TSC Auto ID Technology Co., Ltd.

Report on Sustainability Implementation Status in 2025

Board report date: March 13, 2026

With the global trend of heightened attention to ESG issues, TSC is committed to integrating its operational strategies and sustainability goals to ensure steady growth and demonstrate a positive impact on environmental sustainability, social welfare, and corporate governance. TSC hopes to integrate its vision, governance, products, and services to strengthen communication with stakeholders and to exert a positive influence on suppliers and consumers, working together for a better society.

I. Foster a sustainable environment

The Company aims to comply with international environmental requirements and reduce carbon emissions, and continues to promote energy-efficient products, reduce waste generation, and enhance energy recycling and reuse while encouraging participation in various environmental protection initiatives as the primary direction of its sustainable environmental development policy.

The Yilan factory and Tianjin factory have obtained ISO 14001:2015 and GB/T 24001-2016 environmental management system certifications. We continue to improve waste recycling rates, introduce new plant equipment and utilize green energy, regularly review energy consumption within the facilities, and implement various energy-saving programs and strategies.

At the same time, through system-based operational management, the Company fully complies with the requirements of the RoHS Directive and the WEEE Directive in both manufacturing processes and materials management, and incorporates these requirements throughout its product design and manufacturing processes. In addition, self-declaration statements are issued for major products in accordance with the relevant EU environmental regulations, demonstrating the Company’s commitment to reducing the environmental impact arising from product manufacturing. The main performance in 2025 is as follows:

(I) In Aug. 2025, the Company launched the rooftop solar power generation system at the Yilan factory to reduce dependence on fossil fuel energy. The system generated a cumulative total of approximately 400,000 kWh of electricity, and surplus power was sold back to Taiwan Power Company, thereby enhancing the efficiency of green energy utilization.

(II) In 2025, the Yilan factory achieved a waste recycling rate of 81.3%. It continued to promote environmental protection and energy-saving measures to reduce waste and promote resource recycling for reuse, mitigating the impact on the environment.

(III) In 2025, the Company promoted the introduction of recycled materials for various models, and designed and adopted eco-friendly packaging, gradually launching them into the market. All mainstream product models have begun using recycled metal materials or recycled plastic pellets, which account for more than 10% of their total weight. In addition, over 80% of printer components are recyclable and reusable, thereby supporting the realization of a circular economy. The outer boxes are FSC-certified eco-friendly cardboard, with at least 70% of the pulp sourced from FSC-certified forests. The cushioning materials are made of recycled pulp to reduce the environmental impact.

(IV) All products manufactured in 2025 continued to incorporate comprehensive energy-saving designs and complied with the U.S. Energy Star, California Energy Commission (CEC), and EU Energy-related Products (ErP) energy efficiency certifications, demonstrating the Company's commitment to reducing energy consumption and protecting the environment.

(V) The total carbon emissions of the Taiwan Headquarters and the Tianjin subsidiary in 2025 were 939 tons of CO2e, which decreased by 8.64%compared to the previous year. Continuing to move toward carbon reduction goals.

II. Social responsibility

TSC Auto ID Technology is committed to becoming an outstanding and people-centered enterprise. The Company will continue to empower talent, enhance employee health and well-being, promote a diverse, equitable, and inclusive environment, support disadvantaged groups, and actively contribute to the sustainable development of communities, with the aim of building a more inclusive society. The main performance highlights in 2025 are described as follows:

(I) Strengthening communication: Through various communication channels, the Company conveys its policies and promotes understanding and collaboration between the organization and individuals, thereby enhancing overall organizational cohesion.

1. Through quarterly all-hands meetings, global management meetings, and monthly headquarters management meetings, the Company transparently and accurately communicates its policies and operational status while fostering cross-departmental discussions and collaboration.
2. In addition to communicating corporate policies, the all-hands meetings also include sharing of cross-departmental activities, such as the promotion of employee clubs and the sharing of team-building initiatives, thereby deepening employee interactions and fostering meaningful shared experiences.

3. The Company continues to publish the “Global News Quarterly” to share important updates from each branch and recognize outstanding employees, enabling employees across all locations to stay informed about one another and strengthening employee cohesion.
4. The Company has established a two-way communication platform between employers and employees through regular labor-management meetings, labor safety meetings, and monthly meetings for migrant workers to create a diverse, equitable, and inclusive workplace.
5. The Company promotes additional communication channels, including suggestion boxes, innovation proposals, performance journals, and grievance mailboxes, encouraging employees to actively share their ideas and feedback, and providing regular responses to employee input.
6. The Company continues to conduct annual employee engagement surveys and expands their scope globally. After the survey, the Company invites employees to jointly discuss and develop improvement initiatives, incorporates them into the Company’s annual objectives for execution and tracking, and works together to create an excellent workplace at TSC. In 2025, the Company provided English and localized language versions for the first time, reinforcing the principles of diversity, equality, and shared prosperity. In 2025, the overall response rate across the company reached 99%, up from last year, reflecting employees’ strong commitment to jointly creating a better workplace.

(II) Talent Empowerment: The Company implements diverse learning programs and supports employees in achieving their learning goals through self-developed “Individual Learning Plans,” further fostering a culture of learning that enables employees to leverage their strengths and driving continuous organizational progress.

1. In alignment with Company policies and training needs assessments, the Company plans a series of competency-based learning activities to enhance employees’ communication, proposal development, and collaboration skills, thereby supporting the achievement of organizational goals.
2. The Company organizes leadership experience workshops to enhance supervisors’ leadership skills and team collaboration, thereby strengthening internal organizational connections and performance.
3. Through the promotion and implementation of Individual Development Plans, employees can continuously grow their skills while achieving the Company’s objectives, gradually accomplishing their personal learning goals and advancing their career development.

4. To enhance employees' innovative thinking, the Company launched the "Innovator DNA" Book Club and includes it as a mandatory course for new hires, encouraging self-study and knowledge sharing to instill the principles of the innovators' DNA into employees' behaviors, enhance their innovation capabilities, and foster a common organizational language and network.
5. The Company continues to enrich its book collection with new titles, encourages employees to recommend books, and strengthens promotional initiatives to foster a culture of shared reading and knowledge exchange while cultivating habits of continuous and self-directed learning among employees.
6. The Company implements annual performance management by aligning employees' performance with team strategies through goal setting at the beginning of the period, ongoing real-time feedback and improvement, and end-of-period evaluations in order to collectively achieve the Company's objectives.
7. The Company conducted quarterly outstanding employee selections through a nomination system, cultivating employees' ability to recognize and appreciate others, and recognized awardees at all-hands meetings, reinforcing positive workplace behaviors and fostering a positive work environment.
8. The Company continues to operate the innovation committee and the employee innovation proposal program, offering substantial financial incentives to encourage innovation. It also provides the necessary resources to support employees in transforming their ideas into practical applications, enabling them to realize their full potential.

(III) Fostering a friendly workplace: The Company has established a number of measures to care for employees' physical and psychological health and expanded care for employees' daily lives.

1. The Company continued to provide new employees with annual leave benefits exceeding legal requirements, along with a buddy program for new hires. The Company established an employee care mechanism to support new hires during their transition, conducted interviews with them 1.5 months after onboarding to understand their adjustment, and provided timely assistance as needed. This aims to increase the retention rate of new hires (with a 92.59% probation pass rate in 2025) and enhance the Company's competitiveness in the talent market.
2. The Company increases funding support for the buddy program, expands opportunities for interaction between new hires and experienced employees across departments, helps new employees quickly adapt to the corporate culture and work

environment, provides support in daily life, and enables employees to feel the Company's care and commitment to them.

3. The Company comprehensively reviews its internal policies and streamlines various procedures in compliance with the regulations, enabling employees to follow clear guidelines and improving operational efficiency.
4. The Company provides "TSC Family Care Leave," which exceeds legal requirements, offering employees additional leave beyond statutory entitlements and reducing the likelihood of employees taking unpaid leave or leaving the workforce to care for family members.
5. From 2025 onwards, the Company will provide a "TSC Fertility Treatment Leave" that exceeds legal requirements. We hope this will help employees and their spouses reduce psychological stress during their journey to conceive, encourage shared participation and responsibility between partners, and further establish a gender-equal and family-friendly work environment.
6. In 2025, new overseas business travel safety management guidelines were introduced to protect employees' rights and safety during business trips.
7. The Company implements a "Psychological Counseling Service," providing a toll-free consultation hotline available 24 hours a day, 365 days a year, including management-related consultation services. Through third-party professional and objective support, it helps employees resolve issues, relieve stress, and achieve physical and mental balance. The Company supplements this with a monthly "Sunny Mind Digest" to provide employees with more comprehensive psychological support.
8. In 2025, the first Mindfulness Week was held, featuring simple mindfulness practices and interactive activities to help employees maintain awareness and focus amid busy work, relieve stress, strengthen emotional regulation, and enhance psychological resilience and physical and mental balance.
9. Various employee benefits and care initiatives are integrated, and the "TSC Lohas Guidelines" is updated to provide employees with a more comprehensive understanding of available support and enable them to access it when needed.
10. Travel subsidies are provided to employees to allow them to fully rest outside of work, relieve stress from their environment and society, and recognize their continued dedication in their positions.
11. Team-building activities create opportunities for cross-departmental interaction, enabling employees to connect with employees they do not interact with in their work, build strong relationships, and foster greater collaboration.
12. Continue to provide a series of health and lifestyle seminars to increase daily functions and establish a high quality of life.

13. The company is organizing a “TSC Baby Camp” and will fully subsidize employees’ children to attend the Carnegie summer character camp. Childhood is a crucial time for developing self-discipline and emotional management skills, which lay the foundation for self-confidence, communication, and interpersonal skills. Parents’ participation in the process also contributes to the shared growth of family members and positive interpersonal interactions between families. In 2025, the second “TSC Baby Camp” was held, and children of employees who participated in the first camp were invited to return as camp mentors. Through interaction with participants, they internalized what they learned in the previous year and enhanced their leadership, influence, and self-management skills.
14. The first TSC Family Day was held at Taipei Dome in 2025, where employees and their families enjoyed an exciting baseball game and quality family time together. From pre-event introductions to basic baseball knowledge to the distribution of specially designed TSC caps on the day of the event, team cohesion was collectively demonstrated. Aiming to create wonderful memories unique to TSC for our employees and their families, the Company continues to practice family friendliness and employee care to create a workplace culture with a sense of belonging.

(IV) Promoting diversity, equity, and inclusion: The Company jointly implements social responsibilities with the government and private sectors, hoping to create a more harmonious and inclusive society through the efforts of employees, families, and the Company.

1. In 2025, the Company received the RBA VAP Platinum Recognition and adhered to the requirements across the five key areas—labor, health and safety, environment, ethics, and management systems—to implement corporate social responsibility and meet stakeholder expectations while driving value chain partners to strengthen risk management and resilience across upstream and downstream supply chains.
2. In its second year of participation, the Company joined the “TALENT, in Taiwan: Taiwan Talent Sustainability Action Alliance,” and is creating a diverse and inclusive workplace through six strategic action principles: “Purpose and Value,” “Diversity and Inclusion,” “Rewards and Incentives,” “Well-Being and Health,” “Development and Growth,” and “Communication and Experience.”
3. Efforts are made to enhance awareness of sustainability and social responsibility, and to encourage employees to participate in ESG-related training, covering key topics such as overall corporate sustainability management, TCFD risk identification, corporate governance evaluations, DEI and inclusive workplaces, and information security.

4. The CSR Committee continues to operate, bringing employees together to discuss social responsibility issues and engaging them in a series of initiatives to fulfill social responsibilities. In 2025, participation in CSR activities reached a total of 212 instances, contributing 1,687 hours, with a total of 995 beneficiaries.
5. In 2025, the Company established the CSR Passport system. Through a point-and-reward mechanism, it encourages employees to actively participate in various CSR activities.
6. In collaboration with the nonprofit organization Eden Social Welfare Foundation, a series of initiatives were carried out to support children with developmental delays (“slow-flying angels”), with employees participating in companionship activities and donation programs to show their support through concrete actions. In 2025, a total of 330 hours were contributed to the Eden project, with charitable donations reaching NTD 216,101 and a total of 441 beneficiaries.
7. The first “Arbor Day” event was held in 2025 to encourage employees to support environmental sustainability through practical actions and put their green commitments into practice. The activities were also open to employees’ family members and friends, with a total of 100 employees and their relatives participating in the tree-planting event. Under professional guidance, land preparation and planting were completed, enhancing greenery and improving biodiversity at the site. Through collaboration and hands-on experience, employees’ awareness of sustainability issues was deepened, while also strengthening interaction and team cohesion among employees, their families, and friends.
8. Support the government's "Safe Employment Plan" to reward all units for hiring unemployed workers, successfully re-employ unemployed workers, and provide a diversified workforce.
9. The Company continues to participate in the “Industry–Academia Internship Program” jointly organized by the Financial Supervisory Commission and the Ministry of Education, and regularly conducts campus recruitment activities. By offering internship opportunities and recruiting fresh graduates, students are able to gain early exposure to the workplace, helping to reduce graduate unemployment while promoting the employer brand.

III. Promote corporate governance

The Company has made a conscious effort to create a profit for our shareholders and strengthen our governance and ethical corporate management, and we continue to improve our operational information transparency as our pivotal policy toward corporate governance. In addition to providing general guidelines of conduct for directors and managers, the Company continues to achieve stable operating profits through product development, market development, and cost control. When the Company makes a profit, it also appropriately returns the profit to shareholders in accordance with the dividend policy set forth in the Articles of Incorporation. The main performance in 2025 is as follows:

(I) In 2025, the Company's ROIC (Return on Invested Capital) reached 10.06%, demonstrating efficient use of capital. The Company's ROE (Return on Equity) reached 17.85%, indicating effective utilization of shareholders' equity to generate strong returns.

(II) In 2025 (the 12th Corporate Governance Evaluation), the Company's corporate governance score increased from 70.58 to 89.91, ranking within the 6% ~ 20% tier among TPEx-listed companies. The Company continues to improve and refine its ranking in the corporate governance evaluation of TPEx-listed companies.

(III) In 2025, one additional female independent director was appointed, bringing the total number of female directors to two and promoting gender diversity on the Board. The Company continues to enhance directors' professional knowledge and competencies, and actively implements corporate governance practices, with its seven directors completing a total of 81 hours of continuing education.

(IV) Since 2024, a "Sustainability Development Committee" has been established, and its "Sustainability Development Committee Charter" has been formulated, current with one director and two independent directors(include one female director) appointed as members to strengthen the Company's sustainability governance.

(V) The "ISO/IEC 27001 Information Security Management System" certification was obtained (valid from Dec. 29, 2025 to Dec. 28, 2028), reinforcing the Company's information security culture.

(VI) Continued to improve information transparency and strengthen information disclosure to domestic and foreign investors as follows:

1. The Company was invited by the securities dealer to hold a total of 2 institutional investor conferences to explain the Company's operating performance to investors. Video and audio files for at least one institutional investor conference were disclosed on the MOPS for investors to review.
2. Record the Company's responses to shareholders' questions in the minutes of the shareholders annual general meeting. The video and audio files of the annual general meeting are also placed on the Company's website for investors to refer to.
3. Material information is published in English and on the Market Observation Post System (MOPS) and on the Company's website, the English version of the Shareholders Meeting Notice, Shareholder Meeting Handbook, Shareholder Meeting Annual Report, Shareholder Meeting Minutes, and Financial Report are disclosed at the same time.

4. The Company has formulated “concrete measures to enhance its corporate value,” submitted them to the Board of Directors, and disclosed the relevant information on the Market Observation Post System under the “Corporate Value Enhancement Plan Zone,” actively engaging in communication with shareholders and stakeholders.

(VII) Details of intellectual property management for 2025 are provided below and are also disclosed on the Company’s official website:

1. The inventory of Bluebird’s patents and trademarks has been completed.
2. Patent searches on major competitors have been completed.
3. The “Regulations Governing the Management of Patent and Trademark Rights” and the “Regulations Governing the Management of Copyrights and Trade Secrets” have been implemented.

(VIII) A contract has been signed with the Taiwan Depository & Clearing Corporation to adopt its “Shareholder Services eCounter Platform” for processing shareholder services via digital signatures, enhancing service efficiency, supporting environmental sustainability, and promoting carbon reduction.