

M31

M31 Technology Corporation
2024 Sustainability Report





Table of contents

2024 Sustainability Report



Message from the Chairman & CEO	P02
About this Report	P04
Stakeholder Engagement	P06
Material Topic Assessment	P09

01 SUSTAINABLE MANAGEMENT

1.1 Sustainable Development Policy	P14
1.2 Sustainable Development Committee	P15
1.3 Sustainable Development Goals	P16
1.4 2024 ESG Performance Highlights(SDGs)	P20

02 SUSTAINABLE GOVERNANCE

2.1 About M31	P22
2.2 Responsible Governance	P25
2.3 Risk Management and Climate Change Response Strategies	P37
2.4 Cyber Security Management	P45
2.5 Innovation and R&D	P49
2.6 Patent Portfolio and IP Strategy	P58
2.7 Financial Performance	P62

03 SUSTAINABLE ENVIRONMENT

3.1 Environmental Management	P64
3.2 Greenhouse Gas Management	P67
3.3 Energy Management	P71
3.4 Waste Management	P71

04 INDUSTRY SUSTAINABILITY

4.1 Talent Sustainability	P73
4.2 Friendly Workplace	P84
4.3 Supply Chain Management	P99
4.4 Quality and Customer Service	P101

05 SOCIAL WELL-BEING

Theme One: "Eco-Friendly: Creating a New Life Through Action"	P107
Theme Two: "Caring for the Vulnerable: Supporting Growth with Love"	P110
Theme Three: "Social Education Program: Expanding a Broader World with Heart"	P116

APPENDIX

A.1 GRI Sustainability Reporting Standards Index	P122	A.4 TWSE Sustainability Disclosure Indicators	P133
A.2 SASB Sustainability Accounting Standards Index	P131	– Semiconductor Industry	
A.3 TCFD Disclosure Items Index	P132	A.5 Climate-Related Information for TWSE/TPEX Listed Companies	P134
		A.6 Third-Party Assurance Statement	P136



◀▶ Message from the Chairman & CEO

To our friends who care about the sustainable operation of M31:

The essence of corporate sustainability lies in upholding original commitments and actions in the face of environmental challenges, along with a steadfast determination to pursue continuous improvement. In 2024, global political and economic conditions remained turbulent, and the industry faced downward corrective pressure, with the semiconductor sector encountering significant headwinds. As a result, M31 Technology's (M31) revenue declined by approximately 10% compared to 2023. Nevertheless, we continued to move forward steadily, firmly guided by sustainable development as our core principle. We actively advanced substantive initiatives in corporate governance, technological innovation, environmental protection, and social responsibility, while continually embedding the spirit of sustainability into our corporate culture and day-to-day operational decisions.

Over the past year, our ESG efforts have been recognized by professional organizations both domestically and internationally, further affirming our commitment to and achievements in promoting sustainable development. In the domestic Corporate Governance Evaluation, we have been ranked in the top 5% of TPEX-listed companies for four consecutive years. Internationally, we received an A rating from MSCI ESG, one of the world's three major ESG rating agencies, as well as an A rating from the SinoPac+ ESG rating system, which aligns with international standards. These honors not only reflect the strong stability and transparency of our ESG practices but also underscore our continued efforts and accomplishments across various key areas.

In addition, M31's first-ever sustainability report, published in 2024, was recognized by the "Taiwan Corporate Sustainability Awards." We received the Silver Award in Category II of the Electronics Information Manufacturing Industry and were also honored with the "Taiwan Sustainability Excellence Award." These achievements not only demonstrate our tangible progress in sustainability practices but also further solidify our determination and direction in aligning with international standards and becoming an industry benchmark.

Beyond strengthening internal management and policy implementation, we have also actively expanded external engagement by partnering with industry peers to promote more systematic sustainability initiatives. In 2024, we joined the ESG Sustainability Initiative launched by E.SUN Financial Holding, committing alongside leaders in the financial and technology sectors to take responsibility for society and the environment. Concurrently, we also responded to the DEI (Diversity, Equity, and Inclusion) initiative led by TSMC, further embedding respect for diverse values and inclusivity within our corporate culture. In addition, M31 officially became a member of the "Talent Sustainability Action Alliance," collaborating with various sectors to promote talent development, career growth, and the creation of a sustainable workplace, with the goal of contributing to both corporate and societal development.

In the face of an increasingly uncertain external environment, we recognize that continuously enhancing our technological capabilities, management proficiency, and organizational resilience is fundamental to sustainable business growth. In response to challenges posed by geopolitical shifts and supply chain fragmentation, M31 began actively expanding its international R&D presence in 2023, establishing a new R&D team in India. This initiative not only strengthens the integration of global talent and resources but also fulfills our commitment to local engagement and global responsibility. Through these international efforts, we aim to advance toward a more competitive and influential future.

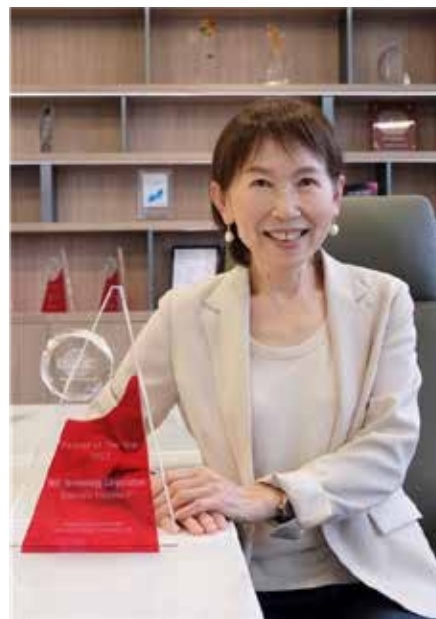
In response to the challenges of global warming and climate change, we continue to implement ESG initiatives and actively support government renewable energy policies to reduce the environmental footprint during corporate operations. We have also exceeded the government's greenhouse gas inventory timeline requirements for TPEX-listed companies by completing the inventory for our Taiwan headquarters ahead of schedule. For the first time, we also included our sites in India and the United States. This year, we passed external third-party verification and officially obtained a greenhouse gas verification statement in accordance with the ISO 14064-1:2018 standard, demonstrating our strong commitment to and proactive efforts in environmental sustainability.

In terms of green technologies and products, M31 continues to invest in low-power IP design and smart technology development to optimize resource utilization efficiency. We regard “energy-saving technology” as one of our core environmental strategies. By providing high-efficiency, energy-saving solutions, we not only help downstream customers achieve their carbon reduction targets but also make tangible contributions to the promotion of net-zero emissions and energy-saving technologies.

In terms of operational risk management, we successfully obtained ISO 27001 Information Security Management System certification this year, recognized as the gold standard in the field of information security. As cyber threats continue to evolve rapidly, M31 has strengthened its systems and internal control mechanisms to ensure the confidentiality and integrity of information, further reinforcing the trust of our customers and the market. This certification serves as external validation that we have a comprehensive information security audit mechanism in place and that we meet the stringent requirements and best practice objectives set by the organization.

In fulfilling our social responsibility, M31 is committed to fostering a positive and compassionate corporate culture. In recent years, we have focused on cultivating young talent in Taiwan’s semiconductor industry by actively engaging with academic institutions, establishing long-term partnerships, and signing industry-academia collaboration agreements with several universities. These initiatives integrate academic knowledge with practical business experience to drive continued R&D momentum in Taiwan’s semiconductor sector. At the same time, we encourage our employees to actively participate in social welfare activities, whether through caring for the vulnerable, supporting education, or engaging in community service. Through corporate action, we aim to promote a virtuous cycle of goodwill. This dedication to society also allows our employees to gain a deep sense of fulfillment and achievement through giving back, further strengthening their sense of unity and belonging, and empowering each team member to contribute to building a better future while fulfilling their social responsibilities.

Looking ahead to 2025, we will uphold a prudent and steady approach as we continue to deepen our ESG practices, strengthen our global presence, and enhance our core competitiveness. We will continue to leverage our corporate influence to implement sustainable development strategies, harness technology to drive positive social change, and pursue innovation and sustainability in parallel, working together with all stakeholders to create a better future and development for Taiwan.



M31 Chairman

Lynne Chen



M31 CEO

Scott Chang



◀▶ About this Report

Report Structure

This Sustainability Report covers the period from January 1 to December 31, 2024, and represents the second edition published by M31 Technology Corporation (hereinafter referred to as “M31”). The report discloses sustainability indicators across corporate governance, economic, social, and environmental dimensions. To provide a comprehensive account of M31’s sustainability performance and stakeholder engagement outcomes, it was prepared with reference to the GRI Standards (2021), the Sustainability Accounting Standards Board (SASB) standards, the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, and “Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports” by TPEX Listed Companies. It also aligns with the United Nations Sustainable Development Goals (SDGs), with the aim of responsibly communicating with stakeholders on the company’s strategies and initiatives across the economic, environmental, and social dimensions, thereby reflecting M31’s commitment to responsible corporate practices and determination to fulfill social responsibilities and advance sustainable development.

Report Review Statement

This report is supervised by the Board of Directors and the Sustainable Development Committee. The financial data presented herein is derived from the annual financial statements audited and certified by Deloitte & Touche CPAs. To enhance the quality of information disclosure, an external assurance provider, Yangtze CPAs, was commissioned to perform a limited assurance engagement in accordance with the ISAE 3000 standard and issue an assurance statement, which is provided in the appendix for reference. Once compiled, the report was approved by the Chairman and CEO, reviewed and confirmed by the Sustainable Development Committee, and ultimately approved by the Board of Directors before being released through public channels for stakeholder access.

Report Writing Principles and Guidelines

M31 considers industry requirements and key international economic, environmental, and social issues in the preparation of this report. The Sustainable Development Committee’s task force conducted a stakeholder survey to assess the perceived impact of various issues. Based on the survey results and aligned with the Company’s operational strategy, material topics for the year were identified. This report outlines the management approach and related disclosures for each material topic. The data presented in this report primarily covers the Taiwan headquarters, with some information including overseas subsidiaries. All monetary figures are presented in New Taiwan Dollars (NTD). Any content beyond the stated scope is specifically noted in the relevant sections of the report.

Report Management Process

STEP1

Issue Collection

Identify Stakeholders / Collect Relevant Issues / Sustainable Development Committee Task Force

STEP2

Material Topic Determination

Stakeholder Assessment of External Economic, Environmental, and Social Impacts

Assessment of Internal Operational Impacts

Resolution by the Sustainable Development Committee Task Force

STEP3

Information Compilation

Management Approach and Performance Data Collection / Sustainable Development Committee Task Force

STEP4

Draft Writing

Compilation of Report Information

Each Operating Department / Sustainable Development Committee Task Force

STEP5

Review and Finalization

Internal Review of the Report

Sustainable Development Committee

STEP6

Publication and Release

Submission to the Board of Directors and Report Issuance / Sustainable Development Committee

Publication Date and Frequency

M31 publishes its sustainability report annually, as follows:

Current publication date: August 2025

Next scheduled publication: August 2026

Restatement

This report is the second annual sustainability report. There are no significant changes to the scope or topic boundaries. During the reporting period, there were no major changes in organizational structure, ownership, or supply chain that required restatement.

Contact Information

To support environmental protection and paperless practices while fulfilling our corporate citizenship responsibilities, this report is published in electronic format and made available on the Company's official website for public reference. Please visit the M31 official website to access the report.

<https://www.m31tech.com/esg/report/>

If you have any questions or suggestions regarding this report, please feel free to contact us.

Contact: Sustainable Development Committee

Tel: +886-3-5601866

Email : esg@m31tech.com

Address: 9F., No. 8, Taiyuan 2nd St., Zhubei City, Hsinchu County, Taiwan

Stakeholder Engagement

• Identification of Key Stakeholders

- ✓ Engage with various stakeholders through routine business interactions
- ✓ Conduct internal discussions and refer to industry peers for benchmarking
- ✓ Identifying 7 categories of key stakeholders

• Stakeholder Communication Channels and Issues of Concern

While pursuing corporate sustainability, M31 also places great importance on the needs and expectations of stakeholders. The Company's Sustainable Development Committee, with input from various functional departments, has established a stakeholder list. In accordance with the "Sustainable Development Best Practice Principles" and with reference to the five principles of the AA1000 Stakeholder Engagement Standard (SES) — Dependence, Accountability, Influence, Diverse Perspectives, and Tension — the Company has identified seven key stakeholder groups: employees, customers, suppliers, banks, government agencies, shareholders/investors, and the community.

M31 engages with key stakeholders through various departments during daily operations, collecting and consolidating their issues of concern. These are further compiled by the Sustainable Development Committee, with reference to the GRI Sustainability Reporting Standards (2021 edition) and SASB industry-specific sustainability indicators. The Company evaluates the actual and potential positive and negative impacts of these issues across economic, environmental, and social dimensions. As a result, 19 sustainability topics have been identified, ensuring that M31's disclosures in the areas of Environmental (E), Social (S), and Governance (G) meet stakeholder expectations.

Assessment Table of Positive and Negative Impacts of Sustainability Issues

Sustainability Issue	Talent Development and Retention	Innovation and R&D	Customer Service	Ethics and Integrity	Cyber Security	Labor Relations	Corporate Governance	Risk Management	Occupational Safety and Health	Diversity and Equal Opportunity	Energy Management	Financial Performance	Supply Chain Sustainability	Human Rights Policy	Community Engagement	Greenhouse Gas Emissions	Climate Change Response	Water Resource Management	Waste Management
Positive Impact	V	V	V	V	V	V	V	V	V	V	V	V	V	V	V		V	V	V
Negative Impact																V			
Actual /Potential	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Potential	Actual	Actual	Potential	Potential	Actual	Actual

Considering the identities and areas of concern of different stakeholders, the Company provides information related to corporate sustainability on the official website and has established open and direct communication channels to effectively understand and promptly respond to stakeholders' needs and expectations, working together to promote sustainable corporate development. The Company also reports annually to the Board of Directors on its communication with key stakeholders, serving as a reference for sustainability strategy planning.

Stakeholder Communication Channels and Issues of Concern

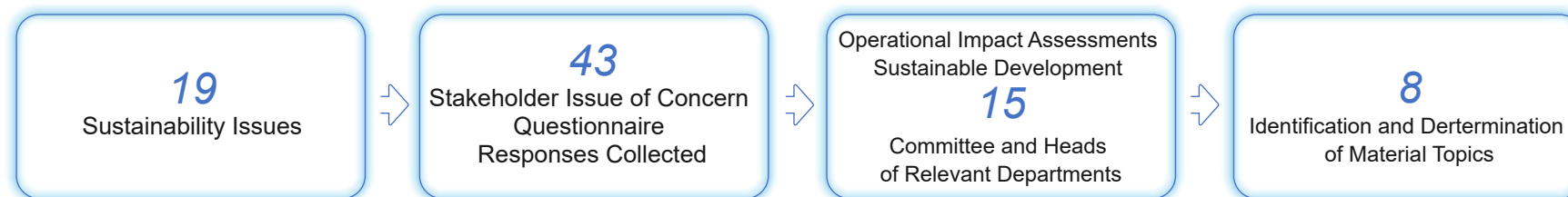
Category	Relevance to the Company	Issues of Concern	Communication Channels and Response Methods	2024 Communication Results
Customer	Customers are the Company' s primary source of revenue. The Company regards product quality and safety, along with after-sales service, as the highest commitment to customers. Maintaining high customer satisfaction helps strengthen customer loyalty and recognition of the Company.	Cyber Security Innovation and R&D Ethical Management Customer Service Corporate Governance	Customer Phone/Email (Daily/Irregular) Customer Satisfaction Survey (Annually/Per Case) Customer Online Feedback System (Irregular) Quality Meetings (Irregular) Customer Visits (Irregular) Customer Meetings (Irregular) Customer Audits (Irregular) Sales Service (sales@m31tech.com)	<ul style="list-style-type: none"> Annual Customer Satisfaction Survey Communications: 21 VIP Customer Annual Communications: 5
Employees	Employees are the cornerstone of the Company' s operations. The Company is committed to providing a workplace environment that supports both the physical and mental well-being of employees and encourages diverse development, enabling staff to work with peace of mind.	Corporate Governance Innovation and R&D Talent Development and Retention Ethical Management Labor Relations Occupational Safety and Health Human Rights Policy Community Engagement	Department Meetings (Irregular) Employee Symposium (Quarterly) Education and Training (Irregular) Performance Review (Semi-annual) Suggestion Box/Electronic Bulletin Board (Irregular) Employee Complaint Mailbox (Irregular) Business Ethics (hr@m31tech.com / adt@m31tech.com)	<ul style="list-style-type: none"> Labor-Management Meetings: 4 Welfare Committee Meetings: 4 On-site Occupational Health Services: 27 Internal Announcements: 69
Government Agencies	The supervision and inspection practices of government agencies regarding the Company' s compliance with various regulations.	Corporate Governance Ethical Management Occupational Safety and Health Greenhouse Gas Emissions Supply Chain Sustainability	Announcements on the Market Observation Post System (irregular) Official Correspondence (irregular) Various Meetings (irregular) Relevant statistical surveys from government agencies such as the Directorate-General of Budget, Accounting and Statistics, Ministry of Labor, and Financial Supervisory Commission (Irregular) Business Ethics (hr@m31tech.com / adt@m31tech.com)	<ul style="list-style-type: none"> Material Information Announcements on the Market Observation Post System: 57 Corporate Governance Evaluation: 1 Annual Fire Safety Inspection: 1 Official Correspondence (Paper-based): 177 Consensus Meetings: 8

Stakeholder Communication Channels and Concerns

Category	Relevance to the Company	Issues of Concern	Communication Channels and Response Methods	2024 Communication Results
Shareholders /Investors	Investors are key supporters of the Company. The Company is committed to protecting their rights and treating all investors fairly, ensuring they have full access to information, participation, and decision-making rights regarding significant company matters.	Ethical Management Risk Management Talent Development and Retention Labor Relations Financial Performance	General Shareholders' Meeting (Annually) Institutional Investor Conferences or Investor Forums (quarterly) Meetings with Investment Institutions or Brokerage Firms (irregular) Shareholder Calls/Emails (irregular) Announcements via the Market Observation Post System and Company Website (irregular) Investor Relations and Shareholder Services (ir@m31tech.com)	<ul style="list-style-type: none"> Material Information Announcements on the Market Observation Post System: 57 Annual General Shareholders' Meeting: 1 Investor Conferences: 8
Suppliers	The Company maintains long-term and stable partnerships with suppliers to ensure the reliable supply of equipment and services. In addition, the Company works collaboratively with supplier partners to implement measures aimed at mitigating environmental degradation and preventing labor and human rights issues.	Supply Chain Sustainability Financial Performance Innovation and R&D Cyber Security Corporate Governance Ethical Management Energy Management	Phone/Email Communication (irregular) Supplier Audits (irregular) Customer Complaint Channels (irregular) Business Ethics (adt@m31tech.com)	<ul style="list-style-type: none"> Annual Supplier Audits and Communications: 25 New Supplier Audits and Communications: 9
Banks	Banks serve as key partners in the operation of working capital. Through close communication and interaction with banks, the Company stays informed about developments in sustainable finance, helping to ensure long-term sustainable operations.	Innovation and R&D Cyber Security Corporate Governance Ethical Management	Bank Visits and Interactions (irregular) Information Provided by Banks (irregular) Investor Relations and Shareholder Services (ir@m31tech.com)	<ul style="list-style-type: none"> Annual communications: 8
Communities	Fostering mutual prosperity with the community is a core belief of the Company' s sustainable development. Through concrete actions to give back to society, the Company is committed to amplifying the positive impact of the Company' s initiatives and becoming a trusted partner and driving force within the community.	Talent Development and Retention Innovation and R&D Ethical Management Cyber Security Customer Service Occupational Safety and Health Community Engagement	Corporate Volunteer Services (irregular) Participation in Public Welfare Activities (irregular) Social Care and Donations (irregular) ESG (esg@m31tech.com)	<ul style="list-style-type: none"> Corporate Volunteer Service Events: 52 Public Welfare Activities: 12

Material Topic Assessment

Material Topic Assessment Process



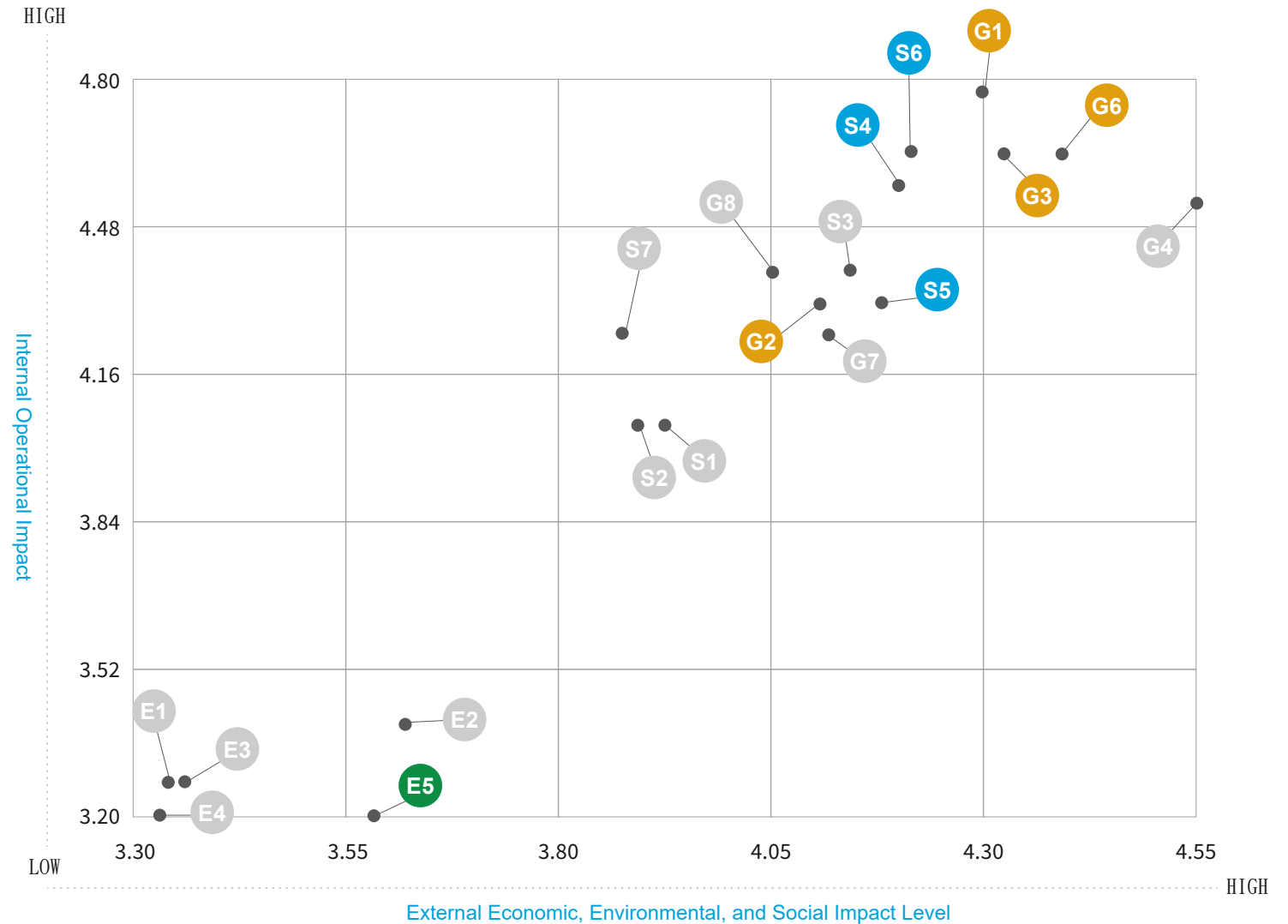
The Sustainable Development Committee identified 19 sustainability topics, which were assessed through an online questionnaire completed by key stakeholders, committee members, and department heads. A total of 58 valid responses were collected (43 from stakeholders and 15 from committee members and department heads). Based on the responses, the perceived impact of each sustainability topic on environmental, social, and corporate governance aspects was evaluated. The Sustainable Development Committee then reviewed stakeholder perspectives along with internal operational impact assessments to determine the material topics for the year. As a result, 8 key material topics across environmental, social, and governance dimensions were identified as disclosure priorities for the year, and the corresponding management approaches and disclosures are presented in this report.

Aspect	Material Topics of M31
Environmental	Greenhouse Gas Emissions
Social	Labor Relations, Talent Development and Retention, Customer Service
Corporate Governance	Corporate Governance, Innovative R&D, Cyber Security, Risk Management

Material Topic Risk Matrix

Category No.	Sustainability Issue
--------------	----------------------

- G3 Innovative R&D
- S4 Talent Development and Retention
- G6 Cyber Security
- S6 Customer Service
- G1 Corporate Governance
- G4 Ethics and Integrity
- S5 Labor Relations
- G2 Risk Management
- S3 Occupational Health and Safety
- E5 Greenhouse Gas Emissions
- G7 Financial Performance
- S7 Human Rights Policy
- S2 Diversity and Equal Opportunity
- G8 Supply Chain Sustainability
- S1 Community Engagement
- E1 Climate Change Response
- E2 Energy Management
- E4 Water Resource Management
- E3 Waste Management



Change in Material Topics

In the 2024 assessment of material topics, M31 not only referred to GRI sustainability topics but also conducted evaluations and confirmations based on the results of internal and external questionnaires carried out by the Sustainable Development Committee's working group.

As part of this process, the topic "Information Security" was renamed to "Cyber Security" to more comprehensively cover the security needs of both Information Technology (IT) and Operational Technology (OT). This change aligns with Taiwan's Cyber Security Management Act and international standards, emphasizing the prevention of cyberattacks, communication security, and digital operational risks. The renaming supports enhanced corporate competitiveness, strengthens internal security awareness, and aligns with digital transformation trends to ensure operational stability and regulatory compliance.

This adjustment to the material topics reflects the increasing importance of Innovation and R&D, Cyber Security, and Corporate Governance in sustainable operations. The Company will prioritize the implementation of related management measures and information disclosure to meet the stakeholder expectations.

Order	2023 Material Topics	2024 Material Topics	2024 Changes
1	Talent Development and Retention	Innovation and R&D	Ranking Up
2	Innovation and R&D	Talent Development and Retention	Ranking Down
3	Customer Service	Cyber Security	Renamed, Ranking Up
4	Information Security	Customer Service	Ranking Down
5	Labor Relations	Corporate Governance	Ranking Up
6	Corporate Governance	Labor Relations	Ranking Down
7	Risk Management	Risk Management	Ranking Unchanged
8	Greenhouse Gas Emissions	Greenhouse Gas Emissions	Ranking Unchanged

List of Material Topics

Material Topic	Positive/Negative Impact	GRI Standards	Impact Boundaries of Material Topics Across the Value Chain						Management Approach Disclosure Section
			Headquarters	Customers	Banks	Government Agencies	Suppliers	Shareholders /Investors	
Corporate Governance	A well-functioning Board of Directors and functional committees, supported by transparent disclosure of governance information, contributes to increased company visibility and improved external evaluations. In 2024, the Company was ranked in the top 5% in the Corporate Governance Evaluation and received an "A" rating in the MSCI ESG Ratings, representing a positive actual impact.	Custom	●	●	●	●	●	●	2.2 Responsible Governance
Labor Relations	To fulfill social responsibilities and reduce human rights risks, we are committed to providing a supportive and employee-friendly work environment. We place high value on employee well-being, offer clear communication and complaint channels, and actively enhance the workplace to align with the Company' s development goals, representing a positive actual impact.	401-1 401-2	●	●		●			4.2 Friendly Workplace
Risk Management	The Company implements comprehensive ESG risk management through the operations of the Sustainable Development Committee and the Risk Management Committee, aligning with the Company' s development goals, representing a positive actual impact.	Custom	●	●		●			2.3 Risk Management and Climate Change Response Strategy
Innovative R&D	Through green design, supply chain management, and quality assurance systems, the Company ensures product safety, quality, and environmental responsibility, contributing to enhanced competitiveness. In 2024, we continued to innovate, and project performance met expected targets, representing a positive actual impact.	Custom	●	●				●	2.5 Innovative R&D
Talent Development and Retention	Comprehensive career development training is fundamental to talent sustainability. The Company implements well-rounded and diversified training programs to enhance talent competitiveness. The training outcomes align with the Company' s goals and represent a positive actual impact.	404-1 404-2 404-3	●	●					4.1 Talent Sustainability
Cyber Security	The occurrence of cyber security incidents can lead to operational disruptions and information leakage. M31 continues to invest resources in strengthening its cyber security infrastructure, representing a positive actual impact.	Custom	●	●		●			2.4 Cyber Security Management
Customer Service	Quality oversight throughout the product life cycle, along with customized design and integrated supply chain design services to meet customer needs, representing a positive actual impact.	Custom	●	●		●			4.4 Quality and Customer Service
Greenhouse Gas Emissions	The EU Carbon Border Adjustment Mechanism (CBAM) came into effect in 2023, and the government is expected to officially begin collecting carbon fees in 2026. This will likely lead to increased future operating costs, representing a negative potential impact.	305-1 305-2 305-3 305-4 305-5	●	●		●			3.2 Greenhouse Gas Management

01 Sustainable Management

- 1.1 Sustainable Development Policy
- 1.2 Sustainable Development Committee
- 1.3 Sustainable Development Goals (SDGs)
- 1.4 ESG Performance Highlights in 2024



1.1 Sustainable Development Policy

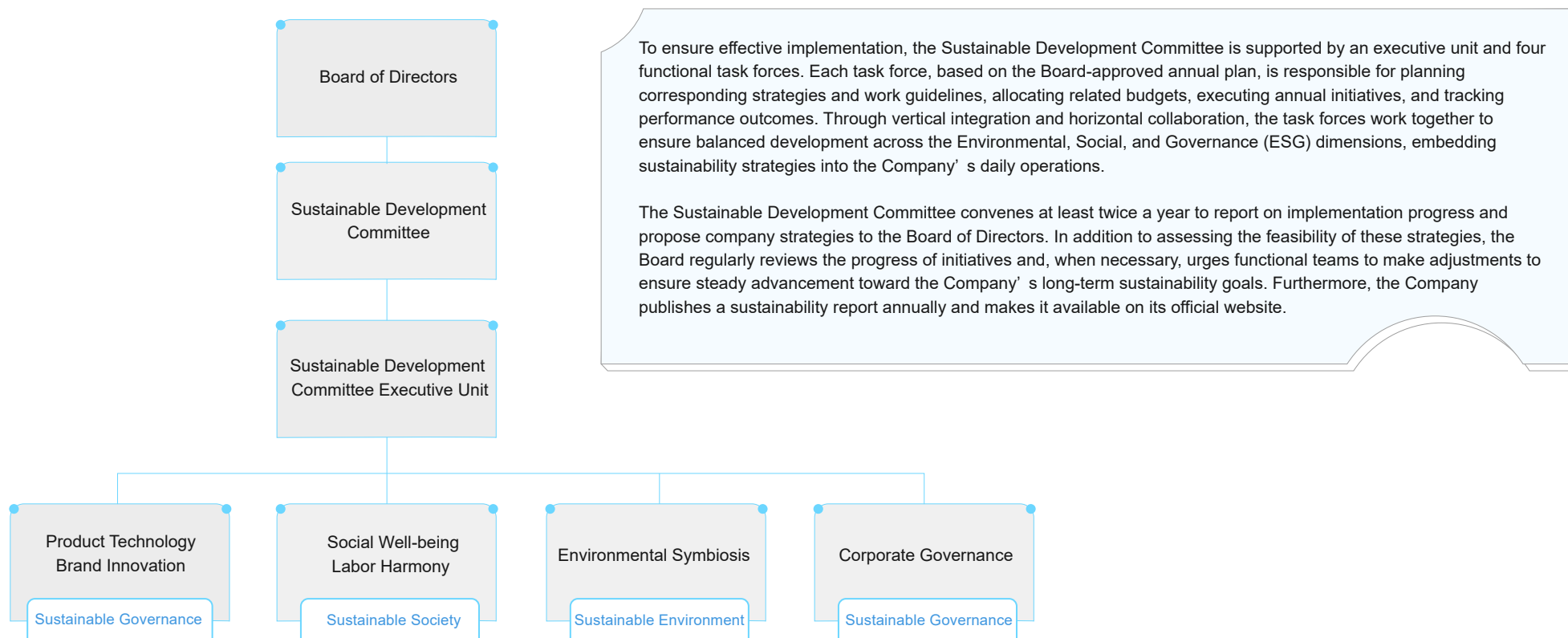
Adhering to the mission of "Creating maximum value for customers, employees, and shareholders through innovative services and high-quality products," M31 is committed to building sustainable corporate value and fulfilling its responsibilities to shareholders, the environment, customers, employees, and society. Guided by the core values of "Innovation Excellence, Customer Value, Ethical Management, and Industry Sustainability," M31 strives not only to foster customer trust and drive corporate growth through product development, sales, and service, but also actively engages in initiatives related to labor rights, business ethics, environmental protection, and occupational safety, demonstrating its ongoing commitment to corporate social responsibility.

The sustainable development policy is as follows:

Sustainability Blueprint	Core Strategies	Key Development Focus
Environmental Symbiosis	By caring for our planet, M31 will create a sustainable future.	<ol style="list-style-type: none"> 1. Continuously invest in innovation and R&D and green design to improve energy and resource efficiency. 2. Commit to energy saving and carbon reduction to lower environmental impact, mitigate climate change, and maintain ecological balance. 3. Foster an eco-friendly corporate culture through environmental, safety, and health advocacy and training.
Friendly Workplace	Creating a diverse, equal, and inclusive environment to achieve a common future.	<ol style="list-style-type: none"> 1. Respect human rights and emphasize equal opportunity, diversity, and labor rights. 2. Foster a workplace that embraces diversity, compassion, equal, and inclusion. 3. Strengthen talent development, deepen R&D capabilities, and enhance core competitiveness for sustainable business operations.
Social Well-being	Eco-friendly. Caring for the vulnerable. Social Education Program.	<ol style="list-style-type: none"> 1. Actively participate in environmental conservation and public welfare activities, creating a new way of living through action. 2. Continuously provide material support and volunteer services to vulnerable children and elderly living alone through concrete actions, fostering growth with love. 3. Demonstrate deep care for the education of children in rural areas by providing educational resources.
Sustainable Governance	In line with the boutique philosophy of "Innovation, Quality, and Passion," the Company has established a comprehensive governance framework that embodies the spirit of corporate governance. This includes implementing risk management, cyber security, IP rights, and supplier management, while addressing stakeholders' concerns, aligning with international sustainability trends, and continuously creating sustainable corporate value.	<ol style="list-style-type: none"> 1. Value economic, environmental, and social governance in the pursuit of corporate sustainability. 2. Strictly adhere to regulations and conduct business with integrity, rejecting improper benefits, corruption, and bribery. 3. Build mutual trust and communication with stakeholders while enhancing transparency and balanced disclosure of information. 4. Implement an IP management system to reduce infringement risks, enhance IP value, and lay the foundation for sustainable development. 5. Collaborate with the supply chain to promote sustainability, fostering long-term development between the supply chain and the Company. 6. Committed to developing boutique IP, continually accumulate R&D capabilities, and investing in a diversified product portfolio.





1.2 Sustainability Development Committee



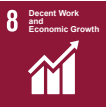

To fulfill its vision of sustainable corporate operations, M31's sustainability initiatives are overseen by the Board of Directors. In December 2022, the Company established a cross-departmental "Sustainable Development Committee" responsible for formulating sustainability strategies and goals and promoting various sustainability initiatives. The annual plans must be approved by the Board of Directors. To further strengthen sustainability governance, in August 2024, the Board adopted the "Sustainable Development Committee Charter" and appointed Chairman Huey-Ling Chen along with four board members as committee members. Under the authority of the Board, the Committee is responsible for formulating, promoting, and reinforcing the Company's sustainability policies, annual plans, and strategies, ensuring the steady advancement of corporate sustainability efforts.








1.3 Sustainable Development Goals (SDGs)

M31 aligns with the United Nations SDGs by formulating and implementing sustainability strategies that are fully integrated into the Company's overall business operations. Beyond pursuing economic performance and technological innovation, M31 is equally committed to environmental protection and social responsibility. The Company complies with all relevant regulations to ensure operations meet legal standards and works closely with suppliers to promote environmental sustainability and human rights protection throughout the value chain. Furthermore, M31 actively fosters a fair and inclusive workplace, upholds human rights, eliminates inequality, and offers competitive compensation and benefits to attract and retain top talent. Looking ahead, M31 will continue to strengthen sustainability initiatives, expand positive impact, and fulfill corporate social responsibility. The following outlines the Company's sustainability goals and implementation results based on the SDGs:

Aspect	SDGs	Specific SDG Targets	Items	Implementation Strategy	2024 Execution Results
Social		1.4 No Poverty	Care for the Vulnerable	<ul style="list-style-type: none"> Provide support to vulnerable children to improve their quality of life and ensure access to better care and education. Provide material support and care to elderly individuals living alone. 	<ul style="list-style-type: none"> In 2024, the Company and employees contributed NT\$912,395 to support vulnerable groups. In 2024, a total of 130 volunteer participations were recorded for caring for the vulnerable, amounting to 390 service hours.
Social		4.4 Cultivate new job skills and vocational abilities through education 4.5 Eliminate educational disparities to ensure vulnerable populations have access to education across all social classes and vocational training 4.7 Promote education for sustainable development, sustainable lifestyles, human rights, gender equality, and a culture of peace and non-violence	Talent Sustainability Care for the Vulnerable Social Education Program	<ul style="list-style-type: none"> Provide job-related training based on work requirements. Promote diverse learning programs to ensure every employee has a rich and engaging learning experience. Develop courses on sustainable development, workplace gender equality, and labor rights, and encourage employee participation. Support children in rural areas and vulnerable youth by cultivating fundamental learning skills and competencies, and promoting the development of diverse abilities. 	<ul style="list-style-type: none"> The Company recorded a total of 7,371 training hours in 2024. In collaboration with employees, NT\$402,500 was donated to support kindergarten supplies and educational funds. Contributed NT\$150,000 to support music education for rural and vulnerable youth. Promoted a sustainable reading and sharing program by collecting nearly 200 books and children's picture books, and purchasing 176 high-quality books on sustainability-related topics.
Social	 	5.1 Eliminate all forms of discrimination against women 5.4 Recognize and value women's family care responsibilities through social protection policies 10.2 Reduce inequalities	Friendly workplace Talent Sustainability	<ul style="list-style-type: none"> Follow the code of conduct to ensure no gender discrimination, workplace equality, and maternity protection. Gender is not a factor in employee recruitment, evaluation, or promotion. All employees, regardless of gender, are entitled to apply for parental leave without pay. A whistleblower mechanism is in place, with a comprehensive process to protect whistleblowers. 	<ul style="list-style-type: none"> Human rights training is included as a mandatory annual course for all in-service employees. In 2024, a total of 3 employees took parental leave without pay — 0 male and 3 female. The return-to-work rate after parental leave was 100%. No cases of unethical conduct or violations of professional ethics were reported in 2024. Fully implemented the four major labor health protection programs.

Aspect	SDGs	Specific SDG Targets	Items	Implementation Strategy	2024 Execution Results
Environmental	 7 Affordable and Clean Energy	7.3 Improvement in energy efficiency	Greenhouse Gas Management Energy Management	<ul style="list-style-type: none"> Promote various innovative energy-saving and carbon-reduction projects. Conduct greenhouse gas inventory. 	<ul style="list-style-type: none"> Formally launched ISO 14064-1; 2023 marked the first year of GHG inventory based on ISO 14064-1:2018. With the inclusion of subsidiaries in India and the United States, 2024 has been designated as the base year. 100% of computer monitor equipment was purchased with eco-label certification.
Social	 3 Good Health and Well-being	3.4 By prevention and treatment, promote mental health and well-being	Health Workplace	<ul style="list-style-type: none"> Organize health promotion activities. Apply for Healthy Workplace Certification. Conduct health education training and awareness seminars. Provide employee health check-ups. Implement the Employee Assistance Program (EAP). 	<ul style="list-style-type: none"> General occupational safety and health training hours are in compliance with legal requirements. Two health seminars were held in 2024 (one on a general health topic and one on AED awareness). Obtained Healthy Workplace Certification (Badge of Accredited Health Workplace). Exceeding the requirements of the Occupational Safety and Health Act, annual health check-ups are arranged for all employees regardless of age; the 2024 check-ups have been completed.
Social	 8 Decent Work and Economic Growth	8.5 Employment and economic growth 8.5 Employment and economic growth 8.7 Eliminate forced labor and child labor 8.8 Protect labor rights and promote safe working environments	Diversity in Employment Human Rights Policy Employee Welfare	<ul style="list-style-type: none"> Employ persons with disabilities. Gender is not a factor in employee hiring, evaluation, or promotion. Declare human rights policy. Employee satisfaction surveys are conducted regularly. Occupational safety and health management mechanisms are implemented to effectively enhance workplace safety. 	<ul style="list-style-type: none"> Number of employees with disabilities employed in accordance with legal requirements. Employee turnover rate in 2024 was 11.02%. A total of 620 participants attended human rights training courses in 2024. Zero occupational injuries were recorded throughout the year.
Governance	 9 Industry, Innovation, and Infrastructure	9.5 Encourage innovation by increasing the number of R&D personnel and R&D expenditures	Innovation and R&D	<ul style="list-style-type: none"> Plan and deploy medium- to long-term R&D and innovation projects over the next 3 to 5 years. Continue to invest in R&D budgets and recruit R&D professionals. 	<ul style="list-style-type: none"> In 2024, consolidated financial statements reported R&D expenses totaling NT\$1,122,090 thousand, accounting for 75.77% of annual revenue.

Aspect	SDGs	Specific SDG Targets	Items	Implementation Strategy	2024 Execution Results
Environmental		<p>12.5 Substantially reduce waste generation through prevention, reduction, recycling, and reuse</p> <p>12.a Support developing countries in strengthening their technological capacity for sustainable consumption and production</p>	<p>Waste Management</p> <p>Supply Chain Management</p> <p>Innovation and R&D</p>	<ul style="list-style-type: none"> Reduction of general industrial waste. Promotion of waste reduction and environmental protection initiatives. Complete prohibition of hazardous substance use. Green product design. 	<ul style="list-style-type: none"> 100% compliance with RoHS and REACH regulations with no use of prohibited substances. Continued implementation of electronic business cards and e-vouchers, use of reusable cups in meetings, and installation of paper recycling bins to promote paper reuse. Ongoing enhancement of green design and intelligent technologies to further optimize resource efficiency and jointly promote sustainable development with industry partners.
Environmental		<p>13.2 Integrate climate change measures into policies, strategies, and planning</p>	<p>TCFD</p> <p>Risk Management</p> <p>Environmental Symbiosis</p>	<ul style="list-style-type: none"> Promote the establishment of a Greenhouse Gas Inventory Committee. Formulate climate change response strategies. 	<ul style="list-style-type: none"> Established a Greenhouse Gas Inventory Committee. In accordance with the TCFD recommendations, continuously implement climate change risk governance and disclose related information in the sustainability report.
Environmental		<p>14.1 Reduce marine pollution</p>	<p>Environmental Symbiosis</p>	<ul style="list-style-type: none"> Actively participate in environmental protection and stream conservation initiatives. 	<ul style="list-style-type: none"> Participated in a stream cleanup activity organized by the Society of Wilderness, with a total of 40 participant engagements, 120 volunteer hours, and 190.3 kilograms of waste collected.
Governance		<p>16.6 Develop effective, accountable, and transparent institutions at all levels</p> <p>16.7 Ensure responsive, inclusive, participatory, and representative decision-making at all levels</p>	<p>Sustainable Governance</p> <p>Stakeholders</p>	<ul style="list-style-type: none"> Strengthen corporate governance by ensuring employees comply with company regulations through the internal control system, and establish whistleblowing procedures and channels. 	<ul style="list-style-type: none"> In 2024, stakeholder concerns were compiled based on evaluations from various liaison contacts and reported to the Board of Directors in December. Selected as one of Forbes Asia's 200 Best Under A Billion companies in 2024.
		<p>16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements</p>	<p>Cyber Security</p> <p>Regulatory Compliance</p>	<ul style="list-style-type: none"> Ensure efficient and transparent communication of all company information. Disclose sustainability report content to demonstrate progress in promoting sustainable development. Implement cyber security controls by establishing various protection measures, appointing dedicated cyber security personnel, and adopting ISO 27001. Conduct cyber security education, awareness campaigns, and audits. 	<ul style="list-style-type: none"> Updated official website information in 2024. Strengthened various cyber security protections in 2024, with no major cyber security incidents reported. Achieved ISO 27001 certification in 2024.

Aspect	SDGs	Specific SDG Targets	Items	Implementation Strategy	2024 Execution Results
Governance		17.10 Global Partnerships	Corporate Governance Risk Management Supply Chain Management	<ul style="list-style-type: none"> Enhance corporate governance evaluation indicators. Establish functional committees under the Board of Directors to implement sustainable development strategies. Develop and enforce risk management policies and procedures. Commit to building a responsible and resilient sustainable supply chain system. 	<ul style="list-style-type: none"> Ranked in the top 5% of TPEX listed companies in the 2024 Corporate Governance Evaluation. Starting in 2024, launched the "Supplier Sustainability Development Survey" system and introduced the "New Supplier Sustainability Self-Assessment Questionnaire" as criteria for supplier selection and risk assessment.
Social		17.10 Global Partnerships	Academic Relations	<ul style="list-style-type: none"> Signed industry-academia collaboration agreements with schools and implemented related projects. Maintained strong relationships with schools to jointly nurture and develop talent. 	<ul style="list-style-type: none"> Participated in a total of 11 campus events. In 2024, a total of 3 students joined the Talent Advancement Program. In 2024, five university interns were cultivated through collaborative projects with professors.

1.4 2024 ESG Performance Highlights



Environmental Aspect

- 100% of computer monitors and equipment procured were certified with **eco-labels**
- 100% compliance with **RoHS** and **REACH** regulations with no use of prohibited substances
- 100% of office paper used was **FSC-certified**, with efforts to promote paper reuse
- Promoted office energy-saving practices and implemented daily lunchtime lights-off
- Continued implementation of electronic business cards, e-vouchers, and the use of reusable cups in meetings
- Promoted local stream cleanup activities to support a sustainable environment



Social Aspect

- In 2024, the Company and employees contributed a total of **NT\$1,422,169** to social welfare initiatives
- **Total training hours** in 2024 reached **7,371** hours
- The average training hours per employee in 2024 was **20.34** hours
- **Certified as a Healthy Workplace**
- **Zero** occupational injury incidents
- In 2024, the average customer satisfaction score reached **4.6** out of 5



Governance Aspect

- **Ranked among the top 5%** of TPEx listed companies in the 2024 Corporate Governance Evaluation, receiving the honor for four consecutive years
- Named one of **Forbes Asia's 200 Best Under A Billion** companies in 2024, marking the second consecutive year of recognition
- Received an **"A"** rating from MSCI ESG and SinoPac+ ESG for the first time in 2024
- The first published sustainability report won the **Taiwan Corporate Sustainability Awards (TCSA) Silver Award** for "Corporate Sustainability Report" and the **"Outstanding Sustainability Performance Award"**
- In the 2024 consolidated financial statements, R&D expenses totaled **NT\$1,122,090 thousand**, accounting for **75.77%** of annual revenue
- **Achieved ISO 27001 certification in 2024**

02 Sustainable Governance

[DATA PROTECTION]

- 2.1 About M31
- 2.2 Responsible Governance
- 2.3 Risk Management and Climate Change Response Strategies
- 2.4 Cyber Security Management
- 2.5 Innovation and R&D
- 2.6 Patent Portfolio and IP Strategy
- 2.7 Financial Performance

2.1 About M31

M31 Technology Corporation(M31) was founded in 2011 and was officially listed on the Taipei Exchange in 2019 (Stock Code: 6643). Headquartered in Hsinchu, Taiwan, the Company has established multiple overseas subsidiaries and is one of the few specialized developers worldwide that provides pure-play Silicon Intellectual Property (IP) for integrated circuits. Since the Company was established, M31 has focused on providing high-speed interface IPs, memory compilers, and standard cell library solutions. In addition, M31 collaborates closely with world-class semiconductor companies and actively invests in the development and validation of differentiated IP solutions to help customers shorten design cycles, reduce manufacturing costs, and enhance product competitiveness. The Company's vision is to become the preferred partner in IP technology and business collaboration, setting a benchmark for enhancing the uniqueness of applications.

The Company's vision is to become the preferred partner in IP technology and business collaboration, setting a benchmark for enhancing the uniqueness of applications.

M31 is a semiconductor IP design company positioned at the upstream end of the semiconductor industry chain. As IC design companies increasingly integrate multiple functions into a single IC (SoC) product, they inevitably rely on verified IP to integrate into their SoCs. This approach helps effectively shorten product development cycles and reduce costs, which has led to the emergence of companies specializing in IP design.

The midstream segment of the industry is foundry manufacturing. After completing product design, IC design companies outsource the production of wafers to foundries. To attract IC design companies to proceed with tape-out and production, foundries must continuously refine and optimize their process technologies. As part of this effort, foundries also collaborate with IP design companies to provide the necessary IP for IC design, supporting their clients in smoothly entering the product design and manufacturing stages.

The downstream of the industry involves IC packaging and testing. After the wafers undergo initial testing, they are sent to specialized packaging companies for dicing and packaging, followed by final testing by professional testing companies. Once tested, the finished ICs are distributed through sales channels to system manufacturers, who assemble them into final system products.

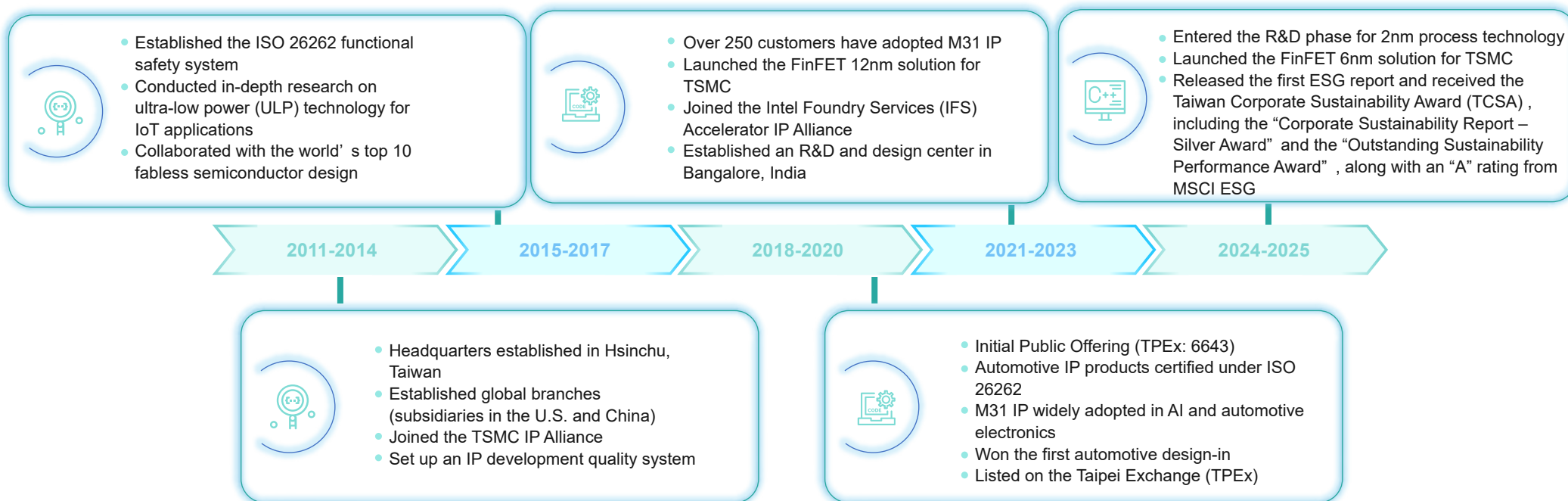
Global Locations



“ In 2024, the global semiconductor industry faced numerous challenges, including market demand fluctuations, increased macroeconomic uncertainty, and supply chain adjustments, all of which impacted the Company's operations. Under these conditions, M31 encountered significant headwinds, resulting in revenue falling short of expectations and marking the first decline since the Company's inception. Despite these challenges, we proactively responded to market shifts by strengthening product competitiveness and enhancing our technological roadmap, while continuing to deepen relationships with customers and partners in pursuit of a swift return to growth momentum. Looking ahead, we remain committed to continuous improvement and will adopt prudent strategies to navigate future challenges, laying a stronger foundation for the Company's long-term development. ”

Company Information and Milestones

Company Name M31 Technology Corporation			
Number of Employees	363	Main Products	IP Licensing and Royalties
Capital Amount	NT\$ 418,022 thousand	Operational Locations	Taiwan, Hsinchu / USA, Silicon Valley
Date of Establishment	October 2011		China, Shanghai / India, Bangalore
Chairman	Huey-Ling Chen	Production Output Value	Technical Service Revenue: NT\$1,241,408 thousand
Headquarters	9F, No. 8, Taiyuan 2nd St., Zhubei City, Hsinchu County, Taiwan		Royalty Revenue: NT\$239,495 thousand
Core Business	Silicon Intellectual Property		Total Revenue: NT\$1,480,903 thousand
		Industry Chain	Upstream of semiconductor industry - IP design



Industry Promotion

M31 is committed to advancing industry development by actively participating in external associations and organizations in various roles. Through involvement in external exchange activities, the Company gains insights into domestic and international trends and regulations, which serve as key considerations for its sustainable business operations. M31 strives to contribute meaningfully to both the industry and society.

M31's vision is to be the most trustworthy IP company in the semiconductor industry.

External Accolades

- Received TSMC's "Best IP Partner" award consecutively in 2024, 2023, 2022, 2021, 2020, 2019, 2018, and 2016.
- Named one of Forbes Asia's 200 Best Under a Billion companies in both 2024 and 2023.
- Awarded "Corporate Governance Evaluation – Top 5%" by the Taipei Exchange for four consecutive years from 2021 to 2024 (8th to 11th editions).
- Received an "A" rating from MSCI ESG in 2024.
- Received an "A" rating from SinoPac+ in 2024.
- Received the Taiwan Corporate Sustainability Awards (TCSA) in 2024, including the "Corporate Sustainability Report – Silver Award" and the "Outstanding Sustainability Performance Award."

Participation in Associations and Organizations	Details of Participation
Taiwan Semiconductor Industry Association	General Member
DIGITIMES	General Member
Design & Reuse	General Member
MIPI Alliance	General Member
JEDEC JC42 committee	General Member
USB-IF Association	General Member
PCI-SIG Association	General Member
VESA	General Member
Internal Audit Association	6 employees participate as individual members
IC Design Compensation and Networking Association	General Member
Corporate Managers Association – Sustainability Alliance	General Member
Tsinghua Entrepreneur Association	The Chairman participated as an individual member
National Taiwan University Alumni Association	The Chairman served as Supervisor of the Hsinchu Chapter
E.SUN FHC	Participated in the 2024 ESG Sustainability Initiative
TSMC	Participated in TSMC's Supplier DEI Statement



2.2 Responsible Governance

Material Topic	Corporate Governance
Policy	<ul style="list-style-type: none"> Ensure the smooth operation of corporate governance in alignment with stakeholder expectations and relevant legal requirements
Goal	<ul style="list-style-type: none"> Ranked among the top 5% of TPEX-listed companies in corporate governance evaluations Continuously strengthening sustainable governance by enhancing board diversity and increasing the number of female directors Continuously enhancing sustainable development capabilities, with initiatives led by the Sustainability Development Committee composed of board directors
Responsible Department / Complaint Mechanism	<ul style="list-style-type: none"> Responsible Department: Business Executive Center Complaint Mechanism: M31 Official Website https://www.m31tech.com/contact-us/
Resource Allocation	<ul style="list-style-type: none"> Optimized the official website to enhance the efficiency and transparency of corporate information disclosure Continued investment in green bonds to support sustainable environmental development Established a Sustainability Development Committee composed of board directors to strengthen the Board's involvement in advancing corporate sustainability Disclosed individual director remuneration at the shareholders' meeting to enhance information transparency Formed a cross-departmental Sustainability Development Committee task force to implement various sustainability initiatives Continued the implementation of greenhouse gas inventory to monitor carbon emissions and support related reduction policies Established a sustainability information management mechanism and published a sustainability report to disclose sustainability progress
Evaluation Mechanism	<ul style="list-style-type: none"> In 2024, ranked among the top 5% of TPEX-listed companies in the Corporate Governance Evaluation (11th Session) In 2024, the performance evaluations of the Board of Directors and functional committees were rated as "Exceeds Standards" In 2024, the MSCI ESG rating was A In 2024, the SinoPac+ ESG rating was A

Sound corporate governance, encompassing a well-functioning Board of Directors and effective risk management, not only helps mitigate operational risks but also enhances overall corporate competitiveness and builds brand value. Establishing a culture of integrity and accountability—while ensuring compliance with applicable laws—promotes ethical business practices. In addition, a well-structured governance framework supports sustainable corporate development and safeguards the interests of investors and other stakeholders.

The shareholders' meeting of M31 is composed of all shareholders and serves as the highest decision-making body of the company, making decisions on major matters and regularly receiving reports from the Board of Directors. The Board of Directors is the highest governance body. All board members diligently fulfill their duty of care as prudent managers, formulate the company's business policies, review financial performance, and ensure that operations comply with all applicable laws and regulations. The Chairman is responsible for setting all strategic objectives and overseeing company operations, while the CEO is responsible for planning and managing daily operations, developing strategies for sustainable corporate development, and leading the management team in reporting execution results to the Board of Directors.

At the same time, M31's financial statements are audited and reviewed by professional CPAs to ensure that all legally required information is accurately and promptly disclosed. Looking ahead, optimizing corporate governance operations and enhancing information transparency as part of sustainable governance strategies remain M31's ongoing goals.

Governance Structure

M31 is committed to establishing a sound corporate governance structure to ensure sustainable business operations. To this end, the Company has established several governance bodies, including the Board of Directors, Audit Committee, Compensation Committee, Nomination Committee, Sustainability Development Committee, and Risk Management Committee. These entities are designed to ensure mutual oversight and checks and balances across all procedures. Their operations are carried out in accordance with the respective rules and regulations, including the “Rules of Procedure for Board Meetings,” “Audit Committee Charter,” “Compensation Committee Charter,” “Nomination Committee Charter,” and “Sustainability Development Committee Charter.”

Responsibilities of Governance Bodies	
Unit	Responsibilities
Audit Committee	<ul style="list-style-type: none"> Assists the Board of Directors in overseeing the Company's financial accounting, internal controls, regulatory compliance, and risk management processes to ensure the quality and integrity of financial reporting.
Compensation Committee	<ul style="list-style-type: none"> Assists the Board of Directors in establishing a well-structured compensation and performance evaluation system for directors and executives, and reviews their remuneration packages.
Nomination Committee	<ul style="list-style-type: none"> Assists the Board of Directors in defining the qualifications and criteria for directors and senior executives, and in building and developing the Board and committees. It is also responsible for conducting performance evaluations of the Board, its committees, individual directors, and senior executives, as well as assessing the independence of independent directors. The committee establishes succession plans for directors and senior executives to ensure the effective operation of corporate governance.
Sustainable Development Committee	<ul style="list-style-type: none"> Assists the Board of Directors in overseeing and managing the implementation of the Company' s overall corporate sustainability policies. The committee is dedicated to advancing sustainability across ESG dimensions, which include environmental, social and corporate governance, supports the preparation of the sustainability report, and reports relevant activities to the Board.
Audit Room	<ul style="list-style-type: none"> Reviews and evaluates the Company' s internal control system, establishes and revises internal audit procedures, serves an early warning function, and regularly audits the implementation of various internal management systems.
Risk Management Committee	<ul style="list-style-type: none"> Responsible for identifying and assessing various potential risks, delegating decision-making to relevant departments for execution, and ensuring that risk control mechanisms and procedures operate effectively.
Information Security Committee	<ul style="list-style-type: none"> Responsible for formulating cyber security policies and reviewing related regulations, with decisions delegated to relevant departments for implementation. The committee' s executive secretary coordinates the Information Security Task Force and the Emergency Response Team to carry out cyber security-related operations. Responsibilities include issuing alerts, monitoring cyber security conditions, responding to incidents, and overseeing the implementation and achievement of cyber security objectives.
Greenhouse Gas Inventory Committee	<ul style="list-style-type: none"> Responsible for implementing the Company' s annual greenhouse gas inventory, responding to changes in external regulations, and regularly reporting execution results to the Board of Directors.
Note: To strengthen decision execution and oversight functions, the roles of Chairman and CEO are held by different individuals.	

Board of Directors

M31's Board of Directors serves as the highest governance body and the center of major business decision-making. The Board consists of six directors (including two female directors), of whom two are independent directors. Under the Board are four functional committees: the Audit Committee, Compensation Committee, Nomination Committee, and Sustainability Development Committee. Board members possess professional expertise and extensive experience across various fields, including finance, law, academia, technology, and management. M31 places strong emphasis on the professional qualifications and gender diversity of its Board members. To further promote board diversity in line with corporate governance policies, the Company established the Nomination Committee through a Board resolution passed on July 6, 2021. All directors have solid knowledge and professional backgrounds in business management.

To enhance the independence and diversity of the Board and strengthen its strategic oversight function, M31 follows the requirements set forth in the "Articles of Incorporation," "Rules for Election of Directors," and "Corporate Governance Best Practice Principles." Directors (including independent directors) are elected through a candidate nomination system. During the nomination and selection process, the Company obtains a written statement, credit check information, and relevant documents from each candidate to verify their qualifications and independence. All independent directors meet the qualification requirements set forth in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission, as well as Article 14-2 of the Securities and Exchange Act. Furthermore, in accordance with Article 14-3 of the Act, all independent directors are granted full rights to participate in decision-making and express their opinions, enabling them to independently perform their duties.

In forming the composition of M31's Board of Directors, the Company considers a range of competencies, including business judgment, accounting and financial analysis, management capability, crisis response, industry knowledge, global market perspective, leadership, and decision-making ability. The Board convenes at least once per quarter to support the Company's operational performance. The head of internal audit also attends the regular Board meetings to report on audit-related matters. Major resolutions of the Board are promptly disclosed on the Market Observation Post System (MOPS) of the Taiwan Stock Exchange and on the Company's official website. In 2024, M31 held a total of eight Board meetings, with a 100% attendance rate.

Mechanisms to Avoid Conflicts of Interest

M31's "Rules of Procedure for Board Meetings" explicitly stipulate conflict-of-interest provisions for directors. If a director, or the legal entity they represent, has a personal interest in a meeting matter that may be detrimental to the Company's interests, the director may attend the meeting to express opinions and respond to inquiries but must not participate in discussions or voting on the matter. The director must also recuse themselves during deliberation and voting, and shall not act as a proxy for other directors. In 2024, there were three instances in which directors recused themselves from voting due to conflicts of interest. For detailed information, please refer to Chapter 2 "Corporate Governance Report" of M31's 2024 Annual Report.



Board of Directors

Title	Name	Major Experience (Education)
Chairman	Huey-Ling Chen	Ph.D. in Information Engineering, Tsinghua University. Chairman, Sirius Venture Ltd.
Director	Yuan-Hsun Chang	M.S. in Electronic Engineering, National Chiao Tung University. CEO, M31 Technology Corporation.
Director	Li-Kuo Liu	M.S. in Electrical Engineering, State University of New York at Stony Brook. Chairman and CEO, JMicron Technology
Director	Chun-Hao Lai	M.S. in Electrical Engineering, University of California, Santa Barbara. Independent Director, TrueLight Corporation
Independent Director	Jun-Ji Lin	M.S. in Applied Chemistry, Tsinghua University Chairman, Taiwan Electron Microscope Instrument Corporation
Independent Director	Shih-Ying Huang	Ph.D. in Financial Management, Jinan University School of Management, China Partner Accountant, Zhixin United CPA Firm

Note: For information regarding board members, including their independence and qualifications, please refer to Chapter 2 (Corporate Governance Report) of M31' s 2024 Annual Report.

Board Diversity Statistics / Year		2022		2023		2024	
		Headcount	%	Headcount	%	Headcount	%
Gender	Male	5	71.43	5	71.43	4	66.66
	Female	2	28.57	2	28.57	2	33.33
Age	< 50	2	28.57	2	28.57	2	33.33
	50-65	4	57.14	5	71.43	4	66.66
	> 65	1	14.29	0	0.00	0	0.00
Education	Ph.D.	3	42.86	3	42.86	2	33.33
	Master's degree	4	57.14	4	57.14	4	66.66

In accordance with the procedural rules of Board Meetings, M31' s Board of Directors convenes at least once per quarter on average to review business performance, discuss key strategic matters, and address material issues, including those related to operations, environmental and social impacts, risks, and opportunities. Through these meetings, responsible units for follow-up actions are designated, and the implementation status is reported and tracked at subsequent meetings. When submitting proposals and reports to the Board, the responsible unit reviews the content in advance to determine whether it involves any stakeholder-related matters that may require recusal, and provides advance notice to the relevant parties. The Company communicates material information in accordance with its "Procedures for Handling Material Internal Information and Prevention of Insider Trading." In 2024, a total of 57 material information announcements were published on the Market Observation Post System (MOPS). For related information, please visit: <https://emops.twse.com.tw/server-java/t58query> and enter the Company code 6643 or search for M31.

Board Training and Performance Evaluation

M31 is committed to strengthening the ethical standards among internal personnel and implementing integrity in operations. The Company has established internal guidelines, including the "Code of Ethical Conduct" and "Ethical Corporate Management Practice Principles," which cover various aspects such as conflict of interest prevention, avoidance of opportunities for personal gain, confidentiality responsibilities, fair trade practices, protection and appropriate use of company assets, compliance with laws and regulations, encouragement to report any illegal or unethical behavior, and disciplinary measures. These guidelines are approved by the Audit Committee and the Board of Directors, reported to the shareholders' meeting, and communicated to employees to promote a culture of integrity. Furthermore, M31 actively promotes adherence to the "Corporate Governance Practice Principles for TWSE/TPEX Listed Companies." Directors are required to complete at least 6 hours of annual training covering governance-related topics such as finance, risk management, business, commerce, accounting, law, or sustainability during their tenure. The Company continues to arrange courses for directors and employees on topics related to corporate sustainable management, governance, legal compliance, risk management, anti-money laundering, and combating counter-terrorist financing.

2024 Board Training Status

Title	Name	Training Date	Organizer	Course Name	Training Hours	Sustainability Related
Chairman	Huey-Ling Chen	2024/05/07	Taiwan Investor Relations Institute	Ethical Business Conduct and Insider Trading	3	ESG-G
Chairman	Huey-Ling Chen	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6	ESG-E
Director	Yuan-Hsun Chang	2024/05/07	Taiwan Investor Relations Institute	Ethical Business Conduct and Insider Trading	3	ESG-G
Director	Yuan-Hsun Chang	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6	ESG-E
Director	Li-Kuo Liu	2024/03/01	Taiwan Corporate Governance Association	How the Audit Committee interprets and applies the Audit Quality Indicators(AQIs)	3	ESG-G
Director	Li-Kuo Liu	2024/08/16	Taiwan Corporate Governance Association	Re-evolution of data centers: development trends of silicon photonics and artificial intelligence servers	3	ESG-G
Director	Chun-Hao Lai	2024/08/06	Taiwan Corporate Governance Association	ESG Corporate Actions and Opportunities in Energy Trends	3	ESG-E
Director	Chun-Hao Lai	2024/08/06	Taiwan Corporate Governance Association	Update on International Tax Trends and Brief Analysis of U.S.-Taiwan Tax Relief Legislation	3	ESG-G
Independent Director	Jun-Ji Lin	2024/03/26	Taiwan Corporate Governance Association	Legal Matters Board Directors Should Know About Ethical Corporate Management Best Practice Principles	3	ESG-G
Independent Director	Jun-Ji Lin	2024/05/07	Taiwan Investor Relations Institute	Ethical Business Conduct and Insider Trading	3	ESG-G
Independent Director	Jun-Ji Lin	2024/08/08	Taiwan Corporate Governance Association	Corporate Sustainability and Resilience Management Strategies	3	ESG-G
Independent Director	Shih-Ying Huang	2024/05/07	Taiwan Investor Relations Institute	Ethical Business Conduct and Insider Trading	3	ESG-G
Independent Director	Shih-Ying Huang	2024/07/09	Taipei Exchange	TPEX Group: "AI Strategy and Governance"	3	ESG-G

M31 has established the "Performance Evaluation Regulations for the Board of Directors and Managers," which stipulates that an internal board performance evaluation shall be conducted at least once a year. The scope includes assessments of the board of directors, individual board members, and functional committees. The evaluation is carried out through self-assessment questionnaires for directors, with evaluation indicators covering participation in company operations, enhancement of board/committee decision-making quality, board/committee composition and structure, director selection and continuing education, and internal controls. The Nomination Committee is responsible for conducting the performance evaluation process, and the results are regularly reviewed by the Compensation Committee, which provides recommendations. To enhance the independence of board evaluations, the Company commissions an external professional independent organization or team of external experts and scholars at least once every three years. In 2023, the board performance evaluation was conducted by the external organization "Taiwan Investor Relations Institute."

The Company's improvements and implementation status regarding the recommendations from the external board evaluation are as follows:

- **Elevating the Sustainability Development Committee to a Functional Committee:** On August 6, 2024, the Company established the Sustainability Development Committee as a functional committee to strengthen its sustainability efforts.
- **Preparation of the Sustainability Report in accordance with GRI Standards and obtaining third-party assurance:** The Company prepared its sustainability report in accordance with the Global Reporting Initiative (GRI) Standards and obtained a verification statement from GREAT Certification Co., Ltd. on May 31, 2024.
- **Early planning to link directors' and senior executives' compensation with ESG performance:** The Company has planned to link the 2024 compensation of directors and senior executives to ESG performance indicators, as disclosed in the 2023 Annual Report and Sustainability Report.
- **Early unified planning of annual training courses for board members:** On May 7, 2024, the Company arranged an internal training course for board members and continues to offer training resources on an ongoing basis. All directors have completed the required training hours for 2024.
- **Allocating resources to support domestic cultural development:** In 2024, the Company increased its participation in public welfare activities by sponsoring the Building Love Concert and a music performance by the Fang-Chi Kindergarten.

Board Performance Self-Evaluation (Questionnaire) Scores (%)

Scope of evaluation	2022	2023	2024
Board of Directors	99.94	99.68	98.96
Board Members	98.76	99.13	98.84
Audit Committee	99.70	100.00	98.64
Compensation Committee	99.67	99.60	99.25
Nomination Committee	100.00	99.60	98.75
Sustainability Development Committee	-	-	99.00
External Board Evaluation (Conducted by the TIRI)	—	Please refer to M31 official website for the evaluation summary and recommendations.	—



For details on the external evaluation of the board's performance, please refer to M31 official website



Linking Senior Executives' Compensation with ESG Performance

To fulfill its commitment to sustainable operations and achieve long-term sustainability goals, M31 has incorporated sustainability strategy indicators into the performance targets of senior executives. This approach is designed to incentivize sustainable performance outcomes and align with the Company's remuneration policy, thereby supporting the realization of its sustainability vision. 2025 ESG Criteria for Annual Performance Evaluation of Senior Executives:

1. Target: Company senior executives.
2. ESG Evaluation Indicators:
 - Green Products and Technologies: Develop high-efficiency, low-energy-consumption products and technologies; encourage innovation and patent applications.
 - Risk Management: Review the Company's risk management systems and processes; strengthen cyber security and trade secret protection; hold regular risk management committee meetings to continuously enhance risk response and management capabilities.
 - Climate Adaptation: Conduct greenhouse gas inventories and obtain relevant certifications; prepare sustainability reports to disclose corporate sustainability information.
 - Friendly Workplace: Implement strategies for talent recruitment, development, and retention; promote a culture of diversity, equity, and inclusion (DEI); actively encourage employee participation in social welfare activities.
3. Evaluation Method: Based on the Company's performance appraisal procedures, compensation are granted according to the evaluation results of senior executives' annual performance indicators, including ESG-related metrics.





Corporate Governance Implementation

On May 4, 2021, M31's Board of Directors resolved to establish the position of Corporate Governance Officer. The primary responsibilities of the Corporate Governance Officer include providing directors with the necessary information to perform their duties, assisting directors in complying with relevant laws and pursuing continuing education, handling the qualification review of independent directors and onboarding procedures for directors, and managing matters related to meetings of the Board of Directors, Shareholders' Meeting, and functional committees in accordance with applicable regulations.

2024 Training Details of Vice President Wei-Ning Liu, Corporate Governance Officer

Date	Organizer	Course Name	Training Hours	Sustainability Related
2024/05/07	Taiwan Investor Relations Institute	Ethical Business Conduct and Insider Trading	3	ESG-G
2024/07/09	Taipei Exchange	TPEX Group: "AI Strategy and Governance"	3	ESG-G
2024/09/11	Taipei Exchange	Briefing session for insiders on stock ownership, Hsinchu	3	ESG-G
2024/11/08	Taipei Foundation of Finance	Corporate Governance – Sustainable Transformation in 2026: Strategic Planning for TNFD and Biodiversity Opportunities	3	ESG-G

Introduction to Functional Committees

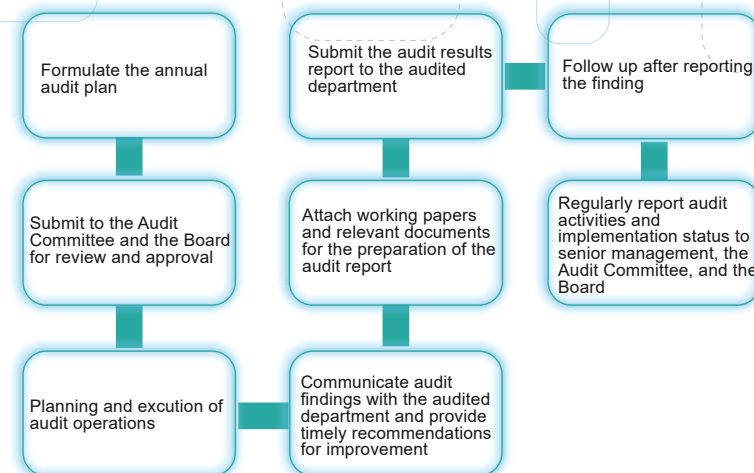
Functional Committee	Responsibilities and Key Focus Areas	Members and Establishment Date	Number of Meetings	Attendance Rate	Detailed Operations (Refer to M31 official website)
Audit Committee	<ul style="list-style-type: none"> Formulate or amend the internal control system, and assess its effectiveness to ensure its proper implementation within the Company. Formulate or amend procedures for major financial and business activities—such as the acquisition or disposal of assets, derivative transactions, lending of funds, and providing guarantees—to manage existing or potential risks. Review annual or quarterly financial reports and the appointment, dismissal, or compensation of the certifying CPA, to ensure the fair presentation of the Company's financial statements. Oversee the public offering, issuance, or private placement of equity-related securities to manage potential company risks, and review matters involving conflicts of interest for directors or other significant matters as required by regulatory authorities to ensure compliance with relevant laws and regulations. 	The Audit Committee was established on August 18, 2017. The current committee is composed of two independent directors with professional expertise and impartiality.	8	100.00%	
Compensation Committee	<ul style="list-style-type: none"> Regularly review the organizational regulations of the Compensation Committee and propose amendments. Formulate and periodically review performance evaluation criteria and goals for directors and managers, as well as policies, systems, standards, and structures related to compensation. Regularly assess the performance of the Company's directors and managerial officers based on the established evaluation criteria and determine their compensation accordingly. The Company's compensation system is implemented in accordance with its Articles of Incorporation and is approved by resolution of the Compensation Committee. 	The Compensation Committee was established on August 18, 2017. The current committee is composed of two independent directors and two other directors.	6	100.00%	
Nomination Committee	<ul style="list-style-type: none"> Establish diversity and independence standards for the professional knowledge, skills, experience, gender required of board members and senior executives, and use these standards to identify, review, and nominate candidates for directors and senior executives. Develop and enhance the organizational structure of the Board of Directors and its committees; conduct performance evaluations of the Board, each committee, individual directors, and senior executives; and assess the independence of independent directors. Formulate and regularly review director development plans and succession plans for directors and senior executives. Review and refine the Company's Corporate Governance Best Practice Principles. 	The Nominating Committee was established by a resolution of the Board of Directors on July 6, 2021. The current committee is composed of two independent directors and two other directors.	3	100.00%	
Sustainable Development Committee	<ul style="list-style-type: none"> Establish, promote, and strengthen the Company's sustainable development policies, annual plans, and strategies. Review, track, and revise the implementation status and effectiveness of sustainable development initiatives. Oversee the disclosure of sustainability-related information and review the sustainability report. Supervise the implementation of the Company's Sustainable Development Best Practice Principles and other sustainability-related tasks as resolved by the Board of Directors. 	The Sustainable Development Committee was established by a resolution of the Board of Directors on August 6, 2024. The current committee is composed of the Chairman, two directors, and two independent directors..	2	100.00%	

Note: Due to the resignation of one independent director on May 19, 2024, each of the Audit Committee, Compensation Committee, and Nominating Committee had one fewer member for the year.

Audit Room and Internal Audit

M31 has established an Internal Audit unit under the Board of Directors. In accordance with the Company's scale, business operations, management needs, and relevant legal requirements, the Company assigns full-time auditor who hold international internal auditor certification. The auditor is responsible for evaluating the soundness, reasonableness, and effectiveness of the Company's internal control system and various management systems. The appointment, evaluation, and compensation of internal audit personnel are subject to approval by the Board of Directors.

In 2024, no major deficiencies were found in the internal audit, and all identified issues have been properly addressed and resolved.



Ethical Management and Regulatory Compliance

M31 has established a cross-departmental Ethical Management Task Force as the dedicated unit responsible for promoting ethical management. Based on the roles and responsibilities of each department, the task force assists the Board of Directors and management in formulating and implementing the Ethical Corporate Management Practice Principles. It reports annually to the Board on the implementation status of the ethical management plan and submits the annual ethical management plan for review.

To establish a corporate culture of ethical management and ensure sound development and effective business operations, the Company has adopted the "Ethical Corporate Management Practice Principles," the "Code of Ethical Conduct," and the "Complaint and Whistleblowing Measures." The Company conducts at least one ethical management training session each year for managers and all employees. New hires are required to sign an integrity declaration during onboarding training. All departments follow the Code of Ethical Conduct and internal control procedures based on their respective roles and responsibilities to ensure ethical business practices throughout the Company.

The Company's "Management Practices with respect to Handling Internal Material Information and Preventing Insider Trading" specifically outlines the key precautions to be observed in business operations. It strictly prohibits personnel from using any undisclosed information they become aware of for insider trading and from disclosing such information to others, in order to prevent the misuse of material non-public information for insider trading by any party.

M31 has also established internal and external complaint and whistleblowing channels, along with the "Complaint and Whistleblowing Measures," which define the mechanisms and reward and penalty system. The Company closely monitors developments in ethical business regulations both domestically and internationally and encourages directors, managers, and employees to provide suggestions for reviewing and improving ethical management policies and implementation measures, thereby enhancing the effectiveness of the Company's ethical business practices.

- In 2024, the Company did not receive any whistleblowing cases.
- M31's Ethical Management Task Force reported the implementation status of the 2024 ethical management plan to the Board of Directors on December 20, 2024, and submitted the 2025 ethical management plan for approval.
- The Company did not make any political contributions in 2024.
- In 2024, the Company conducted ethical management training for managers and all employees. The training covered topics such as ethical business practices and the prohibition of insider trading, with a total of 241 participants completing the course and assessments. Course materials were uploaded to the internal training platform for employees' reference. Additionally, the Company provided a briefing to the Board of Directors on insider trading regulations to enhance their understanding of the subject.



For Business Ethics Mailbox, please refer to the official website



For details on the implementation of ethical management, please refer to the official website

Regulatory compliance is fundamental to a company's sustainable development. Effective legal compliance not only helps prevent misconduct and reduce the risk of judicial investigations, fines, lawsuits, and negative publicity—which can be costly in terms of time, labor, and financial resources—but also enhances the Company's reputation. This, in turn, helps attract high-quality independent directors, employees, and business partners, creating a win-win-win situation for the Company, shareholders, and stakeholders. From a corporate governance perspective, the establishment of an Audit Committee plays a key role in overseeing the Company's financial status and internal control systems, along with adopting Board meeting rules, further strengthens the Board's functionality and effectiveness.

In 2024, the Company's Corporate Governance Task Force led a review and update of applicable laws and regulations across all departments. It coordinated the management of relevant legal requirements provided by each unit. The Company was not involved in any litigation related to anti-competitive behavior, antitrust, or monopoly regulations, and incurred no financial losses related to such cases—the total amount of monetary loss due to legal actions associated with anti-competitive conduct was NT\$0. Additionally, the Legal Department led an assessment of applicable trade secrets across departments. The results were reviewed by department heads and consolidated and managed by the Legal Department. In terms of personnel management, the Company has implemented whistleblowing channels and ensures that management leads by example. All employees are required to ensure that their business conduct complies with applicable laws and the Company's internal policies. Compliance across departments is monitored through internal control procedures. Regarding personnel training, the Company provides regulatory compliance training tailored to different departments and job levels, ensuring that operations meet all legal requirements. Regulatory compliance awareness is also promoted through training programs, with a total of 761 participants receiving training throughout the year. Additionally, the Company complies with labor laws to safeguard employees' legal labor rights and interests.

In the area of environmental protection, health, and safety (EHS), the Company adheres to international and regional environmental and occupational health and safety regulations through established management systems. During its service processes, the Company does not use raw materials containing hazardous chemicals. The headquarters has implemented a fire protection plan and established an internal fire response team. New employees receive training on fire evacuation procedures, and the Company also participates in semi-annual fire safety drills organized by the Taiyuan Science Park. In emergency situations, designated team members are responsible for immediate response and handling. The Company is committed to providing all employees with a safe and equitable working environment and to safeguarding employee rights. Regular EHS training is conducted, including essential health seminars and first aid training. The Company continuously works to minimize safety and health risks to employees and prevent occupational accidents. For more information, please refer to the "Sustainable Environment" and "Friendly Workplace" sections of this report.



Stakeholder Consultation and Complaint Mechanisms

To uphold the core values of the Company's culture of ethical management and in accordance with the "Ethical Corporate Management Practice Principles," the Company has established the "Complaint and Whistleblowing Measures." These measures clearly define the whistleblowing channels and procedures for investigation and handling, ensuring the effective implementation of the ethical conduct policies while safeguarding the legal rights of whistleblowers.

In addition, to proactively and extensively understand the needs of various stakeholders and continuously respond to key concerns, M31 maintains regular interaction with stakeholders through designated contact points in day-to-day business operations. On the official website, in addition to the Company profile and product information, M31 provides stakeholder-specific sections—such as Investor Relations, Talent Development, and Sustainability—along with various communication channels, including email and dedicated phone lines. These serve as effective platforms for facilitating smooth two-way communication and ensuring timely responses to stakeholder needs.



Stakeholders

Stakeholders	Communication Channels and Response Methods	
Customers	<ul style="list-style-type: none"> Customer Phone/Email (Daily/ Irregular) Customer Satisfaction Surveys (Annually/Per Case) Online Customer Feedback System (Irregular) Quality Meetings (Irregular) 	Customer Visits (Irregular) Customer Meetings (Irregular) Customer Audits (Irregular) Sales Service (sales@m31tech.com)
Employees	<ul style="list-style-type: none"> Department Meetings (Irregular) Employee Symposium (Quarterly) Education and Training (Irregular) Performance Reviews (Semi-Annually) 	Suggestion Box / Digital Bulletin Board (Irregular) Employee Complaint Mailbox (Irregular) Business Ethics (hr@m31tech.com / adt@m31tech.com)
Government Agencies	<ul style="list-style-type: none"> Announcements on the MOPS (Irregular) Official Correspondence (Irregular) Various Meetings (Irregular) 	Investigations by competent authorities such as the Directorate-General of Budget, Accounting and Statistics, the Ministry of Labor, and the Financial Supervisory Commission (Irregular) Business Ethics (hr@m31tech.com / adt@m31tech.com)
Shareholders /Investors	<ul style="list-style-type: none"> General Shareholders' Meeting (Annually) Institutional Investor Conferences or Investor Forums (Quarterly) Meetings with Investment Institutions or Brokerage Firms (Irregular) 	Shareholder Phone/Email (Irregular) Information Disclosure via the MOPS and Company Website (Irregular) Investor Relations and Shareholder Services (ir@m31tech.com)
Suppliers	<ul style="list-style-type: none"> Phone/Email (Irregular) Supplier Audits (Irregular) 	Customer Complaint Channel (Irregular) Business Ethics (adt@m31tech.com)

Stakeholders	Communication Channels and Response Methods	
Banks	<ul style="list-style-type: none"> Bank Visits (Irregular) Bank Information Provision (Irregular) 	Investor Relations and Shareholder Service (ir@m31tech.com)
Communities	<ul style="list-style-type: none"> Corporate Volunteer Services (Irregular) Participation in Public Welfare Activities (Irregular) 	Community Care and Donations (Irregular) ESG (esg@m31tech.com)

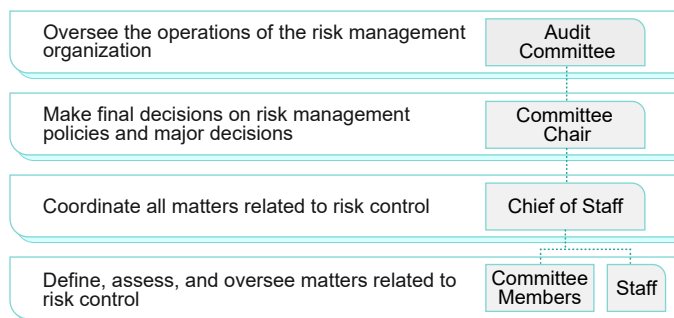
For details on stakeholder concerns and communication effectiveness, please refer to the “Stakeholder Engagement” section of this report.



2.3 Risk Management and Climate Change Response Strategies

Material Topic	Risk Management
Policy	<ul style="list-style-type: none"> Actively promote and implement a risk management mechanism by defining various types of risks in line with the Company' s overall operational strategy. Within an acceptable risk tolerance, preventive measures are taken to avoid potential losses, enhance company value, and optimize resource allocation
Goal	<ul style="list-style-type: none"> Number of major risk events impacting company operations in 2024: 0
Responsible Department / Complaint Mechanism	<ul style="list-style-type: none"> Responsible Department: Risk Management Committee Complaint Mechanism: Extension number and email contact of the Quality Management Department
Resource Allocation	<ul style="list-style-type: none"> Quarterly Risk Committee meetings are held to update risk assessments and identifications of various risks, and to monitor and review the status of related mitigation measures In 2024, a summary of risk control implementation was reported to the Audit Committee and the Board of Directors
Evaluation Mechanism	<ul style="list-style-type: none"> No significant risk incidents occurred in 2024

Risk Management Organizational Structure



M31 actively promotes and implements its risk management mechanism by regularly convening Risk Management Team meetings and reporting its operations annually to the Audit Committee and the Board of Directors. The key operational highlights over the years are as follows:

- In 2016:** M31 established its risk management framework, including its risk management philosophy, organizational structure, risk identification and assessment procedures, and management processes.
- Since 2017:** the Risk Committee has convened quarterly meetings to update the assessment and identification of various risks and to monitor and review related mitigation measures.
- On August 4, 2020:** M31' s Risk Management Policy was formally adopted by the resolution of the Board of Directors. The Company continues to implement the identification, assessment, and management of risks within the scope of its risk management framework, aiming to strengthen its capabilities in crisis prevention, response, and post-crisis recovery, thereby ensuring effective risk control.
- On July 6, 2021:** a summary of that year' s risk control implementation was reported to the Board of Directors.
- In 2023:** M31 revised the organizational structure of the Risk Management Committee, designating the Audit Committee as the highest supervisory body. On August 3, 2023, the Chief Risk Officer reported on the implementation of risk management to both the Audit Committee and the Board of Directors. The report covered the identification and assessment of various risk factors and outlined control and oversight mechanisms for high-risk items.
- On August 6, 2024:** a summary of that year' s risk control implementation was reported to the Board of Directors.

Since 2016, the Company has established a "Risk Management Policy and Procedures" and actively promoted the implementation of a risk management mechanism. In line with the Company' s overall operational strategy, various types of risks are defined and managed within an acceptable risk tolerance to prevent potential losses, enhance corporate value, and optimize resource allocation. Beginning in 2020, the Company has provided an annual report to the Board of Directors on the operation of the risk management system.



Major Topic	Evaluation Items	Management Policy	Implementation Results
Sustainable Environment	Environmental Protection and Ecological Conservation	The Company is a professional IP firm that does not engage in production or manufacturing (no physical products) and therefore does not generate manufacturing-related waste. General waste is managed in collaboration with licensed cleaning companies, with daily cleaning and recycling conducted to promote environmental protection and resource reuse. Employees are encouraged to turn off air conditioning and computer monitors at scheduled times, switch off lights and air conditioning when not in use, adopt paperless practices, and conserve water. All office building materials used comply with international environmental standards.	<ul style="list-style-type: none"> In May 2024, the Company obtained the ISO 14064-1 Greenhouse Gases Inventory certification.
Social	Workplace Safety	The Company is committed to safeguarding employee health and workplace safety. Regular fire safety drills are conducted, and subsidies for gym memberships are provided. In addition, regular health checkups and on-site medical staff services are offered to support employees in health management and consultation.	<ul style="list-style-type: none"> In coordination with Taiyuan' s activities, two employees were assigned to participate in the 2024 Civil Defense Team Reorganization and Implementation Plan, as well as the first half-year fire safety team training. Gym: Increased subsidy amounts for employees. Employee Health Checkups: Provided employees with flexible scheduling throughout the year. Arranged on-site medical staff services to support employees' physical and mental well-being.
	Product Safety	The marketing of the Company' s products and services complies with all relevant regulations. Guided by principles of quality, service, and accountability, the Company provides customers with safe and high-quality designs, maintains effective communication with clients, and regularly conducts customer satisfaction surveys.	<ul style="list-style-type: none"> An annual customer satisfaction survey is conducted at the end of each year.
	Human Resources	The Company values employees and regularly reviews talent development and management practices, including recruitment and effective retention strategies, to ensure workforce continuity and sustainable operations.	<ul style="list-style-type: none"> In June 2024, a key talent assessment was conducted across all departments. Follow-up actions will involve collaborating with the Compensation Office to develop both monetary and non-monetary retention programs for key talent.

Major Topic	Evaluation Items	Management Policy	Implementation Results
Social	Code of Conduct	To foster a culture of ethical conduct and achieve corporate governance objectives, the Company strengthens training and awareness efforts while providing channels for complaints and whistleblowing.	<ul style="list-style-type: none"> In Q2 2024, a company-wide awareness campaign was completed, and a training session on business ethics was conducted. As of 2024 to date, zero external whistleblower cases and zero employee whistleblower cases have been received.
	Personal Data Protection	Through system access controls, training, and awareness programs, the Company aims to prevent any harm to the rights and interests of stakeholders.	<ul style="list-style-type: none"> Each department operates in accordance with regulations to minimize the risk of disputes and litigation for the Company.
Operations	Statutory / Emerging Infectious Disease Outbreaks	The Company has established a Pandemic Response Task Force to develop a Business Continuity Management Plan for critical operations. This ensures that departmental personnel and business functions can continue without interruption, safeguarding the health and safety of employees while maintaining basic or normal company operations.	<ul style="list-style-type: none"> In alignment with government policies, operations are carried out through self-management and are no longer classified as a material topic for management.
	Policy and Regulatory Changes	The Company continuously monitors and gathers information on relevant regulatory and policy changes, assesses their potential impact, and, when necessary, promptly discusses and implements corresponding measures while notifying the relevant departments.	<ul style="list-style-type: none"> All company operations are conducted in compliance with applicable laws and regulations.
	Supplier Risks	The Company conducts annual supplier audits in accordance with ISO 9001 to ensure quality.	<ul style="list-style-type: none"> Meet customer delivery deadlines while enhancing customer satisfaction and the Company's reputation.
	U.S.-China Trade War	For entities listed under relevant technologies and the Entity List in U.S. export control regulations, a thorough due diligence check must be conducted to avoid violating applicable regulations.	<ul style="list-style-type: none"> Establish audit standards and procedures, and ensure their effective implementation to safeguard uninterrupted company operations.
Finance	Exchange Rate Risk	The Company quotes all major export and foreign procurement transactions in foreign currencies and processes them in batches on a regular basis to spread out foreign exchange exposure. Close relationships are maintained with financial institutions, and exchange rate fluctuations are continuously monitored to minimize the impact of cost changes on the Company's profit and loss.	<ul style="list-style-type: none"> Continually diversify foreign exchange risk.





Major Topic	Evaluation Items	Management Policy	Implementation Results
Cyber Security	Data Storage and Backup Management	To prevent irrecoverable data loss, high-availability professional storage equipment is used, a regular backup mechanism is established, and off-site storage is implemented.	<ul style="list-style-type: none"> Annual data restoration drills are conducted to ensure proper data recovery capabilities and to prevent any major data loss incidents.
	Cyber Security	To prevent and reduce the risk of malware infection, the Company continuously enforces cyber security data management, conducts regular cyber security awareness campaigns, installs up-to-date antivirus software and firewall settings on all computers, and implements mechanisms to block untrusted devices. To prevent data leakage, access controls are applied to all R&D projects, and a system monitoring mechanism for data transfers is in place.	<ul style="list-style-type: none"> No virus infections or major data leakage incidents have occurred.
	Machinery and Equipment Performance Management	To prevent machines and equipment from exceeding the processing capacity of existing specifications, a warning mechanism has been established for continuous monitoring and detection of current workstation data volumes. This enables optimal resource allocation. Additionally, data classification and cleanup mechanisms have been implemented, and regular evaluations are conducted to determine whether equipment updates or expansions are necessary.	<ul style="list-style-type: none"> Both system performance and storage capacity remain stable, with no major incidents affecting work efficiency or product development timelines.



Climate Change Response Strategies

M31 has established an internal control system and an internal audit system, and in 2016, implemented a risk management policy to integrate ESG risk management practices in support of sustainable operations. As the impacts of global warming, extreme weather, and energy and climate-related issues have grown increasingly significant, M31 began adopting the framework of the Task Force on Climate-related Financial Disclosures (TCFD) in 2023 to mitigate potential climate-related risks to company operations.

Following the TCFD structure—covering governance, strategy, risk management, metrics, and targets—the Sustainable Development Committee identifies climate-related risks and opportunities, consults with external experts, and formulates appropriate response strategies. The implementation status is reported to the Board of Directors annually, with the Board overseeing progress and effectiveness. The most recent report was presented to the Board on December 20, 2024.

 Governance	 Strategy	 Risk Management	 Metrics and Targets
<p>Organizational Roles and Responsibilities —</p> <p>The Sustainable Development Committee serves as the primary unit responsible for driving the Company's sustainability initiatives. It gathers climate change-related issues associated with business operations and conducts risk assessments, based on which corresponding climate change strategies are formulated. These strategies are reported regularly to the Board of Directors, which reviews the response measures and provides recommendations on feasible directions.</p>	<p>Energy Conservation Policy Promotion —</p> <p>Positioned as a key annual execution strategy, the policy is promoted through platforms and slogans.</p> <p>Resource Reuse —</p> <p>Continue promoting paper recycling and evaluate recycling measures for general waste.</p> <p>Efficiency Maintenance —</p> <p>Procure products with energy-saving certifications and conduct regular maintenance to ensure stable and efficient operation.</p>	<p>Risk Assessment —</p> <p>The Sustainable Development Committee and the Risk Management Committee jointly identify and assess risks, and formulate corresponding response measures.</p> <p>Evaluation and Monitoring —</p> <p>Relevant departments are invited annually to regularly review the assessment of transition risks and opportunities related to policies, regulations, technologies, markets, and corporate reputation, with ongoing adjustments made based on the evaluation results.</p>	<p>Water and Energy Conservation —</p> <p>Internal water and electricity conservation targets are established, with regular tracking of achievement rates and variances.</p> <p>Green Office —</p> <p>Environmental awareness is promoted through internal platforms, encouraging employees to take action. Green office initiatives are implemented annually to help the Company achieve its sustainability goals.</p> <p>Carbon Reduction Plan —</p> <p>A greenhouse gas inventory plan has been developed, targeting a 10% reduction in total Scope 1 and 2 emissions by 2030 compared to the 2024 baseline year.</p>

Climate-Related Risks

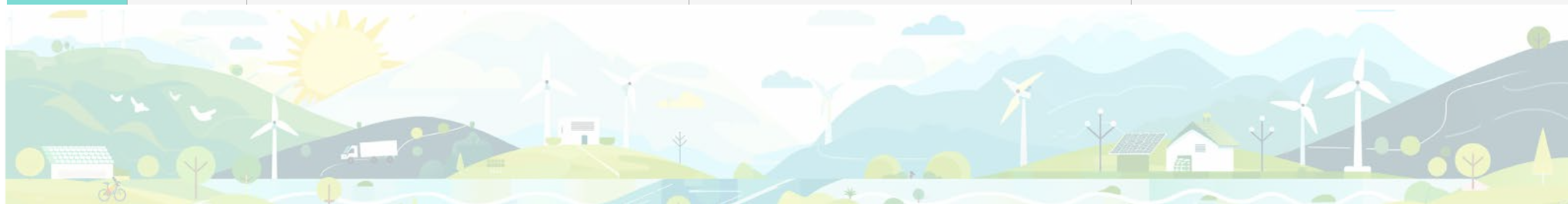
Facing increasingly severe climate change and the resulting extreme weather events, which may pose significant potential impacts on business operations and financial performance, M31 has adopted the TCFD framework to identify climate-related risks and opportunities. By taking into account both internal and external environmental changes, M31 identifies potential impacts, risks, and opportunities that could affect operations and financial performance, and establishes corresponding management strategies.

Risk Assessment	Aspect	Category	Description of Risk Impact	Potential Operational and Financial Impact	Company Management Approach
Transition Risk	Policies and Regulations	Cap-and-Trade and Carbon Credit	The global implementation of carbon taxes and carbon border adjustment mechanisms, along with the government's introduction of carbon fees, may increase operational costs.	Rising electricity rates for indirect energy and increased carbon costs will both lead to higher operational expenses.	Improve internal energy efficiency and implement effective energy management practices to reduce electricity consumption and carbon emissions.
	Energy Supply	Energy Supply Instability	Green energy policies may lead to power instability or shortages, and potential government-imposed electricity restrictions could directly or indirectly disrupt operations.	Depending on the situation, energy storage systems or generators may be added to ensure uninterrupted operations; however, the increased procurement costs may lead to higher operational expenses.	<ul style="list-style-type: none"> Continue maintaining the UPS systems and emergency power generators to reduce the impact of power restrictions. Incorporate energy-saving design as a priority consideration in system procurement.
	Market	Innovative Technology Development	Customer demand for low-carbon products and services is increasing, shifting toward low-power or high-efficiency IP technology services. The Company must consider the design costs required to enhance energy efficiency.	Customers discontinuing the procurement of the Company's IP may result in a decline in revenue.	Develop products that meet high-efficiency and energy-saving requirements to fulfill customer demands and align with market trends.
Physical Risk	Extreme Weather	Increase in Extreme Weather Events	Due to the increasing number of extreme weather days worldwide, phenomena such as typhoons, heavy rainfall, and high temperatures continue to pose challenges. In extreme cases, these events may directly or indirectly disrupt operations.	Power outages or heavy rainfall may prevent employees from carrying out their work as scheduled, leading to operational disruptions or financial losses.	<ul style="list-style-type: none"> Establish uninterruptible power systems and backup mechanisms for air conditioning in core server rooms. Distribute operational sites and implement remote work or backup mechanisms to minimize potential impacts.

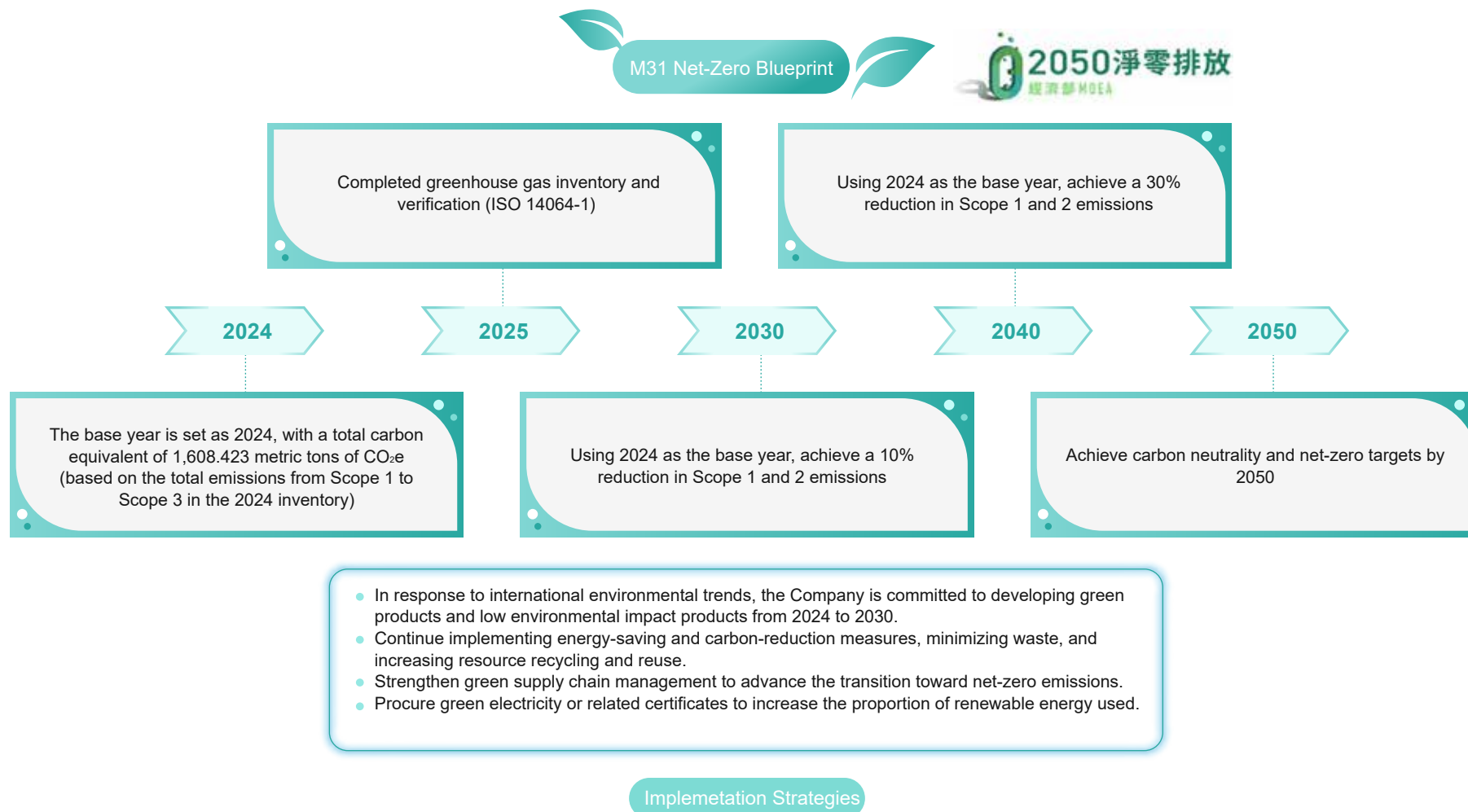


Climate-Related Opportunities

Opportunity Dimension	Opportunity Category	Opportunity Identification	Potential Operational and Financial Impact	Company Management Approach
Resource Efficiency	Resource Use Efficiency	As global climate change progresses, customers are facing increasing regulatory pressure on corporate carbon emissions and energy conservation. In response, the Company proactively meets green energy and energy-saving requirements to strengthen its competitiveness.	To achieve the goal of net-zero carbon emissions, investment in energy storage systems is required, leading to increased procurement costs.	<ul style="list-style-type: none"> Continue implementing virtualization of application servers and virtual workstations to reduce the number of physical machines in use. Continue optimizing the server room environment to further improve power usage efficiency.
	Water Resource Efficiency	Climate change has led to prolonged periods of water shortage and unstable water supply, causing inconvenience in employees' daily lives. The Company addresses this by installing water-saving equipment and promoting awareness of water conservation through daily communication, thereby improving water resource use efficiency.	Effective water resource management improves water use efficiency and reduces water costs.	<ul style="list-style-type: none"> Install water-saving devices and adjust water flow rates to reduce water waste.
Products and Services	Industrial Innovation and Technology	In response to global climate-related regulations and supply chain demands, the Company must enhance product energy efficiency to meet the requirements for low-carbon products.	Collaborating with customers to explore all feasible solutions and co-develop effective energy-saving technologies can strengthen customer relationships.	<ul style="list-style-type: none"> Enhance low-power design to provide more energy-efficient IP technology. Develop high-performance IP technology to achieve low carbon and material reduction goals, supporting the adoption of a low-carbon supply chain.
Resilience	Strengthening Supply Chain Management	Continue driving the supply chain toward low-carbon practices and establish annual targets for reducing greenhouse gas emissions.	By maintaining close partnerships with the supply chain and balancing high-quality, high-value product output with sustainable production management, supply chain resilience can be strengthened.	<ul style="list-style-type: none"> Incorporate ESG aspects into supplier evaluations, and conduct regular audits, follow-ups, and improvements.



Sustainable Development Net-Zero Carbon Emissions Roadmap



◀▶ 2.4 Cyber Security Management

To meet stakeholder expectations and protect product and service information from unauthorized access, modification, use, disclosure, or losses caused by natural disasters, M31 implements cyber security management measures. These efforts aim to earn the trust of customers and suppliers, ensure the continuity of critical business operations, and fulfill commitments to shareholders. The goal is to safeguard the confidentiality, integrity, and availability of key information assets while complying with relevant laws and regulations.

Material Topic	Cyber Security
Policy	<ul style="list-style-type: none"> Ensure the security of data, systems, equipment, networks, and associated information assets by safeguarding their confidentiality, integrity, availability, and legal compliance. These measures aim to protect against both internal and external intentional or accidental threats, while meeting applicable laws, regulations, and contractual obligations
Goal	<ul style="list-style-type: none"> Zero major cyber security incidents reported annually
Responsible Department / Complaint Mechanism	<ul style="list-style-type: none"> Responsible Department: Information Technology Department Complaint Mechanism: IT department extension number and email
Resource Allocation	<ul style="list-style-type: none"> Conduct regular cyber security education, training, awareness campaigns, and audits Regularly review threat intelligence and carry out remediation actions Perform periodic vulnerability scans on servers and carry out remediation Conduct regular business continuity plan drills
Evaluation Mechanism	<ul style="list-style-type: none"> No major cyber security incidents occurred in 2024 No confidential information leaks affecting customer or employee personal data, and no regulatory penalties in 2024 No deficiencies were found in the external auditor account permissions review in 2024 Achieved ISO 27001 certification in 2024



Cyber Security Policy

To strengthen cyber security management, the Company is committed to ensuring the confidentiality, integrity, availability, and legal compliance of its data, systems, equipment, networks, and related information assets. These efforts aim to protect against both internal and external intentional or accidental threats and to comply with applicable laws, regulations, and contractual requirements. All employees work together toward achieving the following policy objectives:

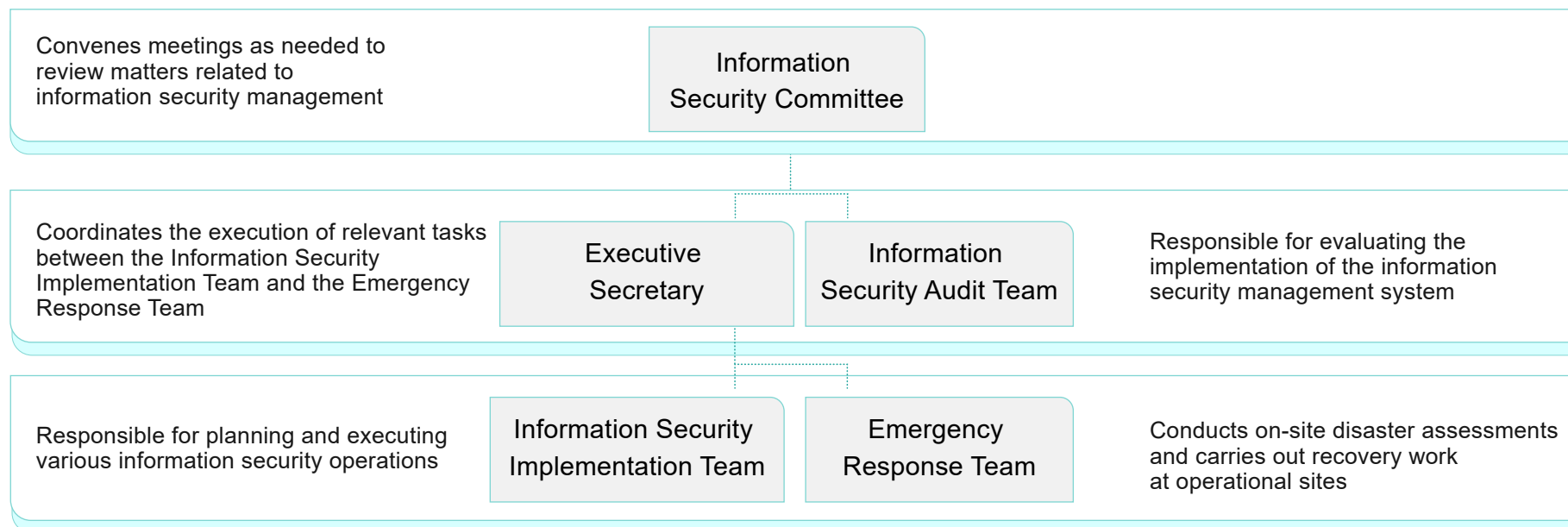
- Ensure the confidentiality and integrity of information assets.
- Ensure data access is regulated according to departmental functions.
- Ensure the continuous operation of information and communication systems.
- Prevent unauthorized modification or use of data and systems.
- Conduct regular information security audits to ensure the effective implementation of security measures.
- Establish off-site backups and redundancy for information systems based on risk levels to safeguard data security.
- Continuously enhance defensive capabilities to mitigate cyber security threats in response to the increasing diversity of internet applications.

Cyber Security Implementation Overview

- In 2024, M31 passed the certification for the international standard ISO/IEC 27001:2022 Information Security Management System and obtained the certificate on January 8, 2025. Following this standard, the Company implements the “Plan-Do-Check-Act” (PDCA) cycle of operations, conducting at least one internal self-audit and one external third-party audit each year to ensure the effective implementation of the ISO 27001 management system. A certificate renewal process is also carried out every three years to maintain the validity of the ISO 27001 certification. The current certificate is valid until January 8, 2028.
- Through the implementation of this system, the Company aims to strengthen its ability to respond to cyber security incidents and protect the assets of both the Company and the customers.
- To enhance employees' responsiveness and awareness of cyber security risks, M31 conducted a social engineering drill in 2024. A total of 367 phishing emails were sent, and the overall employee pass rate was 94.28%. The Company will continue to conduct such drills irregularly and promote cyber security policies through the homepage of the internal website to improve overall cyber security awareness. In addition, since 2023, the Company has incorporated cyber security courses into mandatory training for all employees. In 2024, a total of 279 participants received relevant training.
- In 2024, the Company reviewed the implementation of cyber security policies across departments and confirmed no cyber security incidents occurred. The status of cyber security risks and management performance were reported to the Board of Directors on August 6, 2024.

Cyber Security Management Structure

M31 took early action ahead of regulatory requirements by establishing a dedicated information security team in 2022, including a Chief Information Security Officer and dedicated information security personnel, to strengthen the Company's information security management system. In 2024, the Company formally established the Information Security Committee, with the CEO serving as the Committee Chair and the Head of the IT Center appointed as the Executive Secretary, responsible for overseeing company-wide cyber security operations. The Committee is tasked with formulating information security policies, planning and implementing security measures, and promoting the execution of various cyber security initiatives. Its members include senior executives, and heads or representatives from risk management, business, and other key departments. Together, they support and supervise the implementation of cyber security tasks to ensure the integrity and effectiveness of the Company's information security system.



Cyber Security Policy

Category	Item	Policy Explanation
Employee Management	<ul style="list-style-type: none"> Cyber Security awareness campaigns 	<ul style="list-style-type: none"> Cyber security orientation for new employees Regular sharing of major domestic and international cyber security incident cases with employees Conduct social engineering drills on an irregular basis
Device Control	<ul style="list-style-type: none"> Antivirus software Blocking of untrusted devices 	<ul style="list-style-type: none"> Procurement and setup of cyber security systems Detection and update measures for vulnerabilities, threats, and viruses on servers/computers Network access granted only to computers that comply with system security requirements
Access Management	<ul style="list-style-type: none"> Two-factor authentication Project-based access control 	<ul style="list-style-type: none"> Deployment of a two-factor authentication system Logging into computers requires two-factor authentication (username/password + one-time password) to prevent account theft and misuse Development of internal R&D management systems Strict access control is enforced for all R&D projects; team members must submit a request form and obtain managerial approval before IT personnel grant access rights
Data Management	<ul style="list-style-type: none"> Enterprise-grade storage devices On-site backup architecture Off-site data backup 	<ul style="list-style-type: none"> Procurement of enterprise-grade storage equipment High-availability backup capability; access to project R&D data is strictly controlled and limited to authorized personnel Procurement of enterprise-grade backup software Comprehensive scheduled backup mechanism for company R&D data Off-site storage is implemented to ensure recovery capability in the event of a disaster
Release Management	<ul style="list-style-type: none"> Automated system data transfer Dedicated encrypted space 	<ul style="list-style-type: none"> Development of internal shipment management system When delivering products to customers, a request form must be submitted and approved by relevant supervisors and sales personnel. The system then encrypts the data and directly uploads it to a dedicated space provided by the Company for customer download—without any manual intervention The dedicated space only allows connections from specific IP devices provided by the customer, with access limited to a one-month period

◀▶ 2.5 Innovation and R&D

Material Topic	Innovation and R&D
Policy	<p>M31 is committed to developing boutique IP, continually innovating and improving efficiency to create a future full of infinite possibilities.</p> <p>To pursue ideals, one must have the courage to persist. To chase dreams, one must have the openness to dream boldly. To face challenges, one must have a fearless spirit. To serve customers, one must have a generous and transparent mindset.</p> <p>Striving for a balance between life and R&D progress—that is the boutique culture M31 upholds.</p>
Goal	To be the industry leader in semiconductor IP development
Responsible Department / Complaint Mechanism	R&D Department / esg@m31tech.com
Resource Allocation	<ul style="list-style-type: none"> In 2024, consolidated R&D expenses totaled NT\$1,122,090 thousand, accounting for 75.77% of the annual revenue. In 2024, 95 new R&D personnel were added
Evaluation Mechanism	Issue Tracking Management System / Irregular Meetings

Diversified Product Portfolio

M31 has always aimed to be the most trusted IP provider for customers. The Company has devoted substantial R&D resources to achieving industry-leading performance in P.P.A. (Performance, Power, Area). To swiftly deliver IP solutions tailored to various customer needs, M31 has developed dedicated IPs across multiple application domains, including storage devices, the Internet of Things (IoT), artificial intelligence (AI), automotive electronics, mobile devices, and high-speed data centers for 5G applications. These specialized IPs are designed to meet the unique specifications and requirements of each customer.

In addition, M31 is actively expanding the breadth of process technology coverage, with carefully developed IP offerings ranging from 180nm down to 2nm. Beyond standard IP products tailored for each process node, M31 also accepts custom IP requests to meet specific client needs. To provide a more comprehensive service, M31 has completed FPGA verification for the integration of M31's physical layer IP with controller IPs from multiple partners, enhancing ease of integration for customers. Furthermore, M31 offers partial integration services, relieving customers from the time and effort required for controller IP integration and verification. Through system-level solutions, M31 aims to help customers accelerate time-to-market while ensuring product quality.

| M31's IP Advantages:

1. Comprehensive process technology coverage from 180nm to 2nm.
2. In-depth understanding of collaboration models with major semiconductor foundries, offering customers broader capacity flexibility (including TSMC, UMC, GlobalFoundries, VIS, PSMC, SMIC, HLMC, HHGrace, Nexchip, and more).
3. Strong focus on low-power IP development with a solid portfolio of innovative patents.
4. Robust R&D capabilities with global teams across the U.S., Taiwan, India, China, South Korea, and Japan, integrating regional expertise to deliver leading-edge design concepts and highly competitive specifications.
5. Close customer engagement to understand unique needs and pain points, enabling M31 to provide tailored solutions and support customers in achieving superior product competitiveness and sustainable growth.

Advancing Green Design and Smart Technologies

M31 is committed to providing high-efficiency, low-power IP solutions to support customers in achieving net-zero transitions and sustainable chip design. Focusing on applications such as artificial intelligence, automotive electronics, the Internet of Things (IoT), and digital storage, the Company actively develops technologies that help reduce energy consumption and enhance system performance. Specific initiatives include:

- **Reliable IP Solutions:** Accelerating product development timelines for chip designers while minimizing resource waste and risk-related costs.
- **High-Performance, Low-Power IP Energy-Saving Designs:** Optimizing data processing and storage efficiency through compact layouts and high-efficiency, low-power characteristics to reduce overall energy consumption.
- **Enhanced Design Processes and Verification Platforms for Better Energy Efficiency:** Continuously improving design and verification processes to enable cross-node product development, thereby boosting overall chip performance and energy utilization efficiency.
- **Implementation of Energy-Efficient Server Rooms and Scheduling Optimization Software:** Effectively reducing energy usage during the R&D process, improving CPU resource efficiency, and lowering carbon emissions to realize the goal of sustainable, green R&D.

Looking ahead, M31 will continue to advance green design and smart technologies to further improve resource efficiency and drive sustainable development in collaboration with industry partners. Through continuous innovation in R&D and process optimization, M31 is committed to reducing environmental impact and contributing to the sustainable transformation of the global semiconductor industry.



Current Product and Service Portfolio

Main Products	Main Functions	Main Applications
Foundation IP	<p>M31 primarily serves foundries and IC design companies, offering tailored product solutions for various semiconductor process nodes. The product portfolio includes Standard Cell Libraries, Memory Compilers, and I/O Libraries—delivering low-power, high-density memory compilers and highly modular cell library IP for design and licensing. In addition, M31 provides customized IP services, developing low-power or high-speed IP tailored to customer specifications. These solutions are designed to meet specific system design requirements and enhance overall product competitiveness.</p>	<p>The IP currently developed by M31 is applied across the following areas:</p> <ul style="list-style-type: none"> • In HV processes: Panel driver ICs • In BCD processes: Power management ICs • In eFlash processes: Microcontroller ICs, smart card ICs, and IoT ICs • In logic processes: Products spanning a wide range of applications, including consumer electronics, wearable devices, mobile devices, storage devices, automotive electronics, artificial intelligence, the Internet of Things, and high-performance computing
High Speed Interface IP	<p>M31 primarily serves IC design companies, offering a product portfolio that includes:</p> <ul style="list-style-type: none"> • USB: eUSB2, USB 1.1/2.0/3.2/4.0 Gen1/3.2 Gen2/4 Gen3x2, USB BCK • PCIe: PCI Express 2.1 /3.1/4.0/5.0 • SerDes: SerDes 10G/5G • MIPI: M-PHY, C-PHY, D-PHY及C/D-PHY Combo • DDR: LPDDR 4/4X, ONFI I/O, ONFI PHY • DisplayPort: 1.4/2.1 <p>These high-speed interface IPs are designed, developed, and licensed based on a wide range of interface specifications.</p>	
Analog IP	<p>The primary service targets are IC design companies, with a product portfolio that includes the design, development, and licensing of various analog IP, such as PLL, ADC, temperature sensors, VDT, and POR.</p>	
IP Integration Service	<p>M31 primarily serves IC design companies, providing three key areas of technical services: IP implementation, IC implementation, and IP integration. These services are aimed at optimizing the implementation of on-chip processor IP cores, helping designers reduce integration time and accelerate time-to-market.</p>	

M31

In recent years, the global semiconductor industry has exhibited three major technological trends. First, the value chain has become more clearly defined, with a significant increase in fabless IC design companies. System application vendors and cloud service providers have also entered the chip design space, driving greater demand for IP. Second, in the post-Moore's Law era, the industry has shifted from traditional scaling to embracing diversified innovation, with heterogeneous integration and 3D architectures playing key roles. Third, data is growing at an exponential rate, and hardware innovation must keep pace with software development to deliver the necessary computational acceleration. As process technologies advance and IC functionality becomes increasingly complex, IC design companies will require more IP than ever before. In this context, the following key application areas are closely related to M31's IP products:

Artificial Intelligence



AI can generally be categorized into three main layers: the cloud (infrastructure), the network (technical and middleware layer), and the edge (application layer). These layers encompass everything from technology-level components—such as chips, high-performance computing platforms, algorithms, deep learning, speech recognition, and big data analytics—to application-level solutions including fintech, smart manufacturing, smart healthcare, and intelligent transportation. The global market is undergoing a significant technological transformation, as artificial intelligence, machine learning, and automation become increasingly integrated into everyday life. The advancement of these technologies depends heavily on capabilities in data collection, management, analysis, and transmission. 5G wireless transmission plays a critical role in enabling real-time data processing and management. The widespread adoption of 5G, fiber-optic networks, and cameras is expected to accelerate the proliferation of AI applications, particularly in edge computing. M31's high-speed interface IP, including PCIe, USB, MIPI, and SerDes, supports the rapid transfer of large volumes of data. In addition, high-speed SRAM and high-performance standard cell libraries provide the essential building blocks for AI computing engines.

Digital Storage



Digital storage devices are used for data exchange and storage of images, videos, and document files. As demand for consumer electronics, such as handheld and portable devices, continues to grow, along with the expansion of enterprise-scale server computing, global demand for storage chips remains strong. To enable large-scale data transmission and seamless connectivity across diverse devices while continuously enhancing speed, storage solutions must support a variety of interface specifications. M31 has developed a comprehensive suite of silicon-proven IP solutions to support a wide range of storage-related IC applications, covering interfaces such as USB, SSD, SD cards, eMMC, and UFS. These IP solutions feature compact area, high-speed data transfer, and low power consumption, and are available across major foundry process nodes to meet market requirements for optimal cost-performance efficiency.

M31 sees strong opportunities in the next generation of the data storage market driven by the continuous advancement of storage speeds and interface standards. For example, PCIe has evolved from Gen2, Gen3, Gen4 to Gen5, while USB has progressed from 1.1, 2.0, 3.2 to 4.0. The rapid iteration of PCIe and USB specifications highlights the growing demand for greater interface bandwidth in computing devices, including data storage solutions.

In recent years, solid-state drives (SSDs) have been replacing traditional hard disk drives (HDDs) as the mainstream storage medium. SSDs offer faster access speeds, larger capacities, and more compact form factors, which help reduce overall system cost. Fueled by advances in AI, edge computing, and cloud computing, SSDs are entering a new era of high-performance computing. To meet these evolving demands, M31 offers a comprehensive ONFI IP solution portfolio spanning process nodes from 55nm to 3nm, addressing market needs for high-performance, high-reliability, and cost-efficient storage chip design.

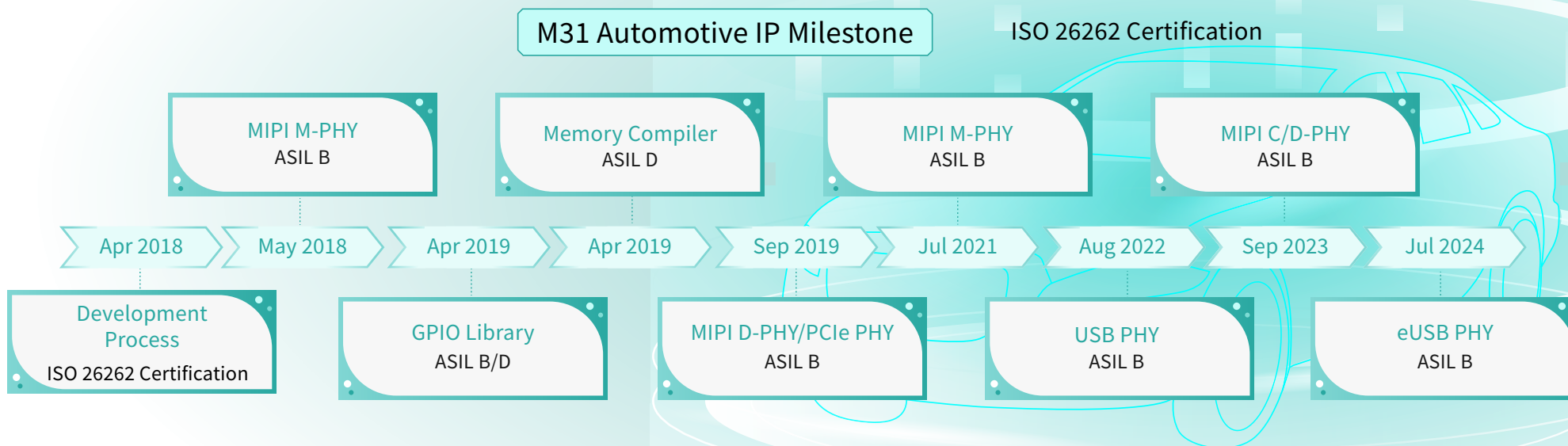
Automotive Electronics

With the maturation of 5G technology and the rapid deployment of infrastructure, the development of the Internet of Vehicles, autonomous driving, advanced driver-assistance systems (ADAS), and intelligent transportation systems is accelerating—creating significant business opportunities. According to the latest report from S&P Global Mobility, global electric vehicle sales are expected to grow by 30% in 2025, reaching 15.1 million units. The market share is projected to rise from 13.2% in 2024 to 16.7%. The automotive semiconductor market continues to grow at a faster pace than the overall semiconductor industry, primarily driven by improved IC supply supporting vehicle sales recovery, and the rapid increase in EV penetration. Over the next two decades, major automakers project that the silicon content in vehicles will increase by 15% annually. With ongoing technological advancements and innovation, automotive electronics are expected to account for approximately 50% of the total vehicle cost. The rapid growth of automotive electronics is an undeniable trend. According to research firm Gartner, the automotive semiconductor market is forecasted to grow at a compound annual growth rate (CAGR) of 12.7% from 2022 to 2027. By 2027, the automotive semiconductor market is expected to surpass both the industrial and consumer markets, becoming the third-largest semiconductor application sector, following only the communications and data center markets.

Unlike consumer electronics, automotive electronics require extremely high levels of safety and reliability. M31's automotive IP offerings—including MIPI M-PHY, MIPI D-PHY, MIPI C/D Combo PHY, PCIe PHY, USB PHY, Memory Compiler, and GPIO—have all obtained ISO 26262 automotive functional safety certification and have been adopted by leading automotive electronics manufacturers across Europe, the U.S., China, Japan, and South Korea. M31 is actively expanding its presence among global automotive manufacturers and across a variety of automotive applications, such as in-vehicle infotainment systems, automotive networks, safety systems, and power management systems, thereby increasing market penetration and share. Despite the long certification cycles and high entry barriers in the automotive sector, M31 has successfully entered the automotive electronics supply chain and has been adopted by major global automotive chip makers and leading new energy vehicle brands. Building on this strong foundation, M31 will continue to invest in the development and validation of automotive-grade IP products.

M31 Automotive IP Milestone

ISO 26262 Certification



Internet of Things

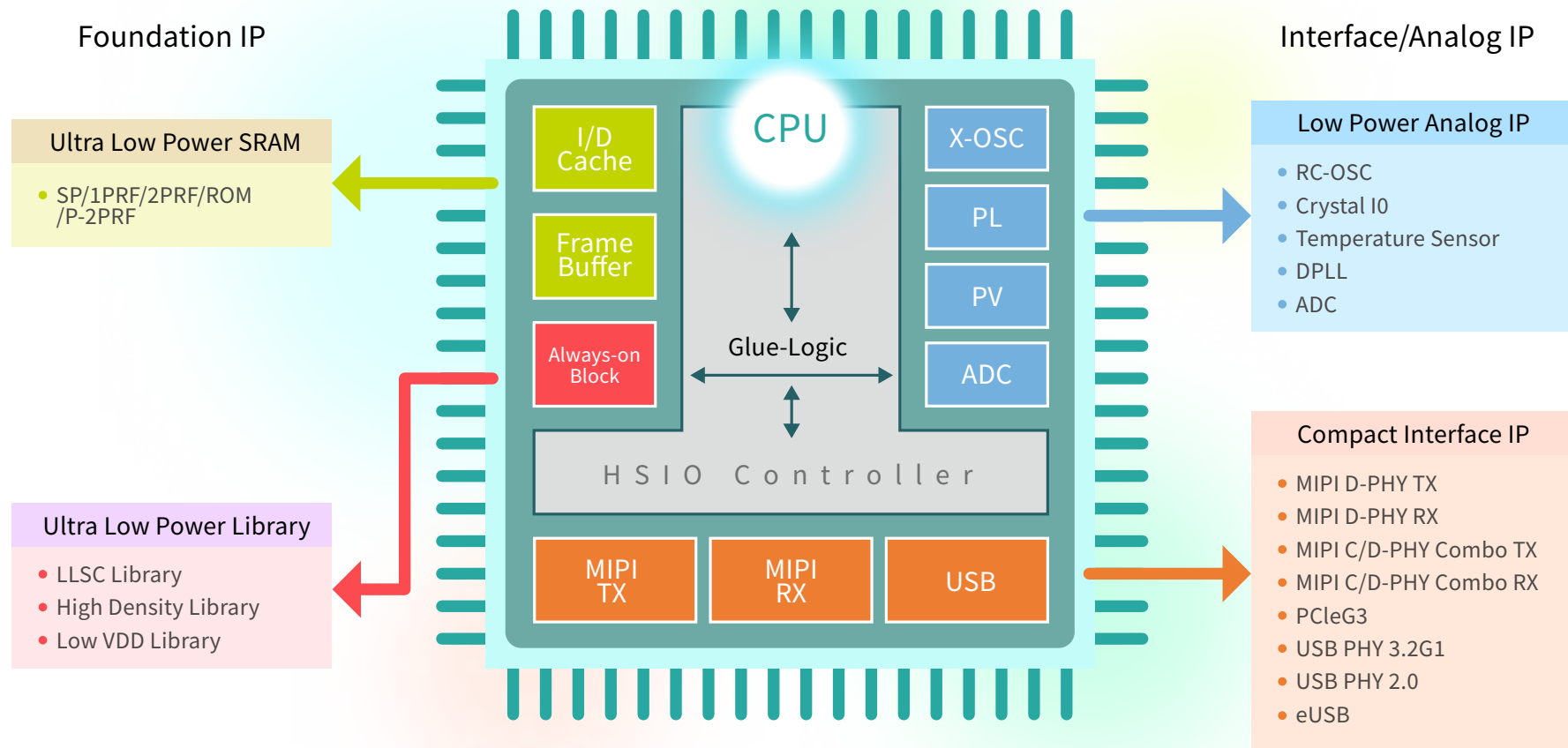
The Internet of Things (IoT) enables devices embedded with chips to "communicate" and establish connections. With the large-scale deployment of NB-IoT and 5G networks, a high-speed, low-latency network environment is being established—making a fully connected world increasingly achievable and accelerating the adoption of downstream application scenarios. The pandemic has further driven the rapid development of contactless applications. As such applications become normalized, IoT is expected to play a critical role across even more sectors. Consumer markets such as smart homes and personal wearables, along with enterprise markets such as the Internet of Vehicles, smart cities, and industrial IoT, have become key drivers of global IoT market growth. Fundamentally, IoT devices encompass MCUs (including ALU, RAM, and eFlash), wireless communication interfaces (such as Wi-Fi and Bluetooth), and sensors (including MEMS and other types). Among these, Bluetooth-connected devices in home and personal wearable applications continue to grow rapidly, driving higher demands for data speed and capacity, and shaping the development trend toward low-power connectivity in future IoT solutions.

IoT devices must sense information, connect to the internet, and perform data analysis, management, and storage—requiring a wide range of ICs and components to meet specific demands and stringent standards. Fundamentally, low power consumption, compact size, and cost-effectiveness are essential requirements for IoT devices. M31 offers a suite of low-power solutions tailored for IoT applications, including green memory, low operating voltage memory, low-power standard cell libraries, low-power I/O libraries, ultra-low-power fractional PLLs (ULFPLLs), and low-power interface IP such as USB4, USB 3.2, USB 2.0, and USB 1.1.

- Green memory supports multiple low-power modes, including standby, light sleep, deep sleep, and power-down, to optimize energy savings.
- Low operating voltage memory enables operation at reduced voltages, effectively minimizing leakage and dynamic power consumption. The low-power standard cell library provides essential logic gates required for energy-efficient SoC designs.
- The ultra-low-power fractional PLL (ULFPLL) operates reliably at very low voltages to conserve power while delivering a stable clock source for SoCs.
- Low-power USB IP (USB4, USB 3.2, USB 2.0, and USB 1.1) is specifically optimized for IoT applications, offering over 30% reduction in operating current and up to 70% reduction in standby current.
- A wide range of low-power, compact IP designs provides customers with competitive, comprehensive solutions for the era of ubiquitous connectivity. In addition, M31's high-speed interface IP and analog IP, combined with its low-power foundation IP library and high-capacity memory compilers, deliver an even more complete solution portfolio.



M31 22nm Platform Solutions



Advanced Design Methodology

— In response to rapid technological advancement and continuous process evolution in the semiconductor industry, M31 has invested substantial R&D resources into enhancing its IP design methodology. This includes IP module development and verification, IP integration development and validation, as well as optimization of design environments and physical verification processes. In addition to completing design execution flows for advanced process nodes, M31 continues to innovate its design processes. Examples include an RTL auto-generator that produces register-transfer-level code based on configurable tables, a critical path analysis tool that compares results between component libraries and SPICE simulations, an automated generator for IEEE 1801-compliant Unified Power Format (UPF) files, and a Cell Evaluation Utility for calculating delay, slew, and timing constraints. As manufacturing processes become more advanced, the need to account for extreme parameter variations has increased. To address the growing number of process corners, M31 has developed a proprietary automation flow for static timing analysis (STA) and violation summary generation, significantly reducing manual verification time and the risk of human error—ultimately accelerating the tape-out process and helping customers speed up product development cycles.

— To enhance the quality of M31's IP and meet customers' product development timelines, we continuously improve our design processes and implement corresponding automation solutions. For example, we have developed a comprehensive PDK automation verification system that automatically generates and verifies test data across schematic, symbol, layout database, and callback layers. We also employ proprietary algorithms and workflows to achieve automated circuit routing, addressing key bottlenecks in netlist-to-circuit conversion that current EDA tools cannot overcome. Additionally, we have developed a system that accounts for deep submicron (DSM) variability across all foundry processes. In terms of layout integration, our solution preserves the original circuit's hierarchical structure while ensuring data consistency and improving integration performance. Through these process automation innovations, we have significantly improved efficiency, reduced the risk of human error, ensured data accuracy, enhanced product reliability, and accelerated product development cycles.

— In addition, M31 has developed an automated solution for generating process-specific layout and routing (APR) design rules across multiple foundries, along with a standard cell library quality assurance system (Multi-foundry APR Tech Creation & Library QA). This platform further supports layout and routing verification (P&R Check) for memory instances and standard cell libraries. Backed by M31's comprehensive low-power design flow, exceptional floorplanning capabilities, and extensive tape-out experience, we are able to meet customer requirements for power efficiency and silicon area optimization—helping to reduce production costs and enhance competitiveness, while contributing to energy savings and carbon emission reduction. Through rigorous sign-off criteria and high-standard verification flows, combined with robust testing experience, M31 helps customers improve chip yield, reduce chip rejection rates, and avoid unnecessary waste in chip production and packaging.

R&D Progress Overview

Deepen Collaboration with Foundries and Focusing on Sub-16nm FinFET	<ul style="list-style-type: none"> 12nm process: Launched standard cell libraries, memory compilers, and general-purpose I/O libraries to meet high-performance and low-power requirements. 6nm process: Developed low-power memory compilers to enhance product competitiveness. 3nm process: Invested in the development of foundation IP to strengthen technological capabilities.
Mature and Specialty Process Platforms	<ul style="list-style-type: none"> Expanded engagement with global foundries on 28nm and above mature processes. Deployed high-voltage (HV), embedded non-volatile memory (eNVM), and BCD technologies, and successfully introduced IP into specialty process platforms such as 28nm HPC, 40nm ESF3H, and 40nm HV.
Advanced Memory Solutions	<ul style="list-style-type: none"> Completed design and verification of ONFI I/O and PHY IP on 3nm, 5nm, and 6nm nodes, with ongoing optimization. Developing integrated PHY and controller solutions to expand into AI and edge computing market.
High-Speed Interface IP	<ul style="list-style-type: none"> Completed development of 3nm eUSB2 PHY IP; R&D for 2nm eUSB2 PHY IP is underway. Launched R&D for 2nm PCIe PHY IP. Successfully launched 6nm USB4 PHY IP and DisplayPort TX v2.1 PHY, supporting Type-C USB4 SoCs. Completed development of MPHY Gear 4 & Gear 5 (5nm/7nm) to support applications in automotive electronics, AR/VR, and sensors.
Memory Interface and Analog IP	<ul style="list-style-type: none"> Successfully developed 12nm LPDDR4 / LPDDR4X PHY IP. Completed R&D of 3nm DPLL, showcasing continuous innovation in analog IP technology.

In summary, throughout 2024, M31 continued to align closely with the technological advancement of semiconductor foundries, actively investing in the development of high-performance, low-power foundation IP driven by market demand. This effort spans 12nm and sub-7nm process platforms and extends to foundation IP development for advanced 3nm processes. In the area of high-speed interface IP, M31 has further expanded its product portfolio to address the increasing performance demands of advanced applications. These IP solutions have been widely adopted across diverse markets, including automotive electronics, 5G, artificial intelligence (AI), edge computing, networking, and cloud storage—empowering customers to accelerate innovation and product upgrades. In addition, M31 is proactively advancing into the 2nm technology node, where IP solutions have already received certification and adoption by international institutions and major enterprises, demonstrating the Company's outstanding R&D capabilities and market competitiveness.

◀▶ 2.6 Patent Portfolio and IP Strategy

Patent Portfolio

M31 invests substantial R&D resources and talent each year to develop proprietary advanced technologies, maintaining a leading position in the IP industry. The Company actively builds a robust patent portfolio and enforces trade secret protection to safeguard technological innovation and ensure operational freedom in global markets.

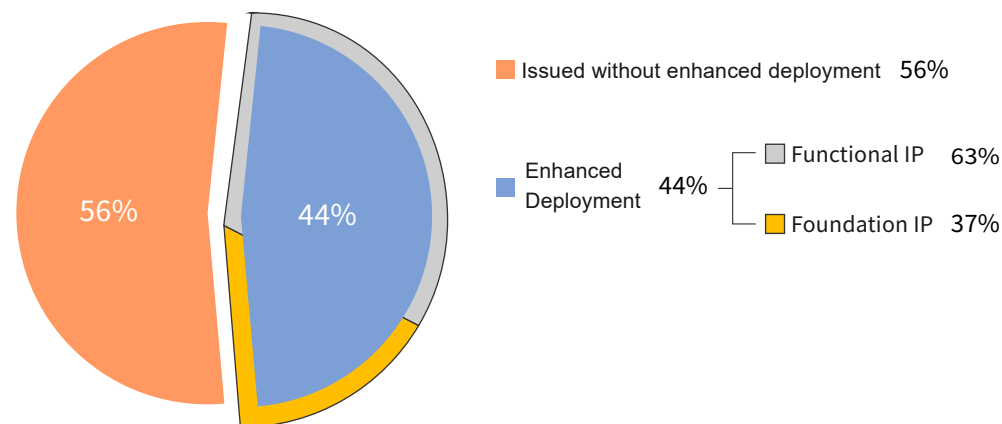
Our high standards for innovation and patent quality are reflected in our strong patent grant rate. In addition to technological novelty, both the intellectual property and R&D teams consider product applications and market trends when evaluating patent filing strategies, ensuring that all patent applications are closely aligned with the Company' s business objectives.

To protect M31' s technological leadership and strengthen overall market competitiveness, a series of patent applications were filed in 2024 as part of our innovation proposals. These patents cover technologies applied in SRAM, ROM, ONFI, MIPI, ADC, and other areas, aligning with key product lines and strategically targeted markets for M31' s ongoing development.”

Moreover, M31 also focuses on strengthening and extending the core technology portfolio. For patents that were previously filed and are approaching grant status, the IP and R&D teams work closely to analyze their application in products and assess their relevance to emerging market trends. Based on this analysis, extension strategies are implemented to build robust patent families around core technologies—enhancing M31' s position in future licensing negotiations.

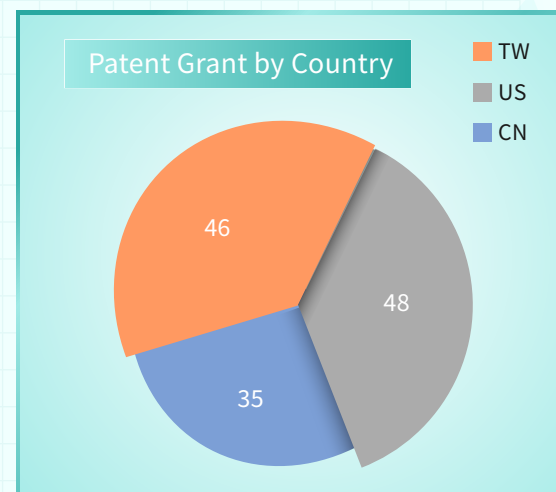
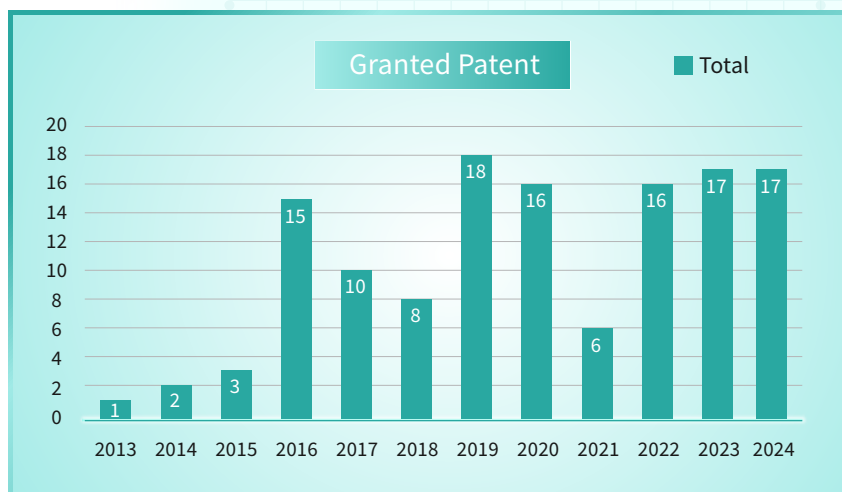
Notably, nearly half of the granted or pending patents have been selected for enhanced deployment. Of these enhanced deployment, approximately 60% fall under Functional IP, primarily related to CDR, dual-mode PLL, and MIPI products. The remaining 40% are Foundation IP, mainly applied to DVFS SRAM, dual-rail memory, and ONFI.

To encourage all employees to actively pursue innovation and patent applications, M31 has established a patent incentive program that rewards innovation and recognizes contributions to the Company' s intellectual property. The accumulation of substantial R&D achievements has been transformed into a strong and well-structured patent portfolio. As of the end of 2024, a total of 129 patents have been granted, with 169 patent applications.



Overview of Strengthened Key Technology Deployment in 2024

Annual Granted Patent and Country Distribution Analysis:

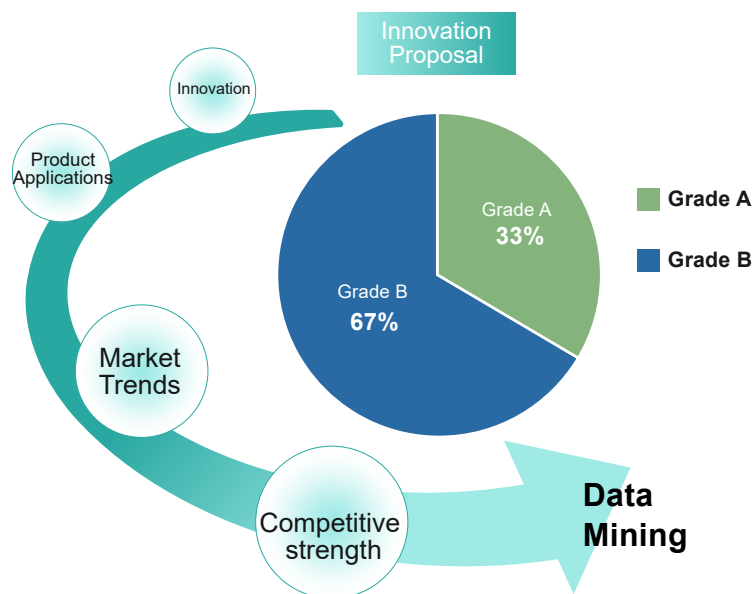


Intellectual Property Strategy:

(1)M31 Intangible Asset Database

To foster a culture of innovation among R&D personnel, M31 has implemented a tiered innovation proposal system that links proposal levels to increased bonus incentives. Through this classification system, key information related to innovation proposals is collected and recorded in the Company's intangible asset database for future data analysis.

The following chart shows the A and B grade distribution of innovation proposals for 2024:



Over 30% of the innovation proposals have been classified as Grade A. These Grade A proposals primarily focus on innovative technologies related to SRAM, ROM, ONFI, MIPI, and ADC, as well as improvements in flow enhancement and VCO performance. The database regularly provides relevant analyses to the management team, enabling them to review R&D outcomes and technology distribution, and to make informed adjustments to resource allocation for future development efforts.

In addition to the technical grading of innovations, information related to the application of the technology in products, market trends, and its contribution to overall competitive strength is also collected in the intangible asset database. Furthermore, M31 enhances the comprehensiveness of the database through initiatives such as the annual outstanding proposal selection and patent portfolio reviews, ensuring the database captures multi-dimensional insights for strategic use.

With the support of the intangible asset database, M31 is able to respond swiftly in various strategic scenarios. During partnership or licensing negotiations, the database enables quick access to relevant innovation technologies or patent portfolios categorized by product and market, serving as valuable leverage at the negotiation table. In the event of infringement litigation, it allows rapid retrieval of corresponding intellectual property assets to support defensive or counteractive strategies. Additionally, by linking the database with talent assessments, the Company can generate quantifiable insights into the innovation capabilities of R&D personnel, providing a useful reference for talent development and recognition.

A comprehensive database enables data mining, which not only helps the Company gain a deeper understanding of its own strengths, but also uncovers hidden connections or previously unknown characteristics within the data. These insights can support and enhance overall business operations and management.

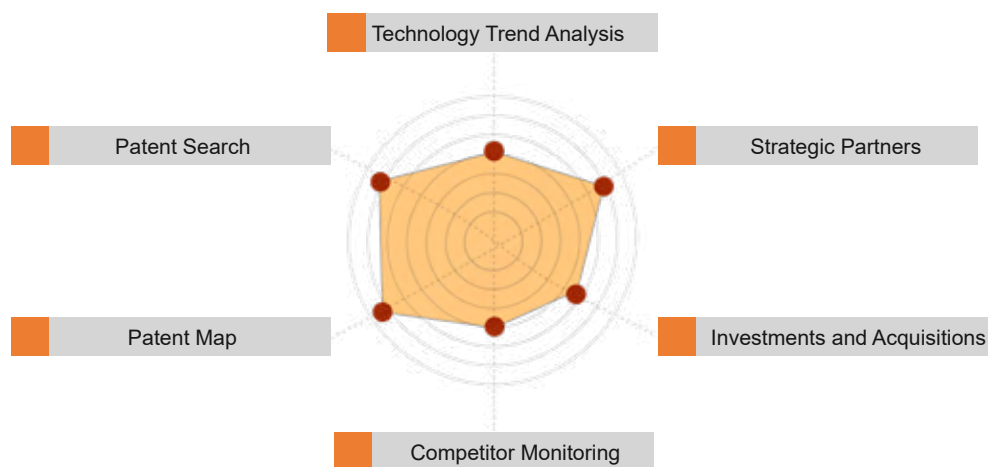
(2)Patent Intelligence

The IPR department establishes dedicated projects each year to support patent intelligence initiatives, including patent searches, patent map, and competitor monitoring. Beyond these functions, patent intelligence is also leveraged to track market and technology trends, and to support strategic decisions related to partnership development and mergers and acquisitions. Containing a vast amount of technical and commercial information, patent data offers valuable insights into industry trends and customer needs, which can be leveraged to guide and inspire the creation of new inventions.

In addition to analyzing the technological evolution of potential strategic partners based on patent information, patent intelligence can be further integrated with insights into both parties' technological strengths, market dynamics, competitive landscape, and industry developments. Whether in the context of investment or acquisition, such patent intelligence can provide valuable input to support decision-making by the executive management team.

The IPR Department conducts patent intelligence gathering and analysis on potential strategic partners or investment and acquisition targets. This includes evaluating the volume, evolution, and trends of their patent filings, as well as assessing the uniqueness of their technological positioning and the strength of their IP portfolio. The findings are provided to the executive management team as a key reference for decision-making.

In line with the principle from The Art of War, "If you know the enemy and know yourself, you will not be imperiled in a hundred battles," the Company' s intangible asset database and patent intelligence are designed to provide accurate and sufficient information to support informed decision-making in an age of information overload, thereby mitigating risk. A well-established intangible asset database, together with a comprehensive patent intelligence system, further strengthens the foundation for the Company' s long-term sustainable development.



2.7 Financial Performance

Financial performance is at the core of the Company's operations, and the pursuit of maximum profitability remains a continuous goal. Since its founding, M31 has upheld a corporate culture of innovation, quality, and passion, driving M31 toward sustainable development. This includes maintaining technological leadership, ensuring customer satisfaction, promoting employee-wide value sharing, enhancing shareholder value, and fulfilling social responsibility, all of which contribute to sustained financial performance.

In addition, through sound corporate governance, M31 continues to strengthen the Company's operational foundation, manage operating costs effectively, and enhance competitiveness. These efforts not only reinforce the confidence of shareholders, employees, suppliers, and customers, but also foster a mutually beneficial, win-win ecosystem that advances the Company's long-term sustainability.

M31 has demonstrated consistent financial performance through prudent management and a solid financial foundation, maintaining profitability each year and returning profits to shareholders through dividend distribution.

In 2024, M31 recorded operating revenue of NT\$1,480,903 thousand, representing an 8.15% year-over-year decline compared to NT\$1,612,337 thousand in 2023. The gross margin remained at 100% for both years. Of the 2024 operating revenue, technical service revenue accounted for 83.83%, while royalty revenue accounted for 16.17%, with a slight decrease in royalty revenue compared to 2023. Net income after tax for 2024 was NT\$126,922 thousand, with a net profit margin of 8.57%, representing a 70.83% decrease from NT\$435,170 thousand in 2023. This decline was primarily due to lower operating revenue and increased operating expenses. Earnings per share (EPS) for 2024 was NT\$3.05.

For the 2024 filing of 2023 data, based on financial subsidies from the government of the R.O.C.: M31 received a total of NT\$32.64 million in tax credits for R&D expenditures and machinery and equipment investments in 2024.

Operating Performance from 2022 to 2024

Unit: NT\$ Thousands

Item	2022	2023	2024
Operating Revenue (a)	1,360,165	1,612,337	1,480,903
Operating Costs (b)	-	-	-
Employee Salaries and Benefits (c)	651,136	766,823	805,640
Payments to Providers of Capital (d)	197,782	253,584	278,734
Payments to Government (e)	63,877	78,146	23,475
Community Investments (f)	217	364	552
Retained Economic Value = a-b-c-d-e-f	447,153	513,420	372,502

Note: "d" refers to cash dividends to shareholders; "e" refers to income tax expenses



For financial information, please refer to the Company's official website

03 Sustainable Environment

3.1 Environmental Management

3.2 Greenhouse Gas Management

3.3 Energy Management

3.4 Waste Management



3.1 Environmental Management

In the face of global climate change and worsening environmental conditions, energy conservation, carbon reduction, and the reduction of greenhouse gas emissions—as well as environmental health and safety—are responsibilities shared by all. M31 is committed to sustainable operations and development while fulfilling the Company's corporate social responsibility. M31 actively promotes energy conservation, carbon reduction, and water resource protection, with environmental sustainability as a core focus. The Company is also dedicated to advancing green products and creating green value-added services, fostering an environmentally conscious corporate culture, and minimizing activities that may negatively impact environmental health and safety.

As part of its Environmental, Health, and Safety (EHS) policy, M31 is committed to minimizing the environmental impact of the Company's activities and operations by pledging to:

1. Respond to global environmental trends by focusing on the development of green products and low-environmental-impact solutions.
2. Continuously promote energy conservation and carbon reduction, minimize waste generation, and enhance resource recycling and reuse.
3. Conduct EHS education and awareness programs to ensure that all employees and individuals working on behalf of M31 understand their environmental, health, and safety responsibilities.
4. Make the policy publicly available and accessible to stakeholders.
5. Conduct regular reviews to ensure effective implementation, maintain relevance and appropriateness, and drive continuous improvement.

Regarding energy policy, in line with the corporate responsibility to society and the goal of sustainable operations, M31 upholds the concept of energy conservation and carbon reduction by promoting an energy management policy that meets international standards.

We are committed to the following energy policies:

1. Support energy-efficient design concepts and prioritize the procurement of energy-saving equipment.
2. Improve energy usage efficiency and continuously enhance energy performance.
3. Foster a green corporate culture and pursue sustainable business operations.
4. Encourage company-wide participation in energy conservation and carbon reduction, while complying with relevant legal requirements.

SUSTAINABLE DEVELOPMENT



M31's Practices:

- Promote setting indoor air conditioning to optimal temperatures and install heat-insulating curtains based on sunlight exposure and heat load conditions.
- Perform regular maintenance on air conditioning systems to ensure efficient operation.
- Implement waste sorting, reduction, and resource recycling efforts.
- Plan and conduct workplace environment testing to provide employees with a safe and comfortable work environment.
- Encourage employees to bring their own water bottles or mugs to internal meetings; no plastic bottled water is provided to visitors, and cups are offered instead.
- Remind employees to turn off computers and monitors after work or when not in use to reduce unnecessary power consumption and achieve energy conservation and carbon reduction goals.
- Choose energy-efficient appliances with energy-saving labels, such as air conditioners, refrigerators, and multifunction printers.
- Use toner cartridges with eco-labels and photocopy paper that meets green procurement standards.
- Advocate reducing the use of disposable tableware and drinkware among employees.
- Turn down the faucet's water flow as needed to conserve water.
- Turn off lights, air conditioning, and projectors in meeting rooms after meetings.
- Use LED energy-saving lighting throughout the office.
- Gradually implement green procurement for office infrastructure and equipment.
- Other important and necessary measures (to be continuously promoted and adjusted annually).



Environmental Management Performance

M31's greenhouse gas (GHG) inventory performance over the past two years is shown in the table below:

Year	Greenhouse Gas Inventory: Carbon Dioxide Emissions (Metric Tons)		
	Total Emissions	Per Capita Average	Reduction Rate
2023	3174.4095	5.5434	-12.52%
2024	1608.4230	4.4165	20.33%

Note: In 2023, the physical boundary was expanded to include the Taipei office, and the inventory was conducted in accordance with ISO 14064-1, covering Scope 1 to Scope 3.

Note: In 2024, the India and U.S. subsidiaries were included, and a Scope 1 to Scope 3 inventory was conducted in accordance with ISO 14064-1; therefore, 2024 was established as the baseline year.

Note: In 2024, the GHG inventory included certain subsidiaries. However, the inventory methodology was re-evaluated to ensure the reasonableness of data collection methods. As a result, the total greenhouse gas emissions showed a significant decrease compared to 2023.

M31's water usage performance over the past two years is shown in the table below:

Year	Water Consumption (Million Liters)		
	Total Water Consumption	Per Capita Average	Target Value
2023	4.036	0.01452	Achieved
2024	4.693	0.01586	Achieved

Note: The target is to maintain annual water consumption below 0.017 million liters per person.

Note: The water usage scope covers the headquarters only. As M31 has no process-related water use, all consumption is for domestic (office) purposes.

Note: M31's water source is tap water, used exclusively for office purposes with no industrial processes involved. In 2024, total water consumption was 4.693 million liters (water consumption equals water withdrawal and discharge), with zero water loss.

Note: 1,000 cubic meters = 1 million liters.

M31's general waste performance over the past two years is shown in the table below:

Year	General Waste Weight (Metric Tons)
	Total Weight
2023	3.537
2024	3.966

Note: Total general waste weight is calculated as the average annual waste generated per person multiplied by the average number of employees in the given year.

3.2 Greenhouse Gas Management

M31 adheres to its environmental, safety, and health policies of “Developing Green Products” and “Implementing Energy Conservation and Waste Reduction.” The company is committed to promoting energy conservation and carbon reduction, publicly disclosing carbon management information, and fulfilling its corporate social responsibility. By doing so, M31 aims to take responsibility for environmental protection and mitigate the environmental and climate impacts caused by the company’s greenhouse gas emissions and their contribution to global warming. The summary table below outlines the key themes related to greenhouse gas emissions:

Material Topic	Greenhouse Gas Emissions
Policy	<p>To fulfill the Company’s responsibility for environmental protection and to mitigate the environmental and climate impact caused by greenhouse gas emissions and global warming, M31 is committed to the following actions:</p> <ul style="list-style-type: none"> • Conducting comprehensive greenhouse gas inventories • Continuously promoting energy conservation and carbon reduction measures
Goal	<ul style="list-style-type: none"> • M31 recognizes the significant impact of greenhouse gases on the planet—an issue that all global citizens must address • Starting in 2023, the Company committed to conducting greenhouse gas inventories and, based on the results, implementing energy conservation and carbon reduction measures • Completed the roadmap for M31’s sustainable development and net-zero carbon emissions target, also known as the Net-Zero Blueprint. For details, please refer to Section 2.3 “Risk Management and Climate Change Response Strategy”
Responsible Department	Greenhouse Gas Inventory Committee
Resource Allocation	The annual greenhouse gas inventory is initiated by M31’s Greenhouse Gas Inventory Committee, with the Executive Secretary responsible for coordinating, directing, and supervising the team members throughout the verification process
Evaluation Mechanism	<ul style="list-style-type: none"> • Report Preparation Frequency: Once per year • Responsible Unit: The Greenhouse Gas Inventory Committee is responsible for preparing the report and providing related information • After the report is completed, it undergoes an internal verification process. Any identified deficiencies are corrected before internal distribution • Once the report has passed external verification and any deficiencies have been addressed, it will be publicly disclosed and become effective to ensure its accuracy • The report is prepared and revised in accordance with the Company’s internal regulations • If there are any future changes to the scope of the inventory, the report will be revised and reissued accordingly

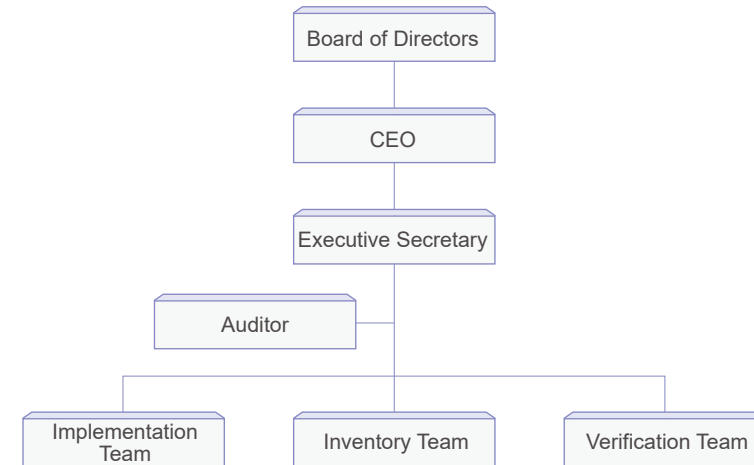
Greenhouse Gas Inventory Committee

M31 Technology Corporation's Greenhouse Gas Inventory Committee is responsible for the following:

- Greenhouse Gas Inventory: The organizational structure of the committee is shown in the diagram on the right
- Preparation of the GHG Inventory Register: Inventory Team
- Internal Verification of the GHG Inventory: Verification Team (qualified personnel)
- Assisting the CEO with Progress Management (including report preparation): Executive Secretary
- Management of GHG Inventory Targets and Performance: CEO
- Approval of the GHG Inventory Report: Board of Directors



Greenhouse Gas Inventory Committee



Greenhouse gas emissions, which contribute to extreme climate events, are a critical environmental issue faced by the global community. Although M31 is not a major energy consumer, we recognize that, as a member of the global community, reducing greenhouse gas emissions is a shared responsibility among businesses. Starting in 2024, M31 fully implemented ISO 14064-1 for greenhouse gas inventory, aiming to gain insight into the current status and trends through the inventory process in order to establish emission reduction targets. The original base year for the inventory was set as 2023; however, due to the inclusion of subsidiaries in India and the United States in the 2024 carbon inventory, the base year has been revised to 2024.

Emission Scopes and Categories

The following tables outline the items covered under the reporting boundary of this inventory, including direct greenhouse gas emission sources and significant indirect greenhouse gas emission sources:

(1)Emission Scopes and Categories

Category		Equipment (Emission Source)
Scope 1: Category 1	1.4 Anthropogenic Systems/Fugitive Emissions	Chiller – HFC-134a/R-134a, Tetrafluoroethane HFC-134a/R-1 Household Refrigeration Equipment – R-600a, Isobutane (CH ₃)CHCH ₃ Refrigerated Air Dryer – HFC-134a/R-134a, Tetrafluoroethane HFC-134a/R-1 Air Conditioning Refrigerant – R-410A, R32/125 (50/50 blend) Other Refrigerants – R-404A, R125/143a/134a (44/52/4 blend) (HFCs)
Scope 2: Category 2	2.1 Purchased Electricity	Electric meters are used in Taiwan to measure electricity consumption, while in the U.S. and India, office average annual electricity usage and office floor area (m ²) are used to calculate CO ₂ emissions
Scope 3: Category 3	3.2 Downstream Transportation	Product transportation (air freight) is calculated based on air cargo transport mileage (CO ₂ emissions)
Scope 3: Category 4	4.1 Purchased Goods	Upstream carbon footprint from electricity extraction and transmission attributed to fossil fuel-based power generation (CO ₂ emissions)

(2) Emissions Statistics by Type of Emission Source

Item	CO ₂	CH ₄	N ₂ O	HFCs	PFCs	SF ₆	NF ₃	Category 1 - Annual Total Emissions Equivalent of Seven Greenhouse Gases	Biogenic Emission Equivalent
Emission Equivalent (metric tons CO ₂ e/year)	0.0000	0.0000	0.0000	43.4311	0.0000	0.0000	0.0000	43.4311	0.0000
Gas Composition Ratio (%)	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	100.00%	-

(3) 2024 Greenhouse Gas Emissions Statistics by Category

Boundary Reporting Type	GHG Emissions (metric tons CO ₂ e/year)	Total GHG Emissions by Category (tons CO ₂ e/year)	Proportion of GHG Emissions by Category (%)
Scope 1: Category 1 1.4 Anthropogenic Systems/ Fugitive Emissions	43.4311	43.4311	2.70
Scope 2: Category 2 2.1 Purchased Electricity	1307.2819	1307.2819	81.28
Scope 3: Category 3 3.2 Downstream Transportation	0.2230	0.2230	0.01
Scope 3: Category 4 4.1 Purchased Goods	257.4869	257.4869	16.01
Total Direct and Indirect GHG Emissions – Location-Based (Metric Tons CO ₂ e/year)		1608.423	100.00
Total Direct and Indirect GHG Emissions – Market-Based (Metric Tons CO ₂ e/year)		1608.423	100.00

Note : Third-party verification of the 2024 inventory data was completed in April 2025. The information will be updated on the Company' s official website upon receipt of the formal verification statement.

Note : Emission factors are based on version 6.0.4 of the Taiwan EPA' s Greenhouse Gas Emission Factor Management Table, and GWP values are adopted from the IPCC AR6 version.

◀▶ 3.3 Energy Management

M31 is a boutique IP design company engaged in product design, R&D, and sales. The energy demand at the Company's headquarters primarily comes from data center equipment, air conditioning, and lighting. Currently, no renewable energy is used; all energy consumed is non-renewable, with electricity being the primary source, all of which is purchased from Taiwan Power Company.

In the 2024 carbon inventory, due to the inclusion of subsidiaries in India and the United States, electricity activity data was estimated based on literature from the Architecture and Building Research Institute, Ministry of the Interior, R.O.C. In 2024, the Company's total electricity consumption was 2,665,760 kWh, equivalent to 9,596.736 GJ; the energy intensity was 6.49 GJ per million in revenue.

◀▶ 3.4 Waste Management

M31 operates in the IP R&D and design industry, and service provision does not generate wastewater, exhaust gases, or other hazardous outputs. All waste produced by the Company is general waste and is centrally managed by the Taiyuan Management Center. No hazardous industrial waste is generated, and both the volume of waste produced and the recycling rate are zero. In addition, there was no product or electronic waste in 2024, with a total generated weight of 0 metric tons and a recycling rate of 0%.

The 5R principles for general waste reduction are outlined in the table below.

General Waste Management	
Reduce	Reduce office waste, such as minimizing paper usage and reducing the use of paper cups.
Reuse	Office supplies should be reused or repurposed when possible — for example, using the blank side of used paper for printing.
Recycle	Collect all used office items for proper classification and recycling — for example, used batteries, waste paper, and aluminum or tin cans.
Repair	Reusable office items should be repaired and reused whenever possible to reduce resource waste and save on procurement costs.
Refuse	Promote green procurement of selected office supplies by avoiding the purchase and use of items that are polluting or lack environmental sustainability — for example, print paper and paper towels.

04 Industry Sustainability

4.1 Talent Sustainability

4.2 Friendly Workplace

4.3 Supply Chain Management

4.4 Quality and Customer Service

4.1 Talent Sustainability

Material Topics	Labor Relations
Policy	<ul style="list-style-type: none"> • Provide competitive compensation and comprehensive on-the-job training. • Seamless labor-management communication. • Healthy workplace.
Goal	<ul style="list-style-type: none"> • Actively promote a workplace culture that supports work-life balance. • Adjust the compensation structure annually based on individual performance contributions. • Continue to strengthen campus engagement, establish industry-academia collaboration, and foster talent development.
Responsible Department /Complaint Mechanism	<ul style="list-style-type: none"> • Responsible Department: Human Resources Department. • Complaint Mechanism: Employees may submit concerns via the employee complaint mailbox or suggestion box.
Resources Allocation	<ul style="list-style-type: none"> • Campus Engagement: Actively develop industry-academia collaboration. • Recruitment and Employment: Effectively provide and utilize manpower based on the annual workforce planning objectives to meet the staffing needs of each department and ensure high-quality talent. • Compensation and Benefits: The Company establishes a fair and competitive compensation and benefits system based on market salary benchmarks and job evaluations. When the Company generates profits, it shares them with employees through mechanisms such as employee compensation and year-end bonuses. Salary adjustments are carried out in accordance with business performance and by taking into account factors such as domestic economic growth, consumer price index, and industry-wide salary trends. • Establish dedicated complaint channels for anti-discrimination, prevention of sexual harassment, stalking, gender equality, and workplace bullying, with a commitment to fostering a diverse, inclusive, supportive, and friendly workplace.
Evaluation Mechanism	<ul style="list-style-type: none"> • Regularly hold labor-management meetings to foster a workplace environment with seamless communication. • Launched the "Internship Scholarship Program" in 2024. • No incidents of sexual harassment, discrimination, or unlawful infringement were reported in 2024.

M31 places great importance on protecting employee labor rights and is committed to creating a safe and fulfilling workplace. The Company offers equal and inclusive job opportunities, implements gender equality policies, and fosters a culture of mutual respect. Competitive compensation packages are provided to strengthen employee engagement, reduce turnover, and support stable business operations. M31 also has a comprehensive training system in place, regularly offering various training programs to enhance employees' professional skills and workplace competitiveness. With a transparent promotion pathway, employees can clearly anticipate potential career development opportunities. Through constructive labor-management interactions, employees are encouraged to openly share their opinions during labor-management meetings, and the Company responds in good faith to build mutual consensus. Additionally, M31 enforces a robust occupational health and safety management system to strengthen performance in workplace safety and effectively safeguard employees' physical and mental well-being. Lastly, staying true to the principle of giving back to society, M31 not only delivers strong financial performance but also actively participates in public welfare initiatives and supports vulnerable communities, thereby fulfilling the Company's social responsibility.

Human Rights Policy

M31 is committed to treating all employees equally by implementing various equality measures to eliminate labor conditions that may lead to workplace inequality and to safeguard employee labor rights. The Company values employee rights and strives to foster a human rights-friendly work environment. M31 follows internationally recognized human rights principles as outlined in the “Universal Declaration of Human Rights,” “United Nations Global Compact,” “UN Guiding Principles on Business and Human Rights,” and “ILO Declaration on Fundamental Principles and Rights” at Work. M31 respects fundamental human rights, including freedom of association, protection of vulnerable groups, prohibition of child labor, elimination of all forms of forced labor, and prevention of discrimination in employment. The Company is firmly committed to gender equality and fair treatment for all employees. In addition, M31’s compensation policy ensures that salary decisions are made fairly and are not influenced by gender, age, race, religion, or political beliefs.

M31 also complies with labor and human rights regulations, actively promoting awareness of human rights protection and labor rights to both new hires and current employees. The Company provides a whistleblowing channel for employees, with designated personnel conducting due diligence upon receiving a report. Whistleblower identities are kept confidential, and if the report is verified, M31 guarantees that no retaliatory action will be taken against the whistleblower. In 2024, the Company recorded no incidents of human rights violations. Additional compliance with human rights policies is outlined as follows:

- The Company respects employees’ rights to collective bargaining and assembly. In accordance with legal requirements, quarterly labor-management meetings are held to coordinate labor relations, promote cooperation, and enhance employee productivity (creating a positive work environment).
- The Company has established a human rights policy, which it adheres to internally and also requires suppliers to follow, including a strict prohibition against the employment of child labor. Over the past three years, there have been no incidents of child labor at any of the Company’s operational sites or among its suppliers.
- Through the Company’s human rights policy, M31 requires that neither the organization nor its suppliers engage in any form of forced or compulsory labor. A formal complaint mechanism has been established, and over the past three years, no incidents of forced or compulsory labor have been reported at M31’s operational sites or among its suppliers.
- In 2024, a total of 620 participants completed human rights training courses, which covered topics such as personal data protection, sexual harassment prevention, and occupational health and safety.



Employee Statistics

M31 employs local talent for 95% of the senior management positions, demonstrating the Company's commitment to collaborating with local communities to identify and cultivate talent. This approach helps attract outstanding professionals to work locally, fosters community recognition, and contributes to the improvement of the regional economy. The Company is headquartered in Taiwan, with overseas subsidiaries located in the United States, India, and China.

Operational Site	Total Number of Senior Executives	Local Residents Employed as Senior Executives	Percentage
Headquarters(HQs)	25	25	100%
Overseas Subsidiaries(OS)	4	3	75%

Note: Senior executives are defined as management positions at the level of Associate Director (inclusive) and above.

Employee Composition					
Statistic/Year		2024			
Total Number of Employees		363			
Labor Contracts		Non-Fixed-Term		Fixed-Term	
		HQs	OS	HQs	OS
Gender	Male	206	46	3	0
	Female	91	12	5	0
Employment Types		Full-Time		Part-Time	
Gender	Male	206	46	3	0
	Female	91	12	5	0

Note: In 2024, there were a total of 2 non-employee workers, including 2 outsourced personnel.

Employee Diversity Statistics

Starting from 2024, overseas subsidiaries are included, and the following personnel statistics are presented on a consolidated basis.

Item / Year		2024	
Total Number of Employees		363	
R&D / Non-R&D		Headcount	Percentage (Note)
R&D			
Gender	Male	239	65.84%
	Female	80	22.04%
Age	Under 30	87	23.97%
	30~39	123	33.88%
	40~49	87	23.97%
	50 and above	22	6.06%
Education	PhD	9	2.48%
	Master' s Degree	203	55.92%
	Bachelor' s Degree	103	28.37%
	Associate Degree	3	0.83%
	High School	1	0.28%
	Below High School	0	0.00%
Non-R&D			
Gender	Male	16	4.41%
	Female	28	7.71%
Age	Under 30	2	0.55%
	30~39	18	4.96%
	40~49	12	3.31%
	50 and above	12	3.31%
Education	PhD	2	0.55%
	Master' s Degree	17	4.68%
	Bachelor' s Degree	23	6.34%
	Associate Degree	2	0.55%
	High School	0	0.00%
	Below High School	0	0.00%

Note: The percentage of employees under age 30 = (Total number of employees under age 30 in the year / Total number of employees in the year) × 100%.

Note: The percentage of employees with a Master' s Degree = (Total number of employees with a Master' s Degree in the year / Total number of employees in the year) × 100%.

Material Topic	Talent Development and Retention
Policy	M31 provides a diverse and inclusive environment to attract professional R&D talent, with a strong focus on continuous talent development to achieve sustainable growth alongside the Company. By building a strong employer brand, M31 attracts and retains outstanding IP talent.
Goal	<ul style="list-style-type: none"> 100% of new employees receive training. Each year, employees across all categories receive an average of 10 training hours. Personal effectiveness and professional training programs are offered to support employees' career development. To strengthen managerial competencies, M31 implements competency-based training programs to enhance leadership capabilities across all management levels, preparing them for future challenges and growth. In response to environmental changes, the Company has reviewed and updated the leadership development roadmap to cultivate leaders capable of meeting future challenges. Advanced technology forums and courses are regularly held to foster innovative thinking and enhance employees' competitiveness. Ongoing upgrades to the training system are in progress.
Responsible Department / Complaint Mechanism	<ul style="list-style-type: none"> Responsible Department: Human Resources Department. Complaint Mechanism: Feedback can be submitted via the employee complaint mailbox or suggestion box.
Resource Allocation	<ul style="list-style-type: none"> Leadership Competency Review: Continually review the leadership competency model and engage in communication with managers to align on leadership development directions. Training and Development: In accordance with the annual training plan, enhance employee capabilities and support their growth to align with the Company's development goals. Training System Implementation: Introduce a training system that integrates e-learning and establishes a comprehensive individual learning record.
Evaluation Mechanism	<ul style="list-style-type: none"> Annual review of training hours to ensure alignment with the yearly plan. Post-training satisfaction surveys. Technical and professional subject evaluations.






Talent Development Formula

For M31, the key to sustainable business operations lies in the continuous learning and growth of employees. Training and development are essential means to ensure the ongoing enhancement of human capital, and as such, the Company places great importance on employee training. The overall learning and development strategy is based on on-the-job training, supported by programs for new employees, role-specific professional training, and self-motivated learning. A credit-based system has also been introduced to align with annual goals and the needs of different business units, thereby establishing a comprehensive and well-structured training framework.

To strengthen talent development, deepen R&D capabilities, and enhance the core competitiveness essential for sustainable business operations, the Company has established a comprehensive training and education system—offering a complete talent development formula. M31 supports employees in their learning and growth, encouraging them to maintain a passion for continuous learning while advancing their professional competencies. The goal is for every team member to find joy in both their work and their learning journey.



Diverse Talent Training System

 R&D Innovative Learning	 Annual Premium Lectures	 Professional Advancement Courses	 Management Leadership Program	 Diverse Learning Experiences
Based on different R&D specialties, we have established R&D training roadmaps and arranged internal and external technical sharing sessions to accumulate technical capabilities. This enables our employees to stay globally connected and aligned with the latest technological knowledge.	Each year, 1–2 premium lectures are arranged, covering a variety of cross-industry themes such as insights from distinguished individuals, humanities, artistic spirit, mental well-being, gourmet culture, and more. Through the sharing of experts and scholars from various fields, employees are able to gain valuable cultural knowledge and inspiration.	To cultivate key competencies across various job functions, the Company plans professional courses each year based on the Company's strategic development priorities. These courses include project management, quality control, recruitment techniques, patents, and more—actively enhancing the critical skills of professional staff.	The Company places great emphasis on continuous development and learning for managers, offering a wide range of management courses. These include manager book clubs, online learning platforms, management competency courses, financial report reading and analysis, and advanced management seminars—all designed to help managers gradually build their leadership mindset.	Based on annual employee training needs assessments, the Company provides learning opportunities beyond professional development to support employees' personal growth. Examples include investment and financial management seminars, premium wine culture courses aligned with the Company's brand, English learning clubs, wellness and mindfulness sessions, work-life balance workshops, and more. Through these diverse learning opportunities, the Company aims to inspire employee potential and broaden their learning experiences.

Training Effectiveness and Outcomes

Employee Training Hours Statistics

Item / Year		2022	2023	2024
Average Training Hours per Employee		14.10	17.11	20.34
Average Training Hours per Employee by Gender	Female	14.95	18.54	21.09
	Male	13.78	17.47	19.97
Average Training Hours per Employee by Category	R&D	13.67	15.00	19.27
	Non-R&D	15.37	27.35	27.80

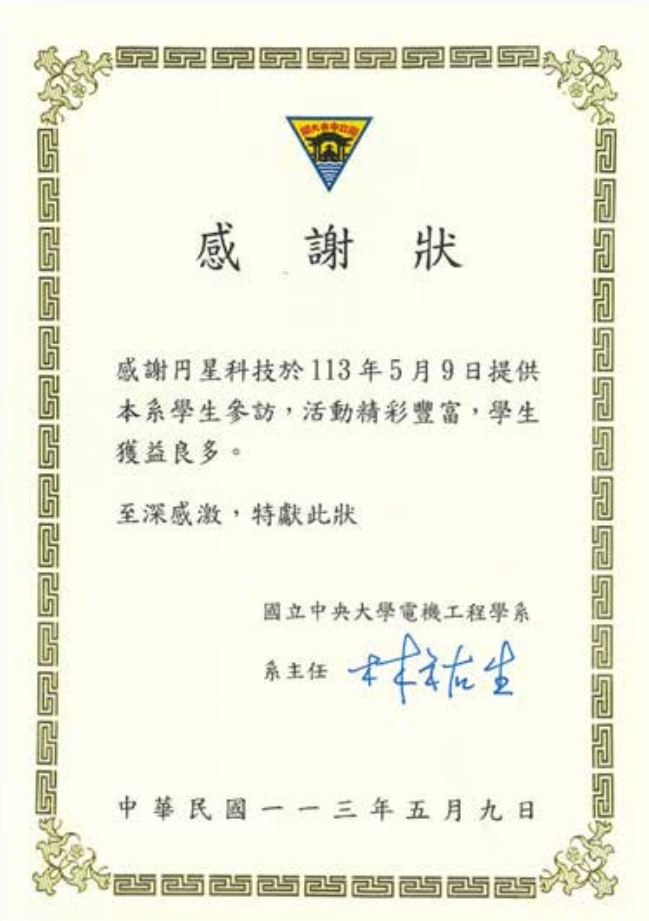
Note: • The average training hours per employee = (Total training hours for all employees during the year / Total number of employees at year-end).
 • The average training hours per female employee = (Total training hours for female employees during the year / Total number of female employees at year-end).
 • The average training hours per employee by category = (Total training hours for the category during the year / Total number of employees in that category at year-end).



Training Benefits and Outcomes

Learning Stage	Category	Course Description	Training Performance
New Employee Onboarding	New Employee Training	Product training, introduction to the quality system, quality awareness orientation, occupational safety and health courses, overview of HR policies, guide to writing annual plans, the first class for M31 employees, and Microsoft Teams usage tutorial.	<ul style="list-style-type: none"> Number of Courses: 13 sessions Total Training Hours: 9.5 hours Total Attendance: 455 participants
Workplace Competency Development	Professional Advancement Courses	Quality Awareness Seminar, DFMEA (Design Failure Mode and Effects Analysis), CAR Lesson Learned, ISO 9001:2015 Internal Auditor Training, and ISO 14064 Introduction and Clause Training.	<ul style="list-style-type: none"> Number of Courses: 12 sessions Total Training Hours: 21 hours Total Attendance: 247 participants
	Innovation and R&D Learning	ASSCC Sharing, Agent Training, PrimeClosure Training and Introduction, TSMC N2 Sharing, Digitally-Enhanced Clock Generation and Distribution, DFT Scan Architecture Introduction, Analog R&D Engineer Knowledge Sharing, and Technical Sharing by Professor Ching-Te Chuang.	<ul style="list-style-type: none"> Number of Courses: 11 sessions Total Training Hours: 27.5 hours Total Attendance: 489 participants
	ESG	ISO 14064-1:2018 Internal Verifier Training for Greenhouse Gases, Implementing DEI Through Inclusive Interview Techniques, ESG Course for Managers – Exploring ESG Development Trends, ESG Lecture by the Society of Wilderness – Loving the Stream, Clearing the Stream; Loving the Water, Keeping It Clean, and DEI – Embracing Differences to Shape a New Corporate Culture.	<ul style="list-style-type: none"> Number of Courses: 5 sessions Total Training Hours: 11.5 hours Total Attendance: 279 participants
	English Courses	Business English Communication Skills for India, TOEIC English Course.	<ul style="list-style-type: none"> Number of Courses: 3 sessions Total Training Hours: 22 hours Total Attendance: 107 participants
Management Leadership Program	Managerial Competency Development	Managerial Competency Development Courses, Excellence in Leadership Courses for R&D Teams, Experience Sharing I – Business Mindset for R&D Leaders, Experience Sharing II – Technical Leadership + Business Mindset, Strategy Alignment Workshop, Executive 1-on-1 Coaching for Senior Managers, Discussion on “High-Performing Teams,” and Agent Training (Team Building & Sharing)	<ul style="list-style-type: none"> Number of Courses: 12 sessions Total Training Hours: 29 hours Total Attendance: 279 participants
Diverse Learning Experiences	Diverse Learning Programs	Health Seminar – Overcoming the Silent Twin Killers: Hypertension and Hyperlipidemia.	<ul style="list-style-type: none"> Number of Courses: 1 sessions Total Training Hours: 2 hours Total Attendance: 60 participants

Campus Engagement



In recent years, M31 has actively cultivated the Company' s employer brand and deepened presence on campuses by establishing communication channels with universities. Beginning with industry-academia collaborations, the Company has signed cooperative agreements with institutions such as National Tsing Hua University and National Yunlin University of Science and Technology, integrating academic knowledge to strengthen R&D momentum. In addition, M31 actively visits campuses, engaging in activities ranging from journal discussions and guest lectures to corporate presentations during campus recruitment seasons. R&D managers and alumni are invited to return to their alma maters to share career insights, which has received highly positive feedback and further strengthened ties with academic departments. The Company also strongly supports corporate site visits, working closely with schools to help students explore future career paths and experience M31' s corporate culture while still in school.

In 2024, M31 collaborated for the first time with the Department of Electrical Engineering at National Central University, inviting students to visit the Company. The event was specifically tailored to help electrical engineering students gain a clearer understanding of career development within the silicon IP industry, aiming to align academic training with future professional paths. During the visit, R&D managers introduced the Company' s development and silicon IP products, while alumni shared insights about employee benefits and work-life experience at M31, offering valuable career advice. Students also toured the R&D workspace, including the art gallery area, to personally experience the Company' s working environment. The visit concluded with an HR-led session outlining job roles and responsibilities, providing students with greater clarity in navigating their future careers.

Moving forward, M31 will continue to strengthen talent development collaborations with universities, aspiring to become a cradle for nurturing talent in the silicon IP industry and cultivating more professional R&D specialists to join the field.



Industry-Academia Collaboration for Talent Development

Since 2020, M31 has actively pursued industry-academia collaborations to advance cutting-edge silicon IP technologies. The Company has proactively sought technical partnerships with university professors through various forms of cooperation, including joint research projects, technical seminars, and internship programs. During these collaborations, M31 provides technical guidance and professional support to interns, enabling them to participate in real-world projects. Through experiential learning, interns gain early exposure to industry culture, allowing them to explore career paths and future development opportunities while still in school—embodying the spirit of integrating academic learning with practical application.

Intern Scholarship Program

Through industry-academia collaboration, M31 has continuously cultivated a number of project-based interns. To effectively integrate talent recruitment with development, the Company aims to identify high-potential students. In 2024, M31 launched its first Intern Scholarship Program, designed to increase the retention of outstanding talent by providing financial support, while helping students begin their career journeys early. This initiative maximizes the benefits of industry-academia cooperation.

Talent Enhancement Program

In 2024, M31 participated for the first time in the "Semiconductor Industry-Academia-Research Collaborative Talent Cultivation for Practical Skills Program." This initiative aims to cultivate forward-looking, customized talent with practical capabilities tailored to corporate needs. By collaborating with the Industrial Technology Research Institute (ITRI), M31 co-developed cross-disciplinary talent aligned with industry demands. Over a six-month period, students engaged in hands-on, project-based learning within practical training environments, under the joint guidance of research institutions and corporate mentors. In the first year of implementation, three students participated and achieved highly positive results.

2024 Campus Engagement Highlights

Given the challenges in cultivating R&D talent for the silicon IP industry, M31 continued to deepen the Company's campus engagement efforts in 2024 through four key strategic pillars. The Company strengthened connections with target universities and key departments, aiming to help students gain early exposure to industry practices and promote the integration of academic learning with practical applications from an educational feedback perspective.

Highlights of Campus Operations in 2024

Journal Discussion



- National Taiwan University
- National Tsing Hua University
- National Chiao Tung University
- National Sun Yat-sen University
- National Chung Hsing University

Campus Recruitment



- National Chiao Tung University
- National Taiwan University
- National Central University

Corporate Site Visit



- Department of Electrical Engineering, National Central University

Industry-Academia Collaboration



- National Tsing Hua University
- National Yunlin University of Science and Technology

4.2 Friendly Workplace

4.2.1 Compensation and Benefits

M31 determines employee compensation based on the achievement of annual business goals and overall company profitability. The Company offers compensation packages that not only comply with local regulations but also exceed them in competitiveness. M31 is committed to ensuring that employee performance is appropriately reflected in individual compensation. All employees undergo regular performance and career development evaluations, and the results are incorporated into career planning considerations. This approach aims to motivate employees with outstanding professional skills to grow into experts in their fields, while also providing advancement opportunities to those with management capabilities and leadership potential.

M31's compensation system primarily considers factors such as individual tenure, academic and professional background, and expertise, without any distinction based on gender or physical/psychological differences. As employees accumulate years of service with the Company and become more proficient in industry knowledge and experience, M31 is committed to sharing profits with employees. This ensures that employees can apply their expertise at work while enjoying stable financial security, thereby strengthening their sense of unity and belonging within the Company. The Company maintains equitable ratios of base salary and total compensation across different genders and job categories. In addition, the standard salaries for all non-managerial employees—regardless of gender—are higher than the local minimum wage.

Base Salary to Total Compensation Ratio			Ratio	
			2024	
Key Operational Site	Employee Categories	Item	Male	Female
Taiwan	R&D	Base Salary	1.33	1
		Total Compensation	1.41	1
	Non-R&D	Base Salary	1.29	1
		Total Compensation	1.25	1

Note: The Company's compensation system does not differentiate based on gender. Differences in compensation primarily reflect factors such as job nature, position level, tenure, educational and professional background, and performance.

In accordance with regulatory requirements, M31 disclosed that in 2024 the average salary of full-time employees not in managerial positions was NT\$2,058,000, and the median salary of full-time employees not in managerial positions was NT\$1,758,000.

For detailed information on the average and median salaries of full-time employees not in managerial positions over the years, as well as changes in these figures compared to the previous year, please refer to the MOPS.



Employee Stock Ownership Trust Program

To encourage employees to share in the Company' s operational achievements, M31 established the Employee Stock Ownership Trust Committee in 2024 to promote the Employee Stock Ownership Trust Program. Participation is entirely voluntary, allowing employees to choose freely whether to join, thereby strengthening their connection and sense of identity with the Company. The program operates under a trust-based structure. Each month, employees may allocate a portion of their salary as a self-contribution, while the Company provides a matching contribution based on a defined ratio. The entrusted bank regularly invests these combined funds in M31' s stock through a scheduled investment plan. Upon the maturity of the designated withdrawal period, the Trust Committee instructs the bank to transfer the acquired shares back to the employees, thereby making them shareholders of the Company. This program not only offers employees a stable, long-term financial planning tool and support for retirement preparation, but also reflects the Company' s commitment to profit-sharing and sustainable talent retention.

Employee Welfare Program

To enhance work efficiency and employee well-being, M31 offers a range of employee benefits along with a comfortable working environment. Various welfare activities are organized on an ad-hoc basis—such as health club subsidies and Employee Sports Day—to help relieve work-related stress and promote positive interaction among colleagues. Recognizing the importance of supporting employees in balancing work and family life, M31 introduced new family-friendly benefits in 2024, including a Fertility Subsidy and Maternity Gift Program, as well as providing clear information on parental leave application procedures. In terms of eldercare support, M31 launched the Elderly Parent Care Program in 2024 to help employees care for aging parents who live alone, enabling them to focus on work with peace of mind while ensuring holistic family care.

Welfare Program	Description
Holiday Bonus	Provides holiday bonuses for the Dragon Boat Festival, Mid-Autumn Festival, and Lunar New Year to help employees feel recognized and cared for during these festive occasions.
Year-End Bonus and Employee Profit Sharing	Based on the Company' s operational performance, individual and departmental performance, and years of service, bonuses are awarded to reward outstanding contributions and share the Company' s success with employees.
Restricted Employee Shares & Employee Stock Ownership Program	Implements restricted employee stock awards and an employee stock ownership program to enable employees to share in the Company' s achievements and growth.
Group Insurance	Provides NT\$1 million in term life insurance, NT\$1 million in accidental injury insurance, and additional accident medical coverage to ensure employees receive essential protection when needed.
Hospitalization Consolation Payment	Provided to employees who are hospitalized due to illness, as a gesture of the Company' s care for their health.
Wedding and Funeral Allowances	Cares for employees during significant life moments by providing wedding and funeral allowances, sharing in both the joys and sorrows of their lives.
Regular Health Checkups and On-Site Health Room	Provides annual health checkups and has set up an on-site health room with a blood pressure monitor and body composition analyzer to support and monitor employees' health.
Nursing (Lactation) Room	A nursing (lactation) room is provided to support employees' family needs, enhance workplace friendliness, and promote a family-friendly work environment.
Snack Station	A variety of snacks are regularly restocked to help employees recharge and stay energized during the workday.
Lunch Subsidy	Provides lunch ordering services and meal subsidies to support employees' daily routines and enhance work-life convenience.
Parking Subsidy	Provides parking subsidies for both car and motorcycle spaces to help reduce employees' commuting expenses.

Welfare Program	Description
Childbirth Subsidy & Preschool Childcare Subsidy for Third Child, Scholarships for Employees' Children	Provides childbirth and childcare subsidies to support employees' growing families, along with scholarships for their children to encourage academic performance.
Maternity Gift Program and Fertility Benefits	The Company offers a thoughtful maternity gift to employees who are expecting or whose spouses are expecting, as a gesture of care and support. Additionally, for employees planning to have children, the Company provides subsidies for fertility treatments, such as artificial insemination or in vitro fertilization (IVF), upon a physician's recommendation—offering warm and heartfelt support during their journey to parenthood.
Elderly Parent Care Program (for Parents Living Alone)	Fully committed to supporting employees' families, the Company launched a program to safeguard the home safety of elderly parents living alone. This initiative includes an emergency alert system to ensure that loved ones can receive timely assistance whenever needed.
Birthday Gift Voucher and Present	Provides electronic birthday vouchers and small gifts to help employees feel appreciated and valued on their special day.
Departmental Activity Fund	Provides departmental activity funds to promote cross-departmental communication and employee interaction, strengthening team cohesion.
Club Activity Subsidy	Provides subsidies for employee club activities to foster strong relationships and teamwork among colleagues, encourage interaction, and support a healthy balance between work and leisure.
Flexible Working Hours	Provides flexible working hours to help employees better balance their work and personal lives.
Recognition for Long-Service Employees	Recognizes long-service employees to encourage continued contribution, enhance job satisfaction, retain institutional knowledge, stabilize teams, and improve overall work efficiency.
Domestic and Overseas Employee Travel Subsidy	Provides domestic and international travel subsidies, allowing employees to relax and recharge outside of work while strengthening team cohesion.
Training and Education Subsidy	Provides education and training subsidies to encourage employees to pursue further learning, enhance their professional skills, and improve job satisfaction.
Festive Events and Celebrations	The Company organizes a variety of festive events (such as year-end parties, birthday celebrations, Mother's and Father's Day activities, Mid-Autumn Festival gatherings, and Christmas caroling) to enhance workplace trust, promote employee interaction, and strengthen team cohesion.



• "Summer fun get-together" – building teamwork and collaboration through fun



• "Cowboy Mid-Autumn Bash" – celebrating the mid-autumn night with a joyful reunion



• "Christmas Concert" – sharing warm moments with colleagues through music

Personnel Turnover Statistics

Starting in 2024, overseas subsidiaries have been included; therefore, the following employee turnover statistics are presented on a consolidated basis.

Item/Year		2024	
Total Employees (Current Year)		363	
New Hires/ Departures		Headcount	Percentage (Note)
New Hires			
Age	Under 30	39	10.74%
	30–39	45	12.40%
	40–49	12	3.31%
	50 and Above	7	1.93%
Gender	Male	71	19.56%
	Female	32	8.82%
Region	Headquarters	65	17.91%
	Overseas Subsidiaries	38	10.47%
Employees Departures			
Age	Under 30	8	2.20%
	30–39	15	4.13%
	40–49	13	3.58%
	50 and Above	4	1.10%
Gender	Male	30	8.26%
	Female	10	2.75%
Region	Headquarters	33	9.09%
	Overseas Subsidiaries	7	1.93%

Note: Total Number of Employees for the Year: Refers to the total number of employees as of 2024/12/31.

New hires refer to employees who were recruited by the Company during the year, including those who joined and left within the same year.

New Hire Rate = (Total number of new hires in the specified category during the year / Total number of employees for the year) × 100%.

Turnover Rate = (Total number of Separated Employees in the specified category during the year / Total number of employees for the year) × 100%.

Parental Leave Statistics

M31 encourages childbirth and provides a variety of support measures for employees during pregnancy and parenting. These include initiatives such as maternity gifts, childbirth subsidies, and a special childcare subsidy for a third preschool-aged child. For employees who require parental leave without pay, the Company is attentive to their needs, ensures proper work support arrangements, and assists them in readjusting to the workplace upon their return. This approach helps employees achieve a balance between work and family life. Due to differences in local regulations and cultural practices, the following statistics reflect the parental leave data for headquarters employees over the past three years:

Employees on Parental Leave / Year	Gender	Statistics		
		2022	2023	2024
Number of Employees Eligible for Parental Leave (Note 1)	Male	16	16	17
	Female	3	2	7
Number of Employees Who Applied for Parental Leave	Male	0	0	0
	Female	0	1	3
Number of Employees Scheduled to Return from Parental Leave (A)	Male	0	0	0
	Female	0	1	1
Number of Employees Who Actually Returned from Parental Leave (B) (Including Early Returns)	Male	0	0	0
	Female	0	1	1
Return-to-Work Rate (B/A) (Note 2)	Male	-	-	-
	Female	-	100%	100%
Number of Employees Who Remained Employed for 12 Months After Returning from Parental Leave in the Previous Year (C)	Male	0	0	0
	Female	1	0	1
Retention Rate = (C / Previous Year's B) (Note 3)	Male	-	-	-
	Female	100%	-	100%

Note1: The number of employees eligible for parental leave is based on the number of male and female employees who applied for maternity or paternity leave in the past three years.



► 4.2.2 Labor-Management Communication

Effective labor-management communication helps foster cooperation between both parties, enabling employees to better understand the Company's business plans, operations, and market conditions. At the same time, it allows the management team to stay informed about employees' working conditions and build a more employee-centered and friendly workplace. M31 strictly complies with all applicable laws and regulations. The Company's internal HR and administrative practices adhere to the local labor laws of each operating site. In accordance with legal requirements, the Company holds labor-management meetings at least once every three months. Management representatives include the CEO, the Corporate Governance Officer, and the Head of Human Resources. Employee representatives are elected from each department and jointly participate in these meetings with management to coordinate labor relations. Through regular and open communication, labor-management cooperation is strengthened. These meetings provide employees with a platform to voice opinions, advocate for improved working conditions, and contribute to the enhancement of labor rights and status.

The Company also provides multiple communication channels—such as employee symposiums, executive-employee meetings, suggestion boxes, and management meetings—to facilitate two-way dialogue. These platforms allow employees to fully express their opinions, while the Company responds in a timely manner and translates feedback into actionable policies. In recent years, M31 maintained harmonious labor relations, with no labor disputes reported.

The Company has established new offices, which resulted in changes to employees' work locations. In compliance with labor regulations, we provided advance notice and explanations of these changes during labor-management meetings and employee symposiums. No employees were laid off as a result of this adjustment.

Lastly, to safeguard employees' financial planning for retirement, all years of service at M31 are counted under the provisions of the Labor Pension Act. In accordance with the Act, the Company contributes 6% of each employee's monthly salary to their individual pension account on a monthly basis and handles all retirement-related matters in compliance with applicable regulations. Since the Company's establishment, no employees have retired.

► 4.2.3 Performance Evaluation

M31 conducts annual performance evaluations for all employees. Performance bonuses are awarded based on individual results. Managers provide fair and objective assessments according to each employee's performance and goal achievement. Through one-on-one meetings, managers also gain a better understanding of employees' situations and offer appropriate support as needed.

2024 Performance Evaluation						
	Item	Reviewed Headcount		Total Number of Employees		Percentage
		Headquarters	Overseas Subsidiaries	Headquarters	Overseas Subsidiaries	
Gender	Male	195	38	209	46	91.37%
	Female	84	7	96	12	84.26%
Employee Category	R&D	247	39	268	51	89.66%
	Non-R&D	32	6	37	7	86.36%

Note: Employees who did not participate in the performance evaluation include those who joined the Company after September (i.e., employees with less than three months of service) or contract-based employees.

Note: Performance evaluation procedures for overseas subsidiaries are implemented in accordance with local laws and regulations.

► 4.2.4 Occupational Health and Safety

To provide a healthy working environment and ensure employee safety, M31 has implemented a robust occupational health and safety management system. We are committed to delivering high-quality, safe products and services that comply with all relevant laws, regulations, and standards. In addition, we actively prevent occupational accidents, promote employee health, and foster a friendly and inclusive workplace—demonstrating our dedication to corporate social responsibility.

M31 is committed to advancing occupational health and safety, promoting employee well-being, and reducing the risk of workplace accidents. In accordance with occupational health and safety management systems and corporate social responsibility standards, we continuously improve the working environment to safeguard employee health and safety, prevent occupational injuries and illnesses, and mitigate potential hazards. Our goal is to ensure full compliance with all relevant occupational health and safety regulations and to cultivate a safe, healthy, and high-quality workplace.



Fire safety training and emergency preparedness

Robust Occupational Health and Safety Management System

- Formulate occupational health and safety management objectives and implement corresponding initiatives to reduce the occurrence of workplace accidents.
- The Company has designated internal personnel responsible for occupational health, safety, and fire prevention management, and has signed contracts with vendors for security, electromechanical systems, and HVAC services. These vendors are responsible for conducting routine inspections and scheduled maintenance tasks (such as periodic HVAC servicing and electrical system maintenance), as well as assisting in the response to abnormal or emergency incidents.
- Implementation of Routine Inspections: The Company has developed an inspection plan for electrical equipment, fire safety systems, and the working environment to proactively identify potential hazards and improve any identified deficiencies, thereby effectively controlling risks. This includes building safety inspections every two years and annual fire safety equipment inspections and reporting, to prevent potential safety hazards.
- Conduct hazard identification for employee operations and provide appropriate personal protective equipment for tasks with higher levels of risk.
- Provide employees with access to emergency first aid kits, as well as free masks and hand sanitizing alcohol to support health and hygiene.
- Regularly conduct fire safety awareness campaigns, establish fire response teams, and carry out evacuation drills. The Company also plans and arranges first aid training (including AED usage) to enhance employees' emergency response and rescue capabilities. An AED is currently installed in the first-floor lobby of the office building, and an additional unit was leased and installed within the Company in collaboration with security services in 2024.
- In accordance with the "Regulations for Monitoring of Labor Working Environments," the Company commissions a certified monitoring institution approved by the Ministry of Labor to conduct workplace environment assessments. Measurements of carbon dioxide (CO₂) levels and lighting conditions are carried out every six months. The monitoring results are disclosed to employees in line with regulatory requirements and serve as a reference for the ESH department to evaluate and implement environmental improvements and energy-saving measures in various areas.
- Appoint first aid personnel in accordance with legal requirements and conduct regular refresher training as mandated by regulations.
- In the event of an occupational accident, the Company conducts an incident investigation followed by the implementation of preventive measures. Awareness messages are then distributed to employees via the internal email system.

Over the years, we have remained committed to employee care, health, and safety, fulfilling our corporate social responsibility while striving for sustainable business development. We firmly believe that the health and safety of our employees are invaluable assets to the Company.

Occupational Safety and Health Training

2024 Occupational Safety and Health Training Outcomes

Training Course	Description	2024 Results
3-Hour Mandatory Occupational Safety and Health Training (Required Course)	Each employee receives 3 hours of training every three years	Following the training, an exam is conducted. HR is responsible for issuing the test and confirming which employees have passed.
Occupational Safety and Health Training for First Aid Personnel	First Aid Personnel Refresher Training (3 Hours)	In accordance with M31's organizational structure, designated personnel are scheduled to participate in initial and refresher first aid training and obtain the corresponding certifications.
Fire Safety Training	Fire Safety Awareness Campaign (Employee Workplace Safety and Disaster Preparedness Education)	New employees receive workplace safety and fire prevention orientation. In addition, dedicated personnel are assigned in accordance with Taiyuan's regulations to conduct fire response team training for the current and following year.
Workplace Health Promotion Programs and Activities	Irregular health promotion seminars are held, such as health talks on "Beating the Silent Twin Killers: Hypertension and Hyperlipidemia," first aid training (including AED), and other wellness activities	<ul style="list-style-type: none"> Health Seminar: Attendance rate: 72.94%; Satisfaction rate: 100%. First Aid Training Course: A total of 19 participants attended the in-person training.



Worker Participation, Consultation, and Communication



The Company has established an occupational safety and health (OSH) team, including safety personnel, an occupational physician, and an occupational health nurse. Through OSH and fire safety awareness programs, employees are informed about emergency procedures, such as how to respond in cases of workplace accidents like fainting or other medical emergencies. In addition, the Company holds quarterly employee Symposiums. If employees raise any OSH-related concerns or needs, the dedicated OSH unit will develop appropriate plans and improvement measures. These efforts aim to meet the needs of all employees while enhancing workplace safety and maintaining a clean and orderly environment.

Hazard Identification, Risk Assessment, and Incident Investigation



M31 may face occupational health hazards primarily due to excessive workloads and ergonomic-related risks. To address these issues, the Company not only selects ergonomically designed office furniture but also implements comprehensive health management programs. These include the “Ergonomic Hazard Prevention Plan,” the “Prevention of Illnesses Induced by Abnormal Workloads,” and the “Workplace Code of Practice under the Occupational Safety and Health Act,” all of which aim to ensure the effective implementation of hazard identification and risk assessment procedures.

We provide employees with health protection services, including health promotion activities, medical checkups, and the management of abnormal health conditions. In conjunction with the annual employee health checkups, we also conduct surveys aligned with the four major occupational safety and health programs. These include the “Ergonomic Hazard Prevention Guidelines,” the “Guidelines for the Prevention of Illnesses Induced by Abnormal Workloads,” and the “Middle-Aged and Older Employee Questionnaire” for those aged 45 and above. These efforts aim to mitigate the risks of physical and mental health issues caused by excessive workloads and repetitive musculoskeletal disorders. To further ensure workplace safety, employees engaged in special operations undergo annual medical examinations, allowing us to monitor and remind them of the necessary protective measures against occupational hazards. From pre-employment physicals to annual health checkups for current staff, we perform comprehensive health assessments to identify strengths, weaknesses, and emerging trends. Based on these insights, we thoughtfully plan annual health seminars and wellness activities, offering training and programs that support employees’ physical and mental well-being.

In addition, the Company has established an incident reporting and investigation process to ensure proper investigation and management of workplace accidents. In the event of a work-related injury, the incident is reported to the Company’s occupational safety and health supervisor. The affected employee will receive health support and care, as well as assistance in applying for relevant welfare and insurance benefits. Investigations of work-related injuries are conducted in accordance with the Occupational Safety and Health Act, and occupational injury reports are submitted on a monthly basis.

Occupational Injury Statistics and Analysis



According to the statistical analysis of employee occupational injuries and illnesses, as shown in the table below, there were no cases of work-related fatalities or occupational diseases (including recordable occupational illnesses) among all employees from 2022 to 2024. This demonstrates the achievement of our zero occupational injury goal.

Statistic/Year		2022	2023	2024
Total Hours Worked		460,200	506,232	577,712
Occupational Injury Fatalities	Headcount	0	0	0
	Percentage	0%	0%	0%
Serious Occupational Injuries	Headcount	0	0	0
	Percentage	0%	0%	0%
Recordable Occupational Injuries	Headcount	0	0	0
	Percentage	0%	0%	0%
Occupational Diseases	Headcount	0	0	0
	Percentage	0%	0%	0%
Recordable Occupational Diseases	Headcount	0	0	0
	Percentage	0%	0%	0%

Note1: The Company calculates rates based on one million working hours.

Note2: Serious Occupational Injuries: Occupational injuries that result in death or cause a worker to be unable or unlikely to recover to their pre-injury health condition within six months. This does not include the number of fatalities.

Note3: Recordable Occupational Injuries or Diseases: Occupational injuries or diseases resulting from any of the following – death; days away from work; restricted work or job transfer; medical treatment beyond first aid; loss of consciousness; or a significant injury or illness diagnosed by a physician or other licensed healthcare professional (even if it does not result in death, days away from work, restricted work, job transfer, medical treatment beyond first aid, or loss of consciousness). This includes the number of fatalities.

Note4: Commuting-related traffic accidents are not included in the occupational injury statistics.

Promotion of a Healthy Workplace

As society and the economy continue to evolve, the International Labour Organization (ILO) and the World Health Organization (WHO) have advocated that workplace safety and health services are fundamental rights for workers. In alignment with the principles set forth by the ILO and WHO, and in compliance with legal requirements, M31 actively plans, promotes, and implements health-related initiatives across three core areas: health services, health education, and a healthy working environment. We regularly organize health awareness campaigns, wellness seminars, occupational physician consultations, and employee health check-ups. In our commitment to protecting employee health, we focus on health risk assessments, health management, health promotion, and evaluations of workplace environmental hazards. We also provide health education to employees, aiming to ensure that health issues do not interfere with their work and to fully realize workplace health protection for all workers.

To fulfill the Company's mission of "Innovating and Caring to Connect the World," M31 is fully committed to the health and well-being of employees, embracing a holistic approach to physical, mental, and spiritual care. Accordingly, the ESH Department collaborates with hospitals to engage qualified occupational physicians and occupational health nurses, ensuring comprehensive support for employee health and enabling them to work with peace of mind in a high-quality workplace environment. M31 has adopted a comprehensive health management model built on four core pillars: "Health Monitoring and Management," "Occupational Safety and Prevention," "Health Promotion and Maintenance," and "Employee Assistance Programs." These initiatives safeguard employee health and proactively enhance their well-being, welfare, and overall sense of fulfillment.

Professional Team	Core Functions
Occupational Physician	An occupational specialist physician provides on-site services once per quarter, offering medical consultations and immediate assistance on topics such as new medical knowledge, health examination report concerns, infectious diseases, occupational illnesses, and support for employees returning to work after major illnesses, injuries, or crisis events. The physician also conducts workplace inspections.
Occupational Health Nurse	General and emergency physical care, injury and illness triage, physical fitness assessments, employee and specialized health check-ups, health consultations, health care and management, and the organization of health promotion activities.

Comprehensive Health Management Service Model



To help employees achieve a balance between work and physical and mental well-being, and to promote the concept of preventive healthcare, the Company provides annual health check-ups that exceed legal requirements. Employees may choose from several high-quality medical institutions, and health check-up subsidies are provided based on job level. Family members are also included in the scope of discounted health examination services. In 2024, the Company allocated a budget of NT\$3,000 per employee for health check-up subsidies and partnered with certified medical institutions to conduct on-site examinations. For employees unable to attend the on-site check-up, the Company grants health check-up leave to allow them to complete the examination at a hospital. After employees complete their health check-ups, occupational health nurses conduct a four-level classification based on the results. Health conditions are categorized as: Normal (Level 1), Mild Abnormality (Level 2), Moderate Abnormality (Level 3), and Severe Abnormality (Level 4). Depending on the severity, employees may be referred to an occupational physician for individual consultation and follow-up, or provided with appropriate health management and education. Through continuous care and monitoring, the Company ensures that employees receive comprehensive and ongoing health support.

Health Check-up



Annual employee health check-up

- The Company selects high-quality medical institutions to conduct annual health check-ups for all active employees. In addition to basic examinations such as blood and urine tests, a variety of advanced screening items are offered, such as abdominal ultrasounds and electrocardiograms, exceeding regulatory requirements.
- Preferential health check-up packages and pricing are also available for employees' family members on a self-paid, voluntary basis.
- Additional specialized health check-ups are arranged annually for laboratory personnel.

Health Management

- Physical examinations for new hires, health check-ups for current employees, and special health screenings for exposure to specific hazards are conducted, with results managed through a tiered classification system.
- Health Risk Classification and Response Measures:
 - o Level 1 (Normal): Periodic health check-ups.
 - o Level 2 (Mild Abnormality): Disease prevention and health promotion.
 - o Level 3 Health monitoring and referral to an occupational physician for individual consultation.
 - o Level 4 Health monitoring, referral to an occupational physician for individual consultation, and assessment and adjustment of job duties.

◆ Health Promotion and Maintenance

Healthy employees are the cornerstone of stable business operations. At M31, employees bear the responsibility of innovation and R&D in their daily work. In accordance with occupational safety regulations and feedback from physical and mental health surveys, the Company has planned customized health seminars and workplace wellness programs. These initiatives include musculoskeletal injury prevention for office employees, with occupational health nurses providing consultations and ergonomic recommendations to prevent posture-related discomfort caused by improperly arranged workspaces. In addition, aligned with the Company's focus on health promotion, two health seminars were held in 2024.

Health Promotion Activities and Facilities

Fitness Subsidy

To encourage employees to actively participate in physical activities, promote a healthy lifestyle, reduce the risk of chronic diseases, and enhance emotional and mental well-being, the Company provides a quarterly subsidy for the use of the on-site fitness center.

Sports Day

To promote employee health and strengthen team cohesion, the Company holds an annual Sports Day.

Weight Loss Program

Each year, the Company hosts the “Health Management Challenge – Body Sculpting & Fitness Competition” , and warmly invites colleagues to join with their neighboring teammates to reduce body fat percentage and increase skeletal muscle mass. Participants undergo both pre- and post-assessments, and health seminars are arranged to raise awareness of wellness topics. Through individual and team-based weight management efforts, employees are encouraged to motivate one another, adopt healthier eating habits, build regular exercise routines, and gain new health knowledge—embracing a leaner, healthier lifestyle together!



- Fun-filled 2024 “M31 Sports Day” and diverse club activities foster healthy exercise habits

Maternal Health Protection



When workplace environments contain risk factors that may adversely affect pregnancy or breastfeeding, the importance of maternity health protection becomes especially significant. M31 has fully implemented a Maternity Health Protection Program, maintaining a comprehensive list of employees requiring such protection. Female employees who are pregnant, within one year postpartum, or actively breastfeeding are included as protected individuals under this program. In accordance with the plan, the Company conducts list management, risk identification, individualized medical consultations, and job accommodation or return-to-work support. Assessments by the occupational physician have confirmed that the work environments and job responsibilities of female employees meet the criteria for Level 1 safety management. In addition, company nurses continuously monitor and support maternity health, ensuring protective measures are effectively implemented.



- A nursing room is provided to support employees' family needs and promote a family-friendly workplace.



- The nursing room provides a comfortable, secure, and health-supportive space for female employees.

Friendly and Diverse Workplace



The Company is committed to providing employees with a trustworthy and safe environment while fostering a warm and caring atmosphere that supports psychological safety. In 2024, M31 actively participated in the government's Healthy Workplace Certification initiative and implemented a range of inclusive management policies to promote work-life balance and generate positive spillover effects between employees' professional and personal lives. The Company also actively upholds workplace equality by establishing complaint channels for issues such as discrimination, sexual harassment, stalking prevention, gender equality, and protection against bullying and unlawful conduct. M31 is dedicated to creating a diverse, inclusive, and compassionate workplace. In 2024, there were no reported cases of sexual harassment, discrimination, or unlawful workplace misconduct.

Friendly Workplace	Policy Description	2024 Implementation Results
Medical Room	Employees, family members, clients, contractors, and suppliers—all stakeholders—are eligible to use these services	In Use
Nursing Room	These services are available to all relevant stakeholders, including employees, family members, clients, vendors, and suppliers	In Use
Childcare Center	Established cooperative agreements and discount arrangements with neighboring daycare centers	Signed collaborative agreements with neighboring daycare centers to offer employee discounts
Sexual Harassment Complaint Channel	Promulgated and revised the "Sexual Harassment Prevention, Complaint, and Disciplinary Measures," and periodically conducted awareness campaigns and provided employees with gender equality training	Ongoing implementation of [Alcohol Etiquette Awareness] and [Sexual Harassment Prevention Education and Assessment]
Workplace Misconduct Complaint Channel	Established the "Complaint and Whistleblowing Policy" and published it on the internal website. Awareness is promoted on an ongoing basis, and the Company maintains a zero-tolerance stance toward unlawful conduct.	Ongoing Implementation
Other Gender Equality Benefits	<ul style="list-style-type: none"> • Three days of paid sick leave (including menstrual leave) and three days of paid family care leave for all employees • Provision of wedding and childbirth cash gifts • Maternity care and protection measures during pregnancy • Return-to-work and salary restoration after parental leave • Hosting gender health seminars or gender equality training courses 	Ongoing Implementation
Employee Family Care Program	In the event of an accident or a major family emergency, the Company promptly activates a comprehensive employee and family care mechanism. This includes visitation, emotional support, financial assistance, and help for the family in managing the situation, such as funeral arrangements. Follow-up is conducted as needed, and, when necessary, additional support is provided through employee assistance programs covering areas such as accounting and legal services	Ongoing Implementation Phone-Based Counseling and Care Assistance

4.3 Supply Chain Management

M31 is committed to its core values of integrity, ethics, and sustainable development, and strives to build a responsible and resilient sustainable supply chain. We require our suppliers to share accountability across the three pillars of Environmental, Social, and Governance (ESG), and to align with the United Nations SDGs. Through the influence of our supply chain, we aim to drive positive change and create long-term value in collaboration with our suppliers, fulfilling our corporate responsibility and commitment to sustainable operations.

Environmental Aspect: M31 encourages suppliers to implement environmental protection measures, such as waste management, pollution prevention, energy conservation, carbon reduction, and climate risk response. Regular emergency response drills are also conducted to enhance the operational resilience of the supply chain.

Social Aspect: M31 places great importance on human rights and labor protections, explicitly prohibiting child labor and forced labor. Suppliers are required to provide a safe and healthy working environment in accordance with applicable laws and to establish complaint mechanisms that promote two-way communication and safeguard employee rights.

Governance Aspect: M31 emphasizes ethical management practices and regulatory compliance, requiring suppliers to establish anti-corruption systems, information security mechanisms, and quality control frameworks to ensure transparent governance and compliant operations.

Sustainability Management Mechanism

M31 has established a comprehensive sustainable supplier management strategy by integrating ESG principles into risk assessment, supplier selection, evaluation, and daily operations. The following core mechanisms are promoted:

- 1. Sustainability Self-Assessment:** Regularly required to complete the Sustainability Development Questionnaire to self-assess their performance in areas such as integrity, human rights, occupational safety, environmental protection, and legal compliance.
- 2. Evaluation Criteria:** Integrated into the qualified supplier assessment indicators, which are used to classify risk levels and implement tiered management.
- 3. On-site Audits:** Based on the assessed risk level of each supplier, audits are conducted through either documentation review or on-site inspection to strengthen ESG issue management and improvement efforts.
- 4. Follow-Up and Improvement:** For major violations or high-risk cases, follow-up and re-evaluation procedures are initiated to ensure continuous improvement.

Sustainable Supply Chain Management Process



Supplier Selection and Evaluation
Incorporate ESG criteria into the supplier screening and evaluation process



Supplier Risk Assessment
Identify environmental, social, and governance risks



Supplier Review and Management
Focus on key issues such as human rights, labor safety, and environmental concerns



Collaboration and Improvement
Work with suppliers to drive continuous improvement actions

Supplier Selection Mechanism

In the supplier selection process, M31 places emphasis not only on pricing but also on overall performance, including quality, delivery time, cost control, service, management capability, and environmental performance. A Responsible Supply Chain Task Force has been established to oversee supplier audits and provide guidance, ensuring the implementation of sustainability standards. In 2024, a total of 25 suppliers meeting a specific procurement threshold were evaluated, of which 24 met M31's requirements and expectations.

Procurement Policy

To support sustainable operations, M31 has established a supplier management system that incorporates ethics, environmental protection, labor rights, and occupational health and safety. Beginning in 2024, the Company implemented the "Supplier Sustainability Development Questionnaire" system and introduced the "New Supplier Sustainability Self-Assessment Questionnaire" as part of its selection and risk assessment criteria.

- Suppliers assessed as high-risk will not be included in the list of qualified suppliers, in order to reduce potential risks.
- In 2024, 9 new suppliers were added, with a 100% questionnaire response rate. Only those deemed qualified were included in the approved vendor list.
- That same year, the sustainability questionnaire response rate among audited suppliers reached 92%, and the results have been incorporated into the annual audit plan.
- M31 is also in the process of developing a "Supplier Code of Conduct" to continuously monitor existing and potential suppliers, aiming to build a compliant, environmentally responsible, and ethical supply chain ecosystem.

Supply Chain Integration and Risk Diversification

Facing a highly uncertain operating environment, M31 has implemented a diversification strategy to enhance supply chain resilience:

- Establish long-term partnerships with multiple suppliers to reduce reliance on any single vendor.
- Strengthen communication and collaboration with supply chain stakeholders to improve operational coordination and efficiency.
- Conduct regular risk assessments and performance reviews to ensure supply stability and enhance adaptability to market changes.

Promote green procurement to reduce environmental footprint

Green procurement is one of M31's core strategies for fulfilling its environmental responsibility. In IT procurement, the Company fully incorporates Total Cost of Ownership (TCO) and environmental certifications into its purchasing criteria. In 2024, M31 achieved its target of 100% compliance with environmental standards.

The Company has also established clear metrics to ensure that green products and services account for at least 20% of total procurement. At the same time, M31 actively expands collaboration with suppliers that meet ESG standards, continuously reducing the environmental footprint and advancing toward sustainable development.

4.4 Quality and Customer Service





Material Topic	Customer Service
Policy	<ul style="list-style-type: none"> Enhance customer service and product quality to meet customer needs and expectations Establish a service-oriented operational model and optimize service processes to build customer trust
Goal	<ul style="list-style-type: none"> Short-term Goal: Achieve an average score of 4 or above (on a 5-point scale) in customer satisfaction surveys Mid- to Long-term Goals: Commit to delivering comprehensive services and continuously building customer satisfaction and trust Leverage innovative technologies and offer the best products by establishing a customer service system and diverse communication channels
Responsible Department	Technical Support Department Quality Management Center
Resource Allocation	<ul style="list-style-type: none"> Completed customer satisfaction surveys Established a collaborative service model among Marketing, R&D, and Sales teams at various operational sites. Through closer upstream and downstream cooperation, successfully completed joint development of key products with customers and secured purchase orders Established a "Customer Service Operating Procedure", which defines standard operating procedures (SOPs) for business operations, technical support, product-related matters, customer satisfaction, and emergency situations Complied with confidentiality requirements in contracts and implemented measures to protect customer privacy
Evaluation Mechanism	<ul style="list-style-type: none"> In 2024, the customer satisfaction score was 4.6, meeting the target The annual management review meeting evaluated customer service performance


Quality Assurance

Develop the Company's quality management system with a customer-oriented approach, aiming to meet customer needs.

By clearly understanding customer needs and translating them into IP design specifications, IP design is carried out with the most rigorous design mindset and verification processes. The goal is to deliver first-cut work IPs that meet customer design requirements. Through high-quality design, efficient execution, on-time delivery, low error rates, real-time technical support, and comprehensive after-sales service, customer satisfaction is achieved.



Item	Strategy
 Quality Commitment	<ul style="list-style-type: none"> M31 values customer voices and feedback. The Company regularly conducts customer satisfaction surveys to ensure a thorough understanding of and response to customer needs.
 Quality Awareness	<ul style="list-style-type: none"> Promote the importance of quality by posting or emailing quality-related stories. Regularly hold experience-sharing sessions on quality complaints and Corrective Action Reports (CAR).
 Quality Competence	<ul style="list-style-type: none"> All new employees receive basic training on ISO 9001 and ISO 26262. Internal audit training is arranged for employees annually.
 Quality Assurance	<ul style="list-style-type: none"> Quality verification checkpoints are established within the IP design and development flow to ensure deliverables meet customer requirements.

Annual Performance
 <ol style="list-style-type: none"> Held ISO 9001 training course in March 2024. Held DFMEA training course in October 2024. Established the IP Gradation system to enable employees to quickly access IP risk levels. Regularly distributed quality awareness articles to all employees. Optimized processes to ensure high-quality IP deliverables.

Customer Service



M31's mission is to become the most trusted IP partner for customers. From pre-sales to post-sales service, the primary goal is to ensure customers achieve successful mass production—because only when customers succeed can a win-win and sustainable partnership be established. In terms of pre-sales service, M31 seeks to understand customer needs, think from the customer's perspective, and develop competitive IP and service solutions that meet customer expectations. For post-sales service, M31 delivers high-quality IP and supports customers throughout the entire process from design to production.

To stay closely connected with customers, M31 has established offices at its Taiwan headquarters, as well as in the United States, China, and India, along with dedicated service contacts in Europe, South Korea, Japan, and Israel. Through regular meetings such as Quarterly Business Reviews (QBR) and Management Review Meetings (MRM), along with occasional visits, M31 continuously cultivates customer relationships. The Company strives to understand customer development goals and future plans, with a core mission of meeting customer needs and a long-term vision of enhancing service standards in line with customer expectations.



Diverse Communication Channels

M31 values customer feedback and provides a variety of communication channels to accommodate customer preferences. Feedback can be submitted through service hotlines, email, M31 Online, and JIRA, all of which ensure customer input reaches the Company.

M31 has an established customer service handling mechanism, with dedicated personnel assigned to provide timely and appropriate responses. In the case of major issues, a corrective action process (CAR) is initiated, and a resolution or improvement plan, along with an 8D report, is submitted to the customer as part of the issue closure.

Customer Communication and Confidential Data Protection

The Company also treats customer information as confidential. Through training programs on cyber security and trade secrets, as well as account access control measures, customer data and technical documents are properly protected. In 2024, there were no incidents involving violations of customer privacy, data breaches, or any events that compromised customer interests.



Customer Satisfaction Survey



To assess customer satisfaction with M31's product quality and services, customer satisfaction surveys are conducted either upon project completion or in the fourth quarter of each year. A "Customer Satisfaction Survey Operational Procedure" has been established to guide this process. By collecting and analyzing survey results, M31 reviews relevant issues and formulates improvement plans to enhance product quality and customer service.

Target Audience Description:

Sponsor Program Customers
Non-Sponsor Program Customers
VIP Customers

Survey Items:

Competitiveness
Quality
Service



Customer Satisfaction Survey Results

A summary of customer satisfaction performance from 2021 to 2024 is shown in the chart. In 2024, the overall average satisfaction score reached 4.6 out of 5, marking the third consecutive year with a score above 4.6. M31 will continue to stay attuned to customer needs and provide high-quality products and services to meet those needs, aiming to become a trusted long-term partner in the journey toward sustainability.

05 Social Well-being

Eco-Friendly:

Creating a New Life Through Action

Caring for the Vulnerable:

Supporting Growth with Love

Social Education Program:

Expanding a Broader World with Heart



◀▶ Social Well-being

M31 continues to actively implement and plan initiatives guided by a people-oriented spirit, grounded in care and compassion. Focusing on three major themes, the Company not only promotes sustainability through various awareness activities but also encourages employee participation, fulfilling the role of a responsible corporate citizen through meaningful action. Since 2022, M31 has launched a range of public welfare initiatives, inviting employees to take part in community volunteer activities. These efforts not only bring love and support to those in need but also strengthen the bond between the Company and employees, enhancing team cohesion and a spirit of collaboration. Participation in social welfare activities has generated numerous positive outcomes for both the Company and employees. The sense of fulfillment and achievement gained from giving back fosters greater empathy and motivates employees to stay engaged in public service. This positive cycle reflects M31's vision of "**A New Sustainable Life with M31 — Sharing Love Together**," empowering every employee to contribute to society and work collectively toward a better future.

Theme1 Eco-Friendly: Creating a New Life Through Action

In response to the impacts of climate change, M31 has actively promoted energy conservation and carbon reduction initiatives within the organization, including the implementation of a plastic reduction program and encouraging employees to use eco-friendly tableware. Externally, the Company actively participates in environmental protection efforts and stream conservation activities.

In addition, M31 has collaborated with employees to launch a tree adoption and planting program, reinforcing actions to protect nature. Through these hands-on efforts, the Company aims to raise environmental awareness among employees and contribute to safeguarding the planet—working together to create a cleaner and more sustainable environment.

M31 Environmental Volunteer Call to Action: Protecting and Embracing the Toucian River

Walking along the clear riverbank, breathing in the fresh air, and enjoying the serenity of nature, yet many environmental threats remain hidden in the surroundings of our daily lives. With the advancement of high technology and the growing demand for convenience in daily life, this once-pristine waterway is now facing serious threats. These changes have brought significant ecological harm to the once-beautiful riverbank, gradually leading to the breakdown of the entire ecosystem.

For the second consecutive year, we once again joined hands with The Society of Wilderness Association of Hsinchu and returned to the Toucian River to protect this precious stream environment. As the "Mother River" of Hsinchu, the Toucian River not only provides drinking water to local residents but also serves as a vital lifeline for countless plants and animals that rely on it for feeding, drinking, and habitat. On a weekend morning, many team members invited family and friends to take part. The event was filled with the enthusiasm of both adults and young volunteers. On this day, nearly **40 volunteers** of all ages gathered to kick off a river protection initiative for Hsinchu's Mother River. Through our joint efforts, we collected **190.3 kilograms** of waste, including large items such as gabion wire mesh and parts of an office chair, as well as common household waste like plastic bags and beverage containers. This meaningful experience deepened our awareness of the importance of reducing waste at the source and handling waste properly.

This event was more than just a river cleanup, it was also an ecological education experience that brought us closer to nature and reinforced our commitment to caring for the Earth. Through hands-on participation, we gained a deeper understanding of the importance of protecting our local river ecosystems and a renewed appreciation for the value of the natural environment.



• Society of Wilderness Association of Hsinchu – event report and video

Theme1 Eco-Friendly: Creating a New Life Through Action

Protecting the River: Embracing the Toucian River

Through our hands-on actions, we safeguard this precious river.

Through our passion and dedication, we come to appreciate the true value of the natural environment.



• Environmental volunteers— united in action!



• Young environmental guardians, cultivating environmental awareness from an early age



• Group photo of river protection initiative achievements



• United in effort, we bring clean rivers back to our homeland



• Certificate of Appreciation for the 2024 river protection initiative

Theme1 Eco-Friendly: Creating a New Life Through Action

Green Initiatives Underway: Planting Seeds of Sustainability for a Deep-Rooted Future

On March 20, 2024, M31 was invited to Ming Chuan University's Taoyuan campus to take part in a vibrant green initiative, the 2024 Taiwan Native Tree Seedling Planting Project, co-hosted by Green Hope Spring and the United Daily News Group. We were honored to be one of the strategic partners of this meaningful event. In support of the initiative, we invited our colleagues to join the tree sponsorship effort. During the recruitment period, we successfully worked together to sponsor **90 native tree seedlings**. On the day of the event, M31 proudly participated as a corporate partner and planted a small tree on behalf of our team, a symbolic seedling representing M31's dedication to sustainability.

At the event, Mr. Yu-Hua Chen, founder of Green Hope Spring and one of the organizers, remarked: "Each additional tree on Earth can reduce approximately 12 kilograms of carbon dioxide per year."

On this day, we planted our own tree with our own hands, a symbol of our commitment to sustainability and the environment. The end of the event does not mark the conclusion of our sustainability efforts, but rather the beginning of a new chapter in our journey toward environmental sustainability.

A Greener Future Begins—Let our commitment and actions become the driving force for ongoing change, to be continued.....



● Planting M31's tree seedling together, hand in hand



● Together with volunteers: planting a sustainable future



● M31 recognized as strategic partner and presented with Certificate of Appreciation by the organizers (Photo courtesy of United Daily News Group)



● United Daily News Group – Advocates: event news

Theme2 Caring for the Vulnerable: Supporting Growth with Love

M31, guided by compassion and empathy, firmly believes that every act of care can create change. The Company is committed to supporting vulnerable groups facing difficult circumstances—whether vulnerable children or elderly individuals living alone—by actively providing tangible assistance and heartfelt support. Through material donations and direct involvement, M31 aims to help improve their quality of life and promote a more harmonious society, offering them a brighter future filled with hope and opportunity.

Improving the living conditions of vulnerable children, enhancing their quality of life, and helping them access better care and learning opportunities are also among M31's core goals. Through tangible support and heartfelt care, the Company hopes these children will feel warmth and strength throughout their growth journey, and come to deeply appreciate the strong bond of mutual support with M31—a connection that becomes a source of strength and encouragement for both sides.

M31's Long-term Collaboration with the Syin-Lu Social Welfare Foundation

Everyone has a passionate heart within. Led by the M31 volunteer team, M31ers have join hands to embark on our own volunteer journey, "The M31's path."

Under the guidance of the "M31," our volunteer team is deeply involved in a project supporting early intervention for children in the Hsinchu area. Focusing on care, assistance, and inclusion, gathering everyone's strength to embark on "Syin-Lu" journey together.

We focus on helping vulnerable groups and early intervention children by connecting with each other through the Syin-Lu Foundation Hsinchu Center. M31 volunteer team provides long-term course support to the early intervention center, regularly assisting teachers with outdoor educational activities for early intervention children. Volunteers, through their care and actions, become supporters for teachers, children, and families, fostering collective learning and growth. By participating in various events organized by the Syin-Lu Foundation (as demonstrated by the measures taken and community development outcomes below), we join hands to pave a "New Path" filled with love and care.

We will continue our efforts, led by the "M31," and starting from the "Syin-Lu," to collectively create a "New Path." Regardless of the challenges and difficulties we may face, we will stand side by side, creating endless possibilities and working together to build a beautiful and warm society.



• Accompanying Syin-Lu children in community activities
(Photo courtesy of Syin-Lu Foundation)



● A Letter to the M31er from the Syin-Lu



● M31 Joins Syin-Lu "Good Days" press conference and receives Certificate of Appreciation



● Certificate of Appreciation for sponsored gifts – 2024 "Good Days" walk together event

Community Development Measures and Implementation Results



• Volunteering at the 2024 Syin-Lu Foundation Charity Walk: supporting early intervention children outdoors

- ◆ Since 2022, the M31 volunteer team has been a dedicated partner of the Syin-Lu Foundation' s Hsinchu Early Intervention Center. In addition to participating in weekly Friday community volunteer activities in the Hsinchu area, the team has also served as event volunteers for the "Good Day" charity walking event and the "Little Professionals Achievement Presentation and Graduation Ceremony."
- ◆ In the spirit of tradition, we once again invited our colleagues to participate in the annual Christmas Gift Sponsorship activity ahead of the holiday season. On the day of this year' s "Love-Filled Christmas Season" event, we invited the Hsinchu Early Intervention Center of the Syin-Lu Foundation to our company to host a charity sale. All proceeds from the sale, **NT\$57,610**, were donated in full to the Syin-Lu Foundation, allowing the children from the center and our colleagues to enjoy a heartwarming and joyful Christmas together.

Along the journey as volunteers, we witnessed the children' s passion for life and their hopes for the future. Together, we shared in the joy of their growth, with M31 and its employees serving as key partners to the Syin-Lu Foundation and the children throughout this journey.



• Volunteering at the Syin-Lu Foundation graduation ceremony, witnessing the children' s growth



• Making dreams come true: delivering gifts to children at the Syin-Lu (Photo Courtesy of Syin-Lu Foundation)



• Certificate of Appreciation for colleagues sponsoring christmas gifts

Theme2 Caring for the Vulnerable: Supporting Growth with Love

In 2024, M31 continued to uphold the spirit of "United in Love, Spreading Warmth" by organizing the "Delivering Love to Homes – Charity Donation" event for the third consecutive year. Through direct purchase, the initiative helped provide essential supplies to vulnerable groups and elderly individuals in the Hsinchu area, fulfilling the Company's commitment to social care.

During the purchase process, we intentionally selected products in collaboration with other charitable organizations. This not only met the practical needs of the beneficiaries but also extended our support to a wider range of social welfare groups, creating a virtuous cycle and allowing love and kindness to spread further and deeper.

This year, based on the actual material needs of the **"Huashan Social Welfare Foundation Hsinchu Guanxi Branch"** and **"Genesis Social Welfare Foundation Hsinchu Branch,"** we purchased supplies totaling **NT\$100,000**, which were delivered to both organizations respectively. We hope to provide meaningful support and warmth to vulnerable groups and the elderly in the local community.



- Certificate of Appreciation from the Taiwan Autism Family Association for M31's donation of charity rice



- Certificate of Appreciation from Genesis Social Welfare Foundation for M31's material donations



- Certificate of Appreciation from Huashan Social Welfare Foundation for M31's material donations



- Delivering love to homes: Donating supplies to support vulnerable groups in Hsinchu

M31 and Fang-Chi Kindergarten Support Program

On the path of love and care, M31 continues to move forward, spreading warmth through meaningful actions to those in need. This time, our journey brought us to Fang-Chi Kindergarten in Jianshi, Hsinchu, where a heartfelt connection with these innocent children began to blossom.....

Through a serendipitous opportunity, we came to know **Fang-Chi Kindergarten** in Jianshi. Founded by Sister Hsiu-Jung Chao, a devoted missionary from Italy, the kindergarten was established as a tuition-free school dedicated to indigenous children in Taiwan. Sister Chao has devoted her life to ensuring that children from vulnerable rural communities have access to education and the courage to pursue their future possibilities.

Through multiple visits by M31's volunteer team, we came to understand that Fang-Chi Kindergarten—despite being tuition-free—is in need of nearly everything: from basic daily necessities and nutritional supplements for preschoolers to long-term educational resources and a better learning environment. For children in remote areas, even the simplest items are hard to come by, making every act of kindness incredibly meaningful. In response, we launched a year-long **"Support Program"** in June 2024, rallying **78 colleagues** to donate supplies and educational funds. To date, we have raised a total of **NT\$402,500**, which is primarily used to purchase monthly nutritional supplements and cover educational expenses for the kindergarten. Our **Support Program** not only provides the children with essential daily items and educational resources, but also stands as a reliable source of strength on their journey of growth.

Throughout this journey, we organized volunteer teams to assist with deep cleaning and environmental maintenance. During the summer, we completed a comprehensive disinfection of the entire kindergarten, both inside and out, to ensure the children have a safe and healthy learning environment.

In addition to providing basic living support, we also hope the children can expand their imagination and nurture their dreams through stories. To that end, our colleagues launched a picture book donation campaign, collecting **59 children's books** to send to the kindergarten. We hope these colorful storybooks will bring joy to their reading experience while quietly instilling life values and character development.

This Christmas, the children of Fang-Chi Kindergarten wore hand-sewn traditional tribal attire and brought a heartwarming performance to M31's holiday celebration. Through dance, they shared warmth and strength; through song, they expressed boundless love and gratitude. This sincere and heartfelt performance deeply moved everyone in the audience. Every act of love and support from M31 shines like starlight, lighting the path of growth for the children. It allows them to genuinely feel the care and compassion from the outside world, giving them the confidence to take their first steps in life with greater assurance. Moving forward, we will continue to gather love and strength, joining hands with Fang-Chi Kindergarten to build a brighter future for the children together.



● The First Introduction Video of Fang-Chi Kindergarten

Theme2 Caring for the Vulnerable: Supporting Growth with Love

M31 and Fang-Chi Kindergarten Support Program



• Group photo of M31 volunteers with the teachers and children of Fang-Chi Kindergarten



• M31 volunteers donate brand-new and used children's books to the children of Fang-Chi kindergarten



• Group photo of M31 volunteers with the teachers and children of Fang-Chi Kindergarten



• Group photo of Fang-Chi kindergarten with M31 staff



• Fang-Chi Kindergarten Presents a Certificate of Appreciation to M31

Theme3 Social Education Program: Expanding a Broader World with Heart

M31 has always been committed to addressing the developmental needs of every corner of society. We have observed that schools in remote areas often suffer from a lack of long-term resources, leaving children from vulnerable families with limited access to educational support. Our goal is to unite the strength of all our colleagues to help these children not only develop fundamental learning skills but also embrace reading as a part of their daily lives by increasing access to books. We believe reading can open a world of possibilities, enabling children to explore new horizons and unlock their boundless potential.

In addition, we support the development of children's diverse abilities. Beyond academic learning, we aim to identify children with special talents and provide them with access to high-quality learning and training environments where they can unlock their potential and create greater opportunities for themselves. Through these efforts, we hope to transform the educational environment in remote areas and open new pathways for children, empowering them to reshape their learning journeys and futures.

In talent development, we place equal emphasis on sustainability principles. We are committed to embedding these values within both cultural and educational systems while actively fostering a vibrant and inclusive work environment. Through campus engagement and industry-academia collaboration, we work closely with schools to cultivate talent with interdisciplinary knowledge, innovative thinking, and a strong sense of social responsibility. Our goal is to help students bridge the gap between academia and the workplace, empowering them to thrive across diverse fields and achieve their aspirations.

M31 and the Build Love Association Dream-Building Project

Music is the most powerful language that touches the heart; love is the greatest force that warms the world. This year, M31 joined hands with the Hsinchu Build Love Association for the first time to co-create a vibrant and empowering journey in arts and culture.

The Hsinchu Build Love Association upholds the belief that "Education has no rest." Dedicated to supporting vulnerable and rural youth under the age of 18, the association uses music as a means to cultivate their sense of aesthetics. With deep roots in the Hsinchu region, the association regularly organizes heartfelt music events, creating shining stages where children can grow in confidence and express themselves through the power of music.

All proceeds from each concert organized by the Build Love Association are donated to rural and vulnerable groups—including Fang-Chi Kindergarten in Jianshi, Hsinchu, which is also supported by M31er. Through the power of music, a positive cycle is created, further strengthening the bond between us and Fang-Chi Kindergarten. Build Love's dedication to nurturing local talent and caring for vulnerable children in remote areas deeply resonates with M31's values. This shared vision has laid the foundation for our ongoing partnership, as we work together to support and empower children's dreams.



● M31ers take action to support the Build Love Music Concert

Theme3 Social Education Program: Expanding a Broader World with Heart

M31 and the Build Love Association Dream-Building Project

In 2024, for the two major music events organized by the Build Love Association, M31 not only contributed **NT\$150,000** in funding but also showed its commitment through active participation, encouraging colleagues to attend and support the concerts. We firmly believe that every effort made is a seed of hope planted for the children—one that will bloom into a unique brilliance in the days to come. At the same time, we hope that the gentle power of the arts can offer comfort and inspiration to the hardworking M31ers amid the ever-evolving tides of the tech world.

Through our partnership with the Build Love Association, we are able to build dreams through music education—extending the power of love even further and giving more children the opportunity to embrace a brighter tomorrow!



- Group photo of M31 CEO with Chairperson Mei-Yuan Chiu and performers at the 2024 Build Love Concert



- Build Love music concert event report



- Visit to Christian Mountain Children Home in Kaohsiung with the Build Love Association

Theme3 Social Education Program: Expanding a Broader World with Heart

Activities and Measures to Promote Academic and Research Development

- For three consecutive years, M31 has participated in the Eslite Cultural and Arts Foundation's "Reading Sharing Program," donating nearly **200 quality books** together with our colleagues. Through this initiative, we give books a second life—allowing them to continue creating value in new places. The donated books support under-resourced schools and communities, helping children in rural and disadvantaged areas broaden their horizons and discover a wider world.
- Participated in the Eslite Cultural and Arts Foundation's SDGs program by donating a total of **NT\$50,000**, and purchased **176 books** on sustainability-related topics. These books were distributed to five under-resourced rural schools to help children better understand global challenges, develop problem-solving and critical thinking skills, and promote the advancement of sustainable education in remote areas.



Employees eagerly donated secondhand books, broadening horizons for children in remote areas



School's feedback: reading became more than a hobby after participating in the program, inspiring children to explore and create change



Each book features a unique sustainability topic sticker



Appreciation for M31's participation in the SDGs Program



Certificate of Appreciation for M31's donation of secondhand books to the Eslite Cultural Foundation

Theme3 Social Education Program: Expanding a Broader World with Heart

Kids' Book House – Educational Support for Rural Schools

Taiwan's rural elementary schools and vulnerable families have long faced the challenge of limited resources. To lend a helping hand, the M31 Running Club participated in this meaningful initiative for the second consecutive year. This year, we rallied **86 colleagues** and their family members to join the ADA Charity Christmas Run. The total registration fees of **NT\$68,200** were fully donated to "Kids' BookHouse" and "Grass Book House," turning our participation into concrete support for children in Taiwan's rural areas.

This run was more than just a physical challenge; it was a heartfelt opportunity for each of us to spread love and care. By leveraging the power of "giving back through sports," we aimed to help children in rural areas gain greater access to resources, improve their learning environments, and create more opportunities and limitless possibilities for their future.



- Spreading love and care with every step of our colleagues and families



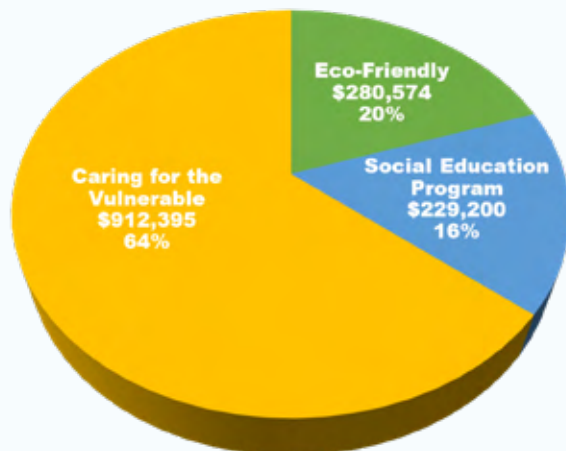
- Colleagues joined hands to complete the relay, symbolizing the passing on of sustainability.



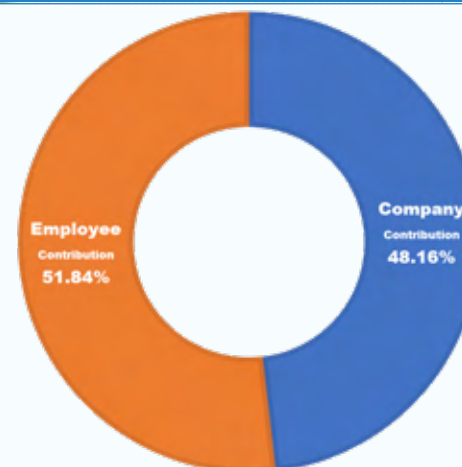
- Colleagues and families united through sports to help rural children in Taiwan

Effectiveness of Resource Allocation

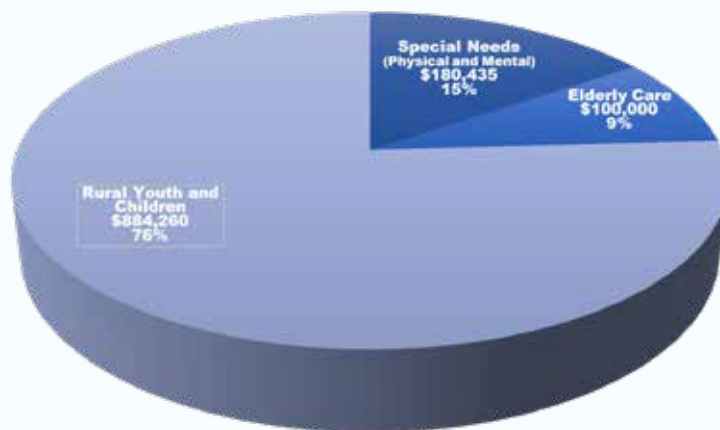
2024 Overview of M31 and Employee Social Contributions



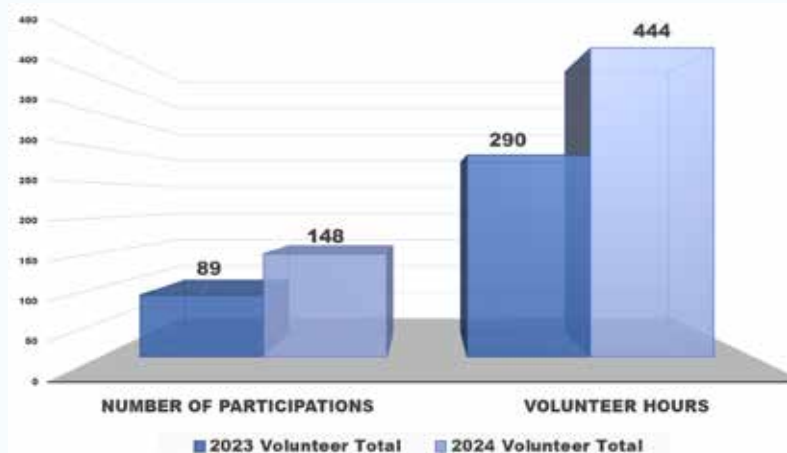
2024 Social Contributions Overview



Target Groups Supported in 2024



2023 & 2024 Community Volunteer Participation and Hours



Note: Since 2023, M31 has continued its commitment to supporting vulnerable groups while strategically focusing on three key themes. In addition to ongoing efforts for these groups, the company has expanded initiatives in environmental sustainability and social education programs, with the goal of making meaningful contributions across all three focus areas.

Appendix

- A:1** GRI Sustainability Reporting Standards Index
- A:2** SASB Sustainability Accounting Standards Index
- A:3** TCFD Disclosure Items Index
- A:4** TWSE Sustainability Disclosure Indicators- Semiconductor Industry
- A:5** Climate-Related Information for TWSE/TPEX Listed Companies
- A:6** Third-party Assurance Statement

▶ A1:GRI Sustainability Reporting Standards Cross-Reference Table

Statement of Use	M31 Technology Corporation has prepared this report in accordance with the GRI Standards for the period from January 1, 2024, to December 31, 2024.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	The Company operates in the semiconductor industry, for which no GRI Sector Standards are currently available.

Topics	Disclosures	Description	Section	Page No.	Omission/Remarks
GRI 2: General Disclosures 2021					
Organization and Reporting Practices	2-1	Organizational Details	2.1 About M31	P23	
	2-2	Entities included in the organization' s sustainability reporting	About this Report	P04	
	2-3	Reporting period, Frequency, and Contact person	About this Report	P05	
	2-4	Restatements of Information	About this Report	P05	
	2-5	External Assurance	About this Report	P04	
Activities and Workers	2-6	Activities, Value Chain, and Other Business Relationships	2.1 About M31	P22	
	2-7	Employees	4.1 Talent Sustainability	P75	
	2-8	Non-employee workers	4.1 Talent Sustainability	P75	
Governance	2-9	Governance Structure and Composition	2.2 Responsible Governance	P26	
	2-10	Nomination and selection of the highest governance body	2.2 Responsible Governance	P27	
	2-11	Chair of the Highest Governance Body	2.2 Responsible Governance	P27	
	2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	2.2 Responsible Governance 2.3 Risk Management and Climate Change Response Strategies	P27 P37	
	2-13	Delegation of Responsibility for Managing Impacts	2.2 Responsible Governance 2.3 Risk Management and Climate Change Response Strategies	P27 P37	

Topics	Disclosures	Description	Section	Page No.	Omission/Remarks
GRI 2: General Disclosures 2021					
Governance	2-14	Role of the Highest Governance Body in Sustainability Reporting	1.2 Sustainability Development Committee	P15	
	2-15	Conflicts of Interest	2.2 Responsible Governance	P27	
	2-16	Communication of Critical Concerns	2.2 Responsible Governance	P25	
	2-17	Collective Knowledge of the Highest Governance Body	2.2 Responsible Governance	P29	
	2-18	Evaluation of the performance of the highest governance body	2.2 Responsible Governance	P30	
	2-19	Compensation Policies	2.2 Responsible Governance	P32	
	2-20	Process for Determining Compensation	2.2 Responsible Governance	P32	
	2-21	Annual Total Compensation Ratio	--	--	Due to confidentiality, the highest annual total compensation is confidential.
Strategy, Policies, and Practices	2-22	Statement on Sustainable Development Strategy	Message from the Chairman and CEO	P02	
	2-23	Policy Commitments	1.1 Sustainable Development Policy	P14	
	2-24	Embedding Policy Commitments	2.2 Responsible Governance – Ethical Management 4.1 Talent Sustainability –Human Rights Policy	P33 P74	
	2-25	Processes to Remediate Negative Impacts	2.2 Responsible Governance 2.3 Risk Management and Climate Change Response Strategies	P28 P37	
	2-26	Mechanisms for Seeking Advice and Raising Concerns	2.2 Responsible Governance	P33	
	2-27	Compliance with Laws and Regulations	2.2 Responsible Governance	P34	
	2-28	Membership Associations	2.1 About M31	P24	
	2-29	Approach to Stakeholder Engagement	Stakeholder Engagement	P06	
Stakeholder Engagement	2-30	Collective Bargaining Agreements	--	--	Not applicable; the Company has not established a labor union nor entered into collective agreements, and instead engages in two-way communication through quarterly labor-management meetings. Labor relations remained harmonious during the reporting period.

Topics	Disclosures	Description	Section	Page No.	Omission/Remarks
GRI 3: Material Topics 2021					
Material Topic	3-1	Process to Determine Material Topics	Identification of Material Topics	P09	
	3-2	List of Material Topics	Identification of Material Topics	P11	

Economic Aspect

*Corporate Governance (Company-Specific Focus)					
GRI 3:Material Topic 2021	3-3	Material topic management	Material Topic Identification 2.2 Responsible Governance	P09 P25	
*Risk Management (Company-Specific Focus)					
GRI 3:Material Topic 2021	3-3	Material topic management	Material Topic Identification 2.3 Risk Management and Climate Change Response Strategies	P09 P37	
* Cyber Security (Company-Specific Focus)					
GRI 3:Material Topic 2021	3-3	Material topic management	Material Topic Identification 2.4 Cyber Security Management	P09 P45	
* Innovation and R&D (Company-Specific Focus)					
GRI 3:Material Topic 2021	3-3	Material topic management	Material Topic Identification 2.5 Innovation and R&D	P09 P49	

Economic Aspect

Topics	Disclosures	Description	Section	Page No.	Omission/Remarks
Financial Performance					
GRI 201: Economic Performance 2016	201-1	Direct Economic Value Generated and Distributed	2.7 Financial Performance	P62	
	201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	2.3 Risk Management and Climate Change Response Strategies	P42 P43	
	201-3	Defined benefit plan obligations and other retirement plans	4.2 Friendly Workplace	P89	
	201-4	Financial assistance received from government	2.7 Financial Performance	P62	Financial Assistance Received from the Government of the ROC (2024 Filing for 2023 Data) : In 2024, M31 received a total of NT\$32 million in tax credits, comprising R&D expenditure investment tax credits and machinery and equipment investment tax credits.

Market Presence					
GRI 202: Market Presence 2016	202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	4.2 Friendly Workplace	P84	
	202-2	Proportion of senior management hired from the local community	4.1 Talent Sustainability	P75	
Community Engagement					
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	5 Social Well-being	P107	
Anti-Corruption					
GRI 205 : Anti-Corruption 2016	205-2	Communication and Training About anti-corruption policies and procedures	2.2 Responsible Governance	P33	

Environmental Aspect

Topic	Disclosure Item	Item Description	Section	Page No.	Omission/Remarks
Energy Management					
GRI 302: Energy 2016	302-1	Energy Consumption within the Organization	3.3 Energy Management	P71	
	302-3	Energy Intensity	3.3 Energy Management	P71	
	302-5	Reductions in energy requirements of products and services	2.5 Innovation and R&D	P50	
Water Management					
GRI 303: Water and Effluents 2018	303-3	Water Withdrawal	3.1 Environmental Management	P66	
	303-4	Water discharge	3.1 Environmental Management	P66	
	303-5	Water consumption	3.1 Environmental Management	P66	
* Greenhouse Gas Emissions					
GRI 3: Material Topics 2021	3-3	Management of Material Topics	Material Topic Identification 3.2 Greenhouse Gas Management	P09 P67	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG Emissions	3.2 Greenhouse Gas Management	P69	
	305-2	Energy Indirect (Scope 2) GHG Emissions	3.2 Greenhouse Gas Management	P69	
	305-3	Other Indirect (Scope 3) GHG Emissions	3.2 Greenhouse Gas Management	P69	
	305-4	GHG emissions intensity	Appendix A5	P135	
	305-5	Reduction of GHG emissions	--	--	
	305-6	Emissions of ozone-depleting substances (ODS)	--	--	
	305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	--	--	

Topics	Disclosures	Description	Section	Page No.	Omission/Remarks
Waste Management					
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	3.4 Waste Management	P71	
	306-3	Waste generated	3.1 Environmental Management 3.4 Waste Management	P64 P71	
Supply Chain Sustainability					
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	4.3 Supply Chain Management	P100	
	308-2	Negative environmental impacts in the supply chain and actions taken	4.3 Supply Chain Management	P100	

Social Aspect

Topics	Disclosures	Description	Section	Page No.	Omission/Remarks
* Labor-Management Relations					
GRI 3: Material Topics 2021	3-3	Material topic management	Material Topic Assessment	P09	
GRI 401 : Labor-Management Relations 2016	401-1	New employee hires and employee turnover	4.2 Friendly Workplace	P87	
	401-2	Benefits provided to full-time employees (excluding temporary and part-time employees)	4.2 Friendly Workplace	P85	
	401-3	Parental Leave	4.2 Friendly Workplace	P88	
Labor/Management Relations					
GRI 402: Labor-Management Relations 2016	402-1	Minimum notice periods regarding operational changes	4.2 Friendly Workplace	P89	
Occupational Safety and Health					
GRI 403: Occupational Health and Safety 2018 – Management Approach	403-1	Occupational health and safety management system	4.2.4 Occupational Health and Safety	P90	
	403-2	Hazard identification, risk assessment, and incident investigation	4.2.4 Occupational Health and Safety	P92	
	403-3	Occupational health services	4.2.4 Occupational Health and Safety	P94	
	403-4	Worker participation, consultation, and communication on occupational health and safety	4.2.4 Occupational Health and Safety	P92	
	403-5	Worker training on occupational health and safety	4.2.4 Occupational Health and Safety	P91	
	403-6	Promotion of worker health	4.2.4 Occupational Health and Safety	P95	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.2.4 Occupational Health and Safety	P90	
GRI 403: Occupational Health and Safety 2018	403-8	Workers covered by an occupational health and safety management system	4.2.4 Occupational Health and Safety	P92	
	403-9	Work-related injuries	4.2.4 Occupational Health and Safety	P93	
	403-10	Work-related ill health	4.2.4 Occupational Health and Safety	P93	

Social Aspect

Topics	Disclosures	Description	Section	Page No.	Omission/Remarks
*Talent Development and Retention					
GRI 3:Material Topic 2021	3-3	Material topic management	Material Topic Identification	P09	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	4.1 Talent Sustainability	P79	
	404-2	Programs for enhancing employee skills and transition assistance	4.1 Talent Sustainability	P77	
	404-3	Percentage of employees receiving regular performance and career development reviews	4.2 Friendly Workplace	P89	
Employee Diversity and Equal Opportunity					
GRI 405:Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	2.2 Responsible Governance 4.1 Talent Sustainability	P28 P76	
	405-2	Ratio of basic salary and remuneration of women to men	4.2 Friendly Workplace	P84	
Non-Discrimination					
GRI 406:Non-Discriminatin 2016	406-1	Incidents of discrimination and corrective actions taken	4.2 Friendly Workplace	P98	
Supplier Social Assessment					
GRI 414:Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	4.3 Supply Chain Management	P100	
	414-2	Negative social impacts in the supply chain and actions taken	4.3 Supply Chain Management	P100	
Public Policy					
GRI 415:Public Policy 2016	415-1	Political contributions	2.2 Responsible Governance	P33	
* Customer Service (Company-Specific Focus)					
GRI 3:Material Topic 2021	3-3	Material topic management	Material Topic Identification 4.4 Quality and Customer Service	P09 P101	

Social Aspect

Topics	Disclosures	Description	Section	Page No.	Omission/Remarks
Customer Privacy					
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.4 Quality and Customer Service	P104	
Community Engagement					
Company-Specific Focus	- -	Community engagement activities	5. Social Well-being	P107	

◀▶ A2 : SASB Sustainability Accounting Standards Index

Disclosure Topic	Disclosure Number	Disclosure Title	Nature	Corresponding Report Section	Remarks
Greenhouse Gas Emissions	TC-SC110.a.1	Total Scope 1 emissions; total emissions from perfluorinated compounds	Quantitative	3.2 Greenhouse Gas Management	
	TC-SC-110.a.2	Discussion of long-term and short-term strategies or plans to manage Scope 1 emissions, reduction targets, and performance analysis	Qualitative	3.2 Greenhouse Gas Management	
Energy Management in Manufacturing Processes	TC-SC-130.a.1	Total energy consumed; percentage of total energy consumption at sites that use grid electricity; percentage of total energy consumption from renewable sources	Quantitative	3.3 Energy Management	Energy Not Sourced from the Grid and Non-Renewable Energy
Water Resource Management	TC-SC-140.a.1	Total water withdrawal and percentage in regions with high water stress; total water consumption and percentage in regions with high water stress	Quantitative	3.1 Environmental Management	The Company's main operations are in northern Taiwan, which is not classified as a high water stress area
Waste Management	TC-SC-150.a.1	Hazardous waste generated in manufacturing and percentage recycled	Quantitative	3.1 Environmental Management 3.4 Waste Management	The Company does not generate industrial or hazardous waste; both waste generation and recycling percentage are 0
Employee Health and Safety	TC-SC-320.a.1	Description of approach to assess, monitor, and reduce exposure of employees to hazardous environments	Qualitative	4.2 Friendly Workplace	
	TC-SC-320.a.2	Total monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	4.2 Friendly Workplace	No violations; total monetary losses: 0
Recruitment and Management of Global Talent	TC-SC-330.a.1	Percentage of (1) foreign employees and (2) overseas employees	Quantitative	4.1 Talent Sustainability	In 2024, the headquarters employed 1 foreign employee (0.3% of total); overseas subsidiaries employed 58 employees (15.98% of total)
Product Lifecycle Management	TC-SC-410.a.1	Revenue from products containing substances listed in IEC 62474	Quantitative	--	Revenue from products not compliant with IEC 62474: 0%
	TC-SC-410.a.2	System-level energy efficiency of processors: (1) servers, (2) desktops, and (3) laptops	Quantitative	--	The Company is not an end-product manufacturer, N/A
Raw Material Procurement	TC-SC-440.a.1	Description of risk management approach for the use of critical materials	Qualitative	--	The Company operates in the IP industry and has no conflict minerals risk
IP Protection and Anti-Competitive Behavior	TC-SC-520.a.1	Total monetary losses as a result of legal proceedings associated with anti-competitive behavior	Quantitative	2.2 Responsible Governance – Ethical Business Practices and Regulatory Compliance	No legal violations in 2024; total monetary losses: NT\$0

◀▶ A3 : TCFD Disclosure Items Index

Aspects	TCFD Disclosure Items	Corresponding Section	Page Number
Governance	Board oversight of climate-related risks and opportunities	2.3 Risk Management and Climate Change Response Strategies	P37
	Management' s role in assessing and managing climate-related risks and opportunities	2.3 Risk Management and Climate Change Response Strategies	P37
Strategy	Climate-related risks and opportunities the organization has identified over the short, medium, and long term	2.3 Risk Management and Climate Change Response Strategies	P37
	Impact of climate-related risks and opportunities on the organization' s businesses, strategy, and financial planning	2.3 Risk Management and Climate Change Response Strategies	P37
	Resilience of the organization' s strategy, taking into consideration different climate-related scenarios	2.3 Risk Management and Climate Change Response Strategies	P37
Risk Management	Processes for identifying and assessing climate-related risks	2.3 Risk Management and Climate Change Response Strategies	P37
	Processes for managing climate-related risks	2.3 Risk Management and Climate Change Response Strategies	P37
	How processes for identifying, assessing, and managing climate-related risks are integrated into the organization' s overall risk management	2.3 Risk Management and Climate Change Response Strategies	P37
Metrics & Targets	Metrics used by the organization to assess climate-related risks and opportunities in line with the strategy and risk management processes	2.3 Risk Management and Climate Change Response Strategies	P37
	Disclosure of Scope 1, Scope 2, and, if applicable, Scope 3 greenhouse gas emissions, and related risks	2.3 Risk Management and Climate Change Response Strategies 3.2 Greenhouse Gas Management	P37 P67
	Targets used by the organization to manage climate-related risks and opportunities, and performance against these targets	2.3 Risk Management and Climate Change Response Strategies 3.1 Environmental Management	P37 P64

◀▶ A4 : TWSE Sustainability Disclosure Indicators - Semiconductor Industry

Number	Indicator	Indicator Type	Unit	Corresponding Section
1	Total energy consumption, percentage of purchased electricity, and renewable energy usage rate	Quantitative	Gigajoules (GJ), Percentage (%)	3.3 Energy Management
2	Total water withdrawal and total water consumption	Quantitative	Thousand cubic meters (1,000m³)	3.1 Environmental Management
3	Weight of hazardous waste generated and percentage recycled	Quantitative	Metric tons (t), Percentage (%)	3.4 Waste Management
4	Description of occupational injury types, number of cases, and rates	Quantitative	Number, Percentage (%)	4.2.4 Occupational Health and Safety – Occupational Injury Statistics and Analysis
5	Disclosure on product lifecycle management: weight of end-of-life products and e-waste, and recycling percentage	Quantitative	Metric tons (t), Percentage (%)	3.4 Waste Management
6	Description of risk management related to the use of critical materials	Qualitative	N/A	The Company operates in the IP industry and has no conflict minerals risk.
7	Total monetary losses resulting from legal proceedings associated with anti-competitive behavior	Quantitative	Reporting Currency	2.2 Responsible Governance – Ethical Business Practices and Regulatory Compliance
8	Production volume of main products by product category	Quantitative	Varies by product category	The Company operates in the IP industry and has no conflict minerals risk.

◀▶ A5 : Climate-Related Information for TWSE/TPEX Listed Companies

Risks and opportunities posed by climate change to the Company and corresponding response measures taken

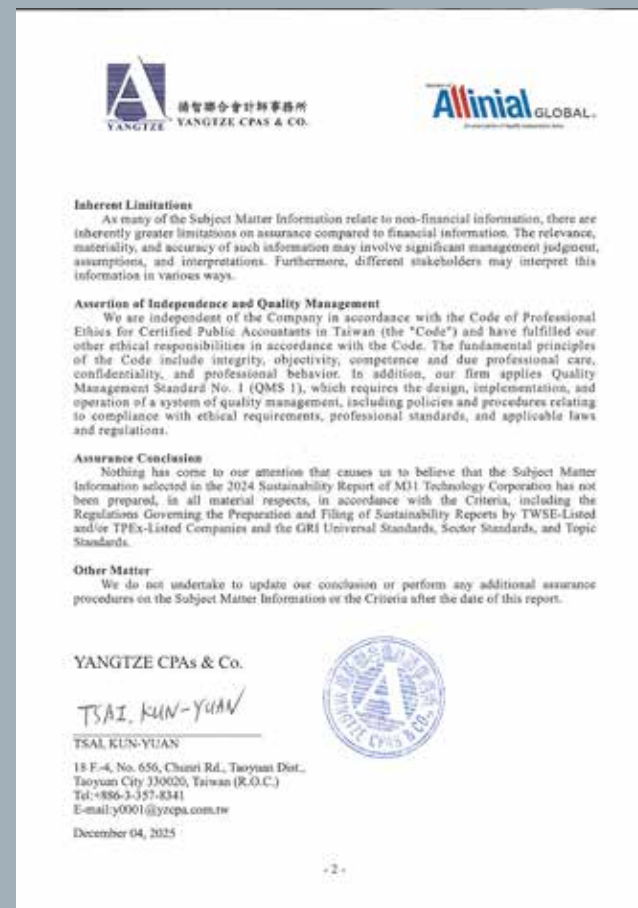
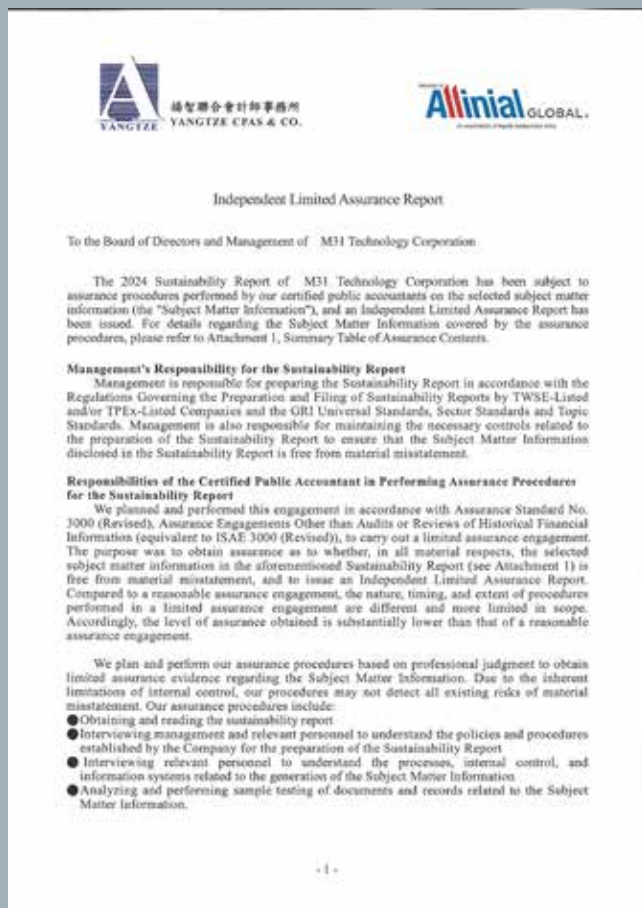
Item	Company Response
1.Describe the board' s and management' s oversight and governance of climate-related risks and opportunities	2.3 Risk Management and Climate Change Response Strategies
2.Describe how the identified climate-related risks and opportunities affect the Company' s business, strategy, and financial planning (short, medium, and long term)	2.3 Risk Management and Climate Change Response Strategies
3.Describe the financial impacts of extreme climate events and transition activities	2.3 Risk Management and Climate Change Response Strategies
4.Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the organization' s overall risk management system	2.3 Risk Management and Climate Change Response Strategies
5.If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts.	2.3 Risk Management and Climate Change Response Strategies
6.If transition plans for managing climate-related risks exist, describe the plan details and the indicators and targets used to identify and manage physical and transition risks	No relevant transition plans yet
7.If internal carbon pricing is used as a planning tool, describe the basis for setting the price	No use of internal carbon pricing yet
8.If climate-related targets have been set, describe the covered activities, GHG emission scopes, planning timeframe, annual progress, and, if carbon offsets or renewable energy certificates (RECs) are used, disclose the source and amount of offsets or RECs	2.3 Risk Management and Climate Change Response Strategy – Net Zero Blueprint
9.Describe GHG inventories, assurance status, and emission reduction targets	As shown in the table below

Scope	Total Emissions (metric tons CO ₂ e)	Emission Intensity (metric tons CO ₂ e per NT\$ million)	Verification Body	Verification Details (Certificate)
Scope 1	43.4311	0.0293	ARES International Certification Co., Ltd.	Obtained the verification statement in April 2025
Scope 2	1307.2819	0.8828		
Scope3	257.7099	0.1740		

Note : Subsidiaries will complete inventory checks in accordance with the timeline required by the competent authorities in the future.

Emission Reduction Target	Strategic Actions and Plans
<ul style="list-style-type: none"> • 2024 as the base year (carbon inventory includes subsidiaries in India and the United States) • By 2030, achieve a 10% reduction in total Scope 1 and Scope 2 emissions compared to the base year • By 2040, achieve a 30% reduction in total Scope 1 and Scope 2 emissions compared to the base year • By 2050, achieve net-zero emissions 	<ul style="list-style-type: none"> • Through green procurement, purchase infrastructure equipment with eco-labels and fully replace refrigeration and air conditioning systems with Grade 1 energy efficiency units (2024–2030) • Implement energy-saving projects for infrastructure equipment (2024–2030) • Use renewable energy and purchase renewable energy certificates (RECs) (2030–2050)

► A6 : Third-party Assurance Statement





M31 Technology Corporation 2024 Sustainability Report