2025

PEGATRON 和碩聯合科技

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2025

ANNUAL REPORT

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PEGATRON SPOKESPERSON

Name: Vivian Hsieh

Title: Chief Financial Officer

Tel.: 886(2) 8143-9001

E-mail: ir@pegatroncorp.com

DEPUTY SPOKESPERSON

Name: Lily Chen

Title: Director

Tel.: 886(2) 8143-9001

E-mail: ir@pegatroncorp.com

CORPORATE HEADQUARTERS

Address: 5F, No. 76, Ligong St., Beitou Dist., Taipei City

Tel.: 886(2) 8143-9001

MANUFACTURING SITE

Taoyuan Site

Address: No. 5 & 6, Xingye St., Guishan Dist., Taoyuan City
No. 356, Shanying Rd., Guishan Dist., Taoyuan City
No. 28, Xingbang Rd., Taoyuan Dist., Taoyuan City
No. 23, Xinghua Rd., Taoyuan Dist., Taoyuan City

Tel: 886(3) 319 6899

COMMON SHARE TRANSFER AGENT AND REGISTRAR

Name: Registrar & Transfer Agency Department of KGI Securities Co. LTD.

Address: 5F, No. 2, Sec. 1, Chung-Ching S. Rd., Taipei City

Tel.: 886(2) 2389-2999 Website: https://www.kgieworld.com.tw

AUDITORS

CPA Firm: KPMG

Name of CPA: Shih-Chin Chih and Chun-Kuang Chen

Address: 68F, TAIPEI 101 TOWER, No. 7, Sec. 5, Xinyi Rd., Taipei City

Tel.: 886(2) 8101-6666 Website: https://kpmg.com/tw/zh.html

OVERSEAS SECURITIES EXCHANGE

Luxemburg Stock Exchange: https://www.bourse.lu

FOR MORE INFORMATION ABOUT PEGATRON

https://www.pegatroncorp.com

This English version of the Pegatron Annual Report is a concise translation of the Mandarin version. This document is created for the sole purpose of the convenience for its non-Mandarin readers and is not an official document to represent the financial status of the Company per Taiwan laws.

Pegatron Corporation does not assure the accuracy of this translated document. Readers wishing to view the official audited version of Pegatron's financial reports can obtain a copy of the Pegatron Annual Report (Mandarin version) on the Pegatron Corporation website (www.pegatroncorp.com).

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1. Letter to Shareholders

Dear Shareholders,

Looking back at 2025, the global economy maintained moderate growth as inflationary pressures eased and major economies began cutting interest rates. However, while the first half of the year benefited from short-term factors such as advance trade arrangements and inventory adjustments, the fading of these effects in the second half led to weakening economic and employment indicators, with overall growth momentum slowing. The semiconductor and server supply chains continued to experience structural growth driven by demand for artificial intelligence (AI) and data centers. Nevertheless, geopolitical risks and technology control policies continued to create uncertainties in the supply of raw materials and key components. Looking ahead to 2026, as global AI applications evolve from cloud-based training to edge computing and diversified real-world deployments, demand for integrated hardware-software solutions and system-level offerings is expected to grow. Corporate investments in digital transformation and automation are also anticipated to remain strong, while high-performance computing and cloud services will continue to serve as key drivers of the global technology industry. However, challenges such as evolving trade policies, geopolitical risks, and volatility in energy and raw material prices persist, and the trend toward regionalization and restructuring of supply chains is expected to further intensify. Pegatron Group will closely monitor changes in the macroeconomic environment and respond with flexibility to maintain stable operational performance. In 2025, Pegatron Group's consolidated revenue remained broadly flat compared to the previous year. However, profitability declined due to the impact of foreign exchange fluctuations and weaker end demand for certain products. The Group's operating results for last year and outlook for the current year are summarized as follows:

Financial Performance

In 2025, Pegatron Corporation's consolidated revenue was NT$1,117.2 billion, a decrease of NT$8.1 billion from NT$1,125.3 billion in 2024, representing a year-on-year decline of approximately 0.72%. The gross margin was 3.80%, while net income attributable to owners of the parent totaled NT$14.4 billion, down from NT$16.9 billion in 2024. Earnings per share after tax amounted to NT$5.39. Reviewing the Group's performance in 2025, while Consumer Electronics segment underperformed expectations due to suppressed end demand, Computing segment benefited from early shipment pull-ins driven by tariff considerations and strong momentum in server shipments. In addition, key subsidiaries experienced robust demand, contributing to the revenue growth. In 2025, Communication segment continued to represent the largest share among three major product segments, with no significant change in revenue contribution compared to the prior year.

Note: No financial forecast was publicly disclosed for 2025; therefore, budget achievement figures are not applicable.

Technical Capability and Operating Highlights

Amid the rapid evolution of AI and intelligent applications, Pegatron continues to focus on core technologies in high-performance computing, broadband communications, and artificial intelligence, while simultaneously expanding into diversified application areas such as bionic robotics, automotive systems, wearable devices, and smart healthcare. Through these efforts, the Company is progressively building a technology portfolio with long-term competitiveness. In server development, Pegatron successfully achieved large-scale shipments of NVIDIA GB300 NVL72 and HGX B300 high-end AI servers (including both air-cooling and liquid-cooling architectures) in 2025. Looking ahead to this year, the Pegatron will continue advancing AI Factory development strategy, expanding deployment across NVIDIA Vera Rubin and HGX Rubin platforms, AMD GPU servers, and AI ASIC server product lines, while promoting full liquid-cooling architectures. In parallel, Pegatron has introduced 1.6T AI infrastructure switch solutions to strengthen end-to-end high-speed interconnect capabilities in support of large-scale AI training and inference applications. In broadband communications, Pegatron focuses on the development of cutting-edge CPE high-speed communication technologies and continues to advance toward next-generation standards such as Wi-Fi 8, 50G PON, and DOCSIS 4.0. Pegatron is also actively investing in forward-looking technologies, including 5G O-RAN high-power radio units and 6G FR3 phased-array antennas. The product portfolio is gradually extending to high-value-added applications, such as central office equipment and access networks, strengthening the depth of overall solutions. In AI technology development, Pegatron continues to cultivate Generative AI, Agentic AI, and Physical AI under its AI Factory architecture, leveraging the PEGAVERSE platform to accelerate solution deployment. Multiple application scenarios have already been implemented internally and at customer sites. By deepening AI applications, Pegatron aims to enhance autonomous operations and maintenance capabilities while accelerating enterprise digital transformation. In the field of bionic robotics, Pegatron has completed the establishment of core technologies for industrial-grade quadruped robots, integrating bionic motion mechanisms, electronic control systems, edge computing, AI perception, dynamic gait control, and SLAM technologies. Digital twin and reinforcement learning training environments have also been deployed, and self-developed components validated under the EtherCAT communication architecture. Future efforts will focus on advanced AI control, multi-robot collaboration and modular design to accelerate the deployment of smart manufacturing and industrial inspection applications. In automotive-related fields, Pegatron is developing high-performance computing racks, modular high-speed heterogeneous in-vehicle network gateways, AI smart cockpit ECUs, zonal controllers, and LiDAR sensing technologies. The Company is also investing in third-generation semiconductor traction inverters and high-efficiency charging pile power management systems. In response to environmental protection and health trends, Pegatron is extending these technologies into the bicycle sector, developing active radar-based environmental monitoring, vehicle networking and positioning, and smart motor control systems to comprehensively enhance safety and intelligent riding experiences. In wearable devices, Pegatron continues to develop high-efficiency AR display technologies and key optical components, while advancing products such as smart glasses, earbuds, and wearable rings. Combined with cloud-based AI applications, these initiatives strengthen human–machine interaction and intelligent service capabilities. The Company is actively entering the growing AI wearable market and expanding into emerging application scenarios. In smart healthcare, with the rapid development of brainwave applications, Pegatron has developed EEG-related products this year, primarily targeting medical applications such as neurotechnology, physical rehabilitation, and brain–computer interfaces. In parallel, Pegatron is developing smart medical wearables to more effectively manage personal health data. In the medical aesthetics application, Pegatron’s self-designed multifunctional home beauty device has been successfully launched and has received positive market feedback, further expanding its presence in health and beauty consumer applications.

Despite ongoing changes in the global political and economic environment and tariff policies, Pegatron has maintained steady operational execution. In recent years, we have completed global deployment and have been expanding across North America, Southeast Asia, and India etc. These locations have enhanced Pegatron’s supply flexibility and delivery capabilities while bringing production sites closer to customers’ deployment regions. Pegatron will continue to adjust production scale and supply chain deployment across regions to maintain competitive advantages in the evolving global manufacturing landscape. From a regulatory perspective, Pegatron consistently complies with relevant policies and regulations of competent authorities and closely monitors domestic and international regulatory developments to effectively respond to market changes.

Awards and Sustainability

As a leading global corporate citizen, Pegatron is committed to embedding ESG values into business operations and actively aligning with the United Nations Sustainable Development Goals (SDGs). In 2025, guided by the Science Based Targets initiative (SBTi), Pegatron not only steadily advanced net-zero transition but also demonstrated strong operational resilience and social responsibility across environmental governance, supply chain collaboration, and social inclusion.

In environmental governance and supply chain collaboration, Pegatron showcased international leadership. In 2025, Pegatron received the highest “A Level (Leadership Level)” rating in the CDP (Carbon Disclosure Project) Water Security questionnaire, highlighting global benchmark performance in water risk management and disclosure. Pegatron also expanded “1+N Carbon Management Demonstration Team Program,” leading 23 suppliers in adopting digital carbon management platforms and achieving cumulative carbon reductions exceeding 14,000 metric tons. Furthermore, through “From Waste to Worth” program, Pegatron transformed wooden pallets and retired uniforms into eco-friendly colored pencils and recycled products, reducing approximately 1,000 kilograms of carbon emissions while promoting circular economy principles and delivering care to rural elementary schools.

In social inclusion and disaster relief, Pegatron demonstrated swift action and deep community engagement. In response to severe flooding caused by heavy rainfall in Guangfu Township, Hualien, Pegatron immediately activated emergency relief mechanisms, committing over NT$22 million in funding and deploying heavy machinery—including compact loaders, excavators, and trucks—to affected areas around the clock to assist with debris removal and recovery. Beyond addressing human needs, Pegatron upheld "life equality" philosophy by coordinating with supported food banks to provide pet food and long-term supplies, protecting all lives in disaster-stricken communities. This comprehensive support—from financial aid to equipment deployment and sustainable supply chains—underscores Pegatron's commitment to coexisting and prospering with Taiwan.

Through its all-around excellence, Pegatron continued to be included as a constituent of the FTSE4Good TIP Taiwan ESG Index and maintained strong ratings across international ESG assessments, affirming Pegatron's role as a key force in advancing industrial decarbonization and social stability alongside technological innovation.

Outlook

Looking ahead to 2026, in the Computing segment, Pegatron will continue to expand its share in notebook while optimizing its product mix. With the Windows 10 replacement cycle and increasing adoption of AI PCs, shipment growth is expected. We will closely monitor the impact of key component shortages and price increases on end-market demand and adjust capacity in close collaboration with customers. In server products, as shipment scale expands and new platforms are introduced, Pegatron's business across the U.S., Asia, and Europe is expected to continue growing, with server-related revenue anticipated to increase significantly this year. Pegatron will continue offering customized board-level, system, and rack design services to explore new business opportunities. In Consumer Electronics segment, we expect shipment momentum to recover with the addition of new business as well as customers' expansion of product portfolios and new model refresh cycles. In Communication segment, the recovery in broadband products in the second half of last year is expected to continue, together with the adoption of Wi-Fi 7 and increasing demand from private 5G networks working with telecom operators, drive further business growth. In smartphone business, Pegatron will continue leveraging its technical expertise and manufacturing capabilities to meet customer needs. In automotive electronics products, Pegatron expects to continue expanding the customer base and product portfolio over the coming years. The longer product life cycles of automotive electronics products are expected to positively contribute to overall capacity utilization. Additionally, Pegatron is actively exploring opportunities in robotics, energy, and satellite-related fields, with the aim of extending the operational footprint into these emerging domains.

From an operational perspective, as AI technologies continue to innovate, increasing demand for related hardware, software, and infrastructure is expected to drive strong growth across Pegatron's server, automotive electronics, and broadband product in the coming years. Pegatron remains committed to maintaining stable operations and optimizing product portfolio, while prudently evaluating capacity transfer benefits, capital allocation, and potential impacts from international trade and financial market fluctuations on profitability.

In closing, on behalf of all employees of Pegatron Corporation, we extend our sincere gratitude to our shareholders for your long-standing support and trust. We will continue to strengthen our core competitiveness, seize the opportunities presented by the rapid evolution of AI technologies and applications, and strive for renewed operational excellence, with the goal of sharing growth with shareholders, customers, and employees alike.

Chairman T.H. Tung

President and Co-CEO Kuang-Chih Cheng Kuo-Yen Teng

2. Corporate Governance

2.1 Board of Directors and Management Team

2.1.1 Introduction of Board of Directors

As of 02/28/2026

Title / Name	Nationality	Gender and Age	Date First Elected	Term (Years)	Date Elected	Shareholding when Elected		Current Shareholding (Note 1)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Selected Current Positions
						Shares	%	Shares	%	Shares	%	Shares	%		
Chairman T.H. Tung (Note 2)	R.O.C	Male 65	05/18/2010	3	06/06/2025	94,917,309	3.56	95,317,309	3.55	6,074,490	0.23	-	-	Master's degree in Computer and Communication Engineering, National Taipei University of Technology Honorary Ph.D. in Engineering, National Taipei University of Technology Chairman of Kinsus Interconnect Technology Corp. Chairman of PEGAVISION CORPORATION Vice Chairman of ASUSTEK COMPUTER INC.	Chairman & CSO：Pegatron Corp. Chairman： Kinsus Investmebt Co., Ltd., Lumens Digital Optics Inc., Asus Investment Co., Ltd., Asuspower Investment Co., Ltd., Asustek Investment Co., Ltd., RI-KUAN Metal Corporation, Beauty Tech Platform Corp., FacialBeau International Corp., FISFISA Media Inc., Monte Jade Science and Technology Association of Taiwan, Taiwan Contact Lenses Industry Development Association Vice Chairman： Fair Winds Foundation, New Frontier Foundation, Taiwan Climate Partnership Director： Kinsus Interconnect Technology Corp., PEGAVISION CORPORATION, Asrock Incorporation, Q Place Creative Inc., MIRROR FICTION INC., Casetek Holdings Limited(Cayman), Pegatron Holding Ltd., Unihan Holding Ltd., Magnificent Brightness Limited, Casetek Holdings Ltd., Protek Global Holdings Ltd., Digitek Global Holdings Ltd., Kinsus Corp.(USA), Pegatron Holland Holding B.V., Powtek Holdings Limited, Cotek Holdings Limited, Grand Upright Technology Limited, Aslink Precision Co., Ltd., The Alliance Cultural Foundation, Hanguang Education Foundation, Lung Yingtai Cultural Foundation, ANDREW T.HUANG Medical Education Promotion Fund, Bridge Across the Strait Foundation, Fullfoods Cultural Education Foundation, Bulareyaung Dance Cultural Foundation, Cloud Gate Culture and Arts Foundation, Lovely Taiwan Foundation,

Title / Name	Nationality	Gender and Age	Date First Elected	Term (Years)	Date Elected	Shareholding when Elected		Current Shareholding (Note 1)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience （Education）	Selected Current Positions
						Shares	%	Shares	%	Shares	%	Shares	%		
															THE LIU KUO-SUNG FOUNDATION, Institute for Biotechnology and Medicine Industry, Koo Foundation, Cheng Hsin General Hospital, SanCode Foundation Executive Director： Taipei Computer Association
Vice Chairman Jason Cheng	R.O.C	Male 66	05/18/2010	3	06/06/2025	4,777,773	0.18	4,777,773	0.18	13,120	0.00	-	-	Master’s degree in Electrical Engineering, University of Southern California President and CEO of Pegatron Corp. Deputy General Manager of ASUSTEK COMPUTER INC.	Chairman： AzureWave Technologies, Inc., Azure Lighting Technologies, Inc., Casetek Holdings Limited (CAYMAN), Pegatron USA, Inc., Pegatron Electronics India Private Limited Vice Chairman & Deputy CSO： Pegatron Corp. Director： Asus Investment Ltd., Asuspower Investment Ltd., Asustek Investment Ltd., RI-KUAN Metal Corporation, Pegatron Czech s.r.o., Azwave Holdings (SAMOA) Inc., Tata Electronics Products and Solutions Private Limited, Epoch Foundation

Title / Name	Nationality	Gender and Age	Date First Elected	Term (Years)	Date Elected	Shareholding when Elected		Current Shareholding (Note 1)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience （Education）	Selected Current Positions
						Shares	%	Shares	%	Shares	%	Shares	%		
Director Ted Hsu	R.O.C	Male 64	05/18/2010	3	06/06/2025	56,353,713	2.12	56,353,713	2.10	5,550,533	0.21	-	-	EMBA, National Chiao Tung University Vice Chairman & Deputy Group CEO of Pegatron Corp. Director & Deputy General Manager of ASUSTEK COMPUTER INC.	Chairman： eBixprize Inc., ASMedia Technology Inc., ASUS TECHNOLOGY PTE. LIMITED, ASUS GLOBAL PTE. LTD. Vice Chairman & CSO： ASUSTEK COMPUTER INC. Director： Eusol Biotech Co., Ltd., iMotion Group Inc., Huasyn Biomedical Co., Ltd, A2+ BIOTECH Consulting Co., Ltd., TTY Biopharm Company Limited., HONG WEI Investment Co., Ltd., UniMax Electronics Inc., Buddhist Tzu Chi Medical Foundation
Director Peter Kuo	R.O.C	Male 79	06/15/2022	3	06/06/2025	-	-	-	-	-	-	-	-	National Taipei Institute of Technology Chairman & CEO of Kinsus Interconnect Technology Corp. General Manager of UNICAP Electronics	Chairman & CSO： PEGAVISION CORPORATION Chairman：Mayin Investment Co.,Ltd, Vice Chairman： Beauty Tech Platform Corp., FacialBeau International Corp. Director： Kinsus Interconnect Technology Corp, Lumens Digital Optics Inc., Kinsus Investment Co., Ltd., Kinsus Corp. (USA), Monte Jade Science & Technology Association of Taiwan Executive Director： Taiwan Contact Lenses Industry Development Association

Title / Name	Nationality	Gender and Age	Date First Elected	Term (Years)	Date Elected	Shareholding when Elected		Current Shareholding (Note 1)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience （Education）	Selected Current Positions
						Shares	%	Shares	%	Shares	%	Shares	%		
Director T.K. Yang	R.O.C	Male 71	06/21/2016	3	06/06/2025	-	-	-	-	-	-	-	-	Ph.D. in Business Management, National Chengchi University Political Deputy Minister, the Ministry of Finance, R.O.C. Chairman of Bank of Taiwan Executive Secretary of National Development Fund, Executive Yuan President of China Development Industrial Bank Associate Professor of MBA at National Chengchi University	Chairman：Yangtze Associates Director & President： Huiyang Private Equity Fund Co., Ltd. Director： ASUSTEK COMPUTER INC., TTY Biopharm Company Limited, Airiti Inc., HON YANG Healthcare Co., Ltd., Huacheng Capital Co., Ltd., Huicheng Capital Co., Ltd. Supervisor：Happy Read Publication Company Limited
Director C.P. Hwang (Note 3)	R.O.C	Male 65	06/21/2016	3	06/06/2025	80,745	0.00	80,745	0.00	1,008,202	0.04	-	-	Electrical Engineering, National Taipei Institute of Technology Chairman & President of Havix Electronics Co., Ltd.	President & General Manager：Havix Electronics Co., Ltd.
Director HONG-YE Investment Co., Ltd.	R.O.C	-	06/21/2016	3	06/06/2025	2,600,000	0.10	2,600,000	0.10	-	-	-	-	-	-
Director HONG-YE Investment Co., Ltd. Rep.: H.T. Tung (Note 4)	R.O.C	Male 66	06/15/2022	3	06/06/2025	520,000	0.02	820,000	0.03	-	-	-	-	Bachelor's degree in Electrical Engineering, National Taiwan University Associate Vice President of Asus	Senior Vice President：Pegatron Corp. Chairman：Asrock Incorporation Executive Director：Digitek (CHONGQING) Ltd.
Director DAI-HE Investment Co., Ltd.	R.O.C	-	06/21/2016	3	06/06/2025	370,000	0.01	370,000	0.01	-	-	-	-	-	-

Title / Name	Nationality	Gender and Age	Date First Elected	Term (Years)	Date Elected	Shareholding when Elected		Current Shareholding (Note 1)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience （Education）	Selected Current Positions
						Shares	%	Shares	%	Shares	%	Shares	%		
Director DAI-HE Investment Co., Ltd. Rep.: E.L. Tung (Note 2, 4)	R.O.C	Female 33	06/21/2019	3	06/06/2025	3,336,014	0.13	3,336,014	0.12	-	-	-	-	Master’s degree in Mass Communication, New York Institute of Technology (NYIT) Waseda University Center for Japanese Language Program	-
Independent Director C. Lin (Note 5)	R.O.C	Male 74	05/18/2010	3	06/06/2025	-	-	-	-	-	-	-	-	Ph.D. in Economics, University of Illinois Premier of Executive Yuan Chairman of Vanguard International Semiconductor Corporation Minister of Finance of the R.O.C. Minister, Directorate General of Budget, Accounting and Statistics, Executive Yuan, R.O.C. Director General, Bureau of Finance, Taipei City Government Professor and Department Chair of public finance at National Chengchi University Research Fellow of Chung-Hua Institution for Economic Research	Chairman： TTY Biopharm Company Limited., TSH Biopharm Corporation Limited. Independent Director： Taiwan Semiconductor Manufacturing Co., Ltd
Independent Director Michael Wang	R.O.C	Male 71	06/15/2022	3	06/06/2025	-	-	-	-	-	-	-	-	Bachelor’s degree in Electronic Engineering, National Chiao Tung University CEO & President, Quanta Computer Inc.	Chairman： Amed Health Tech Investment Management Consulting Co., Ltd. Independent Director： Phison Electronics Corp., Simplo Tchnology Co., Ltd.

Title / Name	Nationality	Gender and Age	Date First Elected	Term (Years)	Date Elected	Shareholding when Elected		Current Shareholding (Note 1)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Selected Current Positions
						Shares	%	Shares	%	Shares	%	Shares	%		
Independent Director Charlotte W.W. Lin	R.O.C	Female 62	06/06/2025	3	06/06/2025	-	-	-	-	-	-	-	-	Bachelor of Commerce, National Taiwan University MBA, University of Illinois, Urbana-Champaign (Accounting) EMBA, National Taiwan University CEO, KPMG Taiwan Consultant, Financial Accounting Issues Task Force of Accounting Research and Development Foundation Chairman, Alumni Association of Department of Accounting, National Taiwan University Adjunct Professor Rank Specialist, Accounting, National Taiwan University	Director： FENG TAY ENTERPRISES CO., LTD. Independent Director： uPI Semiconductor Corp. Quanta Computer Inc.
Independent Director Hong Hocheng	R.O.C	Male 67	06/06/2025	3	06/06/2025	-	-	-	-	-	-	-	-	Mechanical Engineering/NTU Diplom in Mechanical Engineering/ RWTH Aachen PhD in mechanical engineering/University of California at Berkeley President of NTHU Deputy Minister of National Science Council of Executive Yuan Dean of the College of Engineering of NTHU Dean of student affairs of NTHU Professor of the department of Power Mechanical Engineering of NTHU	Independent Director： Kinsus Interconnect Technology Corp Honorary Chair： Mei Yiqi

Title / Name	Nationality	Gender and Age	Date First Elected	Term (Years)	Date Elected	Shareholding when Elected		Current Shareholding (Note 1)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Selected Current Positions
						Shares	%	Shares	%	Shares	%	Shares	%		
Director DAI-HE Investment Co., Ltd. Rep.: S. Chi (Note 6)	R.O.C	Male 77	06/21/2016	3	06/15/2022	-	-	-	-	-	-	-	-	Bachelor of Economics, National Taiwan University Master’s degree in Economics, National Taiwan University Ph.D. in Economics, Case Western Reserve University Assistant Professor, Department of Economics, Ohio University Associate Professor, Professor and Department Chair of Economics, National Taiwan University Dean of School of Management at National Central University Professor and Director of Graduate Institute of Industrial Economics at National Central University Visiting Professor of Freie Universität Berlin, Berlin Deputy Minister of Council for Economic Planning and Development, Executive Yuan Chief Negotiator of Taiwan's accession to WTO, General Agreement on Trade in Services (GATS) Vice Chair of Economic Committee, APEC President of Taiwan Academy of Banking and Finance Chairman of Taiwan Stock Exchange Minister without Portfolio of Executive Yuan Visiting Professor, University of Zagreb, Croatia	Independent Director： Asia Cement Corp. Director： The China Foundation for the Promotion of Education and Culture, NTU Economic Research Academic Foundation, Far Eastern Memorial Foundation Adjunct Professor：Dep. of Economics, National Taiwan U. Chair Professor： Shin Hsin University, Soochow University

Title / Name	Nationality	Gender and Age	Date First Elected	Term (Years)	Date Elected	Shareholding when Elected		Current Shareholding (Note 1)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Selected Current Positions
						Shares	%	Shares	%	Shares	%	Shares	%		
Director HONG-YE Investment Co., Ltd. Rep.: S.J. Liao (Note 6)	R.O.C	Male 75	06/21/2016	3	06/15/2022	2,014,856	0.08	3,179,856	0.12	-	-	-	-	Bachelor's degree in Industrial and Business Management, Tatung University Honorary Ph.D., Tatung University President and CEO of Pegatron Corp. Chief Operating Officer of Pegatron Corp. Senior Vice President of Unihan Corp.	Deputy Group CEO：Pegatron Corp. Chairman： Kinsus Interconnect Technology Corp., Pegatron Vietnam Company Limited, Pegatron Technology HAI PHONG Company limited President：Pegatron Japan Inc. Director： AMA Precision Inc., Asuspower Corporation, Asuspower Investment Co., Ltd., KAEDAR Electronics (KUNSHAN) Co.,Ltd., Piotek Holdings Ltd (Cayman), Piotek Holdings Ltd., Kinsus Holding (Samoa) Limited, Kinsus Holding (Cayman) Limited Executive Director： KAI CHUAN Electronics (CHONGQING) Co.,Ltd.

Note 1: Current shareholding included the employee restricted stocks, which are under the custody of the Trust.
Note 2: Mr. T.H. Tung is Ms. E.L Tung's second-degree relative of consanguinity. Title of Ms. Tung is director and relation to Mr. Tung is father and daughter.
Note 3: Mr. C.P. Hwang was an Independent Director in the term of sixth BOD. Been elected as a natural-person director after re-election on June 6, 2025.。
Note 4: Mr. H.T. Tung and Ms. E.L. Tung are natural-person directors in the term of sixth BOD. Been elected as a juristic-person director after re-election on June 6, 2025.
Note 5: Mr. C. Lin served his initial tenure as an Independent Director from early 2010 to May 13, 2016, and was re-elected on June 15, 2022. Due to the six-year hiatus in his service, he has not served more than three consecutive terms as an Independent Director.
Note 6: Term expired on June 6, 2025, after election of directors. The shareholding is updated to resignation date and his selected current positions are updated to February 28,2025

Major Shareholders of the Institutional Shareholders

As of 02/28/2026

Name of Institutional Shareholders	Major Shareholders of the Institutional Shareholders
Dai-He Investment Co., Ltd.	Hong-Ye Investment Co., Ltd (99.11%), C.T. Chen (0.30%), I.S. Lin (0.30%), S.P. Yang (0.29%)
Hong-Ye Investment Co., Ltd	T.H. Tung (92.08%), M.F. Shih (2.44%), E.L. Tung (2.44%), K.V. Tung (2.44%), I.S. Lin (0.12%), H.C. Huang (0.12%), S.P. Yang (0.12%), C.R. Wu (0.12%), M.L. Chung (0.12%)

Major Shareholders of the Major Shareholders that are Juridical Persons

As of 02/28/2026

Name of Institutional Shareholders	Major Shareholders of the Institutional Shareholders
Hong-Ye Investment Co., Ltd	T.H. Tung (92.08%), M.F. Shih (2.44%), E.L. Tung (2.44%), K.V. Tung (2.44%), I.S. Lin (0.12%), H.C. Huang (0.12%), S.P. Yang (0.12%), C.R. Wu (0.12%), M.L. Chung (0.12%)

2.1.2 Professional Qualifications and Independence Analysis of the Board Directors

2.1.2.1 Disclosure of Professional Qualifications of the Board Directors and Independence of Independent Directors

Criteria / Name	Professional Qualification and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
T.H. Tung	Mr. T.H. Tung holds a Master's degree in computer and communication engineering and an Honorary Ph.D. in Engineering from National Taipei University of Technology. Elected as an ITRI Laureate in 2023, he specializes in computer and communication R&D, industrial design, DMS operational strategy, cross-disciplinary innovation management, and cultural and creative investment. With over thirty years of deep involvement in the global electronics and information technology industry, Mr. Tung possesses a profound background in technological R&D and industrial leadership. He is a co-founder of ASUSTEK COMPUTER INC. and led Pegatron Group through its vertical integration and diversified transformation. In addition to serving as the Chairman of the Company, he has also served as the Chairman of Kinsus Interconnect Technology Corp. and PEGAVISION CORPORATION, demonstrating an outstanding leadership track record across industry chains such as semiconductor substrates and biotechnology/medical devices. Currently, he also serves in significant public roles including the Chairman of the Monte Jade Science and Technology Association of Taiwan, vice chairman of the Taiwan Climate Partnership, and an executive director of the Taipei Computer Association, holding deep influence in industrial sustainable development, net-zero transitions pathways and policy communication. Leveraging his extensive expertise in diversified group management, ESG sustainable governance, and strategic planning, he possesses comprehensive expertise in commerce and operational decision-making, strategic management, and brand value enhancement, Integrated with forward-looking technological deployment and application insights essential for corporate operations.	1. As the management Team of the Company and its affiliates, and a director of its affiliates. 2. As the top 10 shareholders of the company. Around 3.78% of the Company's outstanding shares are held by him and his spouse. 3. Be relative with Ms. E.L. Tung within the second degree of kinship. 4. Other conditions comply with the independence criteria specified in Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	0

Criteria / Name	Professional Qualification and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Jason Cheng	Mr. Jason Cheng holds a Master's degree in electrical engineering from University of Southern California. He previously served as Deputy General Manager and President of the OEM Business Group at ASUSTEK COMPUTER INC., and as President and CEO of Pegatron Corporation. He currently serves as the Vice Chairman of the Company. With over thirty years of deep involvement in the global technology industry, Mr. Cheng possesses a profound background in technological R&D and industrial leadership, specializing in chip design, motherboard R&D, global production management, and overseas operational deployment. Mr. Cheng also currently serves as the Chairman of affiliated companies such as AzureWave Technologies, Inc. and Azure Lighting Technologies, Inc., actively contributing his management expertise within the electronics and information technology industry chain. Leveraging his extensive experience in multinational operations, strategic execution, and industrial insight, he possesses comprehensive expertise in commerce and operational decision-making, strategic management, and production efficiency optimization, Integrated with forward-looking technological deployment and application insights essential for corporate operations.	1. As the management Team of the Company and its affiliates, and a director of its affiliates. 2. Around 0.18% of the Company's outstanding shares are held by him and his spouse. 3. Other conditions comply with the independence criteria specified in Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	0
Ted Hsu	Mr. Ted Hsu holds an EMBA from National Chiao Tung University. As a co-founder of ASUSTEK COMPUTER INC., he currently serves as the Vice Chairman and CSO. He previously served as the Vice Chairman & Deputy Group CEO of Pegatron Corp., with over thirty years of deep involvement in the global technology industry. With a robust foundation in software and hardware R&D, Mr. Hsu specializes in technological research, forward-looking technological trend analysis, and corporate operational strategies. In addition to his leadership within the ASUS Group, Mr. Hsu is the Chairman of ASMedia Technology Inc. and serves as a director of several companies, including TTY Biopharm Company Limited., Eusol Biotech Co., Ltd., and iMotion Group Inc., spanning sectors from high-speed semiconductor transmission to biotechnology/medical care and e-commerce. Leveraging his expertise in forward-looking technology planning, group strategic integration and extensive experience in cross-industry management, he possesses comprehensive expertise in commerce and operational decision-making, strategic management, and brand value enhancement, Integrated with forward-looking technological deployment and application insights essential for corporate operations.	1. As the top 10 shareholders of the company. Around 2.31% of the Company's outstanding shares are held by him and his spouse. 2. Other conditions comply with the independence criteria specified in Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	0

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Criteria / Name	Professional Qualification and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Peter Kuo	Mr. Peter Kuo graduated from National Taipei Institute of Technology. He previously served as the Chairman and CEO of Kinsus Interconnect Technology Corp. and has deeply cultivated the electronic components and semiconductor packaging substrate industries for many years. Currently, he serves as the Chairman and CSO of PEGAVISION CORPORATION, vice chairman of BeautyTech Platform Corp. and FacialBeau International Corp., and an executive director of the Taiwan Contact Lens Industry Development Association. His leadership achievements span diverse industrial fields, including semiconductor substrates, biotechnology/medical devices, and beauty biopharma, accumulating over forty years of industrial experience. Leveraging his extensive expertise in diversified group management, global market deployment and strategic execution, Mr. Kuo possesses comprehensive expertise in commerce and operational decision-making, strategic management, brand value enhancement, Integrated with marketing capabilities essential for corporate operations.	1. As the management Team and a director of the Company's affiliates. 2. Other conditions comply with the independence criteria specified in Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	0
T.K. Yang	Mr. T.K. Yang holds a Ph.D of Business Management from National Chengchi University. He previously served as the Political Deputy Minister of the Ministry of Finance (R.O.C.), Chairman of Bank of Taiwan, Executive Secretary of National Development Fund (Executive Yuan), President of China Development Industrial Bank, and Associate Professor of MBA at National Chengchi University. Mr. Yang possesses profound cross-disciplinary practical expertise spanning industry, government, and academia. In addition to his leadership in the National Development Fund and major financial institutions, he currently serves as a director for several companies, including ASUSTEK COMPUTER INC., TTY Biopharm Company Limited and Huiyang Private Equity Fund Co., Ltd., actively contributing his expertise in capital markets, corporate mergers and acquisitions, and business management, with nearly forty years of industrial experience. He possesses comprehensive expertise in finance and commerce, integrated with strong capabilities in operational decision-making, strategic management, investment strategy, risk management, and industrial policy planning essential for corporate operations.	All conditions comply with the independence criteria specified in Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	0

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Criteria / Name	Professional Qualification and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
C.P. Hwang	Mr. C.P. Huang graduated from the Department of Electrical Engineering at National Taipei Institute of Technology. He currently serves as the Chairman and President of Havix Electronics Co., Ltd., possessing expertise in electrical engineering and a background in industrial leadership. Mr. Huang previously served as an independent director of the Company and Kinsus Interconnect Technology Corp., actively contributing his expertise in corporate governance, risk control, and industrial trend insights, with over thirty years of experience in risk and performance management within the electronics industry. He possesses comprehensive expertise in commerce and operational decision-making, strategic management, industrial operations, integrated with technological application insights and robust risk management capabilities essential for corporate operations.	1. Around 0.04% of the Company's outstanding shares are held by him and his spouse. 2. All conditions comply with the independence criteria specified in Article 14-2 of "Securities and Exchange Act" and Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" during the two years before being elected or during the term of office.	0

Criteria / Name	Professional Qualification and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
H.T. Tung	Mr. H.T. Tung holds a Bachelor's degree in Electrical Engineering from National Taiwan University. He currently serves as a Senior Vice President of the Company and as the Chairman of ASRock Incorporation. With over thirty years of deep involvement in the global electronics and information technology industry, he possesses specialized R&D expertise in the fields of motherboards and servers. Leveraging his keen insight into technological trends and forward-looking strategies, Mr. Tung has successfully transformed technological R&D into competitive industrial operation strategies. His leadership achievements are demonstrated in his promotion of the Group's diversified technological development, and he possesses comprehensive expertise in commerce and operational decision-making, strategic management, technology R&D management, industrial operations, integrated with forward-looking technological deployment and application insights essential for corporate operations.	1. As a juristic-person director defined in Article 27 of the Company Law. 2. As the management Team of the Company and a director of its affiliates. 3. Around 0.03% of the Company's outstanding shares are held by him and his spouse. 4. Other conditions comply with the independence criteria specified in Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	0

Criteria / Name	Professional Qualification and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
E.L. Tung	Ms. E.L. Tung holds a Master's degree in Mass Communication from the New York Institute of Technology (NYIT) and completed advanced studies at Waseda University's Center for Japanese Language. With extensive experience in media communication, digital content, and cultural diversity, she brings a profound international perspective and mastery in cross-cultural communication. Leveraging her global background and digital marketing expertise, Ms. Tung maintains a keen insight into global consumer trends and market dynamics. She possesses comprehensive expertise in operational decision-making, strategic marketing, and brand value enhancement, integrated with the digital transformation capabilities essential for corporate operations.	1. As a juristic-person director defined in Article 27 of the Company Law. 2. Around 0.12% of the Company's outstanding shares held. 3. Be relative with the Chairman, Mr. T.H. Tung, within the second degree of kinship. 4. Other conditions comply with the independence criteria specified in Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."	0

Criteria / Name	Professional Qualification and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
C. Lin	Mr. C. Lin holds a Ph.D. in Economics from the University of Illinois. He has served as the Premier of Executive Yuan, Minister of Finance of the R.O.C., and Minister, Directorate General of Budget, Accounting and Statistics of Executive Yuan (R.O.C.). He also previously served as the Director General, Bureau of Finance, Taipei City Government, Chairman of Vanguard International Semiconductor Corporation, Professor and Department Chair of public finance at National Chengchi University, and Research Fellow of Chung-Hua Institution for Economic Research. Currently, he serves as the Chairman of TTY Biopharm Company Limited. and an independent director of Taiwan Semiconductor Manufacturing Co., Ltd. With over forty years of leadership spanning national economic governance, semiconductor operations, and the biotechnology sector, Mr. Lin has deeply cultivated the fields of fiscal management, tax planning, industrial policy, and capital market strategy. Leveraging his unparalleled cross-disciplinary expertise across industry, government, and academia, along with a global macroeconomic perspective, he possesses comprehensive expertise in finance, commerce, operational decision-making, strategic management, and industrial risk control, integrated with business management capabilities essential for corporate operations.	All conditions comply with the independence criteria specified in Article 14-2 of “Securities and Exchange Act” and Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" during the two years before being elected or during the term of office.	1
Michael Wang	Mr. Michael Wang holds a Bachelor’s degree in Electronics Engineering from National Chiao Tung University. As the former CEO and President of Quanta Computer Inc., he has deeply cultivated the global notebook and cloud computing industries for many years, specializing in ICT product R&D, global production management, and strategic corporate leadership. Currently, Mr. Wang serves as an independent director of Phison Electronics Corp. and Simplo Technology Co., Ltd . and the Chairman of Amed Health Tech Investment Management Consulting Co., Ltd.. With over forty years of industrial experience, his professional and investment achievements span diverse, forward-looking fields, including flash memory controllers, high-performance battery packs, and digital biotech/medical investments. Leveraging his extensive expertise in multinational governance, global supply chain management, and forward-looking technological deployment, he possesses comprehensive expertise in commerce and operational decision-making, strategic management, and technological application insights, integrated with risk management essential for corporate operations.	All conditions comply with the independence criteria specified in Article 14-2 of “Securities and Exchange Act” and Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" during the two years before being elected or during the term of office.	2

Criteria / Name	Professional Qualification and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Charlotte W. W. Lin	Ms. Charlotte W.W. Lin holds a Bachelor of Commerce from National Taiwan University, an MBA in Accounting from the University of Illinois at Urbana-Champaign, and an EMBA from National Taiwan University. She previously served as the CEO, KPMG Taiwan, making her the first female CEO among the "Big Four" accounting firms in Taiwan. She also served as a consultant for Financial Accounting Issues Task Force of Accounting Research and Development Foundation, Chairman of Alumni Association of NTU Accounting Alumni Association, and Adjunct Professor Rank Specialist at National Taiwan University. With over thirty years of expertise in accounting practice and corporate management, Ms. Lin has deeply cultivated the fields of IFRS adoption, tax auditing, tax strategy, and the transformation of professional service organizations. Her advisory experience spans the financial services, technology, biotech, and telecommunications sectors. Currently, she serves as a director of Feng Tay Enterprises Co., Ltd. and an independent director of Quanta Computer Inc. and uPI Semiconductor Corp. Leveraging her profound mastery of global tax planning and organizational innovation, she possesses comprehensive expertise in accounting, commerce, and operational decision-making, strategic management, integrated with risk management essential for corporate operations.	All conditions comply with the independence criteria specified in Article 14-2 of “Securities and Exchange Act” and Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" during the two years before being elected or during the term of office.	2
Hong Hocheng	Mr. Hong Hocheng holds a B.S. in Mechanical Engineering from National Taiwan University, a Diplom in Mechanical Engineering from RWTH Aachen University, and a Ph.D. in mechanical engineering from the University of California, Berkeley. He previously served as the Deputy Minister of National Science Council of Executive Yuan, Dean of the College of Engineering of NTHU, Dean of student affairs of NTHU, and Professor of the department of Power Mechanical Engineering of NTHU. With over thirty years of leadership in mechanical engineering R&D, technology policy and advanced manufacturing, Mr. Hocheng possesses exceptional expertise in forward-looking technology deployment and micro/nanotechnology. His professional achievements span top-tier academic research and national-level technological innovation. Currently, he serves as a Mei Yi-chi Honorary Chair and an independent director of Kinsus Interconnect Technology Corp. Leveraging his profound global research perspective and extensive experience in industry-academia collaboration, he possesses comprehensive expertise in operational decision-making, strategic management, forward-looking technological application, integrated with R&D strategy capabilities essential for corporate operations.	All conditions comply with the independence criteria specified in Article 14-2 of “Securities and Exchange Act” and Article 3, paragraph 1, of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" during the two years before being elected or during the term of office.	1

Note: Not been involved in any of the provisions of Article 30 of the Company Law.

2.1.2.2 Diversity and Independence of the Board

Diversity of Board Members

The Company's seventh Board of Directors encompass diverse professional backgrounds and are composed of 12 directors, including two female directors, taking into account gender, professional background and experience. The Board is composed of members with backgrounds in technology, finance, industry, and academe, with areas of expertise covering computer telecommunications, electrical engineering, electronic product applications, business management, biotechnology and medical care, media management, accounting and mechanical engineering and generally possesses the knowledge, skills and qualities necessary to perform their duties. They possess the ability to make judgements about operations, accounting, finance, knowledge of the industry, leadership capabilities, as well as an international market perspective.

The Directors are fully composed of Taiwanese nationals, with 25% of the directors being employees of the Company, 25% being employees of subsidiaries and 75% being non-employees. One director is under the age of 40, seven are between 40 and 70 and four are over 70. In terms of gender diversity, male directors account for 83.33% and female directors account for 16.67%. Two independent directors’ tenure are below 3 years and two are between 3 years and 9 years.

The diversity of the Company's Board members has been implemented in accordance with the Article 20 of the "Corporate Governance Best Practice Principles" and the "Procedures for the Election of Directors." The current Board members have different qualifications and provide advice to the Company based on their respective expertise. The composition of the Board of Directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs, including but not limited to the criteria of basic criteria and values, professional knowledge, and skills, etc. This ensures the Board of Directors have a diversity of perspectives and strengthens the functions of the Board. In addition to the foregoing, the Company also places emphasis on gender equality in the composition of the Board of Directors. Currently, there are two female directors in Board. As there are relatively fewer female professionals in the electronics industry, the Company actively promotes outstanding female employees to participate in the Company's management team.

In the future, we may promote outstanding female executives or seek out outstanding and qualified female professionals in the industry, taking into account practical operational needs and the balance between the total number and diversity of Board, and gradually increase the numbers and percentages of female directors in Board.

Diversity \ Name		T.H. Tung	Jason Cheng	Ted Tsu	Peter Kuo	T.K. Yang	C.P. Hwang	H.T. Tung	E.L. Tung	C. Lin	Michael Wang	Charlotte W.W. Lin	Hong Hocheng
Gender		Male	Male	Male	Male	Male	Male	Male	Female	Male	Male	Female	Male
Employee of Pegatron		V	V					V					
Age	Below 40								V				
	Between 40-70	V	V	V			V	V				V	V
	Above 70				V	V				V	V		
Business Management		V	V	V	V	V	V	V	V	V	V	V	V
Technology		V	V	V	V	V	V	V		V	V	V	V
Accounting / Finance						V				V		V	
Commerce		V	V	V	V	V	V	V		V	V	V	V
Biotechnology and Medical Care		V		V	V	V				V	V	V	
Media / Telecommunications									V			V	
Industry Knowledge		V	V	V	V	V	V	V	V	V	V	V	V
Sustainable management		V	V	V	V	V	V	V	V	V	V	V	V

Management Goals of Diversity：

Management Goals	Implementation Status
Less than half of the directors should be management team of the Company	Yes
The composition of the board of directors should have at least one member of different genders	Yes
One-half or more of the independent directors should serve no more than three consecutive terms	Yes

Independence of the Board：

The twelve directors of the Company include four independent directors. All four independent directors meet the independence requirements of Article 14-2 of the “Securities and Exchange Act” and the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.” All directors maintain their independence within the scope of their duties and are not directly or indirectly interested parties to the Company. A declaration of independence from each of the independent directors has also been obtained during their election and terms of office and the four independent directors are not related to each other as spouses or relatives within the second degree of kinship.

More than half of the members of the Board of Directors of the Company do not concurrently serve as employees or managerial officers, and only Mr. T.H. Tung, the Chairman, and Ms. E.L. Tung, a director, are related to each other within two degrees. As more than half of the directors are not related to each other by spousal relationships or second degree of kinship, the Board of Directors of the Company is deemed independent in accordance with the above.

2.1.3 Board of Directors Training Record

Title	Name	Date	Institute	Course	Period (hours)
Chairman	T.H. Tung	2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/10/27	The Taiwan Corporate Governance Association	The Digital Financial Revolution: The Principles of Blockchain and the Development Trends of Virtual	3
		2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3
Vice Chairman	Jason Cheng	2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3
Director	Ted Hsu	2025/07/23	The Taiwan Corporate Governance Association	Trump 2.0: Corporate Strategies for Global Tax Reform and Supply Chain Restructuring	3
		2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/11/11	The Taiwan Corporate Governance Association	U.S. Trade Policy and Stablecoins Explained	3
		2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3
Director	Peter Kuo	2025/04/28	The Taiwan Corporate Governance Association	Silicon photonics defines the network: Development trends of silicon photonics (SiPh) and co-packaged optics (CPO)	3
		2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/10/27	The Taiwan Corporate Governance Association	The Digital Financial Revolution: The Principles of Blockchain and the Development Trends of Virtual	3
		2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3
Director	T.K. Yang	2025/07/23	The Taiwan Corporate Governance Association	Trump 2.0: Corporate Strategies for Global Tax Reform and Supply Chain Restructuring	3

Title	Name	Date	Institute	Course	Period (hours)
		2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
Director	C.P. Hwang	2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3
Director	HONG-YE Investment Co., Ltd. Rep.: H.T. Tung	2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3
Director	DAI-HE Investment Co., Ltd. Rep.: E.L. Tung	2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3
Independent Director	C. Lin	2025/08/12	The Taiwan Corporate Governance Association	Board Governance Duties in Sustainability Risks and Crisis Management	2
		2025/09/17	The Taiwan Corporate Governance Association	2025 Trump “Reciprocal Tariff” Impact on Contract Risk Management	3
		2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/10/15	The Taiwan Corporate Governance Association	Sustainability Disclosure and Investment Value from the Board’s Perspective: Enhancing Transparency to Build Market Trust	3
		2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3
Independent Director	Michael Wang	2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/11/07	The Taiwan Corporate Governance Association	The Prevention of Insider Trading : Legal Framework of and Case Analysis	3
		2025/11/07	The Taiwan Corporate Governance Association	Law Compliance of Business Secret and National Security : Main Points of Amendment and Case Analysis	3

Title	Name	Date	Institute	Course	Period (hours)
		2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3
Independent Director	Charlotte W.W. Lin	2025/09/22	Taiwan Institute of Directors	IFRS 18 Quick Guide - New Financial Statement Standards and Information Disclosure Development	3
		2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
Independent Director	Hong Hocheng	2025/04/28	The Taiwan Corporate Governance Association	Silicon photonics defines the network: Development trends of silicon photonics (SiPh) and co-packaged optics (CPO)	3
		2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
		2025/10/27	The Taiwan Corporate Governance Association	The Digital Financial Revolution: The Principles of Blockchain and the Development Trends of Virtual	3

2.1.4 Introduction of the Management Team

As of 02/28/2026

Title / Name	Nationality	Gender	On-board Date	Current Shareholding (Note 9)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Selected Current Positions	Note
				Shares	%	Shares	%	Shares	%			
CSO T.H. Tung	R.O.C.	Male	01/01/2008	94,317,309	3.55	6,074,490	0.23	-	-	Master's degree in Computer and Communication Engineering, National Taipei University of Technology Honorary Ph.D. in Engineering, National Taipei University of Technology Vice Chairman of ASUSTEK COMPUTER INC. Chairman of Kinsus Interconnect Technology Corp. Chairman of Pegavision Corp.	Refer to Introduction of Board of Directors	-
Deputy CSO Jason Cheng	R.O.C.	Male	01/01/2008	4,777,773	0.18	13,120	0.00	-	-	Master's degree in Electrical Engineering, University of Southern California President and CEO of Pegatron Corp. Deputy General Manager of ASUSTEK COMPUTER INC.	Refer to Introduction of Board of Directors	-
Deputy Group CEO S.J. Liao	R.O.C.	Male	11/02/2012	3,379,856	0.13	93	0.00	-	-	Bachelor's degree in Industrial and Business Management, Tatung University Honorary Ph.D., Tatung University President and CEO of Pegatron Corp. Chief Operating Officer of Pegatron Corp. Senior Vice President of Unihan Corp.	Deputy Group CEO of Pegatron Corp. Chairman of Kinsus Interconnect Technology Corp. Chairman of Pegatron Vietnam Company Limited Chairman of Pegatron Technology HAI PHONG Company Limited President of Pegatron Japan Inc. Director of AMA Precision Inc. Director of Asuspower Corporation Director of Asuspower Investment Co., Ltd. Director of Piotek Holdings Ltd (Cayman) Director of Piotek Holdings Ltd Director of Piotek (HK) Trading Ltd Director of Kinsus Holding (Samoa) Limited Director of Kinsus Holding (Cayman) Limited Executive Director of KAI CHUAN Electronics (CHONGQING) Co., Ltd.	-

Title / Name	Nationality	Gender	On-board Date	Current Shareholding (Note 9)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Selected Current Positions	Note
				Shares	%	Shares	%	Shares	%			
President and Co-CEO Kuang-Chih Cheng	R.O.C	Male	08/12/2022	855,946	0.03	80	0.00	-	-	Master's degree in Computer Science and Information Engineering Tamkang University Associate Vice President of ASUS	Director of ASROCK INCORPORATION Director of AzureWave Technologies, Inc. President and CEO of AzureWave Technologies, Inc. Chairman of AzureMoto Technology,Inc. Director of ASROCK RACK INCORPORATION	-
President and Co-CEO Kuo-Yen Teng	R.O.C.	Male	08/01/2008	1,154,309	0.04	309,000	0.01	-	-	College degree in Electronic Engineering National Taipei Institute of Technology Associate Vice President of ASUS	Director of ASRock Industrial Computer Corp.	-
Senior Vice President Te-Tzu Yao	R.O.C.	Female	08/01/2008	701,109	0.03	-	-	-	-	M.S. Psychology, National Taiwan University MBA in International Management, Thunderbird, The American Graduate School of International Management Chief Staff, CEO Office, ASUS Vice President of Material Management, Wistron Corp General Auditor, Chief Logistic Officer, AVP of Global Operation, Acer Inc.	None	Note 1
Senior Vice President H.T. Tung	R.O.C	Male	08/01/2008	820,000	0.03	-	-	-	-	Bachelor's degree in Electrical Engineering National Taiwan University Associate Vice President of ASUS	Refer to Introduction of Board of Directors	-

Title / Name	Nationality	Gender	On-board Date	Current Shareholding (Note 9)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Selected Current Positions	Note
				Shares	%	Shares	%	Shares	%			
Senior Vice President Chung Yu Huang	R.O.C	Male	11/02/2012	1,071,630	0.04	-	-	-	-	Ph.D. Electrical Engineering, University of Southern California Master's degree in Electrical Engineering, University of Southern California Bachelor's degree in Electrical Engineering, National Taiwan University Associate Vice President of ASUS Vice President of Unihan Corp	None	-
Senior Vice President and Co-Chief Technology Officer Pei-Chin Wang	R.O.C	Male	10/03/2011	1,585,949	0.06	-	-	-	-	Master's degree in Electrical Engineering, National Taiwan University Vice President of ASUS	Director of AzureMoto Technology,Inc.	-
Senior Vice President and Co-Chief Technology Officer Yean-Jen Shue	R.O.C	Male	08/19/2022	1,171,432	0.04	401,175	0.02	-	-	Ph.D. Electrical Engineering, University of Florida Associate Vice President of ASUS	Independent Director of CYBERLINK CORP.	-
Vice President Chiu-Tan Lin	R.O.C	Male	02/01/2008	360,000	0.01	-	-	-	-	Doctor of Business Administration, College of Commence, National Chengchi University Master's degree in Business Administration Tunghai University Deputy Chief Investment Officer of ASUS	Supervisor of POWTEK (SHANGHAI) LTD. Supervisor of DIGITEK (CHONGQING) LTD. Chairman of PEGATRON TECHNOLOGY SERVICE INC. Director of PEGATRON Czech s.r.o. Director of Tata Electronics Products and Solutions Private Limited Director of Pegatron Electronics India Private Limited Legal Representative of PEGATRON TECHNOLOGIES LLC	Note 2
Vice President Ming-Tung Hsu	R.O.C.	Male	08/01/2008	692,624	0.03	8,219	0.00	-	-	College degree in Industrial Engineering National Taipei Institute of Technology Associate Vice President of ASUS	Chairman of Pegatron MEXICO S.A.DEC.V. Director of PEGAUNIHAN TECHNOLOGY MALAYSIA SDN. BHD.	Note 3

Title / Name	Nationality	Gender	On-board Date	Current Shareholding (Note 9)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Selected Current Positions	Note
				Shares	%	Shares	%	Shares	%			
Vice President Tsung-Jen Ku Lai	R.O.C	Male	08/01/2008	1,027,278	0.04	6,991	0.00	-	-	Bachelor's degree in Industrial Engineering Tunghai University Associate Vice President of ASUS	Director of PEGATRON TECHNOLOGY SERVICE INC. Director of PEGATRON SERVICE SINGAPORE PTE. LTD. Director of PEGATRON SERVICE KOREA LLC. Chairman of AMA PRECISION INC. Director of PEGATRON SERVICE AUSTRALIA PTY. LTD.	-
Vice President En-Bair Chang	R.O.C.	Male	02/01/2008	639,213	0.02	-	-	-	-	Master's degree in Industrial Design Pratt Institute Associate Vice President of ASUS	Director of KAEDAR TRADING LTD. Director of KAEDAR HOLDINGS LIMITED Chairman of SLITEK HOLDING LTD.	-
Vice President Tian-Bao Chang	R.O.C	Male	08/01/2008	868,101	0.03	-	-	-	-	College degree in Transportation Management Chungyu Institute of Technology Senior Director of ASUS	Director of PROTEK (SHANGHAI) LTD. Director of POWTEK (SHANGHAI) LTD. Director of MAINTEK COMPUTER (SUZHOU) CO., LTD. Director of CASETEK COMPUTER (SUZHOU) CO., LTD. Director of COTEK ELECTRONICS (SUZHOU) CO., LTD. Director of CORE-TEK (SHANGHAI) LIMITED Director of CHONGQING ZUANSHUO TRADING CO., LTD.	-
Vice President Hsi-Wen Lee	R.O.C.	Male	08/01/2012	464,390	0.02	-	-	-	-	Master's degree in Mechanical Engineering, National Taiwan University Senior Director of ASUS	None	-
Vice President Shaing-Shaing Wu	R.O.C.	Female	07/01/2014	1,012,000	0.04	-	-	-	-	Master's degree in Business Administration, University of St. Thomas Vice Chairman of OFCO Industrial Corp.	Director of KINSUS INVESTMENT CO., LTD. Director of Eslite Corporation.	Note 4

Title / Name	Nationality	Gender	On-board Date	Current Shareholding (Note 9)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Selected Current Positions	Note
				Shares	%	Shares	%	Shares	%			
Vice President Chen-Yu Feng	R.O.C.	Male	08/01/2014	778,795	0.03	21,000	0.00	-	-	Master's degree in Computer Science, National Chiao Tung University Associate Vice President of Unihan Corp. Senior Director of ASUS	Director of Pegatron USA	-
Vice President Ting-Pang Huang	R.O.C	Male	08/01/2018	567,000	0.02	-	-	-	-	Bachelor's degree in Industrial Management Science, National Taiwan University of Science and Technology Deputy Director of ASUS	None	-
Vice President Yi-Yung Wu	R.O.C	Male	08/01/2020	305,028	0.01	-	-	-	-	Ph.D. of Power Mechanical Engineering, National Tsing Hua University Master's degree in Power Mechanical Engineering, National Tsing Hua University Section Manager of OES/ITRI Deputy Director of ASUS Senior Director of Unihan Corp.	Supervisor of KAI CHUAN Electronics (Chongqing) Co., Ltd. Director of Luxcase Precision Technology (YanCheng) Co., Ltd.	-
Vice President Hsiang-Chieh Huang	R.O.C	Male	01/08/2024	1,286,739	0.05	-	-	-	-	Master Degree in Mechanical and Aerospace Engineering, University of California, Irvine Vice President of Chi Mei Communication Systems	Director of AMA PRECISION INC. Chairman and President of PEGATRON ELECTRONICS INC. Chairman of PEGATRON TECHNOLOGY TEXAS INC.	-
Vice President Ching-Ru Wu	R.O.C	Female	07/01/2025	1,306,699	0.05	1,085,893	0.04	-	-	Master Degree in Management, National Taiwan University of Science and Technology Chief Accounting Officer of ASUS	Supervisor of AMA PRECISION INC. Director of Lumens Digital Optics Inc. Supervisor of STARLINK ELECTRONICS CORP.	Note 5, 8

Title / Name	Nationality	Gender	On-board Date	Current Shareholding (Note 9)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Selected Current Positions	Note
				Shares	%	Shares	%	Shares	%			
Vice President and Chief Financial Officer Ju-Hui Hsieh	R.O.C	Female	09/01/2019	513,000	0.02	40,000	0.00	-	-	Master's degree in Accounting, National Taiwan University Chief Financial Officer of Kinsus Interconnect Technology Corp. Chief Accounting Officer of Casetek Holdings Limited Director of ASUS	Supervisor of Pegatron Venture Capital Co., Ltd. Supervisor of AzureMoto Technology,Inc. Director of ASUS INVESTMENT CO., LTD. Director of HUA-YUAN INVESTMENT CO., LTD Director of Pegapower Investment Co., Ltd. Supervisor of PEGABella CO., Ltd. Director of AzureWave Technologies, Inc.	Note 6
Vice President and Corporate Governance Officer Chieh-Tsung Chen	R.O.C	Male	06/21/2019	1,085,893	0.04	1,306,699	0.05	-	-	Master's degree in Management, Tamkang University Senior Associate Vice President of Kinsus Interconnect Technology Corp. Director of Starlink Electronics Corp.	Supervisor of ASUSPOWER INVESTMENT CO., LTD. Supervisor of ASUS INVESTMENT CO., LTD. Supervisor of ASUSTEK INVESTMENT CO., LTD.	Note 7, 8

Note 1: Ms. Te-Tzu Yao resigned from her position effective on Augest 1st,2025. Current shareholding updated to his resignation date.
Note 2: Mr. Chiu-Tan Lin new position effective on September 1st,2025.
Note 3: Mr. Ming-Tung Hsu new position effective on September 1st,2025.
Note 4: Ms. Shaing-Shaing Wu resigned from her position effective on July 1st,2025. Current shareholding updated to his resignation date.
Note 5: Ms. Ching-Ru Wu was appointed Vice President on July 1st,2025.
Note 6: Ms. Ju-Hui Hsieh new position effective on July 1st,2025.
Note 7: Mr. Chieh-Tsung Chen new position effective on July 1st,2025.
Note 8: Ms. Ching-Ru Wu and Mr. Chieh-Tsung Chen are related to each other as spouses.
Note 9: Current shareholding included the employee restricted stocks, which are under the custody of the Trust.

2.1.5 Remuneration and Compensation Paid to Directors, the President, and Vice President

2.1.5.1 Remuneration Paid to Director

Title/ Name	Remuneration								Total remuneration (A+B+C+D) as a % of net income		Compensation Earned by a Director Who is an Employee of Pegatron or its Consolidated Entities								Total remuneration (A+B+C+D+E+F+G) as a % of net income		Compensation paid to directors from non-consolidated affiliates
	Base Compensation(A)		Severance Pay and Pensions(B)		Compensation to Directors(C) (Note)		Allowances(D)				Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employee Compensation (G)						
	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron		From all consolidated entities		From Pegatron	From all consolidated entities	
															Cash	Stock	Cash	Stock			
Chairman T.H. Tung Vice Chairman Jason Cheng Director Ted Hsu Director H.T. Tung Director Peter Kuo Director T.K. Yang Director C. P. Hwang	0	2,370	0	0	91,160	115,675	0	3	91,160 0.63%	118,048 0.82%	95,677	116,464	0	0	12,600	0	32,109	0	199,437 1.38%	266,621 1.85%	0

Title/ Name	Remuneration								Total remuneration (A+B+C+D) as a % of net income		Compensation Earned by a Director Who is an Employee of Pegatron or its Consolidated Entities								Total remuneration (A+B+C+D+E+F+G) as a % of net income		Compensation paid to directors from non-consolidated affiliates
	Base Compensation(A)		Severance Pay and Pensions(B)		Compensation to Directors(C) (Note)		Allowances(D)				Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employee Compensation (G)						
															From Pegatron		From all consolidated entities				
	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	Cash	Stock	Cash	Stock	From Pegatron	From all consolidated entities	
Director DAI-HE Investment Co., Ltd. Rep: S. Chi Director HONG-YE Investment Co., Ltd. Rep: S.J. Liao Director E.L. Tung Director HONG-YE Investment Co., Ltd. Rep: H.T. Tung Director DAI-HE Investment Co., Ltd. Rep: : E.L. Tung	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above
Independent Director C. Lin Independent Director C. P. Hwang Independent Director Miachel Wang Independent Director Charlotte W.W. Lin	0	0	0	0	32,170	32,170	0	1,080	32,170 0.22%	33,250 0.23%	0	0	0	0	0	0	0	0	32,170 0.22%	33,250 0.23%	0

Title/ Name	Remuneration								Total remuneration (A+B+C+D) as a % of net income		Compensation Earned by a Director Who is an Employee of Pegatron or its Consolidated Entities								Total remuneration (A+B+C+D+E+F+G) as a % of net income		Compensation paid to directors from non-consolidated affiliates
	Base Compensation(A)		Severance Pay and Pensions(B)		Compensation to Directors(C) (Note)		Allowances(D)				Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employee Compensation (G)						
	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron		From all consolidated entities		From Pegatron	From all consolidated entities	
															Cash	Stock	Cash	Stock			
Independent Director Hong Hocheng	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above

1. Describe the remuneration policy, system, standards, and structure for Independent Director. Also describe the connection between remuneration amount and the factors including responsibility, risk, and dedication of Independent Director:
   In accordance with Article 26-1 of Company's Articles of Incorporation, the remuneration to directors should not exceed 0.7% of the Company's annual profit. The allocation of remuneration should take into consideration the overall operation and performance of the Company, each director's degree of participation and responsibilities in the operation of the company, and the performance evaluation results from the Board and functional committee.
2. In addition to the above information, do directors provide any consultancy service to all consolidated entities and what is its remuneration in the most recent year: 0

Note: The amount stated above is on pro forma basis and not the actual remuneration paid to directors.

Bracket	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The company	Companies in the financial report	The company	Companies in the financial report
Below NT$ 1,000,000	S.J. Liao	-	-	-
NT$1,000,000(Included) ~ NT$2,000,000(Excluded)	-	-	-	-
NT$2,000,000(Included) ~ NT$3,500,000(Excluded)	-	-	-	-
NT$3,500,000(Included) ~ NT$5,000,000(Excluded)	DAI-HE Investment Co., Ltd. Rep.: S. Chi HONG-YE Investment Co., Ltd. Rep.: S.J. Liao H.T. Tung E.L. Tung HONG-YE Investment Co., Ltd. Rep.: H.T. Tung DAI-HE Investment Co., Ltd. Rep.: E.L. Tung C.P. Hwang (Director) C.P. Hwang (Independent Director)	DAI-HE Investment Co., Ltd. Rep.: S. Chi HONG-YE Investment Co., Ltd. Rep.: S.J. Liao S.J. Liao E.L. Tung HONG-YE Investment Co., Ltd. Rep.: H.T. Tung DAI-HE Investment Co., Ltd. Rep.: E.L. Tung C.P. Hwang (Director) C.P. Hwang (Independent Director)	DAI-HE Investment Co., Ltd. Rep.: S. Chi HONG-YE Investment Co., Ltd. Rep.: S.J. Liao E.L. Tung HONG-YE Investment Co., Ltd. Rep.: H.T. Tung DAI-HE Investment Co., Ltd. Rep.: E.L. Tung C.P. Hwang (Director) C.P. Hwang (Independent Director)	DAI-HE Investment Co., Ltd. Rep.: S. Chi HONG-YE Investment Co., Ltd. Rep.: S.J. Liao E.L. Tung HONG-YE Investment Co., Ltd. Rep.: H.T. Tung DAI-HE Investment Co., Ltd. Rep.: E.L. Tung C.P. Hwang (Director) C.P. Hwang (Independent Director)
NT$5,000,000 (Included) ~ NT$10,000,000(Excluded)	Ted Hsu Peter Kuo T.K. Yang C. Lin Miachel Wang Charlotte W.W. Lin Hong Hocheng	Ted Hsu T.K. Yang H.T. Tung C. Lin Miachel Wang Charlotte W.W. Lin Hong Hocheng	Ted Hsu Peter Kuo T.K. Yang C. Lin Miachel Wang Charlotte W.W. Lin Hong Hocheng	Ted Hsu T.K. Yang C. Lin Miachel Wang Charlotte W.W. Lin Hong Hocheng
NT$10,000,000(Included) ~ NT$15,000,000(Excluded)	Jason Cheng	Jason Cheng	-	-
NT$15,000,000 (Included) ~ NT$30,000,000(Excluded)	T.H. Tung	Peter Kuo	-	-
NT$30,000,000 (Included) ~ NT$50,000,000(Excluded)	-	T.H. Tung	T.H. Tung Jason Cheng S.J. Liao H.T. Tung	Jason Cheng S.J. Liao Peter Kuo H.T. Tung
NT$50,000,000(Included) ~ NT$100,000,000(Excluded)	-	-	-	T.H. Tung
Over NT$100,000,000	-	-	-	-
Total	18	18	18	18

2.1.5.2 Compensation Paid to President and Vice President

Unit: NT$ thousands

<table>
<tr><th rowspan="3">Title/Name</th><th colspan="2">Salary(A)</th><th colspan="2">Severance Pay and Pensions (B)</th><th colspan="2">Bonuses and Allowances (C)</th><th colspan="4">Employee Compensation (D)</th><th colspan="2">Total remuneration (A+B+C+D) as a % of net income</th><th rowspan="3">Compensation paid to directors from non-consolidated affiliates</th></tr>
<tr><th rowspan="2">From Pegatron</th><th rowspan="2">From all consolidated entities</th><th rowspan="2">From Pegatron</th><th rowspan="2">From all consolidated entities</th><th rowspan="2">From Pegatron</th><th rowspan="2">From all consolidated entities</th><th colspan="2">From Pegatron</th><th colspan="2">From all consolidated entities</th><th rowspan="2">From Pegatron</th><th rowspan="2">From all consolidated entities</th></tr>
<tr><th>Cash</th><th>Stock</th><th>Cash</th><th>Stock</th></tr>
<tr><td>CSO
T.H. Tung</td><td rowspan="14">135,448</td><td rowspan="14">142,717</td><td rowspan="14">0</td><td rowspan="14">0</td><td rowspan="14">307,917</td><td rowspan="14">318,038</td><td rowspan="14">60,480</td><td rowspan="14">0</td><td rowspan="14">65,325</td><td rowspan="14">0</td><td rowspan="14">503,845
3.50%</td><td rowspan="14">526,080
3.65%</td><td rowspan="14">240</td></tr>
<tr><td>Deputy CSO
Jason Cheng</td></tr>
<tr><td>Deputy Group CEO
S.J. Liao</td></tr>
<tr><td>President and Co-CEO
Kuang-Chih Cheng</td></tr>
<tr><td>President and Co-CEO
Kuo-Yen Teng</td></tr>
<tr><td>Senior Vice President
Te-Tzu Yao</td></tr>
<tr><td>Senior Vice President
H.T. Tung</td></tr>
<tr><td>Senior Vice President
Chung Yu Huang</td></tr>
<tr><td>Senior Vice President and Co-Chief Technology Officer
Pei-Chin Wang</td></tr>
<tr><td>Senior Vice President and Co-Chief Technology Officer
Yean-Jen Shue</td></tr>
<tr><td>Vice President
Chiu-Tan Lin</td></tr>
<tr><td>Vice President
Ming-Tung Hsu</td></tr>
<tr><td>Vice President
Tsung-Jen Ku Lai</td></tr>
<tr><td>Vice President
En-Bair Chang</td></tr>
</table>

Title/Name	Salary(A)		Severance Pay and Pensions (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Total remuneration (A+B+C+D) as a % of net income		Compensation paid to directors from non-consolidated affiliates
	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron	From all consolidated entities	From Pegatron		From all consolidated entities		From Pegatron	From all consolidated entities	
							Cash	Stock	Cash	Stock			
Vice President Tian-Bao Chang	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above
Vice President Hsi-Wen Lee													
Vice President Shaing-Shaing Wu													
Vice President Chen-Yu Feng													
Vice President Ting-Pang Huang													
Vice President Yi-Yung Wu													
Vice President Hsiang-Chieh Huang													
Vice President Ching-Ru Wu													
Vice President and Chief Financial Officer Ju-Hui Hsieh													
Vice President and Corporate Governance Officer Chieh-Tsung Chen													

Bracket	Name of President and Vice President	
	The company	Companies in the financial report
Below NT$ 1,000,000	-	-
NT$1,000,000(Included) ~ NT$2,000,000(Excluded)	-	-
NT$2,000,000(Included) ~ NT$3,500,000(Excluded)	-	-
NT$3,500,000(Included)~ NT$5,000,000(Excluded)	Shaing-Shaing Wu	Shaing-Shaing Wu
NT$5,000,000(Included) ~ NT$10,000,000(Excluded)	Te-Tzu Yao	Te-Tzu Yao
NT$10,000,000(Included) ~ NT$15,000,000(Excluded)	Chung Yu Huang Tian-Bao Chang Yi-Yung Wu	Chung Yu Huang Tian-Bao Chang
NT$15,000,000(Included) ~ NT$30,000,000(Excluded)	T.H. Tung Jason Cheng Pei-Chin Wang Yean-Jen Shue Chiu-Tan Lin Ming-Tung Hsu Tsung-Jen Ku Lai En-Bair Chang Hsi-Wen Lee Chen-Yu Feng Ting-Pang Huang Hsiang-Chieh Huang Ching-Ru Wu Ju-Hui Hsieh Chieh-Tsung Chen	T.H. Tung Pei-Chin Wang Yean-Jen Shue Chiu-Tan Lin Ming-Tung Hsu Tsung-Jen Ku Lai En-Bair Chang Hsi-Wen Lee Chen-Yu Feng Ting-Pang Huang Yi-Yung Wu Hsiang-Chieh Huang Ching-Ru Wu Ju-Hui Hsieh Chieh-Tsung Chen
NT$30,000,000(Included) ~ NT$50,000,000(Excluded)	S.J. Liao Kuang-Chih Cheng Kuo-Yen Teng H.T. Tung	Jason Cheng S.J. Liao Kuang-Chih Cheng Kuo-Yen Teng H.T. Tung
NT$50,000,000(Included) ~ NT$100,000,000(Excluded)	-	-
Over NT$100,000,000	-	-
Total	24	24

2.1.5.3 Employee Profit Sharing Granted to Management Team

Unit: NT$ thousands

Title	Name	Stock (Fair Market Value)	Cash	Total	Ratio of Total Amount to Net Income（%）
CSO	T.H. Tung	0	60,480	60,480	0.42%
Deputy CSO	Jason Cheng				
Deputy Group CEO	S.J. Liao				
President and Co-CEO	Kuang-Chih Cheng				
President and Co-CEO	Kuo-Yen Teng				
Senior Vice President	Te-Tzu Yao				
Senior Vice President	H.T. Tung				
Senior Vice President	Chung Yu Huang				
Senior Vice President and Co-Chief Technology Officer	Pei-Chin Wang				
Senior Vice President and Co-Chief Technology Officer	Yean-Jen Shue				
Vice President	Chiu-Tan Lin				
Vice President	Ming-Tung Hsu				
Vice President	Tsung-Jen Ku Lai				
Vice President	En-Bair Chang				
Vice President	Tian-Bao Chang				
Vice President	Hsi-Wen Lee				
Vice President	Shaing-Shaing Wu				
Vice President	Chen-Yu Feng				
Vice President	Ting-Pang Huang				
Vice President	Yi-Yung Wu				
Vice President	Hsiang-Chieh Huang				
Vice President	Ching-Ru Wu				
Vice President and Chief Financial Officer	Ju-Hui Hsieh				
Vice President and Corporate Governance Officer	Chieh-Tsung Chen				

2.1.5.4 Compare and state the ratio of total remuneration paid to the Company's Directors, President and Vice Presidents by the company and the companies in the consolidated financial statements to net income in the past two years. Please also describe the policy, criteria, packages, and rules relating to the remuneration, as well as its relation to business performance and future risks.

Total remuneration paid by the Company and by all companies included in the consolidated financial statements for the most recent two fiscal years to directors, presidents and vice presidents of the Company are as follows:
Net Income of year 2024: NT$16,876,878 thousand dollars
Net Income of year 2025: NT$14,402,600 thousand dollars

NT$ thousands; %

Year	Total remuneration paid to directors, presidents, and vice presidents		Ratio of total remuneration paid to directors, presidents, and vice presidents to net income (%)	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
2024	474,089	527,336	2.81%	3.12%
2025	627,175	699,355	4.35%	4.86%

The ratio of remuneration paid to directors, presidents and vice presidents of the Company and the companies in the consolidated financial statements in the last two years to the net income was 2.81% and 3.12% in 2024 and 4.35% and 4.86% in 2025, respectively.

Pursuant to Article 14-6 of Securities and Exchange Act, our Board of Directors approved the establishment of Compensation Committee, appointment of committee members and related internal regulations on August 25, 2011. Since the establishment of Compensation Committee, members of the committee shall exercise the utmost good faith and perform the following duties:

a. Prescribe and periodically conduct performance review and remuneration policy, system, standards, and structure for directors, supervisors, and managerial officers.
b. Periodically evaluate and prescribe the remuneration of directors, supervisors, and managerial officers.

In accordance with Article 26-1 of the Company's Articles of Incorporation, the remuneration to directors should not exceed 0.7% of the company's annual profit. Reasonable remuneration should be given while taking into consideration the overall operation and performance of the Company, each director's degree of participation and responsibilities in the operation of the company, and the performance evaluation results from the Board and functional committee. The Compensation Committee will hold regular evaluations concerning the reasonability of the compensation policies. Furthermore, remunerations to the management team are determined based on their responsibilities, performance, and the industry compensation level. Whereas variable bonuses comprehensively take into consideration the operating performance of the

Company and an individual's performance. The performance of an individual is evaluated based on their profitability, growth, and operational efficiency.

Remuneration and dividend distribution of directors, supervisors, and managerial officers shall be proposed by the Compensation committee to Board of Directors for resolution.

2.2 Implementation of Corporate Governance

2.2.1 Board of Directors

A total of 8 (A) meetings of the Board of Directors were held in 2025. The directors' attendance status is as follows:

<table>
<tr><th>Title</th><th>Name</th><th>Attendance in person (B)</th><th>By Proxy</th><th>Attendance rate (%)【B/A】</th><th colspan="2">Remarks</th></tr>
<tr><td>Chairman</td><td>T.H. Tung</td><td>8</td><td>0</td><td>100.0%</td><td>Renewal of office</td><td rowspan="11">Pegatron's 7th session of Board of Directors was elected at 2025 Annual General Shareholders' Meeting. Tenure of the session is from 6th June 2025 to 5th June 2028.</td></tr>
<tr><td>Director</td><td>Jason Cheng</td><td>8</td><td>0</td><td>100.0%</td><td>Renewal of office</td></tr>
<tr><td>Director</td><td>T.K. Yang</td><td>7</td><td>1</td><td>87.5%</td><td>Renewal of office</td></tr>
<tr><td>Director</td><td>DAI-HE Investment Co., Ltd. Rep.: S. Chi / E.L. Tung</td><td>3 / 5</td><td>0</td><td>100.0% / 100%</td><td>Renewal of office (The former representative / The new representative)</td></tr>
<tr><td>Director</td><td>HONG-YE Investment Co., Ltd. Rep.: S.J. Liao / H.T. Tung</td><td>3 / 5</td><td>0</td><td>100.0% / 100%</td><td>Renewal of office (The former representative / The new representative)</td></tr>
<tr><td>Director</td><td>Ted Hsu</td><td>8</td><td>0</td><td>100.0%</td><td>Renewal of office</td></tr>
<tr><td>Director</td><td>M.D. Kuo</td><td>8</td><td>0</td><td>100.0%</td><td>Renewal of office</td></tr>
<tr><td>Director</td><td>H.T. Tung</td><td>3</td><td>0</td><td>100.0%</td><td>Individual Director in 6th session Corporate Representative in 7th session</td></tr>
<tr><td>Director</td><td>E.L. Tung</td><td>3</td><td>0</td><td>100.0%</td><td>Individual Director in 6th session Corporate Representative in 7th session</td></tr>
<tr><td>Director</td><td>C.P. Hwang</td><td>8</td><td>0</td><td>100.0%</td><td>Renewal of office</td></tr>
<tr><td>Independent Director</td><td>C. Lin</td><td>8</td><td>0</td><td>100.0%</td><td>Renewal of office</td></tr>
</table>

Independent Director	Michael Wang	8	0	100.0%	Renewal of office	
Independent Director	Charlotte W.W. Lin	4	1	80%	New office assumed	
Independent Director	Hong Hocheng	3	2	60%	New office assumed	

Remarks:

1. For resolution of agendas referring to Article 14-3 of Securities and Exchange Act, please refer to the Major resolutions of Board of Directors. There were no resolutions objected by independent directors in writing, on record or subject to qualified opinion in 2025.
2. There were no recusals of directors due to conflict of interest in 2025.
3. Measures taken to strengthen the functionality of the Board:

The Board complies with the "Rules Governing the Conduct of Board Meetings" which has been established according to statutory regulations. Chief Internal Audit and Chief Financial Officer also report to the Board regarding the status of internal audit and finance and relevant reports are provided to the directors for their reference. External auditors have also reported to Board periodically.

Moreover, the Board of Directors has fulfilled its goal of diversity. For more information, please refer to page 24-26.

2.2.2 Execution Status of Self Evaluation of Board

Pegatron has executed the 2025Y Board Evaluation in 1st quarter 2026 and reported the result of self-evaluation to Board of Directors on March 11th, 2026.

Evaluation Cycle	Evaluation Period	Evaluation Scale	Evaluation Approach	Evaluation Content	Evaluation Result
Once a year	2025.1.1 – 2025.12.31	Board of Directors (as a whole), Board members, Audit committee and Compensation committee	Self-evaluation of Board members, Board of Directors, Audit committee and Compensation Committee	Self-evaluation of Board members: 1. Familiarity with the goals and missions of the Company 2. Awareness of the duties of the director 3. Participation in the operation of the Company 4. Management and communication of internal relationship 5. The director's profession and continuing educations 6. Internal control Self-evaluation of	Self-evaluation of Board members: All Board members are actively engaged and have good interaction with management team. Self-evaluation of Board of Directors: The Board of Directors has complied with corporate

Evaluation Cycle	Evaluation Period	Evaluation Scale	Evaluation Approach	Evaluation Content	Evaluation Result
				Board of Directors: 1. Participation in the operation of the Company 2. Improvement of the quality of the board of directors' decision making 3. Composition and structure of the board of directors 4. Election and continuing education of the directors 5. Internal control Self-evaluation of Audit and Compensation committee: 1. Participation in the operation of the company 2. Awareness of the duties of the committee 3. Improvement of quality of decisions made by committee 4. Composition of the committee and election of its members 5. Internal control	governance. Self-evaluation of Audit and Compensation Committee: Compensation Committee: All members approve of the implementation and efficiency. Audit Committee: All members approve of the implementation and efficiency.

Note:

(1) In accordance with Pegatron's latest "Rules for Board of Directors and Functional Committee Performance Assessments," the Company's board performance evaluation shall be conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years.

(2) In 2026, Pegatron appointed Diwan & Company as external independent professional institution to execute performance evaluation of Board of Directors in 2025Y (2025.01.01 - 2025.12.31). The external evaluation report was presented to the Board meeting on March 11th, 2026. Diwan & Company has evaluated the composition, quality of the decision making, participation in the operation, election and continuing education and internal control of the Board of Directors and functional committees. Diwan & Company is not a major interested party of Pegatron, and its experts are not second-degree relative of directors. According to their report submitted on March 1st, 2026, Pegatron's Meeting of Board of directors is established and implemented based on related laws and indicators of corporate governance and both Meeting of Board of directors and committees operate

effectively. The result of assessment is excellent, and it includes four suggestions: A. Establish Nomination committee to enhance the independence of governance. B. Continue to implement the diversity of Board of Directors. C. Level up the governance of Sustainability and information assurance to the meeting of Board of Directors. D. Level up the governance of internet security and report scheme. Pegatron will take these suggestions into consideration as the reference for improvement of corporate governance.

2.2.3 Audit Committee

A total of 5 (A) meetings of the audit committee were held in 2025. The independent directors' attendance status is as follows:

<table>
<tr><th>Title</th><th>Name</th><th>Attendance in person (B)</th><th>By Proxy</th><th>Attendance rate (%)【B/A】</th><th colspan="2">Remarks</th></tr>
<tr><td>Independent Director</td><td>C. Lin</td><td>5</td><td>0</td><td>100.0%</td><td>Renewal of office</td><td rowspan="5">Pegatron's 7th session of Board of Directors was elected in 2025 Annual General Shareholders' Meeting.</td></tr>
<tr><td>Independent Director</td><td>Michael Wang</td><td>5</td><td>0</td><td>100.0%</td><td>Renewal of office</td></tr>
<tr><td>Independent Director</td><td>Charlotte W.W. Lin</td><td>2</td><td>1</td><td>66.7%</td><td>New office assumed</td></tr>
<tr><td>Independent Director</td><td>Hong Hocheng</td><td>2</td><td>1</td><td>66.7%</td><td>New office assumed</td></tr>
<tr><td>Independent Director</td><td>C.P. Hwang</td><td>2</td><td>0</td><td>100.0%</td><td>Term expired</td></tr>
</table>

Remarks:

1. For resolution of agendas referring to Article 14-5 of Securities and Exchange Act, please refer to the note below. There are no agendas which were not approved by the Audit Committee but otherwise resolved by two thirds or more of all directors in 2025.
2. There were no recusals of independent directors due to conflicts of interests in 2025.

   Descriptions of the communications between the independent directors, the internal auditors, and the independent auditors, and Audit Committee's key tasks in 2025:

   - The Audit Committee convenes meetings with the Company's independent auditors and the head of internal audit to review major items such as operating results, financial statements, internal control, internal audit plan and its findings. In addition to the findings of internal audit presented by the internal audit department quarterly, the independent auditors also present the external audit findings and review of the Company's second quarter and fourth quarter financial results. Discussion and conclusion of above-mentioned items are recorded in the Audit Committee meeting minutes and resolutions will be reported to the directors in Board meetings. The Company's head of internal audit and the independent auditors report to the independent directors solely at least once a year about the internal audit and financial statement audit matters. The auditors and the independent directors have an effective communication in the meeting.
   - Meeting agenda among independent directors, independent auditors, and the head of internal audit as below:

Date	Types of Meeting	Participant	Meeting Agenda	Resolution
2025/3/13	Closed Door Session	Head of internal audit	1. Review internal audit report 2. Review Statement of Internal Control of 2024 3. Internal audit system amendment	1. Independent directors have no other opinions. 2. , 3. Independent directors have no objection and submit the Statement and the amendment to the board of directors for approval.
		Independent auditors	Review annual consolidated and non-consolidated financial statements, and auditors' audit findings for the full year of 2024	Independent directors have no objection and submit the financial statements to the board of directors for approval.
2025/5/14	Audit Committee	Head of internal audit	Review internal audit report	Independent directors have other opinions.
2025/8/13	Closed Door Session	Head of internal audit	Review internal audit report	Independent directors have no other opinions.
		Independent auditors	Review consolidated financial statements, and auditors' review findings for the second quarter of 2025	Independent directors have no objection and submit the financial statements to the board of directors for approval.
2025/11/12	Audit Committee	Head of internal audit	1. Review internal audit report 2. Review internal audit plan of 2026 3. Internal audit system amendment	1. Independent directors have no other opinions. 2.,3. Independent directors have no objection and submit the internal audit plan to the board of directors for approval.

- Moreover, in complying with the duties of Audit committee, it has supervised the fair expression of financial reports, the effective implementation of the internal control system, major acquisition and disposal of assets, the evaluation of independence and compensation of external auditors in this year.

Note: Resolution for agendas referring to in Article 14-5 of Securities and Exchange Act

Date	Agenda (Referring to Article 14-5 of Securities and Exchange Act)	Disagreements from Independent Directors	Responses to disagreements	Resolution Circumstance
2025.03.13	1. Business report and financial statements of year 2024 2. Earnings distribution of year 2024 3. The evaluation report for the independence and suitability based on Audit Quality Indicators of external Auditor 4. Pegatron's Internal Control System Statement of 2024Y 5. The amendment to the Company's Internal control system and internal audit implementation rules 6. To acquire 100% shareholdings of Hua-Yuan Investment Co., Ltd from Asus Investment Co., Ltd.. 7. To invest Hua-Yuan Investment Co., Ltd NTD$1,500M after acquire its ownership	None	None	Approved
2025.05.14	1. The 1st quarter 2025 consolidated financial report 2. To invest subsidiary Pegatron Electronics India Private Limited IDR$710M. 3. To acquire land and building from HTC Corporation for NTD$5,638M (Including VAT) 4. To sell land and building to KuoHong Real Estate Development Co.,Ltd. for NTD$2,805M (Including VAT) 5. The eligible employees list of 2024Y restricted shares program, total number of granted shares is 21,229,000.	None	None	Approved
2025.06.19	1. To invest subsidiary in Texas, USA. US$85M.	None	None	Approved

2025.08.13	1. The 2nd quarter 2025 consolidated financial report 2. To sell the shares of Luxsan Precision Industry (Kunshan) Co., Ltd. (owned by Aslink Precision Co., Ltd.)	None	None	Approved
2025.11.12	1. The amendment to the Company's Internal control system 2. The amendment to the Company's internal audit implementation rules 3. The plan of internal auditing in year 2026 4. The 3rd quarter 2025 consolidated financial report 5. The total compensation for external auditor in year 2025 5. The plan of internal auditing in year 2025 6. Pegatron's 2025 Corporate Value Enhancement Plan	None	None	Approved

2.2.4 Status of Compensation Committee:

Pursuant to Article 14-6 of Securities and Exchange Act, listed companies shall establish a compensation committee. In 2025, after the election of new session of directors, the Compensation Committee comprised four independent directors, Mr. Michael Wang, Mr. C. Lin, Ms Charlotte W.W. Lin and Mr. Hong Hocheng. Mr. Michael is the Chairman of the Compensation Committee. The Compensation Committee Charter is available on Market Observation Post System of Taiwan Stock Exchange.

2.2.4.1Members of Compensation Committee:

As of 12/31/2025

Title	Name (Criteria)	Professional Qualification and Experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving a Member of Compensation Committee
Independent Director (Chairman)	Michael Wang	Please refer to Page 15-23, the table 2.1.2	Please refer to Page 15-23, the table 2.1.2	2
Independent Director	C. Lin	Please refer to Page 15-23, the table 2.1.2	Please refer to Page 15-23, the table 2.1.2	0
Independent Director	Charlotte W.W. Lin	Please refer to Page 15-23, the table 2.1.2	Please refer to Page 15-23, the table 2.1.2	2
Independent Director	Hong Hocheng	Please refer to Page 15-23, the table 2.1.2	Please refer to Page 15-23, the table 2.1.2	1

Tenure of the sixth session of Compensation committee is from 6th June 2025 to 5th June 2028. A total of 6 (A) meetings of the Compensation Committee were held in 2025. The status of attendance is as follows:

Title	Position	Name	Attendance in person (B)	By Proxy	Attendance rate (%)（B/A）	Remarks	
Chairman (6th Session)	Independent Director	Michael Wang	6	0	100%	Renewal of office	Pegatron's 7th session of Board of Directors was elected in 2025
Member	Independent Director	C. Lin	6	0	100%	Renewal of office	

Member	Independent Director	Charlotte W.W. Lin	2	1	67%	New office assumed	Annual General Shareholders' Meeting.
Member	Independent Director	Hong Hocheng	3	0	100%	New office assumed	
Member	Independent Director	C.P. Hwang	3	0	100%	Term expired	

Other Information to be disclosed:

1. If Board of Directors did not adopt or revise the proposal made by the Compensation Committee, please specify the date, session, agendas and resolutions of the Board of Directors meeting and how the Company handled the proposal made by the Compensation Committee (If amount of the compensation approved by the Board of Directors is higher than that proposed by the Compensation Committee, please specify the reasons and differences in proposals.)

   None.

2. If any members of the Compensation Committee were against or reserved their opinions towards the resolutions, please specify the date, session, agendas, opinions of all members and how the opinions were handled.

   None.

3. According to the Article 6 of Pegatron Remuneration Committee Charter, the committee's duties are: (1) Establishing and periodically reviewing the performance evaluation for directors, supervisors and managerial officers, and the policies, systems, standards, and structures for their compensation. (2) Periodically assessing and setting the compensation for directors, supervisors, and managerial officers.

4. Moreover, in complying with the duties of Compensation Committee, it has supervised following issues in 2025 : (1) Bonus and adjustment of salary for managerial officers (2) Directors' remuneration (3) The eligible employees list of restricted shares program.

The Resolution for agendas relating to compensation in 2025:

Date	Agenda	Disagreements from Independent Directors	Responses to Disagreements	Resolution Circumstance
2025.01.17	1. The year-end bonus for managerial officers in year 2024.	None	None	Approved
2025.03.13	1. Appropriated remuneration of 2024Y for employees and directors.	None	None	Approved

	2025.05.14	1. The eligible employees list of 2024Y restricted shares program, total number of granted shares is 21,229,000.	None	None	Approved	
	2025.08.13	1. Adjustment of managerial officers' salary in year 2025 2. Distribution of Directors' remuneration in 2024	None	None	Approved	
	2025.09.24	1. The Performance bonus for managerial officers in year 2025	None	None	Approved	
	2025.11.12	1. The motivation and retention bonus for managerial officers.	None	None	Approved	

2.2.5 Corporate Governance Implementation Status and Deviations from "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies"

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
1. If the Company established and disclosed Corporate Governance Principles in accordance with Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies?	V		The Company established Corporate Governance Principles and disclosed them on the corporate website and Market Observation Post System.	None
2. Shareholding Structure & Shareholders' Rights (1) If the Company established internal procedures to handle shareholder suggestions, proposals, complaints, and litigation and execute accordingly?	V		(1) The Company established internal procedures and assigned designated departments to handle shareholder suggestions, proposals, complaints, and disputes. Shall there be any legal issue, our legal department and outside counsel will involve and handle the issues.	None
(2) If the Company maintained of a list of major shareholders and a list of ultimate owners of these major shareholders?	V		(2) The Company maintains a good relationship with major shareholders and keeps an updated list of the major shareholders.	
(3) If risk management mechanism and "firewall" between the Company and its affiliates are in place?	V		(3) The Company established appropriate internal policies and assigned designated personnel to handle risk management mechanism and "firewall" between the Company and its affiliates.	
(4) If the Company established internal policies that forbid insiders from trading based on non-disclosed information?	V		(4) The company has established "Corporate Governance Best Practice Principles", "Ethical Corporate Management Best Practice Principles", "Codes of Ethical Conduct", "Procedures for Handling Material Inside Information" and "Procedures for Prevention of Insider Trading" to explicitly stipulate that the	

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			Company’s directors, managerial officers and employees shall avoid conflicts of interest related to their duties and shall be prohibited from using or disclosing non-public information learned for insider trading. The above regulations are disclosed on the corporate website, and promotional materials are placed in the employee handbook within the internal system for employees’ reference at any time. The Company provides information on the relevant regulations and promotional education to new directors and managerial officers when they take office. In 2025, the company notified directors and managerial officers (31 in total) via email seven days, February 3, April 21, July 21 and October 20 respectively, prior to the closed period quarterly to avoid violating the regulations. On November 18, 2025, the company also notified directors and managerial officers via email scheduled closed periods for 2026 quarterly financial reports. Furthermore, on November 12, 2025, the company arranged a three-hour course on "The Prevention of Insider Trading and the Latest Practice Development" for a total of 16 incumbent directors and managerial officers who attended BOD meeting, to explain relevant regulations, examples, legal responsibilities and Q&A of insider trading.	

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
3. Structure of Board of Directors and its responsibility (1) If the Board develop diversified policies, concrete management goal, and execute?	V		(1) Article 20 of the Company's Corporate Governance Principles stated that the Board shall consist of members from diverse backgrounds. Current Board members focus on diversified professions, twelve directors include two female directors, while taking into account the diversity of genders, professional skills and backgrounds. The members are elites of technology, financial, industrial, and academic areas, covering computer telecommunications, electrical engineering, electronic product applications, business management, biotechnology and medical care, media management, accounting and mechanical engineering, and generally possesses the knowledge, skills and qualities necessary to perform their duties. Please refer to "Diversity of Board Members." In the future, competent female directors with qualification should be taken into consideration.	None
(2) If the Company established any other functional committee in addition to Compensation Committee, Audit Committee as required by law?	V		(2) The Company established Compensation Committee and Audit Committee and its policies and procedures. Apart from the above-mentioned committees, the Company has not established any other functional committee.	
(3) If the Company established methods and procedures to assess the performance of the Board and conduct assessment on annual basis? If the result of the assessment will be reported to the Board and taken into considerations for individual remuneration nomination purpose?	V		(3) The Company established methods and procedures for board of directors' performance assessments and conduct assessment on annual basis. The performance evaluation results in 2025 will be reported to the Board before the end of the first quarter of 2026. The Company's Compensation Committee takes all factors such as the performance	

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			evaluation results and participation in the operation of the Company, etc. into consideration when conducting remuneration evaluation on each Board member in the second half of each year.	
(4) If the Company assess the independence of CPA periodically?	V		(4) Each March, the Company evaluates the independence and competence of CPA based on KPMG's Statement of Independence and items, mentioned in Note 1, stated in Article 47 of Certified Public Accountant Act and No.10 of The Norm of Professional Ethics for Certified Public Accountant. Since 2023, the Company has also referred to 13 indicators of the Audit Quality Indicators (AQIs) provided by KPMG as the basis for the evaluation of the appointment of CPAs. After comprehensive evaluations, the CPAs meet the standards of independence and suitability. The rotation of CPAs is also compliance with prescribed period. The results of relevant evaluation have been approved by the resolution of the Audit Committee and the Board of Directors on March 13, 2025.	
4. If the Company had adequate number of corporate governance personnel and appoint a chief corporate governance officer overlooking corporate governance affairs including but not limited to handling matters relating to board meetings and shareholder meetings, assisting directors with legal compliance, preparing agendas, and producing minutes for board meetings and shareholder meetings?	V		In order to fulfill corporate governance and improve effectiveness of the board of directors, the Corporate Governance Officer was proposed and approved in the 5th session of Board of Directors at its 1st meeting on June 21, 2019. The Board appointed Mr. Chieh-Tsung Chen as the "Corporate Governance Officer." Mr. Chen has been in charge of related financial affairs, stock affairs, and corporate governance matters in listed company for more than three years. According to the Article 3-1 of the	None

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			Corporate Governance Best Practice Principles, the corporate governance affairs include at least the following items： 1. Handling matters relating to board meetings and shareholders meetings according to laws. 2. Formulating minutes of board meetings and shareholders meetings. 3. Assisting in onboarding and continuous development of directors 4. Furnishing information required for business execution by directors. 5. Assisting directors with legal compliance. 6. Reporting to the board of directors the results of examination as to whether the qualifications of independent directors at the time of their nomination and election and during their term of office conform to applicable laws and regulations. 7. Handling matters related to director changes. 8. Other matters set out in the articles of incorporation or contracts. The Corporate Governance Officer attended the training courses in accordance with Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers. Please refer to Note 2 for “The Corporate Governance Officer Training Records in 2025.”	

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
5. If the Company established communication channel with stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc) and disclosed key corporate social responsibility issues frequently enquired by stakeholders on the designated area of corporate website?	V		The Company set up Honest_Box@pegatroncorp.com on the designated area of the corporate website for communication with stakeholders. Designated personnel and contact information are available to handle all enquiries and respond to any key issues raised by stakeholders. Please refer to the Company's Sustainability report and corporate website for Issues of Concern and Communication Channel of stakeholders.	None
6. If the Company engaged professional transfer agent to host annual general shareholders' meeting?	V		The Company engaged Registrar & Transfer Agency Department of KGI Securities Co. Ltd. to host annual general shareholders' meeting.	None
7 Information Disclosure				
(1) If the Company set up a corporate website to disclose information regarding the Company's finance, business, and corporate governance?	V		(1) To ensure transparency of information, the Company set up Investor Relations section on the corporate website and disclose information regarding finance, business, and corporate governance.	(1) & (2) None
(2) If the Company adopted any other information disclosure channels (e.g., maintaining an English-language website, appointing designated personnel to handle information collection and disclosure, appointing spokespersons, webcasting investors conference, etc.)?	V		(2) In addition to the role of spokesperson, the Company also has designated departments to collect and disclose information. Information disclosed on the corporate website is presented in both Chinese and English, while quarter result and webcast of investor conference are available on the corporate website as soon as applicable.	
(3) If the Company disclosed its annual financial report within two months after year end and disclose its 1st. 2nd, 3rd quarter financial reports and monthly revenue ahead of regulated disclosure date?	V		(3) Annual financial report, quarterly financial reports and monthly sales revenue are disclosed in a timely manner according to relevant government regulations.	(3) Since there is a large number of consolidated entities within the group, the Company is not able to disclose financial

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
				reports and monthly revenue ahead of its regulated disclosure date.
8. If the Company had other important information to facilitate better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		1. Employee rights and wellness are stated in internal policies as required by relevant laws and regulations. Please refer to the "Employee Relations" of this annual report for employee rights and employee wellness. 2. The Company maintains good relationship with customers and suppliers and fulfills its duties as a responsible corporate citizen. 3. Internal control, auditing and self-evaluation procedures are in place. 4. The Company also purchases liability insurance for its directors. The amount and scope of insurance coverage are reported to the Board of Directors and are available on MOPS. 5. In 2025, the directors have completed the training courses in accordance with Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies. Please refer to "Board of Directors Training Record." 6. In the succession planning program, executives in Pegatron must be familiar with the operation of high-	None

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			tech industry and focus on industry long-term development. They lead through vision and values of Pegatron, and cultivate talents by providing opportunities, resources, and authorities to subordinates, and stimulate employees' passion for work and encourage them to achieve their full potential. A comprehensive development program for new business unit/ function unit managers will be initiated in 2024. The program will utilize assessment center and evaluation tools to provide participants with an in-depth understanding of their personal characteristics, strengths, weaknesses, and managerial capabilities. Subsequently, internal coaches, participants, and external consultants will collaborate to create a tailored Individual Development Program (IDP) that aligns with the organizational objectives. The high-level development plan comprises regular one-on-one consultations, group training courses, and periodic progress assessments, providing participants with diverse range of resources to successfully perform their current roles. Furthermore, to foster the growth of future business unit managers, key talents will be nurtured in the company's new product business unit, granting access to facilities and talents from research and development, design, and manufacturing, to carry out new product development and customer service, thereby enhancing their capabilities and readiness to become future business unit managers. The Company's Board of Directors focuses on diversified professions, while taking into account the diversity of gender, professional skills and industry experience in accordance with Procedures for Election	

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			of Directors. Several executives of the Company have taken over important positions of affiliated companies to be familiar with the implementation of the Board of Directors. For example, Mr. Jason Cheng, Vice Chairman & Deputy CSO, serves as the Chairman of AzureWave Technologies Inc. Mr. S.J. Liao, Deputy Group CEO, serves as the Chairman of Kinsus Interconnect Technology Corp. Mr. H.T. Tung, Senior Vice President, serves as the Chairman of ASRock Technology Inc. and has been elected the Company's juristic person director in 2025. Mr. Kuang-Chih Cheng, President & Co-CEO, serves as President & director of of AzureWave Technologies Inc., and has been elected the Company's juristic person director of ASRock Technology Inc. and ASROCK RACK INCORPORATION. Mr. Kuo-Yen Teng, President & Co-CEO, has been elected director of ASRock Industrial Computer Corporation. Meanwhile, in order to be familiar with the implementation of the Board of Directors and operations of affiliated companies, arrange for several senior managers to attend the Board meetings. With their experiences and professions, the board of directors can be enriched with different views. Also, they gain various experiences integrating all kinds of resources of affiliated companies proficiently to develop capabilities of strategy formulation, decision making and crisis management and continue to create the dynamics for corporate sustainability development. Pegatron implements IDP (Individual Development Plan) for employees to facilitate the development of talent and enhance the competitive advantages and	

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			core competence of Pegatron. IDP enables the targets to understand the goal of development and combine the capabilities of development with the work. The progress and effectiveness of IDP are reviewed and tracked jointly by the supervisors and the targets. The supervisors may provide suggestions and adequate resources including training programs, job rotation, coaching, job following, etc. in order to help the targets build up required skills to make better business judgment and maintain effective business relationship with customers. 7. The company routinely reports on the Intellectual Property management plan to the board of directors, the latest reporting date is November 12, 2025. The plan includes: (1) Numbers of patent applications, patent granted, patent maintenance and cost thereof. (2) As of October 20, 2025, 2,448 valid patents of various countries are maintained. (3) Update the evaluation criteria for annual fees on approved patents over ten years to ensure that patents align with the company's long-term business strategy.	
9. If the Company had a structure in place to manage risks associated with communication security, established communication security policy, its implementation plan, and invested resources in management of information security?	V		1. Cybersecurity management system We have introduced ISO/IEC 27001:2022 and conducts internal and third-parties audit annually. The certificate is examined every three years to maintain valid. The certificate valid 2025/5/9 to 2028/5/9. 2.Cybersecurity management organization (1) We established cybersecurity management	None

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			organization and appointed Chief Information Security Officer (CISO) as organizer. To make sure cybersecurity policies serve our promises toward cybersecurity and sustainability, CISO ensures that cybersecurity policies suits company’s strategies. (2) Cybersecurity department’s supervisor serve as management delegator. To govern the cybersecurity affairs which includes policies proposal and executing, education, daily maintenances, early warning, intelligence gathering, disaster drills, incidents handling and internal audition. Furthermore, management delegator also reports to CISO for the execution effectiveness of previous tasks. (3) Summon a monthly meeting to update current cybersecurity posture and the execution effectiveness of cybersecurity tasks. (4) Convene an annual cybersecurity management reviewing meeting. To discuss the topic such as risk analysis, audition report, policy reviewing and the progress of the tasks. 3. Specific management measure We have enacted comprehensive regulations for cybersecurity and invest appropriate resource to support it. (1) Network Security: Implement NGFW, IPS and mail security portal to prevent cyber-attack and malicious mail. Implement network segmentation and enhance access control to optimize network flow and prevent Lateral Movements.	

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			Establish a Security Information and Incident Management (SIEM) system. By centrally collecting and aggregating logs from various sources, and by analyzing and correlating various security events, it can instantly identify and alert potential threats, abnormal behaviors, and security vulnerabilities. (2) Endpoint Security: Using inventory management system to effectively seize the status of assets. Install anti-virus software to engage real-time protection, regular scanning and updating virus pattern. Restrict software installation and the usage of portable storage devices. Establish an EDR endpoint detection and response system to address advanced and unknown threats, and protect enterprise cyber security through continuous monitoring, detection, investigation and automated response to cyber threat activities. (3) Data Security: Introduce DRM mechanism for protection and access control to protect confidential documents. Introduce encryption mechanism for data in-transit. (4) Security Awareness: Employees received information security training. Conduct Phishing mail drill regularly. (5) Cooperating with third-parties institution for cybersecurity evaluation Engage third-parties penetration test and red team assessment. Subscribe to external cybersecurity scoring mechanisms to understand the company's	

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			cybersecurity exposure level, identify its own security risks, and analyze and continuously improve the overall security level of the company through monitoring results. (6) Participating TWCERT/CC and High-Tech Cybersecurity Alliance. To exchange the trend and intelligence of the cybersecurity exposure. 4. Risk distribution We have invested in cybersecurity insurance for the cause of risk distribution. Being a valuable client, insurance also provide us the resource of cybersecurity expert all over the world to strength our capabilities to respond potential incidents. 5. Explanation of Resources Invested in Cybersecurity Management in 2025: (1) Implementation of information security education and training for all personnel, achieving a completion rate of 99.4%. (2) Execution of professional cyber security training (external training) for a total of 12 individuals, accumulating over 256 hours. (3) Conducted four times for phishing email drills with an average click rate of about 5.7%. Advanced security education and training were provided to employees who clicked on phishing emails. (4) Reported 0 individuals for violations of cybersecurity regulations, subject to disciplinary actions. 6. There is not any cybersecurity incidents involving	

Item	Implementation Status			Deviations and the reasons
	Y	N	Summary	
			Pegatron Corporation	
10. Any improvement made in accordance with the result of the most recent corporate governance evaluation conducted by TWSE? Any measures to be taken on the outstanding items?	V		The Company reported to the Board of Directors in January 2026 regarding the result of self-evaluation and the feasibility of its improvement plans to rectify non-compliance items under the commercial practices.	None

Note 1: Assessment items of accountant's independence

Assessment	Independence(Y/N)
1. CPAs have no direct or indirect financial interest relationship with the Company.	Y
2. CPAs have no financing or guarantee relationship with the Company or the Company's director.	Y
3. CPAs have not taken into account the possible loss of the client which may affect the audit work.	Y
4. CPAs have no close business relationship or potential employment relationship with the Company.	Y
5. CPAs have no contingent fees related to the Company's audit cases.	Y
6. The Company have not engaged the same CPA without replacement for 7 years consecutively.	Y
7. CPAs and members of the audit service team are not currently serving or have not served in the last two years as the Company's directors, managers, or the positions that significantly influence the audit.	Y
8. The non-audit service that the firm of CPAs offered to the Company have no direct influence on any important items of the audit case.	Y
9. CPAs have not mediated the trading of stocks or other securities issued by the Company.	Y
10. CPAs have not acted as a counsel of the Company or represented the Company in coordinating matters relating to conflicts with a third party...	Y
11. CPAs have no kinship with the Company's directors, managerial officers or personnel who have significant influence on the audit.	Y
12. No former partner of CPAs serves as a director, or manager of the Company or in a position having significant influence on the audit case within one year after relieved of his/her office.	Y
13. CPAs have not accepted valuable gifts or gratuity from the Company or its directors, supervisors, and managerial officers.	Y

Assessment	Independence(Y/N)
14. CPAs have not accepted any inappropriate selection of accounting policies or inappropriate disclosure, or reduced the extent of work performed inappropriately, being pressured to reduce auditing fee.	Y

Assessment items of accountant's Suitability

Assessment	Suitability (Y/N)
1. CPAs have not been disciplined by the competent authority.	Y
2. The financial reports have been issued comply with the latest regulations governing the preparation of financial reports, accounting standards and relevant explanations of regulations from the competent authorities.	Y
3. The financial report for the first three quarters shall be completed within forty-five days after the end of the quarter, and the annual financial report shall be completed within three months after the end of the fiscal year.	Y
4. In case the financial report publicly disclosed have not been prepared in accordance with relevant laws and regulations and should be corrected.	Y
5.The Company has not been subject to any rectification or litigation by the competent authority due to the financial report.	Y
6. Provide the company's financial and tax consulting services from time to time.	Y

Note 2: The Corporate Governance Officer Training Records

Date	Institute	Course	Period (hours)
2025/07/09	Taiwan Stock Exchange Corporation	2025 Cathy sustainable finance and climate change Forum	6
2025/07/25	Securities & Futures Institute	2025 company insiders' shareholding transfer compliance seminar	3
2025/09/24	The Taiwan Corporate Governance Association	Navigating Challenges and Strategic Perspectives in the Era of Global Tax Reform	3
2025/11/12	The Taiwan Corporate Governance Association	The Prevention of Insider Trading and the Latest Practice Development	3

2.2.6 Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
1. If the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? If the board of directors authorized senior management to handle related matters under the supervision of the board?	V		The company's sustainable development activities are planned, operated, and executed by the PureCSR (PEGATRON Corporate Social Responsibility) committee, and the CEOs are authorized by the board of directors to be the Chairmen of the committee. Committee members include Chief Logistic Officer, HR & ADM Center, Procurement Center, Corporate Quality and Sustainability Development Center, Legal & IPR Center, MIS, Customer Service Business Unit, Financial & Accounting Center, and managers and representatives come from various business units and sites. The committee members identify interested parties according to their respective duties and respond to their concerns in their daily work. The PureCSR Steering Committee is responsible for coordinating cross-departmental issues, regularly reporting the implementation plan and performance to the CEOs and reporting to the board of directors at least once a year for supervision. On August 13, 2025, the annual sustainable development performance, stakeholder communication and response results, and risk management policies and identification results were reported to the board of directors. There are no doubts or suggestions for changes in the sustainable development indicators, risk management implementation.	None

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
2. If the Company conducted risk assessment on its business operation, social environment as and corporate governance based on the principle of materiality and established risk management policy or strategy accordingly?	V		Our company, through the PureCSR Committee's annual regular meetings, commissions members of each unit and working groups to identify material topics relevant to the company from 24 sustainability issues covering environmental, social, and governance aspects, based on probability of occurrence and impact magnitude. At the same time, we assess the boundary scope of these material topics within the value chain and, considering the principle of double materiality, formulate management policies. The analysis results and comprehensive response measures are disclosed in the sustainability report. The following are the 11 material topics identified for this year: 1. Talent attraction and retention: Providing competitive compensation and benefits and a happy workplace environment can enhance employee loyalty and strengthen the company's core talent pool. 2. Economic performance: Generating stable business results and creating economic value through tax payments, dividends, and interest distributions, thereby supporting social welfare and stable economic development. 3. Information security: Protecting confidential information and personal data privacy of customers and stakeholders, strengthening the organization's digital defense resilience, and safeguarding its reputation. 4. Human capital and development: Establishing systematic training and career development mechanisms to enhance employees' professional skills and job satisfaction, realize self-worth and growth, and keep the company continuously competitive.	None

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
			5. Regulatory compliance: Ensuring operations and products comply with local laws and regulations, laying a foundation of integrity in business and reducing compliance risk. 6. Corporate governance: Building a transparent governance environment and practicing integrity in operations, which can strengthen the fairness of decision-making and protect stakeholder rights. 7. Customer service: Improving after-sales service quality and regular collaborative communication to increase customer satisfaction and establish long-term, trust-based partnerships. 8. Labor rights: Adhering to international human rights standards and labor guidelines, improving working conditions, enhancing employee welfare, and boosting brand reputation. 9. Risk management: Systematically identifying and controlling various risks (such as geopolitical or supply-chain risks), strengthening Pegatron’s operational resilience. 10. Supply chain management: Implementing traceability systems and strengthening audits to ensure responsible procurement, reduce counterfeit goods, avoid conflict minerals, and raise ethical standards in the supply chain. 11. Energy management: Reducing energy consumption, developing energy-saving technologies and introducing renewable energy, optimizing resource allocation, gradually decreasing reliance on fossil fuels, and lowering energy expenses. Risk management strategy: Our company upholds the principle of sustainable operation by establishing,	

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
			implementing, and maintaining a proactive risk-management mechanism. We continuously monitor internal and external issues and environmental changes, conduct operational impact analyses, and ensure the capability to respond promptly to challenges. Through regular self-assessment and optimization of corporate resilience, we fulfill our commitment to sustainable business and protect the best interests of customers and stakeholders. Frequency of reporting to the board and supervision: At least once a year. This year, the report was presented to the board on August 13, 2025. The board raised no objections or suggestions for changes to the risk-identification results and response measures.	
3. Environmental Issues (1) If the Company established proper environmental or energy management system based on the characteristics of the industry where the Company belongs to? (2) If the Company endeavored to utilize resources more efficiently and utilized renewable materials which have a lower impact on the environment?	V V		(1) The company has established an environmental management system in accordance with the requirements of the ISO 14001 and passed third party certification. The certificate is valid from October 25, 2023, to October 24, 2026. The verification scope is Pegatron Technology Co., Ltd. (2) The company improves energy efficiency by evaluating equipment operational efficiency, introducing energy saving technologies, and replacing high energy consumption equipment. In addition, non-productive power consumption is controlled, and power usage in daily operations is optimized through air-conditioning and lighting system management. The electricity saving target is to reduce electricity consumption per unit revenue by 25% in 2030 compared with that of 2021,	None

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
			and the base year data is 2.11 (GJ/million revenue). In 2025, a total of 29 energy-saving projects were implemented., resulted in a total energy saving of 5,893.81 MW hand a reduction of carbon emissions of 3,132.13 tons of CO_2e. In addition to improving its own energy efficiency, the company also takes reducing the environmental impacts of the entire product life cycle (including product design, raw material usage, production process to waste disposal) as one of our main strategies. Under the premise of meeting customer product specifications and quality requirements, we maximize the selection of recycled materials with low environmental impacts.	
(3) If the Company assessed current and potential impact and opportunity of climate change on the Company's operation and take preventive measures?	V		(3) Assess the potential risks and opportunities of climate change for the company's present and future based on the TCFD framework, with the board of directors responsible for oversight and management conducting regular evaluations and monitoring; continuously promote greenhouse gas inventory and verification, with the entire group having completed inventory and verification by 2025; also implement an internal carbon pricing mechanism, using a shadow price method for internal carbon pricing; follow the SBTi to set a carbon reduction pathway, passing the target review in 2024 and committing to a goal of reducing carbon emissions by 4.2% annually, and planning to invest over NT$100 million in renewable energy procurement by 2030 to expand the green power portfolio. Continue to implement energy-saving projects, promote the use of renewable energy, strengthen supply-chain resilience,	

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations and the Reasons</th></tr>
<tr><th>Y</th><th>N</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>and enhance emergency response mechanisms to reduce the impact of climate change on operations.</td><td></td></tr>
<tr><td>(4) If the Company monitored the amount of greenhouse emission, water usage and waste handling for the past two years and established corporate strategies on reduction of greenhouse gas emission, water usage and waste management?</td><td>V</td><td></td><td>(4) The greenhouse gas emissions, water consumption and waste output in the past two years are as follows, and the information covers sites which the company has operational control. The data has been confirmed by the ISO 14064 Verification Statement and ISAE 3000 Assurance Statement issued by the verification body. The 2025 values in the table below have not yet been verified by a third party. The verified values will be updated in the 2025 sustainability report.
<table>
<tr><th></th><th>2024</th><th>2025</th></tr>
<tr><td>Scope 1(tons CO2e)</td><td>10,291.78</td><td>5,500.24</td></tr>
<tr><td>Scope 2(tons CO2e)</td><td>144,283.75</td><td>116,094.61</td></tr>
<tr><td>Scope 3
(tons CO2e)</td><td>6,721,870</td><td>Calculating</td></tr>
<tr><td>Total Emissions
(tons CO2e)</td><td>154,575.53</td><td>121,594.84</td></tr>
<tr><td>Emission per revenue
(ton CO2e/million NTD)</td><td>0.14</td><td>0.11</td></tr>
</table>
<table>
<tr><th></th><th>2024</th><th>2025</th></tr>
<tr><td>Water Usage(m^3)</td><td>2,359,193.00</td><td>2,014,346.00</td></tr>
<tr><td>Water Usage per revenue
(m^3/million NTD)</td><td>2.26</td><td>1.8</td></tr>
</table>
The 2025 scope for total water usage includes manufacturing plants in Taiwan, Indonesia, Malaysia,</td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations and the Reasons</th></tr>
<tr><th>Y</th><th>N</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>China, Vietnam, Czechia, and Mexico. Compared to the 2024 disclosure, the scope now excludes India but includes new production sites in Malaysia.
<table>
<tr><th></th><th>2024</th><th>2025</th></tr>
<tr><td>Hazardous waste output(tons)</td><td>1,689.48</td><td>1,428.40</td></tr>
<tr><td>non-hazardous waste output(tons)</td><td>37,945.09</td><td>30,787.26</td></tr>
<tr><td>Total waste output(tons)</td><td>39,634.57</td><td>32,215.66</td></tr>
<tr><td>Waste output per revenue (tons/million NTD)</td><td>0.038</td><td>0.029</td></tr>
</table>The 2025 scope for total waste output includes manufacturing plants in Taiwan, Indonesia, Malaysia, China, Vietnam, Czechia, and Mexico. Compared to the 2024 disclosure, the scope now excludes India but includes new production sites in Malaysia.

The company takes energy saving and carbon reduction, greenhouse gas reduction, water reduction and other waste management into consideration, formulates management policies as follows, and implements relevant activities in accordance with this policy.
1. Abide by all environmental protection, labor, safety, and health laws.
2. Conserve all natural resources, and actively prevent pollution.
3. Reduce environmental impact and safety and health risks.
4. Satisfy customer requirements and become an</td><td></td></tr>
</table>

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
			entirely green enterprise. 5. Enable company-wide promotion of corporate social responsibility. 6. Promote program engagement of all employees and continuously improve it. (1) Carbon reduction target: Reduce scope 1, 2 GHG emissions 42% and scope 3 GHG emissions 25% by 2030 from a 2021 base year. Also, we commit to reach net zero by 2050. Scope 1 and 2 baseline year data: 796,956.51 t CO_2e, Scope 3 baseline year data: 44,833,405.42 t CO_2e.. Reduction measures include improving energy efficiency and purchasing renewable energy. (2) Energy saving goal: In 2030, the electricity consumption per unit of revenue will be reduced by 25% compared that with 2021. The base year data is 2.11 (GJ/million NTD). Reduction measures include replacing old equipment and promoting energy management.	
4. Social Issues (1) If the Company followed relevant laws, and internationally recognized human rights principal, and established appropriate management policies and procedures?	V		(1) The company follows the Responsible Business Alliance (RBA) Code of Conduct and local labor regulations to establish group labor-rights requirements. It also supports and respects relevant labor-rights standards, referencing international labor-rights frameworks such as the International Labour Organization (ILO), the United Nations Global Compact, and the United Nations Guiding Principles on Business and Human Rights, to set labor-rights requirements for all internal business activities. After approval by the	None

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
			General Manager and CEO, these requirements are incorporated into the company’s corporate social responsibility and occupational health and safety policies. The human-rights protection policy and management plan include: 1. Implementation of employee training and a smooth employee feedback channel: new employees are educated about labor rights, and diverse feedback channels are provided to collect employees’ ideas, suggestions, and complaints, enabling timely response to employee needs and adjustments. 2. Risk assessment and internal/external audits: annually assess and analyze human-rights risks and improvement opportunities, and conduct at least one internal audit to ensure that management measures and implementation outcomes meet human-rights requirements. Audits are also performed according to customer requests, and a compliance assessment with the RBA is completed every six months to ensure labor-rights compliance with both customer and RBA requirements. 3. Management-level review: at least once a year, senior management reviews the effectiveness of the human-rights policy and its management plan.	
(2) If the Company provide reasonable employee welfare (including compensation, paid leaves, other	V		(2) 1. The compensation, paid leaves, and benefits of the Company are complying with or better than the	

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
benefits, etc.) and adequately reflect company’s operational result on their employees’ compensation?			laws, for example, the Company offers additional days of paid leave. 2. The Articles of Incorporation states the principle of accrued employee compensation. In addition, company operating results, team and individual work performance are appropriately reflected in employees’ compensation	
(3) If the Company provided safe and healthy working environment to employees and conducted relevant training on safety and health management to employees periodically?	V		(3) 1. The company promotes and creates a safe and healthy working environment through risk assessments, working environment improvements, daily inspections, and audits. We also provide health checks in compliance with laws and regulations, and setup first responders and medical offices according to laws. In addition, we employ nursing staffs to engage in labor health services, and regularly implement safety and health education and trainings for employees to prevent occupational accidents. 2. The company has established an occupational safety and health management system in accordance with the requirements of ISO 45001 and passed third party certification. The certificate is valid from October 25, 2023, to October 24, 2026. The certification scope is Pegatron Technology Co., Ltd. 3. Total of 132 occupational accidents have occurred in 2025, accounting for 0.23% of the total number of employees. They were mainly traffic accidents. The data covers factories which the company has operational control. The 2025 data will be updated in the 2025 Sustainability Report after passing third party	

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
			verification. Corrective and preventive measures have been formulated individually for occupational accidents, and the progress of handling and closing cases is tracked in the annual management review meeting. 4. In 2025, the number of fire incidents, casualties, and the ratio of casualties to total employees were all 0. In addition to formulating emergency response plans for fires, Pegatron established emergency notification mechanisms within each plant. Through regular drills and educational trainings, Pegatron aims to enhance the emergency response capabilities of response teams and raise awareness of hazards among all employees.	
(4) If the Company provided career planning, relevant training, and skill development for employees?	V		(4) In order to meet the strategy of talent nurturing and to build up a learning environment, Pegatron Group introduced “Individual Development Plan (IDP)” to help all employees to set their self-development plans according to the corporate and personal targets, and to implement the plan to become mature in their occupational filed. Through IDP, supervisors can support corresponding resources and assistances in profession or work skills according to the employees’ needs. Moreover, employees can set their own targets and develop skills by participating multidimensional learning activities.	
(5) If the Company followed relevant laws and regulations and international guidelines on consumer health and safety, customer privacy, marketing and labeling of products and services etc.	V		(5) 1. Consumer or customer rights protection policy: The company stipulates in the Sustainable Development Practice Principles that the company should follow relevant laws, regulations, and international guidelines	

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
and established relevant consumer and customer protection policy and grievance channel?			regarding customer health and safety, and customer privacy is included in, and marketing and labeling of, its products and services and do not have deceptive, misleading, fraudulent or any other activities that may breach customers' trusts, or harm customers' and consumers' interests. 2. Complaint procedure: The Company provide a transparent and effective process for handling customers' complaints with fair and timely approach, and respect customers' rights of privacy indeed to protect their personal information through complying with laws and regulations related to the Personal Information Protection Act. And there is a procedure for how we can handle a customer complaint.	
(6) If the Company established suppliers' management policy requesting suppliers to comply with relevant regulations on EHS and human rights issues and monitored suppliers' execution status.	V		(6) The company has formulated the Supplier PureCSR Audit Management Procedure, which requires suppliers to fill in the questionnaire or participate in the audit. 1. New suppliers: Suppliers are required to sign the "PEGATRON Supplier Responsible Business Alliance Code of Conduct Agreement" stipulated by the company and fill in the New Supplier Self-Assessment Questionnaire. Questions in the questionnaire include whether ISO 14001/ISO 45001/ISO 14064-1 have been certified? How to avoid violate relevant economic/social/environmental laws and regulations? Have young workers or student workers been hired? or whether toxic chemicals or store flammable substances have been used or not? etc.	

Item	Implementation Status			Deviations and the Reasons
	Y	N	Summary	
			2. Existing suppliers: The company conducts online surveys or onsite audits for major suppliers every year. We have completed online surveys or onsite audits for 113 major suppliers in 2025. Suppliers are also encouraged to participate in RBA audits to check suppliers' sustainable performance from a third party's objective perspective.	
5. If the Company's sustainability report and other reports disclosing non-financial information prepared based on international recognized standard or guidelines and if the company obtain third party assurance or certification for the reports above?	V		1. The company releases its sustainability report every year with reference to the GRI Standard issued by the Global Sustainability Standards Board (GSSB), and publicly discloses it on the company's official website and the Market Observation Post System. 2. The 2024 sustainability report has obtained the assurance statement issued by DNV, and the assurance standard is the core option of ISAE 3000 and GRI standards. Financial data can be referred in financial reports issued by accountants.	None
6. If the Company established any guideline of corporate sustainable development in accordance with "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies"? The company formulated the "Sustainable Development Practice Principles" based on the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies". The fourth edition was approved by the board of directors in 2022 and publicly disclosed on the company's official website. The implementation status is consistent with the principle.				
7. Other material information to facilitate better understanding of the company's promotion of sustainable development: For the implementation and results of the company's sustainable development, please refer to the annual sustainability report and official website, and the Sustainable Development Practice Principles are published on the Major Internal Policies page. (1) Sustainable development implementation status and sustainable report: https://www.pegatroncorp.com/content/sustainability/98 (2) Sustainable Development Practice Principles: https://www.pegatroncorp.com/content/corporate-goverance/77				

2.2.7 Climate-Related Information of TWSE/TPEx Listed Company

2.2.7.1 Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	1. Pegatron regards the board of directors as the highest governance unit for overseeing climate related risks and opportunities, and the PureCSR committee is responsible for the planning and implementation of climate change policy promotion and identify its risks and opportunities. The CEOs are authorized by the board of directors to be the Chairman of the committee. Committee members include Chief Logistics Officer, HR & ADM Center, Procurement Center, Corporate Quality and Sustainability Center, Legal & IPR Center, MIS, Customer Service Business Unit, Financial & Accounting Center, and managers and representatives of various business units and each site. The committee reports to the board of directors the identification results of climate related risks, opportunities, and response measures at least once a year.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	2. The results of climate risk and opportunity identification and the corresponding measures are excerpted below; for detailed information, please refer to the 2025 Sustainability Report. (1) Transition risks / business or financial impacts: - Policy and regulation (short term) – risk of regulatory and policy changes - Policy and regulation (short term) – carbon accounting requirements, leading to increased internal personnel costs and external audit fees - Policy and regulation (short term) – regulations related to low-carbon energy use - Market (medium term) – customer decarbonization demand, resulting in higher costs for purchasing renewable energy and certificates - Market (medium term) – customers changing product selection criteria - Market (medium term) – supply-chain disruptions, reduced capacity leading to lower revenue - Technology (mid-to-long term) – transformation of management models, causing increased procurement costs for additional energy-saving equipment - Reputation (mid-to-long term) – customer/investor dissatisfaction with ESG performance causing brand damage (2) Physical risks / business or financial impacts: - Immediate – heavy rain causing equipment damage and increased operating costs - Immediate – typhoon causing production decline and reduced revenue (3) Opportunities / business or financial impacts: - Resilience (medium term) – strengthening supply-chain resilience: ensuring supply-chain robustness to reduce variable

Item	Implementation status
	costs - Resilience (long term) – promoting energy saving and improving energy efficiency: reducing energy consumption to lower operating costs - Resilience (long term) – global expansion and emergence in regional emerging markets: enhancing market competitiveness
3. Describe the financial impact of extreme weather events and transformative actions.	3. Based on the TCFD framework, conduct financial impact assessments for transition risks, physical risks, and climate opportunities, and plan mitigation and adaptation actions accordingly to reduce the impact of climate change on operations and finances. Regarding transition risk, it mainly arises from customers' increasing demands for low-carbon and environmental performance of products, which may affect product competitiveness and order opportunities, as well as supply-chain disruptions or unstable supply that could lead to capacity reductions, delivery delays, and impacts on operating revenue. Regarding physical risk, extreme weather events such as heavy rain and typhoons may cause equipment damage, increased operating costs, production interruptions, and reduced output, thereby affecting operating revenue. Conversely, by strengthening supply-chain resilience, improving energy efficiency, and deepening global deployment, the company can lower variable costs, enhance operational resilience, and strengthen medium- to long-term market competitiveness.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	4. The Board of Directors serves as the highest governance body, led by the PureCSR Management Committee, whose members are composed of supervisors from each unit. At least once a year, it reports to the Board the results of climate-change and other risk identification and the corresponding response measures. The subordinate PureCSR Implementation Team is responsible for coordinating relevant departments across all plant sites to participate in risk and opportunity assessments, and for reporting response measures and implementation performance to the PureCSR Management Committee.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	5. Identify climate risks and opportunities according to the four-pillar framework of the Task Force on Climate-related Financial Disclosures (TCFD), and conduct scenario analyses of transition risk (carbon pricing) and physical risk (flooding) to understand how climate change will affect Pegatron's operations and finances, so that proactive action strategies can be formulated. The analysis scenarios and assumptions are described in the table below; for detailed information, please refer to the 2025 Sustainability Report.

Item	Implementation status

	Climate Scenario	Parameter Assumptions
Transition risk (carbon fee scenario analysis)	Current Policies Scenario, CPS	Considering the current policy context, taking into account the policies and regulations already in effect, and adopting a more conservative view on the deployment and integration speed of emerging energy technologies.
	Stated Policies Scenario, STEPS	The existing policy scenario covers a broader range of policies, including those that have been formally proposed but not yet adopted, as well as other official strategic documents that can indicate future development directions. In this scenario, the barriers to introducing new technologies are lower than those of CPS, but STEPS does not assume that countries can fully achieve their declarative goals.
	Net Zero Emissions by 2050 Scenario, NZE	The 2050 net-zero emissions scenario describes a pathway that reduces global energy-related carbon dioxide (CO_2) emissions to net zero by 2050, while acknowledging that each country will follow different transformation routes based on its own conditions and national circumstances.

Item	Implementation status		
	Physical risk (flood scenario analysis)	RCP 4.5 (2081~2100)	The flood climate risk assessment references the climate-change scenario settings of the IPCC 2021 Sixth Assessment Report (AR6), using multiple combinations of Shared Socio-Economic Pathways (SSPs) and Representative Concentration Pathways (RCPs) to evaluate the hazard level of extreme rainfall across different time scales; it also references government-published disaster maps and the World Resources Institute (WRI) Aqueduct Floods analysis to assess the extent and vulnerability of disaster zones. Exposure is inventoried based on the locations of our company's operational sites in Taiwan. By integrating the hazard, vulnerability, and exposure assessment results, site risk levels are classified, and the highest risk level among the sites is used as the basis for the overall risk determination.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	6. In response to transformation risks, the company is developing a low-carbon transformation plan for the Pegatron Group and its supply chain. The plan includes setting the company's energy-saving and carbon-reduction targets and promoting related measures, as well as planning to lead subsidiaries and the supply chain in conducting greenhouse-gas inventories and implementing an energy management system. To mitigate physical risks, each plant has established emergency response plans, formulating countermeasures based on the environmental conditions of the plant's location.		

Item	Implementation status
	Climate-related indicators and targets include: (1) Carbon-reduction targets: a. Target: By 2030, compared with 2021, reduce absolute Scope 1 and Scope 2 greenhouse-gas emissions by 42% and absolute Scope 3 emissions by 25%, and achieve net-zero emissions by 2050. b. Scope 1 and 2 baseline year data: 796,956.51 t CO_2e, Scope 3 baseline year data: 44,833,405.42 t CO_2e. c. Reduction measures: include promoting energy-saving measures, procuring renewable energy, etc. (2) Energy-saving targets: a. Target: By 2030, compared with 2021, reduce electricity consumption per unit of revenue by 25%. b. Baseline data: 2.11 GJ per million (currency). c. Reduction measures: include replacing outdated equipment, promoting energy management, etc.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	7. Pegatron uses a shadow-price method for internal carbon pricing, with the price level referenced to the regulatory and international carbon-pricing pathway mid-term scenario expressed in USD $/ton of CO_2-equivalent. The calculation model covers Taiwan's post-2030 carbon-fee forecast scenario, the IPCC 1.5 °C 2030 pathway, the IEA net-zero 2030 scenario, and the IPCC 2 °C 2030 scenario, ensuring that the internal carbon price reflects both national policy expectations and international transition benchmarks. This methodology integrates the forecasted costs from each scenario, selecting a mid-term value as a balanced reference point to serve both risk assessment and investment-decision guidance. The underlying assumptions include: Taiwan's carbon fee will be gradually increased in line with the government's climate commitments; international carbon prices will converge to a specific range before 2030; the internal carbon price is denominated in USD $ and does not currently account for major inflation adjustments; the current applicable scope covers Scope 1 and Scope 2 emissions.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs)	8. The company's carbon-reduction target is to lower absolute greenhouse-gas emissions in Scope 1 and Scope 2 by 42% and in Scope 3 by 25% in 2030 compared with 2021, and to achieve net-zero emissions by 2050. The scope covered includes facilities over which the company has operational control. In 2025, greenhouse gas emissions for Scope 1 and 2 were 525,726.41 tons CO_2e, a 34.03% reduction compared with the baseline year (2021) emissions of 796,956.51 tons CO_2e. The 2025 greenhouse gas Scope 3 emissions are being calculated.

Item	Implementation status
are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	
9. Greenhouse gas inventory and assurance status along with reduction targets, strategies, and specific action plans (separately filled in sections 1-1 and 1-2).	9. The company has been conducting greenhouse gas inventories since 2009 and each year completes the previous year's greenhouse gas inventory and assurance by the end of June. The company has disclosed the 2024 greenhouse gas inventory and assurance in its sustainability report; for the 2025 greenhouse gas inventory and assurance, please refer to the 2025 sustainability report.

2.2.7.1.1 Last Two Fiscal Years Greenhouse Gas Inventory and Assurance Status

Basic information of the company ☑ Capital of NT$10 billion or more, iron and steel industry, or cement industry □ Capital of NT$5 billion or more but less than NT$10 billion □ Capital of less than NT$5 billion	Minimum required disclosure under the Sustainable Development Roadmap for TWSE/TPEx Listed Companies: ☑ Inventory for parent company only ☑ Inventory for all consolidated entities ☑ Assurance for parent company only □ Assurance for all consolidated entities

2024 Greenhouse Gas Inventory

Scope 1	Total emissions (tons CO_2e)	Intensity (tons CO_2e/NT$ 1 million)	Data coverage	Assurance scope	Assurance body	Assurance standard	Assurance statement
Parent Company	1,458.64	0.0014	The data covers the parent company (Pegatron Corporation) and 118 affiliated enterprises consolidated in the 2024 annual report.	As greenhouse gas assurance opinions is not obtained by the printing date of the annual report, the full assurance information will be disclosed in the sustainability report.			
Taiwanese subsidiary (30 companies)	21,303.83	0.34					
Chinese subsidiary (25 companies)	11,322.63	0.02					
American subsidiary (12 companies)	302.76	0.010					
European Union subsidiary (4 companies)	54.63	0.01					
Subsidiaries in other countries (47 companies)	2,070.60	0.01					
Total	36,513.09	0.05					
Scope 2							
Parent Company	22,531.41	0.02					
Taiwanese subsidiary (30 companies)	301,822.10	4.78					
Chinese subsidiary (25 companies)	108,599.11	0.22					
American subsidiary (12 companies)	1,142.58	0.04					
European Union subsidiary (4 companies)	2,190.33	0.40					
Subsidiaries in other countries (47 companies)	64,027.20	0.31					
Total	500,312.74	0.63					

2025 Greenhouse Gas Inventory

Scope 1	Total emissions (tons CO_2e)	Intensity (tons CO_2e/NT$ 1 million)	Data coverage	Assurance scope	Assurance body	Assurance standard	Assurance statement
Parent Company	589.17	0.0006	The data covers the parent company (Pegatron Corporation) and 115 affiliated enterprises consolidated in the 2025 annual report.	As greenhouse gas assurance opinions is not obtained by the printing date of the annual report, the full assurance information will be disclosed in the sustainability report.			
Taiwanese subsidiary (30 companies)	14,732.05	0.1512					
Chinese subsidiary (22 companies)	6,053.41	0.0329					
American subsidiary (14 companies)	281.75	0.0084					
European Union subsidiary (5 companies)	50.89	0.0094					
Subsidiaries in other countries (44 companies)	435.78	0.0023					
Total	22,143.05	0.0437					
Scope 2							
Parent Company	21,459.87	0.02					
Taiwanese subsidiary (30 companies)	321,829.39	3.30					
Chinese subsidiary (22 companies)	68,420.50	0.37					
American subsidiary (14 companies)	1,003.83	0.03					
European Union subsidiary (5 companies)	1,734.79	0.32					
Subsidiaries in other countries (44 companies)	89,134.98	0.48					
Total	503,583.36	0.99					

2.2.7.1.2 Greenhouse gas reduction targets, strategies, and action plans

(1) Base year: The base year is 2021, and the scope 1 and 2 greenhouse gas emissions in this year are 796,956.51 (tons CO2e), Scope 3 greenhouse gas emissions are 44,833,405.42 tons CO_2e.

(2) Reduction target: Reduce scope 1, 2 GHG emissions 42% and scope 3 GHG emissions 25% by 2030 from a 2021 base year and reach net zero by 2050.

(3) Strategies and action plans: Replace old equipment, optimize engineering technology, adjust management methods, establish a digital management system, and increase the use of renewable energy

(4) Achievement of reduction targets: In 2025, greenhouse gas emissions for Scope 1 and 2 were 525,726.41 tons CO_2e, a 34.03% reduction compared with the baseline year (2021) emissions of 796,956.51 tons CO_2e. The 2025 greenhouse gas Scope 3 emissions are being calculated.

2.2.8 Implementation of Ethical Corporate Management Best Practice Principles:

Items	Implementation Status			Non-implementation and its reason(s)
	Y	N	Summary	
1. Ethical Corporate Management Policy (1) If the Company established ethical corporate management policy approved by the Board and specified procedures in its internal policies and external document? If the Board of Directors and the management team committed to enforce such policies rigorously and thoroughly?	V		(1) The Board of Directors approved Ethical Corporate Management Policy and Codes of Ethical Conduct on Nov 10, 2014. Both policy and code of conduct include Ethical Corporate Management Policy is clearly stated in the internal policy and external documents. Board of Directors and management team are fully committed to implement such policies rigorously and thoroughly on internal management and external business dealings.	None
(2) If the Company executed any measures to prevent unethical conduct and clearly prescribed the specific ethical management practice including operational procedures, guiding principles, penalties, and grievance channels? If the Company reviewed the execution of these measures periodically and revised the measures where necessary.	V		(2) The Company established and stipulated preventive measures of unethical conduct, penalties in the Code of Business Ethics and Business Gifts and Entertainment Policy. All employees shall follow these guiding principles with integrity, confidentiality, and respect.	
(3) If the Company established a system to periodically evaluate business activities which are possibly at a higher risk of being involved in an unethical conduct and if relevant prevention policy covering business activities specified in the second paragraph of Article 7 of Ethical Corporate Management Best Practice Principles for TWSE/GTSE Listed Companies established thereof?	V		(3) The Company adopted preventive measures against business activities within the business scope which are possibly at higher risks of being involved in an unethical conduct.	
2. Implementation of Ethical Corporate Management (1) If the Company checked whether the respective counterparty holds any record of unethical misconduct and if the contract terms required the compliance of	V		(1) Prior any business engagement, the Company checks the counterparty's legitimacy and record of unethical conduct. All venders are required to sign "Statement of	None

Items	Implementation Status			Non-implementation and its reason(s)
	Y	N	Summary	
ethical corporate management policy?			Integrity," which stipulated the contractual liability for violation of ethical conduct.	
(2) If the Company set up a unit, under the direct supervision of the Board of Directors, to handle the implementation and supervision of ethical corporate management as well as prevention of unethical conduct and reported to the Board of Directors periodically (annually)?	V		(2) The Company values the great significance of integrity and ethical business conduct. Therefore HR&ADM Center, Legal & IPR Center, Audit Office, Stock Affairs Office and relevant departments have been assigned to establish Ethical Corporate Management Policy and its prevention system, which requires the procurement center, and all other employees follow ethical policies under any business engagement. Any significant violations and findings will be reported to the Board of Directors annually. Implementation of Ethical Corporate Management in 2025 was reported to the Board of Directors on November 12, 2025. Please refer to Note 1 for "The implementation in 2025."	
(3) If the Company established a policy on prevention of conflict of interests, provided appropriate reporting channel and executed rigorously and thoroughly?	V		(3) The Company established measures to prevent conflict of interests and an appropriate reporting channel is provided to report any potential risks of conflict of interest.	
(4) If the Company established an effective accounting system and internal control system and if internal auditing department formulated auditing plan based on the result of risk evaluation on unethical conduct and audited the compliance of prevention plan or authorized external accounting firm to conduct auditing?	V		(4) The Company established an accounting system and internal control system to evaluate business activities within the business scope which are possibly at a higher risk of being involved in an unethical conduct. Internal Audit would plan its annual audit scope based on the assessment of risks and report to the Board of Directors.	

Items	Implementation Status			Non-implementation and its reason(s)
	Y	N	Summary	
(5) If the Company organized training and awareness programs on ethical corporate management to internal and external parties?	V		(5) The Company presents Ethical Corporate Management during new employee orientation. In 2025, 677 employees attended the course and around 169.25 hours spent on hosting this introductory course. Shall there be any enquiries about the course, please contact Ms. Kao at Marie_Kao@pegatroncorp.com.	
3.Implementation of whistleblowing system (1) If the Company established a whistleblowing and reward system? Upon receiving a reported case, is there dedicated personnel handling the reported case?	V		(1) The Company set forth penalties for violation of ethical conduct and "Procedures for Handling Unethical Conduct Reporting Cases.” There is whistle-blowing mailbox (Honest_Box@pegatroncorp.com) and hotline (+886-2-5563-1275) posted in the corporate internal and external websites for reporting of any violations. Internal Audit Office will be the dedicated department of handling the reported cases.	None
(2) If the Company established standard operational procedures and relevant information confidentiality policy for investigation of reported cases and recommendation of preventive measures?	V		(2) A. The standard operation procedures for handling reported cases, the proceeding action after the investigation and the content of the reported case are handled in confidentiality are set forth in "Procedures for Handling Unethical Conduct Reporting Cases.” B. Operational procedures: a. Except the cases that are lack of information to investigate, the dedicated department shall report to the chairman based on the validated fact after completing the essential investigation. Information shall be reported to the board of directors if involving a director / a senior executive or any serious ethical conduct violation or significant damage to the Company occurred.	

Items	Implementation Status			Non-implementation and its reason(s)
	Y	N	Summary	
			b. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation. c. With respect to a confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence. The company shall take appropriate disciplinary actions depending on the severity of the event. C. Confidentiality policy: The Company assures whistleblower of the confidentiality, providing protection to whistleblower and personnel involved in the investigation against any unfair retaliation or treatment.	
(3) If the Company established any measures for protecting whistleblowers from inappropriate disciplinary actions?	V		(3) The Company set forth "Procedures for Handling Unethical Conduct Reporting Cases" and assures whistleblower of the confidentiality, providing protection to whistleblower and personnel involved in the investigation against any unfair retaliation or treatment.	
4. Information Disclosure (1) If the Company disclosed ethical corporate management policy and its status of implementation via corporate website or Market Observation Post System?	V		(1) Ethical corporate management policy was disclosed on the corporate website and Market Observation Post System. The Company also set up a designated area on the corporate website to promote ethical business conduct and implement measures such as declarations of ethical business conduct made by management team	None

Items	Implementation Status			Non-implementation and its reason(s)
	Y	N	Summary	
			and the emphasis on disciplines and honor. The content of the website is updated from time to time.	
5. If the Company established any guideline of ethical business conduct in accordance with “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies” and please state, the implementation status of the guideline and any reasons for non-implementation? None.				
6. If any other information that helped to understand the operation of ethical business conduct and its implementation. (i.e., Declarations, trainings, and conventions held with vender to promote ethical business conduct)? None.				

Note1: The implementation in 2025 is as follows:

Suppliers	All suppliers are required to sign a “Statement of Integrity” which stipulated the contractual liability for the violation of ethical conduct. 2,747 of 2,781 Suppliers signed “Statement of Integrity”, the signing rate is 98.78%. In 2025, 165 of 184 new suppliers signed a “Statement of Integrity”, the signing rate is 89.67%.
Training	The Company presents about ‘Ethical Corporate Management’ during new employee orientations. 677 new employees in 2025 attended the course and around 169.25 hours were spent on hosting this introductory course.
Commitment	All employees of Pegatron and 677 new employees in 2025 “signed Acknowledgement of Honesty, Integrity and Confidentiality.”
Disseminate	The Company sets up a designated area on the corporate website to promote ethical business conduct and implement measures such as declarations of ethical business conduct made by the management team. The content of the website is to be updated from time to time.

2.2.9 Other Important Information Regarding Corporate Governance: None.

2.2.10 Internal Control System:

- **Declaration of internal control:** Please refer to page 96.
- **If the Company is requested by the SEC to retain CPA’s service for examining internal control system, the Independent Auditor’s Report must be disclosed:** None.

Pegatron Corporation
Statement of Internal Control System

Date: March 11, 2026

Based on the findings of self-assessment, Pegatron Corporation states the following with regard to its internal control system in 2025

1. Pegatron is fully aware that establishing, operating, and maintaining an internal control system are the responsibilities of its Board of Directors and management. The aim of the internal control system is to provide reasonable assurance to effectiveness and efficiency of operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of financial reporting and compliance with of applicable laws, regulations, and bylaws.

2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can only provide reasonable assurance of accomplishing the aforementioned three objectives. Moreover, the effectiveness of an internal control system may be subject to changes of environmental or circumstances. Nevertheless, the internal control system of Pegatron contains self-monitoring mechanism and Pegatron takes corrective actions whenever a deficiency is identified.

3. Pegatron evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control System by Public Companies (herein below, the “Regulations”). The criteria adopted by the Regulations identify five constituent elements of internal control based on the process of management control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communications, and (5) monitoring activities. Each component further contains several items. Please refer to the Regulations for details.

4. Pegatron has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.

5. Based on the findings of the self-assessment mentioned in the preceding paragraph, Pegatron believes that, as of December 31, 2025, its internal control system (including its supervision and management of subsidiaries), as well as understanding the degree of achievement of its objectives concerning operational effectiveness and efficiency, reliability, timeliness, transparency and regulatory compliance of financial reporting, and compliance with the applicable laws, regulations and bylaws, were effective in design and operation, and reasonably assured the achievement of the above-stated objectives.

6. This Statement will be integral part of Pegatron’s Annual Report for the year 2025 and Prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Law.

7. This Statement has been passed by the Board of Directors in their meeting held on March 11, 2026, with zero of twelve attending directors expressing dissenting opinions, and all affirming the content of this Statement.

Pegatron Corporation

T.H. Tung
Chairman

Kuang-Chih Cheng
President and Co-CEO

Kuo-Yen Teng

2.2.11 Major Resolutions of Shareholders' Meeting and Board Meetings

2.2.11.1 Major Resolutions of Shareholders' Meeting and its Implementation Status:

Pegatron's 2025 Annual General Shareholder Meeting was held on June 6, 2025. At the meeting, shareholders presented in person or by proxy approved the following agendas:

(1) The 2024 Business Report and Financial Statements

(2) The proposal of 2024 Earning Distribution

Implementation status：Ex-dividend record date was in June 23, 2025. Cash dividend date was distributed on July 9, 2025, and cash dividends per share was NT$4.50282529.

(3) Amendment to the Company's Articles of Incorporation

Implementation status：Amendments were approved on July 22, 2025, and announced on the corporate website.

(4) Election of Directors

The list of elected directors is as follows：

Director：T.H. Tung, Jason Cheng, Ted Hsu, Peter Kuo, T.K. Yang, C.P. Hwang, HONG-YE Investment Co., Ltd. Rep.: H.T. Tung, DAI-HE Investment Co., Ltd. Rep.: E.L. Tung

Independent Director：C. Lin, Michael Wang, Charlotte W.W. Lin, Hong Hocheng

Implementation status：Announced on MOPS on the day of shareholder's meeting and completed amendment registration on July 22, 2025.

(5) Proposal of Release the Prohibition on Directors

Implementation status：Announced on MOPS on the day of shareholder's meeting.

2.2.11.2 Major Resolutions of Board Meetings

Date	Major resolutions	Disagreements from Independent Director	Responses to disagreements
2025.01.17	Approved the year-end bonus for managerial officers in year 2024.	None	None
2025.03.13	1. Approved the appropriated remuneration of 2024Y for employees and directors. 2. Approved 2024Y business report and financial statements. 3. Approved earnings distribution of year 2024. 4. Approved the amendment to the Company's Article of Incorporation. 5. Approved to hold the election for the seventh session of Board of Directors (including Independent Directors) of the Company. 6. Approved the list of nominated candidates of seventh session of Directors (including Independent Directors). 7. Approved the proposal for releasing the prohibition on new session of directors from participation in competitive business. 8. Approved the evaluation report for the independence and suitability based on Audit Quality Indicators of external Auditor. 9. Approved Pegatron's Internal Control System Statement of 2024Y. 10. Approved the amendment to the Company's Internal control system and internal audit implementation rules. 11. Approved to acquire 100% shareholdings of Hua-Yuan Investment Co., Ltd from Asus Investment Co., Ltd. 12. Approved to invest Hua-Yuan Investment Co., Ltd NTD$1,500M after acquire its ownership. 13. Approved the scheduling of 2025 Annual Shareholders' Meeting.	None	None
2025.05.14	1. Approved the 1st quarter 2025 consolidated financial report. 2. Approved to invest subsidiary Pegatron Electronics India Private Limited IDR$710M. 3. Approved to acquire land and building from HTC Corporation for NTD$5,638M (Including VAT). 4. Approved to sell land and building to KuoHong Real Estate Development Co.,Ltd. for NTD$2,805M (Including VAT). 5. Approved the eligible employees list of 2024Y restricted shares program, total number of granted shares is 21,229,000.	None	None
2025.06.06	1. The board of directors elected Mr. TH Tung as Chairman. 2. The board of directors elected Mr. Jason Cheng as Vice Chairman. 3. Approved the appointment of members of	None	None

	6th session compensation committee. 4. Approved the appointment of members of 5th session audit committee.		
2025.06.19	Approved to invest subsidiary in Texas, USA. US$85M.	None	None
2025.08.13	1. Approved Pegatron's 2024 Sustainability Report. 2. Approved the 2nd quarter 2025 consolidated financial report. 3. Approved to sell the shares of Luxsan Precision Industry (Kunshan) Co., Ltd. (owned by Aslink Precision Co., Ltd.). 4. Approved the adjustment of managerial officers' salary in year 2025. 5. Approved the distribution of Directors' remuneration in 2024.	None	None
2025.09.24	1. Approved to release the prohibition on managerial officer Mr. Kuang-Chih(Gary) Cheng & Mr. Kuo-Yen(Johnson) Teng from participation in competitive business. 2. Approved the performance bonus for managerial officers in year 2025.	None	None
2025.11.12	1. Approved the amendment to the Company's Internal control system. 2. Approved the amendment to the Company's internal audit implementation rules. 3. Approved the plan of internal auditing in year 2026. 4. Approved the 3rd quarter 2025 consolidated financial report. 5. Approved the total compensation for external auditor (KPMG) in year 2025. 6. Approved Pegatron's 2025 Corporate Value Enhancement Plan. 7. Approved the motivation and retention bonus for managerial officers.	None	None

2.2.12 Major Issues of Record or Written Statement Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors in 2025 and to the date of the annual report: None.

2.3 Information Regarding CPA Fees

Unit: NT$ thousands

CPA Firm	CPA	Auditing Period	Auditing Fees	Non-Auditing Fees	Total	Remark
KPMG	Shih-Chin Chih	Jan 1, 2025 ~ Dec 31, 2025	11,800	4,380	16,180	Non-auditing services include R&D investment tax credit, transfer pricing report, master file, CBC report, etc.
	Chun-Kuang Chen	Jan 1, 2025 ~ Dec 31, 2025				

information on audit fees in terms of amount, proportion, and reasons if the amount of audit fees decreased by 10% from the previous year: None.

2.4 Information on Change of CPA: None

2.5 If the chairman, president, and financial or accounting manager of the Company who had worked for the independent auditor or the related party in the most recent year, the name, title, and the term with the independent auditor or the related party must be disclosed: None.

2.6 Information on Net Change in Shareholding and Net Change in Shares Pledged by Directors, Department Heads and Shareholders of 10% Shareholding or More:

2.6.1 Information on Net Change in Shareholding

Title	Name	**2025**(Note 1)		**01/01/2026-02/28/2026**(Note 1)	
		Holding Increase (Decrease)	**Pledged Holding Increase (Decrease)**	**Holding Increase (Decrease)**	**Pledged Holding Increase (Decrease)**
Chairman and CSO	T.H. Tung	400,000	-	-	-
Vice Chairman and Deputy CSO	Jason Cheng	-	-	-	-
Director	Ted Hsu	-	-	-	-
Director	Peter Kuo	-	-	-	-
Director	T.K. Yang	-	-	-	-
Director	C.P. Hwang	-	-	-	-
Director	HONG-YE Investment Co., Ltd. Rep: H.T. Tung	-	-	-	-
Director and Senior Vice President	H.T. Tung	300,000	-	-	-
Director	HAI-HE Investment Co., Ltd Rep: E.L. Tung	-	-	-	-
	S. Chi	-	-	-	-
	E.L. Tung	-	-	-	-
Independent Director	C. Lin	-	-	-	-
Independent Director	Michael Wang	-	-	-	-
Independent Director	Charlotte W.W. Lin	-	-	-	-
Independent Director	Hong Hocheng	-	-	-	-
Shareholder of 10% shareholding or more	ASUSTEK COMPUTER INC.	-	-	-	-
Deputy Group CEO	S.J. Liao	200,000	-	-	-
President and Co-CEO	Kuang-Chih Cheng	600,000	-	-	-
President and Co-CEO	Kuo-Yen Teng	600,000	-	-	-
Senior Vice President	Te-Tzu Yao (Note 2)	(200,000)	-	-	-
Senior Vice President	Chung Yu Huang	(170,000)	-	-	-
Senior Vice President and Co-Chief Technology Officer	Pei-Chin Wang	200,000	-	-	-
Senior Vice President and Co-Chief Technology Officer	Yean-Jen Shue	350,000	-	-	-
Vice President	Chiu-Tan Lin	185,000	-	-	-
Vice President	Ming-Tung Hsu	194,000	-	-	-
Vice President	Tsung-Jen Ku Lai	225,000	-	-	-
Vice President	En-Bair Chang	225,000	-	-	-
Vice President	Tian-Bao Chang	80,000	-	-	-
Vice President	Hsi-Wen Lee	186,000	-	(6,000)	-
Vice President	Shaing-Shaing Wu (Note 2)	2,000	-	-	-
Vice President	Chen-Yu Feng	135,000	-	-	-
Vice President	Ting-Pang Huang	225,000	-	-	-
Vice President	Yi-Yung Wu	160,000	-	-	-

Title	Name	2025(Note 1)		01/01/2026-02/28/2026(Note 1)	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Vice President	Hsiang-Chieh Huang	300,000	-	-	-
Vice President	Ching-Ru Wu (Note 3)	220,000	-	-	-
Vice President and Chief Financial Officer	Ju-Hui Hsieh	190,000	-	-	-
Vice President and Corporate Governance Officer	Chieh-Tsung Chen	220,000	-	-	-

Note 1: Holding Increase (Decrease) included employee restricted stocks are under the custody of the Trust.
Note 2: Holding Increase (Decrease) of 2025 is from January 1st, 2025 to his resignation Date.
Note 3: Holding Increase (Decrease) of 2025 is from the on-board date to December 31, 2025.

2.6.2 Information of Shares Transferred: None.

2.6.3 Information of Equity Pledged: None.

2.7 The Relations of the Top Ten Shareholders as Defined in the Finance Standard Article 6:

Record Date：06/23/2025

Name	Shareholding		Spouse & Minor		Shareholding by Nominee Arrangement		The relationship between any of the Company's Top Ten Share holders		Remarks %
	Shares	%	Shares	%	Shares	%	Name	Relation	
ASUSTEK COMPUTER INC.	448,506,484	16.85	-	-	-	-	Jonney Shih	Chairman of ASUSTEK COMPUTER INC.	-
Yuanta/P-shares Taiwan Dividend Plus ETF	135,264,798	5.08	-	-	-	-	-	-	-
T.H.Tung	94,917,309	3.57	6,074,490	0.23	-	-	-	-	-
Fuh Hwa Taiwan Technology Dividend Highlight ETF	90,022,000	3.38	-	-	-	-	-	-	-
Jonney Shih	67,032,290	2.52	-	-	-	-	ASUSTEK COMPUTER INC.	Chairman	-
Ted Hsu	56,353,713	2.12	5,550,533	0.21	-	-	ASUSTEK COMPUTER INC.	Vice Chairman	-
Labor Pension Fund（The New Fund）	49,551,337	1.86	-	-	-	-	-	-	-
Morgan Stanley & Co. International Plc	42,048,050	1.58	-	-	-	-	-	-	-
Yuanta Taiwan Value High Dividend ETF	41,044,000	1.54	-	-	-	-	-	-	-
Cathay United Bank in Custody for Infinity No. 1 Company Investment Account	38,506,000	1.45	-	-	-	-	-	-	-

2.8 Long-Term Investment Ownership

Long-Term Investment	Ownership by Pegatron (1)		Direct/Indirect Ownership by Directors and Management (2)		Total Ownership (1) + (2)	
	Shares	%	Shares	%	Shares	%
Asuspower Investment Co., Ltd.	1,142,845	100%	-	0%	1,142,845	100%
Asus Investment Co., Ltd.	979,255	100%	-	0%	979,255	100%
Asustek Investment Co., Ltd.	951,278	100%	-	0%	951,278	100%
Hua-Yuan Investment Co., Ltd.	50,000	100%	-	0%	50,000	100%
Pegapower Investment Co., Ltd.	250,000	100%	-	0%	250,000	100%
Pegatron Investment Co., Ltd.	250,000	100%	-	0%	250,000	100%
Unihan Holding Ltd.	170,110	100%	-	0%	170,110	100%
AMA Precision Inc.	33,500	100%	-	0%	33,500	100%
AzureWave Technologies, Inc.	35,750	23.07%	13,697	8.84%	49,447	31.91%
Pegatron Holding Ltd.	991,906	100%	-	0%	991,906	100%
Pegatron USA, Inc.	300	100%	-	0%	300	100%
Pegatron Holland Holding B.V.	-	100%	-	0%	-	100%
Casetek Holdings Limited (Cayman)	-	100%	-	0%	-	100%
Pegatron Service Australia Pty, Ltd.	6,000	100%	-	0%	6,000	100%
PT Pegaunihan Technology Indonesia	40	99.9975%	-	0.0025%	40	100%
Pegatron Technology Hai Phong Company Limited	-	100%	-	0%	-	100%
Pegatron Vietnam Company Limited	-	60%	-	40%	-	100%
Tata Electronics Products and Solutions Private Limited	1,099,890	39.99%	110	0.01%	1,100,000	40%
Pegatron Electronics India Private Limited	149,985	99.99%	15	0.01%	150,000	100%
Pegatron Technology Texas Inc.	-	100%	-	0%	-	100%
Pegatron Electronics Inc.	5	100%	-	0%	5	100%
Pegaunihan Technology Malaysia Sdn. Bhd.	41,052	100%	-	0%	41,052	100%
Pegatron Mexico, S.A. de C.V.	93,770	24.40%	290,485	75.60%	384,255	100%

3. Capital and Shares

3.1 Capital and Shares

3.1.1 Type of Stock

As of 03/05/2026

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Share	2,682,165,103	317,834,897	3,000,000,000	Listed

3.1.2 Share Capital

As of 03/05/2026

Month/ Year	Par Value (NTD)	Authorized Capital		Paid-in Capital		Remark		
		Shares (1,000)	Amount (NT$1,000)	Shares (1,000)	Amount (NT$1,000)	Sources of Capital	Capital Increased by Assets Other than Cash	Date of Approval and Document No.
02/2025	10	3,000,000	30,000,000	2,663,177	26,631,771	Cancelling employee restricted stocks of NT$110 thousands	-	Note 1
05/2025	10	3,000,000	30,000,000	2,663,158	26,631,576	Cancelling employee restricted stocks of NT$195 thousands	-	Note 2
09/2025	10	3,000,000	30,000,000	2,683,872	26,838,716	Issuing employee restricted stocks of NT$207,140 thousands	-	Note 3
10/2025	10	3,000,000	30,000,000	2,682,213	26,822,126	Cancelling employee restricted stocks of NT$16,590 thousands	-	Note 4
12/2025	10	3,000,000	30,000,000	2,682,200	26,822,001	Cancelling employee restricted stocks of NT$125 thousands	-	Note 5
02/2026	10	3,000,000	30,000,000	2,682,165	26,821,651	Cancelling employee restricted stocks of NT$350 thousands	-	Note 6

Note 1: 02/26/2025 Jin So Son Tzi No. 11430021750
Note 2: 05/26/2025 Jin So Son Tzi No. 11430072540
Note 3: 09/10/2025 Jin So Son Tzi No. 11430115990
Note 4: 10/01/2025 Jin So Son Tzi No. 11430139140
Note 5: 12/01/2025 Jin So Son Tzi No. 11430185970
Note 6: 02/13/2026 Jin So Son Tzi No. 11530018140

3.1.3 Information for Shelf Registration: None.

3.1.4 List of Major Shareholders

Record Date：06/23/2025

Shareholder's Name	Shareholding	
	Shares	Percentage
ASUSTEK COMPUTER INC.	448,506,484	16.85
Yuanta/P-shares Taiwan Dividend Plus ETF	135,264,798	5.08
T.H.Tung	94,917,309	3.57
Fuh Hwa Taiwan Technology Dividend Highlight ETF	90,022,000	3.38
Jonney Shih	67,032,290	2.52
Ted Hsu	56,353,713	2.12
Labor Pension Fund（The New Fund）	49,551,337	1.86
Morgan Stanley & Co. International Plc	42,048,050	1.58
Yuanta Taiwan Value High Dividend ETF	41,044,000	1.54
Cathay United Bank in Custody for Infinity No. 1 Company Investment Account	38,506,000	1.45

3.1.5 Dividend Policy and Execution Status

3.1.5.1 Dividend Policy Stipulated in the Company's Articles of Incorporation

The dividend policy in the Company's Articles of Incorporation is stated as below:

Article 28: When it is determined that the Company has earnings for a fiscal year, the earnings shall firstly be appropriated to profit-seeking enterprise tax payable and make up the losses of previous years. Then, the Company shall provide 10% of the remaining earnings as the legal reserve if there is any remaining amount, unless such legal reserve has amounted to the paid-in capital, and then set aside the special reserve in accordance with the requirements under the laws and regulations or of the competent authorities.

The remaining and the accumulated undistributed earnings of previous years may then be distributed or kept after the board of directors has made proposal of earnings distribution, and the distributable dividend and bonus may be paid in issuing new shares after a resolution has been adopted by special resolution of shareholders' meeting.

According to Article 240, paragraphs 5 of Company Act, the distributable dividends and bonus in whole or in part or the legal reserve and capital reserved in whole or in part which are brought in Article 241, paragraphs 1 of Company Act may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article 28-1: The distribution of the dividends of the Company will be coordinated with the surplus of that year based on the principle of stabilization. Considering rapid changes occurring in the industry where the Company operates and potential funding needs to support long term business strategy, the Company established a balanced dividend policy. If the Company would set aside dividend under Article 28, the amount shall not be lower than 10% of distributable surplus of the fiscal year, and the cash dividend would be at least ten percent (10%) of the total dividend in the shareholders bonus to be distributed.

3.1.5.2 Proposed Dividend Distribution

The Board approved the proposal for 2025 dividend distribution at its meeting on March 11, 2026. The proposal will become effective according to the relevant regulations, upon the approval of shareholders at the Annual General Shareholders' Meeting on May 28, 2026.

Unit: NT$

Items	Amount	
	Subtotal	Total
Beginning Retained Earnings	-	57,477,167,666
Add: Net Profit After Tax	-	14,402,599,736
Add: Expiration of Restricted Stock Issued to Employees	-	14,369,862
Add: Disposal of equity investment measured at fair value through other comprehensive income		1,279,116,124
Minus: Remeasurement of Defined Benefits Plans	-	(1,877,742)
Distributable Net Profit	-	73,171,375,646
Minus: Special Reserve Appropriated	-	(1,609,107,032)
Minus: 10% Legal Reserve	-	(1,569,420,798)
Minus: Cash Dividend	-	(10,728,660,412)
Unappropriated Retained Earnings	-	59,264,187,404

3.1.5.3 Explanation of Expected Significant Changes in Company's Dividend Policy: None.

3.1.6 Impact to 2025 Business Performance and EPS resulting from Stock Dividend Distribution: Not Applicable**.**

3.1.7 Compensation to Employees and Remuneration to Directors:

3.1.7.1 Compensation to employees and remuneration to directors stipulated in the Company's Articles of Incorporation

In Company' Articles of Incorporation provides that:

Article 26-1: When it is determined that the Company has profit for a fiscal year, the Company shall appropriate the employees' and directors' remuneration according to the following sequence. But, in the case that the Company still has retained losses, the Company should appropriate sufficient amount for making up the losses of previous year and then appropriate according to the following sequence:

1. At least 7% of the profit shall be allocated as the remuneration of employees, and at least 35% of the remuneration of employees shall be allocated as the remuneration for non-executive employees. The remuneration of employees and the remuneration for non-executive employees may be paid in cash or in the form of shares, and qualified employees of the parent and subordinate companies, who meet qualification requirements, may be included. The qualification requirements shall be determined by the board of directors.
2. At most 7‰ of the profit shall be allocated as directors' remuneration.

In this article, the "profit" means the net profit before tax, employees' remuneration and directors' remuneration.

3.1.7.2 Accounting treatment applied to the difference between actual and estimated compensation to employees and remuneration to directors.

Shall there be any difference between the actual amount of compensation and remuneration approved by Annual Shareholders' Meeting and that of the estimation, it will be deemed as the changes in accounting estimates and will be recognized in the profit and loss account of the distributing year.

3.1.7.3 Remuneration distribution to employees in 2025 resolved by the Board of Directors

a. Proposed remuneration to employees and remuneration to directors.

	Amount (NT$)
Remuneration to Employees	1,439,000,000
Remuneration to Directors	143,000,000

b. Proposed stock-based remuneration to employees as a percentage of total employee remuneration and of net income from standalone financial report:

No stock-based remuneration was distributed in 2025.

3.1.7.4 Distribution of remuneration to employees and remuneration to directors in 2024 resolved by the Annual Shareholders Meeting on June 6, 2025.

	Amount (NT$)
Remuneration to Employees	1,741,000,000
Remuneration to Directors	174,000,000

Above cash bonus and compensation, being approved by the Board, has been expensed under the Company's 2024 income statements. There is no difference between the amounts approved in the shareholders' meeting and those of the estimation recognized in the financial statements.

3.1.8 Buyback of Common Stock: None.

3.2 Issuance of Corporate Bond:

As of 03/05/2026 ; Unit: NT$

Type of Corporate Bonds	Domestic Unsecured Bond (108-1)
Issuance Date	2019/06/13
Denomination	NT$1,000,000
Offering Price	At Par
Total Amount	NT$8,500,000,000
Coupon	Tranche A: 0.85% p.a. Tranche B: 0.95% p.a.
Tenure & Maturity Date	Tranche A: 5 years Maturity: 2024/06/13 Tranche B: 7 years Maturity: 2026/06/13
Guarantor	None
Trustee	Taipei Fubon Commercial Bank Co., Ltd
Underwriter	Yuanta Securities Co., Ltd
Legal Counsel	Hui-Chi Kuo
Auditor	Kuo-Yang Tseng / Chi-Lung Yu
Type of Corporate Bonds	Domestic Unsecured Bond (108-1)
Repayment	Bullet
Outstanding	NT$2,500,000,000
Redemption or Early Repayment Clause	None
Covenants	None
Credit Rating	twAA- (Taiwan Ratings Corporation, 01/29/2026)
Other Rights of Bondholders 1. Amount of Converted or Exchanged Common Shares, GDRs, or Other Securities 2. Conversion Right	1. Not applicable 2. None
Dilution Effect sand Other Adverse Effects on Existing Shareholders	None
Custodian	None

Type of Corporate Bonds	Domestic Unsecured Bond (109-2)	Domestic Unsecured Bond (110-1)
Issuance Date	2021/01/08	2021/12/02
Denomination	NT$1,000,000	
Offering Price	At Par	
Total Amount	NT$3,500,000,000	NT$8,900,000,000
Coupon	Tranche A: 0.43% p.a. Tranche B: 0.58% p.a.	Tranche A: 0.56% p.a. Tranche B: 0.65% p.a.
Tenure & Maturity Date	Tranche A: 5 years Maturity: 2026/01/08 Tranche B: 7 years Maturity: 2028/01/08	Tranche A: 5 years Maturity: 2026/12/02 Tranche B: 7 years Maturity: 2028/12/02
Guarantor	None	
Trustee	Taipei Fubon Commercial Bank Co., Ltd	
Underwriter	Hua Nan Commercial Bank, Ltd.	Yuanta Securities Co., Ltd
Legal Counsel	Hui-Chi Kuo	
Auditor	Kuo-Yang Tseng / Chi-Lung Yu	
Type of Corporate Bonds	Domestic Unsecured Bond (109-2)	Domestic Unsecured Bond (110-1)
Repayment	Bullet	
Outstanding	NT$1,300,000,000	NT$8,900,000,000
Redemption or Early Repayment Clause	None	
Covenants	None	
Credit Rating	twAA- (Taiwan Ratings Corporation, 01/29/2026)	
Other Rights of Bondholders 1. Amount of Converted or Exchanged Common Shares, GDRs, or Other Securities 2. Conversion Right	1. Not applicable 2. None	
Dilution Effect sand Other Adverse Effects on Existing Shareholders	None	
Custodian	None	

3.3 Preferred Shares (with stock option): None.

3.4 Issuance of Global Depository Receipts:

As of 03/05/2026

Item \ Date of Issuance			August 9, 2010
Date of issuance (Process)			08/09/2010
Location and Issuance and Trade			Luxemburg Stock Exchange
Total Amount			Non applicable
Unit Price (in NT$ per GDS)			NT$37.70
Total Issuance			12,163,804
Source of Common Stock Registration			One GDS stands to five common shares of Pegatron
Total Marketable Security Shares Recognized			Stands for 60,819,020 common shares of Pegatron
Rights and Obligations of GDR Holders			Same as those of common share holders (See Deposit Agreement and Custody Agreement for Details)
Trustee			Non applicable
GDR Institute			Citibank N.A.
Depositary Institute			Citibank Taiwan Limited
Outstanding GDSs (as of December 31, 2025)			215,287 GDRs
Issuance and Expense Amortization throughout the Issuance Period			Annual listing fees and accountant fees were borne by Pegatron
GDR Agreement and Depositary Agreement			See Deposit Agreement and Custody Agreement for Details
Market Price per unit (US$)	2025	Max.	US$15.00
		Min.	US$10.50
		Average	US$12.93
	As of March 05, 2026	Max.	US$11.70
		Min.	US$10.80
		Average	US$11.17

3.5 Employee Stock Option: None.

3.6 Employee Restricted Stocks

3.6.1 Issuance of Employee Restricted Stocks

As of 02/28/2026; Unit: Shares

Type of Restricted Shares	Grant of 2024
Approval Date by the Authority and total number of shares	2024/09/10 / 45,000,000
Grant Date	2025/07/03
Number of Employee Restricted Stock Granted	20,714,000
Number of Employee Restricted Stock still available for Issuance	24,286,000
Price of Issuance	NT$10
Percentage of Employee Restricted Stocks to Outstanding Common Shares	0.77%
Conditions for Exercise of Employee Restricted Stocks	A. Company performance criteria: a. Earnings per share (“EPS”)：On the date RSAs are scheduled to be vested, the average EPS based on the financial statements of the recent three years is higher than the average EPS or median of average EPS of the peer group. b. The peer group in the preceding sub-paragraph mean HON HAI Precision Industry Co., Ltd., Quanta Computer Inc., Compal Electronics Inc., Wistron Corp., and Inventec Corporation. c. The EPS in the first sub-paragraph means basic EPS disclosed in the consolidated statements of comprehensive income of the consolidated financial statements audited by CPA. B. Employee performance criteria: a. Employees who, after subscribing for RSAs, have served for one year, achieved level B or above for their biannual performance evaluations and did not have any violations against the law, employment contract, acknowledgement of honesty, integrity and confidentiality, work rules, or business ethics and code of conducts during the first year are vested with 30% of the total subscribed RSAs. b. Employees who, after subscribing for RSAs, have served for two years, achieved level B or above for their biannual performance evaluations and did not have any violations against the law, employment contract, acknowledgement of honesty, integrity and confidentiality, work rules, or business ethics and code of conduct during the second year are vested with 35% of the total subscribed RSAs. c. Employees who, after subscribing for RSAs, have served for three years, achieved level B or above for their biannual performance evaluations and did not have any violations against the law, employment contract, acknowledgement of honesty, integrity and confidentiality, work rules, or business ethics and code of conduct during the third year are vested with 35% of the total subscribed RSAs.
Limitations to the Rights of Employee Restricted Stocks	A. Before fulfilling the vesting conditions, the restricted shares under the custody shall not be sold, pledged, transferred, and gave as gifts to others or any other means of disposal.

Type of Restricted Shares	Grant of 2024
	B. Voting rights: To be conducted by the Trust in accordance with the relevant laws and regulations.
Custody of Employee Restricted Stocks	A total of 20,659,000 shares delivered to the Trust
Procedures for Non-Compliance of the Conditions	The Company can buy back and cancel all restricted stocks from any employee who received restricted stocks but fail to comply with the conditions.
Number of Employee Restricted Stocks Bought Back (Note 1)	156,000
Number of Employee Restricted Stocks Free from Custody	0
Number of Employee Restricted Stocks under Custody	20,558,000
Number of Employee Restricted Stocks under Custody to Outstanding Common Shares (%)	0.77%
Impact on Shareholders' Equity	A. Potential expense: The number of restricted stocks proposed at 2024 Annual General Shareholders' Meeting is 45,000,000 shares at NT$10 as issuance price. The Company shall evaluate the fair value of the stocks on the issuance date and accrue relevant cost over the issuance period. The potential expense incurred is estimated at NT$953,427 thousands. In accordance with the conditions for exercising restricted stocks set forth in the preceding paragraph, the annually expensed amount was NT422,777 thousands in 2025. The annually expensed amount is estimated at NT$349,033 thousands, NT$147,714 thousands and NT$33,903 in 2026, 2027 and 2028 respectively. B. Potential impact to dilution of earnings per share (EPS) and other factors that may affect shareholder's equity: Potential dilution of EPS based on the existing outstanding ordinary shares of 2,682,145,103 shares, is estimated at NT$0.16, NT$0.13, $0.06 and NT$0.01 in 2025, 2026, 2027 and 2028 respectively. Since the potential impact to EPS is limited, we do not expect any material impact to shareholders' equity.

3.6.2 Information on Name of Managers and Top 10 Employees obtaining Employee Restricted Stocks

As of 02/28/2026; Unit: Shares; %; NT$

Position	Title	Name	Number of Employee Restricted Shares	Number of Employee Restricted Stocks to Outstanding Common Shares	Free from the Trust				Under the Trust			
					Number of Employee Restricted Stocks Free from Custody	Price of Issuance	Total Amount of Issuance	Number of Employee Restricted Stocks Free from Custody to Outstanding Common Shares (%)	Number of Employee Restricted Stocks under Custody	Price of Issuance	Total Amount of Issuance	Number of Employee Restricted Stocks under Custody to Outstanding Common Shares (%)
	CSO	T.H. Tung										
	Deputy Group CEO	S.J. Liao										
	President and Co-CEO	Kuang-Chih Cheng										
	President and Co-CEO	Kuo-Yen Teng										
	Senior Vice President	H.T. Tung										
	Senior Vice President	Chung Yu Huang										
	Senior Vice President and Co-Chief Technology Officer	Pei-Chin Wang										
	Senior Vice President and Co-Chief Technology Officer	Yean-Jen Shue										
	Vice President	Chiu-Tan Lin										
	Vice President	Ming-Tung Hsu										
Management Team	Vice President	Tsung-Jen Ku Lai	5,500,000	0.21%	-	10	-	0%	5,500,000	10	55,000,000	0.21%
	Vice President	En-Bair Chang										
	Vice President	Tian-Bao Chang										
	Vice President	Hsi-Wen Lee										
	Vice President	Chen-Yu Feng										
	Vice President	Ting-Pang Huang										
	Vice President	Yi-Yung Wu										
	Vice President	Hsiang-Chieh Huang										
	Vice President	Ching-Ru Wu										
	Vice President and Chief Financial Officer	Ju-Hui Hsieh										
	Vice President and Corporate Governance Officer	Chieh-Tsung Chen										

<table>
<tr><th rowspan="2">Position</th><th rowspan="2">Title</th><th rowspan="2">Name</th><th rowspan="2">Number of Employee Restricted Shares</th><th rowspan="2">Number of Restricted Employee Shares to Outstanding Common Shares</th><th colspan="4">Free from the Trust</th><th colspan="4">Under the Trust</th></tr>
<tr><th>Number of Employee Restricted Stocks Free from Custody</th><th>Price of Issuance</th><th>Total Amount of Issuance</th><th>Number of Employee Restricted Stocks Free from Custody to Outstanding Common Shares (%)</th><th>Number of Employee Restricted Stocks under Custody</th><th>Price of Issuance</th><th>Total Amount of Issuance</th><th>Number of Employee Restricted Stocks under Custody to Outstanding Common Shares (%)</th></tr>
<tr><td rowspan="31">Employee</td><td>Executive Director</td><td>Yuan-Ching Wang</td><td rowspan="31">4,415,000</td><td rowspan="31">0.16%</td><td rowspan="31">-</td><td rowspan="31">10</td><td rowspan="31">-</td><td rowspan="31">0%</td><td rowspan="31">4,415,000</td><td rowspan="31">10</td><td rowspan="31">44,150,000</td><td rowspan="31">0.16%</td></tr>
<tr><td>Executive Director</td><td>Mei-Hui Wang</td></tr>
<tr><td>Executive Director</td><td>Ya-Li Wang</td></tr>
<tr><td>Executive Director</td><td>Wei-Kuo Mao</td></tr>
<tr><td>Associate Vice President</td><td>Ching-Yeh Tso</td></tr>
<tr><td>Associate Vice President</td><td>Ka-Wai Kong</td></tr>
<tr><td>Associate Vice President</td><td>Yi-Chung Shen</td></tr>
<tr><td>Executive Director</td><td>Pei-Guei Li</td></tr>
<tr><td>Executive Director</td><td>Mei-Chi Lee</td></tr>
<tr><td>Associate Vice President</td><td>Wei-Pang Lee</td></tr>
<tr><td>Executive Director</td><td>Wei-Chen Lee</td></tr>
<tr><td>Executive Director</td><td>Wen-Pin Li</td></tr>
<tr><td>Executive Director</td><td>Tung-Yu Wu</td></tr>
<tr><td>Executive Director</td><td>Tang-Ou Tan</td></tr>
<tr><td>Associate Vice President</td><td>Ye-yu Jou</td></tr>
<tr><td>Associate Vice President</td><td>Yi-Hsuan Lin</td></tr>
<tr><td>Executive Director</td><td>Lee-Hsin Lin</td></tr>
<tr><td>Executive Director</td><td>Yung-Ching Lin</td></tr>
<tr><td>Executive Director</td><td>Yen-Jen Lin</td></tr>
<tr><td>Associate Vice President</td><td>Kuo-Jung Hsu</td></tr>
<tr><td>Executive Director</td><td>Chien-Yuan Chen</td></tr>
<tr><td>Executive Director</td><td>Chih-He Chen</td></tr>
<tr><td>Executive Director</td><td>Chin-Yu Chen</td></tr>
<tr><td>Executive Director</td><td>Po-Ching Hsu</td></tr>
<tr><td>Executive Director</td><td>Suo-Pai Jang</td></tr>
<tr><td>Associate Vice President</td><td>Jen-Chieh Huang</td></tr>
<tr><td>Executive Director</td><td>Chen-Chang Huang</td></tr>
<tr><td>Executive Director</td><td>Ching-Wei Huang</td></tr>
<tr><td>Executive Director</td><td>Hsiao-Fang Tseng</td></tr>
<tr><td>Executive Project Director</td><td>Shen-Pei Yang</td></tr>
<tr><td>Associate Vice President</td><td>Li-Ling Chao</td></tr>
</table>

Position	Title	Name	Number of Employee Restricted Shares	Number of Restricted Employee Shares to Outstanding Common Shares	Free from the Trust				Under the Trust			
					Number of Employee Restricted Stocks Free from Custody	Price of Issuance	Total Amount of Issuance	Number of Employee Restricted Stocks Free from Custody to Outstanding Common Shares (%)	Number of Employee Restricted Stocks under Custody	Price of Issuance	Total Amount of Issuance	Number of Employee Restricted Stocks under Custody to Outstanding Common Shares (%)
Employee	Associate Vice President	I-Sheng Tsai	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above	Same as Above
	Associate Vice President	Che-Yen Lai										
	Executive Director	An-Chu Hsiao										
	Associate Vice President	Yu-Ching Lo										

Note : Employees who granted the same number of shares are being listed.

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3.7 Status of New Shares Issuance in connection with Mergers and Acquisitions:

Not Applicable.

3.8 Financing Plan and Implementation

Up to the last quarter before the printing of the financial statements, outstanding equity issuance or marketable security subscription or the completed equity issuance or subscribed marketable security without success: Not Applicable.

4. Overview of Business Operation

4.1 Business Activities

4.1.1 Business Scop

4.1.1.1 Operating Scope

The Company offers a wide range of electronics products in computing, communications, and consumer electronics segments, including Notebook PCs, Desktop PCs, Motherboards, Server, Cable Modems, Set-top Boxes, Smartphones, Game Consoles, Tablets, IoT Devices, Wearable Devices, Smart Home Devices, Automotive Electronics, etc. The Company also engages in development, design and manufacturing of peripherals and components of the above-mentioned products. In addition to the well diversified product portfolio, the Company also places great emphasis on development of both software and hardware technologies to provide customers with total solutions and high value-added services.

4.1.1.2 Breakdown of Sales by Major Products

Unit: NT$ thousands; %

Major Product	2024		2025	
	Amount	%	Amount	%
3C Products	1,059,502,940	94.15	1,019,685,155	91.27
Other	65,845,577	5.85	97,475,226	8.73
Total	1,125,348,517	100.00	1,117,160,381	100.00

4.1.1.3 Product Lines

Computing Product

a. Notebook PCs
b. Desktop PCs
c. Motherboards
d. Server

Communication Product

a. Cable modems
b. Set-top boxes
c. Smartphones
d. Switches
e. Router
f. Gateway

g. 5G O-RAN

Consumer Electronics and Other Product

a. Tablets

b. Game consoles

c. Wearable devices

d. Smart home devices

e. Automotive electronics

4.1.1.4 Product (Service) Development

a. Consumer systems (laptops, 2-in-1s, and Mini PCs) are primarily designed on Intel Panther Lake, Lunar Lake, Arrow Lake, Raptor Lake Refresh, Twin Lake, AMD Ryzen AI series, and ARM-based CPU platforms, and support next-generation operating systems. When paired with Nvidia RTX 50xx series GPUs, these systems are customized according to market demand and integrate AI features to further deepen and diversify product lines across gaming, creators, thin-and-light, and small-form-factor segments.

b. Commercial and educational laptops are primarily designed on next-generation platforms such as Intel Panther Lake, Arrow Lake, Lunar Lake, Raptor Lake Refresh, Twin Lake, and Alder Lake-N, and support ARM architectures.

c. Micro-modules for e-bike applications: In response to environmental and health trends, with a strategic focus on key bicycle components to enhance the value of intelligent technologies. Development includes active radar monitoring, IoT-based vehicle tracking, intelligent motor control, and suspension systems, comprehensively optimizing safety, comfort, and the smart-riding experience.

d. The first MIT intelligent multi-wavelength picosecond laser: As a non-invasive cosmetic procedure, picosecond laser technology remains a mainstream approach in medical aesthetics. Through this project, PEGATRON develops professional laser technology capabilities and combines its existing electromechanical integration strengths to cultivate medical-device design and manufacturing capabilities.

e. Develop the next-generation multifunctional handheld skin-beauty device, which integrates RF, pulsed-wave, EMS and ultrasound signals, and is equipped with red-LED light, a cooling chip and a vibration motor. By combining these signals, it assists the delivery and penetration of skincare serums, promoting brightening and hydration while providing cooling therapy, vibration massage, pore tightening and skin-firming effects.

f. Develop a rack-mounted high-performance computing platform for automotive communications by upgrading the vehicle's communication backbone to a Zonal architecture. Multi-port T1 Ethernet provides intelligent wiring, boosting transmission speed up to 2.5 Gb/s while effectively suppressing noise and EMC interference, reducing wiring weight and simplifying vehicle manufacturing and after-sales maintenance. The central high-performance computing is designed as an innovative rack module with a latch mechanism that enables stable, secure fastening and rapid hot-swap, reducing overall unit size. Water-cooling technology is introduced to meet the heat-dissipation needs of high-performance computing.

g. Develop a new-generation AI e-cockpit featuring a composable hardware architecture, AI voice application, and a modular system design. Deliver 3D entertainment through a high-performance IVI ECU and pioneer the use of daisy-chain SerDes technology to connect multiple displays. At the same time, integrate AI Digital Signal Processing chips to enable ICC in-car communication, AI noise reduction, personal sound zone recognition, and multi-party voice conferencing. In addition, design a standardized stacking interface to support modular expansion of computing power and enable upgrades to a Zonal architecture.

h. Develop a full-feature AI smart-glasses system that is dust-proof and waterproof, uses a Qualcomm AR1 Gen1 SOC and RT595 MCU with 64 GB storage, and includes prescription corrective lenses. Include key functions such as 3DOF head-posture detection, environmental and foreign-object perception, an electronic compass, a 12 MP camera for photo and video capture, a touchpad interface, an audio-video system, and an anti-unauthorized-recording feature.

i. Develop highly reliable AR glasses specifically for frontline outdoor rescue personnel. Power the system with the next-generation Qualcomm AR2 platform to provide visualization, real-time data interaction, and safe-operation solutions. Feature a wide-view waveguide dual-lens display to deliver a broad field of view, integrate an RGB camera for high-resolution image recording, and equip a built-in microphone to ensure clear voice-command input and communication.

j. Develop a new generation of eight business-grade Wi-Fi 6E IP-Phone models. Offer options for single or dual displays, monochrome or color screens, wired Ethernet or wireless Wi-Fi connectivity, and an antibacterial shell. Equip the devices with two highly versatile USB-C peripheral expansion ports, support multiple power-supply methods including USB-C, PoE, and PWR Adaptor, provide HEADSET, HANDSET, and HANDS-FREE call modes, and incorporate an energy-efficient surrounding-screen status indicator to enhance user recognition.

k. Develop an outdoor, energy-saving, IP65-rated wireless camera with dual-mode (color/black-and-white) low-light night-vision. Provide dust-proof and waterproof protection, integrate a replaceable lithium-ion battery with solar-panel charging, equip four microphones with active background noise cancellation and AI-based noise reduction, and support PIR, radar, and computer-vision object-detection capabilities.

l. Develop a 25 G PON enterprise-grade fiber modem integrating a 10 G LAN port and an SFP28 port, using NRZ line coding and supporting bidirectional transmission with Tx wavelengths of 1286 nm/1300 nm. Upgrade FTTH to 25 G high-speed access services to increase transmission speed, reduce latency, and meet the requirements of next-generation AR, VR, and AI innovative applications.

m. Develop the latest generation of DOCSIS 4.0 broadband network technology by integrating 2.5 Gbps and 10 Gbps Ethernet LAN ports to enhance high-throughput data transmission. Support up to 10 Gbps downstream and 6 Gbps upstream capacity to enable gigabit-plus symmetric services for multiple cable modems over HFC networks. Improve upstream performance to support future applications such as interactive video conferencing, remote learning, healthcare, IoT, and virtual reality, enabling symmetric bandwidth delivery.

n. Develop an enterprise-grade fiber modem with a QOSA architecture shared by 10 G PON and GPON, integrating PON and AP specifications to provide a 10 Gbps LAN port, VoIP services, and IoT support. Support the latest Wi-Fi 7 (802.11be) tri-band technology operating at 2.4 GHz, 5 GHz, and 6 GHz. Combine high-speed WAN transmission with advanced Wi-Fi 7 capabilities to meet high-throughput requirements and deliver reliable network performance for 4K/8K video, VR, online conferencing, remote work, cloud computing, and online gaming.

o. Develop a 5G module compliant with 3GPP Release 18, supporting 8-channel reception to significantly improve receiver sensitivity, 4×4 MIMO, and carrier aggregation. Incorporate AI-enabled enhancements to improve 5G modem and Wi-Fi communication performance.

p. Develop a 5G Advanced 6Rx carrier-aggregation portable wireless hotspot supporting Sub-6 GHz and mmWave bands, equipped with tri-band Wi-Fi 7 and a 2.5 GbE Ethernet interface. Incorporate automatic intelligent environment sensing and prediction to enable automatic network-service optimization and maximize high-speed transmission performance.

q. Leverage existing RFI/RFQ projects for robotic helmets, tactile gloves and assembly services to conduct in-depth research on sensor applications across various robot subsystems (e.g., end-effectors, vision, balance calibration). Produce sensor selection guidelines for LiDAR, IMU and pressure sensors, and simultaneously study power-system architectures covering wired/wireless charging, high-energy-density battery management and dynamic load distribution. Gain insight into key robotic hardware components and the industry landscape to provide technical guidance to the sales team and sustain a competitive advantage within the global robotics supply chain.

r. Develop AR glasses using Qualcomm's latest SAR1180P discrete chip. Feature dual-eye AR waveguide displays, 6-DOF head-pose detection, ambient-light sensing, wear-detection human sensors, a 12 MP camera for photo/video capture, a touchpad interface, dual speakers and four microphones, Wi-Fi 7, Bluetooth, and an ultra-low-power AI NPU and MCU. Enable up to 8 hours of continuous operation in AR scenarios on a full charge, and support AI translation, AI image recognition, navigation, and AI-assistant functions.

s. Develop a next-generation 360° smart indoor camera equipped with a high-performance 4K ISP and support 4K@24 FPS HDR imaging to ensure ultra-clear monitoring quality under diverse lighting conditions. Enable 360° motorized pan-tilt rotation and allow users to perform real-time remote inspections and control indoor appliances via mobile devices to achieve comprehensive security and smart-home management. Address privacy concerns by incorporating a “Physical Privacy Shield” and retract the lens into the housing with a single click in non-monitoring mode to provide physical-level privacy protection. Integrate a high-sensitivity microphone array with AI sound-recognition for T3/T4 alarm and glass-break detection, drive a high-power speaker to emit high-decibel alarms for immediate warning and deterrence. Incorporate a 16-LED RGB ring to deliver aesthetic lighting effects and status/alert indications to enhance the HMI experience. Leverage Wi-Fi 6E to ensure low-latency, stable 4K video transmission, and integrate the Z-Wave low-frequency protocol to establish a low-power IoT ecosystem for seamless connectivity with home IoT devices and a safer, more user-friendly smart-home experience.

t. Develop a GPON Mini OLT enterprise-grade fiber access device that integrates GPON aggregation and ONU user-access management in a compact, highly integrated, and flexibly deployable form, supporting centralized access and management of multiple ONUs. Apply the Mini OLT to enterprise private networks, campus networks, community broadband, and FTTR scenarios as a supplement or extension of traditional large OLTs. Provide stable bandwidth and reliable service quality to meet high-bandwidth application requirements, supporting high-definition video, online conferencing, remote office work, cloud applications, and enterprise-grade networking services.

u. Deploy 5G private-network solutions across Taiwan, Japan, Indonesia, North America, and other regions within the 5G Mobile Communication Product Division to support diverse vertical applications. Introduce integrated small-cell products to customers in Japan, India, Europe, and North America for vertical-specific system-integration testing. Focus future R&D on high-power RF products and Massive MIMO technologies to advance base-station products toward the public mobile-network market, incorporate 5G-Advanced and ARAN technologies to meet carrier-grade requirements.

v. A high-performance, low-power, multi-node server series (models MS301/302/304), based on next-generation Intel® Xeon® and AMD EPYC™ 9005 processor architectures. Provide versatile solutions to support a wide range of applications, including high-performance computing, gaming, and storage. Enable flexible deployment from 19-inch racks to 21-inch ORv3 racks, comply with DC-MHS specifications by supporting DC-SCM modules and OCP 3.0 NICs, and incorporate hardware RoT to protect platform firmware and meet the evolving demands of modern data centers.

w. Guido, an all-flash, high-density, high-efficiency storage server that accommodates up to 32 NVMe SSDs. Utilize AMD EPYC™ 9005 processors to build a 2U high-capacity all-flash data storage system. Support up to 32 E3.S NVMe SSDs and provide 1–2 PCIe Gen5 expansion slots along with one OCP 3.0 expansion slot.

x. Complete the development of a 2U 2-Node, AMD EPYC™ 9005 2-Socket liquid-cooling server solution (MS303-4A1). Ensure compliance with the OCP ORv3 21-inch rack standard and incorporate an ORv3 busbar clip for 48 VDC power delivery. Equip each node with 2 E1.S ports, 8 E3.S NVMe SSDs, 2 PCIe 5.0 LP slots, and 4 OCP 3.0 slots. Enable flexible expansion and SSD configurations to support a wide range of cloud-computing server deployments.

y. Design a high-performance, low-power GPU graphics acceleration AS400-2A1-CX8 server based on the next-generation Nvidia MGX™ 4U chassis hardware architecture and dual-socket AMD EPYC™ 9005 processors. Support up to eight Nvidia H200 NVL4, RTX PRO 6000 Blackwell Server Edition, or L40S GPU cards. Design the system to meet the rigorous requirements of AI, graphics, image processing, and digital-twin applications.

z. Complete the development of Mack, a high-efficiency, energy-saving dual-CPU versatile server supporting CXL memory-sharing technology, and develop Bobby, a high-efficiency, energy-saving dual-CPU versatile server powered by next-generation AMD EPYC™ "Venice" processors. Implement a 2U general-purpose server system design for both platforms, supporting 2 × dual-slot Nvidia GPUs.

aa. Large Language Model (LLM) training and inference with PEGATRON's rack-level AI server solution (RA4802-72N2), build on the Nvidia GB300 NVL72 architecture and Nvidia Blackwell Ultra GPUs. Enable deployment of up to 72 Blackwell Ultra GPUs within a single rack, fully interconnected via the Nvidia NVLink® backplane, and deliver a high-performance, liquid-cooled rack-level solution optimized for LLM workloads. Integrate Nvidia BlueField®-4 DPUs to provide cloud network acceleration, enhanced security, and flexible GPU computing for large-scale AI environments, incorporate Axiado BMC modular solutions to strengthen security and node management, ensuring smooth and secure operation.

bb. 4U 8-GPU liquid-cooled server solutions: AS401-2T0-8H1 and AS402-2T1-8H2. Base the two servers respectively on the Nvidia HGX B200 and Nvidia HGX B300 architectures to provide highly flexible and easily configurable liquid-cooled GPU server solutions for enterprises and mid-to-large cloud data centers. Equip the systems with dual-socket Intel® Xeon® 5 and Intel® Xeon® 6 processors and either 8 Nvidia HGX B200 or 8 Nvidia HGX B300 GPUs. Deliver exceptional AI and graphics performance to support demanding workloads such as AI training, LLM training and inference, and high-performance computing.

cc. Initiate development of the next-generation 1.6 T switch, featuring high-density xPU cluster interconnect capability and meeting data-center requirements for long-distance transmission and low power consumption.

dd. Strategic deployment of wearable health sensing and comprehensive humanized AI automated testing focuses on the continued development of AI emotion-recognition and AI music-soothing functions for PPG-based emotion-detection soothing headphones, with planned deployment in Taiwan, Japan, and other countries to enable continuous data collection and model evolution. In parallel, clothing-integrated AI sensing devices are being developed to leverage AI technologies for early prediction of potential symptoms, such as Parkinson's disease and dementia. In addition, by combining LLM and VLM technologies, a comprehensive humanized automated testing system is being developed to address exceptional scenarios that traditional automation struggles to detect—such as different UI versions and advertising content—with a target of achieving over 99.99% coverage and accuracy.

ee. Deployment of 5G public/private base stations and AI-enabled high-speed switching builds on existing Private 5G and O-RAN foundations and further extends into Public Network application scenarios. The strategy focuses on base-station solutions that can support both enterprise private networks and public-network deployments, emphasizing integrated RU/DU/CU architectures and cloud-based management. By leveraging low-power, low-latency, and easy-to-deploy 5G base stations, this approach helps telecom operators and enterprises accelerate rollout across 5G SA public, private, and hybrid networks. In parallel, AI cloud-network switching focuses on supporting 800 GbE-class high-speed Ethernet to meet the high-bandwidth, low-latency, and scalable networking requirements of AI training and inference clusters. Building on the 2025 roadmap, the strategy continues to strengthen 800 GbE-centric ToR, Spine/Leaf, and AI Fabric switching platforms by adopting next-generation AI cloud-network switching chips. Combined with system-integration and mass-production capabilities, high-speed switches are introduced into AI rack and cluster solutions, targeting cloud service providers and large-scale AI data-center markets, and advancing AI network switches from high-end deployments toward large-scale, mature commercial adoption.

ff. Develop an AI smart ring using Zephyr RTOS, a lightweight real-time operating system. Integrate an optimized antenna system for all-metal ring designs to reduce human-body shielding effects and enhance BT 5.2 wireless connectivity performance.

gg. Develop rugged 13-inch and 14-inch laptops powered by Intel Panther Lake CPUs for Windows 10/11 environments, supporting Wi-Fi 7 and 5G connectivity, featuring an IP65-rated dust- and water-resistant chassis, and complying with major North American carrier certification requirements (AT&T, T-Mobile, Verizon).

hh. Utilize SDR for real-time detection of UAV operating frequencies with a detection range of up to 2.5 km. After confirming the target, apply a 100 W wireless interference signal within a 1 km radius to disrupt UAV communications or execute GPS spoofing, forcing the UAV to return or land to achieve airspace-protection objectives.

ii. Develop a 6G 13/15 GHz phased-array antenna utilizing the Axiro F5138 beamforming chip with integrated T/R switching, achieving a 4×4 linear- and circular-polarization array and supporting 2-Stream MIMO.

jj. Develop an outdoor 5G NR 4T4R Radio Unit (15 W per channel) based on the Metanoia Cobra platform, compliant with the O-RAN Category A (Split 7.2a) architecture.

kk. Develop a multi-antenna system for O-RU featuring embedded 5G NR n78 array antennas, LTE Cat-M1 wide-area antennas, and active GPS antennas to ensure stable and consistent coverage in the 3.5 GHz band and comprehensive support for LTE mid- and low-frequency bands. This design guarantees high-reliability IoT connectivity across diverse network environments while delivering high-precision clock signals for accurate system synchronization.

ll. Flexible assembly and server cable-routing automation focuses on addressing force-feedback control and AI waveform-analysis challenges in server cable routing. By precisely detecting the “rebound moment” when connector spring tabs enter a port, the approach achieves 100% data-driven verification of assembly yield. Combined with Digital Twin virtual-physical integration, AI automatically generates routing paths, reducing manual teaching time by 70% while protecting high-value assets and improving overall production efficiency.

mm. Integrated single-board automatic test system: Designed for server board testing, this solution adopts a modular cabinet architecture that supports rapid swapping and independent operation of test units to address high-mix, low-volume production challenges. The core innovation is a three-axis floating compensation mechanism with tolerances of 0.5 mm on the X/Y axes and 2 mm on the Z axis, effectively absorbing mechanical tolerances and preventing product damage during insertion and removal. The system integrates temperature/humidity monitoring, liquid-leak detection, and electrical data monitoring, and enables a fully automated, data-driven test flow through automatic loading and unloading.

nn. SMT Feeder automatic loading and unloading: This technology eliminates quality risks and efficiency bottlenecks caused by manual feeder changes on SMT production lines, achieving the “last mile” of lights-out manufacturing. Using high-precision AGVs combined with collaborative robotic arms and CCD vision positioning, the system accurately identifies and handles feeders of various specifications. The core software integrates MES/SFIS work-order data, reads real-time remaining material data from placement machines, and automatically calculates optimal replacement sequences, enabling 24/7 continuous operation while ensuring 100% correct feeder changes through automated inspection.

oo. Screw-driving force-control feedback software development: This development improves screw-fastening stability by addressing damage or NG issues caused by uncontrollable pneumatic-cylinder pressure. The core technology directly connects Force Sensor signals with the robotic manipulator, enabling millisecond-level (1.5–10 ms) real-time pressure compensation and monitoring. The system supports servo-lift or electric-cylinder mechanisms and dynamically adjusts pressing force based on board warpage to ensure precise alignment between the screwdriver bit and the screw. Pressure curves are bound to product barcodes, establishing a comprehensive quality-traceability data chain.

pp. AI online inspection and intelligent production line: This technology establishes an "all-time, all-position" monitoring framework centered on deep integration of process monitoring and result verification (Dual-Guard Architecture). The system monitors operator compliance with SOPs to prevent missing components and uses AI vision recognition to verify physical accuracy (e.g., latch closure). For flexible components such as cables and foam, unsupervised anomaly detection distinguishes normal tolerances from assembly damage based on semantic features. Each product is bound to a digital production record (including video and completion close-ups), enabling full traceability for every unit.

qq. Dexterous hand AI embodied model: This technology targets delicate tactile operations that traditional automation struggles to handle, such as smoothing and sorting flexible, thin materials. The core is the development of a VLA (Vision-Language-Action) model. Human-expert motion data is collected via remote operation using VR headsets, and large volumes of synthetic trajectories are generated on the Nvidia Isaac platform for self-training. This enables the dexterous hand to understand verbal instructions and perform complex actions with millimeter-level precision, equipping robots with human-like operational capabilities, strengthening feeding and packaging processes, and driving intelligent, flexible transformation in manufacturing.

rr. PEGATRON's LiDAR technology and product development focuses on semi-solid-state LiDAR, adopting a system architecture that combines two-dimensional scanning with lasers and SPAD sensors. This architecture offers a compact form factor, high resolution, and superior stability. In addition to applications in ADAS systems for autonomous vehicles, the solutions can be deployed in smart-city applications, AGVs, drones, and robotics. By integrating more precise and stable sensors, PEGATRON aims to expand application scenarios and enhance overall product value.

ss. Advanced Physical AI capabilities for quadruped robotics emphasize advanced AI control and perception, customized model management, multi-robot and human-robot collaboration, as well as communication security and functional-safety design. By promoting platform modularization and mass-production adoption, this strategy accelerates the practical deployment of quadruped robots in smart manufacturing, inspection, and high-risk industrial environments, creating long-term operational momentum.

tt. Develop PEGAVERSE-related applications and tools using an AI Factory architecture that integrates Physical AI, Large Multimodal Models (LMM), reinforcement learning, and simulation technologies to enhance digital-twin capabilities for virtual-physical integration. Train and validate products and equipment in virtual environments, then deploy optimized capabilities to the physical world to significantly improve development efficiency.

uu. Build an enterprise-scale AI inference computing platform with MaaS capabilities, incorporating cutting-edge Agentic AI technologies to develop next-generation AI Agents such as Coding Agents and KM Agents. Accelerate the deployment of diverse AI applications and drive comprehensive AI-enabled transformation of enterprise processes.

vv. Build an AI-assisted e-powertrain control platform comprising three core capabilities. (1) Apply generative AI to power-requirement definition by integrating a domain-specific LLM knowledge base to translate complex vehicle-level performance requirements into precise engineering parameters, enabling intelligent decision-making and early-stage specification alignment. (2) Accelerate motor-control strategy development with AI by leveraging model-predictive control and self-adaptive parameter tuning to optimize control-law generation, significantly shortening inverter-motor matching cycles and setting new benchmarks for high-performance power output. (3) Implement Edge-AI-based predictive maintenance and fault monitoring by embedding edge computing into the control core to predict power-module lifecycles and provide AI-based fault-tolerant estimation for rotor-sensor failures, enhancing the safety, resilience, and reliability of next-generation electric vehicles.

4.1.2 Industry Overview

4.1.2.1 Progress and Development of the Industry

a. Computing Industry

According to market observations, the global PC market in 2026 will be mainly affected by tight supply and sharply rising costs of memory and storage components, leading overall shipment momentum to become more conservative. According to Gartner estimates, global PC shipments in 2026 are expected to be approximately 261 million units, representing a 1.2% year-on-year decline, a significant downward revision from previous forecasts, reflecting the increasing sensitivity of end-market demand to price changes. Although commercial PCs may benefit from deferred demand related to Windows 11 upgrades, shipments are still expected to decline slightly by about 0.6%. Gartner notes that this upgrade-driven demand is likely to be temporary, and after the upgrade cycle is largely completed around 2027, the market may face more pronounced downward pressure. In addition, rising memory prices are expected to be passed on to consumers by most brand vendors, further suppressing part of end-user demand. Looking ahead, Gartner believes that the PC industry remains a low-growth sector over the medium to long term, with global PC shipment CAGR for 2024–2029 estimated at only 0.9%.

According to Gartner statistics, driven by the continued rapid expansion of AI computing demand, the global server market is expected to reach approximately USD 530 billion in 2026, representing a 36.9% increase from USD 383 billion in 2025, indicating that AI-oriented infrastructure has become the core driver of overall industry growth. In terms of demand structure, Gartner points out that server market growth is mainly driven by cloud service providers and emerging AI service providers, with server demand CAGR for 2024–2029 revised upward to 34.2%. This highlights that AI computing demand is highly concentrated among large cloud platforms and AI-native players, continuously fueling industry investment momentum. From a long-term perspective, the global server market CAGR for 2024–2029 is estimated at 28.1%, significantly higher than that of the traditional IT hardware industry, reflecting sustained capital expenditure expansion by cloud service providers and emerging AI players and the rapid growth of data center construction demand.

b. Communication Industry

According to Gartner statistics, global smartphone shipments in 2026 are expected to show moderate growth of approximately 0.5% year-on-year, a notable downward revision from previous estimates, mainly due to rising component costs and overall economic uncertainty. In addition, the average selling price (ASP) of smartphones in 2026 is expected to increase by about 6.1% year-on-year, primarily due to tight supply of memory and storage components. Under these conditions, market demand is becoming more polarized: demand for high-end models remains relatively resilient, while upgrading momentum for entry-level models is suppressed to some extent. Looking ahead, as component supply gradually improves in 2027 and GenAI features become more widespread, smartphone shipment momentum is expected to recover. Over the long term, Gartner estimates a 2024–2029 CAGR of approximately 2.2%, indicating that the market will maintain steady growth driven by continued AI application penetration and product upgrades.

Gartner research indicates that the global communications services market is expected to maintain steady growth from 2024 to 2029, with a CAGR of approximately 3.0%, reflecting stable expansion momentum on a mature foundation. From a structural perspective, mobile communications and fixed broadband connectivity services remain the main growth drivers. Mobile communication services are expected to account for 64.6% of the total market in 2026. Meanwhile, fixed connectivity services continue to grow steadily, reflecting ongoing support from digital economic development and rising data traffic demand. Looking forward, with continued progress in digital transformation, cloud computing, and AI applications, demand for high-bandwidth and low-latency networks will continue to increase. The communications services market is expected to maintain stable growth and play a key foundational role in the technology industry ecosystem.

c. Consumer Electronics Industry

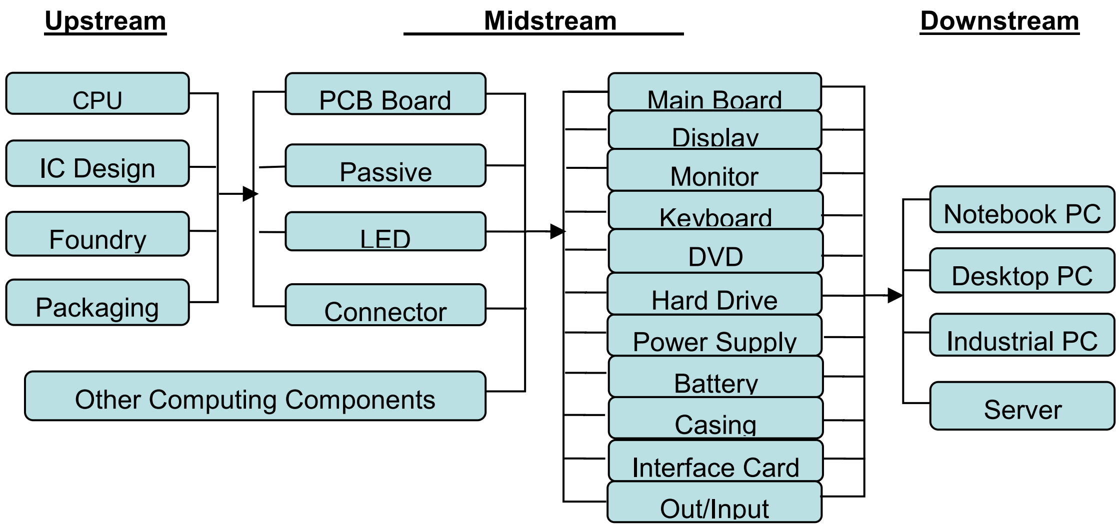
The Company's consumer electronics products mainly include tablet computers, game consoles, and IoT-related products. According to market observations, tight memory supply has further driven up end-product prices and suppressed part of consumer demand. Gartner statistics indicate that global tablet shipments in 2026 are expected to decline slightly by about 0.3%, a clear slowdown compared with 1.6% growth in 2025. In addition, tablets are considered mature products, with demand mainly coming from education, home entertainment, and certain commercial application scenarios. Gartner data shows that after demand was pulled forward during the pandemic, growth momentum in the tablet market has stabilized in recent years, with a 2024–2029 CAGR of approximately 0.7%, indicating a lack of strong structural growth drivers.

In the game console market, recent momentum has mainly been supported by continued sales of existing models, while the launch schedules of next-generation consoles have generally been delayed. Gartner research notes that, taking Sony as an example, PlayStation 5 sales performance has exceeded expectations, driven by game software and services. However, due to sharply rising memory costs and supply chain uncertainties, the launch of the next-generation PlayStation 6 may be postponed until 2027 or even after 2028, indicating a lengthening of console generation cycles. Nevertheless, the market remains resilient, especially as high-quality game content and product differentiation continue to be key drivers of demand.

According to Gartner statistics, the global Internet of Things (IoT) market continues to be driven by enterprise digital transformation and efficiency improvement needs. In 2026, revenue from IoT endpoint electronic devices is expected to grow by approximately 9.6%, indicating a deepening trend of enterprise adoption of IoT technologies to enhance operations management and cost optimization. IoT communication services are also expected to maintain steady growth, with an estimated 3.6% year-on-year increase in 2026, reflecting stable growth in connectivity and data transmission demand as application scenarios expand. Gartner further points out that commercial demand is the primary growth driver of the IoT market, with enterprises continuing to invest in smart manufacturing, smart buildings, and security management applications to improve operational efficiency and reduce costs. For wearable devices, Gartner estimates that global wearable device shipment CAGR for 2024–2029 will be approximately 4.1%, with market size expected to reach about USD 95 billion by 2029. Overall growth is mainly driven by technological innovation, rising consumer health awareness, and the gradual adoption of new device forms (such as smart rings and patches), transforming wearables from traditional accessories into personal health and data platforms with substantive functional value.

According to Gartner observations, the global electric vehicle (EV) market will continue to maintain a growth trend, mainly driven by government decarbonization policies and continued investment by automakers. EVs have become the core development direction of automotive industry transformation. Global EV shipment CAGR for 2024–2032 is estimated at approximately 12%, with annual shipments expected to reach 47 million units by 2032, up significantly from 19 million units in 2024. In addition, Gartner notes that battery electric vehicles (BEVs) still account for the majority of the market, but their share in 2026 has been revised down from 77% to 63%, indicating slower-than-expected adoption. In contrast, demand for plug-in hybrid electric vehicles (PHEVs) is gradually increasing, mainly because consumers still have concerns about driving range and charging infrastructure, making PHEVs with internal combustion engine backup a transitional choice.

4.1.2.2 Correlation of the Upper-stream, Mid-stream and Down-stream of the Industry



After decades of development of the computing industry in Taiwan, the relationships among upstream, midstream, and downstream sectors have become highly correlated. While it is evident that bigger suppliers are expanding over the years, it has been difficult for smaller suppliers to survive in the industry.

4.1.2.3 Trends of Product Development

Recent trends in the electronics industry continue to be driven by the rapid expansion of generative AI and high-performance computing (HPC) demand, ongoing upgrades to global data centers and cloud infrastructure, and supply chain restructuring driven by geopolitical factors. At the same time, ESG and net-zero carbon policies are accelerating corporate adoption of green design and energy efficiency optimization, pushing the overall market toward higher computing density, lower power consumption, modularization, and sustainability.

In the PC-related device segment, Gartner estimates that AI PCs will account for approximately 49% of total shipments in 2026, lower than the previously forecast 54%, mainly reflecting that current on-device AI applications have not yet delivered immediate and clearly measurable productivity gains, leading enterprises and consumers to remain cautious in purchasing decisions. Nevertheless, AI PCs are still regarded as an important driver of the next replacement cycle, with future growth dependent on higher AI application penetration and enhanced product value. For tablet products, market observations indicate that the tablet market still lacks clear upgrade momentum comparable to AI PCs or smartphones. Coupled with rising memory-related component costs putting pressure on cost structures, demand for some low-priced and entry-level models has been suppressed. Future growth will mainly come from continuous functional optimization and expansion into specific application scenarios, rather than large-scale replacement demand.

As AI applications continue to expand and data center investment accelerates, the server market has entered a phase of structural growth. Gartner points out that the AI server market growth rate in 2026 will reach 47.3%, significantly outperforming the 7.2% growth of traditional servers, indicating a rapid shift in demand from general-purpose computing to AI computing architectures. At the same time, driven by rapid AI application development, rack-level systems are gradually becoming the mainstream architecture, significantly boosting high-performance computing and large-scale deployment demand and further expanding overall market size. Future industry development will be highly dependent on AI workloads, cloud service demand, and the adoption of new computing architectures, and is expected to continue driving demand for high-performance computing and AI infrastructure, making it one of the most dynamic growth areas in the technology industry.

From the perspective of wearables and consumer electronics products, smartwatches, ear-worn devices, and head-mounted display devices remain the core categories. In recent years, market demand for lightweight, low-invasiveness, and long-duration wearable devices has increased rapidly. Integration of biosensors with generative AI enables devices to provide more accurate health monitoring and personalized analysis, gradually expanding toward preventive healthcare and remote care applications. In addition, real-time voice interaction and environmental sensing functions, combined with agentic AI and intelligent assistants, continue to enhance application value in both consumer and enterprise scenarios, becoming another source of growth momentum.

In the EV market, global policies and regulations remain the core driving force behind EV growth. Gartner notes that governments worldwide continue to promote decarbonization policies and plan the gradual phase-out of internal combustion engine vehicles to address air pollution and climate change, prompting automakers to accelerate electrification strategies. Compared with consumer demand, policy pressure remains the primary driver of current EV development and will continue to influence the industry's medium- and long-term direction. Looking ahead, while the EV market will still be affected in the short term by technological maturity, infrastructure, and policy changes, long-term growth momentum is clear under global decarbonization trends and sustained investment by automakers, and EVs will become one of the most important development pillars of the future automotive industry.

Overall, future development of electronic products will evolve from traditional single-function devices into AI-centric intelligent systems featuring integrated software and hardware and cross-device collaboration. As AI extends from the cloud to the edge, and smart manufacturing and smart living scenarios deepen, products will increasingly emphasize real-time computing capabilities, data processing efficiency, and optimized energy usage. Over the medium to long term, AI infrastructure, intelligent terminal devices, and green technology applications are expected to continue driving a new wave of structural growth in information electronics, communications, and consumer electronics products.

4.1.2.4 Market Competition

In recent years, rapid growth in generative AI and high-performance computing demand has driven structural changes in global supply chains and market demand, with the industry moving toward higher integration, greater flexibility, and faster iteration. Demand for AI servers, data centers, and key components has increased significantly, prompting the electronics manufacturing industry to gradually shift from a consumer-electronics-centric model to growth driven by cloud infrastructure and enterprise applications. Under this trend, product complexity and technical barriers have risen significantly, accelerating the upgrade of ODM/EMS manufacturers toward stronger design and system integration capabilities. Within the DMS manufacturing ecosystem, companies with economies of scale, cross-regional manufacturing capabilities, and comprehensive hardware–software integration strengths are more likely to gain favor from international customers. Furthermore, as AI servers adopt liquid cooling, high power density designs, and customized architectures, DMS manufacturers must not only strengthen manufacturing capabilities but also enhance system design and full-system/rack-level solution capabilities to increase product value-added and profitability.

On the other hand, global geopolitical and economic uncertainties continue to affect industry development, including changes in interest rate policies, energy supply pressures, bottlenecks in AI computing power and power infrastructure, as well as regional conflicts and technology controls. These factors have led brand customers to place greater emphasis on supply chain resilience and risk management capabilities. As a result, contract manufacturers that can respond quickly to demand fluctuations, flexibly adjust capacity allocation, and balance cost efficiency with delivery stability will possess stronger competitive advantages.

The company currently adopts the ODM/EMS outsourcing model for its three main product categories (computing, communication, and consumer electronics), assisting brand customers in improving production efficiency and simultaneously expanding and diversifying global capacity while continuously reducing costs. With the strength of large-scale production capabilities, flexible supply chain management, innovative research and development, and global manufacturing, it is expected to maintain high competitiveness and expand market share while strengthening cooperation with brand customers.

4.1.3 Research and Development

4.1.3.1 Research and Development Expense in Recent Year

Unit: NT$ thousands; %

Items	2024	2025
R&D Expense (A)	16,125,076	16,101,322
Net Revenue (B)	1,125,348,517	1,117,160,381
(A)/(B) %	1.43	1.44

4.1.3.2 Research and Development Accomplishments in the Recent Year

Year	Achievement in Research and Development
2025	1. Developed consumer AI laptops integrating Intel Panther Lake, Lunar Lake, Arrow Lake and Raptor Lake Refresh platforms with Nvidia RTX 50xx-series GPUs. Developed commercial, military-grade AI-enabled laptops powered by Intel Panther Lake, Arrow Lake and AMD Ryzen 7x20U processors. Developed education-oriented laptops based on Intel Twin Lake and ARM architectures, and launched ultra-thin AI-concept laptops featuring advanced AI applications. 2. Successfully developed and commercialized a multi-functional handheld facial beauty device integrating EMS, Ion, Pulse, RF, cooling, and LED technologies, delivering deep cleansing, essence infusion, skin firming and lifting, collagen activation, cooling therapy, and phototherapy in a single device. 3. Developed a high-speed triple-module 4G wireless communication and automotive Ethernet gateway providing vehicle connectivity services such as eCall emergency assistance, remote diagnostics and control, fleet management, and real-time driving information. The gateway also functioned as an in-vehicle network hub connecting

electronic control units across multiple domains, ensuring secure and reliable communications and enhancing driving safety.

4. Developed a next-generation Nvidia GB10 micro-desktop system solution, delivering an ODM standard reference platform that significantly lowered the hardware barrier for large language model (LLM) development and execution.

5. Developed desktop gaming systems and a full portfolio of compact NUC solutions based on the Intel Lunar Lake platform and Nvidia 50-series graphics processors.

6. Developed the industry's highest-specification USB4 docking station featuring dual 40 Gbps USB-C downstream ports, delivering four times the bandwidth of USB 3.2. The dock integrated HDMI 2.0, Ethernet, and USB 3.2 Type-A interfaces. The upstream port supported 65 W USB Power Delivery fast charging. A compact, high-efficiency chassis with optimized thermal design ensured stable low temperatures during high-speed operation, delivering an excellent user experience.

7. Developed UEFI and firmware technologies for ARM platforms, completing system build-out and integration for Qualcomm 8480/8440 and Nvidia platforms. This established cross-architecture product development capabilities, strengthened support for the ARM ecosystem, and enhanced multi-architecture system integration and mass-production readiness.

8. Upgraded the embedded controller architecture from 8-bit to 32-bit RISC-V, significantly improving computing performance and system stability while enhancing scalability and future platform compatibility.

9. Developed UEFI and firmware architectures using Rust and successfully deployed them across Qualcomm, Intel, and Nvidia platforms, strengthening memory safety and fault protection at the firmware level and improving overall system reliability and security.

10. Developed a TinyLinux testing platform for system diagnostics and deployment, establishing a lightweight validation environment that accelerated new platform bring-up and manufacturing testing while improving verification efficiency and deployment speed.

11. Developed an AI-based NVMe/SSD failure time prediction model by integrating device monitoring and diagnostic data, including SMART parameters and Windows system event logs. A complete data collection and feature analysis pipeline was established. Machine learning models were trained to assess SSD health and predict failure timing, enabling predictive reliability analysis and early anomaly detection. The model was converted to ONNX format to support real-time inference deployment.

12. Developed a cryptocurrency cold wallet based on high-end STMicroelectronics MCUs and low-power Nordic Semiconductor Bluetooth chips, incorporating wireless charging, NFC, and Bluetooth for the first time. Ultra-thin wireless charging FPC technology replaced traditional copper coils to minimize thickness, while antenna miniaturization techniques mitigated metal interference and ultra-thin space constraints to ensure stable transaction communications. The product featured a color LCD display and achieved an IP67 waterproof and dustproof rating.

13. Developed the latest-generation DOCSIS 4.0 broadband cable modem, supporting up to 10 Gbps downstream and 6 Gbps upstream

	capacity over HFC networks. 14. Developed a 25 G SFP28 optical transceiver using a BIDI design, applicable from DU to RRU deployments to support future 5G network expansion. 15. Developed an FWA 5G NSA/SA dual-mode CPE compatible with 4G networks. The system featured eight antennas supporting 4×4 MIMO and carrier aggregation, Wi-Fi 7 tri-band (2.4/5/6 GHz) wireless connectivity, and 10 GbE wired Ethernet. It delivered 10–100× higher throughput than 4G with significantly lower latency, supporting applications such as 4K live sports broadcasting, 8K real-time video, AR/VR, and remote surgery. VoLTE support further enhanced voice quality. 16. Developed a next-generation Wi-Fi 7 tri-band (2.4/5/6 GHz) 802.11be ultra-high-throughput wireless router using the latest chipsets. The system delivered up to 40 Gbps wireless speeds, featured 10 G LAN/WAN Ethernet ports, and supported VoIP. Wi-Fi 7 capabilities including 320 MHz bandwidth, multi-link operation, and 4K QAM modulation enabled high-speed, low-latency, multi-device connectivity for demanding applications such as AR/VR and gaming. 17. Developed a surveillance camera platform based on the Ambarella CV75, featuring dual wireless connectivity, IP65 dust and water resistance, dual-mode color/black-and-white night vision, enhanced warning audio, and a replaceable internal battery. The camera incorporated dual microphones with active background noise reduction and intelligent noise suppression, and supported PIR and radar-based object detection. 18. VASCO Video Conferencing: Developed the VASCO video bar conferencing system powered by the ASPEED ATS1230 SoC. The system utilized AI-based auto framing and speaker tracking to enable intelligent meeting rooms that dynamically focused on remote participants and ensured efficient communication. 19. CPL22B Industrial Camera: Developed an IP66-rated 360° panoramic industrial surveillance camera housed in silver anodized aluminum, powered by the ASPEED ATS1230+1220 SoC. The system integrated a microphone and buzzer and was powered via PoE, enabling real-time monitoring of factory inspection environments and improving on-site analysis efficiency. 20. F51W-10" / F52W-10" Ruggedized Tablets: Developed ruggedized tablets powered by Intel 12th-generation Alder Lake processors, supporting Windows 10/11, Wi-Fi 6E, and 5G connectivity. The devices achieved IP65 water and dust resistance and complied with North American UL C1D2 hazardous-location certification. 21. S31A-8" Semi-Ruggedized Tablet: Developed an 8-inch semi-rugged commercial Android tablet powered by the Qualcomm QC4490 processor, supporting Wi-Fi 6 and 5G Sub-6 connectivity. The device integrated a barcode scanner and achieved IP65 water and dust resistance. 22. Completed a full family of 2U 2-node single-socket servers based on Intel® Xeon® 6th-generation or AMD EPYC™ 9005 processors, addressing cloud service provider requirements for high-performance computing, online gaming, and web services. The systems supported DDR5 (6400 MT/s) and MCR (8000 MT/s) memory, PFR 4.0-compliant

PROT modules, and a modular architecture aligned with OCP DC-MHS specifications. Configurations included M-SDNO motherboards, DC-SCM modules, and OCP 3.0 slots, with M-SDNO motherboards available as standalone offerings for select customers.

23. Developed large-scale rack-level server systems based on Nvidia GB300 NVL72 and VR200 NVL72 GPU server architectures, supporting up to 72 Blackwell or next-generation Rubin GPUs per rack interconnected via Nvidia NVLink® backplanes. Networking utilized Nvidia BlueField®-4 800 GbE DPUs and CX-9 800 GbE interfaces, delivering cloud network acceleration, enhanced security, and flexible GPU computing for large-scale AI environments.
24. Developed a comprehensive rack-level liquid-cooling solution (CDU) for 2U2N dual-socket server racks as well as GB200/GB300 NVL72 and VR200 NVL72 GPU server systems, providing up to 300 kW of cooling capacity per rack.
25. Developed a 4U HGX 8-GPU liquid-cooled server supporting Nvidia HGX B200/B300 and AMD MI355X GPU solutions, configurable with dual-socket Intel® Xeon® 6th-generation or AMD EPYC™ 9005 processors.
26. Developed MGX-based 2U and 4U AI servers supporting 4- or 8-GPU configurations, compliant with Nvidia MGX modular architecture and utilizing Nvidia RTX-Pro 6000 Blackwell Server Edition and L40S GPUs, with optional dual-socket Intel® Xeon® 6th-generation or AMD EPYC™ 9005 processors.
27. Developed a 2U all-flash storage server supporting up to 32 E3.S NVMe SSDs, two M.2 SSDs, one to two PCIe Gen5 slots, and one OCP 3.0 slot. Each compute node supported front-access replacement and maintenance. The system featured dual redundant 2000 W power supplies and DDR5 RDIMM memory at 6400 MT/s. All NVMe and PCIe slots supported PCIe Gen5 (32 Gbps), delivering 50% higher bandwidth than Gen4. The all-flash architecture provided ultra-low latency, over 50× higher IOPS than HDDs, high reliability, low power consumption, and minimal maintenance, making it an optimal companion for GPU-based AI training and inference.
28. Developed the new 2U server “Bobby,” supporting two dual-slot Nvidia GPUs (up to 350 W TDP per card) and powered by third-generation AMD EPYC™ “Venice” processors with dual-socket support, up to 256 cores, and 600 W TDP. The platform was designed for cloud-native high-performance computing and supported PFR 4.0-compliant security modules with future extensibility.
29. Delivered 400G and 800G ultra-low-latency, high-bandwidth Ethernet switches for data center deployments, meeting networking requirements for AI computing workloads.
30. Electric Logistics Vehicle Power System: Completed a universal electric control platform with 3-in-1 integration, developing a high-power 160 kW silicon-carbide motor drive controller integrating the motor, reducer, and inverter, forming a scalable EV platform for 5-ton logistics vehicles targeted for mass production.
31. AI wearable devices: Developed PPG-based emotion-detecting headphones, leveraging AI-LLM technology and achieving 85 %+

	recognition accuracy in real-world scenarios. 32. ORAN Small Cells and AI Cloud High-Speed Switching: Achieved significant progress in 5G Small-Cell and ORAN development by successfully delivering and demonstrating an ORAN-centric integrated small-cell solution featuring Network-in-Radio (NiR) design, low-power, low-latency architecture, and RedCap support. Demonstrated at MWC 2025 and other international exhibitions, these solutions validated Pegatron's end-to-end capabilities spanning hardware, communication modules, system software, and private network deployment, with successful deployment in smart factories and enterprise private networks. In parallel, Pegatron advanced AI cloud network switching by adopting Marvell-based switching silicon to strengthen 400 GbE Ethernet, low-latency, high-bandwidth AI cluster support, laying the foundation for commercial and large-scale AI cloud switch deployment in 2025. 33. Developed the world's smallest all-metal Super AI-PC, powered by the Nvidia GB10 integrated CPU-GPU SoC, incorporating compact Wi-Fi 7 dual antennas and dual-fan thermal modules to enable seamless wireless connectivity in multi-device stacked configurations. 34. Developed a novel antenna architecture for all-metal laptops powered by the Nvidia N1x Arm-based SoC, integrating AI acceleration modules, high-efficiency thermal solutions, Wi-Fi 7 multi-band dual antennas, a keyboard-front NFC sensing antenna, and low-SAR design innovations. 35. Developed a 6G FR3 beamforming antenna module integrating the Renesas F6413 beamforming IC, implementing a 2×2 linearly polarized array and dual-stream MIMO. 36. Developed a Macro O-RU based on the MaxLinear Sierra SoC, compliant with O-RAN Category A (Split 7.2a) and 3GPP 5G NR Rel.17 specifications. The system featured an 8T8R architecture covering 3300–3600 MHz (n78/n77 partial bands) with up to 40 W (46 dBm) per-channel output, optimized for high-capacity and wide-coverage deployments. 37. Developed an O-RU based on the Metanoia Cobra platform, compliant with O-RAN Category A (Split 7.2a) and 3GPP 5G NR Rel.17 standards, supporting 3.4–3.8 GHz bands with 4T4R RF ports and 5 W (37 dBm) per-channel output. 38. Developed O-RU embedded array antenna technology utilizing signal amplitude weighting to achieve precise sidelobe suppression, reducing co-channel interference and concentrating beam energy to maximize coverage. The technology advanced from laboratory validation to real-world POC deployments, confirming commercial stability. 39. Advanced the development of an industrial-grade autonomous quadruped robotic platform, completing a stable quadruped prototype integrating a high-rigidity chassis, electronic control systems, edge computing, multi-modal sensors, and AI control architecture. Implemented dynamic gait control, basic SLAM, and autonomous navigation, supported by digital twin and Sim2Real reinforcement learning environments. Completed EtherCAT communication architecture design, self-developed PMSM joint motors, and joint prototype validation, strengthening platform autonomy and industrial

	reliability. 40. Developed AI-powered AOI intelligent re-inspection software using state-of-the-art vision AI models, seamlessly integrating with existing factory AOI systems and workflows for rapid production deployment. Successfully deployed across multiple SMT and IC substrate production lines, significantly reducing manual inspection effort and improving yield. 41. Developed the PEGAVERSE AI Agent platform integrating large language models and flexible workflows, enabling users to build AI agents capable of autonomously understanding and handling complex requests while providing real-time support across business environments. 42. AI-driven smart charging customer service system: Integrated LLMs and AI agents with tool invocation, planning, and reasoning frameworks. The system dynamically adapts to user needs, providing automated troubleshooting for charging stations, reducing labor costs, and enhancing user engagement. 43. Next-Generation Smart Helmet Solution: Developed an industry-leading integrated smart helmet platform focused on enhancing rider safety and experience. Key features include (1) All-in-One Integration: Equipped with Bluetooth communication, high-fidelity noise-canceling headphones, and a built-in dashcam for comprehensive infotainment and recording capabilities; (2) Proactive Safety Assistance: equipped with real-time speed alerts and an innovative LED light strip visual interface for intuitive navigation guidance; (3) Enhanced Team Communication: supports Proximity Mesh Intercom technology for seamless group communication and real-time connectivity during rides.

4.1.4 Long-Term and Short-Term Business Development Plans

4.1.4.1 Short-Term Business Development Plan

The Company will continue to promote lean operational management in response to global supply chain restructuring, changes in tariff policies, and evolving customer demand. By accelerating the optimization of its global production capacity allocation and introducing automation, smart manufacturing, and data-driven management technologies, the Company aims to enhance production efficiency and operational flexibility, improve capacity utilization, and align capacity expansion with the Company's overall growth strategy, thereby strengthening its market competitiveness.

In terms of operations management, the Company will continue to strengthen supply chain integration and logistics management capabilities. Through digital management platforms, greater supply chain transparency, and collaborative mechanisms, the Company will enhance supply chain resilience and responsiveness. At the same time, data analytics and intelligent management tools will be applied to optimize inventory and logistics deployment, reduce operating costs, and shorten delivery lead times, ensuring timely responses to global customer needs.

With respect to product and market strategies, the Company will promote differentiated development based on product positioning:

- Core Products: Deepen partnerships with major customers, continuously optimize process technologies and production efficiency, and enhance product value through new manufacturing technologies, modular design, and engineering integration capabilities, thereby strengthening the Company's established market foundation.
- Innovative Products: Capitalize on emerging trends in artificial intelligence, smart devices, high-speed communications, and new computing platforms. The Company will strengthen its research and development and engineering integration capabilities while expanding into new product segments with strong growth potential.
- Cost-Oriented Products: Improve supply chain efficiency and leverage economies of scale in procurement. Through process optimization, automation deployment, and cost management, the Company will provide products combining reliable quality with competitive pricing to maintain strong market competitiveness.

4.1.4.2 Long-Term Business Development Plan

Looking ahead, the Company will continue to optimize its product portfolio and global operational footprint. By strengthening technological capabilities, advancing smart manufacturing, and promoting digital transformation, the Company aims to establish stable and sustainable growth momentum in response to the rapidly evolving global electronics industry environment. The Company will further reinforce its competitive advantages by focusing on system integration capabilities, manufacturing efficiency, and global supply chain management.

In terms of customer strategy, the Company will deepen long-term partnerships with major customers by integrating product planning, design and development, and manufacturing capabilities to provide efficient one-stop services. The Company will also strengthen global service and technical support capabilities to increase customer engagement and expand market opportunities, while developing new customers and emerging application areas to diversify market risks and broaden its operational foundation.

Regarding manufacturing strategy, the Company will continue to advance lean production and smart manufacturing. Through automation technologies, data-driven management, and process optimization, the Company will enhance quality management and production efficiency while strengthening cost control. In response to ongoing supply chain adjustments and the trend toward regionalized manufacturing, the Company will further refine its global manufacturing footprint and establish a flexible and resilient production system capable of supporting diversified market demands.

In terms of product and technology strategy, the Company will build upon its core capabilities in information technology products, consumer electronics, and communication devices. By strengthening hardware-software integration and system design capabilities, the Company will provide higher value-added product design and manufacturing services. At the same time, the Company will closely monitor developments in artificial intelligence applications, smart devices, high-speed communications, and next-generation computing architectures, gradually expanding into product segments with strong growth potential to drive future revenue growth.

Amid intensifying competition in the global electronics manufacturing industry, the Company will continue to enhance operational efficiency and quality management. By strengthening customer partnerships, advancing technological capabilities, and optimizing its global manufacturing footprint, the Company aims to improve supply chain resilience and market responsiveness, sustaining long-term competitiveness and supporting steady corporate development.

4.2 Market and Sales Overview

4.2.1 Market Analysis

4.2.1.1 Sales (Service) Regions

Unit: NT$ thousands; %

		2024		2025	
		Amount	%	Amount	%
Domestic		99,686,767	8.86	107,015,469	9.58
Export	**Asia**	65,311,269	5.80	84,430,369	7.56
	Europe	461,316,144	40.99	433,378,170	38.79

	America	441,741,725	39.25	460,089,573	41.18
	Others	57,292,612	5.10	32,246,800	2.89
	Subtotal	1,025,661,750	91.14	1,010,144,912	90.42
Total		1,125,348,517	100.00	1,117,160,381	100.00

4.2.1.2 Market Share

According to market research, notebook PC ODM/EMS companies in Taiwan accounted for 131 million units of notebook PCs in 2025, around 71% of total global shipment volume. This included 46.73 million units from Quanta, 25.84 million units from Compal, 21.72 million units from Wistron, 13.5 million units from Inventec and 9.1 million units from Pegatron. Notebook PCs manufactured by Pegatron accounted for 4.96% of worldwide volume.

4.2.1.3 Market Demand, Supply and Growth

The global electronics manufacturing services (EMS) market is expected to continue growing, driven by the expansion of manufacturing outsourcing and rising demand from end-market applications. According to a market research report by GII, the market is projected to grow at a compound annual growth rate (CAGR) of 9.8% through 2035. Key growth drivers include consumer electronics, automotive, and medical applications. As product complexity increases, original equipment manufacturers (OEMs) are demanding more integrated solutions covering design, assembly, and testing services. At the same time, the emergence of high value-added applications such as artificial intelligence (AI), electric vehicles (EVs), 5G, and medical electronics products is accelerating EMS investments in automation and smart factories. In addition, geopolitical factors and supply chain risks have made regionalized manufacturing and multi-site production deployment increasingly important. Leveraging strengths in cost control, manufacturing capabilities, global production flexibility, and long-standing experience serving international brand customers, Taiwanese manufacturers are well positioned to achieve higher customer retention, enhance competitiveness, and sustain long-term growth.

Looking ahead across our three major product lines, in the computing products, the PC industry in 2026 is affected by uncertainties such as component shortages and rising prices. As a result, overall shipment performance still requires further observation. Although major brand vendors continue to introduce AI PC products this year, the market penetration rate has been slower than anticipated due to the limited immediate productivity gains from on-device AI. On the other hand, global server shipments are projected to maintain strong growth in 2026. In addition to AI servers, demand for general-purpose servers is also increasing, driven by AI inference services. Market research indicates that GPU-based servers remain the dominant market share; however, as North American cloud service providers (CSPs) increase investment in ASICs, shipments of ASIC-based servers are expected to grow faster than those of GPU-based servers.

The consumer electronics products produced by our company mainly include tablets, game consoles, and IoT-related products. In recent years, consumer electronics demand has been highly sensitive to economic conditions, and rising memory costs have led to relatively subdued end-market demand. From a mid- to long-term perspective, however, commercial and detachable tablet PCs are expected to present new growth opportunities driven by evolving office and productivity needs. With respect to game consoles, Sony and Microsoft launched new products at the end of 2020. Given the long product life cycles of such devices, future shipment growth is expected to be supported by new software and service offerings from brand customers, as well as hardware specification upgrades. As for IoT products, the advancement of AI toward edge computing is enhancing real-time data processing and analytics capabilities, enabling more intelligent and automated terminal applications. This trend is anticipated to drive the development of smart home and wearable devices.

In terms of communication products, short term demand may be affected by rising component costs that reduce end consumer purchasing intent. From a mid to long term standpoint, however, AI applications are expected to become a key focus in smartphone development, with most smartphones will have embedded generative AI (GenAI) capabilities, thereby driving device replacement demand. Furthermore, agentic AI functionalities are expected to further boost demand in the high end smartphone market. In the networking and telecommunications sector, ongoing advancements in 5G and Wi Fi 7 technologies will continue to stimulate end market demand, while infrastructure development programs in North America and emerging markets are also progressing, which are expected to further support growth in networking product demand.

4.2.1.4 Competitive Advantages

a. Experienced R&D Team

In addition to R&D Center within the Company, there are also designated research and development engineers in each product category. As of the date of this annual report, total research and development engineers reached 4,997. The leading research and development engineers in each product development have more than 15 years of experience in the relevant fields.

b. Comprehensive Manufacturing Locations

Suzhou, Shanghai, and Chongqing in China, USA, Juarez in Mexico, Ostrava in the

Czech Republic, Indonesia, Vietnam, Malaysia, and India and Taoyuan in Taiwan, to fulfill the needs of global customers at different regions.

c. Diversified Product Portfolio and Customer Based

The Company emphasizes on design capabilities, manufacturing excellence and service quality, and our major customers are well known global brand companies in the computing, communication, and consumer electronics markets. In addition to our diversified product portfolio, the Company also has in-depth knowledge of the products to provide services to various types of customers.

d. Global Logistics Capabilities

The Company has manufacturing sites and service & repair stations across Europe, North America, Australia, and Asia. One of the most important advantages of Pegatron is the effective management of global logistics based on the long-term experience providing prompt services across different time zones to meet customers' needs.

e. Professional Management Team

The management team consists of highly regarded senior professionals in the industry with more than 20 years of experience in the founding and managing of Asustek. One of the essential factors to the Company's sound development is the unspoken consensus and successful collaboration among the members of the management team after the long-term and stable working relationship.

f. Innovation Capabilities

With outstanding design capabilities and effective manufacturing capacity, the Company is able to design products based on customers' requirements and shorten products' time to market. The Company has in-depth study of special material and is able to offer various selections of material with cost-effective options. The industrial design team, after years of experience, has won numerous international awards. It is evident that the capability of producing innovative designs is one of the core competitive advantages of the Company.

g. Comprehensive Vertical Integration

We are dedicated to developing vertical integration. With our capabilities and expertise in working with a wide range of materials—from traditional metal stamping and plastic injection to newer light metal technologies—we can fulfill our customers' diverse needs and product design requirements, enhancing our ability to offer competitive one-stop-shopping solutions. By focusing on vertical integration, we aim to secure larger cost advantages and shorter time-to-market, helping us win new manufacturing mandates from major OEM/brand customers.

4.2.1.5 Advantages, Disadvantages, and its Responsive Strategies

Advantages

a. Comprehensive Electronics Supply Chain in Taiwan

Taiwan has developed a well-established electronics ecosystem covering semiconductors, key components, and system manufacturing. Its efficient and specialized supply chain enables rapid product development and mass production, making Taiwan a major global hub for information, communication, and consumer electronics manufacturing.

b. Growth Driven by AI and Smart Applications

The rapid expansion of artificial intelligence (AI), cloud computing, and intelligent devices is creating new demand across the electronics industry. The Company continues to strengthen its hardware–software integration capabilities and promote digital transformation and smart manufacturing to capture these opportunities.

c. Solid R&D and Global Operational Network

Through continuous investment in R&D and manufacturing technologies, together with a global operational and service network, the Company enhances customer collaboration and overall competitiveness.

Disadvantages

a. Intense Competition and Pricing Pressure

As products mature, increasing competition may place pressure on pricing and profitability.

b. Exchange Rate and Macroeconomic Volatility

Given the Company’s export-oriented business model, exchange rate fluctuations and global economic conditions may affect operating performance .

c. Geopolitical Risks and Supply Chain Adjustments

Changes in global trade policies and geopolitical conditions may require ongoing adjustments to supply chains and production locations.

d. Customer Concentration and Product Cycle Risks

Demand fluctuations from major customers and product life-cycle transitions may impact business performance.

Responsive Strategies

a. Expand R&D investment in AI, intelligent devices, and emerging applications to enhance product value and differentiation.

b. Accelerate digital transformation and smart manufacturing to improve operational efficiency and quality.

c. Strengthen foreign exchange and financial risk management.

d. Optimize global production footprint to enhance supply chain resilience.

e. Deepen strategic partnerships with key customers while diversifying markets and product portfolios.

f. Increase automation and advanced manufacturing capabilities.

g. Strengthen talent development and global operational coordination to support long-term growth.

4.2.2 Application of Major Products

a. Computing Products

Notebook PCs, desktop PCs, servers, and other information electronic products that are mainly used for word processing, information management, typesetting, industrial design, presentation, statistical analysis, multimedia application, and data computing and storage etc.

b. Communication Products

Communication products can be used for individual communication, internet communication, wire, and wireless internet access.

c. Consumer Electronics Products

Products that can be used for entertainment and smart home connectivity, such as tablets, game consoles, smart home security systems, etc.

d. Vehicle Products

Products that can be used for traditional vehicle & electric vehicle, such as infotainment, Telematics Control Unit, Car Computer, ECU & wall charger, etc.

4.2.3 Supply of Major Material

Major Raw Materials	Source of Supply	Supply Situation
Mechanical Parts	X Company、G Company、T Company	Stable
Display	X Company、G Company	Stable
System Module	X Company、G Company	Stable
Chipset	X Company、R Company、H Company	Stable
CPU	J Company、Z Company	Stable

Note: Partial major materials are purchased by major customers and resell to the Company for manufacturing and system assembly. Therefore, partial source of supply is from major customers.

4.2.4 Major Customers with over 10% Net Sales and Suppliers with over 10% Net Purchases of the Last Two Fiscal Years

4.2.4.1 Major Suppliers of the Last Two Fiscal Years

Unit: NT$ thousands

Item	2024				2025			
	Company Name	Amount	%	Relation with Issuer	Company Name	Amount	%	Relation with Issuer
1	X Company (Note1)	549,757,211	56.94	None	X Company (Note1)	438,624,305	42.87	None
2	Z Company (Note 1)	68,765,659	7.12	Shareholder	Z Company (Note 1)	74,535,921	7.29	Shareholder
3	J Company (Note 1)	67,262,054	6.97	None	J Company (Note 1)	57,744,929	5.64	None
	Others	279,665,571	28.97	-	Others	452,234,203	44.20	-
	Net Total Purchases	965,450,495	100.00	-	Net Total Purchases	1,023,139,358	100.00	-

Note 1: In 2024 and 2025, the Company purchased (raw) material via major customers.
Note 2: Increase and decrease of the amount was due to business demand.

4.2.4.2 Major Customers of the Last Two Fiscal Years

Unit: NT$ thousands

Item	2024				2025			
	Company Name	Amount	%	Relation with Issuer	Company Name	Amount	%	Relation with Issuer
1	A Company	667,767,666	59.34	None	A Company	640,584,470	57.34	None
2	B Company	115,308,179	10.25	None	B Company	102,160,418	9.14	None
	Others	342,272,672	30.41	-	Others	374,415,493	33.52	-
	Net Total Sales	1,125,348,517	100.00	-	Net Total Sales	1,117,160,381	100.00	-

Note: Increase and decrease of the amount was due to business demand.

4.3 Status of Employees

Status of employees over the past two years and up to the date of the report

Year		2024	2025	As of 03/05/2026
Number of Employees	Others	3,471	3,588	3,469
	R&D	3,859	3,905	4,019
	Total	7,330	7,493	7,488
Average Age		40.0	40.2	40.3
Average Years of Service		9.7	9.8	9.7
Education	Ph.D.	0.48%	0.52%	0.49%
	Master's Degree	39.50%	39.53%	39.62%
	Bachelor's Degree	51.71%	52.13%	51.84%
	Senior High School	7.27	6.91%	6.86%
	Below Senior High School	1.05%	0.91%	1.18%

Note: Based on Pegatron Corporation only. For information of other listed subsidiaries, please refer to their annual report.

4.4 Expenditure on Environmental Protection

Total amount of loss (including penalty and violation of environmental laws and regulations) paid for environmental pollution and stated any responsive actions and potential expenditure

For the most recent year ended on the publication date of the annual report, the Company did not incur any loss or receive any significant penalty for environmental pollution. (Significant penalty means the penalty amount of that case is over NT 1,000,000.) Environmental aspects are identified and managed under an environmental management system. The management system is certified according to the international standard ISO14001 (Environmental Management System). There are designated personnel within the company who oversee environmental protection which is in compliance with the legal requirements. Waste handling and disposal, wastewater management, environmental testing and chemicals management have been conducted and controlled according to management procedures. Furthermore, we entrust a 3rd party to measure the concentration of the emissions and discharges to eliminate environmental pollution and ensure the compliance with relevant legal regulations. In order to meet the international regulations and customer requirements, the company implements IECQ QC 080000 (Hazardous Substances Process Management System) to ensure the compliance of its products. Suppliers are requested to sign agreement, provide material testing reports and guarantee that their products do not contain any environmental hazardous substance. Our major expenditure on environmental protection includes the costs of pollution control, waste disposal, environmental testing, inspections of hazardous chemicals on products, environmental management system certification, hiring of dedicated professionals, environmental trainings, and other relevant activities, etc.

4.5 Employee Relations

4.5.1 Employee's Welfare and Benefit

a. Employee welfare and benefit

Both the Company and Pegatron Employee Welfare Committee provide employee's welfare and benefit. Corporate benefit program offers the employees group insurance, travel insurance on business trips, etc. Moreover, our leave and attendance rules abide local regulations as a baseline with possible leniency. On the other hand, benefits from the Pegatron Employee Welfare Committee include marriage, bereavement, and childbirth subsidies; bonuses for birthdays, Labor Day, Dragon Boat Festival, and Mid-Autumn Festival, meal and club subsidies; and scholarships for employees' children. The program also covers hospitalization and medical visitation subsidies, electronic cultural vouchers, summertime entertainment voucher, and events like Reunion Day and Family Day. Benefit details are regularly updated via company announcements, the website, and email.

b. Training program

We place great emphasis on career planning and talent development for employees by encouraging employees to attend internal and external training programs. Internal training programs include courses for core competency and professional competency development to enhance employees' capabilities, while external training programs include seminars or conferences organized by external parties that provide excellent training opportunities for employees. We have around 200,000 training hours in 2025. The average training hour is above 33 hours per employee.

Resources of Learning	Description
New employee orientation	● Corporate introduction, corporate culture, and online orientation programs, HSF, and Occupational Safety & Health Programs are included to help new employees know about Pegatron and adapt to the new work environment. ● In order to help new employee be familiar with the environment and the internal procedures quickly, each new employee may have one mentor.
Core competency training	We plan training programs of each level's employees based on their competencies.
Management training	We plan management training programs such as new manager orientation based on roles and responsibilities of supervisors.
Professional competency training	Each unit plans professional competency training programs based on needs of professional knowledge and skills.
Trainer's training	In order to pass down the internal knowledge, trainer's training is held regularly. Both e-learning and classroom trainings are provided.
General lecturer training	Includes art, living, and management lectures.
Pega e-library	Offers employees over one thousand books to borrow and read.

c. Retirement system

Pegatron's retirement policy is in accordance with the provisions in the Labor Standards Law and Labor Pension Act of the Republic of China.

d. Employee rights

The Company always emphasizes employee benefits as well as harmonious labor relations, and we highly value employees' opinions and feedback, which can be submitted via employee mailbox, conferences, and emails. Employees can fully express their opinions, raising any labor issues to promote and maintain a positive labor relationship.

e. Employees code of conduct

Pursuing sustainable corporate development and embracing integrity is our highest guiding principle, and the Company has established Business Ethic Guidelines. Based on the Business Ethic Guideline, employees are required to strictly follow the moral standards and advocate honesty, integrity, and confidentiality to protect the rights of the Company and shareholders enhancing the Company's competitiveness.

4.5.2 Any current or potential loss resulting from labor disputes and prevention actions for the past year and as of the date of this annual report.

There have not been any material losses resulting from major labor disputes for the past year and as of the date of this annual report.

4.6 Management of Information Security

a. Corporate Information Security Governance Organization

To fulfill the demands for our customers and achieve corporate sustainability, Pegatron Corporation established information security organization to unify the making and execution of policies along with risk assessment, internal audit, and regulatory compliance. The planning and execution of information security operations with the implementation of information security policies include the following:

- Review issues relate to information security.
- Interdepartmental coordination and integrations.
- Ensure that goals and policies of information security meet the strategy of organization.
- Maintenance and management of information security.
- Emergency incidents response.
- Audit of information security.

b. Information Security Policy

Pegatron Corporation has issued information security policies to regulate and clarify the process of operations.

The policy includes below domain:

Information security organization and responsibilities, Personnel safety and management, Information assets management, Physical and environmental security management, Communication and Operations Management, Network security management, System access control, System development and maintenance, Business continue management, Internal audit.

c. Corporation information security management and improvements.

To effectively implement information security managements, we have passed the ISO/IEC 27001. Based on the PDCA cycle, we regularly review operations, assess the risk, conduct Business Continuity Planning drill and internal audit, etc.

d. Specific management solutions.

High-Availability: We have built additional server room; its infrastructures are also based on the concept of High-Availability to prevent single point of failure. Aside from physical facilities, the structure of its core networks and external connections are also based on the same concept of High-Availability.

Network Security:

- Implement NGFW, IPS and mail security portal to prevent cyber-attack and malicious mail.

- Implement network segmentation and enhance access control to optimize network flow and prevent Lateral Movements.
- Establish a Security Information and Incident Management (SIEM) system. By centrally collecting and aggregating logs from various sources, and by analyzing and correlating various security events, it can instantly identify and alert potential threats, abnormal behaviors, and security vulnerabilities.

Endpoint Security
- Using inventory management system to effectively seize the status of assets.
- Install anti-virus software to engage real-time protection, regular scanning and updating virus pattern.
- Restrict software installation and the usage of portable storage devices.
- Establish an EDR endpoint detection and response system to address advanced and unknown threats, and protect enterprise cyber security through continuous monitoring, detection, investigation and automated response to cyber threat activities.

Data Security:
- Introduce DRM mechanism for protection and access control to protect confidential documents.
- Introduce encryption mechanism for data in-transit.

Security Awareness:
- Employees receive information security training.
- Conduct Phishing mail drill regularly.
- Subscribe to external cybersecurity scoring mechanisms to understand the company's cybersecurity exposure level, identify its own security risks, and analyze and continuously improve the overall security level of the company through monitoring results.
- Participating TWCERT/CC and High-Tech Cybersecurity Alliance. To exchange the trend and intelligence of the cybersecurity.

e. Risk distribution
We have invested in cybersecurity insurance for the cause of risk distribution from 2022. Being a valuable client, insurance also provide us the resource of cybersecurity expert all over the world to strength our capabilities to respond potential incidents.

f. Major information security incidents:

There have been no major information security incidents in recent years and till this document was printed.

4.7 Important Contracts

As of 03/05/2026

Agreement	Counterparty	Period	Major Contents	Restrictions
Software Purchase Agreement	NEC Taiwan Ltd	03/07/2012 ~ to date	Purchase of SAP software	None
License Agreement	SAP Taiwan Co., Ltd.	03/07/2012 ~ to date	License of SAP software	None
Investment Agreement	Sysgration Ltd.	02/05/2026	Purchase private placement common shares of Sysgration	None
Technical Cooperation Agreement	Massachusetts Institute of Technology	10/22/2025 ~ in principle 5 years	Collaborate with MIT CSAIL on the research project plans	None
Real Estate Purchase Agreement	HTC CORPORATION	05/14/2025	Purchase the building and land from HTC	None
Real Estate Sale Agreement	KuoHong Real Estate Development Co.,Ltd.	06/11/2025	Sell the building and land to KuoHong Real Estate Development	None
Lease Agreement	TUNG WEI CONSTRUCTION CO., LTD	01/01/2026 ~ 12/31/2030	Lease the building from TUNG WEI as the factory	None
Lease Agreement	Koo Foundation Sun Yat-Sen Cancer Center	01/01/2020 ~ 12/31/2027	Lease the building from Koo Foundation as the office	None
Lease Agreement	CMP Development Limited	01/16/2022 ~ 12/31/2027	Lease the building from CMP Development as the office	None
Software Purchase Agreement	Acer e-Enabling Service Business Inc.	12/01/2025 ~ 12/30/2028	Purchase of Microsoft operating system and the related software	None
License Agreement	Microsoft Ireland Operations Limited.	12/01/2025 ~ 11/30/2028	License of Microsoft Office system and the related software	None

Note: Based on Pegatron Corporation only. For information of other listed subsidiaries, please refer to their annual report.

5. Review of Financial Position, Management Performance and Risk Management

5.1 Analysis of Financial Status – Consolidated

Unit: NT$ thousands; %

Item \ Year	2025	2024	Difference	
			Amount	%
Current Assets	459,289,488	514,817,271	(55,527,783)	-10.79%
Funds & Investments	61,352,578	58,165,281	3,187,297	5.48%
Property, plant and equipment	84,677,257	79,016,943	5,660,314	7.16%
Intangible Assets	457,893	283,682	174,211	61.41%
Other Assets	17,337,963	22,468,948	(5,130,985)	-22.84%
Total Assets	623,115,179	674,752,125	(51,636,946)	-7.65%
Current Liabilities	345,232,337	386,056,991	(40,824,654)	-10.57%
Long-term Liabilities	14,142,988	29,417,583	(15,274,595)	-51.92%
Other Liabilities	17,281,974	17,578,067	(296,093)	-1.68%
Total Liabilities	376,657,299	433,052,641	(56,395,342)	-13.02%
Capital stock	26,821,651	26,631,771	189,880	0.71%
Capital surplus	86,920,935	84,898,529	2,022,406	2.38%
Retained Earnings	95,740,462	92,030,517	3,709,945	4.03%
Other Adjustments	36,974,832	38,138,667	(1,163,835)	-3.05%
Total Stockholders' Equity	246,457,880	241,699,484	4,758,396	1.97%

Analysis of changes in financial ratios:
1. Intangible Assets: The increase is due to increase in intangible assets.
2. Other Assets: The decrease is due to decrease in prepayment on purchase equipment.
3. Long-term Liabilities: The decrease is due to decrease in bonds payable.

- **Effect of change on financial condition:**

  No significant changes on the Company’s financial condition.
- **Future response actions:** Not applicable.

5.2 Analysis of Operating Results - Consolidated

Unit: NT$ thousands; %

Year / Item	2025	2024	Difference	
			Amount	%
Net Sales	1,117,160,381	1,125,348,517	(8,188,136)	-0.73%
Cost of Sales	1,074,659,121	1,079,315,725	(4,656,604)	-0.43%
Gross Profit	42,501,260	46,032,792	(3,531,532)	-7.67%
Operating Expense	30,892,581	33,532,206	(2,639,625)	-7.87%
Results from operating activities	11,608,679	12,500,586	(891,907)	-7.13%
Non-operating Income and Expenses	13,325,342	14,723,762	(1,398,420)	-9.50%
Profit Before Tax	24,934,021	27,224,348	(2,290,327)	-8.41%
Income Tax Expense	6,824,434	8,070,844	(1,246,410)	-15.44%
Profit for the year	18,109,587	19,153,504	(1,043,917)	-5.45%
Other Comprehensive Income (loss)	(4,102,590)	11,631,331	(15,733,921)	135.27%
Total Comprehensive Income	14,006,997	30,784,835	(16,777,838)	-54.50%

Analysis of changes in financial ratios:

1. Other comprehensive income: The decrease is due to the decrease of exchange differences on translation of foreign statements.

5.3 Analysis of Cash Flow

5.3.1 Cash Flow Analysis for the Current Year – Consolidated

Unit: NT$ thousands; %

Item \ Year	2024	2025	Difference	
			Amount	%
Cash flows from operating activities	55,948,228	19,639,600	(36,308,628)	64.90
Cash flows from investing activities	(21,266,473)	(16,832,735)	4,433,738	20.85
Cash flows from financing activities	(20,418,395)	(3,165,048)	17,253,347	84.50

Analysis of changes in 2025 cash flow:
1. Net cash inflow from operating activities: Mainly due to sustained profitability and decreases in inventories and accounts receivable.
2. Net cash outflow from investing activities: Mainly used in acquisition of property, plant and equipment.
3. Net cash outflow from financing activities: Mainly due to repayments of long-term loans and corporate bonds.

5.3.2 Remedy for Cash Deficit and Liquidity Analysis:

In light of positive cash flows, remedial actions are not required.

5.3.3 Cash Flow Analysis for the Coming Year: The Company maintains adequate liquidity through prudent cash management, investment planning, and financing arrangements in response to financial market conditions and cash flow needs.

5.4 Major Capital Expenditure Items: None.

5.5 Investment Policy in the Last year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year

The Company's long-term investment accounted for under equity method are mostly for strategic investments. In 2025, the investment income under the equity method reached NT$ 11,197,978 thousand dollars, which increase by 44.5% as compared to the previous year, primarily due to improvements in the operating efficiency of mainland China and overseas subsidiaries. Going forward, the Company will continue focusing on strategic investment and carefully assessing the financial risks and investment returns in order to maximize the value for the Company.

5.6 Analysis of Risk Management

5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation of Corporate Finance, and Future Response Measures

(1) Interest Rate

The Company's interest rate risks mainly arise from the short-term loans made from banks and the short-term capital management for working capital needs. In order to reduce the risks of interest rates, especially relating to bank loans, the Company contacts banks on the regular basis, studies the trend of interest rate and negotiates for the best interest rate for the Company. As for short-term capital management, the Company mainly invests in low-risk financial instruments, which not only secures the capital but also reduces associated risks.

(2) Foreign Exchange Rate

The Company adopts a prudent approach towards foreign exchange strategy. Since the Company's sales and purchases are denominated mainly in US dollars, the risks are naturally hedged. However, significant changes in foreign exchange rate may cause adverse impact to the financial conditions of the Company (i.e. the depreciation of USD), the responsive measures to potential foreign exchange risk are taken as follows:

a. Collecting market information for analysis and risk evaluation, contacting banks on a regular basis to be fully aware of the trend of foreign exchange rate, and adjust the exposure positions of foreign currency financial assets and financial liabilities to reduce exchange rate risks.

b. Maintaining reasonable profits by taking foreign exchange into consideration when providing quotations for sales.

(3) Inflation

According to the statistics released by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, the annual growth rate of the Consumer Price Index and Producer Price Index increased by 1.66% and dropped by 1.84% respectively in 2025.As the annual growth rate of the Consumer Price Index and Producer Price Index have declined comparing to the previous year, inflation is assessed to have no significant impact on the Company's financial result for 2025. The Company observes the changes of market price at all times and adjusts selling price or inventory levels when necessary.

5.6.2 Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-Risk, High-Leverage Investment, Loaning or Endorsement Guarantees and Derivatives Transactions

(1) High-Risk, High-Leverage Investment

In 2025 and as of the date of this annual report, the Company has not conducted any high-risk and/or high-leverage investment.

(2) Loaning or Endorsement Guarantees

The Company conducts loaning or endorsement guarantees according to the internal policy "Procedures for Loaning of Funds and Making of Endorsements / Guarantees." Procedures and risk evaluation are conducted in accordance with this policy.

(3) Derivatives Transactions

The Company did not conduct any derivative transactions in 2025. Shall such needs arise due to business operation, the transaction will be processed in accordance with the Company's internal policy "Procedures for the Acquisition and Disposal of Assets." The derivative transactions conducted by the Company's subsidiaries are for hedging purpose. For non-hedging transactions, subsidiaries will handle cautiously.

5.6.3 Future Research & Development Projects and Corresponding Budget

The Company focuses on the development of products that are integrated with high added value based on the Company's product roadmap. Going forward, it is estimated that around NT$11 billion will be spent on product research and development and pursuing leading position in core business by controlling factors such as talent, capital, technology, etc.

5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales

The Company complies with regulations associating with corporate governance, company law, security law and other important sources of regulations. In addition, the Company also monitors material changes in governing regulations and laws and be fully aware of the changes in the markets. In 2025 and as of the date of this annual report, there were no such risks to the Company.

5.6.5 Effects of and Response to Changes in Technology (including Risk of Information Security) and in Industry Relating to Corporate Finance and Sales

The Company pays attention to the changes in technologies and in industry at all times to be fully aware of the market trend and evaluate any potential impact on the operations of the Company. No material changes of technologies have brought any adverse impact to the financial conditions of the Company.

The Company establishes Information Security organization and implements management cycle. High value assets have been identified by risk assessment method and are put under control measurements to avoid security threats to ensure the operation of company. After assessments, all risks are deemed under control and have no impact to major operations.

5.6.6 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures

Since the date of incorporation, the Company has been having a positive corporate image and complying with relevant laws and regulations. In 2025 and as of the date of this annual report, there were no such risks for the Company.

5.6.7 Expected Benefits and Risks Relating to and Response to Merger and

Acquisition Plans

In 2025 and as of the date of this annual report, the Company did not have any plans for mergers and acquisitions and there were no such risks for the Company.

5.6.8 Expected Benefits and Risks Relating to and Response to Factory Expansion Plans

The Company takes factors such as global economy, industry outlook, market demand and customers' order forecast into consideration when planning factory and capacity expansion. In 2025 and as of the date of this annual report, the benefits of expansion plan meet the Company's expectation.

5.6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

The Company's core business is design, manufacturing, and services of 3C products, and according to the industry practice, the Company tends to purchase raw material and sell the finished goods to the same party.

a. Source of Purchase

Per ODM/EMS industry practice, major customers, in order to control product quality and reduce cost of key components, will request the Company to purchase key components from specific supplier(s) and sell back to the customer after assembly. Therefore, purchase of material and sales of finished goods are concentrated to specific customer(s). The Company maintains more than two qualified raw material suppliers to ensure supply flexibility and pricing advantages so as to achieve cost reduction. In conclusion, The Company does not have risks associating with excessive concentration of supply.

b. Sales of Products

The Company continues engaging new customers, enhancing technologies and improving manufacturing process. In addition to existing customers, the Company endeavors to expand customer portfolio, develop new products to meet the versatile market demands and reduce concentration risks.

5.6.10 Effects of Risks Relating to and Response to Large Share Transfer or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholding of over 10%

The value of Pegatron shareholders' investment may be reduced by possible future sales of Pegatron shares by the major shareholders.

As of the date of this annual report, ASUSTEK COMPUTER INC owns around 16.72% of Pegatron total outstanding shares. Asustek has reiterated its intention to reduce its equity interest gradually and orderly in Pegatron. Pegatron will work closely with Asustek to complete their contemplated disposals of Pegatron shares in a way that would minimize the negative impact on the price of Pegatron shares and other shareholders.

5.6.11 Effects of Risks Relating to and Response to Changes in Control over the Company

By the end of 2009, the Company was owned 100% by Asustek and the shareholding reduced dramatically after the spin-off plan in 2010. The operation of the Company has become more transparent after the spin-off and acceptable by customers, which is considered a positive factor in business development. In addition, the Company has formed a management team to manage the Company's operation and does not have risks associating with the changes in control over the Company.

5.6.12 Litigation or Non-litigation Matters

In 2025 and as of the date of this annual report, the Company did not engage in litigation or non-litigation matters that had significant impacts on shareholders' right or security prices. For litigation or non-litigation matter for major shareholder with 10% or more holding (as of the date of this annual report, ASUSTEK COMPUTER INC. is the only shareholder with more than 10% of shareholding), please refer to the major shareholder's annual report.

5.7 Other Major Risks

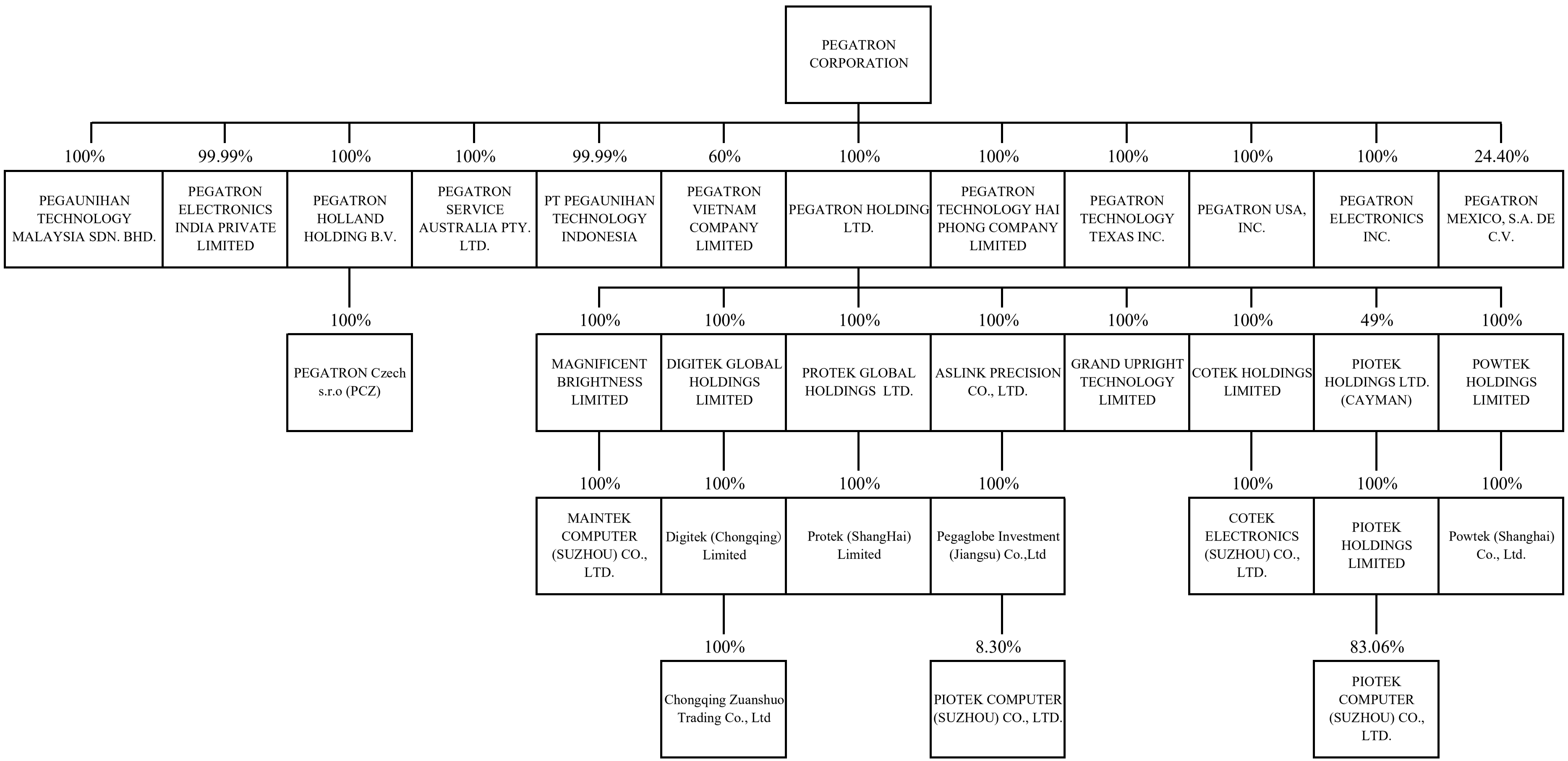
In 2025 and as of the date of this annual report, the Company did not have any other major risks.

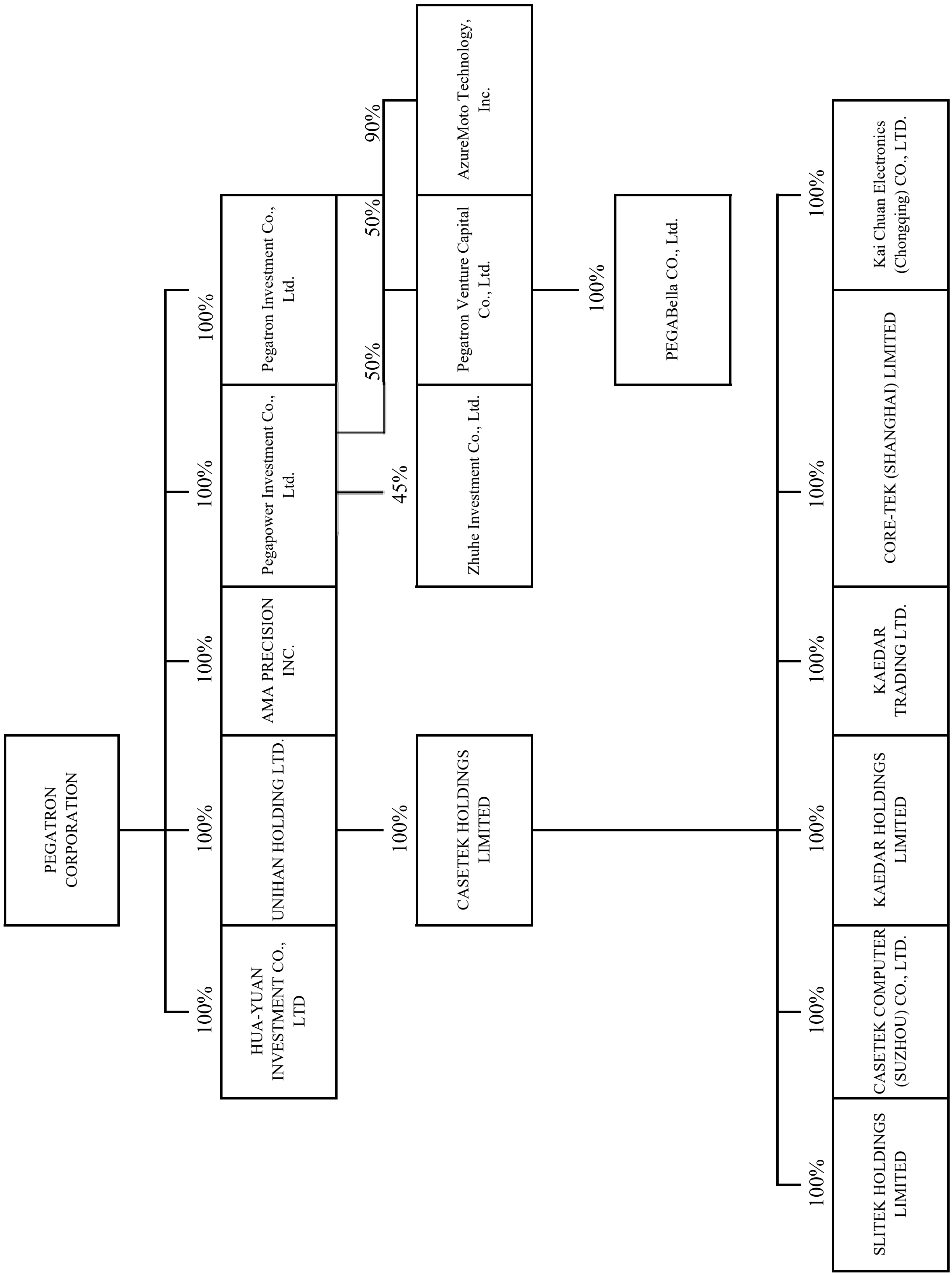
6. Other Special Notes

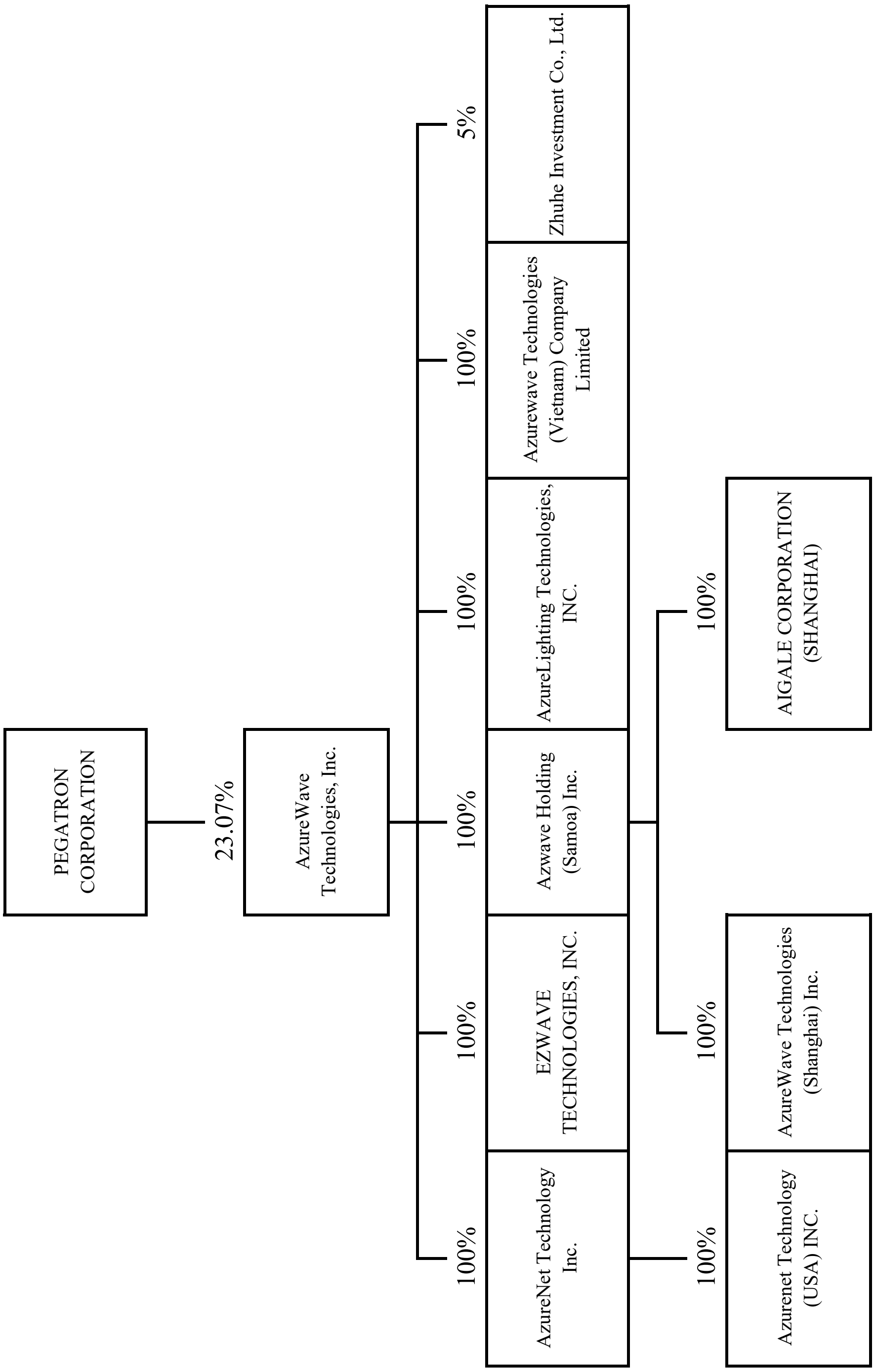
6.1 Summary of Affiliated Companies

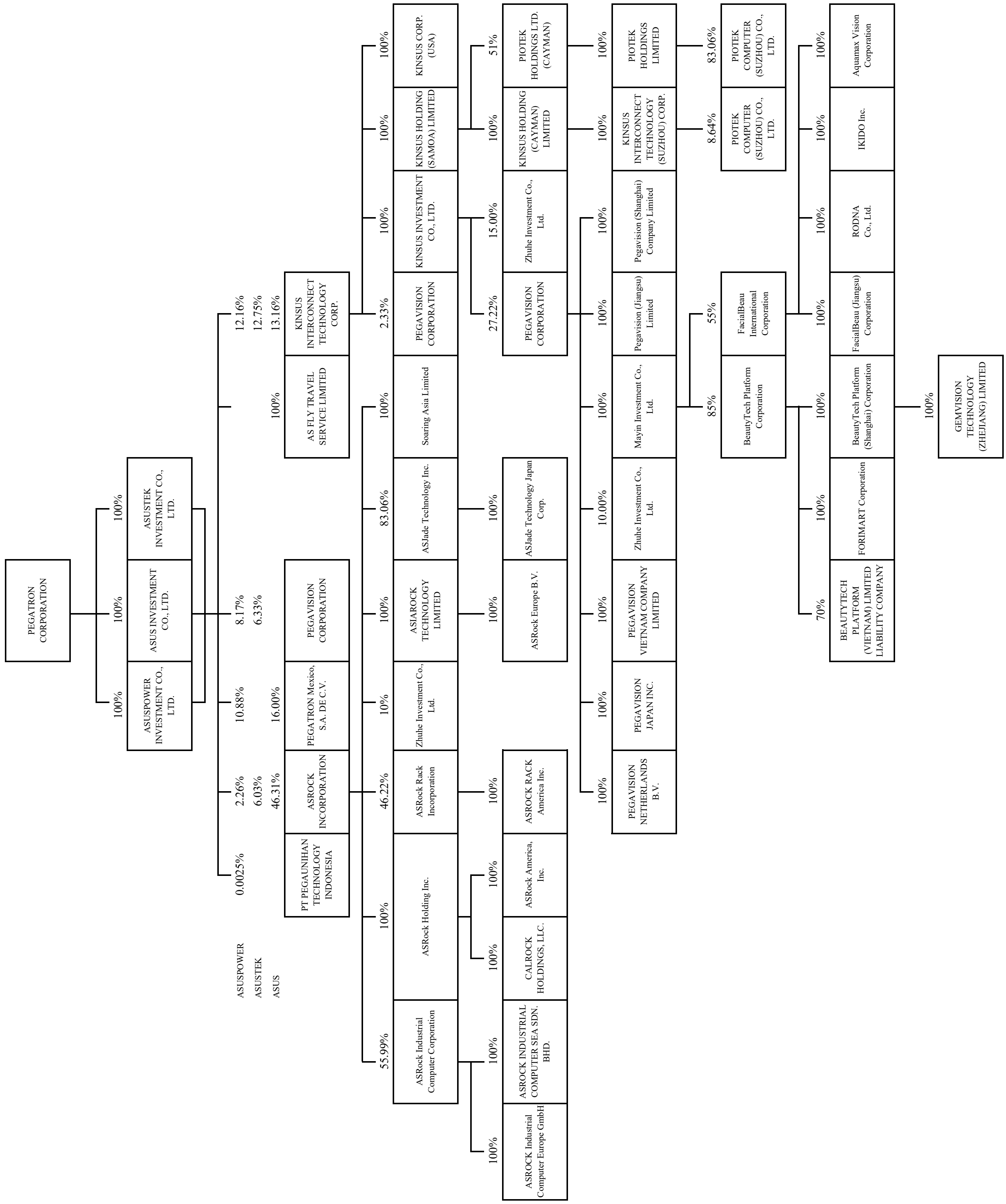
6.1.1 Affiliated Companies Chart

As of 12/31/2025




PEGATRON CORPORATION
100%
HUA-YUAN INVESTMENT CO., LTD
100%
UNIHAN HOLDING LTD.
100%
AMA PRECISION INC.
100%
Pegapower Investment Co., Ltd.
100%
Pegatron Investment Co., Ltd.
100%
CASETEK HOLDINGS LIMITED
45%
Zhuhe Investment Co., Ltd.
50%
50%
Pegatron Venture Capital Co., Ltd.
90%
AzureMoto Technology, Inc.
100%
PEGABella CO., Ltd.
100%
SLITEK HOLDINGS LIMITED
100%
CASETEK COMPUTER (SUZHOU) CO., LTD.
100%
KAEDAR HOLDINGS LIMITED
100%
KAEDAR TRADING LTD.
100%
CORE-TEK (SHANGHAI) LIMITED
100%
Kai Chuan Electronics (Chongqing) CO., LTD.


PEGATRON CORPORATION
23.07%
AzureWave Technologies, Inc.
100%
AzureNet Technology Inc.
100%
EZWAVE TECHNOLOGIES, INC.
100%
Azwave Holding (Samoa) Inc.
100%
AzureLighting Technologies, INC.
100%
Azurewave Technologies (Vietnam) Company Limited
5%
Zhuhe Investment Co., Ltd.
100%
Azurenet Technology (USA) INC.
100%
AzureWave Technologies (Shanghai) Inc.
100%
AIGALE CORPORATION (SHANGHAI)



PEGATRON CORPORATION
ASUSPOWER INVESTMENT CO., LTD.
ASUS INVESTMENT CO., LTD.
ASUSTEK INVESTMENT CO., LTD.
100%
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ASUSTEK
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2.26%
6.03%
46.31%
10.88%
16.00%
8.17%
6.33%
12.16%
12.75%
13.16%
100%
PT PEGAUNIHAN TECHNOLOGY INDONESIA
ASROCK INCORPORATION
PEGATRON Mexico, S.A. DE C.V.
PEGAVISION CORPORATION
AS FLY TRAVEL SERVICE LIMITED
KINSUS INTERCONNECT TECHNOLOGY CORP.
55.99%
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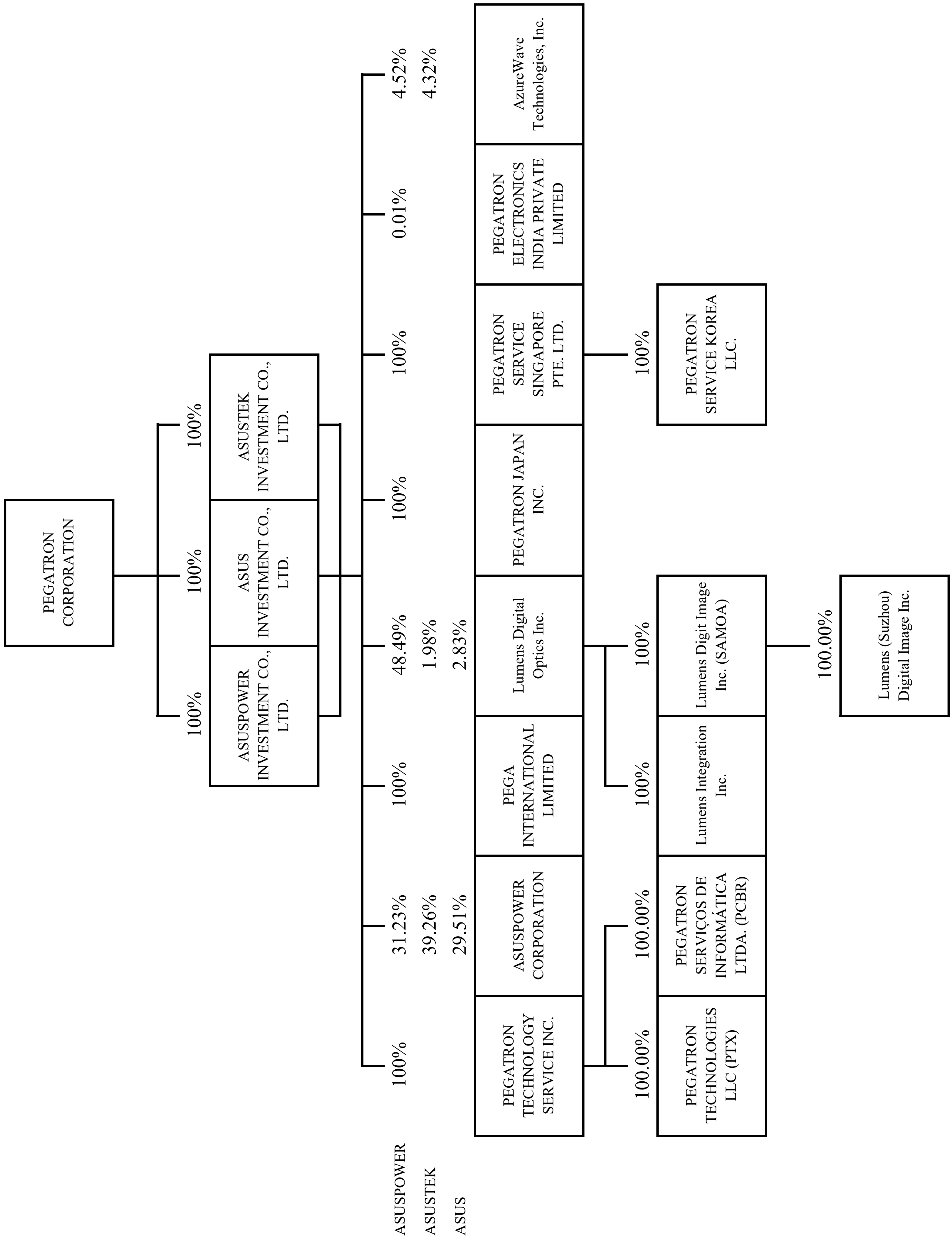
ASRock Holding Inc.
ASRock Rack Incorporation
Zhuhe Investment Co., Ltd.
ASIAROCK TECHNOLOGY LIMITED
ASJade Technology Inc.
Soaring Asia Limited
PEGAVISION CORPORATION
KINSUS INVESTMENT CO., LTD.
KINSUS HOLDING (SAMOA) LIMITED
KINSUS CORP. (USA)
ASROCK Industrial Computer Europe GmbH
ASROCK INDUSTRIAL COMPUTER SEA SDN. BHD.
CALROCK HOLDINGS, LLC.
ASRock America, Inc.
ASROCK RACK America Inc.
ASRock Europe B.V.
ASJade Technology Japan Corp.
PEGAVISION CORPORATION
Zhuhe Investment Co., Ltd.
KINSUS HOLDING (CAYMAN) LIMITED
PIOTEK HOLDINGS LTD. (CAYMAN)
27.22%
15.00%
51%
PEGAVISION NETHERLANDS B.V.
PEGAVISION JAPAN INC.
PEGAVISION VIETNAM COMPANY LIMITED
Zhuhe Investment Co., Ltd.
Mayin Investment Co., Ltd.
Pegavision (Jiangsu) Limited
Pegavision (Shanghai) Company Limited
KINSUS INTERCONNECT TECHNOLOGY (SUZHOU) CORP.
PIOTEK HOLDINGS LIMITED
10.00%
85%
55%
8.64%
83.06%
BeautyTech Platform Corporation
FacialBeau International Corporation
PIOTEK COMPUTER (SUZHOU) CO., LTD.
PIOTEK COMPUTER (SUZHOU) CO., LTD.
70%
BEAUTYTECH PLATFORM (VIETNAM) LIMITED LIABILITY COMPANY
FORMART Corporation
BeautyTech Platform (Shanghai) Corporation
FacialBeau (Jiangsu) Corporation
RODNA Co., Ltd.
IKIDO Inc.
Aquamax Vision Corporation
GEMVISION TECHNOLOGY (ZHEJIANG) LIMITED


PEGATRON CORPORATION
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100%
100%
ASUSPOWER INVESTMENT CO., LTD.
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ASUSTEK INVESTMENT CO., LTD.
ASUSPOWER
ASUSTEK
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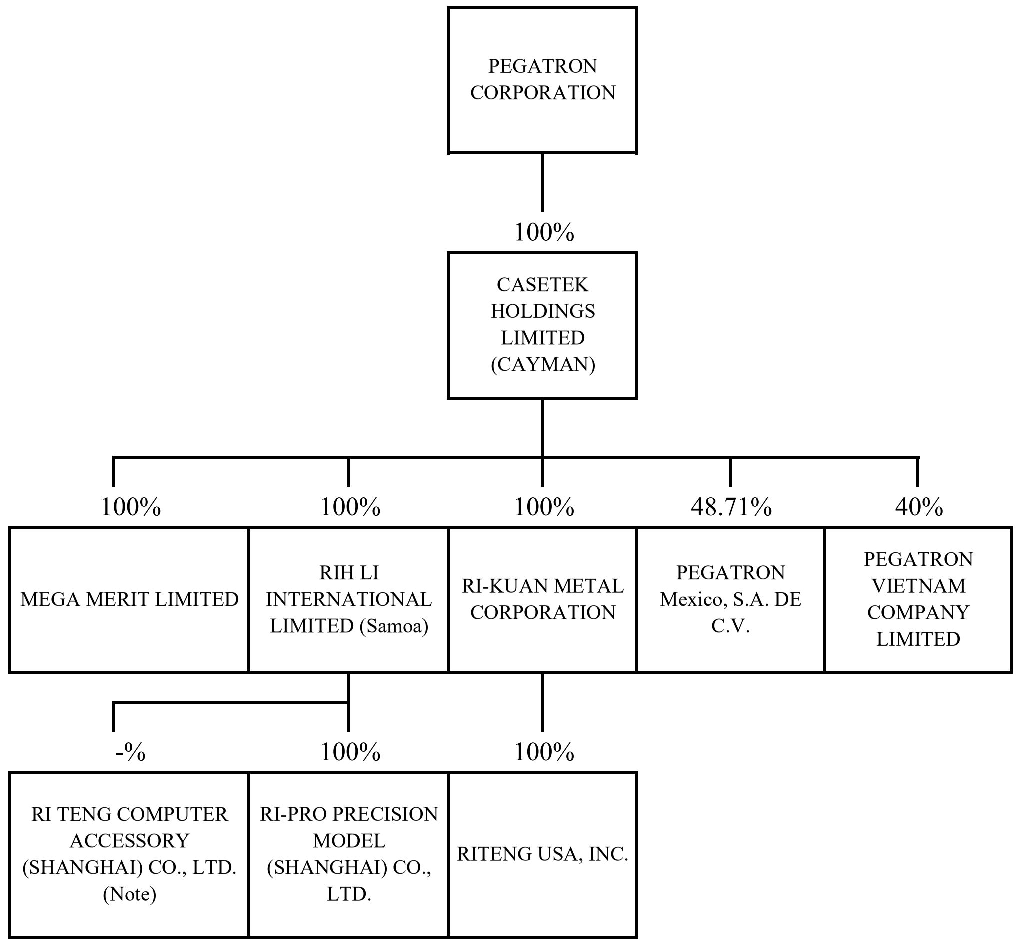
39.26%
29.51%
100%
48.49%
1.98%
2.83%
100%
100%
0.01%
4.52%
4.32%
PEGATRON TECHNOLOGY SERVICE INC.
ASUSPOWER CORPORATION
PEGA INTERNATIONAL LIMITED
Lumens Digital Optics Inc.
PEGATRON JAPAN INC.
PEGATRON SERVICE SINGAPORE PTE. LTD.
PEGATRON ELECTRONICS INDIA PRIVATE LIMITED
AzureWave Technologies, Inc.
100.00%
100.00%
100%
100%
100%
PEGATRON TECHNOLOGIES LLC (PTX)
PEGATRON SERVIÇOS DE INFORMÁTICA LTDA. (PCBR)
Lumens Integration Inc.
Lumens Digit Image Inc. (SAMOA)
PEGATRON SERVICE KOREA LLC.
100.00%
Lumens (Suzhou) Digital Image Inc.



Note: The dissolution and liquidation of the subsidiary was resolved by the shareholders' meeting on July 22, 2025. In January 2026, the subsidiary applied to the local government for the dissolution and liquidation procedures.

6.1.2 Business Scope of Pegatron and Its Affiliated Companies

Pegatron's affiliates support the Company's core business in researching, developing, designing, manufacturing, repairing, and selling the following products and related peripherals:

a. Computing products, communication products, and consumer electronics product
b. Computer and related peripherals, data storage and processing equipment, and electronic components
c. Electronic parts and electronic components
d. Medical appliances
e. Wireless network development and computer and business equipment, telecommunications equipment, information software, computer peripheral hardware, and mobile e-commerce services
f. Computer data projectors

6.2 Private Placement Securities in the Most Recent year: None.

6.3 Any Other Special Notes to be specify: None.

6.4 Any Events in 2025 and as of the Date of this Annual Report that had Significant Impacts on Shareholders' Right or Security Prices as Stated in Item 2 Paragraph 3 of Article 36 of Securities and Exchange Law of Taiwan: None.

Memo

Memo

Memo

Pegatron Corporation

T.H. Tung, Chairman

PEGATRON

5F, No.76, Ligong St., Beitou Dist.,
Taipei City 112, Taiwan
+886-2-8143-9001
www.pegatroncorp.com

Taiwan Stock Exchange Market Observation Post System

PEGATRON Annual Report