

ESG 2025

PEGAVISION CORPORATION

2025 ESG REPORT

CORPORATE
SOCIAL
RESPONSIBILITY →

2025

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2025 ESG REPORT



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About This Report

GRI 2-1

This English version of the Sustainability Report is a translation of the Chinese version. If there is any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.

The 2025 Sustainability Report is the seventh sustainability report issued by Pegavision Corporation (hereinafter referred to as “the Company” or “Pegavision”), providing reliable and transparent information to the public. The company website simultaneously publishes various information to facilitate two-way communication with internal and external stakeholders. We hope that through the concrete actions of publishing this report, we will deepen the concept of sustainable management within the enterprise, creating a triple win for industry, environment, and society. This report is prepared in accordance with the “Procedures for Preparation and Submission of Sustainability Reports by Listed Companies” announced by the Taiwan Stock Exchange, follows the sustainability reporting criteria (GRI Standards) issued by Global Reporting Initiative (GRI), references SASB criteria for medical devices and supplies industry, and incorporates climate-related financial disclosure guidance (TCFD). An inventory check is performed on company operating activities to assess their impact on economy, environment, and people/human rights, responding to stakeholder expectations.

Report Period

GRI 2-3

January 1, 2025 to December 31, 2025

Coverage

GRI 2-2

This report primarily covers the Pegavision Taiwan region, including the Head Office, Guishan Site, and Daxi Site, and does not include subsidiaries in consolidated financial statements. The financial data boundaries are consistent with those of the annual report.

Factory site	Address
Head Office	2F-1, No. 5, Shing Yeh St., Guishan Dist., Taoyuan City
Guishan	No. 5, Shing Yeh St., Guishan Dist., Taoyuan City
Daxi	No. 255, Sec. 2, Renhe Rd., Daxi Dist., Taoyuan City

Principles and Guidelines

This report is prepared in accordance with the 2021 General Criteria of the Sustainability Reporting Criteria (GRI Standards) issued by the internationally recognized Global Reporting Initiative (GRI), and also references the following Standards and data :

- Corporate Social Responsibility practice principles for listed and OTC firms
- Rules Governing the Preparation and Filing of Sustainability Reports by listed and OTC Companies
- Sustainability Accounting Standards Board (SASB) – Medical Devices and Supplies
- TCFD (Task Force on Climate-related Financial Disclosures)
- United Nations Global Sustainable Development Goals
- AA1000 Standard

Ensure the Accuracy of Public Information

GRI 2-5

The disclosure of information related to the sustainability report will have a significant impact on stakeholders; therefore, we must exert maximum effort, pay attention to every detail, and ensure that the disclosed information is accurate and complete.

- Internal confirmation: Each item of information is confirmed and approved by the relevant department heads, then approved by the Sustainability Committee before being submitted to the Board for approval.
- External confirmation: financial data refers to the annual report, certified by Ernst & Young Taiwan.

Report Frequency and Contact Information

GRI 2-3

Our company publishes its sustainability report annually. The current issue was released in August 2026, and the next edition is scheduled for August 2027. If you have any suggestions or questions regarding this report, we welcome you to convey your valuable feedback to our company so that we can continue to improve.

Contact | Mei-Ting Liao, Office of the General Manager
Address | 2F-1, No. 5, Xingye Street, Shanding Village, Guishan District, Taoyuan City
E-mail | Contact@pegavision.com

Message from Management

GRI 2-22

Dear Stakeholders,

In 2025, the world faced a highly uncertain and challenging year. Intensified climate change risks, the tariff and trade war initiated by the Trump administration in the United States, and escalating geopolitical conflicts created an unstable global economic environment. Amidst this volatile political and economic landscape, fluctuating raw material prices, and frequent supply-chain changes, Pegavision remains committed to its core principle of “Expanding a broader vision for consumers” and continues to move forward decisively. We believe that only by maintaining a sustained focus on our core business and achieving a dynamic balance among product development, technology, organization, governance, and sustainability can we navigate steadily in an ever-changing world.

Pegavision has long been committed to innovation, research and development, and precision manufacturing of contact lens products, aspiring to become consumers’ “lifelong optical solution.” We recognize that, as a medical device manufacturer, product quality and safety are uncompromisable foundations. By implementing a PDCA management cycle we comprehensively optimize processes and the quality management system, continuously improving yield while shortening manufacturing and delivery times. We also introduce supply-chain risk control and cost-flexibility adjustment mechanisms to enhance overall operational resilience. In terms of business strategy we have begun forward-looking planning for the next decade’s product line, mastering advances in optical material technology and visual health trends, expanding into more diverse application scenarios, and strengthening global market competitiveness. This is not only preparation for commercial competition but also a demonstration of our long-term commitment to customers and society.

Pegavision invests substantial resources in product research and development and the continuous improvement of manufacturing efficiency, taking into account users’ needs from multiple perspectives. We believe that a high-quality product is the foundation for earning customer trust. In addition, years of accumulated R&D achievements and manufacturing experience enable us to provide joint development and end-to-end services, which also help open new customer relationships and establish long-term stable partnerships with them. Furthermore, as a member of the medical device industry, Pegavision places great importance on compliance with market regulations and obtaining certification qualifications in each country. We conduct manufacturing and production under the strictest review standards, from process quality requirements to final user monitoring, so that we can offer a complete production history based on consumer convenience and safety, giving our customers and users greater peace of mind.

We firmly believe that sustainable business operation must be established

on the coordinated development of economic, social, and environmental dimensions. Accordingly, Pegavision actively incorporates ESG thinking into its daily operations and strategic development, from production to brand, from governance to public welfare, implementing the value concept of “sustainable mutual benefit.”

Environment (E), Pegavision not only creates a green plant environment that saves energy and water, but also gradually promotes actions to reduce energy consumption and carbon emissions. We have introduced a greenhouse gas inventory system and GHG Protocol verification mechanism, progressively establishing more quantitative climate action goals and tracking mechanisms.

Social aspect (S), we consistently prioritize employee welfare and career development, providing a conducive workplace environment, health care, and diverse functional training opportunities so that employees can fully commit to their work without concern. We have optimized internal benefits systems, expanded support measures for women in the workplace, and continue to strengthen labor-management communication and organizational culture cohesion. Additionally, through product charitable donations, educational support, and community engagement initiatives, we fulfill corporate social responsibility and position the brand as a catalyst for positive change.

Governance (G), we continuously optimize the corporate governance structure and risk management system, enhance board functions and internal audit procedures, and also implement ISO 27001 information security management system and TIPS intellectual property protection mechanisms to strengthen the protection of core corporate assets. In response to product risks associated with medical device characteristics, we have established a comprehensive product traceability mechanism and continually refine the real-time response processes for quality and safety incidents to safeguard users’ and customers’ interests.

In addition, to reduce risk in a single market, Pegavision is gradually expanding diverse overseas channels and collaborating with international brands, dispersing production bases and enhancing global operational flexibility. While implementing strategic deployment, we do not forget the original purpose of the enterprise: improving human visual welfare and quality of life through optical expertise, and driving positive social impact during growth processes. We deeply understand that sustainability is not only “doing business responsibly,” but also a long-term commitment to “creating value for the world.” We will continue to refine management, increase transparency, actively collaborate with stakeholders in communication, and work together to build a more inclusive, resilient and sustainable future society.



General Manager

陳德俊

2025 Sustainability Highlights

Environment Sustainability (E)

34.5 %

The water recycling rate reached 34.53%, improving water resource utilization efficiency.

7 %

Promoted ink recycling and waste reduction in production processes, achieving an average monthly reduction of 7% in ink waste.

41.7 million

The total amount of green procurement reached NT\$41,742,776.

ISO14001:2015

Continuously implement environmental management practices, reduce pollution, improve resource efficiency, and ensure compliance with environmental regulations.

GHG Protocol

Completed greenhouse gas verification, incorporated climate risks into operational strategies, and strengthened the company's sustainability resilience.

Social inclusion (S)

Happy Enterprise

Received the "Silver Award for Happy Enterprise – Technology, Energy & R&D Category" from 1111 Job Bank.

34 %

We maintained our female supervisor ratio and ensured women have equal opportunities to participate in decision-making and leadership roles.

26 people

We employed more people (total 26) with disabilities than the legal standard.

3.47 million

A total of NT\$3,468,252 was contributed to social inclusion initiatives.

4 times

Organized community public welfare activities, including cancer screening and blood donation campaigns.

Corporate Governance (G)

70.4 billion

Consolidated revenue in 2025 was approximately TWD 7.04 billion, an increase of 3.3% over 2024.

TWD 20.87

Earnings per share (EPS) reached NT\$20.87, demonstrating the company's solid core operational performance.

6.2 million

Invested NT\$620 million in research and development expenses for new product development and production technology enhancement.

ISO27001

Continuously improve information security systems to ensure the confidentiality, integrity, and availability of data.

TIPS A

Through management mechanisms, ensure the creation, protection, utilization, and risk control of intellectual property.

CHAPTER.1

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CHAPTER

01

About PEGAVISION

1.1 Organization Overview

Pegavision Corporation (stock code: 6491) was founded in August 2009. The company primarily engages in the research, development, manufacturing, and distribution of soft contact lenses and medical optical products, operating within the biotechnology and medical sector. Pegavision boasts an excellent technical and management team that has transitioned from the 3C electronics industry into medical devices, securing a foothold in the market. Additionally, the company possesses a skilled equipment development design team that independently develops new automated production lines and processes. It holds certifications including ISO 13485, GMP, Japan PMDA, EU CE, Taiwan TFDA, China NMPA (Mainland), and U.S. FDA.

Company Name	Pegavision Corporation
Paid-in Capital	NT\$780 million.
Chairman	Peter Kuo
President	TS Yang
Total Number of Employees	1,859 employees
SASB Industry Category	Medical Equipment & Supplies
Operating Locations	Head Office: No. 5, Shing Yeh St., Guishan Dist., Taoyuan City. Guishan Site: No. 5, Xingye Street, Shanding Village, Guishan District, Taoyuan City. Daxi Site: No. 255, Sec. 2, Renhe Rd., Daxi Dist., Taoyuan City.

GRI 2-1

1.2 Mission and Vision

Corporate Philosophy

Expanding a broader vision for consumers.

Mission

To provide high-quality contact lens products that meet the visual needs of consumers worldwide. Through innovative technologies, we are committed to offering safe and premium products that enhance quality of life.

Vision

To become a globally leading contact lens manufacturer, dedicated to addressing human visual challenges, supporting vision needs across all age groups, and driving the sustainable development of the visual health industry. We aim to establish a trusted global brand known for safety and quality.

1.3 Product Services and Value Chain

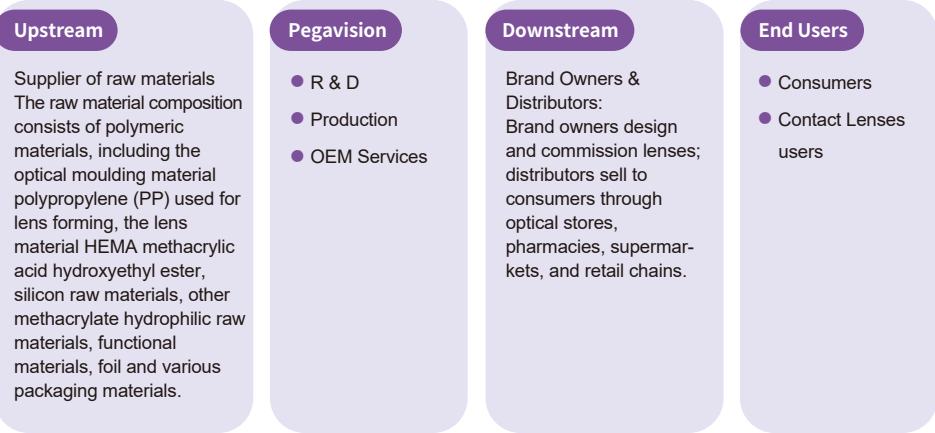
GRI 2-6

Pegavision masters key technologies such as optical design, liquid formulation, material R&D technology, material integration technology, and automated production, and undertakes contract manufacturing services. From the design and R&D of raw materials to the finished goods processes of lenses, fully automated production is employed to achieve high production stability while providing consumers with a variety of contact lens products featuring different functions and materials.

Replacement Schedule		Daily, Bi-weekly, Monthly, Quarterly, Yearly
Functionality	Harmful light blocking	UV protection, blue light filtering
	Color Lens Tones	1~3 tones
	Special Applications	Eye fatigue relief
	Optical Functions	Myopia/Hyperopia, Toric lenses (Myopia + Astigmatism), Multifocal lenses (Myopia + Presbyopia)
Lens	Solution Types	Saline, moisturizing (PMPC), nourishing (Vitamin B6/B12), refreshing (menthol)
	Materials	Hydrogel: 38%, 58%, 59% water content Silicone Hydrogel: G2S, G2S-H, G3 Material bases: HEMA-Base and SiHy-Base (high oxygen permeability)

Value Chain Overview

Pegavision's value chain encompasses upstream raw material supply, midstream R&D and manufacturing, and downstream brand and channel collaboration. Its primary positioning is as a contact lenses R&D and production manufacturer, providing products to end consumers and contact lens users through cooperation with suppliers, brand partners, and channel partners; its operational activities do not directly involve healthcare professionals or consumers.



1.4 Operating Performance

Pegavision's consolidated revenue for the full year 2025 was NT\$7,039 million, an increase of 3.3% over 2024. Export sales accounted for 86.2% of operating revenue, with primary markets in Japan, mainland China, Europe and other Asian regions. In 2025 the company added 46 patents covering fully automated process inspection, material formulation, surface coating technology and encapsulation sterilization technology. Additionally it obtained 76 new product certifications in various countries. Pegavision continues to expand its distribution market through its superior R&D production capability and unwavering commitment to quality.

Direct Economic Value Generated and Distributed

GRI 201-1

Year	2023	2024	2025
Operating Revenue	6,789,861	6,817,305	7,039,409
Operating Costs	3,121,577	2,993,356	3,361,010
Gross Profit	3,668,284	3,823,949	3,678,399
Operating Profit	1,981,111	2,086,790	1,806,938
Net Income After Tax	1,677,931	1,853,484	1,650,465
Operating Expenses	3,907,695	3,795,948	4,284,629
Employee Wages & Benefits	898,335	930,758	944,222
Payments to Providers of Capital	753,027	847,254	911,274
Payment of Government Funds	300,717	279,473	368,433
Community Investment	2,712	3,646	3,468
Retained Economic Value	927,375	960,226	527,383

Unit: NT\$ thousand



Historical Operating Expenses

Year	2023	2024	2025
Operating Expenses	(1,687,173)	(1,737,159)	(1,871,461)
Selling Expenses	(622,839)	(689,611)	(731,586)
Administrative Expenses	(431,736)	(443,114)	(515,017)
R&D Expenses	(592,395)	(646,167)	(624,683)
Impairment Gain (Loss)	(40,203)	41,733	(175)
Operating Income	1,981,111	2,086,790	1,806,938
Non-Operating Income/Expense	(2,471)	46,004	211,808
Pre-tax Net Income	1,978,640	2,132,794	2,018,746
Income Tax	(300,709)	(279,310)	(368,281)
Net Income	1,677,931	1,853,484	1,650,465
Net Other Comprehensive Income After Tax	(15,407)	9,464	(106,298)
Comprehensive Income	\$1,662,524	\$1,862,948	1,544,167
Earnings Per Share	22.83	23.47	20.87

Unit: NT\$ thousand

Note 1: Definition of non-operating income: interest income, rental income, foreign-currency exchange gains, valuation gains on financial assets measured at fair value through profit or loss, and other income.

Note 2: Definition of non-operating expenses: impairment losses on non-financial assets, interest on bank borrowings, interest on lease liabilities, foreign exchange losses, and other expenses.

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CHAPTER

02 Sustainability Management

2.1 Sustainability Management

GRI 2-12, 2-13, 2-14

The Board of Directors bears ultimate monitoring responsibility for the impact of sustainability issues on the company's management. To implement corporate sustainability objectives and strengthen the identification, assessment, and management mechanisms for material topics, the company established a Corporate Sustainability Working Group in 2021. The group is subordinate to the General Manager's Office, which coordinates sustainability-related matters and is responsible for cross-departmental communication coordination and resource integration. Members of the Corporate Sustainability Working Group consist of senior managers from each department level; based on operational activities, they identify impacts on economic, environmental, and social dimensions, develop corresponding strategies and action plans, and continuously monitor and review the implementation effectiveness of each project.

In 2025, the Board of Directors authorized the establishment of a Sustainability Committee. The Sustainability Committee shall convene at least once per year and may convene additional meetings as needed. It shall regularly report to the Board on sustainability progress and major Management issues. The Board reviews the progress of all sustainability initiatives, confirms their alignment with the company's overall vision and strategic objectives, and monitors and guides potential significant impacts, Risks and opportunities. On December 22 2025, TS Yang reported to the Board on annual sustainability implementation status; the Board conducted thorough discussion and review regarding Management policies, strategic objectives, implementation results, and subsequent improvement measures.

Structure of the Sustainability Committee and Corporate Sustainability Working Group



Sustainability Professional Knowledge and Competence

Job Title	Name	Sustainability Professional Knowledge and Competence
Chairperson	TS Yang	Proficient in corporate sustainability management, corporate strategy and action planning.
Committee Member	Terry Chang	Proficient in sustainability risk assessment, translating sustainability strategies into actionable plans.
Committee Member	Danny Lee	Proficient in sustainable energy management, implementing sustainable plans and processes.

Annual operation status of the Sustainable Development Committee

- 2024 Sustainable Development Implementation Results Report.
- 2025 Sustainable Development Policy, annual plan, and strategy.
- 2026 Sustainable Development Key Themes and Risk Assessment.

Communication Key Event

GRI 2-16

The Sustainability Committee regularly reviews negative impacts that significantly affect the company's operations. In accordance with the "Board Meeting Operations Management Procedure," the Board convenes a meeting each quarter to approve and monitor overall corporate performance, discuss key sustainability strategy issues and critical events, and cover impacts, risks, and opportunities in economic, environmental, and social dimensions. After confirming responsible units at the meeting for subsequent actions, progress is reported at the next meeting. The Sustainability Committee then discloses and communicates relevant matters to stakeholders.

Role of Highest Governance Body

GRI 2-14

To ensure that the Conformity GRI Criteria of the sustainability report comply with the company's internal sustainability policy requirements, the corporate sustainability working group is responsible for compiling data provided by each department. The Sustainability Committee reviews and confirms the completeness and accuracy of the report content, and after approval by the Board of Directors, it is formally released externally.

CHAPTER 02 Sustainability Management

2.2 Sustainable Development Commitment GRI 2-22, 2-23, 2-24

Pegavision upholds the business philosophy of "Expanding a broader vision for consumers," continuously monitoring market changes and developing optical products that meet Conformity user needs. It strives for excellence in Product Quality and Services, implements the Regulation requirements for medical devices, and delivers an improved wearing experience to consumers. For all stakeholders, Pegavision is committed to becoming a globally trusted partner in contact lens manufacturing; the company pledges sustainable development from four key perspectives, with commitments and related policies approved by the General Manager to guide all management actions.



2.3 Identification of Material Topics GRI 2-29, 3-1, 3-2, 3-3

2.3.1 Materiality Analysis and Management GRI 2-12, 2-13, 3-1

To gain a comprehensive understanding of the expectations of various stakeholders regarding Pegavision's sustainable development, the company follows the GRI 3: Material Topics and references the AA1000 Stakeholder Engagement Standard. It conducts stakeholder identification and significant topic analysis to systematically assess the actual and potential impacts of Pegavision's operational activities on economic, environmental, personnel, and human rights dimensions.

The Board of Directors is the highest guiding authority for the company's impact on Management, and it authorizes the Sustainability Committee and the Corporate Sustainability Working Group to be responsible for conducting Implementation Significance Analysis. The process is described as follows.

1. Understand the Organization context
2. Identify actual and potential impacts
3. Assess the significance of impacts
4. Prioritize topics based on impact severity



Understand the Organization Context

Pegavision Operations Activity and Macro Market Analysis

Pegavision's core operations encompass Product R&D, Design, Manufacturing, Packaging, Quality Inspection and Shipping. Each stage must strictly comply with the Product Certificate and Regulation Requirement of each country and place great emphasis on regulatory compliance, product quality and safety management. All products' quality and safety standards must conform to FDA/TFDA specifications and be certified under ISO 13485 Medical Device Quality Management System. On this basis, the company continually strengthens Supplier Management and Customer Relationship Management mechanisms to ensure stable product quality and operational resilience.

In terms of market development, the company's production sites are located not only in Taiwan but also plan overseas production layouts to promote a global operating strategy. When collaborating with Brand customers on OEM/ODM projects, it is necessary to demonstrate professional competence in product design, regulatory compliance, customization requirements, product verification and quality management, as well as delivery schedule control. At the same time, operational processes must carefully respond to the risks and challenges brought about by globalization, including climate change risk, cybersecurity threats, talent capital management and international ESG trends and related requirements.

Based on the above background, the company conducts a systematic assessment from multiple perspectives of the actual and potential impacts that operating activities may have on economic, environmental, social, and human rights aspects, serving as an important basis for sustainable operations and risk management.

02 Sustainability Management

Stakeholder identification

Based on the organizational overview mentioned above, and considering the actual business partners involved in company operations, reference is made to the AA1000 SES: 2015 Stakeholder Engagement Standard's five principles (dependency, responsibility, concern, influence and diversity of perspectives). Eight principal stakeholder categories were identified: shareholders / creditors, directors, employees, customers, suppliers, government agencies / regulatory authorities, neighboring communities and correspondent banks.

Identify Actual and Potential Impacts

Development of the Material Topic List

Based on the regulatory requirements and market trend changes in the medical device industry across various countries, the authorities' corporate governance requirements for listed companies, GRI criteria, SASB criteria for medical devices and supplies, and TCFD guidance were categorized into five groups. Eighteen topics were selected for assessment of positive and negative impacts by regulators and for stakeholder concern surveys.

- Economic and corporate governance aspects: integrity in operations, Regulation compliance, information security, customer relationship management, risk management.
- Product aspect: Product safety and Innovation R & D.
- Supplier Management: Supplier Management, Supplier ESG Compliance.
- Environment aspects: biodiversity, climate change, energy management, waste management, water management, circular economy.
- Personnel and Human Rights Aspects: Human Rights Management, Occupational Health and Safety, Compensation and Benefits, Career Development and Training.

Pegavision operational activities impact various issues in terms of economic, environmental, and personnel/human rights effects as follows :

Dimension	Sustainability Topic	Positive Impact (Actual and Potential)	Negative Impact (Actual and Potential)
Corporate Governance	Business Integrity	Strengthen Regulation compliance and Integrity Management, which can enhance investor and customer trust, reduce operational risk, ensure stable corporate development, and reinforce investor and consumer confidence.	If Business Integrity is not effectively implemented, improper conduct or fraud may occur, leading to financial losses, legal liabilities and reputational damage, thereby affecting company operations and market trust.
	Regulation Compliance	Adhere strictly to the Regulation, ensuring that the Product and operations comply with Conformity Regulation Requirements, thereby positively impacting economic development and social order.	If the relevant regulation is not followed, it may result in fines, operational restrictions or litigation risk, and adversely affect the company's reputation and public perception.
	Information Security	Through comprehensive information security management measures, it helps protect corporate data and customer information, thereby enhancing corporate reputation.	Information security vulnerabilities may result in corporate losses and business interruptions, erode market confidence and investor trust, increase operational burdens, and elevate legal risk.
	Customer Relationship Management	Through effective management and communication, meet customer needs, establish long-term partnerships, and enhance service quality and customer satisfaction.	Inadequate communication or insufficient service quality may lead to customer attrition and negative reviews, adversely affecting business development and customer relationships.
	Risk Management	Effective risk management helps prevent operational disruptions, safeguard stable company operations, and reduce financial losses.	Inadequate risk management may prevent the company from effectively responding to unforeseen events, increase corporate risk exposure, and potentially disrupt business operations.
Product	Product Safety and Innovation R&D	Continuous investment in Product Quality Management and Innovation R&D helps improve product safety and functionality, enhancing product quality and market trust.	If Product Innovation is not continuously monitored, overall product competitiveness may decline, development may slow, or customer attention may not be captured.
Supplier Management	Supplier ESG Compliance	Requirement Supplier ESG Compliance, meet international customer and regulation expectations, enhance brand image and sustainable development.	Non-Approval Supplier ESG performance may lead to compliance risk, damage the environment, and affect supply chain stability.
	Supplier Management	Through the Supplier Management mechanism, ensure supply stability and consistent quality, reduce supply chain disruption risk, and enhance corporate resilience.	If supply-chain risks are not properly managed, material shortages or delivery delays may occur, affecting production scheduling and customer delivery dates.
Environment	Biodiversity	By reducing the process's interference with surrounding ecological environments and implementing pollution prevention and resource efficiency improvement measures, mitigate the impact of operational activities on biodiversity.	Production and operations activities that involve land use, water resource extraction or release may exert pressure on local ecosystems, habitats, and biodiversity; improper management could result in long-term adverse effects on the environment.
	Climate change	By implementing greenhouse gas reduction and climate risk management measures, enhance operational resilience to mitigate the potential impacts of extreme weather on production and supply chains.	Energy consumption and greenhouse gas emissions within Operations processes may exacerbate climate change; if climate risk is not adequately addressed, extreme weather events could also cause operational disruptions and increased costs.
	Energy Management	Effective energy management helps reduce greenhouse gas emissions and resource consumption, protecting the environment and ecosystems.	Excessive energy consumption may lead to environmental pollution and ecological destruction, exacerbating climate change and natural disaster risks.

CHAPTER
02 Sustainability Management

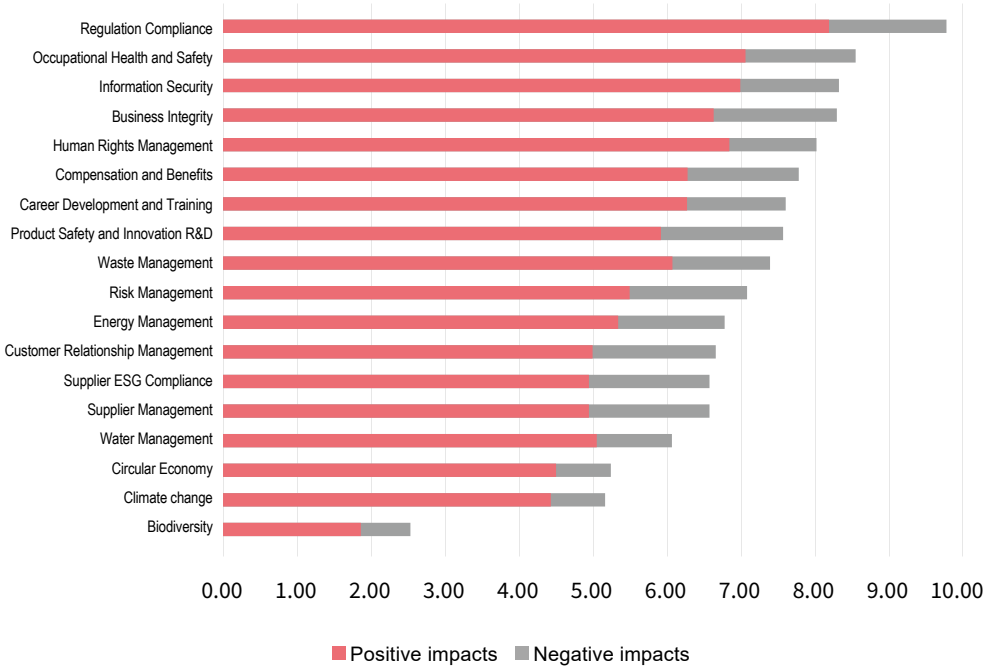
Dimension	Sustainability Topic	Positive Impact (Actual and Potential)	Negative Impact (Actual and Potential)
Environment	Waste Management	Properly dispose of recyclable waste, reduce ecological damage, and contribute to sustainable production.	Neglecting waste management and recycled material recovery increases the burden of waste disposal, accelerates resource depletion, and conflicts with the company's sustainability objectives.
	Water Management	By recycling and reusing, and by reducing water consumption, lower water usage costs and supply risk while mitigating the impact on environmental water resources.	High process water consumption; if management is inadequate, it may exert pressure on local water resources and communities, generating negative environmental and social impacts.
	Circular Economy	By promoting the use of Resources Cycle, it helps reduce resource consumption and waste generation, thereby enhancing resource usage efficiency.	Excessive use of disposable material leads to resource waste and increased waste, potentially exposing the company to regulatory and cost risks.
Society	Human Rights Management	Emphasize employee and supply-chain human-rights issues, Conformity International Human Rights Standard, enhance trust in the international market and stakeholders.	Neglecting human rights may trigger international boycotts or legal liability, adversely affecting corporate reputation and operations.
	Occupational Health and Safety	Implement occupational health and safety management, create a safe working environment, ensure employee occupational safety and health, and bring positive impacts to society.	If occupational health and safety management is not implemented, it may lead to workplace accident risks, harm employee health and livelihoods, reduce work efficiency and team stability, thereby negatively impacting the economy and society.
	Compensation and Benefits	Competitive and equitable compensation and benefits can enhance employees' quality of life and job satisfaction, attract, and retain outstanding talent.	Neglecting compensation and benefits system planning may weaken employees' sense of security and work motivation, leading to talent attrition and reduced organizational stability.
	Career Development and Training	Enhance employees' professional capabilities and Organization Innovation energy to promote the company's long-term competitiveness.	If sufficient career development and training are not provided, it will affect job performance and overall operational efficiency, and have negative impacts on society and corporate human resources.



CHAPTER
02 Sustainability Management

The Sustainability Working Group invited the heads of each department to assess the positive and negative impacts and likelihood of occurrence for each issue, with results shown in the figure below. In terms of positive impact, the highest averages were Regulation compliance, occupational health and safety, information security, human rights management, and Business Integrity. The issues with the greatest negative impact were Business Integrity, product safety and innovation R&D, supplier management and conformity ESG specifications.

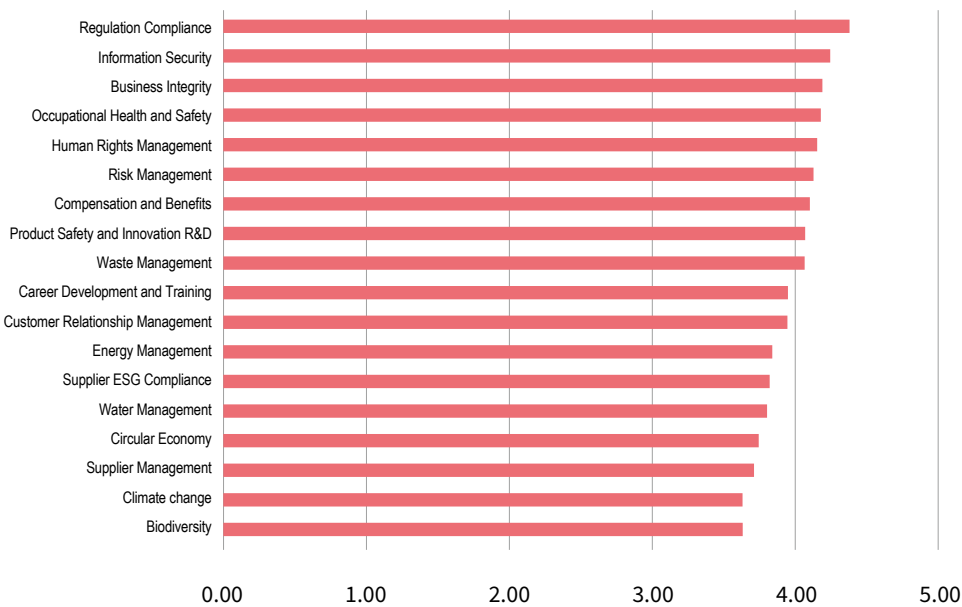
Ranking of positive and negative impact results as assessed by management



Note: Positive and negative impacts have been considered in terms of the company's economic, environmental, personnel/human rights effects and the probability of occurrence for each issue; the chart scores represent the total of impact magnitude and probability.

In addition, Pegavision also invited stakeholders from various categories to conduct a survey on their level of concern. The scope of the survey covered stakeholders in Taiwan, Japan, Europe and the United States, and a total of 220 valid responses were obtained. The ranking of their levels of concern is as follows

Ranking of Stakeholder Concern Survey Results



Note: 1=Not Concerned at All / 3= Neutral / 5= Highly Concerned

02 Sustainability Management

Assess the significance of impacts

The company conducts a comprehensive assessment of the positive and negative impacts and likelihood of occurrence for each issue, as well as stakeholder concern levels, and prioritizes management of the top eight issues with the greatest impact. After cross-checking and supervisor confirmation, five key issues were selected. Because regulatory compliance is closely linked to Business Integrity, it is incorporated into corporate governance management; human rights management, compensation and benefits, career development, and training are grouped under human resources management; the remaining four issues that exceed the significance threshold are occupational health & safety, information security, product safety, and innovation R&D. Additionally, energy management and water management are included as Material topics for conformity regulation policy requirement and long-term sustainability strategy; supplier management is identified as a critical operational factor and likewise listed as a Material topic for management.

No.	Sustainability Topic	Positive Impact	Likelihood	Positive Total ¹	Negative impact	Likelihood	Negative Total ²	Positive and Negative Total	Stakeholder concern	Material Topic Category
1	Regulation compliance	4.14	4.07	8.21	0.83	0.75	1.58	9.80	4.37	1 (Corporate Governance)
2	Occupational Health and Safety	3.57	3.5	7.07	0.75	0.75	1.50	8.57	4.18	2
3	Information Security	3.50	3.5	7.00	0.67	0.67	1.33	8.33	4.25	3
4	Business Integrity	3.36	3.29	6.64	1.00	0.67	1.67	8.31	4.19	1 (Corporate Governance)
5	Human Rights Management	3.50	3.36	6.86	0.58	0.58	1.17	8.02	4.15	4 (Human resources Management)
6	Compensation and Benefits	3.21	3.07	6.29	0.67	0.83	1.50	7.79	4.10	
7	Career Development and Training	3.14	3.14	6.29	0.67	0.67	1.33	7.62	3.94	
8	Product Safety and Innovation R&D	3.00	2.93	5.93	1.00	0.67	1.67	7.60	4.07	5
9	Waste Management	3.07	3.00	6.07	0.67	0.67	1.33	7.40	4.06	
10	Risk Management	2.86	2.64	5.50	0.75	0.83	1.58	7.08	4.13	
11	Energy Management	2.64	2.71	5.36	0.67	0.75	1.42	6.77	3.84	6 ³
12	Customer Relationship Management	2.50	2.50	5.00	0.83	0.83	1.67	6.67	3.93	
13	Supplier Management	2.43	2.50	4.93	0.83	0.83	1.67	6.60	3.71	8 ⁴
14	Supplier ESG Compliance	2.50	2.43	4.93	0.83	0.83	1.67	6.60	3.83	
15	Water Management	2.57	2.50	5.07	0.50	0.50	1.00	6.07	3.80	7 ³
16	Circular Economy	1.93	2.57	4.50	0.33	0.42	0.75	5.25	3.74	
17	Climate change	1.93	2.50	4.43	0.42	0.33	0.75	5.18	3.63	
18	Biodiversity	0.93	0.93	1.86	0.33	0.33	0.67	2.52	3.63	
	Average value	2.82	2.84	5.66	0.69	0.66	1.35	7.01	3.98	

¹ The "Positive Total" score is the sum of the positive impact magnitude and the occurrence probability.

² The "Negative Total" score is the sum of the negative impact magnitude and the probability of occurrence.

³ Energy Management and Water Management are included as Material topics in response to Regulation Requirements and company strategy.

⁴ Supplier Management is related to operational risk. Although its quantification is slightly below average, it has high operational criticality and risk extension, so it is included as a Material topic.

CHAPTER 02 Sustainability Management

Prioritize topics based on impact severity

Based on the results of the material topics analysis, the corporate sustainability working group considered impact severity, likelihood of occurrence, and company operating strategy. After discussion with senior management, it was decided to maintain the eight material topics from 2024 for 2025, re-examine and set management actions for those themes. Future efforts will continue to optimize and improve these actions.

No.	Significant Topic	SDG	Management actions
1	Company Governance	SDG 16 	- Establish and improve various internal systems - Hold regular Management Executive Committee meetings to review corporate governance and key issues.
2	Product Safety and Innovation R&D	SDG 9  SDG 12 	- Regular meetings review the status of Product Certificate attainment and the progress of new Product Projects. - Conduct regular internal quality audits to ensure product quality.
3	Occupational Health and Safety	SDG 3  SDG 12 	- Hold regular Review meetings to examine risk reporting and improvement records. - Conduct internal and external audits and continual improvement. - Through regular employee interviews and satisfaction surveys, understand on-site safety environment and needs.
4	Information Security	SDG16 	- Prevention : Technical protection and risk analysis - Management : Improve procedures and training and risk assessment - Contingency : Emergency anomaly response and risk treatment
5	Human Resource Management	SDG 3  SDG 4  SDG 5  SDG 8 	- Establish an effective career development training program. - Implement a performance assessment system and emphasize talent career development. - Establish employee communication channels for all matters. - Provide employees with information on the labor laws of the country where operations are located.
6	Supplier Management	SDG 17 	- New Supplier signs corporate responsibility clause. - Supplier periodic evaluation, focusing on Product Quality, delivery time, price and Services.
7	Water Management	SDG 6 	- Management meeting monitoring water resources usage, ensuring water resources utilization efficiency. - Regular monitoring of Management water resources, including water withdrawal, discharge, and reclaimed water volumes, and monitoring wastewater discharge. - In response to issues such as climate-induced drought and reduced rainfall, Daxi Site has a water storage tank, and Guishan Site also maintains a water reserve. If the Taoyuan area implements phased water restrictions in the future, and the Environmental Health and Safety Committee decides that a water outage exceeding eight hours warrants action, the company will activate additional tanker support.
8	Energy Management	SDG 7  SDG 12  SDG 13 	- Provides energy-saving and carbon-reduction solutions and regularly audits implementation effectiveness, progressively increasing the target for energy use efficiency. - Dedicated to improving the efficiency of electricity, water, paper, and other resources; and by means of product design improvement, process optimization, and packaging enhancements, reducing operational impacts on the environment. - Safety and Environment Department regularly monitors all energy consumption and performance indicators; annually compiles performance statistics and reports the results to senior management at the governance review meeting.

02 Sustainability Management

2.4 List of Material Topics

GRI 3-2

Maintain the eight material topics of 2024 in 2025: "Corporate Governance," "Product Safety and Innovation R&D," "Occupational Health and Safety," "Information Security," "Human Resource Management," "Supplier Management," "Water Management," and "Energy Management."

No.	Material Topics	2025 Management Targets	2025 Performance	2026 Target
1	Company Governance	- Conduct internal control processes on a regular annual basis - Major penalty incidents : 0 cases	- Complete internal control process - Major penalty incidents : 0 cases	- Conduct internal control processes on a regular annual basis - Major penalty incidents : 0 cases
2	Product Safety and Innovation R&D	- Maintain validity of ISO 13485/QMS certifications - R&D investment at 5–10% of net revenue - Submit new patent applications annually	- ISO 13485/QMS certifications maintained - R&D investment reached 8.87% of net revenue 46 new patent applications filed	- Maintain validity of ISO 13485/QMS certifications - R&D investment at 5–10% of net revenue - Submit new patent applications annually
3	Occupational Safety and Health	- Maintain ISO 45001 system - Hold OH&S committee meetings regularly - Provide OH&S training/action - Zero Occupational Injuries	- ISO 45001 certification maintained 4 OH&S committee meetings held - Provide OH&S training/action 1,034 participants in OH&S training 31 emergency drills 1,403 participants in wellness activities - Injury rate : 0.7957	- Maintain ISO 45001 system - Hold OH&S committee meetings regularly - Provide OH&S training/action - Zero Occupational Injuries
4	Information Safety	- Zero major cybersecurity incidents - Annual app security updates 100% antivirus update rate - Periodic vulnerability scans - External penetration tests - Social engineering drills - Maintain ISO 27001 system - No customer data breaches	- Zero major cybersecurity incidents 8 app updates 100% antivirus update rate 1 vulnerability scan 1 penetration test 1 social engineering drill - ISO 27001 certification maintained - No data breaches	- Zero major cybersecurity incidents - Annual app security updates 100% antivirus update rate - Periodic vulnerability scans - External penetration tests - Social engineering drills - Maintain ISO 27001 system - No customer data breaches
5	Human Resource Management	- Female manager proportion > 25% - Mental and physical disability ratio > 1% - Annualized turnover rate < 36% - Training course completion rate > 90%	- Female manager proportion 34% - Mental and physical disability ratio 1.4% - Annualized turnover rate : 17.8% - Training course completion rate 81%	- Female manager proportion > 25% - Mental and physical disability ratio > 1% - Annualized turnover rate < 30% - Training course completion rate > 90%
6	Supplier Management	100% signed return rate of corporate responsibility declarations from new suppliers. - Regular supplier assessment focusing on product quality, delivery time, price, and services.	- New Supplier signing of Corporate Responsibility Clause : 100% completion - Supplier periodic assessment : on-site evaluation of 16 suppliers and written assessment of 1 supplier	- New Supplier signs corporate responsibility clause. - Regular supplier assessment focusing on product quality, delivery time, price, and services. - In 2026, a survey will be conducted to assess the conformity of key suppliers' ESG corporate social responsibility indicators.
7	Water Management	Guishan Site Water Recovery Rate > 30%	Guishan Site Water Recovery Rate : 39.11%	- Conformity wastewater discharge indicators - Guishan Site Water Recovery Rate > 30% - Daxi Site Water Recovery Rate > 10%
8	Energy Management	Each unit of Product reduces electricity consumption by 1% compared to the previous year.	- Solar power generation and self-consumption totaled 727,727 kWh, supporting the Company's low-carbon transition through the adoption of renewable energy. - Product energy consumption per unit increased by 4.89% compared to the previous year.	Each unit of Product reduces electricity consumption by 1% compared to the previous year.

CHAPTER 02 Sustainability Management

2.5 Stakeholder Engagement

GRI 2-29

Pegavision actively engages with stakeholders through various communication channels. In addition to regular and ad hoc meetings, a "Stakeholder Section" is available on the corporate website to provide communication channels and address concerns.

Category	Importance of Stakeholder	Communication Channels & Frequency	2025 Engagement Summary
Shareholders/ Creditors/ Investors	Core sources of funding. Concerned about financial performance, risk control, capital return, and governance transparency. Trust is built through compliance and steady operations.	- Annual regular convening of the shareholders' meeting - Public annual report issuance - Official website (http://www.pegavision.com/tw/)	Held 1 shareholders' meeting and participated in investment forums and closed-door investor conferences.
Board of Directors	The highest governing body of the company, responsible for reviewing operational strategies and major decisions. The professional judgment of the directors and the supervision mechanism help to balance corporate growth and risks and promote sustainable governance of the company.	- Board meetings (regularly) - Material disclosures on public info platform	Held 5 board meetings.
Employee	Employees are the key executors of the company's operations and quality innovation. A stable talent development system, compensation structure and workplace safety assurance can enhance employee satisfaction, reduce risks and maintain stability and innovative momentum in the manufacturing process.	- Labor-management meetings (quarterly/as needed) - Welfare committee (quarterly) - OH&S committee (quarterly) - Other - HR email (real-time) - Training (regular/ad hoc) - Newsletters(regular/ad hoc) - Performance evaluations (regular)	4 labor-management meetings 4 welfare meetings 4 OH&S meetings
Customers	Main revenue source; influence R&D and compliance needs. Stable relationships improve operational stability and technology development.	- Regular/ad hoc meetings, online/phone/email - Website contact form(real-time) - Annual satisfaction survey - Service email : Service@pegavision.com	Customer satisfaction survey result is 97 points.
Suppliers	Ensure stable supply of materials, quality control, and delivery. ESG audits and cooperation help mitigate risk.	- Supplier meetings (real-time) - External communication email(real-time) - Supplier email: Pur@pegavision.com - Direct communication / phone(real-time) - On-site or written supplier audits	16 on-site audits, 1 paper audits. No major non-conformities.
Government Regulators	Provide the legal framework for compliance (e.g., labor, medical device, and environmental laws). Stakeholder engagement helps ensure regulatory compliance and facilitates policy implementation.	- Public hearing / press conference - Coordination meetings / business site inspections - Email - Official document - Meeting - Phone	Cooperate with government agencies and regulatory authorities for inspections, and participate in various policy business briefing sessions.
Local Communities	Local communities surrounding Pegavision's facilities are important stakeholders concerned with environmental impacts such as noise, wastewater discharge, and traffic. Through robust environmental management and regular communication, Pegavision maintains trust and stability in the local area. Communities are also recipients of the Company's corporate social responsibility efforts. By participating in public welfare initiatives, contributing resources, and engaging employees in volunteer service, Pegavision demonstrates its commitment to social responsibility and strengthens local ties.	- Community contact email: Contact@pegavision.com - Occasional community health promotion events, such as blood donation drives and cancer screenings - Sponsorship of local neighborhood activities and participation in environmental protection initiatives	1 blood donation event 1 cancer screening even
Partner Banks	Partner banks serve as Pegavision's capital providers.	- Communication conducted on an as-needed basis - Relevant sustainability disclosures made through the annual sustainability report	2025 Sustainability Report
Competitors	Engage in healthy competition with peers to jointly foster overall industry development	- Public Association - Phone	The Taiwan Contact Lenses Industry Development Association holds a member meeting at least once per year.

CHAPTER.3 **Corporate Governance**

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CHAPTER 03 Corporate Governance

3.1 Corporate Governance

Pegavision establishes a transparent corporate governance structure and board operations in accordance with the Corporate Governance Practical Rules for Listed and Quoted Companies and the relevant regulations provided by the competent authority, thereby implementing corporate governance to protect stakeholders' interests.

Material Topic: Corporate Governance (including Business Integrity and Regulation Compliance)

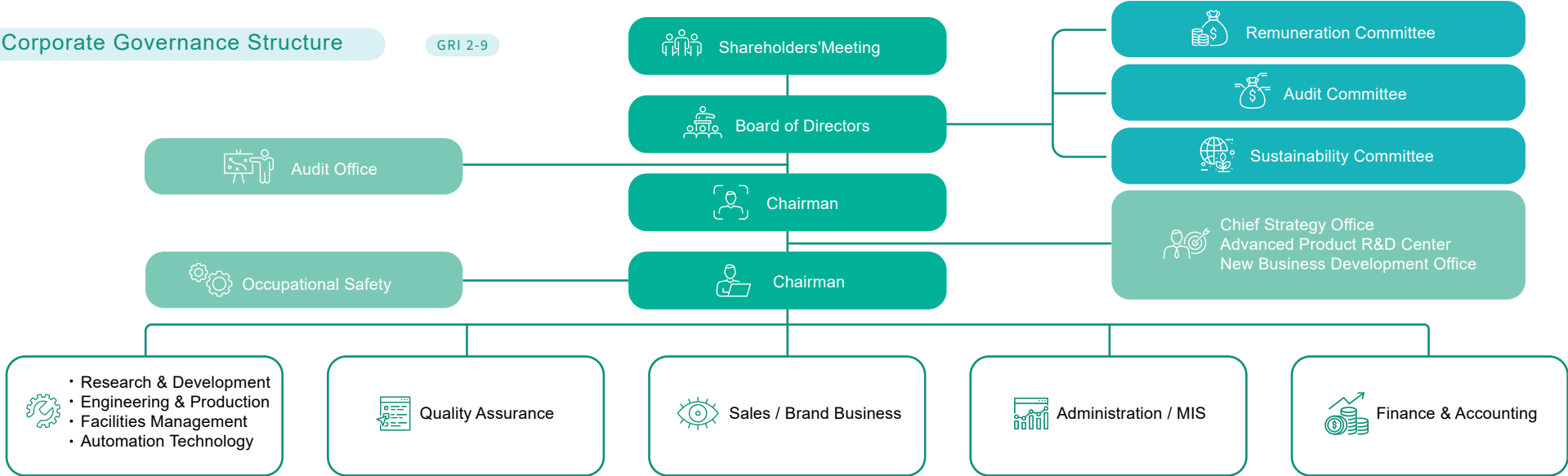
Impact Assessment	Positive (actual) impact Proper management of corporate governance (including integrity in operations and regulation compliance) can reduce operational risk; it helps promote the company's long-term competitiveness, sustainable development, and ongoing operations. Negative (potential) impact If the corporate governance mechanism is inadequate, it may increase Regulation Risk, affect the company's reputation, and even trigger legal liability and financial loss. It may also erode trust among investors and Stakeholders.
Remedial Measures for Negative Impacts	Implement internal control audit and regulatory compliance training, and establish a complaint channel as a means of stakeholder communication and feedback.
Management Policy	External compliance with Regulation: Company Law, Securities Trading Law, Commercial Accounting Law. Internal systems: Corporate governance practice code, articles of incorporation, corporate integrity and ethical conduct code, sustainable development practice code, insider trading prevention management measures, asset acquisition or disposal procedure, capital lending and endorsement guarantee procedures, ethical conduct criteria.
Management Commitment	- Uphold the highest standards of integrity, prohibiting all forms of bribery, corruption, extortion, and embezzlement. - Business interactions must be conducted with transparency and, in accordance with applicable Regulation, truthfully disclose information related to commercial activity. - Respect and protect the intellectual property of the company and its stakeholders. - Adhere to fair trade principles and publish advertisements in accordance with applicable regulations on industry competition. - Ensure the confidentiality of the complainant's identity, allowing them to report matters with confidence and without fear of retaliation, discrimination, or harassment. - Ensure stakeholder data confidentiality, collecting and using data under conformity regulation conditions.
Management Actions	- Establish various internal systems, corporate governance practice guidelines, articles of incorporation, corporate integrity management guidelines, sustainable development practice guidelines, insider trading prevention management measures, asset acquisition or disposal procedures, capital lending and endorsement guarantee procedures, and ethical conduct criteria. - Internal audit, in accordance with the regulations of the supervising authority, prepares an Audit plan annually and implements it monthly to ensure the effectiveness of the design and implementation of internal controls. - The General Manager convenes a monthly Management Executive Meeting to review corporate governance and key issues.
KPI and Target	- Ensure strict compliance with Regulation, guaranteeing that the company does not violate environmental, health and safety, marketing communications, customer privacy or laws and regulations in the environmental, social and economic domains. Conduct internal control processes on a regular annual basis. - No significant penalty events.
2025 Implementation Results	- Pegavision conducts monitoring and review through monthly management meetings. In 2025, a total of 12 management meetings were held, and follow-up items for 2026 were provided, including legal risk assessment and regular review. - No significant penalties or sanctions occurred in 2025.
Stakeholder Communication	Pegavision has incorporated corporate governance into disclosures on its official website, annual report, and sustainability report for stakeholders to review. It also provides a Complaint and Feedback mailbox: HonestBox@pegavision.com , as an official channel for stakeholder communication and feedback.



CHAPTER
03 Corporate Governance

Corporate Governance Structure

GRI 2-9



Highest Governance Body Composition

GRI 2-9, 2-11

The Board of Directors of the Company was reconstituted in May 2024; the 5th Board comprised nine directors, and the Chairperson was nominated by the Board as chair of the highest governing body. Each term of office for a director is three years, and directors have an average tenure of ten years. More than half of the independent directors have served no more than three consecutive terms.

Board Nomination and Selection

GRI 2-10

The company has established a "Board Appointment Procedure" that specifies the appointment of directors through candidate nomination and a single-name cumulative voting system. The procedure takes into account the overall configuration of the board, ensuring that members possess the knowledge, experience, skills, and competencies required for their duties. The appointment process for all directors is fair, open, and impartial. In accordance with the company's Articles of Association, Board Appointment Procedure, and Corporate Governance Practice Code, the company selects directors who possess the necessary knowledge, technical expertise, and competencies for implementation based on industry professional background, work domain, and practical experience.

Board Diversity and Independence

Board members possess diverse professional backgrounds and experience, including operational judgment, accounting and financial analysis, business management, crisis handling, industry knowledge, international market perspective, and leadership and decision-making capabilities. All board members are nationals of the country; the board includes one female director representing 11% of all seats; three independent directors constitute 33%; two directors who are also employees account for 22%. According to the "Regulations on the Establishment of Independent Directors for Publicly-Listed Companies and Matters to be Followed," the company has obtained written statements and other supporting documents from each independent director confirming that both the directors themselves and their relatives within the statutory scope of requirement are independent with respect to the company. In accordance with Article 26-3, Paragraph 3 of the Securities Trading Act, no spouse or relative within second degree exists among all directors, thereby satisfying the independence requirement.

Avoiding Conflicts of Interest

GRI 2-15

The company has established policies such as the "Board Meeting Rules," the "Corporate Integrity Operating Code," and the "Corporate Integrity Operating Procedure and Conduct Guide" to prevent conflicts of interest. The nomination procedures for board members also comply with government regulations, preventing directors and all staff from obtaining improper benefits through their positions. When voting on related matters, the chairman and general manager abstained from discussion and voting to avoid conflicts of interest. For details on board members who were absent due to conflict-of-interest avoidance during five board meetings in 2025, see the Board Operations section of the 2025 annual report.

CHAPTER

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Corporate Governance

Board Members

Name	Title	Gender	Nationality	Industry Knowledge & Experience				Professional Background								Age	Concurrent Executive
				Electrical Engineering	Architecture	Finance	Medicine	Operational Judgment	Accounting and Finance	Business Management	Crisis Management	Industry Knowledge	Global Market Perspective	Leadership	Decision-Making		
Peter Kuo	Chairman	Male	R.O.C	v				v	v	v	v	v	v	v	v	71-80	v
T.H. Tung	Director	Male	R.O.C	v				v	v	v	v	v	v	v	v	61-70	
TS Yang	Director	Male	R.O.C	v				v	v	v	v	v	v	v	v	61-70	v
Scott Chen	Director	Male	R.O.C	v				v	v	v	v	v	v	v	v	61-70	
Jeffrey Wun	Director	Male	R.O.C	v				v	v	v	v	v	v	v	v	61-70	
Wen-Yung Ho	Director	Male	R.O.C				v	v	v	v	v	v	v	v	v	61-70	
Eric Yao	Independent Director	Male	R.O.C		v			v	v	v	v	v	v	v	v	71-80	
Shu-Yu Lee	Independent Director	Female	R.O.C			v		v	v	v	v	v	v	v	v	51-60	
Lai Chi-Wan	Independent Director	Male	R.O.C				v	v	v	v	v	v	v	v	v	81~90	

Board Operations in 2025

Title	Name	Attended	Proxy Attendance	Attendance Rate (%)
Chairman	Peter Kuo	4	1	80%
Director	T.H. Tung	3	2	60%
Director	Representative of Kinsus Investment Co., Ltd.: TS Yang	5	0	100%
Director	Representative of Kinsus Investment Co., Ltd.: Scott Chen	5	0	100%
Director	Representative of Asuspower Investment Co., Ltd.: Jeffrey Wun	3	2	60%
Director	Representative of Asuspower Investment Co., Ltd.: Wen-Yung Ho	5	0	100%
Independent Director	Eric Yao	4	1	80%
Independent Director	Shu-Yu Lee	5	0	100%
Independent Director	Lai Chi-Wan	4	1	80%

Audit Committee

The primary purpose of the Audit Committee is to ensure the proper presentation of the company's financial statements, to select and appoint (or remove) independent auditors, and to oversee their independence and performance. It also ensures effective implementation of internal controls, compliance with applicable laws and regulations, and management of existing or potential risks. In addition, regarding board meeting procedures, the company must convene meetings in accordance with legal requirements at least once per quarter to approve corporate performance and discuss key strategic issues. Meeting topics include international financial reporting standards (IFRS) and corporate social responsibility.

The Audit Committee convenes a meeting with the Internal Audit department and the external auditor before each quarterly board meeting. The agenda includes operating results, financial statements, internal controls, internal audit plans and findings, and related matters. Typically, the Audit Manager and the auditor may contact independent directors directly as needed; during each quarterly Audit Committee session, the auditor reports on review or examination of financial statements to independent directors. Independent directors receive an audit report monthly; in 2025 they held one separate meeting with the auditor and Audit Manager in the absence of general directors or management to discuss audit implementation status and external audit opinions. Pegavision held five Audit Committee meetings in 2025.

Title	Name	Attended	Proxy Attendance	Attendance Rate (%)
Independent Director	Eric Yao	4	1	80%
Independent Director	Shu-Yu Lee	5	0	100%
Independent Director	Lai Chi-Wan	4	1	80%

CHAPTER 03 Corporate Governance

Remuneration Committee

The Remuneration Committee, pursuant to the "Regulation on the Establishment and Exercise of Powers of the Remuneration Committee for Listed Companies or for Transactions at Securities Firm Offices" (hereinafter referred to as the "Remuneration Committee Regulation"), provides the "Organization Regulations of the Remuneration Committee"; and in 2014 established a Remuneration Committee, whose primary responsibilities are

(1) Provides and periodically reviews the policy, system, standard, and structure for performance evaluation and compensation of directors and managers.

(2) Periodically assess and provide remuneration for directors and managers.

Pegavision remuneration policy may refer to the annual report's remuneration policy, standards and combinations, the procedure for providing remuneration, and its relationship with business performance and future risk. In 2025 a total of three Remuneration Committees were convened.

Title	Name	Attended	Proxy Attendance	Attendance Rate (%)
Independent Director	Eric Yao	3	0	100%
Independent Director	Shu-Yu Lee	3	0	100%
Independent Director	Lai Chi-Wan	2	1	67%

Sustainability Committee

The Sustainability Committee regularly reviews negative impacts that significantly affect the company's operations. The Sustainability Committee convenes at least once per year, and may convene additional meetings as needed. It reports on sustainability progress and major issues to the Board of Directors on a regular basis. The Board reviews the progress of all sustainability initiatives, confirms their alignment with the company's overall vision and strategic objectives, and monitors and guides potential major impacts, risks, and opportunities. In 2025, one Sustainability Committee meeting was held.

Title	Name	Attended	Proxy Attendance	Attendance Rate (%)
Chairperson	TS Yang	1	0	100%
Committee Member	Terry Chang	1	0	100%
Committee Member	Danny Lee	1	0	100%

Remuneration Policy

GRI 2-19, 2-20

Article 27 of the Company's Articles of Association stipulates that if the company records a profit in a fiscal year, at least 10% shall be allocated for employee remuneration and no more than 1% for director remuneration. The proposed director compensation and employee remuneration shall be submitted to the Remuneration Committee for proposal, then approved by the Board of Directors, and reported to the annual shareholders' meeting.

Manager remuneration includes salary, bonuses, and employee compensation. Salary is determined by the position held, responsibilities undertaken, and contribution to the company, and is benchmarked against industry standards. Bonuses and employee compensation are based on manager performance assessment items, including achievement of work objectives and management as well as professional competency ratings; remuneration proportions are calculated according to assessment results.

To periodically assess the remuneration of directors and managers, the results of the assessments implemented under the company's "Board Performance Evaluation Method" and the "Annual Performance Assessment Management Procedure" applicable to managers and employees are used as a basis. In addition to considering individual performance attainment rates and contributions to the company, adjustments are made by taking into account overall corporate operational performance, future industry risks, and development trends.

Board Performance Evaluation

GRI 2-18

According to the provisions of the Board Performance Evaluation Method, the Board shall conduct an internal performance evaluation each year. This serves as a key basis for continuously improving governance mechanisms and board effectiveness. The evaluation covers the Board, its members, and functional committees. The 2025 Board performance evaluation results were presented to the Board on January 30 2026.

Performance Evaluation Areas from the Board Self-Evaluation Questionnaire

1. Participation in company operations
2. Enhancement of board decision-making quality
3. Board composition and structure
4. Director nomination and continued education
5. Internal control mechanisms

Performance Evaluation Areas from the Board Member Self-Evaluation Questionnaire
The "Board Self-Evaluation Questionnaire" covers five dimensions—participation in operations, decision-making quality, board composition, continued education, and internal control—with a total of 44 evaluation indicators.

Performance Evaluation Areas from the Board Member Self-Evaluation Questionnaire

1. Understanding of company goals and missions
2. Awareness of director responsibilities
3. Participation in company operations
4. Management of internal relationships and communication
5. Professional competence and continued education
6. Internal control mechanisms

The "Board Member Self-Evaluation Questionnaire" covers six dimensions—understanding of goals, awareness of responsibilities, participation in operations, communication, professional competence, and internal control—with a total of 20 evaluation indicators.

CHAPTER

03

Corporate Governance

Linking Executive Compensation to ESG Performance

Pegavision has linked senior managerial remuneration to ESG-related performance assessment; managerial compensation includes salary, bonus and employee benefits. Salary is determined by the position held, responsibilities undertaken and contribution to the company, and is benchmarked against industry standards. Bonus and employee benefits are calculated based on performance assessment items for managers, including achievement rate of work objectives and Management as well as professional competency ratings. The compensation ratio is computed according to the assessment results, with work objectives linked to sustainability report indicators.

- 2025 Implementation Status: The General Manager and senior managers have performance targets that include sustainability performance indicators, which are linked to variable compensation. Sustainability performance indicators comprise corporate governance assessment ranking, carbon reduction target achievement rate, water and energy conservation performance, occupational safety and accident incidence rate, as well as product R&D and innovation outcomes. The company calculates senior manager compensation based on the weighting proportion of annual sustainability performance target planning.
- Long-term Goal: Expand the implementation of linking compensation and sustainable performance to managerial-level personnel.

Board Training and Collective Knowledge

GRI 2-17

All directors of Pegavision shall undertake continuing education in accordance with the "Guidelines for Continuing Education of Directors and Supervisors of Listed and OTC Companies" and disclose it regularly. In 2025, there were nine directors in total; each is required by law to complete at least six hours of courses, amounting to a total of 54 hours.

Date	Organizer	Course Title	Hours
2025/04/28	Taiwan Corporate Governance Association	Development trends of silicon photonics and artificial intelligence servers	3
2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
2025/10/15	Taiwan Stock Exchange	Emerging Trends in Investor Relations and Engagement: ESG and Sustainable Investing	3
2025/10/27	Taiwan Corporate Governance Association	The principles of blockchain and the development trend of virtual assets	3

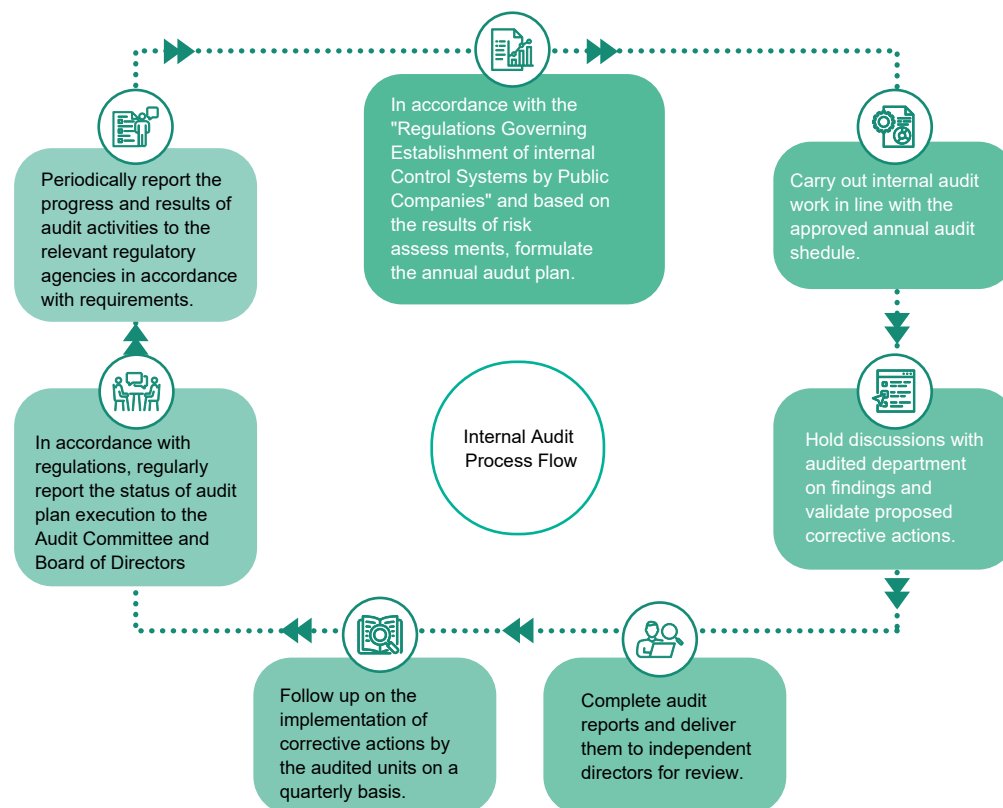
Internal audit

Internal audit responsibilities and independence

Pegavision established an Audit Office directly subordinate to the Board of Directors, responsible for evaluating the effectiveness, reliability, and operational performance of the company's internal control system, and subsequently providing improvement recommendations. The purpose is to reduce business risk and management defects, ensure the security of company assets, and facilitate effective implementation of internal controls.

Reporting Process and Implementation

Internal audit staff conduct periodic checks of the compliance with internal control systems in accordance with the annual audit plan approved by the board of directors. Upon completion, the audit report is presented monthly or as needed to the chairman and the audit committee; progress and effectiveness of implementing the audit plan are reported quarterly to the board. The company optimizes operational risk management and improves business efficiency through a robust accounting system and comprehensive computerization, with Audit Office continuously evaluating management systems and planning internal audits.



CHAPTER

03 Corporate Governance

3.2 Business Integrity

The company, based on the risk assessment of business activities within its scope that carry a higher risk of dishonest conduct, has established a “Corporate Integrity Management Procedure and Conduct Guidelines.” These guidelines cover preventive measures for each item in Article 7, Paragraph 2 of the “Code of Corporate Integrity for Listed and OTC Companies.” The Code and the Procedure and Guidelines were approved by the Board of Directors and published on the company’s website. All directors and senior management have also signed a “Statement of Compliance with the Corporate Integrity Management Policy.”

Our company and its subsidiaries comply with the Companies Act, Securities Trading Act, Commercial Accounting Act, or other applicable commercial conduct laws at their location, as a fundamental principle and operating policy for honest business conduct. Before engaging in commercial transactions, we assess the legality of counterparties—including agents, suppliers, customers, or other transaction parties—and check for any record of dishonest behavior; we avoid transactions with parties that have such records. Contracts entered with others should include provisions to comply with the Honesty Business Policy and allow termination or cancellation of the contract at any time if the counterparty engages in dishonest conduct. The unit responsible for promoting honest business practices is the General Manager’s Office; it formulates and implements the Honesty Business Policy and prevention measures and monitors implementation. It reports its implementation status to the Board of Directors at least once per year.

Ethical Policy

GRI 2-23

Pegavision operates with integrity as its core principle, fully complying with the Company Law, Securities Trading Law, Commercial Accounting Law, Political Donations Law, Anti-Corruption Criminalization Ordinance, Government Purchasing Act, Public Officials Conflict of Interest Avoidance Act, and relevant listing regulations. These legal provisions constitute the fundamental prerequisite for conducting business with integrity.

In order to further implement corporate management and meet the expectations of Conformity investors and stakeholders, Pegavision introduced a “Code of Ethics” in 2019. The policy upholds the highest standards of integrity and prohibits all forms of bribery, corruption, extortion, embezzlement, and other improper benefit activities. To maintain normal business operations and fair competition, all commercial transactions are conducted with full transparency. The company also respects and

protects the intellectual property rights of itself and its stakeholders by adhering to applicable regulations on fair trade, advertising publication, and industry competition. A complaint-and-reporting mechanism has been established to ensure the confidentiality of complainants’ identities so that they can raise concerns without fear of retaliation or harassment. Additionally, to safeguard stakeholder data confidentiality under Conformity Regulation conditions for data collection and use, all related policies are announced on the official website under “Commitments & Policies” after signing by the general manager; implementation is carried out by each responsible unit.

All employees of the company must strictly adhere to the Ethical Policy.

Pegavision also includes provisions related to ethical integrity in its employment contracts, and all new hires observe the following on their first day of reporting

1. Employees shall guarantee, in accordance with the principle of integrity, to faithfully perform their duties, maintain professional ethics, continually improve professional skills, enhance performance standards, preserve the company’s image, and diligently fulfill their managerial responsibilities as assigned by the company.
2. Employees shall never arbitrarily spread rumors that affect workplace order or collegial relationships, nor engage in any emotionally negative conduct. They guarantee harmonious relations with colleagues and will not incite colleagues to resign or undermine their loyalty to the company.
3. Employees shall never, under the guise of business activities, divert, steal, occupy or otherwise engage in any fraudulent conduct that undermines company interests or finances.
4. Employees shall not directly or indirectly receive or agree to receive any remuneration, funds, gifts, commissions, hospitality, or any other form of benefit from customers with whom the company currently has or will have business dealings



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No Incidents of Corruption, Anti-Competitive Behavior, Antitrust, or Monopoly Violations

GRI 205-1 , GRI 205-3 , GRI 206-1

Pegavision continues to promote integrity in business and fair competition, striving to prevent corruption and anti-competitive conduct. In 2025, no violations of corruption, anti-competitive behavior, antitrust or monopoly were reported, nor were any related fines or legal sanctions imposed.

In risk management, the company has not yet fully implemented a systematic corruption risk assessment. It has, however, reduced corruption and improper conduct risks through integrity-based operating systems, internal control mechanisms, and training. The company continues to strengthen employees' awareness of relevant laws and specifications. In the future it will gradually plan to introduce a corruption risk assessment mechanism to enhance the completeness of risk identification and management.

Grievance Mechanism / Whistleblower System

GRI 2-16, 2-25, 2-26

Pegavision upholds the principle of operating with integrity, and is committed to establishing a publicly transparent communication and complaint mechanism. Any form of corruption, fraud, or dishonest conduct is strictly prohibited. If any stakeholder discovers that an employee of the company or a representative acting on behalf of the company violates laws, principles of honest business conduct, or moral behavior criteria, they may file a complaint through the reporting channel or report it. The Pegavision Audit Office serves as the dedicated unit for receiving such reports.

- Reporting Contact: Ms. Lù, Audit Office
- Reporting Email: HonestBox@pegavision.com
- Mailing Address: Audit Office, Pegavision Corporation, 2F-1, No. 5, Xingye Street, Shanding Village, Guishan District, Taoyuan City, Taiwan

The complaint must provide the basic information of the complainant and specific evidence to facilitate subsequent investigation. If the data are insufficient for identification or verification, the company may refuse to accept it. To preserve the fairness of the system, complainants may not intentionally fabricate false facts. If a complaint is found to be malicious or contains deliberately fabricated false statements after verification, the complainant shall bear related legal responsibility; if the complainant is a Pegavision employee, disciplinary action will be taken in accordance with the "Employee Disciplinary Procedure Management Regulations."

The company permits anonymous reporting and commits to keep the reporter's identity and the information provided confidential; unless otherwise required by law, the identity shall not be disclosed. It also establishes a non-retaliation mechanism to ensure that reporters are not subjected to improper treatment or adverse actions because of their reporting. However, if a reporter does not provide their name and contact details, Pegavision will be unable to communicate the outcome of the investigation. No reports related to integrity management were received in 2025.

2025 Business Integrity Performance

GRI 205-2

Pegavision conducts regular anti-corruption and integrity training, and by 2025 all junior, mid-level, and senior managers have completed the anti-corruption and integrity training.

2025	Employee Category					Employee Type		
	Senior Management	Middle Management	Junior Management	General Staff	Total	Direct Employees	Indirect Employees	Total
Number of trainees	10	34	41	1,189	1,274	851	423	1,274
Total personnel	10	34	41	1,774	1,859	1,436	423	1,859
Training Percentage	100%	100%	100%	67.02%	68.53%	59.26%	100%	68.53%

Note: The statistics include only Taiwan-based employees. Foreign migrant workers did not receive the training.

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3.3 Regulation Compliance

GRI 2-27

Pegavision belongs to the medical device industry, and all operational activities—including product design, manufacturing, packaging, transportation, and service provision—adhere to high standards of quality and regulatory requirements. It also complies with the relevant laws and regulations applicable at each operational location to ensure the legality and compliance of its business operations.

To ensure the effectiveness of regulation compliance, the company has established a comprehensive regulation compliance management system and documented information procedures, and conducts regular reviews and updates in accordance with changes in regulatory trends. Through an internal audit mechanism and executive management meetings, it continuously monitors and reviews compliance status to strengthen overall management performance.

In 2025, a total of twelve Management executive meetings were convened, and based on the resolutions of those meetings, key Management items for Planning 2026 were identified. This includes strengthening the Legal Risk Assessment mechanism, covering the following scope

- The Regulatory Affair Dept. periodically monitors and updates medical device regulations in each country; the legal department is responsible for managing compliance with fair trade, intellectual property, corporate law, labor legislation, and environmental and climate change regulations.
- Through the Risk Assessment tool and control mechanisms, continuously monitor regulatory compliance risk and implement appropriate mitigation measures to reduce potential legal risk.

Legal disputes and risk response

Pegavision establishes legal risk management and response mechanisms. When a potential legal dispute arises, the relevant unit immediately reports to the legal department for assessment and handling, ensuring the protection of company interests and compliance with regulatory requirements. No major legal disputes were added or occurred in 2025

Violation incidents and fines record

In 2025, Pegavision did not incur any major penalties (exceeding NT\$1,000,000) from regulatory authorities for violations of economic, environmental, or social regulations. No cases involving corruption, anti-competitive conduct, antitrust violations or monopolistic behavior were identified. For individual minor penalty cases, the company completed the required improvements within the stipulated deadlines and closed each case in accordance with regulatory requirements. Ongoing training and internal communications continue to reinforce employees' awareness of regulatory compliance to prevent recurrence of similar incidents.

Category	Taiwan Relevant Key Legal Sources	Is there a violation event in 2025
Corporate Governance	Corporate Law, Corporate Governance Practice Code, Listing and OTC Company Integrity Management Code, Audit Committee Organization Charter, Remuneration Committee Organization Regulations.	The company conducts all activities in accordance with the law, and therefore has not incurred any significant monetary fines or other non-monetary penalties.
Employee	Labor Standards Act, Employment Services Act, Gender Equality in Employment Act, Labor Insurance Ordinance, Labor Pension Ordinance, National Health Insurance Ordinance, Employee Welfare Fund Ordinance, Labor Leave Regulations, and Implementation Measures for Labor-Management Conferences.	In 2025, there were a total of one labor-related violation case, none of which reached the level of a major incident. After review and confirmation, all defects have been fully addressed through improvement.
Health and Safety	Occupational Safety and Health Act, Regulations for the Implementation of the Occupational Safety and Health Act, Labor Health Protection Rules, Labor Safety and Health Facility Rules, Labor Safety and Health Training Rules... etc.	In 2025, there were a total of one occupational safety violation case, none of which reached a significant incident level. After review confirmation, all defects have been completed with improvement.
Environment	Basic Law on the Environment, Climate Change Response Act, Waste Management Act, Resources Recycling and Reuse Act, Air Pollution Prevention Act, Noise Control Act, Drinking Water Management Ordinance, Discharge Standard for Effluent, Water Pollution Prevention Law and its implementing regulations... etc.	The company acts in accordance with the law, and therefore has not incurred any significant monetary fines or other non-monetary penalties.

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3.4 Risk Management

Pegavision in 2020 provides a "Risk Management Policy and Procedure," establishing a systematized risk management framework to effectively identify, assess, and manage various operational risks. The board of directors is the highest governing body for risk management, responsible for approving the overall risk management policy, monitoring risk management operations, and reviewing major risk-related issues and response strategies.

Each year, the company conducts a comprehensive Implementation Risk Assessment covering operational, financial, compliance, and sustainability risks. The assessment analyzes and ranks risks based on probability of occurrence and impact to identify significant risk items. For major risks, the company provides corresponding management strategies, control measures, and objectives. Through regular reviews and continual improvement mechanisms, it strengthens the effectiveness and resilience of risk management.

Each Responsible Unit manager is responsible for identifying, assessing, monitoring and reporting risks, and for establishing appropriate management measures according to the nature of the risk; the general manager is responsible for monitoring the implementation of overall risk management and coordinating operations. At least once a year, a report on risk-management implementation must be presented to the board of directors, and significant risk events must be reported immediately as needed to strengthen governance monitoring mechanisms.

Risk Categories and Definitions

Risk Category	Definition
Market risk	Risk arising from changes in domestic and international market demand or competition that hinders the company from achieving its operational objectives.
Political risk	Geopolitical situation or national policy change risk.
Environment Risk	Natural disasters, climate change, infectious diseases and other externally uncontrollable risks.
Legal risk	Risk of non-compliance penalties for operational activities or loss of reputation or financial damage due to external litigation events.
Financial Risk	Risk that causes the company to incur losses in various financial activities, including currency risk.
Operational Risk	Risk arising from internal control or internal management factors that results in loss of personnel, assets, and net profit, including information security management and intellectual property management.
Other Risk	Risk that does not fall under the above categories but could cause significant loss to the company.

Risk Assessment

Through the procedures of Risk identification, Risk measurement, Risk monitoring, Risk reporting and disclosure, and Risk response, we define the scope of operational risk and implement appropriate measures to effectively control and reduce related operational risks. Each year we report the results of the risk assessment to the board of directors. The following lists the risk items assessed in 2025 and their corresponding management policies.

Risk Category	Risk Item	Risk Management Policy Or Strategy
Environment Risk	Climate change and Energy conservation	1. Implement the Environmental, Safety, and Health Policy. 2. Maintain ISO 14001 Environmental Management System operations and ISO 14064-1:2018 greenhouse gas inventory. 3. Continuously monitor all energy consumption and performance indicators, and conduct annual performance statistics. Review meeting presented to senior management.
Operating Risk	Supply Chain/ Product Quality	Supply Chain 1. Periodic assessment of annual raw material risk. 2. Introduce Second Source to enhance supply chain resilience and reduce operational risk. Product Quality 1. For quality improvement, conduct an AOI upgrade. 2. Hold regular meetings to monitor the implementation and effectiveness of Monitoring Quality, ensuring that Improvement is carried out.
Corporate Governance	Business Integrity	1. Implement the Criteria for Ethical Conduct and the Company Integrity Operating Code. 2. Maintain the smooth operation of the reporting channel.



3.5 Information Security Management

Through the use of information security control equipment, supplemented by information classification controls and training, we ensure the continuity of our operations and protect confidential information.

Material Topic: Information Security Management

Impact Assessment	Positive (actual) impact Strengthen information security management, ensuring the safety of information assets for the company and stakeholders such as employees, suppliers, and customers, thereby safeguarding the sustainable development of the company. Negative (potential) impact If information security management is inadequate, it may compromise the information security of internal staff and external suppliers or customers, resulting in damage and adverse effects.	
Remedial Measures for Negative Impacts	The company bases its operations on the ISMS information security system and uses ISO 27001 as the implementation criteria to enhance information security management.	
Management Policy	To strengthen information security management, Prevent the company's data, systems, equipment and networks from unauthorized access, use, control, disclosure, destruction, alteration or other violations; ensure confidentiality, integrity and availability; and safeguard the company's sustainable business operations.	
Management Commitment	Pegavision commits to continuously invest resources and management support, establish, maintain and continually improve an information security management system to effectively identify, assess and mitigate information security risks, thereby conforming to the expectations of customers and relevant stakeholders.	
Management Actions	Information Security Management Action Three Aspects - Prevention: Technical protection and risk analysis - Management: Comprehensive policies and procedures, education and training, and risk assessment - Response: Emergency anomaly response and risk treatment	
KPI and Target	- Zero major cybersecurity incidents - Annual app security updates 100% antivirus update rate - Periodic vulnerability scans	- External penetration tests - Social engineering drills - Maintain ISO 27001 system - No customer data breaches
2025 Implementation Results	- Major Information Security Incident: 0 incidents - APP Software security is updated irregularly: 8 times - Virus protection software installation and update: 100% - Regular Information system vulnerability scanning: 1 time - Regular external penetration testing: 1 time - Regular employee social engineering drills: 2 times - ISO 27001 International Information Security Standard Verification: Renewal Completed - Customer privacy breach incidents: 0 cases - According to the ISMS Procedure, two critical system restoration drills are implemented annually.	- Participate in cybersecurity-related seminars organized by the CISO Association or other cybersecurity organizations. - Insurance for enterprise information security risk management. - Conducted Information Security Awareness Training, targeting 580 participants and achieving 580 participants. - Conducted 12 information security awareness sessions. - Nine information personnel completed a total of 277 hours of information security professional training.
Stakeholder Communication	Internal staff: Provide explanations through meetings and announcements, and conduct 12 information security awareness sessions.	

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Information Security Policy

Pegavision strengthens information security management to ensure the safety of information assets, implements a culture where everyone is responsible for information security, and requires all employees to strictly comply with information security regulations and maintain vigilance in safeguarding information. It emphasizes three key elements: confidentiality, integrity, and availability. The ISMS (Information Security Management System) serves as the foundation, with ISO 27001 as the implementation criterion for constructing an information-security development blueprint and management mechanism.

Our company places great importance on the security of Customer data, implementing stringent mechanisms and measures to safeguard personal information. In line with the government's "Cybersecurity is National Security" policy, we have progressively introduced relevant information security protection and detection systems since 2015. We have taken substantial countermeasures against external information security threats to protect critical company data and prevent leakage risks. In 2024, we implemented an ISO 27001 information security management system and successfully passed the second-year review in 2025.



Corporate Sustainability and Vision

- Improve operational efficiency and decision-making with information technology!
- Enhance the corporate operational safety and customer trust with information security!
- Create high-quality company with the vision of sustainability!

Information Security Objectives

Upgrade Information Security Technology

Improve Information Security Emergency Response

Promote Information Security Management System

Improve Information Security Operating System

ISMS Information Security Standards ISO 27001

Internal and External Information Audits

Information Resources Planning

Build a sound information security operating system. We drive innovation in operational targets by implementing information security projects.

IT infrastructure

Technology protection

Exception handling

Improvement measures

Education and training

Information Security Management Organization

In response to the development of corporate operations and the strengthening of information security management, Pegavision continues to refine its information security risk management framework. In 2024, it will implement an ISO 27001 information security management system and establish an information security responsibility group in accordance with the ISMS-2-01 Information Security Organization Procedure.

1. Information Security Promotion Group: Responsible for coordinating Planning of various information security operations, reviewing, deliberating and evaluating the information security Management system.
2. Information Security Implementation Group: responsible for driving information security related activities, providing early warning and monitoring of information security status, proposing improvements to information security, and assisting with self-assessment of information security implementation.
3. Emergency Response Group: When a major information security incident occurs, it is responsible for convening relevant personnel, developing, maintaining, updating revisions of and implementing various disaster recovery procedures.
4. Information Security Audit Group: Responsible for conducting information security related audit activities.

Information Security Promotion Task Force

- Convener: President
- Deputy Convener: Vice President level (and above)
- Executive Secretary: Head of the Information Technology Unit
- Members: Division Directors

Information Security Implementation Subgroup

- Network Management Unit
- Liaisons from Each Department

Emergency Response Subgroup

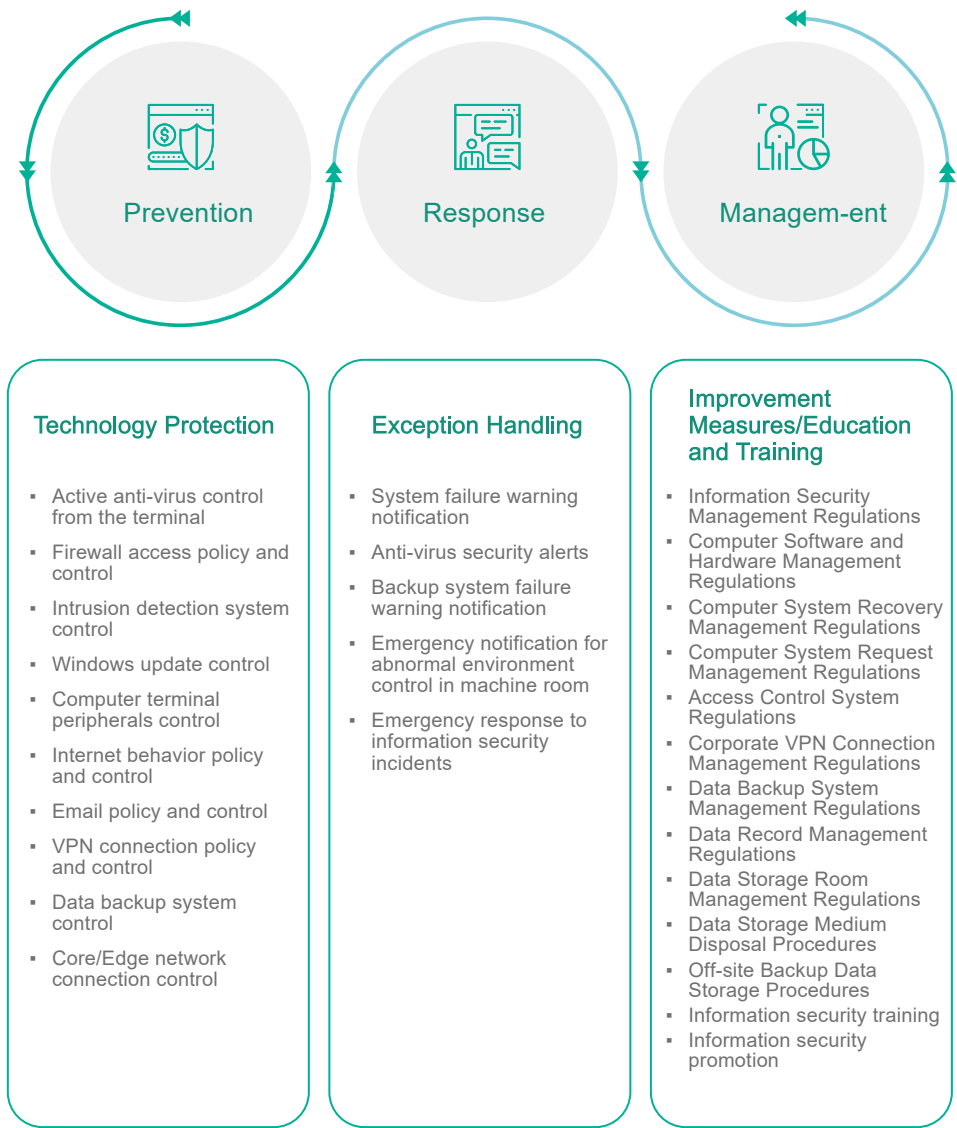
- Staff from the Information Unit and Various Departments

Information Security Audit Subgroup

- Personnel with audit capabilities or qualifications
- External consultants

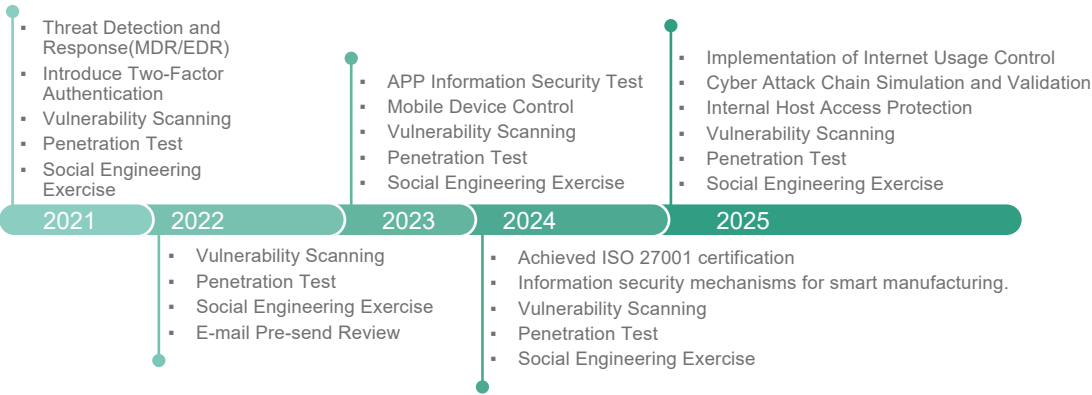
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Information Security Management Plan



Annual Information Security Project

Our company follows the ISO 27001 information security system, implements the PDCA Management framework, and conducts rapid and effective information system and data recovery operations to reduce incident impact, shorten operational downtime, and strengthen cybersecurity resilience. In 2025 we will conduct two system redundancy drills to ensure the stability of the website's information system redundancy mechanism; increase antivirus software installation and update rates; perform information system vulnerability scans, penetration testing; and regularly conduct employee social engineering exercises to implement cybersecurity management practices and verify the overall level of corporate cyber protection. Additionally, Pegavision participates in CISO Association or other cybersecurity organization-hosted seminars to stay abreast of the latest cybersecurity developments.



Information Security Risk Management and Response Measures

Pegavision identifies and assesses information security risks in accordance with the ISMS-2-06 Risk Assessment Management Procedure. For potential information security risks, it continuously optimizes management through system access controls (horizontal movement control, including internal websites), PC/NOTEBOOK/MOBILE device and peripheral controls, firewall and external device controls, and transmission encryption controls for the official website (external). No major information security incidents occurred in 2025; no customer privacy violations or complaints were reported.

Cybersecurity Awareness and Announcements

In 2025, a total of 12 information security awareness announcements were conducted to enhance employee security awareness. On January 16, 2025, an Information Security Awareness Training was held in the form of a presentation and test; 580 participants took the exam, all 580 passed, with a passing standard of 80 points and a pass rate of 100%.

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3.6 Intellectual Property Management

Pegavision places great importance on the protection and management of intellectual property. As the company's technological independence and international footprint expand, safeguarding product design, manufacturing processes, proprietary formulations, and brand identity has become a key competitive advantage. Accordingly, since 2023 the company has formally implemented TIPS (Taiwan Intellectual Property Management System), and has continuously passed third-party verification by the Ministry of Economic Affairs' Intellectual Property Office.

The implementation of the TIPS system, in addition to strengthening the company's intellectual property protection capabilities, will also enhance risk-management controls, improve compliance with domestic and international market regulations, and raise internal legal compliance awareness. Furthermore, because Pegavision is a partner for many international brand customers, obtaining TIPS certification increases its trustworthiness in supplier-management evaluations by those customers.

Since 2025, Pegavision will conduct annual legal risk assessments, incorporating intellectual property protection into the overall operational risk assessment framework. This will further strengthen the enterprise's sustainable governance system and the foundation of stakeholder trust, while enhancing internal compliance management mechanisms.

TIPS Certification



Personal Data Protection Policy



3.7 Personal Data Protection

Pegavision respects and protects personal privacy and personal data. In compliance with applicable legal provisions, this Personal Data Protection Policy has been established. The purpose of this Policy is to describe how the company collects, processes, uses, and protects personal data privacy to safeguard the rights of the individuals involved. It applies to natural person personal data obtained by the company in its business and Human Resource Management Processes, including but not limited to:

- Customer contact information
- Supplier or contractor contact information
- Human resources data for employees, job seekers, retirees, etc.

The Human Resources Department of the company is the responsible contact point, tasked with establishing a cross-departmental personal data protection compliance communication platform, coordinating support from each department for personal data protection work, and assisting in monitoring the implementation of this policy across departments.

2025 Employee Personal Data Protection Training

445 hours

3.8 Tax Policy

GRI 207-1, 207-2

Tax Management and Risk Management

Pegavision follows internal control processes, establishes a tax risk management mechanism, identifies, evaluates and controls tax risks arising from regulatory changes and operational activities, and appropriately measures, manages and controls those risks. Additionally, with the assistance of external professional tax advisors it continuously improves its tax expertise and compliance capabilities to ensure the accuracy and legality of its tax handling.

The board of directors of this company has commissioned the Audit Committee to engage Monitoring Company to monitor the quality and integrity of accounting, audit, financial reporting processes and financial controls during implementation. The monitoring will be conducted on a regular basis and will include major matters such as accounting policy and procedure, internal control systems, regulation compliance, etc., with tax compliance also encompassed within regulation compliance.

Tax policy

- Follow the tax regulation of the location of the Operations Center.
- Tax disclosure follows the relevant regulations and criteria requirement.
- Enhance the sustainable value created for stakeholders.
- Conduct tax risk assessment using the operation management mechanism.
- Does not avoid tax through tax structure adjustments or by using tax havens.

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3.9 Supplier Management

GRI 204-1, 308-1, 308-2, 414-1, HC-MS-430a.1, HC-MS-430a.2, HC-MS-430a.3

Material Topic: Supplier Management

Impact Assessment	Positive (actual and potential) impact By ensuring stable global raw-material supply and multi-country validated manufacturing capability, collaborating with excellent suppliers, and assisting in providing customers with high-quality products, it helps accelerate time to market and enhances product quality and safety. Negative (potential) impact Upstream supply chain may involve high-carbon-footprint raw materials or hazardous substances; if raw material management is inadequate, potential negative impacts such as hazardous waste pollution of the environment and increased human rights risk may arise, necessitating strengthened sustainable purchasing and compliance monitoring mechanisms.
Remedial Measures for Negative Impacts	Strengthen the Supplier Review and Audit mechanisms, implement traceability management and improvement plans, and reduce environmental and human rights risks.
Management Policy	Pegavision and the Supplier are long-term partners. In addition to competitive requirements for quality, delivery time, and cost, the Supplier is regarded as a collaborative partner in advancing sustainable development. The company provides a Supplier Corporate Social Responsibility Policy and commitment; the Supplier must comply with the specified criteria and adhere to applicable laws and regulations in its country or region of operation.
Management Commitment	Pegavision has established the “Supplier Management Control Procedure,” which includes a commitment to corporate social responsibility. • Prohibit forced labor, refrain from employing child labor, and ensure non-discrimination while respecting freedom of association. • Requirement Supplier compliance with local labor standards law and environmental regulations. • Commit to gradually developing and implementing an ESG policy with downstream partners under future requirements.
Management Actions	Pegavision Supplier classifies suppliers as Important Suppliers and General Suppliers; for Important Suppliers, it requires that they pass ISO, FDA, or GMPCertificate reviews or conformity-related Certificate agency reviews. In the future, the relevant forms will be revised in the “Supplier Management Control Procedure” to include whether suppliers violate environmental, occupational safety, human rights and other issues in their regular assessment items and proactively investigate whether suppliers are improving. • Requirement new Supplier signing corporate responsibility clause • Regular Implementation Supplier assessment, focusing on Product Quality, delivery time, price and Services.
KPI and Target	- New Supplier signs corporate responsibility clause. - Supplier periodic evaluation focuses on Product Quality, delivery time, price, and Services. - In 2026, a survey will be conducted to assess the conformity of key suppliers' ESG corporate social responsibility indicators.
2025 Implementation Results	- New Supplier signs corporate responsibility clause: 100% completed - Supplier periodic assessment: on-site evaluation of 16 suppliers and written assessment of 1 supplier
Stakeholder Communication	Through Supplier meetings, external communication email inboxes, direct or external communication telephone calls, and by conducting written or on-site supplier evaluations.

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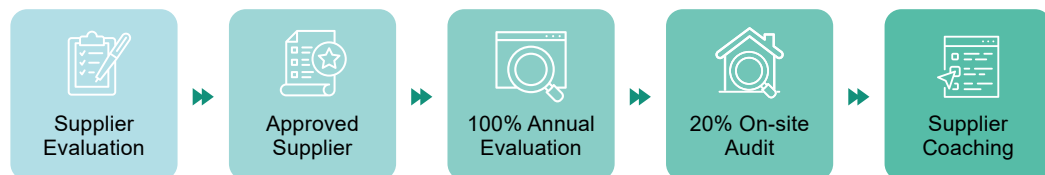
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Supplier Management

GRI 308-1, 414-1

Suppliers are important partners in Pegavision's operations. To strengthen collaboration with suppliers, Pegavision has established a supplier management system and related specifications, with the aim of working together with suppliers to promote sustainable supply chain management. Pegavision requires all new suppliers to undergo a safety and health self-assessment review covering nine major items, including the establishment of occupational safety and health management personnel, occupational safety and health management plans, and labor health management. In addition, corporate social responsibility clauses are incorporated into supplier contracts, requiring suppliers to comply with relevant regulations and standards regarding environmental protection, occupational safety and health, and labor rights.

All 2025 Pegavision suppliers (including new suppliers) must sign the corporate responsibility clause documents at 100% and annotate the Pegavision corporate social responsibility clause on each purchasing order. The supplier is required to fulfill its duties toward its employees, society, and the environment, thereby exercising corporate social responsibility. Additionally, the supplier must conduct a self-assessment of corporate social responsibility and promote human rights and integrity in business operations.



Supplier Selection

Pegavision has always adhered to the principle of integrity in its cooperation with suppliers. The purchasing business uses an internal electronic purchasing system in accordance with the Spec, thereby ensuring that purchasing processes are transparent and fair. The company selects qualified suppliers under the following conditions

- Only suppliers who have obtained an ISO International Quality System Certificate, passed the relevant external review, or achieved GMP/FDA/QMS certificate qualification, or whose Supplier Quality System self-assessment score is 60 points or higher, may become suppliers of the company. If a supplier also holds Environment Management ISO 14001, Occupational Safety Management ISO 45001, or Information Security Management ISO 27001 systems, priority will be given to them. Currently 99% of the main suppliers hold an ISO quality management system certificate.
- If a relevant Certificate cannot be provided, the company will only consider the supplier qualified after a factory visit that confirms compliance with requirements for Design and Development or change capability, production capacity or process capability, Product Packaging capability management, Quality System Certificate, and delivery management.
- For the high-risk material, namely the primary lens ingredient, when a new supplier is evaluated by the purchasing unit, Purchasing will collaborate with the requesting unit and Quality Assurance Department to assess the supplier's product. The assessment covers process management, quality inspection, traceability and tracking procedures. It also ensures that the supplied SDS (Safety Data Sheet) and CoA (Analysis Report) comply with Conformity Quality Specifications.
- During the initial transaction, the Purchasing Department convenes R & D and Quality Assurance Department to conduct an assessment and select qualified suppliers. For high-risk material vendors in the first transaction, on-site audits are used as the primary evaluation method.
- ESG aspects considered during new supplier evaluation include: all suppliers must sign a Cleanliness Commitment Letter, and if the supplier deals with raw materials or involves confidentiality, an additional Confidentiality Agreement must be signed. The content of both the Cleanliness Commitment Letter and the Confidentiality Agreement includes clauses on corporate responsibility commitments.

Supplier Corporate Social Responsibility Policy and Commitment

CSR	Commitment
Partner Relationships	Treat Supplier as a partner relationship, with the goal of mutual prosperity and coexistence.
Ensure Quality	Ensure the provision of high quality, reasonable pricing and enthusiastic services to deliver the best products and services to customers.
Integrity in Transactions	Adhere strictly to principles of honest business conduct and integrity in transactions, thereby safeguarding the interests of the company and its shareholders.
Conformity Specification	Ensure Product and Services Conformity to International Specifications.
Implement corporate Responsibility	Implement corporate social responsibility jointly, creating a Conformity-friendly environmental and safety supply system.
Environment Protection	Ensure that the production and provision of Services Processes do not damage the Environment.
Labor Rights	Respect and safeguard employees' fundamental human rights, in accordance with international human rights conventions and local regulations.
Information Security	Establish a comprehensive information security management system to ensure the confidentiality, integrity, and availability of operational information.
Personal Data Protection	Adhering to the Regulation on Personal Data Protection, establish rigorous personal data management and protection mechanisms to safeguard stakeholders' privacy rights.

Qualified Supplier Management

Pegavision categorizes all qualified suppliers into five major categories: raw material suppliers, equipment component suppliers, engineering suppliers, labor service suppliers, and others. Among these, raw material, equipment component, and engineering suppliers are considered key supplier categories.

Category	Raw Materials	Equipment & Parts	Engineering	Labor Service	Other	Total
Ratio	11.8%	52.2%	8.2%	6.9%	20.9%	100%

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Supplier Evaluation

GRI 308-1, 308-2, 414-1

The annual Supplier assessment grades are A, B, and C. Grade A: 80–100 points denotes an excellent supplier; Grade B: 60–79 points denotes a qualified supplier; Grade C: 0–59 points denotes a supplier requiring improvement. To implement Supplier Management, the Quality Assurance Department prioritizes high-risk material suppliers and those with lower quality scores based on the annual raw-material transaction records and assessment results. Suppliers that have significant defects in the current year’s audit are selected according to these criteria, with at least 10 % of the supplier list chosen for an audit plan. If defects or recommendations are identified during the audit, Pegavision convenes an internal meeting to discuss subsequent control measures and notifies the supplier of its requirement to provide an improvement report. If the supplier fails to provide corrective preventive action or its performance remains unsatisfactory after coaching, it may be removed from the qualified supplier register.

The Purchasing Department shall, in accordance with the Correction and Preventive Action Control Procedure (96100005), notify the Quality Assurance Department to issue a CAPA (Corrective Action and Preventive Action) report. The Supplier shall respond with improvement measures and their effectiveness in the CAPA report. If it is decided to take a stop-order placement action against the Supplier, that Supplier shall be designated as non-conforming and the business relationship terminated.

In 2025, 16 suppliers were evaluated on site and 1 supplier was evaluated in writing, for a total of 17 supplier evaluations. The audit found no major defects; all current suppliers remain operational and conform to the company’s requirements. In the supplier evaluation section, the assessment of corporate social responsibility indicators confirms whether suppliers have violated regulations related to environment, occupational safety, human rights, information security and privacy.

Raw material risk

Pegavision maintains adequate inventory of critical raw materials (materials that come into contact with concealed eyewear). In the event of force majeure or unforeseen incidents, these stocks can be utilized to meet demand. In 2025, there were no shortages or interruptions in the supply of critical raw materials; quality and delivery schedules remained stable, supply volumes were sufficient, and production sources were not at risk of scarcity. To ensure sustainable sourcing and stimulate market activity, the company continues to develop new suppliers on a regular basis. In 2025, a total of 68 bulk material suppliers were engaged: 66 in Taiwan and 2 overseas.

Supplier On-Site Purchasing

GRI 204-1

Most of the raw materials required by Pegavision are purchased locally in Taiwan. In 2025, foreign-origin raw material purchases account for 1.4 % of the company’s total purchasing amount. The current policy is that when a domestic supplier is applicable, procurement is switched to local sourcing; overall local purchasing accounts for 98.6 % of the total purchase volume.

Green Purchasing

Pegavision responds to the government’s promotion of the “green Purchasing” concept, encouraging all units to prioritize purchasing items that carry environmental and energy-saving certification marks. Green Purchasing is also designated as an environmental purchasing performance metric. The total amount of green Purchasing in 2025 was NT\$41,742,776, and the company received recognition as a top performer in Taoyuan City’s Net-Zero Life Sustainable Green Purchasing program.

Unit: (NT\$)

Type	2024		2025	
	Amount	Ratio	Amount	Ratio
Domestic mark	12,198,262	43%	10,708,368	26%
Domestic Other	10,408,345	36%	9,011,882	22%
Foreign Mark	6,036,537	21%	22,022,526	53%
TOTAL AMOUNT	28,643,155	100%	41,742,776	100%



CHAPTER.4 Product and Service

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04 Product and Service

4.1 Product Safety and Innovation R&D

GRI 416-1, 416-2

Pegavision invests in all stages of the manufacturing process through its proprietary technology, including raw material formulation, optical design, process technology, and automated production equipment. It has obtained certifications in multiple countries and has established a complete product portfolio to provide customers with one-stop services. Product quality and safety are commitments that Pegavision makes to its customers; in addition to managing compliance with each country's regulations to ensure that all products meet quality and safety standards, it also implements post-market monitoring in accordance with regulatory requirements by collecting information from customer usage and continuously improving.

Material Topic: Product Safety and Innovation R&D

Impact Assessment	Positive (actual) impact Product approvals, registrations, and certifications are obtained in accordance with regulatory requirements in each country to ensure eligibility for market sales, safeguard consumer health and rights, and enhance brand trust. Product innovation also creates market competitive advantages and supports the Company's revenue growth and development. Negative (potential) impact Failure to adequately manage product quality and safety may result in potential quality or safety issues that could negatively affect users. In addition, a lack of product innovation may lead to declining sales performance.
Remedial Measures for Negative Impacts	- Established a multinational regulatory compliance database and analysis mechanism to proactively identify risks in product export; regulations are reviewed annually by the compliance unit. - Implemented a comprehensive product traceability system and responsibility attribution mechanism to enable swift investigation and response in the event of an adverse event. - Conducted risk assessments and safety testing during the design phase of all new products, followed by mandatory regulatory approvals.
Management Policy	External Regulations: Compliance with national medical device laws, including Pharmaceutical Affairs Act and relevant production and sales regulations. Internal Policies: Based on ISO 13485:2016, Pegavision has developed a Quality Manual that includes procedures for internal audits, product identification and traceability, design and development control, inspection and testing, customer service, and product recall and notification.
Management Commitment	- Ensure that the product's quality and safety meet the required standards, comply with the relevant specifications of Conformity Medical Device Management law, and adhere to the applicable specifications of fair trade law and consumer protection law. - Maintain the effectiveness of Taiwan QMS, Korea GMP, and Japan QMS systems. - Conformity International Quality Certificate, strictly complying with each country's medical device manufacturing and sales regulations, such as CE (European Union), FDA (United States), NMPA (China), TFDA (Taiwan), PMDA (Japan) and ASEAN region regulations, Product Certificate Conformity for market entry standards.
Management actions	- Regular meetings review the status of Product Certificate attainment and the progress of new Product Projects, incorporating product certification status into departmental KPIs. - Conduct regular internal quality audits to ensure product quality, and collaborate with external audit entities for external inspections.
KPI and Target	- Maintain the validity of ISO 13485/QMS and other certifications annually, and comply with product certification requirements in various countries. - Conduct regular meetings to review the status of product certification achievements and the progress of new product development projects. - R&D investment accounts for 5–10% of net revenue annually. - New patent applications are filed every year.
2025 Implementation Results	- ISO 13485/QMS certifications maintained - R&D investment reached 8.87% of net revenue 46 new patent applications filed - Conduct regular meetings to review product certification status and new product project progress: Obtained 76 product certifications and completed 200 related reports, including R&D, certification, technical, risk assessment, and clinical evaluation reports.
Stakeholder Communication	By directly guiding Pegavision's R&D direction and compliance standards through customer product requirements and quality requirements, we enhance operational stability and technical accumulation.

Product Safety Control

GRI 416-2

Contact lenses must comply with the regulations governing medical devices. In addition to requiring manufacturers to obtain conformity certificates for each country's quality system, every product must also secure a product certificate in the distribution country before launch, covering pre-clinical biocompatibility and clinical trials. The preparatory processes vary by product and national requirements, typically taking between one and five years; they are time-intensive and costly. In recent years regulatory standards have tightened, with Japan, China and the European Union progressively updating their medical device regulations. Pegavision must regularly review regulatory changes and their impacts to devise appropriate responses.

After the product is launched, the company's R&D and Quality teams will conduct regular risk assessments. Risks will be classified and escalated according to their nature and severity; if a major risk is identified, it will be immediately reported to the quality assurance/risk responsible unit and an incident response mechanism will be activated. If necessary, the company may recall the product or implement on-site improvement/corrective actions to ensure product safety. The relevant recall and improvement measures are managed by the quality assurance professional team.

Clinical Trial

Each Product must undergo pre-market assessment, literature collection, and Clinical Trial/clinical evaluation before launch to ensure that the Conformity Product's intended use and performance (including visual correction effect) meet requirements. The coloring agents for colored lenses are selected from color powders that satisfy the Conformity Regulation Requirements, and a third-party laboratory conducts implementation clinical trials and stability tests to guarantee the Product's safety up to its expiry date. Regardless of the Product Item (e.g., daily disposable, biweekly disposable, lenses with correction function), an assessment of health and safety impact must be completed.

In addition to the Quality System Conformity for the EU, ISO 13485, Taiwan QMS, Japan's relevant Quality System Requirements, Korean GMP, and U.S. QSR Spec, our company is also one of the few manufacturers that simultaneously passes official overseas audits in Korea, Japan and the United States. Furthermore, product certifications cover 41 countries including Taiwan, Japan, China (PRC), the United States, the European Union (EU), Great Britain (UK), India (India), Australia (Australia), Singapore (Singapore), Malaysia (Malaysia), Vietnam (Vietnam), Thailand (Thailand) as well as the Philippines and Indonesia.

Automated Production Line & Unique Manufacturing Process Flow

Our company possesses multiple self-developed automated production equipment and production management systems, integrated with an ERP implementation. This dynamic management handles millions of production demands each month, optimizing the use of production resources for maximum efficiency, and has obtained the ISO 13485 certificate for an international medical device manufacturer quality system. By meeting customers' small-batch, diverse orders quickly and accurately, we reduce their capital costs; for standardized products requiring large-scale production, our highly automated lines provide significant advantages in both cost and product quality.

Product Packaging

Product packaging design selects sterile packaging material, uses a stable and effective sterilization process, and regularly implements sterilization process validation to confirm the effectiveness of each process, which must all undergo rigorous quality inspection.

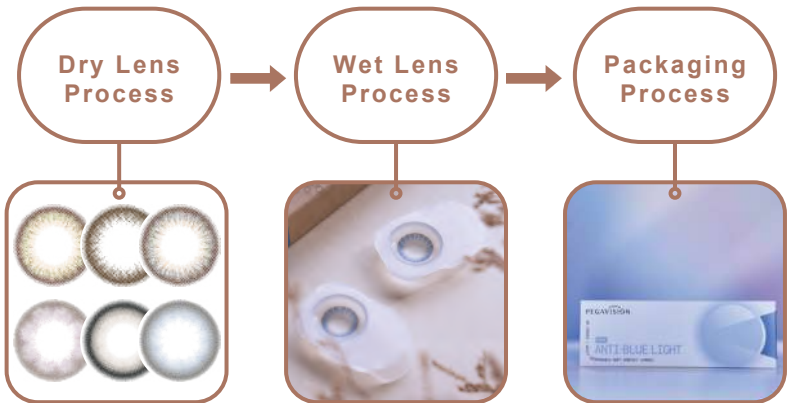
Product Traceability

All products are inspected using AOI automatic optical inspection to ensure each product undergoes a detailed inspection; each product has a unique identifier linked to complete production records, including operational conditions and production status, achieving 100% traceability and ensuring quality stability and transparency.

In 2025, one product self-recall event occurred, recalling 2,365 boxes of Product. Due to concerns about product quality, the contact lenses recall mechanism was activated and customers were notified immediately to safeguard consumer health and safety. Concurrently, root-cause analysis was performed and quality management and process controls were strengthened; corrective and preventive actions were implemented to prevent recurrence of similar incidents.

Year	2023	2024	2025
Number of Recall Cases (Units)	0	0	1
Product recall quantity (Boxes)	0	0	2,365

Production Process Flowchart



4.2 Customer Relationship Management

Topic	Content
Impact Assessment	Positive impact: Strengthen information security management to ensure the safety of information assets for the company, employees, suppliers, customers and other relevant stakeholders, thereby safeguarding the sustainable development of the company. Negative impact: If information security management is inadequate, it may cause damage to the information security of internal employees and external suppliers or customers, resulting in adverse effects.
Remedial Measures for Negative Impacts	Pegavision has a complete customer complaint process and addresses customer issues promptly.
Policy and Commitment	The company complies with the Pharmaceutical Affairs Act, ISO 13485:2016, Medical Device Management Act, Medical Device Advertising Regulations and Review Principles, Personal Data Protection Act, EN ISO 15223-1 and other relevant regulations and international criteria. Internally it has established procedures such as the "Customer Services Control Procedure," "Product Notification and Recall Control Procedure," "Personal Data Protection Operation Procedure," and "Complaint Handling Operation Procedure" to protect consumer or customer rights.
Management Actions	- Business units regularly conduct customer satisfaction surveys. - Implement customer complaint handling procedures to protect customer rights and interests.
KPI and Target	Customer satisfaction > 90 points
2025 Implementation Results	Customer satisfaction score: 97 points
Stakeholder Communication	Customer satisfaction surveys are conducted annually to understand customers' opinions and satisfaction regarding product quality and services.

Customer Satisfaction Survey

Pegavision values long-term and stable relationships with customers and continuously improves customer service processes through systematic management mechanisms. Annual customer satisfaction surveys are conducted to collect feedback on product quality and service performance, with the results used to track customer satisfaction trends and support continuous improvement.

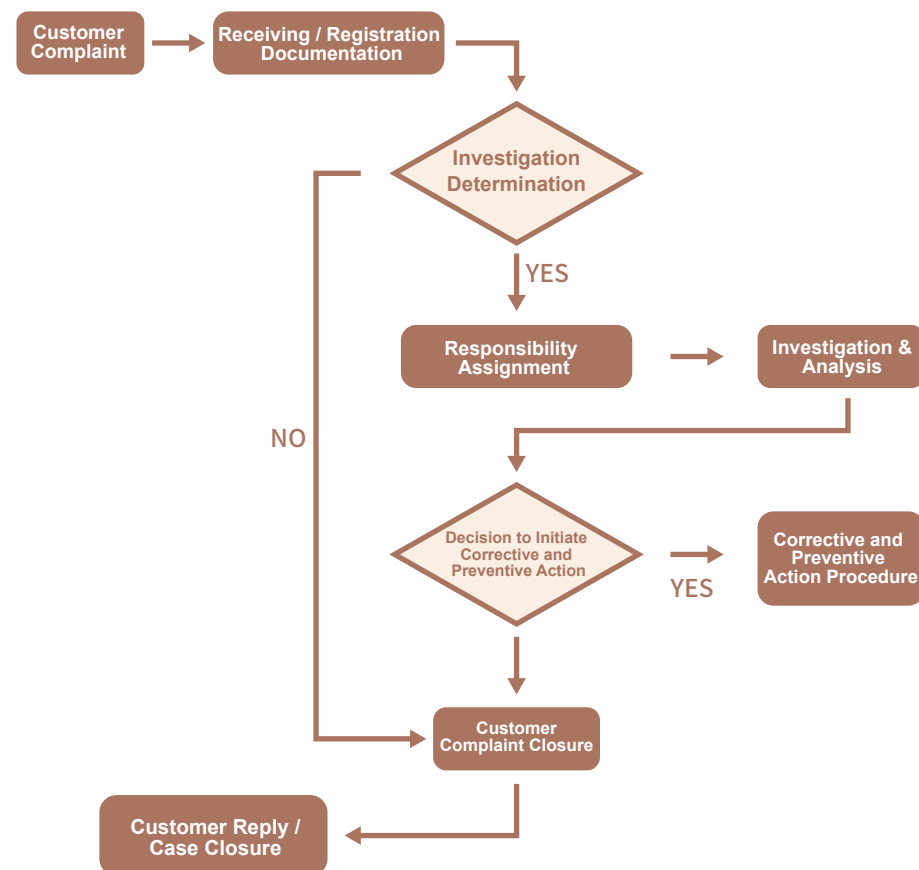
In 2025, surveys were conducted with B2B partners representing over 80% of the annual transaction amount. The overall satisfaction score reached 97 points, reflecting customers' positive recognition of the Company's products and services. In addition to regular surveys, the Sustainability Working Group also gathers customer feedback through stakeholder engagement surveys.

Year	2022	2023	2024	2025
Average Score	96	94	94	97

Customer Complaint Handling Process

In order to ensure that customer rights are protected, Pegavision has established a Standard for after-sales Services operations, a Customer Services control Procedure, and Product notification and recall control Procedures for each country. When a customer complaint or report of a quality anomaly concerning a product is received by the Responsible Unit, an Inspection and Analysis is performed, and within the specified timeframe the Sales Department is notified to safeguard the customer's interests.

The Sales Department operates an instant-reply Services platform or a Customer complaint mailbox Service@pegavision.com, maintaining a robust customer communication channel to reduce error rates and enhance service efficiency.



4.3 Ethical Marketing

GRI 417-1, 417-3; SASB HC-MS-270a.2, HC-MS-270a.1, HC-MS-270a.2

Pegavision has long been committed to maintaining high-standard compliance management and ethical marketing practices. In all product marketing activities, it ensures that product information is based solely on uses approved by the relevant authorities, thereby eliminating any inappropriate promotion beyond the scope of the label (off-label use).

Product Marketing Labeling

GRI 417

Pegavision places product usage instructions in the Instructions for each box of Contact Lenses; the outer packaging product labeling indicates the product name, usage period, item description, production batch number, sterilization symbol and expiration date. The Instructions also include item description, product serial number, warning statements, contraindications, cleaning method, wearing method, manufacturer and recycling information. This allows consumers to read clearly before purchasing and using the contact lenses and to understand how to wear them safely. Other countries label according to their respective specifications; marketing responsibilities are handled by local partners to ensure that advertising activities conform with local regulations. No violations of product safety or marketing labeling or advertising occurred in 2025.

To further implement marketing compliance and ethical principles, Pegavision has established an internal marketing review system. This system requires pre-approval for advertising copy, pharmaceutical communication materials, and promotional activities, and includes a regulatory oversight mechanism involving cross-departmental compliance and pharmaceutical personnel. The company follows Taiwan's Medical Device Management Act, the U.S. FDA prohibition on off-label promotion, Japan's Pharmaceutical and Medical Device Act, and related specifications. Regular compliance and marketing ethics training is provided to sales and marketing teams to reinforce employees' awareness of information accuracy and the boundaries of customer communication.

Interactions with Healthcare Professionals

HC-MS-510a.2

Pegavision's primary customers are Brand clients or distributors, and it rarely initiates interaction with professional medical personnel. In such cases, it will proceed in accordance with the agreed-upon ethical conduct criteria.

Interactions with Consumers

Pegavision's primary customers are brand owners or distributors, and it does not directly engage consumers. It complies with the pharmaceutical laws and medical device management regulations of each country, ISO 13485:2016, medical device advertising statutes and review principles, personal data protection law, EN ISO 15223-1, and other relevant regulations and international criteria. Internally it has established procedures such as "Customer Services Control Procedure," "Product Notification and Recall Control Procedure," "Personal Data Protection Operation Procedure," and "Complaint Handling Operation Procedure" to safeguard consumer or customer rights.

- Customer Services & Consumer Mailbox: Service@pegavision.com



CHAPTER.5 Sustainable Environment

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5.1 Environment Management

Pegavision has established an ISO 14001 Environmental Management System since 2016, covering the company's Guishan Site and Daxi Site. Through a formalized management mechanism, internal audits are conducted regularly to assess the effectiveness of the system, and external audits are performed by a third-party verification body to ensure ongoing effectiveness and conformity of the environmental management system. The company has obtained ISO 14001:2015 certification, with an expiry date from 2025/10/21 to 2028/10/20. In 2025, the company did not incur any violations of environmental regulations that resulted in penalties from supervisory authorities.

Topic	Content
Impact Assessment	Positive (Actual) Impact Environmental impact includes emissions and waste management in production processes, as well as greenhouse gas management. Pegavision's primary source of greenhouse gases is indirect energy (Taiwan Power Company); adopting proactive management approaches, such as replacing obsolete equipment or controlling carbon emissions from processes, will yield energy savings and carbon reduction benefits. Negative (actual and potential) impacts If energy use is not effectively reduced or other emission sources are not managed, it may result in increased carbon emissions subject to carbon charges, thereby raising production costs.
Remedial Measures for Negative Impacts	Negative impacts on the Environment include water resource management, greenhouse gas emission management, and waste management. These have been addressed in accordance with ISO 14001 environmental management system by establishing relevant management indicators and conducting regular reviews and improvements.
Management Policy	Conformity Regulation, disaster prevention, energy conservation and waste reduction, prevention of pollution All employees participate, continual improvement, corporate responsibility, sustainable operation Eliminate hazards, reduce risk, ensure safety and health, and engage in consultation.
Management Commitment	Pegavision commits to strictly comply with government environmental, energy, and other requirements, regularly identifying regulations. It cultivates proper energy-saving concepts, concretely implements energy management, and addresses climate change risks. It enhances employee energy literacy and creates a low-carbon high-quality environment. External responsibilities: the sustainability roadmap for listed companies, the Waste Disposal Act, the Water Pollution Control Act, the Air Pollution Prevention and Control Act, the Toxic Chemical Management Law, and the Soil and Groundwater Pollution Remediation Law. Internal procedures: Environmental impact and occupational health and safety hazard assessment, Regulation and other Requirement Identification, emergency response and preparedness management operations, monitoring and measurement management operations.
Management Actions	1. The Environment Health and Safety Management Review Committee has established a cross-departmental Management and Implementation team, convenes regular review meetings, and examines risk reporting and improvement records. 2. Hold an Environment Safety and Health Committee meeting each quarter to promote the company's energy-saving, carbon-reduction, and waste-minimization initiatives as part of Environment Management, thereby establishing corporate sustainability. 3. Integrate the ISO 14001 occupational safety management system, conduct internal and external audits, and pursue continual improvement. For issues identified by the audit procedure, implement improvement plans in accordance with the "Environmental, Safety and Health Anomaly Correction and Preventive Control Procedure."
Stakeholder Communication	• Employees: Continuous communication through training, announcements, and safety month activities. • Customers and investors: disclose occupational safety policy and performance in the sustainability report and on the official website. • Public sector and community: cooperate with relevant audit and inspection mechanisms to demonstrate corporate compliance and safety responsibility. • Communication channel: Environmental Safety Services mailbox Ehscareyou@pegavision.com



5.1.1 Environmental Management in the Manufacturing Process

From the perspective of the product life cycle, introduces Environment Management concepts at each stage of Design, Manufacturing, Packaging, Use and Disposal. The aim is to reduce the impact of operational activities on the environment and improve resource use efficiency. For environmental issues that may arise during production—such as process wastewater treatment, energy consumption, packaging waste and organic liquid recovery—our company continually promotes waste reduction and circular economy measures through technical optimization and process improvement to achieve sustainable production objectives.



Design and Raw Material Input Stage

During the Design and raw material selection phase, the primary materials used include PP plastic, foil, other chemicals, cardboard boxes, cotton paper, and stickers—various packaging materials. The choice and source of raw materials will directly affect the product’s carbon footprint and resource consumption.

- **Resources Consumption:**High-energy-consuming materials such as PP plastic and foil, both during extraction and processing, consume large amounts of energy and generate greenhouse gases.
- **Packaging Usage:**Using cardboard and cotton paper is more recyclable, but if not properly managed, it can still create pressure from paper waste.

Manufacturing Stage

Manufacturing processes are the primary stage where energy and water resources are heavily consumed. The company is committed to improving the efficiency of electricity, water, paper, and other resource usage, and by means of product design improvement, process optimization, and packaging enhancements it seeks to reduce operational impacts on the environment.

- **Wastewater Discharge:**The process uses large volumes of pure water, which must be properly treated to prevent contamination of water bodies.
- **Pollution Prevention:**To reduce air pollution and energy waste, Pegavision implements a pure water recycling system.
- **Efficiency Improvement:**include enhancing AOI inspection capability, optimizing initial material feed loss and scrap loss.

Packaging and Shipping Stage

The quantity of shipped products reaches tens of millions, with contact lenses being the primary export product. In the packaging processes, a large amount of plastic packaging material and paper is required.

- **Packaging Waste Risk:**without further resources recycling mechanisms, product packaging waste may become a long-term burden.
- **Carbon emission Contribution:** The carbon emitted by Product during transportation and packaging processes may become an indirect source of emissions.

Use of and Disposal Stage

Product waste after use is also an important source of environmental impact. Pegavision actively conducts business waste classification, resource recycling and reuse, increases the proportion of waste reuse, and promotes a circular economy.

Environment cost Investments

The company’s Environment cost expenditures are primarily allocated to waste disposal fees and other Management Activity expenses.

Unit: NT\$ thousand	2024	2025
Waste Treatment Fees	11,686,812	16,604,827
Environmental Management Activities	526,668	1,802,993
Total	12,213,480	18,407,820

5.1.2 Biodiversity

Biodiversity conservation contributes to climate change mitigation and adaptation and plays an important role in global agricultural development, food security, public health, and sustainable economic development. In reference to the spirit of the United Nations Convention on Biological Diversity, Pegavision aims to protect biodiversity, promote the sustainable use of biodiversity, and ensure the fair and equitable sharing of benefits arising from the use of genetic resources, while supporting the achievement of the United Nations Sustainable Development Goals.

Pegavision is committed to ensuring that its operations comply with international, national, and local biodiversity-related laws and to avoiding impacts on endangered and protected species. To achieve the 2050 net-zero target, the Company continues to implement paperless initiatives to reduce paper consumption. Paper products are gradually being replaced with FSC- or PEFC-certified paper, other environmentally friendly paper materials, recycled paper, and eco-friendly printing inks to ensure products are not associated with deforestation activities. The Company also continues to review and monitor the use of forest-related materials in its operations and reduce consumption at the source to gradually eliminate the use of products linked to deforestation.

In 2025, green procurement expenditures reached NT\$41.74 million, and NT\$566 thousand was invested in tree-planting activities.



5.2 Water Management

Material Topic: Water Management	
Impact Assessment	Positive (actual) impact Pegavision reduces water consumption per unit of Product through water-saving equipment, process optimization, and recycling and reuse measures, thereby improving Resources usage Efficiency, lowering operating costs, and reducing impact on the Environment. Negative (actual and potential) impacts Pegavision processes rely heavily on water resources, posing potential risks to water resource management.
Remedial Measures for Negative Impacts	Reduce water consumption through water recycling and file a record under the limited-water policy.
Management Policy	The company approaches water resources with the principle of “reduction, recovery, and reuse,” and implements various water-saving measures to enhance the efficiency of water resource utilization.
Management Commitment	Pegavision commits to following the relevant Environment Regulation in implementing proper wastewater treatment and discharge management, and continuously strengthening prevention of pollution and daily monitoring management to reduce environmental impact and fulfill corporate sustainability responsibilities.
Management Actions	1.Monthly Management meetings monitor water resource usage to ensure efficient utilization. 2.Regular monitoring of water resources management, including withdrawal volumes, discharge volumes, and reclaimed water volumes, and monitoring wastewater discharge. 3.In response to climate change-induced drought and reduced rainfall, Daxi Site has a water storage tank, and Guishan Site also maintains a water reserve. If the Taoyuan area implements phased water restrictions in the future, and the Environmental Health and Safety Committee decides that a water outage exceeding eight hours warrants action, the company will activate additional tanker support.
KPI and Target	- Conformity wastewater discharge indicators - Guishan Site water recovery rate > 30% - Daxi Site water recovery rate > 10%
2025 Implementation Results	- Conformity wastewater discharge indicator: Conformity competent authority discharge specification - 2025 Guishan Site water recovery rate: 39.11% - 2025 Daxi Site water recovery rate: 20.48%
Stakeholder Communication	According to the Regulation, report and incorporate the results of Environment Management and Water Management into the sustainability report.

5.2.1 Water Withdrawal Management

GRI 303-3

Pegavision has established a water management mechanism to regularly monitor water consumption and improve water use efficiency. The Guishan Site and Daxi Site both use tap water sourced from surface water, with no use of groundwater or seawater.

The Company's water supply mainly comes from the Shimen Reservoir through the Danan and Longtan Water Treatment Plants. In 2025, total water consumption was 315.18 thousand tons, accounting for approximately 0.17% of the combined water supply of the two treatment plants, indicating limited impact on regional water resources.

Water Withdrawal Statistics

Unit: million Liters

Type	Site	2022	2023	2024	2025
Surface Water	Guishan	298.32	287.58	259.14	249.47
	Daxi	14.08	15.33	26.57	81.35
	Total	312.39	302.91	285.71	330.82

Note 1: 1 m³ = 1 metric ton = 1,000 liters

Note 2: Daxi site increased water usage in 2024 was due to ramping up operations post facility validation.



5.2.2 Water Discharge Management

303-2

In water resource management, Pegavision continues to implement wastewater treatment and discharge management in accordance with cycle regulations and continually strengthens pollution prevention and daily monitoring. No violations of the Water Pollution Prevention Act occurred in 2025, indicating that all water pollution control measures are operating stably and conforming to regulatory requirements. In the future, it will further refine water resource management and pollution control to reduce environmental impact and fulfill corporate sustainability responsibilities.

In the wastewater management section, the company collaborates with a testing institution recognized by the central authority to conduct two annual outsourced measurement sampling and testing activities, and to supervise all pollution management processes in order to reduce wastewater discharge volumes and minimize environmental impact.

Site	Treatment Method	Standard Source & Criteria	Discharge Destination
Guishan	Via Guishan Industrial Park	Regulation: Industrial Sewerage Management Ordinance Parameters: SS, COD, BOD, ammonia, chlorine, pH, temperature, color.	Nankan River via wastewater treatment system
Daxi	Direct discharge (domestic wastewater)	Regulation: Industrial Sewerage Management Ordinance Parameters: SS, COD, BOD, ammonia, chlorine, pH, temperature, color.	Qieodong River

Guishan Site process effluent, after preliminary treatment at the on-site wastewater treatment facility, is combined with domestic sewage and conveyed to the Guishan Industrial Zone sewer system. The industrial zone Services Center uniformly treats the combined flow before discharge, ensuring that the effluent meets the Conformity specifications of the supervising authority. The preliminary treatment standard follows the Guishan Industrial Zone Services Center wastewater quality standard (see table below). In 2025, total discharge from Guishan Site will be 39.0 million liters.

Guishan Industrial Zone Services Center Sewage Water Quality Standard		Guishan Site Discharge Water Quality			
Year		2024		2025	
		H1	H2	H1	H2
PH	5~9	7.0	7.1	7.4	7.3
Temperature (°C)	38	6.2	31.3	24.8	32.7
SS (mg/L)	200	29.8	15.2	11.8	4.5
COD (mg/L)	480	85.7	121	220	17.3
BOD (mg/L)	320	29.8	49.4	130	16.3
Color (ADMI)	400	<25	<25	25	62
Ammonia (mg/L)* note	75	10.1	3.28	2.31	50.2
Free residual chlorine (mg/L)* note	2.0	N/A	0.08	0.72	0.05

Note: Ammonia nitrogen and free available chlorine are additionally tested in compliance with regulatory requirements.

Daxi Site completed the construction and commissioning of its wastewater treatment facility in the second half of 2025. At present, no process water is generated; only domestic wastewater is treated. After proper treatment, the effluent is discharged in accordance with permit regulations to the receiving water body (Qieodong Creek) and the sewer system. The total discharge volume of Daxi Site wastewater in 2025 was 45.4 million liters.

Discharge Standard		Daxi Site Discharge Water Quality	
Year		2025	
		H1	H2
Temperature (°C)	Below 38 °C (May to September) Below 35 °C (October to April of the following year)	-	30.5
PH	6~9	-	7.9
SS(mg/L)	30	-	<2.5
COD(mg/L)	30	-	84.0
BOD(mg/L)	100	-	24.7
True color (ADMI)	400	-	<25
Free residual chlorine (mg/L)	2.0	-	No data.

Note: The wastewater treatment plant at the Daxi Site commenced operation in the second half of 2025.



5.2.3 Discharge Volume and Water Consumption GRI 303-4, 303-5

Unit: million liters

Site	Category	2024	2025	Notes
Guishan	Water Withdrawal	259.1	249.5	Based on water utility bill.
	Water Discharge	43.1	39.0	Based on wastewater discharge monitoring via water meter.
	Net Water Consumption	216.0	193.8	
Daxi	Water Withdrawal	26.6	81.4	Based on water utility bill.
	Water Discharge	26.6	45.4	2024: Based on water utility bill. 2025: Based on wastewater discharge monitoring via water meter.
	Net Water Consumption	-	36.0	

Note 1: 1 unit = 1 cubic meter = 1 metric ton = 1,000 liters

Note 2: The Water Withdrawal is calculated based on the water bill and has taken into account adjustments across months.

Note 3: Daxi Site Water Discharge Statistics: Addition of upstream dry-lens and wet-lens manufacturing processes in 2025.

Note 4: Net Water Consumption = Water Withdrawal - Water Discharge.

Water Intensity per Unit Product

Pegavision's water consumption per unit of Product in 2025 is 359 ml; this represents a 56% decrease from the baseline year 2019 and a 17.7% increase over the previous year. To continue reducing consumption and saving water, the company has set a target for 2030 of a 70% reduction in water use per unit of Product compared to the baseline year, and by the end of 2025 it has already achieved an 81% reduction.

Unit: ml

Year	2021	2022	2023	2024	2025
Water Use per Product Unit	464	386	341	305	359

5.2.4 Water Resources Risk Management

Our company approaches water resources with the principles of “reduction, recovery, and reuse,” and implements various water-saving measures to enhance water resource utilization efficiency. According to an assessment using the Aqueduct Water Risk Atlas Analysis tool from the World Resources Institute, the overall water risk level at Pegavision's Taoyuan operation site is Low-Medium (1–2), indicating that it is not located in a high-pressure area. The Guishan and Daxi Site sites are situated in areas designated for industrial use only and are not within ecological protection zones or similar locations. Nevertheless, our company proactively prepares for such risks. If a phased water restriction is implemented in Taoyuan in the future and a decision by the Environmental Health & Safety Committee determines that a shutdown exceeds eight hours, the company will activate additional tanker support.

Water Recycling and Reuse

Guishan Site

- Since 2018, a pure water recovery system has been established to recycle process wastewater from the recovery boiler and tray cleaning machine, discharging it into the secondary use of the cooling tower.
- In 2022, a Guishan Site process water recycling system was added with the goal of achieving a 20% water recovery rate at Guishan Site.
- In 2025, the Guishan Site added an air-conditioning water recycling system, with an annual total recovery volume of 97.57 million liters.

Daxi Site

- Construction of the Daxi Site in 2022 and installation of a rainwater recycling system; by 2024, the recovery rate reached 25.3%.
- The total recovery volume for fiscal year 2025 is 16.66 million liters.

Water Recovery	2025	
	Recycled Volume (million liters)	Recovery Rate
Guishan	97.57	39.11%
Daxi	16.66	20.48%

5.3 Waste Management

Pegavision classifies waste based on its characteristics for management and pollution prevention, prioritizing reuse as the preferred treatment method to reduce environmental impact. In daily operations, the company has established facilities for separating recyclable and non-recyclable waste; production lines focus on reducing material waste at the source. Some waste is incinerated; future efforts will continue to lower the incineration proportion and minimize pollution generation. Currently all waste is handled off-site; the Environmental Health & Safety department conducts audits of waste disposal contractors according to contract status and any changes in relevant regulations.

Pegavision's primary waste consists of harmless, recyclable business waste, followed by employees' general household trash and discarded foil.

2025 Target	2025 Implementation Results
- Conformity Business Waste Disposal Regulation - Waste vendor compliance assessment - Annual inspection operations for hazardous industrial waste compliance in 2025 - Waste recycling reuse rate: 90%.	- Industrial waste disposal Regulation conformity rate: 100%. - Waste supplier compliance assessment: 1 time per year. - Hazardous business waste annual inspection operations: 100% compliance - Waste recycling reuse rate: 83%
2026 Target	
- Conformity Business Waste Disposal Regulation - Waste vendor compliance assessment - Annual inspection operations for hazardous industrial waste compliance in 2025 - Waste recycling reuse rate: 90%	
Long-Term Objective:	
Reduce the amount of product waste per unit by 1% compared to the previous year.	

Our company reduces its impact on the environment through strict classification and management mechanisms, with a waste treatment principle focused on recycling and reuse. Materials that cannot be recycled or reused are destroyed by crushing or similar methods, followed by secondary recycling. Some waste is incinerated. Since 2022, we have implemented circular economy measures, converting scrap into production consumables; by the end of 2025, cumulative recovery has reached 367 000 kg, effectively promoting the circular economy.

The company aims to reduce the waste output per unit by 5% relative to the base year (2020) by 2030. In 2025, the waste output per unit of Product will increase by 26.6% compared with the previous year and rise by 6% from 2020. The company will actively promote waste reduction management, optimizing processes and reusing materials in a cycle, focusing on source reduction, deepening circular economy thinking, and introducing green design and low-waste process technologies.

Waste weight Statistics

Year	2021	2022	2023	2024	2025
Non-hazardous Industrial Waste (kg)	2,718,673	2,599,536	2,734,921	2,926,406	3,609,857
Hazardous Industrial Waste (kg)	28,047	66,540	82,753	118,297	500,830
Total Waste Weight (kg)	2,746,720	2,666,076	2,817,674	3,044,703	4,110,687
Product waste Per Unit (g)	3.93	3.70	3.35	3.22	4.16

Note: Hazardous waste includes isopropyl alcohol (IPA) and general waste liquids.

Waste Disposal

Category	Year	2024			2025		
	Hazardousness	Non-hazardous	Hazardous	%	Non-hazardous	Hazardous	%
	Disposal Method	Disposal Volume (kg)			Disposal Volume (kg)		
Non-recyclable	Incineration	577,962	81,500	21.66%	647,186	104,610	18.29%
	Wastewater Treatment	37,730	-	1.24%	610,920	-	14.86%
Recyclable	Reuse Physical Processing	2,291,844	36,797	76.48%	2,335,501	396,220	66.45%
	General Plan Reuse	18,870	-	0.62%	16,250	-	0.40%
Total		2,926,406	118,297	100%	3,609,857	500,830	100%

IPA Waste Liquid Treatment

In response to the environmental policy and to implement pollution reduction targets, the company enforces strict control measures on the discharge of hazardous liquids and wastewater, ensuring that all operations comply with environmental regulation requirements. The IPA waste liquid generated at the back-end is entrusted to qualified disposal contractors for proper treatment, and its contract performance is reviewed regularly. The company also conducts on-site audits at IPA treatment facilities on an irregular basis; audit items include processing procedures, safety management, and related operational records. Over the years of audit results have shown that all inspected items meet the requirements of environmental protection legislation, with no major defects or violations observed.

Each year, the company conducts a regular Implementation Environment Monitor in accordance with relevant environmental regulations and operational standards. The scope covers wastewater discharge, air emissions, and environmental noise. Qualified third-party testing agencies are commissioned to sample and analyze data to ensure fairness and accuracy. After completion of the monitor, a comprehensive report is prepared as a basis for internal environmental management and provided to supervisory authorities for audit reference. The 2025 Environmental Monitor results indicate that all monitored items conform to applicable environmental legislation and emission standards, with no exceedances or anomalies observed.

Ink Cycle Waste Reduction

Our company, to reduce process resource waste, is promoting the “Ink Cycle Waste Reduction Project” and implementing systematic improvements in ink usage within product manufacturing processes. The core objective is to minimize discarded ink generation; this will be achieved through adjustments of process parameters, enhancement of equipment precision, and optimization of operational management. These measures will progressively reduce unnecessary ink loss and improve overall resource utilization efficiency.

By implementing a precise ink dispensing mechanism and standardizing operational procedures, excessive ink mixing is effectively reduced; simultaneously, equipment parameters are optimized and regular calibration is performed to minimize ink waste caused by defective products. In 2025, the amount of discarded ink decreased by 1.94% compared with the previous year, thereby lowering waste disposal costs and reducing potential impacts on the environment. This project also helps mitigate chemical usage risk, strengthens corporate performance in environmental management and pollution prevention, and aligns with the development direction of economic conformity cycles and sustainable resource utilization.



5.4 Energy Management and Greenhouse Gas Emissions

According to the resolution of the 28th Conference of the Parties (COP26) under the United Nations Framework Convention on Climate Change, global efforts will focus on limiting temperature rise to within 1.5 °C and aiming for Net Zero emissions by 2050. Pegavision introduced greenhouse gas inventory in 2021, monitoring various energy consumption metrics and performance indicators through management; it strengthened its environmental management system and pursued improvement through PDCA-based management.

Material Topic: Energy Management	
Impact Assessment	Positive (actual and potential) impact The company manages energy usage to reduce greenhouse gas emissions; or introduces renewable energy to lower greenhouse gas emissions and overall negative impact. Negative (actual and potential) impact The company does not manage energy, and the negative impacts cannot be controlled or improved.
Remedial Measures for Negative Impacts	Introduction of greenhouse gas inventory, and obtaining a third-party verification statement for ISO 14064-1:2018. Starting with carbon accounting, progressively planning carbon reduction targets to mitigate negative impacts.
Management Policy	Conformity Regulation, disaster prevention. Energy saving and carbon reduction, prevention of pollution. All employees participate, continual improvement. Corporate responsibility, sustainable operation. Eliminate hazards, reduce risk. Safety and health, consultation participation.
Management Commitment	Continuously assess the energy usage efficiency of all equipment, prioritizing energy efficiency as the primary criterion for equipment replacement. Internal promotion of low-carbon education and advocacy of energy-saving and carbon-reduction concepts will be employed to facilitate greenhouse gas reduction.
Management Actions	- Provides energy-saving and carbon-reduction solutions and conducts regular audits of implementation effectiveness, progressively increasing the target for energy usage efficiency. - Dedicated to improving the efficiency of electricity, water, paper and other resource utilization; and by means of product design improvement, process and packaging enhancements, reducing operational impacts on the environment. - The Environmental and Safety Department regularly monitors all energy consumption and performance indicators; annually it compiles performance statistics and reports the results to senior management at the governance review meeting.
KPI and Target	Each unit's product energy consumption is reduced by 1% compared with the previous year.
2025 Implementation Results	- Solar power generation and self-consumption totaled 727,727 kWh, supporting the Company's low-carbon transition through the adoption of renewable energy. - Each unit's product energy consumption increased by 4.89% compared to the previous year. (Trial production activities at the Daxi Site in 2025 resulted in increased energy consumption per unit of product.)
Stakeholder Communication	Disclose the company's energy consumption and greenhouse gas emissions through sustainability reports and the official website.

Energy consumption

GRI302-1

The company's primary energy source is purchased electricity, supplemented by a self-built solar power system that supplies part of its internal electricity demand. All energy consumption is for internal use only, with no external sales. In 2025 the energy intensity was 5.01 GJ per thousand units; the new production line at Daxi Site will increase the per-unit product energy consumption. Future management objectives will continue to focus on reducing energy intensity and strengthening optimization of internal energy use.

Unit: GJ

Site	Energy	2024	%	2025	%
Guishan	Electricity	281,982.02	93.37%	286,945.34	85.83%
	Solar Energy	289.44	0.10%	1,920.08	0.57%
	Diesel	14.00	0.00%	10.60	0.00%
	Total	282,285.46	93.47%	288,876.02	86.40%
Daxi	Electricity	19,621.44	6.50%	44,755.20	13.39%
	Solar Energy	91.78	0.03%	699.74	0.21%
	Diesel	0.60	0.00%	1.40	0.00%
	Total	19,713.82	6.53%	45,456.34	13.60%
Total Amount		301,999.28	100.00%	334,332.36	100%

Note 1: Conversion factor: 1 kWh = 0.0036 GJ → 83,713,132 kWh = 301,367.27 GJ
 2: Diesel: 1 liter = 8,400 kcal (per Ministry of Economic Affairs Energy Conversion Table)
 3: 1 kcal = 0.000004 GJ

Energy Intensity Statistics

GRI302-3

Year	2024	2025	Change in Percentage (%)
Production Volume (thousand boxes)	63,264	66,770	5.54%
Energy Intensity (GJ/thousand boxes)	4.77	5.01	4.89%

Greenhouse Gas Emissions

GRI 305-1, 305-2, 305-3

Pegavision implemented the ISO 14064-1:2018 Standard for Organization-level greenhouse gas inventories in 2021; the following are recent inventory results verified by a third-party verification company.

Unit: tCO ₂ e	2024			2025		
	Guishan	Daxi	Total	Guishan	Daxi	Total
Scope 1	199.4153	442.6319	642.0472	229.0793	282.2029	511.2822
Scope 2	36,558.9602	2,583.4896	39,142.4498	38,263.4749	5,892.7680	44,156.2429
Scope 3	16,689.0216	3,103.1974	19,792.2190	18,975.8728	5,904.6739	24,880.5467
Subtotal	53,447.3971	6,129.3189	59,576.7160	57,468.4270	12,079.6448	69,548.0718
Product Greenhouse Gas Emissions Per Unit	0.0643			0.0704		

Based on the audit results, the company's primary emission source is Scope 2: purchased electricity, accounting for more than 70 % of total emissions. The remainder arises from indirect greenhouse gas emissions associated with product use. Consequently, carbon reduction focuses primarily on improving energy-use efficiency (including replacement with energy-saving equipment) and planning for renewable energy deployment. The company continually evaluates the energy-use efficiency of all equipment; improving efficiency will be the foremost criterion for equipment replacement. Internal low-carbon education and promotion of energy-saving and carbon-reduction concepts are also employed to accelerate greenhouse gas reductions.

In order to meet the 2050 net-zero target, the company aims to reduce greenhouse gas emissions per unit of product by 1 % compared with the previous year. The primary production site, Guishan Site, will plan a total reduction of 1 % in categories one and two each year starting in 2026. Daxi Site is still expanding its production lines; therefore, emission reduction targets will be set after the expansion is complete.



5.5 Climate Change Mitigation and Adaptation

GRI 201-2

Based on the International Financial Reporting Criteria S2 (IFRS S2) and the TCFD climate-related financial disclosure framework, Pegavision reports on governance, strategy, risk management, metrics and targets for climate-related risks and opportunities.

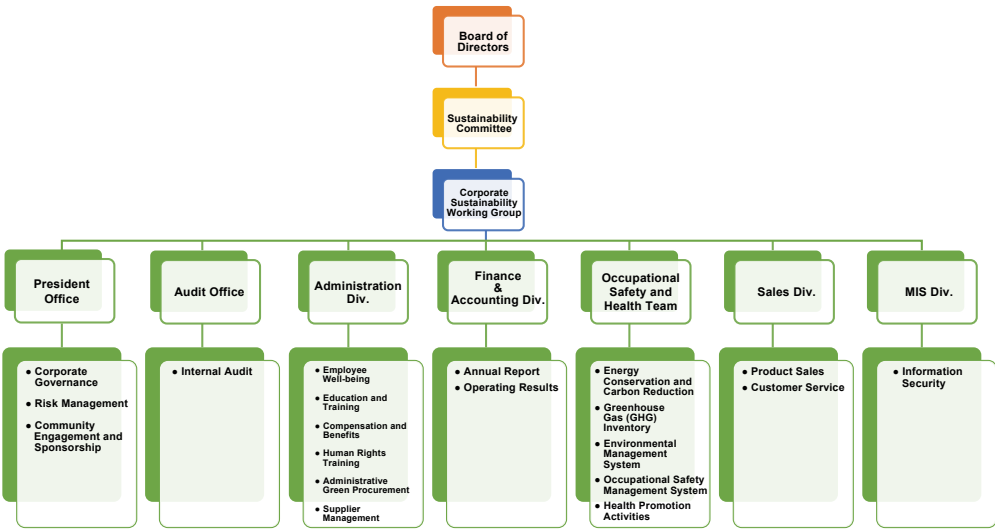
5.5.1 Governance

The Board of Pegavision is the highest governing body for climate change issues and authorises the Sustainability Committee to conduct assessments of climate risks and opportunities, with the Board acting in a monitoring capacity. Climate-related matters are coordinated by the Sustainability Committee, while the Sustainability Working Group implements tasks covering strategy development, risk management, setting and monitoring of carbon-reduction targets, and performance implementation.

The Sustainability Development Committee reports annually to the Board on the status of climate change management, and the Board confirms its alignment with the company's overall development vision and strategic objectives. The Compensation Committee convenes meetings annually to incorporate the extent to which climate-related risks and opportunities are achieved into senior executive performance evaluations.

The company also has an Internal Audit and Third-Party Verification system in place to ensure the transparency and credibility of climate-related data. It has already obtained ISO 14001 Environmental Management System certification and ISO 14064-1 Greenhouse Gas Verification, thereby strengthening internal monitoring and the foundation for data disclosure.

Climate-Related Risks and Opportunities Governance Framework



Development of Skills and Professional Competencies Related to Climate-Related Risks and Opportunities

Each year, in accordance with the "Key Points for Director Continuing Education for Listed and OTC Companies," directors receive training to enhance their professional knowledge and competencies in sustainable development, and to strengthen the board's decision-making capability regarding climate-related risks and opportunities. The Sustainable Development Committee reports annually to the board on risk management and the effectiveness of sustainable development implementation; these reports include current trends in global risks, domestic regulatory issues, and external assessments. This ensures that board members have comprehensive information for monitoring climate-related matters. Additionally, each year a training plan is developed for employees on climate-related risks and opportunities to improve professional expertise and management functions.

Management's Role in the Governance of Climate-Related Risks and Opportunities

The Board of Directors is the highest governing body for monitoring climate issues. At the operational level, it implements management and implementation of climate-related risks and opportunities through the establishment of a Sustainability Committee and a Sustainability Working Group, which serve as management-level roles. Each business unit then enforces the corresponding risk and opportunity management mechanisms. To strengthen monitoring of climate-related risks and opportunities, the company provides a "Sustainability Practice Code" together with a Risk Management Policy and Procedure as the supreme guiding principles for advancing corporate sustainability and risk management. These policies elevate the objective professional stance of senior management, reinforce corporate sustainability and risk-management ethos, strengthen decision making and momentum within the company, broaden the scope of sustainability coverage, and enhance monitoring mechanisms.



5.5.2 Strategy

Climate change will impact manufacturing-focused enterprises in multiple ways, including the effects of extreme weather on water resources and supply chains, the cost pressures associated with energy transition, and the transformations undertaken by each market region under global net-zero carbon targets. Pegavision carefully evaluates climate-related risks and opportunities, and in response to the national proposal for net-zero emissions by 2050, it conducts annual greenhouse gas emission management and reduction planning.

(1) Physical Risk and Transition Risk Response Measures

Pegavision has completed several major climate risk and financial impact assessments, and has developed the following response strategies for physical risk and transition risk

Risk Type	Category	Issue	Time Frame	Potential Financial Impact	Response and Management Actions
Physical Risk	Acute Risk	Extreme weather-induced heavy rainfall causes plant area flooding	Short-term / Medium-term	Flooding or other natural disasters may cause production lines in the plant to cease operation, resulting in operational losses.	According to current climate data estimates, the probability of flooding at the plant is low. However, monitoring will continue to determine whether other potential risks arise.
Transition Risk	Policy Risk	Carbon Emission Policy Requirement: Carbon fee or carbon tax; or increase the proportion of renewable energy usage.	Short-term / Medium-term	Carbon charges will commence in 2026, increasing operating costs for Pegavision.	Currently adopting energy-saving and carbon-reduction measures, reducing electricity consumption by at least 1% annually. Additionally, the assessment of renewable energy usage and implementation has begun.

(2) Climate-Related Opportunity

Pegavision identifies the following climate-related opportunities, primarily through reducing water usage in processes or increasing the proportion of recycled reuse, thereby indirectly reducing carbon emissions and improving resource efficiency.

Opportunity Type	Category	Issue	Time Frame	Potential Financial Impact	Response and Management Actions
Climate-related opportunity	Resources Efficiency	By reducing water consumption	Short-term / Medium-term	Reduce Scope 3 carbon emissions and lower costs	Pegavision has now installed water recycling systems in both Factory 2 sites, achieving a total recovery rate of 34.53%.
Climate-related opportunity	Resources Efficiency	Through recycling and reuse	Short-term / Medium-term	Reduce Scope 3 carbon emissions and lower costs	Recovery of packaging material

In addition, Pegavision continues to investigate energy-saving process optimization methods, such as R&D of a new low-energy consumption contact lens film process, to reduce the energy demand during drying and sterilization stages. This reduces overall energy usage.



5.5.3 Risk management

Pegavision incorporates climate risk into its overall operational risk assessment framework, using scenario analysis and hotspot assessment tools to regularly identify and quantify risks, and establishing mitigation plans. In response to extreme weather events and transformation risks, the company treats reporting obligations for carbon emissions and payment of carbon fees as high-priority issues. It continues to conduct ISO 14064-1:2018 audits of the organization and evaluates the feasibility of implementing an ISO 50001 energy management system in order to improve energy efficiency.

The company considers the impact of climate change under the following three scenarios

- Business As Usual (no carbon reduction measures): No regulatory action for greenhouse gas emissions.
- NDC (National Determined Contribution): Conformity to the National Development Council's proposal for 119th year, compared with the base year (94th year), a 24% reduction in greenhouse gas emission target.
- 1.5°C Target (most aggressive carbon reduction): Conformity 119, compared with the baseline year (94), aims to reduce emissions by 50%.

The parameters used in this report include electricity tariff, power factor; carbon fee/carbon tax rates for countries that have implemented a carbon fee; and financial impact analysis and assessment based on the three scenarios described above.

Pegavision incorporates the "Climate Risk Identification and Management Process" within the TCFD recommended framework, integrating climate change into a comprehensive Enterprise Risk Management (ERM) system. Through cross-departmental collaboration and expert consultation, it regularly performs the following three key risk-management steps

(1) Risk Identification and Classification

Through hotspot region climate data analysis, carbon market policy tracking, and regulation assessment, identify short-term to long-term climate risks that may affect operations, and classify them by risk nature

- Physical Risks: such as water resource shortages, extreme weather disasters (heavy rain, drought)
- Transformation Risk (Transition Risks): such as carbon pricing policy, green regulation, energy transition, stakeholder expectations.

(2) Financial Impact Assessment

Using an internal carbon pricing model, energy sensitivity analysis, and production cost simulation, estimate the potential impact on product cost, operating profit, and capital expenditure under different climate scenarios. For high-risk projects, incorporate budget and strategy planning considerations.

Basis for Internal Carbon Pricing

As global climate change intensifies, countries are introducing carbon fees and carbon trading mechanisms, requiring companies to proactively respond to future carbon regulations. In 2025, Pegavision completed the planning of its Internal Carbon Pricing (ICP) mechanism, adopting the shadow pricing approach to assess carbon-related risks and carbon reduction costs.

The Company established an internal carbon price range of USD 20 to 120 per ton of carbon within the scope of the consolidated financial statements. Pegavision will continue to review the effectiveness and impact of the ICP mechanism while promoting carbon reduction initiatives toward the 2050 net-zero emissions target.

(3) Management Measures and Monitoring

Each year it provides clear environmental and energy management objectives and assigns responsibility for implementation to specific units: the Environment department is responsible for carbon accounting and energy savings, the Facilities department is responsible for renewable energy integration and water resource recovery, while Legal Compliance and Risk Management monitor regulatory trends and assess exposure levels. Performance risk control is regularly compiled and reported to the ESG committee and senior management.

5.5.4 Metrics and Targets

Objectives of Metrics and Targets for Climate-Related Financial Disclosures

In the disclosure of climate-related financial information concerning indicators and targets, the purpose is to enable primary users of general-purpose financial reporting to understand the performance related to the company's climate risks and opportunities. This includes climate indicators, greenhouse gas information, industry-based indicators, and climate-related targets, as well as progress on any objectives required by statutory specifications.

Disclosure of Information Relevant to Cross-Industry Metric Categories

Disclose in accordance with international sustainability disclosure criteria, and manage following global specifications and criteria. Specific cross-industry indicator categories include greenhouse gas emissions (GHG), climate-related physical risk, climate-related transition risk, climate-related opportunities, capital configuration, internal carbon pricing and compensation.

Disclosure of Industry Baseline Indicators.

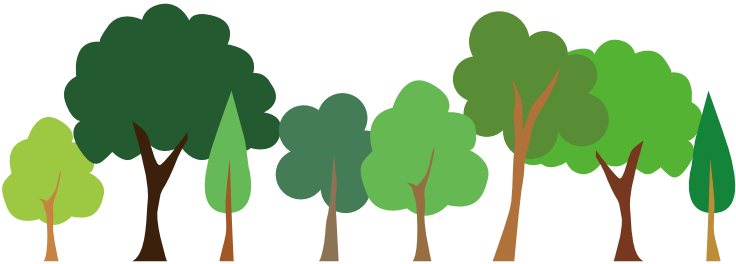
The company, based on its operating model, determines that all disclosures and industry-based indicators in IFRS S2 Industry-Based Implementation Guidance Volume 31 are applicable. Please refer to Appendix 3 SASB Indicators.

Pegavision Climate-Related Indicators and Targets

Regarding the climate-change risk, it has been assessed that water and electricity are indispensable resources for the company's production. Shortages of water and power caused by climate change, or obligations to reduce carbon emissions and pay carbon fees under transformation risks, may negatively affect the company's production and operating costs.

Our company began conducting an Organization greenhouse gas inventory in 2021 and annually reviews and replaces existing high-energy-consumption equipment, continuously advancing energy-saving and carbon-reduction projects. In the water Resources recovery area, in addition to installing a rainwater recovery System, we continually optimize the recovery System to improve Resources Efficiency.

- **Long-term goal:** Achieve corporate net-zero carbon emissions by 2050.
- **Short- and medium-term goal:** Since 2022, reduce electricity intensity (electricity consumption per unit of output value) by more than 1 % annually and promote the replacement of high-efficiency equipment. In the area of renewable energy, actively evaluate and implement green power purchasing combined with self-generated self-consumption integrated storage systems to reduce dependence on conventional energy.
- **Result:** In 2024, Guishan Site and Daxi Site began installing solar panels, with an investment of approximately 28 million yuan in construction costs, and the installation was officially commissioned by the end of 2024.



CHAPTER.6 Friendly Workplace

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6.1 Human Resource Management

Pegavision establishes a comprehensive Human Resource Management system covering talent selection, development, utilization, and retention. It attracts professional talent through training and competitive compensation and benefits. The company commits to providing equal employment opportunities and a respectful work environment, safeguarding employees' autonomy in work and freedom of assembly, while complying with relevant regulations. It also strives to create a healthy and safe workplace; the related human capital, training, and compensation systems have been carefully evaluated by the board of directors and senior management with reference to industry standards. In 2025 it received the Silver Award in the Happiness Enterprise Technology Energy R&D category.

Material Topic: Human Resource Management (including Compensation and Training)

Impact Assessment	Positive (actual and potential) impact Create economic growth, enhance employment, and enable talent to realize its value, thereby positively impacting the economy and society. Negative (potential) impact If personnel management is inadequate, it may result in violations of the Labor Standards Act and affect society, human rights, and populations.
Remedial Measures for Negative Impacts	The company will proactively address potential human-rights risks through various labor-management communication forums. In addition, an employee complaint channel is provided to prevent potential human-rights violations.
Management Policy	Pegavision establishes Human Rights and Training Policy, commits to the protection of human rights and sound training development, builds diverse and open communication channels, and fosters a warm and harmonious work environment.
Management Commitment	1. Provide a work environment that ensures equal rights and protection for gender and physical or mental disabilities, free from discrimination and harassment. 2. Comply with relevant labor regulations, safeguard employees' legal rights, and ensure that the Human Resources Policy respects the fundamental principles of labor human rights protection. 3. Establish an effective career development training program. 4. Establish communication channels for all employee interactions. 5. Provide employees with information on labor laws applicable in the country where operations are located.
Management Actions	1. Implement the TTQS talent development Quality Management System and establish an effective career development training program. 2. Implement the Performance evaluation system and emphasize talent career development. 3. Establish various employee communication channels and provide a complaint channel. 4. Provide employees with information on labor laws applicable in the country where operations are located.
KPI and Target	- Female manager proportion > 25% - Annualized turnover rate < 30% - Disability ratio > 1% - Course completion rate > 90%
2025 Implementation Results	- Female manager proportion 34% - Annual turnover rate 17.8% - Physical and mental disability ratio: 1.4% - Completion rate after course: 81%
Stakeholder Communication	Hold regular labor-management meetings and establish an employee complaint mailbox: Admin@pegavision.com



CHAPTER 06 Friendly Workplace

6.1.1 Recruitment Policy

Pegavision Human Resources Employment Policy complies with relevant labor regulations, is committed to safeguarding employees' legal rights and implementing the principle of fair treatment, and promotes labor-management cooperation through a sound Human Resource Management system to jointly advance sustainable corporate development. Recruitment of employees is based on open selection principles, conducted with a diversified assessment mechanism (such as testing and interviews) for careful selection, and hiring procedures are carried out in accordance with internal specifications.

The company, in its hiring processes, adheres to the principle of equal employment opportunity and does not discriminate on the basis of race, class, language, ideology, religion, political affiliation, place of origin, gender, appearance, physical or mental disability or union membership. It also eliminates any form of discriminatory conduct.

New Hire ratio

GRI 401-1

Unit: Person

New Hire	2023				2024				2025			
	Male	%	Female	%	Male	%	Female	%	Male	%	Female	%
Aged ≤30	63	40.9%	135	50.6%	42	39.3%	53	42.1%	82	50.9%	230	61.5%
Aged 31–50	91	59.1%	127	47.6%	64	59.8%	73	57.9%	79	49.1%	143	38.2%
Aged ≥51	-	-	5	1.9%	1	0.9%	-	-	-	-	1	0.3%
Total	154	100%	267	100%	107	100%	126	100%	161	100%	374	100%
New Hire Rate	24.6%				14.1%				28.8%			

Note 1: New hire rate = (Total number of new hires in a specific category during the year / Total number of employees in that category at year-end) × 100%

Note 2: The number of new hires reflects cumulative data as of December 28, 2025.

Employee Turnover Rate

GRI 401-1

Unit: Person

Resigned Employees	2023						2024						2025					
	Male			Female			Male			Female			Male			Female		
	Amount	%	TR	Amount	%	TR	Amount	%	TR	Amount	%	TR	Amount	%	TR	Amount	%	TR
Aged ≤30	58	33.9%	33.0%	97	40.9%	22.1%	34	33.3%	21.8%	77	40.5%	22.9%	47	46.1%	28.5%	73	38.4%	16.3%
Aged 31–50	113	66.1%	22.6%	136	57.4%	23.7%	67	65.7%	12.8%	110	57.9%	18.0%	80	78.4%	14.8%	128	67.4%	19.2%
Aged ≥51	0	0.0%	0.0%	4	0.0%	44.4%	1	1.0%	5.6%	3	1.6%	27.3%	1	1.0%	4.3%	2	1.1%	12.5%
Total	171	100%	24.7%	237	100%	23.2%	102	100%	14.7%	190	100%	19.8%	128	100%	17.6%	203	100%	18.0%
Voluntary TR	23.8%						17.5%						17.8%					
Involuntary TR	0.0%						0.1%						0.1%					

Note 1: TR = (total number of employees who left in the specific category during the year / total number of employees in that specific category at the end of the year) × 100%.

Note 2: The attrition rate in 2024 fell markedly from 23.8% in 2023 to 17.5%, indicating that the company's talent retention measures have been effective; the attrition rate for 2025 was 17.8%, roughly unchanged from the previous year, showing that the overall workforce structure is stabilizing.

CHAPTER 06 Friendly Workplace

6.2 Human Rights Protection

Conformity to the UNGC requirements on human rights and labor.

Pegavision has established a Human Rights Policy in accordance with the legal specifications of its place of incorporation and in line with the "UN Guiding Principles on Business and Human Rights." The company strictly adheres to the regulations applicable at each operational location, supports and complies with the principles and spirit set forth by international human rights instruments such as the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the UN Global Compact, as well as ILO conventions including "The Declaration on Fundamental Principles and Rights at Work." It treats current employees and partner-vendor personnel with dignity and respect, eliminates any acts that infringe or violate human rights, and commits within its Human Rights Policy



No discrimination on the basis of race, class, language, ideology, religion, party affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance or physical and mental disabilities or union membership.



Provide humane treatment and respect to employees/laborers, ensuring equal consideration.



Compliance with statutory salary and benefits conditions and appropriate working and rest periods.



Do not employ or compel workers or child labor who are threatened, coerced, or not voluntarily participating in any labor activities.



Respect employees' freedom and rights to assemble and associate, ensuring that employees can openly discuss working conditions with Management without fear of retaliation, threat, or harassment.

6.2.1 Human Rights Education and Training

Pegavision places great importance on and safeguards employees' fundamental labor rights, striving to create a workplace environment that is fair, respectful, and diverse. All employees are entitled to equal pay for equal work and are protected from sexual harassment and discrimination; appropriate work-protection measures are also provided for female employees during pregnancy. The relevant human-rights protection principles have been incorporated into the company's internal regulations, including working rules, personnel management procedures, and compensation and benefits systems. These principles are fully explained during new-employee training to ensure that employees fully understand their rights.

To continually strengthen human-rights awareness, the company conducts an annual October all-staff human-rights training. The program covers both domestic and foreign employees and addresses key issues such as anti-discrimination, prohibition of sexual harassment, prohibition of forced labour, and child labour. In 2025 a total of 1,859 employees completed the human-rights training, with a cumulative training time of 1,859 hours and a completion rate of 100%

Human Rights Training Conducted This Year

Site	Number of Employees Trained			Percentage of Employees Trained			Training Hours		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Daxi	512	484	679	29.9%	29.2%	36.5%	512	484	679
Guishan	1,187	1,153	1,160	69.3%	69.7%	62.4%	1,187	1,153	1,160
Xinzhuang	10	10	10	0.6%	0.6%	0.5%	10	10	10
Hsinchu	5	7	7	0.3%	0.4%	0.4%	5	7	7
Overseas	0	1	3	0.0%	0.1%	0.2%	0	1	3
Total	1,714	1,655	1,859	100%	100%	100%	1,714	1,655	1,859

6.2.2 Labor-Management Communication

Pegavision values dialogue with employees and encourages the use of an open, transparent communication mechanism to foster mutual understanding and cooperation, thereby creating a harmonious work environment. To promote labor-management harmony, Pegavision has established a labor-management committee in accordance with the law; it convenes a labor-management meeting each quarter to actively listen to employee opinions and suggestions. In addition, the company has established multiple communication channels through which employees can provide feedback, propose suggestions or file complaints when they encounter unfair treatment or are dissatisfied with managerial leadership styles. This ensures that employee rights are properly protected. The company also actively follows up on progress to effectively reduce employee dissatisfaction and build a solid foundation of trust between labor and management.

Meeting Name	person	Chairperson Meeting Frequency	2025 Feedback Topics
Labor Relations Meeting	Administration Division Manager	Quarterly	6 items
Sexual Harassment Committee	Administration Division Manager	As needed	0 items
Promotion Review Committee	Administration Division Manager	As needed	0 items
Complaint Review Committee	Administration Division Manager	As needed	4 items



Employee Opinion Survey

Object	Indirect colleagues (excluding managers at the department level or higher)
Number of respondents	169 persons
Coverage rate	9.1% of the total personnel (Distributed 390 questionnaires, self-filled, returned 169, response rate 43.3%)
Responsible investigative unit	Human Resource Dept.
Survey frequency	Annual once per year
Survey period	2025/12/04~2025/12/10
Overall satisfaction	3.89 (minimum 1 point, maximum 5 points)
Findings	Based on the results collected from this survey, assist in focusing the system and related programs, and provide positive feedback and improvement directions for the company's overall operations. Regularly track the effectiveness of improvement measures and compare them with the results of the next survey.
In response to the Improvement plan	Team collaboration items received the highest score in this survey, while work content items scored relatively lower; however, overall score differences were small, indicating stable performance across all dimensions. Increase overall satisfaction. The company will address this through policy promotion, labor-management meetings, healthy workplace initiatives, and training programs. By strengthening communication transparency, improving the work environment, and enhancing professional capabilities, employees will receive better support in their job duties, teamwork and future development opportunities—thereby raising overall job satisfaction.

6.2.3 Employee Grievance Mechanism

GRI 2-25

Pegavision establishes a clear employee complaint and communication mechanism, providing employees with a channel to express opinions on work-related matters and to propose complaints, and ensuring the confidentiality of complaint processes and that complainants are not subjected to any form of improper treatment or retaliation.

In 2025, the company received four employee complaint cases, all of which were addressed promptly in accordance with internal procedures. The relevant responsible units conducted investigations and implemented improvement measures. After completion of the improvements, the complainants were proactively informed of the outcomes, and closure procedures were finalized. No complaints involving gender or racial discrimination or violations of human rights arose in 2025, nor were there any complaints related to indigenous rights, forced labor, child labor, freedom of association, or overtime work.

Employee Feedback Mailbox: Admin@pegavision.com

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6.3 Workforce Composition and Diversity

6.3.1 Workforce Composition

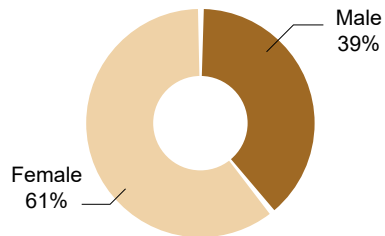
GRI 2-7, GRI 2-8, GRI 405-1

Pegavision is committed to creating a fair, just, and inclusive workplace environment that offers employees equal development opportunities, enabling every colleague to fully realize their professional skills and potential. To promote gender equality in the workplace, the company continually increases female employee participation and implements related support measures, such as establishing lactation rooms to help working mothers balance career development with family responsibilities. This encourages them to remain engaged in the workforce after childbirth and continue contributing their professional value.

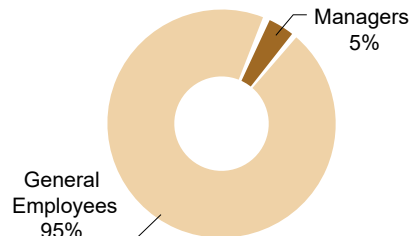
By the end of 2025, the company's full-time workforce numbered 1,859 employees, comprising 729 men and 1,130 women, resulting in a gender ratio of 39 % to 61 %, reflecting a diverse and balanced human resource structure.

In terms of management career development, the company actively cultivates local management talent, with all senior management positions held by professionals of national nationality. In 2025, the number of female supervisors was 29, representing 34% of all supervisors—a slight decline from 35% in the previous year. The company will continue to implement gender-equity measures to increase women's participation at the management level.

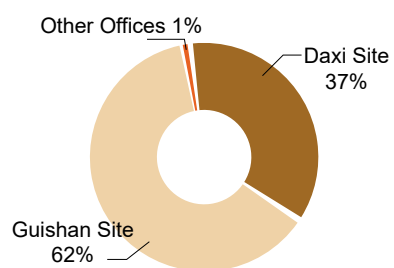
Employee Composition by Gender



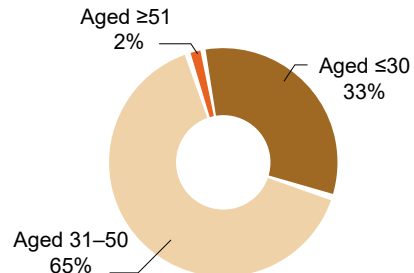
Employee Composition by Job Level



Employee Composition by Worksite



Employee Composition by Age Group



Employee Composition

GRI 2-7, GRI405-1

Category	Classification	2023			2024			2025		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Site	Daxi Site	202	309	511	193	291	484	246	433	679
	Guishan Site	488	699	1,187	500	653	1,153	478	682	1,160
	Assigned to Subsidiaries	2	14	16	3	15	18	5	15	20
	Total	692	1,022	1,714	696	959	1,655	729	1,130	1,859
Employment Type	Permanent Employees	691	1,021	1,712	696	959	1,655	729	1,130	1,859
	Temporary Employees	1	1	2	-	-	-	-	-	-
	Employees Without Guaranteed Hours				-	-	-	-	-	-
Contract Type	Full-Time Employees	691	1,021	1,712	696	959	1,655	729	1,130	1,859
	Part-Time Employees	1	1	2	-	-	-	-	-	-
	Total	692	1,022	1,714	696	959	1,655	729	1,130	1,859
Job Level	Managers	54	25	79	53	28	81	56	29	85
	Junior Managers	19	17	36	18	19	37	20	21	41
	Mid-level Managers	28	6	34	28	7	35	28	6	34
	Senior Managers	7	2	9	7	2	9	8	2	10
	Non-managers	638	997	1,635	643	931	1,574	673	1,101	1,774
	Total	692	1,022	1,714	696	959	1,655	729	1,130	1,859
Age Group	Aged ≤30	176	438	614	156	336	492	165	447	612
	Aged 31-50	500	575	1,075	522	612	1,134	541	667	1,208
	Aged ≥51	16	9	25	18	11	29	23	16	39
	Total	692	1,022	1,714	696	959	1,655	729	1,130	1,859
Average Age		35.0			34.9			34.8		
Average Years of Service		4.1			4.7			4.7		

- Note 1: In 2023, the number of personnel assigned to subsidiaries was as follows: (1) Xinzhuang: 0 men, 10 women; (2) Hsinchu: 2 men, 3 women; (3) Overseas: 0 men, 1 woman.
- Note 2: In 2024, the number of personnel stationed at subsidiaries was as follows: (1) Xinzhuang: 0 men and 10 women; (2) Hsinchu: 3 men and 4 women; (3) Overseas: 0 men and 1 woman.
- Note 3: In 2025, personnel assigned to subsidiaries were located at (1) Xinzhuang: a total of 1 male and 9 females; (2) Hsinchu: a total of 3 males and 4 females; (3) Overseas: a total of 1 male and 2 females.

Number of Non-Employees

GRI 2-8

Number of Non Employees	Category	2023	2024	2025
	Contractor	594	701	1,830
	Security personnel	7	19	22
	Cleaning staff	11	19	24
	Kitchen staff	10	17	17
	Retail staff	8	21	22
	Total	630	777	1,915

Employment of Persons with Disabilities

According to Article 38, paragraph 2 of the Persons with Disabilities Rights Protection Act, private enterprises with a total workforce of 67 or more employees must employ persons with disabilities who possess employment capability; the number of such employees must not be less than 1 % of the total workforce. Our company strictly complies with the relevant legislation and actively supports employment for persons with disabilities, striving to create a diverse and inclusive workplace environment.

By the end of 2025, the company will employ a total of 26 employees with physical or mental disabilities, representing 1.4% of the total workforce, exceeding the statutory promotion standard and demonstrating the company's commitment to equal employment opportunities and social responsibility.

Category	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Number of Employees With Disabilities	14	8	14	8	19	7
Total	22		22		26	



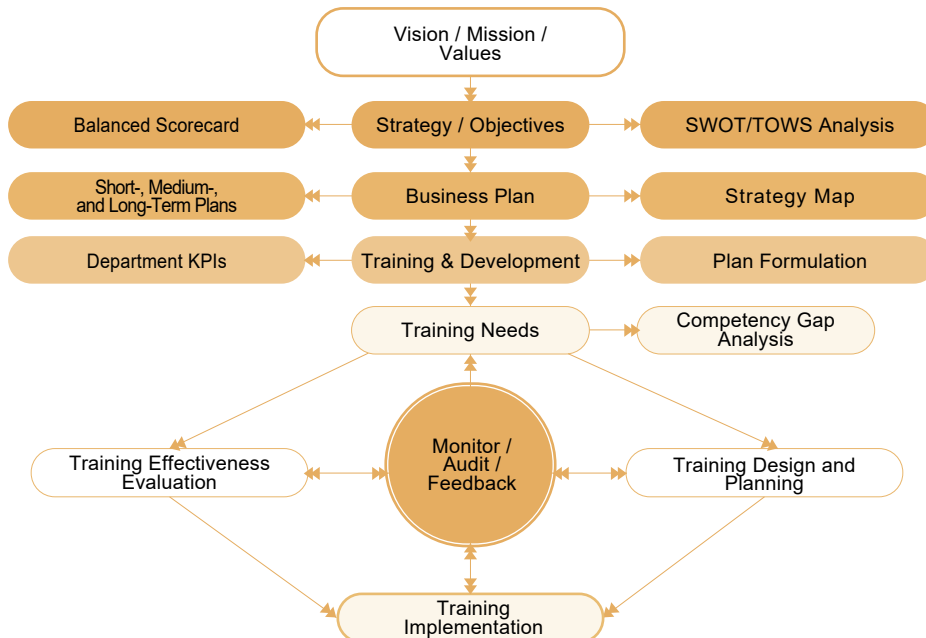
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6.4 Talent Development and Training

Pegavision has established a comprehensive Human Resource Management system, covering mechanisms for selecting, developing, and retaining talent. By implementing systematic training and competitive benefits, it attracts and nurtures professional personnel to continuously improve product quality and corporate value. Participation in the TTQS training system enhances training capabilities. The company follows the PDDRO Management cycle (Plan, Do, Development, Review, Outcome) in its annual Training Planning. Within a systematized training framework, employees can strengthen professional skills and improve work efficiency, thereby further linking training outcomes to the company's operational effectiveness.

Since 2018, a training policy has been established and a Talent Quality Management System (TTQS) has been implemented. This has gradually built a comprehensive training framework and development program, providing professional learning resources for employees of all job categories. It encourages colleagues to engage in self-learning and, in 2023, achieved a bronze rating while maintaining effectiveness.

In 2025, the company designed several advanced courses focused on strategic management and employee professional development, including PowerBI, ChatGPT, a general course on generative artificial intelligence (Gen AI), a lecture on workplace misconduct, project management, language courses, and overseas training. This year's training outcomes were significant: a total of 1,859 participants attended; the total training hours amounted to 15,869; and resources invested totaled NT\$2,054,789.



6.4.1 Training Category and Content

The company's training system is divided into three main categories: general, professional, and management. Each year, in accordance with the organization's development strategy, an annual training plan is drafted that combines external training, internal training, and on-the-job education to comprehensively develop talent for future conformity needs.

General Training Courses

- 1. New Employee Orientation**
To assist new employees in quickly integrating into the workplace, the Company designs customized pre-employment training programs based on job categories to ensure new hires can adapt to and perform their roles effectively.
The training content includes: company history and product overview, organizational structure, introduction to quality systems, QMS (GMP) and GDP regulations, factory orientation, job operations/safety, and workplace rules.
- 2. Pegavision Academy Courses**
These courses help employees quickly familiarize themselves with company product materials, medical device regulations, and an overview of optical manufacturing processes. Internal instructors deliver the courses to provide in-depth knowledge resources tailored to the Company's professional domains.
- 3. Mandatory Compliance Courses**
General training also includes mandatory courses that employees must attend annually, such as Business Integrity, Human Rights, and Workplace Health and Safety (including workplace harassment prevention and protection against unlawful conduct).

Professional Training Courses

The Company is committed to cultivating employees' professional competencies and enhancing practical application through systematically designed training programs aimed at improving work performance. Details are as follows:

1. Training Content Based on Organizational Strategy and Professional Needs

- **Professional Skills Training:** Advanced training programs tailored to job requirements, aimed at strengthening employees' expertise in specific fields such as project management, data analysis, medical device R&D, artificial intelligence (AI), and smart manufacturing.
- **Regulatory Compliance Training:** Job-specific training programs on occupational safety certifications and legal compliance to ensure the Company meets regulatory requirements, including training for medical device technicians, hazardous operations supervisors, wastewater treatment, and occupational safety and health.

2. Support for Ongoing Professional Development

To enhance employees' professional capabilities and support lifelong learning, the Company has established a comprehensive sponsorship mechanism encouraging employees to leverage external resources for personal growth and to boost organizational competitiveness. The sponsorship policy covers:

- **Training Fee Subsidies:** Partial or full reimbursement for external professional training courses related to job functions or future development, to strengthen employees' practical capabilities and professional knowledge.
- **Certification Exam Subsidies:** Financial support for employees taking professional certification exams relevant to their job functions, reinforcing professional skills and enabling them to obtain key qualifications for career advancement.

The Company continuously monitors employees' learning needs and invests in structured resources to achieve the goal of sustainable talent development, aligning with the "Social" dimension of ESG through human capital investment and responsible practices.

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Managerial Training Courses

Leadership, decision-making, and strategic planning courses are designed for supervisors at all levels to enhance organizational operation capabilities. Training also includes courses in business management, leadership, and organizational development.

6.4.2 Establishment of Pegavision Academy and Internal Instructor System

Pegavision has established the “Pegavision Research Institute” as a platform for employee learning and development to strengthen internal knowledge transfer mechanisms and enhance organizational learning effectiveness. The company is also implementing an internal instructor system, whereby supervisors and professionals with expertise and practical experience serve as course instructors. Planning will offer a variety of functional courses to meet organizational development needs and support employees’ career growth.

By the end of 2025, a total of 44 qualified internal instructors were in place, continuing to serve as internal training instructors at Pegavision Research Institute, fostering practical exchange and knowledge accumulation. During that year, 38 courses were offered, with a cumulative attendance of 361 participants, demonstrating that the system implementation is both sizable and stable.

All course training effectiveness evaluations are conducted according to the TTQS Talent Development Quality System, using the Kirkpatrick four-level training evaluation model (Reaction, Learning, Behavior, Results) for systematic effectiveness verification. The evaluation comprehensively covers aspects such as course design, instructor performance, administrative support and overall benefit. Both the Reaction level and Learning level have been fully implemented; post-training satisfaction scores consistently exceed 9 out of 10, indicating a high degree of employee approval of course quality and learning outcomes.

By constructing a systematized and diversified training framework, Pegavision not only deepens employees’ professional capabilities but also effectively enhances work performance and individual workplace value, thereby further strengthening the achievement of organizational goals and sustainable talent development, concretely demonstrating the implementation of ESG “social” responsibilities in talent cultivation.

6.4.3 Course Promotion Outcomes

In 2025, the company will incorporate artificial intelligence (AI) and generative AI (Generative AI, GenAI) into its annual training priorities in response to the rapid development of digital transformation and AI technology. Planning will promote multiple AI-related training courses to enhance employees’ understanding of AI tools and practical application skills, thereby strengthening the organization’s overall digital competitiveness.

This year’s AI-related curriculum covers foundational concepts of AI and GenAI, practical applications of ChatGPT, data analysis, and Power BI visualization tools. The course design balances general education with hands-on practice to help employees apply AI technologies to everyday workflows, data analysis, and decision-support scenarios.



This Year Employee Training Hours

GRI 404-1

Hours	Training Hours			Average Training Hours		
Employee Category	Male	Female	Total	Male	Female	Total
Junior Supervisors	318.0	507.5	825.5	15.9	24.2	20.1
Middle Managers	487.5	260.0	747.5	17.4	43.3	22.0
Senior Managers	102.0	21.5	123.5	12.8	10.8	12.4
General staff	5,379.0	8,793.5	14,172.5	8.0	8.0	8.0
Total	6,286.5	9,582.5	15,869.0	8.6	8.5	8.5

Note 1: Supervisors include management positions (team leader/section manager/department manager/assistant vice president and above).

Note 2: Non-supervisors refer to non-management positions (technicians/engineers/specialists).

Note 3: Average training hours = Total training hours of the category ÷ Number of people in the category.

This Year Employee Training Hours – By Age Group

Hours	Training Hours			Average Training Hours		
Employee Category	Male	Female	Total	Male	Female	Total
Aged ≤30	1,293.0	3,797.5	5,090.5	7.8	8.5	8.3
Aged 31–50	4,723.5	5,651.0	10,374.5	8.7	8.5	8.6
Aged ≥51	270.0	134.0	404.0	11.7	8.4	10.4
Total	6,286.5	9,582.5	15,869.0	8.6	8.5	8.5

This Year Employee Training Hours – By Training Category

Category	Male	Female	Total	Male (Hours)	Female (Hours)	Total Hours
Professional	207	168	375	1,296.0	2,370.5	3,666.5
General	729	1,130	1,859	4,834.5	7,125.0	11,959.5
Managerial	52	29	81	156.0	87.0	243.0
Total	988	1,327	2,315	6,286.5	9,582.5	15,869.0

Note: Mandatory general courses include Business Integrity, Human Rights, and Workplace Health and Safety (including workplace harassment prevention and protection against unlawful conduct).

This Year Employee Expenditures (NT\$)

Category	Male	Female	Total Participants	Male (NT\$)	Female (NT\$)	Total(NT\$)
Professional	207	168	375	862,274.6	1,160,707.3	2,022,981.9
General	729	1,130	1,859	-	-	-
Managerial	52	29	81	20,419.5	11,387.8	31,807.3
Total	988	1,327	2,315	882,694.1	1,172,095.1	2,054,789.2

6.5 Compensation and Benefits

6.5.1 Employee Compensation System

According to Article 27, Paragraph 1, Item 1 of the Articles of Association, if the company records a profit in a fiscal year, it shall allocate at least ten percent of that profit to employee remuneration and share the operating results with all employees. In 2025, the company recorded employee remuneration amounting to NT\$252,044 thousand.

Pegavision determines employee salaries based on the employee's educational and professional background, technical expertise, years of professional experience, and individual performance. The salary paid to employees conforms to all applicable regulations, including base wages, overtime hours, and statutory benefits. Equal pay for equal work is applied to all employees regardless of gender; no differences arise from gender, race, religion, political stance or marital status.

In addition to base salary, the company also adjusts compensation flexibly according to operational conditions, including quarterly performance bonuses and employee remuneration, to timely motivate morale and retain outstanding employees; annual salary increases are determined by employee rank and performance appraisal, with corresponding adjustment items and amounts specified.

In addition to salaries aligned with employees' educational and professional backgrounds and technical expertise, the compensation package includes quarterly bonuses, year-end bonuses, and other employee remuneration. The company's total employee salary expense for 2025 amounts to NT\$1,687,335 thousand. With an average workforce of 1,776 employees, the average annual salary per employee is NT\$954,000—an increase of 2% compared with the previous year.

Full-Time Non-Manual Employee Salary Comparison

Category	Year	2023	2024	2025	2024 vs 2023	2025 vs 2024
Full-Time General Staff	Number of people	1,617	1,640	1,725	+23	+85
	Average Salary	889,000	938,000	934,000	+49,000	-4,000
	Median salary	774,000	822,000	800,000	+48,000	-22,000

Note: "Full-time non-manual employees" is defined per the Taiwan Stock Exchange, excluding executives (managers), overseas employees, part-time staff, and those exempt from statistical inclusion. Includes both local and foreign full-time employees.

6.5.2 Performance Evaluation

GRI 404-3

Pegavision conducts annual performance reviews and career development assessments. The performance review enhances individual and organizational overall performance, promotes two-way communication, and supports employee development, with the primary assessors being indirect employees. In 2025, 406 employees completed the performance review, representing 95.98% of all indirect personnel.

2025		Reviewed Employees	Total Employees	Percentage
By Gender	Male	220	1,859	11.83%
	Female	186	1,859	10.01%
By Type	Direct	-	-	
	Indirect	406	1,859	21.79%

Note 1: Employees are excluded from performance evaluation if they are senior executives (strategic leaders, general managers), have been employed for less than three months, or have been on long-term leave without attendance.

Note 2: Direct staff receive a quarterly bonus from their supervisor based on performance.

6.5.3 Employee Benefits

GRI 201-3, GRI 401-2

Pegavision provides employees with meal subsidies, departmental banquet subsidies, year-end party activities, group comprehensive insurance, periodic health examinations, employee purchase discounts, employee travel or family day benefits. In addition to these benefits, the company allocates a welfare fund equal to 0.15 % of revenue and 40 % of scrap material for employee welfare purposes. This fund is used for employees' birthdays, major holidays such as the Spring Festival and National Day (May 1st Labor Day) bonuses, marriage and bereavement allowances, and year-end party raffles. In 2025 the company invested NT\$87.33 million in this program; the average allocation per employee was NT\$49 000—an increase of 2.7 % over the previous year.

Employee Welfare Expenditures (NT\$1,000)

Item	2023	2024	2025
Employee Welfare Fund	25,481	24,091	22,697
Group Insurance	2,903	3,178	3,682
Regular Health Checkups	884	701	1,311
Meal Subsidies	43,605	43,605	49,415
Departmental Meal Subsidies	1,443	1,699	1,631
Year-End Banquet	6,592	14,147	8,598
Total	80,908	87,421	87,334

Additional Welfare Programs

Program	Description
Employee Travel	Every employee is encouraged to organize personalized travel experiences with loved ones, offering a meaningful way to reward themselves.
Fitness Center	A spacious and well-lit fitness facility (over 100 pings in size) equipped with professional gym equipment and managed by dedicated personnel, helping employees enhance physical strength, endurance, and overall health.
Club Activity Subsidies	Employees are encouraged to cultivate personal interests. Approved clubs may apply for a 50% subsidy of their operational expenses—up to NT\$20,000 per year. Additional rewards are available based on membership size.
Festival/Labor Day Vouchers	To enhance employee well-being, Edenred e-vouchers are distributed during Lunar New Year, Labor Day, Dragon Boat Festival, and Mid-Autumn Festival.
Marriage and Bereavement Support	After three months of service, employees are eligible for subsidies in cases of marriage, childbirth, hospitalization, or funeral (including parents and grandparents).
Birthday Vouchers	Edenred e-vouchers are given to employees on their birthdays after three months of service.
Partner Merchant Discounts	To improve employee welfare and purchasing benefits, Pegavision partners with various retailers and hotels to offer exclusive discounts.
Vendor Booth Services	Vendors can apply to set up booths in the employee cafeteria from Monday to Friday, providing employees with convenient shopping options during breaks.
Year-End Banquet & Raffle	A large-scale year-end banquet is held with performances by celebrities and employees, gourmet meals, and a highly anticipated raffle.
Family Day	Family Day events are held to enhance interaction between employees and their families, strengthen morale, foster a sense of belonging, and communicate corporate values.
Health Promotion	Free high-quality health checkups are provided regularly, covering items beyond legal requirements.
Insurance	Comprehensive group insurance including life, medical, accident, occupational injury, and cancer coverage.
Retirement	A robust retirement system with regular pension contributions.
Year-End and Festival Bonuses	Includes year-end bonuses and performance-based bonuses; celebrations such as year-end dinners, birthday parties, team gatherings, and prize-filled raffle events.
Employee Recognition	Long-service awards and employee recognition programs.
Training & Development	Includes certification subsidies, external training support, onboarding programs, annual internal and external training, product and market trend learning, and assessments for professional and job-specific qualifications.

Fostering an Equal and Gender-Friendly Work Environment

The company, in accordance with the Gender Equality in Employment Act and the Implementation Measures for Maternity Leave and Salary Suspension, provides maternity leave, paternity leave, and parental leave to female and male employees. It also administers the procedures for salary suspension during parental leave and the related reinstatement regulations.

In order to ensure that employees can balance work and family while implementing the Gender Equality in Employment Act and the Regulations on Maternity Leave, and to provide better care for female production staff, our company complies with government regulations to promote a maternity leave system. The maternity leave provided is not limited to women; men may also apply for paternity leave, enabling employees to achieve a balance between work and life.

Parental Leave Reinstatement and Retention Statistics

GRI 401-3

Item	Gender	2023	2024	2025
Number of employees eligible for parental leave	Male	66	66	65
	Female	54	59	56
	Total	120	125	121
Number of employees who applied for parental leave	Male	17	11	8
	Female	16	18	14
	Total	33	29	22
Expected to return to work in the year (A)	Male	12	11	9
	Female	12	13	17
	Total	24	24	26
Actual returnees in the year (B)	Male	7	10	8
	Female	10	9	9
	Total	17	19	17
Reinstatement rate (B/A)	Male	58.3%	90.9%	88.9%
	Female	83.3%	69.2%	52.9%
Employees reinstated from previous year (C)	Male	4	8	10
	Female	8	9	9
	Total	12	17	19
Retained for over 12 months after return (D)	Male	4	7	7
	Female	2	8	9
	Total	6	15	16
Retention rate (D/C)	Male	100.0%	87.5%	70.0%
	Female	25.0%	88.9%	100.0%

Note: Employees who applied for maternity or paternity leave between Dec. 29, 2024 and Dec. 28, 2025 and remained employed as of Dec. 28, 2025.

Retirement system

The company, in accordance with the Labor Pension Act (New Scheme), contributes 6% of each employee's salary to a personal labor pension account established by the Labor Insurance Bureau on a monthly basis. Employees may also voluntarily contribute additional pension contributions within 6% of their monthly wages, which are deducted from their total annual comprehensive income in accordance with the law. Employees subject to the old scheme contribute 2% of their taxable salary each month to a labor pension reserve fund, which is deposited into an old-scheme retirement reserve account at Taiwan Bank Trust Department.



6.6 Occupational Health and Safety

GRI 403-1

Material Topic: Occupational Safety and Health

Impact Assessment	Positive (actual) impact Pegavision regards employee health and safety as a key pillar of corporate sustainability. By continually improving the work environment, strengthening risk identification and safety training, it helps reduce occupational accidents, enhance employee trust and organizational cohesion, thereby reinforcing production efficiency and corporate image. Negative (actual and potential) impact If risk identification and disaster management are not implemented, occupational accidents may occur, employees may be injured or production may be interrupted, adversely affecting the company's operations and reputation.
Remedial Measures for Negative Impacts	Establish a comprehensive reporting and investigation mechanism to conduct real-time analysis and improvement for potential risks and occupational accident events. Conduct annual environmental, safety, and health training and drills to ensure employees possess self-protection and emergency response capabilities.
Management Policy	Conformity Regulation, disaster prevention, energy conservation and waste reduction, prevention of pollution All employees participate, continual improvement, corporate responsibility, sustainable operation Eliminate hazards, reduce risk, ensure safety and health, and promote consultation participation.
Management Commitment	Pegavision commits to providing a safe work environment and health protection mechanisms, ensuring that every employee can work and grow in an environment free from concerns. Through occupational safety and health policy, operational safety and health promotion are implemented, while integrating sustainable management objectives to advance corporate responsibility.
Management Actions	1. Environment health and safety management review committee established a cross-departmental management and implementation team, convenes regular review meetings, and examines risk reporting and improvement records. 2. Integrating the ISO 45001 occupational safety management system, conduct internal and external audits and continual improvement. For issues identified by the audit procedure, implement improvement plans in accordance with the "Environmental, Safety and Health Anomaly Correction and Preventive Control Procedure." 3. Through regular employee interviews and satisfaction surveys, understand the on-site safety environment and needs to serve as a basis for policy optimization. 4. Promote the four major health protection plans, implement health promotion and neighboring activity, and increase employee health awareness.

KPI and Target	- Through ISO 45001 Certificate - Hold regular Occupational Health and Safety Committee meetings. - Organize occupational safety and health related training and activities - 0 occupational injury
2025 Implementation Results	- Through ISO 45001 Certificate: Approved. - Hold regular Occupational Health and Safety Committee meetings: a total of four meetings. - Conduct occupational health and safety related training and activities. 1,024 participants engaged in occupational safety and health training. - Conducted 31 emergency response drills. - 1,403 participants engaged in workplace health promotion activities. - Injury rate is 0.7759.
Stakeholder Communication	- Employees: Continuous communication through training, announcements, and safety month activities. - Customers and investors: disclose occupational safety policy and performance in the sustainability report and on the official website. - Public sector and community: coordinate with relevant audit and inspection mechanisms to demonstrate corporate compliance and safety responsibility. - Communication channel: Occupational Safety Services mailbox Ehscareyou@pegavision.com



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6.6.1 Occupational Health and Safety Management System

GRI 403-1

Pegavision obtained OHSAS 18001 occupational health and safety management system certification in 2016 and completed the conversion verification to ISO 45001 international occupational safety and health management system in 2020. The company continues to have its ISO 45001 occupational safety and health management system verified annually by an independent third-party notary. A Safety & Health Management Review Committee has been established to conduct management and monitoring, creating a workplace where employees can work safely and enjoy high quality health.



Scope of the OH&SMS

Pegavision's production and non-production sites, areas, equipment, and routine and non-routine activities include all activities of external units entering the company's premises; activities involving external units providing facilities and equipment for use within the company; as well as all contractor activities conducted within the company's jurisdiction (including food suppliers, security personnel, equipment maintenance providers, etc.).

Note : Both the Guishan and Daxi Sites implement occupational health and safety management in accordance with legal requirements and have obtained ISO 45001 certification. The system covers all employees and non-employees, including cleaning personnel and security staff.

ISO 45001 Coverage of Workers

GRI 403-8

Category	2024				2025			
	Employee	%	Non-employee	%	Employee	%	Non-employee	%
Internal audit	1,655	100%	777	100%	1,859	100%	1,915	100%
External Audit	1,655	100%	777	100%	1,859	100%	1,915	100%
Total	1,655	-	777	-	1,859	-	1,915	-

Note 1: Statistics as of December 31, 2025.

Note 2: Definition of non-employees: the number of personnel working within the scope of Pegavision Guishan Site and Daxi Site who are not employed by Pegavision.

6.6.2 Worker Participation and Consultation on OH&S

GRI 403-4

Pegavision establishes an Occupational Safety and Health Committee as the highest deliberative body for safety and health management. The committee is chaired by the general manager, with a chief executive officer (appointed by the Management representative) responsible for implementation. Members include occupational safety and health supervisors, occupational safety and health managers, occupational safety and health staff, nurses, heads of each department, and labor representatives constituting one-third of the membership. The committee must have at least seven participants in total, with a term of office of two years.

The Occupational Safety and Health Committee is responsible for providing occupational safety and health rules, occupational safety management plans, hazard identification, risk assessment, application of graded controls, incident investigation, audit and decision-making regarding the use of contractors and subcontractors.

According to the Environmental, Health and Safety Management review process, a meeting is held each quarter. Participants include the General Manager, Deputy General Manager and heads of various departments; labor representatives also attend. Together with management levels they discuss, coordinate, plan and decide on occupational safety and health matters, implementing employee participation, consultation and communication in accordance with Occupational Safety and Health Law requirements and related issues. In 2025 a total of four meetings were held.

Year	2022	2023	2024	2025
Total Committee Members	30	30	30	30
Labor Representatives	12	12	12	12
Labor Representation (%)	40%	40%	40%	40%
Number of Meetings	4	4	4	4



6.6.3 Hazard Identification, Risk Assessment, and Incident Investigation GRI 403-2

The company conducts hazard identification and risk assessment in accordance with the "Hazard Identify Risk Assessment Control Procedure." If the risk assessment identifies an unacceptable high risk (major or severe), the company will pursue the best improvement plan to reduce risk, following a sequence of elimination, substitution, engineering improvement, administrative management, and personal protective equipment improvement. The plan will be implemented and continuously improved. In addition, when employees encounter an emergency hazard in their duties, they may exercise their right to retreat under Article 18 of the Occupational Safety and Health Act and Article 46-1 of its implementing regulations. This is carried out in compliance with the Environmental Health & Safety Policy's "Conformity Regulation."

Through hazard identification and risk assessment processes, the observable items at the Daxi Site and Guishan Site include (1) improvement of production ink waste, (2) energy conservation management, and (3) overload operation assessment. Therefore, in 2025 waste reduction and human-factor hazard prevention will be implemented, and annual electricity-saving rate indicators and related work will be established.

Risk Assessment and Mitigation Actions

Site	Risk Category	Hazard Score	Item	Target	2025 Result
Daxi	Observed	1-2	Human factor hazard prevention Overload operation assessment	Personnel operations evaluated using the Key Indicator Method (KIM) assessment tool and operational check.	Improvement
		3	Energy Conservation Management	Annual energy savings rate of 1%	Achieved
Guishan	Observed	1-2	Human factor hazard prevention Overload operation assessment	Personnel operations evaluated using the Key Indicator Method (KIM) assessment tool and operational check.	Improvement
		3	Waste Reduction Production Ink Reduction	Ink reduction 3%	Achieved
	Urgent	4-5	Energy Conservation Management	Annual energy savings rate of 1%	Achieved

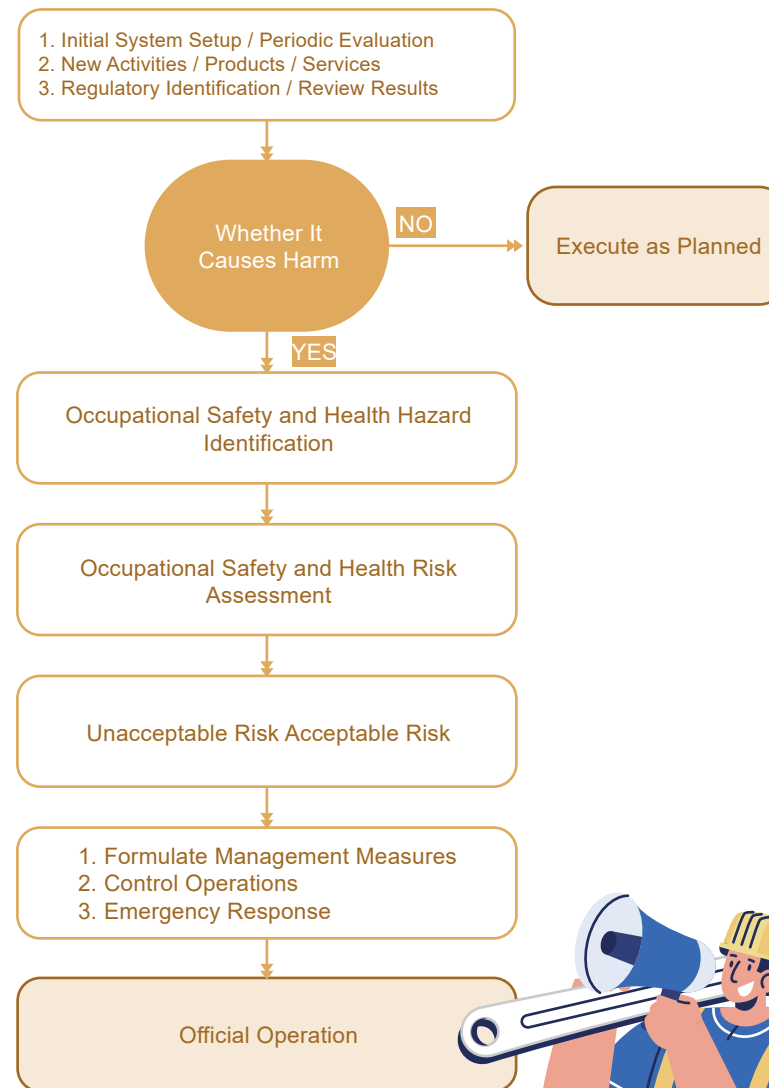
Score: 1 = Very Low, 5 = Very High

Accident Investigation

Pegavision regards employee safety and health as the cornerstone of corporate sustainable development. To implement a zero-incident vision, rigorous incident investigations are conducted for all disabling injuries and major near-miss events occurring in any workplace.

Site	Accident Type	Improve
Guishan Site	Personnel finger laceration	Inventory check process and content, relevant SOPs are reviewed and improved, and employee protective equipment is added to prevent cuts.

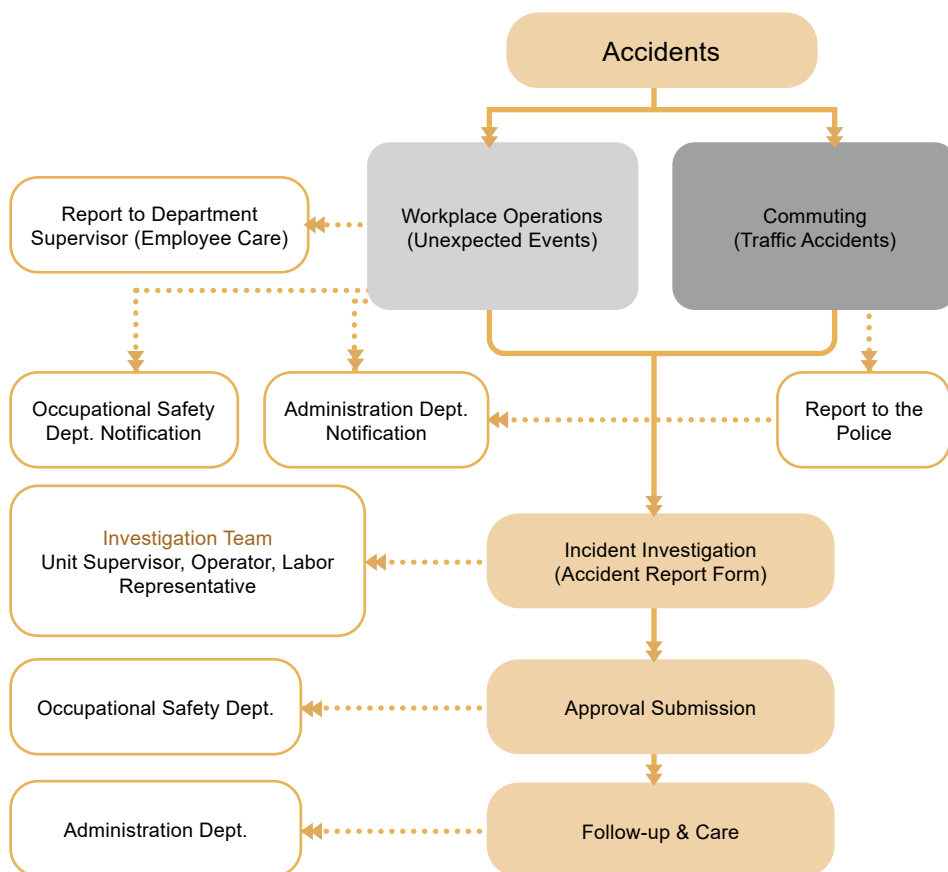
Hazard Identification, Risk Assessment



Major Incident and Accident Investigation

Pegavision references Article 37 of the Occupational Safety Act. It provides a definition of major incidents. In accordance with the "Accident Investigation Work Instruction," it implements the accident investigation process, including hazard identification and risk assessment for that incident's work process, establishes reporting, investigation and improvement procedures for occupational accidents, and determines improvement measures required by the occupational health and safety management system.

Notification and Processing Procedures



Occupational Safety Management Measures

- **Process Equipment and Safety Protection**
Conduct periodic inspections of machinery, equipment, and electrical systems within the plant for hazards in accordance with statutory regulations.
- **Permit-to-Work System**
High-risk operations must be authorized before commencement and may only proceed after the relevant protective measures have been completed.

Category	Hot Work	Work at Height	Confined Space	Hazardous Piping Removal/Hot Tapping	Others
2024	216	441	6	61	47
2025	364	511	12	54	62

- **Chemical Management**
Label and classify hazardous chemicals in accordance with regulations, store them accordingly, and establish a chemical management procedure to implement graded management on a regular basis in accordance with statutory provisions.

Site	Category	Description	Monitoring Indicators	Frequency
Daxi	General Chemicals	52 types	None	None
	Hazardous Chemicals	13 types of hazardous substances (including dangerous and harmful chemicals)	In accordance with the “Regulations for Labor Operation Environment Monitoring”	Once every six months
	Toxic and Concerned Chemical Substances	3 types	None	None
Guishan	General Chemicals	308 types	None	None
	Hazardous Chemicals	13 types of hazardous substances (including dangerous and harmful chemicals)	In accordance with the “Regulations for Labor Operation Environment Monitoring”	Once every six months
	Others	7 types of toxic and 1 type of concern-listed chemical substances	None	None

6.6.4 Occupational Health Services and Health Promotion

GRI 403-3, 403-6, 403-7

To safeguard the health of both employees and non-employees, and to prevent or mitigate occupational health and safety risks directly related to its business operations, Pegavision has adopted various measures including health risk assessments, digitalized health data management, education and training, and health risk management for contractors and the community. Additionally, the company has implemented four key health protection programs:

1. Maternity health protection
2. Prevention of illness induced by excessive workloads
3. Ergonomic improvements
4. Prevention of workplace violence

Health Risk Assessment

- Conduct regular workplace hazard assessments, classify health risks for different job positions, and ensure that high-risk positions receive additional monitoring and resource support.
- Collaborate with professional medical institutions to conduct regular health surveys of employees in service, and provide special or individualized health examination services for employee groups potentially exposed to chronic hazards, in order to prevent and mitigate occupational injuries.

Health Data Digital Management

- Establish a database, track employee health data, and conduct regular analysis to monitor health trends. In terms of data management, ensure the confidentiality of workers' personal health information.

Health Education and Training

- Regularly conduct specialized lectures on prevention, stress management, and health promotion related to the four major programs to help employees enhance health awareness.
- In support of the Ministry of Health and Welfare's promotion of the Healthy Workplace Certificate, a "CPR+AED Training Course" was conducted to teach employees basic cardiopulmonary resuscitation

Health Education and Training

- For long-term resident contractors, the requirement is to comply with the company health and safety policy and to conduct regular inspections of their operating environment and health status.
- Establish a health support program with neighboring communities, share best practices and resources, and reduce overall health risk.

Health Risk Assessment and Promotion Initiatives

Occupational Health Services Category	Quality and Effectiveness Assurance	Compliance Level
Health Risk Assessment and Monitoring	Regular health checkups and health data analysis	Surpasses legal requirements by increasing checkup frequency and scope to better identify high-risk groups and deliver targeted health education
Employee Health Promotion Programs	Promotion of healthy lifestyles, including the four key programs and health seminars	In addition to standard health checks, provides health consultations and wellness classes
Mental Health Support	Official employee LINE account established; activities conducted for stress relief and well-being	Exceeds regulatory standards with comprehensive mental health support focused on employee wellness

Health Risk Assessment Results

Type	Target Group	Frequency	Items	Exam Count		
				Daxi	Guishan	Total
General Physical Exam	New hires or transferred employees	Before onboarding	As per the "Labor Health Protection Regulations"	210	178	388
Special Physical Exam	New or transferred employees in hazardous roles	Before onboarding or transfer	As per the "Labor Health Protection Regulations"	1	6	7
General Health Exam	All active employees	Every 2 years if under 65; annually if 65+	As per the regulations, with added screening for gout and cancer	229	534	763
Special Health Exam	Active employees in hazardous roles	Annually	As per the "Labor Health Protection Regulations"	15	78	93
Executive Health Exam	Health Exam Managers and above	Every 2 years if under 65; annually if 65+	Based on advanced checkup plans provided by medical institutions, optional selection by examinees	3	2	5

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On-Site Medical Services

Pegavision promotes a healthy lifestyle through tailored programs aligned with its four major health protection initiatives, along with regular health checkups, health consultations, and health promotion activities to further enhance employee health awareness. Stress-relief programs are also implemented to support both physical and mental well-being.

In addition, occupational physicians provide regular on-site services, offering professional health consultations. On-site nurses proactively monitor employees with potential health risks and coordinate physician consultations to ensure timely care.

For high-risk employees, a monthly 3-hour physician consultation session is conducted. Services include:

- General health checkups
- Health education
- Health consultation and assessment
- Health promotion surveys
- Occupational hazard improvements
- Post-illness return-to-work or job reassignment evaluations

Additionally, for employees engaged in special operations, the company implements graded management in accordance with Article 19 of the Labor Health Protection Rules. In the special health examination section, a total of 93 employees were examined; all 93 had no abnormalities and 0 had abnormalities.

On-Site Service Results

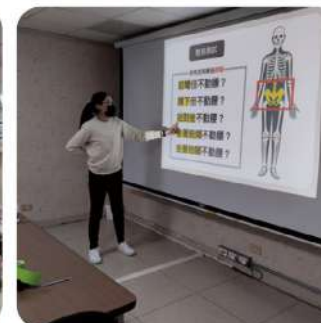
Category	Daxi	Guishan	Total
On-site physician service sessions	6	15	21
On-site nurse service sessions	NA (direct-hire)		-
Participants in health education / promotion activities	781	611	1,392
Employees receiving one-on-one consultation with on-site physicians	74	89	163

Maternal Care Measures

Pegavision is committed to providing a work environment for applicable female employees. In recognition of the challenges faced by female employees in balancing family and workplace responsibilities, nursing staff develop maternity health plans in accordance with the regulations on protecting maternal health for female workers. They offer pre-pregnancy counseling, arrange risk assessments for female employees—including reproductive hazards, individual hazards, hazard control, and graded management measures; propose written notifications of risks; provide prenatal health guidance and counseling; recommend work adjustments and other appropriate health protection measures; facilitate referral and treatment for pregnancy-related illnesses; and offer lactation education guidance and consultation. The company also provides a lactation room equipped with refrigeration facilities to meet the needs of employees who require breast milk collection, thereby fully safeguarding maternal employment.

Activities and Participation – Four Major Health Protection Programs

Activity Name	Corresponding Program	Sessions	Number of Participants
Wellness Massage & Stress Relief Station	Prevention of Illness Triggered by Excessive Workload.	Quarterly	160
Maternity-Friendly Workplace – Mommy Pack	Distributed to pregnant employees who had obtained a maternity handbook and completed prenatal on-site physician consultation and assessment.	Year-round	14
Workplace Violence & Three Gender Equality Acts Seminar	Prevention of Illegal Infringement During the Performance of Duties Through Online Awareness Campaigns.	-	624
Health Seminar – Lifting Techniques	Ergonomic Hazard Prevention: Fascial Relaxation Techniques and Proper Foam Roller Usage Techniques.	2	35
Health Seminar – Suitable Work for Middle-aged and Older Employees	Comprehensive Strength Training for Middle-Aged and Senior Employees with Age-Appropriate Work Assignments.	3	34
Four Cancer Screening Campaign	Community Public Health Event: Co-organized with Taoyuan General Hospital (2 screening events held)	2	59
“Pegavision Blood Drive”	Public Charity Event : Co-organized with Hsinchu Blood Center (2 sessions held)	2	72
CPR+AED Training Course	Through the “Safe Place” certification mechanism, organizations are encouraged to implement employee training, equipment management, and safe environments for AED installation. The certification recognizes efforts to enhance public safety and helps the public easily identify AED locations in public places.	20	405



6.6.5 Occupational Health and Safety Training

GRI 403-5

Pegavision develops an annual Occupational Health and Safety (OHS) training plan. The Environmental Health and Safety (EHS) training courses included:

- OHS training for new hires and current employees
- ISO 45001 Occupational Health and Safety Management System training
- Respiratory protection equipment usage
- Contractor safety training

Occupational Health and Safety Training

Training Category	Target Group	Total Participants			Total Training Hours		
		Guishan	Daxi	Total	Guishan	Daxi	Total
Pre-employment Training	New hires and transferred employees	265	333	598	795	999	1,794
Regulatory License Training	Initial Certification	31	13	44	599	287	886
	Refresher Certification	13	5	18	50.5	15	65.5
On-the-Job Training	Designated or general personnel	276	167	443	828	501	1,329

Emergency Response Drill

Site	Drill Type	Sessions	Participants
Daxi	Fire safety training and drills (specific chemicals)	15	342
Guishan	Fire safety training and drills (toxic chemicals, specific chemicals)	16	460
Total		31	802

False alarm incidents and safety incidents

GRI 403-1, ISO 45001:2018

The incident of a false alarm refers to an event related to work that did not cause injury or illness to personnel, but could potentially lead to injury or illness.

Site	Near-Miss Incidents	
	Process-Related	Non-Process Related
Daxi	2	0
Guishan	1	1
Total	3	1

Note 1: False alarm incidents, e.g., fire surveillance, personnel without vacation exceeding five days.

Note 2: Process-related: For the current number of safety settings in the process, the primary limitation is based on the praocess operation activity area.

Note 3: Non-process related incidents include those occurring during the commute to work.



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6.6.6 Occupational Injuries and Occupational Diseases

Occupational Accident Statistics

GRI 403-9, GRI 403-10

Pegavision reports occupational accident statistics online on a monthly basis in accordance with the law; and, in line with the "Accident Investigation Work Instruction" and the "Hazard Identification Risk Assessment Control Procedure," it provides improvement plans. In addition, it conducts annual evaluations using the "Hazard Identification Risk Assessment Control Procedure" and the "Environmental Health Safety Inspection Control Procedure" as quantitative performance indicators.

In 2025, a total of 14 occupational injury incidents occurred at Pegavision, including 8 in-plant occupational injuries and 6 traffic accidents, resulting in a total loss of 258 workdays. Types of injuries included: Falls_1 case, Cuts_2 cases, Crushing injuries_2 cases, Total injured persons_5 cases.

Item	Definition	Daxi	Guishan	Total
Total Working Hours	Total working hours of all employees in 2024	1,228,328	2,290,632	3,518,960
Occupational Injury Fatality Rate	Fatalities caused by occupational injuries ÷ Total working hours × 1,000,000 (rounded down to the third decimal place)	0	0	0
	Fatality: Death caused by occupational injury, regardless of the time between the incident and death	0	0	0
Recordable Occupational Injury Cases	Number of recordable occupational injuries (including fatalities)	2	12	14
Injury Rate (IR)	(Recordable cases × 200,000) ÷ Total working hours. Note: 200,000 is the base for 100 employees working 40 hours/week for 50 weeks/year. Traffic accidents during commuting are excluded.	0.3256	1.0477	0.7957
Number of Occupational Diseases	Number of recordable occupational disease cases. Occupational diseases include: (1) Musculoskeletal disorders due to repetitive work, (4) Conditions caused by physical factors such as noise-induced hearing (2) Skin or respiratory conditions, loss or vibration syndromes, (3) Malignant cancers, (5) Mental illnesses.	0	0	0
Occupational Disease Rate (ODR)	(Total occupational disease cases ÷ Total working hours) × 1,000,000 (rounded down to the third decimal place)	0	0	0
Lost Day Rate (LDR)	(Total lost days due to disability ÷ Total working hours) × 1,000,000 (rounded down to the third decimal place)	2.442	111.323	73.3171
	Lost Workdays: Total number of days lost due to temporary total disability, permanent partial disability, permanent total disability, or fatality	3	255	238
Frequency Rate (FR)	Number of disabling injury incidents × 1,000,000 ÷ Total working hours	1.6282	5.2387	3.9784
Severity Rate (SR)	Lost workdays × 1,000,000 ÷ Total working hours	2.4423	111.3230	73.3171

Note 1: The baseline number of employees is based on the headcount reported in December.

Note 2: A serious occupational injury is defined as an injury requiring at least six months for full recovery.

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Disability Injury Statistics

Category	Occupational Injury Category Definition	Daxi		Guishan		Total	
		Cases	Lost Days	Cases	Lost Days	Cases	Lost Days
Temporary Total Disability	The injured person did not die and did not suffer permanent disability, but was temporarily unable to continue normal work, requiring leave from the workplace for one or more days (including public holidays, regular days off, or suspension days), and was not able to resume work immediately.	2	3	12	255	14	258

Note 1: All injured personnel in 2025 have returned to their original positions.

Incident Review and Correction of Nonconformities

The company conducts investigations and corrective actions for occupational injuries in accordance with the “Environmental, Health, Safety Anomaly Correction and Preventive Action Control Procedure,” the “Environmental, Health, Safety Regulation Identification Control Procedure – Environmental, Health, Safety Objectives and Plan Management Procedure,” the “Environmental, Health, Safety Management Review Procedure,” the “Accident Investigation Work Instruction Manual,” and the “Hazard Identification Risk Assessment Control Procedure.” It also provides related improvement plans. Annually it performs quantitative performance evaluations based on indicators derived from the Hazard Identification Risk Assessment Control Procedure and the Environmental, Health, Safety Inspection Control Procedure.



Contractor Management

Pegavision has established a “Contractor Environmental, Health and Safety Control Procedure,” which includes pre-construction safety training that must pass a safety certificate inspection before work may commence. To strengthen on-site safety supervision, it also implements an “Environmental, Health and Safety Inspection Control Procedure,” conducting daily inspections of environmental, health and safety matters within the plant to enhance operational safety and ensure the life and health of personnel. Projects involving high risk require an Implementation Risk Assessment workflow that identifies hazards, assesses risk, implements and reviews control measures, and develops emergency response plans. Periodic communication coordination meetings are held with contractors to ensure operational safety. During contractor operations in 2025 no incidents of permanent injury, partial permanent injury or temporary injury occurred.

Pegavision and contractors co-create a healthy and safe work environment. Upon entering the facility, vendors are provided with the “Health Autonomy Management Questionnaire” to read, assisting contractors in autonomously managing their health status. The content includes

- All construction periods shall comply with labor safety and health regulations, infectious disease prevention laws, and the safety and health provisions of the contracting company.
- If a worker performing special tasks has long-term chronic disease or abnormal self-perceived symptoms, they should undergo medical assessment or regular treatment examinations to ensure physical and mental health during the construction period and maintain sound personal health management.
- If any physical discomfort occurs during the construction period, the individual should proactively inform the responsible personnel of the contracting company or the safety/inspection staff so that immediate adjustments to work content can be made or assistance with relevant medical examinations can be provided.
- Confirmation of whether there are any additional symptoms requiring further treatment, such as myocardial infarction, angina pectoris, arrhythmia, epilepsy, diabetes mellitus, hypertension and other items.

Contractor Training

Site	Training Item	Sessions	Participants
Daxi	Contractor Training	335	1,415
Guishan	Contractor Training	145	500
Total		480	1,915

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6.7 Community Engagement

Pegavision upholds the principle of “benefiting the community together,” and commits to social participation. In addition to pursuing quality and efficiency in business operations, the company should actively establish good mutual trust relationships with the community and proactively respond to residents’ concerns about environment, safety, and quality of life.

The company has established a clear community liaison and response mechanism, assigning dedicated units to handle communication for different types of feedback and incidents. The general affairs unit is responsible for the daily community contact window; issues related to environment (such as noise or odor), occupational safety, hygiene, or fire protection are handled by the occupational safety group as the primary government communication window; other special petitions are coordinated by the general affairs unit and forwarded to the relevant responsibility departments in accordance with procedure.

If the company receives comments from community residents or governmental agencies regarding the plant, such as concerns about noise interference or odors, the General Affairs unit will immediately record and provide an initial response. The matter will then be forwarded to the relevant departments for investigation and improvement. Once improvement measures are implemented, results will be communicated back through the original channel to ensure two-way communication and accountability for responses. This process design balances prompt reaction with professional handling and prevents information gaps that could lead to misunderstandings. During the reporting period, Pegavision experienced no major community environment or safety incidents recognized or announced by the government, demonstrating the company’s strong control capabilities in risk prevention, community communication, and operational management. In the future, it will continue to strengthen neighborhood relations and environmentally friendly measures through regular reviews, training, and interaction activities with neighbors to deepen local connections and practice corporate social responsibility.

6.7.1 Participation in Community and Neighborhood Activities

Pegavision Optical has deepened its local presence through concrete actions, establishing a close partnership with the Nanxing Village of Taoyuan Daixi District. The community is regarded as an indispensable foundation for corporate growth. In 2025, the company began the year with a warm New Year’s banquet for residents, providing a joyful gathering for exchange; mid-year it specifically sponsored an environmental volunteer team to travel to Beifang Ao in Yilan and visit Jing An Palace for a cultural tour, offering deepest respect to these unnamed heroes and deepening understanding of local faith and culture. At year-end, it actively responded to the Chongyang senior citizens’ dinner by providing tangible care and blessings, making elders feel warmly welcomed. Pegavision hopes that through these genuine interactions and support it will become a solid backstop for community development, weaving together more resilient and harmonious neighborhood relationships.

Nanhsiagli Year-End Celebration Banquet and Social Gathering

To implement local care, a sponsorship of the Taoyuan Nanhsiagli Village year-end banquet was arranged at the beginning of 2025. The activity invited residents to gather for a meal during the Lunar New Year, featuring engaging performances on site and creating a warm, lively atmosphere. Pegavision supported community celebrations through concrete action, thereby narrowing the distance between the company and its neighbors while promoting community integration and cultural heritage.



Nanhsiang Li Environmental Volunteer Cultural Exchange

Pegavision Optical is committed to implementing social participation, and in 2025 it will provide special sponsorship for the Taoyuan Nanhsiang Community Environmental Volunteer Team to travel to Yilan for cultural exchange, honoring the volunteers’ long-term efforts in maintaining community Environment.

Highlights of the itinerary include a visit to the “Jin’an Temple” within the Su’ao Beifang Ao Zhong-zheng Military Port. Under the solemn witness of the “Naval Mazu,” volunteers received spiritual comfort and gained an in-depth understanding of military port culture and local faith. This activity not only strengthened corporate ties with the local community but also provided tangible feedback to unnamed community heroes. Pegavision will continue to support neighborhood public welfare, partnering with volunteer allies to create a sustainable, harmonious livable environment and concretely practice social responsibility.



Nanhsiang Li Development Association Senior Citizens Luncheon at Chongyang Festival

Our company responded to the Senior Citizens Appreciation Dinner organized by the Nanxing Community Development Association in 2025. The activity was rich and included music performances, mandarin drum dance, aerobic dance, and other exciting programs that delighted the elders. A senior gift package was presented on site to express respect for them. By sponsoring this warm activity, Pegavision concretely practiced its corporate responsibility toward an aging society and partnered with the community to create a livable environment for healthy aging.



6.7.2 Social Care Activities

Category	2024	2025
Arts, Culture, and Public Welfare Sponsorships	3,040,000	2,515,586
Sponsorships for Association Activities	570,000	916,666
Neighborhood Relations (Community Care)	36,000	36,000
Total	3,646,000	3,468,252

Eye of the Tribe

To promote urban-rural exchange, an “urban-rural co-learning” innovation approach is adopted to address the shortage of resources for improving tribal culture. Using digital imaging technology, the potential of local youth creators is explored. The Chinese Digital Humanities Care Association invites Pegavision to respond to the “Tribal Eye” activity, teaching teenagers how to shoot recording videos with simple devices such as mobile phones. This helps children from both cities and tribes jointly document tribal culture and traditions through images, and by presenting them in film festivals more people can learn about the unique cultural heritage of these communities. It is hoped that Indigenous youth will regain pride in their own culture through image creation, and that through the lens their tribal stories will reach a wider world.



Art Motion Taichung: Wind Rising, Thunder Strike Music Concert

The Taoyuan Enterprise Association invited Pegavision to participate in the “Artful Taoyuan City: Wind Rising, Thunder Strikes” music concert. The event combined singers, cosplay, a heroic puppet-theatre storyline, and the splendid performances of Fengming Zhai into a grand musical drama. It opened with the familiar memories of “Revenge of Memories,” then moved into the era of listening to vinyl records, followed by the glorious age of Goddess Dragon in Bitter Sea. Gradually it unfolded a charming and distant musical tunnel of puppet theatre, narrated by a voiceover that heightened every audience member’s enthusiasm for drama. The singers matched the storyline and sang songs that were either graceful or powerful at appropriate moments, while stage lighting and fireworks were fully displayed. Together they formed an engaging concert featuring narrative, combat, singing—an electrifying performance capable of touching hearts.



▲ Art Motion Taichung: Wind Rising, Thunder Strike Music Concert

6.7.3 Participation in External Industry Associations

GR12-28

Pegavision is acutely aware of the importance of industry-chain collaboration and external communication, actively participating in various public associations to grasp industry trends, facilitate information exchange, and ensure alignment with relevant regulations. Senior executives within the company are personally involved, extending their influence from a single enterprise to the entire industry ecosystem. This not only strengthens our leadership position in the contact lenses sector but also enhances our ability to exert influence on cross-industry issues, thereby increasing the company’s visibility and resilience for sustainable development.

External Public Association	Participation role
Taiwan Contact Lenses Industry Development Association	Executive Director Board Member
Taiwan Yushan Technology Association	Board Member
Taiwan Biotechnology Industry Promotion Association	Board Member
Taoyuan Business Association	Board Member
Taoyuan City Medical Device Business Association	Member
Taiwan Medical and Biotechnology Equipment Industry Association	Member
Taoyuan City Guishan Industrial Zone Vendor Association	Member
Taipei City Computer Business Association	Member
Chinese Life Science Legal Association	Member
TWCERT (Taiwan Computer Network Crisis Management and Coordination Center)	Member
CISO (Taiwan Information Security Management Alliance)	Member

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Appendix 1. GRI Content Index

Statement of Use	Pegavision has reported the information cited in this GRI content index for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	No applicable GRI Sector Standards

GRI Standards / Other Sources	Disclosure	Section	Page
GRI 2: General Disclosure 2021	2-1 Organizational details	About This Report Chapter 1: About PEGAVISION – 1.1 Organizational Overview	3 7
	2-2 Entities included in the organization’ s sustainability reporting	About This Report Chapter 1: About PEGAVISION – 1.1 Organizational Overview	3 7
	2-3 Reporting period, frequency, and contact point	About This Report	3
	2-4 Restatements of information	No Restatement of Information.	-
	2-5 External assurance	About This Report	3
	2-6 Activities, value chain, and other business relationships	Chapter 1: About PEGAVISION – 1.3 Product Services and Value Chain	7
	2-7 Employees	Chapter 6: Friendly Workplace – 6.3 Workforce Composition and Diversity	60
	2-8 Workers who are not employees	Chapter 6: Friendly Workplace – 6.3 Workforce Composition and Diversity	61
	2-9 Governance structure and composition	Chapter 3: Corporate Governance – 3.1 Corporate Governance	21
	2-10 Nomination and selection of the highest governance body	Chapter 3: Corporate Governance – 3.1 Corporate Governance	21
	2-11 Chair of the highest governance body	Chapter 3: Corporate Governance – 3.1 Corporate Governance	21
	2-12 Role of the highest governance body in overseeing the management of impacts	Chapter 2: Sustainability Management – 2.1 Sustainability Management Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	10 11
	2-13 Responsibility for managing impacts	Chapter 2: Sustainability Management – 2.1 Sustainability Management Chapter 2: Sustainability Management – 2.3 Identification of MaterialTopics	10 11
	2-14 Role of the highest governance body in sustainability reporting	Chapter 2: Sustainability Management – 2.1 Sustainability Management	10
	2-15 Conflicts of interest	Chapter 3: Corporate Governance – 3.1 Corporate Governance	21
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	2-17 Collective knowledge of the highest governance body	Chapter 3: Corporate Governance – 3.1 Corporate Governance	24

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GRI Standards / Other Sources	Disclosure	Section	Page
GRI 2: General Disclosure 2021	2-18 Evaluation of the performance of the highest governance bod	Chapter 3: Corporate Governance – 3.1 Corporate Governance	23
	2-19 Remuneration policies	Chapter 3: Corporate Governance – 3.1 Corporate Governance	23
	2-20 Process to determine remuneration	Chapter 3: Corporate Governance – 3.1 Corporate Governance	23
	2-21 Annual total compensation ratio	Not disclosed for confidentiality reasons.	-
	2-22 Statement on sustainable development strategy	Message from Management	4
	2-23 Policy commitments	Chapter 3: Corporate Governance – 3.1 Corporate Governance	20
		Chapter 3: Corporate Governance – 3.5 Information Security Management	29
		Chapter 3: Corporate Governance – 3.9 Supplier Management	33
		Chapter 4: Product and Service – 4.1 Product Safety and Innovation R&D	37
		Chapter 5: Sustainable Environment – 5.3 Water Management	44
		Chapter 5: Sustainable Environment – 5.4 Energy Management and Greenhouse Gas Emissions	49
		Chapter 6: Friendly Workplace – 6.1 Human Resource Management	56
		Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	66
	2-24 Embedding policy commitments	Management Approaches for Material Topics:	
		Chapter 3: Corporate Governance – 3.1 Corporate Governance	20
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		Chapter 3: Corporate Governance – 3.9 Supplier Management	33
		Chapter 4: Product and Service – 4.1 Product Safety and Innovation R&D	37
		Chapter 5: Sustainable Environment – 5.3 Water Management	44
	2-25 Processes to remediate negative impacts	Chapter 5: Sustainable Environment – 5.4 Energy Management and Greenhouse Gas Emissions	49
		Chapter 6: Friendly Workplace – 6.1 Human Resource Management	56
		Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	66
	2-26 Mechanisms for seeking advice and raising concerns	Chapter 3: Corporate Governance – 3.2 Business Integrity	25
		Chapter 6: Friendly Workplace – 6.2 Human Rights Protection	58
		Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	66
	2-27 Compliance with laws and regulations	Chapter 3: Corporate Governance – 3.2 Business Integrity	25
	2-28 Membership of associations	Chapter 3: Corporate Governance – 3.3 Regulatory Compliance	27
	2-29 Approach to stakeholder engagement	Chapter 6: Friendly Workplace – 6.7 Community Engagement	76
	2-30 Collective bargaining agreements	Chapter 2: Sustainability Management – 2.5 Stakeholder Engagement	18
		The Company currently has no collective bargaining agreements	-

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GRI Standards	Disclosure	Section	Page
Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
	3-2 List of material topics	Chapter 2: Sustainability Management – 2.4 List of Material Topics	17
	3-3 Management of material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
		Chapter 3: Corporate Governance – 3.1 Corporate Governance	20
Chapter 3: Corporate Governance – 3.5 Information Security Management		29	
Chapter 3: Corporate Governance – 3.9 Supplier Management		33	
Chapter 4: Product and Service – 4.1 Product Safety and Innovation R&D		37	
Chapter 5: Sustainable Environment – 5.3 Water Management		44	
	Chapter 5: Sustainable Environment – 5.4 Energy Management and Greenhouse Gas Emissions	49	
	Chapter 6: Friendly Workplace – 6.1 Human Resource Management	56	
	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	66	
	1. Corporate Governance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
2. Product Safety and Innovation R&D			
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Chapter 4: Product and Service – 4.1 Product Safety and Innovation R&D	37
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Chapter 4: Product and Service – 4.1 Product Safety and Innovation R&D	38
3. Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	67
	403-2 Hazard identification, risk assessment, and incident investigation	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	68
	403-3 Occupational health services	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	70
	403-4 Worker participation, consultation, and communication on occupational health and safety	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	67
	403-5 Worker training on occupational health and safety	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	72
	403-6 Promotion of worker health	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	70
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	70
	403-8 Workers covered by an occupational health and safety management system	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	67
	403-9 Work-related injuries	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	73
	403-10 Work-related ill health	Chapter 6: Friendly Workplace – 6.6 Occupational Health and Safety	73

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GRI Standards	Disclosure	Section	Page
4. Information Security			
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Chapter 3: Corporate Governance – 3.5 Information Security Management	31
5. Human Resource Management (including Compensation and Training)			
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Chapter 6: Friendly Workplace – 6.4 Talent Development and Training	62
	404-3 Percentage of employees receiving regular performance and career development reviews	Chapter 6: Friendly Workplace – 6.5 Compensation and Benefits	64
6. Supplier Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Chapter 3: Corporate Governance – 3.9 Supplier Management	34
	308-2 Negative environmental impacts in the supply chain and actions taken	Chapter 3: Corporate Governance – 3.9 Supplier Management	35
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Chapter 3: Corporate Governance – 3.9 Supplier Management	34
7. Water Resource Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Chapter 5: Sustainable Environment – 5.2 Water Management	44
	303-2 Management of water discharge-related impacts	Chapter 5: Sustainable Environment – 5.2 Water Management	45
	303-3 Water withdrawal	Chapter 5: Sustainable Environment – 5.2 Water Management	44
	303-4 Water discharge	Chapter 5: Sustainable Environment – 5.2 Water Management	46
	303-5 Water consumption	Chapter 5: Sustainable Environment – 5.2 Water Management	46
8. Energy Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Chapter 2: Sustainability Management – 2.3 Identification of Material Topics	11
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Chapter 5: Sustainable Environment – 5.4 Energy Management and Greenhouse Gas Emissions	49
	302-3 Energy intensity	Chapter 5: Sustainable Environment – 5.4 Energy Management and Greenhouse Gas Emissions	49

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Appendix 2: Climate-Related Information for Listed Companies

No	Item	Implementation Status & Description
1	Description of the Board of Directors' and Management's Oversight and Governance of Climate-Related Risks and Opportunities	Please refer to Section 5.5 Climate Change Mitigation and Adaptation of this report.
2	Description of How Identified Climate Risks and Opportunities Affect the Business, Strategy, and Financial Planning (Short-, Medium-, and Long-Term)	
3	Description of the Financial Impact of Extreme Weather Events and Transitional Actions	
4	Description of How the Process for Identifying, Assessing, and Managing Climate Risks Is Integrated into the Overall Risk Management System	
5	If Scenario Analysis Is Used to Assess Resilience to Climate Change Risks, Describe the Scenarios, Parameters, Assumptions, Analytical Factors, and Major Financial Impacts	
6	If Transition Plans to Manage Climate-Related Risks Exist, Describe the Content and the Indicators and Targets for Identifying and Managing Physical and Transitional Risks	
7	If Internal Carbon Pricing Is Used as a Planning Tool, Describe the Basis for Price Setting	
8	If Climate-Related Targets Exist, Describe the Covered Activities, GHG Emission Scopes, Planning Timeline, and Annual Progress; If Carbon Offsets or Renewable Energy Certificates (RECs) Are Used, Disclose Their Source and Quantity	
9	GHG Inventory and Assurance Status (also reported in 1-1)	Please refer to Tables 1-1 and 1-2 below.

1-1 Recent two-year company greenhouse gas inventory and assurance status

Company Basic Information	Minimum Disclosure under Taiwan Stock Exchange Sustainability Roadmap
☐ Companies with Paid-in Capital of NT\$10 Billion or More, Steel Industry, and Cement Industry	☐ Parent Company (Standalone) GHG Inventory ☐ Consolidated Subsidiaries GHG Inventory
☐ Companies with Paid-in Capital of More than NT\$5 Billion but Less Than NT\$10 Billion	☐ Parent Company (Standalone) GHG Assurance ☐ Consolidated Subsidiaries GHG Assurance
☒ Capitalization less than NT\$5 billion	Per Financial Supervisory Commission (FSC) requirements: GHG inventory and assurance scheduled for 2027

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1-1-1 Greenhouse Gas Inventory and Assurance Information

Year		2024		2025	
Site	Category	Total emissions (tCO ₂ e)	Intensity (tCO ₂ e/million NTD)	Total emissions (tCO ₂ e)	Intensity (tCO ₂ e/million NTD)
Guishan	Scope 1	199.4153	0.0293	229.0793	0.0325
	Scope 2	36,558.96	5.3629	38,263.47	5.4359
	Scope 3	16,689.02	2.4481	18,975.87	2.6958
Daxi	Scope 1	442.6319	0.0649	282.2029	0.0401
	Scope 2	2583.4896	0.3790	5,892.77	0.8372
	Scope 2	3103.1974	0.4552	5,904.67	0.8389
Confidence Organization		DNV GL Business Assurance Co., Ltd.		DNV GL Business Assurance Co., Ltd.	
Assurance Status		1. Operating principle: 2024 ISO 14064-1:2018 / 2025 GHG Protocol 2. Assurance Level: Scope 1 and 2 are subject to reasonable assurance, while Scope 3 is subject to limited assurance.			

Note: 2024 revenue is 6,817 million. 2025 revenue is 7,039 million.

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

Greenhouse Gas Reduction Target

Pegavision's Net Zero Actions and Objectives

- (1) The greenhouse gas reduction target is to lower the greenhouse gas emissions per unit of Product by 1% compared with the previous year.
- (2) Achieve net-zero emissions by 2050.

Carbon Reduction Strategy and Actions

- (1) Improve energy efficiency
 1. Introduce energy-saving equipment, replace obsolete equipment, and plan to purchase equipment with good energy-saving performance.
 2. Planning automation system, automation development, smart manufacturing related business, implementation of smart manufacturing factories.
 - (2) Low-carbon / green-energy transition
 1. Install solar renewable energy.
 2. Purchasing other renewable energy, such as green electricity.
 - (3) Other
 1. Increase the proportion of local Purchasing Amount, introduce low-carbon materials, and reduce energy consumption.
 2. Conduct Supplier Quality assessment and social responsibility audit, implementing environmental protection.
 3. Water resources recycling, water quality segregation, and prevention of pollution maximize water resource efficiency.
- Promote waste reduction, decrease process waste, and reduce environmental pollution.

Achievement Status

In 2025, the target is to reduce greenhouse gas emissions per unit of Product by 1% compared with the previous year; however, actual emissions per unit increased by 9.89% over the prior year. In 2023, Pegavision purchased the Taoyuan Guishan Factory from its parent company and Shuo; in Q2 2024, the transfer was completed. The integration of public area equipment and plant facilities at Guishan Factory caused an increase in greenhouse gas emissions for 2025 calculations. The company is actively replacing energy-saving equipment and optimizing processes to improve energy use efficiency while introducing renewable energy to reduce electricity-related carbon intensity. Future plans include setting science-based reduction targets, tracking performance annually, disclosing results, and advancing toward low-carbon operations and sustainable development.

Year	2023	2024	2025
Product Greenhouse Gas Emissions Per Unit	0.0708	0.0643	0.0704
Compared to the Previous Year	- 4.00%	- 9.27%	9.49%

Appendix 3 SASB Metrics

Medical Equipment & Supplies Industry: Medical Equipment & Supplies

Disclosure Topic	Code	Accounting Metric	Category	Unit of Measure	Disclosure
Affordability and Pricing	HC-MS-240a.2	Description of how price information for products is disclosed to customers or their agents	Discussion and Analysis	N/A	Market prices and reference prices in each country
	HC-MS-240a.3	Percentage change in: (1) weighted average list price, and (2) weighted average net price, for all products, compared to the prior year	Quantitative	(%)	Confidential – not disclosed
Product Safety	HC-MS-250a.1	(1) Number of product recalls, (2) Number of units recalled	Quantitative	Number	Refer to Chapter 4: Product and Service – 4.1 Product Safety and Innovation R&D
	HC-MS-250a.2	Products listed in any publicly available medical product safety database or adverse event reporting database	Discussion and Analysis	N/A	No such incidents occurred
	HC-MS-250a.3	Number of fatalities associated with products	Quantitative	Number	No such incidents occurred
	HC-MS-250a.4	Number of fatalities associated with products	Quantitative	Number	No such incidents occurred
Ethical Marketing	HC-MS-270a.1	Total monetary losses as a result of legal proceedings associated with false marketing claims	Quantitative	Local currency	No such incidents occurred
	HC-MS-270a.2	Description of code of ethics governing promotion of off-label use of products	Discussion and Analysis	N/A	No off-label use of products

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Disclosure Topic	Code	Accounting Metric	Category	Unit of Measure	Disclosure
Product Design and Lifecycle Management	HC-MS-410a.1	Description of how the company evaluates and manages the environmental and human health impacts of chemicals in products to meet demand for sustainable products	Discussion and Analysis	N/A	1. During design, priority is given to water-based materials; all materials must comply with environmental regulations. 2. Upon completion of formulation, safety certifications are obtained, and clinical trials are conducted in accordance with each country's regulations.
	HC-MS-410a.2	Total amount of products that are reused, recycled, or donated, by: (1) medical devices and equipment, and (2) medical supplies	Quantitative	Metric tons (t)	Not Applicable
供應商管理	HC-MS-430a.1	Percentage of manufacturing and supplier facilities audited by a third party for manufacturing practices and product quality, broken down by: (1) owned manufacturing facilities, and (2) Tier-1 supplier manufacturing facilities	Quantitative	(%)	1.100% of manufacturing facilities are certified to ISO 13485 2.100% of production facilities are company-owned
	HC-MS-430a.2	Description of how the organization manages and maintains traceability throughout the supply chain	Discussion and Analysis	N/A	Refer to Chapter 3: Corporate Governance – 3.9 Supplier Management
	HC-MS-430a.3	Description of how the organization manages risks associated with the use of critical materials	Discussion and Analysis	N/A	Refer to Chapter 3: Corporate Governance – 3.9 Supplier Management
商業倫理	HC-MS-510a.1	Total monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Local currency	No such incidents occurred
	HC-MS-510a.2	Description of the organization's code of ethics governing interactions with healthcare professionals	Discussion and Analysis	N/A	Refer to Chapter 4: Product and Service – 4.3 Ethical Marketing

Activity Metrics

Code	Activity Metric	Category	Unit	2025 Outcome
HC-MS-000.A	Number of units sold by product category	Quantitative	Boxes	Product category: 1 type (Contact Lenses) Production: 72,125 thousand boxes



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