

# | Preface

## Introduction to the ESG Report

### Organizational Boundaries

This Report outlines ESON Precision Engineering Co. Ltd.'s and its subsidiaries' promotion and performance of its social sustainability policies in the areas of operational strategies and economic performance, information security, corporate governance and integrity management, climate change and adaptation, talent development, and occupational health and safety, covering the period from January 1, 2025 to December 31, 2025.

The scope of information disclosure in this Report is consistent with the consolidated entities included in the Company's consolidated financial statements. Please refer to the Company's 2025 consolidated financial reports at <https://www.eson.tw/index.php?c=category&id=30> for details on the entities included in the preparation of the consolidated financial statements. If boundaries of specific data or information differ from those of the consolidated financial reports, supplementary notes will be provided. Please refer to the Appendix for the reference table of company abbreviations and full legal names used in this Report.

The statistical data disclosed in this Report is sourced from the Company's internal statistics and survey results, presented using internationally accepted indicators. Any estimates will be specified in the relevant chapters.

### Information Quality

| Information Category | Standard Followed                                                                                                                                     | Applicable Operational Site                                    | Certification/Auditing Body                                            | Applicable Year/Validity                                            |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------------|
| Finance              | Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Generally Accepted Auditing Standards | The Group                                                      | Deloitte Taiwan                                                        | 2025                                                                |
| Environment          | ISO 14064-1 : 2018                                                                                                                                    | The Group                                                      | AFNOR Asia, Ltd.                                                       | Verification year: 2024<br>Date of issue: December 12, 2025         |
| Environment          | ISO 14001 : 2015 Environmental Management                                                                                                             | Kunshan ESON Machinery Industry Co., Ltd.                      | Shanghai NQA Certification Co., Ltd.                                   | Date of issue: October 24, 2025<br>Valid until: October 22, 2028    |
|                      |                                                                                                                                                       | Mexico Plant 1 (MULTIWIN DE MEXICO S.A. DE C.V.)               | Kiwa Korea Ltd.                                                        | Date of issue: October 30, 2024<br>Valid until: October 29, 2027    |
|                      |                                                                                                                                                       | Malaysia Plant (ESON BATUPAHAT PRECISION ENGINEERING SDN.BHD.) | SIRIM QAS International Sdn. Bhd.                                      | Date of issue: December 12, 2025<br>Valid until: September 30, 2028 |
|                      |                                                                                                                                                       | Vietnam Plant (ESON (VN) PRECISION INDUSTRY CO., LTD.)         | ISOCERT International Certification and Inspection Joint Stock Company | Date of issue: November 21, 2024<br>Valid until: November 20, 2027  |

## Information Quality

| Information Category              | Standard Followed                                            | Applicable Operational Site                                       | Certification/Auditing Body                                               | Applicable Year/Validity                                             |
|-----------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------------------------------|
| Environment                       | ISO 14001 : 2015<br>Environmental Management                 | Mexico Plant 2 (ESONMEX MONTERREY S.A.DE C.V.)                    | Kiwa Korea Ltd.                                                           | Date of issue: February 28, 2025<br>Valid until: February 27, 2028   |
|                                   |                                                              | Yantai Zhengyi Precision Electronics Co., Ltd.                    | HXC (Beijing) Certification Center Co., LTD.                              | Date of issue: July 3, 2025<br>Valid until: July 2, 2028             |
| Occupational Health and<br>Safety | ISO 45001 : 2018<br>Occupational Health and Safety           | Kunshan ESON Machinery Industry Co., Ltd.                         | Shanghai NQA Certification Co., Ltd.                                      | Date of issue: October 24, 2025<br>Valid until: December 26, 2028    |
|                                   |                                                              | Malaysia Plant<br>(ESON BATUPAHAT PRECISION ENGINEERING SDN.BHD.) | SIRIM QAS International Sdn. Bhd.                                         | Date of issue: May 5, 2025<br>Valid until: June 11, 2028             |
|                                   |                                                              | Yantai Zhengyi Precision Electronics Co., Ltd.                    | HXC (Beijing) Certification Center Co., LTD.                              | Date of issue: July 3, 2025<br>Valid until: July 2, 2028             |
| Product Quality                   | ISO 9001 : 2015<br>Quality Management                        | Kunshan ESON Machinery Industry Co., Ltd.                         | Shanghai NQA Certification Co., Ltd.                                      | Date of issue: July 31, 2023<br>Valid until: July 31, 2026           |
|                                   |                                                              | Mexico Plant 1 (MULTIWIN DE MEXICO S.A. DE C.V.)                  | Kiwa Korea Ltd.                                                           | Date of issue: October 30, 2024<br>Valid until: October 29, 2027     |
|                                   |                                                              | Malaysia Plant<br>(ESON BATUPAHAT PRECISION ENGINEERING SDN.BHD.) | SIRIM QAS International Sdn. Bhd.                                         | Date of issue: March 16, 2026<br>Valid until: March 31, 2029         |
|                                   |                                                              | Vietnam Plant (ESON (VN) PRECISION INDUSTRY CO., LTD.)            | ISOCERT International Certification and Inspection Joint<br>Stock Company | Date of issue: November 21, 2024<br>Valid until: November 20, 2027   |
|                                   |                                                              | Mexico Plant 2 (ESONMEX MONTERREY S.A.DE C.V.)                    | Kiwa Korea Ltd.                                                           | Date of issue: February 28, 2025<br>Valid until: February 27, 2028   |
|                                   |                                                              | Yantai Zhengyi Precision Electronics Co., Ltd.                    | HXC (Beijing) Certification Center Co., LTD.                              | Date of issue: July 3, 2025<br>Valid until: July 2, 2028             |
|                                   | IECQ Hazardous Substance<br>Process Management               | Kunshan ESON Machinery Industry Co., Ltd.                         | Shanghai NQA Certification Co., Ltd.                                      | Date of issue: September 21, 2023<br>Valid until: September 22, 2026 |
|                                   | IATF 16949 : 2016<br>Automotive Quality Management<br>System | Kunshan ESON Machinery Industry Co., Ltd.                         | Shanghai NQA Certification Co., Ltd.                                      | Date of issue: September 8, 2024<br>Valid until: September 7, 2027   |
|                                   |                                                              | Mexico Plant 1 (MULTIWIN DE MEXICO S.A. DE C.V.)                  | Kiwa Korea Ltd.                                                           | Date of issue: August 29, 2024<br>Valid until: August 28, 2027       |

# Reporting Period and Cycle

|                  |                                                                                                                                                                                                                   |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reporting period | The information disclosed in this Report covers the period from January 1, 2025 to December 31, 2025, consistent with the reporting period of the financial reports. The report was published on August 28, 2025. |
| Reporting cycle  | This Report marks the Company's second ESG report, and the Company plans to periodically issue ESG reports every year.                                                                                            |



# Restatements of information

Where information in this Report has been restated, the restated information and its corresponding chapter or section are summarized in the following table:

| Restated Information                                   | Reason for Restatement                                                                                                                             | Impact of Restatement                                                                                                                                                                                     | Corresponding Chapter/Section in this Report |
|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| 2024 operating revenue amount and percentage by region | Operating revenue amounts for the Americas and Asia in 2024 are now displayed separately, with the addition of operating revenue details for Asia. | Operating revenue from Asia increased by NT\$231,757 thousand, representing an increase of 1.78%.                                                                                                         | 1.1 About ESON                               |
|                                                        | To reflect changes in the reporting of operating revenue details for other regions in 2024                                                         | Operating revenue from other regions decreased by NT\$231,757 thousand, representing a decrease of 1.78%.                                                                                                 |                                              |
| 2024 GHG inventory data                                | The 2024 GHG data were revised upon verification.                                                                                                  | The updated total emissions were 136,997.2566 tCO <sub>2</sub> e, a decrease of 13.43% compared to the originally disclosed 158,254.6293 tCO <sub>2</sub> e. Emission intensity also decreased by 13.41%. | 4.3 Greenhouse Gas and Emissions Management  |

# External Assurance

This Report was submitted to the Board of Directors for discussion and has been approved. The Company engaged KPMG Taiwan to conduct limited assurance for this Report, which was prepared by the Company in accordance with the GRI Standards (2021). The assurance was conducted in accordance with TWSAE3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the Accounting Research and Development Foundation (referencing International Standard for Assurance Engagements 3000 [ISAE 3000]). The limited assurance report is included as an appendix to this Report.

# Point of Contact

|                                                                                     |                  |                                                                     |
|-------------------------------------------------------------------------------------|------------------|---------------------------------------------------------------------|
|  | Point of Contact | Sustainable Development Department                                  |
|  | E-mail           | y.c@eson.tw                                                         |
|  | Telephone        | (886)2-2267-3272                                                    |
|  | Address          | 12F-3, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City |



## Chairman's Message

Global issues, such as climate change, inflation, and geopolitics, have increasingly challenged and severely tested companies. Thanks to its years of production experience and professional workforce, ESON Precision is well-positioned to provide one-stop services in product design, R&D, production and manufacturing, secondary processing, and assembly projects. We also delve deeply into customers' requirements for new product specifications, tailoring our solutions and addressing potential technical issues that may arise during production. Additionally, ESON Precision is able to plan service processes adapted to customized service demands and, guided by the principle of becoming customers' best partner, provides OEM services for the international market. As a long-term strategic partner to our customers, ESON Precision has actively invested in the R&D of special surface treatment processes while introducing precision production equipment to support and meet customers' new design concepts and requirements.

In the face of the challenges posed by global climate change, ESON Precision unwaveringly upholds its commitment to sustainable management by adopting proactive and voluntary GHG inventories. It follows the Task Force on Climate-Related Financial Disclosures (TCFD) framework to identify, assess, and quantify the financial impacts of associated risks and opportunities. The Company adheres to the four principles of "effectively promoting corporate governance, developing a sustainable environment, safeguarding social welfare, and strengthening corporate social responsibility disclosure," and has established guiding principles aligned with the UN Sustainable Development Goals (SDGs).

ESON Precision strives to practice sustainable operations to reduce global poverty and protect the environment from damage (SDG1, SDG12). The Company is committed to corporate governance and common good, ensuring healthy lives for all ages, improving public well-being, practicing gender equality, and protecting everyone's right to decent work (SDG3, SDG5, SDG8). In terms of climate change and adaptation, the Company actively promotes energy-saving and water-saving measures while recording and disclosing the sources of water withdrawal, receiving water bodies for discharge, and wastewater treatment units. In doing so, we aim to ensure compliance with local regulations for discharged water quality standards, aligning with the goals of clean water and sanitation, as well as prevention of marine environmental degradation (SDG6, SDG14). Furthermore, the Kunshan Plant has partnered with renewable energy service providers to lease its facility rooftops for the installation of solar power systems. The plant also purchased 4,727,524 kWh of renewable energy, accounting for 30.29% of its total electricity consumption, in alignment with sustainable energy initiatives and climate action (SDG7, SDG13).

The Company adopted the **SASB Standards** this year, disclosing sector-specific sustainability key performance information and establishing the relevant content index. During the identification of material topics, the Company also referenced the sector-specific disclosure requirements under SASB and conducted an in-depth examination of industry-specific impacts and risks. Based on these assessments, the Company further elaborated on its concrete actions and measures in response to management-related risks. Going forward, the Company will reference the requirements set forth in IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, progressively enhancing its sustainability governance, risk management, and performance measurement mechanisms. It will establish climate risk and opportunity identification, assessment, and management processes to improve the alignment between sustainability information and financial information, as well as to enhance decision-usefulness. These efforts will lay a solid foundation for full alignment with the IFRS Sustainability Disclosure Standards in the future.

We also follow the **TCFD framework for climate-related financial disclosures**. Through climate scenario analysis, we systematically identify climate-related risks and their potential financial implications for ESON. These efforts strengthen our climate risk governance capabilities, enhance operational resilience, and support the Company's progress toward achieving its long-term sustainable development goals.

In addition, we conducted a preliminary assessment of ecological risks through the Taskforce on Nature-related Financial Disclosures (TNFD) questionnaires.

Through this Report, we hope that stakeholders who follow ESON Precision development can gain a systematic and clear understanding of the dedicated efforts and achievements of our management team and all employees during this reporting period. Looking ahead, ESON Precision will continue to adhere to the core values of its main business while following the SDGs indicators. Through its global operations, the Company will actively engage with neighboring communities and maintain close cooperative relationships to drive continuous economic growth. Driven by its social responsibility for sustainability, ESON Precision is well positioned for economic growth while fostering a green environment, optimizing ecosystems, and collaborating with industry chain partners to move forward together steadily.

ESON Precision Engineering Co. Ltd.

Chairman **Chia-Hsiang Tsai**