvements and preventive measures for risk items to ensure the safety of work areas in the plant.
- Regular inspection of plant areas for items with hazardous factors exceeding the standard for each hazardous position. Implement corrections or enhance protective measures for each exceeding item to minimize harm to personnel in the work environment.
- Organize health checkups that exceed legal standards and arrange several health promotion activities. Create a friendly and healthy workplace so that employees can receive proper health care and management, thereby protecting their health and well-being.

Occupational Safety and Health Goals

- Avoid or minimize the risk of adverse effects on the physical and psychological health of personnel due to engaging in organizational activities.
- Confirm that the countermeasures regulated by the management system will not lead to new hazards or occupational safety risks.

Delta Asia has appointed an occupational safety and health management unit. Its operating system is set up in accordance with the ISO 45001 standard. The Occupational Safety and Health Office serves as the occupational safety and health management unit. It will regularly collect major occupational safety incidents that occurred in the supply chain and among industry peers, discuss and study these incidents during occupational safety meetings, and inspect the plants to determine if activities or risks of a similar nature exist. Each year, it will conduct internal audits on all employees. The system consists of establishing standard operating procedures, managing work environment and facilities risks, and implementing employee health control and training programs.

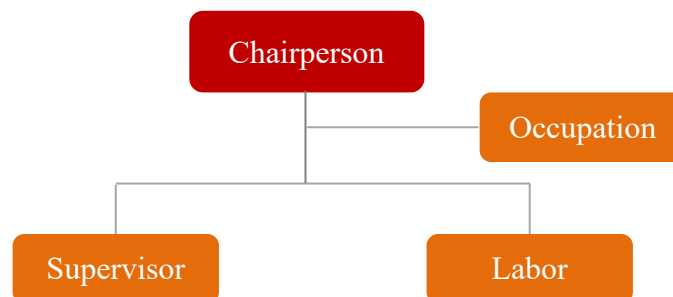
In managing education, Delta Asia regularly conducts fire drills and arranges personnel in special positions (such as for overhead cranes, self-propelled vehicles, and forklifts) as well as those handling organic solvents for regular training. It is hoped that good preventive effects will be achieved in the management and execution aspects in order to eliminate the occurrence of safety incidents.

Delta Asia also plans comprehensive on-the-job training for all managerial officers and employees, including new employee orientation, professional advancement training, and management training. Each month, there are plans to arrange internal training and to provide irregular work-related external training courses, facilitate employee participation in these training sessions, and support employees in their continuous learning and growth through diverse learning methods. The goal is to enhance employees' functional competency development. It is expected that ISO 45001 Occupational Safety and Health Management System will be introduced in 2025 to



fulfill the related requirements for implementing occupational safety and health management systems 100% throughout the plants.

5.3.2 Safety Committee



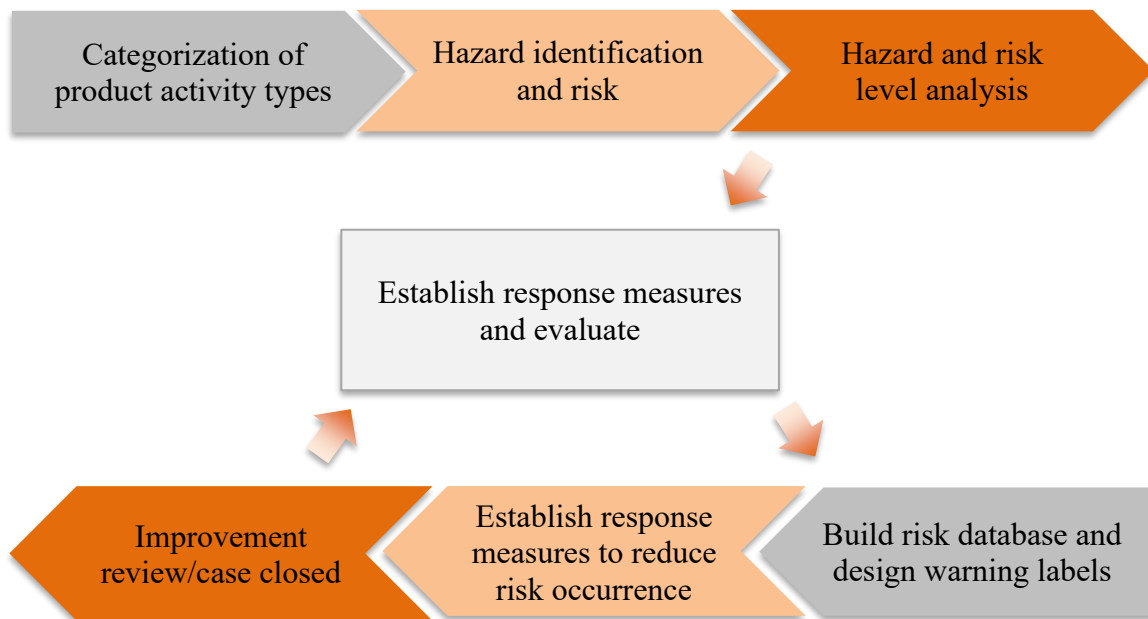
Frequency of meetings	Once/quarter
Topics	Safety first, prioritizing prevention, comprehensive governance approach, conform to every government laws, regulations, charters, and document regulations. Fulfill comprehensive safety responsibilities.

The appointment of the Occupational Safety Committee underscores Delta Asia’s commitment to workplace safety. The committee members promote safety laws and regulations, review work safety incidents, establish comprehensive response measures, consult on actual workplace conditions, and address other relevant agendas during meetings to enhance the occupational safety and risk management system.

Furthermore, the specialist from the Occupational Safety and Health Committee will periodically gather significant occupational safety incidents from supply chains and industry peers. These incident cases will be presented during occupational safety meetings for discussion and analysis to determine whether similar activities or risks are present in the company’s facilities.

5.3.3 Hazard Identification and Risk Assessment

To achieve a significant reduction in occupational safety incidents and to prevent harm to workers, Delta Asia implements appropriate preventative measures through continuous hazard identification and risk assessment when introducing new operating procedures, activities, products, services, and equipment operations. The applicable scope encompasses both routine and non-routine activities within the plants, personal habits and PPE, as well as vendors and suppliers, in order to establish risk procedures in accordance with the “Risk Assessment Technique Guide” issued by the Ministry of Labor.



The evaluation of hazard risk is categorized into five levels – unacceptable, high, medium, acceptable, and low – based on the frequency of occurrence and the severity of potential harm. Appropriate response measures are implemented to address varying levels. For instance, the development of standard operating procedures, conduct of patrol inspections, implementation of employee training programs, labeling of hazard warnings, and verification of operating machinery and personal equipment are essential for maximizing occupational safety and effective risk management.

Employee educational training includes guiding employees in the identification of occupational safety hazard change factors. Workers can stop working and leave to a safe place on their own, in accordance with occupational safety and health regulations, provided that such action will not endanger the safety of other workers. When occupational hazards occur within the plant, reports and investigations shall be conducted according to the event occurrence procedures, forming a basis for improvements.

Risk Level

Harm \ Frequency	Low	Medium	High
Low	Low risk	Acceptable risk	Medium risk
Medium	Acceptable risk	Medium risk	High risk
High	Medium risk	High risk	Unacceptable risk



Note: Possibility of incident occurrence, low: frequency $\leq 50\%$; medium: $50\% < \text{frequency} < 75\%$; high: frequency $\geq 75\%$
Severity of harm, low: active; medium: number of rest days is less than 3 days; high: number of rest days is more than 3 days

5.3.4 Accident Investigation

For effective control of occupational safety and health risks in the plants, relevant units must be able to respond immediately when occupational safety accidents occur. The company has established the “Accident Injury Reporting Unit,” which clearly states that accidents shall be reported to senior personnel based on the level of injury, and accident investigations shall be initiated. The responsible unit must subsequently review the reasons for the occurrence of the accident and formulate countermeasures based on the level of injury and property damage to prevent similar accidents from happening again.

The specific procedures of the Company are as follows. When an accident occurs, the victims shall first be properly cared for, followed by a level by level report to the President based on the type and severity of the accident. This is to ensure that the President can gain an immediate understanding of the company’s situation. The types of accidents can be divided into those that occur within the plant or outside the plant, property loss, and false alarms.

The severity level is divided into five categories, ranging from minor to severe. For minor accidents and general accident occurrences within or outside the plant, as well as property loss that does not exceed specific standards, the matter shall be reported promptly to the departmental supervisor, the occupational safety committee, and the occupational safety specialist. If the accidents are severe and property loss exceeds specific standards, the matter shall be reported to the above-mentioned personnel, as well as the Vice President and President. This is to enable the formulation of countermeasures immediately and to minimize risks.

In 2024, most of the occupational accidents that occurred at Delta Asia were due to employees becoming distracted or inattentive during operations. The Company will continue to promote safety and reduce the factors that may cause injuries to employees.

Type of occupational accident	Number of accidents occurred in 2024	Improvement measures
Improper action	1 case of false alarm, 1 case of hand injury.	Strengthen occupational safety education and training, and implement operational SOPs to reduce occupational injuries resulting from accidents and improper operations.

Statistics/Year		2022	2023	2024
Total hours worked ^[#1]		241,635	291,187.5	358,707
Fatal occupational injuries	No.	0	0	0
	%	0%	0%	0%
Severe occupational injuries ^[#2]	No.	0	0	0
	%	0%	0%	0%
Recordable occupational injuries ^[#3]	No.	1	3	2
	%	0.83	2.06	1.12
Fatal occupational disease	No.	0	0	0
	%	0%	0%	0%
Recordable occupational disease	No.	0	0	0
	%	0%	0%	0%

[#1]: Total hours worked refers to the total hours of actual work attendance of all employees for the current year. (This includes overtime hours and deducts the number of leave hours for all employees.)

[#2]: Severe occupational injuries are injuries from which employees cannot recover, or have difficulty recovering, within six months to their state of health prior to the injury. This definition excludes the number of deaths.

[#3]: Recordable occupational injuries are those caused by any of the following situations: death, leaving the work position, work restrictions or transfer of work position, medical treatment beyond emergency care, lost consciousness, or a diagnosis of severe injury (even if it does not result in death, leaving the work position, work restrictions, transfer of work position, medical treatment beyond emergency care, or lost consciousness) by a doctor or other licensed medical professional. And it includes the number of deaths and the number of severe occupational injuries, but does not include occupational injuries resulting from commuting to and from work. Percentage of recordable occupational disease = [Number of recordable occupational disease (including number of deaths) / Total hours worked] × 200,000.

5.3.5 Safety Training

To promote a greater sense of responsibility among employees during emergency situations, training is provided to ensure they are well versed in emergency response knowledge and skills. In response to various stages of emergency situations, they are adept at implementing disaster response measures that minimize personnel injuries, mitigate property damage, and reduce environmental impacts. Delta Asia conducts fire safety drills and emergency response training biannually to ensure employees are well acquainted with evacuation routes, nearest escape exits, and designated gathering points post evacuation. This initiative aims to expedite personnel checks and minimize injuries during emergencies.

An introductory session on the Company environment is conducted for new employees, while specialized personnel within the plants participate in regular refresher training. Professional training courses will be organized for overhead crane operators, forklift operators, personnel handling radiation sources, individuals responsible for fire safety drills, and all members of the fire safety management team. Professional courses related to the R&D department have also been initiated in areas such as professional design, testing engineering, manufacturing quality, information management, general training, and core R&D functions. The Company is committed to enhancing the professional competencies and safety and health awareness of its personnel. Participation in occupational safety educational training is mandatory for all department managers within the plants. Regarding the 2024 occupational safety educational training, the total training hours completed by personnel and the courses provided are as follows:

Personnel	Training course content	Number of personnel	Hours (hr)
New employees	New employee occupational safety training	103	309
Current employees	Occupational safety on-the-job training	103	309
Personnel who will use organic solvents	Organic solvents educational training	104	312
Personnel assigned in firefighting plan	Fire drill	58	232



Fire Safety Training



Fire drill



Fire drill

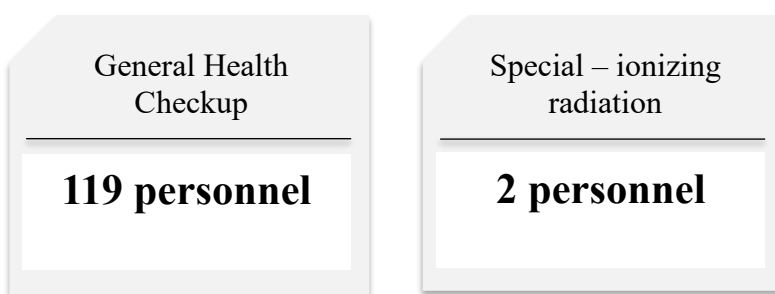


Fire drill

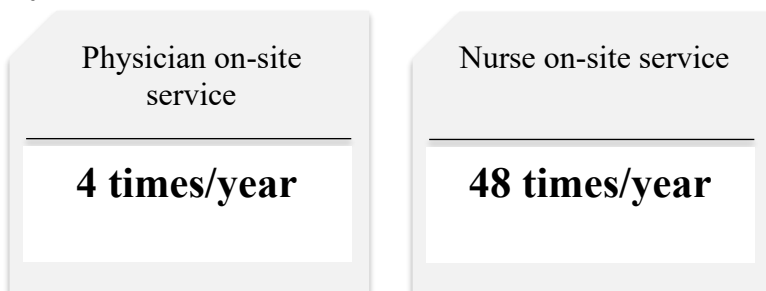
5.3.6 Employee Health Management

Delta Asia is committed to the health and well-being of its employees. Regular medical onsite services are offered to employees, facilitating access to medical consultations and health education. Additionally, health checkups are available for both current and new employees. Employees with more than one year of service are eligible for an enhanced checkup package, which exceeds the standard checkup offerings.

The company provides tailored health assessments aligned with each employee's work environment and associated risk factors to monitor their health status. In instances where abnormalities are identified or when a physician's diagnosis determines that personnel are unfit to continue in their current role, the company will facilitate their transfer to a position with reduced risk. The company will continue to monitor the health status of personnel in the future to enhance understanding. The 2024 general and special health checkups revealed no abnormalities. In 2022, Delta Asia was awarded the Accredited Healthy Workplace – Healthy Start Badge, and remains committed to promoting and enhancing the health of its employees. The effective period is from January 1, 2023 to December 31, 2025.



2024 statistics for medical onsite service





Annual health checkup



Annual health checkup



Annual health checkup



Occupational care and employee health interviews



Accredited Healthy Workplace Badge

5.3.7 Preventive Measures for Safety and Health Impacts

Delta Asia's production model demonstrates a reduced likelihood of contributing to occupational diseases among employees. However, we remain committed to enhancing the working environment. In alignment with the five primary categories of occupational diseases, we identify and manage potential hazards in the workplace. Preventive measures encompass regular health checkups to monitor employees' health conditions, the utilization of personal protective equipment, and prompt notifications in the event of any abnormalities. When deemed necessary, employees will receive assistance in transferring to alternative positions. As of 2024, the Company has not recorded any occurrences of occupational diseases.

Type of occupational disease	Hazardous factor	Preventive management measures
Physical	Machine and dry resin material noise	Educational training, personal protective equipment (PPE) is equipped with wearables (earmuffs, earplugs), special health checkups (hearing test)
Chemical	Organic solvents	Deploy exhaust device, educational training, PPE with wearables (facemask), special health checkups
	Dust	
Ergonomics	Moving heavy stuffs for long period of time (low back pain, prolapsed intervertebral disc)	Replacement by robots/reducing manpower to move heavy stuffs, occupational care annual survey and irregular health information sharing.
	Using computer for long period of time (Carpal tunnel syndrome, cervical dislocation)	



5.4 Charity and Public Services

Since its inception, the Company has consistently adhered to its management philosophy of integrity and the principles of “Born in Taiwan, Raised in Taiwan, and Giving Back to Taiwan,” fulfilling the social responsibilities expected of an enterprise. Profits are not the sole objectives of Delta Asia. As a member of society, Delta Asia is committed to humanitarian principles and recognizes the interdependent relationships it shares with its investors, employees, local communities, and other stakeholders. We employ a proactive approach to effectively leverage our influence in fulfilling our corporate social responsibilities. By collaborating with local organizations, we ensure that resources are effectively delivered to individuals who genuinely require them. We aim to promote happiness and foster active and positive leadership within society.

Delta Asia upholds the vision of fostering social contributions. For many years, in addition to making cash donations to charitable organizations, we have consistently provided daily lunch and dinner meals to seven elderly community members and occasionally donated supplies to elderly individuals in collaboration with the local community development association. In 2024, approximately NT\$360,000 in funding was allocated.

Appendixes

Appendix I: GRI Content Index

Statement of use	Delta Asia International Corporation has followed the GRI standard for reporting on contents from January 1, 2024 to December 31, 2024.				
The GRI 1 used	GRI 1: Foundation 2021				
Applicable GRI Sector Standards	The sector category for the Company is a listed company in the biotechnology and healthcare industry. There are no GRI sector standards for this industry type.				
Material topics	★Is a material topic				
Topic	Disclosure item	Item description	Chapter	Page number	Reasons for omission/necessary explanation
GRI 2: General disclosure 2021					
Organizational and reporting practices	2-1	Organization details	2.1 Company introduction		
	2-2	Entities included in the organization's sustainability reporting	Editorial guidelines		
	2-3	Reporting period, frequency and contact person	Editorial guidelines		
	2-4	Information restatement	Editorial guidelines		
	2-5	External guarantee/assurance	Editorial guidelines		
Activities and workers	2-6	Activities, value chain and other business relations	2.1 Company introduction		
	2-7	Employees	5.1 Employee overview		

	2-8	Non-employee workers	5.1 Employee overview		
Governance	2-9	Governance structure and formation	3.1 Governance practice		
	2-10	Nomination and selection for the highest governance unit	3.1 Governance practice		
	2-11	Chairperson of the highest governance unit	3.1 Governance practice		
	2-12	The role of the highest governance unit in the supervision of impacts management	3.1 Governance practice		
	2-13	Responsible person for impacts management	3.1 Governance practice 3.2 Risk management		
	2-14	Role of the highest governance unit in sustainability reporting	3.1.2 Functional committees		
	2-15	Conflicts of interests	3.1 Governance practice		
	2-16	Communications in key and material events	3.1 Governance practice		

	2-17	Collective intelligence of the highest governance unit	3.1 Governance practice		
	2-18	Performance evaluation of the highest governance unit	3.1 Governance practice		
	2-19	Compensation policy	3.1 Governance practice		
	2-20	Compensation determination procedures	3.1 Governance practice		
	2-21	Annual total compensation percentage	--	-	Confidentiality restrictions/this information is classified and is not disclosed to the public.
Strategy, policy and practice	2-22	Sustainable development strategy statement	Message from the Chairman		
	2-23	Policy commitment	3.1.4 Ethics and integrity		
	2-24	For inclusion in the policy commitment	3.1.4 Ethics and integrity		
	2-25	Procedures for remediating	3.1.4 Ethics and integrity		

		negative impacts			
	2-26	Mechanism for seeking suggestions and raising doubts	3.1.4 Ethics and integrity		
	2-27	Legal compliance	3.3 Legal compliance		
	2-28	Member qualifications for associations	2.4 Participation in external organizations		
Stakeholder engagement	2-29	Stakeholder engagement approach	1.2 Stakeholders communication channels and topics of concerns		
	2-30	Collective bargaining agreement	5.2.3 Labor-management communications		A labor union is not established at the moment. Hence, there is no signing of a collective bargaining agreement.
GRI 3: Material topics 2021					
Material topics	3-1	Procedures for determining material topics	1.3 Identify material topics		
	3-2	Material topics list	1.3 Identify material topics		
Economy					
★Economic Performance (Operational Performance)					
GRI 3: Material topics 2021	3-3	Material topics management	3.4 Operational performance		
	201-1	Direct economic	3.4 Operational performance		

GRI 201: Economic Performance 2016		value generated and allocated by the organizati on			
	201-2	Financial impacts and other risks and opportuni ties generated due to climate change	4.6 Climate change management		
	201-3	Defining welfare plan obligation s and other retirement plan	5.2.1 Salaries and benefits		
Market Position					
GRI 202: Market position 2016	202-2	Percentag e of employin g local residents to fill the roles of senior managem ent	5.1.2 Employee statistics		
★Procurement practice (supply chain management)					
GRI 3: Material topics 2021	3-3	Material topics managem ent	4.1 Sustainable supply chain		
GRI 204: Procurement Practices 2016	204-1	Percentag e of procurem ent expenditu res from local suppliers	4.1 Sustainable supply chain		
★Anti-corruption (ethical governance)					
GRI 3: Material topics 2021	3-3	Material topics	3.1.4 Ethics and integrity		

		managem ent			
GRI 205: Anti- corruption 2016	205-1	Operating locations that have underwen t corruptio n risk assessme nt	3.1.4 Ethics and integrity		
	205-2	Communi cations and training relating to anti- corruptio n policy and procedure s	3.1.4 Ethics and integrity		
	205-3	Confirme d corruptio n events and the actions taken	3.1.4 Ethics and integrity		
Environment					
Energy					
GRI 302: Energy 2016	302-1	Energy consumpt ion within the organizati on	4.2 Energy resources management		
	302-2	Energy consumpt ion outside the organizati on	4.2 Energy resources management		
	302-3	Energy intensity	4.2 Energy resources management		
Water and effluent					
GRI 303: Water and effluent 2018 management approach	303-1	Interactio ns with water as a shared resource	4.4 Water resources management		

	303-2	Management of water discharge-related impacts	4.4 Water resources management		
GRI 303: Water and effluent 2018	303-3	Water withdrawal	4.4 Water resources management		
	303-4	Water discharge	4.4 Water resources management		
	303-5	Water consumption	4.4 Water resources management		
Emissions					
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.3 Greenhouse gases management		
	305-2	Energy indirect (Scope 2) GHG emissions	4.3 Greenhouse gases management		
	305-3	Other indirect (Scope 3) GHG emissions	4.3 Greenhouse gases management		
	305-4	GHG emissions intensity	4.3 Greenhouse gases management		
	305-5	Reduction of GHG emissions	4.3 Greenhouse gases management		
Waste					
GRI 306: Waste 2020 management approach	306-1	Waste generation and significant waste-related impacts	4.5 Waste management		
	306-2	Management of significant waste-related impacts	4.5 Waste management		
GRI 306: Waste 2020	306-3	Waste generated	4.5 Waste management		
	306-4	Waste diverted	4.5 Waste management		

		from disposal			
	306-5	Waste directed to disposal	4.5 Waste management		
★Supplier environmental evaluation (supply chain management)					
GRI 3: Material topics 2021	3-3	Material topics management	4.1 Sustainable supply chain		
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	4.1 Sustainable supply chain		
	308-2	Negative environmental impacts in the supply chain and actions taken	4.1 Sustainable supply chain		
Group (including human rights)					
★Labor–management relations (Talent attraction and retention)					
GRI 3: Material topics 2021	3-3	Material topics management	5.2.1 Salaries and benefits		
GRI 401: Labor/Management Relations 2016	401-1	New employee hires and employee turnover	5.1.2 Employee statistics		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-	5.2.1 Salaries and benefits		

		time employees			
	401-3	Parental leave	5.2.1 Salaries and benefits		
	Salaries	Shall disclose the number of full-time employees of non-managerial positions, their average salary and mean salary, and the difference between the top three and of the previous year.	5.2.1 Salaries and benefits		
Labor–management relations					
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	5.2.3 Labor–management communications		
★Occupational safety and health					
GRI 3: Material topics 2021	3-3	Material topics management	5.3 Occupational safety and health		
GRI 403: Occupational Health and Safety 2018 Management Approach	403-1	Occupational safety and health management system	5.3.1 Occupational safety and health system		
	403-2	Hazardous identification, risk	5.3.3 Hazard identification, risk assessment 5.3.4 Accident investigation		

		assessment, and accident investigation		
	403-3	Occupational health services	5.3.6 Employee health management and health promotion	
	403-4	Worker participation, consultation, and communication on occupational health and safety	5.3.5 Occupational safety educational training	
	403-5	Worker training on occupational health and safety	5.3.5 Occupational safety educational training	
	403-6	Promotion of worker health	5.3.6 Employee health management and health promotion	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.3.7 Preventive measures for occupational safety and health impacts	
GRI 403: Occupational Health and Safety 2018	403-8	Workers covered under the occupational safety and health management system	5.3.1 Occupational safety and health system	
	403-9	Work-related injuries	5.3.4 Accident investigation	

	403-10	Work-related ill health	5.3.4 Accident investigation		
★Training and education (Talent cultivation)					
GRI 3: Material topics 2021	3-3	Material topics management	5.2.2 Talent cultivation		
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	5.2.2 Talent cultivation		
	404-2	Programs for upgrading employee skills and transition assistance programs	5.2.2 Talent cultivation		
	404-3	Percentage of employees receiving regular performance and career development reviews	5.2.1 Salaries and benefits		
★Supplier social evaluation (supply chain management)					
GRI 3: Material topics 2021	3-3	Material topics management	4.1 Sustainable supply chain		
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	4.1 Sustainable supply chain		
	414-2	Negative social impacts in the supply chain and actions taken	4.1 Sustainable supply chain		

★Customer health and safety (Product quality)					
GRI 3: Material topics 2021	3-3	Material topics management	3.5.2 Product quality		
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.5.2 Product quality		
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.5.2 Product quality		
★Marketing and labeling (Product quality)					
GRI 3: Material topics 2021	3-3	Material topics management	3.5.2 Product quality		
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	3.5.2 Product quality		
	417-2	Incidents of non-compliance concerning product and service information and labeling	3.5.2 Product quality		
	417-3	Incidents of non-	3.5.2 Product quality		

		compliance concerning marketing communications			
★Customer privacy (Information security and personal data protection)					
GRI 3: Material topics 2021	3-3	Material topics management	3.6 Information security protection		
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.6 Information security protection		
Self-determined topic					
★R&D innovations					
GRI 3: Material topics 2021	3-3	Material topics management	3.5.1 Innovative R&D		
Customized material topics	Customized	Percentage of current year's research and development expenses to operating revenue	3.5.1 Innovative R&D		
★Customer relations management					
GRI 3: Material topics 2021	3-3	Material topics management	3.5.3 Customer relations		
Customized material topics	Customized	Customer satisfaction survey	3.5.3 Customer relations		

		of current year			
★Information security and personal data protection					
GRI 3: Material topics 2021	3-3	Material topics management	3.6 Information security protection		
Customized material topics	Customized	No occurrence of material information security events for current year	3.6 Information security protection		

Appendix II: SASB Sustainability Accounting Standards (SASB Standards) for Medical Equipment and Supplies

SASB Topics	Number	Accounting indicator	Disclosure method	Unit	Disclosure content
Affordability and pricing	HC-MS-240a.2	Description of how price information for each product is disclosed to customers or to their agents	Quality	-	The pricing strategy is mainly based on the customer contract which involves confidentiality and shall not be disclosed at this moment.
	HC-MS-240a.3	Percentage change in: (1) weighted average list price and (2) weighted average net price across product portfolio compared to previous reporting period	Quantitative	Percentage (%)	The pricing strategy is mainly based on the customer contract which involves confidentiality and shall not be disclosed at this moment.
Product safety	HC-MS-250a.1	(1) Number of recalls issued, (2) total units recalled	Quality	(Pieces, cases)	There were no recalls in 2024.

	HC-MS-250a.2	Products listed in any public medical product safety or adverse event alert database	Quality	-	There were no products listed in the adverse event alert database in 2024.
	HC-MS-250a.3	Number of fatalities related to products	Quantitative	-	There were no occurrences of fatalities related to products in 2024.
	HC-MS-250a.4	Number of enforcement actions taken in response to violations of good manufacturing practices. (GMP) or equivalent standards, by type.	Quantitative	-	There were no major violations leading to certificates being invalid in 2024. Non-conformity by type is considered company confidential which will not be disclosed at the moment.
Integrity selling	HC-MS-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Quantitative	NT\$	There were no incidents of violation in 2024.
	HC-MS-270a.2	Description of code of ethics governing promotion of off-label use of products	Quality	-	3.5.2 Product quality Our product labeling follows customer requirements and also the laws and regulations of every country, such as the Medical Devices Act of Taiwan, and other related requirements to ensure compliance with the laws and regulations.

Product design and product lifecycle management	HC-MS-410a.1	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products.	Quality	-	3.5.2 Product quality Build internal procedures to evaluate suppliers and fully test materials according to international material safety regulations to ensure product safety and no impacts on the human body.
	HC-MS-410a.2	Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	Quantitative	(Ton, t)	Not applicable to product features.
Supply chain management	HC-MS-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	Quantitative	Percentage (%)	1. 100% of Delta Asia's production plants passed the ISO 13485 requirements. 2. 100% of Delta Asia's international raw material suppliers passed ISO 9001 or a related quality management system.
	HC-MS-430a.2	Description of efforts to maintain traceability within the distribution chain	Quality	-	3.5.2 Product quality We comply with ISO 13485 and applicable medical device laws and regulations for effective communications with major international medical device manufacturers in meeting customers'

					quality requirements. We ensure that when product safety issues occur, we can quickly collect relevant information through batch traceability, thereby batch reducing product safety related risks.
	HC-MS-430a.3	Description of the management of risks associated with the use of critical materials	Quality	-	3.5.2 Product quality Build internal procedures to evaluate suppliers and fully test materials according to international material safety regulations to ensure product safety and no impacts on the human body.
Business ethics	HC-MS-510a.1	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	NT\$	There were no occurrences of legal proceedings associated with bribery or corruption in 2024.
	HC-MS-510a.2	Description of code of ethics governing interactions with healthcare professionals	Quality	-	Because we do not engage in direct sales of medical device, this provision is not applicable.
Activity Metrics					
-	HC-MS-000.A	Number of units sold by product category	Quantitative	Volume	6,518,836 pieces of medical devices

Appendix III: Climate-Related information for listed Company

Item	Execution Situation
1. Describe the board and management's oversight and governance of climate-related risks and opportunities.	Delta Asia's Sustainable Development Committee will conduct discussions and evaluations on topics related to climate change and management. Resolutions related to climate change are made by the Board of Directors. The board members comprise two independent directors, and the director with finance expertise acts as the chairperson of the board. The Sustainable Development Promotion Team, appointed under the Sustainable Development Committee, is responsible for coordinating across the various teams for the collection and survey of related data. The management team will make quarterly reports to the Board of Directors on the related plans and outcomes of the GHG inventory, and propose energy saving and carbon reduction plans for discussion and reporting on relevant performance.
2. Describe the impact of the climate-related risks and opportunities that the organization has identified over the short, medium, and long term on the organization's business strategy and financial planning.	To cope with climate change-related risks and opportunities that will affect the Company's strategies and financial plans, Delta Asia conducted an analysis of climate change topics with reference to the Shared Socioeconomic Pathways (SSPs), specifically SSP1-2.6 and SSP5-8.5, in the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC) as the foundational database. The table below shows the global situation of rising temperatures over the next 200 years, based on the period from 1850 to 1900 under these two scenarios. It simulates and analyzes the impacts of climate change in the future. The results are used in reference to the Science Based Targets initiative (SBTi) to project future carbon reduction volumes as a basis for adjustments to operational strategies. We have also simultaneously utilized the tools provided by the Taiwan Climate Change Projection and Information Platform Project (TCCIP) as a reference for evaluating the physical risk scenarios of climate change. By simulating the physical risks faced by Delta Asia under the ideal scenario (SSSP1-2.6) and the worst-case scenario (SSP5-8.5), we can assess the impact and potential financial implications for operations in the future and develop corresponding management measures. Relevant fees will also increase simultaneously if electricity consumption rises due to rising temperatures. The time scope is short term is 1 to 3 years, mid-term is 3 to 5 years, long term is 6 to 10 years.
3. Describe the financial impact of extreme climate events and transitional actions.	There are two transition risks identified. 1. Rise in raw material costs, the impact to operations and finance is the investment costs (e.g.

Item	Execution Situation
	<p>energy, water) and production needs (e.g. waste management) resulting in increased production costs.</p> <p>2. Strengthen emissions reporting obligations, the impact on operations and finance is increased operating costs, such as higher compliance costs, insurance fees, and GHG inventory and assurance costs.</p>
<p>4. Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>	<p>TCFD Risk management procedure</p> <p>Step1 The Sustainable Development Promotion Team members will complete the data collection on the climate environment background and climate risk and operational scope evaluation.</p> <p>Step2 Build climate risks and opportunities item list and internal operation impact survey.</p> <p>Step3 The Sustainable Development Promotion Team implements climate risk and operational impact analyses and determines material risk items.</p> <p>Step4 Establish execution strategies and goals.</p> <p>Step5 Rolling review of the effectiveness of execution strategies and goals during the Sustainable Development Committee meetings on a regular basis.</p>

Item	Execution Situation
<p>5. Explain the scenarios, parameters, assumptions, analysis factors, and major financial impacts when scenario analysis is used to assess resilience to climate change risk.</p>	<p>The Delta Asia Sustainable Development Promotion Team will conduct discussions to outline the risks and opportunities associated with climate change, focusing on transition risks (policies, laws and regulations, technologies, markets, and reputation), physical risks (immediate and long-term risks), and opportunities (resource efficiency, energy sources, products/services, markets, and resilience) under the worst-case physical risk scenario (SSP5-8.5). Additionally, they will collect information on future climate development trends related to external markets, laws and regulations, technology, and entities. The possible climate risks and opportunities that the Company may face are then listed. Considering the impact level and possibilities, the material climate-related risks and opportunities have been identified. Climate-related risks will be evaluated by relevant units for items that may cause financial impacts exceeding NTD ten million each year, classifying them as significant risks and opportunities. The risks are then prioritized based on their likelihood and severity to establish corresponding measures. Climate scenario analysis will be conducted to evaluate results with higher risks. Additionally, taking into account the current operational layout, calculations of their potential financial impacts will be made. Lastly, risks and opportunities related to the operational scope of Delta Asia will be identified. The meeting convenes relevant members to discuss and identify climate change risks and opportunities.</p>
<p>6. If there is a transition plan to manage climate-related risks, please explain the content of the plan, as well as the indicators and goals used for identifying and managing physical risk and transition risk.</p>	<p>There are two transition plans identified for climate change risks and opportunities response: There is a rise in the cost of raw materials. The countermeasures are to increase the plant's energy utilization rate, plan to participate in the renewable energy market to cope with rising costs after future production capacity is enhanced, and strengthen waste management within the plant by focusing on source reduction of waste, as well as promoting resource reuse and recycling to reduce resource wastage.</p> <p>Strengthen emissions reporting obligations. The countermeasure involves internal cross departmental discussions and external consultations, as well as compliance with government laws and policies. We continue to ensure transparent disclosure to implement sustainable management, which can further impact and promote sustainable actions throughout the upstream and downstream segments of the supply chain.</p> <p>The Company further sets goals according to the indicator items established by the TCFD for climate risks and opportunities: 1. Annual average electricity saving rate must not exceed 1%.</p>

Item	Execution Situation
	2. For the short term, follow ISO 14064-1 to promote GHG emissions inventory and complete a self-inventory GHG report. 3. Each year, reduce carbon emissions by more than 1%.
7. If internal carbon pricing is used as the planning tool, the basis for pricing shall be explained.	Not yet introduced.
8. If there are climate-related targets established, the activities, scope of GHG emissions, planning period, annual progress, and other information shall be explained. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, the source of carbon reduction for the offsets and the amount of RECs should be explained.	For the climate change risks and opportunities countermeasures and the establishment of indicator items, the Sustainable Development Committee will conduct rolling reviews of the outcomes of the execution strategies and targets in its meetings on a quarterly basis. In the future, the Committee will evaluate the feasibility of achieving relevant targets through carbon offsets or RECs.
9. GHG inventory, assurance situation, reduction targets, strategies, and specific action plans.	Refer to below Table 1-1 and 1-2.

1-1 GHG inventory and assurance situation of the company in the recent two years

1-1-1 GHG inventory information		
Specify the emissions volume (tCO ₂ e), intensity (tCO ₂ e/million NTD) of GHG in the recent two years and the scope of information coverage.		
Scope of information coverage: Delta Asia Headquarters		
Scope boundary	2023	2024
Scope 1/Direct GHG emissions volume	125.27	295.4860
Scope 2/Indirect GHG emissions volume	1523.50	2004.0720
Scope 3/Other indirect GHG emissions volume	-	452.9773
Total (metric ton CO ₂ e)	1523.50	2752.5353



Revenue (million NTD)	508.00	580.50
GHG emissions intensity (Metric ton CO ₂ e/million NTD)	3.2456	4.7417

1-1-2 GHG assurance information

Specify the assurance situation in the most recent two years as of the publication date of the annual report, covering the assurance scope, assurance institution, assurance standards and assurance opinions.

Assurance scope: Delta Asia Headquarters

Assurance institution: GREAT Certification

Assurance standards: ISO 14064-3:2019 and ISO14064-1:2018 GHG Inventory

A reasonable level of assurance was provided for categories 1 and 2, while a limited level of assurance was provided for categories 3 to 6.

1-2 GHG reduction targets, strategies and specific action plans

Specify the GHG reduction base year and data, reduction targets, strategies and specific action plans and reduction targets achievement status.

The Company obtains the results of the third-party verification of the GHG inventory in 2025 and sets 2024 as the base year. The reduction targets, strategies, specific action plans, status of reduction target achievement, and relevant information are expected to be disclosed in the following year.