2025

NISSAN TAIWAN

# SUSTAINABILITY REPORT

Environmental
Social
Governance

Innovation for Excitement

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# Preface

# About the Report

Yulon Nissan Motor Co., Ltd. (hereafter referred to as YNM, the Company, or We) published its twelfth Sustainability Report in August 2026. The report represents sustainability management practices and future planning, approaches of sustainable risks and opportunities management, and response to stakeholders' expectations. The Company focuses on issues of importance to stakeholders and provides corresponding responses during the process of publishing sustainability reports each year. The Company offers comprehensive disclosure of practices across key aspects including corporate governance, human rights advocacy, social responsibility, and environmental sustainability, aiming to drive continuous improvement and growth in our sustainability efforts.

## Principles of Preparing the Report

The Report discloses YNM's management policies and implementation performances in aspects of governance, economic, social, and environmental aspects. The Report has been prepared with reference to the GRI Standards (2021) issued by the Global Reporting Initiative (GRI), the recommendation of the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB) Automotive Standard, and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

## Reporting Period

The information disclosed in the Report covers the period from 1st of January, 2025 to 31st of December, 2025 (consistent with the reporting period of the Company's financial statement). To provide a more comprehensive sustainability context, certain disclosures also include historical performances and future outlooks.

## Reporting Boundary

The boundary for the information disclosed in the Report covers Yulon Nissan Motor Co., Ltd., standalone. However, financial data is presented on a consolidated basis. Details regarding the scope of consolidation and affiliated companies are provided in Chapter 1. Any changes to the reporting boundary are specifically disclosed in the relevant sections of the Report.

## Restatement of Information

As a result of a misstatement in the economic value data reported in the previous period, the relevant information has been restated in this report. For further details, please refer to Section 2.1.3 Financial Performance.

## The Management Process of the Report

### 01 Engagement

- Engage with stakeholders to identify and discuss material issues.
- Assess the positive and negative impacts associated with material issues.

### 02 Establishment of the Reporting Framework

- The Project Office of Corporate Sustainable Development establishes the framework and contents of the Report.
- Each Unit collects the Data Information.

### 03 Preparation

The Project Office of Corporate Sustainable Development consolidated information from each unit and prepared the draft based on the 8 Reporting Principles of GRI Standard 2021.

Accuracy | Balance | Clarity | Comparability | Completeness | Sustainability context | Timeliness | Verifiability

### 04 Internal Audit

Each unit is responsible for confirming the accuracy of data and content.

### 05 External Assurance

Data verified by an independent third-party.

### 06 Internal Approval and Disclosure

The Report is reviewed by the YNM Sustainability Development Committee, finalized by senior management, and subsequently approved by the Board of Directors prior to publication.

## Quality of the Report

### External Assurance

For the Report, we retained the services of Ernst & Young, which is independent and accountable, to provide a limited assurance on the 2025 Corporate Sustainability Report prepared under the GRI standards in accordance with the International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information." Upon completion of the assurance engagement, the results were communicated to the Company's governance bodies. The independent Assurance Statement can be found in Appendix VI (p.177 ) of the Report.

### Data Quality Management

The financial data and ISO environmental management systems disclosed in the Report have been verified or certified by independent third-party organizations

| | |
|---|---|
| Financial Data | Deloitte & Touche, Taiwan |
| ISO 14001 Environmental Management System Certification | DNV Business Assurance Co., Ltd. |
| ISO 14064-1 Greenhouse Gas (GHG) Verification | AFNOR ASIA Ltd. |

### Publication Overview

A Chinese version of the Sustainability Report is published annually, with the English version being introduced starting in 2023. Both versions are available for viewing and download in the Sustainability section of our official website. Publication date:

**Publication of this issue**
**August, 2026**

**Publication of the next issue**
**August, 2027**

Please refer to the sources below for the data from previous years and other information regarding the sustainability responsibility of the Company:

Official Website of YNM | CSR Section of YNM | YouTube of YNM | Facebook of YNM | Instagram of YNM

### Contact Information

For any questions or suggestions regarding the Report, we always welcome you to share your thoughts with us through the following channels.

NISSAN
Project Office of Corporate Sustainable Development
TEL (037) 875881 Ext. 1630
FAX (037)871506
Email miffy.lin@yulon-nissan.com.tw
Address No. 39-2, Bogongkeng, Xihu Vil., Sanyi Township, Miaoli County

# Message from the Chairperson and President

Yulon Nissan Motor Co., Ltd. remains committed to its three core management philosophies: pursuing customer satisfaction, fostering corporate prosperity, and contributing to social welfare. We aspire to set the benchmark for product and service innovation in the cross-strait automotive industry through close collaboration with our technology parent partners and a dedicated workforce. We continue to integrate sustainability into our business operations and decision-making processes as part of our mission to evolve the value of Taiwan's automotive industry, while demonstrating our long-term commitment to corporate governance, environmental sustainability, and social inclusion. The Company was awarded the Silver Award in the Sustainability Report – Automotive Industry Category 1 at the 18th Taiwan Corporate Sustainability Awards (TCSA) in recognition of its commitment to sustainable development.

Looking back on 2025, YNM continued to move forward amid market challenges and industry transformation. We strengthened our operational resilience through a pragmatic approach, building customer trust through consistent attention to detail throughout the year. We introduced the "NISSAN Re-shaping Plan" toward the end of 2025, as an important starting point for our brand transition and corporate evolution, with the aspiration of creating long-term value for both the industry and society.

Chairperson
Yen Chen, Li-Lien

President
Yao, Chen-Hsiang

## Corporate Governance:
## Strengthening Governance Foundations and Enhancing Risk Management

Sound governance is the cornerstone of corporate sustainability. The Company successfully completed the transition to ISO 27001:2022 and obtained external certification in 2025, strengthening our information security and reinforcing defenses against risks. We are also actively preparing for the adoption of IFRS Sustainability Disclosure Standards S1/S2 to enhance information transparency, aligning with international standards and higher integrity requirements.

### Environmental Sustainability: Expanding Carbon Reduction Performance and Strengthening Ecological Coexistence

In response to the net-zero transition, we have implemented rigorous environmental management and demonstrated proactive emissions reduction efforts that go beyond regulatory requirements. Instead of planning for the competent authority's requirement for verification by 2028, the Company has been obtaining external verification under ISO 14064-1 annually since 2022 and has further advanced ahead of the government schedule by obtaining a full verification statement covering Scope 1 to Scope 3 greenhouse gas emissions for the 2025 reporting year in early 2026. This solid progress in greenhouse gas inventory has been translated into actual emissions reduction results. Total Scope 1 and Scope 2 emissions decreased by approximately 22.5% for YNM in 2025 compared with the previous year, demonstrating the actual performance in carbon reduction.Also, to further strengthen biodiversity conservation, the Company completed the planning of its Biodiversity and No-Deforestation Policy at the end of 2025 and formally signed the commitment in early 2026, demonstrating its determination to coexist with the environment.

### Social Inclusion: Building an Agile Team and Deepening Shared Value

Talent is the core driver of corporate transition, while customers and society serve as our source of momentum. YNM continues to optimize its organizational structure and build a more agile and competitive team in response to industry transformation. We focus not only on operational efficiency but also on fostering a diverse, equitable, and inclusive workplace, while continuously promoting the development of female talent. In 2025, female middle management representation increased to 20%, demonstrating the Company's commitment to diversity and inclusion.

We believe that genuine brand value originates from attention to detail in service. This commitment has helped NISSAN's overall brand favorability (OaO) rise to third place among domestic automotive

brands this year. This not only reflects consumer trust in the brand but also reinforces our brand spirit of "Innovation for Excitement."The Company has also continued giving back to society, including donating insurance coverage for temporary workers of the Taipei Department of Environmental Protection for 21 consecutive years. In addition, we continue to strengthen positive connections with society and foster shared value through initiatives such as the "Mileage of Love" donation program, the "Little Car Expert" Service Center Work Experience Camp, and the "Campus Ambassador Program."

### Looking Ahead

In the future, environmental changes and challenges are expected to become the norm. However, YNM's core values of "Innovation, Speed, and Teamwork" will remain unchanged. With the launch of the NISSAN Re-shaping Plan, we will take "Innovation for Excitement" as our foundation, safeguarding every important moment in our customers' lives. We will continue to respond to societal expectations and work with all stakeholders to build a resilient and sustainable enterprise in response to net-zero and digital transition.

# Sustainability Performance Highlights

## Annual Performance Highlights — Supply Chain and Environment

### Environmental Management

- **Maintained ISO 14001 Environmental Management System certification.**
- Recorded zero incidents of non-compliance with environmental regulations throughout the year.
- Formulated and issued the Biodiversity and No-Deforestation Commitment and Management Policy.

### Energy and Greenhouse Gas Management

- Completed the Greenhouse Gas (GHG) inventory and external assurance for Scope 1, 2, and 3 emissions.
- Achieved a **22.5%** year-on-year reduction in Scope 1 and 2 emissions.

### Sustainable Product Circularity

- Achieved an average recyclability rate of **93.8%** across the entire vehicle lineup, significantly exceeding the **80%** regulatory requirement.
- Continuing the pursuit of a challenging recyclability rate target of over **95%**.
- **100%** of the 8 domestically produced vehicle models from 3 vehicle types have obtained both the Energy Label and the Taiwan Green Mark.

### Sustainable Supply Chain

- Collaborated with supply chain partners to achieve an annual carbon reduction rate of **2.17%**.
- Increased the coverage rate of labor and human rights management to **52**%.
- Presented awards to top-performing suppliers for energy conservation and carbon reduction at the annual Collaboration Council meeting, with **3** suppliers awarded in 2025.

## Annual Performance Highlights — Social Prosperity

### Talent Development

- The proportion of female middle managers increased from 14% to **20%** in 2025.
- Invested TWD **2.396** million in training resources, totaling 10,000 hours of education and training.

### Talent Retention

- Mapped out career blueprints through the "Dual-Track System for Professional and Management" promotion path and the "High Potential Program (HPP)."
- Achieved a **98.60%** retention rate for key personnel.
- Hosted the **President Award**, gifting generous bonuses to 5 teams and 9 employees.

### Employee Benefits

- Hired professional sports instructors to facilitate club activities, reaching **480** participants.
- Organized diverse activities such as Family Day, employee trip, and basketball summer camps.
- Introduced new leave benefits, including onboarding leave, elder care leave, volunteer leave, and customary leave.

### Campus Engagement

- Actively participated in the "**NCHU Industry-Academia Program**" and "**NCKU Career Coaching Program**" to build bridges between campus and industry.
- Selected **14** student campus ambassadors to host **11** promotional events, generating over 10,000 social media interactions.

### Social Involvement

- Donated insurance for resident temporary workers at the Taipei City Department of Environmental Protection for 21 consecutive years, totaling TWD **11 million** (benefiting 37,454 individuals).
- Participated in the "Love's Mile" program, donating one million mobility points, with a cumulative service mileage of **35,788** kilometers for the year.

## Annual Performance Highlights —Sustainable Governance

### Corporate Governance

- Maintained an average board meeting attendance rate of **98%** in 2025.
- Completed integrity and ethics training for **100%** of board members and employees.

### Sustainability Management

- Recognized with the "**Silver Award for Sustainability Report**" at the Taiwan Corporate Sustainability Awards (TCSA).
- Integrated sustainability performance targets into the compensation evaluation for senior managers, ensuring top-down commitment to sustainability.
- Convened the Sustainability Committee **twice** in 2025.

### Customer Service

- Achieved a Sales Satisfaction Index (SSI) of **979** points and a Customer Service Index (CSI) of **4.92** points in 2025.
- Successfully elevated the Overall Brand Affinity (OaO) to **3rd** place in the domestic automotive market of Taiwan.

### Cybersecurity

- Obtained **ISO/IEC 27001:2022** certification.
- Conducted cybersecurity awareness and training sessions, with **514** attendees in total.
- Achieved a record of **zero** major cybersecurity incidents throughout the year.

# 01 Corporate Sustainability Vision

## 1.1 About Yulon Nissan Motor (YNM)



## 1.2 Sustainability Vision of YNM



## 1.3 Sustainability Communication and Management

# Corporate Sustainability Vision

## 1.1 About Yulon Nissan Motor

Yulon Nissan Motor Co., Ltd. was established in 2003 following its spin-off from Yulon Motor Co., Ltd. and was formed as a joint venture between Yulon Motor Co., Ltd. and Nissan Motor Co., Ltd. Yulon Nissan Motor Co., Ltd. exclusively manages the full value chain operations of the NISSAN and INFINITI brands in Taiwan, excluding manufacturing. The company was officially listed on the Taiwan Stock Exchange in 2004.

YNM has been cultivating in the Taiwan automotive market for over two decades. Our corporate mission is to pursue customer satisfaction, create business prosperity, and contribute to social welfare. With this mission at heart, we strive for sustainable corporate development. We have built a strong management team and continue to deepen our collaboration with our technology partner, generating long-term operational synergies. In response to evolving global trends, environmental changes, and ongoing structural transformation within the automotive industry, the Company has continuously invested substantial resources in product research and development and innovation, all for delivering more intelligent and human-centered mobility solutions and services. At the same time, we remain committed to advancing Environmental, Social, and Governance (ESG) initiatives. Through continuous improvement across all sustainability dimensions, we strive to create positive value for all stakeholders.

1.1.1

### Development History of YNM

**Significant Milestones of Each Year**

**2003** The establishment of Yulon Nissan Motor Co., Ltd.

**2004**

November
Obtained ISO 9001 Quality Management System certification and ISO 14001 Environmental Management System certification.

December
Yulon Nissan Motor Co., Ltd., went IPO officially.

**2005**

September
Rated No. 1 Non-luxury Car in Customer Satisfaction Index Study (CSI) by J.D. Power.

**2006**

May
Received the 2006 Second Corporate Social Responsibility Award from Global Views Magazine.

August
Received the MOEA (Automotive Manufacturing Category) "Top Export Ratio to Japan" Award.

October
Received the MOEA National Standardization Award.

November
The global sales of Nissan exceed 100 Million Cars.

**2007**

May
Received the 2007 Third Corporate Social Responsibility Award from Global Views Magazine.

December
Rated No.1 Mid-Size Car in Initial Quality Study (IQS) by J.D.Power.

**2008**

March
NISSAN TIIDA awarded by the then EPA (now Ministry of Environment) the "Annual Green Car."

Launch of the "Yulon Nissan Motor Innovation Design Award" campus tour.

June
Launch of the First Nissan Green Program: Energy-saving, Carbon Reduction, and Love the Earth.

**2010**

February
Launched the “NISSAN Green Program” (2010), with the brand new electric concept vehicle PIVO2 serving as an eco ambassador.

Signing of MOU regarding joint promotion of electric vehicles with Taichung City.

**2011**

March
Introduction of EV NISSAN LEAF.

May
Cooperated with the Taichung City Government in jointly implementing the Smart Electric Car Pilot Program initiated by the Ministry of Economic Affairs.

September
NISSAN was awarded the ninth “Excellent Service Award” by Global Views Magazine.

**2013**

June
Received Gold Award of the Best Service in Taiwan from Commercial Times.

August
Ranked No. 1 in the J.D. Power Taiwan New Vehicle Sales Satisfaction Index (SSI) among non-luxury brands

**2014**

May
Received the Work-Life Balance Award from the Ministry of Labor.

October
Rated No. 1 Non-luxury Car in Taiwan Aftersales Customer Satisfaction Index Study (CSI) by J.D. Power.

**2015**

October
Achieved dual first-place rankings in the J.D. Power 2015 Sales Satisfaction Index (SSI) and Customer Service Index (CSI) among non-luxury cars.

November
Officially launched the “NISSAN Care” mobile application for car owners.

December
Obtained ISO 14001 Environmental Management System certification

**2017**

April
The NISSAN Flagship Showroom in Gangshan, Kaohsiung, became NISSAN’s world's first showroom to pass NREDI 2.1.

**2018**

June
Launched the “Passionate Blood Donation” campaign: A Bag of Blood, A Generation of Love.

July
Offered sponsorship for Accident Insurance for temporary workers from the Department of Environmental Protection, Taipei City Government.

November
Held the customer event - Adventure in Nature Travelogue

December
Held the event “Nissan Little Warrior Mission”

**2019**

August
Launched the charity initiative “Exchange Rewards, Donate with Care – Bringing Warmth to Children”

September
NISSAN Zero Carbon Emission all-electric EV LEAF Launched.

**2020**

September
Held the first "Reading to Help the World" CSR Book Donation Campaign.

November
Hosted the "Little Car Expert" Service Center Work Experience Camp.

December
Awarded with "2020 National Talent Development Awards."

2021

September
Awarded with "2021 HR Asia Best Companies to Work For in Asia."

October
Awarded with "The 18th National Brand Yushan Award- Best Entrepreneur."

November
Awarded with "2021 14th Taiwan Corporate Sustainability Awards(TCSA)."

2022

July
YNM Co. donated a NISSAN LEAF together with dealers.

September
Launched "Digital Sales Consultant" service to meet online consumer demands.

October
Awarded with "2022 PMI Taiwan Grand Award(PTGA)."

November
Awarded with "2022 15th Taiwan Corporate Sustainability Awards(TCSA)."

## 2023

20th Anniversary of YNM

May
YNM hosted the 2023 NISTEC / NISAC National Skills Competition.

July
"2023-2024 Yulon Nissan Motor Innovation Design Award."

August
Hosted the "Little Car Expert" Service Center Work Experience Camp.

October
"Yulon Nissan Motor Innovation Design Award" Campus Tour Speech.

Won the First Best IT Employer Award.

November
Awarded with "2023 16th Taiwan Corporate Sustainability Awards(TCSA)."

2024

April
NISSAN provided support to victims of the Eastern Taiwan Earthquake.

May
YNM actively implemented ESG initiatives by donating fire guard vehicles.

June
Awarded the 18th Golden Torch Award — Top 10 Outstanding Enterprises and Excellence in Customer Satisfaction Awards.

Won the 104 Job Bank Employer Brand Award — Best Employer Brand Award.

July
Official launch of the NISSAN ARIYA.

YNM marked its 20th consecutive year of sponsoring emergency relief insurance for temporary workers.

August
Hosted the "Little Car Expert" Service Center Work Experience Camp.

October
The final results of the "2023–2024 YNM Innovation Design Awards" are announced.

November
Commended by the Ministry of Education's Sports Administration at the "Commendation Event for Promoting Corporate Recruitment of Sports Instructors."

Awarded the 17th TCSA Taiwan Corporate Sustainability Awards — Silver award for Sustainability Report, Automotive Industry, Category 1.

Received the 17th TCSA Taiwan Corporate Sustainability Awards — Talent Development Leadership Award.

Awarded the 17th TCSA Taiwan Corporate Sustainability Awards — Information Security Leadership Award.

2025

May
NISSAN ARIYA received the highest honor of "Car of the Year" in the 2025 Car News Awards.

July
NISSAN SENTRA received a five-star safety rating from the Taiwan New Car Assessment Program (TNCAP).

Donated for Accident Insurance for temporary workers from the Department of Environmental Protection, Taipei City Government.

September
NISSAN donated vehicles to National Changhua University of Education to support teaching and research, contributing to the development of intelligent transportation in Taiwan.

NISSAN and INFINITI launched customer care programs for vehicle owners affected by the Typhoon Gaemi, providing a vehicle renewal project for assistance.

November
Received the 18th Taiwan Corporate Sustainability Awards (TCSA) – Sustainability Report (Automotive Industry, Category I – Silver Award).

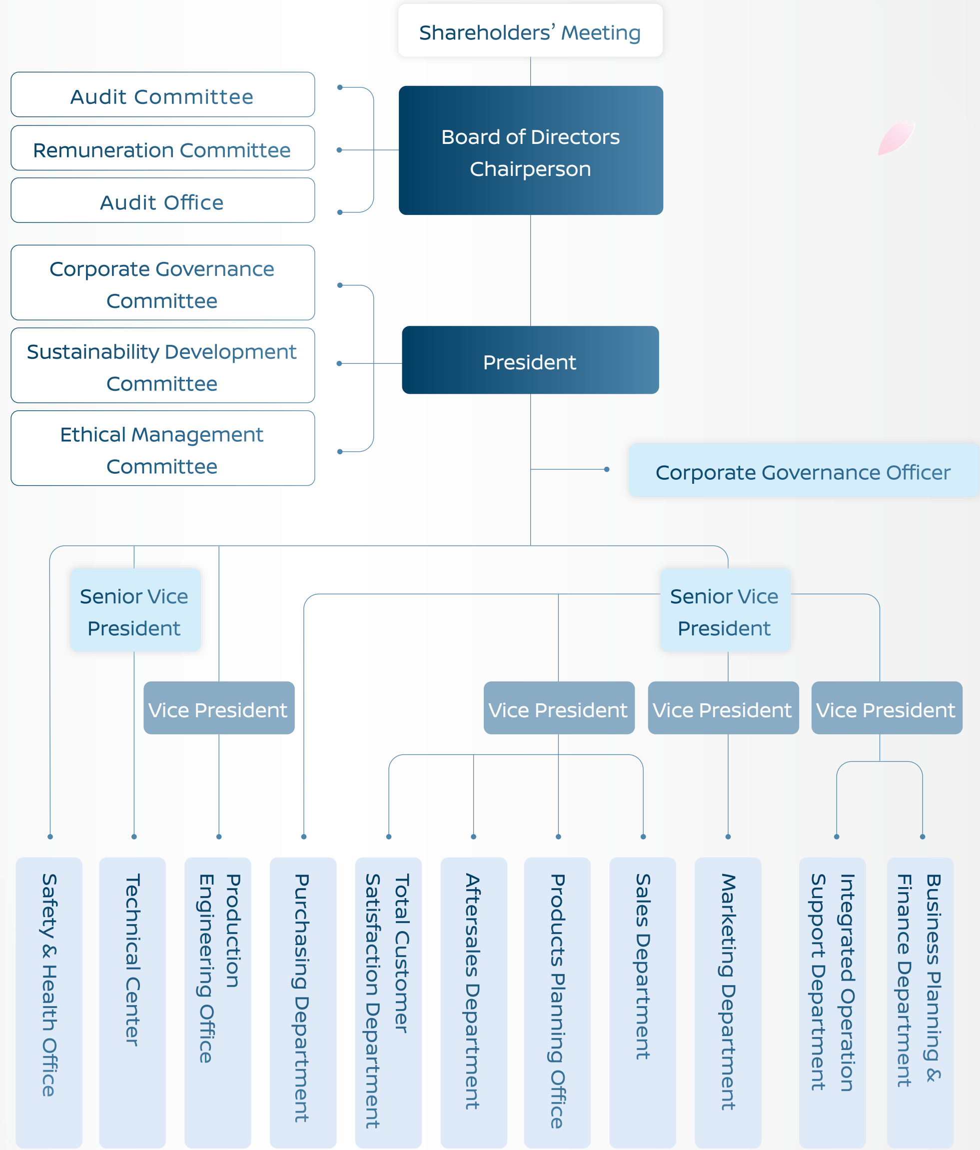
December
NISSAN announced the launch of the "Re-shaping Brand Initiative."

1.1.2

## Business Overview

| | |
|---|---|
| Date of Establishment | 23rd of October, 2003 |
| Listing Date | December, 2004 |
| Stock Symbol (TWSE) | 2227 |
| Company Address | Company Headquarters:<br>No. 39-2, Bogongkeng, Xihu Village, Sanyi Town, Miaoli County<br>Taipei Branch:<br>18F, No. 2, Section 2, Dunhua S Rd, Da'an District, Taipei City, Xindian<br>Xindian Office:<br>4F, No. 3, Sec. 3, Zhongxing Road, Xindian Dist, New Taipei City |
| Chairperson of the Board of Directors | Yen Chen, Li-Lien |
| President | Yao, Chen-Hsiang |
| Number of Employees | 303 Employees |
| Capital | TWD 3 Billion |
| Operating Revenue | TWD 15.1 Billion |

### Organization Structure of YNM



## YNM Industry Chain

Yulon Nissan Motor Co., Ltd. is primarily responsible for the sales and after-sales services of the NISSAN and INFINITI brands in the Taiwan market. The Company oversees the operation and management of all business activities (excluding manufacturing) across the entire value chain. In addition, the Company actively expands its overseas investments and cooperates with Dongfeng Motor Corporation Limited to develop overseas business. The Company aims to become a benchmark enterprise in product and service innovation within the cross-strait automotive industry through its domestic and international business operations.

### Motor Industrial Chain

| Upstream | Midstream | Downstream |
|---|---|---|
| • Manufacturing of Motor Vehicle Parts<br>• Raw Materials related to Battery Energy Storage | • Research and Development of Technology<br>• Vehicle Assembly<br>• Vehicle Testing | • Sales of Cars<br>• After-sales Service |

"Note 1: Text highlighted in red indicates YNM's scope of operations."
"Note 2: During the reporting period, there were no significant changes in the organization's activities, value chain, or business relationships."

**Domestic Business**: The operation of the entire value chain of NISSAN and INFINITI (excluding the manufacturing phases).

**Equity Investment**

- 100% Yi-Jan Overseas Investment Co., Ltd.
- 100% Jetford Inc.
- 42.69% Guangzhou Aeolus Automobile Co., Ltd.
- 16.55% Aeolus Xiangyang Automobile Co., Ltd.

## Participation in Associations and Guilds

YNM recognizes the importance of cross-sector exchange and engagement for industry development. The Company actively participates in external professional organizations, serves as a member of various industry associations, and maintains close interaction with peer companies. Through such engagement, the Company seeks to enhance its corporate influence, promote the long-term development of the automotive industry, and contribute to sustainable operations and shared prosperity within the industry.

**Organization Name**

- Taiwan Transportation Vehicle Manufacturers Association
- Taiwan Automobile Repair Industry Association
- Taipei Automobile Distributors Association
- Chinese National Association of Industry and Commerce, Taiwan
- Miaoli County Industrial Association
- SAE International Taipei Section
- Chinese Arbitration Association, Taipei
- Miaoli County Union of Nurses Association
- Miaoli County Labor Relations Association

**Participation Role**: Member

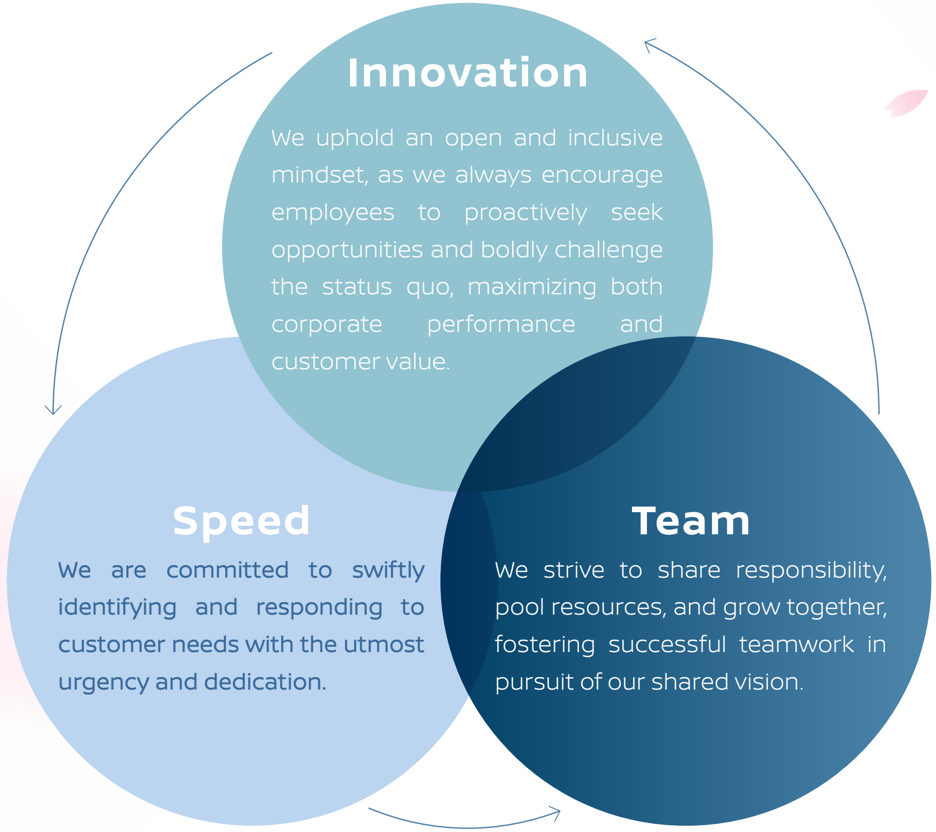
1.1.3

## Brand Vision and Corporate Core Value

YNM builds its core values with a forward-looking perspective. The Company firmly believes that continuous innovation enables the development of revolutionary products and technologies that can drive the automotive industry forward. Looking ahead, the Company will implement its three core brand DNA principles, emphasizing the emotional interaction between vehicle owners, automobiles, and daily life, embodying the brand spirit of "Inspairation From Every Detail." In addition to continuously providing vehicles that possess quality, refinement, and functionality, the Company will further strengthen customer trust and brand loyalty toward the NISSAN brand through refined and thoughtful services.

In a fiercely competitive market, speed is one of the keys to success. We are committed to swiftly responding to market demands and launching high-quality products to maintain our competitive edge. In addition, the Company places strong emphasis on teamwork and believes that collaboration and mutual support can achieve greater synergies. YNM adheres to three core values: Innovation, Speed, and Team. We aspire to become a real "1st" in our industry.

### YNM Core value




### YNM Brand DNA

**Electrified Driving**

The Company aims to deliver a new electrified driving experience enabled by innovative technologies, meeting mobility needs while advancing our sustainability vision.

**Technology Integration**

The Company shall introduce advanced safety technologies to balance driving enjoyment, safety, comfort, and convenience.

**Trust**

By continuously improving vehicle quality and refined services, the Company will strengthen customer trust and brand confidence.

## YNM Mission

By strengthening our management team and enhancing our relationship with the authorized technical repair shops of our parent, we aim to develop more investment-worthy new ventures across the Taiwan Strait. The approach allows YNM to achieve greater synergies and deliver increased profits to our shareholders. With the expansion of corporate operations, the goal of internationalization of the Company's operations, the three main missions are set as the guidelines of governance:

- Achieving Customer Satisfaction
- Creating Corporate Prosperity
- Contributing to the social welfare

## YNM Brand Vision

The Company represents a refined cultural and technology brand deeply rooted in the wisdom of Japanese fine arts, guided by the core spirit of "Inspiration From Every Detail." Through its three core brand DNA principles of electrification innovation, technology integration, and trust evolution, the Company strongly conveys the brand message of "Every moment shapes the future." By integrating technological innovation, human-centered thinking, and refined Japanese standards, the Company aims to strengthen customer affinity and trust in the brand.

Based on a long-term strategy covering brand experience, product introduction, and service upgrades, the Company continues to deepen its presence in the Taiwan market, enhance brand value, expand its new energy product portfolio, and provide high-quality service experiences.

The Company is building a comprehensive product portfolio with a focus on electrification and vehicle value enhancement. At the current stage, e-POWER serves as the core new energy technology of the brand, delivering driver enjoyment, refined ride quality, and improved usability. The Company is progressively advancing its electrification strategy to provide new energy mobility experiences that balance the joy of driving with practicality.

# 1.2 YNM Sustainability Vision

The Company upholds the NISSAN spirit and inherits the management philosophy of the Yulon Group. Together with its locally based management team, the Company is committed to the mission of pursuing customer satisfaction, creating corporate prosperity, and contributing to social well-being, thereby developing its own sustainability roadmap. We also carry the respect and protection we hold for our environment and society while we strive for the success of our business. The Company actively participates in sustainability initiatives, implementing energy efficiency, emissions reduction, and resource circularity in product design, placing emphasis on human rights, maintaining stakeholder engagement, and striving to build a cleaner and more sustainable future.

1.2.1

## Sustainable Governance

### Sustainable Governance Framework

YNM ensures the implementation of its sustainability vision and strategies through the YNM Sustainability Development Committee. The Committee is chaired by President Mr. Yao Chen-Hsiang, who is appointed by the Chairperson of the Board. Five working groups have been established under the Sustainability Development Committee, namely Corporate Governance, Employee Care, Sustainable Environmental Development, Customer and Partner Relations, and Social Welfare. Each working group is assigned specific responsibilities and develops sustainability objectives within its respective area to support the Company's sustainable development agenda. Each working group is composed of representatives from the corresponding responsible departments. During operations, they integrate resources across departments and regularly report to the Board of Directors to ensure the thorough implementation of sustainable governance.

### Implementation Highlights of the YNM Sustainability Development Committee

| | |
|---|---|
| Frequency and Number of Meetings | The Sustainability Development Committee is convened regularly every six months, and 2 meetings were held in 2025. |
| Implementation in 2025 | In addition to completing the greenhouse gas inventory for Scope 1 and Scope 2 emissions as required by the Financial Supervisory Commission (FSC), the Company has been proactively preparing for the implementation of the Scope 3 greenhouse gas inventory and verification. |
| Sustainability Development Priorities for 2026 | On the 5th of August, 2025, the Company's Board of Directors was presented with the 2024 Sustainability Development Progress Report. |

## Sustainability Development Committee

Highest Governance Unit: **Board of Directors**

Committee Chairperson: President Yao, Chen-Hsiang

Consolidated implementing conditions: Integrated Operation Support Department

| Divisions | Corporate Governance Team | Employee Care Team | Sustainable Environmental Development Team | Customer and Partner Relations Team | Social Welfare Team |
|---|---|---|---|---|---|
| Responsibilities | Refine the corporate governance system and deepen a culture of ethical business operations. | Create a high-quality working environment, systems, and opportunities for growth and development. | Internally, promote various energy-saving and carbon reduction measures; externally, continue to introduce environmentally friendly and energy-efficient vehicle models. | Offer products that have positive environmental and social benefits; lead suppliers/dealers in co-creating a green industry and sustainable development value chain system. | Dedicated to education, environment, disadvantaged groups, and other social welfare activities. |
| Composition | • Business Planning and Finance Department – Management Operation<br>• Business Planning and Finance Department – Finance<br>• Audit Office | • Integrated Operation Support Department - Human Resources<br>• Integrated Operation Support Department - EHS | • Integrated Operation Support Department - EHS<br>• Marketing Department<br>• Sales Department<br>• Aftersales Department<br>• Products Planning Office<br>• Purchasing Department<br>• Technical Center | • Marketing Department<br>• Sales Department<br>• Aftersales Department<br>• Products Planning Office<br>• Purchasing Department<br>• Technical Center<br>• Total Customer Satisfaction Department<br>• Integrated Operation Support Department - IT | • Marketing Department<br>• Sales Department<br>• Aftersales Department |

1.2.2

## Sustainable Blueprint

YNM established its first Corporate Social Responsibility Best Practice Principles in 2014, which were approved and implemented by the Board of Directors. In 2022, the Company renamed the Corporate Social Responsibility Best Practice Principles to the Sustainable Development Best Practice Principles. In 2025, the Company completed the sixth revision of the Principles, which was reviewed and approved by the Board of Directors and published on the Company's official website, demonstrating YNM's commitment to sustainable development, which has been conveyed to its stakeholders.

The Four Key Principles of Sustainable Development Best Practice Principles.

- Practice Corporate Governance
- Develop Sustainable Environment
- Promote Social Welfare
- Enhance Corporate Sustainability Information Disclosure

Sustainable Blueprint

| Yulon Nissan Motor | | | | | |
|---|---|---|---|---|---|
| Mission | With social responsibility as the core, to provide automobile solutions that are safe, environmentally friendly, reliable, and promote sustainable development. | | | | |
| Vision | To rise as the leader in social sustainability, realize the transition and upgrade of human lifestyles through innovative technology and collaboration with partners. | | | | |
| Aspirations | To be actively involved in community building, promoting the awareness of environmental protection and energy saving, and be a socially reliable partner in realizing the future of inclusion and co-prosperity. | | | | |
| Value | Integrity | Talent | Carbon Reduction | Partner | Co-prosperity |
| Code of Conduct | • Commitment to ethical conduct<br>• Enhancing the customers' trust | • Deep cultivation of talent development<br>• Create a high-quality workplace | • Corporate decarbonization<br>• Energy-saving green products | • Collaborating with a sustainable supply chain<br>• Dealer-community engagement | • Committing to social engagement<br>• Implementing corporate social responsibility |

1.2.3

## IFRS International Financial Reporting Standards S1 and S2

YNM plans to formally commence the implementation of IFRS S1 and IFRS S2 in the fourth quarter of 2026. During the initial phase, the Company will focus on reviewing existing sustainability-related information, identifying gaps and potential impacts in relation to different disclosure standards, establishing a cross-functional collaboration mechanism and implementation framework, and assessing the adequacy of sustainability information management processes and internal controls. Subsequently, the Company will progressively strengthen the identification of sustainability-related risks and opportunities, perform materiality assessment, and ensure sustainability information quality management to ensure consistency between sustainability disclosures and financial reporting, while complying with the requirements of the IFRS Sustainability Disclosure Standards.

## Sustainable Governance Framework

| Phase | Tasks | Implementation | Target Completion |
| --- | --- | --- | --- |
| Phase 01 Analysis and Planning | 1. Establish a cross-functional IFRS sustainability project team<br>2. Develop an implementation plan<br>3. Conduct a preliminary assessment of gaps and potential impacts between existing sustainability information and the IFRS Sustainability Disclosure Standards | All activities are currently progressing according to schedule. | Fourth Quarter of 2026~ First Quarter of 2027 |
| Phase 02 Design and Execution | 1. Identify sustainability-related risks and opportunities, assess their financial impacts, and evaluate sustainability-related financial information.<br>2. Identify and collect required information. | All activities are currently progressing according to schedule. | Second Quarter of 2027~ Third Quarter of 2027 |
| Phase 03 Implementation | Pilot preparation of the Sustainability Information Section in the Annual Report. | All activities are currently progressing according to schedule. | Third Quarter of 2028 |
| Phase 04 Refinement and Improvement | Official disclosure and filing of the Sustainability Information Section in the Annual Report. | All activities are currently progressing according to schedule. | First Quarter of 2029 |

# 1.3 Sustainability Communication and Management

Sustainability trends in the automotive industry continue to evolve rapidly. YNM places great importance on stakeholder perspectives and expectations. During the preparation of the Sustainability Report, the Company identifies and evaluates sustainability topics in accordance with the materiality definition outlined in GRI 3: Material Topics. The assessment takes into consideration domestic and international sustainability trends, regulatory developments, automotive industry-specific trends, and global sustainability-related risks and opportunities. Questionnaires are designed by the Sustainability Report Editorial Group and distributed through designated stakeholder communication representatives. Stakeholder feedback is then consolidated and analyzed to identify sustainability topics of greatest concern to stakeholders.

1.3.1

## Material Issue Analysis Process

STEP 1

**Identification of Stakeholders**

Stakeholders were identified in accordance with the five principles of the AA1000 Stakeholder Engagement Standard (AA1000SES). Stakeholders are defined as internal and external groups or individuals who may affect the Company or be affected by the Company's operations. Based on this definition, stakeholder identification questionnaires were distributed to department heads for assessment and evaluation.

YNM identified eight categories of stakeholders for analysis, including employees, customers, partners, shareholders and investors, government authorities, media, academic institutions, communities, and NPOs, based on both YNM's and industry stakeholders' perspectives.

The Company conducted its materiality assessment based on 12 stakeholder identification questionnaires.

The key stakeholders identified for YNM's focused attention are: Employees, Partners, Customers, Shareholders and Investors, as well as Government Agencies.

STEP 2

**Understanding the context of sustainability**

YNM actively engages with its key stakeholders and conducts departmental interviews internally to convey and exchange sustainable principles.

The assessment referenced key sustainability frameworks and standards, including the Global Reporting Initiative (GRI), SASB industry standards, and the Task Force on Climate-related Financial Disclosures (TCFD). In addition, considerations were given to automotive industry-specific characteristics, sustainability focus areas of domestic and international peers, and global sustainability trends, with emphasis on sustainability topics relevant to Yulon Nissan's operations. A total of 18 sustainability topics were identified for impact assessment.

Nine cross-functional interviews were conducted. The 18 sustainability topics were categorized and assessed as follows: governance (4 topics), environmental (5 topics), social (5 topics), and automotive industry-specific topics (4 topics).

| | | |
|---|---|---|
| STEP 3<br>Assessment of Topic Impacts | • The Company evaluated the 18 sustainability topics based on both stakeholder concern levels and the actual and potential positive and negative impacts of each topic on the Company's operations. The assessment results were plotted into a materiality matrix, which serves as the basis for determining the Company's Material Issues. | The assessment included 13 valid internal questionnaires.<br>101 of valid external questionnaires, covering employees (19), government authorities (10), customers (32), business partners (21), local communities and NGOs (5), academic institutions (7), media (6), and shareholders and investors (1). |
| STEP 4<br>Confirmation of Material Issues | • Through internal and external materiality surveys, the Company conducted a comprehensive evaluation based on its sustainability vision and strategy, domestic and international sustainability trends, peer benchmarking analysis, and professional recommendations from external advisors, and the overall evaluation was conducted by the highest governance unit. It is confirmed that the impact assessments of the sustainability topics—including their impacts on the Company's operations as well as environmental, social, and governance dimensions—appropriately reflect the current situation. Following the comprehensive evaluation, 11 Material Issues were identified as the Company's key sustainability priorities. | Identified with 11 Material Issues |
| STEP 5<br>Development of Material Issues Management Approach | • The Company reviewed the results of the materiality assessment and evaluated the financial impacts of significant sustainability-related impacts on its operations. It also identified and reviewed core resources allocated to each Material Issue in 2025. The highest governance body in YNM established management approaches for each Material Issue, including strategies as well as the short-term, medium-term, and long-term objectives. The results were subsequently submitted to the Board of Directors for approval. | The management approaches for the 11 Material Issues are disclosed in the relevant sections of this report. |

1.3.2

## Stakeholder Engagement

### Identification of Stakeholders

Yulon Nissan identifies and evaluates its stakeholders in accordance with the five dimensions of the AA-1000 Stakeholder Engagement Standard (AA1000SES-2015). The Sustainability Development Committee is responsible for stakeholder assessment, supported by internal questionnaires to determine the relative importance of each stakeholder group to the Company. The five assessment dimensions include Dependency, Responsibility, Tension, Influence, and Diverse Perspectives. The assessment results indicate that YNM's four most important stakeholder groups, in order of priority, are employees, business partners (including suppliers and dealers), customers, and shareholders and investors.

### Stakeholder Communication Channel and Frequency

| Stakeholders | Meaning to the YNM | Ways of Communication and Frequency | The Major Communication Results in 2025 |
|---|---|---|---|
| Customers | Main sources of the Company's Revenue, which also served as an important driving force for the innovation of YNMs Products and Services. | • New Vehicle Purchase Behavior Survey (Monthly)<br>• Sales Satisfaction Survey (Monthly)<br>• Service Satisfaction Survey (Monthly)<br>• New Vehicle Quality Satisfaction Survey (Quarterly)<br>• Customer Service Hotline of Nissan & INFINITI<br>◦ 24 Hours Roadside Assistance Service<br>◦ Dedicated Personnel to provide General Consultation Service available from 08:00 to 22:00<br>◦ Text Message Service Representative available from 9:00 to 17:00 and (with a break from 12:00 to 13:00)<br>• Communication via official websites of NISSAN and INFINITI, and external social media platforms (Facebook, Instagram, etc.) (Ad hoc)<br>• NISSAN CARE mobile application (Ad hoc)<br>• Physical interactions at authorized dealerships (Ad hoc)<br>• Customer service activities (Ad hoc) | • The headquarters organizes integrated customer engagement programs, while dealerships conduct diversified thematic events quarterly. Monthly satisfaction surveys are conducted for new vehicle purchases and aftersales services. Promotional campaigns and service updates are also communicated through official social media channels and the mobile application. .<br>• After-Sales Service satisfaction surveys collected approximately 129,406 valid responses from approximately 406,656 distributed questionnaires, achieving an average score of 4.92 out of 5 and a satisfaction rate of 98.4%.<br>• Approximately 140 campaign messages were delivered via the NISSAN CARE mobile application.<br>• 155,038 vehicles participated in seasonal summer and spring inspections service campaigns.<br>• 24 "NISSAN Little Car Expert" road safety education sessions were conducted, reaching more than 5,000 parents and children in total |

## Stakeholder Communication Channel and Frequency

| Stakeholders | Meaning to the YNM | Ways of Communication and Frequency | The Major Communication Results in 2025 |
|---|---|---|---|
| Employees | Employees are regarded as the Company's most important and valuable asset. The Company is committed to fostering a diverse, inclusive, and safe workplace to create maximum value together with its employees. | • Various Regular Communication Meetings with the Employees (Weekly, Monthly, and Quarterly)<br>• Senior Management Discussion Forum (Twice per year)<br>• New Employee Discussion Forum (Annually)<br>• Organizational Atmosphere Survey (Annually)<br>• Labor-Management Meeting (Quarterly)<br>• Employee Mailbox (Ad hoc)<br>• Occupational Safety and Health Committee meetings (quarterly)<br>• Employee Assistance Program (EAP) (Ad hoc)<br>• Workplace harassment reporting hotline (Ad hoc) | • Employee engagement meetings and organizational atmosphere surveys to express the managerial direction and results to employees via diversified channels<br>• Labor–management meetings and Occupational Safety and Health Committee meetings are held quarterly. Ongoing communication with supervisors and management via meetings and email channels |
| Partners | Providing relevant operational resources to YNM and working together with YNM to create value for customers. | • Collaboration Council meetings (Annually)<br>• Collaboration Council Directors and Supervisors meetings (Twice per year)<br>• Purchasing Information System (PIS) Electronic Platform (Ad hoc)<br>• Dealers' Supervisors Meetings (Ad hoc)<br>• Dealers Market Situation Tour Meetings (quarterly)<br>• Service Center Monthly Meetings (Monthly) | • 12 Dealers' Supervisors meetings, 1 Collaboration Council meeting, 2 Collaboration Council Directors and Supervisors meetings to maintain close communication with cooperation partners<br>• Regular communication with the dealer's service supervisors regarding service-related policies. |
| Stockholders/ Investors | Providing the funds essential for business operations and suggestions on the direction of business development. | • Investors Conference (Twice per year)<br>• Shareholders' Regular Meetings and Annual Report (Annually)<br>• Board of Directors Meeting (Quarterly)<br>• Communication via the NISSAN Official Website and Facebook (Ad hoc)<br>• Announcement of Operational Condition and Material Information on MOPS (Ad hoc) | • Investor Conference: Twice per year<br>• Stockholders' Regular Meetings and Annual Report: Once per year<br>• Board of Directors meetings: 5 sessions |

## Stakeholder Communication Channel and Frequency

| Stakeholders | Meaning to the YNM | Ways of Communication and Frequency | The Major Communication Results in 2025 |
|---|---|---|---|
| Governmental Authorities | Providing the infrastructure needed for the business, legislation of laws and regulations, and promoting corporate sustainability through the Forward-looking Infrastructure Development Program. | • Bureau of Energy, Ministry of Economic Affairs (Annually, Ad hoc)<br>• Ministry of Environment (Ad hoc)<br>• Participation in the 2050 Net-Zero National Climate Change Citizens Conference Information Platform (Ad hoc)<br>• Taiwan Transportation Vehicle Manufacturers Association Meetings (TTVMA) (Ad hoc)<br>• Vehicle Safety Certification Center (Ad hoc)<br>• Business and Financial Declaration to the National Taxation Bureau (6 times per year)<br>• Ministry of Labor (Monthly)<br>• Ministry of Justice Investigation Bureau (Ad hoc) | • TTVMA Policy Task Force: Total of 4 Times<br>• TTVMA Laws and Regulation Task Force: Total of 12 Times |
| Media | They determine the bonding between YNM and the public, which affects the Company's reputation and the result of sales. | • Press Release (Monthly)<br>• Press Conference (Ad hoc)<br>• Media Interview (Ad hoc) | • 29 press releases issued.<br>• 2 official media events conducted. |
| Community and NPOs | The primary target of social care initiatives. | • 0800 Hotlines (Ad hoc)<br>• Sanyi Rotary Club (Ad hoc)<br>• Visiting Charity Organizations and Disadvantage Groups (Ad hoc)<br>• Visits to Schools and Organizations (Ad hoc) | • Caring for temporary workers from the Department of Environmental Protection, Taipei City Government<br>• Social welfare support initiatives to enhance social service capacity<br>• Typhoon disaster relief support in Hualien |
| Academic Institution | An important source and driver of talents and technologies for YNM. | • Yen Tjing Ling Industrial Development Foundation (Ad hoc)<br>• Various Universities and Colleges (Ad hoc) | • Academic engagement programs with National Cheng Kung University and National Chung Hsing University |

### Stakeholder Communication Channels and Contact Mechanisms

| Stakeholders | Contact Information |
|---|---|
| Employees | Senior Manager Lin of the Human Resources Unit<br>Tel: 037-875881 Ext. 1640<br>Email: ray.lin@yulon-nissan.com.tw |
| Customers (The Brand of Nissan) | NISSAN Supervisor Hsu<br>TEL: 0800-088888<br>Feedback: https://service.nissan.com.tw/testdrive/info/contact-us |
| Customers (The Brand of INFINITI) | INFINITI Supervisor Hsu<br>Tel：0800-333-399<br>Feedback: https://www.infiniti.com.tw/about/contact |
| Partners | Collaborations<br>Purchasing Department Manager Chan<br>Tel: 037-875881 Ext. 1720<br>Email：james.chan@yulon-nissan.com.tw |
| | Dealers<br>Sales Department Manager Liu<br>Tel: 037-875881 Ext. 1560<br>Email：steven.liu@yulon-nissan.com.tw |
| | Service Centers<br>After-Sales Service Department Senior Manager Li<br>Tel: 037-875881 Ext. 1202<br>Email：jovice.lee@yulon-nissan.com.tw |
| Media | PR Office Manager Cheng<br>Tel: (037) 875881 Ext. 1130<br>Email：doris.cheng@yulon-nissan.com.tw |

1.3.3

## Materiality Analysis Results

### Understanding the sustainability context

YNM identifies sustainability topics by integrating international sustainability frameworks and standards (including GRI Standards and SASB), industry-specific characteristics, domestic and international peer practices, and global sustainability trends. A total of 18 sustainability topics were defined, covering governance, environmental, social, and automotive industry-specific issues. These topics were used as the basis for internal and external materiality questionnaires.

**YNM Sustainability Topic Identification**

| | |
|---|---|
| Referring to international sustainability standards and regulations, such as GRI Standards and SASB. | Domestic and international peer sustainability priorities and global sustainability trends |
| Focusing on sustainability issues related to YNM's operational business. | Cross-analysis of issues among related entities of relevant industries, upstream suppliers, customer groups, and others. |

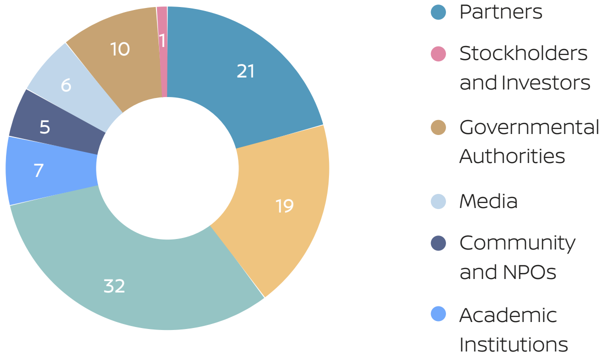
**Sustainable Topics of YNM in 2025**

| Governance | Environmental | Social | Automobile Industry |
|---|---|---|---|
| Continuous Management in Business Operation | Supply chain management | Talent Recruitment and Retention | Brand Marketing |
| Economic Performance | Waste Management | Talent Cultivation and Development | Product Safety and Quality Management |
| Ethical Management and Legal Compliance | Greenhouse Gas and Energy Management | Occupational Safety and Health | Customer Relationship Management |
| Information Security and Privacy Protection | Climate Change Response and Strategy | Human Rights and Labor-Management Communication | Product and Service Innovation |
| | Water Resources Management | Social Impact | |

## Assessment of Topic Impacts

YNM collected stakeholders' concerns and suggestions on sustainability issues through questionnaires in 2025, receiving a total of 13 returned internal questionnaires and 101 returned valid external questionnaires from stakeholders on material issues.

### Number of Returned External Questionnaires on Material Issues




| YNM's Top Five Internal Sustainability Topics | |
|---|---|
| Product Safety and Quality Management | |
| Brand Marketing | Product Services and Innovation |
| Customer Relationship Management | |
| Talent Recruitment and Retention | |

| External Stakeholders' Top Five Sustainability Topics |
|---|
| Economic Performance |
| Information Security and Privacy Protection |
| Product Services and Innovation |
| Product Safety and Quality Management |
| Talent Recruitment and Retention |

YNM collects opinions through questionnaires and comprehensively evaluates sustainability topics based on their impacts on the economy, environment, and people (including human rights). Both actual and potential impacts, as well as positive and negative impacts and their likelihood of occurrence, are assessed using differentiated evaluation approaches. In addition. The Company applies the concept of Double Materiality, as promoted by the European Union, to evaluate each sustainability topic based on "impacts on the economy, environment, and people (including human rights)" and "impacts on the Company's operations," with results consolidated into a comprehensive scoring framework. In addition, a threshold score of 10.94 (based on the previous average score) was established as the materiality threshold. The two dimensions— "Impacts on the economy, environment, and people (including human rights)" and "Impacts on the Company's operations"—are plotted as axes to develop the materiality matrix.


In accordance with the principle of Double Materiality, the Company conducts a rigorous assessment of sustainability topics across the two dimensions of "Impacts on the economy, environmental, and people (including human rights)" and "Impacts to the company's operation." Based on the assessment results, a total of 10 topics exceeded the materiality threshold. In addition, "Climate Change" was strategically included due to strong stakeholder concern and forward-looking considerations. As a result, 11 key Material Issues were ultimately confirmed.

For these 11 Material Issues, the Company discloses the details of their positive and negative impacts in the respective chapters of this report, and further explains its management commitments, core resources deployed in 2025, and corresponding short-, mid-, and long-term performance targets, to fully embed sustainability into its governance framework.

| Value Chain | | |
|---|---|---|
| Upstream | Midstream | Downstream |
| Automobile Components and Raw Materials | Vehicle Design R&D as well as Final Assembly | Sales and Aftersales Services |
| A | B | C |

| Stakeholders | | | | | | | |
|---|---|---|---|---|---|---|---|
| Customers | Employees | Partners | Stockholders and Investors | Governmental Authorities | Media | Community and NPOs | Academic Institution |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |

## 2025 List of YNM Material Issues

| Material Issue | Aspects | SDGs | GRI | Management Policy Relevant Chapters | Impact Boundary of Value Chain | Impacted Stakeholders | Comparison with the previous year | Financial Impact Level | Relationship Between Material Issues and Stakeholders |
|---|---|---|---|---|---|---|---|---|---|
| Product Safety and Quality Management | Automobile Industry | 8 DECENT WORK AND ECONOMIC GROWTH<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION | GRI 416: Customer Health and Safety | CH3<br>Brand Value and Partnership | B,C | 1, 3 | Ranking unchanged | ●●●●● | Customers: Ensure the safety of customers when driving.<br>Partners: Ensure delivery quality meets brand standards. |
| Brand Marketing | Automobile Industry | 8 DECENT WORK AND ECONOMIC GROWTH | GRI 417: Marketing and Labeling | CH3<br>Brand Value and Partnership | C | 1, 3, 6 | Ranking unchanged | ●●●●● | Customers: Delivering Brand Value and Enhance Customer Loyalty<br>Partners: Align marketing strategies to enhance the value chain's brand image.<br>Media: Leverage exposure to expand brand influence. |
| Product and Service Innovation | Automobile Industry | 8 DECENT WORK AND ECONOMIC GROWTH<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION | No specific GRI Standards | CH3<br>Brand Value and Partnership | B,C | 1,3 | ▲ Ranked from 6 to 3 | ●●●●● | Customers: Deliver innovative experiences to meet diverse needs.<br>Partners: Collaborating to Develop Innovative Solutions and Expand the Market. |
| Talent Recruitment and Retention | Social | 3 GOOD HEALTH AND WELL-BEING<br>8 DECENT WORK AND ECONOMIC GROWTH<br>17 PARTNERSHIPS FOR THE GOALS | GRI 401: Employment | CH5<br>Employees Care | B | 2, 8 | ▲ Ranked from 5 to 4 | ●●●○○ | Employees: Foster a growth-oriented environment to enhance retention willingness.<br>Academic Institutions: Strengthen industry-academia collaboration and cultivate talent for the industry. |

## 2025 List of YNM Material Issues

| Material Issue | Aspects | SDGs | GRI | Management Policy Relevant Chapters | Impact Boundary of Value Chain | Impacted Stakeholders | Comparison with the previous year | Financial Impact Level | Relationship Between Material Issues and Stakeholders |
|---|---|---|---|---|---|---|---|---|---|
| Customer Relationship Management | Automobile Industry | 3 GOOD HEALTH AND WELL-BEING<br>8 DECENT WORK AND ECONOMIC GROWTH<br>17 PARTNERSHIPS FOR THE GOALS | No specific GRI Standards | CH3 Brand Value and Partnership | C | 1, 3, 4 | ▼ Ranked from 3 to 5 | ●●●●● | Customers: Enhance service quality to improve satisfaction.<br>Partners: Enhance collaboration results and strengthen mutual goodwill.<br>Shareholders and Investors: Stabilize the customer base and improve operational performance. |
| Economic Performance | Governance | 8 DECENT WORK AND ECONOMIC GROWTH | GRI 201: Economic Performance | CH2 Sustainable Governance | C | 2, 4 | ▼ Ranked from 4 to 6 | ●●●●○ | Employees: Ensuring employment stability and employee benefits.<br>Shareholders and Investors: Create profit and return to shareholders and share prices. |
| Talent Cultivation and Development | Social | 4 QUALITY EDUCATION<br>8 DECENT WORK AND ECONOMIC GROWTH | GRI 404: Training and Education<br>GRI 405: Diversity and Equal Opportunity | CH5 Employees Care | B | 2, 8 | Newly added | ●●●○○ | Employees: Development of Internal training programs and digital learning platforms.<br>Academic Institutions: Technical and competency training. |
| Continuous Management in Business Operation | Governance | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | GRI 2-25 (Processes to remediate negative impacts) | CH2 Sustainable Governance | A, B, C | 1, 2, 3, 4 | Ranking unchanged | ●●●●○ | Employees: Ensure operational stability and secure basic livelihood.<br>Customers: Provide stable services to maintain trust.<br>Partners: Maintain collaborative relationships within the supply chain.<br>Shareholders and Investors: Strengthen risk management to consistently deliver stable investment returns. |

## 2025 List of YNM Material Issues

| Material Issue | Aspects | SDGs | GRI | Management Policy Relevant Chapters | Impact Boundary of Value Chain | Impacted Stakeholders | Comparison with the previous year | Financial Impact Level | Relationship Between Material Issues and Stakeholders |
|---|---|---|---|---|---|---|---|---|---|
| Information Security and Privacy Protection | Governance | 16 PEACE AND JUSTICE STRONG INSTITUTIONS | GRI 418: Customer Privacy | CH2 Sustainable Governance | C | 1, 2, 5 | Ranking unchanged | ●●●●○ | Customers: Safeguard personal data security and build trusted relationships.<br>Employees: Strengthen internal cybersecurity awareness to safeguard operational information.<br>Government Agencies: Implement cybersecurity regulations to reduce compliance risks. |
| Occupational Safety and Health | Social | 3 GOOD HEALTH AND WELL-BEING<br>8 DECENT WORK AND ECONOMIC GROWTH | GRI 403: Occupational Health and Safety | CH5 Employees Care | B | 2, 8 | ▲ Ranked from 11 to 10 | ●●●●○ | Employees: Comprehensive occupational safety and health management to protect employees' physical and mental well-being and reduce occupational accident risks. |
| Climate Change Response and Strategy | Environmental | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | GRI 302: Energy<br>GRI 305: Emissions | CH4 Environmental Protection | A, B, C | 1, 2, 3, 4 | Ranking unchanged | ●●●●○ | Employees: Strengthen awareness of sustainability.<br>Customers: Provide low-carbon products.<br>Partners: Build a low-carbon supply chain.<br>Shareholders and Investors: Ensure stable and sustainable corporate development. |

# 02 Sustainable Governance

# Sustainable Governance

## Core Vision and Commitment

YNM is committed to pursuing excellence and striving to become a world-class enterprise guided by its core values of Innovation (I), Speed (S), and Teamwork (T), the "1st." To us, these core values are not only the guiding principles that inspire our employees with purpose but also serve as the foundational pillars sustaining the Company's development. YNM cultivates key competencies of continuous improvement, customer orientation, teamwork, innovation, and proactive execution that build up a highly competitive workforce. In response to the increasing dynamic and rapidly evolving business environment, we have positioned sustainable governance at the core of our corporate development strategy. We remain committed to creating long-term positive value for all stakeholders while pursuing stable business operations.

## 2025 Sustainability Highlights

Received the **Silver Award** in the Automotive Industry Category I – Sustainability Report at the 18th Taiwan Corporate Sustainability Awards (TCSA).

Successfully completed the transition to and external certification of **ISO 27001:2022**, further enhancing the maturity of the Company's information security management system.

Incorporated sustainability-related objectives into executive compensation mechanisms, including **quantitative performance indicators such as third-party greenhouse gas verification and information security certification.**

Directors and supervisors completed a total of **90** hours of professional continuing education programs.

# 2.1 Corporate Governance

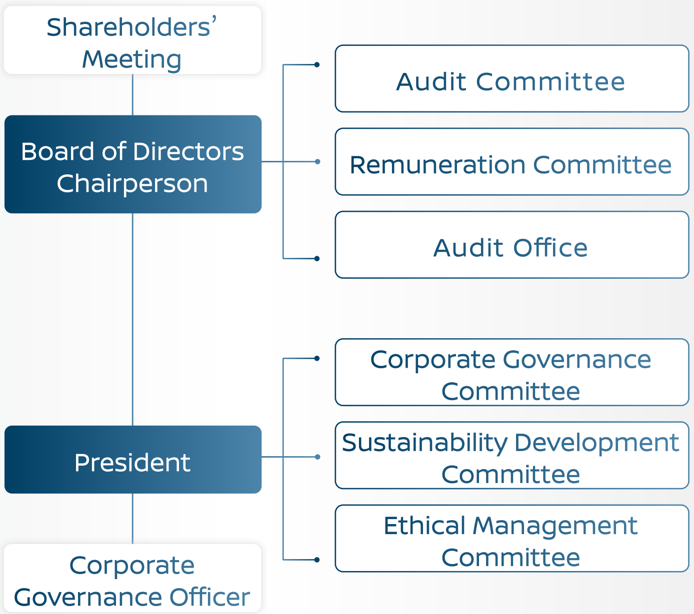
2.1.1

## Governance Structure

YNM firmly understands that sound corporate governance is fundamental to sustainable business operations. The company has established a comprehensive governance framework and regularly disclose operational performance and significant decisions to shareholders and other stakeholders in accordance with the Corporate Governance Best Practice Principles to ensure our corporate transparency and strengthen trust from stakeholders. We participate in monthly meetings at the Group Headquarters to review financial and sales performance against targets, conduct in-depth analysis, and engage in strategic discussions. In addition, weekly internal management meetings are held, during which each department reports on business progress, enabling continuous monitoring of KPI execution and supporting the implementation of long-term development strategies.

The Board of Directors of YNM is the company's highest governance body. Two functional committees have been established under the board: the Audit Committee and the Remuneration Committee,which oversee overall business strategy and major decisions, and supervise the performance of the management team. The Company has appointed a qualified Corporate Governance Officer in accordance with "Operation Directions for Compliance with the Establishment of Board of Directors by TWSE/TPEx Listed Companies and the Board's Exercise of Powers," and with the approval from the Board of Directors to ensure the soundness and fairness of the corporate governance structure. Vice President Liang Chao-Yen was appointed as the Corporate Governance Officer of the Company with the approval of the Board of Directors in 2021 to safeguard the shareholders' rights and interests, strengthen the effectiveness of the Board of Directors, and to enhance the overall operational efficiency of the Company.

YNM Corporate Governance Structure Diagram




2.1.2

## Operations of the Board of Directors

The Board of Directors regularly reviews and assesses the Company's strategic direction and major decisions to ensure alignment with its long-term vision and development goals. At the same time, the board promotes a transparent and fair decision-making process and ensures that all business activities fit ethical management and legal compliance, safeguarding the interests of shareholders and other stakeholders with adherence to the highest principles of ethical business.

### Board Meetings in 2025

**Five** Board Meetings were convened in the year 2025.

**One** shareholders' regular meeting is convened annually.

**Two** Sustainability-related proposals were approved by the Board.

The average attendance rate of Directors of the Board reached **98%**

**100%** attendance rate of Independent Directors at all Board Meetings.

**One** Board seat was held by a female director.

For further information on the board of directors, please refer to the website of YNM Corporate Governance

[2025 Composition of the Board of Directors]

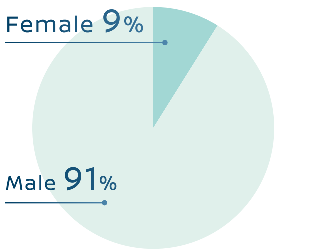
[2025 Information of Independent Directors]

[2025 Resolution Matters of the Board of Directors]

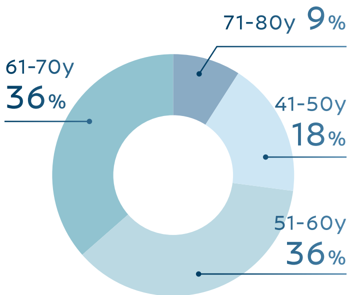
[Procedures for Director Elections]

## Board Diversity

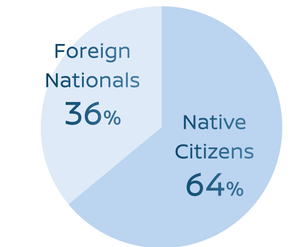
The ninth Board of Directors of YNM comprises eleven directors, including three Independent Directors, representing 27% of total Board members, to ensure that the objectivity and independence of the Board oversight. To further strengthen corporate governance and promote the sound development of the Board of Directors, the Board Members consist of a diverse range of professional backgrounds and industries, including automotive manufacturing, finance, textile manufacturing, and legal services. This diversity provides the Board with extensive expertise and perspectives across multiple disciplines. Board members collectively possess extensive competencies in business management, industry expertise, finance and accounting, and legal affairs, enabling effective oversight of the Company's operations and strategic direction. The Chairperson is female, who is also serving as the Company's highest corporate governance officer. In addition, Board members hold multiple nationalities, bringing with them international perspectives and cross-border management experience, thereby providing the board with forward-looking and diverse insights to enhance its effectiveness in the global market.



Gender Distribution of Board Members



Age Distribution of the Board Members*



Nationality Distribution of Board Members

*Due to rounding, individual percentages may not sum precisely to 100%.

for further information regarding the backgrounds and professional experience of Board members, please refer to the 2025 Annual Report.

## Board Nomination and Election Mechanism

The selection of the Company's directors is conducted in accordance with the "Rules for Election of Directors." Shareholders holding 1% or more of the total issued shares may submit a list of director candidates in writing to the Company. The results of the board performance evaluation are also used as a reference for considering the reappointment of incumbent directors. Directors are elected using the cumulative voting method with open ballots. Candidates with legal capacity may be nominated, and elections are held at the shareholders' meeting. In accordance with the Company's Articles of Incorporation, voting rights for independent and non-independent directors are calculated separately. Based on the number of votes received, candidates who obtain the highest voting rights in each category shall be elected in order of vote count.

## Board Succession Plan

**Succession Plan**

The Company has established a systematic succession planning framework for Directors, Supervisors, and senior executives. Through regular reviews of leadership talent readiness, the Company identifies high-potential candidates based not only on performance but also on key leadership qualities, including integrity, accountability, and ethical conduct. This framework supports sound corporate governance and long-term sustainable development.

**Leadership Development Programs**

The Company has implemented the executive-level "Emerging Leaders Program" to strengthen leadership capabilities and support sustainable succession planning. Professional management consulting firms are engaged to conduct management capability assessments for succession candidates, complemented by Individual Development Plans (IDPs) and a mentoring program. In addition, the readiness and development maturity of each succession candidate are individually reviewed by the Group Executive Management Meeting, which comprises the Chairperson and selected Directors.Through this process, the Company effectively enhances leadership capabilities while ensuring sustainable succession and sound corporate management.

## Board Conflict of Interest Management

The Company has established the "Rules of Procedure for Board of Directors Meetings," which stipulate that if a board meeting agenda item involves a director's personal interest or that of the legal entity they represent, the director shall disclose the material aspects of the conflict of interest at the meeting. If such conflict is likely to prejudice the interests of the Company, the director shall not participate in the discussion or voting of the matter and must recuse themselves during the deliberation and voting process. The director may also not act as a proxy for other directors in voting. This mechanism ensures fairness and transparency in the decision-making process and upholds the Company's policy of ethical management.

## ESG-Related Resolutions Passed by the Board in 2025

| Date | Meeting | Resolution | Follow-up Actions |
|---|---|---|---|
| 5th of August, 2025 | 7th Meeting of the 9th Board of Directors of YNM | Presentation of the "2024 Sustainability Report" of the Company | Implemented as resolved |
| 11th of November, 2025 | 8th Meeting of the 9th Board of Directors of YNM | Proposed amendments to the "Sustainable Development Best Practice Principles" | Implemented as resolved |

For additional major resolutions approved by the Board in 2025, please refer to the Company's 2025 Annual Report.

## Director Continuing Education

The Company regularly arranges professional continuing education programs to strengthen the competencies required for Directors to effectively perform their duties. A total of nine training courses were completed in 2025, representing an aggregated record of 90 training hours for all Directors. Training topics covered sustainability, climate change, digital transition, regulatory compliance, and risk management.

| Name of the Course | Participants | Hours of participating | Number of Participants |
|---|---|---|---|
| Cathay Sustainable Finance and Climate Change Summit Forum | Director Sone Kitaru; Independent Directors Kuo Jung-Fang, Chang Hung-Wen, and Li Chen-Hui | 6 | 4 |
| IFRS Sustainability Disclosure Standards and Corporate Response Strategies | Independent Director Kuo Jung-Fang | 3 | 1 |
| Impacts of President Trump's Policies on Taiwan and Global Sustainability Under the Changing World | Chairperson Yen Chen Li-Lien Director: Yao Chen-Hsiang, Hsu Kuo-Hsing, Liao Chien-Shun | 3 | 4 |
| Risk Management and Information Security in the AI Age | Chairperson Yen Chen Li-Lien Director: Yao Chen-Hsiang, Hsu Kuo-Hsing, Liao Chien-Shun | 3 | 4 |
| Corporate Sustainability and Resilience Management | Independent Director Kuo Jung-Fang | 3 | 1 |
| Corporate Governance and Securities Regulations for Insiders | Director Yamazaki Shohei, Fujiki Toshihiro, Ishizuka Atsushi, and Sone Kitaru | 3 | 4 |
| A Brief Discussion on Principles of Ethical Corporate Management for TWSE/TPEx Listed Companies | Director Yamazaki Shohei, Fujiki Toshihiro | 3 | 2 |
| Director Responsibilities and Governance Considerations for Foreign Enterprises in Taiwan | Director Yamazaki Shohei, Fujiki Toshihiro, Ishizuka Atsushi, and Sone Kitaru | 3 | 4 |
| ESG Trends and Corporate Transformation in Taiwan | Director Yamazaki Shohei, Fujiki Toshihiro | 3 | 2 |

## Board Performance Evaluation

The Company has established “Rules for Performance Evaluation of Board of Directors” in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” to strengthen Board effectiveness and achieve sound corporate governance objectives. Performance evaluations cover five key dimensions: Participation in corporate operations; Quality of Board decision-making; Board composition and structure; Director nomination and continuing education; Internal control systems. The Company conducts annual internal self-assessments of the Board, individual Directors, and functional committees. Evaluation results are used as references for Director nominations and committee appointments and are reported to the Board in March of the following year to further enhance governance effectiveness.

| Board of Directors performance self-assessment | Board member performance self-assessment | Functional committee performance self-assessments |
|---|---|---|
| 4.61 | 4.74 | 5 |

For additional information regarding Board performance evaluations, please refer to the 2025 Annual Report.

## Remuneration Policy for Directors and Managers

The performance evaluation and remuneration of directors and managers are based on industry benchmarks and a comprehensive assessment of factors such as the individual's time commitment, responsibilities, achievement of objectives, performance in other positions held, and the Company’s remuneration standards for employees in comparable positions over recent years. In addition, remuneration is also evaluated in relation to the achievement of short- and long-term business goals, the Company’s financial performance, and individual performance, ensuring alignment with operational outcomes and the Company’s future risk profile.

| Remuneration Allocation Targets | Explanation of Remuneration Policies |
|---|---|
| Director (including Independent Directors) Remuneration | Directors of the Company are entitled to receive a fixed monthly remuneration (travel allowances included) of TWD 100,000. The remuneration for the Chairperson of the Board is authorized by the Board of Directors based on their level of involvement and contribution to the Company's operations, which shall not surpass the maximum salary range set by the Company. This remuneration is payable regardless of the Company's profit or loss from operation. |
| Manager's Remuneration | The principles governing the remuneration provided to executives in the Company are established and periodically reviewed by the Remuneration Committee. The committee is responsible for defining and regularly reviewing the policies, systems, standards, and structures related to annual and long-term performance goals and compensation for executives. It conducts regular assessments of the executives’ achievement of performance objectives by taking into account factors such as the amount and structure of compensation, payment methods, and future operational risks, specifying the content and amount of individual remuneration packages for executives. |

## Links between Executive Compensation and Sustainable Performance

Based on the need for comprehensive operational performance management, the Company has established a management performance evaluation system. The system enhances organizational effectiveness and serves as an important basis for determining compensation through defined performance indicators. The Company has implemented a reasonable remuneration framework aligned with corporate governance principles and sustainable business development objectives to effectively evaluate management performance, improve operational results, strengthen accountable management, and provide a basis for compensation decisions, promotion incentives, and talent development. Beginning in 2025, the Company has progressively linked the objectives of its sustainability strategy and key performance indicators (KPIs) related to material sustainability issues to the incentive compensation of the President and senior executives. Sustainability performance indicators have been incorporated into the remuneration framework to ensure that sustainability initiatives are effectively embedded throughout the Company's operations.

### Executive Compensation Policies

- Fixed Compensation: Based on the market benchmarks, position, ranking, educational background, professional experience, competencies, responsibilities, and other items.
- Performance Bonuses: Determined based on the annual performance evaluation results with the applicable "Regulations of Performance Evaluation" of executives and employees.
- Employee Compensation: Employee compensation may be allocated at no less than 0.1% of annual profits when the Company is profitable, subject to Article 31 of the Company's Articles of Incorporation.
- Retirement Benefits: For managerial employees covered under the old pension scheme under the Labor Standards Act, retirement benefits are separately funded and paid by the Company; for those covered under the new pension scheme, the Company makes monthly contributions to individual pension accounts in accordance with the Labor Pension Act.

### Executive Evaluation Items

In addition to departmental operational objectives and day-to-day management performance, the Company's executive performance evaluation also incorporates corporate governance and environmental sustainability factors. Executive remuneration is determined based on a comprehensive assessment of overall profitability, target achievement, operational effectiveness, and individual contributions. The Company also reviews and adjusts its compensation mechanism from time to time in accordance with actual operating conditions, as well as applicable laws and regulations.

#### Sustainability-Linked Performance Indicators for President, Senior Executives in 2025

| Sustainable Development Performance Indicators | | Weighting |
|---|---|---|
| Environment | Completion of Third-Party Greenhouse Gas Verification | 2.5% |
| Governance | Achievement of the latest ISO 27001 Certification | 2.5% |

## Operations of Functional Committees

| Functional Committee | Responsibilities | Members | Attendance Rate (Excluding Attendance by Proxy) | Key Resolutions |
|---|---|---|---|---|
| Audit Committee | Responsible for overseeing the accuracy of the Company's financial statements to ensure the selection, dismissal, independence, and performance of certified public accountants.<br>Reviews the effectiveness of the Company's internal control system to ensure compliance with relevant laws and regulations and to monitor current and potential risk management. | Independent Director<br>Kuo Jung-Fang,<br>Chang Hung-Wen,<br>Li Chen-Hui | 100% | • Annual and quarterly financial reports<br>• Audit fees, appointment, and independence of certified public accountants<br>• Amendments to internal control and audit regulations and relevant laws<br>• Changes in Chief Financial Officer |
| Remuneration Committee | Responsible for formulating and periodically reviewing the annual and long-term performance goals for directors and managers, as well as the policies, systems, standards, and structures for their remuneration. Periodically assesses the performance of directors and managers in achieving performance goals and determines their individual compensation accordingly. | Independent Director<br>Kuo Jung-Fang,<br>Chang Hung-Wen,<br>Li Chen-Hui | 100% | • 2024 Employee Compensation Distribution Proposal<br>• Amendments to Employee Compensation Allocation Rules and Regulations |

2.1.3

## Financial Performance

### Material Topic: Economic Performance

| Actual and potential positive impacts on the economy, environment, and people (Opportunities) | Actual and potential negative impacts on the economy, environment, and people (Risks) |
|---|---|
| Excellent economic performance can support the macroeconomic development, while also attracting and cultivating more excellent talents. | Failure to achieve expected economic performance may result in declined revenue, reduced operational scale, workforce downsizing, or capital reduction, all of which may adversely affect the Company's sustainable operations. |

**Resources Invested in 2025**

1.Continuing to innovate products, focusing on new energy vehicles, EVs, and others.
2.Strengthening the Company's financial structure while continuously planning and implementing product cost and operating cost optimization strategies, including procurement volume adjustments based on analyses of the global market.
3.Expanding service offerings, including certified pre-owned vehicle programs, online vehicle purchasing platforms, and enhanced after-sales services.

### Strategic Goals

| Policies or Commitments to the Economic Performance of the Company | Short-Term Goals (1 year) | Mid- and Long-Term Goals (3 to 5 years) |
|---|---|---|
| The Company is committed to further expanding the positive impact of its business operations on society and the environment while continuing to deliver strong economic performance. | 1.Continued launches of new vehicles and special editions<br>2.Strengthening customer retention and encouraging YNM service depot revisits | Continued introduction of new energy vehicles (NEVs) |

**2025 Target Achievements**

Successfully launched two special-edition vehicle marketing campaigns during the year.

**Director Continuing Education**

| Vehicle Types | Unit | 2022 | 2023 | 2024 | 2025 | 2025 Percentage |
|---|---|---|---|---|---|---|
| 4 Wheels ICE CBU Vehicles | Cars | 25,093 | 22,844 | 16,667 | 10,724 | 81.92% |
| | TWD Hundred Million | 197 | 199 | 152 | 92 | 78.63% |
| 4 Wheels EV CBU Vehicles | Cars | 110 | 150 | 198 | 80 | 0.61% |
| | TWD Hundred Million | 1 | 2 | 3 | 1 | 0.85% |
| 4 Wheels Hybrid CBU Vehicles | Cars | 0 | 1,934 | 2,944 | 2,287 | 17.47% |
| | TWD Hundred Million | 0 | 23 | 39 | 24 | 20.51% |
| Total car sales | Cars | 25,203 | 24,928 | 19,809 | 13,091 | 100.00% |
| | TWD Hundred Million | 198 | 224 | 194 | 117 | |

Note: Sales Region is 100% in Taiwan

## Financial Data / Economic Value Retained

Unit: TWD thousand

| Items | Elemental Factors | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Direct economic value generated | revenues | 26,136,197 | 23,132,016 | 15,132,073 |
| Economic value distributed | Operating Costs | 23,081,037 | 20,473,909 | 13,699,100 |
| | Employee Benefits (Including Compensation) | 553,726 | 585,124 | 491,933 |
| | Payments to Providers of Capital (Dividends and distributions to shareholders during the year) | 2,166,000 | 1,044,000 | 1,170,000 |
| | Payments to Government (Taxes and Penalties) | 443665 | 141,573 | 55,009 |
| | Community Investments | 1,690 | 3,239 | 816 |
| | Total | 26,246,118 | 22,247,845 | 15,416,858 |

## Financial Assistance Received from the Government

Unit: TWD thousand

| Subsidizing Authority | Subsidy Program | Amount |
|---|---|---|
| Taoyuan-Hsinchu-Miaoli Regional Branch of Workforce Development Agency, Ministry of Labor | Youth Employment Flagship Program 2024 #60828 | 269 |
| Taipei-Keelung-Yilan- Hualien- -Kinmen-Matsu Regional Branch of Workforce Development Agency | Individual Training Subsidy Program 2024 | 741 |
| Taoyuan-Hsinchu-Miaoli Regional Branch of Workforce Development Agency, Ministry of Labor | Youth Employment Flagship Program 2024 #69240 | 161 |
| Sports for All Agency, Ministry of Sports (Paid by the National Association of Small and Medium Enterprises R.O.C.) | Corporate Sports Instructor Employment Subsidy Program | 145 |
| Total | | 1,316 |

## Tax Governance

**Statement of Tax Governance**

YNM has established comprehensive tax strategies, governance culture, and robust processing procedures. We adhere to relevant tax regulations, fulfill our commitment to sustainable development, and create additional value for the Company through the formulation of comprehensive systems and culture. The Company will continue to adhere to rigorous tax regulations, align tax strategies with operational objectives, and fulfill corporate citizenship obligations.

| Principle | Description |
|---|---|
| Compliance with Laws and Regulations | The Company complies with applicable local tax laws and regulations in each jurisdiction, prepares the required tax filing documentation, accurately calculates tax liabilities, and completes tax filings and payments within statutory deadlines. |
| Sound Business Structure | The Company ensures that business transactions are conducted based on commercial substance and under arm's-length principles. Transaction arrangements are not structured primarily for the purpose of reducing tax liabilities. |
| Reasonable Tax Planning | The Company utilizes legally available local tax incentives and preferential tax policies to obtain tax benefits, while adhering to both the letter and spirit of applicable laws and regulations. |
| Information Transparency | The Company regularly discloses relevant information through public platforms to ensure transparency and accountability. |
| Proactive Communication | The Company maintains open, honest, and constructive communication with national tax authorities, provides industry perspectives and practical insights, and supports the continuous improvement of the tax environment and regulatory framework. |

**Statement of Tax Governance**

| | |
|---|---|
| Tax Risks | The Company complies with applicable local tax laws and regulations in each jurisdiction. General transaction risks: The Business Planning and Finance Department conducts regular self-assessments annually to ensure that all related operational processes comply with internal procedures and tax regulations, and that relevant documents are properly maintained.on, prepares the required tax filing documentation, accurately calculates tax liabilities, and completes tax filings and payments within statutory deadlines. |
| | Special transaction risks: After the Business Planning and Finance Department obtains and understands operational and financial information, it assesses the costs and risks associated with various strategies before providing them to the management team for decision-making. |
| Report Mechanism for Tax Matters | The Company has set up internal and external independent reporting mailboxes for reporting illegal or unethical tax matters. |
| Passing on of Tax Personnel Professionalism | Work scripts and operation manuals shall be compiled to record business execution methods and establish an agent system to facilitate the transfer of experience. |
| Transparency in Tax Information | The Company uses tax information verified by accounting firms and discloses it through official channels such as the Company's website and shareholders' annual reports. |

**Statement of Tax Governance**

Unit: TWD thousand

| Tax Jurisdiction | Taiwan | Cayman Islands | British Virgin Islands |
|---|---|---|---|
| Entity Name | Yulon Nissan Motor Co., Ltd. | Yi-Jan Overseas Investment Co., Ltd. | Jetford Inc. |
| Principal Activity | Sales | Investments | Investments |
| 2025 Total Tax Paid in 2025 | 55,009 | 0 | 0 |
| Percentage of Revenue | 0.36% | 0 | 0 |

# 2.2 Ethical Management and Legal Compliance

2.2.1

## Ethical Management

The Company upholds the principles of integrity, transparency, and accountability in its business operations. Guided by an integrity-based management philosophy, the Company has established sound corporate governance and risk management mechanisms to foster a sustainable business environment. The Company established the "Principles of Ethical Corporate Management" in 2014 to demonstrate its commitment to ethical business practices. The Principles outline the Company's ethical management policies and preventive measures, which apply to employees, key business partners, and communications with other stakeholders. In addition, all new employees receive training on ethical management to promote the Company's values of integrity and to integrate them into daily operations.

If any employee becomes aware of conduct that violates the Company's ethical management principles or involves unlawful activities, a report may be submitted in accordance with the Company's Work Rule and Employee Grievance Handling System to the Internal Audit Office or the Integrated Operation Support Department. The Company strictly prohibits any form of discrimination, disciplinary action, or retaliation against whistleblowers and is committed to safeguarding their identities and personal information from unauthorized disclosure. Neither internal nor external channels received any complaints, reports, or allegations involving unethical conduct, integrity violations, or illegal activities related to the Company's operations or employees in 2025.

Principles of Ethical Corporate Management

## Complaint and Whistleblowing Channels

| Stakeholders | Complaint and Whistleblowing Mailbox | Responsible Department |
|---|---|---|
| Internal (Employees) | complain@yulon-nissan.com.tw | Human Resources Section |
| External | whistleblower@yulon-nissan.com.tw | Audit Office |

## Complaint Handling Processes

01 Receiving the Complaint

02 Whistleblowing case acceptance

03 Assigning dedicated personnel or units for handling whistleblowing cases

04 Investigation of complaints

05 Investigation results and supporting documentation are documented and retained. If a significant violation is identified or if the Company faces the risk of substantial damage, a formal report shall be prepared immediately and submitted in writing to the Independent Directors.

2.2.2

## Legal Compliance

YNM continuously monitors industry-related laws and regulations and evaluates their potential risks and impacts on the Company to ensure that every business decision complies with the highest regulatory standards. We review and revise internal policies whenever necessary to ensure that all employees perform their duties in accordance with compliance principles and that business operations remain within legal frameworks. This enables the Company to stay aligned with evolving regulations while safeguarding the long-term interests of stakeholders. YNM recorded no Major Non-Compliance Incidents , penalties, or regulatory non-compliance incidents in 2025.

Note: Major Non-Compliance Incidents are defined as incidents involving casualties, significant or controversial criminal cases (including offenses punishable by imprisonment of three years or more, or cases affecting the Company's reputation or involving directors/supervisors); disputes concerning Company shareholdings; major administrative investigations (e.g., labor, environmental protection, fire safety, consumer dispute, or industry investigations involving penalties exceeding TWD 200,000 or risks of license revocation); or litigation cases involving amounts exceeding TWD 1 million.

### Enhancing Company-wide Compliance Awareness

The Company promotes the prevention of unethical conduct through its internal website, communicates the Board of Directors' and management's commitment to integrity, and emphasizes that all business activities, whether in daily operations or interactions with suppliers and other business partners, must be conducted fairly and transparently. Due diligence is also performed to assess legal compliance and any history of unethical conduct among counterparties. The Company also holds regular training sessions to ensure that employees are updated on the latest legal and regulatory developments and adhere to all relevant compliance systems and standards.

2 compliance training sessions were conducted in 2025.

Total participants: 370

Total training hours: 370 hours

**Internal Control and Internal Audit**

The Company has established the "General Rules of Internal Control System" and "General Rules for Internal Audit Implementation" to strengthen risk management. Annual self-assessments are conducted to evaluate the effectiveness of the design and implementation of internal controls, and an Internal Control System Statement is issued accordingly.

The audit unit conducts an annual audit of "Matters relating to compliance with applicable laws, regulations, and bylaws". The Company has formulated corresponding operational procedures or methods in accordance with legal requirements and implements them accordingly. In addition, each Board meeting includes reports from relevant departments on any legal compliance exceptions, enabling management to jointly oversee compliance performance. The Internal Audit function also reviews enforcement cases and penalty examples published annually by the Financial Supervisory Commission (FSC) and the Taiwan Stock Exchange (TWSE), using them as references for internal reviews and reminders to relevant departments to prevent similar occurrences. Internal control self-assessments focusing on ethical management and internal control enhancements were conducted in 2025, and all results were confirmed to be normal and compliant.

# 2.3 Information Security

## Material Topic: Information Security and Privacy Protection

| | |
|---|---|
| Actual and Potential Positive Impacts (Opportunities) on the Economy, Environment, and People | Implementing the PDCA cycle for information security management helps ensure business continuity and prevents operational disruptions caused by cybersecurity incidents. |
| Actual and Potential Negative Impacts (Risks) on the Economy, Environment, and People | Inadequate cybersecurity risk management may result in the leakage of customer information or critical data, leading to business interruptions and reduced stakeholder confidence. Inadequate cybersecurity risk management may result in business interruptions with the leakage of customer information or critical data, leading to reduced stakeholder confidence. |

### Resources Invested in 2025

1. Redeveloped the Warranty Information System to reduce cybersecurity risks associated with legacy systems.
2. Enhanced the operation of cybersecurity detection and response systems, including Network Detection and Response (NDR), endpoint detection and response (EDR), antivirus protection, and Email Advanced Threat Protection system.
3. Leveraged a Security Operations Center (SOC) for 24/7 monitoring, threat intelligence, and real-time incident response.

## Strategic Goals

| | |
|---|---|
| Policy and Commitment to Information Security Management of the Company | Commitment: To provide sustainable, efficient, and high-quality information services, strengthen cybersecurity protection, and enhance user satisfaction and trust.<br>Policy: To ensure business continuity while delivering secure, stable, and highly efficient information services as the Company's highest information security objective. |
| Short-Term Goals (1 year) | Conduct 3 cybersecurity training programs and ongoing cybersecurity awareness campaigns. No major cybersecurity incidents have occurred. |
| Mid- and Long-Term Goals (3 to 5 years) | Achieve zero cybersecurity incidents at a B Rating or above. |

**2025 Target Achievements**

All planned initiatives were completed, including mid- and long-term system enhancement projects, implementation of the Yulon Group Information Security Management Framework, deployment of cybersecurity asset data collection tools, establishment of a cybersecurity risk assessment platform, and cybersecurity guidance and compliance reviews for dealers, achieving an overall completion rate of 107.6%.

YNM Integrated Operations Support Department is responsible for overseeing the management of information resources and the promotion of information security. A dedicated information security management organizational structure has been established to ensure the stable operation of the Company's information systems and the integrity of its cybersecurity defenses.

After its founding in 2003, YNM quickly introduced the ISO 27001 Information Security Management System (ISMS) in 2005. YNM has continued to maintain ISO 27001 certification, demonstrating its ongoing commitment to the protection of all corporate information assets. The Company conducts regular risk assessments to identify potential threats and vulnerabilities that may affect information security and implements corresponding control measures. Different information security training programs are provided to all employees to complete the training for information security-related talents to mitigate internal risks.


bsi.
Certificate of Registration

2.2.2

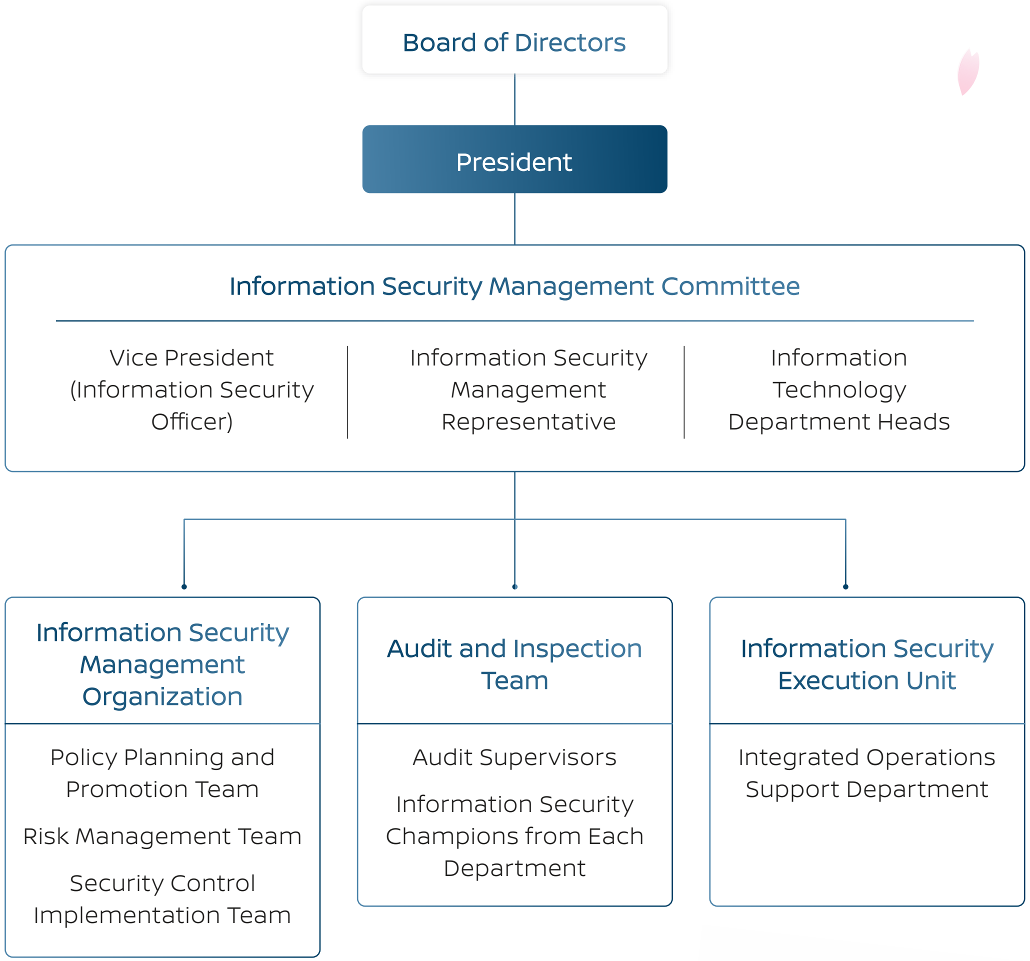
## Information Security Governance Structure and Strategy

### Information Security Management Framework

| | |
|---|---|
| Responsible Department | Information Team of the Integrated Operation Support Department |
| Highest supervising department | President |
| Frequency of Reporting | Weekly Management Meetings, ad hoc project meetings, and monthly information security meetings are conducted to report information security matters directly to the President. |
| Information Security Officer | An information security specialist, Vice President Chu Yu-Jen, has been appointed to serve as the Information Security Officer. |
| Proactive Communication | YNM has implemented the ISO 27001 Information Security Management System (ISMS) since 2005, and has established the Information Security Management Committee. The Committee convenes an annual management review meeting and regularly reports implementation results to the Information Security Officer. In addition, information security issues are discussed during weekly system meetings and management meetings to ensure that cybersecurity management is fully integrated into daily operations. |
| Content of Meetings | Status of agenda items, internal and external topics, performance feedback (trend analysis), stakeholder feedback, status of risk assessment results and risk treatment plans, opportunities for continuing improvement, review of information security policy, and annual plan. |

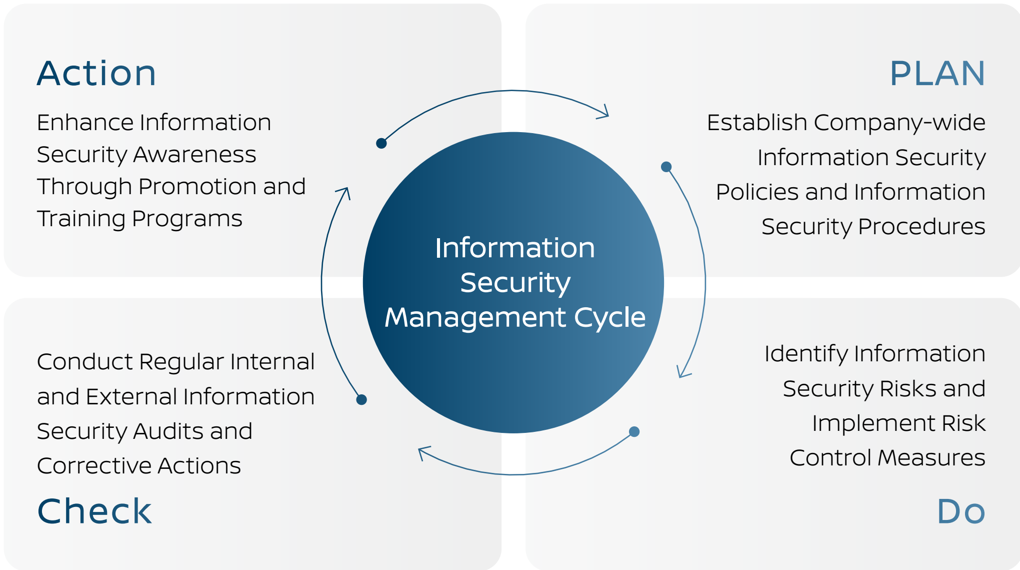
### Information Security Management Committee Meetings in 2025

| Date of Meeting | Agenda | Cayman Islands |
|---|---|---|
| 7th of May, 2025 | Annual Information Security Management Review | Confirmed the effectiveness of annual management KPIs |
| 9th of May, 2025 | Renewal Proposal for Mail ATP MA Project | Approved the renewal of the Mail Advanced Threat Protection (ATP) security services |
| 20th of July, 2025 | Renewal Proposal for Proactive Detection, Protection, and Security Operations Center Services | Approved the renewal of the EDR/SOC protection mechanism |
| 7th of November, 2025 | Employee Internet Security Protection System Upgrade Project | Approved the implementation of the employee internet security protection system |
| 24th of November, 2025 | Information Security Monthly Meeting | Confirmed the effectiveness of proactive detection and protection measures, including EDR and NDR management |




## Management Cycle of Information Security

YNM adopts a PDCA (Plan–Do–Check–Act) approach to information security management. The Company focuses on three key dimensions guided by its information security strategy, including information security governance, regulatory compliance, and technology application. By doing so, YNM strengthens its overall cybersecurity resilience through continuous enhancement of policies, technologies, personnel capabilities, and organizational practices.



## Information Security Management Policy and Performance

| Management Objective | 2025 Target | 2025 Performance | Areas for Improvement | Improvement Measures |
|---|---|---|---|---|
| Internal Employee IT Services Satisfaction | 3.84 | Overall satisfaction score: 3.77 (target: 3.84/4), representing a 1.8% decrease from CY2024 | Some employees are still using notebook computers purchased nearly six years ago. Following the Windows 11 upgrade in CY25, aging hardware has resulted in reduced performance and increased system instability. | Replacement of end-user devices scheduled for 2026 |
| External Customer IT Service Satisfaction | 3.74 | Overall satisfaction score reached 3.84, improving from 3.82 in the previous survey. The result shows that most of the users have raised their overall service satisfaction this year. | - | - |
| Information Security Performance Assessment | 100% | Achievement rate: 107.6%.<br>1. Completed the mid- to long-term system enhancement plan, ISO 27001:2022 transition certification.<br>2. Enhanced employees' information security awareness through social engineering exercises. Dedicated blue-team defense drills are completed for the information security personnel.<br>3. Yulon Group cybersecurity management policy implementation.<br>4. Completion of dealership cybersecurity counseling and assessments. | 1. Authentication mechanisms for employees using VPNs require further strengthening.<br>2. Offline backup capability enhancement is planned to enhance data backup. | 1. Implementation of VPN multi-factor authentication (MFA).<br>2. Implementation of offline backup solutions. |
| Process Improvement and Optimization | 30 cases | Completed 38 RPA automation projects through internal training programs and departmental champion teams, significantly improving operational efficiency. | RPA tools improved employees' working efficiency, which will see continuous promotion for adoption. | Integrate AI and RPA technologies to lower barriers to facilitating RPA. |
| Digital transition system development (schedule adherence rate). | Completion of the NISSAN GO experience platform | Improved dealership courtesy vehicle utilization and enhanced customer test-drive experiences. | Dealership staff's familiarity with system operations. | Conduct training programs. |

## Information Security Management Goals

| Items | Objective | Short-Term Goals | Medium and Long-Term Goals |
| --- | --- | --- | --- |
| 1 | Provide a high-quality IT environment and maintain internal and external user satisfaction. | Improve weaknesses identified in the 2025 satisfaction survey, including the replacement of obsolete equipment and system upgrades. | Maintain service efficiency and minimize disruptions to information services. |
| 2 | Establish a secure information infrastructure | Gradually implement mechanisms to address cybersecurity vulnerabilities. | Build a more comprehensive cybersecurity defense network through collaborative protection mechanisms. |
| 3 | Improve organizational operational efficiency. | 1. Expand the application of digital tools: cultivate departmental champion teams and promote knowledge-sharing initiatives to enhance tool usage.<br>2. Drive digital optimization and develop system functions aligned with business needs. | 1. Continue promoting RPA adoption to improve efficiency and optimize company-wide processes. Enable employees to independently utilize RPA tools for process improvement. Conduct workshops and case-study training programs to strengthen professional capabilities.<br>2. Support digital transition initiatives and enhance customer digital experiences through emerging technologies. |
| 4 | Support digital transition system development | Develop the NISSAN GO Experience Platform<br>Establish the OneID Membership Management System and Customer Membership App. | Formulate an AI development strategy aligned with MTP strategic objectives. |
| 5 | Maintain the validity of ISO 27001 certification. | Complete the upgrade to ISO 27001:2022. | Implement various operations based on the PDCA cycle to strengthen risk management capabilities and achieve the goal of organizational information security objectives. |

## Information Security Awareness and Training

YNM conducted multiple in-person and online training programs in 2025, with courses covering topics such as ISO 27001, Information Security Auditing, and General Information Security Awareness. A tiered training approach was adopted based on employees' roles and responsibilities, integrating theoretical knowledge with practical case studies. This approach not only enhanced employees' cybersecurity awareness and capabilities but also embedded information security principles into the Company's daily operations and organizational culture.

| Teaching Methods | Name of the Course | Course Contents | Total Hours of the Course | Number of Participants |
|---|---|---|---|---|
| Internal Training | ISO 27001:2022 Transition and Documentation Revision & Implementation of New Security Controls | Overview of ISO 27001 revision highlights and implementation of newly added control measures. | 4 Hours | 22 attendees |
| | An Introduction to Secure Software Development Life Cycle (SSDLC) | Security requirements across each stage of the software development lifecycle, including configuration and management adjustment practices. | 4 Hours | 22 attendees |
| | Information Security Internal Audit Practices | Latest cybersecurity trends and practical exercises in information security auditing. | 4 Hours | 41 attendees |
| | Information Security Training Seminar | Awareness of safe AI usage and strengthening of cybersecurity awareness. | 1 hour × 4 sessions | 267 attendees |
| | Social Engineering Awareness Training | Enhancing awareness of phishing and malicious social engineering attacks. | 1 Hours | 141 attendees |
| External Training | Blue Team Defense Drill | Training on cybersecurity attack detection, reporting, incident analysis, containment, eradication, and system recovery procedures. | 8 Hours | 4 attendees |

The Company also provides financial assistance to encourage employees to obtain professional information security certifications, aiming to enhance their expertise and comprehensively strengthen corporate information security defense capabilities.

| Certification/Exam Name |
|---|
| iPAS Information Security Certification Program |

| Conditions for Subsidy Eligibility |
|---|
| Key personnel in major subsidiaries participate in cybersecurity courses organized by the Group Headquarters. |

| Subsidy/Reward Content |
|---|
| Subsidies for training programs and initial certification fees. |

2.3.2

## Information Security Incident Handling Process

### Information Security Incident Response

The Company establishes relevant internal operational regulations in accordance with Article 9 (for computerized information systems processing) of the "Regulations Governing Establishment of Internal Control Systems by Public Companies." These measures aim to mitigate potential cybersecurity risks arising from emerging technologies and environmental changes, thereby effectively strengthening information security risk management.

**Before incidents occur**

Conduct regular self-assessments and inspections to proactively identify cybersecurity risks and prevent incidents through process and technical controls.

1. Establish a system inventory to identify information security risks and analyze impacts on confidentiality, integrity, and availability. Develop a risk improvement plan, including asset inventory, confirmation of existing security management, protection and control measures, and documentation of risk assessment and improvement plans.
2. Conduct equipment health checks, vulnerability scanning, penetration testing, and social engineering assessments to mitigate information security incidents.

**During incidents**

Contain impacts and implement emergency response measures.

1. The "Security Control Mechanism Implementation Team" should fill out an "Information Security Incident Report Form" when an information security incident occurs, including the record of the incident, potential impact scope, damage assessment, request for decision support, and the emergency response measures taken, to assist in determining the severity level of the information security incident.
2. When the incident reported is determined by the responsible personnel to be invalid, it should be noted as such on the "Information Security Incident Report Form." Otherwise, if it is deemed valid, it must be reported to the Information Security Management Representative. The representative will confirm the severity level and initiate the business continuity management process. If deemed a standard security incident, it will follow regular security incident handling procedures.

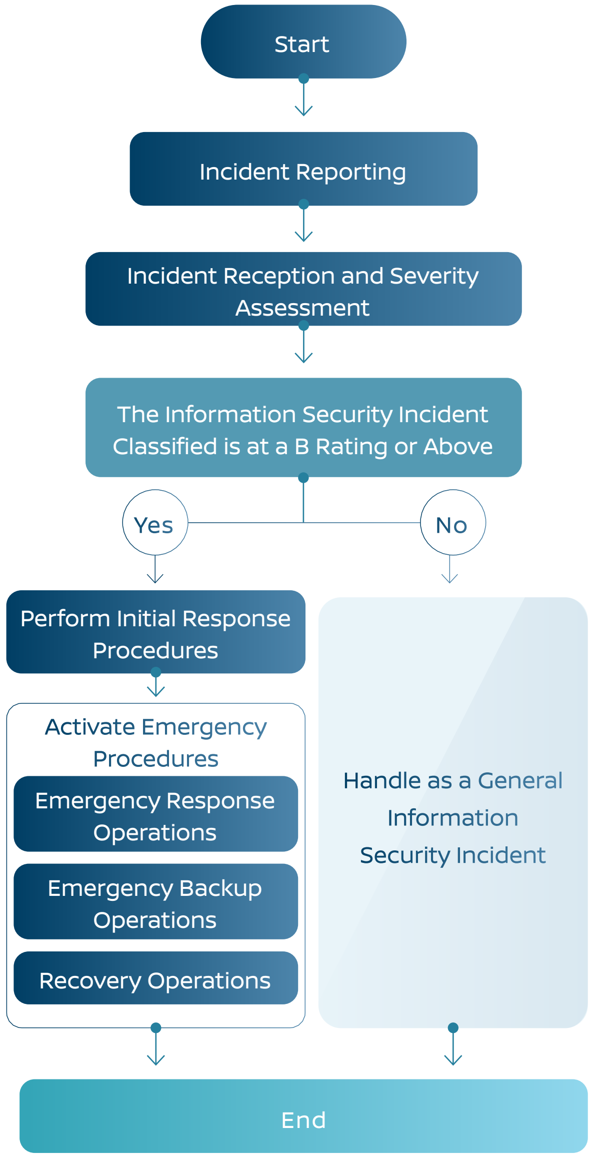
**Post-incident response and handling**

Root cause analysis and implements corrective and preventive actions.

1. The Information Security Management Representative regularly assigns personnel to collect incident handling records, categorize and compile them, and conduct trend analysis. They analyze potential improvement methods and provide them to management for operational review, assessing whether incident handling procedures should be modified or security control mechanisms strengthened.
2. Based on the frequency of information security incidents, review the likelihood of threats identified in risk assessments occurring. Enhance protection measures for assets that may be affected by previously occurred incidents.
3. In the face of disaster threats, develop strategies and measures to quickly restore business and information system functionality. This includes risk assessment, backup and recovery, emergency communications, disaster response, personnel deployment, and more, ensuring the Company can effectively respond and resume normal operations.

## Information Security Risk Rating Management

| | |
|---|---|
| A Rating | 1. Company highly confidential data has been leaked.<br>2. Core business/system or data has been severely tampered with.<br>3. Core business/system operations have been affected or halted, with downtime exceeding the established data recovery time, rendering normal operations impossible.<br>4. Large quantities of personal data have been compromised, damaged, or leaked. |
| B Rating | 1. Confidential information has been leaked.<br>2. Critical business systems or data have been severely tampered with, or core business/systems or data have been slightly altered.<br>3. Critical business operations have been impacted, or systems have been halted, and normal operations cannot be restored within the acceptable downtime.<br>4. A small amount of personal data has been compromised, damaged, or leaked. |
| C Rating | 1. Sensitive external confidential information has been leaked.<br>2. Non-critical business systems or data have been severely tampered with, or critical business systems or data have been slightly altered.<br>3. Non-critical business operations have been affected, systems have been halted, and normal operations cannot be restored within the acceptable downtime window. Alternatively, critical business operations have been affected, or systems have been halted, but normal operations can be restored within acceptable downtime. Or, core business operations have been mildly affected, or systems have experienced brief interruptions. |
| D Rating | 1. Non-critical business systems or data have been slightly altered.<br>2. Non-critical business operations have been affected, or systems have been halted, but normal operations can be restored within the acceptable downtime. |
| E Rating | 1. It only affects individuals, or it has the potential to affect individuals or organizations.<br>2. Antivirus software is not installed.<br>3. Antivirus software detected a computer virus, causing personal business operations to be disrupted.<br>4. The operating system software and related applications are not updated, causing personal business operations to be unable to proceed. |




## Emergency Response Process

When a cybersecurity incident occurs, a reporting procedure is initiated by the responsible personnel in coordination with the Information Security Control Mechanism Task Force. After understanding the incident, the team completes the Information Security Incident Report Form and classifies the incident according to its severity level. The investigation must include root cause analysis, description of corrective actions, and preventive measures to avoid recurrence. There were no cybersecurity incidents at a B Rating or above in 2025

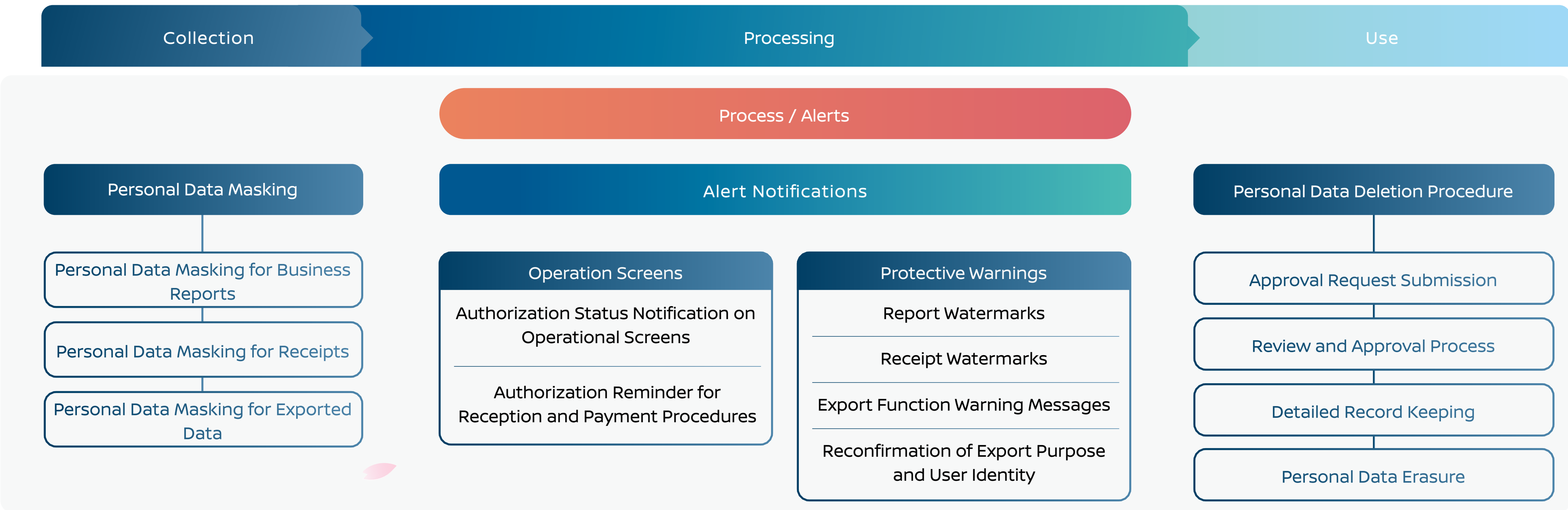
2.3.3

## Information Security Protection Measures

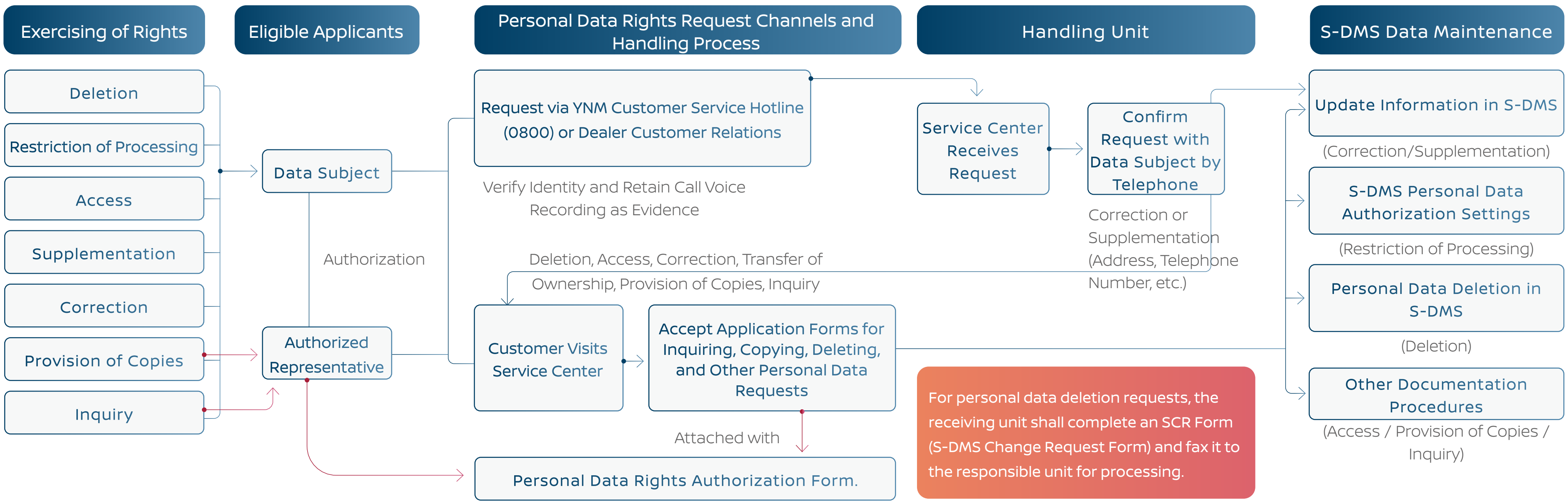
YNM places strong emphasis on customer privacy and integrates personal data protection into its corporate governance framework. In compliance with the Personal Data Protection Act and other relevant regulations, the Company conducts comprehensive reviews of the processes related to data collection, processing, transmission, storage, and disposal to ensure robust information security and access control. No violations of the Personal Data Protection Act or customer privacy breaches occurred in 2025.

In addition to the establishment of comprehensive internal information security systems, the Company also includes personal data protection clauses in its outsourcing agreements, requiring all partner vendors to comply with YNM's information security and personal data policies and to assume corresponding responsibilities and obligations. This ensures that external operations still align with the internal controls of YNM, thereby realizing comprehensive information security and privacy protection management. Personal Data Protection.

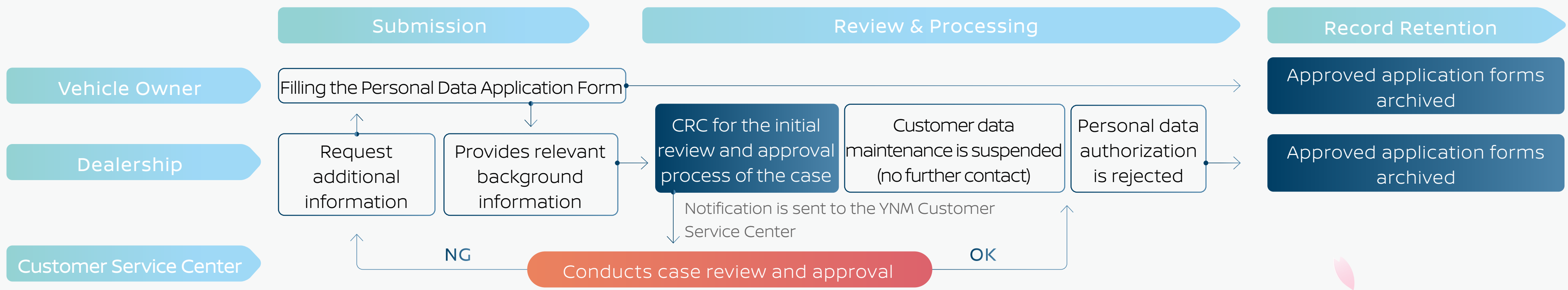
**Smart DMS Personal Data Processing**



## Main Process for Exercising Personal Data Rights




## Personal Data Deletion Request Process



## Information Innovation and Digital Transition

| Project Name | Description | 2025 Achievements |
|---|---|---|
| Virtual Platform Server Replacement | Hardware replacement to improve system performance | Ensured uninterrupted business operations |
| Dealer Wireless Network Upgrades | Upgraded wireless network to enhance access security | Improved network stability for frontline dealership staff |
| Dealer Parts Inventory Dead Stock Matching System | Developed a system to resolve slow-moving inventory issues and enhance inter-dealer parts circulation. | Reduced inventory costs and minimized waste. |
| Redeveloped Warranty Information System | The Company has introduced special warranty compensation services for CPO vehicles, e-POWER vehicles, and EV vehicles, and has undertaken legacy system process reengineering and system redevelopment in response to new sales strategies. | 1. Successfully supported new sales strategy implementation.<br>2. Zero accounting discrepancies within two months after launch. |
| Engineering design drawing distribution to suppliers | For design drawing distributions, physical CD distribution is replaced with OneDrive-based digital transmission to achieve paperless operations. | 1. New technologies are adopted to replace full-scale system redevelopment and issuance processes, thereby reducing system development costs.<br>2. Digital document transmission is implemented for CD contents, reducing environmental pollution from CD disposal and improving energy efficiency and cost effectiveness.<br>3. Data transmission processes are encrypted to enhance information security, reducing the risk of data loss associated with traditional manual delivery. |
| NISSAN GO Experience Platform has been developed and implemented. | In response to mid- to long-term digital transition strategies, the NISSAN GO vehicle rental experience platform was established to provide convenient and affordable branded rental services. The platform integrates online and offline customer data to enhance utilization, thereby increasing potential new car customers and boosting vehicle sales. | 1. Improved courtesy car utilization and test-drive experience<br>2. Increased potential customers and new vehicle sales |

# 2.4 Risk Management

### Material Topic: Business Continuity Management

#### Actual and potential positive impacts on the economy, environment, and people (Opportunities)

A sound business continuity management mechanism enhances a company's resilience in crisis response and strengthens the trust of both customers and investors.

#### Actual and potential negative impacts on the economy, environment, and people (Risks)

Insufficient identification of risks in critical business processes increases the difficulty of recovery and the risk of reputational damage in the event of a disaster or incident.

#### Resources Invested in 2025

1. Conducted the annual operational risk assessments to identify potential risk scenarios that may impact business continuity.
2. Response measures are formulated based on risk assessment results to strengthen overall risk control and operational stability.

### Strategic Goals

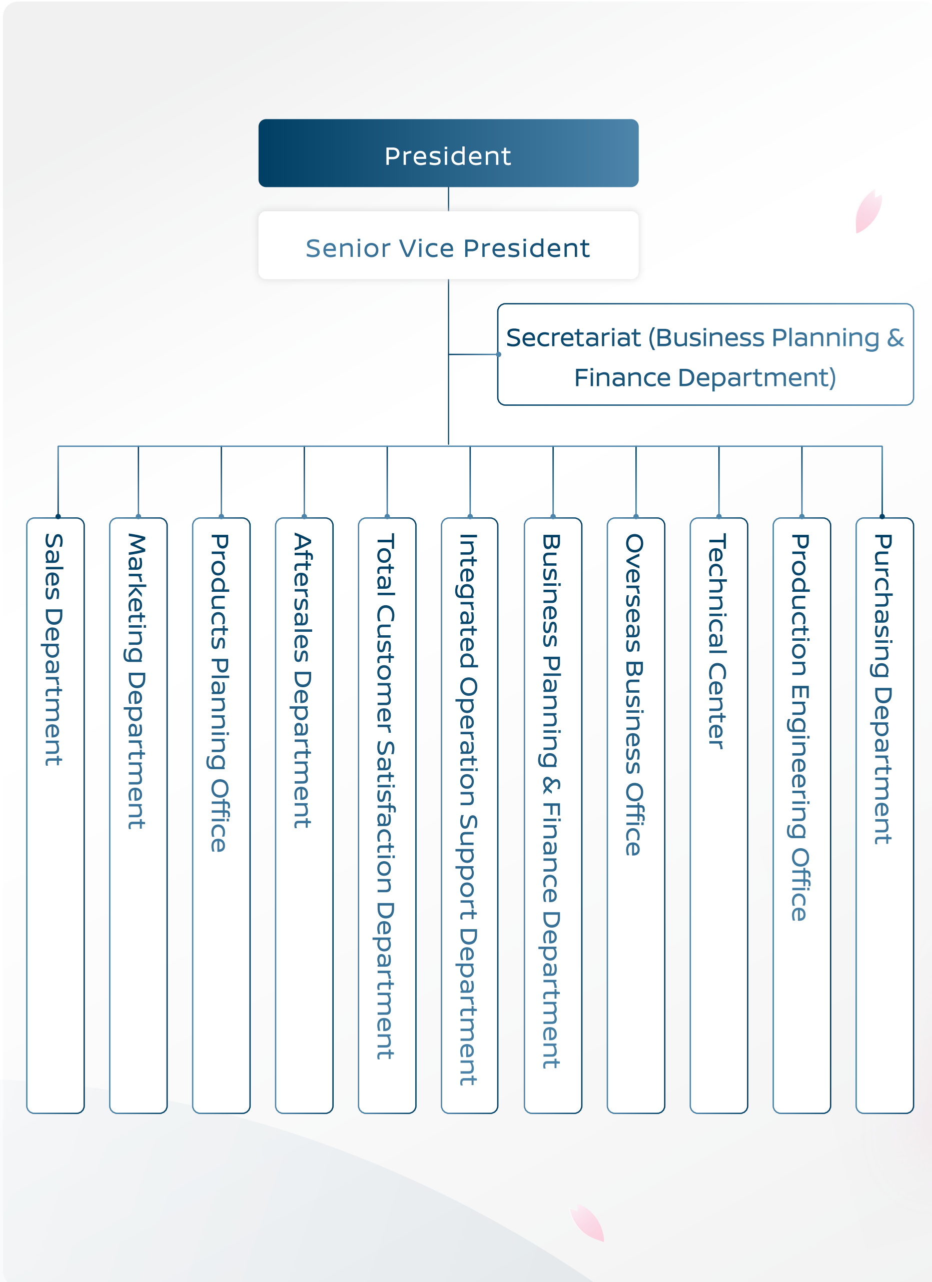
| | |
|---|---|
| Policy or Commitment to Business Continuity Management of the Company | YNM has established a business continuity management mechanism and formulated the "Risk Management Policy" as the highest-level guiding principle to identify and respond to risks such as natural disasters, cybersecurity threats, or equipment failures, thereby reducing the risk of operational disruptions. |
| Short-Term Goals (1 year) | The Company conducts regular drills and training sessions |
| Mid- and Long-Term Goals (3 to 5 years) | Continuous improvements of business continuity strategies. |

2.4.1

## Risk Management Framework

The "Risk Management Policy" serves as the fundamental framework for risk control for YNM. The Business Planning and Finance Department serves as the dedicated risk management unit, responsible for handling risk events, conducting oversight, and collaborating with relevant departments to perform risk assessments and develop appropriate control measures. Reports shall be submitted to the President and further escalated to the Board of Directors when necessary, ensuring a multi-tiered risk governance structure.

The Board of Directors is the highest decision-making body for YNM risk management. It reviews and approves the risk management policies and framework based on the Company's strategic direction and changes in the external environment to ensure effective implementation. The Board gains an understanding of various company risks, potential impacts, financial implications, and opportunities through information presented by the management team and reports submitted to the Board of Directors, and provides timely guidance and recommendations.



2.4.2

# Risk Management Mechanisms

## Risk Management Mechanisms

The Company performs annual evaluations of operational risks and develops corresponding risk management policies covering management objectives, responsible units, authority and responsibility assignments, and procedural mechanisms.

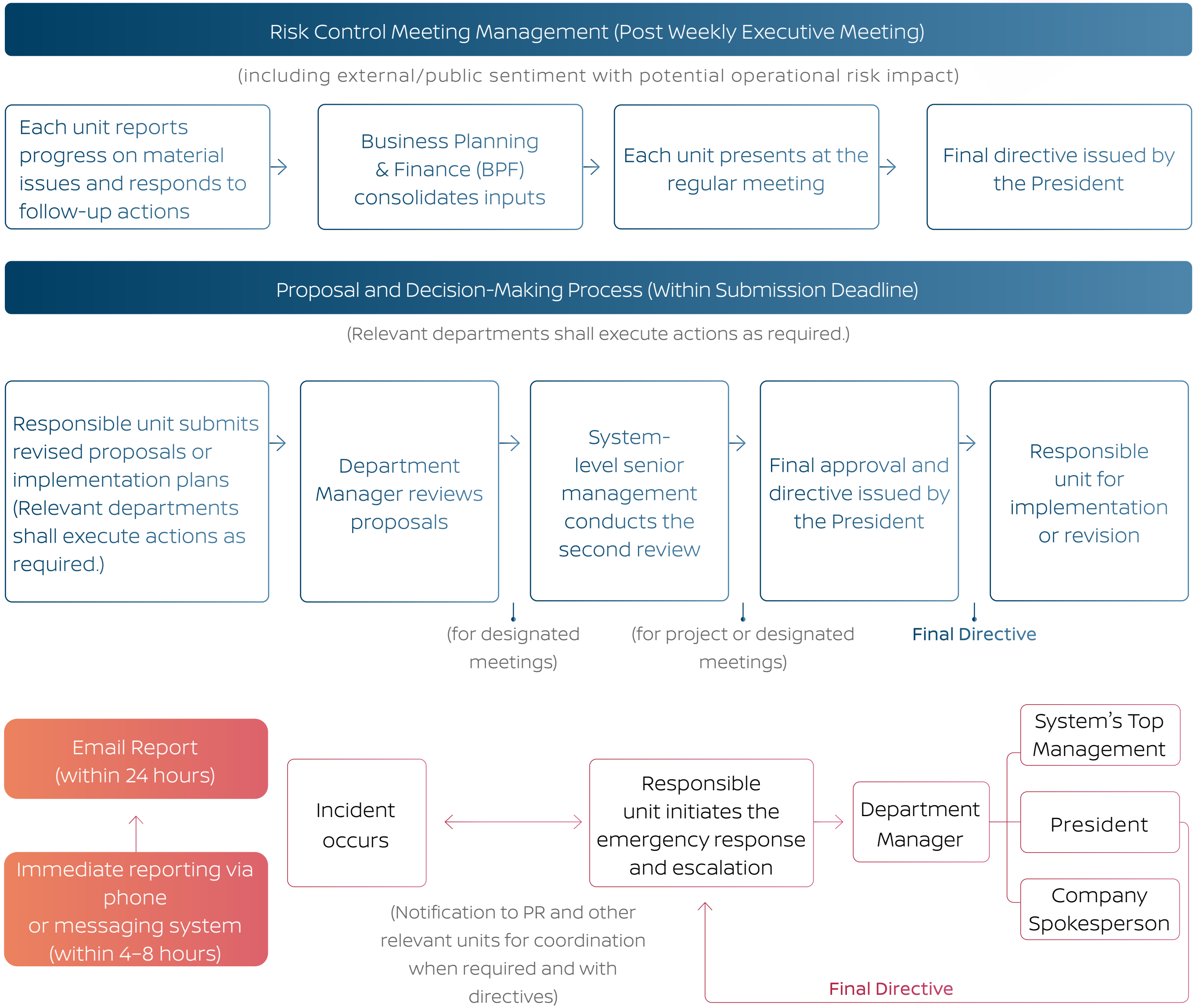
A Risk Management Promotional Team convenes regular meetings to monitor risk items and evaluate the effectiveness of risk control implementation.

Risk incidents are reported annually to the Audit Committee, followed by a report to the Board of Directors.

All major operational decisions undergo analysis and evaluation by respective responsibility units before being submitted for approval by senior executives and implementation according to Board resolutions.

The Internal Audit Unit prepares an annual audit plan based on the results of the risk assessments and executes audits accordingly. In the event of a significant violation or if there is a risk of material damage to the Company, such incidents are reported immediately to the Independent Directors. Responsible units shall promptly implement corrective actions, which shall be reviewed by the internal audit unit to confirm improvement effectiveness.

## Reporting and Tracking Mechanism of Risk Management and Control



## Key Risks Management

| Risk Types | Description of the impact | Financial Impact | Opportunity Benefit | Response Measures |
|---|---|---|---|---|
| Risk in talent recruitment | 1. Due to declining birth rates, there is a significant trend of decreasing workforce participation.<br>2. There is high demand for manpower but limited supply, which increases the challenge of competing for talent.<br>3. Failing to recruit suitable talent may impact company operations or future development. | 1. External salary temptations are strong, with regular salary growth over the past decade.<br>2. Due to government labor regulations, the cost of employment for businesses has increased. | Job seekers value a positive employer brand image.<br>1. The salary conditions meet expectations: The Company's average salary level is competitive in the market, and it can attract excellent talent through differentiated compensation.<br>2. The workplace is conveniently located for commuting: Provide free dormitories that are a 10-minute walk to work.<br>3. The bonus system is fair and reasonable: The Company has a sound and fair system in place. | 1. Diversified recruitment channels, such as 104 Job Bank, campus recruitment briefings, and FST (Formula Student Taiwan) competitions.<br>2. Establish a robust human resources management system to attract excellent talent to join us.<br>3. Enhance employer brand reputation, such as campus job fairs, campus ambassador programs, and industry-academic collaboration projects. |
| Talent retention risks | 1. Employee turnover can negatively impact morale among remaining staff, potentially triggering a snowball effect. | 1. Enhance salary competitiveness<br>2. Various benefits and subsidies<br>3. Performance incentive measures | 1. Enhance onboarding programs (mentor system, orientation sessions, support networks, etc.)<br>2. Enhance hardware and software equipment<br>3. Enhance employer brand marketing<br>4. Regularly review and update internal management systems<br>5. Enhance development programs for key talent | 1. Data-driven quantitative analysis is conducted to support issue identification and prioritization, enabling targeted improvements and resource allocation.<br>2. A job rotation and internal talent development platform is established to enhance employee mobility and retention within the Group.<br>3. Various welfare subsidies: Compare benchmark corporate welfare (allowances/ subsidies, attendance leave, workplace equipment) and make proposals for similar policies, or establish a group welfare platform for sharing welfare services within the group<br>4. Employer branding marketing: not only employee well-being and ESG/CSR commitments to external stakeholders, but also includes communication of corporate prospects. |

| Risk Types | Description of the impact | Financial Impact | Opportunity Benefit | Response Measures |
|---|---|---|---|---|
| Increasingly stringent low-carbon emission regulations | The Company anticipates rising development costs and capital expenditures for relevant equipment. | Increased vehicle model production costs, potentially affecting vehicle pricing and sales volume | The Company promotes the adoption of new energy vehicles in alignment with government policies to enhance EV sales penetration. | 1. The Company closely monitors technological advances, market trends, and development trends<br>2. Continuously conducts QCT (Quality, Cost, Time) assessments for new projects. |
| Changes in Consumer Behavior | If product offerings fail to meet evolving customer expectations, such as increased preference for low-carbon vehicles or concerns over the durability of eco-friendly components and others, which may result in order reductions, | increased R&D costs, and declining sales | 1. The Company proactively engages in product innovation to align with new consumer demands and promotes a more diversified product portfolio.<br>2. The use of eco-friendly materials contributes to a reduction in product carbon footprint.<br>3. Investments in environmental sustainability and innovative technologies are actively advanced. | 1. The Company regularly participates in regulatory trend briefings to stay abreast of the latest information.<br>2. Training sessions are organized with suppliers to ensure that employees are well-informed on product features and environmentally related topics. |
| Information Security | 1. Customer personal data leakage<br>2. Potential malicious attacks may cause system downtime. | 1. In the event that personal data leakage leads to customer dissatisfaction and reputational damage, such incidents may negatively impact sales performance and revenue.<br>2. Hackers may engage in ransomware, resulting in financial losses. | To mitigate risks to an acceptable level, ensure uninterrupted business operations. | The Information Security Committee uses risk assessment results to determine acceptable risk levels. For information assets exceeding acceptable risk levels, corresponding security measures are implemented to reduce risks. |
| Climate Risk Please refer to CH4 for details | Physical risks: could potentially damage the office premises.<br>Transition risks: such as consumer preferences shifting towards purchasing low-carbon products, and stricter regulations related to vehicle manufacturing. | Operating costs increase while revenue declines. | Developing new energy, low-carbon, and energy-efficient vehicle models to attract consumers. | 1. Predicting future vehicle sales based on market trends to determine product portfolios.<br>2. Continuously monitor climate-related risks and opportunities. |

# 03 Brand Value

# Brand Value

## Core Vision and Commitment

Touching experiences stem from our efforts to exceed customer expectations; trust arises from the genuine embodiment of our OEM service values. NISSAN and INFINITI will uphold these two cornerstones, continuously providing excellent quality customer service

YNM is committed to enhancing customer satisfaction and continuously strengthening our brand image. By fostering deeper reciprocal relationships through customers' trust-based repeat visits, we aim to inject new value into the company's future sustainable development. With solid quality, warm service, and a commitment to continuous innovation, we aim to bring endless surprises and peace of mind to our customers.

## 2025 Sustainability Highlights

NISSAN's Overall Brand Favorability (OaO) ranking improved to **third** place among domestic automotive brands in Taiwan.

Approximately **56.6%** of maintenance services for new vehicles and out-of-warranty vehicles utilized remanufactured parts. Procurement of recycled materials accounted for **4.43%** of total material procurement expenditures.

Certified Pre-Owned (CPO) vehicle sales reached a cumulative total of **1,200** units, with online sales accounting for 68% of total CPO sales, **further strengthening the integration of digital channels and customer services.**

Production technology capability assessments were completed for **16** suppliers, exceeding the original target and enhancing overall supply chain competitiveness.

Supply chain labor and human rights management coverage reached **52%**. The Company continued to promote sustainable transition throughout the supply chain with supplier engagement and capacity-building initiatives.

## Material Topic: Product Services and Innovation

**Actual and potential positive impacts on the economy, environment, and people (Opportunities)**

The Company continued to invest in the introduction and development of new energy vehicles (NEVs), enhancing technological capabilities and expanding service offerings. These efforts contribute to reducing environmental impacts and air pollution while strengthening the Company's competitiveness.

**Actual and potential negative impacts on the economy, environment, and people (Risks)**

The Company acknowledges that inadequate management of innovative technologies may result in potential environmental impacts or information security breaches, which could lead to operational disruptions and significant financial losses.

**Resources Invested in 2025**

1. High-voltage (HV) Special Service Tool (SST) equipment has been installed at all service locations in Taiwan.
2. All service locations are staffed with certified new energy vehicle technicians (at HV1, with at least 1 certified technician per facility).

## Strategic Goals

**Company's Policy and Commitment to Products and Service Innovation**

Commitment: Supporting sustainable energy-saving and friendly products and services.
Policy: Continue to work closely with Nissan to secure additional new energy vehicle models for the Taiwan market.

| | |
|---|---|
| Short-Term Goals (1 year) | 1. Continue to advance in the introduction of new energy vehicles.<br>2. Continue promoting the domestic production of imported components. |
| Mid- and Long-Term Goals (3 to 5 years) | 1. Increase the proportion of electrified vehicles introduced to 50% in accordance with the Re:Nissan strategy.<br>2. Reduce the cost of next-gen electric vehicles by 30% in accordance with the Re:Nissan strategy. |

**2025 Target Achievement Status**

The Company continued to advance the new energy vehicle introduction plans during 2025. Two new energy vehicle models are scheduled for launch in 2026.

## Material Topic: Brand Marketing

**Actual and potential positive impacts on the economy, environment, and people (Opportunities)**

Promote environmental awareness and sustainability values to enhance consumer trust and loyalty, increase brand recognition, and drive business growth.

**Actual and potential negative impacts on the economy, environment, and people (Risks)**

Improper or wasteful promotional practices may be subject to penalties imposed by the competent authorities.

**Resources Invested in 2025**

1. 10 million TWD was invested in brand marketing initiatives.
2. A new version of the mobile application was planned to provide enhanced services and customer interaction functions, optimizing digital experiences and after-sales services.
3. The Company promoted the brand spirit of "Inspiration From Every Detail" through participation in the Taipei Auto Show.

## Strategic Goals

**Company's Policy and Commitment to Brand Marketing**

The introduction and sale of new energy vehicle models contribute to reducing the environmental impacts of the automotive industry, including carbon emissions.

| | |
|---|---|
| Short-Term Goals (1 year) | 1. Technology Leadership Index: Increase by 5%.<br>2. Enhance YNM's brand overall opinion (OaO). |
| Mid- and Long-Term Goals (3 to 5 years) | 1. Strengthen the brand's core philosophy of "Inspiration From Every Detail."<br>2. NISSAN Ambition 2030 |

**2025 Target Achievement Status**

1. The Technology Leadership Index reached 24%, remaining consistent with the previous year.
2. NISSAN's Overall Brand Favorability (OaO) ranking improved from fourth place to third place among 14 automotive brands.
3. NIM brand awareness increased by approximately 6% in 2025.

# 3.1 NISSAN"Innovation for Excitement"

3.1.1

## NISSAN Brand Culture

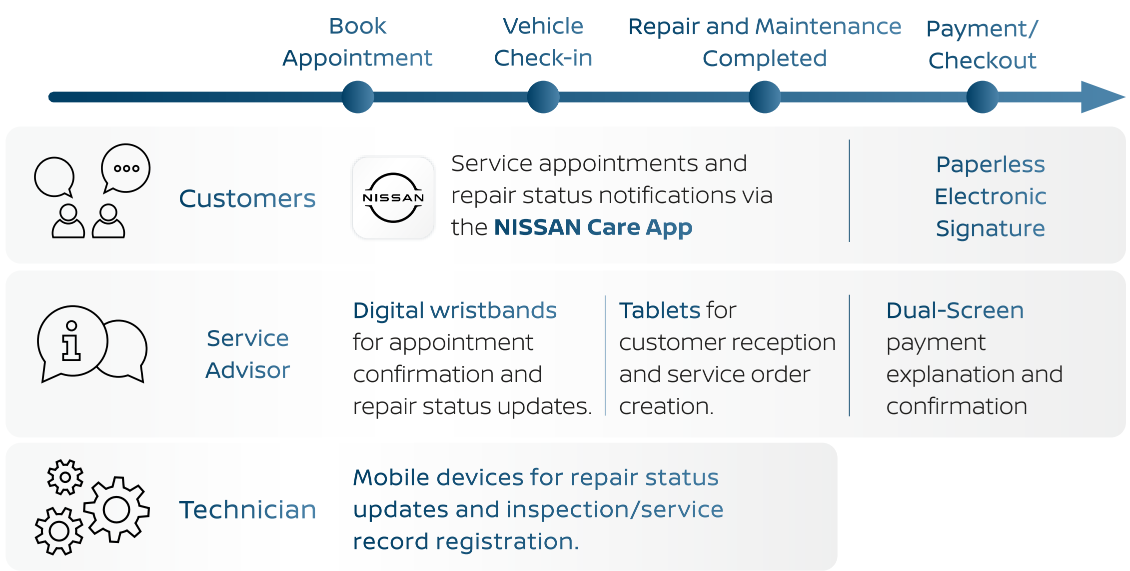
NISSAN, the leading automotive brand in technological innovation, consistently upholds its car-manufacturing philosophy, cultivates its brand spirit, and remains committed to sustainable development. Yulon Nissan continued to communicate its brand spirit of "Innovation for Excitement" in 2025. In addition to providing vehicles that combine quality, refinement, and functionality, the Company further strengthened customer trust and support for the NISSAN brand through attentive and thoughtful services Looking ahead, we will continue to invest in the optimization of the vehicle purchasing experience and improve customer satisfaction, aspiring to seamlessly integrate drivers, mobility solutions, and everyday living environments.

3.1.2

## Service Driven by Technology

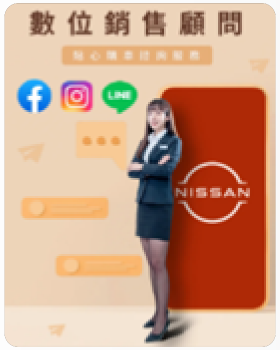
NISSAN consistently pays close attention to customer needs, dedicating itself to enhancing the sales and service process through technology, all to provide customers with a more convenient, comfortable, and reliable car purchasing experience. In addition to the current 61 physical locations, Nissan primarily enhanced its digital sales share through online test drive reservations and online car purchase appointments in 2025. We will continue to promote digital value chain optimization in the future, including online vehicle reservations, Certified Pre-Owned (CPO) vehicles, the Car Leasing rental service, and diversified online services such as insurance and financing. We aim to enhance the online sales process and improve the customer experience, thereby meeting the service coverage needs of our customers.

### Digital processing flow for parts after-sales services



### "Digital sales consultant" services meet the needs of online consumers

The NISSAN Digital Sales Consultant service was launched in 2022 to provide customers with a more thoughtful and convenient car-purchasing experience. To ensure the continuous provision of professional online consultation to consumers, we conduct annual selection and training sessions. Customers can easily choose the most suitable digital sales consultant through the official website platform, view their profiles and sales records, and contact them for consultation through multiple channels.




**Performance in 2025**

As of the end of 2025, the Company had 194 Digital Sales Consultants.

**Future Planning**

1. Adjustment of Digital Consultant Qualifications
2. Website Page Optimization
3. Personal Introduction of Digital Sales Consultant
4. Establish performance reports and replacement mechanism

3.1.3

## NISSAN Brand Campaign

### Automotive Value Maximization Strategy

YNM has developed a comprehensive "Vehicle Value Maximization" strategy, covering the entire vehicle lifecycle from new vehicle introduction and test-drive experiences to certified pre-owned vehicle transactions, to enhance customer test-drive experiences and overall satisfaction. Electric vehicle test-drive vehicles are converted into short-term rental vehicles through the Car Leasing Program after one year of use (subject to market demand), and are subsequently introduced into the Certified Pre-Owned (CPO) platform after two to three years. This approach extends vehicle service life while maximizing vehicle value and operational efficiency.

### Certified Pre-Owned (CPO) Vehicle

YNM, to give back to consumers who support NISSAN, launched the "NISSAN Certified Used Car" service in 2023. We provide officially certified vehicle sources, sales channels, and warranty services to protect consumer rights and ensure peace of mind when buying a used car passing 158 professional factory inspection procedures and coming with 10 major purchase guarantees. Consumers can enjoy one-stop original manufacturer services both online and offline. Upholding the spirit of " One Purchase, Taiwan-wide Warranty," we offer diverse, high-quality used vehicles and convenient services, creating the best channel for purchasing NISSAN-certified used cars. Cumulative CPO vehicle sales reached 1,200 units in 2025, of which 68% were generated through the CPO online platform.

- One purchase, Taiwan-wide warranty.
- No odometer tampering.
- Warranty with six major systems covered under a 20,000-kilometer mileage in one year.
- No alterations to vehicle identification numbers (VINs) or engine numbers.
- No flood-damaged vehicles.
- Transparent pricing, actual vehicles in stock.
- No major accident vehicles.
- Transparent vehicle history.
- No commercial vehicles or modified vehicle bodies.
- 10 days cooling-off period.

## 2025 Car Value Maximization Strategy Results

Number of test drive vehicles directly entering the CPO platform
**194** vehicles

Cumulative Sales of CPO-Certified Pre-Owned Vehicles
Over **1,200** vehicles

Bonus-point programs to encourage vehicle owners to return for maintenance and repair services
contributed to an **82**% service retention rate.

Cumulative Members of the CPO online platform
Over **2300** members

## NISSAN 2025 Annual Car Owner Campaign

| Marketing Theme for 2025 Car Owner Campaign | Campaign Session / Theme | Number of Participants | Amount of investment |
|---|---|---|---|
| SENTRA Owners Gathering | December SENTRA Owners Gathering | 113 vehicles; 200 participants | TWD 43,900 |
| X-TRAIL Owners Gathering | November X-TRAIL Owners Gathering | 167 vehicles; 330 participants | TWD 59,700 |
| JUKE Owners Gathering | September JUKE Owners Gathering | 127 vehicles; 300 participants | TWD 58,100 |
| X-TRAIL e-POWER Owners Gathering | April X-TRAIL e-POWER Owners Gathering | 300 vehicles; 600 participants | TWD 160,000 |


# 3.2 INFINITI "Human, Daring, Forward"

3.2.1

## NFINITI Brand Culture

### Conquer the Unknown, Ascend Infinity

INFINITI never limits itself to boundaries, striving to achieve what seems impossible. Facing a world of the unknown, we never stop moving forward. Through generational breakthroughs, we showcase boundless creativity and driving force to offer vehicles that match the aspirations of all consumers who dare to take on challenges.

The four symmetrical "I" elements within the INFINITI brand emblem symbolize the endless roads ahead, the countless landscapes to be witnessed, and the infinite possibilities. As we continue pursuing new horizons without fear of the unknown, INFINITI remains guided by its core brand values of Human, Daring, and Forward, which embody the spirit the brand seeks to convey to every customer.


### Human, Daring, Forward

"Human – Human-Centered Design" reflects INFINITI's commitment to putting people first. By prioritizing the driver's experience, the brand creates intuitive, driver-focused interfaces, while thoughtfully designed vehicle architecture and cabin layouts ensure the utmost comfort and peace of mind for all passengers. Every detail demonstrates INFINITI's dedication to user-centered design.

"Daring – Challenging Everything" is exemplified by INFINITI's groundbreaking VC-Turbo, the world's first mass-produced variable compression ratio engine, developed through more than 20 years of research and innovation. Combining the powerful performance of a high-output 2.0-liter turbocharged gasoline engine with the high torque and efficiency typically associated with diesel engines, VC-Turbo integrates the advantages of both powertrain technologies into a single innovative solution. This enables drivers to confidently pursue driving performance and enjoyment


while also achieving outstanding fuel efficiency and eco-friendly performance, empowering them to overcome every challenge and opportunity with confidence.

"Forward – Advanced Technology" is embodied through INFINITI's ProPILOT Driver Assistance Technology, which integrates a range of advanced safety and driving-assistance features of Intelligent Cruise Control (ICC) with Overtaking Assist, Lane Keeping Assist (LKA), Predictive Forward Collision Warning (PFCW), and more. Built upon a comprehensive active and passive safety framework, these technologies allow drivers to enjoy the pleasure of cruising freely while providing comprehensive protection for their families.

3.2.2

## Comprehensive Premium Services

### Diverse Customer Service

INFINITI launched its Pre-Paid Maintenance Package (PMP) in 2025. Vehicle owners can access maintenance and repair services at preferential rates through this program. 31% of vehicle owners had enrolled in the program by the end of 2025. In addition, service centers and customer lounges underwent digital upgrades to provide more digitalized and sustainable service experiences. One key initiative was the implementation of an electronic signature system for payment transactions, which achieved an adoption rate of 87% by the end of 2025. We will continue to optimize customer service by implementing tiered reward programs for vehicle owners in the future to ensure they receive the most satisfying and diverse service experience.

16.3% of cases utilized the Vehicle Pick-up and Delivery Service in 2024.

Luxury vehicle warranty extended to 6 years, covering specified vehicle components.

*Extended warranty coverage for Years 4–6 is available for purchase by vehicle owners.


Service Enhancement Seatside payment and digital checkout.

Customers earn 2,000 reward points by making service appointments through the app.

Event posters and customer management system have been digitized and converted into digital signage to reduce paper consumption.

### Convenient digital services

By downloading the INFINITI Care App, vehicle owners can conveniently access vehicle information, schedule service appointments online, browse exclusive promotion deals, and enjoy a total of 18 digital service features. Since its launch in 2018, more than 90% of returning service customers have downloaded and used the app. Looking ahead, INFINITI will continue enhancing both its online and offline service offerings to deliver a seamless premium customer experience.

| Year | 2023 | 2024 | 2025 |
|---|---|---|---|
| Number of People Who Downloaded INFINITI Care APP | 12,210 | 14,662 | 17,643 |

## Privileged Customer Experience

INFINITI Taiwan is committed to ensuring that customers experience a comprehensive and premium ownership journey across every stage of sales and after-sales service. We conduct regular satisfaction surveys via SMS and telephone interviews to better understand customer feedback. These surveys evaluate multiple dimensions of service quality, including dealership facilities, consultation processes, sales personnel, vehicle delivery experience, service reception procedures, service advisors, and customer lounge environments, enabling an objective assessment of service professionalism and customer satisfaction.

INFINITI Taiwan introduced ISSW (INFINITI Sales & Service Way), the global service standard of the brand, in 2023. The ISSW framework was further enhanced to elevate service quality in 2025. From pre-delivery experiences to post-delivery customer care, additional thoughtful and comprehensive service touchpoints have been introduced to strengthen the overall ownership journey. We have implemented a structured, three-phase annual training program for both sales and after-sales personnel to ensure consistent service excellence. The training covers customer service skills, sales techniques, operational procedures, and system operations. This ensures that every service professional upholds the spirit of ISSW, delivers a truly welcoming and premium customer experience, and consistently conveys INFINITI's distinctive brand value through every customer interaction.

## Service Education

| Course Type | Course Description | Participant | Number of Participants | Hours of participating |
|---|---|---|---|---|
| Professional vocational training in industry services | Service Observation and Communication | INFINITI dealer company managers, planners, branch managers, service center managers, sales and service personnel. | 8 | 40 |
| | Customer engagement skills that steal the heart | | 8 | 40 |
| | QX60 Seed Instructor Training Program | INFINITI Dealer Site Managers and Sales Personnel | 8 | 4 |

| Before Vehicle Delivery | After Vehicle Delivery | Training and Development |
|---|---|---|
| Enhanced product experience (e.g., brand fragrance, music, refreshments, etc.) and upgraded vehicle delivery gifts). | Upgraded customer lounge services, optimized payment procedures, and expanded birthday gift offerings for vehicle owners. | Annual training program for first-line sales and aftersales service personnel: the Three-stage training curriculum. |

## Great variety of car owners' events

INFINITI upholds its brand philosophy of "Human-Centered Design" by not only providing comprehensive protection and high-quality maintenance and repair services for vehicle owners but also always developing new structured training programs for service personnel. These programs enable staff to better understand customer needs and deliver a more premium and refined service experience. At the same time, various owner return-to-service events are held annually to further enhance owners' peace of mind and driving experience. INFINITI remains committed to continuous challenge and innovation, ensuring that every service visit provides a more complete and convenient customer journey.


**2025 Spring Inspection/ Summer Inspection Programs**

Participants

Spring Inspection: 4,756 participants

Summer Inspection: 4,314 attendees

A total of 42 vehicle inspection items were provided, while a membership-based tiered service model was also implemented to offer customers differentiated service options tailored to their needs.


**2025 FAMILY DAY: Lane Breeze Luxury Glamping Event**

Number of Participants: 160 people

Centered on sustainability, this event combined natural mountain landscapes with a luxury camping experience. Overlooking Liyu Lake and facing Guandao Mountain, participants enjoyed a close connection with nature in a setting defined by fresh air and greenery. The event promoted ecological conservation, supported local farmers, and collaborated with premium accommodations to create a relaxing and environmentally conscious experience, making it a memorable and sustainable journey in harmony with nature.


**Dealer Co-hosted Event – Plum Wine DIY Experience**

Participation: 48 participants 100% vehicle owners

This event combined brand lifestyle aesthetics with local cultural elements through a plum wine DIY workshop hosted at dealership locations. The plums used were sourced from orchards restored by indigenous communities following the 2009 Typhoon Morakot, incorporating themes of land restoration and community storytelling to deepen the event's sustainability significance. The event strengthened emotional connections between the brand and its customers through hands-on brewing experiences and interactive engagement, reflecting INFINITI's commitment to blending refined lifestyle experiences with social responsibility.


**Dealer Co-hosted Event – Father's Day Customer Appreciation Event**

INFINITI & NISSAN Participation: 168 participants

100% vehicle owners

Centered around Father's Day, this customer appreciation event was designed to create warm, everyday interaction experiences that foster closer emotional engagement with customers. The event emphasized customer relationship management and emotional connection, strengthening brand loyalty and repeat engagement. It also demonstrated INFINITI's commitment to delivering refined luxury service experiences while advancing sustainable customer relationship management practices.

# 3.3 Customer Relationship Management

## Material Topic: Customer Relationship Management

**Actual and potential positive impacts on the economy, environment, and people (Opportunities)**

Effective customer relationship management can expand more diversified service offerings, meet various customer needs, and enhance customer loyalty. Increasing Sales Performance.

**Actual and potential negative impacts on the economy, environment, and people (Risks)**

If products do not meet customer preferences or if improper practices exist during the sales process, it will damage the company's image and brand reputation, negatively impacting sales performance.

**Resources allocated in 2025**

1. Optimizing digital customer experience
2. Conduct regular cross-functional customer satisfaction improvement meetings.
3. Provide training programs for sales and after-sales service personnel.

## Strategic Goals

**The policy and commitment of the Company's customer relationship management**

Commitment: Maintaining close communication with customers and building long-term trust relationships are core principles and values of NISSAN customer service.
Policy: Digital sales consultants and customer service centers

| | |
|---|---|
| Short-Term Goals (1 year) | 1. Promote digital transition in the value chain to strengthen online sales processes and enhance customer experience, aiming to meet customer service coverage requirements.<br>2. Actively increase the ratio of online test drive bookings and online car purchase reservations to boost the share of digital sales.<br>3. After-sales digital transition strategy — NISSAN online store, AS Media 2.0 marketing, and enhancing data integration for automated marketing profitability. |
| Mid- and Long-Term Goals (3 to 5 years) | 1. Digital Sales Channel Strategy: Continue to advance the digital transition of sales processes, strengthen the digital capabilities of sales consultants, and increase the proportion of sales generated through dealer digital lead-generation channels.<br>2. After-Sales Digital Transition Strategy: Continue to promote the NISSAN Online Store, AS Media 2.0 marketing initiatives, and data-integrated automated marketing programs to enhance profitability and customer engagement. |

**2025 Achievement Status**

1. Optimize the customer digital experience.
2. Customer complaint response and resolution at the market side are reported in executive meetings, with cross-departmental customer satisfaction improvement meetings convened accordingly.
3. Education and training for sales and service personnel.

3.3.1

## Feedback Channel

Maintaining close communication with customers and building long-term trust relationships are core principles and values of YNM's customer service. We provide timely and comprehensive one-stop solutions to customer inquiries and concerns through our 0800 toll-free customer service hotline and SOS (Speed-up One Stop Solution) mechanism. Whether during vehicle purchase, delivery, or subsequent maintenance and repair services, vehicle owners can receive dedicated support within the critical golden response time. In addition, we integrate real-time text messaging functions through our official websites and mobile applications to address diverse customer needs and deliver a more convenient and customer-centric ownership experience.

| Feedback Channel | NISSAN | INFINITI |
| --- | --- | --- |
| Director (including Independent Directors) Remuneration | 24 Hours Roadside Assistance Service<br>Dedicated Personnel to provide General Consultation Service available from 08:00 to 22:00.<br>Text Message Service Representative available from 9:00 to 17:00 (with a break from 12:00 to 13:00)<br>0800-088-888 | 24 Hours Roadside Assistance Service<br>Dedicated service hotline: 0800-333-399 |
| Official Websites | https://new.nissan.com.tw/nissan | https://www.infiniti.com.tw/ |
| Social Network | Facebook／Instagram | |
| Phone interview | Irregular | Irregular |
| Customer Satisfaction Survey | Monthly | Monthly |
| Application | NISSAN Care APP | INFINITI Care APP |

3.3.2

## Customer Satisfaction

YNM remains committed to optimizing customer experience while continuously strengthening brand image and service quality. The Company's overall brand favorability score (OaO) reached 11% in 2025, ranking third among domestic automotive brands in Taiwan. In addition, both NISSAN and INFINITI received strong recognition in the Sales Satisfaction Index (SSI) for new vehicle purchases and the Customer Satisfaction Index (CSI) for after-sales services In the future, we will continue refining service processes to deliver an exceptional customer experience.

| Course Type | Indicators | 2023 | 2024 | 2025 | Improvement Measures for Lower-Scoring Areas |
|---|---|---|---|---|---|
| NISSAN | SSI | 973 | 979 | 979 | Continuous improvements shall be implemented to maintain high customer satisfaction performance. |
| | CSI | 970 | 4.92 | 4.92 | The primary improvement area identified was customer lounge comfort. In 2026, a dedicated 5S Inspection Team was established to strengthen improvement efforts by enhancing cleanliness and housekeeping standards, incorporating ambient fragrance solutions, to create a more comfortable and relaxing customer lounge environment. |
| INFINITI | SSI | 991 | 4.90 | 4.90 | Continuous improvements shall be implemented to maintain high customer satisfaction performance. |
| | CSI | 982 | 4.80 | 4.87 | The primary improvement area identified was customer lounge comfort. In 2026, a dedicated 5S Inspection Team was established to strengthen improvement efforts by enhancing cleanliness and housekeeping standards, incorporating ambient fragrance solutions, to create a more comfortable and relaxing customer lounge environment. |

*Customer satisfaction survey results have been measured using a five-point rating scale starting from 2024.

| Number | Evaluation Item | Score | Satisfaction | Improvement Actions or Response Measures |
|---|---|---|---|---|
| 1 | Overall Satisfaction | 4.91 | 98.2% | Monthly review meetings are conducted to evaluate results and implement improvement actions. |
| 2 | Satisfaction with the service and maintenance | 4.92 | 98.4% | |
| 3 | Checkout service and promotional benefits explanations | 4.93 | 98.6% | |
| 4 | Explain in an understandable way to car owners | 4.92 | 98.4% | |
| 5 | Comfortable, relaxing, and soothing lounge | 4.90 | 98.0% | |
| Overall Average Score 4.92 | | Overall Satisfaction 98.3% | | |

## 2025 Customer Satisfaction Survey Results

| | |
|---|---|
| Aspects of Survey | CSI for after-sales service satisfaction |
| Survey method and frequency | Monthly |
| Return rate | 32% |
| Survey distributed | 406,656 |
| Survey returned | 129,406 |

## Customer complaint handling process

Complaint Classification → Issue Analysis → Assign Responsible Department → Contact the Customer Within 24 Hours → Reach Resolution and Agreement with the Customer

## Customer Complaint Case Handling Statistics

| Type of Complaint Case | Number of Cases Handled in 2025 |
|---|---|
| Inquiry | 14,878 |
| Confirmed cases / Service complaint calls | 286 |
| Compliments | 181 |
| Confirmed cases / Quality complaint calls | 640 |
| Roadside Assistance calls (including Inquiries, Emergency Repairs, and Accidents) | 5,667 |

# 3.4 Product Quality

## Material Topic: Product Safety and Quality Management

### Actual and potential positive impacts on the economy, environment, and people (Opportunities)

- Effective quality management helps reduce production waste, improve material utilization efficiency, and minimize pollution as well as resource consumption.
- The Company provides customers with confidence and peace of mind by ensuring product safety and reliability, thereby strengthening trust in product quality and brand value.

### Actual and potential negative impacts on the economy, environment, and people (Risks)

- Product safety testing, quality assurance activities, and continuous quality optimization initiatives require substantial operational investment and may increase operating costs.
- Poor customer vehicle experience and lack of product quality assurance will result in customer safety concerns and personal safety risks.

### Resources allocated in 2025

1. New vehicle models incorporate remanufactured components (including steering systems and compressors).
2. After the warranty period, recycled components are used for replacement parts.
3. The Factory Health Assessment (Manufacturing Process) score improved by 0.20 points.
4. The Intelligent Spot Welding Management System was implemented and deployed according to schedule.

## Strategic Goals

### Company Policy and Commitment to Product Safety and Quality Management.

Commitment: We prioritize customer health and safety. We do not tolerate any hidden risks in our products as vehicle safety is directly related to customers' lives.

Policies: Quality Committee, Quality Management Training, and Product Recall Improvement Processes

| | |
|---|---|
| Short-Term Goals (1 year) | The Factory Health Assessment (Manufacturing Process) score improved by 0.20 points.<br>Production technology capability evaluation results meet the requirements for 14 suppliers. |
| Mid- and Long-Term Goals (3 to 5 years) | 1. Achievement of quality consistency activities<br>2. Research on trends in new technologies and new construction methods<br>3. Optimizing the operational management and manufacturing capability<br>4. Enhancing supplier production readiness and process management capabilities, and institutionalizing the results of coaching efforts |

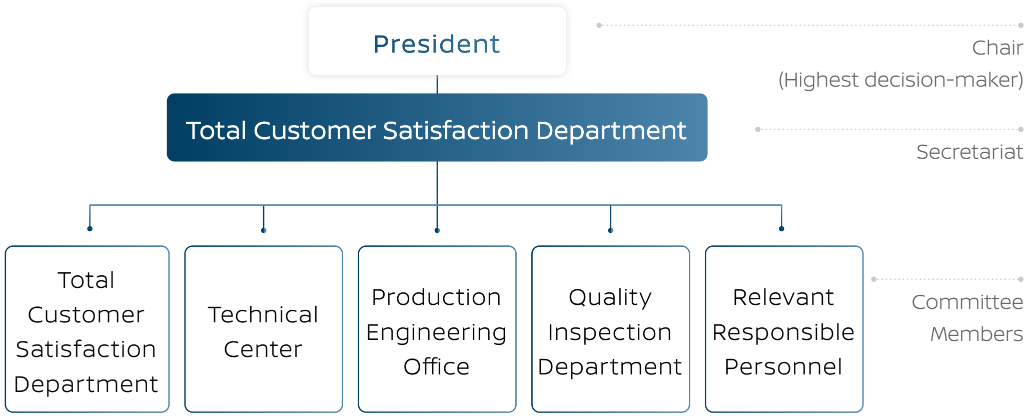
### 2025 Target Achievement Status

1. The Factory Health Assessment (Manufacturing Process) score improved by 0.20 points.
2. Production technology capability evaluation results meet the requirements for 16 suppliers.

3.4.1

## Quality Management Committee

YNM has established a Quality Management Committee as the highest decision-making body responsible for quality governance, chaired directly by the President. The Committee is led by the Total Customer Satisfaction Department and includes cross-functional participation from the Technical Center, Production Engineering Office, and Yulon Motor's Quality Inspection Department. The Committee convenes on a Bimonthly basis, with special project reports arranged as needed for specific quality-related issues. Resolutions adopted by the Committee are facilitated into concrete action plans by relevant departments and implemented through a top-down management approach to ensure that products and services consistently meet the highest quality standards.




### Operation of the Quality Management Committee in 2025

The Quality Management Committee monitored performance through regular bimonthly meetings during the year, and focused on achievement of quality objectives, customer satisfaction & market research activities, multimedia infotainment system quality, and vehicle body precision and manufacturing quality, a total of four topics. The Committee identified and addressed nine quality-related issues during the year, and corresponding corrective actions were established for all identified issues.

3.4.2

## Quality Management

YNM remains committed to quality excellence by establishing stringent quality standards and operating procedures. The Company regularly conducts quality training programs for employees covering components & parts quality, vehicle quality, and market quality, a total of three aspects. The Company ensures product safety, reliability, and consistency while maintaining compliance with applicable regulations, industry standards, and customer expectations. The Company recorded no incidents of non-compliance with laws and regulations concerning the health and safety impacts of products and services in 2025.

To support the continued introduction of new energy vehicles and address industry transition trends, YNM completed the establishment of new energy vehicle maintenance service facilities in 2025 and simultaneously implemented related training programs to ensure that all service locations possess the necessary maintenance capabilities and safety knowledge required for new energy vehicle servicing. All planned projects were completed as scheduled. The Company will continue to implement a tier certification framework for new energy vehicle maintenance personnel in line with the vehicle introduction plan in the future, gradually establishing professional technical capabilities across the HV1, HV2, and HV3 certification levels.

In terms of talent cultivation, YNM will continue to increase the deployment of certified new energy vehicle maintenance technicians across service locations, building a stable and sustainable professional workforce capable of supporting the long-term development and servicing needs of new energy vehicles.

## Comprehensive Product Quality Management

| Aspects of Quality Management | Phases | Implementation |
|---|---|---|
| Quality of Parts | Sourcing Phase | • Implementation of production plant quality management system and quality performance evaluation during new projects or new part domestic production;<br>• Candidate suppliers must fulfill the requirements of the Q-File Evaluation Process before qualification and approval. |
| | Design and Development Phases | • Suppliers are required to conduct tooling, fixture, gauge, and manufacturing process (4M) planning in accordance with the New Parts Quality Procedure. Suppliers must also provide quality verification results at each development stage, while achievement of quality targets is reviewed and monitored (YNTC responsibility). |
| | Mass Production Phase | • Issue supplier quality targets and manage mass production quality according to the Supplier Score Card requirements.<br>• Supplier Health Checks are conducted regularly, and quality improvement initiatives are implemented, with the objective of achieving customer satisfaction targets (TCS responsibility). |
| | Incoming inspection (Outsourced to Yulon Motor Co., Ltd.) | • Implement acceptance criteria to control the quality of automotive parts and materials, ensuring that non-conforming items do not enter the production line. |
| Vehicle Outgoing Quality | Engineering Trial phase (ET) | • Upon achievement of all required performance indicators, the project may proceed to the Production Trial (PT) phase. |
| | Production Trial phase (PT) | • Upon achievement of all required performance indicators, the project may proceed to the Start of Production (SOP) phase. |
| | Start of Production phase (SOP) | • Upon achievement of all required performance indicators, vehicles are approved for market release and delivery. |
| | Mass production process testing (Outsourced to Yulon Motor Co., Ltd.) | • Implemented according to the management engineering drawings for each car model to ensure process management and vehicle assembly quality. |
| | Mass production vehicle inspection (Outsourced to Yulon Motor Co., Ltd.) | • Implement dynamic full inspection, static full inspection, and storm full inspection tests according to the vehicle inspection standards to ensure the quality of finished vehicle products. |
| | Mass production vehicle quality assessment | • Implement sampling and monitoring according to VES evaluation criteria to maintain and continuously improve product quality. |
| | Vehicle distribution quality monitoring | • Following the monitoring standards to oversee and improve the management quality of vehicle distribution, inventory, preparation, delivery, and other aspects to enhance product quality. |
| | Market quality management | • Handling customer complaints and market quality feedback according to standards, conducting investigations for improvement, and enhancing customer satisfaction with the product. |

* YNTC: Technical Center * TCS: Total Customer Satisfaction Department

## Quality Management Training Programs

| Sources | Total Training Time (Hours) | Course Contents | Training Hours Per Person | Number of Participants |
|---|---|---|---|---|
| Internal | 114 | YNM FQI Management Mechanism | 2 | 6 |
| | | WIS System – Parts Supplier Improvement and Appeal System (PIS) | 2 | 8 |
| | | Customer Satisfaction Survey Management Process | 2 | 6 |
| | | Mass Production Process Audit Procedure | 2 | 6 |
| | | Traceability control method and application concept | 2 | 6 |
| | | ASES Evaluation Educational Training | 2 | 5 |
| | | SHC Audit Educational Training | 2 | 5 |
| | | SSC Improvement Program Educational Training | 2 | 5 |
| | | Change Point Management Educational Training | 2 | 5 |
| | | SSC Monthly Report Educational Training | 2 | 5 |

## Remanufactured Parts and Recycled Materials

YNM actively promotes the use of remanufactured parts in vehicle maintenance and servicing operations. Applicable vehicle models include , CEFIRO, SENTRA, TIIDA, LIVINA, X-TRAIL, TEANA, KICKS, and others. Currently promoted remanufactured parts include transmissions, AC compressors, and Steering systems. For vehicle maintenance services, remanufactured parts have been utilized on approximately 56.6% of serviced vehicles, with positive customer feedback received. The Company's procurement expenditure on recycled materials totaled TWD 5.93 million, accounting for 4.43% of total material procurement spending in 2025. In the future, the Company will continue expanding the application of recycled materials and remanufactured parts to promote circular resource utilization and reduce the environmental impacts associated with its operations.

| Vehicle Category | Vehicle Models | Remanufactured Parts | Implementation |
|---|---|---|---|
| Out-of-Warranty Vehicles | CEFIRO / SENTRA/ TIIDA/ LIVINA/X-TRAIL/ TEANA/KICKS/ | Transmission, Air-conditioning Compressor, Steering System | Remanufactured parts are used for maintenance and repair services after the warranty period. The remanufactured parts have been utilized on approximately 56.6% of vehicles, resulting in promising positive customer feedback. |
| New Vehicles | X-TRAIL/KICKS/ SENTRA | | |

Total Material Procurement Amount TWD 133,725,706

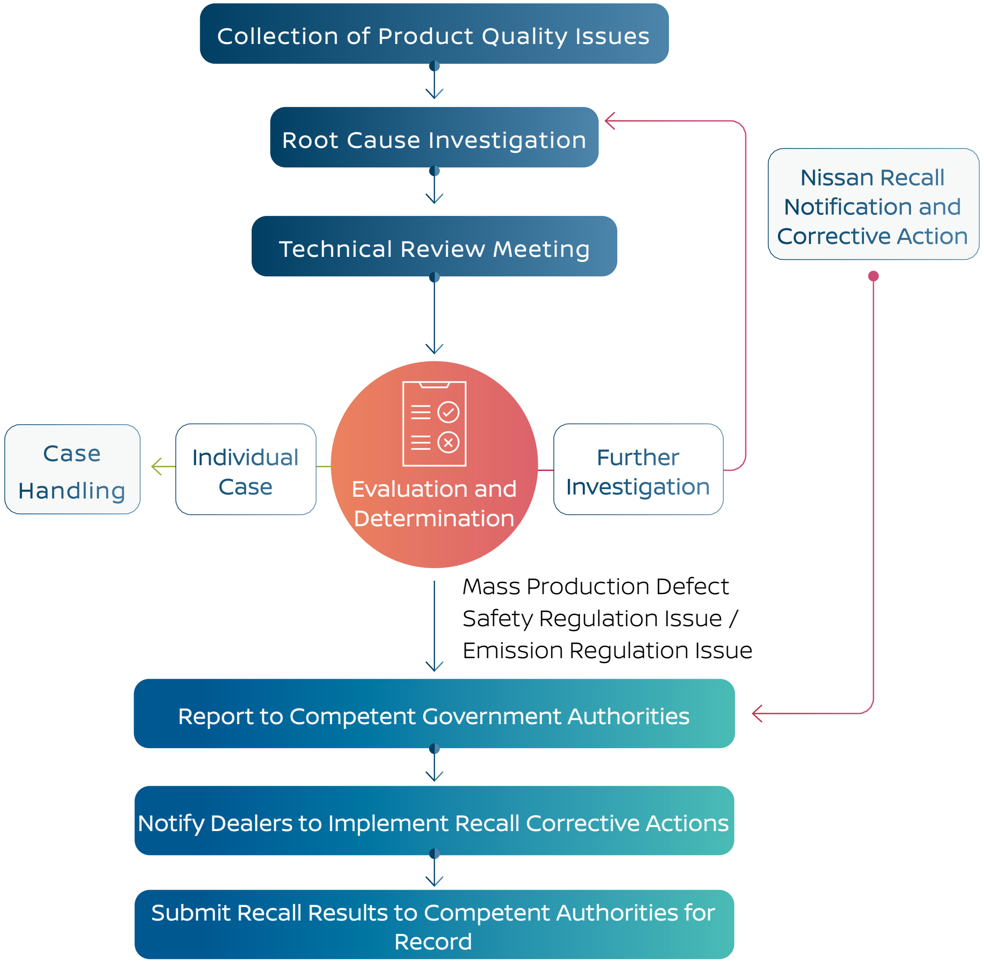
Recycled Material Procurement Amount TWD 5,930,002

Percentage of Recycled Material Procurement to Total Material Procurement 4.43%

3.4.3

## Product Recall and Improvement Process

YNM places the safety and well-being of its customers as its highest priority. Accordingly, the Company has established a comprehensive vehicle recall and corrective action process to ensure product safety and provide customers with confidence and peace of mind throughout the vehicle ownership experience.




To uphold its commitment to vehicle safety, whenever YNM receives a global recall notification issued by Nissan Motor Co., Ltd, the Company immediately activates its response mechanism and proactively contacts affected vehicle owners to arrange inspection, repair, or replacement services as required, ensuring the highest standards of vehicle safety, In 2025, the Company reported a total of six recall campaigns to the Ministry of Transportation and Communications.

| Vehicle Model & Recall Reason | Improvement Measures | Launch Date | Number of Vehicles Subject to Recall (units) | Number of Vehicles Recalled in 2025 (units) |
|---|---|---|---|---|
| NISSAN QUEST defect in the NISSAN emblem on the driver's airbag module | Component replacement | 22th of May, 2025 | 29 | 10 |
| NISSAN KICKS e-POWER lithium battery controller software defect | Software update | 22th of May, 2025 | 837 | 811 |
| X-TRAIL 1.5L engine crankshaft defect | Inspection and software update; replacement if abnormalities are identified | 20th of November, 2025 | 1,726 | 906 |
| ALTIMA engine crankshaft defect | Inspection; replacement if abnormalities are identified | 20th of November, 2025 | 708 | 332 |
| INFINITI QX50 and QX55 engine crankshaft defect | Inspection; replacement if abnormalities are identified | 20th of November, 2025 | 2,659 | 1,026 |
| X-TRAIL e-POWER generator motor defect | Inspection; replacement if abnormalities are identified | 15th of December, 2025 | 120 | 74 |

In 2025, the number of recall cases required under the Air Pollution Control Act was zero. For all recall campaigns, YNM not only fulfills statutory notification requirements through direct mail and public announcements, but also proactively contacts vehicle owners by telephone and continuously follows up on recall completion progress. To safeguard customer rights and interests, the Company remains committed to providing corrective services free of charge for the lifetime of the recall campaign, even if vehicle owners return after the official recall filing period has expired.

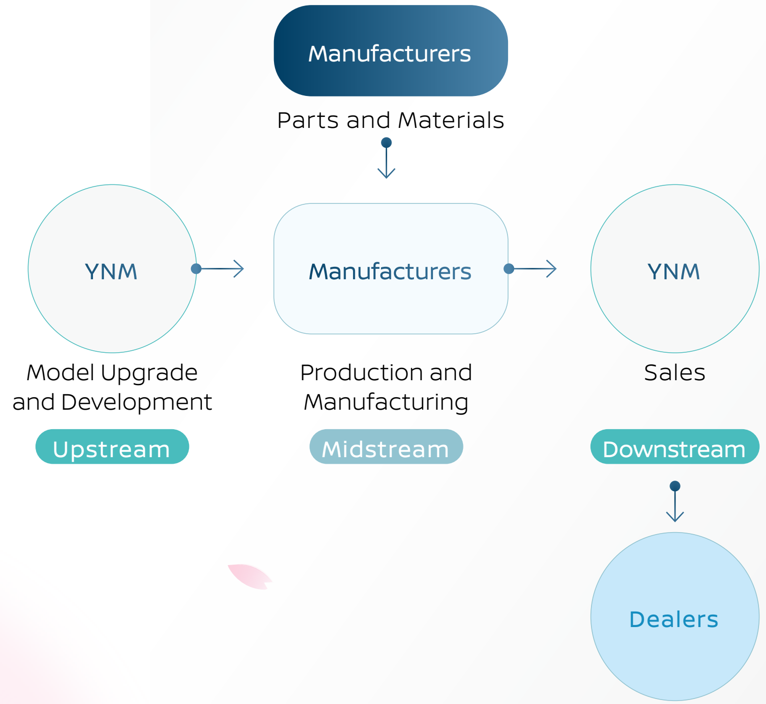
# 3.5 Supply Chain Management

3.5.1

## Brand Value Chain

YNM's supplier management policy is committed to fostering safe and healthy working environments while establishing employment practices that respect human rights and uphold ethical standards. The Company works closely with supply chain partners to fulfill shared responsibilities as global corporate citizens. By extending sustainability initiatives throughout the supply chain, YNM seeks to improve the well-being of supplier employees and create positive social value across the broader business ecosystem.

### YNM Supply Chain Value Chain



## Upstream Supplier Information

| Information on the supplier | Type of supplier | Service or product type | Number of suppliers | Estimated Payments to Suppliers (TWD million) | Geographic location |
|---|---|---|---|---|---|
| Domestic components and parts suppliers | On production line components | Automobile production components | 66 | 1,621.60 | Taiwan |
| Direct material suppliers | Direct material | Direct material for the manufacturing of vehicles | 17 | 55.60 | Taiwan |
| Suppliers of after-sales service components | After-sales service components | Automotive after-sales service components | 74 | 2,054.17 | Taiwan |
| Other types | SS | Purchase of non-automotive parts and components | 56 | 55.46 | Taiwan |
| Number of YNM's total suppliers in 2025 | | 213 | | | |

## Local Purchase

| Year | 2023 | 2024 | 2025 |
|---|---|---|---|
| Local Purchase Amount (TWD million) | 5,335.82 | 4,440.91 | 3,245.70 |
| Direct material suppliers | Production Parts + After-sales Service Parts + Direct Materials + SS | Production Parts + After-sales Service Parts + Direct Materials + SS | Production Parts + After-sales Service Parts + Direct Materials + SS |
| Number of Suppliers for Local Purchasing | 229 | 243 | 212 |
| Amount of Non-Local Purchasing (TWD Million) | 7,218.29 | 5,159.05 | 3,839.32 |
| Non-Local Purchase Items | Production Parts + After-sales Service Parts | Production Parts + After-sales Service Parts | Production Parts + After-sales Service Parts |
| Number of Suppliers for Non-Local Purchasing | 14 | 14 | 15 |
| Local Purchase Ratio | 43% | 46% | 46% |

3.5.2

## Supplier Management

YNM follows the management policies outlined in the "Nissan CSR Guidelines for Suppliers," establishing a supplier sustainability project team, responsible for monitoring and guiding suppliers' compliance in areas including environmental protection, occupational safety and health, and labor rights. As of the end of 2025,a total of 58 suppliers had obtained ISO 14001 certification. In the area of labor and human rights management, YNM has established in-depth collaboration with 34 suppliers, including labor and human rights engagement interviews, quarterly labor inspection surveys with corrective action follow-up, and the sharing of labor law updates and regulatory developments. Looking ahead, the Company will continue to expand supplier participation to generate broader environmental benefits and shared social value throughout the supply chain.

### Supplier Sustainability Strategy – Management Approach

#### Management Aspect

1. Suppliers are managed through a tiered classification system based on their current status and sustainability maturity, enabling the Company to maximize effectiveness while optimizing resource allocation.
2. Provide guidance and require suppliers to enhance their rating levels.

#### Activity Aspect

Establish management systems to provide resources for improvement, set improvement goals, and confirm actual results:

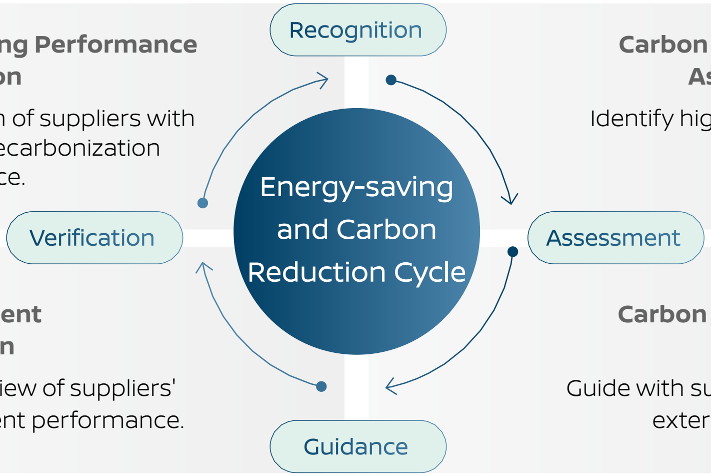
1. Establish management systems.
2. Conduct relevant education and training sessions.
3. Presentations and exchanges with outstanding suppliers.
4. Improvement measures for unmet targets.

## Supplier Sustainability Strategy – Three Key Aspects

| Aspects | Description of Management | Implementation Result of 2025 | Management Targets of 2026 and Beyond |
| --- | --- | --- | --- |
| Energy Saving and Carbon-Reduction | 1. Set a 2% carbon reduction target.<br>2. Track and manage suppliers' carbon reduction measures and progress.<br>3. Award top-performing suppliers in energy saving and carbon reduction based on results. | 1. Carbon reduction progress: emissions were reduced by 2.17%, equivalent to 189 tCOe.<br>2. Three suppliers received Energy Conservation and Carbon Reduction Excellence Awards during the annual Collaboration Council meeting | 1. Continuously track and manage suppliers' improvement progress on energy saving and carbon reduction measures.<br>2. Award top-performing suppliers in energy saving and carbon reduction based on results. |
| Labor rights | 1. 1Promote zero labor inspection violations among suppliers<br>2. Require suppliers to prohibit the use of 3TG (Tin, Tungsten, Tantalum, and Gold) minerals sourced from conflict-affected regions.<br>3. Establish annual targets for supplier labor and human rights engagement activities. Continue quarterly labor inspection surveys and monitor corrective action implementation. | 1. Corrective action follow-up was conducted for two Rating B suppliers identified with deficiencies during labor inspections, and all improvement actions were completed.<br>2. Labor and human rights on-site engagement activities were completed with four suppliers. | 1. Promote zero labor inspection violations among suppliers<br>2. Require suppliers to prohibit the use of conflict minerals containing 3TG (Tin, Tungsten, Tantalum, and Gold) sourced from conflict-affected regions and comply with Nissan's conflict minerals investigation requirements.<br>3. Establish annual targets for the number of collaborating suppliers in labor and human rights engagement activities.<br>4. Continue quarterly labor inspection surveys and monitor corrective action implementation. |
| Occupational Health | 1. Safety and health case statistics.<br>2. Verification of suppliers' corrective action reports.<br>3. Safety and health case studies and corresponding improvement measures are shared with suppliers quarterly. | 1. Continuous occupational safety incident investigations and case reviews for the 61 suppliers.<br>2. Continuous communication and sharing of occupational safety cases and corrective measures contributed to a reduction in reported incidents from 56 cases in 2024 to 29 cases in 2025, representing a significant decrease in health and safety incidents. | 1. Safety and health case studies and corresponding improvement measures are shared with suppliers quarterly.<br>2. Further reduce occupational safety incidents throughout the supply chain.<br>3. Conduct random audits of supplier workplace safety incidents to verify reported information and strengthen the current management approach, which primarily relies on supplier self-reporting. |

## Supplier Carbon Reduction Strategies

The Company implements four core strategies to promote energy-saving and carbon reduction among suppliers, including carbon inventory, carbon reduction guidance, improvement verification, and performance-based recognition. Suppliers achieved an annual carbon emission reduction rate of 2.17% in 2025 In addition, three outstanding suppliers in carbon reduction performance were recognized at the Collaboration Council meeting,working together with all partners toward low-carbon production and sustainable operations.




**Outstanding Performance Recognition**

Recognition of suppliers with excellent decarbonization performance.

**Carbon Emissions Assessment**

Identify high-emission suppliers.

**Improvement Verification**

Regular review of suppliers' improvement performance.

**Carbon Reduction Guidance**

Guide with support from external experts.

## Energy Saving and Carbon Reduction Performanc

| | | |
|---|---|---|
| Number of Implemented Suppliers | 25 | Top 85% Suppliers by Cumulative Purchasing Amount in 2025. |
| Ratio of Implemented Suppliers to the Total Suppliers | 38% | |
| Number of environmental management suppliers by risk classification. | | |
| A Rating | B Rating | C Rating |
| Acquired the ISO 14001 certification. | Management operations conducted but not yet certified for ISO 14001. | Not yet conducting operations |
| 58 | 8 | 0 |
| Management Measures | 1. Ongoing regular tracking of suppliers' carbon reduction performance<br>2. Annual awards for outstanding carbon reduction suppliers<br>3. Periodic dissemination of carbon reduction information via the PIS system | |

## Labor and Human Rights Performance

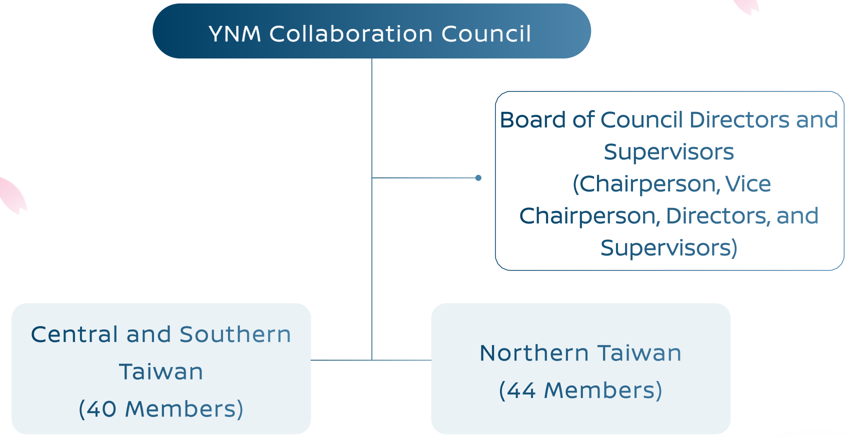
| | | |
|---|---|---|
| Number of Implemented Suppliers | 34 | 1. Top 96% suppliers by cumulative purchasing amount.<br>2. Online transactions and newly added suppliers.<br>3. B Rating suppliers (scores ranked from the lowest to 79) that received regulatory penalties within the past 3 years. |
| Ratio of Implemented Suppliers to the Total Suppliers | 52% | |
| Risk Rating of Suppliers (Numbers of Suppliers) | | |
| A Rating | B Rating | C Rating |
| The management system exceeds regulatory requirements with a well-established framework. | Meet the legal requirement, but some aspects of the system need to be improved. | Suspected legal concerns with necessary system improvements. |
| 14 | 20 | 0 |
| Management Measures | 1. Conducted labor and human rights exchange interviews.<br>2. Quarterly labor inspection and requests for improvement of deficiencies.<br>3. Quarterly sharing of labor-related updates and knowledge. | |

## Environmental Health and Safety Performance

<table>
<tr><td>Number of Implemented Suppliers</td><td>61</td><td rowspan="2">The project will target domestic suppliers with actual delivery records for online orders in 2025.</td></tr>
<tr><td>Ratio of Implemented Suppliers to the Total Suppliers</td><td>92%</td></tr>
<tr><td colspan="3">Risk Rating of Suppliers (Numbers of Suppliers)</td></tr>
<tr><td>A Rating</td><td>B Rating</td><td>C Rating</td></tr>
<tr><td>Suppliers are certified under ISO 45001 or have registered occupational health and safety management guidelines.</td><td>Developed the safety operation standard manual, but has not yet completed its registration for reference.</td><td>Have not established the safety operation standard manual yet.</td></tr>
<tr><td>57</td><td>1</td><td>3</td></tr>
<tr><td>Management Measures</td><td colspan="2">1.Quarterly safety and health audits are conducted for 61 suppliers, where they are required to provide corrective action reports for any incidents identified.<br>2.Compile improvement reports on safety and hygiene incidents for the quarter, and conduct case dissemination to 61 suppliers.</td></tr>
</table>

## YNM Directors and Supervisors & Collaboration Council

YNM's automotive manufacturing operations rely heavily on a large and diversified supply chain spanning from raw materials to various automotive components. The Company has established the "YNM Collaboration Council" (hereinafter referred to as the "Collaboration Council") as a key platform for communication and strategic partnership, aiming to enhance mutual cooperation and in-depth dialogue to strengthen collaboration with suppliers. In 2025, one Collaboration Council Meeting and one golf networking event were held.




## Co-prosperity by cooperating with suppliers

### Facilitate communication

The platform enables direct communication between the Company and suppliers, allowing for timely issue resolution and coordination of work progress.

### Collaborative development

The Company and suppliers collaborate on product development to enhance innovation and competitiveness.

### Improve efficiency

Supply chain processes are jointly optimized to improve production and delivery efficiency while reducing costs.

### Ensure quality

Regular quality inspections and evaluations are conducted to ensure that supplier products and services meet the Company's quality standards.

## Supplier guidance

YNM has established a dedicated internal unit responsible for improvement guidance and audit activities to enhance supplier competitiveness. The Company facilitates effective communication and experience sharing through meetings of the Collaboration Council, including its directors and supervisors meetings and general meetings. The Company aims to strengthen supply chain resilience and sustainable development capabilities through continuous improvement initiatives.

In 2025, maintaining the supplier development program initiated in 2023, targeted suppliers received support in areas such as quality improvement, product design and development, production technology enhancement, and waste reduction. The goal is to improve QCDDv performance, enhance quality, reduce waste, and increase manufacturing efficiency.

## Supplier guidance

- Quality improvement
- Product design and development
- Reduce waste
- Enhancement of production technology

## Enhance supplier production technology management processes

| | |
|---|---|
| Supplier Selection | Principle of Selection:<br>1. Guidelines for selecting components for the target parts evaluation in production technology assessment activities<br>2. Purchase Department Dependence |
| Kick off | Obtain support from executives of suppliers |
| Preliminary Evaluation | Identify on-site weaknesses in supplier production processes. |
| Improvement Measures | 1. Assist in identifying root causes of problems and utilize internal resources to help suppliers implement corrective measures.<br>2. Support suppliers with project improvement activities according to their needs, such as enhancing production efficiency. |
| Secondary Evaluation | Confirmation of Improvement Results: verification of improvement outcomes, including confirmation of residual issues. |
| Presentation of Results | |

3.5.3

## Dealer Management

### Creating excellent results with our dealers

The dealer network serves as YNM's primary point of contact with customers and plays a critical role in delivering brand value. The Company regards dealers as key business partners and works closely with them to jointly implement vehicle sales, after-sales services, and comprehensive customer relationship management. The Company firmly believes that a strong dealer network not only serves as the foundation for market expansion, but also plays a vital role in addressing customer needs and building brand trust. It is a key driver in shaping a premium brand image and strengthening long-term market competitiveness.

| Methods | Promotional Programs | Dealer Evaluation System | Incentive and Reward Program |
|---|---|---|---|
| Purpose | To achieve the group's business plan goals, a promotional incentive scheme is established to encourage dealers to achieve sales targets for new vehicles. | We implement phased action strategies for regular review and improvement, ensuring the achievement of goals at each stage and ultimately establishing a consistent quality standard across all dealer channels nationwide to effectively manage the mid to long-term performance indicators of nationwide dealers. | To respond to changes in consumer car-buying habits and shifts in the automotive market sales structure, incentives are provided to motivate frontline sales heads and consultants to enhance sales efforts continuously and to stabilize the retention of team members. |
| Management Strategies | • Monthly sales targets are set based on the sales structure ratio of each dealer, with incentive reward thresholds established for achieving sales targets. Dealers earn bonuses based on their actual monthly sales performance.<br>• To boost sales during peak seasons, we organize summer and winter sales competitions where sales consultants accumulate points based on the number of vehicles sold within a specified period, aiming to reach the reward travel thresholds. | Through a comprehensive dealer evaluation framework, including:<br>dealership management capability, sales consultant performance, customer satisfaction, CRM strategy, and digital marketing execution, the Company conducts regular dealer assessments and provides incentive programs to enhance dealer engagement, commitment, and implementation effectiveness. | Every six months, incentive bonuses are awarded to sales consultants at each dealership based on their sales performance, aiming to encourage retention and boost sales<br>• Sales heads: Different incentives are provided based on the size of the dealership, categorized as large-scale, medium-scale, and small-scale.<br>• Management Head: A fixed incentive amount is awarded for each vehicle sold.<br>• Sales Consultant: Incentives are provided based on tiered sales volume, with different reward levels corresponding to the number of units sold. |

# 04 Environmental Protection

## 4.1 Climate Actions

4.1.1 Climate governance framework

4.1.2 Identification of Climate Risk and Opportunity

4.1.3 Climate Risks Scenario Analysis

4.1.4 Metrics and Targets

## 4.2 Environmental and Energy Resources Management

4.2.1 Sustainable Environmental Management Policies

4.2.2 Energy and Greenhouse Gases Management

4.2.3 Waste Management

4.2.4 Water Resources Management

## 4.3 Circular Economy

4.3.1 Sustainable Products and Circular Economy

# Environmental Protection

## Core Vision and Commitment

With intensifying global warming, climate change has become a focal point of global concern. YNM proactively incorporates environmental issues into its business strategy by promoting energy conservation and carbon reduction initiatives. In response to the rising trends of green products and the circular economy, the company continues to introduce energy-efficient vehicle models. Environmental protection principles are embedded throughout the stages of technological innovation and product development, ensuring sustainable value creation. We insisted on the prevention of pollution and continuous improvement, strictly complied with the relevant laws and regulations, and proactively raised the environmental protection awareness of our employees in operation. We maintain close collaborative relationships with suppliers, dealers, and service centers, and work together to advance environmental sustainability.

Since 2021, we have been aligning our climate-related financial disclosures with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), assessing the potential impacts of climate change on our operations and developing corresponding response measures. We also pay close attention to water resource management and biodiversity conservation, progressively incorporating nature-related considerations into our environmental management and sustainability planning.

## 2025 Sustainability Highlights

919.8625 metric tons of $CO_2e$ representing a decrease of approximately 22.5% compared with the previous year

Total Scope 1 and Scope 2 greenhouse gas (GHG) emissions amounted to 919.8625 metric tons of $CO_2e$ in 2025, representing a decrease of approximately **22.5% compared with the previous year** and demonstrating the effectiveness of our energy conservation and carbon reduction efforts.

In addition to continuing to obtain independent third-party verification of Scope 1 and Scope 2 GHG emissions, the Company expanded **the verification boundary to include Scope 3 emissions** beginning in 2025, further enhancing the quality, transparency, and reliability of disclosed data.

The Company **completed the development of its Biodiversity and No Deforestation Policy** and formally signed the commitment in February 2026, incorporating biodiversity conservation and nature protection into its sustainability governance framework.

**No violations of environmental laws or regulations were identified, and no environmental fines or penalties were imposed on the Company in 2025.**

# 4.1 Climate Actions

4.1.1

## Climate governance framework

YNM recognizes that under the global trend of climate change, the traditional automotive industry must address the dual challenges of mitigation and adaptation. We adopt the TCFD framework to systematically evaluate potential current and future climate-related risks and opportunities by upholding the principles of environmental symbiosis and sustainable development. This approach encompasses the four core areas: Governance, Strategy, Risk Management, and Metrics & Targets. We are able to formulate timely management strategies and action plans by leveraging this framework, which not only aims to reduce the impact of climate risks, but also explores new business opportunities and avenues for corporate growth.

Climate governance framework |

| Four Core Areas | Key Actions | Responsible Units |
| --- | --- | --- |
| Governance | 1.The YNM Board of Directors serves as the highest governing body for climate change management. Climate-related issues are incorporated into the Company's objectives and performance management framework, and the Board oversees and provides guidance to the Sustainability Development Committee.<br>2.The Sustainable Environment Development Team and Customer & Partner Relations Team under the Sustainability Development Committee propose climate-related initiatives. Progress and implementation results are tracked semi-annually and reported regularly to the Sustainability Development Committee. | Board of Directors and Sustainability Development Committee |
| Strategy | 1.In accordance with the TCFD framework, the Company identifies short-term (1–3 years), medium-term (3–7 years), and long-term (over 7 years) climate-related risks and opportunities, and assesses their potential impacts on operations, strategy, and financial planning, as well as future market development potential.<br>2.Following a comprehensive assessment and discussion by the Sustainable Environment Development Team in 2025, the Company concluded that operational conditions and external environmental changes remained relatively stable during the year. As the climate-related material issues identified through the 2023 TCFD assessment continue to be representative of the Company's climate-related risks and opportunities, the Company focused on managing the existing five material risks and three material opportunities, while establishing corresponding metrics and targets. | Sustainability Development Committee – Sustainable Environment Development Team |
| Risk Management | 1.The Company integrates climate-related risks and opportunities into its existing management framework and links them to relevant business functions through cross-functional collaboration and management mechanisms to mitigate climate-related impacts, enhance climate resilience, and capture climate-related opportunities.<br>2.Climate-related risks are incorporated into the Enterprise Risk Management (ERM) process. | Sustainability Development Committee |
| Metrics and Targets | 1.Climate-related performance indicators and quantitative targets are established, regularly monitored, and publicly disclosed.<br>2.The Company has established a long-term target of achieving net-zero emissions by 2050. | Relevant Departments |

## Climate governance responsibilities

| Items | Board of Directors | Sustainability Development Committee | Sustainable Environmental Development Team |
|---|---|---|---|
| Chair | Chairperson | President | Integrated Operation Support Department- Occupational Safety and Health |
| Members | 11 Directors | Head of each unit | Integrated Operation Support Department- Occupational Safety and Health, Marketing Department, Sales Department, Aftersales Service Department, Product Planning Office, Purchasing Department, Technical Center |
| Background of Members | 1.Extensive professional expertise and industry experience<br>2.Leadership experience in sustainability-related matters<br>3.Participation in sustainability, climate, and carbon management ad hoc training programs | 1.Managers familiar with departmental operations<br>2.Participation in sustainability, climate, and carbon management ad hoc training programs | Dedicated environmental management function responsible for environmental management systems, compliance with environmental regulations and international standards, sustainability transition assessments, resource efficiency enhancement, and climate change response mechanisms |
| Meeting Frequency | At least once per quarter | At least once semi-annually | 1.At least once semi-annually<br>2.Cross-functional meetings are convened as needed for discussion and coordination |
| Reporting Mechanism | Receives reports from the Sustainability Development Committee at Board meetings | Reporting to the Board of Directors | Reports the execution progress to the Sustainability Development Committee |
| Roles and Responsibilities | Serves as the highest governance body responsible for climate risk oversight and guidance<br>Approves the climate governance framework, climate strategy, and climate risk management policies | Evaluates the feasibility of climate strategies, management approaches, metrics, and targets<br>Monitors the implementation performance of climate-related metrics and targets and evaluates their effectiveness | 1.Conducts climate risk and opportunity matrix analyses<br>2.Identifies material climate-related risks and opportunities<br>3.Develops response strategies for climate-related risks and opportunities<br>4.Works with relevant departments to establish metrics and targets |

4.1.2

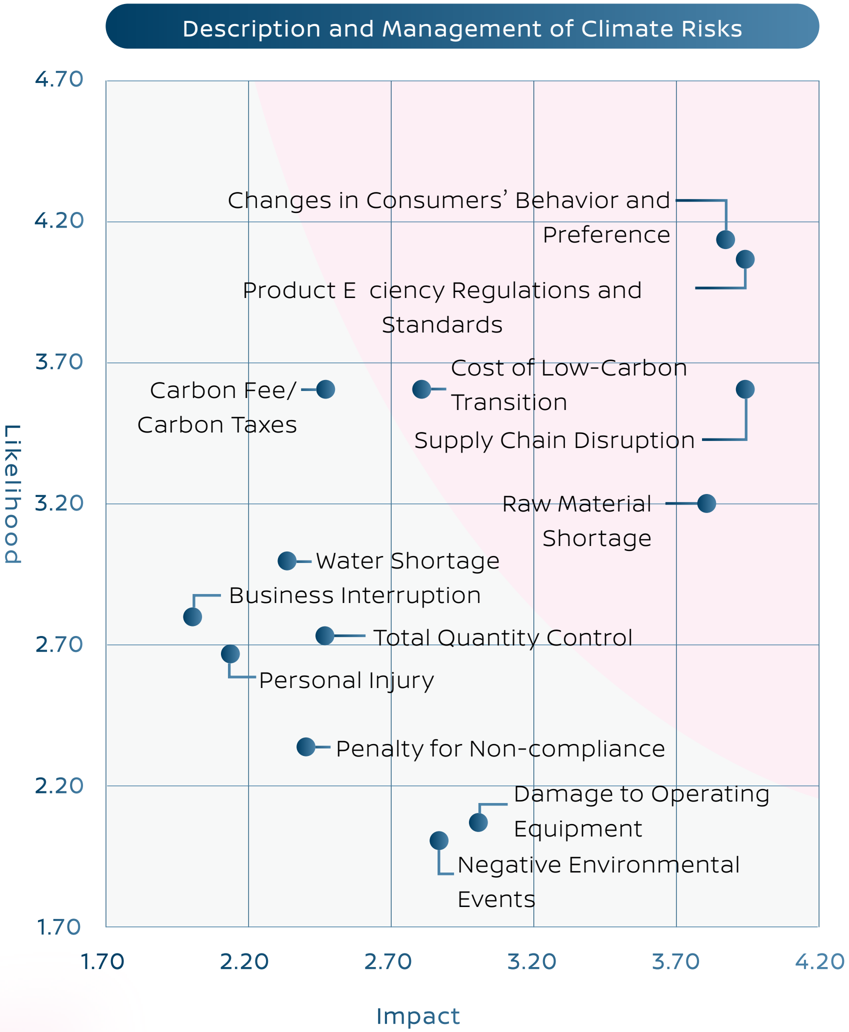
## Identification of Climate Risk and Opportunity

The Sustainability Development Committee manages climate-related risks and opportunities through a top-down approach under the leadership of the President and supervised by the Board of Directors. This framework facilitates strategic planning, resource integration, and performance evaluation, aiming to mitigate and adapt to the challenges posed by climate change, reduce non-financial corporate risks, and realize a low-carbon transition. Climate risks and opportunities are identified and observed by each business unit during day-to-day operations. These insights are reported to the Sustainability Development Committee for review and analysis to assess potential short-, medium-, and long-term impacts. The Company has retained the material climate-related risk and opportunity issues identified in 2023 due to no significant operational changes in 2025. The actions taken and new targets established in 2025 for each issue are further outlined and disclosed.

### Identification Processes

| Process | Descriptions |
| --- | --- |
| Collection of climate-related data | 1.According to the TCFD framework, collect scenarios for physical risks (both immediate and long-term) and transition risks (policy and regulatory, market, technology, and reputation) along with opportunities.<br>2.Centered around the automotive industry and its operation location (Taiwan), gather data from sources such as the World Economic Forum's Global Risks Report, CDP Carbon Disclosure Questionnaires, Taiwan Climate Change Adaptation Platform, online information, and news events. Additionally, enhance employees' awareness of sustainability and climate change through education and training. |
| Department Interview | Engages with responsible department heads to understand operational conditions and climate-related touchpoints and identify potential climate-related risks and opportunities. |
| TCFD Questionnaire Design | Based on the data collected and the results of departmental interviews, design TCFD risk and opportunity questionnaires. Distribute these questionnaires to departmental managers for completion, assessing the potential financial impact and likelihood of climate risks and opportunities on each unit. A total of 20 climate issues relevant to YNM were selected for assessment, and 15 valid questionnaires were collected. |
| Significance Matrix Analysis | Based on the likelihood and financial impact of each climate issue identified in the questionnaire, conduct a matrix analysis to identify significant climate risks and opportunities, and illustrate it with a matrix diagram. Among the 20 climate-related risks and opportunities assessed, eight material climate issues were identified, comprising five risks and three opportunities. |
| Establishing indicators and objectives | For each material climate-related risk and opportunity identified, the Company further developed corresponding management approaches and response actions, assessed the potential financial impacts and operational implications, and established annual climate metrics and targets through collaboration between the Sustainability Development Committee and relevant departments. The Company continued to adopt the material climate issues identified in 2023 as the basis for setting climate metrics and targets in 2025. |

## Description and Management of Climate Risks




## Physical Risk – Acute Risk

| Issue | Raw Material Shortages |
|---|---|
| Affected Stakeholders | • Customers, Collaborating Partners, Shareholders, and Investors |
| Potential Impacts | • Long-term climate change may result in significant environmental disruptions worldwide, leading to shortages in raw materials. Such shortages could delay product development schedules and affect planned SOP (Start of Production) timelines. |
| Financial Impact | • Revenue: Delayed vehicle launches or extended delivery lead times may result in reduced revenue.<br>• Direct Costs: Extreme weather events may disrupt the supply or availability of raw materials, resulting in higher raw material prices and increased costs. |
| Management Approach | • Supply Chain: Optimize inventory management to reduce supply disruption risks.<br>• Products and Services: Strengthen regional parts allocation mechanisms. When parts shortages are identified, required components may be urgently transferred from other facilities within three days.<br>• Operations: Strengthen cooperation with local suppliers and increase the localization of parts production. |

| Issue | Supply chain disruption |
|---|---|
| Impacting Stakeholders | • Customers, Collaboration Partners, Stockholders and Investors |
| Potential Impact | • Due to the increasing frequency of extreme weather events, instability in raw material and energy supply has led to interruptions in supplier operations and production, causing supply chain disruptions that affect our manufacturing capabilities and normal business operations. |
| Financial Impact | • Revenue: Production delays caused by supply chain interruptions due to delayed parts delivery may extend lead times, weaken customer confidence, and reduce order volumes.<br>• Direct Costs: Increased costs arise from sourcing alternative suppliers and rising raw material prices, reducing net profit margins.<br>• Transportation Costs: Additional shipping expenses are incurred due to emergency rerouting and extreme weather conditions. |
| Management Policy | • Purchase: Strengthen inventory management to reduce supply risks.<br>• Operations: Promote remote work arrangements to minimize risks to personnel.<br>• Headquarters: Establish an emergency response task force, with personnel stationed at key locations to address and report unexpected incidents in a timely manner.<br>• Dealerships: Each location independently prepares for typhoon-related impacts. In the event of a disaster, the situation is to be reported back to the Company's regional sales offices and consolidated for submission to the DLR Network Development Section. |
| Actions Taken in 2025 | • Contacted affected customers and provided promotional vouchers.<br>• Strengthened post-disaster repair services and operational dispatch arrangements. |

## Transition Risk – Market Risk

| Issue | Changes in consumer behavior and preferences |
|---|---|
| Impacting Stakeholders | • Customers |
| Potential Impact | • Consumers' environmental awareness is rising, leading to increased interest in new energy vehicles. They prefer purchasing and using environmentally friendly vehicles powered by new energy sources. |
| Financial Impact | • Revenue: If products fail to meet customer expectations (such as customers wanting to purchase low-carbon vehicles), it could lead to reduced orders and declining revenue. |
| Management Policy | • The Company regularly participates in regulatory trend briefings to stay abreast of the latest information.<br>• Training sessions are organized with suppliers to ensure that employees are well-informed on product features and environment-related issues.<br>• During typhoon seasons, promptly disseminate disaster prevention information and provide exclusive service offers for damaged vehicles, demonstrating our commitment to customer safety and needs. |
| Actions of 2025 | • Completed a feasibility assessment for the introduction of new energy vehicles. |

## Transition Risk – Regulatory Risk

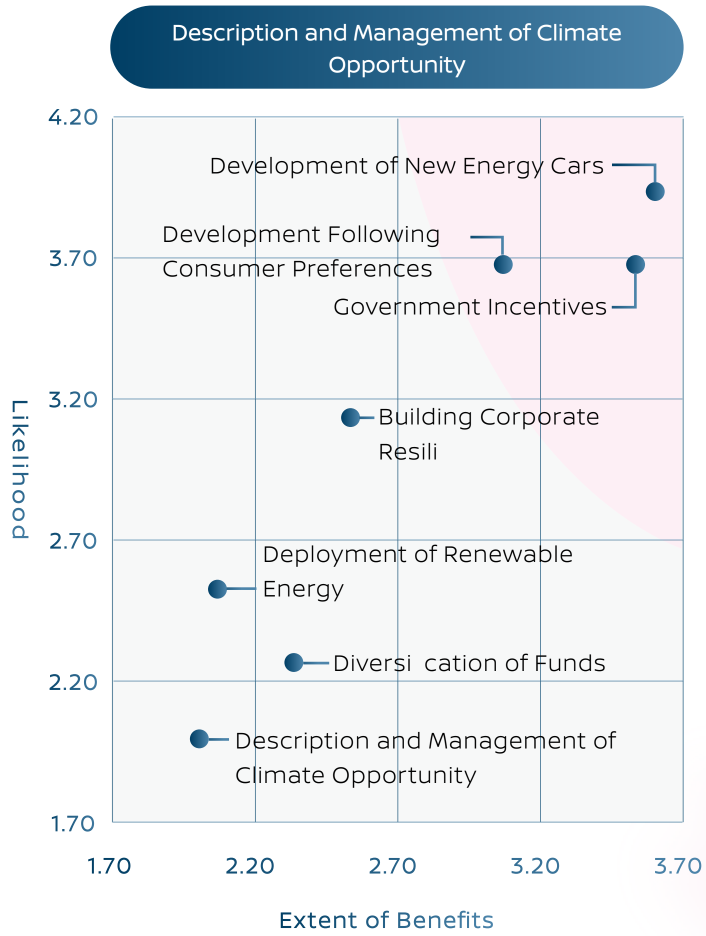
| Issue | Product efficiency regulations and standards |
|---|---|
| Impacting Stakeholders | • Collaborative Partners, Governmental Agencies |
| Potential Impact | • Stricter government energy regulations under CAFE and the introduction of RDE emissions standards require automakers to invest in the development of low-carbon products. |
| Financial Impact | • Direct costs: Compliance with regulations increases vehicle costs, including development expenses, equipment investment costs, and model costs. This affects vehicle prices and sales volume, as well as compresses profit margins for fuel-powered vehicles. |
| Management Policy | • Technology Development: Stay abreast of emerging technologies, market trends, and development directions, and continuously conduct QCT evaluations for new projects. |
| Actions Taken in 2025 | • Collaborated with internal and external stakeholders to complete feasibility assessments for the introduction of relevant new energy vehicle models within the approved budget and timeline. |

## Transition Risk – Technology Risk

| Issue | Cost of low-carbon transition |
|---|---|
| Impacting Stakeholders | • Employees, Collaborative Partners |
| Potential Impact | • Introducing emerging technologies such as low-carbon, high-efficiency, and smart innovations into vehicles increases research and development costs, equipment costs, and personnel training expenses. |
| Financial Impact | • Increased R&D costs: Significant upfront investment is required for developing new energy vehicle technologies, including core technologies such as batteries, motors, and electronic controls.<br>• Increased Production Costs: New energy vehicles require additional core components such as batteries and motors, resulting in heavier vehicle weight. Production line equipment and processes must be adjusted and upgraded accordingly.<br>• Infrastructure investment: The widespread adoption of new energy vehicles requires the construction of supporting infrastructure, such as charging piles or battery stations.<br>• Increased Advertising Expenses: To enhance customer understanding of new energy vehicles, more investment in advertising and promotional activities is necessary.<br>• Renewable Energy Expenditures: Investments in renewable energy facilities, such as solar power systems, must be planned and implemented to reduce carbon emissions. |
| Management Policy | • R&D Investment: Increase investments in automation and technological innovation. |

*Corporate Average Fuel Economy (CAFE): Regulation managing the total energy consumption of automakers.*Real Driving Emissions (RDE): Testing vehicle emissions under real-world driving conditions.

## Description and Management of Climate Opportunity



## Climate Opportunity – Products and Services

| Issue | Government incentives |
|---|---|
| Impacting Stakeholders | • Customers, Governmental Agencies |
| Potential Opportunities | • Government promotion of environmental regulations enables new energy vehicles to qualify for more government subsidies. |
| Financial Benefits | • Revenue: Obtaining government subsidies helps reduce vehicle prices, making new energy vehicles more attractive to consumers, thereby increasing sales volume and boosting operating revenue. |
| Management Policy | • Operations: Continuously monitor domestic and international regulatory trends, apply for relevant subsidies, and develop new products. |

| Issue | Development of new energy vehicles |
|---|---|
| Impacting Stakeholders | • Customers, Governmental Agencies |
| Potential Opportunities | • With stricter fuel efficiency standards for new energy vehicles and changing consumer preferences, there is a higher demand for more low-carbon, energy-efficient, and new energy vehicle models. |
| Financial Benefits | • Revenue: Develop new energy vehicle models that meet customer needs. In line with the Nissan ARC strategy, the Company will continue introducing battery electric vehicles (BEVs) and e-POWER models to increase sales volume and revenue. |
| Management Policy | • Research and development investment: Continuously invest in the research and development of technology and resource efficiency. With the development of low-carbon, energy-efficient, and new energy vehicles, introduce relevant vehicle models accordingly.<br>• Value Chain: Strive to build strategic partnerships with domestic suppliers to localize new energy vehicle production, while enhancing collaboration across the electric vehicle industry's upstream and downstream sectors to jointly foster a sustainable industrial ecosystem. |

## Climate Opportunity – Market Opportunity

| Issue | Responding to Evolving Consumer Preferences |
|---|---|
| Affected Stakeholders | • Customers |
| Potential Opportunity | • The Company can introduce related services and offer more environmentally friendly vehicle models that align with consumers' growing environmental awareness by responding to sustainability trends in the market. |
| Financial Benefits | • Revenue: Through the development of new products and low-carbon business opportunities, the Company can enter new markets, diversify its revenue structure, and enhance profitability. |
| Management Approach | • Operations: Conduct regular market research and competitor analyses, and adjust marketing strategies based on consumer needs and preferences. |

4.1.3

## Climate Risks Scenario Analysis

Based on the identification of climate-related risks and opportunities, the most significant operational impacts stem from physical risks, specifically supply chain disruptions and transition risks, such as changes in climate-related regulations and shifts in consumer preferences. Accordingly, we focus our analysis and disclosure on Value Chain Disruption, Carbon Cost Risk, Consumer Preference Shifts and Regulatory Transition Risks.

### Physical Risk Scenario Analysis – Value Chain Disruption Risk

With the intensification of various natural disasters due to climate change, it may affect the daily operations of the company and further affect the entire value chain. To address this, we conducted scenario analyses on the potential for future natural disasters at various operational locations. This aims to better understand the risks and challenges the company may face within this century under extreme weather scenarios. The analysis is divided into two dimensions:

Headquarters and Office Exposure to Extreme Climate Threats

Exposure of Service Centers to Extreme Climate Risks

We conduct scenario analysis on the potential exposure of headquarters, offices, and dealerships to natural disasters. The assessment is based on the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report Shared Socioeconomic Pathway (SSP) framework, adopting different socioeconomic development pathways as scenario assumptions. Based on data from the National Science and Technology Center for Disaster Reduction (NCDR) Climate Change Disaster Risk Adaptation Platform, flood and slope disaster risks are evaluated using indicators including hazard, vulnerability, exposure, and risk level, to project climate conditions under a high fossil-fuel consumption and high-emission scenario (SSP5-8.5) for the mid-century period (2041–2060). Based on the review of the data from the NCDR Climate Change Disaster Risk Adaptation Platform, the risk profile under the current scenario is consistent with the 2025 assessment. Therefore, the Company continues to adopt the existing management measures and reviews actual disaster events in 2025 for subsequent evaluation and policy refinement.

| Indicators: | Definition | Disaster Type | Indicator Details |
|---|---|---|---|
| Hazard (H) | Impact from climate characteristics altered by climate change | Flooding | The baseline and probability of rainfall exceeding 600 mm in 24 hours under future projections. |
| | | Landslide | The baseline and probability of rainfall exceeding 350 mm in 24 hours under future projections. |
| Vulnerability (V) | Degree of system impact due to climate hazards. | Flooding | Flood simulation maps of areas prone to flooding under a 24-hour 600 mm rainfall scenario (Areas relatively easier to flood). |
| | | Landslide | Analysis of vulnerability, historical landslide records, slope gradients, and geological risk. |
| Exposure (E) | The population or assets potentially affected by disaster | Flooding | Population density by township/ district; higher density indicates greater direct impact. |
| | | Landslide | |
| Risk Level (R) | Degree of risk combining hazard, vulnerability, and exposure | Flooding | Probability of flooding affecting vulnerable, populated areas under extreme rainfall. |
| | | Landslide | Probability of landslide impacting vulnerable, populated areas under extreme rainfall. |

Notes 1: Each indicator is rated on a 5-level risk scale: Levels 1–2 are low risk; Level 3 is medium risk; Levels 4–5 are high risk.

Notes 2: Risk levels derive from combined analysis of hazard, vulnerability, and exposure, comparing baseline (1960–2021) and SSP5-8.5 scenario (2041–2060) using multiple GCM models.

Notes 3: SSP5-8.5 represents a high forcing pathway assuming continued fossil fuel reliance and high consumption, leading to radiative forcing of 8.5 W/m² by 2100.

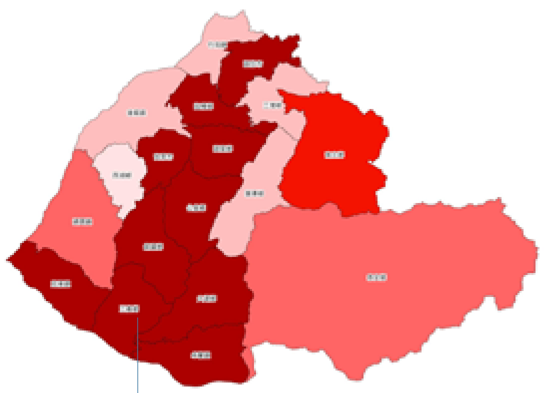
## Extreme Climate Risk Analysis for Headquarters and Offices

To assess the potential exposure of operating sites to extreme climate hazards in the future, the Company uses the "hazard," "vulnerability," and "exposure" indicators from the NCDR Climate Change Disaster Risk Adaptation Platform to calculate disaster risk levels for the mid-century period (2041–2060). Risk scores are classified into five levels: Level 1 (0–25), Level 2 (26–50), Level 3 (51–75), Level 4 (76–100), and Level 5 (101–125). Based on this scoring, the headquarters and two branch offices in Taipei are all categorized as Level 2 risk.

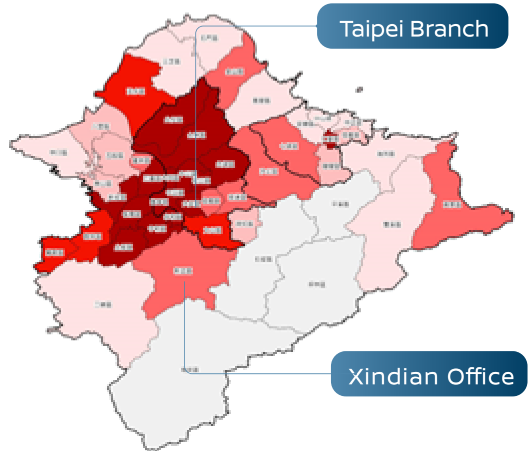
According to geographic data, the headquarters located near shallow mountainous areas in Sanyi, Miaoli, shows a Level 2 risk for flooding but a Level 5 risk for landslides. The branches in Da'an District, Taipei City and Xindian District, New Taipei City lie within the Taipei Basin and face Level 5 and Level 4 risks, respectively, for flooding, which are both considered high-risk areas. In summary: The YNM headquarters' main threat comes from landslides due to high hazard and vulnerability linked to intense rainfall and slope risks. The Taipei offices face flooding risks due to high hazard and high exposure (high population density), with short-duration heavy rain events posing significant climate risks and greater numbers of people exposed.

Given the increasing frequency of extreme weather events, the headquarters may face worsening impacts and should strengthen countermeasures against heavy rainfall. Measures should include soil and water conservation around the site to prevent hazards like mudslides caused by over-development, combined with heavy rain. The Taipei and New Taipei offices, due to high population density, expose more people to flood risks during extreme rain events. Thus, it is necessary not only to reinforce the disaster resilience of office buildings but also to consider the emergency needs of the surrounding population. We will plan response policies based on this analysis, carefully assess potential hazards to prevent operational disruption from future extreme climate events, and develop management and action guidelines accordingly.

**Headquarters** — Landslide Hazard Potential




**Taipei Branch, Xindian Office** — Flood Hazard Potential




| | Headquarters | Taipei Branch, Xindian Office | |
|---|---|---|---|
| | | Taipei Branch | Xindian Office |
| Hazard | Level 5 | Level 5 | Level 5 |
| Vulnerability | Level 3 | Level 2 | Level 2 |
| Exposure | Level 2 | Level 5 | Level 4 |
| Disaster Potential Scores | 30/Level 2 | 50/Level 2 | 40/Level 2 |

Level 1 Level 2 Level 3 Level 4 Level 5

Note: Higher levels indicate higher risks.

## Flood Risk Analysis for Service Centers

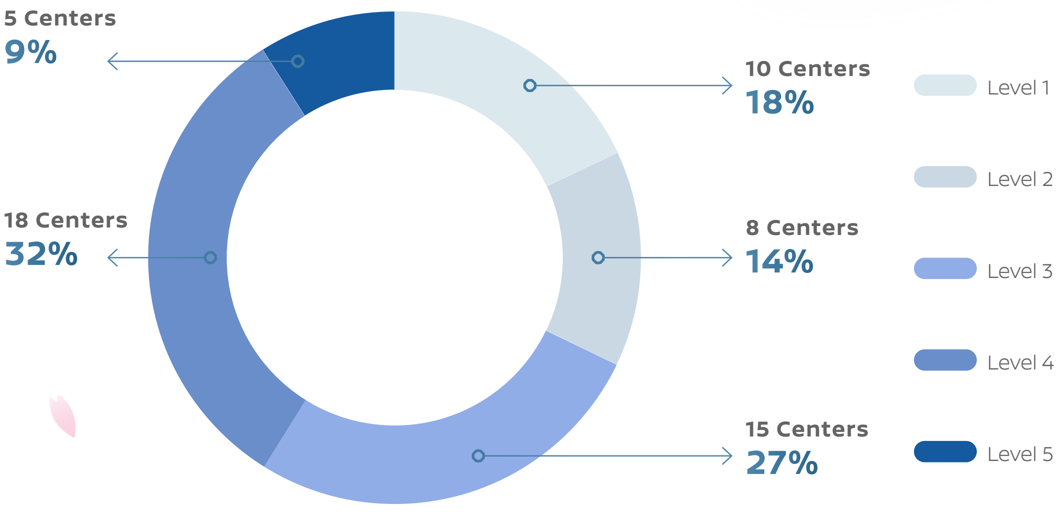
To assess the potential threat of extreme climate events to service centers in the mid-21st century (2041–2060), we used the "Disaster Risk Adaptation Platform for Climate Change" developed by the National Science and Technology Center for Disaster Reduction. This platform includes three key indicators: hazard level, vulnerability, and exposure, with scores grouped into five risk levels: 0~25 as Level 1, 26~50 as Level 2, 51~75 as Level 3, 76~100 as Level 4, 101~125 as Level 5.

Among the 56 service centers, 18 sites (32.1%) are located in low-risk areas (Level 1–2), 15 sites (26.8%) are in medium-risk areas (Level 3), and 23 sites (41.1%) are in high-risk areas (Level 4–5).

When reviewing individual indicators, hazard and exposure levels are relatively higher, indicating that service centers may face increased risks of heavy rainfall events in the future. In addition, higher surrounding population density may result in a greater number of people being exposed to climate-related risks. Therefore, enhanced prevention and mitigation measures for extreme rainfall events are required at service centers.

In response to potential impacts of extreme climate events on service centers, YNM plans to strengthen its typhoon response mechanisms with the service centers in the short term to ensure uninterrupted customer service. Currently, in the event of typhoons or similar disasters, the headquarters establishes an Emergency Response Task Force. Site managers are required to remain on duty and report incidents in real time. Electronic notifications are issued to dealerships to implement typhoon preparedness measures, including expedited vehicle repair services, customer SMS alerts for disaster preparedness, and the establishment of reporting and disaster response mechanisms for each dealership. During typhoon and monsoon seasons, regular alerts are proactively issued to dealerships, and customers are notified via the app regarding disaster preparedness. The Company will continue to develop response strategies based on scenario analysis results to mitigate climate-related risks.

Distribution of YNM Service Centers by Disaster Risk Potential Level



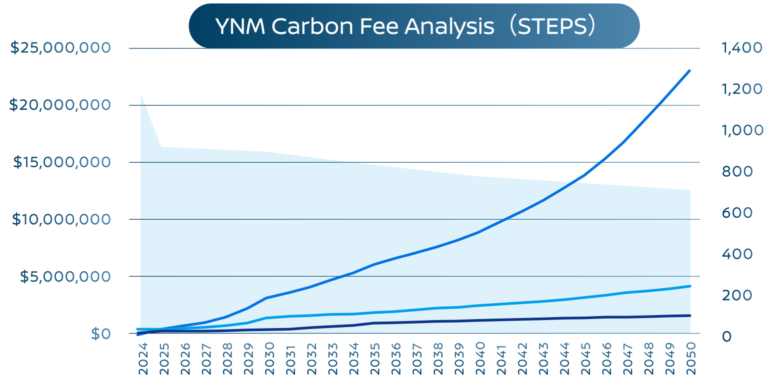

| Indicators: | Hazard | | Vulnerability | | Exposure | |
|---|---|---|---|---|---|---|
| | Number of Service Centers | Proportion | Number of Service Centers | Proportion | Number of Service Centers | Proportion |
| Level 1 | 6 | 10.7% | 4 | 7.1% | 0 | 0.0% |
| Level 2 | 0 | 0.0% | 10 | 17.9% | 1 | 1.8% |
| Level 3 | 0 | 0.0% | 13 | 23.2% | 3 | 5.4% |
| Level 4 | 0 | 0.0% | 18 | 32.1% | 16 | 28.6% |
| Level 5 | 50 | 89.3% | 11 | 19.6% | 36 | 64.3% |
| Total | 56 | 100% | 56 | 100% | 56 | 100% |

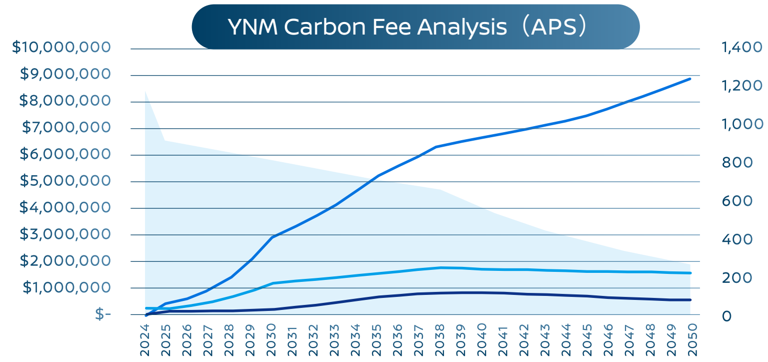
## Low-Carbon Transition Risk Analysis – Carbon Fee Risk Analysis:

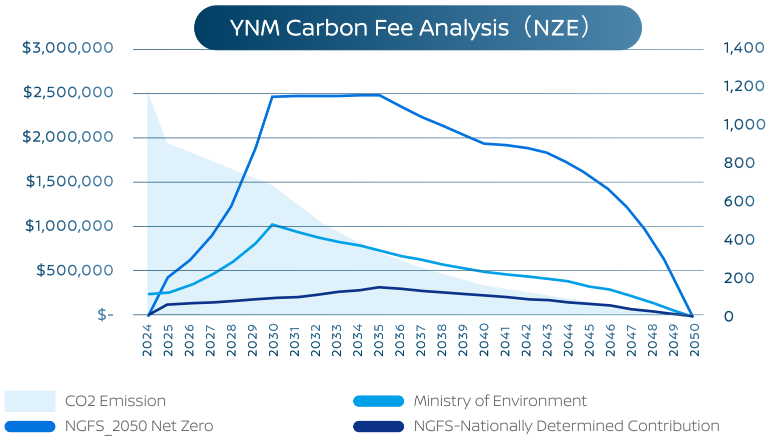
The Ministry of Environment officially announced the Carbon Fee Collection Regulations in mid-2024 in order to achieve Taiwan's "2050 Net-Zero Emissions" goal. Starting from 2026, companies emitting more than 25,000 metric tons of $CO_2$e will be subject to a carbon fee of TWD 300 per metric ton of $CO_2$e. YNM's Scope 1 and Scope 3 greenhouse gas emissions totaled 1,533.195 metric tons $CO_2$e, remaining below the threshold for major emitters and decreasing by more than 300 metric tons in 2025 compared to the previous year. Although no carbon fee is currently applicable, the Company may still face additional costs in the future should regulatory thresholds be lowered in response to policy changes and international trends. The Company also uses actual 2025 emissions data and the following scenarios to evaluate exposure levels under different transitional pathways from 2026 to 2050 to assess potential long-term operational impacts.

| Carbon Fee Risk Analysis Scenarios | |
|---|---|
| Items | Scenario |
| Assessment Period | Projected from 2026 to 2050 |
| Emission Scenarios | Based on the assumptions of future emissions changes at YNM with the scenarios proposed in the World Energy Outlook 2024 published by the International Energy Agency (IEA):<br>・Stated Policies Scenario, SPS<br>・Announced Pledges Scenario, APS<br>・Net Zero Emissions by 2050 Scenario, NZE |
| Carbon Pricing Scenarios | ・Ministry of Environment Rate (Taiwan)<br>・GCAM 6.0 NGFS 2050 Net Zero<br>・GCAM 6.0 NGFS Below 2°C |

According to the scenario analysis, the highest carbon cost arises under the stated policy scenario using GCAM 6.0 NGFS 2050 Net Zero assumptions. In 2050, the estimated carbon cost is approximately TWD 23,000,000, representing around 0.15% of 2025 revenue. Compared with the previous year's assessment, the worst-case carbon cost has decreased by approximately TWD 7 million, primarily due to a significant reduction in greenhouse gas emissions between 2024 and 2025, thereby lowering absolute carbon exposure. Under the current scenario analysis, the impact of carbon pricing on YNM's operations remains limited, primarily because the carbon inventory is currently restricted to headquarters facilities, with emissions mainly derived from office operations, representing a low proportion of total revenue. However, if future regulations extend carbon fees to dealerships and the supply chain, operational costs may rise. In addition, a lack of proactive climate action may weaken market competitiveness. To prepare for the future inclusion of Scope 3 emissions, the Company will accelerate its transition strategy, prioritizing the localization of new energy vehicle production. This aims to respond to market demand for low-carbon products while reducing environmental impacts. In addition, the Company reduces its service-related carbon footprint through energy-efficient equipment upgrades, local green procurement, and collaboration with upstream and downstream suppliers, thereby aligning with regulatory trends, strengthening brand image, and securing long-term market position.




## Low-Carbon Transition Risk Analysis – Challenges and Opportunities Amid Shifting Consumer Preferences and Product Efficiency Regulations:

YNM faces dual transition risks stemming from changes in consumer behavior and adjustments in product efficiency regulations, driven by global climate change and sustainability trends. Consumers increasingly prefer new energy vehicles (such as BEVs and HEVs). According to 2025–2026 market research for the international and Asia-Pacific markets, BEV adoption shows regional divergence and slower growth, while HEV acceptance is increasing, driven by factors such as purchase price, charging convenience, and usage habits. Taiwan's market shows a similar trend, with NEV growth mainly driven by HEVs. If the product mix does not align with this shift, there is a risk of declining market share and revenue. At the same time, the Taiwanese government plans to revise the "Fuel Economy Standards and Regulations on Vehicle Inspection and Administration," requiring automakers to achieve an average fuel efficiency of 27.1 km per liter for vehicles sold by 2030. Under a below 2°C low-carbon scenario, policy developments could occur earlier than expected (e.g., a 2035 ICEV sales ban) or become more stringent (e.g., carbon fees embedded in fuel prices). In such cases, traditional ICE models would face obsolescence risk, inventory backlogs, sales declines, and penalty risks for non-compliance. Currently, the KICKS e-POWER (22.0 km/L) is the closest to the requirement, but still requires improvement. Regarding financial impacts, in the short term, YNM will bear R&D and capital expenditures (CAPEX) for localized NEV development, as well as branding and marketing costs during market introduction. In the medium term, profitability may be pressured due to differences in margin structures between hybrid and electric vehicles and intensified price competition. In the long term, as NEV penetration increases, traditional after-sales service revenue models may need restructuring due to reduced maintenance demand and changes in parts composition, while new investments in charging, battery, and software services will be required.

However, this trend also presents opportunities. Successful transformation may allow the Company to capture the green consumer market, enhance brand value, and increase long-term returns. YNM actively responds by negotiating with Nissan Motor to introduce e-POWER and EV models and plans production localization to reduce costs. The e-POWER technology, which combines fuel efficiency with electric driving performance, is well-suited for Taiwan's current transition phase, where charging infrastructure remains underdeveloped. This offers a practical solution that balances sustainability and convenience, aligning with evolving consumer expectations. In the long term, YNM is committed to EV development, targeting full compliance with energy efficiency regulations by 2030.

Eight domestically produced models have obtained the Energy Label and Taiwan Green Mark in 2025. This strategy requires initial investment; however, economies of scale and supply chain collaboration are expected to mitigate cost pressures, while improving market share and strengthening the Company's sustainability positioning. Through this transition, YNM turns climate challenges into competitive advantages, achieving both environmental and economic co-benefits.

4.1.4

## Metrics and Targets

Looking back on YNM 2025 goals, the company focused on three key areas: Strengthening risk resilience, localizing new energy vehicles (NEVs), and promoting NEVs to the public. YNM continues to reinforce local production, reducing dependence on external supply networks to enhance supply chain resilience and actively engaging with domestic suppliers to explore pathways for NEV localization. YNM utilizes owner engagement events, brand ambassador programs, and public-facing activities to familiarize consumers with NEVs and promote NEVs efficiently.

All YNM operational sites adhere to local regulations, Nissan Motor Corporation's global strategies, and Yulon Group's strategies. The company conducts annual GHG inventories for its Taiwan facilities and implements various internal energy-saving and carbon reduction measures. Looking ahead, YNM remains committed to: advancing NEV localization, phasing out energy-intensive equipment and reinforcing supply chain resilience to align corporate operations with the principles of sustainable development.

### 2025 Targets

1. Initiate physical development of e-POWER/EV vehicles.
2. Establish typhoon emergency response mechanisms to ensure uninterrupted customer service.
3. Set up post-disaster repair scheduling mechanisms.
4. Maintain customer satisfaction in after-sales service following disasters.
5. Strengthen climate resilience to prevent human or financial losses caused by climate-related risks.
6. Promote local production of components, targeting a localization rate of 35%.
7. Establish second source mechanisms to enhance supply chain resilience.
8. Complete third-party verification of greenhouse gas inventory by the first half of the year.

### Mid-to-Long-term Targets

1. Launch the domestically produced e-POWER/EV models and achieve full EV adoption within ten years.
2. Increase the sales share of new energy vehicles.
3. Continue to seek more competitive components to reduce customers' repair costs.
4. Develop components resilient to climate impacts through cross-departmental collaboration.

# 4.2 Environmental and Energy Resources Management

Climate change caused by global warming has become a core issue of international concern. Governments around the world have successively enacted stricter environmental regulations and implemented mechanisms as a response, such as energy taxes, carbon taxes, and carbon fees, to actively control total greenhouse gas emissions. In this context, YNM fully recognizes that corporate responsibility extends beyond the pursuit of economic performance. The Company is required to align with global sustainability trends, comprehensively assess environmental impacts, and operate in compliance with applicable domestic laws and regulations as the fundamental basis. Internally, we continue to promote initiatives focused on energy conservation and carbon reduction. Externally, we actively promote a diverse range of energy-efficient vehicle models as a key strategy to fulfill our commitment to environmental sustainability.

## Material Topic: Climate Change Response and Strategy

| Positive actual and potential impacts on the economy, environment, and people (opportunities) | Negative actual and potential impacts on the economy, environment, and people (risks) |
|---|---|
| • Proper management of waste and household refuse helps reduce environmental pollution, enhances brand reputation, and attracts the green consumer market.<br>• The Company enhances employee welfare through on-site clinic services and health promotion measures, improving workforce productivity and reducing potential medical costs in response to evolving disease patterns associated with climate change. | • Inadequate management of greenhouse gas emissions and chemicals may result in increased carbon fees and environmental penalties, thereby affecting operating costs.<br>• Risks such as fire incidents or chemical leakage may endanger employee safety and surrounding communities, damage corporate reputation, and lead to potential economic losses and legal liabilities. |

### Resources invested in 2025

- A total of TWD 226,000 was invested in ISO 14064-1 greenhouse gas inventory and third-party verification.
- An on-site employee clinic, including dedicated physicians and nurses, was established to provide occupational health services and health promotion measures, with an annual cost of approximately TWD 1.32 million.
- Contracts were signed with qualified contractors for waste collection and treatment, with a total cost of TWD 48,188, handling 7.956 tons of general waste.
- Chemical management and fire drills were conducted in accordance with internal safety procedures and regulatory requirements.

### Strategic Goals

#### Company's Policy and Commitment on Climate Change Strategies

YNM actively responds to climate change by promoting energy conservation, carbon reduction, and green supply chain initiatives. Environmental actions are carried out with a strong emphasis on pollution prevention and proper waste management. The company ensures the effective implementation of environmental strategies while fulfilling its social responsibility through comprehensive risk management and continuous improvement. We pursue a low-carbon transition to align with market demands and reinforce sustainable operations.

| Short-Term Goals (1 year) | Mid- and Long-Term Goals (3 to 5 years) |
|---|---|
| The company completes third-party verification of its greenhouse gas (GHG) inventory by the first half of the calendar year each year. | We have committed to an annual reduction target of 2% (compared to the previous year) in GHG emissions, waste volume, and water resource consumption, aiming to achieve this goal consistently through 2030. |

4.2.1

## Sustainable Environmental Management Policies

YNM has established the "Sustainable Development Best Practice Principles," stipulating that the Company shall comply with applicable environmental laws and relevant international standards, appropriately protect the natural environment, and, in the course of operational activities and internal management, strive to achieve environmental sustainability objectives.

The Company has established the "Environmental Management System Committee" and the "Sustainable Environmental Development Team," which are respectively responsible for promoting the implementation of environmental management systems and executing environmental sustainability strategies. Environmental Management System Committee is primarily responsible for promoting and executing various management systems. The Company has previously implemented the ISO 14001 Environmental Management System and conducts greenhouse gas inventories in accordance with ISO 14064-1.

YNM has completed the greenhouse gas inventory covering Scope 1, Scope 2, and Scope 3 emissions in 2025. In addition to continuous external verification of Scope 1 and Scope 2, Scope 3 has also been included in external verification starting from 2025, in order to ensure the reliability and consistency of inventory data. The Company will continue to follow its management systems and sustainability roadmap, progressively enhance greenhouse gas inventory and verification processes, and strengthen the quality of environmental disclosures.

| Environmental Management System Committee | |
|---|---|
| Chairperson | President |
| Authorities | The Company operates and maintains its systems in accordance with ISO 14001 requirements and has obtained external verification for its ISO 14064-1 greenhouse gas inventory. |
| Members | Each Department Assistant |
| Background of Members | Have received ISO 14001 training |
| Frequency of the meetings | Semi-annually |
| Reporting Mechanism | Management Review Meeting |
| 2025 Performance | The Company continues to conduct Scope 1 and Scope 2 greenhouse gas inventories and complete external verification. External verification and disclosure of Scope 3 emissions have been newly included in 2025.<br>The Company has set the targets of obtaining external verification of the previous year's ISO 14064-1 greenhouse gas inventory by the 30th of June each year. |

| Sustainable Environmental Development Team | |
|---|---|
| Chairperson | Integrated Operation Support Department - Occupational Safety and Health |
| Authorities | Conduct climate risk analysis, identification, and response in accordance with the TCFD framework.<br>Engage in cross-departmental discussions on environmental sustainability strategies. |
| Members | Integrated Operation Support Department - Occupational Safety and Health, Intelligent Digital Marketing Planning Department, Aftersales Service Department, Product Planning Office, Purchasing Department, Technical Center. |
| Departments | As the dedicated environmental management unit, it is responsible for environmental management systems, compliance with environmental regulations and international standards, evaluating sustainable transition, enhancing resource efficiency, and developing mechanisms to respond to climate change. |
| Frequency of the meetings | Cross-departmental coordination meetings are convened at least semi-annually or on an ad hoc basis to facilitate discussions and alignment. |
| Reporting Mechanism | Reporting the implementation to the Sustainability Development Committee |
| Performance in 2025 | Management of office electricity usage and company vehicles' petrol usage with a significant decrease and reduction |

## Environmental Policies

The Company primarily engages in automobile research and development, design, distribution, sales services, and after-sales maintenance. We promote our environmental management policy through three major operational dimensions by upholding the principles of regulatory compliance, pollution prevention, and environmental friendliness.

**Purchase**

We strengthen supplier sustainability strategies to drive the development of a green supply chain, implementing local procurement and sourcing components that meet environmental standards.

**Product**

Promote green products by designing products with low pollution and energy efficiency, increasing the proportion of recyclable materials in products, and prohibiting the use of harmful environmental substances in products.

**Sales Service**

We promote green marketing and sales by communicating environmental values to consumers and offering eco-friendly products and services.
We encourage the use of high-capacity bulk engine oil to replace small packaged oil products in after-sales services. Additionally, we provide incentives to customers who return for maintenance without requesting car washing during water shortage seasons.

## Environment Management System

Under its commitment to sustainable development, YNM continuously enhances its environmental management system to address the potential impacts of operational activities on the natural environment and to ensure the fulfillment of its environmental responsibilities. We establish quantitative environmental sustainability goals and regularly review their continuity and relevance to ensure alignment with global trends and corporate strategy.

### Energy and greenhouse gas management

- Introduction of Environmental Management System.
- We are committed to enhancing energy efficiency and utilizing renewable materials with low environmental impact, ensuring the sustainable use of the Earth's resources.
- Reduce resource and energy consumption associated with products and services.
- Enhance the performance of products and services.
- Establish energy and resource management procedures.

### Water Resources Management

- To improve water resource utilization efficiency, the Company ensures proper and sustainable use of water resources by establishing relevant management measures.
- During dry seasons, the Company collaborates with dealers to encourage customers to support water conservation actions through incentives such as discount coupons.

### Waste Management

- Reduce the discharge of pollutants, toxic substances, and waste, and ensure proper waste treatment in accordance with the law.
- Promote the recyclability of raw materials and products.
- Maximize the sustainable use of renewable resources.
- Extending the lifespan of our products.

### Biodiversity

- The Company considers the ecological impacts of its operations and promotes the concept of sustainable consumption. In line with this principle, we incorporate sustainability considerations into R&D, purchase, production, operations, services and others to reduce the impact of our operations on the natural environment and human well-being.

## Biodiversity and No-Deforestation Commitment and Management Approach

YNM recognizes the importance of biodiversity to global ecosystem stability and human sustainable development. In February 2026, the Company formally issued the "Yulon Nissan Motor Co., Ltd. Biodiversity and No-Deforestation Commitment," signed by the President, integrating ecological conservation principles into corporate strategy and value chain management practices. This commitment applies to both the Company's own operations and its entire value chain, with a long-term goal of achieving both "No Net Loss" and "Net Positive Impact" on nature and biodiversity by 2050, demonstrating the Company's long-term commitment to forest conservation and biodiversity protection.

The Company actively promotes digital transition in office operations to implement the no-deforestation commitment. Cross-functional departments, including IT, administration, and finance, jointly plan and execute initiatives to replace conventional paper-based processes with paperless systems. With collective participation across the organization, total paper consumption in 2025 decreased by 13.45% compared to the previous year, demonstrating how practical actions protect ecosystems and reduce the Company's environmental impact. Based on this foundation, the Company further plans and implements the following four key action pillars:

**01 Risk Management**

Conduct regular biodiversity risk assessments to identify dependencies, impacts, risks, and opportunities related to natural resources across operations and the supply chain, and actively support government policies to promote ecological restoration in priority conservation areas.

**02 Value Chain Collaboration**

The Company works with suppliers and dealers to ensure operations avoid impacts on sensitive ecosystems, and encourages partners to participate in biodiversity conservation initiatives to enhance ecological management standards.

**03 Mitigation and Compensation**

Following the principle of avoidance first, the Company implements mitigation measures for unavoidable impacts and continues initiatives such as leopard cat habitat restoration and reforestation to balance the environmental impacts of business activities.

**04 No-Deforestation Commitment**

The Company firmly commits to no-deforestation practices and supports forestry and ecological restoration programs to ensure the integrity and sustainability of forest ecosystems.

Relevant progress and performance will be disclosed annually on the Company's official website and in its sustainability report to ensure transparency and meet stakeholder expectations.

4.2.2

## Energy and Greenhouse Gas Management

YNM has continuously advanced its low-carbon transition. Since 2023, the Company has conducted greenhouse gas inventories in accordance with the Ministry of Environment's Greenhouse Gas Inventory Guidance, while progressively strengthening internal management systems and data quality. In 2025, the inventory coverage has fully include Scope 1 to Scope 3 emissions, with Scope 1 and Scope 2 externally verified and third-party assurance obtained. The Company has set 2025 as the baseline year for greenhouse gas reduction and resource management targets. It commits to reducing greenhouse gas emissions by at least 2% annually and aims to achieve a cumulative reduction of at least 10% by 2030, while progressing toward net-zero emissions by 2050. In addition, the Company continues to implement various initiatives for energy resource management, including electricity, fuel, water, and waste, promoting energy-saving and waste-reduction practices among employees to further reduce greenhouse gas emissions. In 2025, the total Scope 1 and Scope 2 emissions decreased by approximately 266.6 $tCO_2e$, a reduction of about 22.5% compared to the previous year, demonstrating tangible decarbonization results. The Company will continue to enhance energy management and greenhouse gas governance practices.

### Greenhouse Gas Emissions Statistics

| Greenhouse Gas Type | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Direct GHG Emissions (Category 1) | 386.5529 | 414.3785 | 372.8035 | 261.3886 |
| Indirect GHG Emissions (Category 2) | 828.2502 | 757.1964 | 813.7062 | 658.4739 |
| Total GHG Emissions $CO_2e$ | 1,214.8034 | 1,171.5749 | 1,186.5097 | 919.8625 |
| Operating Revenue (TWD million) | 23,607 | 26,136 | 23,132 | 15,132 |
| Carbon Emission Intensity ($tCO_2e$/TWD million) | 0.0515 | 0.0448 | 0.0513 | 0.0608 |
| Other Indirect Emissions (Category 3) Category 3: Transportation-related Indirect Emissions | - | - | 402.9778 | 379.3315 |
| Other Indirect Emissions (Category 3) Category 4: Purchased Goods and Services-related Indirect Emissions | - | - | 260.7607 | 234.0014 |

Note:
1. Unit: Metric Tons $CO_2e$
2. According to data published by the Bureau of Energy,Ministry of Economic Affairs, the electricity emission factor for 2024 was 0.474 kg $CO_2e$/kWh, and the Global Warming Potential (GWP) values adopted were based on the IPCC Sixth Assessment Report (AR6).
3. The audit scope covers the Headquarters.
4. Calculation Formula: Carbon Emission Intensity ($tCO_2e$/TWD million) = GHG Emissions (Category 1 + Category 2) / Operating Revenue

## Energy Consumption

Affected by adjustments to the Company's operating structure and resource utilization, the performance of certain indicators in 2025 did not fully reflect the actual reduction achievements. However, the Company's long-term management strategies and objectives remain unchanged.

| Items | Unit | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Non-renewable Energy | Purchased Electricity Consumption (kWh) | 1,673,233 | 1,532,786 | 1,716,680 | 1,389,185 |
| | Purchased Electricity Consumption (GJ) | 6,023.64 | 5,518.03 | 6,180.05 | 5,002 |
| | Gasoline (L) | 134,043.2 | 143,594.8 | 139,912.5 | 105,694.0 |
| | Gasoline (GJ) | 4,376.62 | 4,688.49 | 4,568.26 | 3,327.9080 |
| | Diesel (L) | 2,802.3 | 1,717.6 | 150 | 192 |
| | Diesel (GJ) | 98.54 | 60.39 | 5.28 | 6.9369 |
| | Kerosene (L) | 840 | 320 | 420 | 840 |
| | Kerosene (GJ) | 29.89 | 11.39 | 14.95 | 29.8952 |
| Total Energy Consumption (GJ) | | 10,528.69 | 10,278.3 | 10,768.53 | 8,337.0512 |
| Operating Revenue (TWD Million) | | 23,607 | 26,136 | 23,132 | 15,132 |
| Energy Intensity= Total Energy Consumption (GJ) / Operating Revenue (TWD million) | | 0.45 | 0.39 | 0.47 | 0.55 |

Note:
1. The Company currently does not use renewable energy.
2. The calorific value coefficients used in this table are referenced from the Energy Statistics Handbook updated by the Energy Administration, Ministry of Economic Affairs, on 12th of August, 2025, and the calorific values for gasoline and diesel announced on the Greenhouse Gas Emissions Information Platform of the Climate Change Administration, Ministry of Environment.
3. Gasoline: 1L = 7,586 kcal; Diesel: 1L = 8,636 kcal; Kerosene: 1L = 8,500 kcal.
4. Conversion formula: Energy Content (GJ) = Energy Consumption × Calorific Value Coefficient (kcal) × 4.186 / 1,000,000.
5. The data boundary covers the Sanyi Plant and the Xindian Office.

## Energy Saving and Carbon Reduction Actions, as well as the Energy Management Plan

Yulon Nissan Motor Co., Ltd. is principally engaged in automobile research and development, design, and sales services. Guided by the principles of regulatory compliance, pollution prevention, energy-saving, carbon reduction, and continuous improvement, the Company has established an Energy Management Plan to fulfill its environmental responsibilities. Through systematic implementation of energy-saving, water conservation, and waste management measures, the Company seeks to improve resource efficiency, reduce unnecessary consumption, and contribute to greenhouse gas reduction. The Energy Management Plan covers the background, implementation measures, current status, and reduction targets related to fuel, water, electricity, and waste management. The Company has set an annual greenhouse gas reduction target of 2% and regularly convenes energy-saving and carbon reduction meetings through the Environmental Management System Committee to review and advance improvement initiatives. Key measures include the phased replacement of conventional lighting with LED fixtures, installation of independent lighting controls at operating sites based on actual demand, implementation of water-saving measures to improve resource efficiency, and the gradual replacement of company vehicles according to service life, with low-carbon vehicles, including e-POWER and electric vehicles (EVs), being introduced to reduce transportation-related carbon emissions. These measures have been incorporated into routine management practices and are continuously reviewed and optimized as part of the Company's long-term energy conservation and carbon reduction strategy.

| Energy Saving and Carbon Reduction Plan | Ways of Implementation | Implementation Progress | Future Targets |
|---|---|---|---|
| Electricity Consumption Management | • Promote daily energy-saving practices to enhance employee awareness of energy conservation.<br>• Optimize lighting and AC management through independent switches, sensor-controlled lighting, and shut down whenever not in use.<br>• Gradually replace lighting fixtures and electrical appliances by prioritizing LED lighting and high-efficiency products.<br>• Implement energy-saving settings for office equipment and conduct regular maintenance of AC systems.<br>• Promote paperless operations through the use of emails and digital documentation. | 100% Achievement Rate | Continuing and Maintaining |
| Water Management | • Promote water conservation awareness among employees.<br>• Gradually replace conventional faucets with water-saving models. | 100% Achievement Rate | Continuing and Maintaining |
| Fuel Management | • Replace company vehicles with hybrid and electric vehicles.<br>• Phase out company vehicles with lower energy efficiency.<br>• Encourage employees to use public transportation during business travel.<br>• Encourage carpooling for commuting. | Two gasoline-powered company vehicles were replaced with e-POWER or electric vehicles, accounting for 21% of the Company's vehicle fleet in 2025. | Continue to evaluate fleet utilization and replace vehicles as appropriate. |

## ISO Management System

YNM obtained certification for the ISO 14001 Environmental Management System in 2014 and has continued to implement environmental management practices in accordance with the standard's requirements. In 2025, the Company introduced the ISO 14064-1 Greenhouse Gas Inventory and Reporting Standard and plans to complete external verification of its 2025 greenhouse gas inventory in 2026, further strengthening its environmental and greenhouse gas management framework. No environmental pollution incidents resulting in regulatory violations or monetary penalties occurred in 2025.

## Implemented ISO Management Systems

| Name of the System | Acquired Year | Scope of Coverage | Descriptions |
|---|---|---|---|
| ISO 14001 Environmental Management System | 2014-2025 | Headquarters | All operating sites have obtained ISO 14001:2015 Environmental Management System certification. The Company’s air pollution, wastewater, waste, and toxic substance management and emissions are all in compliance with applicable regulatory requirements. |
| ISO 14064-1 Greenhouse Gas Inventory and Verification Standard | 2022-2025 | Headquarters | External verification of 2025 greenhouse gas emissions covering Scope 1, Scope 2, and Scope 3 will be completed in 2026. |

## Management System Costs

Unit: TWD/Dollars

| Year / Verification Item | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| ISO 14001 Environmental Management System | 65,000 | 65,000 | 130,000 | 69,990 |
| ISO 14064-1 Greenhouse Gas Inventory and Verification Standard | - | - | 431,000 | 226,000 |
| Total | 65,000 | 65,000 | 561,000 | 295,990 |

4.2.3

## Waste Management

A total of 7.956 tonnes of municipal waste was generated and fully handled by qualified waste disposal contractors in 2025. No hazardous industrial waste was generated during the reporting period. Recyclable waste is sorted and collected by each department and subsequently entrusted to qualified recycling service providers for recovery and reuse, thereby continuously improving resource circularity and recycling efficiency.

## Waste Generated Across the Value Chain

| Upstream of the Value Chain<br>Automobile Components and Raw Materials | Operational Activities | Downstream of the Value Chain<br>Sales and Aftersales Services |
|---|---|---|
| Waste from raw materials | **Parts maintenance & automobile manufacturing**<br>・Iron scrap<br>・Waste plastic<br>・Waste glass<br>・Waste tires<br>・Waste batteries | **Recycle and reuse**<br>・Recycling<br>・Biological treatment |
| ・Machinery and equipment<br>・Office facilities<br>・Sales venue facilities | **Pollution Prevention**<br>・General industrial waste<br>・Hazardous industrial waste<br>・Household waste<br>・Liquid manure | **Incineration**<br>・Incineration with energy recovery<br>・Incineration without energy recovery |

| Upstream management of the value chain | Operational activities management | Downstream management of the value chain |
|---|---|---|
| ・Supply chain management<br>・Waste management and disposal<br>・Waste reduction at the source | ・Waste management procedures<br>・Reporting waste removal quantities in compliance with regulatory authorities<br>・Internal recycling | ・Waste disposal<br>・Tracking of waste disposal<br>・Resource recovery from waste |

## Waste disposal procedures

### Domestic Waste

When the amount of waste stored at designated collection areas reaches a specified level, qualified waste collection contractors are notified to conduct waste removal. During collection and transportation, measures are implemented to prevent waste from being scattered or spilled, thereby avoiding environmental contamination. Information, including vehicle registration numbers, waste type, and quantity, is recorded in the Waste Disposal and Clearance Record Form. The collected waste is ultimately transported to the Zhunan Incineration Plant for treatment and disposal. The total cost incurred for the collection and disposal of municipal waste by qualified contractors amounted to TWD 48,188 in 2025.

### Recyclable Waste

Collection bins for paper, metals, plastics, glass, and batteries are provided in office areas to facilitate the segregation and recycling of recyclable materials. We actively implement resource recovery measures by entrusting the recycled waste to legally registered recycling and resource recovery companies in Taiwan for recycling and reuse to support sustainable resource utilization.

## Total Waste Generated

| Category | Year 2022 | Year 2023 | Year 2024 | Year 2025 |
|---|---|---|---|---|
| Municipal Waste (tonnes) | 22.24 | 4.82 | 5.89 | 7.956 |
| Hazardous Waste | 0 | 0 | 0 | 0 |
| **Total** | **22.24** | **4.82** | **5.89** | **7.956** |

Note:
1.No hazardous industrial waste was generated during operations. Recyclable waste and general industrial waste are gathered to be managed and processed by the Yulon Group; therefore, precise weight data are not available.
2.The reporting boundary for waste-related data covers the Sanyi Plant.

4.2.4

## Water Resources Management

The Company's sources of potable water include tap water. Domestic water consumption and groundwater resources in the Hsinchu–Miaoli area, as announced by the Water Resources Agency and shared with parent company Yulon Group, are utilized for operational purposes. Based on annual groundwater level monitoring results, our groundwater usage has consistently remained in compliance with water rights registration requirements, and valid water rights permits have been obtained. Accordingly, no significant impact on water resources has been identified. In 2025, operational water use was gradually shifted from groundwater to tap water in order to reduce groundwater extraction. As a result, tap water consumption increased, and the Company's overall water consumption did not achieve the original annual reduction target of 2%. This adjustment was made based on sustainable water resource management considerations. Going forward, the Company will continue to improve water-use efficiency and optimize water management practices to further reduce its overall impact on water resources. (The data for groundwater usage cannot be separately accounted for.) Water conservation initiatives are implemented in accordance with the Yulon Nissan Motor Co., Ltd. Energy Management Plan. The Company remains committed to reducing water consumption by 2% annually and achieving a cumulative reduction of at least 10% by the target year of 2030. The Company will continue to evaluate the effectiveness of adjustments to its water-use structure, balancing groundwater conservation with overall water-use efficiency, while further reducing the impact of its operations on water resources through management optimization and equipment improvements.

## Water Withdrawal |

| Category | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Groundwater (kiloliter) | - | - | - | - |
| Tap Water (kiloliter) | 1,530.0 | 3,412.5 | 3,576.4 | 8,749.23 |
| **Total** | **1,530.0** | **3,412.5** | **3,576.4** | **8,749.23** |

## Wastewater Management |

As the Company's facilities are located within an industrial park, wastewater generated from operations is treated through the industrial park's centralized wastewater treatment system and ultimately discharged into the industrial park sewer network. All wastewater generated by the Company's facilities is jointly treated and discharged together with that of the Yulon Group. Wastewater quality is regularly monitored in accordance with the Effluent Standards and other applicable environmental regulations to ensure environmentally responsible operations and to minimize any adverse environmental impacts. All wastewater discharge monitoring results were significantly below applicable regulatory standards and industrial park discharge limits in 2025. No adverse impacts on the ecological environment or water quality were identified, and no fines or penalties were incurred for violations of water resource-related laws and regulations.

# 4.3 Circular Economy

4.3.1

## Sustainable Products and Circular Economy

YNM continuously explores and promotes green products to reduce environmental and safety impacts during manufacturing, production, and consumption processes. We conduct comprehensive assessments across all stages of the product life cycle, including raw material selection, conceptual design, research and development, certification testing, manufacturing and parts regeneration, storage and transportation, marketing and promotion, use and after-sales service, as well as waste disposal and resource recycling, setting clear targets to minimize environmental burdens at each stage, striving to realize the vision of a sustainable automotive industry.

| Phases | Goals | Implementation |
|---|---|---|
| Choice of Raw Materials | • Strengthen local purchase by prioritizing domestic or suppliers near Taiwan.<br>• Promote green purchase by giving priority to products with environmental certification labels. | • All YNM products have restricted the use of environmentally hazardous heavy metals to protect the environment, like lead, mercury, cadmium, hexavalent chromium and others. |
| Concept development | • During the parts design and development phase, environmental performance is assessed and specific targets are set, implementing product environmental assessments in advance to integrate environmental protection concepts early in technological innovation and product R&D stages. | • YNM has labeled materials for plastic parts exceeding 100 grams and rubber parts exceeding 200 grams. Additionally, disassembly information is proactively provided within six months after product launch to facilitate the dismantling process. |
| Environmental Certification | • Newly developed vehicle models will obtain the Energy Efficiency Label according to current regulations.<br>• Through technological improvements or the introduction of new energy vehicles, compliance with stricter Energy Efficiency Label standards is ensured.<br>• Efforts are made to increase the localization rate of new energy vehicles to reduce production carbon footprints. | • In 2025, a total of eight YNM vehicle models obtained the Energy Label and Environmental Protection Administration Taiwan Green Mark certifications in 2025, representing an100% coverage. |
| Production and Parts Remanufacturing | • In response to the "Management Regulations for Hydrofluorocarbons" and the "Prohibited or Restricted Types of Hydrofluorocarbons for Manufacture, Import, Export, Sale, Use or Emission," the use of R134a refrigerant has been discontinued.<br>• To comply with the "Exhaust Emission Test Methods and Procedures for Gasoline Vehicles," vehicle emission control equipment is enhanced, and promotion of new energy vehicles is continued. | • Following government regulations, the total emission control in 2024 remains below the current limit.<br>• All domestically produced and imported vehicles meet the Stage 6 emission standards, with reinforced emission control equipment. |
| Warehousing and Product Transportation | • Selection of newer model vehicles for transportation.<br>• Use off-peak traffic hours for product delivery. | • to improve transport efficiency.<br>• Reducing trailer driving time lowers carbon emissions during transportation. |
| Marketing and Promotion | • Promote vehicle models and EV products that have obtained environmental or energy-saving certifications. | • Increase sales of vehicle models and EV products certified with environmental and energy-saving labels. |
| Use and service | • To reduce the carbon footprint of products. | • The engine oils used by NISSAN are primarily 0W-20 full synthetic motor oils certified to the highest quality standards of API SP (Resource Conserving) and ILSAC GF-6, which help improve fuel efficiency and reduce vehicle emissions.<br>• Introduce the Start-Stop idle engine shut-off function, providing consumers with more environmentally friendly choices when purchasing our products. |
| Waste Disposal and Recycling | • To promote material recycling and reuse, proactively comply with Paragraph 2, Article 12 of Taiwan's "Resource Recycling Act," and strive to meet the requirements of the "Automotive Industry Voluntary Guidelines for Promoting Resource Recycling." Fully implement recyclable plastics across all vehicle series.<br>• Respond to the EU's "E-Mark Certification" regulation by clearly marking the primary materials and additives on vehicle parts to enhance parts recycling rates and reduce waste generation. | • Vehicle recycling rates range from 92% to 95%, depending on the model, with an average recyclable rate of 94% based on vehicle weight sold. This exceeds the regulatory requirement of 80%, and the Company has established 95% recyclable as its long-term target. |

## Recyclability of Vehicles Sold in 2025

| Vehicle Model | Weight of Recyclable Components Sold in 2025 (tonnes) | Total Weight of Vehicles Sold (tonnes) | Average Recyclability Rate | Number of Registered Vehicles | Curb Weight (tonnes) |
|---|---|---|---|---|---|
| X-TRAIL | 4,658.4 | 4,903.5 | 95.0% | 3,025 | 1.621 |
| SENTRA | 3,834.2 | 4,061.6 | 94.4% | 3,151 | 1.289 |
| KICKS | 4,747.4 | 5,154.5 | 92.1% | 4,317 | 1.194 |

## R&D Investment Over the Past Three Years

| Year | 2023 | 2024 | 2025 |
|---|---|---|---|
| R&D Expenses | 555,668 | 351,548 | 286,250 |
| Net Sales Revenue | 26,136,197 | 23,132,106 | 15,132,073 |
| R&D Expenses as a Percentage of Net Sales Revenue | 2.1% | 1.5% | 1.9% |

Unit: TWD Thousands

## R&D Strategy

In response to market trends and sustainable development objectives, YNM continues to invest in product and technology development, with a focus on innovations in energy-efficient and environmentally friendly vehicle technologies. In 2025, R&D activities focused on introducing competitive vehicle models and addressing diverse market demands. Key achievements included the successful launch of special summer editions of the domestically produced X-TRAIL, KICKS, and SENTRA models in June, which were well received by the market. The Company also completed the TNCAP Five-Star Safety Rating certification for the facelifted SENTRA model and advanced feasibility studies for the localization and domestic production of new energy vehicles.

The value of R&D investment is realized through tangible outcomes. We not only extend product life cycles but also contribute to resource reutilization and carbon emission reductions by introducing new materials, modular component design, and recycling technologies. In the future, YNM will continue introducing next-gen NISSAN and INFINITI models, integrating new energy technologies and low-carbon mobility solutions to strengthen its product portfolio. The Company also aims to maintain a vehicle recyclability rate above 95%, thereby enhancing the sustainability competitiveness of its green product offerings.

# 05 Employee Care

# Employee Care

## Core Vision and Commitment

YNM upholds a "people-oriented" philosophy and is committed to creating a work environment inspiring action, health, diversity, inclusion, and continuous learning. Employees are regarded as the Company's most valuable assets and partners. We care deeply about their physical and mental well-being and support their career growth and realization of personal value through a variety of training and development programs. Meanwhile, the Company seeks to improve job satisfaction and employee well-being through the continuous optimization of employee welfare programs, fostering a mutually beneficial outcome whereby employees thrive at work, and the Company achieves sustainable growth.

**2025 YNM "Provider of Great Talent, Shaper of a Great Workplace" Plan**

| Core value | Innovation, Speed, Team | | |
|---|---|---|---|
| Strategic Item | Actively Support Digital Transition | Enhance Organizational Operational Efficiency | Cultivate a Profit-Oriented Mindset Across the Organization |
| Achieved Performance in 2025 | Organizational Operational Indicators | Employee Organizational Climate Survey Score: 4.39<br>Internal Customer Satisfaction with Information Systems: 3.77<br>External Customer Satisfaction with Information Systems: 3.84 | |
| | Sustainability-Related Indicators | Key Talent Retention Rate (%): 98.60%<br>Comprehensive Information Security Assessment Index (%): 107.60% Achievement | |

## 2025 Sustainability Highlights

Recognized with the **"Sports Enterprise Certification"** by the Sports for All Agency, Ministry of Sports

Miaoli County Friendly Enterprise Certification for **Middle-Aged and Elderly Workers**

Key Talent Retention Rate: 98.6%

The proportion of female middle managers increased from 14% to 20%.

Total employee training hours reached 10,753 hours, with training investment exceeding TWD 2.396 million.

# 5.1 Human Resources

5.1.1

## Employees Overview

YNM continuously improves its organizational and personnel systems, and has established multiple diverse and transparent channels for dialogue and consultation to enhance mutual understanding and cooperation between employees and the Company. The Company actively listens and responds to employee needs in a timely manner to strengthen mutual trust and consensus. We offer competitive remuneration and benefits, and regularly organize health and family support activities, aiming to support the physical and mental well-being of employees and improve their overall quality of life. Our goal is to create a secure and protected working environment.

**Employment Contract Structure**

YNM employed a total of 303 contractual employees in 2025, all of whom were full-time employees. The Company did not employ any part-time employees, temporary employees, or employees without guaranteed working hours. In addition, there were 9 non-contractual employees. The Company prioritizes the recruitment of Taiwanese National residents, especially from local communities. We insist on not hiring migrant workers or vocational trainees, and strictly prohibit child labor.

| Region | Category | | Gender | 2023 | | 2024 | | 2025 | |
|---|---|---|---|---|---|---|---|---|---|
| Taiwan | Total Number of Employees (Non-contractual employees excluded) | | Female | 110 | | 108 | | 97 | |
| | | | Male | 272 | | 258 | | 206 | |
| | | | 合計 | 382 | | 366 | | 303 | |
| | Contract-based | Full-time Employees | Female | 110 | 28.8% | 108 | 29.5% | 97 | 32.01% |
| | | | Male | 272 | 71.2% | 258 | 70.5% | 206 | 67.99% |
| | Non-contractual Employees | Dispatched Employees | Number of Participants | 11 | | 10 | | 9 | |

Note: Non-contractual employees include customer service staff, accounting staff, administrative assistants, and others

## Gender Distribution by Job Position

YNM is committed to promoting gender equality and fostering a diverse and inclusive workplace. Women accounted for 32.01% of the Company's total workforce in 2025. Female managers represented 18.75% of all managerial positions, while women accounted for 15% of senior management positions. The proportion of female middle managers continued to increase in 2025, demonstrating the Company's progress in cultivating female talent. However, the proportion of women in senior management positions remained subject to fluctuation. Going forward, the Company will strengthen succession planning and continue expanding development and advancement opportunities for high-potential female talent.

| Gender Ratio by Job Category | 2023 | | 2024 | | 2025 | |
|---|---|---|---|---|---|---|
| | Male | Female | Male | Female | Male | Female |
| Ordinary Employees | 67% | 33% | 66% | 34% | 63% | 37% |
| Head of Middle Management | 84% | 16% | 86% | 14% | 80% | 20% |
| Head of Senior Management | 88% | 12% | 80% | 20% | 85% | 15% |

## Workforce Gender Diversity

| Item | Female Employees as a Percentage of Total Workforce | Female Managers as a Percentage of Total Managers | Female Senior Managers as a Percentage of Total Senior Management |
|---|---|---|---|
| Percentage | 32.01% | 18.75% | 15.00% |

## Employee Age and Years of Service

| Item | Category | Male | | Female | | Total | |
|---|---|---|---|---|---|---|---|
| | | Number of Participants | Ratio | Number of Participants | Ratio | Number of Participants | Ratio |
| Age | 30 and below | 11 | 5.3% | 13 | 13.4% | 24 | 7.9% |
| | 31~50 | 120 | 58.3% | 62 | 63.9% | 182 | 60.1% |
| | 51 and above | 75 | 36.4% | 22 | 22.7% | 97 | 32.0% |
| | Total | 206 | 100% | 97 | 100% | 303 | 100% |

## Average Employee years of service and Age at YNM

| | | |
|---|---|---|
| Average years of service | Male | 15.5 |
| | Female | 13.4 |
| | Overall | 14.5 |
| Average Age | Male | 47.3 |
| | Female | 43.3 |
| | Overall | 45.3 |

## Employment of Diverse Employee Types

| Year | | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Total Number of Employees | | 382 | 366 | 303 |
| Indigenous People | Number of Participants | 0 | 0 | 0 |
| | Percentage | 0% | 0% | 0% |
| Physically or mentally challenged | Number of Participants | 2 | 2 | 0 |
| | Percentage | 0.52% | 0.55% | 0% |
| Foreign Employees | Number of Participants | 5 | 5 | 5 |
| | Percentage | 1.31% | 1.37% | 1.65% |

## Employee Hiring and Turnover

As of the end of 2025, the Company employed 303 employees. During the year, 6 new employees were hired, representing a hiring rate of 1.98%, while 69 employees left the Company, resulting in a turnover rate of 22.77%. The increase in employee turnover rate during 2024–2025 was primarily attributable to both internal strategic factors and external labor market conditions. Internally, turnover was driven by employee transfers implemented in alignment with the Group's overall business strategy, the execution of retirement programs offering benefits exceeding statutory requirements, and natural attrition resulting from employees' personal career planning. Externally, turnover was influenced by a robust labor market, intensified competition for talent across industries, and increased cross-sector workforce mobility. In response to talent market challenges and organizational succession needs, the Company regards its employees as its most valuable asset. Going forward, the Company will continue to review the competitiveness of its compensation and benefits programs while strengthening internal talent development mechanisms to ensure the retention of key talent.

| Year | 2023 年 | | 2024 年 | | 2025 年 | |
|---|---|---|---|---|---|---|
| Type | New Employees | Resigned Employees | New Employees | Resigned Employees | New Employees | Resigned Employees |
| Number of Participants | 33 | 18 | 24 | 28 | 6 | 69 |
| Total Number of Employees at Year-End | 382 | | 366 | | 303 | |
| Percentage of Total Employees at Year-End | 8.64% | 4.71% | 6.56% | 7.65% | 1.98% | 22.77% |

Note 1: Annual hiring rate = Number of new employees hired during the year ÷ Total number of employees at year-end
Note 2: Annual turnover rate = Number of resigned employees during the year ÷ Total number of employees at year-end

| New Hire Statistics | 2023 | | 2024 | | 2025 | |
|---|---|---|---|---|---|---|
| | Male | Female | Male | Female | Male | Female |
| Total Number of New Hires | 23 | 10 | 66% | 34% | 63% | 37% |
| New Hire Rate | 8.64% | | 6.56% | | 1.98% | |
| Under 30 | 12 | 8 | 12 | 6 | 0 | 0 |
| 31~50 | 11 | 2 | 3 | 3 | 3 | 1 |
| Above 51 | 0 | 0 | 0 | 0 | 2 | 0 |

| Employee Turnover Rate | 2023 | | 2024 | | 2025 | |
|---|---|---|---|---|---|---|
| | Male | Female | Male | Female | Male | Female |
| Total Number of Resigned Employees | 13 | 5 | 20 | 8 | 57 | 12 |
| Resigned Employee Rate | 4.71% | | 7.65% | | 22.77% | |
| Under 30 | 2 | 0 | 13 | 4 | 9 | 5 |
| 31~50 | 9 | 5 | 5 | 4 | 23 | 1 |
| Above 51 | 2 | 0 | 2 | 0 | 25 | 6 |

5.1.2

## Remuneration and Benefits

YNM adheres to the principles of fair and transparent compensation. Employee remuneration is not differentiated based on gender, race, or other personal characteristics; instead, it is determined through a comprehensive assessment of educational background, professional expertise, work experience, tenure, performance, and other measurable contributions. The Company has established a comprehensive salary adjustment mechanism. Remuneration is reviewed and adjusted based on factors including business performance and economic conditions, enabling the Company to maintain its competitiveness in the labor market.

The Company's remuneration policy provides performance-based rewards according to business performance, departmental goal achievement, and individual performance. Various incentive programs, including semi-annual performance bonuses, year-end bonuses, and profit-sharing bonuses, are offered to encourage employees to create greater value for both the Company and its shareholders. Differences in compensation among non-managerial employees primarily reflect variations in job functions and tenure structures, rather than gender-related factors. The Company continues to uphold the principle of equal pay for equal work through its job grading system and regular compensation review mechanisms, ensuring fairness and reasonableness in its remuneration practices.

### Annual Remuneration Overview for the Past Three Years (TWD /Year)

| Year | 2023 | | 2024 | | 2025 | |
|---|---|---|---|---|---|---|
| Gender | Male | Female | Male | Female | Male | Female |
| Average Salary of Supervisors | 1,857,858 | 2,168,161 | 1,867,667 | 2,201,186 | 1,782,895 | 2,034,583 |
| Gender pay gap in supervisory positions | 1 | 1.17 | 1 | 1.18 | 1 | 1.14 |
| 1.14 Average Salary of Non-Supervisory Positions | 1,081,189 | 972,905 | 1,116,567 | 997,684 | 1,103,999 | 986,173 |
| Gender Pay Gap at Non-supervisory Positions | 1 | 0.90 | 1 | 0.89 | 1 | 0.89 |
| Median salary of non-supervisory positions | 1,102,996 | 917,696 | 1,133,838 | 952,256 | 1,088,747 | 945,851 |
| Average Salary of Employees | - | | 1,283,488 | | 1,270,698 | |

Note 1: Supervisory positions - manager level and above.
Note 2: Supervisory-level Pay Ratio = Average salary of male supervisory employees: Average salary of female supervisory employees
Note 3: Non-supervisory-level Pay Ratio = Average salary of male non-supervisory positions: Average salary of female non-supervisory positions

| | |
|---|---|
| The annual total remuneration of the highest-paid individual in the organization | 7,200,000 |
| Median Annual Total Compensation of All Employees (Excluding the Highest-Paid Individual) | 1,155,063 |
| Annual total compensation ratio | 6.23 |

Note 1: Annual total remuneration ratio = total annual remuneration of the highest-paid individual in the organization / median total annual remuneration of all employees (excluding the highest-paid individual)

## Implementation of Parental Leave

YNM is committed to fostering a workplace where all employees have equal development opportunities. The Company also supports employees facing significant life events or role transitions throughout their careers. Employees who meet the applicable legal requirements are eligible to apply for unpaid parental leave.

Furthermore, we have established lactation rooms to provide a comfortable environment for nursing employees in compliance with relevant regulations. We offer free vehicle entry permits for pregnant employees, allowing them to park directly next to the office building, thereby easing the burden of commuting.

| | | | |
|---|---|---|---|
| Return-to-Work Rate Following Parental Leave | Male | The number of employees expected to return to work after parental leave in 2025 | 0 |
| | | The actual number of employees who applied to return to work after parental leave in 2025 | 0 |
| | | Return-to-work rate | 0% |
| | Female | The number of employees expected to return to work after parental leave in 2025 | 0 |
| | | The actual number of employees who applied to return to work after parental leave in 2025 | 0 |
| | | Return-to-work rate | 0% |

| | | | |
|---|---|---|---|
| Retention rate after leave | Male | Number of Employees Returning to Work in 2024 | 0 |
| | | The number of employees who returned to work and completed one year of service in 2024 | 0 |
| | | Retention Rate | 0% |
| | Female | Number of Employees Returning to Work in 2024 | 1 |
| | | The number of employees who returned to work and completed one year of service in 2024 | 1 |
| | | Retention Rate | 100% |

Note:
Return-to-work rate = actual number of employees who returned to work/number of employees who were expected to return to work within the year
Retention Rate = number of employees who completed a year of service in the previous year/number of employees who returned to work in the previous year

## Benefit System

YNM upholds our people-oriented corporate philosophy and is committed to providing employees with comprehensive support and care. We value the balanced development of employees' work, personal, and family lives. To support this objective, we have established a comprehensive and diverse employee benefits program. An Employee Welfare Committee has been established to promote communication and collaboration between employees and management, which is elected by employees. The Committee helps ensure that employee welfare programs align with employees' needs and expectations. In 2025, the Committee convened one regular meeting each quarter and three ad hoc meetings, for a total of seven meetings during the year.

Employees reaching 25 years of service are eligible to apply for subsidies for domestic or overseas travel or health examinations to recognize employees' long-term dedication and contributions. In addition, the Company has introduced new leave benefits, including New Employee Leave, Senior Family Care Leave, Volunteer Leave, and Ceremonial Leave. We will continue to optimize our employee benefits programs to improve employee satisfaction and well-being.

| Benefit Programs | Description | Implementation in 2025 |
|---|---|---|
| Flexible Benefits Allowance | Each employee is entitled to TWD 10,000 in flexible benefits, which employees may choose and apply from the following categories: Education Allowance, Car Purchase Subsidy, Travel Allowance, Health Check-up Subsidy, Car Maintenance Subsidy, Car Rental Subsidy and Childcare Subsidy. | All employees |
| New Year and Festival Benefits | TWD 2,000 gift vouchers provided for Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival | All employees |
| 1st of May Labor Day Benefits | TWD 1,500 | All employees |
| Birthday Gift Money | TWD 2,000 | All employees |
| Office Shop Vouchers | TWD 2,000 | All employees |
| Wedding gift money | TWD 2,000 | 4 attendees |
| Hospitalization allowance | TWD 2,000 for 3 to 7 days of hospitalization and TWD 4,000 for 7 days or more of hospitalization | 2 attendees |
| Bereavement consolation allowance | TWD 2,000 for relatives, and TWD 100,000 for self | 14 attendees |
| Disaster relief compensation | TWD 5,000 for damages ranging from 30% to 50%, TWD 10,000 for damages exceeding 50%, and TWD 20,000 for uninhabitable housing conditions | 0 attendees |
| Emergency loan | Up to TWD 20,000 for childbirth/miscarriage of self or spouse<br>Up to TWD 20,000 for the death of immediate family members or spouse<br>Up to TWD 100,000 for an accident resulting in house damage<br>Up to TWD 100,000 for serious illness or major injury | 0 attendees |
| Retirement souvenir | Distributing retirement souvenirs based on years of service | 21 attendees |

## Employee Welfare and Engagement

### Food

#### Central kitchen, staff canteens, and employees office shops

**Staff Canteens**

Meals are prepared by a central kitchen certified under the HACCP food safety system. Menus are designed by professional dietitians to provide employees with nutritious, hygienic, and high-quality meals. Two modern and aesthetically designed staff restaurants are located within the company premises, offering employees a high-quality dining environment.

**Employee Shops**

In addition, Employee Shops are set up within both the factory and staff dormitories, supplying daily necessities and food products at discounted prices, enhancing convenience for employees.

### Transportation

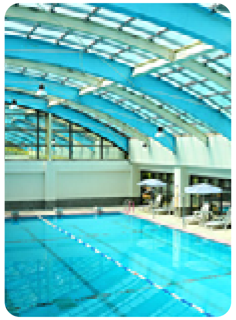
#### Commuter shuttles and hometown return buses

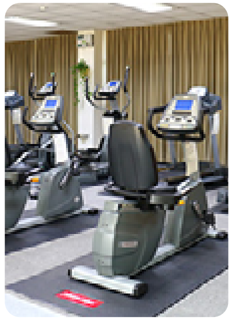
For employees located in the Miaoli and Taichung areas, the Company provides daily shuttle bus services to facilitate commuting and enhance both work efficiency and quality of life.

### Housing

#### Free employee dormitories and recreational facilities

The Company has established a well-equipped "Employee Living Circle" to provide employees with convenient and comfortable living conditions. Free dormitories are available for employees whose residences are over 50 kilometers away from the Company sites, which are also open to non-residential employees and their family members. A variety of recreational facilities are available near the dormitories to help employees relax physically and mentally after work, including basketball courts, tennis courts, swimming pools, and fitness centers.





## Leisure

# Recreational Activities and Employee Clubs

**Leisure Activities**

The Company regularly organizes a variety of leisure activities and encourages employees to invite their spouses and families to participate, which includes basketball summer camps, starlight runs, family day events, and employee trips.

### Basketball Summer Camp

Participants 13

This camp included a special visit to YES!LIFE Yulon City Mall in Xindian, where championship basketball players from the Yulon Group personally coached participants in basketball skills, tactical thinking, and teamwork. The program also incorporated woodcraft educational activities, creating a rich and engaging summer camp experience for children.


### Family Day

Participants 86

Designed to promote healthy family leisure time and encourage employees to bring their families, creating joyful shared memories.

Leisure

## Recreational Activities and Employee Clubs

### Leisure Activities

Employees Trips Participants 96

Domestic and overseas trips are organized in multiple groups for employees to relax and bond with colleagues and loved ones, fostering a warm and supportive workplace culture, which offers a selection of three domestic and four international sightseeing trips (seven total itineraries).

### Diverse Clubs

YNM encourages employees to actively participate in various sports clubs to achieve a balanced work-life experience. The Company regularly provides financial subsidies and venue support for employee clubs. A total of TWD 46,000 was allocated to support club activities and ongoing development in 2025.

Badminton Club Amount of Subsidies 16,000

Jogging Club Amount of Subsidies 16,000


Volunteer Club Amount of Subsidies 4,000


Ukulele Club Amount of Subsidies 10,000

## Retirement Benefits

The retirement benefits system of YNM is based on relevant local regulations. The Company provides retirement funds for each employee, with a participation rate of 100% in the retirement plan. For example, the YNM retirement system follows the Labor Standards Act and the Labor Pension Act in Taiwan.

According to the 2025 financial statements, total pension contributions amounted to TWD 18.96 million, comprising TWD 1.461 million under the old pension scheme and TWD 17.499 million under the Labor Pension Act pension scheme.

| | |
|---|---|
| Retirement System under the Labor Standards Act | The retirement benefit is calculated based on the employee's years of service and the individual's average monthly salary of the last six months prior to retirement. The Company contributes 2% of the total monthly salary to the retirement fund and deposits the amount into a dedicated account at the Bank of Taiwan under the name of the Employee Retirement Fund Supervisory Committee. |
| Labor Pension Act | Under the Labor Pension Act, the Company contributes 6% of each employee's monthly wages to their individual labor pension account. In addition, employees may choose to make voluntary contributions to their personal pension accounts at a rate between 0% and 6%, according to their individual preferences. |
| YNM Voluntary Retirement Benefit Program | The Company offers retirement benefits superior to statutory requirements, providing enhanced financial security and welfare support to retired employees. |

| Item | 2023 | 2024 | 2025 |
|---|---|---|---|
| Number of Employees Applied to the New System | 331 | 321 | 271 |
| Total Number of Employees | 382 | 366 | 303 |
| Percentage | 86% | 88% | 89% |

5.1.3

## Employee Communication

YNM actively maintains open communication with employees through multiple channels to foster unity and a shared sense of purpose among all staff members. In addition to conducting an annual Employee Organizational Climate Survey to understand employees' perspectives, we have established comprehensive communication mechanisms, including the quarterly labor-management meetings and an employee communication meeting held during the third quarter. Additional communication channels include ad hoc departmental meetings, executive forums, and regular internal email communications. Through these channels, employees can provide feedback in a timely manner, while the Company can effectively communicate important information, ensuring close alignment between corporate policies and employee feedback.

| Communication Channel | Frequency |
|---|---|
| Organizational Climate Survey (i.e., Employee Satisfaction Survey) | Once a year |
| Employee Communication Meeting | Once a year |
| Labor-Management Meeting | Once per quarter |
| Interdepartmental meetings, email, and others. | Ad hoc |

## Organizational Atmosphere Survey

YNM conducts an annual Organizational Climate Survey to comprehensively assess employee satisfaction and workplace experience across key indicators to better understand employees' perspectives and strengthen team cohesion. The 2025 survey covered six key dimensions, including organizational philosophy, brand identification, organizational operations, learning and development, promotion and performance, and work environment. The survey results serve as an important basis for formulating improvement initiatives, further enhancing employee satisfaction and organizational effectiveness.

YNM Organizational Atmosphere Survey (Employee Satisfaction Survey)

| Year | 2024 | 2025 |
|---|---|---|
| Questionnaires Distributed | 337 | 293 |
| Questionnaires Returned | 214 | 228 |
| Overall Score of the Questionnaires | 4.46 | 4.39 |

The Organizational Climate Survey achieved an overall average score of 4.39 in 2025. Among the six dimensions, "Brand Identification" received the highest score of 4.66, reflecting employees' strong recognition of the Company's values and mission. Based on the survey results, each department conducted discussions and communications to analyze root causes and develop improvement plans for identified areas requiring enhancement. The Human Resources Department consolidated these findings and incorporated them into action plans to continuously improve employee satisfaction.

| Organizational Climate Survey Dimensions | Score | Improvement Plan |
|---|---|---|
| Organizational Philosophy | 4.56 | The Company will continue to communicate its core values, vision, and future business direction through Town Hall meetings and internal engagement activities. |
| Brand Identification | 4.66 | Going forward, the Company will further strengthen communication with employees through Town Hall meetings and internal marketing initiatives, enhancing employees' understanding of NISSAN and INFINITI vehicle models offered by the Company. |
| Organizational Operations | 4.37 | The Company will continue to promote leadership development programs to strengthen managerial capabilities and foster greater understanding and collaboration between supervisors and employees. |
| Learning and Development | 4.23 | Training programs will be planned and adjusted based on employees' learning and development needs. |
| Career Development and Performance Management | 4.19 | Management training programs will be implemented to strengthen supervisors' understanding of performance evaluation standards and feedback mechanisms, thereby enhancing transparency in performance appraisal communications. Through executive forums, practical case studies, and negotiation skills training, the Company aims to improve consistency in performance evaluations, enhance communication transparency, bridge perception gaps between supervisors and employees, and strengthen overall team effectiveness. |
| Work environment | 4.41 | Continue monitoring employee feedback on dormitory conditions; remain attentive to workplace environment concerns across departments, aiming to provide a clean and comfortable workspace. |

## Employee VOC Forum

YNM previously held the "YNM Employee Forum – You N Me Talk Time" on a regular basis to establish effective communication channels between employees and the Company and to gather employee feedback and suggestions regarding corporate policies. The forum supported continuous improvement efforts, enhanced employee satisfaction, strengthened consensus, boosted morale, and reinforced overall competitiveness. The Company replaced the previous forum format with Employee Communication Meetings to improve the breadth and efficiency of feedback collection and enable direct responses from senior management. Through a systematic process for collecting employee opinions and suggestions, senior executives engage directly with employees through feedback and interaction sessions, strengthening two-way communication and ensuring the consolidation, response, and follow-up of employee feedback.

## Labor-Management Meeting

YNM has established Labor-Management Meetings in accordance with applicable regulations to foster harmonious labor-management relations and promote cooperation. These meetings are held quarterly and are attended by five employee representatives and five management representatives to discuss company operations, exchange views, and provide recommendations. The Company regularly communicates with employee representatives on labor-related issues to safeguard employees' fundamental rights and benefits, while promoting sustainable business development through a collaborative and mutually beneficial labor-management relationship.

## Employee grievances and other communication channels

Employees may report or file complaints regarding all types of issues through the following channels.

**Employee grievance channels / Workplace misconduct grievance**

| Hotline | Email |
|---|---|
| 037-875881 Ext. 1640 | ray.lin@yulon-nissan.com.tw |

## Workplace Sexual Harassment Complaint

The Company has established the "Regulations for the Prevention, Complaint, and Disciplinary Handling of Sexual Harassment in the Workplace" to provide employees and job applicants with a workplace free from sexual harassment. Appropriate preventive, corrective, disciplinary, and remedial measures are implemented to protect the privacy of involved parties and safeguard employee rights and interests.

| | |
|---|---|
| STEP 1 Internal Complaint Reporting | Immediate Implementation of Effective Corrective and Remedial Measures |
| STEP 2 Initiation of Investigation Procedures | A Sexual Harassment Complaint Investigation Team is established by the responsible unit to conduct investigations. |
| STEP 3 Confidential Investigation Process | The privacy of all parties is protected, and investigations are conducted in an objective and impartial manner. |
| STEP 4 Follow-up and Subsequent Actions | Professional counseling resources are provided, disciplinary actions are implemented where appropriate, and preventive measures are taken to avoid recurrence of similar incidents. |

5.1.4

# Human Rights Commitment

## Human Rights Policy

YNM recognizes and adheres to internationally recognized human rights standards, including the International Bill of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights (UNGPs), the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and the OECD Due Diligence Guidance for Responsible Business Conduct. The Company also strictly complies with applicable labor laws and regulations in the jurisdictions where it operates, and is committed to preventing any form of human rights infringement or violation while ensuring fair treatment of all employees, customers, and stakeholders.

All employees of the Company are protected under the Labor Standards Act and relevant regulations. "Taking Action for Taiwan" serves as a shared value embraced by all employees. The Company has established a compensation system that is reasonable and above local market wage levels, together with a competitive employee benefits program. Equal pay for equal work is upheld without discrimination based on race, political affiliation, religious belief, marital status, union membership, or participation in social organizations. These principles are also embedded in the Company's performance evaluation and promotion systems.

The Company initiated its Human Rights Due Diligence process in 2026 to further strengthen human rights governance and management mechanisms. Following internationally recognized guidelines, the Company will systematically identify potential human rights risks arising from its operations, assess their impacts, and evaluate corresponding management measures. The due diligence process is expected to be completed in the third quarter of 2026, with implementation progress and results disclosed in the Company's Sustainability Report to further enhance transparency and governance maturity in human rights management.

## YNM Human Rights Policies

The Company identifies potential human rights risks and implements measures to mitigate or remedy them, thereby reducing human rights risks and ensuring human rights management is implemented effectively.

The Company has established channels for reporting workplace misconduct and sexual harassment complaints. Upon receiving a complaint, the Company follows standard operating procedures to investigate and take appropriate measures. It ensures confidentiality and protection of complainants and complaint information throughout the process.

Prevention of Workplace Bullying and Unlawful Infringement:

(1) One awareness seminar was conducted for general employees on 6th of August, 2025. The training lasted 2 hours, with a total of 250 participants.

(2) One awareness seminar was conducted for supervisors on 20th of August, 2025. The training lasted 2 hours, with a total of 66 participants.

The Company also conducts human rights-related educational training to strengthen awareness among its employees regarding workplace rights, which ensures a workplace environment that is friendly, safe, and values human rights.

(1) YNM strictly prohibits forced labor and adheres to all relevant labor laws and regulations.
- The Company implements a comprehensive leave system, ensuring prior consent from employees, and combines negotiated annual leave with flexible working hours to provide employees with well-arranged work-life balance options.
- In alignment with a policy superior to the requirements set by the Labor Standards Act, new employees are entitled to three days of annual leave immediately starting from their first day of employment.
- Employees are encouraged to place importance on achieving a healthy work-life balance.

(2) Public Commitment to a Happy Workplace:
The Company publicly declares its commitment to a happy workplace by publishing the YNM Human Rights Policy on its official website, emphasizing the creation of a work environment and benefits system that supports gender equality.

(3) Employees received human rights protection training with an average training duration of 2 hours per person, covering a total of 316 employees.

YNM Human Rights Policies

# 5.2 Talent Development

## Material Topic: Talent Recruitment and Retention

### Actual and potential positive impacts on the economy, environment, and people (Opportunities)

Using diverse recruitment channels, establishing robust human resources management systems, and offering competitive compensation and benefits to attract excellent talents to ensure a stable employee composition.

### Actual and potential negative impacts on the economy, environment, and people (Risks)

1. Difficulty in recruiting suitable talent may adversely affect the Company's operations and future development.
2. The departure of key talent may negatively impact employee morale and organizational stability.

### Resources Invested in 2025

1. Campus career mentoring programs, including the NCKU CCP Program and the NCHU Xingxue Academy Program.
2. Job vacancy postings on recruitment platforms, with an investment of TWD 31,500.
3. Monthly monitoring of key talent, with dedicated resources allocated to talent retention and development.

## Strategic Goals

### Policies and commitments of the Company on talent recruitment and retention

Employee Training and Development Policy, Recruitment Plans, Employment, Performance Evaluation, Compensation and Benefits, and other policies.

| | |
|---|---|
| Short-Term Goals (1 Year) | Keeping the average time required to fill open positions below 90 days |
| Mid- and Long-Term Goals (3-5 Years) | 1. Strengthen engagement with educational institutions and students, expand recruitment and employer branding channels, and identify potential high-caliber talent.<br>2. Continue investing in campus partnership programs to enhance employer branding and corporate visibility, thereby attracting potential candidates.<br>3. Implement key talent retention initiatives and allocate resources to retain critical talent and maintain organizational competitiveness. |

### 2025 Target Achievements

1. Employee Organizational Climate Survey Score: 4.39.
2. Key Talent Retention Rate: 98.60%.

## Material Topic: Talent Development and Growth

| Actual and potential positive impacts on the economy, environment, and people (Opportunities) | Actual and potential negative impacts on the economy, environment, and people (Risks) |
|---|---|
| Provide comprehensive training and development resources, establish diversified learning channels (such as online learning platforms), and offer both internal and external training opportunities to enhance employees' professional capabilities, strengthen retention, and support long-term organizational competitiveness. | 1. Insufficient training resources may limit employees' learning and development opportunities, adversely affecting career growth and retention.<br>2. Over the long term, this may negatively impact organizational sustainability, reduce professional competencies, and weaken competitiveness. |

| Resources Invested in 2025 |
|---|
| 1. Implemented a competency framework and developed systematic training roadmaps based on competency requirements.<br>2. Established annual training plans tailored to different employee groups, organizational levels, and professional competencies to address training gaps.<br>3. Introduced a digital learning platform to provide flexible and self-directed learning resources. |

## Strategic Goals

| Policies and commitments of the Company on talent recruitment and retention |
|---|
| Formulate talent development visions and annual talent cultivation strategies aligned with organizational objectives, while maintaining comprehensive corporate training policies. Employee development needs are reviewed regularly to foster a culture of continuous learning and growth. |

| | |
|---|---|
| Short-Term Goals (1 Year) | 1. Key Positions and Talent Review<br>2. Implement training programs in accordance with annual training plans. |
| Mid- and Long-Term Goals (3-5 Years) | 1. Establish career maps for key talent.<br>2. Key Talent Retention Rate: 95% |

5.2.1

# Talent Recruitment and Retention

YNM upholds a "value-added talent cultivation" philosophy and maintains a rigorous recruitment process. In addition to full compliance with applicable regulations, the Company implements a multi-dimensional selection mechanism, including language proficiency assessments, professional competency tests, and personality evaluations. Cross-functional panel interviews—comprising hiring managers, cross-departmental supervisors, and HR leaders—are conducted to ensure fairness, transparency, and comprehensive evaluation in talent selection.

### Deepening engagement with campuses

The Company actively develops diversified recruitment channels, with particular emphasis on campus engagement to strengthen employer branding and build early connections with potential talent.

| | |
|---|---|
| Industry-Academia Collaboration Project | 1. Application of generative AI technologies in collaboration with National Sun Yat-sen University to develop an internal intelligent Q&A system, improving employees' access to information and reducing time spent on knowledge search.<br>2. Internship programs designed to provide students with early exposure to workplace environments and operational practices, supporting a smoother transition into professional careers.<br><br>**4** students recruited for Internship |
| Campus recruitment information session | Campus outreach activities across universities in Taiwan, sharing industry trends and corporate culture, with alumni employees providing career experience sharing to attract potential talent.<br><br>Over **76** individual participants |
| YNM campus ambassadors | Two Campus Ambassador Program is held to combine brand promotion, corporate immersion, and digital marketing practice to enhance students' understanding of the automotive industry and strengthen recognition of the NISSAN brand.<br><br>**117** applicants for Campus Ambassadors and **14** ambassadors selected among them. |

Note: Detailed information on campus collaboration programs is provided in Section 6.1 Industry-Academia Collaboration.

5.2.2

## Talent Cultivation and Development

YNM upholds four key guiding principles in talent cultivation and development: Lifelong Learning, Diverse Development, Deep-rooted Dedication, and Human-Centered Approach. The Company adheres to the principles of "right person for the right position" and "maximizing individual potential," providing diversified training and development opportunities, including onboarding programs, competency-based training courses, and overseas assignments. The Company is committed to cultivating future leaders equipped with innovation, speed, and teamwork capabilities.

## Talent Development Blueprint

- **2025 YNM Educational Training Framework**
- **Continuously Developing Value-Adding Talent**
  - Company Objectives
    - Company-Wide Common Training
      - EMP: Executive Town Hall Meetings, Management Workshops and Management Competency Development Programs (Performance Enhancement)
      - HPP: High Potential Personnel Development Program (YNM Management Fundamentals and Management Capability Development & High-Potential Talent Development)
      - Core Competencies: Continuous Improvement & Team Success Enhancement Program
      - Common Professional Skills: Basic and Advanced Presentation Skills, Communication Skills, Logical Thinking, Excel, Word, PowerPoint
      - General Education Courses: Wellness Seminars, English/Japanese Language Courses, New Employee Orientation, Intellectual Property-Related Courses, Workplace Violence and Harassment Prevention, and Contract Signing Guidelines
  - Department Objectives
    - Department Training Programs
      - Core Competencies: Strengthening Departmental and Individual Competency Gaps
      - Professional Competencies: Enhancing Professional Knowledge, Technical Skills, and Work Behaviors

## YNM Core Competencies / Management Competencies

**YNM**

**Senior Management Competencies (Vice President Level and Above)**
- Strategic Decision-Making Capability
- Visionary Leadership
- Business Operations Decision-Making Capability

**Middle Management Competencies (Junior Vice President Level)**
- Vision and Values-Based Leadership
- Building Business Partnerships
- Change Leadership
- Delegation and Empowerment
- Resource Allocation
- Coaching

**First-Line Management Competencies (Senior Manager / Manager Level)**
- Profitability Mindset
- Performance Enhancement
- Building Successful Teams
- Decision-Making Capability
- Planning and Organizational Skills
- Partnership Building

**Core Competencies (All Employees)**
- Proactiveness
- Innovation
- Promoting Team Success
- Customer Orientation
- Continuous Improvement

## Leadership Cultivation Program

### High Potential Person Talent Development Program (HPP)

| Process | Descriptions | Output |
|---|---|---|
| Finalize the list of talents to be cultivated | | |
| First Cultivation<br>First interview | • Objective:<br>To conduct a competency assessment and formulate an individual development plan<br>• Process:<br>1. Evaluate the core competencies of junior management-level employees to identify aspects requiring development.<br>2. Confirm the specific development areas, training methods, schedule, and cultivation goals.<br>3. Define the IDP and confirm the necessary learning resources. | First Interview Record<br>(Trainee and Direct Supervisor) |
| Second Cultivation<br>Second interview<br>Conduct HPP evaluation<br>Feedback on the evaluation results | • Objective:<br>1. Review development progress and effectiveness<br>2. Assess the trainee's readiness to participate in the current year's evaluation process.<br>3. Collect the trainee's reflections and feedback<br>4. Overview Feedback from Direct Supervisor | Second interview Record<br>(Trainee and Direct Supervisor)<br>Recommended evaluation list from each department |

**2025 Performance**

A total of 19 participants enrolled in the HPP program. Among them, 7 underwent formal evaluation, and **4** successfully passed, resulting in a **57**% pass rate.

## V-up（Value up）

V-up is a structured problem-solving methodology developed by Nissan Motor Corporation and serves as a global operational language within the Nissan Group. It emphasizes cross-functional collaboration to address internal and external challenges and enhance horizontal communication, thereby contributing to organizational performance improvement. With changes in the business environment, the V-up tool continues to evolve. In addition to inheriting the Six Sigma–inspired "DECIDE" improvement methodology, in recent years the Company has also introduced the "IGNiTE" approach, which integrates Design Thinking concepts, thereby significantly enhancing employees' innovative potential. The Company continuously promotes V-up-related training programs to ensure effective implementation of the V-up methodology, providing courses ranging from new employees to management levels, in order to further strengthen project management capabilities and market competitiveness.

## Training Outcomes

YNM continued to strengthen its comprehensive training system in 2025. Covering general professional competencies, core competencies, managerial competencies, and specialized functions including procurement, engineering, and quality management In response to digital transition trends, courses in automation and data analytics were introduced to enhance employees' digital capabilities. External training support is also provided to encourage professional certification and technical skill development. Total YNM training investment in 2025 amounted to TWD 2,396,839.

| V-up Related Training Programs | Execution Frequency | 2025 Actual Results |
|---|---|---|
| Process Improvement Training Program | five times per year | • More than 80% of employees participated in the process improvement training program in 2025. (Post-training overall satisfaction: 4.75/5). The training enabled employees to acquire process improvement principles and techniques, and apply them in improving import vehicle introduction and operational processes.<br>• The Facilitator Training Program is designed to develop cross-functional problem-solving capabilities. Employees are required to complete a total of 27 training hours (Post-training overall satisfaction: 5/5) and subsequently lead and facilitate two CFT (Cross-Functional Team) discussion topics. A total of 17 CFT topics were resolved in 2025, generating both tangible and intangible benefits. |
| Facilitator training | Once per year | |
| Facilitator Followup training | Once per year | |

### 2025 YNM Employee Training Data Summary

| Item | Male | | Female | | Total | |
|---|---|---|---|---|---|---|
| | Number of Participants | Hour | Number of Participants | Hour | Number of Participants | Hour |
| Ordinary Employees | 161 | 5,728 | 86 | 3,207 | 247 | 8,935 |
| | 35.6 Hours | | 37.3 Hours | | 36.2 Hours | |
| Head of Middle Management | 53 | 1,221 | 12 | 358 | 65 | 1,689 |
| | 25.1 Hours | | 29.8 Hours | | 26.0 Hours | |
| Head of Senior Management | 11 | 106 | 3 | 23 | 14 | 129 |
| | 9.6 Hours | | 7.7 Hours | | 9.2 Hours | |
| Average Training Hours per Employee | | | | | 33.0 Hours | |

### Overview of Employee Education and Training Over the Past Five Years

| Year | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Total Number of Employees (persons) | 375 | 367 | 355 | 366 | 303 |
| Average Training Hours per Employee (hours) | 30.41 | 34.5 | 38.4 | 36.2 | 33.0 |
| Total Investment Amount (TWD) | 2,367,089 | 2,474,822 | 6,048,162 | 9,129,233 | 2,396,839 |

YNM's Human Resources Department centrally plans and implements training programs covering core values, core competencies, general professional competencies, and managerial competencies. These programs follow the talent development blueprint and aim to achieve medium- to long-term organizational and departmental objectives through structured training design.

### Core Competency: Cultivating employees with the core abilities and behaviors expected by the Company. |

| Name of the Course | Institute for Information Industry (III) – Business Thinking Micro Course | Institute for Information Industry (III) – Fermi Estimation Digital Course |
|---|---|---|
| Number of Training Sessions (sessions) | 1 | 1 |
| Total Number of Participants (persons) | 314 | 299 |
| Total Training Hours (hours) | 3 | 3 |

### Common professional competencies: Cultivating the professional knowledge, skills, and attitudes required for all departments across the Company. |

| Name of the Course | RPA Basic Course |
|---|---|
| Number of Training Sessions (sessions) | 1 |
| Total Participants (persons) | 314 |
| Total Training Hours (hours) | 3 |

Supervisory Competencies: Planned development of supervisory competencies for the leadership team to support the company's long-term sustainable development. |

| Name of the Course | HPP High Potential Personnel Training Program | Management Fundamentals and Leadership Development |
|---|---|---|
| Number of Training Sessions (sessions) | 1 | 1 |
| Total Number of Participants (persons) | 19 | 19 |
| Total Training Hours (hours) | 7 | 2.5 |

General Education: Includes courses such as Happiness Seminars, New Hire Training, Decision-making Authority, Ethical Business Operations, Concepts of Laws and Regulations, and Basic Training in Purchase Processes.

| Name of the Course | Workplace Violence Prevention (For Supervisors) | Workplace Violence Prevention (For General Employees) | Procurement Contract Signing Guidelines – Focus on Sales and Service Contracts | Introduction to Trade Secrets Protection |
|---|---|---|---|---|
| Number of Training Sessions (sessions) | 1 | 1 | 1 | 1 |
| Total Number of Participants (persons) | 67 | 326 | 67 | 326 |
| Total Training Hours (hours) | 2 | 2 | 1 | 2 |

## Future Training Development Plan

YNM's future training programs will focus on ESG sustainable operations, electric vehicle professional competencies, and digital transformation. These programs are designed in response to future market trends and business development needs.

The Company continued to promote ESG-related and competency-based training programs in 2025, covering all employees and selected business units. The curriculum includes sustainability trends, supply chain management, corporate governance, and relevant regulatory requirements, supplemented with practical case studies to strengthen employees' understanding and application of sustainability topics, thereby enhancing overall ESG governance and operational management effectiveness.

| Training Category | Planning Direction | Target Participants |
|---|---|---|
| ESG Sustainability-Related | ESG-related training was further advanced according to departmental needs in 2025. This included the participation of HR personnel in the “Corporate Sustainability Management Certification Program,” as well as opening enrollment for relevant employees in the “Sustainability Rating Practice” course, in order to strengthen professional ESG capabilities and improve overall sustainability governance performance. | All Departments |
| Carbon Topics | The Company further strengthened professional capabilities in climate change and carbon management through training programs in 2025, including the “ISO 14064-1 Greenhouse Gas Inventory Training” and the “Advanced Carbon Footprint Training for Transportation Manufacturing Industry.” These structured programs helped employees understand greenhouse gas inventory methodologies, carbon emission management mechanisms, and product carbon footprint calculation concepts, thereby strengthening the Company’s expertise in carbon management and sustainability governance, and laying the foundation for future decarbonization strategies and low-carbon transition. | |
| Professional Competencies in EVs | Multiple training programs related to electric vehicles and the automotive industry were also implemented in 2025, including topics such as EV industry development trends, sourcing plans and localization strategies, EV powertrain technology analysis, and automotive supply chain ecosystem introduction. These programs support employees in understanding EV industry trends and key technologies, thereby enhancing competitiveness during industrial transition. | Purchasing Department |

Training development will continue to focus on sustainable development and organizational capability enhancement in 2026. The Company will integrate internal and external resources to deliver training programs and seminars, and design courses based on departmental competencies to strengthen employee expertise and ensure stronger integration between training and operational practice, supporting long-term business development objectives.

| Course Categories | Planning Direction |
|---|---|
| New Energy Vehicles and Brand Knowledge | Integrate EV industry trends, product knowledge, and brand philosophy into training programs. Courses will be designed according to departmental needs to strengthen employees’ understanding of EV development trends and brand value, and enhance product comprehension and brand communication capabilities. |
| Enhancing Digital Application and Innovation Capabilities | Continuously promote digital capability development, including AI collaboration, data analytics, and data interpretation courses, to improve employees’ ability in digital tools and data-driven decision-making, while fostering cross-departmental innovation and efficiency improvement. |
| Customer-Oriented Profitability Enhancement | Employees are encouraged to adopt a customer-centric approach through training in customer experience, service quality, and profitability mindset to enhance service value and operational performance, and strengthen overall competitive advantage. |
| **Participants** | |
| All Departments | |

## Technical Department Training

### Technical Center 2025 Training Programs |

YNM Technical Center provides professional competency development courses to deepen understanding of technical applications and vehicle technology trends, thereby improving overall work efficiency. Through these training programs, employees remain at the forefront of industry technology, enabling more accurate execution of product planning directions defined by the Product Planning Department. This also supports effective vehicle development and lays a solid foundation for vehicle R&D, quality control, and market responsiveness.

| Internal Education Courses | Participant | Training Hours |
|---|---|---|
| GTP-NX CAD & SV Instructor Training | Design Section Seed Instructors | 960 Hours |
| Regulatory Compliance Courses | Design / Regulatory Section | 87 Hours |
| TNCAP Training Courses | Design / Regulatory / Vehicle Testing Section | 52 Hours |
| Information Security Awareness Training | All Technical Center employees at the level of senior manager and below. | 50 Hours |
| New Energy Vehicle Technology Courses | Design Section | 23 Hours |
| Project Management Courses | Project Management Section | 16 Hours |

| External Training Programs | Participant | Training Hours |
|---|---|---|
| Nissan Vehicle Project Management Assignments | Project Management Section | 8 Months |
| Nissan Vehicle Experimental Assignments | Vehicle Testing Section | 2 Months |
| Nissan Advanced Safety Component Design Assignments | Electrical & Air Conditioning Section | 10 Months |
| AI Smart Vehicle R&D and Verification (Vehicle Center) | Design / Regulatory Section | 6 Hours |
| Aluminum Stamping Technology and Mold Design (Metal Industries Research & Development Center, Taichung) | Exterior Design Section | 6 Hours |

### Aftersales Department 2025 Training Programs |

The YNM Aftersales Department, as a frontline service unit, plays a critical role in maintaining close communication with dealers and external customers. The YNM Aftersales Department serves as a unit on the first line of contact, playing a critical role in communication with dealerships and external customers. Therefore, comprehensive training is essential to ensure consistency and high-quality service within the YNM after-sales system. Training programs are provided for internal supervisors, specialists, and technical managers to enhance understanding of technical processes, vehicle repair, and painting procedures. In addition, for dealership networks, training programs covering stress management and team morale are provided to continuously enhance the technical and psychological capabilities of service personnel, ensuring high-quality customer service aligned with YNM's core values.

| Internal Education Courses | Participant | Hours of Courses |
|---|---|---|
| Service Seed Program | New Service Personnel | 35 Hours |
| Mid-Level Service Personnel Training Program | Mid-Level Service Personnel | 14 Hours |
| N-STEP Training Program (Inspection, Body Repair, Painting, including certification) | Frontline dealership technicians | 196 Hours |

| External Training Programs | Participant | Hours of Courses |
|---|---|---|
| Multi-Diagnostic Training | Dealer Technical Trainers | 6 Hours |
| Instructor Competency Training | Dealer Technical Trainers | 6 Hours |
| New Energy Vehicle Safety and Emergency Response | Dealer Technical Trainers | 6 Hours |
| Plastic Component Repair | Body Repair Supervisors | 6 Hours |
| Seat Repair | Dealer Technical Trainers | 6 Hours |

5.2.3

## Performance Evaluation

YNM conducts regular performance evaluations to assess employee development, job performance, and overall contributions within the organization. 100% of YNM employees underwent performance evaluations in 2025.

### Promotion Assessment Committees

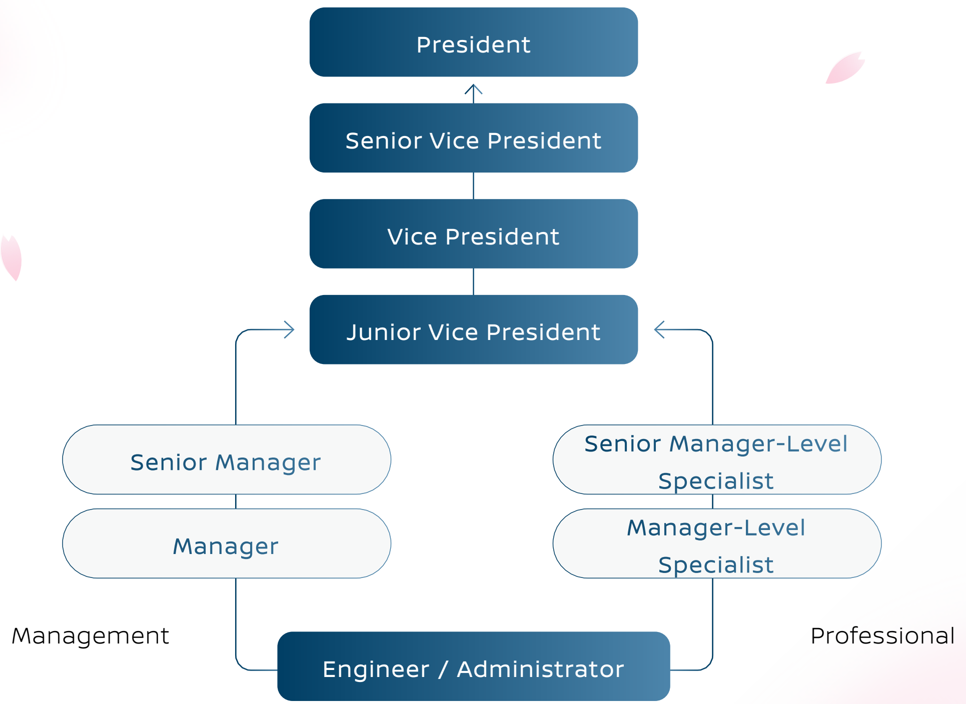
| | |
|---|---|
| 01 Performance planning Development Plan of Personal Abilities | • Setting personal work plans<br>• Personal Skill Development Planning |
| 02 Reaching a consensus during the interview | • Managers and colleagues reach consensus on common goals and skill development. |
| 03 Feedback and Adjustment | • Job instruction<br>• Timely feedback<br>• Regular Review |
| 04 Performance evaluation and career development | • Reviewing goal attainment<br>• Performance Evaluation<br>• Performance Evaluation and Capability Development |

| Performance Evaluation Category | | | Keypoint of Assessment |
|---|---|---|---|
| H1 Non-Managerial Performance Evaluation | H2 Non-Managerial Performance Evaluation | Annual Performance Evaluation for Senior Managers and Managers | • Key Performance Indicator Difficulty<br>• The individual contributions of the employee toward achieving the goals |

| Gender | Male | | Female | |
|---|---|---|---|---|
| Category | Total | Number of employees under the performance evaluations | Total | Number of employees under the performance evaluations |
| Head of Senior Management | 17 | 17 | 3 | 3 |
| Head of Middle Management | 48 | 48 | 12 | 12 |
| Ordinary Employees | 141 | 141 | 82 | 82 |

## Dual-track indicator

YNM respects the uniqueness of every employee. To enable individuals with different strengths and job characteristics to fully realize their potential, the Company has established a diverse and flexible career development framework, creating opportunities for employees to grow in positions best suited to their capabilities. Through a dual-career-track system, the Company not only develops successors for management positions but also provides advancement pathways for professional talent in non-managerial roles. Employees are encouraged to pursue career growth aligned with their individual strengths, ensuring the right talent is placed in the right position and maximizing organizational effectiveness.




## President Award

In addition to the regular performance evaluation system, YNM has established its highest internal employee recognition, the "President Award." This award is designed to publicly recognize and reward employees and teams that demonstrate outstanding performance in achieving business objectives, driving innovation, fostering cross-functional collaboration, and exhibiting exceptional leadership. It represents the highest level of recognition and tangible incentive within the Company.

President Award

| | |
|---|---|
| Purpose | Recognizing outstanding teams and individuals within the Company, setting exemplary standards, and embodying company values. |
| The recipients of the award | Employees at the level of senior manager and below. |
| The spirit of the event | Rewarding innovation and the benefits it brings to the Company's mid-term goals<br>The individual award includes specific demonstrations of core competencies |
| Definition of innovations and benefits | Innovations: product, service, process, organization or management, market management, or market expansion.<br>Benefits: increase in sales or profits, cost reduction, enhancement of customer value or satisfaction, enhancement of employee value or satisfaction |
| Award categories | Group Award – Future Potential Award and Outstanding Value Award<br>Individual awards: President's Award, Gold Award |
| Nomination Process | Each year, all departments are invited to nominate a minimum of two outstanding individuals and one exceptional team by September. The selection process concludes at the end of November each year. |
| Selection Process | **Shortlisting:** The judging panel conducts the initial screening of all nominations submitted by departments.<br>**Preliminary Review:** The panel evaluates the submissions in detail and determines a recommended ranking of award candidates for the final review.<br>**Final Review:** The President, Senior Vice President, and other senior executives served as final judges to determine the winners of both individual and team awards |

A rigorous and transparent selection process has been established for the award. Based on the achievements and project outcomes of each nominated team, the Company may vouch for their participation in the Japan-ASEAN Chair Award Program or other broader internal competitions, providing opportunities to showcase accomplishments and bring recognition to the Company. Beyond the recognition and prestige of the award, YNM also offers substantial incentives to award recipients, including monetary bonuses, access to lectures, and various exclusive benefits. A total of five teams received group awards, and nine employees received individual awards in 2025.

**Group Award – Future Potential Award** Number of awards 3 groups

Rewards for the employees (Including bonuses and other benefits)

TWD 30,000 cash award, Internal announcement and recognition

**Group Award – Outstanding Value Award** Number of awards 2 groups

Rewards for the employees (Including bonuses and other benefits)

TWD 30,000 cash award, Internal announcement and recognition

**Individual Award - President Award** Number of awards 3 attendees

Rewards for the employees (Including bonuses and other benefits)

TWD 15,000 cash prize, trophy, public recognition, honorary leave for travel and travel subsidy, one-year onsite parking privilege, and feature on the Hall of Fame

**Individual Award - Gold Award** Number of awards 6 attendees

Rewards for the employees (Including bonuses and other benefits)

TWD 10,000 cash prize, trophy, public recognition, one-year onsite parking privilege, and feature on the Hall of Fame

# 5.3 Health Workplace Environment

YNM sets "zero tolerance for major occupational safety incidents" as a core workplace objective and ensures the effective implementation of occupational health and safety management through the operation of the internal Occupational Safety and Health Committee. We strictly comply with every applicable occupational safety and health law and regulation, and regularly conduct occupational safety and health education and training. In addition, we continue to promote annual health and wellness initiatives. It is our responsibility to provide a safe and secure working environment and to uphold the physical and mental well-being of all employees.

## Material Topic: Occupational Safety and Health

**Actual and potential positive impacts on the economy, environment, and people (Opportunities)**

To cultivate a strong occupational safety culture, safeguard the safety and health of employees and contractors, and create a friendly and safe workplace environment.

**Actual and potential negative impacts on the economy, environment, and people (Risks)**

To reduce the risk of occupational accidents and injuries, prevent talent loss resulting from safety incidents, and avoid deficiencies in regulatory compliance.

**Resources Invested in 2025**

To implement flexible work arrangements and activate response mechanisms for extreme weather events, ensuring employees can commute through safe routes and by safe means.

## Strategic Goals

**Policy and Commitment to Occupational Safety and Health**

The Company promotes comprehensive occupational safety and health management policies, including regular employee health examinations, professional medical consultations, and diversified health promotion programs.

| | |
|---|---|
| Short-Term Goals (1 Year) | 1.Occupational injury rate maintained below 5%.<br>2.Maintain zero major occupational accidents.<br>3.Conduct fire drills semi-annually. |
| Mid- and Long-Term Goals (3-5 Years) | 1.Organize at least two physical and mental wellness enhancement seminars each year.<br>2.Continuously achieve the long-term goal of zero major occupational accidents. |

5.3.1

## Occupational Safety, Health and Hygiene Management

The Occupational Safety and Health Committee serves as YNM's supervisory body for occupational safety and health management. It is responsible for reviewing and deliberating on key topics related to occupational safety and health. The Committee consisted of 20 members in 2025. President Yao Chen-Hsiang serves as the highest decision-maker. Committee members include department heads, multiple employee representatives, and three dedicated occupational safety and health personnel. The Occupational Safety and Health Committee convenes quarterly meetings, with representatives from the Integrated Operation Support Department's Safety and Health Division serving as the meeting's chairperson and unit in charge.

## YNM Occupational Safety and Health Committee Organizational Structure

### YNM Occupational Safety and Health Committee Organizational Structure

**Ex Officio Committee Member**
姚振祥 總經理

**Department Heads**

- Technical Center Junior Vice President
- Production Engineering Office Junior Vice President
- After-sales Service Department Junior Vice President
- Purchasing Department Junior Vice President
- Product Planning Office Junior Vice President
- Business Planning and Finance Department Junior Vice President
- Integrated Operations Management Department Junior Vice President

**Employee Representatives**

- echnical Center
- Production Engineering Office
- After-sales Service Department
- Purchasing Department
- Product Planning Office
- Business Planning and Finance Department
- Customer Quality Assurance Department
- Integrated Operations Management Department (Two Representatives)

**Occupational Safety Personnel**

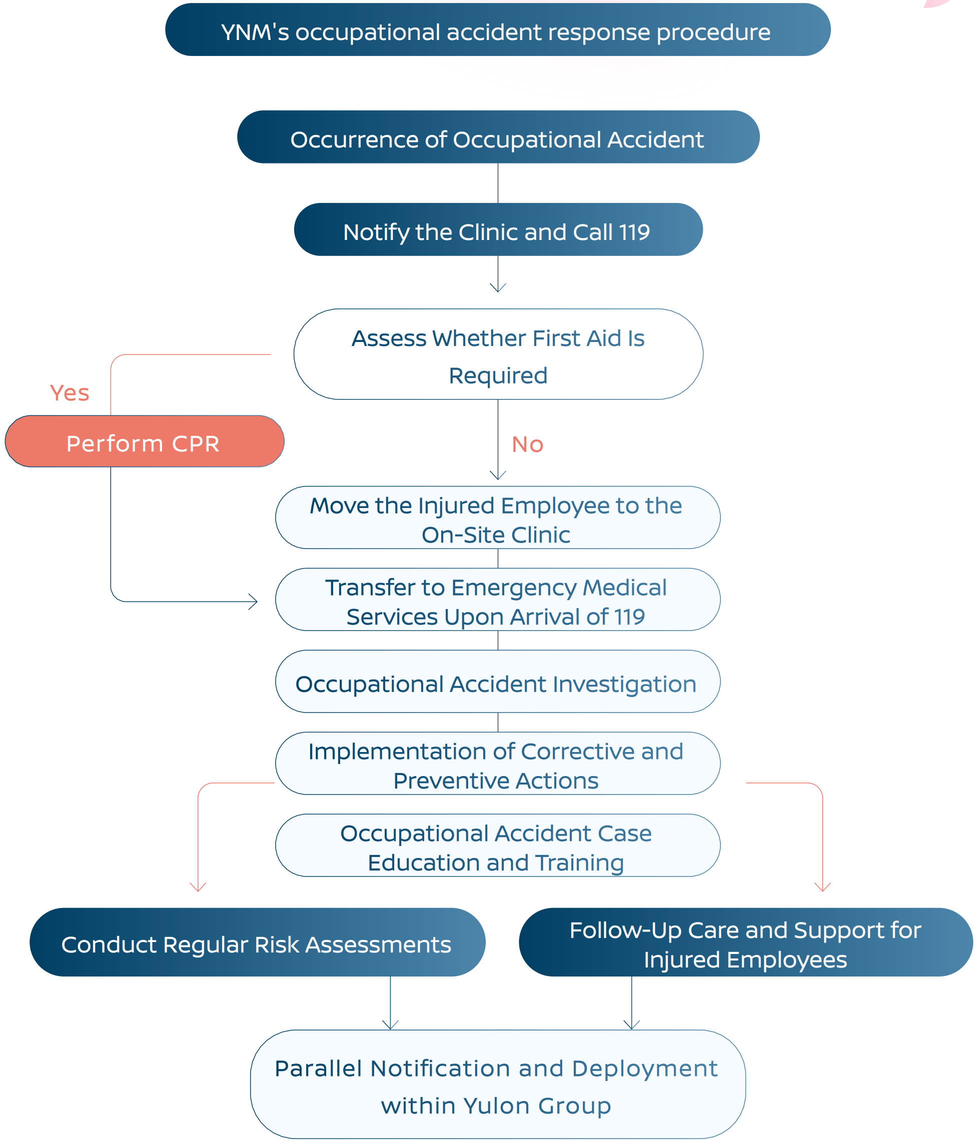
- Class A Occupational Safety and Health Supervisor
- Occupational Safety and Health Administrator
- Occupational Health Nurse

### Occupational Safety and Health Committee Operations in 2025

| Date of Meetings | Key Discussion Items/Major Resolutions | Number of attendees | Attendance Rate |
|---|---|---|---|
| 27th of March, 2025 | Workplace Violence and Harassment Prevention Awareness Promotion | 18 | 90% |
| 26th of June, 2025 | Occupational Safety and Health Education and Training Plan | 17 | 85% |
| 25th of September, 2025 | Automatic Inspection Program | 18 | 90% |
| 25th of December, 2025 | Review of the 2026 OSH Management Plan | 20 | 100% |

## Occupational Incident and Emergency Response Procedures

YNM has maintained an excellent record of zero occupational accidents for many consecutive years, firmly upholding its safety-first philosophy, demonstrating the effectiveness of the Company's OSH management practices. YNM has established a comprehensive incident response procedure to prevent the occurrence of occupational incidents and ensure prompt emergency responses. In the event of an incident, immediate notification must be sent to the plant management, on-site nurse, and emergency services by dialing 119. If emergency treatment is required, CPR and AED will be administered promptly. If no emergency treatment is needed, the injured party will be sent to a clinic or transported to a hospital by ambulance. In the event of any occupational incident, YNM will conduct a formal investigation to identify the root causes and implement corrective and preventive measures. All employees are educated on these procedures through employee training courses. Real case examples will also be incorporated into training to enhance hazard identification and risk assessment skills across the workforce, ensuring swift and appropriate responses to any unexpected incidents.



Occupational Injury Statistics of YNM during the most recent 3 years

| Item | Year 2023 | | Year 2024 | | Year 2025 | |
|---|---|---|---|---|---|---|
| | Male | Female | Male | Female | Male | Female |
| Occupational Injuries (Cases) | 0 | 0 | 0 | 0 | 0 | 0 |
| Occurrence of occupational disease (Cases) | 0 | 0 | 0 | 0 | 0 | 0 |
| Working Day Lost (Days) | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Working Hours | 551,291 | 210,493 | 560,912 | 229,328 | 473,792 | 215,248 |
| Injury Rate (IR) | 0 | 0 | 0 | 0 | 0 | 0 |
| Occupational Diseases Occurrence Rate | 0 | 0 | 0 | 0 | 0 | 0 |
| Severity Rate (SR) | 0 | 0 | 0 | 0 | 0 | 0 |
| Absence rate | 0 | 0 | 0 | 0 | 0 | 0 |

1. Occupational Injury Rate = Number of injury cases × 1,000,000 working hours / Total working hours
2. Severity Rate (SR) = Lost workdays × 1,000,000 hours / Total working hours
3. Occupational Disease Rate = (Number of occupational disease cases × 1,000,000 hours) / Total working hours
4. Absenteeism Rate = (Total number of absent days / Total number of workdays) × 100%
5. Definition of exclusion from occupational injury: Minor incidents that do not result in death, disability, injury, or illness due to occupational accidents are not included in the calculation of occupational injuries.
6. Definition of absenteeism rate: The number of absent days caused by death, disability, injury, or illness resulting from occupational accidents.
7. Occupational Injuries in 2025: None

## Employee Safety and Health Training

Internal employee safety and health training is a critical element in managing OSH risks and building a safe workplace. From the first day of onboarding, our new employees receive foundational OSH knowledge. Additionally, annual general safety training and health training for the self-defense firefighting group are conducted regularly. Through these programs, YNM instills correct OSH concepts into every colleague, working collectively toward a safe and secure work environment.

2025 YNM Occupational Safety and Health Training Programs

| Name of the Course | Number of attendees | Hours of Training (Hour) |
|---|---|---|
| New Employee Occupational Safety and Health Training | 5 | 3 |
| General occupational safety and health educational training | 305 | 1 |
| Self-defense firefighting team and health educational training | 303 | 4 |

5.3.2

## Employees Health

In the face of industry transformation and climate-related challenges, employee health is a key factor in enhancing productivity and organizational resilience. YNM proactively monitors and supports employees' physical and mental well-being, aiming to prevent occupational disease risks and reduce health-related damages through various initiatives, including onsite clinic services, health examinations, employee assistance programs, and recreational fitness clubs. YNM strives to foster a work environment that supports holistic employee well-being by continuously promoting health management and workplace care.

## Employee Health Management

### Employee Lunch Program Nutritional Management

Establish central kitchen catering services, with menus planned by professional nutritionists to ensure dietary nutrition and calorie intake.

### AED emergency rescue equipment

AEDs are installed in prominent areas throughout the premises. Public CPR awareness is actively promoted, and first aid workshops are organized to improve emergency response capabilities among employees, including CPR, choking rescue, and wound dressing.

## Plant Clinic Services

YNM shares the Sanyi Plant site with its parent company, Yulon Motor. The joint Yulon Motor employee clinic has been established within the plant to provide emergency assistance and routine outpatient services required by employees. The clinic is staffed with qualified full-time nurses and contracted emergency physicians from a teaching hospital.

| Item | Service content and 2025 implementation effectiveness |
|---|---|
| Internal and Surgical Medicine Services and Emergency Care Services | • Providing staff with a high-quality medical environment and professional medical consultation services. The clinic physicians are qualified in emergency medicine and family medicine, with extensive clinical experience.<br>• The clinic is also open to employees' family members and local residents to expand the reach of its healthcare services. |
| Smoking cessation special clinic | • Providing smoking cessation services: Physicians assess individual employees and recommend appropriate smoking cessation treatments based on their diagnoses.<br>• Actively promoting smoking cessation information to employees, assisting them in quitting smoking and advocating for self-control of not smoking indoors. |
| Health Check | • Health check: Designated hospitals are selected for occupational disease prevention health checks under labor insurance and conducting health checks for employees on-site.<br>• After consolidating the examination reports in the clinic, we conduct health analyses based on the results. For individuals with abnormalities, we provide proactive follow-up care and guidance, or we notify them to visit the employee clinic for professional medical consultation. |
| Vaccination | • YNM offers free vaccinations, with 217 employees voluntarily receiving immunizations |
| First aid training | • Promote CPR awareness to all, enhance staff's first-aid capabilities, and improve their emergency response skills by organizing first-aid training courses such as cardiopulmonary resuscitation (CPR), choking handling, wound dressing, and other essential first-aid techniques. Increase staff's understanding of first aid, encouraging them to learn rescue skills effectively. |
| Health Promotion Program | • The Company regularly conducts health promotion and education activities during peak seasons of infectious disease outbreaks and provides flu vaccination services in alignment with government public health policies.<br>• Epidemic prevention materials are prepared in accordance with professional medical guidance to enable a swift and flexible response to evolving public health conditions in anticipation of potential pandemic threats. |

## Employee Assistance Program

The Company has proactively collaborated with professional organizations, including the Taoyuan Lifeline Association since 2015, to provide an Employee Assistance Program (EAP) for establishing a comprehensive workplace support network. The program offers professional and confidential consultation services related to work, life, and health issues, helping employees address challenges they may face and enhancing workplace performance.

**Employee Assistance Program**

**Work**

Management Strategies, Work Adaptation, and Career Development Support

**Life**

Confidential counseling services to help employees address personal issues such as interpersonal relationships, marriage and parenting, family care, financial management, and legal concerns.

**Health**

Workplace-based initiatives such as health campaigns and medical facilities help employees maintain physical and mental well-being, promoting work-life balance and improving work efficiency and productivity.

## Employment of Fitness Instructors

To promote a comprehensive healthy workplace, the Company employs fitness instructors to lead employee exercise programs and encourages the use of on-site sports facilities to foster a healthy corporate culture. A total of 480 participations were recorded in 2025. These activities not only helped improve employees' BMI levels but also promoted cross-departmental interaction and teamwork, strengthening the Company's long-term health capital.

**Badminton Program**
**National Sports Center**

Classes are held at the Taichung Civic Sports Center in the evening for the needs of employees.

8 sessions were held with a total of 73 participants.

**Badminton Program**
**Yulon Employee Gymnasium**

8 small class sessions were held, with a total of 62 participants.

Fitness Program
Sanyi Plant

Classes are held at the Taichung Civic Sports Center during weekends and holidays to meet the needs of employees.

8 sessions were held with a total of 93 participants.

Fitness Program
National Sports Center

8 sessions were held with a total of 63 participants.

Yoga Program
Sanyi Plant

8 sessions were held with a total of 105 participants.

Aerobic Exercise Program
Sanyi Plant

8 sessions were held with a total of 84 participants.

# 06 Social Inclusion

## 6.1 Industry-Academia Collaboration

6.1.1 School-Enterprise Cooperation: Driving the Future

## 6.2 Taking Root in Education

6.2.1 Promoting Technical and Vocational Talent Development

6.2.2 Supporting the HBL High School Basketball League

## 6.3 e-POWER for Sustainability

6.3.1 NISSAN Little Car Experts

## 6.4 Social Community Activities

6.4.1 Supporting Temporary Workers of the Environmental Protection Bureau

6.4.2 Supporting Social Workers to Expand Service Capacity

6.4.3 Caring for Communities Affected by the Hualien Typhoon Ragasa Disaster

# Contribution to Society

## Core Vision and Commitment

In 2025, Yulon Nissan Motor continued to uphold its core philosophy of "Giving Back to Society" through sustained engagement in education and social welfare initiatives. We demonstrated our commitment to talent cultivation and social care by donating vehicles, supporting governmental projects, and promoting reading-related public welfare programs. At the same time, we integrated industrial resources to deepen technical education at schools, and to assist the cultivation of future vocational talents. We also collaborated with diverse partners to promote social inclusion and contribute to sustainable development through various public welfare programs, working together to create a better future for the next generation.

## 2025 Sustainability Highlights

We have sponsored insurance coverage for temporary workers of the Taipei City Environmental Protection Bureau for 21 consecutive years, with cumulative contributions exceeding TWD **11 million**, benefiting **37,454 individuals**.

Organized **24 sessions of the NISSAN Little Car Expert program**, attracting **385 participants**, with an investment of TWD **1.728 million** and an overall satisfaction score of **4.9 out of 5.0**.

**Selected 14 Campus Ambassadors and conducted 11 promotional events, engaging 101 participants and generating 10,935 social media interactions**, further strengthening the Company's brand presence on campus.

Donated **1 million mobility points** through the Mileage of Love platform, supporting **35,788 kilometers** of transportation services and **236 trips** throughout the year, helping social welfare organizations expand services for disadvantaged groups.

# Social Sustainability Strategy

## Industry-Academia Collaboration

4 QUALITY EDUCATION

contents

YNM actively communicates its brand culture and shares the latest trends in the automotive industry through the Campus Ambassador Program. The program is complemented by internship and career exploration activities, enabling students to gain a deeper understanding of YNM's corporate values and working environment, while attracting outstanding talent to join the Company. In addition, we periodically organize creative marketing competitions, encouraging students to leverage social media platforms and integrate sustainability concepts, creative thinking, digital technologies, and marketing strategies. These activities provide a stage for self-expression and help unleash the innovative potential of the next generation.

Target

College and Senior High School Students

2025 Performance

Total participants: **181**

## Taking Root in Education

4 QUALITY EDUCATION 5 GENDER EQUALITY

contents

We have long been committed to promoting vocational education by providing practical experience, equipment resources, and vehicle donations to help students develop hands-on skills and strengthen industry-academia connections. These efforts not only deepen students' understanding of the automotive industry but also lay a solid foundation for the cultivation of technical and vocational talent.

Target

Campus students

2025 Performance

- The Company donated practice and teaching vehicles, together with related accessories, with an approximate value of TWD **1.29** million.

## e-POWER for Sustainability

12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION

contents

We design educational and experiential activities guided by the concept of sustainable development that begin with children's education and everyday life. Through interactive learning centered on "People, Vehicles, and Daily Life," families are encouraged to participate together while promoting traffic safety and environmental protection awareness and enhancing understanding of environmental and sustainability issues.

Target

Car owner of NISSAN and INFINITI

2025 Performance

- **24** Events held
- Total Participants of **385**
- Approximately TWD **1.72** million of total investment

## Social Community Activities

3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH

contents

Actively participating in local cultural and arts activities, supporting disadvantaged groups and education equity issues. Through donations for education and employee volunteer involvement, we respond practically to social needs.

Target

Public

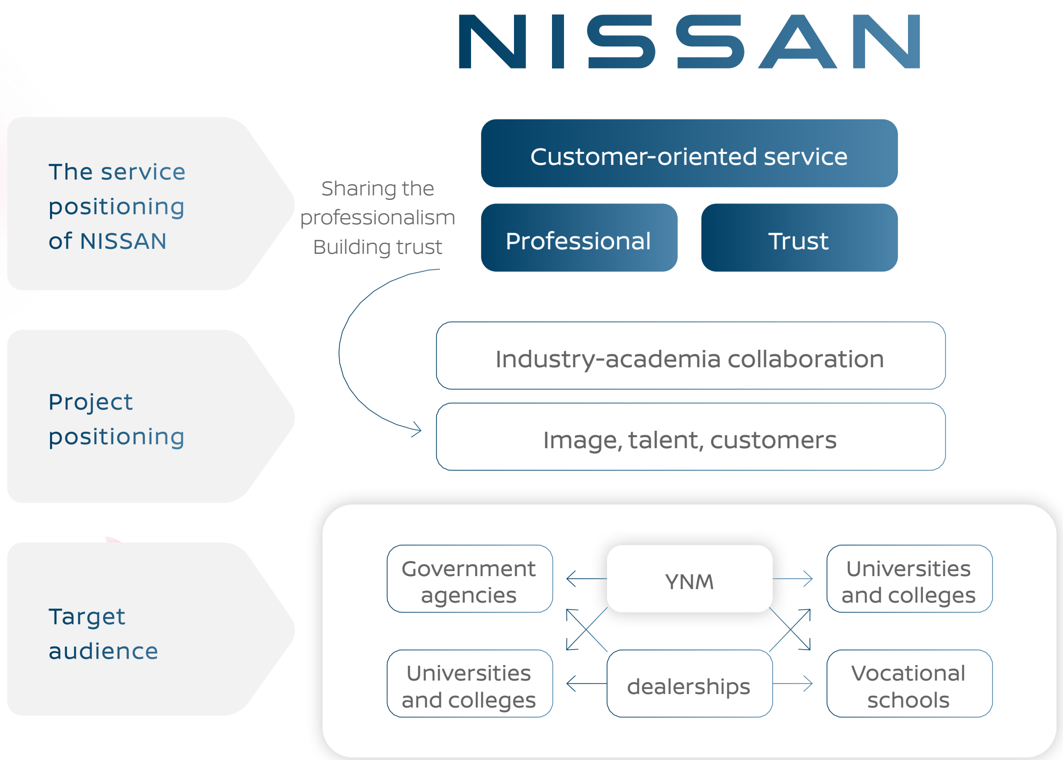
2025 Performance

- A total of **1,454** temporary workers were covered by insurance. Over the past 21 years, cumulative contributions have reached TWD **11 million**, including TWD **1 million** invested in 2025.
- Books collected to date: **8,000** volumes
- Service mileage donated of **35,788** km and **236** service trips

# 6.1 Industry-Academia Collaboration

YNM recognizes the importance of knowledge accumulation and technical expertise transfer. Cultivating future talent is essential to fulfilling corporate social responsibility and creating a sustainable industry ecosystem. We collaborate with dealers and service centers throughout Taiwan and invite professional instructors as well as experienced employees to engage with students on campus. Through lectures and forums, students gain insights into industry developments and brand culture. Internship and workplace experience programs enable students to apply academic knowledge in practical settings. Campus proposal competitions also provide young talent with opportunities to showcase their abilities while promoting YNM's innovative technologies. We believe that after years of dedicated educational initiatives, a thriving and ever-growing forest of talent will be nurtured.

## The concept of industry-academia collaboration




6.1.1

## School-Enterprise Cooperation: Driving the Future

From technical development to sales and marketing, the automotive industry requires not only passion but also professional knowledge and practical experience. To this end, we have established a series of programs and have worked closely with educational institutions over the years to cultivate professional talent. Through diverse channels, we seek to attract and recruit talent from various backgrounds.

## Talent Development Programs

### Campus Recruitment

Participate in campus recruitment events at universities and colleges throughout Taiwan. Through company presentations, job opportunity introductions, alumni sharing sessions, and on-site interactions, students are introduced to the Company's industry development, corporate culture, and talent development programs, enhancing their understanding of both the automotive industry and the Company brand while encouraging talented students to apply.


**Benefits**

76 applicants registered

## Talent Development Programs

### Career Exploration Program

Career exploration programs were conducted at National Chung Hsing University and National Cheng Kung University. Leveraging YNM's core capabilities and the support of its nationwide dealer and service center network, professional instructors were invited to co-teach university courses, enabling students to gain exposure to industry practices and emerging knowledge before entering the workforce.

#### NCHU Xingxue Academy Program

tudents were invited to visit the plant and attend lectures delivered by professional instructors. In addition to automotive R&D and design expertise, the curriculum covered marketing, customer service, workplace culture, and other multidisciplinary topics.

#### NCKU CCP Program

Professional instructors were invited to co-teach university courses to bridge the gap between academic learning and industry practice. The curriculum covered automotive R&D and design expertise, marketing, customer service, workplace culture, and other multidisciplinary topics. Plant visits and on-site learning activities were also arranged.

**Benefits**

National Chung Hsing University Xingxue Academy Program

A total of **22** students participated in 2025. The Company continues its long-term collaboration with National Chung Hsing University. One participant from the 2024 program subsequently became a summer intern and Campus Ambassador.

## Talent Development Programs

### Campus Ambassador Program

A total of 117 applications were received from universities and colleges across Taiwan, and 14 students were selected as Campus Ambassadors. Through an eight-month program comprising brand promotion, in-depth corporate experience, and digital marketing practice, students enhanced their understanding of the Company brand and the automotive industry. Proposal competitions were also organized, offering attractive prizes to encourage creativity and practical application. Through social media engagement and campus promotional activities, the program further strengthened the Company's brand visibility on campus.


**Benefits**

1. Number of activities: 11
2. Total participants: 101
3. Number of social media posts: 332
4. Social media interactions (likes): 10,935

## Talent Development Programs

### Summer Internship Program

Internship opportunities are offered annually during the summer, allowing students to gain workplace experience and practical industry knowledge before entering the workforce. Through students' feedback to their schools following the internship, educational institutions can better understand industry workforce needs and applied technologies, fostering deeper industry-academia collaboration and creating mutual benefits. The program commenced in March, 2025, with recruitment activities conducted in April. Four interns were recruited across three departments: the Marketing and Sales Department, Product Planning Office, and Integrated Operations Management Department. The internship period lasted two months, from July to August.

**Benefits**

A total of 4 interns were recruited in 2025.

# 6.2 Taking Root in Education

6.2.1

## Promoting Technical and Vocational Talent Development

YNM has long been committed to advancing technical and vocational education. By integrating academic learning with practical application, the Company helps students gain hands-on experience during their studies and enhance their competitiveness on the job market. For supporting the National Senior High School Industrial Skills Competition organized by the Ministry of Education and the 55th National Skills Competition organized by the Ministry of Labor, YNM provided competition-related equipment and vehicles, which helps to pass on valuable automotive maintenance expertise and support students' transition from school into the workforce. During the year, the Company also collaborated with National Changhua University of Education (NCUE) and National Kuangfu Commercial and Industrial Vocational High School. In addition to providing teaching vehicles, YNM introduced original manufacturer technical training materials and maintenance standards and facilitated technical exchanges and practical instruction through professional trainers. These efforts helped strengthen educational capabilities in electric vehicle technologies and next-generation automotive technologies. By supporting automotive maintenance training programs and incorporating real-world industry case studies, the Company enhances students' practical skills, strengthens technical and vocational education resources in rural areas, and promotes industry-academia collaboration and regional talent development.

## Benefits of Investment in Vocational Talent Development

| Organizing | Project | Resource allocation | Sponsorship Value | Generated Benefit |
|---|---|---|---|---|
| Ministry of Education | Technical support for the National Industrial Technology Skills Competition for Senior High School Students | 1. CONSULT diagnostic computer<br>2. Electronic Service Manual (ESM)<br>3. Competition vehicles for the automotive repair category<br>4. Vehicle donation | Approximately TWD 620,000 (based on vehicle market value), plus manpower and equipment support | Technical instructors were assigned to support competition planning and on-site guidance. Vehicles were donated as awards for winning schools, helping enhance vocational students' professional capabilities and industry awareness while fostering the development of future automotive talent. |
| Workforce Development Agency, Ministry of Labor | National High School Skills Competition Support | 1. CONSULT diagnostic computer<br>2. Electronic Service Manual (ESM)<br>3. Competition vehicles for the automotive repair category<br>4. Competition body panels for the automotive painting category<br>5. Display vehicles | Primarily manpower and equipment support | Technical instructors supported competition planning and on-site guidance. Electric vehicles were also showcased to promote next-generation automotive technologies and enhance vocational talent's professional competencies and industry understanding. |
| Workforce Development Agency, Ministry of Labor | WorldSkills Asia Competition Support | 1. CONSULT diagnostic computer<br>2. Electronic Service Manual (ESM)<br>3. Competition vehicles for the automotive repair category<br>4. Competition body panels for the automotive painting category<br>5. National Representative Team Uniforms | TWD 60,000 for team uniforms, plus manpower and equipment support | Supported competitors in demonstrating their professional skills at international competitions, while showcasing electric vehicle technologies and enhancing the international visibility of Taiwan's vocational talent. |

## Benefits of Investment in Vocational Talent Development

| Organizing | Project | Resource allocation | Sponsorship Value | Generated Benefit |
|---|---|---|---|---|
| Yulon Nissan Motor Co., Ltd. | Industry–Academia Collaboration Vehicle Donation (National Changhua University of Education) | 1. Electronic Service Manual (ESM)<br>2. Vehicle donation | Approximately TWD 620,000 (based on vehicle market value) | Provided vehicles for teaching purposes, introduced OEM technical materials and maintenance standards, and arranged technical instructors to conduct knowledge exchange and practical training, strengthening schools' capabilities in electric vehicle and next-generation automotive technology education while promoting industry–academia collaboration and talent development. |
| Yulon Nissan Motor Co., Ltd. | Industry–Academia Collaboration Vehicle Donation (National Kuangfu Commercial and Industrial Vocational High School) | 1. Electronic Service Manual (ESM)<br>2. Vehicle donation | Approximately TWD 670,000 (based on vehicle market value) | Provided vehicles for practical automotive maintenance training, integrated real industry case studies to enhance students' hands-on capabilities, and strengthened vocational education resources in rural areas and supported regional talent development. |
| **Total** | | | **Approximately TWD 1.97 million** | |

6.2.2

## Supporting the HBL High School Basketball League

YNM actively participates in domestic sporting events. To encourage public attendance and support for the High School Basketball League (HBL), the Company not only sponsored the tournament but also established interactive booths at the venue to promote public participation in sports activities. In addition, YNM showcased the SENTRA BOSE Premium Edition, highlighting its fuel-efficiency advantages and allowing visitors to experience the vehicle's structure and interior features firsthand. The Company also sponsored a post-game lucky draw, providing attendees with an opportunity to become the lucky owner of a SENTRA BOSE Premium Edition. YNM remains committed to supporting domestic sports events by integrating diverse activities with brand promotion, continuously embodying the spirit of sportsmanship.

### Benefits of the HBL Basketball League Sponsorship

**Participation**

Approximately **4,751** participants

**Resource allocation**

One SENTRA BOSE Premium Edition vehicle for the lucky draw Product Value TWD **904,000**

**Generated Benefit**

Increased event engagement and attendance through a high-value lucky draw prize and interactive on-site activities. Promoted fuel-efficient vehicle models and raised public awareness of energy-saving and low-carbon mobility solutions.

# 6.3 e-POWER for Sustainability

In addition to actively promoting vocational education and engaging in social contribution initiatives, the Company seeks to extend its sustainability concepts into daily life and family settings. Starting from early childhood education, the Company integrates road safety and environmental protection topics into interactive learning experiences. Through a "People, Vehicles, and Daily Life" learning framework, the initiative aims to deepen public awareness of safety and sustainability, thereby gradually shaping positive social impact.

Accordingly, the Company has designed educational and interactive programs targeting children, with a focus on promoting road safety and environmental protection concepts, in order to instill these values in early childhood development.

6.3.1

## NISSAN Little Car Expert Program

YNM has continuously hosted the "Little Car Expert Service Center Experience Camp" since 2019, dedicated to promoting road safety and environmental education, with nearly one thousand children participants to date. Through an edutainment approach, the program delivers fundamental automotive knowledge and road safety awareness to children. The activity targets children aged 4–7, utilizing NISSAN original storybooks and interactive teaching materials, enabling participants to understand the importance of traffic safety as well as the operational processes and working environment of automotive service centers in an engaging and accessible manner. This initiative strengthens safety awareness and reflects the Company's commitment to corporate social responsibility and sustainable development.

The program expanded its eligibility in 2025 to include not only existing customers and kindergarten groups, but also other families and community members, further broadening its social reach. The overall program has received strong recognition, demonstrating YNM's long-term commitment to children's road safety education and its tangible outcomes.

### Benefits of the NISSAN Little Car Expert

| Item | Sessions Held | Number of Participants | Funding Contribution |
|---|---|---|---|
| Year 2025 | 24 sessions | 385 attendees | Total sponsorship: TWD 1,727,938 |
| Cumulative Involvement | 256 sessions | 4,028 attendees | Total sponsorship: TWD 8,067,938 |

| Activity Impact |
|---|
| 1. Expanded participant groups: In addition to existing customers and kindergarten groups, other families and community members were also included.<br>2. Media and social media reach: The total views of related coverage and social media posts reached 240,000.<br>3. Satisfaction level: Overall satisfaction score reached 4.9 out of 5, receiving highly positive feedback. |
| Fostered traffic safety and environmental awareness among children |

# 6.4 Social Community Activities

The Company also regards giving back to society as an integral part of its operations while creating economic value as an enterprise, advancing alongside society and sharing both challenges and achievements. YNM engages in long-term and institutionalized social contribution initiatives, focusing on the protection of vulnerable groups and support for social service resources, while continuously expanding its social impact.

6.4.1

## Supporting Temporary Workers of the Environmental


YNM, in collaboration with Yulon Motor, has continuously donated an annual insurance premium of TWD 1,000,000 for the "Employer's Compensation Contract Liability Insurance" covering municipal temporary workers of the Taipei City Environmental Protection Bureau for 21 consecutive years starting from 2005. This insurance provides additional protection for these workers during their duties, recognizing their hard work and contribution through concrete actions. In 2025, more than 1,400 municipal temporary workers and short-term employment personnel responsible for maintaining urban cleanliness were covered, with a cumulative 37,454 beneficiaries, demonstrating the Company's long-term commitment to supporting disadvantaged groups and fulfilling its corporate social responsibility.

### Benefits of Employer's Liability Insurance Sponsorship

| Item | Investment Amount | Number of Beneficiaries |
|---|---|---|
| Year 2024 | TWD 500,000 | 1,600 persons |
| Year 2025 | TWD 1,000,000 | 1,454 persons |
| Cumulative Investment | TWD 11,000,000 | 37,454 persons |

6.4.2

## Supporting the Expansion of Social Work Service Capacity

YNM actively participates in the "Mileage of Love" platform to support the expansion of social workers' service capacity, donating mileage points of love, equivalent to TWD 1,000,000, to organizations including the Mustard Seed Mission and the Taiwan Proactive Early Intervention Association. Throughout the year, a total of 35,788 kilometers of service mileage and more than 236 service trips were accumulated. Through the provision of financial resources and practical support, the Company aims to ensure resources are allocated to where they are most needed, enabling goodwill to be sustained and to generate long-term positive impact.

| Item | Funding Contribution (TWD) | Service Mileage (KM) |
| --- | --- | --- |
| Year 2025 | 1,000,000 | 35,788 |
| Cumulative Investment | This initiative represents the Company's first year of participation. | |

6.4.2

## Caring for Communities Affected by the Hualien Typhoon Ragasa Disaster

YNM also launched a special relief initiative in response to Typhoon Ragasa, providing vehicle support services for affected vehicles, including towing, replacement vehicles, and maintenance discounts. Technical staff were dispatched to assist in disaster area recovery and vehicle repair. In addition, employees were mobilized as "Shovel Heroes" to volunteer in post-disaster cleanup and relief supply distribution activities, providing supportive supplies for on-site volunteers and contributing to the reconstruction efforts in Guangfu Township.

# Appendix

Appendix 1.
GRI Standards
Comparison Table 2021

Appendix 2.
Climate-Related
Information of TWSE/TPEx
Listed Companies

Appendix 3:
TCFD Climate-related
Financial Disclosures
Index

Appendix 4.
Greenhouse Gas
Inventory and
Assurance Status

Appendix 5:
Sustainability Accounting
Standards Board (SASB)
Reference Table

Appendix 6.
Independent
Assurance Statement

# Appendix 1. Global Reporting Initiative GRI Standards Index

**GRI Standards Statement of Use**

We Publish the 2025 Sustainability Report by referring to GRI Standard 2021, the report covering the 1st of January, 2025 to the 31st of December, 2025.

**GRI 1 Foundation**

GRI 1：Foundation 2021

**Sector-specific standards used**

No industry-specific standard is currently applicable.

## GRI 2: General Disclosures 2021

| Category | Indicators | Disclosure Requirement | Chapters/Explanation | Page |
|---|---|---|---|---|
| The rganization and its reporting practices | GRI 2-1 | Organizational details | 1.1 About Yulon Nissan Motor (YNM) | 9 |
| | GRI 2-2 | Entities included in the organization's sustainability reporting | 1.1.2 Business Overview | 13 |
| | GRI 2-3 | Reporting period, frequency and contact point | About the Report | 2 |
| | GRI 2-4 | Restatements of information | No information restatements were made during the reporting year. | - |
| | GRI 2-5 | External assurance | Appendix 6. Independent Assurance Statement | 177 |
| Activities and workers | GRI 2-6 | Activities, value chain and other business relationships | 1.1.2 Business Overview | 13 |
| | GRI 2-7 | Employees | 5.1.1 Employees Overview | 115 |
| | GRI 2-8 | Workers who are not employees | 5.1.1 Employees Overview | 115 |
| Governance | GRI 2-9 | Governance structure and composition | 2.1.1 Governance Framework | 32 |
| | GRI 2-10 | Nomination and selection of the highest governance body | 2.1.1 Governance Framework | 32 |
| | GRI 2-11 | Chair of the highest governance body | 2.1.1 Governance Framework | 32 |
| | GRI 2-12 | Role of the highest governance body in overseeing the management of impacts | 2.1.1 Governance Framework<br>4.1.1 Climate governance framework | 32<br>87 |
| | GRI 2-13 | Delegation of responsibility for managing impacts | 2.4.1 Risk Management Framework<br>4.1.1 Climate governance framework | 54<br>87 |

| Category | Indicators | Disclosure Requirement | Chapters/Explanation | Page |
|---|---|---|---|---|
| Governance | GRI 2-14 | Role of the highest governance body in sustainability reporting | 2.1.2 Operations of the Board of Directors | 33 |
| | GRI 2-15 | Conflicts of interest | 2.1.2 Operations of the Board of Directors - Board Conflict of Interest Management | 35 |
| | GRI 2-16 | Communication of critical concerns | 2.1 Corporate Governance | 32 |
| | GRI 2-17 | Collective knowledge of the highest governance body | 2.1.2 Operations of the Board of Directors | 33 |
| | GRI 2-18 | Evaluation of the performance of the highest governance body | 2.1.2 Operations of the Board of Directors | 33 |
| | GRI 2-19 | Remuneration policies | 2.1.2 Operations of the Board of Directors | 33 |
| | GRI 2-20 | Process to determine remuneration | 2.1.2 Operations of the Board of Directors | 33 |
| | GRI 2-21 | Annual total compensation ratio | 5.1.2 Remuneration and Benefits | 118 |
| Strategy, policies and practices | GRI 2-22 | Statement on sustainable development strategy | Message from the Chairman and President<br>1.2.2 Sustainable Blueprint | 4<br>19 |
| | GRI 2-23 | Policy commitments | 5.1.4 Human Rights Commitment | 128 |
| | GRI 2-24 | Embedding policy commitments | 2.2 Ethical Management and Legal Compliance | 41 |
| | GRI 2-25 | Processes to remediate negative impacts | 2.2.1 Ethical Management | 41 |
| | GRI 2-26 | Mechanisms for seeking advice and raising concerns | 2.2.1 Ethical Management<br>3.3.1 Feedback Channel | 41<br>70 |
| | GRI 2-27 | Compliance with laws and regulations | 2.2.2 Legal Compliance | 42 |
| | GRI 2-28 | Membership associations | 1.1.2 Business Overview | 13 |
| Stakeholder engagement | GRI 2-29 | Approach to stakeholder engagement | 1.3.2 Stakeholder Engagement | 23 |
| | GRI 2-30 | Collective bargaining agreements | The Company has not established a labor union and has not entered into any collective bargaining agreements. | - |

## GRI 3: Material Topics Disclosure 2021

| Indicators | Disclosure Requirement | Chapters/Explanation | Page |
|---|---|---|---|
| GRI 3-1 | Process to determine material topics | 1.3.1 Material Issue Analysis Process | 21 |
| GRI 3-2 | List of material topics | 1.3.3 Materiality Analysis Results | 26 |
| GRI 3-3 | Management of material topics | Please refer to the corresponding sections for each material issue. | - |

## GRI Topic-Specific Topics

| Category | Indicators | Disclosure Requirement | Chapters/Explanation | Corresponding Material Topic | Page |
|---|---|---|---|---|---|
| Climate Change | GRI 102 | 102-4 GHG emissions reduction targets and progress | 4.2.2 Energy and Greenhouse Gases Management | Climate Change Responses and Strategies | 105 |
| | | 102-5 Scope 1 GHG emissions | 4.2.2 Energy and Greenhouse Gases Management | | 105 |
| | | 102-6 Scope 2 GHG emissions | 4.2.2 Energy and Greenhouse Gases Management | | 105 |
| | | 102-7 Scope 3 GHG emissions | 4.2.2 Energy and Greenhouse Gases Management | | 105 |
| | | 102-8 GHG emissions intensity | 4.2.2 Energy and Greenhouse Gases Management | | 105 |
| Energy | GRI 103 | 103-1 Energy policies and commitments | 4.2.2 Energy and Greenhouse Gases Management | Climate Change Responses and Strategies | 105 |
| | | 103-3 Upstream and downstream energy consumption | 4.2.2 Energy and Greenhouse Gases Management | - | 105 |
| | | 103-4 Energy intensity | 4.2.2 Energy and Greenhouse Gases Management | | 105 |
| | | 103-5 Reduction in energy consumption | 4.2.2 Energy and Greenhouse Gases Management | - | 105 |

| Category | Indicators | Disclosure Requirement | Chapters/Explanation | Corresponding Material Topic | Page |
|---|---|---|---|---|---|
| Economic | GRI 201: Economic Performance | 201-1 Direct economic value generated and distributed | 2.1.3 Financial Performance | Economic Performance | 39 |
| | | 201-2 Financial implications and other risks and opportunities due to climate change | 4.1.2 Identification of Climate Risk and Opportunity | - | 89 |
| | | 201-3 Defined benefit plan obligations and other retirement plans | 5.1.2 Remuneration and Benefits | - | 118 |
| | | 201-4 Financial assistance received from government | 2.1.3 Financial Performance - Government Subsidies | - | 40 |
| | GRI 204: Procurement Practices | 204-1 Proportion of spending on local suppliers | 3.5.1 Brand Value Chain | - | 77 |
| | GRI 205: Anti-corruption | 205-1 Operations assessed for risks related to corruption | 2.2.1 Ethical Management | - | 41 |
| | | 205-2 Communication and training about anti-corruption policies and procedures | 2.2.1 Ethical Management | - | 41 |
| | | 205-3 Confirmed incidents of corruption and actions taken | No incidents of corruption occurred during the reporting year. | - | - |
| | GRI 206: Anti-competitive Behavior | 206-1 Legal actions for anti-competitive behavior, anti trust, and monopoly practices | No incidents of anti-competitive behavior, antitrust, or monopoly practices occurred during the reporting year. | - | - |
| | GRI 207: Tax | 207-1 Approach to tax | 2.1.3 Financial Performance - Tax Governance | - | 40 |
| | | 207-2 Tax governance, control, and risk management | 2.1.3 Financial Performance - Tax Governance | - | 40 |
| | | 207-4 Country-by-country reporting | 2.1.3 Financial Performance - Tax Governance | - | 40 |

| Category | Indicators | Disclosure Requirement | Chapters/Explanation | Corresponding Material Topic | Page |
|---|---|---|---|---|---|
| Environmental | GRI 301: Materials | 301-2 Recycled input materials used | 4.3.1 Sustainable Products and Circular Economy | - | 110 |
| | | 301-3 Recycled input materials used | 4.3.1 Sustainable Products and Circular Economy | - | 110 |
| | GRI 302: Energy | 302-1 Energy consumption within the organization | 4.2.2 Energy and Greenhouse Gases Management | Climate Change Responses and Strategies | 105 |
| | | 302-3 Energy intensity | 4.2.2 Energy and Greenhouse Gases Management | | 105 |
| | | 302-4 Reduction of energy consumption | 4.2.2 Energy and Greenhouse Gases Management | | 105 |
| | | 302-5 Reductions in energy requirements of products and services | 4.2.2 Energy and Greenhouse Gases Management | | 105 |
| | GRI 303: Water and Effluents | 303-1 Interactions with water as a shared resource | 4.2.4 Water Resources Management | - | 109 |
| | | 303-2 Management of water discharge-related impacts | 4.2.4 Water Resources Management | - | 109 |
| | | 303-3 Water withdrawal | 4.2.4 Water Resources Management | - | 109 |
| | GRI 306: WASTE | 306-2 Management of significant waste-related impacts | 4.2.3 Waste Management | - | 108 |
| | | 306-3 Waste generated | 4.2.3 Waste Management | - | 108 |
| | | 306-4 Waste diverted from disposal | 4.2.3 Waste Management | - | 108 |
| | | 306-5 Waste directed to disposal | 4.2.3 Waste Management | - | 108 |
| | GRI 308: Supplier Environmental Assessment | 308-1 New suppliers that were screened using environmental criteria | 3.5.2 Suppliers' Management | - | 79 |
| | | 308-2 Negative environmental impacts in the supply chain and actions taken | 3.5.2 Suppliers' Management | - | 79 |

| Category | Indicators | Disclosure Requirement | Chapters/Explanation | Corresponding Material Topic | Page |
|---|---|---|---|---|---|
| Social | GRI 401: Employment | 401-1 New employee hires and employee turnover | 5.1.1 Employees Overview | Talent Recruitment and Retention | 115 |
| | | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 5.1.2 Remuneration and Benefits | | 118 |
| | | 401-3 Parental leave | 5.1.2 Remuneration and Benefits | | 118 |
| | GRI 403: Occupational Health and Safety | 403-1 Occupational health and safety management system | 5.3.1 Occupational Safety, Health and Hygiene Management | Occupational Safety and Health | 143 |
| | | 403-2 Hazard identification, risk assessment, and incident investigation | 5.3.1 Occupational Safety, Health and Hygiene Management | | 143 |
| | | 403-3 Occupational health services | 5.3.2 Employees Health | | 147 |
| | | 403-4 Worker participation, consultation, and communication on occupational health and safety | 5.3.1 Occupational Safety, Health and Hygiene Management | | 143 |
| | | 403-5 Worker training on occupational health and safety | 5.3.1 Occupational Safety, Health and Hygiene Management | | 143 |
| | | 403-6 Promotion of worker health | 5.3.2 Employees Health | | 147 |
| | | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 5.3.1 Occupational Safety, Health and Hygiene Management | | 143 |
| | | 403-8 Workers covered by an occupational health and safety management system | 5.3.1 Occupational Safety, Health and Hygiene Management | | 143 |
| | | 403-9 Work-related injuries | 5.3.1 Occupational Safety, Health and Hygiene Management | | 143 |
| | | 403-10 Work-related ill health | 5.3.1 Occupational Safety, Health and Hygiene Management | | 143 |

| Category | Indicators | Disclosure Requirement | Chapters/Explanation | Corresponding Material Topic | Page |
|---|---|---|---|---|---|
| Social | GRI 404: Training and Education | 404-1 Average hours of training per year per employee | 5.2.2 Talent Cultivation and Development | Talent Recruitment and Retention | 131 |
| | | 404-2 Programs for upgrading employee skills and transition assistance programs | 5.2.2 Talent Cultivation and Development | | 131 |
| | | 404-3 Percentage of employees receiving regular performance and career development reviews | 5.2.3 Performance Evaluation | | 140 |
| | GRI 405: Diversity and Equal Opportunity | 405-1 Diversity of governance bodies and employees | 2.1.2 Operations of the Board of Directors<br>5.1.1 Employees Overview | | 33<br>115 |
| | | 405-2 Ratio of basic salary and remuneration of women to men | 5.1.2 Remuneration and Benefits | | 118 |
| | GRI 406: Non-discrimination | 406-1 Incidents of discrimination and corrective actions taken | 5.1.4 Human Rights Commitment<br>No incidents of discrimination occurred during the reporting year. | | 128 |
| | GRI 407: Freedom of Association and Collective Bargaining | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | 3.5.2 Suppliers' Management<br>5.1.4 Human Rights Commitment | - | 79<br>128 |
| | GRI 408: Child Labor | 408-1 Operations and suppliers at significant risk for incidents of child labor | 3.5.2 Suppliers' Management<br>5.1.4 Human Rights Commitment<br>No material risk of child labor was identified. | | 79<br>128 |
| | GRI 409: Forced or Compulsory Labor | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | 3.5.2 Suppliers' Management<br>5.1.4 Human Rights Commitment<br>No incidents or risks related to forced or compulsory labor were identified. | | 79<br>128 |

| Category | Indicators | Disclosure Requirement | Chapters/Explanation | Corresponding Material Topic | Page |
|---|---|---|---|---|---|
| Social | GRI 414: Supplier Social Assessment | 414-1 New suppliers that were screened using social criteria | 3.5.2 Suppliers' Management | - | 79 |
| | | 414-2 Negative social impacts in the supply chain and actions taken | 3.5.2 Suppliers' Management | - | 79 |
| | GRI 415: Public Policy | 415-1 Political contributions | No political contributions were made during the reporting year. | - | - |
| | GRI 416: Customer Health and Safety | 416-1 Assessment of the health and safety impacts of product and service categories | 3.4.2 Quality Management | Product Safety and Quality Management | 73 |
| | | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | 3.4.2 Quality Management | | 73 |
| | GRI 417: Marketing and Labeling | 417-1 Requirements for product and service information and labeling | 3.1.2 Service Driven by Technology<br>3.4 Product Quality | Brand Marketing | 61<br>72 |
| | | 417-2 Incidents of non-compliance concerning product and service information and labeling | No relevant incidents occurred during the reporting year. | | - |
| | | 417-3 Incidents of non-compliance concerning marketing communications | No relevant incidents occurred during the reporting year. | | - |
| | GRI 418: Customer Privacy | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | 2.3 Information Security and Privacy Protection | | 43 |

# Appendix 2. Climate-Related Information of TWSE/TPEx Listed Company

## Risks and opportunities posed by climate change to the Company and the relevant measures taken by and relevant countermeasures taken by the company

| TCFD Four Pillars | Items | Execution Status | Page |
|---|---|---|---|
| Governance | 1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities | 4.1.1 Climate governance framework | 87 |
| Strategy | 2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term). | 4.1.2 Identification of Climate Risk and Opportunity | 89 |
| | 3. Describe the financial impact of extreme weather events and transitional actions. | 4.1.2 Identification of Climate Risk and Opportunity | 89 |
| Risk Management | 4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system. | 4.1.1 Climate governance framework | 87 |
| | 5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described. | 4.1.3 Climate Risks Scenario Analysis | 94 |
| | 6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks. | 4.1.2 Identification of Climate Risk and Opportunity<br>4.1.4 Metrics and Targets | 89<br>99 |
| | 7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated. | Internal carbon pricing was not used as a planning tool. | - |
| Metrics and Targets | 8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified. | 4.1.4 Metrics and Targets | 99 |
| | 9. Greenhouse gas inventory and assurance status | Separately fill out in Appendix 4. | 174 |

# Appendix 3. TCFD Climate-Related Financial Disclosures Index

| Level | Recommended Disclosure | Corresponding Chapter | Page |
|---|---|---|---|
| Governance | Describe the board's oversight of climate-related risks and opportunities. | 2.1.2 Operations of the Board of Directors<br>4.1.1 Climate governance framework | 33<br>87 |
| | Describe management's role in assessing and managing climate-related risks and opportunities. | 4.1.1 Climate governance framework | 87 |
| Strategy | Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. | 4.1.2 Identification of Climate Risk and Opportunity | 89 |
| | Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. | 4.1.2 Identification of Climate Risk and Opportunity | 89 |
| | Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios (including a 2°C or worse scenario). | 4.1.3 Climate Risks Scenario Analysis | 94 |
| Risk Management | Describe the organization's processes for identifying and assessing climate-related risks. | 4.1.2 Identification of Climate Risk and Opportunity | 89 |
| | Describe the organization's processes for managing climate-related risks. | 4.1.2 Identification of Climate Risk and Opportunity | 89 |
| | Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. | 2.4.2 Risk Management Mechanisms | 55 |
| Metrics and Targets | Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | 4.1.4 Metrics and Targets | 99 |
| | Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. | 4.2.2 Energy and Greenhouse Gases Management | 105 |
| | Describe the targets used by the organization to manage climate-related risks and opportunities, and performance against targets. | 4.1.4 Metrics and Targets | 99 |

# Appendix 4. Greenhouse Gas Inventory and Assurance Status

| Basic information of the company |
| --- |
| ☐ Capital of TWD 10 billion or more, steel industry, or cement industry<br>☐ Capital of TWD 5 billion or more but less than TWD 10 billion<br>■ Capital of less than TWD 5 billion |
| **Execution Status** |
| ■ Inventory for the parent company only<br>☐ Inventory for all consolidated entities<br>■ Assurance for the parent company only<br>☐ Assurance for all consolidated entities |

## Greenhouse Gas Inventory for the Most Recent Two Years – Parent Company

| Greenhouse Gas Inventory Data | Year 2024 | | Year 2025 | |
| --- | --- | --- | --- | --- |
| | Total Emission (Metric tons CO2e) | Intensity (CO2e/TWD 1,000,000) | Total Emission (Metric tons CO2e) | Intensity (CO2e/TWD 1,000,000) |
| Scope 1 | 372.8035 | 0.0161 | 261.3886 | 0.0173 |
| Scope 2 | 813.7062 | 0.0352 | 658.4739 | 0.0435 |
| Total | 1,186.5097 | 0.0513 | 919.8625 | 0.0608 |
| Scope 3 (may be disclosed voluntarily) | - | - | 613.3329 | 0.0405 |

## Assurance of Greenhouse Gas Inventory of Parent Company in the Most Recent Two Years

| Greenhouse Gas Assurance Data | Year 2024 | Year 2025 |
| --- | --- | --- |
| Assurance Scope | Parent Company | Parent Company |
| Assurance Body | AFAQ AFNOR International | AFAQ AFNOR International |
| Assurance Opinion | ISO 14064-1：2018 | ISO 14064-1：2018 |
| Assurance Opinion | N/A | N/A |

# Appendix 5. Sustainability Accounting Standards Board (SASB) Reference Table

## Activity Metrics

| Metric Code | Disclosure Metric | Chapters/Explanation |
|---|---|---|
| TR-AU-000.A | Number of vehicles manufactured | The Company does not produce vehicles |
| TR-AU-000.B | Number of vehicles sold | 13,091 Vehicles |

## Accounting Metric

| Disclosure Topics | Metric Code | Disclosure Metric | Chapters/Explanation | Page |
|---|---|---|---|---|
| Product Safety | TR-AU-250a.1 | Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region. | 1. The European New Car Assessment Programme (Euro NCAP) crash test results are applicable to the European market and are not applicable to the Company's vehicle models sold in Taiwan.<br>2. The NISSAN KICKS has received a 5-star rating in Taiwan's New Car Assessment Program (TNCAP). | - |
| | TR-AU-250a.2 | Number of safety-related defect complaints and percentage investigated. | No customer complaints related to product safety defects were received in the reporting year. Other complaints are detailed in Section 3.3.2 Customer Satisfaction. | 70 |
| | TR-AU-250a.3 | Number of vehicles recalled | 3.4.3 Product Recall and Improvement Process | 76 |
| Labor Practices | TR-AU-310a.1 | Percentage of active workforce covered under collective bargaining agreements | No collective agreements or collective bargaining agreements were signed during the reporting year. | - |
| | TR-AU-310a.2 | 1. Number of work stoppages<br>2. Total days idle | 1. Number of work stoppages: 0 Times<br>2. Total days idle: 0 Days | - |

<table>
<tr><th>Disclosure Topics</th><th>Metric Code</th><th>Disclosure Metric</th><th>Chapters/Explanation</th><th>Page</th></tr>
<tr><td rowspan="3">Fuel economy & use-phase emissions</td><td>TR-AU-410a.1</td><td>Sales-weighted average passenger fleet fuel economy, by region</td><td>
<table>
<tr><th>Vehicle Type</th><th>Model</th><th>Number of vehicles sold</th><th>Percentage (%)</th><th>Fuel Economy (km/L)</th><th>Weighted Fuel Economy (km/L)</th></tr>
<tr><td rowspan="4">NISSAN Imported Vehicles</td><td>X-TRAIL e-POWER</td><td>1,252</td><td>9.56</td><td>17.5</td><td>1.67</td></tr>
<tr><td>KICKS e-POWER</td><td>1,035</td><td>7.91</td><td>22</td><td>1.74</td></tr>
<tr><td>ARIYA</td><td>78</td><td>0.60</td><td>-</td><td>-</td></tr>
<tr><td>LEAF</td><td>2</td><td>0.02</td><td>-</td><td>-</td></tr>
<tr><td rowspan="3">NISSAN Domestic Vehicles</td><td>KICKS</td><td>4,317</td><td>32.98</td><td>16</td><td>5.28</td></tr>
<tr><td>X-TRAIL</td><td>3,025</td><td>23.11</td><td>16</td><td>3.70</td></tr>
<tr><td>SENTRA</td><td>3,151</td><td>24.07</td><td>17.7</td><td>4.26</td></tr>
<tr><td rowspan="4">INFINITI</td><td>QX50</td><td>56</td><td>0.43</td><td>12.3</td><td>0.05</td></tr>
<tr><td>QX55</td><td>60</td><td>0.46</td><td>12.5</td><td>0.06</td></tr>
<tr><td>QX60 3.5</td><td>63</td><td>0.48</td><td>10</td><td>0.05</td></tr>
<tr><td>QX60 2.0</td><td>52</td><td>0.40</td><td>11.2</td><td>0.04</td></tr>
<tr><td colspan="2">Subtotal</td><td>13,091</td><td>100</td><td>-</td><td>16.71</td></tr>
</table>
</td><td>-</td></tr>
<tr><td>TR-AU-410a.2</td><td>Sales volume of the following vehicle models is disclosed:<br>1. Zero-emission vehicles<br>2. Hybrid vehicles<br>3. Plug-in hybrid vehicles</td><td>
<table>
<tr><th>Model</th><th>Zero-emission vehicles</th><th>Hybrid vehicles</th><th>Plug-in hybrid vehicles</th></tr>
<tr><td>Total Sales Volume in 2025 (Units)</td><td>80</td><td>2,287</td><td>0</td></tr>
</table>
</td><td>-</td></tr>
<tr><td>TR-AU-410a.3</td><td>Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities</td><td>4.3.1 Sustainable Products and Circular Economy</td><td>110</td></tr>
<tr><td>Materials purchasing</td><td>TR-AU-440a.1</td><td>Description of the management of risks associated with the use of critical materials</td><td>4.1.2 Identification of Climate Risk and Opportunity</td><td>89</td></tr>
<tr><td rowspan="3">Raw Material Material Efficiency And Recycling</td><td>TR-AU-440b.1</td><td>Total amount of waste from manufacturing, percentage recycled</td><td>4.2.3 Waste Management</td><td>108</td></tr>
<tr><td>TR-AU-440b.2</td><td>Weight of end-of-life material recovered, percentage recycled</td><td>The recycling and recovery rate exceeded 95% (regulatory requirement: 85%).</td><td>-</td></tr>
<tr><td>TR-AU-440b.3</td><td>Average recyclability of vehicles sold</td><td>The vehicle recyclability rate reached 94% (regulatory requirement: 80%).</td><td>-</td></tr>
</table>

Note: Vehicle sales data include only vehicles sold through authorized channels and exclude parallel imports.

# Appendix 6. Independent Third Party Assurance Statement

安永聯合會計師事務所
11012 台北市信義區基隆路一段333號9樓
9F, No. 333, Sec. 1, Keelung Road,
Xinyi Dist., Taipei City, Taiwan, R.O.C.
電話 Tel: 886 2 2757 8888
傳真 Fax: 886 2 2757 6050
ey.com/zh_tw

**會計師有限確信報告**

裕隆日產汽車股份有限公司 公鑒

**確信範圍**

本會計師接受裕隆日產汽車股份有限公司（以下簡稱裕隆日產）之委任，對2025年度永續報告書中所選定之永續績效資訊 (以下稱「標的資訊」)，執行財團法人中華民國會計研究發展基金會所發布之確信準則所定義之「有限確信案件」並出具報告。

**標的資訊及其適用基準**

有關裕隆日產之標的資訊及其適用基準詳列於附件一。

**管理階層之責任**

裕隆日產管理階層之責任係依據臺灣證券交易所「上市公司編製與申報永續報告書作業辦法」之規定，以及依照適當之基準編製標的資訊，包括依照全球永續性報告協會(Global Reporting Initiatives, GRI)所發布之2021年GRI 準則(GRI Standards)、永續會計準則 (Sustainability Accounting Standard Board (SASB) Standards)，裕隆日產管理階層應選擇所適用之基準，並對標的資訊在所有重大方面是否依據該適用基準報導負責，此責任包括建立及維持與標的資訊編製有關之內部控制、維持適當之記錄並作成相關之估計，以確保標的資訊未存有導因於舞弊或錯誤之重大不實表達。

**本會計師之責任**

本會計師之責任係依據所取得之證據對標的資訊作成結論。

本會計師依照財團法人中華民國會計研究發展基金會所發布之確信準則3000號「非屬歷史性財務資訊查核或核閱之確信案件」之要求規劃並執行確信工作，以發現標的資訊在所有重大方面是否有未依適用基準編製而須作修正之情事，並出具有限確信報告。本會計師依據專業判斷，包括對導因於舞弊或錯誤之重大不實表達風險之評估，以決定確信程序之性質、時間及範圍。

本會計師相信已取得足夠及適切之證據，以作為表示有限確信結論之基礎。



**會計師之獨立性及品質管理**

本會計師及所隸屬組織遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本事務所遵循品質管理準則1號「會計師事務所之品質管理」，該品質管理準則規定組織設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及適用之法令規範相關之政策或程序。

**所執行程序之說明**

有限確信案件中執行程序之性質及時間與適用於合理確信案件不同，其範圍亦較小，因此，有限確信案件中取得之確信程度明顯低於合理確信案件中取得者。本會計師所設計之程序係為取得有限確信並據此作成結論，並不提供合理確信必要之所有證據。

儘管本會計師於決定確信程序之性質及範圍時曾考量裕隆日產內部控制之有效性，惟本確信案件並非對裕隆日產內部控制之有效性表示意見。本會計師所執行之程序不包括測試控制或執行與檢查資訊科技(IT)系統內資料之彙總或計算相關之程序。

有限確信案件包括進行查詢，主要係對負責編製標的資訊及相關資訊之人員進行查詢，並應用分析及其他適當程序。

本會計師所執行之程序包括：

- 與裕隆日產人員進行訪談，以瞭解裕隆日產之業務與履行永續發展之整體情況，以及永續報導流程；
- 透過訪談、檢查相關文件，以瞭解裕隆日產之主要利害關係人及利害關係人之期望與需求、雙方具體之溝通管道，以及裕隆日產如何回應該等期望與需求；
- 與裕隆日產攸關人員進行訪談，以瞭解用以蒐集、整理及報導標的資訊之相關流程；
- 檢查計算標準是否已依據適用基準中概述的方法正確應用；
- 針對報告中所選定之永續績效資訊進行分析性程序；蒐集並評估其他支持證據資料及所取得之管理階層聲明；如必要時，則抽選樣本進行測試；
- 閱讀裕隆日產之永續報告書，確認其與本會計師取得關於永續發展整體履行情況之瞭解一致。

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**先天限制**

因永續報告書中所包含之非財務資訊受到衡量不確定性之影響，選擇不同的衡量方式，可能導致績效衡量上之重大差異，且由於確信工作係採抽樣方式進行，任何內部控制均受有先天限制，故未必能查出所有業已存在之重大不實表達，無論是導因於舞弊或錯誤。

**結論**

依據所執行之程序及所取得之證據，本會計師未發現標的資訊有未依照適用基準編製而須作重大修正之情事。

安永聯合會計師事務所

會計師：王耀瑄 王瑄瑄

民國一一五年七月十五日



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附件一：

<table>
<tr><th>編號</th><th>章節</th><th>內文標題</th><th>標的資訊</th><th>適用基準</th></tr>
<tr><td>1</td><td>4.2.3</td><td>廢棄物管理</td><td>廢棄物總重量<table><tr><th>類別</th><th>2025</th></tr><tr><td>生活廢棄物(噸)</td><td>7,956</td></tr><tr><td>合計</td><td>7,956</td></tr></table></td><td>GRI 306-3 廢棄物的產生<br>報導組織應報告以下資訊：<br>a. 產生的廢棄物總重量（以公噸為單位），並按廢棄物組成成分細分總量。<br>b. 瞭解數據以及數據如何彙整的必要背景資訊。</td></tr>
<tr><td>2</td><td>3.4.3</td><td>召回改善流程</td><td><table><tr><th>車款及召回原因</th><th>啟動時間</th><th>應召回數量（台）</th><th>2025 已召回數量（台）</th></tr><tr><td>NISSAN QUEST 駕駛座安全氣囊 NISSAN 標誌瑕疵</td><td>2025/5/22</td><td>29</td><td>10</td></tr><tr><td>NISSAN KICKS e-POWER 鋰電池控制器軟體瑕疵</td><td>2025/5/22</td><td>837</td><td>811</td></tr><tr><td>X-TRAIL 1.5L 車型引擎曲軸瑕疵</td><td>2025/11/20</td><td>1,726</td><td>906</td></tr><tr><td>ALTIMA 車型引擎曲軸瑕疵</td><td>2025/11/20</td><td>708</td><td>332</td></tr><tr><td>QX50 與 QX55 車型引擎曲軸瑕疵</td><td>2025/11/20</td><td>2,659</td><td>1,026</td></tr><tr><td>X-TRAIL e-POWER 發電機馬達瑕疵</td><td>2025/12/15</td><td>120</td><td>74</td></tr></table></td><td>SASB TR-AU-250a.3 召回車輛之數量<br>1 個體應揭露於報導期間內所公布其受自願或非自願召回之車輛之總數量。<br>1.1 自願召回係由個體發起將有安全相關缺陷之產品自市場中移除之召回。<br>1.2 非自願召回係(i)於車輛或車輛相關設備之項目未遵循政府車輛安全法規時，或<br>(ii)於車輛或車輛相關設備中之安全相關瑕疵被辨認時，由適用之司法管轄區法律<br>或主管機關所要求或強制者。</td></tr>
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<table>
<tr><th>編號</th><th>章節</th><th>內文標題</th><th>標的資訊</th><th>適用基準</th></tr>
<tr><td>3</td><td>5.1.1</td><td>員工概況</td><td>員工職務與性別分布<table><tr><th>性別</th><th>男性</th><th>女性</th></tr><tr><td>一般員工</td><td>63%</td><td>37%</td></tr><tr><td>中階主管</td><td>80%</td><td>20%</td></tr><tr><td>高階主管</td><td>85%</td><td>15%</td></tr></table>員工年齡與性別分布<table><tr><th rowspan="2">項目</th><th rowspan="2">類別</th><th colspan="2">男性</th><th colspan="2">女性</th><th colspan="2">合計</th></tr><tr><th>人數</th><th>比例</th><th>人數</th><th>比例</th><th>人數</th><th>比例</th></tr><tr><td rowspan="4">年齡</td><td>30 歲以下</td><td>11</td><td>5.3%</td><td>13</td><td>13.4%</td><td>24</td><td>7.9%</td></tr><tr><td>30-50 歲</td><td>120</td><td>58.3%</td><td>62</td><td>63.9%</td><td>182</td><td>60.1%</td></tr><tr><td>51 歲以上（含）</td><td>75</td><td>36.4%</td><td>22</td><td>22.7%</td><td>97</td><td>32.0%</td></tr><tr><td>合計</td><td>206</td><td>100%</td><td>97</td><td>100%</td><td>303</td><td>100%</td></tr></table></td><td>GRI 405-1 治理單位與員工的多元化<br>報導組織應報告以下資訊：<br>a. 就以下多元化類別，組織治理單位的成員百分比：<br>i. 性別；<br>ii. 年齡層：30 歲以下、30-50 歲、51 歲以上；<br>iii. 其它相關的多元化指標（例如：少數或弱勢團體）。<br>b. 就以下多元化類別，各項員工類別的員工百分比：<br>i. 性別；<br>ii. 年齡層：30 歲以下、30-50 歲、51 歲以上；<br>iii. 其它相關的多元化指標（例如：少數或弱勢團體）。</td></tr>
<tr><td>4</td><td>2.2.2</td><td>法規遵循</td><td>2025 年裕隆日產並無發生任何重大違反罰鍰事件及法規事件。</td><td>GRI 2-27 法規遵循<br>報導組織應報告以下資訊：<br>a. 報導報導期間發生的重大違反法規事件總數，並按以下方式細分：<br>i. 被罰款的事件；<br>ii. 非金錢制裁的事件；<br>b. 報導在報導期間內支付違反法規罰款的總數和金額，並按以下方式細分：<br>i. 在當次報導期間內發生違反法規行為事件的罰款；<br>ii. 在先前的報導期間內發生違反法規行為事件的罰款；<br>c. 描述重大違規事件；<br>d. 描述組織如何判定重大違規事件。</td></tr>
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# 2025

## NISSAN TAIWAN

# SUSTAINABILITY REPORT

## Environmental Social Governance

Innovation for Excitement