D-Link®

LEADING
SMART
LIVING

Creating Sustainable Value

2024
Sustainability Report

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About the Report GRI 2-2, 2-3, 2-5, 2-14

D-Link maintains a good and smooth communication channel with stakeholders, and has been regularly issuing sustainability reports and disclosing relevant information on the Company's website since 2013. This report, D-Link's "2024 Sustainability Report" (hereinafter referred to as "the Report") aims to present D-Link's efforts and achievements in implementing sustainable development to stakeholders.

D-Link

Report Writing Basis

The Report is prepared in accordance with the Global Reporting Initiative (GRI[1]) Standards, and complies with the "Operating Measures for the Preparation and Reporting of Sustainability Reports by Listed Companies" and the Standards—Hardware of the Sustainability Accounting Standards Board (SASB[2]), while referring to the Task Force on Climate-related Financial Disclosures (TCFD[3]) framework, and the Integrated Reporting Framework (IR[4]). It also spontaneously responded to the 17 Sustainable Development Goals (SDGs[5]) of the United Nations and the United Nations Global Covenant (UNGC[6]). Please refer to the appendix for details (P.177).

Report Period

The Report is the 12th sustainability report of D-Link, which reveals the performance information of D-Link's responses to material topics and actions for the year 2024 (January 1 to December 31, 2024).

Disclosure Scope

The financial data in this report cover the business performance of the parent company and 50 subsidiaries[7] ; The scope of disclosure of non-financial performance mainly covers the D-Link Headquarters and all operating sites of the Taiwan branch, and only some of the information scopes cover overseas subsidiaries, such as the number of employees and their distribution. If calculated based on consolidated operating revenue, it accounts for 23.0%.

Data Description

The source of the financial performance data in the Report is the operating performance of the parent company and subsidiaries disclosed in the Company's 2024 Annual Report. Environmental disclosures are based on information within the Taipei Headquarters boundary, while social disclosures extend to the Taipei Headquarters (including the Tainan warehouse) and various branch locations in Taiwan (such as the Hsinchu office, Taichung office, and Kaohsiung office). The financial data in the report was publicly disclosed after being certified by CPAs, and the relevant carbon emission information has been verified by a third-party impartial unit. Other statistical data disclosed in the report are all the results of the Company's statistics and survey and are presented using the commonly used numerical description method. If any relevant information is redrafted, it will be explained in the appendix. No relevant information has been redrafted in the Report.

Report Management and Review

The data or information disclosed in the Report are provided by various competent and responsible departments to the ESG Office for compilation, then managed and reviewed in the following methods.

· **Internal control and audit :** The data or information disclosed in the Report are provided by various competent and responsible departments to the ESG Office for compilation, then reviewed by the Corporate Auditor's Office before being submitted to the Chairman, ESG Committee and Board of Directors for review and approval in sequence.

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[1] Global Reporting Initiative
[2] Sustainability Accounting Standards Board
[3] Task Force on Climate-related Financial Disclosures
[4] Integrated Reporting Framework
[5] Sustainable Development Goals
[6] United Nations Global Compact
[7] Please refer to P.131 of the Company's "2024 Annual Report"

· **External Verification**

Type	Items	Verification Unit
Finance Data	2022 to 2024	KPMG Taiwan
Quality Management Data	ISO 9001:2015	AFNOR
Occupational Safety and Health Data	ISO 45001:2018	BSI
Environment Data	ISO 14001:2015 ISO 14064-1:2018	SGS AFNOR
Information Security	ISO/IEC 27001:2022 BS 10012:2017 IEC 62443-4-1:2018	TUV AUSTRIA TUV AUSTRIA TUV NORD
Intellectual Property Management	TIPS (Grade A) Certification	The Institute for Information Industry entrusted by the Industrial Development Administration of the Ministry of Economic Affairs.
Sustainability Data	AA1000AS v3 Type 2 Moderate Level, GRI Standards, SASB Standards, TCFD.	TUV NORD

Issuance Information

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Disclosure period	January 1, 2024, to December 31, 2024
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First published version	June 2014

Chinese and English versions of the Sustainability Report are issued every year, and the annual reports are all published on the D-Link official website in the " Sustainability Report Download " section.

Contact Information

If you have any questions about the Report or have any suggestions for D-Link, please contact the Company through the following channels.

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Message from the Chairman GRI 2-22

In these years, technology tides have been driving the world forward, reshaping people's lifestyles and continuously challenging people's imagination about the future. At the core of the Internet technology industry, D-Link is a participant of time evolution, and a practitioner shouldering great responsibilities. I always believe that while it is important to grasp technologies and trends, adopting technology in a responsible manner is the only value we can leave for our descendants.

By reviewing every step in the past, I often reflect : what kind of mark do we leave for the next generation through every choice and action we make now ? Whenever I ask myself this question, a poem I read when I was young always emerges in my mind :

> *Who are you, reader, reading my poems an hundred years hence?*
>
> *I cannot send you one single flower from this wealth of the spring, one single streak of gold from yonder clouds. Open your doors and look abroad.*
>
> *From your blossoming garden gather fragrant memories of the vanished flowers of an hundred years before.*
>
> *In the joy of your heart may you feel the living joy that sang one spring morning, sending its glad voice across an hundred years.*
>
> — The Gardener 85. By Rabindranath Tagore —

We cannot foresee the world after a hundred years, but every action planned carefully now, is the seed planted for the future. I firmly believe that sustainable development not only relies on the refinement of technology, but also on the robustness of governance and organization. The diversity and professionalization of the Board of Directors, as well as the long-term cultivation of talent, are the essential foundation for us to move toward a sustainable future.

In 2024, we have upheld the vision of "Leading Smart Living and Creating Sustainable Value" by integrating environmental care, social engagement, and corporate governance into our operational strategy. Whether it is optimizing the production process, promoting the application of environmentally friendly materials, or deepening social welfare and caring for local communities, D-Link has fulfilled its corporate citizenship commitment with steady and solid steps.

In the future, D-Link will continue to work with stakeholders to cultivate sustainable development and fulfill corporate responsibility. In terms of the environment, taking "D-Link Green" as the pillar, we reduce the possible negative impact on the environment during the design, function, material, and packaging stages of the product life cycle. In the aspect of society, we continue the core of "more local, more welfare to the public", to cultivate various social engagement projects. Internally, we have strengthened our career development plans and cultivated talent for the industry. For the governance, we also uphold ethics and transparency to create shareholder profits and are responsible for our stakeholders.

Sustainability is not a goal to be achieved in one step, but rather a marathon that spans generations. As mentioned in Tagore's poem, the joy of transcending time and space underlies in our every current choice and action. Every D-Linker is a companion of this path, and takes on the mission of being common wellness to the environment, society, and the future of the enterprise. I wish that every seed of hope we plant today can be turned into warm light in the future and leave a touching and beautiful memory for the world in the next hundred years.

Chairman *Victor Kuo*

Overview GRI 2-1, 2-6, 2-7

D-Link was established in 1987 and its own "D-Link" brand products are sold around the world. It has been listed on Taiwan Stock Exchange in October 1994 with the stock code 2332. The Company's paid-in capital is NT$6 billion, and the consolidated revenue in 2024 was NT$14.4 billion. Please refer to the Company's 2024 Annual Report for detailed financial information.

▼ Number of Employees Worldwide and Consolidated Financial Information

	2022	2023	2024
Number of Operating Locations	82	90	90
Total Number of Employees	1,652	1,593	1,460
Headquarters (Including the Number of Employees in Taiwan Branch)	515	518	460
America	76	73	60
Europe	434	457	431
Asia and Others	627	545	509
Capital Amount	5,998	6,028	6,024
Total Assets	15,422	16,621	16,491
Net Sales	17,078	15,941	14,395
America	1,332	1,223	858
Europe	4,888	4,257	3,304
Asia and Others	10,858	10,461	10,233

* All amounts in this table are denoted in New Taiwan Dollars (NTD) in millions.

* The regional classification of financial data is based on the financial reports in the annual reports of each respective year.

Founded in Taiwan, D-Link is a globally recognized leader in the networking and communications industry, known for its strong market presence and trusted performance worldwide. Guided by its brand commitment of "MIT quality, creative innovation, solution-oriented, one-stop service, and sustainable design", D-Link is dedicated to delivering superior user experiences to customers across the global networking ecosystem. With nearly 40 years of industry experience, D-Link has built a solid international reputation and has partnered with valuable global clients to pave a new digital Silk Road and shape a smarter future.

Since joining the Taiwan Steel Group in 2020, D-Link has reinforced its role as a global leader in smart networking solutions. The Company integrates three core strengths—Intelligent functionality, Made-in-Taiwan quality, and sustainable manufacturing—to drive innovation in both products and services. D-Link's commitment to corporate sustainability has earned international acclaim, including high rankings in corporate governance and ESG assessments, as well as numerous international design awards.

As a global networking brand, D-Link not only provides hardware, but also enhances market competitiveness through comprehensive end-to-end network solutions and cloud-based management services. With growing global demand for faster and more seamless connectivity, D-Link continues to evolve and deliver high-performance, reliable networking experiences for individuals, families, businesses, and industries alike.

D-Link's core product portfolio includes switches, wireless networking equipment, broadband devices, digital home products, and cloud-based solutions. Widely adopted by SMEs and households around the world, D-Link's offerings serve a broad customer base—including individual consumers, enterprise users, and telecom service providers. Since its inception, the Company has remained committed to globalization, internationalization, and localization—focusing on the R&D, design, development, and marketing of advanced networking products and services to meet the diverse needs of global markets.

Looking ahead, D-Link will continue to integrate global resources to create greater synergy, reinforcing its leadership in smart networking and full-scope connectivity solutions. Guided by its brand vision, "One Connection • Infinite Possibilities", D-Link aims to accelerate digital transformation and deliver innovative solutions across industries—from healthcare and transportation to finance, home security, and arts and culture—unleashing the boundless value of digital connectivity and shaping a more connected future.

D-Link Business Architecture

	Consumer	Commercial	Industry
Market Positioning	Global Leader to Provide Intelligent Network Equipment, Solution & Management Platform		
Brand Promises	MIT Quality, Creative Innovation, Solution Oriented, One-Stop Service, Sustainable Design		
Brand Slogan	One Connection · Infinite Possibilities		
Target Business	**Consumer**	**Commercial**	**Industry**
Product Vision	**Shaping D-Link Smart Lifestyle**	**Building Wireless Network Infrastructure**	**Driving Ubiquitous IIoT Connectivity**
Product Connectivity	• Router, mesh router, extender, adapter • Matter-certified IoT gateway and device, IP camera • 4G/5G Routers, Mobile Hotspot & USB adapter • Peripheral	• Switch from Core to Edge • Enterprise Wi-Fi AP • SOHO & Business VPN Router • Fiber Connection & Converter	• Industry Switch/ Wi-Fi AP/ Client • Industry VPN Router/ IIoT GW • 4G/5G M2M/ IIoT/ Transit GW • Industry Wireless IIoT & Client
Product HMI	• Water sensor, window sensor, motion sensor • Smart plug • IP camera	• Kiosk, Digital Signage, Touch Screen • IP-Cam, HMI	• Kiosk, Digital Signage, Touch Screen • IP-Cam, HMI
Platform	AQUILA PRO AI	nuclias	D-ECS cloud
Solutions	• Connected Home ; Smart Home • Rural Broadband & Fixed Wireless • On the Go : Internet everywhere • Work at Home : Lifestyle workforce	• Nuclias On the Go : for Business Trip • Nuclias SOHO : for Small & Home Office • Nuclias Connect : Medium to Large • Nuclias Hyper : Multisite & Hyper Scale	• Topology : Linear/ Ring/ Star/ Fiber extend • M2M : WAN Extension & Remote Access • IIoT: RTU & Site Networking • In-Vehicle : Networking & Telematics
Application & Service	Service Subscription : Cloud Recording & APP Integration	Service Subscription : Device Setup, Topology View, Status Monitor	Service Subscription : 4G/5G Connection setup & Status Monitor

D-Link Global Distribution Map

D-Link has established 90 sales / operational sites across 43 countries worldwide, with its global headquarters located in Neihu District, Taipei. Supported by a dedicated team of approximately 1,460 employees, the Company delivers networking equipment and services to individuals, households, businesses of all sizes, and various industries. D-Link continues to lead the way in developing comprehensive network infrastructure solutions and AI-powered cloud management services through strong teamwork and collaboration.

43 / Countries   **90** / Locations   **1,460** / Employees

London, UK

Dubai, UAE

Goa, India

Singapore

Shanghai, China

Taipei, Taiwan

D-Link
headquarter

Sydney, Australia

Fountain Valley, USA

São Paulo, Brazil

D-Link's Product & Service

Product Vision

D-Link offers a comprehensive portfolio of networking products and solutions, embodying the concept of "One Connection・Infinite Possibilities". The Company's diverse range of products and services covers three main segments : consumer, commercial, and industrial. D-Link provides optimized and intelligent end-to-end networking solutions tailored to meet the needs of different environments and users.

Main Products

Based on the operating revenue share of each product line in 2024, the order is switch products, wireless networks and IoT products, mobile and broadband network products, and other products. The Company discloses the share of operating revenue of each product line on a quarterly basis. Please refer to the quarterly financial briefing for details.

Consumer Product Line

Home Wi-Fi
- Router / Mesh Router / SOHO Router / Travel Router
- Extender · USB Adapter/ PCIe Adapter

IoT Smart Home
- IoT Gateway
- IP Camera · Smart Plug

4G/5G
- ODU and IDU / Indoor CPE
- Wi-Fi Mobile Hotspot / USB Adapter

Peripheral
- USB-C Hub / Docking Station
- SSD Enclosure
- Power Bank · GaN Charger

Broadband
- xDSL Routers
- xDSL IAD
- GPON SFU
- XGSPON SFU

Commercial Product Line

Switches
- L3 & L3 Lite Managed Switch
- Micro Data Center
- Stackable Smart (L2+) Switch
- Standard & Easy Smart Switch
- Unmanaged Switch
- PoE Switch

Peripheral
- Active Fiber
- Directed Attached Cable

Enterprise & Smart AP

Business Router

Management
- Nuclias Network Controller
- D-View

Industrial Product Line

4G/5G
- 4G / 5G (PoE) Modem
- 4G / 5G Router
- 4G / 5G IIoT GW
- 4G / 5G Transit GW

IIoT
- IIoT Router/ GW
- IIoT Switch
- IIoT AP / Client

Enterprise & Smart AP

Management
- D-ECS

Important Notes in 2024

Month

02

- Achieved strong results in the S&P Global Sustainability Assessment, ranking in the top 4% of the industry and securing the 5th position in the global communication equipment industry.

05

- Ranked in the top 5% in the "10th Corporate Governance Evaluation" with a total score of 106 points, making it the only new entrant from the networking industry.

06

- Awarded the "Best Attractiveness Award" in the first Best Employer Awards by 104 Job Bank.
- Won the "Special Prize for Best of Show Award in Mobile Computing" at Interop Tokyo 2024 for AQUILA PRO AI MS30N.

08

- Won the "Silver Award" at TSAA 2024.

11

- Won the "Top 100 Taiwanese Sustainable Corporates Award" while receiving the "Gold Class CSR Award" and the "Best Practice Award" for Creative Communication Leadership at TCSA 2024.
- Listed for the 2nd time in Business Weekly's Carbon Competitiveness Top 100, with the highest carbon productivity growth rate in the telecom industry and ranked among the Top 3 in the list.
- Achieved excellent results in the S&P Global Sustainability Assessment, ranking in the top 3% of the industry, and was selected for inclusion in the 2025 Sustainability Yearbook.

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- Honored with the "Wireless Router of the Year" at the IoT Breakthrough Award 2024 for AQUILA PRO AI MS30 Kit.

About the Report

About D-Link

- Message from the Chairman
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CH1 Sustainable Operations

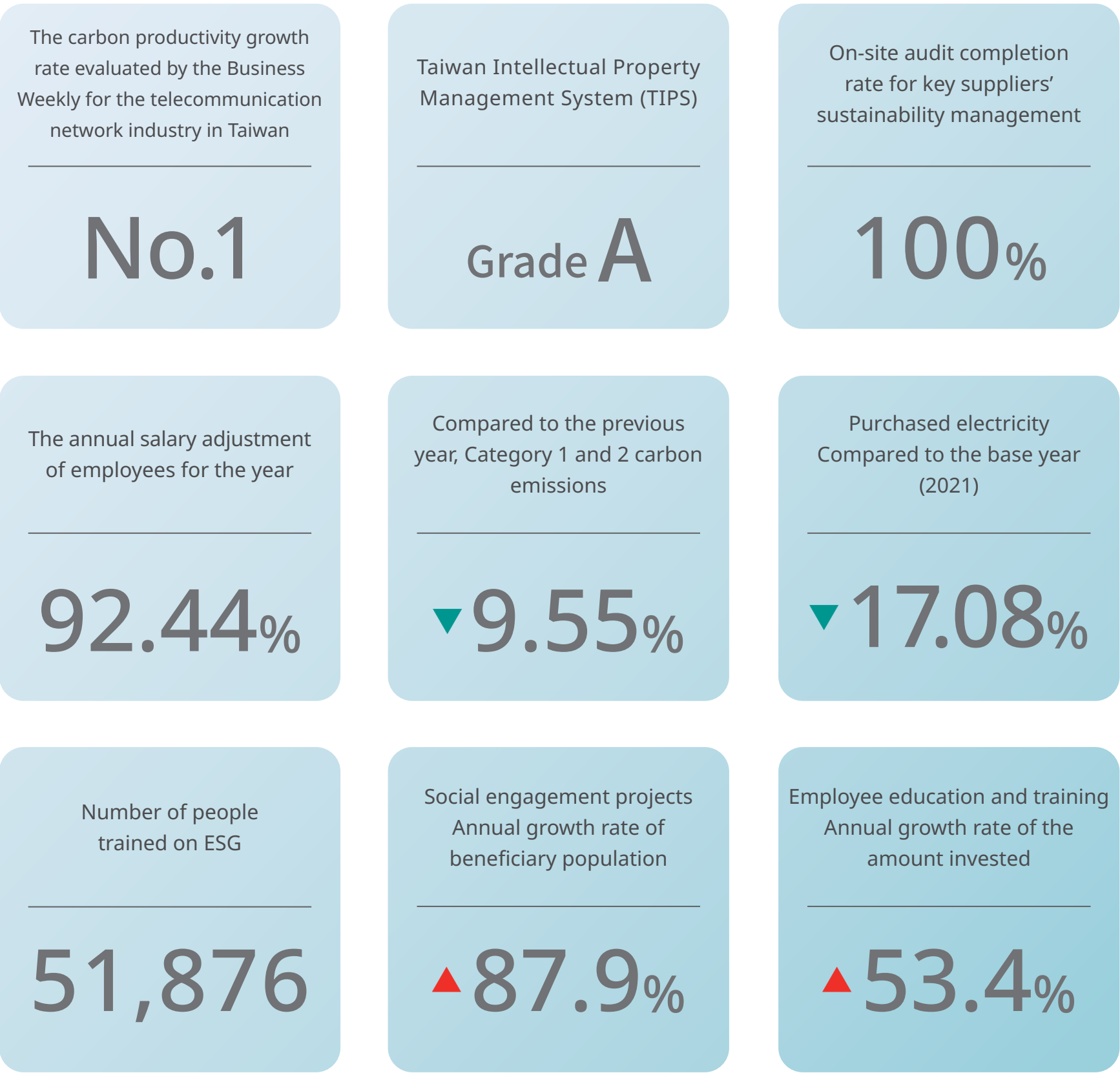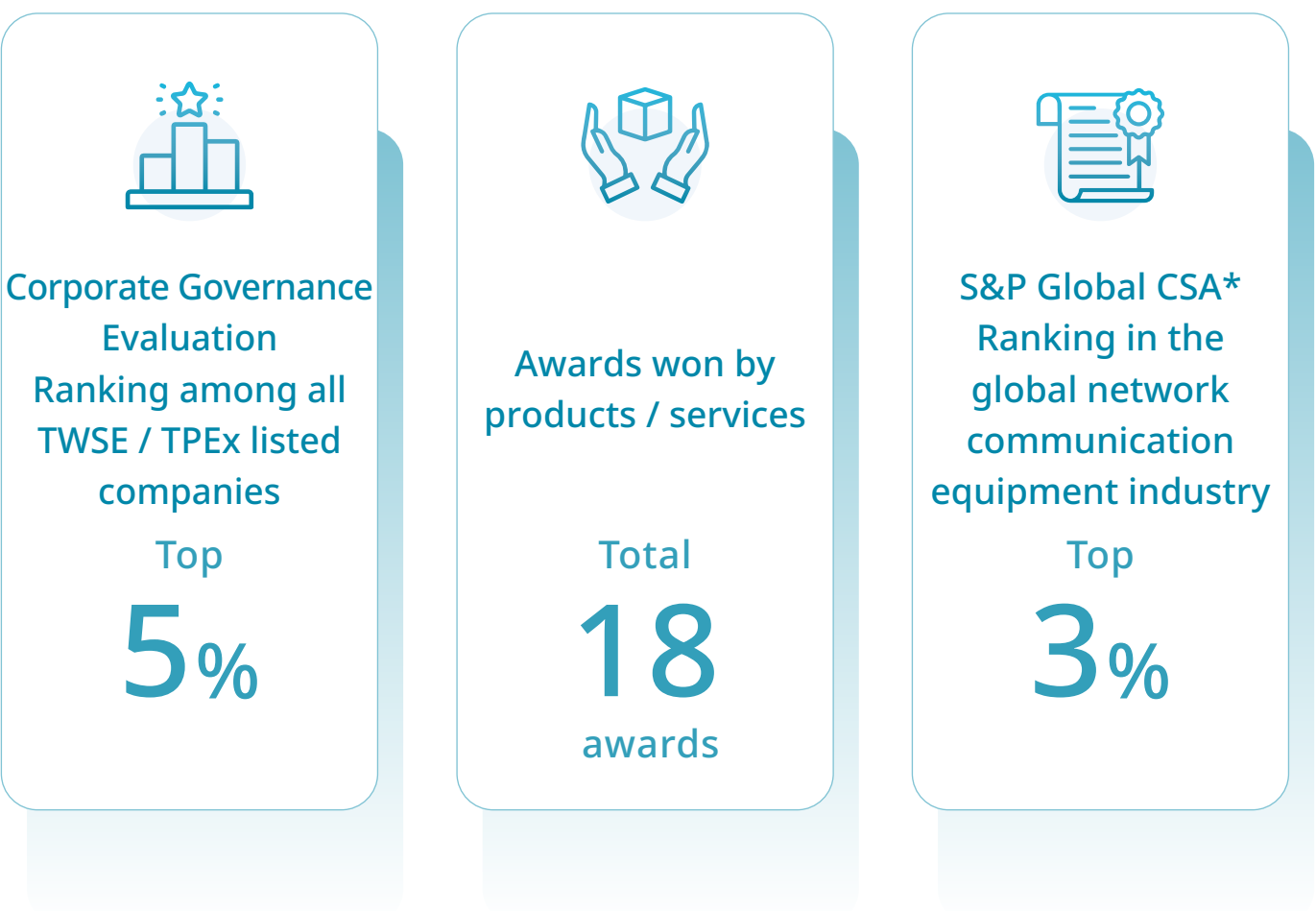**CH2 Corporate Governance**

CH3 Value Creation

CH4 Environmental Sustainability

CH5 People and Society

Appendix

2024 Sustainability Performance

In addition to actively developing its own business, D-Link is also committed to strengthening governance, contributing to the friendly environment, and benefiting society in 2024, and has achieved remarkable achievements in all aspects of ESG.

Corporate Governance Evaluation
Ranking among all TWSE / TPEx listed companies

Top

5%

Awards won by products / services

Total

18

awards

S&P Global CSA* Ranking in the global network communication equipment industry

Top

3%

The carbon productivity growth rate evaluated by the Business Weekly for the telecommunication network industry in Taiwan

No.1

Taiwan Intellectual Property Management System (TIPS)

Grade **A**

On-site audit completion rate for key suppliers' sustainability management

100%

The annual salary adjustment of employees for the year

92.44%

Compared to the previous year, Category 1 and 2 carbon emissions

▼**9.55**%

Purchased electricity Compared to the base year (2021)

▼**17.08**%

Number of people trained on ESG

51,876

Social engagement projects Annual growth rate of beneficiary population

▲**87.9**%

Employee education and training Annual growth rate of the amount invested

▲**53.4**%

*Corporate Sustainability Assessment

D-Link®

Awards and Honors

Recognized with 6 Sustainability-Related Awards

TSAA Taiwan Sustainability Action Awards
Sliver

TCSA Taiwan Corporate Sustainability Awards
Corporate Sustainability Reporting Awards Gold Award

TCSA Taiwan Corporate Sustainability Awards
Creative Communication Leadership Award

TCSA Taiwan Corporate Sustainability Awards
Taiwan's Top 100 Sustainable Companies Award

Business Weekly's Carbon Competitiveness Top 100
- Earned the highest carbon productivity growth rate in the telecom industry
- Ranked among Top 3 in the list.

104 Corporation Best Employer Brand
Best Employer Awards

Achieved Impressive Performance in 4 Major Domestic and International ESG Evaluations

57 — **S&P Global Corporate Sustainability Assessment (CSA)** (Date 2024.11)
Ranked in the top 3% of the industry and among the Top 3 in the global communication equipment sector

4.4 — **FTSE Russell ESG Rating** (Date 2024.12)
Total score↑15.8%, environmental aspect↑40%, social aspect↑8.9%
The governance aspect has obtained full marks for 3 consecutive years

B — **CDP Climate Change Rating** (Date 2025.02)
Achieved a four-grade improvement from D to B within 3 years

106.04 — **Corporate Governance Evaluation** (Date 2025.04)
Ranked in the top 5% of listed companies for 2 consecutive years

Honored with 18 Awards for Excellence in Products and Services

TAIWAN EXCELLENCE Taiwan Excellence 2024 (AQUILA PRO AI series)

Yanko Design
Best of MWC 2024 (M30 / M60)

Muy Computer
Best Mesh Solution of the Year 2024 (M30 / M60)

IoT Breakthrough Award 2024
Wireless Router of the Year (MS30 Kit)

Les Lecteurs Numériques
First Prize in Category Computer (M30)

Dataholic
Gold Award (R15)

Interop Tokyo 2024
The Special Prize for Best of Show Award in Mobile Computing (MS30N)

Future Security Awards
Best AI Innovative Product (AQUILA PRO AI series)

Hardware Point
Checked (G416)

ICT Champion Awards 2024	Networking Brand
Cyber AI Summit & Awards 2024	Best AI-Enabled Network Provider
Reseller ME Awards	Innovative Cloud Vendor
CIO Awards	SME Networking Brand
Technology Awards	SMB Networking Vendor
GEC Awards 2024	Top Vendor SMB Networking
Future Enterprise Awards 2024	Best Networking Vendor
Chip	Leading Support
CXO DX Future Workspace Summit & Awards 2024	Cloud Networking Vendor Award

*For the introduction of the annual award-winning products, please refer to Chapter 3.4 " Research, Development & Innovation" (P.86)

D-Link®

Sustainable Operations

Responding to Material Topics

• Sustainable Development Strategy

Major Stakeholders

• Customers / Clients

• Employees

• Shareholders / Investors

• Suppliers / Business Partners

• Subsidiaries

chapter

01

1.1 Sustainability Vision and Strategies GRI 2-13, 2-22, 2-23, 2-24, 3-3

With the sustainability vision of "Leading Smart Living, Creating Sustainable Value", D-Link is moving toward the vision that is linked to the United Nations Sustainable Development Goals (SDGs), based on 4 core spirits and 7 sustainability management competence, and shaping sustainable value with corporate identity.

▲ Connotation of D-Link's Sustainability Vision

Diversity
Pursue social inclusion with diverse and equitable policies and programs

Leverage
Utilize industry functions and corporate valaues to pursue maximum impact

Integrity
Establish a management mechanism with honesty and integrity to reduce operational risks and pursue sustainable development

Net-Zero
Optimize the efficiency of energy and resource use, and reduce the impact on the environment and ecology with a sustainable operation model

Knowledge
Strengthen industry functions through innovation and R&D capabilities to meet human development needs and share results with society

Management Approaches for Sustainable Development Strategy

Material Topics	Significance for D-Link	Impacts on Value Chain*			Response Policies and Measures	Management Actions
		Suppliers / Business Partners	D-Link / Subsidiaries	Customers / Clients		
Sustainable Development Strategy	Corporate sustainability is rooted in the sustainable development of the environment and society. The stable environment and society are the essential foun-dation for the sustainable development of the enterprise. While pursuing operational profit, D-Link also values the balance of ESG aspects to mitigate related risks and challenges, while grasping possible opportunities and advantages.	●	●	●	A dedicated unit has been established to formulate the Company's sustain-able development strategies, imple-ment the promotion of sustainable development policies, and track and manage the results thereof.	D-Link has an ESG Committee to assist the Board of Directors in promoting sustainable development practices to realize the vision of sustainable manage-ment ; it also has an ESG Office under the Committee, and through functional ESG Task Force, regular meetings are held every month to review and discuss the Company's core operating capa-bilities with the heads and responsible colleagues of each center, jointly for-mulate ESG development strategies, and optimize them on a rolling basis.

* ● Direct impact; ○ Indirect impact

Short / Medium / Long-Term Goals for Sustainable Development Strategy

Material Topics	Short-Term	Medium-Term	Long-Term
Sustainable Development Strategy	• Through international ESG assessments and comparisons, we grasp global sustainable development trends and continuously review the suitability of our sustainable development strategies and goals. • Incorporate ESG-related indicators into the KPI of units and employees. • We continuously organize internal and external sustainability education courses and workshops to enhance the sustainability literacy of our colleagues and shape a sustainable corporate culture. • We proactively provide sustainable development and ESG-related news and resources to stakeholders to exert brand influence and strengthen sustainable development momentum. • The Company actively responds to government policies, plans diversified cooperation with the cultural industry to build a sustainable ecosystem of cross-disciplinary common wellness and expand the influence of corporate sustainability.	• Implement the sustainable development strategies through the sustainable development program and combining the seven sustainable management capabilities, so as to create culture internally and image externally. • Link the sustainable development performance with each employee's KPI. • Plan and execute internal ESG proposal competitions within the Company.	• Link the functions and industrial characteristics of the networking equipment industry, leading smart living, creating sustainable value together. • Gradually achieve the goal of net-zero emissions by 2050.

By the end of 2025

By the end of 2028

By the end of 2033

Achievement Status of Sustainable Development Goals for 2024

Material Topics	Goals in 2024	Management Performance	Achievement Status
Sustainable Development Strategy	• It keeps abreast of the global sustainable development trends through international ESG evaluation / scoring and reviews the appropriateness of sustainable development strategies and goals on a rolling basis. • The ESG-related indicators are included in the KPIs of units or employees. • The internal and external sustainability educational courses / workshops are continuously organized to enhance the sustainability literacy of the employees, and shape a sustainable corporate culture. • The new information or resources related to sustainable development/ESG are actively provided to stakeholders to exert brand influence and strengthen sustainable development momentum.	• D-Link was ranked among the top 3% of the global network communication equipment industry in S&P Global CSA[1] and selected for the 2025 Sustainability Year[2]. Its FTSE Russell ESG scores increased by 15.8% from the previous year. In addition, the Company reviews the implementation of various sustainability indicators on a regular basis. For issues that still have room for improvement, the Company optimizes the ESG sustainable development strategy goals through quarterly tracking and annual reviews. • Supervisors at all levels are instructed to accommodate the promotion of ESG operations, to incorporate corresponding indicators into the annual work targets of the unit or employees, and set appropriate weights. • Through a comprehensive ESG education and training framework, we continue to provide relevant education and training to employees, the ESG Task Force, and senior management. We also extend the basic courses to external stakeholders. In 2024, two physical ESG education and training sessions were held, and a total of 51,876 people viewed / read the ESG education and training articles / short films. • Based on the external ESG survey questionnaires received, we regularly compile and prepare the "ESG FAQ" to be updated and announced on the internal website every year to help the employees understand the development trends of sustainability issues and use it as the basis for responding to customer ESG due diligence in a timely manner, demonstrating D-Link's resilience and brand competitiveness. • In order to enhance the sustainability, resilience, and ESG knowledge of the entire industry chain, starting from 2024, the Company has regularly published the e-newsletter to share the Company's sustainable vision, governance structure, and implementation status with suppliers, and has detailed the principles, spirit, and specific implementation measures of the promotion measures, seeking to drive the value chain to jointly cultivate sustainable development and regard it as the most valuable corporate investment.	✓

1. Corporate Sustainability Assessment
2. The S&P Global Sustainability Yearbook

1.2 Sustainable Management Structure GRI : Self-defined topics

D-Link adopts sustainable development as its business policy and sets up the ESG Committee as the highest management unit for ESG related matters. Through the collaboration of the ESG Office and each department, the Company collectively examines and discusses its core operational capabilities and sets directions for development and improvement. With a top-to-down governance structure supported by cross-departmental integration, D-Link proves its strong commitment to corporate sustainability development.

1.2.1   ESG Committee

1.2.2   ESG Office

1.2.1 ESG Committee

D-Link established the ESG Committee in 2021. The ESG Committee is responsible for assisting the Board of Directors to continuously promote programs related to sustainable development to enact the vision of sustainable management. For regulations regarding the ESG Committee, please refer to the "ESG Committee Charter".

Responsibilities of ESG Committee

- Formulate annual plans and strategy for sustainable development.
- Formulate sustainable development projects and activity plans.
- Track and review the implementation and effectiveness of the Company's sustainable development annual plan, strategy, project and activity plan, and report to the Board of Directors at least once a year
- Other matters to be handled by the Committee upon resolution of the Board of Directors.

Operation of ESG Committee

The ESG Committee is composed of all independent directors and the chairman[8] , with 4 members. 3 meeting was held in 2024 and the attendance rate of members was 91.7%. For the professional qualifications and experience of members of the ESG Committee, and the 2024 meeting reports, discussions, and resolutions, please refer to the "ESG Committee" section on the official website.

[8] Chairman was added in the second term

1.2.2 ESG Office

D-Link has established the ESG Committee to assist the Board of Directors in promoting sustainable development practices and realizing the vision of sustainable management. Under this committee, the Company has also set up the ESG Office, with two-thirds of its members holding sustainability management-related certifications, as well as a functional ESG Task Force. Monthly meetings are conducted to collectively review and discuss the Company's core operational capabilities with department heads and responsible colleagues from each center. These meetings aim to formulate ESG development strategies and continuously optimize them. This integration of sustainable development into the Company's management strategy ensures the promotion and implementation of tasks related to enterprise sustainable development.

▼ Responsibilities of ESG Office and the ESG Task Force

ESG Office	ESG Office & ESG Task Force	Responsible Departments
• Analysis of domestic and foreign sustainability-related trends and regulations, and provision of integration advice. • Organize and integrate ESG-related initiatives. • Responsible for conducting monthly task force meetings.	• Address ESG-related material topics and concerns raised by stakeholders. • Developing ESG Project Plans. • Track and manage the progress of ESG strategic goals.	• Deliberate on detailed approaches and execute them. • Regularly report on implementation progress.

Formulated jointly by the ESG Office and ESG Task Force and approved by the Board of Directors, the ESG strategic goals serve as the core for D-Link's related project initiatives. Besides quarterly tracking of implementation progress and reporting at regular meetings, an annual report is submitted to both the ESG Committee and the Board of Directors to ensure thorough review, improvement, and appropriate adjustments. To ensure the ESG strategic goals align with global sustainable development trends and stakeholder expectations, a comprehensive review and update is conducted every 2 years; the latest update was completed at the end of 2023 , with the next scheduled for early 2026. For more details on the implementation status of ESG strategic goals and additional information, please refer to the official website under the section titled "ESG Vision and Performance".

▼ D-Link's ESG Short / Medium / Long-Term Strategic Goals (2024-2033)

Aspect	Duration[1]	Strategic Goal
Environmental	Short-term	• Continue to implement energy saving projects. • Upgrade CDP Evaluation Grade to C-Grade. • Obtain ISO 46001 Water Efficiency Management System Certification[2].
	Medium-term	• Gradual upgrade of air conditioners. • Complete the carbon inventory and verification of consolidated subsidiaries. • Assessment of the introduction of ISO 14067 product carbon footprint standard. • Promote active reduction of carbon emissions to the supply chain.
	Long-term	• Installation of solar photovoltaic equipment. • 2030 green power procurement target of 17.5%. • Pass ISO 50001 energy management system certification.
Social	Short-term	• Formulate a plan for the reserve cadre personnel for key positions.
	Medium-term	• Optimize remuneration competitiveness.
	Long-term	• Continue to promote sustainable human rights risk assessment.
Governance	Short-term	• Maintenance of Taiwan Intellectual Property Management System. • Build sustainability and resilience of the supply chain.
	Medium-term	• Continuously Enhancing the Sustaining Power of Corporate Governance[2]. • Implement remuneration transparency for senior managers.
	Long-term	• Evaluate and introduce external verification of ethical corporate management/anti-bribery related management systems. • Include ESG performance as a criterion for business selection. • Evaluate and implement the ISO 20400 sustainable procurement guidelines.
Sustainable Products	Short-term	• Promote and optimize sustainable product development and design planning. • Shaping D-Link's sustainable product features.
	Medium-term	• Sustainable performance is enhanced in product design. • Discuss a product recycling plan. • Strive for international awards for sustainable products.
	Long-term	• Continue to strengthen the influence of D-Link sustainable products.

1. Short-term: By the end of 2025 ; Medium-term: By the end of 2028 ; Long-term: By the end of 2033.
2. Targets revised and approved in early 2025.

1.3 D-Link's Sustainable Value GRI : Self-defined topics

To respond to the high concern and expectation of global customers and capital markets on ESG issues, and join hands with stakeholders towards sustainability, D-Link is committed to promoting and integrating sustainable development strategies and operational core and integrating with the United Nations Sustainable Development Goals (SDGs). D-Link works with suppliers, employees, customers, communities and other stakeholders to jointly launch a number of governance, environmental and social action programs, and gradually realize the vision of sustainable development. Since 2022, the Company refers to the integrated reporting framework published by the International Integrated Reporting Committee and examined the input and output of six major capitals, including financial capital, manufactured capital, intellectual capital, human capital, natural capital, and social and relationship capital in the Company. It also launched an operating value chain, as an important reference indicator for corporate sustainable management, and helped stakeholders to understand and review the performance of D-Link in promoting sustainable development.

▼Capital Input and Output in 2024

Currency: NTD

	Six Major Capital Investments for the Year	Business Model	Six Capital Outputs of the Year	Sustainability Impact
Financial Capital	Optimize operating profitability by making the best use of shareholders' capital and bank funds and managing financial resources effectively. • Capital : NT$6 billion		• Profit before tax : NT$360 million	Stable returns for investors / shareholders
Manufacturing Capital	Manage suppliers to confirm that they provide products and services that meet customers' needs under conditions that meet society's expectations. • Amount of cooperation with major suppliers : NT$3.05 billion		• Operating revenue : NT$14.4 billion • Percentage of suppliers subjected to ESG implementation on-site audit / total : 85% / 7 • Percentage of major suppliers that were screened with environmental / socioeconomic criteria : 100%	Drive the value of industry supply chain
Smart Capital	• Invest in forward-looking, innovative products and services to continue creating product differentiation and market segmentation, strengthen our intellectual capital, and enhance the resilience of our operations. • R&D devotion cost : approximately NT$760 million • R&D manpower training hours / attendance : 825.5 hours / 204 attendance		• Number of patents obtained : 5 • Total number of valid patents worldwide : 93 • Consumer cloud solutions subscriptions of NT$116.90 million • Enterprise cloud solutions subscriptions of NT$95.30 million with a growth rate of 33.6% • Received 18 prestigious awards recognizing outstanding products and services.	Assist customers / clients to achieve success in product and service applications
Human Capital	• Provide professional knowledge and skills to our employees, offer diversified benefits, and build cohesiveness so that they can grow with the Company. • Contribution to welfare : approximately NT$4.57 million • Training and Education Expenses : approximately NT$1,492,000		• Provided 46 benefits for colleagues. • Total employee training hours : 8,557.7; average training hours per person were 18.6 hours, with 5.6% increase per year. • Turnover rate of 25.0%, and voluntary resignation rate was 12.4%.	Create employment opportunities and employee well-being
Natural Capital	Reduce natural energy and resource consumption, effective control, and pursuit of optimal use efficiency. • Green Pack Program : NT$560,000 • Procurement of energy-saving equipment and environmental labeling goods : approximately NT$2,180,000		• Annual reduction in electricity consumption : 4.12%. • Category 1 and 2 carbon emissions reduced by 9.55% per year. • Total waste volume decreased by 14.72% per year.	Preserve natural capital through environmental management
Social Capital	Combine the functions of the networking equipment industry and invest resources and caring momentum to strengthen local links and help the disadvantaged, giving back to the community and gaining trust. • Amount of investment in social participation activities : NT$9.8 million • Amount of investment in brand management : approximately NT$18.53 million • Amount of investment in customer service management : NT$460 million		• Number of social engagement projects : 36, with a 20% increase per year • Number of social participation activities. beneficiaries : 17,568, with a 87.9% increase per year • Recognized with 6 Sustainability-related awards. • Received 2,433 positive reports from domestic and international media. • Customer satisfaction score : 85	Create social welfare and nurture talent for industry

Business Model

Driving Upward — **Stable Operation** — Impact Downward

Upstream | Operation | Downstream

Suppliers / Business Partners | Investors / Shareholders / Colleagues / Subsidiaries | Customers / Clients

Sustainable Supply Chain | Risk Management Optimization of Operation Management / Professional Talent Cultivation / Innovation and R&D / Green Products | Local Care Globalization Operation

Sustainability Management Competence
- Corporate Governance
- Innovation and R&D
- Supply Chain Management
- Customer Relationship Management
- Environment Management
- Human Resources Management
- Stakeholder Engagement

Brand Positioning
Global leading provider of networking solutions and intelligent networking devices

Core Spirit
- Entrepreneurship
- Accountability
- Integrity
- Teamwork

1.4 Materiality Analysis and Stakeholder Engagement

D-Link continues to collaborate with stakeholders through various communication channels to inspire and shape diverse social values. For issues of concern to external society and stakeholders, it has also formulated relevant procedures to identify material topics with high risks or substantial impacts on the economy, environment, society, and human rights in the Company's operations. These issues are actively addressed through sustainability reports and other platforms.

1.4.1 Materiality Analysis

1.4.2 Stakeholder

1.4.3 Initiatives and Organizations

1.4.1 Materiality Analysis GRI 2-12, 2-14, 2-29, 3-1, 3-2

Evaluation Procedure

D-Link continues to monitor domestic and international sustainable development trends, collecting sustainability issues of concern to stakeholders, and identifying key stakeholders in accordance with the AA1000 Stakeholder Engagement Standard (AA1000 SES)[9] . The Company also identifies material topics in accordance with the 2021 version of the GRI Universal Standard, carefully assessing the significance of each sustainability issue's impact on economic, environmental, social, and human rights aspects. This serves as the foundation for disclosing information in the annual sustainability report and forms the basis for planning the sustainable development strategy.

▼ Materiality Assessment Measures

Category	Step	Key Performance	Measure
Continuously identifying and evaluating impacts	Step 1. Understanding the organization's context	**5** types of major stakeholders	**Identifying stakeholders :** According to the five dimensions of AA1000 SES Stakeholder Engagement Standard, namely responsibility, influence, tension, diversity, and dependency, at the beginning of 2023, 11 heads of all departments filled out the relationship degree questionnaire* to confirm the types of stakeholders and evaluate the relationship degree of stakeholders. Finally, 5 types of stakeholders were identified according to their importance and their degree of influence stakeholders, such as customers / clients, shareholders / investors, employees, suppliers / business partners, subsidiaries etc., are ranked in order.
		19 main issues of concern	**Collecting topics of concern :** After compiling a total of 95 sustainability issues by referring to various sustainability standards (GRI, SASB), frameworks (TCFD), assessments (S&P, FTSE, CDP) , industry norms and standards, benchmark disclosures, and organizational operational goals, the ESG Task Force further evaluated each issue based on its "relevance to the Company / industry", "degree of impact on the economy, environment, and society", and "level of influence on corporate development". Through this process, the list was screened and refined down to 19 main issues of concern.
	Step 2. Identifying actual and potential impacts	**308** questionnaires	**Investigating the level of concern of stakeholders :** Through a physical and online survey of stakeholders closely connected with D-Link, with certain degree of impact regarding the level of concern on 19 main issues of concern, while engaging them on key issues related to human rights protection. 308 questionnaires were retrieved in total with effective feedback.
		4 aspects of analysis	**Analyzing operational impacts :** The ESG Task Force and the senior executives at the center level and above, including those who have a full grasp of the Company's operations and highest authority to make decisions, such as the Chairman and CEO, conducted an impact analysis of the 19 major issues of concern, by assessing each issue from four major aspects, including the severity of negative impacts (including irrecoverability), the scale and scope of positive impacts, and the likelihood of positive and negative impacts, to fully analyze the degree of impact.
	Step 3. Assessing the significance of impacts	**10** material topics	**Confirming material topics :** By combining the results of the survey of stakeholders and the analysis of the impact on operations, as well as the consideration of the global sustainable development trends and policies, plans of D-Link's ESG strategic goals, and the results of the human rights issues engagement, the significance of the 19 major issues of concern were sorted, and finally the top 10 issues were selected as the material topics to be reported as the first priority for the current sustainability report.
Determine material topics for reporting	Step 4. Prioritizing the most significant impacts for reporting	**3** phases of review	**Confirm the order of material topics :** D-Link regards the identified material topics as material risks or opportunities requiring focused management, and the Company formulated corresponding management guidelines one by one, including response policies, measures, management actions, and short / medium / long-term goals. In addition, the relevant contents will be reported to the Chairman and CEO at the regular meetings of the ESG Task Force, and submitted for approval by the ESG Committee and Board of Directors.
		19 GRI topics	**Confirm the corresponding disclosure items :** The management guidelines and performance of each material topic have been disclosed in this report in accordance with the reporting requirements of the GRI Standards. Among the 10 major topics, 9 correspond to 19 GRI topic standards, and the other 1 is a customized topic.

*The most recent key stakeholder identification operation was conducted in early 2025. The identification results and engagement status will be disclosed in the "2025 Sustainability Report".

[9]AA1000 Stakeholder Engagement Standard (AA1000 SES)

Identification Results

Considering the maturity and stability of the industry where the Company operates, with the continuous tracking and disclosure of the short / medium / long-term goal progress of material topics for effective management, D-Link has set the frequency of re-analysis and identification of key stakeholders and material topics as once every two years. The latest operation was conducted at the end of 2024, and the identification results are disclosed in this report for the first time. The next operation is 2026, and the analysis results will be disclosed in the "2026 Sustainability Report". During the interval between identification operations, D-Link continues to collect sustainable development trends and assesses the impact of each issue on a rolling basis to make necessary adjustments in a timely manner.

▼ D-Link Materiality Matrix

high

Level of Concern of Stakeholders

Degree of Impact of Company Operations on ESG

low   high
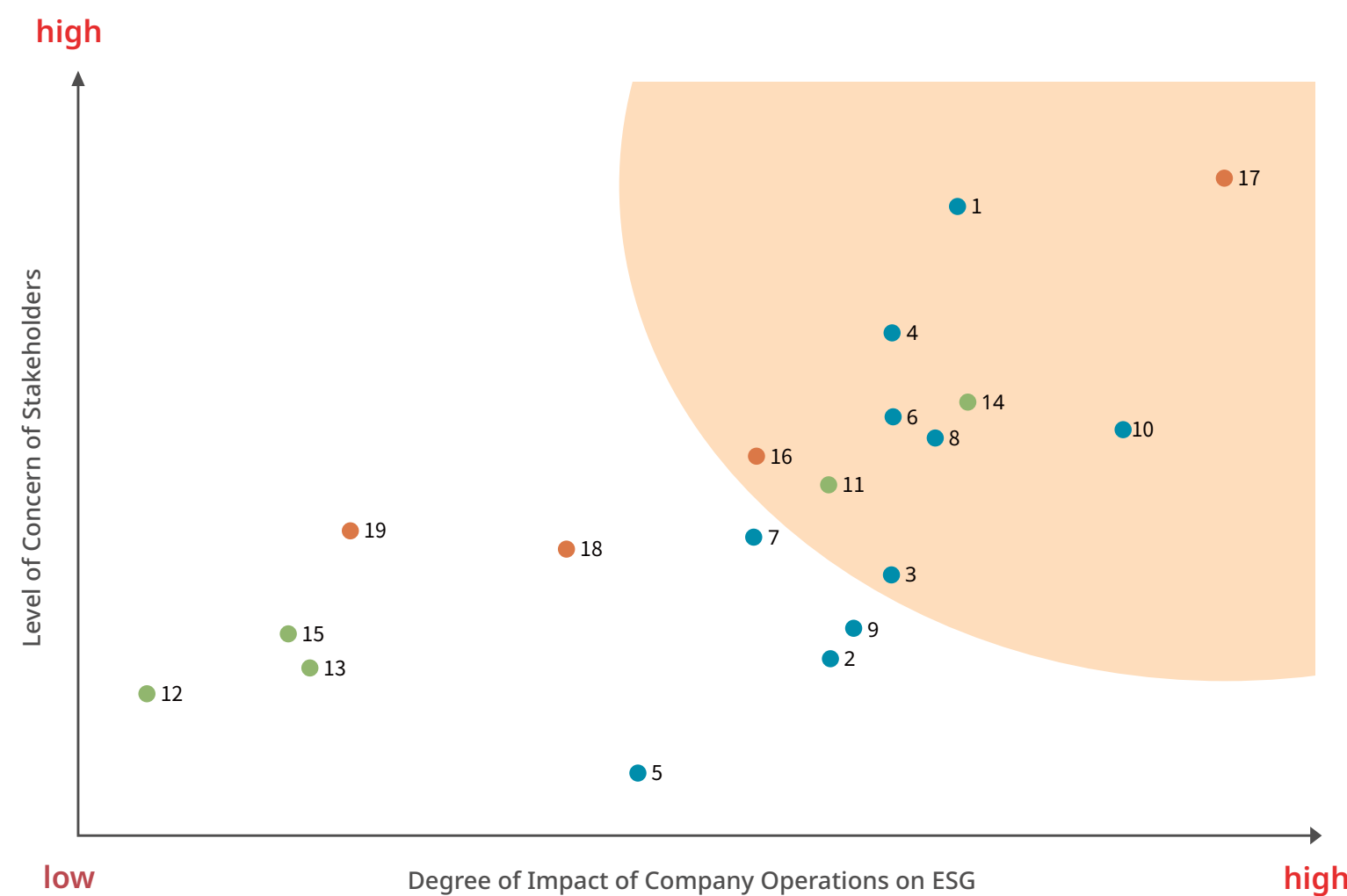
⁹AA1000 Stakeholder Engagement Standard (AA1000 SES)

No.	Governance Issues of Concern	No.	Environmental Issues of Concern	No.	Social Issues of Concern
1	**Sustainable Development Strategy**	11	**Climate Change Response Actions**	16	**Human Rights and DEI**
2	**Risk Management**	12	Water Resource Management	17	**Talent Selection, Recruitment and Retention**
3	**Business Performance**	13	Waste Management	18	Workplace Health and Safety
4	**Ethical Management**	14	**Green Products**	19	Social Engagement
5	Tax Governance	15	Sustainable Ecological Development		
6	**Information Security**				
7	Innovation and R&D				
8	**Product Quality**				
9	Customer Relationship Management				
10	**Supply Chain Management**				

1. Topics marked in bold indicate the material issues identified for this year.
2. Compared to 2023, a new material topic introduced this year is "Tax Governance". In contrast, several topics have been removed from the materiality assessment. These include "Compliance with Laws and Regulations", which is already mandated for disclosure under GRI 2, as well as topics with overlapping indicators such as "Public Policy Participation", "Intellectual Property", "GHG Emissions Management", "Energy Management", "Promoting Environmental Sustainability Awareness", "Diversity and Equal Opportunities", and "Employment Relationship". Additionally, the topic of "Serious Infectious Disease Control Measures" has been excluded, as it is now considered outdated and no longer applicable.
3. The texts marked in green represent environmental issues (E); those marked in orange denote social issues (S); and those marked in blue indicate corporate governance issues (G).

▼ List for 2024 Material Topics

No.	Material Topics	Significance for D-Link	Negative Impact[2] Degree	Positive Impact[2] Degree	Corresponding Chapter
1	Talent Selection, Recruitment and Retention(S)	D-Link, being a knowledge-intensive technology company, places significant importance on human resources, which play a pivotal role in enhancing the competitiveness of its products and services. Furthermore, with its global expansion and substantial organizational scale, the Company also assumes a crucial responsibility in nurturing key talents.	●●●○○	●●●●○	5.3 Employment and Employee Participation 5.5 Talent Selection, Recruitment and Retention 5.7 Benefits and Retirement System
2	Sustainable Development Strategy (G)	Corporate sustainability is rooted in the sustainable development of the environment and society. The stable environment and society are the essential foundation for the sustainable development of the enterprise. While pursuing operational profit, D-Link also values the balance of ESG aspects to mitigate related risks and challenges, while grasping possible opportunities and advantages.	●●◐○○	●●●●○	1.1 Sustainability Vision and Strategies 1.2 Sustainable Management Structure 1.3 D-Link's Sustainable Value
3	Ethical Management (G)	A good integrity management are the foundation of sustainable business operations. Relevant risk events may not only affect operational stability and corporate reputation but may also result in financial losses.	●●●○○	●●◐○○	2.2 Sustainable Governance 2.3 Transparency in Information Disclosure 2.4 Ethical Management
4	Supply Chain Management (G)	Implement due diligence responsibilities and exert market influence to strengthen the sustainability value of the overall industry chain and continuously refine the value chain management strategies of upstream / downstream partners to mitigate the risk of various negative impacts on suppliers, including the ongoing operational management of suppliers, which will directly impact the Company's operations and commitments to customers.	●●●○○	●●◐○○	3.5 Supply Chain Management
5	Green Products (E)	In response to the rising awareness of green consumption, D-Link leverages industry capabilities to develop products that are highly efficient, energy-saving, disaster-preventive, and packaging-reduced, enabling customers to support environmental protection with each purchase and use. By launching environmentally friendly products that align with current trends, D-Link maintains its competitiveness in the international market.	●●●○○	●●◐○○	4.4 Green Products
6	Product Quality (G)	Provide quality products and services to customers and become a leading brand of networking equipment through various stages of control. Quality and stability are closely related to customer losses and reputation, which directly affect market share and competitiveness.	●●●◐○	●●●●○	3.2.1 Quality Management 3.2 Product Quality and Safety
7	Information Security (G)	Continue to improve the Company's information security management system and strengthen its protection capabilities to comply with domestic and international information security-related regulations and to implement them in daily operations. We are dedicated to mitigating information security risks, maintaining customer trust, preserving the Company's reputation, and sustaining market competitiveness.	●●●◐○	●●●◐○	3.2.2 Product Security 3.3 Information Security Management
8	Climate Change Response Actions(E)	Climate change and carbon management are among the most urgent and significant environmental issues of our time. Global transnational organizations and governments are intensifying regulations to address these challenges. As an international brand, D-Link recognizes the necessity of leveraging our market resources and influence to actively promote the low-carbon transition of the value chain.	●●●○○	●●●○○	4.3 Climate Governance and Actions 4.4.1 Energy Management
9	Human Rights and DEI(S)	As a multinational enterprise, D-Link values a diverse and inclusive culture and is committed to providing a safe and equal workplace respecting the differences of individuals. We also promote a discrimination-free policy to ensure that all employees are entitled to fair treatment and career development opportunities. At the same time, the Company also strengthens the human rights management mechanism of the supply chain; through continuous monitoring and improvement, the potential human rights risks are reduced, corporate social responsibility is fulfilled, and the sustainable development of the entire industrial chain is promoted.	●●●○○	●●●◐○	5.4 Diversity, Equity and Inclusion (DEI)
10	Business Performance (G)	Pursuing business and financial performance and achieving profitability is the foundation of the Company's sound operation. The economic value generated from the Company's activities will directly impact shareholders' rights, investment scale, growth rate, and social contributions.	●●●◐○	●●●●○	2.5.1 Financial Performance

1. The method for identifying positive / negative impacts: The impact assessment questionnaires were distributed to the ESG Task Force members and senior executives (including the Chairman and CEO, totaling 25 persons), and the positive and negative impacts of 19 sustainability issues were calculated with the 5-point scale on the degree and scope, for their signals of positive and negative impacts.

2. Each management guideline for material topics is individually described in the relevant chapter. Reference may also be made to the appendix titled "Management Approach for Material Topics".

▼Changes in the Ranking of Material Topics

Material Topics	Ranking		
	2023	2024	Change
Talent Selection, Recruitment and Retention (S)	8	1	▲
Sustainable Development Strategy (G)	10	2	▲
Ethical Management (G)	6	3	▲
Supply Chain Management (G)	5	4	▲
Green Products (E)	11	5	▲
Product Quality (G)	2	6	▼
Information Security (G)	4	7	▼
Climate Change Response Actions (E)	12	8	▲
Human Rights and DEI (S)	-	9	New
Business Performance (G)	1	10	▼
Innovation and R&D (G)	3	-	Deleted
Customer Relationship Management (G)	9	-	Deleted
Risk Management (G)	7	-	Deleted

▼ Reasons for Adding or Deleting Material Topics

Material Topics		Significance for D-Link
New	Human Rights and DEI (S)	Human rights issues have always been the core of sustainable development, and their influence covers not only the social aspect, but also extends to the fair transformation of climate issues and the diverse inclusion of corporate governance. Against the backdrop of the volatile global political and economic landscape and the promotion of sustainable development, the importance and value of human rights protection and DEI have become more prominent. As a multinational enterprise, D-Link has included this issue in the material topics of the year through engagement with various stakeholders and risk assessments, striving to create a more inclusive and responsible business model.
Deleted	Innovation and R&D (G)	As a global technology brand, D-Link regards innovation and R&D as its core competitiveness and continues to invest resources to ensure technological leadership. Although innovation and R&D are characterized by stable long-term development, they were not identified as material topics with priority in this year's report. Nevertheless, we have included relevant developments to demonstrate our commitment to technological advancement and industry leadership.
	Customer Relationship Management (G)	D-Link has become a key global leader in the Netcom industry through its fast, comprehensive, and consistently high-quality customer service. Currently, we have 90 operating locations in 43 countries, and are committed to connecting to the market and customers closely. This issue is considered a sustainable issue with steady development, but is not a material topic that should be prioritized.
	Risk Management (G)	D-Link regards risk management as the key strategy to ensure the continuous growth of the organization, and has established a sound structure to flexibly respond to various challenges. Although risk management plays an important role in daily operations, it is not listed as a material topic due to the priority of other issues. Its related practices will be updated in the report to ensure transparency and accountability.
	Social Engagement (S)	D-Link actively participates in community development and public welfare activities, and is committed to improving social welfare and giving back to the service market. Although social engagement is an important part of the sustainability strategy, it is not listed as a material topic this year due to the priority of other issues. The relevant results will be shared in the report.

1.4.2 Stakeholder GRI 2-29

D-Link values the voices of internal and external stakeholders understands their concerned issues through diverse communication channels, takes these issues as important references for management policies and plan execution, and responds to stakeholders in the Report. The ESG Office reports the communication results to the ESG Committee every year regularly; the annual communication results have been reported to the ESG Committee and the Board of Directors on February 26th, 2024.

Major Stakeholders		Significance for D-Link
Customers / Clients		Customer trust is the key to evaluating whether D-Link has genuinely grasped technological trends, the driving force behind the Company's quality, technological improvements, and its sustainable developments.
Employees		Employees are invaluable assets for sustainable corporate development. D-Link respects, cares for, and looks after its employees, attracts outstanding talents to join it, and encourages them to fulfill their potential to create future developments together with us.
Suppliers / Business Partners		Suppliers are the driving force behind D-Link's competitiveness. Long-term and stable cooperation can reduce operational risks and costs. The Company is able to continuously provide customers with reliable and high-quality products and services to realize sustainable supply chain management.
Shareholders / Investors		Investors are a significant financial resource of D-Link. Sustainable management can be achieved through capital investments and corporate governance supervision.
Subsidiaries		The subsidiaries are responsible for market operations in various countries and closely monitor local market changes so that D-Link can adjust its operating policies according to the situation.

Major Stakeholders	Channels / Frequency of Communication	Communication Results in 2024

Customers / Clients
 	
【 Issues of Concern 】
 	
• Information Security
• Supply Chain Management
• Ethical Management
• Innovation and R&D
• Product Quality
• Customer Relationship Management
	• International exhibitions and product conferences : At least once a year.
	• Customer satisfaction survey : After a customer service case is accepted, the investigation will be carried out immediately.
	• Meetings related to specific issues : Aperiodically.
	• Customer visits : Aperiodically.
	• Repair center and after-sales services : Aperiodically.
	• Company website : Respond to customer questions in the visitor comment section immediately.
		• International exhibitions : Attended 3 events :
		  - MWC 2024.
		  - "TAIWAN EXCELLENCE in TOKYO ft. GOOD DESIGN AWARD" Exhibition.
		  - "The Marketing Campaign of Experiencing Excellence Products of Taiwan" in Bangalore, India.
		• Product conferences : 15 events conducted.
		• Customer satisfaction survey : The average score in Taiwan is 97 points, whereas the global average is 85 points.
		• Company website : Received and replied to 2,575 inquiries.
		• Customer service hotline : Received and replied to 10,725 inquiries.
		• Thematic Day of the Baseball / Basketball Team : Customers were invited to participate in two sessions of the Thematic Day of the baseball / basketball team under the Taiwan Steel Group.

Employees
 	
【 Issues of Concern 】
 	
• Talent Selection, Recruitment and Retention
• Business Performance
• Information Security
• Product Quality
• Workplace Health and Safety
• Human Rights and DEI
	• Labor Pension Supervisory Committee : Once a quarter.
	• Labor-management conference : Once a quarter.
	• Employee Welfare Committee : At least once a quarter.
	• Employee satisfaction survey : Once a year.
	• Education and training (outside-of-work training, in-work training, and self-development) : Held according to the plans.
	• Hotline and email : Handled at any time.
	• Club activities : Aperiodically.
	• Date with Supervisors : Aperiodically.
		• Labor Pension Supervisory Committee.Convened a total of 6 meetings. Labor-management conference : Convened a total of 4 meetings.
		• Employee Welfare Committee : Convened a total of 8 meetings.
		• Employee satisfaction survey : Launched and completed in December 2024. The completed response rate was 73.8%, and the effective response rate was 67.3%.
		• Education and training :
		  - A total of 25,319 video broadcasts of corporate sustainable development advocacy in the public space of the headquarter building.
		  - Shared new sustainability knowledge on the electronic bulletin board : 225 posts in total with 26,557 views.
		  - Conducted mandatory courses for new employees on human rights, integrity management, intellectual property, personal information, and gender equality with a completion rate of 100%.
		  - Held a total of 234 training sessions with 5,465 participants for 8,557.7 hours.
		• Employee complaints and workplace sexual harassment complaints : 0
		• Club activities : 18 employee clubs with 810 participants in 500 events throughout the year.
		• "Date with Supervisors" : Organized 3 sessions with a total of 28 employees participating.

Major Stakeholders	Channels / Frequency of Communication	Communication Results in 2024
Suppliers / Contractors / Business Partners 【 Issues of Concern 】 • Workplace Health and Safety • Product Quality • Customer Relationship Management • Human Rights and DEI • Ethical Management • Supply Chain Management	• Delivery system : Daily. • Manufacturer communication and review meetings : Weekly / Monthly. • Abnormal quality tracking and review meetings : Once a week. • On-site audit : Once a year. • Survey : Once a year.	• Delivery system : Checked every day and responded to any changes in the supplier's delivery time in a timely manner. • Manufacturer communication and review meetings : Held regular (weekly /monthly) production and sales meetings with different suppliers to communicate customer order requirements, review production capacity, material conditions, and meet resolutions to achieve the best delivery schedule. • Abnormal quality tracking and review meetings : Tracked the progress of improving quality anomalies with major suppliers every week. • On-site audit : On-site audit were conducted for seven major suppliers, and the completion rate was 100%. • Survey : the implementation of ESG and conflict minerals of suppliers are conducted regularly every year; 38 existing suppliers have completed the survey.
Shareholders / Investors 【 Issues of Concern 】 • Business Performance • Ethical Management • Information Security • Customer Relationship Management • Talent Selection, Recruitment and Retention	• Shareholders' Meeting : Once a year. • Investor Conference : Once a year. • Corporate governance evaluation : Once a year. • "Investor Relations" of D-Link website : Disclosed at any time. • Investor mailbox and hotline : Handled at any time. • Announcement on the Market Observation Post System : As needed.	• Shareholders' Meeting : Held 1 session during the year. • Investor Conference : Held 2 sessions during the year. • Corporate governance evaluation : The results were released in April 2025. For further details, please refer to 2.2.6 "Corporate Governance Performance". • Investor mailbox and hotline : Received and replied to 50 inquiries. • "Investor Relations" of D-Link website : Updated Immediately so our investors can access the latest information in real time. • Announcement on the Market Observation Post System : Released 47 major messages in Chinese and English.

Subsidiaries
 	
【 Issues of Concern 】
 	
• Innovation and R&D
• Business Performance
• Product Quality
• Information Security
• Supply Chain Management
	• Performance review meeting : weekly / monthly / quarterly.
	• Email : Prompt communication is maintained based on business requirements.
	• Instant messaging / video conferences : held whenever the business needs.
		• Performance review meeting :
		  - Pan-European region : Held 4 meetings in 2024.
		  - Pan-American region : Held 24 meetings in 2024. In North America, meetings are held weekly, totaling 53 meetings.
		  - In the Pan-Asia-Pacific region : Held 12 meetings in 2024. Some subsidiaries hold meetings with different frequency due to their business nature. For example, the Korean subsidiary held 53 meetings, while some subsidiaries held meetings from time to time.
		• Marketing information shared by headquarters : Delivered the latest marketing information every week.

1.4.3 Initiatives and Organizations GRI 2-28

By responding to various initiatives and participating in external organizations, D-Link communicates with domestic and foreign industries, officials, and academia, to fully grasp the trends of the networking equipment industry and international norms and trends. Although D-Link has not formally signed an external initiative, it is still actively responding to the core spirit of external initiatives such as TCFD and RBA with practical actions. The current memberships of D-Link in external organizations are as follows :

・ Member of Broadband Forum

・ Member of HDMI Licensing Administrator

・ Member of Open Network Video Interface Forum

・ Member of Thread Group

・ Member of Voluntary Control Council (VCCI)

・ Member of Wi-Fi Alliance

・ Member of Connectivity Standards Alliance (Originally Zigbee Alliance)

1.5 SDGs Practice

The relevance between each of the 17 SDGs and D-Link was evaluated, and the possible impact of operations on SDGs as well as the contribution of D-Link to SDGs were examined from the aspect of value chain. 9 core corporate sustainable development goals were selected.

Sustainable Development Goals	Management Approaches	Performance in 2024
3 GOOD HEALTH AND WELL-BEING	• Create a healthy and safe working environment and plan fair, reasonable, and competitive systems, benefits, and incentives. • Promote and care for the well-being of external stakeholders through social engagement projects.	• Proactively advocate for the implementation of 4 significant initiatives for occupational health and safety. • We are dedicated to establishing a conducive and secure working environment for our employees, conducting regular monitoring of the workplace environment, and testing the quality of water. • The Health Promotion Club organizes both dynamic and static health promotion seminars periodically. In 2024, a total of 6 lectures were conducted, with 241 participants attending. • There are 10 sports clubs to promote the employees' attention to their health and sports. • We continue to sponsor the professional baseball team, TSG Hawks and the professional basketball team, Tainan TSG GhostHawks. We encourage all employees to participate in sports and enhance team cohesion. Therefore, we were certified as an "Sports Enterprise" by the Ministry of Education in 2023 and launched a three-year healthy workplace action.
4 QUALITY EDUCATION	• Construct a comprehensive learning education and training system to enhance the competitiveness of sustainable management. • Formulate personal development plans to assist supervisors and colleagues to continuously enhance their career development. • Expand web-based education through social engagement projects.	• Offer comprehensive development programs and actively enhance the leadership and management capabilities of officers across all levels. • The annual total of education and training hours amounts to 8,557.7 hours, with a total training cost of approximately NT$1,492,000, representing a 87.2% year-over-year increase. • Through industry–academia internship and work-study programs, a total of 19 interns and 10 students working part-time were hired. One of the interns was successfully turned into a permanent employee in 2024. • By integrating with core functions, 6 sessions of "Internet and information security education" and "Charitable Network Checkup" were conducted for disadvantaged groups and small social welfare organizations, benefiting approximately 173 individuals in total, representing a 40% year-over-year increase. • In cooperation with the children's story audiobook app, "Mom & Dad Story", to produce the sessions of Netcom and information security education, while providing free-of-charge accounts to social welfare organizations and colleagues to help the education of Netcom take root. A total of 5,226 people benefited from the program.
5 GENDER EQUALITY	• Build a gender-affirmative work environment.	• The Board of Directors includes one female director. • Female executives account for 50%. • All employees received the awareness education and training on gender equality and prevention of sexual harassment in the workplace. The Company also provides relevant professional courses for the management and the personnel handling related complaints (including the Board of Directors). The completion rate of all employees is 100%. • Gender equality and workplace sexual harassment prevention courses are mandatory for all new employees. Training completion : 100%.
7 AFFORDABLE AND CLEAN ENERGY	• Follow the ISO 14001 environmental management system, set an annual environmental management plan every year, and commit to and implement five major environmental policies. • Inventory the various energy consumption and energy intensity in the Company's operation every year, as well as the effectiveness of promoting relevant energy-saving measures.	• Reduced external power purchases by 4.12% annually, resulting in a 17.08% reduction compared to the baseline year[1]. The green energy procurement plan was initiated, securing 80 certificates to convert 80,500 kWh to green power. • The ESG strategic goals include the replacement of old equipment, green power procurement, solar photovoltaic construction, and the introduction of relevant management standards to establish diverse carbon reduction pathways for D-Link.
8 DECENT WORK AND ECONOMIC GROWTH	• Continue to expand production capacity, create product and service features, and build diversified product capabilities. • Create a healthy and safe working environment and plan fair, reasonable, and competitive systems, benefits, and incentives to attract and retain key talents.	• Offer more integrated services and vertical solutions through strategic partnerships with third parties, providing customers with diverse product applications, expanding service scale, and fostering a win-win situation. • 5% of the Company's annual profits is allocated to employee remuneration; the average salary increase was 4.12%, with 92.44% of employees receiving raises. • Completed the "D-Link Human Rights Due Diligence Report 2023" and plan to conduct human rights due diligence every 3 years moving forward. • Organize the "Date with Supervisors" event to enhance interaction and communication between different position levels, improve mutual understanding and consensus, and build organizational momentum. Organized 3 sessions with a total of 28 employees participating in 2024.

1. The baseline year is 2021.

Sustainable Development Goals	Management Approaches	Performance in 2024
10 REDUCED INEQUALITIES	• Identify relevant risks through due diligence and manage them appropriately. • Protect employee rights through human rights protection policies. • Provide a suitable complaint channel.	• Building a diversified and inclusive working environment through various DEI[2] programs. • Recruit middle-aged and elderly individuals to promote the secure employment of mature-age workers. A total of 15 were employed in 2024. • Employed professional massage therapists with disabilities to provide stress relief massage services on site, and all proceeds thereof were donated to social welfare institutions. • Promotional videos on human rights, workplace equality, and workplace bullying prevention are displayed in public spaces to raise employee awareness and foster a discrimination-free workplace environment. The total viewing time of these videos amounted to 506.3 hours.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Establish ESG strategic goals and continuously optimize them, integrating sustainable development into the Company's business strategy to ensure the promotion and implementation of corporate sustainability-related initiatives. • Set up management representatives, establish quality policies, set management objectives by quality policies, and review them regularly for effective management and continuous improvement. • Protect customers' rights and increase trust by establishing standard operating procedures, conducting regular surveys on customer satisfaction, and reviewing various service management indicators.	• Established the "D-Link Corporation Sustainable Procurement Policy" to implement relevant management policies for upstream and downstream partners, promoting sustainability and shared prosperity throughout the entire value chain. • We have signed procurement contracts containing human rights clauses with 38 qualified suppliers, achieving a 100% signing rate. • A comprehensive ESG education and training structure is planned. In 2024, 2 in-person ESG education and training sessions were conducted. • The "D-Link Green Pack" emphasizes 4 key aspects : environmentally friendly materials, plastic-free packaging, optimized volume, and efficient design, committed to creating low-carbon products. • In response to and promotion of the circular economy concept, PCR plastics are incorporated into product casings and packaging plastic bags, resulting in green products comprising 44% of the total. • The Company selects eco-friendly agricultural products from socially innovative enterprises for the traditional festival gift boxes to support eco-friendly agriculture and reduce food waste. In addition to increasing farmers' income, the action also assists in promoting sustainable agriculture and environmental protection.
13 CLIMATE ACTION	• Count the carbon emissions in the Company's operation every year, check the carbon reduction performance year by year, and give employees environmental education regularly. • Stipulate related policies according to the ISO 14064 Greenhouse Gas Inventory system. • Establish eco-friendly commitments.	• Committed to achieving Net-Zero emissions by 2050, we have adopted the TCFD framework to regularly disclose climate-related impacts and response actions every year. We plan to continually review mid-term goals and progressively define D-Link's path towards carbon reduction. • Scope 1 and 2 carbon emissions have decreased by 9.55% compared to the previous year and by 25.33% compared to the base year. • In the "D-Link Corporation Supplier Code of Conduct", suppliers are mandated to adhere to the Company's "Biodiversity and Zero-deforestation Commitments", aiming to prevent any form of harm and actively reduce their environmental impact. • Honored for two consecutive years as "Top 100 Carbon-Competitive Companies" by Business Weekly. • Various environmental education activities are organized, such as beach clean-ups, guided ecological tours, eco-friendly dining experiences, and crafts workshops, to foster and instill environmental awareness throughout the organization.
17 PARTNERSHIPS FOR THE GOALS	• Establish supplier management guidelines, code of conduct, and regularly evaluate the impact of suppliers on society and the environment. • Continue to Increase local procurement percentage. • Collaborate with diverse partners to benefit people and society through various social engagement projects.	• Under the "D-Link Corporation Sustainable Procurement Policy", the "D-Link Corporation Supplier Code of Conduct" has been established. It mandates all suppliers to sign a compliance statement and adhere to relevant management guidelines for upstream and downstream partners, aiming to promote sustainability and shared prosperity throughout the entire value chain. • The sustainability management audit rate for major suppliers has achieved 100%. • Initiated projects such as D-Link Everlasting Donations, D-Link Caring Passport, and partnerships for local art and cultural exhibitions and performances to enhance our social impact. In 2024, the Company collaborated with 38 charity partners, investing nearly NT$10 million—more than double the amount from the previous year—to execute 36 social engagement projects and activities, benefiting 17,568 individuals, representing an 87.9% year-over-year increase.

2. Diversity, Equity, Inclusion.

Corporate Governance

Responding to Sustainability Issues

· Ethical Management

· Business Performance

Major Stakeholders

· Customers / Clients

· Suppliers / Business Partners

· Investors / Shareholders

chapter

02

2.1 Sustainability Strategies and Goals - Governance Aspect GRI 2-13, 2-24, 3-3

2.1.1 Management Approaches for Material Topics

2.1.2 Short / Medium / Long-Term Goals

2.1.3 Achievement Status of Management Goals for 2024

2.1.4 Responsible Unit

2.1.5 Management Mechanism

2.1.6 Communication Channel

Management Approaches for Material Topics

Material Topics	Significance for D-Link	Impacts on Value Chain*			Response Policies and Measures	Management Actions
		Suppliers / Business Partners	D-Link / Subsidiary	Customers / Clients		
Business Performance	Pursuing business and financial performance and achieving profitability is the foundation of the Company's sound operation. The economic value generated from the Company's activities will directly impact shareholders' rights, investment scale, growth rate, and social contributions.	○	●	-	1. Continue to expand production capacity, create product and service features, and build diversified product capabilities. 2. Reduce the total inventory through the risk mitigation measures, and in the future, the Company will formulate separate action plans for inventory with longer inventory ages.	1. Regularly hold business review meetings, track business performance, fully grasp the operating status and monitor the progress. 2. The Board of Directors Meetings are held every quarter to ensure the forward-looking and feasibility of business strategies.
Ethical Management	A good ethical management is the foundation of sustainable business operation. Relevant risk events may affect operational stability and corporate reputation and may result in financial losses.	○	●	○	A culture of ethical management and legal compliance is built to ensure the long-term interests of all stakeholders.	We have established the "Code of Conduct", "Ethical Corporate Management Best-Practice Principles" and "Implementation Measures for the Whistleblowing System" among other internal regulations and systems, to uphold and continue to promote a high-standard business ethics culture.

*●Direct impact；○Indirect impact

Short / Medium / Long-term Goals

Material Topics	Short-Term	Medium-Term	Long-Term
Business Performance	• Continue to cooperate with high-quality ODMs within the conglomerate group to establish a controllable supply chain system with close relationships to reduce costs. • Constantly reshape D-Link's brand image and enhance brand value from three aspects : specifications and prices, functional performance, and corporate identity. • Invest in the development of M2M solutions for industrial use and 4G / 5G solutions to expand the target market.	Achieve by the end of 2030 : • Continuously achieve management and provisioning minification of networking products with cloud computing as the main pillar. • Continuously utilize the synergy of resources within the Group to develop and create the one-stop product services for customers. • Continuously strengthen partnerships with Tier 2 and Tier 3 carriers to win long-term contracts with localized services.	
Ethical Management	• No ethical management violations, and continue to maintain so.	• The comprehensive education and training of the "Ethical Corporate Management Best-Practice Principles" to be provided for all employees. The overall training completion rate to be above 95% and continue to further improve.	• Internalize the concept of integrity management into the DNA of all employees and the Company, so that the "Ethical Corporate Management Best-Practice Principles" has been highly recognized by the stakeholders and become the highest standard. • The introduction of the ISO 37001 certification for ethical management / anti-bribery-related management systems is assessed.

**By the end of
2025**

**By the end of
2028**

**By the end of
2033**

Achievement Status of Management Goals for 2024

Material Topics	Goals in 2024	Management Performance		Achievement Status
Business Performance	• Continue to cooperate with high-quality ODMs within the conglomerate group to establish a controllable supply chain system with close relationships to reduce costs. • Constantly reshape D-Link's brand image and enhance brand value from three aspects : specifications and prices, functional performance, and corporate identity. • Invest in the development of M2M solutions for industrial use and 4G / 5G solutions to expand the target market.	• In 2024, the global consolidated revenue reached NT$14.4 billion, with a gross margin of 26%, an representing 2% increase compared to the previous year. • In the M2M industry sector, D-Link launched devices supporting multi-network connectivity, integrated with the D-ECS cloud management platform. These solutions have been widely adopted in transportation systems and urban infrastructure. • The industrial-grade switch series offers a multi-level management options and integrates with 4G / 5G devices to meet diverse application needs across various environments.		✓
Ethical Management	• Establish a complete whistleblowing system for any cases violating ethical management.	• Present the fully established whistleblowing system in detail on the relevant pages of the Company's website. • Whistleblower reports : 0 cases • Insider trading and similar matters : 0 • Employee corruption and illegal behavior : 0 • Internal complaints : 0 • Penalties for violating regulations related to information and labeling of products / services : 0	• Penalties for violating regulations related to the health and safety of products / services : 0 • Penalties for violating regulations related to marketing and publicity activities : 0 • Penalties for violating regulations related to environmental protection : 0 • Penalties for violating regulations related to social aspects, such as human and labor rights : 0 • Penalties for violating regulations related to economic aspects, such as fair trading, anti-competition practices, and significant cyber security : 1*	✓

This penalty case refers to the information security incident that occurred in October 2023. For detailed information, please refer to Section 3.3.5 Information Security Incidents in the Company's 2023 Sustainability Report (p.82).In May 2024, the case resulted in a fine of NT$200,000 each for the Company and the responsible individual, in accordance with Article 50 of the Personal Data Protection Act, due to a violation of Paragraph 1, Article 27 of the same Act.

Responsible Unit

| Corporate Auditor's Office | ESG Office | Product R&D Center | Supply Chain Management Center |
| Corporate Finance & Operation Center | Product Plannig Center | Business Center | AI Innovation Center |
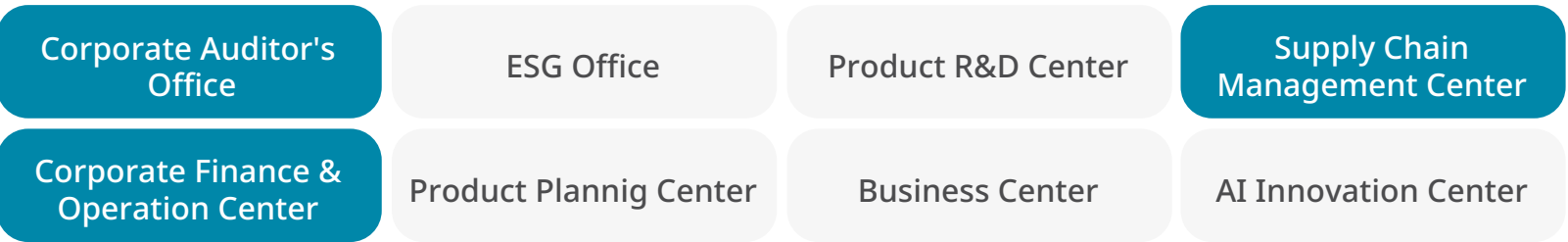
Management Mechanism

- Ethical Corporate Management Best Practice Principles 🡵
- Implementation Measures for the Whistleblowing System 🡵
- Group Tax Policy and Management Regulation 🡵
- Related Party Transaction Regulations 🡵

Communication Channel

Type	Channel
Relevant Appeals	• https://company.dlink.com/en/contact-us/ • Online message: https://www.dlink.com/en/contact-d-link
Investor Relations	• Special Line : 886-2-6600-0123 Ext. 6438 • Special E-mail : ir@dlinkcorp.com
Anti-Corruption Reporting	• Special E-mail : SRC@dlinkcorp.com • Special Mail Box : No. 289, Xinhu 3rd Rd., Neihu Dist., Taipei City 114 (To Audit Committee)

2.2 Sustainable Governance

D-Link believes that strengthening corporate governance is the cornerstone of pursuing sustainable growth for an enterprise. Operating with trans-parency and integrity at its core spirit, D-Link prioritizes stakeholders and aims to achieve profitability for shareholders while being accountable to all stakeholders through robust corporate governance practices. To maintain the Company's long-term com-petitive advantage, it fosters harmony and mutual benefit with the environment and society.

2.2.1 Organization Structure

In order to maintain its leading brand position in the networking equipment industry, D-Link has set up six centers to comprehensively manage the Company's operations, and an ESG Office, which is responsible for affairs related to the Company's sustainable development. At the same time, through close communication between organizations, D-Link has built cross-cultural and cross-regional consensus with global operating bases.

▼ D-Link Organization Structure
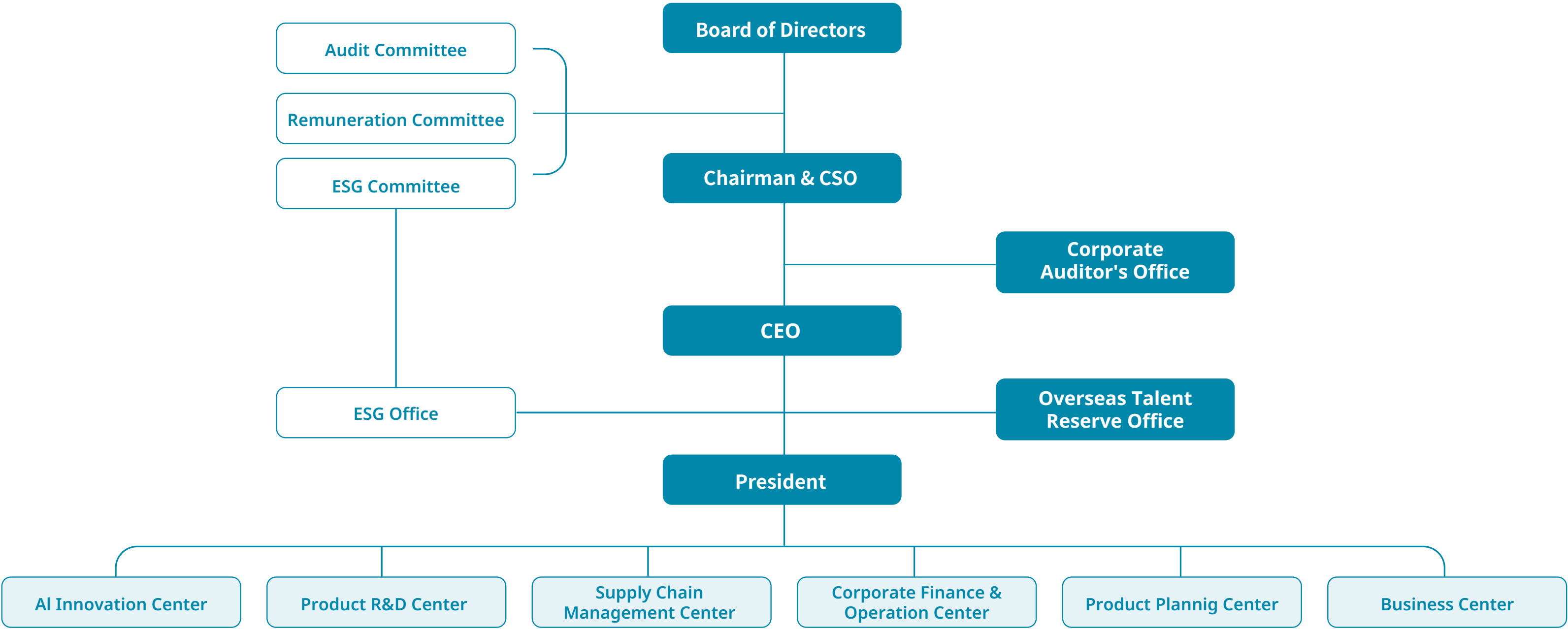
Version took effect on April 22, 2025

2.2.2 Board of Directors GRI 2-9, 2-10, 2-11, 2-16, 405-1

The Board of Directors is the highest governance body of the Company and has the responsibility of selecting and nominating senior managers. Its operation shall follow the "Regulations Governing Procedure for Board of Directors Meetings". In addition, to effectively fulfill the functions of the Board of Directors, three functional committees have been established under the Board according to their authority and responsibilities (see section 2.2.3), thereby enhancing the effectiveness of operational governance.

Operation of Board of Directors

The Board of Directors shall convene at least one meeting for each quarter to review the Company's operational performance, and discuss important ESG strategic issues and key events[10], including economic, environmental, and social impacts, risks, and opportunities. The responsible units for subsequent handling are determined at the meetings, and the handling situation is tracked and reported in the next meeting.

• **Agenda Working Unit of the Board of Directors :** When providing various proposals and report materials to members of the Board of Directors, the agenda working unit shall review in advance whether the submitted content is related to stakeholders and should be appropriately avoided, and prior reminders should be provided to relevant personnel.

• **Corporate Governance Officer：** Established through the approval of the Board of Directors, and responsible for arranging the schedule and agenda of board meetings, planning for director training, providing information during or outside board meetings, and regularly and irregularly reporting information to directors. The corporate governance supervisor is able to appropriately assume their responsibilities regarding the operation of Board of Directors and issues related to corporate governance.

Board of Directors Meetings in 2024

2.4 months/time	**5** times	**93.33**%	**100**%
Meeting Frequency	Number of Meetings Held	Average Attendance Rate of All Directors	Attendance Rate of Independent Directors

Composition of the Board of Directors

According to Article 17 of the Articles of Incorporation, D-Link has stipulated that the Board of Directors shall be composed of 7 to 9 directors, who shall serve for 3 years per term. The directors shall be nominated and elected, and the Shareholders' Meeting shall appoint competent persons as directors. (Please refer to P.7 of the Company's 2024 Annual Report). The 13th Board of Directors consists of 9

[10] Complaint or whistleblowing case substantiated for violations

[11] For independent directors' professional qualifications and experience, please refer to P.12–P.13 of the Company's 2024 Annual Report.

directors (including 3 independent directors), with Mr. Victor Kuo as the Chairman, and the term of office is from May 31, 2023 to May 30, 2026. The Board of Directors shall be convened once every quarter. In 2024, 5 Board of Directors meetings were held, and the average attendance rate of directors was 93.33%.

In addition, in accordance with Article 20 of the Corporate Governance Best Practice Principles, the diversity policy of board members is stipulated. D-Link currently has 9 directors, among whom 11.1% are directors with employee status, and 33.3% are independent directors[11], achieving the specific management objective of not more than 1/3 of the board seats for directors concurrently serving as managers of the Company. All directors of the Company have rich experience in operation management and leadership decision-making, as well as industry expertise, and have professional backgrounds and expertise in accounting, financial analysis, and law, and can give professional advice to the Company from different perspectives.
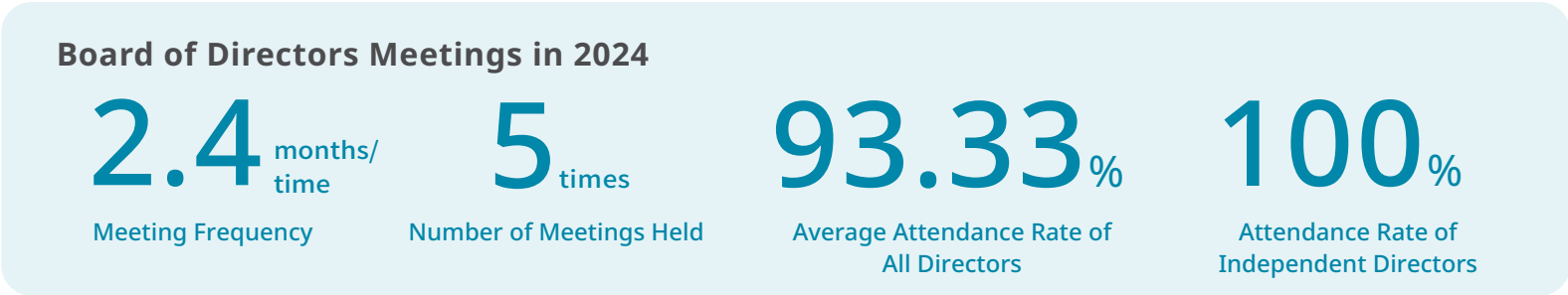
Since the beginning of 2022, Mr. Victor Kuo, the Chairman, has concurrently served as the Chief Strategy Officer. The consideration for this arrangement is that the Board of Directors exercises rights and interests on behalf of shareholders in accordance with the law, oversees the formulation of the Company's strategy, and is composed of internal and external directors; the Chief Strategy Officer is responsible for the strategic layout of strategic planning products, technologies, or investments, which are closely related to the Company's medium to long-term development direction. Therefore, the Chairman's concurrently holding the position of Chief Strategy Officer will be convenient to share important information as an internal director, effectively communicate with the Board of Directors, and accept supervision. There are no conflicts of interest.

Governance Structure

D-Link values the diversity of the Board of Directors, so it has set a specific goal for board diversity : after the Director's term expires in 2023, the Board of Directors will be re-elected ; the Board of Directors already includes one female Director. The goal is for that female members of the Board of Directors will account for one-third in 2026 to achieve the diversity policy of gender equality, and continue to improve the corporate governance, and continue to improve the corporate governance.

▼ The Composition of the Board of Directors

2024		Age / Gender of Board Members				Percentage
		Under 30 Years Old	30~50 Years Old	Over 50 Years Old	Subtotal	
Gender	Female	0	0	1	1	11.1%
	Male	0	2	6	8	88.9%
	Subtotal	0	2	7	9	100.0%
Percentage		0%	22.2%	77.8%	100%	

* For the list of the members of the 13th Board of Directors, please refer to P.7 of the Company's 2024 Annual Report.

2.2.3 Functional Committees GRI 2-9, 2-20

To improve and strengthen the organizational operation mechanism, functional committees such as the Audit Committee, the Remuneration Committee and the ESG Committee were formally established under the Board of Directors to jointly take responsibility for making decisions on issues related to economic, environmental and social impacts. Significant proposals submitted to the Board of Directors will be reviewed and audited in advance, and the quality of its resolutions has also been strengthened.

	Committee	Convener	Committee Member	Operational Status	Number of Meetings Held / Attendance Rate in 2024
●	Audit Committee	Richard Chen, *Independent Director*	Richard Lee, *Independent Director* Chun-Hsiung Chu, *Independent Director*	Composed of all independent directors, and is responsible for assisting the Board of Directors in supervising the Company's implementation of accounting, financial reporting processes, audit quality and integrity, and operating mechanisms related to risk management, so as to improve the effectiveness of corporate governance, and communicating with CPA and auditors on major issues related to the Company's financial and business conditions, so as to ensure the compliance of the Company's operations with relevant government laws and practices.	5 meetings were convened in 2024 with 100% attendance.
●	Remuneration Committee	Richard Lee, *Independent Director*	Richard Chen, *Independent Director* Chun-Hsiung Chu, *Independent Director*	Composed of all independent directors. Responsible for stipulating and regularly reviewing the remuneration policies, systems, standards and structures, and performance of directors and managers.	4 meetings were convened in 2024 with 100% attendance.
●	ESG Committee	Chun-Hsiung Chu, *Independent Director*	Richard Lee, *Independent Director* Richard Chen, *Independent Director* Victor Kuo, *Chairman*	Composed of 3 independent directors and the Chairman. It is responsible for helping the Board of Directors to continue promoting corporate social responsibilities and improve corporate governance, in order to implement sustainable management.	3 meetings were convened in 2024 with 91.7% attendance.

Functional Committees (donut chart)

* For the list of functional committees and other details, please refer to the D-Link official website "Audit Committee", "Remuneration Committee" ,"ESG Committee".

2.2.4 Performance Evaluation and Remuneration for the Governance Body GRI 2-17, 2-18, 2-19, 2-20

Directors' Remuneration System

The Company offers remuneration to directors and independent directors in accordance with the "Management Measures for Remuneration of Directors and Members of Functional Committees". Remuneration by definition includes compensation, remuneration, and business execution expense. The content of such is as follows :

Compensation	Independent directors also hold positions in functional committees such as Audit Committee, Remuneration Committee, and ESG Committee, bear more responsibilities and risks, and invest more time than directors in general. As a result, the compensation varies depending on the role of the directors.
Director Remuneration	The Company's articles of incorporation stipulated that directors' remuneration shall not exceed 1% of the profit in the given year, and shall be evaluated based on factors such as the role, position, attendance at the board meetings, and other contributions. Such remuneration shall be given using the point method, and shall not be given to independent directors.
Business Execution Expense	This refers to the attendance fee for directors (including independent directors) to attend a board meeting or shareholders' meeting in person.

The Remuneration Committee and the Board of Directors shall review the performance evaluation and rationality of remuneration, and also review the remuneration at times based on the operation of the Company and relevant laws and regulations. No retirement benefit is provided to directors, and there is no mechanism for claiming back remuneration[12]. However, the Company may devise a remuneration deferral mechanism, depending on the situation, after being reviewed by the Remuneration Committee and resolved by the Board of Directors in response to future risks.

Performance Evaluation for Board of Directors

To implement corporate governance and enhance the functions of the Board of Directors, D-Link revised the " Rules for Performance Evaluation of Board of Directors " on August 12, 2022, stipulating that the Board of Directors should conduct internal performance evaluations at least once a year for the Board of Directors, its members, and functional committees, and external evaluations should be conducted at least once every 3 years by an independent external institution or a team of external experts and scholars. The results should be disclosed on the Company's website and the Annual Report.

External Performance Evaluation for Board of Directors

In May 2022, Taiwan Corporate Governance Association[13] was appointed to conduct an external evaluation for the performance of the Board of Directors. The association issued an evaluation report on July 7, 2022, and the overall evaluation results were

[12]There is neither a relevant mechanism for senior management.
[13]A non-governmental and non-profit corporation provides independent services for evaluating Taiwan's professional corporate governance system and the performance evaluation of the Board of Directors.

submitted to the Board of Directors meeting for review and improvement on August 12, 2022. It is expected to conduct an external evaluation of the Board of Directors' performance again in 2025.

Internal Performance Evaluation for Board of Directors

The performance evaluation method for the Board of Directors is internal self-evaluation of the Board of Directors and self-evaluation of board members. The evaluation process is conducted through internal questionnaires. The 2024 performance evaluation for the Board of Directors is reported on the Board of Directors meeting on February 26, 2025, and improvement measures are proposed, and the results are used as reference for Directors' remuneration and renewal. On a 5-point scale, the overall average score of the performance assessment of the Board of Directors is 4.69 points, and the overall average score of the performance evaluation of individual board members is 4.69 points, showing that the board is functioning well. In addition, before the laws and regulations have specified, the performance assessments of the Audit Committee, the Remuneration Committee and the ESG Committee have been conducted, and the evaluation results all reached 4.65points, indicating that the functions and operational efficiency of the Company's functional committees are good.

Performance Evaluation Metrics		
Board of Directors	- Level of participation in the Company's operations. - Improvement of the quality of the Board of Directors' decision making. - Composition and structure of the Board of Directors.	- Selection and continuing education of the directors. - Internal controls. - Concern on sustainable management (ESG).
Individual Board Members	- Familiarity with the Company's goals and missions and focus on sustainable management (ESG). - Understanding of the role and responsibilities of directors. - Level of participation in the Company's operations.	- Management of internal relations and communication. - Professionalism and continuing education of directors. - Internal controls.
Functional Committee	- Level of participation in the Company's operations. - Understanding the responsibilities of functional committees. - Improvement of quality of functional committee's decision making.	- Composition and selection (election) of members of functional committees. - Internal controls.

※ For more information, please refer to the "Board Performance Evaluation" section on D-Link official website.

Continuing Education for Directors

In order to enhance the competences of board members, in accordance with D-Link's "Corporate Governance Best Practice Principles", diverse external courses are arranged every year to help to enhance their professional capabilities. In 2024, D-Link Directors had 60 hours of continuing education, including engaging corporate governance and information security experts to the Company on April 10, 2024 to hold the continuing education sessions of "2024 New Corporate Governance and Board Performance Evaluation Practice Analysis" and "The Role and Responsibility of Information Security Governance in the Board" to help directors understand the Company's corporate governance regulations and information security risks that cannot be avoided in business operations, and the countermeasures thereof. For detailed training information, please refer to the Company's "2024 Annual Report" P.44.

2.2.5 High-Level Compensation Linked to Sustainable Business Performance GRI 2-19

D-Link's remuneration for managers, including the President and vice presidents, are determined according to the Company's "Performance Appraisal Management Guidelines", and by referring to the salary level of the position in the industry, the scope of responsibilities for the position, the performance achievement status of the manager, and the contribution to the Company's operational goals.

▼ Composition of Managerial Officers' Remunerations

Fixed Salary	The basic salary is determined based on the market competition and the Company's financial position.
Variable Bonus	It is linked to the performance of the Company or the center to which the officer belongs. The better the performance is, the higher the proportion of the bonus in the remuneration.
Long-Term Remuneration	Through the share-based incentive design, the long-term incentives of the managerial officers are linked to personal performance, the Company's operating performance, and the value of shareholders by issuing new restricted employee shares over a period of three years.

The performance targets and the reasonableness of the remunerations of managerial officers, including the President and Vice Presidents, are reviewed and evaluated by the Remuneration Committee and approved by the Board of Directors before distribution.

The Company shall review the compensation system for directors and managers in a timely manner based on the operating status and relevant laws and regulations to retain outstanding decision-making and management personnel, and effectively guide the Company's long-term operating performance, avoid risks caused by managers' excessive pursuit of short-term benefits, and strive for a balance between the Company's sustainable operation and risk control.

Composition of Managerial Performance Targets	• Business Performance Indicators
	• Strategic Indicators
	• Sustainability and Internal Control Indicators

Since 2022, the Company has included ESG sustainability indicators into the performance evaluation of senior managerial officers, such as the CSO (concurrently served by the Chairman) and the CEO (concurrently serving as the President), with the results linked to short-term remuneration, long-term incentives (such as new restricted employee shares), and annual salary adjustments. Since 2023, ESG indicators have gradually been expanded to supervisors at all levels, and finally to all employees, to deepen the sustainable development in corporate operations.

▼ Chief Strategy Officers' Performance Objectives in 2024

Indicator Item	Weight Percentage	Indicator Description
Business Performance Indicators	40%	• Annual operating targets approved by the Board of Directors, such as global operating revenue and EPS, among other things.
Strategic Indicators	30%	• The brand value is enhanced and the corporate image is promoted; the basis is the important domestic and international awards won by the products or brands, or ranking improvement. • Development or promotion of new series of products, new business, new investment, or new organizational structure of subsidiaries.
Sustainability and Internal Control Indicators	30%	• Improvement of corporate governance evaluation and international ESG evaluation indicators. • Focus on climate change and voluntarily conduct greenhouse gas (GHG) emissions inventories. • Implementation of formulating and executing the sustainable talent succession plan.

▼ Chief Executive Officers' Performance Objectives in 2024

Indicator Item	Weight Percentage	Indicator Description
Business Performance Indicators	70%	• Annual operating targets approved by the Board of Directors, such as global operating revenue and EPS, among other things.
Strategic Indicators	5%	• The brand value is enhanced and the corporate image is promoted; the basis is the important domestic and international awards won by the products or brands, or ranking improvement.
Sustainability and Internal Control Indicators	25%	• Improvement of corporate governance evaluation and international ESG evaluation indicators. • Implementation of systematic corporate risk management. • Focus on climate change and voluntarily conduct greenhouse gas (GHG) emissions inventories. • Implementation of formulating and executing the sustainable talent succession plan.

▼ Senior Executives ESG Performance Indicators in 2024

Indicator Item	Weight Percentage	Indicator Description
Environmental Indicators	5%	• Green Products.
Social Indicators	5%~10%	• Customer Management. • Talent Development. • External Stakeholder Engagement.
Governance Indicators	5%~20%	• Refinement of information security governance. • Improvement of ESG evaluation or corporate governance performance. • Mastering key technologies and product trends. • Group investment structure and global tax fund management.

2.2.6 Corporate Governance Performance

D-Link is committed to continuously improving its corporate governance mechanism to ensure the sound development. The corporate governance evaluation score in 2024 was 106.04 points, Maintain position in the top 5% of all listed companies.

Furthermore, D-Link actively engages in international ESG-related assessments and ratings, such as S&P Global, FTSE Russell, Sustainalytics, and CDP. These assessments provide in-depth analysis of the criteria and indicators, serving as a reference to enhance sustainability strategic goals. In 2024, D-Link achieved significant improvements in its ESG assessments : the S&P Global ESG assessment score ranking in the top 4% percentile within the industry and being selected in the 2025 Sustainability Yearbook ; The FTSE Russell ESG score increased by 15.8% from the previous year. Of which, the corporate governance indicator has been scored with full marks for three consecutive years. The Sustainalytics risk rating has remained at a low-risk level ; and the CDP rating improved from B- to B, showcasing the Company's commitment to sustainable practices.

▶ Domestic and International Evaluation Results

* The scores were slightly better than the previous year, as the scoring agency adjusted the weighting of indicator scores.

Corporate Governance Evaluation

106.04

Time to announce the results : 2025.04
- Top 5% of all listed companies.

S&P Global ESG Evaluation

57

Time to announce the results : 2024.11
- Top 3% in the global communication equipment industry.
- Being selected for in the 2025 Sustainability Yearbook.

FTSE Russell ESG Evaluation

4.4

Time to announce the results : 2024.12
- The corporate governance indicator has been scored with full marks for three consecutive years.
- The total score was 15.8 higher than the previous year.

Sustainalytics ESG Risk Evaluation

19.8*

Time to announce the results：2025.03
- Remained at a low-risk level.

CDP Evaluation

B
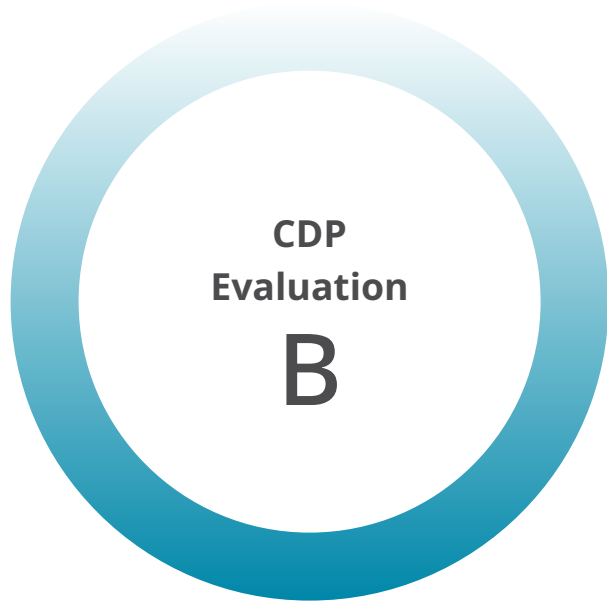
Time to announce the results : 2025.02
- The ranking has increased by 1 level. (Improved from D to B within 3 years)

2.3 Transparency in Information Disclosure GRI 2-15, 2-23

D-Link treats all shareholders fairly and keeps them informed of important company information in a timely manner or in advance by enhancing transparency and ESG information disclosure. The Company strives to protect shareholders' rights and interests through internal control systems, prevention of insider trading, and other mechanisms.

2.3.1 Safeguarding Shareholders' Equity

2.3.2 Internal Control System

2.3.3 Preventing Insider Trading

2.3.1 Safeguarding Shareholders' Equity

The primary principle of improving the corporate governance mechanism is to protect the rights and interests of shareholders and treat all shareholders fairly. In addition to maintaining close contact with major shareholders, D-Link still spares no effort in safeguarding the rights and interests of other shareholders. Please refer to the Company's 2024 Annual Report for the list of Top 10 shareholders (P.92).

Improving Transparency

D-Link continues to improve all information disclosure links so that external shareholders can access important information about the Company in time or in advance, safeguarding shareholders' rights and interests.

Setting up an Independent Investor Relations (Ir) Website	Enhance the user experience and convenience of investors.
Improving English Information Disclosure	The material information is announced simultaneously in Chinese and English on the MOPS and IR website, and through the MOPS and IR website, the Chinese and English versions of financial reports, quarterly reports, and annual reports are announced, and the Chinese and English versions of the sustainability reports are published on the official website, allowing stakeholders to obtain information in real time.
Improving the Disclosure Quality of Non-Financial Information	The Company regularly publishes the sustainability report to disclose non-financial information every year, and ensures the quality of disclosure through third-party verification and ISO audits. The Company also provides more immediate information on the Company's official website.
Regularly Holding Investor Conference	The Company was invited to attend two investor conferences in 2024.
Convening Shareholders' Meeting	The Company held a general shareholders' meeting on May 29, 2024.

Enhancing ESG Information Disclosure

GRI	TCFD	SASB STANDARDS Now part of IFRS Foundation
Adopt the latest version of GRI standards to prepare the sustainability reports.	Disclose the financial impact of climate-related risks and opportunities.	Disclosed the financial significance and usefulness information of investment decisions.

All of the above have been disclosed after verified by a fair third party

2.3.2 Internal Control System

D-Link formulates the internal control system in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies", which has been approved by the chairman of the Board of Directors and passed on the Board of Directors meeting. Each management unit shall, according to the results of its operational risk identification, regularly conduct self-assessment on the internal control system, implement the self-supervision mechanism, and promptly review and revise it to ensure the continuous effectiveness of the internal control system. According to its business characteristics and operation process requirements, the Company has formulated the internal control system and relevant operation methods, including important operational cycles such as sales and payment cycles, procurement and payment cycles, and management standards such as internal audit procedures, internal audit implementation rules, and internal control system self-assessment procedures.

In compliance with the legal requirements, the Company has incorporated the management of sustainability information into the internal control system. The amended content was approved by the Board of Directors in May 2024, and the sustainability information was added to the annual audit plan. The 2025 audit plan was approved by the Board of Directors in November 2024.

2.3.3 Preventing Insider Trading

To establish a sound internal mechanism for handling and disclosing major information, avoid improper disclosure of information, ensure the consistency and accuracy of information published to the outside and strengthen the prevention of insider trading, D-Link has revised the "Procedures for Materiality Management and Prevention of Insider Trade" and established an evaluation procedure for publishing major information in accordance with the requirements of the competent authority on November 13, 2024. It also developed and published the evaluation procedures for publishing material information, the preservation of submission and approval records and the disposal of lost.

• Shareholding transfer notification : Apply once a month.

• Internal personnel changes : Apply within 2 days.

• Stock affairs specialists email directors and insiders quarterly to remind them not to trade D-Link stocks before the announcement of the financial statement.

2024
Insider trading and other matters : 0

2.4 Ethical Management

Integrity is one of D-Link's core spirits. Every aspect of the Company's daily operations adheres to internal and external laws and regulations, and all employees are requested to uphold business ethics and responsibilities. After reporting to duty, new employees must complete training courses related to the principle of integrity and code of conduct. New employees shall also undergo training from time to time to strengthen their professional ethics in anticipation that the Company as a whole may jointly demonstrate the corporate spirit of integrity.
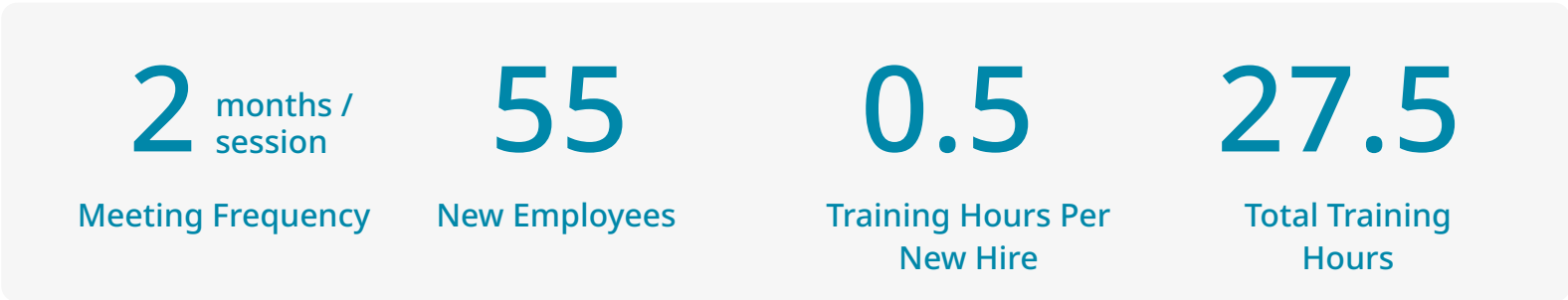
2.4.1 Ethical Management and Anti-Corruption

GRI 2-12, 2-23, 205-1, 205-2, 205-3

In order to ensure the implementation of ethical management and compliance with laws and regulations, D-Link regularly promotes the core value of ethical management, and has established internal rules and regulations such as the "Code of Conduct", "Ethical Corporate Management Best Practice Principles" and "Implementation Measures for the Whistleblowing System". These clearly demonstrate D-Link's commitment to an ethical management policy. The Company requires that all activities of the Company and its subsidiaries comply with relevant laws and regulations and adhere to high standards of professional ethics. D-Link is committed to avoiding unfair competitive practices, opposing any form of bribery, and establishing appropriate management systems. Training courses such as intellectual property rights management and trade secret infringement prevention were conducted to enhance employees' awareness of integrity on business operations, and thereby strengthen corporate governance. D-Link reports to the Board of Directors its execution of ethical management once a year. The latest annual report was presented to the Board of Directors on November 13, 2024.

The training related to D-Link's ethical management is divided into the following three categories, and a total of over 418.7 training hours were implemented in 2024 :

New Employee Orientation

In the orientation, it promotes that each new employee must comply with the Company's principles of ethics and ethical code of conduct; the orientation is held every two months to ensure that every new employee understands that he or she must comply with the Company's "Ethical Corporate Management Best Practice Principles" , "Ethical Code of Conduct" and related ethical management policies. Each of the 55 new employees in 2024 completed 0.5 hours of ethical education training, totaling 27.5 training hours.
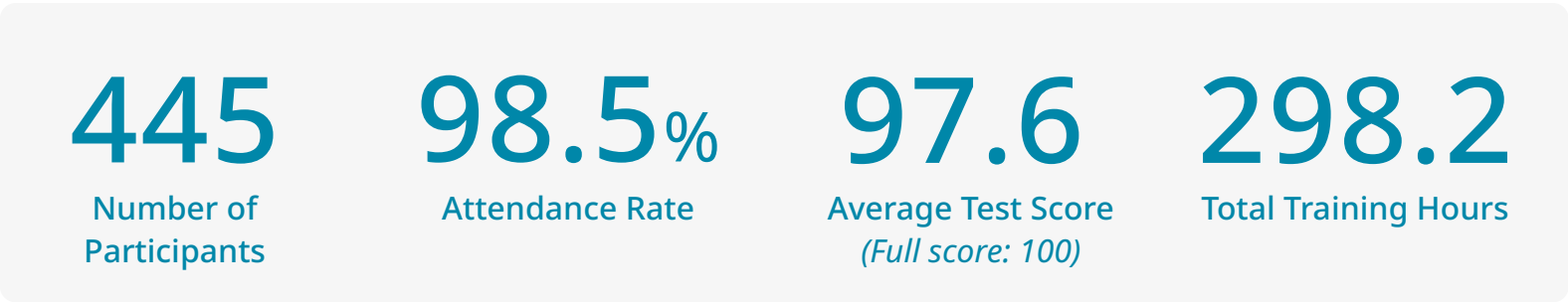
2 months / session	**55**	**0.5**	**27.5**
Meeting Frequency	New Employees	Training Hours Per New Hire	Total Training Hours

External Training

In 2024, 14 internal employees applied for external education and training on accounting systems and internal control systems, totaling 93 training hours.

Internal Training

In August 2024, the Company conducted the "Ethical Corporate Management" promotional session to raise the employees' awareness.

 In 2024, the Company additionally used videos to promote ethical management, anti-corruption, prevention of insider trading and other issues to employees in the public area of the headquarters. 36 videos with different themes were screened, and the videos were played for more than 7,800 times and more than 230 hours.

445	**98.5**%	**97.6**	**298.2**
Number of Participants	Attendance Rate	Average Test Score *(Full score: 100)*	Total Training Hours

All courses have been made online internally and become a part of the D-Link training system since 2022. Through orientations and external/internal education, trainings and campaigns, D-Link's policies and directions for the ethical management can be conveyed to the employees. D-Link continues to promote a high-standard business ethics culture and adhere to all relevant laws and regulations.
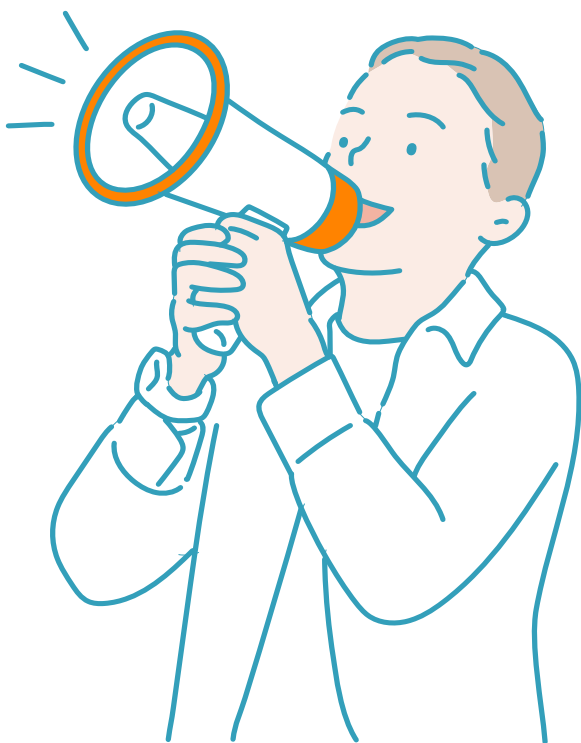
Anti-Corruption Risk Assessment

D-Link has continued to strengthen its anti-corruption risk management system and gradually include overseas locations systematially to implement ethical management. For overseas subsidiaries, the Company assessed whether they had introduced anti-corruption policies and guidelines, the communication of the relevant contents and management commitment by the supervisors, and identified potential risks based on the location of the operating site and the local integrity index[14]. The results of the 2024 corruption risk assessment showed that all operating locations were in mid to low-risk areas.

▼ Operational Site Analysis for Corruption Risk Assessment

Corruption Related Risk Assessment	
Overseas Subsidiaries with Substantive Sales Activities	35
Those Signed up and Included in the Group's Anti-Corruption Management System	32
Percentage	91.4%

* The subsidiaries not signing due to reduced operation scale or businesses terminated or to be terminated have been included as subjects of Group's continuous attention and management.

In addition, the Company has communicated and distributed anti-corruption policies and norms through the director's statement, employee education and training, and supplier procurement contracts. Upon the assessment, there had been no significant risk of corruption in 2024.

2024
Employee corruption and illegal behavior /
Internal complaints : 0

▼ Statistics Related to Communication and Training about Anti-corruption Policies and Procedures

	Trainee	Number of People/ Branches	Communication/ Awareness Conducted		Training Conducted	
			Number of People / Branches	Percentage	Number of People / Branches	Percentage
2022	Governance organization	9	9	100%	9	100%
	Employees	515	515	100%	500	97%
	Suppliers	54	54	100%	54	100%
2023	Governance organization	9	9	100%	9	100%
	Employees	518	518	100%	517	99%
	Suppliers	34	34	100%	34	100%
2024	Governance organization	9	9	100%	9	100%
	Employees	460	460	100%	453	98%
	Suppliers	38	38	100%	38	100%

* "Governance organization" means Bord of Directors

[14]Corruption Perceptions Index, CPI

2.4.2 Internal Audit

In order to strengthen the operations and management of the Company, D-Link has established an independent audit office under the Board of Directors. The appointment of the audit supervisor must be approved by the Board of Directors and a dedicated audit personnel has been additionally established. The audit office is responsible for establishing risk management strategies and various risk management systems, as well as formulating the annual audit plan. The office shall propose improvement suggestions according to the audit results and track subsequent improvement results. It shall report the audit results to the Board of Directors every quarter and report to the Chairman and Audit Committee when necessary.

D-Link stipulates and implements internal controls for internal audit and reviews operating procedures through the "Internal Audit Implementation Guidelines". The scope of review covers all the Company's units, operations, and subsidiaries. The audit office combines the guidelines with the identified risks to formulate the annual audit plan. After the plan is reported to and approved by the Board of Directors, the compliance of various systems is regularly audited. Project audits or reviews are conducted when necessary to help the Board of Directors and management to check and review the effectiveness of internal controls and provide a channel for management to understand existing or potential internal control deficiencies. The internal audit shall present a written audit report and follow up report after the audit plan is executed. The reports shall be regularly delivered to the Audit Committee and shall act as the basis of the internal control statements submitted by the Board of Directors and Chairman.

In 2024, in addition to implementing the annual audit plan as scheduled, to comply with regulatory requirements, sustainable information management operations will be incorporated into the internal control system and annual audit plan, and the Company will continue to assist in supervising the management of information security risks.

Appointment and Dismissal of Internal Audit Personnel

The appointment, dismissal, evaluation, and remuneration of D-Link's internal audit personnel are based on the "Recruitment and Appointment Management Rules", "Remuneration Management Rules", "Performance Appraisal Management Guidelines", and "Employee Resignation and Leave without Pay Management Rules". The evaluation is conducted twice a year and shall be submitted to the Chairman for approval according to the approval procedure. The appointment of the internal audit supervisor shall be submitted to the Board of Directors for approval. The relevant regulations have been published on the internal website.
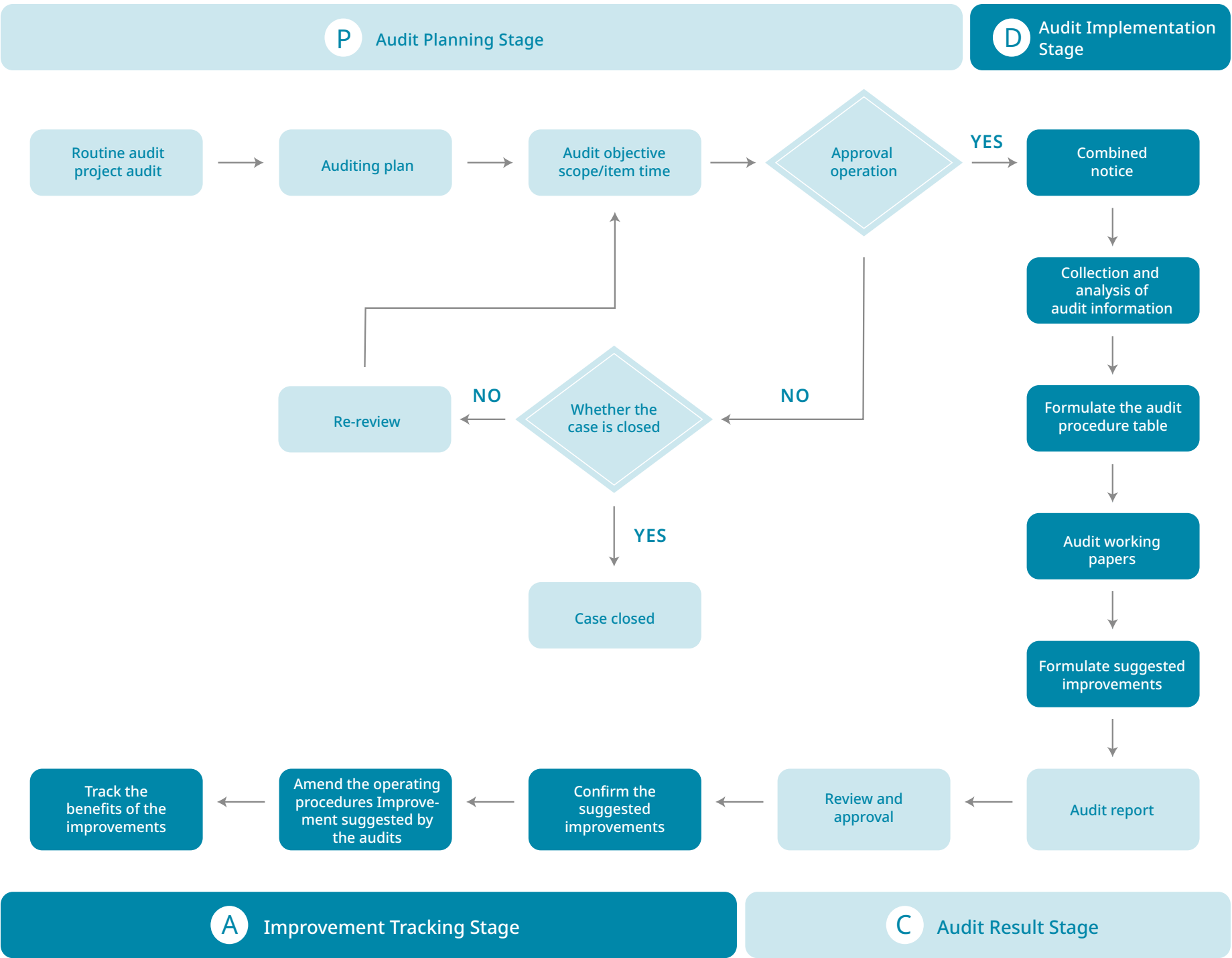
2.4.3 Whistleblowing System GRI 2-16, 2-26

D-Link has established a whistleblowing mechanism in accordance with its Implementation Measures for the Whistleblowing System, and accepts and investigates reporting cases in accordance with standard operating procedures, in order to improve corporate governance and sustainable business operations. D-Link has implemented a confidentiality policy for whistleblowing, keeping the identity of the whistleblowers and the content of their reports confidential, and committing to protecting whistleblowers from any undue consequences resulting from their reports. The Company treats the reported cases substantiated via investigation as material cases and reports to the Board of Directors in accordance with the procedures. There were no material cases in 2024, and therefore no necessity to report to the Board of Directors.

Scope of the Reporting Cases

Anyone who discovers behaviors that violate D-Link's financial systems and affect the accuracy of financial reports, violate laws and regulations, breach D-Link's policies, systems, and ethical standards, misappropriate company property or assets, receive improper benefits externally, engage in fraudulent activities by the Company's management or employees, or engage in any other behaviors that harm the interests of the Company, may file a report according to D-Link's "Implementation Measures for the Whistleblowing System".

Reporting Methods and Channels

Reporting Methods	Written or via email.
Reporting Channels	The Audit Committee
	Address : No. 289, Xinhu 3rd Rd., Neihu Dist., Taipei City 114
	Email : SRC@dlinkcorp.com

Handling of the Reporting Cases

In accordance with the "Implementation Measures for the Whistleblowing System" , D-Link designates the Audit Committee as the recipient of whistleblowing reports, and the Corporate Auditor's Office as the investigating unit responsible for handling the registration and recording of cases, as well as investigating and addressing whistleblowing reports in accordance with relevant procedures. The Company shall issue written reports on the investigation results along with handling recommendations and carries out standard operating procedures in accordance with the subsequent handling mechanism.

Protections for Whistleblower's Identity and Report Content

D-Link's personnel handling the reporting cases shall provide a written statement ensuring the confidentiality of the identity of the whistleblower and the content of the report. They are prohibited from disclosing any information that could identify the individuals involved, including but not limited to the names, ages, addresses, documents, drawings, messages, appearances, identity details, or any other items sufficient to recognize the whistleblower and the subject of the report. Exceptions apply only if the whistleblower consents to or voluntarily discloses his or her identity, or if disclosure is required by law. In cases where the whistleblower faces threats, intimidation or other adverse actions, the Company will assist them in reporting the matter to law enforcement authorities.

Protection of Whistleblower's Rights

No adverse personnel measures shall be imposed as an attempted retaliation against internal personnel for whistleblowing, cooperating with a whistleblowing investigation, or refusing to participate in the reported case. Should any such personnel measures occur, affected personnel may seek relief in accordance with the relevant provisions of its "Implementation Measures for the Whistleblowing System".

Reward for the Whistleblower

If a reporting case is verified to be true, internal whistleblowers will be appropriately rewarded based on their contribution to corporate governance, in accordance with the relevant provisions of the Company's guidelines for reward and punishment implementation.

2.4.4 Compliance with Law and Regulations

GRI 2-27, 206-1, 416-1, 416-2, 417-1, 417-2, 417-3, 418-1

D-Link enhances employees' awareness of compliance through meetings, new employee orientation, electronic bulletin boards, complaint mailboxes, and relevant regulatory notices. In terms of laws and regulations, the Company ensures compliance with human rights conventions and local government regulations in labor policies; in terms of labor-management relationships, regular labor-management meetings are held to communicate and reach consensus on issues related to the implementation of human rights policies, labor environment conditions and policies, remuneration and benefits, etc., ensuring transparency and smooth communication between labor and management.

With operating and sales locations worldwide, the Company consistently adheres to various countries' telecommunications regulations, competition laws, anti-bribery laws, economic sanctions laws, and personal data protection regulations. It conducts regular tracking, identification, and implementation of all regulations and adjusts operational policies accordingly. Training on regulatory compliance is provided to unit supervisors and employees. In 2024, D-Link conducted regulatory compliance training courses, with a total of 1,699 participants, totaling 2,551.5 training hours.

▼ 2024 Compliance Education and Training Statistics

	Number of Participants	Training Hours
Personal Data Protection Act	457	1,283.0
Occupational Safety and Health Act	116	348.0
Sexual Harassment Prevention Act	624	579.8
Securities and Exchange Act	2	15.0
Money Laundering Control Act & Whistleblower Protection	500	325.7
Total	1,699	2,551.5

In addition, D-Link's products and services also comply with regulations related to information and labeling, health and safety. Its marketing and promotional activities comply with regulations related to marketing communications. The Company also complies with environmental protection regulations and regulations related to social and economic fields.

▼ Regulatory Compliance Status in the Past 3 Years

	Incidents of Non-Compliance		
	2022	**2023**	**2024**
Product / Service Information and Labeling	None	None	None
Product / Service Health and Safety	None	None	None
Marketing and Publicity Activities	None	None	None
Environmental Protection	None	None	None
Social Aspects, Such As Human Rights and Labor	None	None	None
Economic Aspects, Such as Fair Trading, Anti-Competitive Practices, Major Infomation Security[1], Etc.	None	1[2]	1[2]

[1] Definition of the major cybersecurity incidents: Includes intrusion, disruption, alteration, deletion, encryption, theft, Distributed Denial-of-Service (DDoS) attacks, etc., targeting the Company's core information and communication systems, official websites, or confidential document files, resulting in operational disruption or inability to provide services, or occurrence of personal data breaches.
[2] Major Infomation Security incidents.

2.5 Financial Performance and Tax Governance

Solid financial performance and rigorous tax governance are important aspects of ESG practices. D-Link enhances its core competitiveness continuously, increases revenue actively, strengthens management, and monitors market changes consistently to adapt to potential impacts from environmental changes.

2.5.1 Financial Performance

2.5.2 Tax Governance

2.5.1 Financial Performance GRI 201-1, 201-4

Looking back on the past year, as the Russo-Ukrainian War and the Middle East dispute continue, and the global countries are still in the process of reducing interest rates and inflation, the demand for end products and network infrastructure is still not strong. Although the shortage of materials has eased, the global enterprises still face the pressure of inventory due to the shortage of materials, which increases uncertainty to the recovery of the economy. However, the Company has implemented strict inventory control. After more than 1 year of supply and demand adjustment, the current inventory has reached a normal level. In terms of sales in various regions, the Asia Pacific region is facing a severe inventory reduction and sales reduction in China. However, with long-term customer relationship, sales are still maintained at a certain level. In addition, the economic growth in Europe is sluggish, and the competition in the Americas is intensified. As a result, the turnover declined significantly. Looking at the 2024 financial performance, the global consolidated revenue was NTD 14.4 billion, a 10% decline compared to 2023; the gross margin was 26%, an increase of 2% compared to 24% in 2023. The operating loss in 2024 was NTD 200 million, and the net profit after tax attributable to the parent company was NTD 0.35 million. The earnings per share after tax was NTD 0.06.

In 2024, the D-Link headquarters and global subsidiaries received a total subsidy of NT$1 million[15], including financial subsidies for the corporate-specific zone, energy and employment-related subsidies.

▼ Distribution of Economic Value in 2024

		Amount
Direct Economic value Generated	Operating revenue	14,395
	Operating costs	10,691
	Salaries and benefits of employees	2,675
	Cash dividends paid	441
Economic Value Distributed	Interest paid	33
	Income tax paid (Taiwan)	18
	Income tax paid (Asia)	143
	Income tax paid (Europe)	46
Residual Economic Value		348

1. The currency for this table is NT$ million
2. Residual economic value = direct economic value generated - economic value distributed

[15] In 2024, the locations receiving the subsidies include the headquarters and the subsidiaries in Asia.

▼ Financial Performance in the Past 3 Years

Items	2022	2023	2024
Operating Revenue	17,078	15,941	14,395
Gross Profit	4,315	3,844	3,704
Operating Expenses	3,762	3,718	3,904
Operating Profit (Loss)	553	126	(200)
Non-Operating Income and Expenditure	(95)	735	562
Net Profit before Tax	458	861	362
Net Profit after Tax	260	698	132
Net Profit of Parent Company	109	568	35
Gross Profit (GP%)	25.3%	24.1%	25.7%
Operating Expenses (OPEX%)	22.0%	23.3%	27.1%
Operating Profit (OPM%)	3.2%	0.8%	(1.4%)
Net Profit after Tax (NI%)	1.5%	4.4%	0.9%

1. The currency for this table is NT$ million
2. Please refer to the financial statements of the Company's annual reports over the years

2.5.2 Tax Governance

D-Link upholds the goals of tax compliance and comprehensive tax risk management by formulating the "Group Tax Policy and Management Regulation" to implement sustainable corporate development and fulfill social responsibilities.

The D-Link Group's tax governance policy considers the Board of Directors the highest decision-making body for the Company's effective tax risk management mechanism. In order to put tax management into practice and establish an internal tax management mechanism, tax experts were commissioned to provide tax education and training, as well as tax consulting services to maintain the accuracy of tax compliance.

D-Link has operating bases all over the world, and each operating base follows the tax laws and regulations of the country where it locates. Since unfavorable factors of regulatory changes will have an adverse impact on business performance, the Company regularly analyzes tax changes of the locations where its operating base are located, continuously evaluates local tax law regulations and recent supervision focuses of local tax authorities, to identify the tax risks arising from operations. The Corporate Finance & Operation Center Accounting Department regularly reports on the Group's tax risk environment, risk assessment and responding measures to executives. Starting from 2023, the tax risk management has been included in enterprise risk management and the tax management status is reported to the Board of Directors every year.

Compliance with Global Transfer Pricing

In response to the international requirements of the three-tiered transfer pricing documentation framework, D-Link Group prepares the master file report and complies with regulatory filings to enhance the transparency of the group's tax information and ensure adherence to global transfer pricing regulations.

D-Link Group's companies registered in the Cayman Islands and the British Virgin Islands act as holding companies, which are for the purpose of holding shares. If there is any surplus distribution of the reinvestment company held by the holding company, the holding company will ultimately remit such surplus to the parent company, D-Link Corporation, and pay corresponding income tax in Taiwan.

Compliance Principle
Commitment to comply with tax regulations in all operating regions and to declare taxes honestly.

Risk Control
Analyze the operational environment and utilize administrative mechanisms to assess tax risks and countermeasures.

Reasonable Tax Incentives
Apply for tax incentives based on commercial reasons and in line with economic substance regulations without using tax havens.

Reasonable Structure
Ensure the enterprise architecture and transaction arrangements are in line with economic substance regulations. No special arrangements shall be used to avoid tax.

Information Transparency
Financial information is disclosed transparently, and tax information is disclosed in accordance with related regulations and standards.

Integrity in Communication
Establish a relationship of mutual respect and honest communication.

Arm's Length Principle
Related-Party transactions are based on arm's length principle and in compliance with internationally accepted transfer pricing guidelines announced by the Organization for Economic Cooperation and Development (OECD).

▼ Tax Performance in the Past 3 Years (NT$ Million)

	2022	2023	2024
Net Profit Before Tax	458	861	362
Income Tax Expenses	197	163	230
Add (Less): Temporary Differences	(56)	44	(19)
Adjusted Income Tax Expenses	141	207	211
Effective Tax Rate[1]	43%	19%	64%
Adjusted Effective Tax Rate[2]	31%	24%	58%
Income Tax Paid	126	248	207
Effective Tax Rate of Income Tax Paid[3]	28%	29%	57%

[1] Effective tax rate = Income tax expenses/Net profit before tax.
[2] Adjusted effective tax rate = Adjusted income tax expenses/Net profit before tax.
[3] Effective tax rate of income tax paid = Income tax paid/Net profit before tax.

2.6 Risk Management

D-Link identifies operation-related risks through a professional and rigorous process, and formulates strategies and action plans. By establishing a risk management mechanism, each department is able to respond in a timely manner through a risk management process so as to reduce or avoid impacts and ensure sustainable business operations.

2.6.1 Shaping D-Link's Risk Management Culture

GRI 2-12

D-Link adopts the existing administrative structure and internal control mechanism to manage risks associated with business operations. According to the risk management policies and procedures, the Board of Directors is the highest management unit of risk management, and the Audit Committee is responsible for supervising the implementation of the group's risk management policies. The President serves as the convener of the Risk Management Task Force, and jointly plans, executes and supervises the risk-related management affairs with senior executives of the operating units to establish a good protection mechanism in the daily maintenance. The Company develops risk measurement indicators for key risk categories to review risk management mechanisms regularly, and strategies, control objectives, internal control systems, and procedures are established to prevent and manage various risk-related company operations effectively.

▼Risk Management Structure

2.6.2 Risk Management Procedures

Risk Identification 〉

Each operating unit identifies risks in its short, medium, and long-term objectives and business management according to the Company's strategic objectives and risk manage-ment policies and procedures approved by the Board of Directors.

Risk Analysis 〉

For the identified risk events, the highest management unit considers the integrity of existing relevant control measures, past experience, and peer cases, to analyze the probability of occurrence and impact of risk events, and calculates the key risks.

Risk Assessment 〉

Each operating unit plans and implements subsequent risk response plans according to the risk level based on the risk analysis results and the risk appetite (unacceptable risk) approved by the Audit Committee.

Risk Response 〉

Action plans are developed for risk response to ensure that the relevant personnel fully understand and implement the action plans and the implementation of the action plans will be monitored continuously.

Supervision and Review Mechanism 〉

Each operating unit of the Company shall be directly responsible for the risk related to its responsibilities and shall incorporate risk assessment and control into its daily operations. When necessary, they should report to the risk management taskforce to effectively supervise and improve the efficiency of risk management implementation.

Report and Disclosure

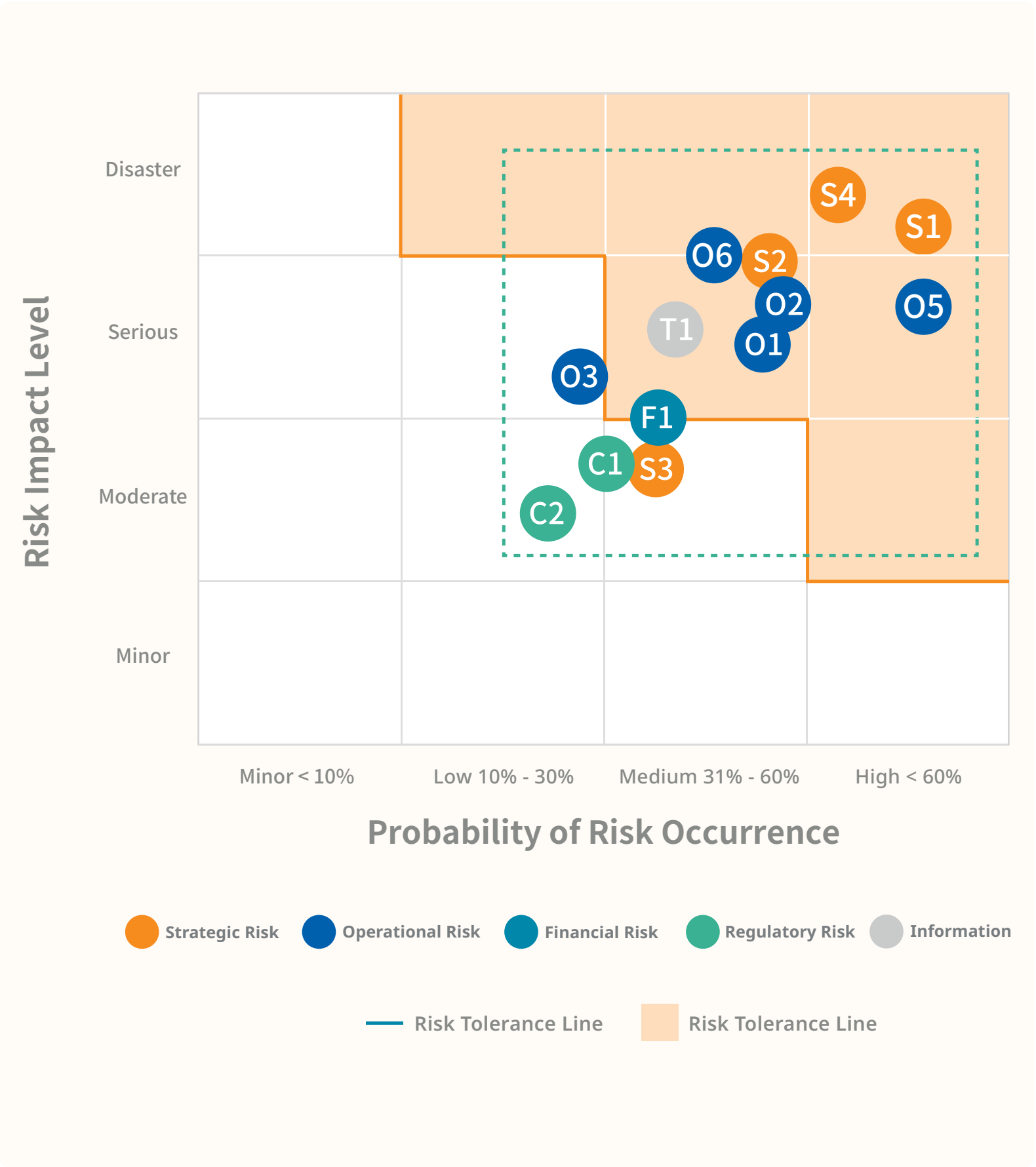Relevant policies and procedures are disclosed on the Company's website.

2.6.3 Risk Identification Results and Operation Practices

- In order to comply with the requirements of the "Corporate Governance 3.0 - Sustainable Development Blueprint" and the "Risk Management Best Practice Principles for TWSE/TPEx Listed Companies" issued by the Financial Supervisory Commission. The Company has amended the "Risk Management Policy and Procedures" and implemented such upon the resolution of the Board of Directors on May 10, 2023.

- The Company complies with the "Risk Management Policies and Procedures", to convene the risk management meetings, on quarterly bases, on January 22, June 28, September 23, and October 23, 2024, to plan, implement and supervise quarterly risk management operations, to ensure that all risks are effectively managed.

- As a part of the annual review of the risk management system, the Board of Directors and the Audit Committee conducted a review of key risks and control measures on February 27, 2024 and November 13, 2024.

- Regarding the key risks identified in early 2024, the Company has reported to the Board of Directors on the implementation of the 2024 risk management action plan on November 13, 2024. The risk items are controlled by using the key risk indicators (KRIs) to mitigate the degree of risk impact. In the board meeting on February 26, 2025, the Company's newly identified key risks were reported.

- The Company has reported to the Board of Directors on the implementation of the 2024 risk management action plans on November 13, 2024.

▼ Identified Key Risks in Early 2024

Risk Categories	Risk Details
Strategic Risk	S1 Inventory Management / S2 Product Innovation and Application / S4 The time to launch/development progress of new product inconsistent to market demand
Operational Risk	O1 Customer management / O2 Product quality / O4 Subsidiary Organizational Functions and Operating Model / O5 Costs affect the price competitiveness
Information Risk	T1 Information security incident
Emerging Risk	Climate Change Tax Governance

▼ Risk Matrix of 2024

▼ Important / Emerging Risks and Countermeasures

Risk Items	Countermeasures	Material Topics Corresponded
Inventory Management	Coordinate organizational resources to establish transaction guidelines for long-aged inventory, effectively reducing the group's stock levels.	Business Performance
Product Innovation and Applications	Centrally plan product catalogs, hold product planning and sales alignment meetings, and implement the group's sales strategy.	-
The Time to Launch / Development Progress of New Product Inconsistent to Market Demand	Monitor the synchronization rate between the roadmap and product initiation each quarter to meet customer supply demands.	Business Performance
Customer Management	Review changes in key customers; for customers with deferred shipments, progress has been made, and deliveries have been completed.	-
Product Quality	Risk mitigation and improvement measures have been taken, to reduce risk trends and improve product defect rates; all implementation items under the action plans have been completed.	Product Quality
Subsidiary Organizational Functions and Operating Model	Regularly review the operating results of subsidiaries; for underperforming subsidiaries, enhance management oversight, formulate operational adjustment plans as special projects, and track execution progress.	Business Performance
Costs Affect the Price Competitiveness	Implement quarterly component cost reduction (cost down) and semi-annual finished product cost reduction targets.	Business Performance
Information Security Incident	Employee cybersecurity education and social engineering drills have been completed, along with the establishment of an incident response plan and internal reporting mechanism. Moving forward, we will continue to enhance training and awareness programs, incorporate recommendations from external cybersecurity experts, conduct regular simulation tests and evaluations, procure firewall equipment, and plan upgrades for antivirus-related software and hardware. These measures aim to strengthen overall defense capabilities and comprehensively reduce the risk of cybersecurity incidents.	Information Security
Tax Governance	Implement tax governance and establish an internal tax management mechanism, with regular reporting to the management on the group's tax risk environment, risk assessments, and response measures. Engage tax experts periodically to provide tax education, training, and consulting services to ensure tax compliance.	-
Climate Change	Committing to the 2050 net-zero emissions. Introduce the TCFD framework, regularly disclose climate change response performance, and establish relevant indicator targets for continuous tracking and management.	Climate Change Response Actions

* Items marked in blue indicate significant risks.

2.7 Intellectual Property Management

Innovation has been the cornerstone of D-Link's operation and management since its establishment. To properly protect the research and development outcomes and enhance D-Link's competitiveness in the global market, D-Link has formulated an intellectual property management plan aligned with operational goals. This plan serves as guidelines for decision-making and execution in managing intellectual property and related matters. In 2022, D-Link adopted the Taiwan Intellectual Property Management System (TIPS) and obtained A-level certification. The Company successfully renewed its A-level certification in 2023. The certification is valid until December 31, 2025.

2.7.1 Intellectual Property Management Plan

2.7.2 Status of Intellectual Property Management Implementation

2.7.1 Intellectual Property Management Plan

Patents

In order to actively protect its own research and development results and integrate resources from various units, D-Link has formulated and implemented specific rules for patent applications. These applications are handled by a dedicated unit within the Company and submitted to domestic and foreign patent authorities for review, thereby strengthening the patent portfolio and protecting company interests. Due to the Company's emphasis on the quality and capability of patent applications, incentives are provided to inventors to encourage innovation. Additionally, patent management is implemented to effectively record, integrate, maintain, and utilize patent assets, thereby enhancing D-Link's competitiveness.

Trademark

D-Link is a brand deeply rooted in numerous countries and directly engages with consumers. To establish customer recognition of its brand image and consolidate market advantages, D-Link has been actively registering its trademarks globally to market and promote its products, sparing no effort in protecting and enhancing product value. A dedicated unit handles the visual identity design of trademarks and defines application categories and target countries according to its overall strategy. As markets and products constantly change, D-Link consistently reviews its corresponding registration portfolio and regularly conducts trademark monitoring. D-Link files objections against third-party trademark applications that are similar to its own or involve any acts of unfair competition to maintain the uniqueness and identity of its trademarks, ensuring that the economic benefits derived from its trademarks are fully realized.

Trade Secrets

In order to prevent misappropriation or improper disclosure of trade secrets, D-Link has formulated regulations and systems including, but not limited to, those related to information security, personal data protection, and confidential document management, which may serve to observe conduct, objects, workplace areas, confidentiality levels, and relevant education and training to employees. It also has an internal auditing mechanism in place for regular reviews.

Internally, D-Link conducts periodic inventories of important documents and technologies to protect key technologies, and ensures the effectiveness of company-wide information security protection measures and specific control plans through information security audits and continuous monitoring.

Copyright

The terms of employment contracts between D-Link and employees explicitly state that D-Link is the rightful owner of all copyrights resulting from the employee's work within the scope of employment, and this ensures that the Company holds the copyright to any work produced by the employees in the course of their duties. In cases of collaboration with suppliers or clients on development projects, the ownership of the copyright of development work shall be fully defined and agreed upon in contracts in advance.

▼ Trade Secrets Protection Measures

	Employees	• Upon arrival, employees are required to sign employment contracts containing confidentiality clauses. • A confidentiality agreement shall be signed upon resignation.
	Vendors	• Before actual cooperation takes place, a confidentiality agreement must be signed.
	Access Control	• The main gate has access control, and visitors must apply for permits before accessing. The IT Department and various offices are also controlled, allowing access only to personnel with specific identities.
	System Control	• All systems or public drives involving the storage of trade secrets or confidential information have permission-based access control measures in place.

2.7.2 Status of Intellectual Property Management Implementation GRI 2-12

D-Link attaches great importance to intellectual property management. In addition to establishing a professional legal and intellectual property team to support the R&D team, it has also monitored related domestic and foreign trends and regulatory requirements for a long time and regularly reported intellectual property-related matters to the Board of Directors every year. The 2024 report was completed in the board meeting on November 13. D-Link also continues to launch various training programs to enhance the knowledge and understanding of the personnel on the fundamental and advanced knowledge of intellectual property rights.

2019

Improvement on Patent Application and Rewards Implementation Rules.

2020

Comprehensive review and consolidation of trademark portfolio.

2021

Expansion of the scope of ISO / ICE 27001 ISMS certification.

2022

Implemented the Taiwan Intellectual Property Management Standard (TIPS) and obtained Level A certification.

2023

Successfully passed the TIPS Level A certification again, valid until December 31, 2025.

▲ Intellectual Property Management of D-Link in Recent Years

▼ Patents and Trademarks Management

748
Global Patent Applications Filed

566
Approved Patents

75.7%
Approval Rate

5
Patents Approved in 2024

116 Countries / Regions
with Registered D-Link Trademarks under Ongoing Protection

▼ Education and Training Related to Intellectual Property in 2024

539 Participants
Completed Basic Training

677 Training Hours
Total Hours of Related Training

1 Participant
Attended External Training Courses

2 Training Hours
Total Hours of External Training Courses

Value Creation

Responding to Material Topics

· Product Quality

· Information Security

· Supply Chain Management

Major Stakeholders

· Customers / Clients

· Employees

· Suppliers / Business Partners

· Shareholders / Investors

· Subsidiaries

chapter

03

3.1 Sustainability Strategies and Goals - Value Aspect GRI-2-13, 2-24, 3-3

3.1.1 Management Approaches for Material Topics

3.1.2 Short / Medium / Long-Term Goals

3.1.3 Achievement Status of Management Goals for 2024

3.1.4 Responsible Unit

3.1.5 Management Mechanism

3.1.6 Communication Channel

Management Approaches for Material Topics

Material Topics	Significance for D-Link	Impacts on Value Chain*			Response Policies and Measures	Management Actions
		Suppliers / Business Partners	D-Link / Subsidiaries	Customers / Clients		
Product Quality	Provide quality products and services to customers and become a leading brand of networking equipment through various stages of control. Quality and stability are closely related to customer losses and reputation, which directly affect market share and competitiveness.	●	●	●	Set up management representatives, establish quality policies, set management goals in accordance with the quality policies and review them regularly for effective management and continuous improvement.	• The Company sets annual customer satisfaction surveys, supplier management surveys, and product manufacturing quality evaluations based on the quality policy, as well as the quality targets including product manufacturing quality appraisals. It also submits annual quality targets to the management review meeting for resolution and implementation. • The President serves as the management representative of the ISO management system. The direction of quality policy is reviewed in the annual management review meeting and adjusted on a rolling basis.
Information Security	Continue to improve the Company's information security management system and strengthen its protection capabilities to comply with domestic and international information security-related regulations and to implement them in daily operations. We are dedicated to mitigating information security risks, maintaining customer trust, preserving the Company's reputation, and sustaining market competitiveness.		●	●	Formulate the "Information Security Management Policy" and establish the "Information Security Management Committee", in order to understand information and communication security according to international standards.	The President serves as the convener of the "Information Security Management Committee" to supervise the Company's information security policy. Each informationsecurity-related unit (information, product, personalinformation, privacy, etc.) must assign an information security representative to participate in information security meetings held twice a year to continuously optimize and regularly perform audits on information security management.
Supply Chain Management	Implement due diligence responsibilities and exert market influence to strengthen the sustainability value of the overall industry chain and continuously refine the value chain management strategies of upstream/downstream partners to mitigate the risk of various negative impacts on suppliers, including the ongoing operational management of suppliers, which will directly impact the Company's operations and commitments to customers.	●	●	○	• Established the "D-Link Sustainable Procurement Policy" and the "Supplier Code of Conduct" as the highest principles for ESG management of suppliers. • regularly evaluate the impact of suppliers on society and the environment. • Continue to increase the percentage of local purchases.	• Through the "Self-Evaluation Form of ESG Implementation", we regularly investigate the ESG conduct of suppliers and encourage suppliers to regularly disclose relevant performance, thereby driving the sustainable development of the overall value chain. • Implement risk-graded assessment of suppliers, regularly schedule different audit strategies according to different levels, On-site audits are conducted on major suppliers every year, including ESG audit indicators developed by referring to the Responsible Business Alliance Code of Conduct.

* ● Direct impact; ○ Indirect impact

Short / Medium / Long-Term Goals

	Short-Term	Medium-Term	Long-Term
Product Quality	• Maintain the completeness of quality management procedures. • The rate of major suppliers passing the shipment inspection is higher than 90%.	• 100% of D-Link's suppliers are compliant with ISO 14001 and have obtained the certificate.	• The rate of major suppliers passing the shipment inspection is higher than 95%.
Information Security	• Upgrade the wireless network equipment in office space, strengthen management, and improve availability. • Introduce HSM[1] key management system to all new products. • Introduce the cloud-based solution to the source code scanning system, and integrate third-party package security monitoring and SBOM[2] functions. • Certify all products sold to Europe in response to the CE RED Information Security Regulation EN 18031.	• Establish effective anti-hacking and anti-weak measures on external services or websites, regularly entrust third-party external experts to conduct penetration tests, and continuously optimize the system. • Strengthen the automated analysis function of the product security management platform : periodical information security reports, automated risk and authorization type analysis of SBOM, and correlation of detection reports and product versions.	• Gradually build a joint defense system for group information security. • Purchase insurance coverage based on business needs. • Adjust internal safety regulations and product specifications immediately to comply with the latest information security regulations of each country. • Establish the D-Link product security testing team, to cultivate the professional skills and professional certifications over the long term, and actively participate in international information security organization activities and resource sharing.
Supply Chain Management	• Build sustainability and resilience of the supply chain.	• Understand the extent of supplier ESG management though supplier survey. • Conduct sustainable procurement-related education and training for procurement personnel.	• Suppliers' ESG performance is included in the vendor selection criteria.

By the end of 2025

By the end of 2028

By the end of 2033

1. Hardware Security Module (HSM)
2. Software Bill of Materials (SBOM)

Achievement Status of Management Goals for 2024

Material Topics	Goals in 2024	Management Performance	Achievement Status
Product Quality	• Maintain the completeness of quality management procedures.	• Violation of laws and regulations related to quality management : 0 • The rate of major suppliers passing the shipment inspection : 91.2% • Percentage of suppliers certified for ISO 14001 environmental management system : 87%	✓
Information Security	• Passed the new version of ISO 27001:2022 Information Security Management System at the end of 2024. • Started to introduce the HSM product key management system. • Integrated SBOM function into the product information security management platform. • Continue the ETSI EN 303 645 certification mechanism for wireless products sold to Europe.	• Completed the ISO / IEC 27001: 2022 information security management system upgrade and transition to external audit operations. • 2 Information Security Management Committee meetings were held, and the implementation results were reported to the Board of Directors. • The HSM key management system has been fully introduced. • SBOM has been completed integrated into the product information security management platform. • A total of 40 products have obtained ETSI EN 303 645 certification. These are expected to be transferred to EN 18031 before August 2025 to comply with the EU CE RED regulations. • Material information security incidents[1] : 1 • Material information security complaint[2] : 0	✓
Supply Chain Management	• Build the supply chain resilience	• Starting from 2024, we share our sustainability vision, governance structure, and specific promotion measures with suppliers through the ESG newsletter, hoping to drive the value chain to engage in sustainable development. • The self-assessment forms of ESG implementation are distributed annually to keep track of the sustainability of suppliers. In 2024, the survey of 38 existing suppliers was completed. • Audits were conducted for major suppliers (7 in total). The audit completion rate was 100% • Improvement rate of deficiencies in coaching suppliers : 88.76% • Number of suppliers listed as unqualified suppliers for violating social responsibility standards : 0 • Reports on bribery of suppliers : 0	✓

1. Including the Company's core information system, official website or confidential documents and files, have been invaded, destroyed, compromised, deleted, encrypted, stolen, and under distributed denial of service attacks (DDoS), resulting in the inability to operate or provide services normally, or the leakage of personal information, etc.
2. Complaints from third-party impartial inspection units or competent authorities resulting in judicial action due to the Company's violation of customer personal data protection or loss of customer information. If an individual's complaint is accepted as a case, it will also be included in the statistics.

Responsible Unit

| Corporate Auditor's Office | ESG Office | Product R&D Center | Supply Chain Management Center |

| Corporate Finance & Operation Center | Product Planning Center | Business Center | AI Innovation Center |

Management Mechanism

- Corporate identification specifications
- D-Link Quality policy
- ISO 9001 Quality Management System
- Product Labeling Regulations in Various Countries
- ISO / IEC 27001:2022 Information Security Management System
- BS 10012:2017 Personal Information Management System
- TRUSTe Privacy Certification
- Introduced the industrial product security standard : IEC 62443-4-1 Industrial Automation and Control System Security
- ETSI EN 303 645 Cyber Security for Consumer Internet of Things : Baseline Requirements
- D-Link Sustainable Procurement Policy
- Supplier Code of Conduct

Communication Channel

Type	Channel
Customer Service	Toll-free line : 0800-002-615 https://www.dlink.com/en/hq-support Online message : https://www.dlink.com/en/contact-d-link
Suppliers-Related Channel	• Special E-mail : supplychain@dlinkcorp.com
Sustainability-Related Channel	• Special line : 02-6600-0123 Ext. 6834 • Special E-mail : csr@dlinkcorp.com
Anti-Corruption Reporting	• Special E-mail : SRC@dlinkcorp.com • Special Mail Box : No. 289, Xinhu 3rd Rd., Neihu Dist., Taipei City 114 (To Audit Committee)

3.2 **Product Quality and Safety** GRI 417-1, 417-2, 417-3

D-Link abides by the business purpose and is based on satisfying customer requirements and maintaining the effectiveness of the quality management system. The President serves as the management representative of the ISO management system. The quality policy direction is reviewed in the annual management review meeting, and the quality policy is followed every year. Formulate customer satisfaction surveys, supplier management surveys, and product manufacturing quality assessment quality goals, and submit annual quality goals to the management review meeting to implement the resolutions for effective management and continuous improvement.

D-Link's products are marked with relevant product information in accordance with local regulations, and the Company's trademark, product model, part number, UPC, quantity, serial number, safety certification mark, origin mark, hard disk version, firmware version, MAC, power supply information, and number of boxes are clearly marked on the product packaging. The Company also specify video signal output, lithium battery warnings, Important Labels, etc., according to product type and export requirements. In 2024, D-Link had 100% compliance.

3.2.1   Quality Management

3.2.2   Product Information Security

3.2.3   Customer Services

2024
Number of products violating regulations on labels : 0

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

3.2.1 Quality Management GRI 416-1, 416-2

D-Link products comply with the quality-related laws and regulations of various countries. During the development and design stage, suppliers are required to comply with corresponding regulations, and the development verification stage is to verify one by one and obtain a compliance verification report. By controlling from the source, we strictly ensure that products comply with regulatory requirements and quality standards.

In addition, the Company has, pursuant to ISO 9001 quality management system specifications, established various policy indicators, internal regular audits, management review reviews, and resolutions, which are completed and certified by external units.

▼ Quality Policy

Quality First

Continuous Improvement

Customer Satisfaction

2024
Violation of laws and regulations related to quality management : 0

▼ D-Link's Quality Management System Procedures
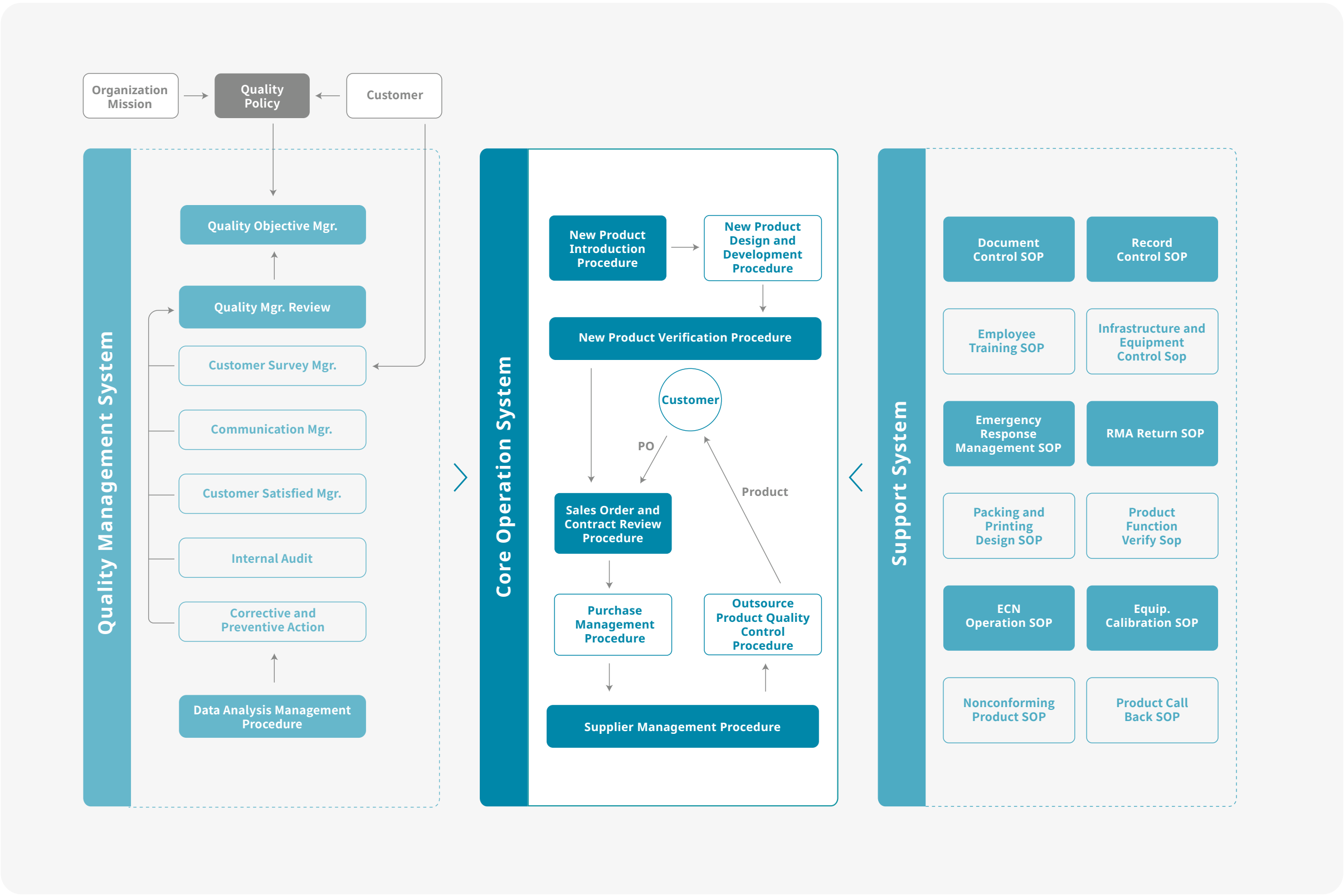
| Organization Mission | Quality Policy | Customer |

Quality Management System
- Quality Objective Mgr.
- Quality Mgr. Review
- Customer Survey Mgr.
- Communication Mgr.
- Customer Satisfied Mgr.
- Internal Audit
- Corrective and Preventive Action
- Data Analysis Management Procedure

Core Operation System
- New Product Introduction Procedure
- New Product Design and Development Procedure
- New Product Verification Procedure
- Customer
- PO
- Product
- Sales Order and Contract Review Procedure
- Purchase Management Procedure
- Outsource Product Quality Control Procedure
- Supplier Management Procedure

Support System
- Document Control SOP
- Record Control SOP
- Employee Training SOP
- Infrastructure and Equipment Control Sop
- Emergency Response Management SOP
- RMA Return SOP
- Packing and Printing Design SOP
- Product Function Verify Sop
- ECN Operation SOP
- Equip. Calibration SOP
- Nonconforming Product SOP
- Product Call Back SOP

3.2.2 Product Security SASB TC-HW-230a.1

All D-Link products are required to pass information security related tests to ensure that there are no known risks before production. In order to maintain the level of product security, an internal audit is conducted once a year, an audit and review by an independent third-party information security verification unit is conducted every 2 years, and an information security audit is carried out on the cooperative manufacturers on a regular basis to strictly control the product security.

▼ The Development of D-Link Product Security in Recent Years

| 2017	2018	2020	2023	2024
Became the first networking equipment company in Taiwan to pass the BSIMM verification, and the product development process conforms to the BSIMM V7 specification.	Introduced the latest industrial product security specification standard-IEC 62443 Industrial Automation and Control System Security.	• Obtained the IEC 62443 Industrial Automation and Control System Safety Part 4-1 product safety development system certification verified by German TUV Nord. • Passed the external review operation for ISO/IEC 27001:2013 Information Security Management System.	Obtained the first ETSI EN 303 645 Cyber Security Certificate in Taiwan.	Certified with ISO / IEC 27001:2022 Information Security Management System

IEC 62443

The IEC 62443 standard is an information security standard for industrial automation control launched by the International Standards Association (ISA) and the International Committee of Electrotechnical Organizations (IECEE). It has complete information security specifications from policies, organizations, processes, systems to components. In addition to developing products in accordance with security specifications, each production stage has strict requirements and tests; after product sales, it is also necessary to release updated software as soon as possible in response to subsequent information security risks to maintain product security levels until the product stops supporting the announcement. The entire product life cycle from product design, development, testing to introduction must follow the guidelines set by the IEC 62443 standard, and ensure the quality and level of product security with the highest security specifications, so that customer privacy is guaranteed.
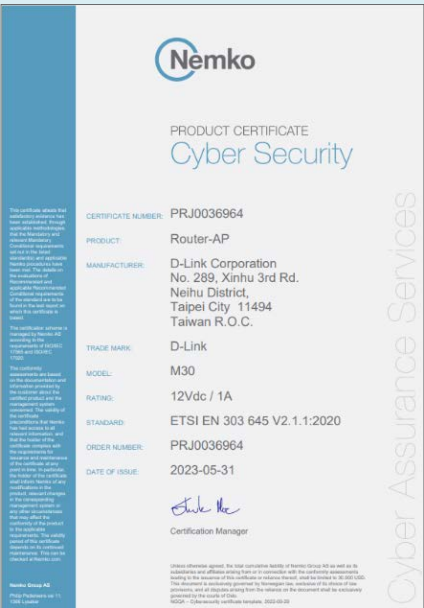
ETSI EN 303 645 Cyber Security for Consumer Internet of Things: Baseline Requirements

Released by European Telecommunications Standards Institute, it aims to address significant and widespread network security vulnerabilities, establish a security baseline for consumer products connected to the network, safeguard user privacy, and prevent primary attacks on basic design flaws. Manufacturers must comply with the standards in the design and production of their products to ensure that all connected devices are safe and secure before being launched in the European Union, so as to protect consumer privacy and personal information, preventing risks such as hacker extortion.

In order to identify the risks of product security and manage them effectively, D-Link adopts the following measures :

Use the Automated Detection Tools
In addition to cooperating with external security companies to review all products, automated testing tools are regularly used to cooperate with manual testing to improve efficiency, expand the scope and scale of testing, and effectively grasp the information security status of products.

Introduce the Automatic Comparison System
In addition to cooperating with external security companies to review all products, Automatically compare the product software package data with the latest external security incidents, and automatically notify and follow up if there is a match.

Integrate Relevant Documents to Facilitate Tracking
Integrate the historical data and information security events of all product security testing reports to speed up inquiry and effectively track.

Regularly Generate Reports for Rolling Optimization
Regularly generate information security vulnerability statistics reports for each product line, you can check the current status of product security, adjust resource arrangements at any time, and help query information security functions during product planning, and can also focus on strengthening product-related functions.

Strengthen the Expertise of Personnel
Through regular training, D-Link will strengthen internal product testing and the professional capabilities of developers in information security, assist in obtaining relevant licenses and qualifications, and make the Company more competitive in the future when it comes to system procurement and other related businesses.

Digital Signature

D-Link has fully implemented the digital signature mechanism to strengthen the information security protection of product firmware and software, ensure product integrity, and ensure source verification without concern. Since 2024, we have further introduced the highest-spec[16] HSM and signature management system, which is expected to be fully applied to all products by 2025. The system adopts equipment compliant with the Federal Information Processing Standards FIPS 140-3 Level 3 to securely store product keys to ensure no storage of product keys at endpoints, which greatly improves product information security confidentiality.

UK PSTI

The UK "Product Security and Telecommunication Infrastructure Act" (UK PSTI[17]), taking effect at the end of April 2024, requires all companies involved in the supply chain of consumer IoT products to comply with the minimum safety requirements established according to the UK Code of Practice for Consumer IoT Security and ETSI EN 303 645 standards. Since 2020, D-Link has complied with the strict IEC 62443-4-1 product safety development process specifications to conduct product R&D, and only the products that passed relevant verification tests may be delivered. Therefore, the safety requirements of the Act have been met in advance.

CE RED

Moreover, in response to the upcoming implementation of CE RED Information Security Regulations in 2025, D-Link has been actively initiating projects since 2022 to adjust safety specifications for product development to meet the requirements of relevant regulations. In May 2023, the M30 AX3000 Wi-Fi 6 dual-frequency wireless router under the D-Link AQUILA PRO AI series successfully obtained the first EN 303 645 certificate in Taiwan. Following the announcement regarding the latest designation of EN 18031 by the EU in January 2025, D-Link immediately cooperated with the certification laboratory to comprehensively plan to convert existing EN 303 645 certified products to EN 18031, continuously strengthening product network security and ensuring compliance with the latest regulatory standards.

In 2024, a total of 30 product information security incidents were reported, which was the same as the previous year. Only one incident was related to product software, which was immediately patched and updated. In general, the overall information security quality of products has improved significantly since the full adoption of the IEC 62443 safety development process. This shows that the relevant measures have gradually yielded results.

[16] Hardware Security Module
[17] Product Security and Telecommunications Infrastructure Act (UK PSTI)

3.2.3 Customer Services

Diverse Customer Service System

High-quality after-sales service is D-Link's commitment to customers. D-Link has a total of 13 call centers around the world, providing consumers with a variety of real-time technical support channels. In addition, the self-built customer service system integrates consumer cases of different regions, so that the headquarters and customer service centers can regularly review customers' opinions and suggestions on products and services, thereby improving user experience, continuously improving customer service quality, and increasing customer loyalty to the brand.

▼ D-Link Instant Technical Support Channel

Toll-Free Number   **Email**   **Chat Support**   **Social Media Platforms**

1-3-7 Service Level Agreement

D-Link headquarters provides solutions to each subsidiary, operating base and customer service center through the "1-3-7 Service Level Agreement (SLA) " and requires the general case processing to be concluded within seven days, to ensure that problems encountered by consumers can be solved promptly and effectively.

Furthermore, D-Link has developed stricter process flows for VIP projects / customers : the Field Technical Support Engineer cooperates with the Sales Center to conduct new function evaluation or problem solving directly with the manufacturer to meet the timeliness requirements of the project.

Day 1		Day 3		Day 7
Confirm the issue	>	Provide temporary solutions	>	Provide solutions for issues

▼ The Customer Complaint Handling Procedures and Responsible Units
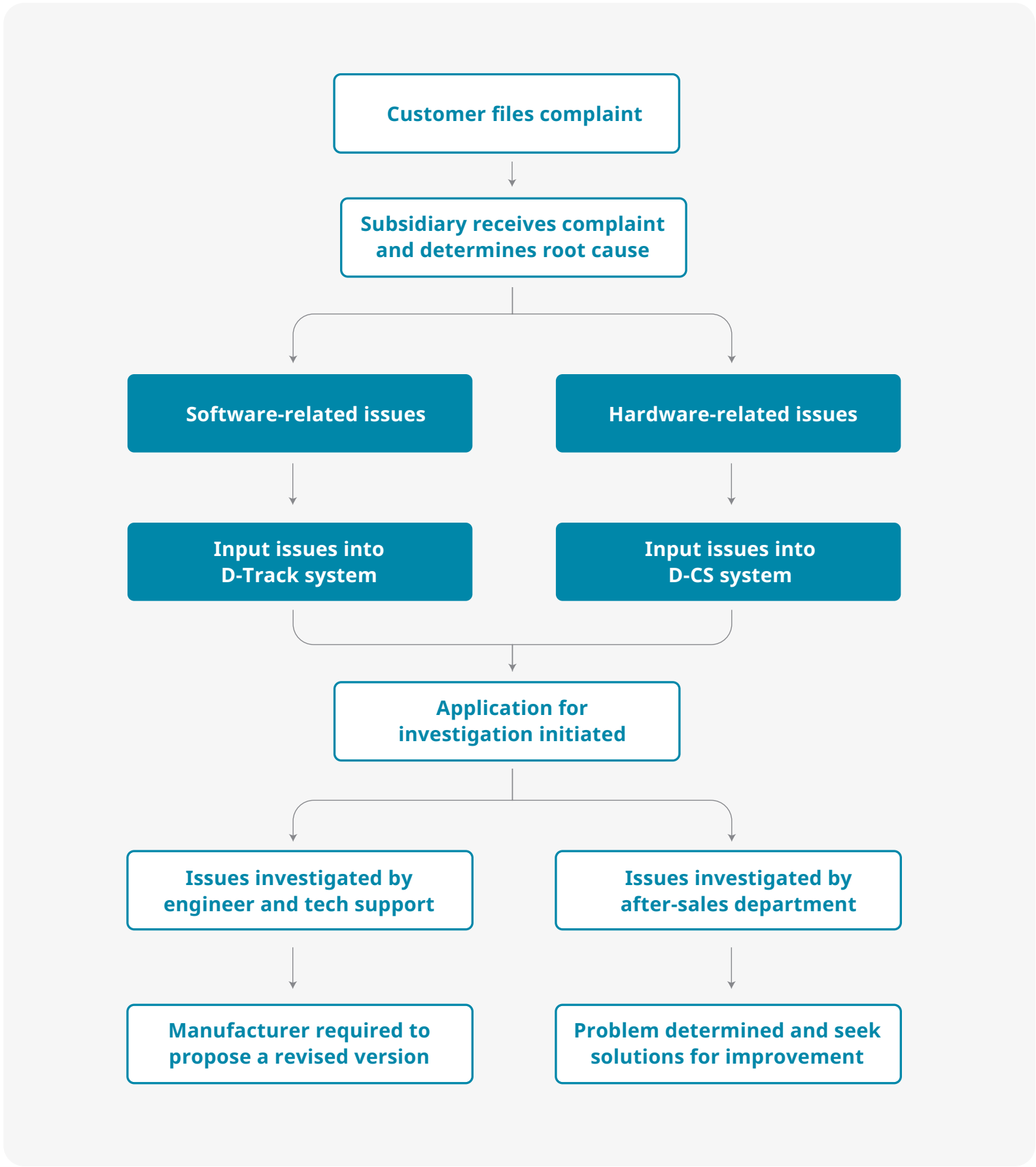
▼ To improve service quality, the headquarters conducts a monthly review of various service management indicators for the call centers.

Service Management Indicators	Goals	Achievement Rate
First Call Resolution	80% of incidents are closed after the first phone call.	More than 95% of the incidents in each subsidiary were resolved after the first phone call.
Average Handling time	Answer customer questions within 15 minutes.	Each incident was handled within 10 minutes on average.
Customer Satisfaction Survey	The average score is above 85 points.	The average score was 85.

Customer Satisfaction Survey

D-Link conducts customer satisfaction surveys annually in accordance with the ISO 9000 Customer Satisfaction Management Procedure. With a target of 80 points, in recent years, the customer satisfaction survey scores have been above 80 points, reaching the target. In addition, to further improve customer and consumer loyalty to the brand, D-Link has continued to increase diverse social media software communication channels and monitored comments on products in forums and e-commerce platforms. Subsequently, customers are provided with product-related education and training courses, to continuously improve toward medium and long-term goals.

▼ Customer Satisfaction Scores in the Past 3 Years

2022	2023	2024
86 Points	**86** Points	**85** Points

3.3 Information Security Management SASB TC-HW-230a.1

Information security is one of the major issues of global concern, and it is a top priority for the Networking equipment industry. D-Link established the "Information Security Management Committee" and passed the "Information Security Management Policy" to ensure the confidentiality, integrity, availability, and legality of information assets.

3.3.1 Information Security Management Structure

3.3.2 Information Security Management Strategy

3.3.3 Information Security Risk Management and Continuing Improvement

3.3.4 Information Security Management Measures and Resource Allocation
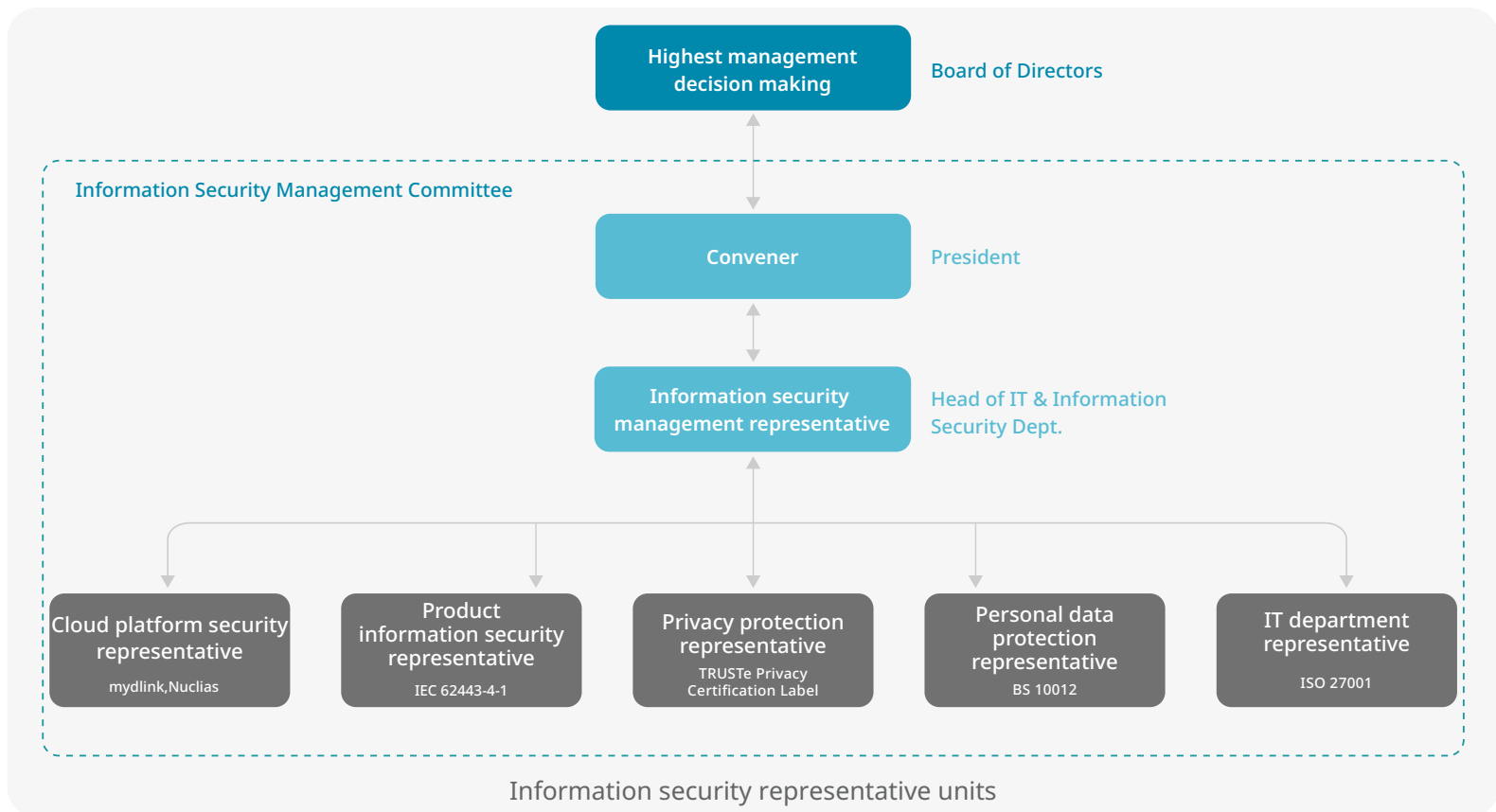
3.3.5 Information Security Incidents

3.3.1 Information Security Management Structure GRI 2-12

In order to fully manage information and communication security, D-Link has established the "Information Security Management Committee". The President shall act as the convener to regularly convene information security meetings and supervise the information security policies of the entire company. The Committee references the ISO 27001:2022 information security management system and the Regulations Governing Establishment of Internal Control Systems by Public Companies. The Information Technology and Security Department. The Information Technology and Security Department serves as the dedicated information security unit. The Information Technology and Security Department supervisor shall act as the information security management representative to coordinate the formulation, execution, risk management, and compliance audit of information security and protection-related policies. Each information security related unit (product, personal data, privacy, etc.) shall appoint an information security representative to regularly participate in information security meetings. They shall discuss information security policies and other material issues related to information security, as well as supervise the execution of the Company's information security operations and the effectiveness of the information security risk management mechanisms. Two Information Security Management Committee meetings were held in 2024, and relevant implementation results were reported to the Board of Directors.

▼ D-Link Information Security Organization

3.3.2 Information Security Management Strategy

Information Security for Systems
Passed the **ISO / IEC 27001:2022 Information Security Management System** certification, and through the import of international standards, the response and handling capabilities for information security incidents were strengthened, so as to protect the security of the Company and customers' in-formation assets.

Information Security for Products
Passed the certification of **IEC 62443-4-1: 2018 Product Safety Development System**, and the product lifecycle from design, development, testing to import strictly follows safety regulations.

Personal Data Protection
Passed the certification of **BS 10012 : 2017 Personal Information Management System** to confirm that all relevant procedures and applicable documents comply with the EU General Data Protection Regulations (GDPR) requirements.
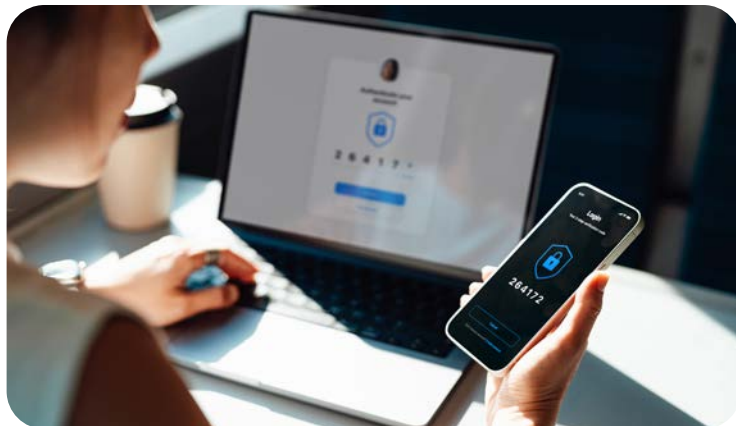
Privacy Protection
Since 2014, D-Link's external service website and domain have been audited and certified by TrustArc Inc., a data privacy management authority, and have received the **"TRUSTe Privacy Certification Stamp".**

3.3.3 Information Security Risk Management and Continuing Improvement

D-Link has been cultivating network equipment and services markets for a long time. The Company places great importance on information security and the scope of its focus includes employees, organizations, supplier and operation related information, and software and hardware. D-Link complies with the ISO/IEC 27001:2022 Information Security Management System standards to formulate the information security policy. The Company has strengthened information security management to ensure that important information assets are protected from intentional or accidental internal and external threats, in order to maintain the confidentiality, integrity, and availability of data. Through the information asset and risk management procedures, D-Link has established and maintained the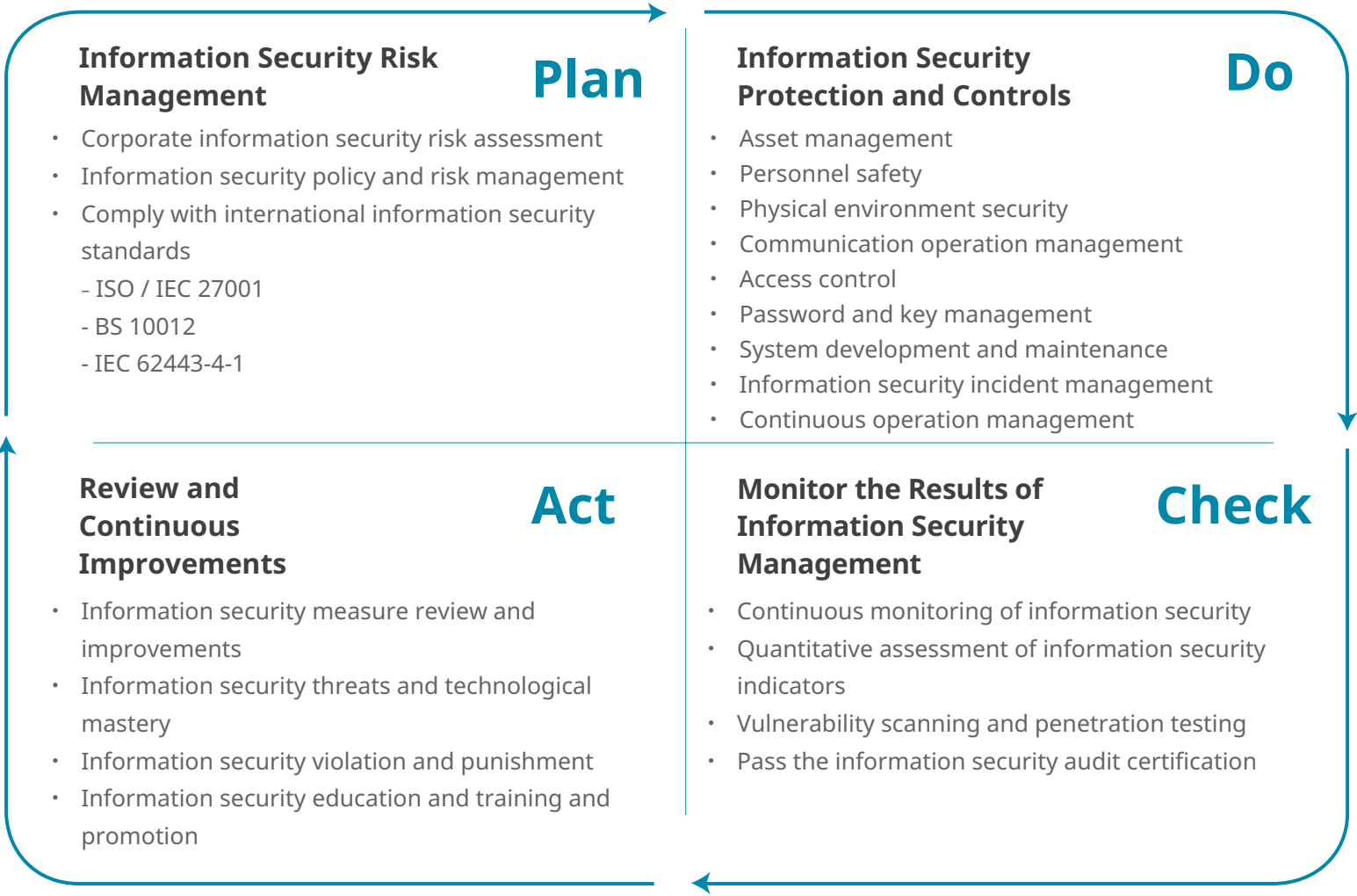 Company's important information assets using the " Plan - Do - Check - Act " model. D-Link ensures the continued operation of its business, reduce operational risks, enhance service quality, and ensure the consistent and effective implementation of all information security-related policies, procedures, and operating guidelines during daily operations.

▼The PDCA Framework for D-Link's Information Security

Information Security Risk Management   **Plan**
• Corporate information security risk assessment
• Information security policy and risk management
• Comply with international information security standards
  - ISO / IEC 27001
  - BS 10012
  - IEC 62443-4-1

Information Security Protection and Controls   **Do**
• Asset management
• Personnel safety
• Physical environment security
• Communication operation management
• Access control
• Password and key management
• System development and maintenance
• Information security incident management
• Continuous operation management

Review and Continuous Improvements   **Act**
• Information security measure review and improvements
• Information security threats and technological mastery
• Information security violation and punishment
• Information security education and training and promotion

Monitor the Results of Information Security Management   **Check**
• Continuous monitoring of information security
• Quantitative assessment of information security indicators
• Vulnerability scanning and penetration testing
• Pass the information security audit certification

[18] Intrusion Detection System / Intrusion Prevention System (IDS / IPS)

3.3.4 Information Security Management Measures and Resource Allocation

In response to the increasingly severe cyberattacks and risks, the Company prepares a budget every year to adopt multi-layer defense structures (such as firewalls, IDS / IPS[18] , and endpoint protection systems), and the dedicated information security unit continues to promote information security management and monitoring protection operations.

Network Security
Introduce advanced technologies to conduct computer scans and software updates, strengthen software firewalls and computer controls, and prevent the spread of computer viruses.

Device Security
• Improve endpoint anti-virus and virus scanning mechanisms to prevent ransomware and malicious programs from entering the Company.
• Strengthen malicious software and trojan horse attachment detection for the email system.

Web Application Security
• Stipulate security checks, evaluation standards, and improvement goals for the development process of applications.
• Continue to strengthen security control mechanisms for applications and repair potential vulnerabilities.

Access Control
Stipulate the user password management mechanism, network security service mechanism, and methods of internal network segmentation and external connection to manage remote work and protect network and information security.

Password Key Management
In order to ensure the system operations of the Company and confidentiality of accounts, necessary passwords and keys are managed, in order to minimize the risk of leaks and appropriately protect D-Link's sensitive information.

Continuous Operation Management
D-Link shall establish operation continuity plans for important systems and implement annual drills to ensure continued operations.

Server Virtualization
Continuously importing server virtualization construction to achieve environmental protection, energy conservation, and maintenance cost reduction by reducing the number of physical servers.

Information Security Incident Management
In order to reduce the damage caused by information security incidents, information security incident reporting and handling procedures are established.

▼ Measures to Mitigate Information Security Risks and Implementation Status In 2024

Information Security Risk Management and Monitoring	・ Commission a third-party impartial inspection unit to regularly conduct information security evaluations on the Company. In 2024, successfully passed the following 3 verifications : - ISO/IEC 27001 : 2022 Information Security Management System. - IEC 62443-4-1 : 2018 Secure Product Development Lifecycle Requirements. - BS 10012:2017 Personal Information Management System.
External Threat Detection and Protection	・ Commission a third-party impartial inspection unit to regularly conduct vulnerability scanning and regularly collect external threat information. The information is used to perform risk assessments to strengthen external information security threat protection. In 2024, some of the mainframe equipment were identified to have high risk vulnerabilities, and corrective actions have been taken to ensure system security. ・ D-Link has joined the Taiwan Computer Emergency Response Team / Coordination Center (TWCERT / CC) to regularly collect external threat information and conduct risk assessments according to the information content. Information security personnel are responsible for confirming and tracking the handling results of the information to strengthen external information security threat protection.
Hold Regular / Special Information Security Meetings	・ Information security management review meeting, 2 times in total. ・ Conduct endpoint protection analysis meetings with vendors every quarter, 4 meetings in total. ・ Important system upgrades and updates, 6 meetings in total. ・ A total of 16 sessions were conducted for information security-related product introductions and Proofs of Concept (POC)*. ・ Meetings responding to the 2024 information security incidents and internal information security education and training-meetings, 20 meetings in total.
Training and Drills	・ 1 dedicated member of the dedicated information security unit and 6 information security network management personnel must undergo more than 21 hours of professional information security training every year. ・ Regularly organize continued operation drills and improve employee information security awareness every year. ・ Conduct the social engineering drills to increase employees' alertness and sensitivity to email social engineering attacks. - 4 relevant drills were carried out in 2024 ; for employees and their supervisors who leaked information during the drills, they are required to participate in follow-up information security education training. - 599 participants on average, with a pass rate of 92%. - For employees who failed the drill and their supervisors, compulsory education and training must be undertaken.
Education and Advocacy	・ Education and advocacy for all employees : - To implement 1 hour of information related education and training for all company employees every quarter. Every year, 2 hours of information security education and 2 hours of other information education and training shall be planned. - Implemented information security education : All employees on the internal website every quarter.

* It is used to prove whether a security product or solution can achieve the expected effect in the actual environment

3.3.5 Information Security Incidents

GRI 418-1

In October 2024, the Company encountered a hacking attack on the server of an external web page; it was fortunate to have no damage to the rights and interests of customers, nor any disruption to the Company's operations or other impacts. At the moment of an attack, the IT Department immediately blocked the connection to prevent the attack from spreading, activated all defense mechanisms, and invited technical experts from external information security companies to collaborate and comprehensively inventory and strengthen the information security detection and protection mechanism. Although no significant impact has been caused, the Company will continuously improve the security control of network and infrastructure to ensure information security.

2024

Material information security incidents 1 : 1[1]

Material information security complaint : 0[2]

1. Definition of material information security incidents : Including the Company's core information system, official website or confidenatial documents and files, have been invaded, destroyed, compromised, deleted, encrypted, stolen, and under distributed denial of service attacks (DDoS), resulting in the inability to operate or provide services normally, or the leakage of personal information, etc.

2. Definition of important information security complaint cases : Complaints from third-party impartial inspection units or competent authorities resulting in judicial action due to the Company's violation of customer personal data protection or loss of customer information. If an individual's complaint is accepted as a case, it will also be included in the statistics.

3.4 Research, Development & Innovation

D-Link continues to create product differentiation and market segmentation through the Company's industry-leading cloud service platform and the continuous introduction of forward-looking innovative products.

3.4.1 Innovation Strategies and Practices

Software

In 2023, D-Link launched a new platform cloud integration plan, and begun to expand the integration of mydlink and nuclias, to transform into a value-added platform to optimize the service platform architecture performance. D-Link also promotes pay-per-subscription to enhance user stickiness and expand operating revenue sources. Meanwhile, the Company also introduced the artificial intelligence (AI) technology to provide value-added services, support the Matter smart home standard, and connect to the product cloud control function, to achieve highly compatible and stable smart home applications. In addition, we have invested in the research and development of AIoT application service solutions to expand and improve the functions of our product service platform and build a smart living blueprint in all aspects.

In 2024, D-Link adopted a hybrid cloud strategy, which not only increased the flexibility and cost efficiency, but also integrated artificial intelligence and machine learning technology into cloud computing deeply; a new generation of monitoring mechanisms was also introduced and the resource allocation and operational efficiency were significantly optimized. In addition to achieving the automation of resource management, it also ensures optimal configuration and further enhances the security of cloud-based data. In addition, the serverless architecture was introduced, which not only simplifies the development and deployment process of applications, but also enables faster and more flexible implementation of innovative applications. In addition, the edge computing architecture was also integrated to move data processing to a location closer to the source of the data, which not only solves the problem of delay, but also significantly improves the user experience.

Integration of GreenOps (green operations) and FinOps (financial operations)

In order to ensure the cloud software functions and platform service quality, the D-Link development team has adopted the DevOps model to eliminate the gaps between development, operations, and quality assurance. In the past three years, based on the original DevOps model, the continuous optimization for the following :

2022

Further introduction of the DevSecOps model to incorporate "safety"- into the software development process.

2023

In response to the vigorous development of AI technology, AIOps smart maintenance technology was introduced, and ML algorithms were used to automatically scan and identify program code vulnerabilities. Further strengthening the security of software development iterations

2024

GreenOps and FinOps were successfully integrated to achieve the dual goals of *"environmental protection x cost optimization."*

From the perspective of FinOps, cloud cost monitoring ensures efficient allocation of computing resources, reduces unnecessary running time, and supports GreenOps to reduce energy consumption. In addition, the Company regularly monitors and analyzes costs, purchases cloud preferential packages, and adopts serverless architecture as needed to effectively reduce the cost of long-term operating resources.

As for GreenOps, through optimization of application and infrastructure, it can be converted into a high-performance and low-energy consumption ARM server, combining dynamic resource adjustment and program code restructuring, to reduce computing resource demand, further reducing cloud costs, making FinOps more significant.

According to the estimates of the cloud-based carbon footprint tool, the carbon emissions from the Company's cloud computing between August 2022 and October 2024 were 31.25 metric tons of CO_2e, a successful reduction of 73.88 metric tons of CO_2e, significantly improving the environmental protection benefits and cost optimization performance.

DevOps and Subsequent Evolution Modules

"DevOps" is the abbreviation combination of "Development" and "Operation" in English. It can be regarded as the intersection of software development, technical maintenance and quality assurance.

• "Sec" in "DevSecOps" stands for Security in English. This model is derived from the DevOps model. As the name suggests, it aims to build a more effective, reliable and secure operating procedure and environment.

• "AIOps (Artificial Intelligence for IT Operations)" leverages AI and machine learning to automatically analyze IT operations data, enhancing failure prediction, anomaly detection, and operational efficiency.

• "GreenOps (Green Operations)" reduces carbon emissions by optimizing IT resources and energy consumption to achieve environmental protection and sustainable development.

• "FinOps (Finance Operations)" enhances cloud cost-effectiveness and promotes cross-departmental collaboration through financial monitoring and resource optimization.

Hardware

In order to ensure product quality, D-Link not only actively monitors the status of key chips, but also strictly controls each research and development stage. For example, before mass production of new products, it uses the user experience accumulated in its own laboratory to conduct performance verification, to ensure the quality and stability after mass production. After the product is mass-produced, a dedicated department will handle users' questions and collect relevant information as a basis for subsequent product optimization, to meet the needs of the market and customers immediately.

D-Link focuses on product function intelligence, product performance MIT, and product manufacturing sustainability, develop easy-to-install EAGLE PRO AI products with smart notification and management functions. We have created a comprehensive smart family service network and collaborated with internationally renowned chip manufacturers to develop Wi-Fi 7 multi-frequency link mesh networks. In addition, we have partnered with the Connectivity Standards Alliance (CSA) to realize the new smart home connection standard Matter in the AQUILA PRO AI router product.

▶ D-Link Develops Smart Home Hubs that Comply with Matter Standards
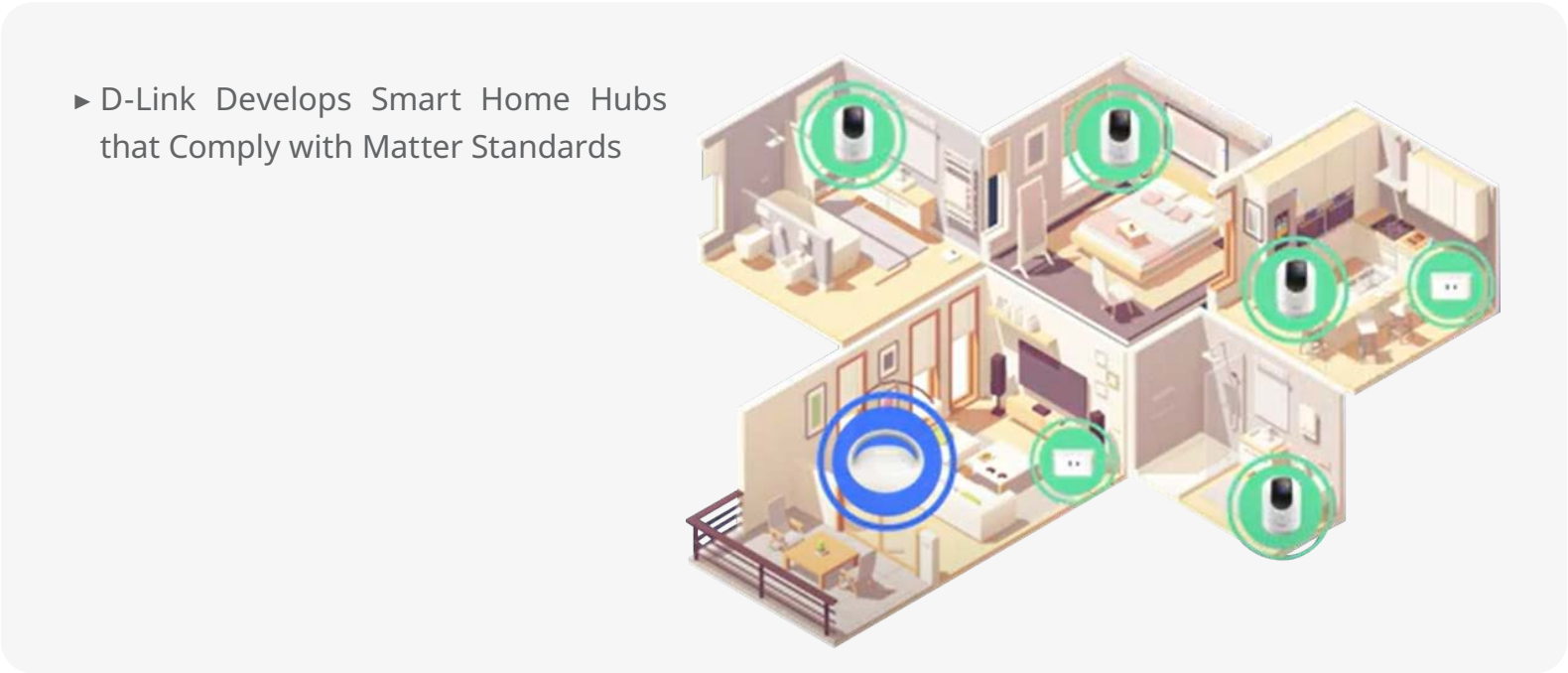
※ For more information, please refer to "MWC 2024 - Smart Healthcare Solution".

For switch products, D-Link proposed Backhaul Network Solution, which includes a series of switch products from the core layer, aggregation layer to access layer, and cooperates with internationally renowned chip manufacturers such as Broadcom, Marvel, and Realtek to develop functions at all levels Application switch products to meet the needs of various network application architectures.

Multi-Link Operation (MLO)
Faster Speed, Lower Latency, Better Reliability

MLO Mesh · 6 GHz · 5 GHz

Wi-Fi 7 Multiple Frequency Link Mesh Network

Multi-Link Operation (MLO) is one of the core technologies of Wi-Fi 7, allowing Wi-Fi devices to simultaneously use multiple frequency bands for data transmission, similar to the concept of expanding the number of lanes to increase traffic flow, to greatly improve network traffic processing capabilities. By integrating MLO and mesh network, it not only accelerates transmission speed, but also optimizes network quality and traffic dispatch to ensure smarter network management.

With the popularity of Wi-Fi 7 routers and mesh systems, MLO Mesh will become a key technology for future high-efficiency wireless networks to bring a smoother connection experience for users.

3.4.2 Innovation-Related Education and Training

In order to enhance R&D capacity, D-Link organized seven physical education and training sessions for R&D units and related personnel in 2024, including courses on GenAI application development, AIOps application introduction, real-time data analysis, and information security-related topics. We also organized an information security competition, a game-like and challenging learning activity that allowed participants to use cloud-based solutions to solve the technical problems in the real world, for strengthening the skills of troubleshooting and the spirit of teamwork. A total of 204 people participated in the program and received 825.5 training man-hours in the year.
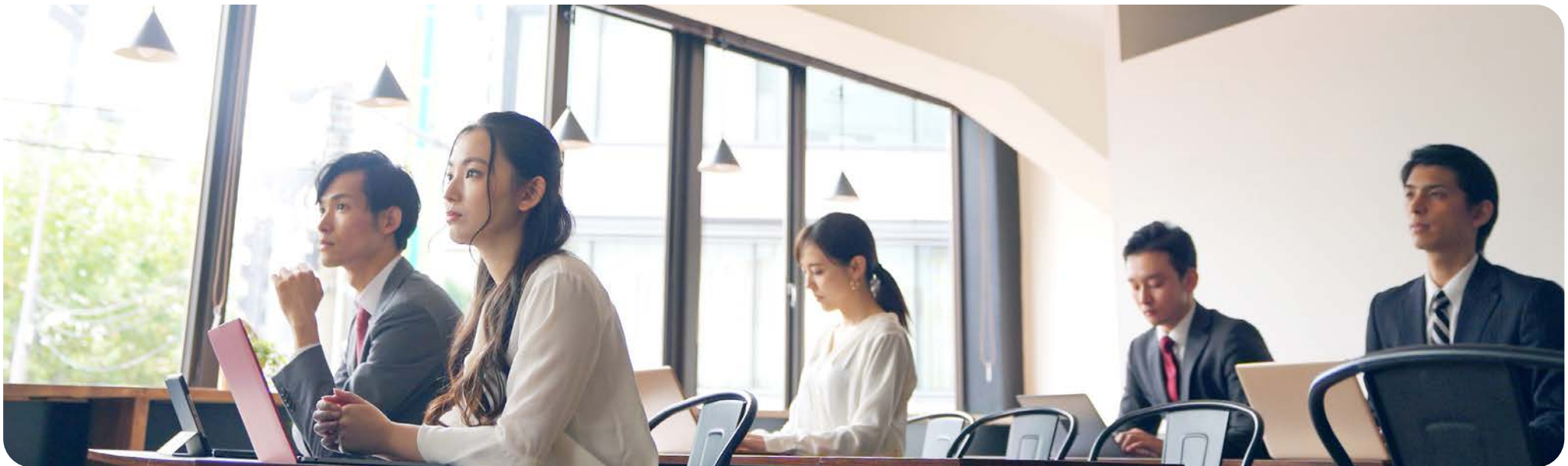
3.4.3 Cooperation with Industry–Academia Units

D-Link continues to promote the development of the AIoT smart service platform and has completed the "AIGC Multi-Frequency Voice Recognition Integration Technology Service 'AI Gateway' Optimization Project" with the Digital Transformation Research Institute under the Institute for Information Industry to build a basic GAI training environment and accumulate the ability to voluntarily train and adjust the GAI[19] model. Meanwhile, the Company has conducted research and exploration on ML[20] / DL[21] technology and linked ASR[22] / LLM[23] / TTS[24] technology to create a home care field by correlating to the IoT surroundings, so as to accumulate experience for the continuous development of smart home ecosystem services.

[19] Generative Artificial Intelligence
[20] Machine Learning
[21] Deep Learning
[22] Automatic Speech Recognition
[23] Large Language Model
[24] Text-to-Speech

3.4.4 Products

D-Link actively participates in world-class design competitions. In 2024, the Company received recognition with 18 domestic and international awards. For the list of award-winning products, please refer to the "Awards and Honors" section of this report. (P.14).

Feature Summary

MS30 Wi-Fi 6 AX3000 IoT Gateway

With the advanced Wi-Fi 6 technology, the product provides a speed of up to 3 Gbps, supporting a smooth and stable video streaming and online gaming experience. It optimizes the stability and connection quality of network connections with the D-Link AI algorithm and provides Bluetooth device connection with the free-of-charge AQUILA PRO AI application for simple installation and management to build a high-performance smart home connection.

M30 AX3000 Wi-Fi 6 Smart Mesh Router
M60 AX6000 Wi-Fi 6 Smart Mesh Router
E30 AX3000 Wi-Fi 6 Mesh Range Extender

Create a smooth high-speed network for smart homes with AI intelligence capabilities, including smart connectivity, smart concatenation, and smart traffic control. By adopting the latest WPA3 encryption security protocol, it provides the highest level of security protection. It is the first one to pass verification of the ETSI EN 303 645 consumer IoT network security standards in Taiwan.

AQUILA PRO AI App

Easy network management with the AQUILA PRO AI app. The AI assistant monitors network performance and automatically provides optimization suggestions. A guest Wi-Fi network can be easily set up for friends and family, while parental controls ensure safer internet use for children. You can also schedule Wi-Fi to turn off at night for a peaceful, uninterrupted sleep.

3.5 Supply Chain Management

GRI 308-1, 308-2, 414-1, 414-2
SASB TC-HW-430a.1, TC-HW-430a.2, TC-HW-440a.1, TC-HW-000.B

Suppliers are the driving force behind D-Link's competitive edge. By implementing due diligence, D-Link leverages its market influence to enhance the sustainable value of the overall industry chain and improve the value chain management strategies of its upstream and downstream partners. Through long-term and stable collaboration, D-Link reduces operational risks and costs, provides reliable and high-quality products and services to customers, and achieves sustainable supply chain management.

3.5.1 Overview of the Value Chain

GRI 2-6, 204-1

D-Link's suppliers can be roughly divided into two categories : "General Administration" and "Product Procurement". The former refers to the operations of maintaining the buildings, office needs, with various types and relatively smaller purchase amount. Therefore, this chapter primarily focuses on product procurement, while data for green procurement only includes figures from general administration category.

▼ D-Link's Industry Value Chain
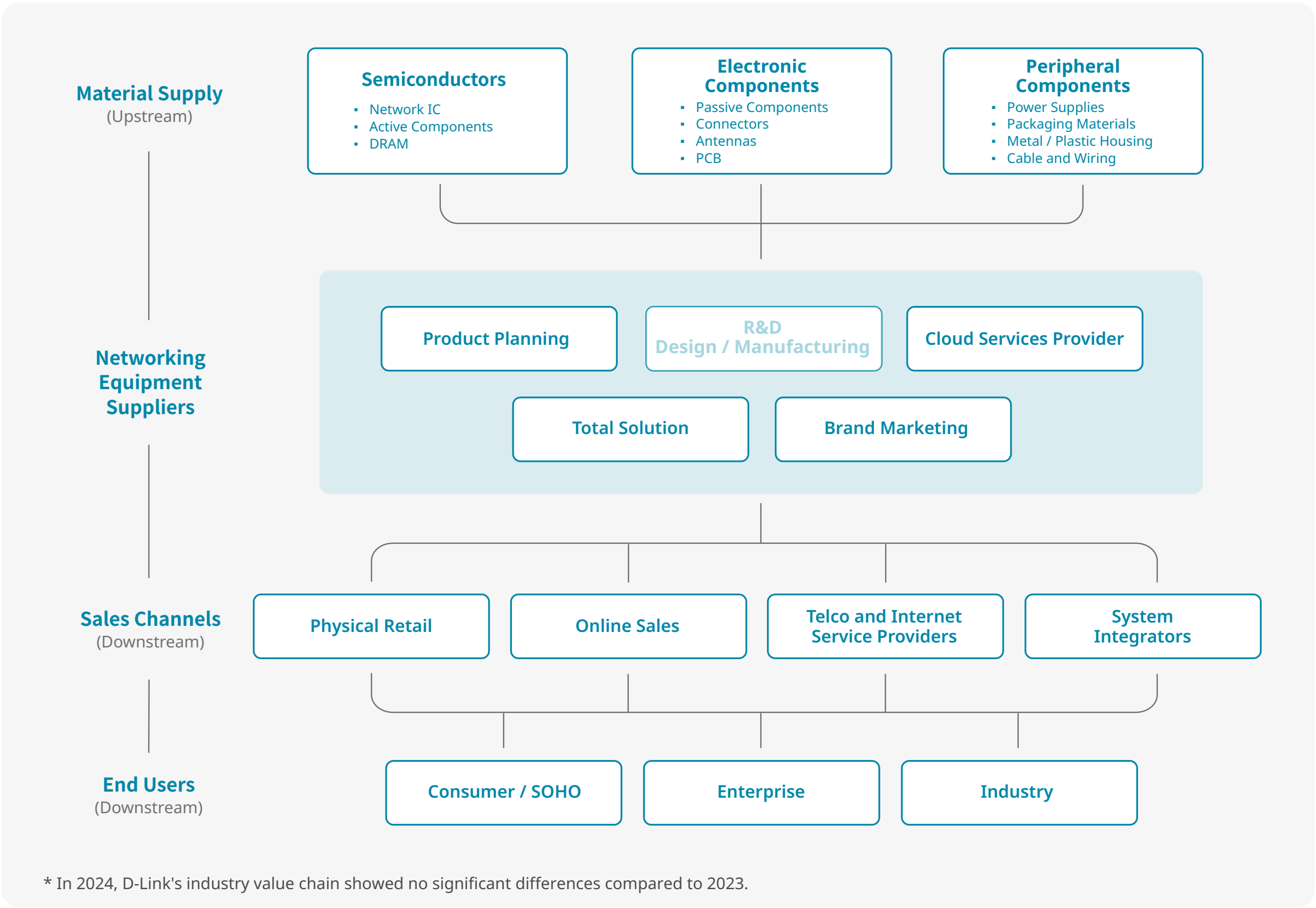
Material Supply (Upstream)

Semiconductors
• Network IC
• Active Components
• DRAM

Electronic Components
• Passive Components
• Connectors
• Antennas
• PCB

Peripheral Components
• Power Supplies
• Packaging Materials
• Metal / Plastic Housing
• Cable and Wiring

Networking Equipment Suppliers

Product Planning

R&D Design / Manufacturing

Cloud Services Provider

Total Solution

Brand Marketing

Sales Channels (Downstream)

Physical Retail

Online Sales

Telco and Internet Service Providers

System Integrators

End Users (Downstream)

Consumer / SOHO

Enterprise

Industry

* In 2024, D-Link's industry value chain showed no significant differences compared to 2023.

Overview of Main Suppliers

D-Link is a brand company, its business scope does not include manufacturing, and its products are all commissioned to suppliers. Currently, there are 7 main OEM suppliers[25] for D-Link products.

D-Link does not have a production department. Calculated based on the four main suppliers who accounted for over 50% of D-Link's total procurement in 2024 and the number of products produced, the total manufacturing area is approximately 433,000 square feet, and the distribution is as follows :

Supplier	Supplier A	Supplier B	Supplier C	Supplier D	Total
Area of Manufacturing Regions	158,615	90,350	81,169	103,399	433,533

※ Area unit: square feet

▼ The Proportion of Production for Various Product Categories in the Past 3 Years

Product Category	2022	2023	2024
Switch & Security	41.96%	42.81%	42.74%
Wireless	34.67%	28.71%	23.12%
Broadband	12.86%	11.06%	15.57%
Mobile Access	4.01%	5.09%	6.49%
Strategic Multi-Brand	2.37%	5.57%	5.29%
Integrated Business Solution	0.07%	3.57%	3.15%
Integrated Consumer Solution	0.87%	2.27%	2.40%
Surveillance and Peripheral	3.17%	0.89%	1.22%
Others	0.01%	0.04%	0.03%

- Switch & Security
- Wireless
- Broadband
- Mobile Access
- Strategic Multi-Brand
- Integrated Business Solution
- Integrated Consumer Solution
- Surveillance and Peripheral
- Others

2022   2023   2024
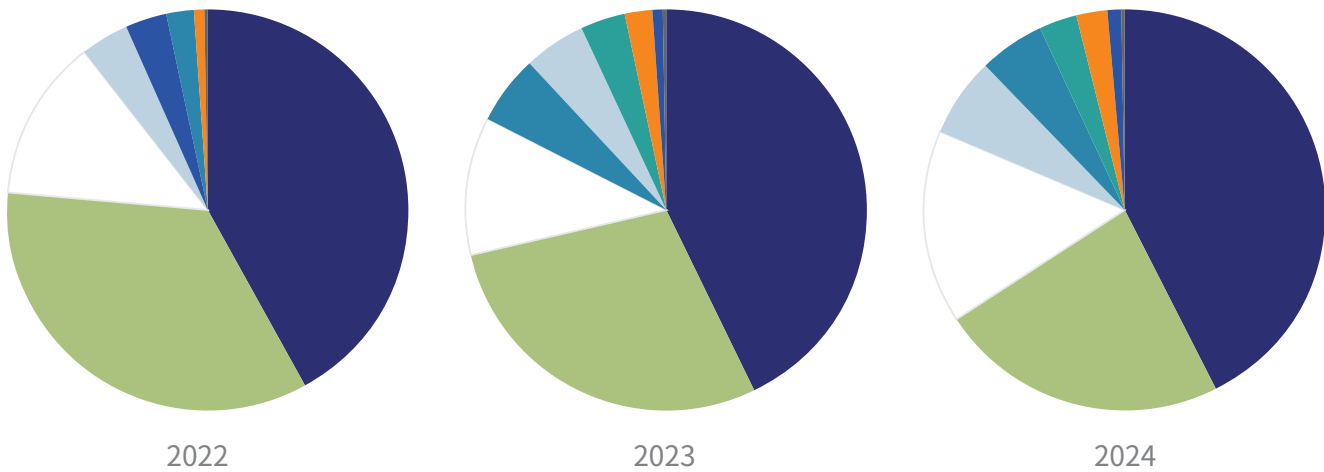
[25] The total purchase amount accounted for more than 85%

Local Procurement

The key material used in D-Link products is active components, particularly integrated circuits (ICs). To mitigate the risk of supply instability, the Company actively develops multiple sources of supply, regularly reviews sourcing distribution, and intentionally maintains a certain proportion of local suppliers to ensure effective control and flexible responses. Based on this strategy, D-Link has been increasing the proportion of locally sourced components made in Taiwan. In 2024, due to inventory level adjustments and supplier integration policies, the proportion of local procurement slightly decreased by 3.88% compared to the previous year. Looking ahead, the Company is committed to continuous growth in this area.
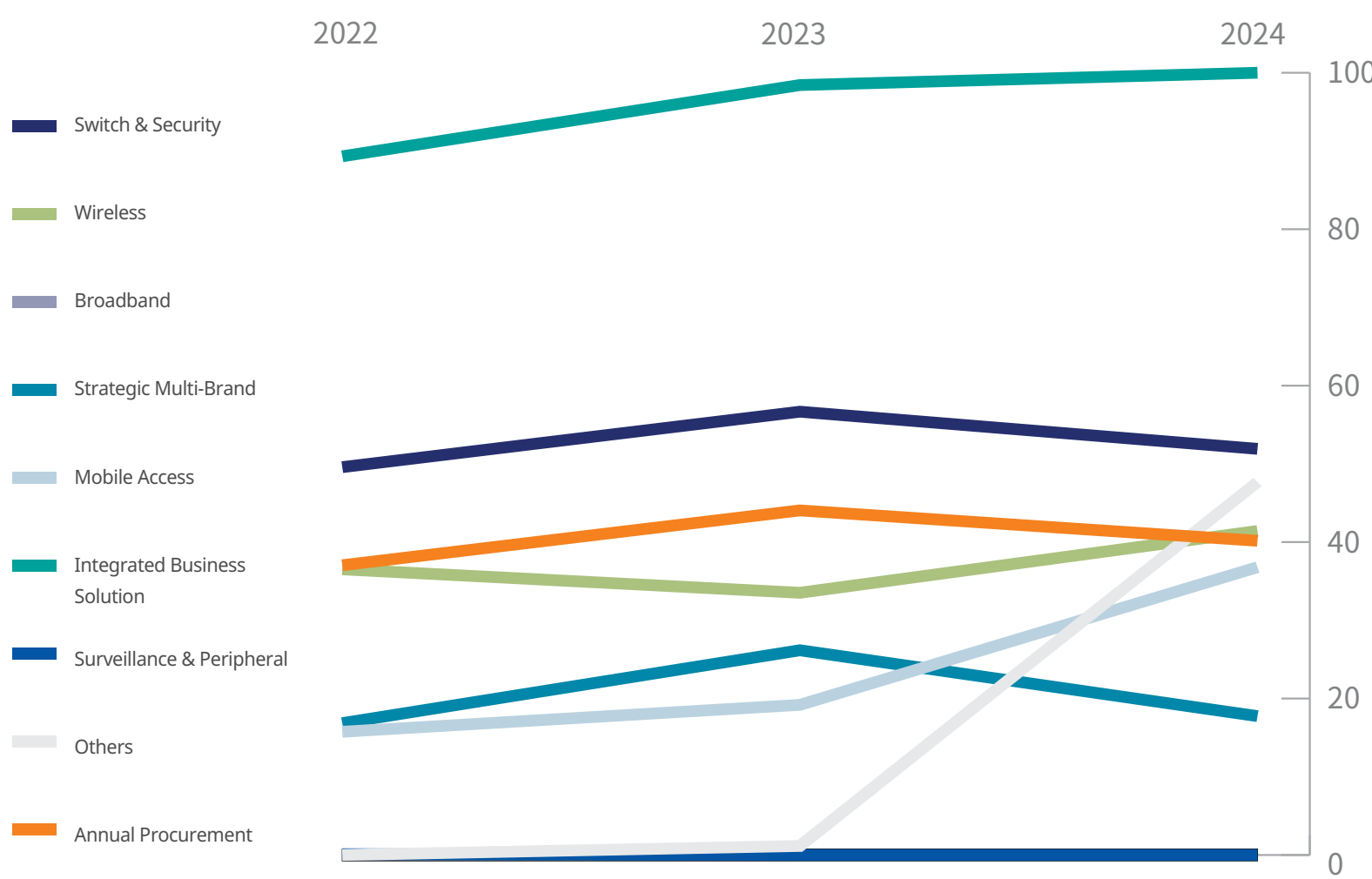
Green Procurement

In 2024, D-Link responded to the government's green procurement policy to integrate the internal demand and implement procurement process management. It gradually introduced products and services with environmental protection labels, selecting various products and services with environmental protection labels. From LED lighting replacement in daily life, procurement of eco-friendly cartridges, to group insurance covering employee health, all of these implement the concept of environmental and social friendliness and continue to fulfill the responsibility, procurement commitment, and green living vision in the tiniest details. The total amount of green procurement[26] in 2024 is NT$2.18 million.

▼ Local Procurement Status of Various Products in the Past 3 Years

Types of Procurement	Proportion of Local Procurement Amount*			
	2022	**2023**	**2024**	**Growth / Decline**
Switch & Security	49.58%	56.67%	51.92%	-4.75%
Wireless	36.52%	33.52%	41.42%	7.90%
Broadband	0.00%	0.00%	0.00%	0.00%
Strategic Multi-Brand	16.85%	26.17%	17.75%	-8.42%
Mobile Access	15.75%	19.19%	36.79%	17.60%
Integrated Business Solution	89.32%	98.43%	100.00%	1.57%
Surveillance & Peripheral	0.10%	0.00%	0.00%	0.00%
Others	0.00%	1.15%	47.67%	46.52%
Annual Procurement	**37.04%**	**44.05%**	**40.17%**	**-3.88%**

*The proportion of local procurement by product category or annual procurement

[26] Compliant with Green Procurement Standards by the Environmental Protection Administration (Taiwan)

3.5.2 Sustainable Procurement Policy and Measures

GRI 2-23 , 407-1, 408-1, 409-1

To realize its vision of "Leading Smart Living, Creating Sustainable Value", D-Link has established the "D-Link Corporation Sustainable Procurement Policy[27]" with reference to the ISO 20400 Sustainable Procurement – Guidance. We hope our suppliers will work together with us on this commitment to sustainable management through a positive business model for continuous operation and development.

 • Guided by the principle of fulfilling corporate social responsibility, D-Link conducts due diligence on its collaborating suppliers and assesses the impact of our procurement activity on the environment, society, and human rights.

 • We respect, consider, and respond to the procurement interests of stakeholders, and we seek more sustainable procurement solutions based on procurement needs, ensuring that these activities align with our company's sustainability principles and strategies.

 • We strictly prohibit any behavior that is a violation of ethics in the procurement of goods and services by developing procurement procedures that are based on transparency, fairness, and integrity.

 • We comply with international human rights policies, a code of conduct, laws and regulations, and re-quire our suppliers to do the same.

 • We provide appropriate competitive opportunities to encourage supplier innovation and sustainability, and we disclose them publicly.

 • In response to the sustainable development trends, we will continue to promote and improve our pro-curement procedures and will engage our suppliers to join in.

Supplier Code of Conduct

D-Link is fully committed to ensuring a safe working environment where workers are treated with dignity and equality, and where business operations are environmentally responsible and conducted ethically across our supply chain. We have defined the "D-Link Corporation Supplier Code of Conduct" according to the "D-Link Corporation Sustainable Procurement Policy" which requires suppliers to comply with the Code and the laws and regulations of the countries and regions in which they operate. D-Link encourages its suppliers to further require their own suppliers, contractors, and service providers to acknowledge and adopt the Code.

[27] Established in December 2023 and reported to the ESG Committee in February 2024
[28] UN Guiding Principles on Business and Human Rights
[29] ILO Declaration on Fundamental Principles and Rights at Work
[30] UN Universal Declaration of Human Rights

The Code is based on the "Responsible Business Alliance (RBA) Code of Conduct" and also references the "UN Guiding Principles on Business and Human Rights[28] ", "ILO Declaration on Fundamental Principles and Rights at Work[29] ", and the "UN Universal Declaration of Human Rights[30] ". There are 5 sections to the Code : labor, health and safety, environment, ethical guidelines, and management system.

Integrity Commitment

Apart from the supplier's products and labor tangibly affecting the Company's products, services, and operations, the supplier's sustainable actions will also indirectly impact the Company's intangible reputation and brand value, or become potential risks. Therefore, in terms of ethical management, D-Link required all suppliers to sign the "integrity commitment letter" Remove in 2023. The suppliers and employees are required not to engage in any bribery, provide undue advantages, or seek to benefit D-Link employees or their associates directly or indirectly in order to achieve transactional goals or to execute contracts. If any supplier is found to engage in unlawful behavior, the contract may be immediately terminated.

Declaration of Conflict-Free Mineral

D-Link pays attention to the conflict mineral issues and requires suppliers to sign the "Conflict Minerals Due Diligence Statement" to prevent the procurement of minerals from conflict mining areas. It also requires all suppliers to sign the "No Conflict Minerals Statement" to ensure that the metals in the supply chain, such as gold (Au), tantalum (Ta), tungsten (W), cobalt (Co), and mica, were not procured from mines in conflict areas operated by non-government armies or illegal groups, or not procured through illegal smuggling.

D-Link requires suppliers to commit to the following :

- Do not purchase conflict minerals from conflict areas.

- Refuse to use conflict minerals from conflict areas and sign the commitment to no conflict minerals.

- Manage the supplier's upstream and downstream suppliers and comply with the requirement of no conflict minerals.

- Suppliers are required to commit to becoming long-term partners of D-Link and disclose their partner smelting plants and mines in detail, in order to comply with the RBA Code of Conduct and fulfill the Company's social responsibilities together. If the information provided is found to be untrue after verification, the supplier shall assume all legal responsibilities and compensation within the attributable scope.

To ensure that suppliers continue to comply with the commitment and management requirements of D-Link for conflict-free minerals, the Company not only requires suppliers to sign the "Declaration of Minerals Conflict-Free" every year, but also regularly conducts surveys on the implementation of conflict mineral due diligence. The survey of all existing suppliers was completed in 2024. Moreover, starting from 2024, D-Link has further required suppliers to update and provide the CMRT[31] reports commonly recognized in the industry to strengthen the traceability of mineral sources and supply chain transparency, ensuring that all raw material sources do not involve armed conflicts, human rights violations, or illegal mining activities, as the joint promotion of the sustainable commitment to the responsible supply chain.

Supplier ESG Implementation Survey

To grasp the actual implementation of suppliers in terms of sustainable development issues, D-Link regularly distributes the ESG self-assessment questionnaire every year to conduct surveys on the three

[31] Conflict Minerals Reporting Template: A standardized reporting tool developed by the Responsible Minerals Initiative (RMI)

major aspects, namely environmental management, social responsibility, and corporate governance. The issues contents cover carbon reduction measures, laborers' human rights, supply chain management, ethical management, and sustainable information disclosure. By the end of 2024, the distribution of questionnaires and surveys to a total of 38 existing suppliers will be completed. Of these, 37 replied, with a response rate of 97.4%. The survey results will serve as the basis for risk identification and subsequent counseling and planning for the suppliers to continuously strengthen the maturity of supply chain sustainability management.

D-Link ESG Newsletter

In order to enhance the sustainability resilience and ESG knowledge of the entire industry chain, starting from 2024, the Company has regularly published the e-newsletter to share D-Link's sustainable vision, governance structure, and implementation status with suppliers, and has detailed the principles, spirit, and specific implementation measures of the promotion measures, seeking to drive the value chain to jointly cultivate sustainable development and regard it as the most valuable corporate investment. Please refer to the "D-Link ESG Newsletter" section on the Company's official website.

3.5.3 Supplier Classification Management System

D-Link offers a diverse line of products. In 2024, 38 suppliers have been registered in the Company's qualified suppliers list. The number of suppliers and the scale of cooperation often increase or decrease due to business growth and decline. In addition to conducting sustainable development issue surveys for new suppliers, D-Link also conducts a risk assessment and classification. Different audit strategies are regularly formulated for the different levels of risk to eliminate systematic risk.

	2022	2023	2024
Number of New Supplier	0	0	5
Number of Suppliers Evaluated* through On-site Audits	0	0	3
Number of Suppliers Passed On-site Audit Evaluation	0	0	3
New Supplier Audit Rate	-	-	60%

*In addition to basic audit criteria, it also includes indicators related to ESG aspects

New Suppliers

D-Link has clear qualification requirements and review mechanisms for new suppliers in place. Through document review and on-site audit, the suppliers are verified that their quality and sustainable management systems have reached a certain level before being officially included in the Company's supply chain system, to ensure the stability and sustainability of the entire supply chain.

▼ D-link's Qualification Requirements for New Suppliers

Mandatory Compliance	· ISO 9001 Quality Management System (Certification required) · Environmental Management Material Specifications (Contract content established in accordance with various relevant international standards)
Encouraged Compliance	· ISO 14001 Environmental Management System (Certification required)
Required to Provide	· "Integrity Commitment Letter" · "Conflict-Free Minerals Statement" · "Supplier Compliance Statement to the D-Link Corporation Supplier Code of Conduct"
Pass On-site Audit	· Fundamental aspects : Procurement, quality, technology, hazardous substance management · ESG aspects : Environmental, occupational health and safety, labor practices, supply chain management, and social ethics, etc.

▼ New Suppliers Management Process
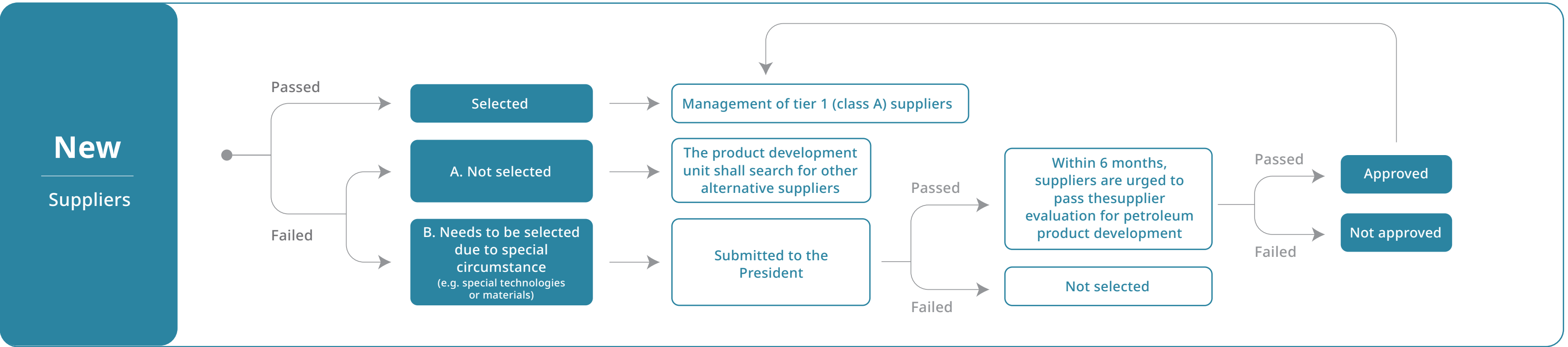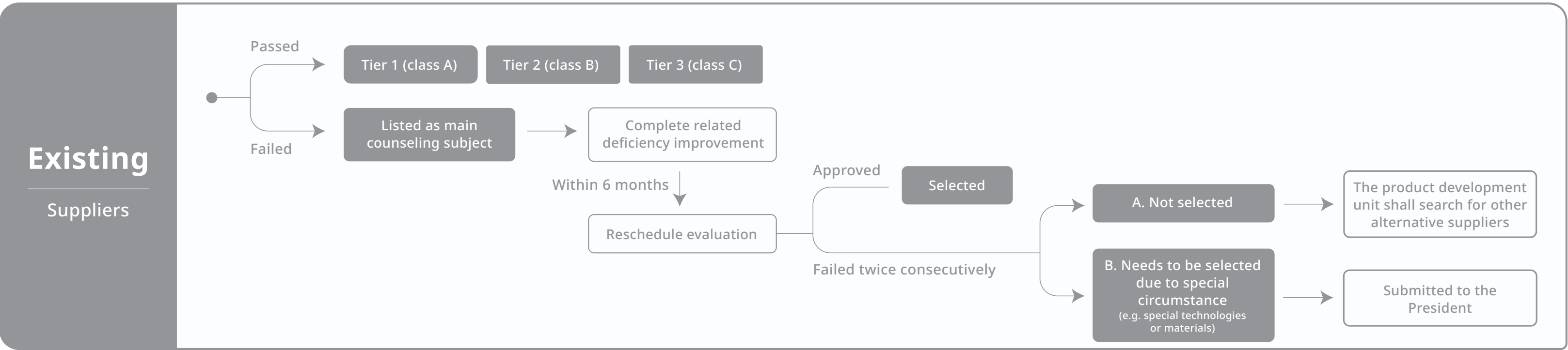
Existing Suppliers

D-Link formulates an annual list of major suppliers according to specific criteria, implementing yearly quality management system, environmental health and safety, or labor integrity audits and driving improvements. Based on the evaluation results, D-Link identifies the risk levels of major suppliers, thereby formulating subsequent counseling plans.

▼ D-Link's Classification Management System for Existing Suppliers

Classification of Suppliers	Criteria for Classification	Management Approaches
Class A	• The previous year's total shipment volume or annual procurement amount accounts for over 85%. • Significant (wholesale) abnormalities occur in shipment quality. • Newly added suppliers are all included.	Conducting on-site inspections annually.
Class B	For the previous fiscal year, if the total shipment volume or annual procurement amount accumulates to 90%, excluding Grade A suppliers, all others are classified as Grade B.	Monitoring the quality of each batch of shipped goods.
Class C	The total annual shipment volume or annual procurement amount is less than 1%.	Adopting supplier self-management; however, if a supplier violates regulations or ESG-related terms, they will not be selected.

▼ Existing Suppliers Management Process

Existing Suppliers

Passed → Tier 1 (class A) | Tier 2 (class B) | Tier 3 (class C)

Failed → Listed as main counseling subject → Complete related deficiency improvement

Within 6 months → Reschedule evaluation

Approved → Selected

Failed twice consecutively

A. Not selected → The product development unit shall search for other alternative suppliers

B. Needs to be selected due to special circumstance (e.g. special technologies or materials) → Submitted to the President

3.5.4 Supplier Audit Status GRI 407-1, 408-1, 409-1

D-Link takes the management scopes such as supplier quality, cost, delivery and services as the foundation. In recent years, it has extended the scope of supply chain management to ESG issues such as environmental protection and people. It expects suppliers to not only provide excellent products and services, but also monitor their social and environmental values and strive to implement energy saving, environmental protection, and environmental friendliness.

As the Company treats the suppliers as important partners for long-term cooperation, growth and development, D-Link complies with the principle of mutual benefit and common prosperity with suppliers, and refers to the requirements of the Code of Conduct by the Responsible Business Alliance (RBA), and addresses ESG related risks and impacts. The Company establishes the risk management and control projects based on the requirements for supplier selection and audit, and then formulates the improvement measures based on the evaluation results, to help suppliers improve continuously, reduce operational risks, and jointly promote the sustainable operations.

In order to build the capabilities of members in the sustainable supply chain, D-Link starts from four aspects : assessment, coaching, communication and collaboration, and corresponds to the supply chain management structure, to ensure that relevant important issues have practical and executable procedures for effective management and control. In addition, responding to the trend of sustainable development, D-Link actively encourages suppliers to develop materials and processes that mitigate environmental impact, or to save energy and reduce carbon emissions from the shared equipment used in the process. For relevant regulations on supplier human rights, please refer to Chapter 5.2.3 "Supplier Human Rights Regulations".

2024
Proportion of major suppliers screened by environmental / social standards : 100%
Number of high-risk suppliers : maintained at 0%

▼ Supply Chain Management Structure

Evaluation	Qualification evaluation for new suppliers, major supplier selection, and management system risk evaluation (quality, environment, social ethics, etc.)
Counseling	Regular supplier evaluations, tracking of deficiency improvements, promotion of policies and projects
Communication	Regular / irregular quality meetings, quarterly operational meetings
Collaboration	Continue to promote projects, enhance sustainable operation competency of suppliers

▼ Implementation Status of Supplier Sustainability Management Audits in the Past 3 Years

	2022	2023	2024
Number of All Suppliers	32	34	38
Number of Major Suppliers[1]	9	7	7
Number of Major Suppliers Conducting Sustainability Management Audits	9	7	7
Proportion of Major Suppliers Conducting Sustainabilitya Management Audits	100%	100%	100%

*Suppliers accounting for 85% or more of the total procurement amount in the previous year are considered major suppliers

D-Link requires suppliers to compile internal improvement opinions as soon as possible after receiving the on-site audit report and respond with specific, feasible improvement plans according to the actual conditions of their plants. If a serious quality abnormality occurs during shipping, the supplier must hold a meeting to confirm the cause of the problem and develop a solution, including how to dispose of finished products. Subsequently, the Company's dedicated personnel will review the supplier's audit improvement report and continue to track the improvement progress to ensure that the measures are implemented and the expected results are achieved.

In the key supplier evaluation in 2024, a total of 84 quality system deficiencies were found, mainly concentrated on negligence of the management system and process operation; five ESG deficiencies were found in health and safety, environment, labor, supply chain, and social ethics, mainly involving the management system and excessive working hours. Upon the follow-up review, some improvement plans have not yet met the Company's defined qualifying standards and are still being improved during the reporting period, making the annual deficiency improvement rate 88.76%.

D-Link will continue to review and optimize the quality management process, environmental quality and personnel training mechanism with suppliers to improve product quality, reduce the occurrence of deficiency, while strengthening improvement effectiveness. Regarding the vendors performing poorly in terms of improvement, the purchase volume will be reduced gradually, to ensure that the supply chain operations meet the requirements of sustainable development.

▼ **Audit Nonconformities and Improvement Rates in the Past 3 Years**

	2022	2023	2024
Sustainability Management	13	12	5
Quality Management	147	125	84
Defect Improvement Rate	81.88%	81.02%	88.76%

2024
Improvement rate of addressing deficiencies for suppliers : 88.76%
Number of suppliers listed as unqualified suppliers for violating social responsibility standards : 0
Reports on bribery of suppliers : 0

Environmental Sustainability

Responding to Material Topics

• Climate Change Response Actions

• Green Products

Major Stakeholders

• Customers / Clients

• Employees

• Suppliers / Business Partners

• Shareholders / Investors

chapter

04

4.1 **Sustainability Strategies and Goals - Environmental Aspect** GRI-2-13, 2-24, 3-3

4.1.1 Management Approaches for Material Topics

4.1.2 Short / Medium / Long-Term Goals

4.1.3 Achievement Status of Management Goals for 2024

4.1.4 Responsible Unit

4.1.5 Management Mechanism

4.1.6 Communication Channel

Management Approaches for Material Topics

Material Topics	Significance for D-Link	Impacts on Value Chain*			Response Policies and Measures	Management Actions
		Suppliers / Business Partners	D-Link / Subsidiaries	Customers / Clients		
Green Products	In response to the rising awareness of green consumption, D-Link leverages industry capabilities to develop products that are highly efficient, energy-saving, disaster-preventive, and packaging-reduced, enabling Customers / Client to support environmental protection with each purchase and use. By launching environmentally friendly products that align with current trends, D-Link maintains its competitiveness in the international market.	●	●	○	Develop a project plan and increase the proportion of green products year by year, and reduce the impact on the environment by continuously developing green design and reducing resource consumption.	Launched the "D-Link Green" program to realize the concept of environmental protection from product design, function, material and packaging.
Climate Change Response Actions	Climate change and carbon management are among the most urgent and significant environmental issues of our time. Global transnational organizations and governments are intensifying regulations to address these challenges. As an international brand, D-Link recognizes the necessity of leveraging our market resources and influence to actively promote the low-carbon transition of the value chain.	●	●	○	Committing to the 2050 net-zero emissions goal, with a mid-term target set for 2030. We are formulating corresponding strategic goals, tracking performance indicators, and actively leveraging the influence of the D-Link brand in the industrial value chain to enhance the effectiveness of relevant actions.	Introduce the TCFD framework, regularly disclose climate change response performance, and establish relevant indicator targets for continuous tracking and management.

* ● Direct impact; ○ Indirect impact

Short / Medium / Long-Term Goals

Material Topics	Short-Term	Medium-Term	Long-Term
Green Products*	• Plastic-free packaging for product packaging : remove product packaging bags or replace them with non-plastic packaging materials. • Continued introduction of recycled plastics into products with plastic casing. • Introduction of recycled metal into products with metal cases. • To improve sustainability, replace coated paper in the product documentation with uncoated, wood-free paper made from recycled pulp.	• Sustainable performance is enhanced in product design. • Discuss a product recycling plan. • Strive for international awards for sustainable products. • Assessment of the introduction of ISO 14067 product carbon footprint standard.	• Continue to strengthen the influence of D-Link sustainable products.
Climate Change Response Actions	• Upgrade CDP evaluation grade to C-grade. • Continue to implement energy saving projects. • Obtained ISO 46001 Water Efficiency Management System certification.	• Complete the carbon inventory and verification of consolidated subsidiaries. • Set the goal to reduce power consumption by 4.5% and water consumption by 2.5% by 2026 using 2021 as the baseline year. • Promote active reduction of carbon emissions to the supply chain.	• Pass ISO 50001 energy management system certification. • Installation of solar photovoltaic equipment. • 2030 green power procurement target of 17.5%. • Set the goal to reduce power consumption by 30% by 2030 using 2021 as the baseline year. • Set the mid-term goal of reducing greenhouse gas emissions by 30% by 2030 with 2021 as the base year. And set the goal to gradually achieve net-zero emission by 2050.

By the end of 2025

By the end of 2028

By the end of 2033

*Only new products are subject to the disclosure of this table

Achievement Status of Management Goals for 2024

Material Topics	Goals in 2024	Management Performance	Achievement Status
Green Products	• Promote and optimize sustainable product development and design planning. • Shaping D-Link's sustainable product features.	• Green products accounted for 44% of the total product revenue. • The buffer material for switches is changed from EPE[1] to paper tubes that is easy to be recycled, and the FSC-certified paper is introduced to product packaging boxes. • 30% PCR[2] plastic is continuously introduced to the casing of the AQUILA PRO AI series products. • 50% PCR plastic is adopted for the packaging bag of router products. • Reduced ink printing on brown boxes. • Every quarter, the D-Link ESG concept is advertised on major social media platforms as the promotion, and a sustainable product image is established by participating in international awards.	✓
Climate Change Response Actions	• Continue to implement energy saving projects. • Upgrade CDP evaluation grade to C-grade.	• D-Link committed to the 2050 net-zero emissions goal in 2022, and is actively planning and executing various carbon reduction projects, including replacing energy-saving equipment, purchasing green power, and installing solar photovoltaics. • The Company began using green power in July 2023. The cumulative green power supplied in 2023 was 6,000 kWh, increasing to 80,500 kWh in 2024, with a total of 80 certificates obtained. • The energy saving project has achieved cumulative power savings of 4.6% in the past 3 years, exceeding the annual target of 1.5%. • In 2024, the CDP rating jumped three levels, from B- to B.	✓

1. Expandable Polyethylene
2. Post-Consumer Recycled

Responsible Unit

Corporate Auditor's Office	ESG Office	Product R&D Center	Supply Chain Management Center
Corporate Finance & Operation Center	Product Planning Center	Business Center	AI Innovation Center
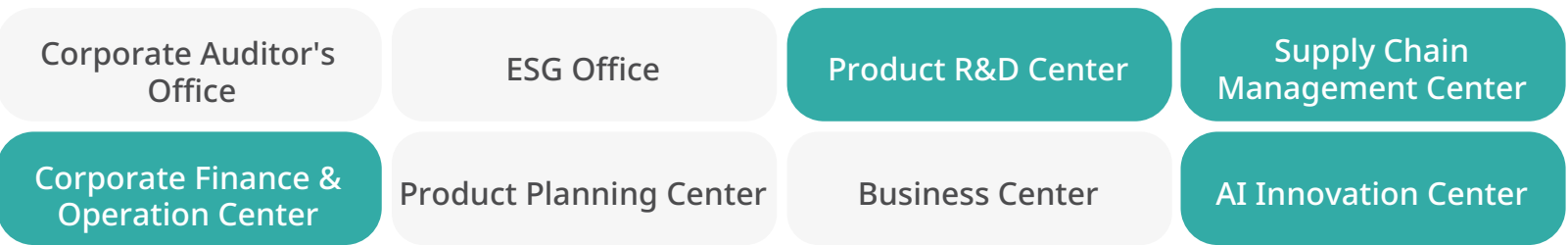
Communication Channel

Type	Channel
Appeal Mechanism	• https://company.dlink.com/en/contact-us/ • Online message : https://www.dlink.com/en/contact-d-link

Management Mechanism

Environmental Policy and Commitments

• Comply with applicable laws and other requirements.

• Continuously reduce the impact on the environment.

• Promote green products.

• Conserving energy and cherishing resources.

• Preventing environmental pollution.

ISO 14001:2015 Environmental Management System

In response to the global environmental protection trend, D-Link has obtained the certification of ISO 14001:2015 environmental management system, with the main task of enhancing environmental protection awareness and establishing a green enterprise, and continuously imple-menting environmental protection measures.

Waste Management Policies

• Source reduction : save the use of natural resources and reduce waste generation.

• Material resource utilization : The waste is classified and recycled to reduce the environmental load.

• Diversified processing : Recycle resources through recycling, reuse, etc.

Greenhouse Gas Inventory and Management Policies

• We are dedicated to disclosing corporate carbon emissions to fully understand the carbon emissions within the Company.

• We work with our business partners to expand the scope of carbon reduction together.

• We provide more diverse low-carbon products and services for our consumers and users.

• We have increased information transparency and reduced emissions for the carbon footprints of our products.

Aspects Covered by D-Link Green
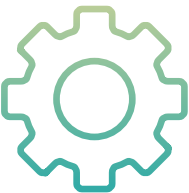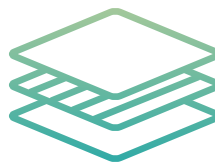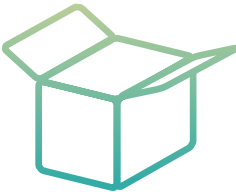
Product Design

Product Functions

Product Materials

Product Packaging

4.2 # Environmental Management Policy

In response to sustainable trends and to fulfill corporate social responsibility, D-Link has implemented the ISO 14001 Environmental Management System since 2006, committing to and implementing 5 major environmental policy declarations.

4.2.1 Environmental Policy and Commitments

4.2.2 ISO 14001 Environmental Management System

4.2.1 Environmental Policy and Commitments

GRI 305-6, 305-7

D-Link's environmental policy statement regards compliance with environmental protection regulations as the most basic requirement. Daily operations are committed to minimizing the impact on the local ecological environment and ensuring no significant adverse impact or impact on biodiversity.

In addition, in the spirit of sustainable operation, D-Link continues to improve the development and design of green concept products, follows the international standard ISO 14064-1 to disclose greenhouse gas emissions, and sets goals to reduce carbon emissions. We also actively plan and implement energy saving, water saving and waste reduction projects[32] , and regularly provide employees with environmental education resources to encourage every employee to participate and implement environmental action.

▼ D-Link Environmental Policy Statement

Comply with applicable laws and other requirements.

Continuously reduce the impact on the environment.

Promote green products.

Conserving energy and cherishing resources.

Preventing environmental pollution.

[32] The Company's operation scope does not include production and manufacturing, so there is no gas emission of ozone depleting substances, nitrogen oxides, or sulfur oxides, etc.

4.2.2 ISO 14001 Environmental Management System

D-Link has passed the environmental management system ISO 14001:2015 verification and complies with its requirements. It regularly assesses environmental management risks, and then sets improvement goals and improvement measures based on the assessment results. It also conducts the internal and external audits every year. The specific suggestions for deficiencies and omissions in system implementation are provided to ensure improvements. The results of internal and external audits in 2024 showed that there are no major deficiencies; there have been no material environmental violations or related administrative penalties in the past 3 years.

4.3 Climate Governance and Actions

Climate change poses an urgent challenge for all nations. Since 2021, D-Link has implemented the TCFD framework to assess climate-related risks and opportunities, analyze the financial implications of climate change, and develop governance and management strategies. We are committed to achieving Net-zero emissions and have developed diverse programs to mitigate climate change, preserve natural capital. Going forward, we will continue to follow the TCFD framework and regularly disclose the Company's climate-related information,and foster a sustainable future globally.

4.3.1 Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework

4.3.2 From Inventory to Net-Zero

4.3.3 Biodiversity Commitment

4.3.1 Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework

GRI 2-12, 201-2

Governance

- **Board of Directors :** As the highest supervisory unit for climate change response management, it is responsible for reviewing relevant risk and opportunity management reports, response strategies, measures, and target implementation progress and results, ensuring the effectiveness of related management actions.

- **ESG Committee :** It is the decision-making and management unit for climate change response plans and target implementation progress.

- **ESG Office[33] :** It falls under the ESG Committee and is responsible for further planning and promoting climate change response plans based on the climate risks and opportunities jointly assessed and identified with the ESG Task Force.

- **The ESG Taskforce[34] :** Responsible for the related execution operations.

The ESG Office holds monthly ESG Task Force meetings to monitor the implementation status of the climate change response plans. It reports the implementation results, target progress, and follow-up plans to the ESG Committee and the Board of Directors on an annual basis, ensuring that the Board adequately supervises D-Link's climate management actions and mitigates risk impact. Additionally, the ESG Office reports identified material climate risks to the Risk Management Task Force for evaluation of their incorporation into the Company's overall risk management system.

[33] It is D-Link's internal dedicated ESG unit, responsible for formulating the Company's sustainable development strategy and promoting ESG-related projects.
[34] The ESG Task Force is composed of heads of responsible departments and is responsible for executing ESG-related projects approved by the Board of Directors and the ESG Committee.

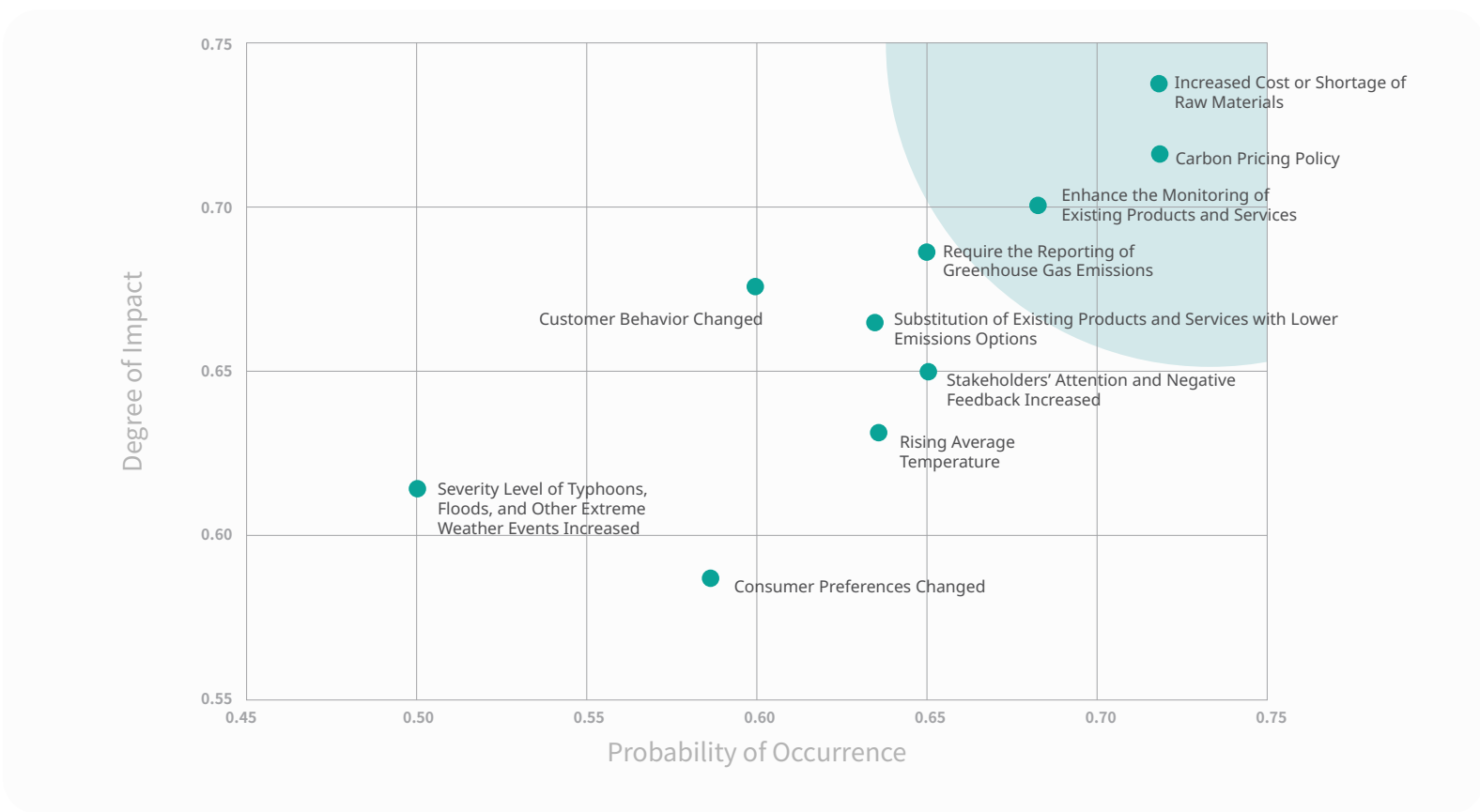▼ D-Link Climate Governance Structure
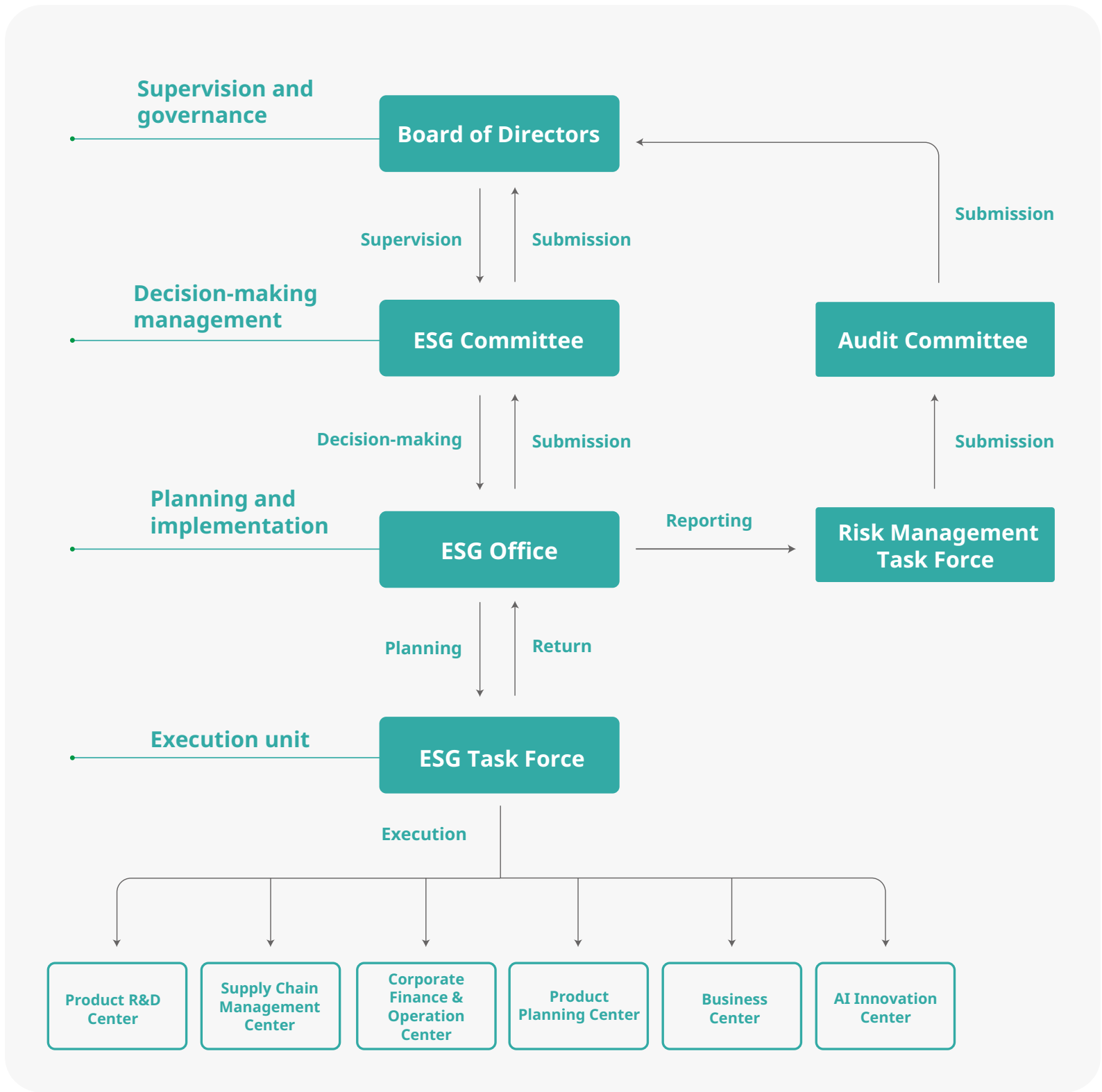
Strategies

D-Link uses scenario analysis to examine the impact and estimated timing of future climate risks and opportunities on the Company's operations, products and services, value chain, and R&D investments. This method allows the Company to estimate the financial impact, explore business opportunities, and discuss countermeasures and response actions.

In terms of scenario setting, for transition risks, the Company evaluates the scenario of net-zero by 2050 (SSP1-1.9), and for physical risks, it is estimated based on the high emission scenario (RCP 8.5) assuming business as usual (BAU). For the estimated time of occurrence, the Company defines short-term as within 3 years, medium-term as 4 to 10 years, and long-term as more than 10 years.

In addition, to develop climate change response strategies and action plans that align with policies and market developments, D-Link regularly collects climate-related issues and trends through monthly ESG Task Force meetings and continuously assesses their potential impacts.

Additionally, D-Link conducts comprehensive identification operations, including assessment, evaluation, and sorting of various climate change risks and opportunities every 3 years. The most recent identification was carried out at the end of 2024, and the top three significant risks identified are : "Increased Cost or Shortage of Raw Materials", "Carbon Pricing Policy" , and "Enhance the Monitoring of Existing Products and Services". The "Carbon Pricing Policy" is the additional significant risk in the year, and fully reflects our mastery and positioning of domestic and foreign carbon tax / tariff policies; in addition, the significant climate-related opportunities include"Enhance Sustainable Supply Chain Management", "Investing in Circular Economy", and "Use Low-carbon Energy". Except that "Investing in Circular Economy" is the significant opportunity continued from earlier, others are the new significant opportunities identified this year, and they highly conform to the ESG strategic goals set by the Company. Over the next 3 years, the resource investments in these significant risks and opportunities will be prioritized, with tracking management; we also commit to publicly disclose related information regularly and continue communications with stakeholders.

▼ Climate-Related Risk Matrix

Included in this reporting cycle's Risk topics

▼ Climate-Related Opportunity Matrix

Included in this reporting cycle's Opportunity topics

▼Climate-Related Risks and Response Actions

Type of Risk	Climate-Related Risks	Estimated Occurrence Time	Risk Description	Response Actions and Possible Financial Impact
Policy and Legal	Require the Reporting of Greenhouse Gas Emissions	Short-Term	The Financial Supervisory Commission released the "Sustainable Development Roadmap for TWSE / TPEx Listed Companies" in early 2022, mandating listed companies to annually inventory and verify carbon emissions data for their parent companies and consolidated entities based on their capital size, obtaining third-party assurance. D-Link has conducted annual inventory and verification of carbon emissions for its parent company since 2016 and will now begin planning for data collection from overseas subsidiaries to comply with regulatory requirements.	D-Link has a specified timetable requiring disclosure of carbon emissions for consolidated entities by 2026 and completion of third-party assurance by 2028. Consequently, the Company is actively planning to introduce consulting services, with initial estimates suggesting an annual implementation cost of approximately NT$1.5 million.
	Carbon Pricing Policy[1]	Medium-Term	Currently, Taiwan has not implemented a comprehensive total carbon emissions control system but instead has a policy to levy carbon fees. The initial regulatory targets apply only to large carbon emitters categorized under Scope 1 and Scope 2 emissions. D-Link is not currently included in this group. However, it is important to consider the potential for cost pass-through by upstream suppliers subject to these regulations. There is also a risk of increased operating costs in the future due to the gradual expansion of these regulations to include more suppliers.	Due to the nature of its operations and product sales, D-Link's carbon emissions primarily fall under Scope 3, exempting it from immediate regulation. However, the Company must monitor upstream suppliers subject to regulation and their carbon management practices to prevent potential cost pass-through. Therefore, D-Link's response strategy focuses heavily on supplier management. It has developed a comprehensive management framework to actively assess suppliers' carbon management profiles and their sensitivity to carbon pricing policies. This allows D-Link to evaluate and strategize its procurement approaches accordingly. The annual expenditure cost for supplier on-site audit operations is estimated to be approximately NT$300,000, contingent upon the number of suppliers audited.
	Enhance the Monitoring of Existing Products and Services[1]	Medium-term	As awareness of climate change grows, governments are increasingly focusing not only on corporate carbon emissions but also on emissions associated with products and services, particularly in regions with total emission caps such as the European Union. To mitigate the risk of carbon leakage, the Carbon Border Adjustment Mechanism (CBAM) has been established as a preventive measure. Under this mechanism, pricing is based on the carbon emissions per unit of imported products and their import volumes. According to regulations, if the carbon emission data of the product is not faithfully declared, or the declaration data do not meet the requirements, or the improvement is not made before the deadline, a fine of EUR 10 to 50 per metric ton will be imposed. Although D-Link products are currently not subject to the levy under the system, it is essential to continuously monitor relevant policy trends and make early preparations to respond. In addition, the EU officially effected the "Ecodesign for Sustainable Products Regulation[2]" in July 2024 to replace the previous ErP Directive[3], emphasizing that enterprises must introduce the product life cycle assessments, including source design, durability, repairability, and recyclability requirements, to reduce environmental impacts. The enforcement of the regulations will bring more challenges to enterprises.	Although D-Link products are currently not within the scope of CBAM, the potential future trend suggests that all products may eventually fall under CBAM. Recognizing that the EU CBAM has spurred countries to develop carbon tariff systems, prioritizing product carbon emission information will aid in collecting and extracting relevant declaration data. Additionally, given the rising market demand for low-carbon products, D-Link has decided to introduce the carbon footprint standard ISO 14067. This proactive step aims to facilitate future responses and align with market expectations. The introduction of the ISO 14067 standard and third-party verification expenses for a desktop switch product, for example, are estimated to cost approximately NT$1.2 million. Actual expenses may vary depending on the type and scale of products involved in the implementation. In the face of increasingly strict regulations, D-Link will continue to monitor the progress of regulations and implementation rules, to strive to create lower-carbon and more sustainable products to meet regulatory standards and market expectations.

1. Main climate-related risks.
2. Regulation (EU) 2024 / 1781（ESPR）
3. Energy-related Products Directive（2009 / 125 / EC）

Type of Risk	Climate-Related Risks	Estimated Occurrence Time	Risk Description	Response Actions and Possible Financial Impact
Low-Carbon Technology	Substitution of Existing Products and Services with Lower Emissions Options	Short-Term	Regarding the low-carbon transition direction of Network products itself, in addition to improving their energy efficiency and optimizing their volume, another common approach is to use recycled materials. However, when materials are recycled and remanufactured, their material properties will change or be limited to a certain degree, such as color selection, color difference, brittleness and hardness, among other things, will be affected. In addition, the factor of industry relocation also affects the supply flexibility of the PCR[4] industry chain.	Even though the use of recycled plastics poses many challenges to product production and quality, in order to promote the development of a circular economy, D-Link actively communicates with suppliers, including testing, adjustment and verification of formulas and injection conditions, and ensuring the related preparations for the smooth supply. According to the current market price, the cost of recycled materials is 10~15% higher than that of virgin materials. However, D-Link will continue to uphold the principles of product life cycle assessment[5], and introduces PCR plastics into new consumer products in the future to actively reduce the carbon footprint of products.
Market Trend	Customer Behavior Changed	Medium-Term	Due to the increasing awareness of global climate change and the impact of national policies, customers are relatively concerned about the low-carbon transformation progress of their suppliers, including energy management tracking, regular disclosure of annual carbon emissions data, and carbon reduction goals and strategies. Although for the current stage, the direct impact on orders is still quite limited, there is still a very small number of customers who require that the carbon reduction path planning must comply with the Company's carbon reduction commitments. We cannot rule out the possibility that it will become a condition for vendor selection in the short term; if failing to respond such in a timely manner, it may affect the business development.	Currently, D-Link has regularly checked the carbon emissions of the head office and branches in Taiwan every year, and has been verified by a third party. In addition, in accordance with the requirements of the "Sustainable Development Roadmap of TWSE / TPEx Listed Companies" and the "Sustainable Development Action Plan of TWSE / TPEx Listed Companies", By the end of 2024, the Company has initiated the carbon inventory of its overseas subsidiaries. Once the data is obtained, the carbon reduction targets and corresponding implementation measures within this scope will be re-evaluated. Meanwhile, we are also promoting the plan to introduce carbon footprint to grasp the hotspots of product emission and further develop specific and feasible high-efficiency emission reduction measures.
	Increased Cost or Shortage of Raw Materials[1]	Medium-Term	Due to the demand for low-carbon transition of products, the use of recycled materials or materials with specific environmental labeling means an increase in invested costs, which may lead to a decreased price competitiveness	The cost of PCR plastics is 10-15% higher than that of virgin plastics, which will lead to an increase in product costs. However, because the products to be introduced to appeal the special antenna designs and sustainable development concepts, D-Link AQUILA PRO AI Series Products will continue to do so in the future. In addition, the principle of using recycled materials as much as possible also includes product packaging. For packaging plastics that cannot be completely reduced in the short term, PCR plastics are also used. The cost is about 50% higher than that of virgin plastics. However, due to its low unit price, the impact on the total cost is quite limited.
Reputation	Stakeholders' Attention and Negative Feedback Increased	Short-Term	Although D-Link's operations do not directly involve manufacturing, heightened awareness has increased external scrutiny. Supplier due diligence and supply chain ESG management are closely monitored by corporate customers, external evaluation agencies, and other stakeholders. These factors can directly or indirectly influence brand competitiveness.	D-Link's ESG Committee has established the ESG Office, tasked with responding to external ESG-related inquiries and participating in various ESG assessments. Among its responsibilities, the office assists each department in formulating goals, strategies, and implementation plans by analyzing information and trends, actively meeting stakeholder expectations. The annual investment for these efforts is approximately NT$2.5 to 3 million.
	Consumer Preferences Changed	Medium-Term	The corporate customers' concerns about D-Link's carbon management are not limited to the organizational level, but also include the products themselves. Therefore, the disclosure requirements of carbon footprint data, product energy efficiency, usage of recycled materials, are all concerns that the market is increasingly paying attention to. It is necessary to plan and implement as early as possible to maintain the competitiveness of D-Link products.	In view of the EU CBAM driving countries to actively develop carbon tariff systems, product carbon emission data may become a basic requirement for future exports. In addition to actively planning the adoption of the carbon footprint standard (ISO 14067), D-Link also emphasizes local production from a product life cycle assessment perspective, aiming to reduce carbon emissions and costs associated with raw material transportation. The Company has also obtained the "MIT Smile Logo" Product Certification to enhance product recognition and make it easier for consumers to choose products aligned with sustainability principles.

1. Main climate-related risks   4. Post-Consumer Recycled（PCR）   5. Life Cycle Assessment（LCA）

Type of Risk	Climate-Related Risks	Estimated Occurrence Time	Risk Description	Response Actions and Possible Financial Impact
Physical Risks (Acute)	**Severity Level of Typhoons, Floods, and Other Extreme Weather Events Increased**	**Long-Term**	According to current climate conditions and model estimates, as the warming trend intensifies, the difference between the dry and wet seasons in Taiwan will become increasingly obvious in the future. That is, the rainfall intensity in the wet season (May to October) will gradually increase, but the days without rainfall in the dry season (November to April) will prolong. Thus, the risk of floods / droughts significantly increases. Failure to adapt such smoothly will directly lead to losses in the Company's operations or supply disruptions.	**For the Company Itself** In addition to its Neihu headquarters, D-Link's operating bases in Taiwan also include offices in Taichung, and Kaohsiung. According to the "Database of TCCIP", in the RCP 8.5 mid-century scenario (comparing the maximum 24-hour cumulative rainfall movement rate), the rainfall trends in Taichung do not change significantly comparing to the base period (1979-2008), but there will be a slight increase in Taipei, and the average increase rate in Kaohsiung is about 15% ; and based on the "3D Disaster Potential Map of NCDR", the flooding potential is confirmed that only the Kaohsiung base will be at risk of flooding. In regard to weather events in 2024, no damage was caused to the Company's operating sites., we will carefully evaluate the necessity of office relocation in the future, and adopt a complete remote working regulation to flexibly respond to the risk of extreme rainfall. **For the Value Chain** For the upstream, D-Link has developed a complete and flexible procurement strategy. Each product has candidate suppliers located in multiple regions for deployment, effectively reducing delivery delays and operational losses caused by regional climate. • For the downstream, since climate disasters are natural disasters, contracts with customers have corresponding clauses and notes, and the goods have appropriate insurance to transfer risks, sufficient to cope with delayed delivery caused by weather factors. • In addition, regarding the water shortage issue and water consumption policy arising from the increasing concentration of days without rainfall in recent years, since the production and manufacturing of D-Link products is not a high water consumption process, the first-tier suppliers have not yet provided feedback on any cost passage due to the water consumption policy. We will continue to track the scope of impact of relevant policies through supplier questionnaires in the future.
Physical Risks (Chronic)	**Rising Average Temperature**	**Long-Term**	If the trend of climate warming cannot be effectively slowed down, persistent high temperatures in summer will lead to a surge in demand for air conditioners, and the cost of electricity and corresponding carbon emissions will also rise. Under policies such as the active transition of the energy structure in various countries and the implementation of carbon pricing control measures, related costs may be indirectly passed on to upstream products, raising product costs and directly affecting profits.	**For the Company Itself** In addition to immediately starting to formulate and implement a complete carbon reduction path for the value chain, to reduce the possibility of this risk occurring, risks that were foreseeable in previous periods or have been affected in the short term should also be considered, including the risk of increasing electricity for air conditioning due to high temperatures in summer year by year ; therefore, prioritizing the replacement of high-efficiency air conditioner main units to achieve the benefits of energy saving and emission reduction is also one of the measures that can be implemented at this stage. At present, the power consumption of air conditioners in the D-Link building is about 30%, or as much as 30.4% in the past 3 years if considering the increased of electricity tariff. In the future, as the country is at the verge of active energy structure transformation, it is believed that the replacement of the air conditioner units is an appropriate first priority upon the assessment, so it is expected to complete the replacement of the air-conditioning main units by 2028, with an estimated expenditure of approximately NT$15 million. **For the Value Chain** Taking into account the trend of rising electricity tariff by local governments due to energy transition, supply and demand regulation, and carbon pricing policies, the risk of passing on costs due to the adaption to the climate warming year by year is also a priority project for enterprises to consider. To this end, D-Link will assess the risk exposure of each supplier via the annual supplier questionnaire, and plan to include it as one of the future supplier selection indicators.

▼ Climate-Related Opportunities and Response Measures

Type	Climate-related Opportunities	Estimated Occurrence Time	Scenario Analysis and Financial Impact Assessment	Responding Actions and Possible Financial Impact
Resource Efficiency	Invest in Circular Economy[1]	Medium-Term	In addition to urging companies to focus on carbon emission management, extreme climate issues also require companies to pay more attention to the life cycle of the products and services they provide because of the trend of disclosure requirements in Scope 3, which will directly affect Scope 3 statistics. Therefore, at this stage, we are actively moving towards optimizing material usage, increasing the proportion of recycled materials, and exploring the expansion of multiple recycling channels to increase the end recycling rate. From a long-term perspective and the economies of scale related to future development, it is helpful for reducing the costs of procuring raw materials and establish a corporate image, among other positive benefits.	The Company will continue to implement the "D-Link Green" plan and strive to reduce the negative impact that products may have on the environment at each stage of the life cycle from the four aspects, namely product design, functionality, materials, and packaging, in order to implement the corporate social responsibility. After D-Link announced the M30 AX3000 Wi-Fi 6 Dual-Frequency Wireless Routers, the first product remade from PCR plastic in June 2023, immediate attention and expectations in the European market were gained. The five new products of the series launched subsequently are also made from PCR plastic. In the future, in addition to continuing this measure, we will also evaluate the feasibility of introducing recycled metals.
	Diversification of Internal Management	Short-Term / Medium-Term	In order to achieve effective carbon management and the net-zero emissions goal, D-Link conducts progress reports and reviews on ESG strategic goals every quarter, and regularly revise its short, medium and long-term strategic goal planning every 2 years; in terms of environmental goals, through the basic carbon inventory and third-party verification (including organization and product aspects), implementation of various energy-saving and carbon-reduction measures, procurement and construction of green power, introduction of corresponding management systems (such as ISO 50001), and promotion of supply chains, have significantly improved the resource utilization efficiency, thereby reducing related expenditure and costs in the future.	With subsequent short- and medium-term energy-saving and carbon-reducing measures, such as replacing LED lights and updating air-conditioning main units, it is roughly estimated that an initial investment of NT$15.40 million will be needed to replace high-performance equipment. In the future, approximately 22.5% of power consumption will be saved each year (based on the current electricity tariff, approximately NT$2.2 million may be saved per year).
Energy Source	Use Low-Carbon Energy[1]	Medium-Term	Driven by factors such as government policies and market attentions, energy transition has become an inevitable trend. Although D-Link is not a large consumer of electricity and is not subject to the government's renewable energy obligations, it still actively purchases green power, and plans to expand its use of green power year by year. The increasing proportion of purchases of green power year by year, and the construction of solar photovoltaic equipment will help to achieve carbon reduction and the Net-zero emissions goal, while mitigating the impact of fossil fuel price fluctuations by reducing demand and dependence on fossil fuels.	D-Link has included green power procurement as one of its strategic goals for ongoing implementation. In 2024, green power accounted for 3.7% of the Company's annual electricity consumption (2.91% of the baseline year consumption), with a target to increase this proportion to 17.5% by 2030. For an upcoming solar photovoltaic construction project, the total budgeted expenditure is approximately NT$13.7 million. If the self-generated solar power is sold via wholesale, the estimated annual revenue from electricity sales would be around NT$1.22 million. At that time, the Company will reassess the benefits of wholesale versus self-consumption and adopt the more favorable approach.

1. Main climate-related opportunities
2. Planned to be completed by the end of 2033

Type	Climate-related Opportunities	Estimated Occurrence Time	Scenario Analysis and Financial Impact Assessment	Responding Actions and Possible Financial Impact
Products and Services	**Develop and Increase Low-Carbon Products & Services[1]**	**Short-Term**	Responding to the international carbon reduction trend, companies continue to invest in and expand the low-carbon product or service market, while confirming the market response. This action will enable the pioneer companies to more accurately grasp the pulse of the low-carbon market, create business opportunities, position for the market share, and indirectly increase the revenue and corporate image, to drive a positive cycle.	In order to more actively invest in the low-carbon market, D-Link launched the green packaging project, "D-Link Green Pack" , in early 2022, which focuses on four major aspects : environmental friendly materials, plastic-free packaging, volume optimization, and digitized product documents, as the pillars of design ; for example : • The unmanged switches adopts clay coated board[3] with high percentage of recycled pulp, which can reduce costs by approximately 2–3%. • The plastic packaging bags are removed from Dongle series products. • Switch products adopts 50% PCR plastic bags for packaging, increasing costs by approximately 50%. • 30% PCR recycled materials are introduced to the plastic casings of the AQUILA PRO AI series products, MS30, MS60, M60, M95 and R95, and the costs are 10–15% higher than the virgin materials. • Brown boxes of DGS-1210-10MP and carton adopt FSC[4]certified paper materials. • The metal casing of the DMS-1250 series products is expected to have recycled metal introduced.
	Obtain Low-Carbon Financing/ Investment[1]	**Medium-Term**	Governments around the world are actively directing funds to ESG and low-carbon products, such as bonds of sustainable development special funds or sustainability-linked bonds. In particular, the latter has no restrictions on the use of funds, only the sustainable development indicators are required to be set, and the goals to be linked to the design of bond principal and interest payment conditions and other mechanisms for acquisition, which can effectively reduce capital costs, improve sustainable performance, increase exposure, and attract the attention of more investment institutions.	Currently, D-Link has sufficient funds of its own and has no urgent and continuing financing needs. However, it will maintain its focus on green financing or low-carbon financing, maintain close contact with financial institutions that actively promote sustainable and low-carbon financing, improve the quality of its own ESG disclosure information, and maintain its qualifications in line with the green financing review standards. In order to quickly obtain the support of banks and evaluation agencies when operations require, we can undertake borrowings or issue bonds linked to sustainable development, so as to minimize the Company's capital costs while demonstrating the Company's long-term commitment to climate change and environmental sustainability.
Operation Resilience	**Enhance Sustainable Supply Chain Management[1]**	**Short-Term**	D-Link is a brand company, and its actual operations do not include manufacturing, the supply chain management has become a very critical part of product quality control operations. In recent years, due to sustainability policies and trends, all the society is expecting enterprises to exert benefits such as the large companies leading the small companies and driving the value chain. Therefore, they have deepened the communication and resource exchange with suppliers, and under-stood suppliers from a more complete perspective, to grasp operational risks from all aspects for appropriate allocation and dispatch.	D-Link has always placed great importance on the verification of its quality management system. In recent years, in response to the growing focus on sustainability, the Company has also developed its own set of ESG audit standards, referencing the Validated Assessment Program (VAP)[6] under the Responsible Business Alliance (RBA)[5] Code of Conduct, to conduct on-site audits of major suppliers. The estimated annual cost for this operation is approximately NT$300,000, depending on the number of suppliers audited. In order to further improve D-Link's ESG management practices for the supply chain, the Company has formulated the "Sustainable Procurement Policy", build the "Supplier Code of Conduct" , and the "Supplier ESG Self-Assessment Questionnaire" in 2023, and then link to the aforementioned on-site audit operations, to build a contextual sustainable supply chain management system.

1. Main climate-related opportunities
3. Contains more than 85% recycled pulp.
4. Forest Stewardship Council

5. Responsible Business Alliance
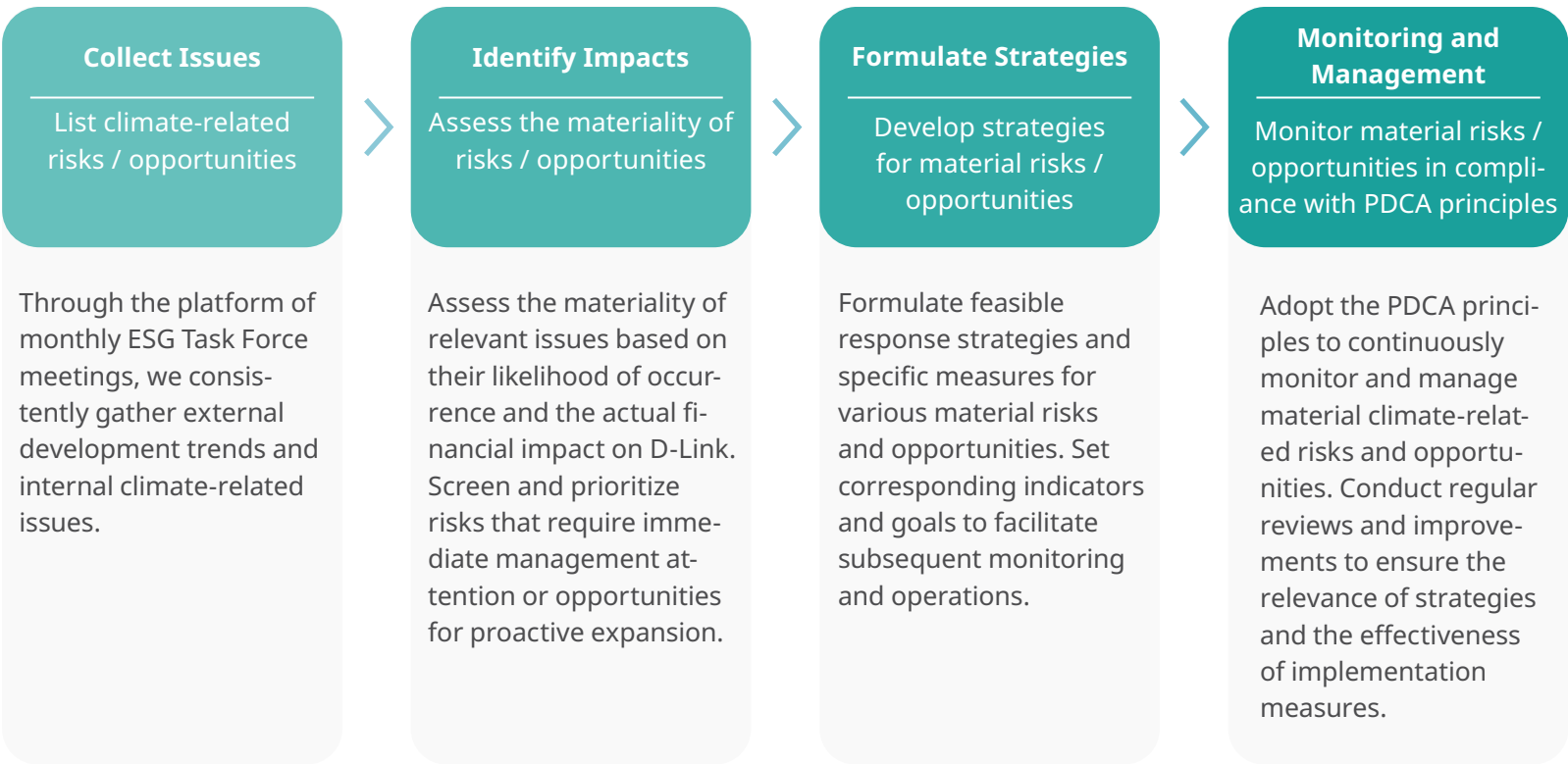6. Validated Assessment Program (VAP)

Risk Management

D-Link manages climate-related risks and opportunities through 4 key processes : collecting relevant issues and trends via monthly ESG Task Force meetings, regularly assessing the impact and materiality of each risk and opportunity, formulating corresponding strategies and indicators, and applying PDCA principles for annual tracking and review. This structured approach aims to achieve overall control and ensure timely responses. For the material climate risks identified, the ESG Office not only reports them upwards but also submits them to the Risk Management Task Force for evaluation regarding their potential inclusion in the Company's overall risk management system.

Metrics and Targets

In order to achieve the 2050 net-zero emissions goal, D-Link not only sets corresponding short / medium / long-term goals for energy saving, carbon reduction, water saving and waste reduction, but also actively launches various project plans, promotes relevant measures, and implements management and effectiveness evaluation accordingly, and at the same time, the performance results are confirmed through the external verification to achieve the goal of environmental sustainability.

▼ Climate-Related Risk / Opportunity Identification Process

Collect Issues	Identify Impacts	Formulate Strategies	Monitoring and Management
List climate-related risks / opportunities	Assess the materiality of risks / opportunities	Develop strategies for material risks / opportunities	Monitor material risks / opportunities in compliance with PDCA principles
Through the platform of monthly ESG Task Force meetings, we consistently gather external development trends and internal climate-related issues.	Assess the materiality of relevant issues based on their likelihood of occurrence and the actual financial impact on D-Link. Screen and prioritize risks that require immediate management attention or opportunities for proactive expansion.	Formulate feasible response strategies and specific measures for various material risks and opportunities. Set corresponding indicators and goals to facilitate subsequent monitoring and operations.	Adopt the PDCA principles to continuously monitor and manage material climate-related risks and opportunities. Conduct regular reviews and improvements to ensure the relevance of strategies and the effectiveness of implementation measures.

▼ The Relevant Implementation Performance and Short / Medium / Long-Term Goals Responding to Climate Change

Type	Achievements in 2024	Short-Term Goals (2025)	Medium-Term Goals (2028)	Long-Term Goals (2033)
Net-zero Emissions/ GHG Management	• Emissions in Scopes 1 and 2 decreased by 9.55% annually, and significantly decreased by 25.33% compared to the base year. • The CDP score for 2024 was a B grade.	• Reduce carbon emissions of scope 1 & 2 by 2%.	• Reduce carbon emissions of scope 1 & 2 by 30% by 2030. • Continuously reduce carbon emissions to achieving net-zero emission by 2050	
Energy Management	• Completed the replacement of 218 LED lights, saving approximately 19,494 kWh of power throughout the year, accounting for 0.7% of the base year. • In 2024, a total of 80,500 kWh of green power was supplied, with an annual increase of 13.4 times, accounting for approximately 2.91% of the electricity consumption in the base year.	• Gradually replace the lighting fixtures on each floor of the headquarters building with LED flat panel lights with the goal of saving 0.6% of electricity. • The target for green power procurement is 128,000 kWh, which is 5% of the electricity consumption in the base year.	• Reduce power consumption by 4.5% by 2026.	• Introduce ISO 50001 energy management system. • Reduce power consumption by 30% by 2030. • The 2030 green power procurement target is set at 17.5% of the baseline year's electricity consumption.
Water Management	• Adjusted the startup time of the air conditioning units to reduce the cooling water usage.	• Reduce water consumption by 2.5% by 2026.		-
Waste Management	• The paper consumption in the headquarters reduced from 18,058 sheets per month to 15,888 sheets per month, a year-on-year reduction of 12.0%. • The total volume of waste decreased by 14.72% compared to the base year.	• Reduce the waste by 2.5% by 2026.		-

* The baseline year is 2021.

4.3.2 From Inventory to Net-Zero

GRI 2-23, 305-1, 305-2, 305-3, 305-4

Responding to the global common goal of net-zero emissions by 2050, D-Link is gradually moving towards Net-zero based on an inventory of greenhouse gas emissions, through hotspot analysis and evaluation of improvement plans, as the basis for organizational emission reduction planning. In order to implement the carbon reduction policies, D-Link independently conducts greenhouse gas inventories and stipulated the goal of reducing carbon emissions by 10% by 2026 using 2021 as the base year. And continue to implement greenhouse gas inventory and reduction projects.

D-Link has passed the ISO 14064-1:2018 Greenhouse Gas Inventory certification and formulated the following policies according to the requirements of the ISO 14064-1:2018 Greenhouse Gas Inventory System :

- We are dedicated to disclosing corporate carbon emissions to fully understand the carbon emissions within the Company.
- We work with our business partners to expand the scope of carbon reduction together.
- We provide more diverse low-carbon products and services for our consumers and users.
- We have increased information transparency and reduced emissions for the carbon footprints of our products.

In 2024, the Company launched the greenhouse gas inventory guidance project for subsidiaries. Currently, the distribution inventory and environmental inventory of subsidiaries, and preliminary education and training promotion have been completed. It is expected to conduct data inventory collection in 2025.

▼ Greenhouse Gas Emissions in the Past 3 Years

	2022		2023		2024	
	GHG Emissions	Proportion	GHG Emissions	Proportion	GHG Emissions	Proportion
Category 1	119.87	0.02%	119.90	0.03%	126.16	0.06%
Category 2	1,255.52	0.24%	1,148.88	0.27%	1,021.51	0.45%
Category 4	18,424.61	3.51%	11,941.27	2.84%	10,458.43	4.64%
Category 5	504,734.39	96.23%	407,652.17	96.86%	213,771.61	94.85%
Total GHG Emissions	**524,534.39**	**100%**	**420,862.22**	**100%**	**225,377.71**	**100%**
Year-over-Year Change in Total GHG Emission	**-37.38%**	**-**	**-19.76%**	**-**	**-46.45%**	**-**
Change in Category 1+2 Emissions vs. Base Year (%)	**-10.51%**	**-**	**-17.45%**	**-**	**-25.33%**	**-**
Emission Intensity: Category 1+2	0.0805	-	0.0796	-	0.0797	-
Emission Intensity: Category 4+5	30.63	-	26.32	-	15.58	-

1. Emission unit: metric tons/CO2e; intensity unit: metric tons CO2e/revenue (NT$ million).
2. Category 1 and Category 2 are equivalent to Scope 1 and Scope 2 emissions, respectively. Category 4 and Category 5 fall under Scope 3. Specifically, Category 4.1 accounts for carbon emissions from purchased products, while Category 5.1 covers emissions during the use phase of products sold by the organization. After the assessment, Category 3 was identified as an insignificant source of emissions for the Company.
3. The emission factors for electricity used in Category 2 are based on the annual data published by the Energy Administration, Ministry of Economic Affairs. The factors adopted for 2022, 2023, and 2024 were 0.495, 0.494, and 0.474 kg CO_2e/kWh, respectively.
4. The data in this table has been verified by a third party. Please refer to the "Certifications" of the official website for the declaration.

4.3.3 Biodiversity Commitment GRI 2-23

D-Link doesn't have any operating locations located in important biodiversity locations. Nevertheless, to better understand the possible impact of the Company's operations on biodiversity, D-Link made a biodiversity commitment in 2023, communicated the importance of biodiversity to suppliers, and encouraged suppliers to conduct biodiversity risk assessments for their operating locations. And further regulated by the "D-Link Corporation Supplier Code of Conduct".

Biodiversity and Zero-Deforestation Commitment

D-Link's global operations are primarily located in technology parks or general office buildings, none of which are operating near key biodiversity areas (KBA). Nonetheless, recognizing that biodiversity conservation helps promote climate change mitigation and adaptation, and has significant implications for agricultural development, food security, public health, and economic sustainability, D-Link makes this Statement of Biodiversity and Zero-Deforestation Commitment in reference to the spirit of the United Nations Convention on Biological Diversity (CBD), with the hope of fulfilling UN Sustainable Development Goals (SDGs) 6, 12, 13, 14, 15 and 17, to protect biodiversity, sustainable use of diversity, and achieve fair and equitable sharing of the benefits arising from the use of genetic resources.

D-Link's Commitment

1. Ensure that D-Link's operational activities comply with international, national, and local laws related to biodiversity and zero deforestation.

2. Avoid activities that negatively impact threatened and protected species.

3. Respect legally designated protected biodiversity areas.

4. Choose appropriate tools to assess the biodiversity-related risks of all D-Link operating sites.

5. Informed purchasing decisions will not be made from suppliers contributing to the loss of biodiversity or illegal deforestation.

6. Encourage the Company's suppliers to assess the biodiversity-related risks of their operating sites.

7. Seek opportunities with partners to reduce biodiversity damage.

8. Support biodiversity convention activities or initiatives.

In 2024, D-Link continued to cultivate local environmental education. The ESG Office organized the Jannan Butterfly Garden ecological tour event, and invited butterfly conservation experts to lead colleagues and their families to visit the only outdoor butterfly conservation area in Taipei City. Participants learned about the importance of biodiversity and urban inclusion through the observation of the ecology of butterflies, knowledge of honey source plants and maintenance of habitats. The event not only deepens the employees' empathy and care for the natural environment, but also reflects the Company's sustainable commitment to local common wellness and natural capital protection.

▲ D-Link Eco-Tour with Employees and Their Families

4.4 Energy and Resources Management

In response to the global environmental trend, D-Link has obtained ISO 14001: 2015 environmental management system certification, and continues to implement environmental protection measures with the main task of raising environmental awareness and establishing a green enterprise.

4.4.1   Energy Management

4.4.2   Water Resource Management

4.4.3   Waste Management

4.4.1 Energy Management GRI 302-1, 302-3, 302-4, 305-5

The D-Link headquarters building mainly consumes externally purchased electricity. In accordance with the requirements of the ISO 14001 environmental management system, the Company prioritizes the reduction of electricity consumption in office buildings, and sets annual energy-saving targets. In 2024, through the energy-saving projects, the Company saved 0.70% of the electricity consumption of the baseline year (2021), and the cumulative electricity saved in the past three years has reached 4.60%. It is expected to replace all the lights on other floors of the head office building with energy-saving lights in 2025, and the estimated electricity saving rate is about 0.60%.

▼ Performance of Energy Saving Projects in the Past 3 Years

	2022	2023	2024
Main Energy Conservation Actions	Replaced 463 lighting units on the 4th floor of the headquarters building with energy-efficient models.	Replaced 427 lighting units on the 3rd floor of the headquarters building with energy-efficient models.	Replaced 218 lighting units on the 2nd floor of the headquarters building with energy-efficient models.
Estimated Power Savings (kWh)	55,351Z	46,975	19,494
Power Saving Ratio[1]	2.00%	1.90%	0.70%
Estimated Reduction in Energy Consumption (GJ)	199.26	169.11	70.18
Estimated Reduction in Carbon Emissions[2] (metric tons)	27.40	23.21	9.24

1. Compared to the baseline year (2021)
2. Emission factors for electricity are based on the annual data published by the Energy Administration, Ministry of Economic Affairs. The factors used for 2022, 2023, and 2024 were 0.495, 0.494, and 0.474 kg CO_2e/kWh, respectively.

▼ Recent Implementation Status and Planning[1] of Green Energy Procurement Projects[1]

	2023	2024	2025
Annual Green Power Procured / Planned Procurement (kWh)	6,000	80,500	128,000
Proportion of Annual Electricity Consumption	0.26%	3.60%	-
Estimated Reduction in Carbon Emissions[2] (metric tons)	2.96	38.16	60.67

1. The green energy procurement plan was launched in July 2023, planning the procurement target to reach 17.5% of the electricity consumption of the baseline year (2021) by 2030.
2. All carbon emission factors for electricity are based on the data published by the Energy Administration, Ministry of Economic Affairs for the current year. The factors adopted from 2023 to 2024 are 0.494 and 0.474 kg CO_2e/kWh, respectively. However, the estimated value for 2025 is based on the emission factor of 2024.

In addition to improving equipment energy consumption by replacing old devices with new ones, there were originally 350 mainframes each consuming 1,500W. After virtualization, system optimization, and reorganization in 2023, the operation was reduced to 300 mainframes, resulting in an annual energy saving of nearly 100,000 kWh. Furthermore, various channels have been used to promote the importance of energy conservation to employees. Compared to the baseline year, the cumulative energy savings over the past three years have reached 39.10%.

▼ Electricity Usage in the Past 3 Years

	2022	2023	2024
Total Purchased Power (kWh)	2,466,636	2,331,668	2,235,585
Non-Renewable Energy (kWh)	2,466,636	2,325,668	2,155,085
Renewable Energy (kWh)[1]	0	6,000	80,500
Total Purchased Power (Billion Joules)	8,879.89	8,394.00	8,048.10
Annual Increase / Decrease Rate of Purchased Power	-8.51%	-5.47%	-4.12%
Increase / Decrease Rate Comparing to the Base Year	-8.51%	-13.51%	-17.08%
The Annual Average Number of People in Operating Bases in Taiwan[2]	489	505	458
Power Consumption Per Capita (GJ)	18.16	16.62	17.57
Annual Increase / Decrease Rate of Power Consumption Per Capita	14.14%	-8.48%	5.72%

1. 6 green power certificates were obtained in 2023, and 80 certificates in 2024.
2. This is the average number of employees per month, plus 14 non-employee workers.

4.4.2 Water Resource Management

D-Link headquarters building and Taiwan branch are located in the metropolitan area of Taipei City. The water source is tap water from the Feitsui Reservoir, which is mainly consumed for domestic water. The domestic wastewater generated after use is discharged into the sewers set up by the government.

To ensure the effective use of water resources, all faucets in the restrooms in the headquarters building are equipped with water-saving switches. Although D-Link is not a company consuming a lot of water, it still supervises itself to spare no effort in every aspect of water saving to contribute to environmental sustainability at its best. The total water intake in 2024 increased by 3.26% year-on-year. Comparing to 2021, the base year, the reduction rate is 5.10%, In order to further strengthen the water resource management, the Company plans to introduce the ISO 46001 water management system in 2025 to improve water efficiency and related management structure.

▼ Water Resources Usage in the Past 3 Years

	2022	2023	2024
Total Water Withdrawal (Megaliters)	10.99	11.34	10.97
Total Water Discharge[1] (Megaliters)	9.89	10.21	9.87
Total Water Consumption[2] (Megaliters)	1.10	1.13	1.10
The Annual Increase / Decrease Rate of Total Water Withdrawal	-4.93%	3.18%	-3.26%
Annual Average Number of Personnel at Taiwan Operational Sites[3]	489	505	458
Per Capita Water Withdrawal[4] (Ten Thousand Liters)	2.25	2.25	2.40
The Annual Increase / Decrease Rate of Per Capita Water Withdrawal	18.42%	-	6.67%

1. The total water discharge is estimated based on 90% of the total water withdrawal.
2. Total water consumption = total water withdrawal - total water discharge.
3. This is the average number of employees per month, plus 14 non-employee workers.
4. Per capita water withdrawal = total water withdrawal/ annual average number of personnel at Taiwan operational sites.

4.4.3 Waste Resource Management

D-Link has formulated a waste disposal management strategy and continues to comply with it to achieve the goals of sustainable resource use and waste reduction, aiming for effective circular use of resources. In the workplace, employees are regularly encouraged and reminded to reduce and sort waste. D-Link has also adopted eco-friendly hand wipes, toilet paper, and office paper to reduce deforestation. In 2024, the total volume of waste decreased by 14.72% compared to the base year.

D-Link is a brand company, and its actual scope of operation does not cover the production and manufacturing process, so there is no hazardous waste generated during the operational process. The types of waste generated from daily operations are as follows :

▼ Waste Classification Management and Implementation

Type	Definitions	Handling Method
General Industrial Waste	Non-hazardous waste generated by daily operations	Each unit shall classify and store waste in accordance with relevant laws and regulations. ⟩⟩⟩ The cleaning unit will then collect and transfer the waste to the industrial waste temporary storage area. ⟩⟩⟩ Qualified contractors will be entrusted to clear and transport the waste for recycling and reuse.
Resource Waste	Recyclable waste from non-production activities	Employees shall place recyclable waste in the recycling area according to the classification methods announced by the Environmental Protection Administration. ⟩⟩⟩ The cleaning unit will collect and transfer it to the temporary recycling storage area. ⟩⟩⟩ Qualified recycling contractors will then be notified for clearance and reuse.
Domestic Waste	Non-recyclable waste from non-production activities in offices and staff lounges	The cleaning unit will clean and collect the general waste. ⟩⟩⟩ It will be placed in a fixed temporary storage area. ⟩⟩⟩ Qualified environmental companies will be entrusted through signed contracts to clear, transport, and incinerate the waste to ensure proper disposal.

Waste management strategy :

· **Source reduction :**
Save the use of natural resources and reduce waste generation.

· **Material resource utilization :**
The waste is sorted and recycled to reduce the environmental burden.

· **Diversified processing :**
Recycle resources through recycling, reuse, etc.

▼ Waste Disposal Status in the Past 3 Years

	2022		2023		2024	
	Weight	**Percentage**	**Weight**	**Percentage**	**Weight**	**Percentage**
Recyclable Waste (Recycling)	6.28	32.61%	4.73	26.68%	5.76	31.25%
General Waste (Incineration)	12.98	67.39%	13.00	73.32%	12.67	68.75%
Total	**19.26**	**100%**	**17.73**	**100%**	**18.43**	**100%**
Annual Increase / Decrease Rate	**-10.87%**	**-**	**-7.94%**	**-**	**3.95%**	**-**

1. Metric Tons
2. Kitchen waste treatment: After collected, the group meal provider will bring it back for integrated processing everyday
3. Due to the lease of office space and the execution of inventory cleaning operations, the total waste volume increased slightly from 2023

D-Link

About the Report

About D-Link

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CH2 Corporate Governance

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**CH4 Environmental
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• 4.1 Sustainability
        Strategies and Goals -
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   Management

• 4.5 Green Products

CH5 People and Society

Appendix

4.5 **Green Products** GRI 301-2

4.5.1 D-Link Green

D-Link has been focusing on environmental 3R (Recycle, Reuse and Reduce) and promoting "D-Link Green". Through measures such as prohibited / restricted substance management, development of energy-saving technology for products, the introduction of easy-to-disassemble and recycle design, and packaging reduction, D-Link strives to reduce the potential negative impact of products on the environment at all stages of the life cycle, and practices corporate social responsibility.

Aspects Covered by D-Link Green
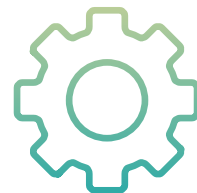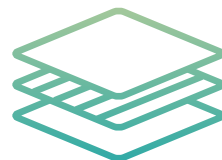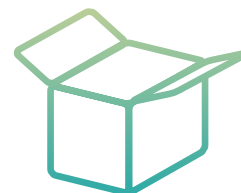
Product Design   **Product Functions**   **Product Materials**   **Product Packaging**

At the early stage of product development, D-Link not only considers the functions and user needs but also incorporates environmental impact into the core design concept, covering the use of raw materials, production and manufacturing, packaging and transportation, and the use process. Through the D-Link Green program, we refer to a product life cycle evaluation method to strengthen green product design and strictly control hazardous substances to reduce environmental impact and implement the concept of sustainable development.

Proportion of Green Products in 2024
In 2024, green products accounted for 44%* of the total product revenue. It is anticipated that by 2026, the total proportion of green products in all aspects of "D-Link Green" can reach 80% of the total product revenue.

* In 2024, green products are only counted for those that meet the design (certified by ErP) and functionality (energy-saving) aspects of "D-Link Green".

▼ Introduction of Eco-Friendly Processes to Enhance Resource Efficiency

Adopting low-emission manufacturing technologies in model production: utilizing 3D printing to replace CNC machining
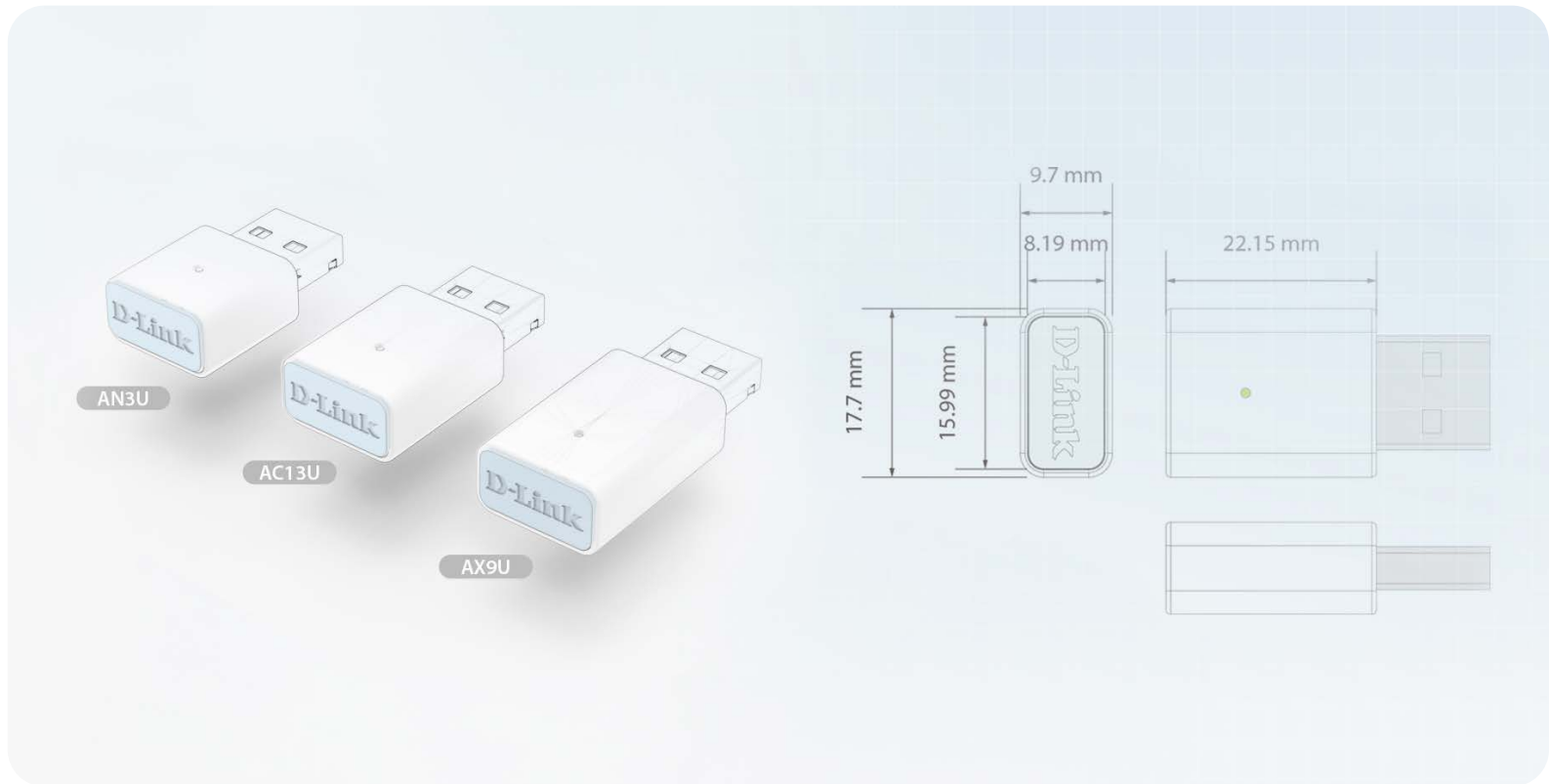
Designing for shared mold usage

▼ D-Link Green : An Important Role at Each Stage of the Product Life Cycle

Raw Materials

- **Compliance with international standards :** The raw materials strictly comply with and adopt international standards and specifications, 100% compliance with the EU RoHS[1] regulations on restricted hazardous substances, POPs[2], and REACH[3], as well as the TSCA[4] and CP65[5] regulations in the US. the printing ink on packaging materials also complies with the French regulations on prohibited mineral oil.

- **Refusal of conflict minerals :** Ensure that the metals in the supply chain, such as gold (Au), tantalum (Ta), tungsten (W), Tin(Sn), cobalt (Co), and mica, were not procured from mines in conflict areas operated by non-government armies or illegal groups, or not procured through illegal smuggling.

- **Selection of environmentally friendly materials :**
  - The product AQUILA PRO AI Series casing is made from post-consumer recycled (PCR[6]) material, as the active promotion of the circular economy development.
  - For the entire product line, priority is given to the recyclable and environmentally friendly materials for the packaging contents, with reduced printing ink, to reduce the impact on the environment during the disposal stage.
  - The Group's suppliers use FSC[7] certified paper materials for packaging brown boxes of switch products, to ensure that paper materials come from legal and sustainable forests, and reduce environmental damage.

Manufacturing

- **Reducing process waste :** Reduce waste and resource consumption by optimizing the manufacturing process and improving product yield.
  - The coating process for metal casing is changed from liquid paint to powder paint, which greatly reduces the emission of volatile organic compounds (VOCs[8]) in the process. In addition, the utilization rate of powder coating can reach 90% or more through recycling equipment, which not only reduces waste generation, but also effectively reduces environmental pollution.
  - The product model is made of lower-carbon 3D printing to replace traditional processing techniques including cutting, etching, and drilling, reducing the generation of scrappers.
  - The core principle of product design is to use shared molds to reduce carbon emissions during the product development process as much as possible.

Transportation

- **Optimizing material volume :** Tailor the packaging size according to the actual size of each product to meet the optimal transportation volume to improve transportation efficiency and reduce carbon emissions.

Use

- **Optimizing product energy consumption :**
  - Dedicated to introducing the most advanced product design thinking and technologies and complying with EU energy-related product ecology design (ErP[9]) and other international energy regulations to minimize the energy consumption of products.
  - The external power supplies used in all series of products comply with the level VI energy efficiency standards of the US Department of Energy.

End of Life

- **Adopting designs facilitating easy disassembly :** Easy-to-disassemble design is adopted for products, which is conducive to recycling and improving material reuse rate.
- **In compliance with regulatory requirements :** Local regulations, i.e., EU WEEE[10], are followed when handling end-of-life products and electronic waste.
- **Establishing standardized processes :** Standardized operational procedures and records are established for the recycling and disposal of scrapped products. Starting in 2023, tracking the recycling of scrapped products in Taiwan has been prioritized. In 2024, we began to increase the product recovery rate through the marketing campaign of replacing old products with new ones. In the future, we will continue to develop relevant measures and strive to promote the circular economy.

1. Restriction of Hazardous Substances Directive
2. Persistent Organic Pollutants Regulation
3. Registration, Evaluation, Authorization and Restriction of Chemicals
4. Toxic Substances Control Act
5. Safe Drinking Water and Toxic Enforcement Act of 1986
6. Post-Consumer Recycled
7. Forest Stewardship Council
8. Volatile Organic Compounds
9. Energy-related Products Directive (2009 / 125 / EC)
10. Waste Electrical and Electronic Equipment Directive

4.5.2 D-Link Green Pack

▼ 2024 "D-Link Green Pack" Achievements

Environmentally Friendly Materials

- The product packaging bags are made of 50% PCR plastic bags to replace the use of native plastic bags.
- Introduce FSC-certified paper to packages of switches.
- The unmanaged switches adopts clay coated board with high percentage of recycled pulp.
- Vegetable ink is adopted for printing the colored box.
- The printing of brown boxes reduces the use of ink by 20%.

Plastic-Free Packaging

- The buffer material of the switch product is changed from EPE* to paper tube that is easy to recycle.
- The surface of the color box has been changed from plastic film glazing (polypropylene coating) to matt oil.
- All packaging bags were removed from dongle products.

Volume Optimization

- The design of the outer packaging of all new products adopts the minimal-size design, so that they can reach the optimal number for pallet loading.
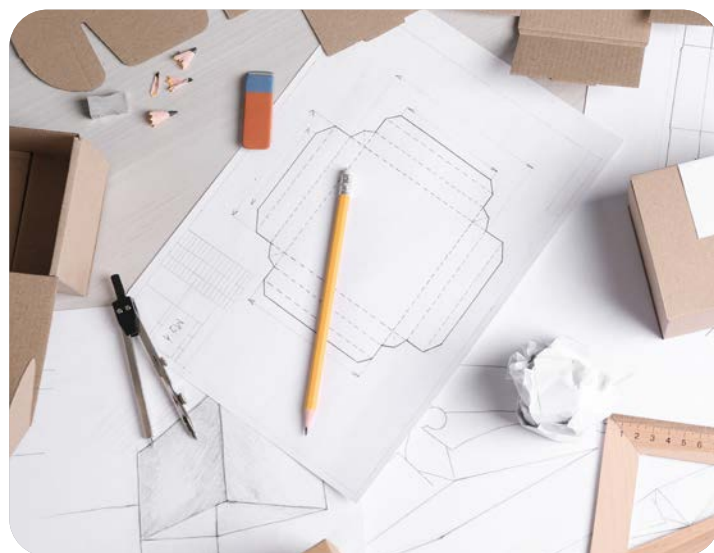
Packaging Was Made More Efficient

- The packaging design is optimized to improve assembly efficiency.
- No packaging box is adopted for product accessories.

Note: Expanding polyethylene

People and Society

Responding to Sustainability Topics

• Human Rights and DEI

• Talent Selection, Recruitment, and Retention

Major Stakeholders

• Customers / Clients

• Employees

• Suppliers / Business Partners

chapter

05

5.1 Sustainability Strategies and Goals - Social Aspect GRI-2-13, 2-24, 3-3

5.1.1 Management Approach for Material Topics

5.1.2 Short / Medium / Long-Term Goals

5.1.3 Achievement Status of Management Goals for 2024

5.1.4 Responsible Unit

5.1.5 Management Mechanism

5.1.6 Communication Channel

Management Approach for Material Topics

Material Issues	Significance for D-Link	Impacts on Value Chain*			Response Policies and Measures	Management Actions
		Suppliers / Business Partners	D-Link / Subsidiaries	Customers / Clients		
Talent Selection, Recruitment and Retention	D-Link, being a knowledge-intensive technology company, places significant importance on human resources, which play a pivotal role in enhancing the competitiveness of its products and services. Furthermore, with its global expansion and substantial organizational scale, the Company also assumes a crucial responsibility in nurturing key talents.	○	●	○	D-Link has built an all-round learning education and training system based on the Company's strategy, vision, and values. At the same time, it recruits potential talents through various campus cooperation programs, and uses a market-competitive salary policy and benefit system to provide outstanding talents, so that talents continue to grow together with the Company.	D-Link helps recruit talents, develop employee capabilities, and discover senior management through diversified talent recruitment channels, employee training plans, succession plans, education and training, as well as remuneration and performance appraisal, among other measures, while facilitating the development of employees' professional skills.
Human Rights and DEI	As a global enterprise, D-Link values a diverse and inclusive culture and is committed to providing a safe and equal workplace respecting the differences of individuals. We also promote a discrimination-free policy to ensure that all employees are entitled to fair treatment and career development opportunities. At the same time, the Company also strengthens the human rights management mechanism of the supply chain; through continuous monitoring and improvement, the potential human rights risks are reduced, corporate social responsibility is fulfilled, and the sustainable development of the entire industrial chain is promoted.	●	●	○	• The "Human Rights Policy and Management Plan" is formulated to support and implement the initiatives of major international human rights conventions. • Striving to promote diverse, fair, and inclusive (DEI) policies and plans to protect equal interests of labor human rights for each employee. • The human rights-related education and training are organized, and included in the orientation as a required course for new employees.	• The human rights due diligence is conducted periodically to identify internal and external human rights-related risks, and formulate mitigation measures. • D-Link has established diverse and smooth complaint channels. All relevant cases are investigated, responded to, and tracked according to the established procedures, to protect the rights and interests of the complainant and implement the Company's commitment to human rights protection.

* ● Direct impact; ○ Indirect impact

Short / Medium / Long-Term Goals

	Short-Term	Medium-Term	Long-Term
Talent Selection, Recruitment and Retention	• Formulate succession plans for key positions.	• Optimize the salary competitiveness.	• Establish an attractive and inclusive career development environment, strengthen talent competitiveness and organizational resilience, and become a long-term trusted and recognized employment brand for employees.
Human Rights and DEI	• Continuously participate in the DEI initiatives, such as the Talent in Taiwan, to exert the influence of the enterprise. • Promote the diversified cultural awareness activities, such as the "Date with Supervisors" that arranges events specific to foreign colleagues, and festival thematic activities of various countries, to help employees understand and respect cultural differences.	• Based on the results of human rights due diligence, formulate corresponding mitigation and remediation measures, and implement the follow-up management to reduce potential human rights risks.	• Keep promoting sustainable human rights risk assessment. • Create a diverse and inclusive workplace culture, to promote equal participation and respect for differences, allowing employees to grow together in a safe, respectful, and inclusive environment, thereby fulfilling the human rights commitment and social responsibility of D-Link.

By the end of 2025

By the end of 2028

By the end of 2033

Achievement Status of Management Goals for 2024

Material Topics	Goals in 2024	Management Performance	Achievement Status
Talent Selection, Recruitment and Retention	Develop succession plans for key positions.	• Prepared and implemented methods for issuing employee-restricted shares. The restriction for the first year was removed on September 25, 2024, these who meet the vesting conditions are entitled to 40% of their granted shares. • The "Retention Bonus" program is implemented for outstanding and key talent by providing additional cash rewards as incentive measures. • The total annual training hours reached 8,557.7 hours, up 5.6% annually, with an average of training hours of about 18.6 hours per person. • The average salary adjustment for the entire company was 4.12%, and the number of employees with salary adjustments was 92.44%, with some of them having salary adjustments exceeding 18.8%. • Distributed 5% of the Company's profits annually as employee compensation. • The Company joined the "2024 TALENT, in Taiwan" and passed all six sustainability indicators, namely, meaning and value, diversity and inclusion, rewards and incentives, physical and mental health, cultivation and growth, and communication and experience.	✓
Human Rights and DEI	• The human rights and gender equality related education are constantly promoted to strengthen the human rights awareness and respect awareness of all employees. • The human rights due diligence is implemented constantly, and the implementation of mitigation and remedial measures are regularly tracked. • The employee satisfaction and dedication are periodically surveyed to strengthen employee communication and engagement mechanisms.	• Included "Human Rights Promotion" and "Gender Equality and Prevention of Sexual Harassment in the Workplace" in the compulsory courses for new employees. • Completed the "D-Link human rights due diligence report 2023" in the second quarter of 2023. The Company regularly review the implementation status of various mitigation and remedial measures, and plan to conduct human rights due diligence every 3 years as a principle. The next operation time is scheduled to be in early 2026. • Launched an employee satisfaction and engagement survey, with a completion rate of 73.8% and an effective completion rate of 67.3%. • Human rights related risks : 0 • Employee complaint cases : 0 • Violations of human rights resulting in punishment : 0 • Supplier's violations of human rights resulting in punishment : 0	✓

Responsible Unit

| Corporate Auditor's Office | ESG Office | Product R&D Center | Supply Chain Management Center |

| Corporate Finance & Operation Center | Product Planning Center | Business Center | AI Innovation Center |

Communication Channel

Type	Channel
Hotline	886-2-6600-0123 Ext. 1850
Dedicated Mailbox	No. 289, Xinhu 3rd Rd., Neihu Dist., Taipei City 114/ D-Link850 (Employee complaint mailbox)
Dedicated E-mail	dlink850@dlinkcorp.com

Management Mechanism

- Management Measures for Recruitment and Appointment
- Performance Appraisal Management Guidelines
- Promotion Management Guidelines
- Salary Management Measures
- Regulations for Attendance Management
- Regulations for Remote Working Management
- Regulations Governing Domestic Business Travel
- Regulations for Employee's Overseas Business Trips

- Employee Training Management Procedure
- Management Measures for Employee Resignation and Suspension of Pay
- Regulations for Employee's Retirement
- Human Rights Policy and Management Plan
- Sustainable Procurement Policy
- D-Link Supplier Code of Conduct
- Measures of Prevention, Correction, Complaint, and Punishment of Sexual Harassment at Workplace

5.2 Human Rights Protection GRI 407-1, 408-1, 409-1

D-Link adheres to relevant regulations, implements workplace diversity, does not discriminate against employees based on any conditions, and is committed to creating a dignified, safe, equal, and harassment-free work environment.

5.2.1 Human Rights Policy

5.2.2 Human Rights Risk Assessment and Related Measures

5.2.3 Supplier Human Rights Regulations

5.2.1 Human Rights Policy   GRI 2-23

D-Link is committed to safeguarding the basic human rights of employees, formulating human rights policies and management plans, and creating an environment that fully protects human rights. D-Link endorses and supports international human rights conventions such as the United Nations Universal Declaration of Human Rights, the UN Global Compact, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work Covenant. D-Link requires its business partners to eliminate any actions that violate or infringe upon human rights in their operations, ensuring that both internal and external members of the Company are treated with fairness and dignity. D-Link also respects diversity and opposes discrimination, complies with regulations on working hours, wages and benefits, prevents forced labor and human trafficking, prohibits the illegal employment of underage labors, respects freedom of association, pays attention to health and safety in the working environment, information security, and gives back to the society through its core competencies. In addition, D-Link has announced its commitment to labor rights on its official website and implemented measures to mitigate human rights risks. To prevent the illegal employment of underage workers and forced labor, the Company strictly adheres to its hiring procedures, confirms applicants' willingness to work through interviews, and thoroughly verifies identification documents to prevent the risk of illegal employment. Labor rights are promoted through labor-management conferences, and the Company strictly prohibits forced labor and forced overtime.

D-Link's Human Rights Policy and Management Programs

D-Link also respects the freedom of choice and exercise of occupations, and provides equal work opportunities, regardless of nationality, race, religion, gender, sexual orientation, marriage, age, etc. Both foreign and domestic employees enjoy equal employment opportunities. Foreign employees come from the Türkiye, India, Indonesia, South Korea, Malaysia, Italy, Thailand and other countries, and they are guaranteed the same labor rights and interests as domestic employees. In addition, no underage labor is illegally employed in any of the global subsidiaries, and the declaration of human rights is strictly observed.

5.2.2 Human Rights Risk Assessment and Related Measures

D-Link enhances employees' awareness and understanding of human rights through training programs. In 2024, one human rights education course was held with a total of 453 participants and a total training man-hours of 226.5 hours ; the human rights promotion course is included in the mandatory course for new employees. In 2024, 55 people participated, and the total training hours were 27.5 hours.

To practice the policy of respecting human rights in an institutionalized and systematic way, and embody D-Link's commitment in organizational activities to control and prevent related risks, D-Link launched a human rights due diligence project in 2022 to identify important issues related to human rights for employees and ODM supplier and mapped them into a matrix. The D-Link human rights due diligence report 2023 has been completed in the second quarter of 2023. The Company will regularly review the implementation status of various mitigation and remedial measures in the future, and plans to conduct human rights due diligence once every 3 years. The next implementation is scheduled for early 2026. For related information, please refer to the D-Link official website "Human Rights Protection".

Major issues related to human rights identified by the Company for employees include working hour management, privacy, remuneration, freedom of assembly and association, workplace safety and health, freedom of speech and complaint channels, and illegal violations in the workplace.

Major issues related to human rights identified by the Company for ODM suppliers include working hour management, remuneration, and workplace safety and health.

2024
Human rights related risks : 0
Violations of human rights resulting in punishment : 0

5.2.3 Supplier Human Rights Regulations

Based on the social and ethical principles of promoting the spirit of humanity and practicing human dignity. D-Link clearly defines the corporate social responsibilities of suppliers in the procurement contract, and also incorporates human rights norms such as the prohibition of child labor, and regulates supply. Suppliers must strictly abide by the relevant local Labor Standards Acts, labor safety and other relevant labor regulations, and all suppliers must complete the contract. In case of any breach of the contract, the supplier will not only bear legal liability, but also be classified as an unqualified supplier and have to rescind or terminate the contract immediately.

2024
Supplier's violations of human rights resulting in punishment : 0

▼ Human Rights Due Diligence Survey Employee Matrix
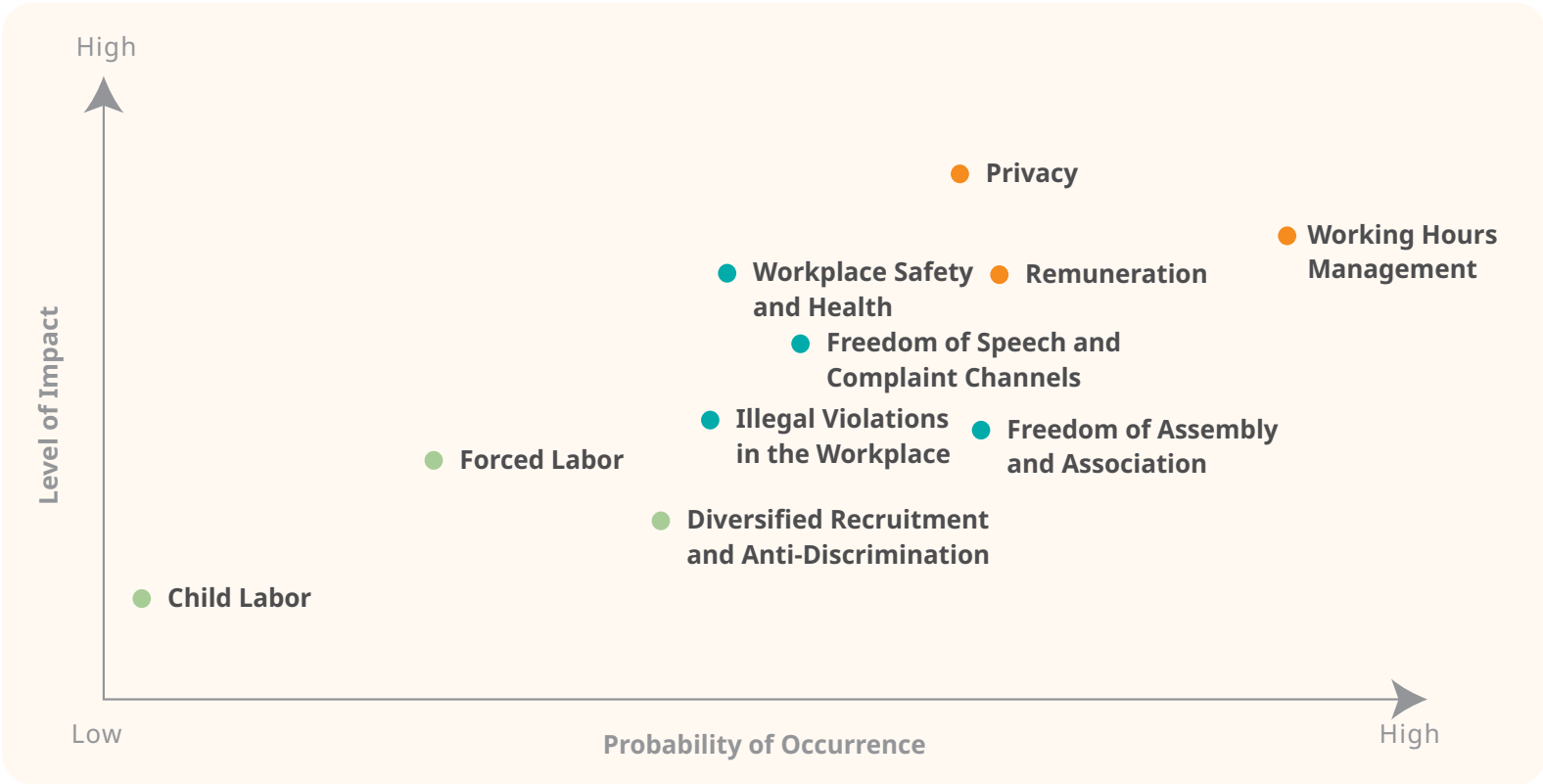
▼ Human Rights Due Diligence Survey ODM Matrix
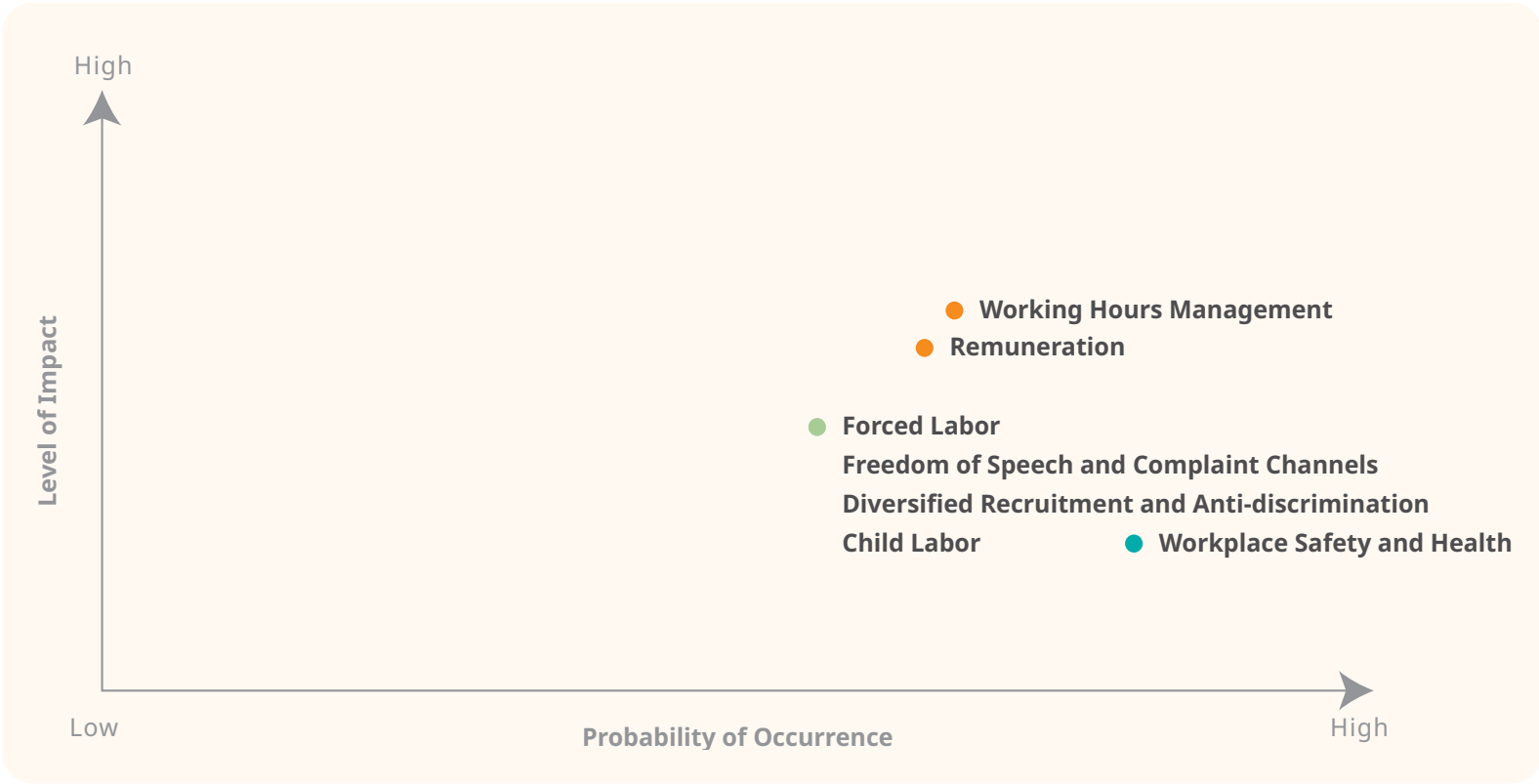
5.3 Employment and Employee Participation

D-Link is people-oriented, respects every employee and every ethnic group, respects and tolerates each other, and grows together to achieve the goal of sustainable development. The scope of the following information and analysis includes D-Link headquarters and Taiwan branch.

5.3.1 Labor Overview

GRI 2-7, 2-8, 401-1, 405-1, SASB TC-HW-330a.1

Workforce Structure

Responding to the Company's operating strategy, the organization has been refined and the optimal manpower allocation has been maintained. The total employees have decreased from 518 at the end of 2023 to 460 at the end of 2024, adjusted by approximately 11.2%.

1. Interns are employees with fixed-term contracts.
2. The senior management positions: refers to officers of centers and above (including center heads and general managers of branches in Taiwan).
3. Mid-level management position: refers to division-level officer.
4. Junior management positions: refers to those at the departmental level or below (including departmental officers).
5. Technician: non-supervisors of product R&D, R&D, IT, and technology-related departments.
6. Other employees: other non-supervisors of sales, logistics, customer service, marketing, administration, and finance.

* The Company did not hire employees without guaranteed hours in 2024.

▼ Workforce Composition in the Past 3 Years

		2022		2023		2024	
		Number of Employees	Percentage (%)	Number of Employees	Percentage (%)	Number of Employees	Percentage (%)
Gender	Female	232	45.0%	239	46.1%	215	46.7%
	Male	283	55.0%	279	53.9%	245	53.3%
	Others	0	0%	0	0%	0	0%
Age	Under 30 Years Old	63	12.2%	71	13.7%	54	11.7%
	30 - 50 Years Old	393	76.3%	377	72.8%	302	65.7%
	Over 50 Years Old	59	11.5%	70	13.5%	104	22.6%
Employee Type	Full Time	498	96.7%	507	97.9%	455	98.9%
	Part-time	17	3.3%	11	2.1%	5	1.1%
Labor Contract	General Employment	498	96.7%	505	97.5%	455	98.9%
	Regular Employment[1]	17	3.3%	13	2.5%	5	1.1%
Education	PhD	1	0.2%	1	0.2%	0	0%
	Master	151	29.3%	152	29.3%	135	29.3%
	University	286	55.5%	292	56.4%	257	55.9%
	College	57	11.1%	57	11.0%	57	12.4%
	High School and Below	20	3.9%	16	3.1%	11	2.4%
Position	The Senior Management Positions[2]	8	1.6%	8	1.5%	8	1.7%
	Mid-level Management Positions[3]	23	4.5%	23	4.4%	22	4.8%
	Junior Management Positions[4]	63	12.2%	76	14.7%	76	16.5%
	Technician[5]	255	49.5%	239	46.1%	183	39.8%
	Other Employees[6]	166	32.2%	172	33.2%	171	37.2%
Total		515		518		460	

▼ Gender and Age Composition by Job Level

			The Senior Management Positions	Mid-Level Management Positions	Junior Management Positions	Technician	Other Employees	Total
Gender	Female	Number of Employees	3	7	28	63	114	215
		Percentage (%)	37.5%	31.8%	36.8%	34.4%	66.7%	46.7%
	Male	Number of Employees	5	15	48	120	57	245
		Percentage (%)	62.5%	68.2%	63.2%	65.6%	33.3%	53.3%
Age	Under 30 Years Old	Number of Employees	0	0	0	38	16	54
		Percentage (%)	0%	0%	0%	20.8%	9.4%	11.7%
	30 - 50 Years Old	Number of Employees	3	14	45	115	125	302
		Percentage (%)	37.5%	63.6%	59.2%	62.8%	73.1%	65.7%
	Over 50 Years Old	Number of Employees	5	8	31	30	30	104
		Percentage (%)	62.5%	36.4%	40.8%	16.4%	17.5%	22.6%
Total			**8**	**22**	**76**	**183**	**171**	**460**

New Employees and Resignation Status

In 2024, 55 new employees were hired, and in terms of gender ratio distribution, the percentage of female new employees was 0.2% higher than that of male new employees ; in terms of age composition, the 30-50 age group made up the largest share of new hires in 2024. Additionally, the total number of resignations in the year was 115, of which 57 were voluntary and the percentage of males was 1.8% higher than that of females. In terms of age composition, the highest resignation rate in 2024 was in the 30-50 age group.

The turnover rate in 2024 increased by 8%, mainly due to the strategic adjustment of the organization's human resource optimization. To improve operational efficiency and ensure that resource allocation is more in line with business development needs, the Company has actively implemented internal structural adjustments, focusing on key functions and optimizing human resource allocation. In addition to enhancing the overall competitiveness, it can also ensure that the Company maintains a flexible organizational structure to respond to market changes and business growth needs.

If the Company executes a massive lay-off, the Company shall furnish a lay-off plan 60 days in advance in accordance with the"The Act of the Protection of Employees during Mass Redundancy" and notify the competent authority and related units or personnel. If the labor contract is terminated in accordance with Article 11 of the "Labor Standards Act", the Company shall provide a notice period to the affected employees according to their years of service.

Statistics of Non-Employee Workers

Within the scope of the report, there were a total of 14 non-employee workers responsible for cleaning, catering, security, and other services. The number and composition of these workers remained generally consistent with 2023.

▼ Table of New and Resigned Employees in the Past 2 Years

			New Employee		Resigned Employee		Voluntary Resigning Employee[1]	
			Number of Employees	Percentage (%)	Number of Employees	Percentage (%)	Number of Employees	Percentage (%)
2023	Gender	Female	49	52.7%	41	46.6%	33	52.4%
		Male	44	47.3%	47	53.4%	30	47.6%
	Age	Under 30 Years Old	40	43.0%	24	27.3%	9	14.3%
		30-50 Years Old	50	53.8%	52	59.1%	50	79.4%
		Over 50 Years Old	3	3.2%	12	13.6%	4	6.3%
		Total[2]	93	18.0%	88	17.0%	63	12.2%
2024	Gender	Female	28	50.9%	53	46.1%	28	49.1%
		Male	27	49.1%	62	53.9%	29	50.9%
	Age	Under 30 Years Old	18	32.7%	19	16.5%	13	22.8%
		30-50 Years Old	30	54.6%	83	72.2%	42	73.7%
		Over 50 Years Old	7	12.7%	13	11.3%	2	3.5%
		Total[2]	55	12.0%	115	25.0%	57	12.4%

1. The voluntary turnover rate does not include: involuntary resignation, expiration of fixed-term contract, death, dismissal, retirement, transfer to an affiliate, expatriate, leave without pay,etc.
2. Percentage is calculated based on total employees.

▼ Statistics of Non-Employee Workers

	Work Type						Gender Total	
	Cleaning		Catering		Security			
Gender	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)	Number of People	Percentage (%)
Female	3	21.4%	2	14.3%	1	7.1%	6	42.9%
Male	2	14.3%	2	14.3%	4	28.6%	8	57.1%
Total	5	35.7%	4	28.6%	5	35.7%	14	100%

5.3.2 Listening Strategy GRI 2-16, 406-1

Complaint Mechanism and Communication Channels

D-Link respects every employee's right to freedom of association and the right to form a union according to law. To establish a friendly and smooth communication channel to protect the rights and interests of employees, the Company has set up a labor-management meeting, an employee welfare committee, an employee suggestion box, and an employee complaint channel (general complaints and workplace sexual harassment complaints). To provide multiple channels for employees to express their ideas and suggestions, the Company continues to organize "Date with Supervisors" campaigns, enabling the Company to better understand employee opinions and reach consensus through discussion. The Company treats the complaint cases substantiated via investigation as material cases and reports to the Board of Directors in accordance with the procedures. There was no material reported case in 2024, thus, reporting to the Board was not required.

Anna Lin, D-Linker

I participated in the Date with Supervisors for the first time, and it felt great!

Through such events, employee cohesion and recognition of the Company can be built from another perspective, which is difficult to achieve through other measures or large-scale activities.

▼ Communication Outcomes in 2024

Communication Results in 2024		
Formal Communication and Complaint Channels	Labor-management meeting	Conducted quarterly, with a total of 4 sessions. Labor and management are equally represented, with a total of 10 representatives, including 6 female representatives, and 4 male representatives. The labor representatives are elected by the Company's employees.
	Employee hotline / Dedicated mailbox / Dedicated email	There were one complaint case in 2024.*
	Employee welfare committee	A total of 8 meetings were held. Chairperson and vice chairperson, with a total of 17 members, including 9 female representatives.
Communication Channels	Employee suggestion box	In 2024, through the labor-management meeting, the labor representative's suggestion box received a total of 10 employee feedback responses and all feedback were responded to during the meeting sessions, achieving a 100% response rate.
	"Date with Supervisors"	In 2024, a total of three "Date with Supervisors" events were held, with a cumulative participation of 28 attendees. The events were respectively hosted by the Chairman, the CEO, and the Senior Vice President of Sales.

* The case is a complaint about workplace bullying. The relevant personnel have been interviewed, and a review meeting has been held. The investigation results show that the situation does not constitute workplace bullying. However, poor communication indeed existed in the interactions between both parties. The relevant disposition results have been communicated to the complainant, and the communication training for the respondent has been strengthened to prevent similar situations from recurring.

Employee Opinion Survey

In addition to employee complaint channels, D-Link also uses employee satisfaction and engagement surveys to understand the feelings of employees, to improve communication with stakeholders, and formulates improvement plans based on the survey results, creating a more friendly workplace environment.

In December 2024, the Human Resources Department conducted the Employee Satisfaction and Engagement Survey through the third-party survey platform — 104 Employee Satisfaction Survey System, targeting all 450 employees at the time. The survey was conducted anonymously and adopted a six-point scale for answers. The survey covered satisfaction and engagement. The satisfaction covers seven aspects : "Supervisors", "Colleagues", "Work", "Compensation", "Developments", "Corporate Culture", and "Sustainable Management". The engagement covers "Value Alignment", "Commitment", and "Retention Intention".

The completion rate of the survey was 73.8%, an increase of 1.7% from last year; the effective completion rate was 67.3%, an increase of 1.3% from last year. Of which, the score of the "supervisor" aspect of the entire company increased by 2.12% from the previous year, and the growth of the "work guidance" increased to 2.75%, demonstrating that the internal training courses were effective for improving the management ability of the supervisor team.

▼ The survey results for 2024 are as follows

104 Survey Platform	Telecommunications and Communications Industry (2024)	2024 Scores (Maximum Score: 6 points)
Value Alignment	PR50	4.29
Effort Commitment	PR56	4.60
Retention Intention	PR58	4.20
Employee Satisfaction	PR63	4.51
Compensation	PR49	3.77
Development	PR49	4.14
Corporate Culture	PR56	4.16
Work	PR58	4.54
Colleagues	PR60	4.76
Sustainable Management	PR61	4.78
Supervisors	PR62	4.82

Based on the results of this survey, the Company will continue to improve in the following two aspects in the future :

1. Continuous optimization of the Company's salary and benefits system : In addition to the annual salary adjustment plan, retention incentives, and new restricted employee shares, the Company assesses the feasibility of other remuneration systems based on the Company's ability to afford. In addition, the Company will continuously improve and enhance employee benefits through diverse communication channels to understand the needs of employees.

2. Continuous promotion of internal communications, arrangement of the Company's supervisors and colleagues to engage in diverse forms of interaction and communication, and enhancement of the employees' understanding of the Company's business philosophy, development direction, and organizational culture through activities, company gatherings, games, and meetings.

5.4 Diversity and Inclusion

D-Link adheres to policies and programs of diversity, equity, and inclusion (DEI) to encompass representatives and participants from different groups, including employees of different ages, ethnicities, abilities, physical and mental disabilities, genders, religions, cultures, and sexual orientations, and ensures that they enjoy the same labor rights and interests. For detailed information, please refer to the D-Link official website "Diversity".

5.4.1 Diversified Employment

5.4.2 Gender Friendliness

Building a Diversified and Inclusive Working Environment through Various DEI Programs

Promote Pay Equity

Mix up the Team

Develop a Training Program

Facilitate Feedback

Acknowledge Holidays of All Cultures

Assess Company Policies

D-Link Products are Also Pursuing DEI

In order to fulfill corporate social responsibility and to practice the spirit of diversity and inclusion, the Company has introduced the principle of inclusive user interface design into the product design stage, and is committed to creating a friendly digital experience for all users. The emphasis of the design includes : increasing the font size to enhance readability, using a clean and orderly information structure, optimizing the guidance process to improve the smoothness of operation, and creating a user environment that is barrier-free with equal participation.

Easy to Perceive
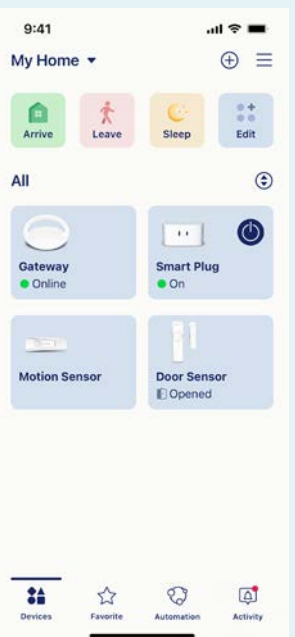
Easy to Operate

Easy to Understand

Robustness

*Government Web Accessibility Guidelines

Before

After

5.4.1 Diversified Employment SASB TC-HW-330a.1

Employees with Physical and Mental Disabilities

D-Link creates opportunities to assign appropriate talents to each position efficiently, without any differences due to special physical and mental conditions. In 2024, a total of 4 individuals with physical and mental disabilities were hired (including 2 individuals with severe / extremely severe disabilities), including 1 person at the manager level.

Empower the Female

D-Link ensures gender equality in recruitment and promotion, with no bias based on gender. The proportion of female employees has continued to grow annually, increasing from 45% to 46.7% over the past 3 years—an increase of 1.7%. In addition, female managerial officers[35] now account for 50% of all managerial positions. Moving forward, D-Link will continue to increase the representation of women in both managerial roles and the overall workforce to achieve substantive gender equality.

Multiple Nationalities

D-Link adheres to the principles of local employment, diversity respect, and equal opportunities. In 2024, the headquarters and Taiwan subsidiaries hired a total of 10 foreign employees, accounting for 2.2% of the total workforce. They hold the positions of senior Deputy Director, Chief Engineer, lead engineer, senior engineer, engineer are from Türkiye, India, Indonesia, South Korea, Malaysia, Portugal, Italy, and Thailand. Foreign employees have equal employment opportunities as domestic employees.

[35]The applicable scope of managerial officers according to the definition of the Securities and Futures Commission of the Ministry of Finance: (I) General managers and those with equivalent levels. (II) Deputy general manager and those of equivalent levels. (III) Associate deputy general managers and those of equivalent levels. (IV) Head of the financial department. (V) Head of the accounting department. (VI) Other persons with the authority to manage the affairs and sign on behalf of the Company. The managerial officers of D-Link include the Chief Strategy Officer, CEO, Vice President (three, including the CFO), Assistant Vice President, Accounting officer, and Corporate Governance Officer, eight people in a total.

▼ Employment Status of Persons with Disabilities

	Number of People	Employment Rate (%)	Number of Employees in Supervisory Positions	Proportion of Supervisory Positions (%)
Male	4	0.87%	1	0.94%
Female	0	-	0	-

▼ The Ratio of Female Employees and Supervisors in the Past 3 Years

	2022	2023	2024
Percentage of Female Employees	45.0%	46.1%	46.7%
Percentage of Female Supervisors	35.3%	37.4%	35.8%

5.4.2 Gender Friendliness GRI 401-3 , 405-2

Equal Pay

D-Link also attaches great importance to gender equality and plans a fair promotion and salary system for both genders. Staff remuneration is determined based on their education and work experience, professional knowledge and skill, seniority, personal performance, etc., and respect for equal pay for equal work between men and women, adhering to the principle of equality, regardless of gender.

▼Basic Salary Ratio for Male and Female Employees in the Past 2 years

		The Senior Management Positions	Mid-Level Management Positions	Junior Management Positions	Technician	Other Employees
2023	Female	1	1	1	1	1
	Male	0.89	1.18	1.10	1.11	0.99
2024	Female	1	1	1	1	1
	Male	1.20	1.12	1.09	1.13	1.11

* The basic salaries of all employees are higher than the statutory basic salary.
* Please refer to Chapter 5.3.1 "Workforce Composition in the Past 3 Years" for job definitions (P.138).

▼Overall Remuneration Ratio for Male and Female Employees in the Past 2 years

		The Senior Management Positions	Mid-Level Management Positions	Junior Management Positions	Technician	Other Employees
2023	Female	1	1	1	1	1
	Male	0.95	1.21	1.09	1.13	1.01
2024	Female	1	1	1	1	1
	Male	1.21	1.16	1.10	1.14	1.09

* In addition to the basic salary, the overall remuneration statistics range also includes overtime pay, duty allowance, compensation for unused leave, incentives, employee dividends, etc.
* The ratio of basic salary plus remuneration is calculated in accordance with the salary disclosure standards of TWSE / TPEx listed companies.
* Please refer to Chapter 5.3.1 "Workforce Composition in the Past 3 Years" for job definitions (P.138).

Parental Leave

According to the "Gender Equality in Employment Act", D-Link's employees may apply for parental leave without pay before their children reach the age of 3. In 2024, a total of 3 people applied for parental leave without pay, including 1 male and 2 females. 1 applied for an extension, and 2 were still within the original leave period.

▼The Number of Employees on Parental Leave and Returning to Work in 2024

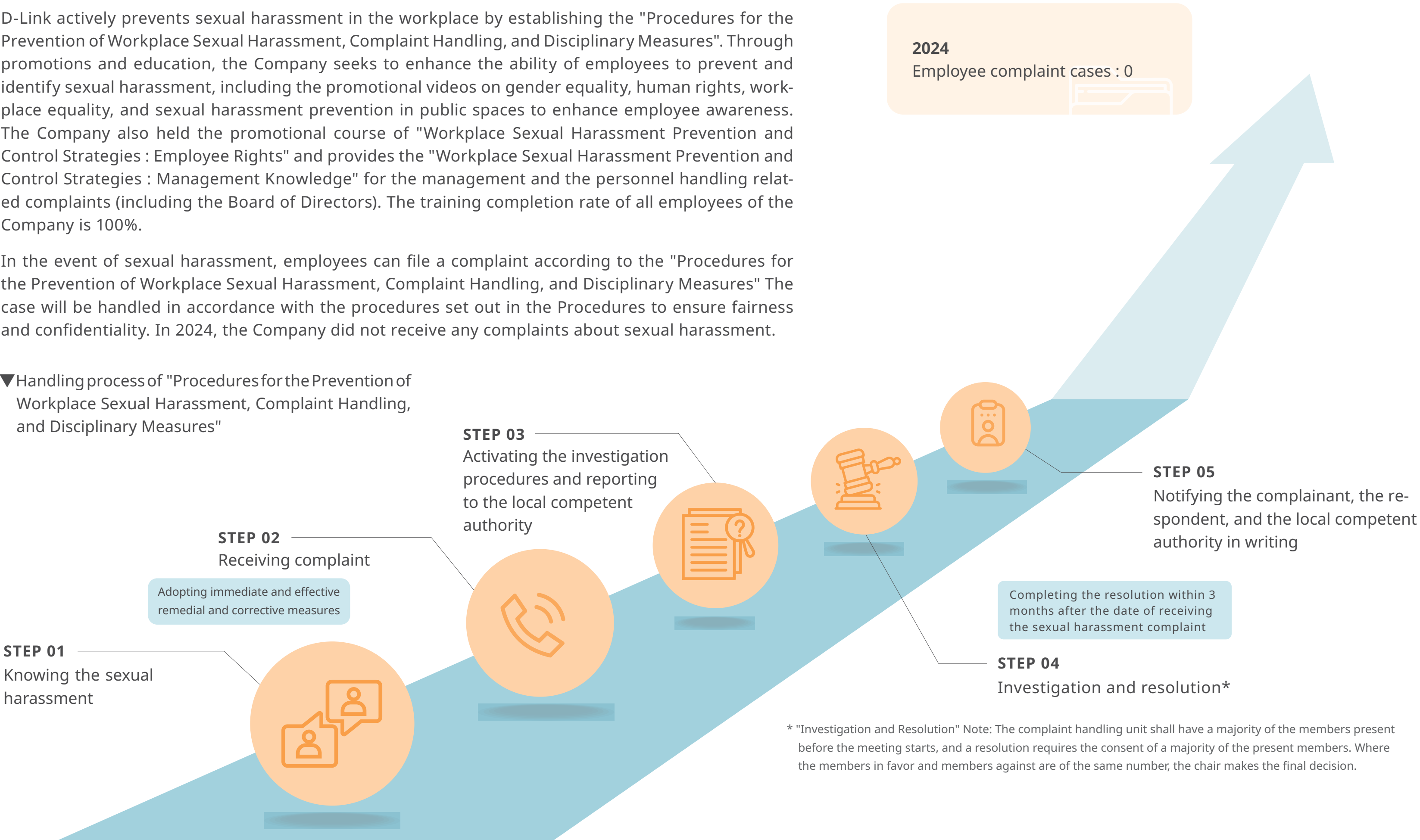| Items	Female	Male	Total
Number of people who are eligible to apply for parental leave	12	17	29
Number of people who applied for parental leave	2	1	3
Number of people who should be reinstated from parental leave (A)	2	1	3
Number of people who should be and have been reinstated from parental leave (B)	1	0	1
Return rate after parental leave (% = B/A)	50.0%	0%	33.3%
Number of people who have been reinstated from parental leave in 2023 (C)	0	0	0
Number of people who have been reinstated from parental leave in 2023 and completed their first year of service in 2024 (D)	0	0	0
Retention rate after parental leave (% = D/C)	-	-	-

Respect for the Boundary

D-Link actively prevents sexual harassment in the workplace by establishing the "Procedures for the Prevention of Workplace Sexual Harassment, Complaint Handling, and Disciplinary Measures". Through promotions and education, the Company seeks to enhance the ability of employees to prevent and identify sexual harassment, including the promotional videos on gender equality, human rights, workplace equality, and sexual harassment prevention in public spaces to enhance employee awareness. The Company also held the promotional course of "Workplace Sexual Harassment Prevention and Control Strategies : Employee Rights" and provides the "Workplace Sexual Harassment Prevention and Control Strategies : Management Knowledge" for the management and the personnel handling related complaints (including the Board of Directors). The training completion rate of all employees of the Company is 100%.

In the event of sexual harassment, employees can file a complaint according to the "Procedures for the Prevention of Workplace Sexual Harassment, Complaint Handling, and Disciplinary Measures" The case will be handled in accordance with the procedures set out in the Procedures to ensure fairness and confidentiality. In 2024, the Company did not receive any complaints about sexual harassment.

2024
Employee complaint cases : 0

▼Handling process of "Procedures for the Prevention of Workplace Sexual Harassment, Complaint Handling, and Disciplinary Measures"

STEP 01
Knowing the sexual harassment

STEP 02
Receiving complaint

Adopting immediate and effective remedial and corrective measures

STEP 03
Activating the investigation procedures and reporting to the local competent authority

STEP 04
Investigation and resolution*

Completing the resolution within 3 months after the date of receiving the sexual harassment complaint

STEP 05
Notifying the complainant, the respondent, and the local competent authority in writing

* "Investigation and Resolution" Note: The complaint handling unit shall have a majority of the members present before the meeting starts, and a resolution requires the consent of a majority of the present members. Where the members in favor and members against are of the same number, the chair makes the final decision.

5.5 Talent Cultivation and Development

D-Link builds a comprehensive education and training system based on the Company's strategy, vision and values, and recruits talents with potential through various campus cooperation programs to make outstanding talents and the Company grow together with competitive compensation and benefits.

5.5.1 Talent Recruitment Pipeline and Campus Cooperation Plan

5.5.2 Diversity Learning

5.5.3 Talent Cultivation Plan

5.5.4 Education and Training

5.5.5 Compensation and Performance Appraisal

5.5.1 Talent Recruitment Pipeline and Campus Cooperation Plan

To attract outstanding talents, D-Link adopts multiple strategies for recruitment. In addition to collaborating with the leading employment platform in Taiwan for recruitment purposes, the Company also encourages existing employees to recommend talents to join it, and welcomes professionals whose philosophies are consistent with the Company's to move forward with it; at the same time, it continues to cooperate with various colleges and universities to cultivate young students through industry-university cooperation. To attract outstanding talents, D-Link provides competitive compensation and benefits in the market, and is committed to growing together with the employees.

In 2024, D-Link further integrated into campuses, and actively participated in campus talent recruitment activities, while expanding and strengthening the recruitment channels for information technology talents, aiming to cultivate and attract more outstanding talents to join.

▼ Collaborating with Schools for Campus Recruitment Events

- National Yang Ming Chiao Tung University
- National Chengchi University
- National Taiwan Normal University
- National Taipei University
- National Tsing Hua University
- National Central University
- National Taiwan University of Science and Technology
- National Taipei University of Technology
- Tamkang University
- Takming University of Science and Technology

5.5.2 Diversity Learning

Based on its organizational strategy, vision and values, D-Link provides opportunities for off-the-job training, on-the-job training, and self-development, according to the needs of different groups, such as new employees, general employees, junior officers, middle-level officers and senior officers through comprehensive training plans. Strengthen the organizational human capital and build a learning system that is consistent with D-Link culture, and help to enhance the Company's sustainable operating competitiveness.

D-Link provides comprehensive new employee training courses to new recruits, focusing on helping them quickly to become familiar with the Company's systems, products and related benefits, so as to deepen their sense of loyalty and identification with the Company. The Company now includes "Human Rights Promotion", "Intellectual Property and Personal Information Act Promotion", "Ethical Management Promotion" and "Gender Equality and Workplace Sexual Harassment Prevention Promotion" as required courses for new employees. Meanwhile, by combining the corporate sustainability goals, health promotion and legal compliance, D-Link adopts diverse methods to implement common training and promotional courses, and encourages the employees to integrate such into their daily work through repeated video broadcasts. In addition, the Company provides health promotion-related lectures to facilitate employees to achieve a better work-life balance.

D-Link encourages employees to share work experience through internal courses and provides corresponding internal training courses or arranges to participate in professional training from external organizations based on the needs of each department. Furthermore, senior employees have the opportunity to serve as coaches or counselors to help new employees, interns and students for part-time working quickly integrate into the work and life at D-Link.

▼ Training System

			Senior Management	Mid-Level Management	Entry-Level Management	Non-Supervisory Employees	New Employees
Off-Job Training	New Employees Training	Onboarding Training					•
		New Employees Training*					•
	Basic Training	Core Competency and General Studies Programs	•	•	•	•	
		Information Security, Personal Information Protection	•	•	•	•	
		Human Rights Advocacy, Intellectual Property Rights, Trade Secret	•	•	•	•	
		Internal Control and Audit, Ethical Corporate Management, Against Corruption	•	•	•	•	
		Money Laundering Control, Prevention of Insider Trading	•	•	•	•	
	Professional Training	Departmental Professionl Knowledge and Skills Training	•	•	•	•	
		Project-Based Learning and Certification subsidy	•	•	•	•	
	Management Training	Management Training	•	•	•		
		Mannagement Development Programs		•	•	•	
On-Job Training	On-Job Training	Job Substitution		•	•	•	•
		Job Guidance		•	•	•	•
		Job Enlargement		•	•	•	•
		Job Enrichment		•	•	•	•
		Project Participation		•	•	•	•
		Coaching and Mentoring		•	•	•	•
		Internship Training		•	•	•	•
		Internal Knowledge Sharing		•	•	•	•
Self Development	Self Development	Self Development and Improvement	•	•	•	•	•
		Seminar Participation	•	•	•	•	•
		Book Club Participation	•	•	•	•	•

* Corporate overview, Organization and Corporate Culture, Product Introduction, Industrial Safty Introduction, Information Security Introduction, Personal Information Protection Introduction

5.5.3 Talent Cultivation Plan

In order to promote individual development at different levels, D-Link provides comprehensive training programs to ensure that the Company has high-quality talents while strengthening the leadership and management capabilities of officers at all levels. These programs include high potential talent development, leadership development for officers, professional competency development and succession planning. By formulating personal development plans, we help managers and employees continuously stimulate the motivation for career development under a diverse and comprehensive education and training system.

Development of High Potential Talents

• Conduct a high-potential talent assessment for all company supervisors.

• Implement a structured development plans for high-potential talents, including personal development plans and development work assignments.
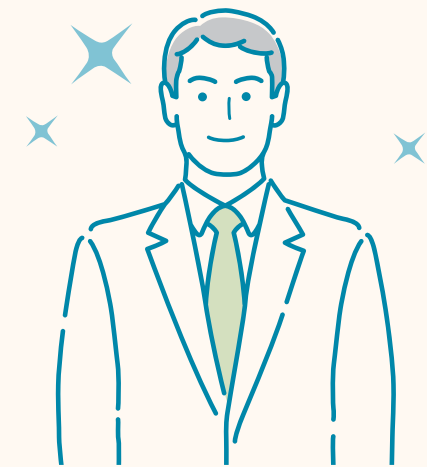
Development of Supervisor Leadership

• Regularly discuss the development plans for the organization and senior executive with the CEO and the President.

• Design workshops for different organizational development and needs to guide supervisors to think and discuss.

• Supervisor leadership training courses.

Cultivation of Professional Competency

• Provide personal efficacy courses and learning resources for non-supervisors to enhance work efficiency.

• Provide professional and technical training.

Succession Plan

• Review key positions within the Company.

• Arrange 1-3 successors for key positions.

• Arrangements for successors of key positions:

a. Project execution to increase their experience.

b. Job rotation to cultivate diverse perspectives and capacities, quickly identify problems, stimulate stress resistance, and implement resource allocation and train the decision-making.

Target Performance Management

• The concept of target performance management has been introduced since 1992. The Company's vision and strategic goals are integrated with individual employee work objectives through systematic target and performance management settings.

• In combination with the organization's operational performance and performance management system, the performance appraisal results are truly reflected in the annual promotion and reward system, allowing employees to grow with the Company.

▼Key Talent Development Programs in 2024

	High-Potential Talent Development Program	**New Employee Orientation Program**
Objective	In order to strengthen the future management and leadership of the organization, the Company has developed a structured course design and practical-oriented learning to cultivate talent with strategic thinking, team leadership and cross-departmental collaboration capabilities. The Company further improves the decision-making judgment, performance management, and promotion abilities of high-potential talent to strengthen their comprehensive leadership, leading the team to achieve the goals and lay a solid foundation for the sustainable development of the enterprise.	Through systematic new employee training, we help new employees quickly immerse themselves in the corporate culture, familiarize themselves with the Company's rules and procedures, and improve the overall organizational performance and employee retention rate.
Target Audience	Management or senior professional staff	Employees onboard in the current year
Training Hours	322 person-hours	461.4 person-hours
Development Focus	This cultivation program focuses on core competencies such as management, leadership, and leading the team to success. The course covers topics such as strategic execution, win-win cooperation, and exerting influence. With case studies, team task practices, and a senior executive mentor system. It is a growth model promoting both the theory and practice of high-potential talents.	The course includes important issues such as "ethical management", "human rights protection", "prevention of sexual harassment in the workplace", "education and training on intellectual property, and promotion of the Company's IP management policies", "information security awareness", "regulations of personal information protection", and "workplace health and safety". The overall course design combines diverse, interactive, and fun learning formats. New employees get to know each other through group activities and strengthen the spirit of teamwork while gaining a deep understanding of the corporate culture from diverse professional perspectives.

5.5.4 Education and Training GRI 404-1

The learning and development system in D-Link is based on the Company's strategy, vision and values, and is constructed through a comprehensive education and training plan with new employees, professional training, management training and self-development as the pillars.

▼ Total Hours of Employee Education and Training in 2024 (Units : Hours)

	Female		Male		Total	
	Training Hours	Training Hours per Employee	Training Hours	Training Hours per Employee	Training Hours	Training Hours per Employee
Senior Management Positions	64.6	21.5	113.4	22.7	178.0	22.3
Mid-Level Management Positions	222.5	31.8	400.8	26.7	623.3	28.3
Junior Management Positions	456.5	16.3	980.8	20.4	1,437.3	18.9
Technician	972.5	15.4	2,499.8	20.8	3,472.3	19.0
Other Employees	1,957.7	17.2	889.1	15.6	2,846.8	16.6
Total Training Hours	3,673.8	17.1	4,883.8	19.9	8,557.7	18.6

* Please refer to Chapter 5.3.1 "Workforce Composition in the Past 3 Years" for job definitions and the number of employees by job category and gender (P.138).

▼ Overview of Training Programs Held in 2024

	Sessions	Participants	Training Hours
New Employee Training	60	373	461.4 person-hours
Corporate Sustainability Courses	4	1,803	1,578.2 person-hours

Total Training Session	Total Participants	Total Training Hours	Total Training Expenses	Average Cost per Person
234 sessions	5,465 participants	8,557.7 person-hours	NT$1,492,000 (▲ 53.4%)	NT$3,244

* The significant increase in overall investment in education and training reflects D-Link's commitment to talent development.

To deepen the employees' understanding and participation in sustainability issues, D-Link has set up the "ESG Column" on its internal platform, to regularly publish daily posts as the continuous sharing of sustainability knowledge and cases that align with global trends and are closely connected to everyday life. The contents cover climate change, green living, circular economy, social innovation, inclusion, and diversity, helping employees understand the implications and impact of ESG from diverse perspectives. In 2024, a total of 228 posts were published in the ESG columns, including topics such as circular economy, resource reuse, support for local agricultural products, promotion of sustainable diets, and support for disadvantaged groups. In addition, the column also regularly shares the latest progress and results of D-Link's promotions of social projects, so that the employees can understand the positive impacts of the actions they participated in. In 2024, there was a total of 26,557 clicks to learn new knowledge about sustainability.

Additionally, a video promotion related to corporate sustainability is played in the public space of the headquarters building. The video topics cover "Human Rights", "Ethical Management" , "Prevention of Money Laundering / Prevention of Insider Trading", "Personal Data Protection", and "Intellectual Property Rights Protection" and "Gender Equality / Prevention of Sexual Harassment", and other different themes. The topics are updated regularly every month, with 25,319 views and 1,050.1 hours in 2024.

5.5.5 Compensation and Performance Appraisal GRI 404-3

D-Link conducts performance appraisals every year. The appraisal applies to all full-time employees who have passed the probation period. Performance is assessed based on employee work objectives (including organizational goals) and core functions, and is divided into non-management and management positions. Employees set annual performance goals at the beginning of each year, and perform the performance appraisals in the middle of the year and at the beginning of the following year, as a principle. The results of the performance appraisals are used as the reference basis for evaluation of employee promotion / salary increases, training and development plans, job transfers, bonus payments, performance improvement and succession plans. For the underperforming employees, their respective supervisors will initiate a performance improvement plan and draft it together with the employees, to conduct a three-month performance improvement process, with monthly reviews and records.

The 2024 annual performance appraisal process started in mid-January 2024. Except for 14 new employees who had not yet passed the probation assessment, 3 expats appraised by overseas subsidiaries, and 4 fixed-term contract employees — a total of 21 individuals — the rest of the employees underwent the 2024 performance appraisal. The appraisal coverage rate was 100%.

▼ Number and Roportion of Employees Who Received Regular Performance Appraisals in 2024

	Female	Male	Total	Percentage
Senior Management Positions	3	5	8	100%
Mid-level Management Positions	7	15	22	100%
Junior Management Positions	27	48	75	100%
Technician	53	111	164	100%
Other Employees	105	48	153	100%
Total	195	227	422	100%

* Please refer to Chapter 5.3.1 "Workforce Composition in the Past 3 Years" for job definitions (P.138).

D-Link adheres to the principles of internal balance and external fairness in its overall planning, and formulates remuneration policy based on the concepts of market competitiveness and internal fairness. The overall salary positioning refers to the third-party salary survey report information, considering economic and business trends, government regulations, as well as the Company's profitability, unit performance, and individual achievements, which serve as the basis for adjustments to performance bonuses, employee compensation, and the diversified remuneration system. 1% to 15% of the annual profit is also allocated in accordance with the Company's articles of incorporation. 5% of the Company's profits was provided as the employee remuneration for 2024 to allow employees to participate in business results. The average salary increase for the entire Company in 2024 is 4.12%, with some employees receiving more than 18.8%.

▼ Average and Median Salary of Full-Time Non-Managerial Employees in the Past 3 Years

	Average Salary	Median Salary
2022	1,078,000	974,000
2023	1,139,000	1,040,000
2024	1,184,000	1,060,000

1. Definition of salary: including regular salary, overtime pay and non-regular salary, but excluding severance pay and pension.
2. The Company's salary level has been much higher than the statutory base salary for the past three years (please refer to the official website of the Ministry of Labor for the statutory base salary for each year).
3. In 2022 and 2023, the median salary of employees was in the top 12% and top 11% of the TWSE / TPEx listed companies in the same industry, respectively.
4. For more details, please refer to the Market Observation Post System (MOPS).

5.6 **Workplace Health and Safety**

To create a safe work environment and protect the safety and health of employees and suppliers, D-Link is committed to establishing an effective occupational health and safety management system based on the occupational health and safety policy. The Company will continue to implement and track improvements. Appropriate occupational safety and health regulations are implemented to ensure the health and safety of colleagues in controllable workplaces.

5.6.1 Occupational Safety and Health Management System

5.6.2 Labor Health and Safety Organization, Education and Training, and Work Environment Monitoring

5.6.3 Healthy Workplace

5.6.1 Occupational Safety and Health Management System

To enhance the health and safety of workers, D-Link has established its occupational health and safety management framework in accordance with the Occupational Safety and Health Act and relevant government regulations. In 2012, the Company implemented and obtained certification for the OHSAS 18001:2007 Occupational Health and Safety Management System. In line with the system upgrade, D-Link obtained ISO 45001:2018 certification in January 2019. The latest recertification audit was successfully completed in December 2024, and the certificate was duly renewed. The Company not only ensures the effectiveness of the occupational health and safety management system but also remains committed to its continual improvement.

D-Link adopts the PDCA process to continuously operate the occupational safety and health management system. According to the Control Procedure for Safety and Health Planning, D-Link conducts risk assessment and hazard identification for all departments within the Company once a year, and sets up a hazard identification team consisting of representatives of all departments. All department representatives have received education and training on hazard identification and risk assessment. After identification and assessment, improvement objectives were planned for unacceptable risks and improvement plans and measures were implemented; the Company also conducts an internal audit and an external audit respectively once a year.

Those assessed in the risk assessment and hazard identification table as high risk-level or above will be listed as priority improvement items, and will be taken as an important basis for formulating occupational safety and health objectives and plans. When deciding on control measures or considering changing existing control measures, consideration should be made in the order of elimination, substitution, engineering control, sign warning and / or administrative control, and personal protective equipment to reduce risks.

Accident Notification and Investigation Process

D-Link has developed a "Management Procedures for Occupational Safety and Health Incident Handling", and based on such, workers can immediately report to the supervisor in case of work-related accidents or false alarms. All workers have the right to stop the work or take relevant emergency measures to evacuate the workplace in case of any emergency situation that directly endangers personal safety (such as fire and earthquake) during the execution of relevant operations. The Company shall not dismiss, transfer, or

▼ Occupational Health and Safety Management System (ISO 45001: 2018) Certification.

refuse to pay wages during the suspension of operations, or impose any other unfavorable sanctions on workers due to their aforementioned behaviors.

In case of any accident with casualty, the emergency reporting hotline should be immediately called for medical treatment, the authorities should be notified in accordance with relevant occupational safety laws and regulations, and relevant occupational disaster notification and investigation analysis forms should be filled out. The notification process is shown in the following flow chart.

▼ Occupational Disaster and Accident Reporting and Investigation Process (Including Commuting Disasters)

Reporting Process	Division of Powers and Responsibilities
Occurrence of an accident	**The Person Involved** Notification by the person or persons involved.
Inform supervisor	**The Department Head** To preliminarily understand the current situation of the involved parties, control the scene as appropriate, and assist in reporting to relevant units, such as the Administrative and Labor Safety Department and the Human Resources Department.
Inform General Affairs & Industrial Safety Department	**General Affairs & Industrial Safety Department** The occupational safety personnel conduct the accident investigations with the occupational disaster accident investigation report forms and other relevant information provided by the involved parties, as well as the follow-up processing, cause analysis and review and improvement. Labor health service personnel provide employee care, health education, on-site services, reinstatement assessment and other related measures based on the willingness and injuries / illness of the involved parties.
Inform Human Resources Department	**Human Resources Department** Assist in applying for official injury leave and applying for labor insurance, group insurance, etc. (medical benefits, injury and illness benefits, disability benefits or death benefits) and related matters.

D-Link has conducted an inventory and identified health and safety risks in the workplace according to the ISO 45001 Workplace Health and Safety Management System, to identify risks and mitigate the possibility of occurrence and severity thereof. Upon identification, in 2024, there were no high-risk items, and the top three types of medium-risk hazards are "traffic accidents when commuting", "tripping down" and "ergonomic", respectively. In addition, the Company regularly identifies and assesses the risks of contrac-

tors' operations every year to ensure that the operations of the contractors meet the requirements of workplace health and safety. Upon assessment, the operations including external wall cleaning, external wall filling (silicone), sewage tank cleaning, and water tower cleaning are outsourced. As these operations have been standardized, and qualified equipment adopted, the risks are controlled, and no high-risk substances are involved, they are determined to be low-risk operations.

▼ Achievement of Occupational Safety and Health Goals Plan for 2024

Goals	Plan Name	Contents	Progress
Occupational disaster prevention	Occupational disaster prevention	Quarterly promotions of occupational accident prevention regarding the occupational accident cases of the quarter and preventive measures on the Portal.	Completed
Practical drills for emergency response and evacuation	Fire drill	Conducted two emergency response and evacuation drills to improve the identified problems	Completed
Establish the concept of independent health for employees	Health lecture events	Six health or safety promotion activities in 2024	Completed
Perfect the healthy workplace	Health Promotion Badge	Maintain the Health Promotion Badge and apply for excellent workplace certification	Completed
Strengthening the Workplace Health and Safety Management System	Review and amendment of the documents at different levels of the ISO 45001 management system	Continuous improvement for the procedures of the workplace health and safety management system	Completed

▼ Top 3 Types of Hazards From The Hazard Identification and Risk Assessment in 2024

Name of Operation	Hazard Identification and Consequences					Existing Protective Measures	Risk Reduction Measures
	Operating Conditions			Hazard Type	Description of the Scenarios that May Cause Hazards		
	Object	Operation Region	Operation Qualifications				
Commuting	Employees	Traffic between home and company	License	Road traffic accidents during commute	Injuries in traffic accidents involving other vehicles when driving cars / riding scooters.	Traffic safety promotion Education and training	• The occupational accidents are announced on the Company's official website on a quarterly basis. • The descriptions of the latest occupational accidents are incorporated in the materials of education and training.
			None		Injured from motorcycle accident (self-fall).	Traffic safety promotion	
					Injuries from being hit by cars violating traffic rules when walking on the crosswalk.		
Office	Employees	Office	None	Fall	Slipped and injured due to wet floor.	Keep the ground dry	The cleaning personnel are requested to enhance the environmental cleaning and inspection.
				Human factors	Using computers, using eyes for a long time, or no rest, results in eye fatigue.	Eye protection campaign promotion Portal promotion	Risk and hazard prevention promotion.
					Improper sitting posture or no appropriate break when using computers to work results in injuries to the muscle or bone.	Computer Work Safety Promotion / Prevention Plan for Ergonomic Hazards	

5.6.2 Labor Health and Safety Organization, Education and Training, and Work Environment Monitoring

Employee Safety and Health Organization

At D-Link, the "Corporate Finance & Operation Center" is a level 1 management unit of labor safety and health organization. It is responsible for formulating, planning, promoting, and supervising matters related to health and safety management, and for directing the implementation by relevant departments. D-Link has established the "Occupational Health and Safety Committee", which meets once every 3 months. It is responsible for providing suggestions related to the health and safety policies formulated by the Company and reviewing, coordinating, and suggesting health and safety-related matters. The committee consists of 9 members, and the Chief Financial Officer of the Corporate Finance & Operation Center acts as the Chairperson. The Deputy Director of Human Resources & Operation & Legal Affairs Division acts as the executive secretary. In addition, the supervisor and employees of the Administrative Labor Safety Department (4 members) and labor representative members (3 members) serve as the committee members to handle the matters related to Article 12 of the "Occupational Safety and Health Management Measures".

In addition, D-Link has established the "Occupational Health and Safety Management and Review Committee". The committee consists of 6 members and the Chief Financial Officer serves as the Chairperson. The Deputy Director of Human Resources & Operation & Legal Affairs Division serves as the Deputy Chairperson and the supervisor and employees of the Administrative Labor Safety Department (4 members) and labor representative members (3 members) serve as the committee members. A management review meeting is held regularly at the end of each year to discuss and vote on various occupational safety issues. Extraordinary meetings are convened when necessary.

Safety and Health Education and Training

To enhance the health and safety awareness needed for employees in the workplace, D-Link conducts employee orientation and on-the-job education and training. In 2024, a total of 62 employees who have served in the Company for over 3 years and 54 new employees participated in and completed the training.

D-Link has appointed three occupational safety and health-related personnel in accordance with Article 3 of the Occupational Safety and Health Management Measures, and has regularly completed the back-training in accordance with Article 18 of the Occupational Safety and Health Education and Training Rules.

▼ Regulations on the Return Training of Personnel Related to Occupational Safety and Health

Personnel Related to Occupational Safety and Health	Retraining Regulations*
Class A Business Supervisor	At least 6 hours every 2 years
Class A Occupational Safety Manager	At least 12 hours every 2 years
Class B Occupational Safety and Health Management Personnel	

* According to Article 18 of the Occupational Safety and Health Education and Training Rules.

Labor Work Environment Monitoring

D-Link is dedicated to creating a comfortable and safe work environment for employees. It regularly conducts carbon dioxide, illumination and noise monitoring in the operating environment every 6 months according to the laws and regulations. In terms of water quality, it changes the filter elements of water dispensers and tests the water quality every quarter and cleans the water tower and detects its water quality every 6 months. The detection results conform to the D criteria. Furthermore, D-Link promotes and requires employees to use personal protection equipment during dangerous operations, in order to prevent employee exposure to hazards in the workplace. It also complies with the related regulations of the "Implementation Measures for Labor Operating Environment Monitoring".

Contractor Security Management

D-Link has developed a "Contractor Control Procedure". Relevant contractors must be informed of "workplace hazards", "Contractor Safety and Health Management Instructions", and sign the "Contractor Environmental Safety and Health Statement" before entering the site. The entry application must be completed before the engineering operation, and work can only be carried out after approval.

2024
No contractor-related work injuries and safety accidents.

Emergency Response

D-Link has established a fire prevention manager according to fire regulations. Aside from preparing fire inspection reports every year, firefighting equipment maintenance is conducted regularly every quarter and fire drills are conducted every 6 months. In addition, the Company conducts the firefighting team training twice a year, and applies to the fire department to send fire fighters to the Company, and explains to firefighting team members, ensuring that they have sufficient and correct evacuation knowledge. In 2024, two building evacuation drills were completed, with a total of 386 employees participating.

Moreover, to enhance the overall response ability, the Company has established the "Emergency Response Management Procedures" to specify the response preparation and handling measures for emergency incidents such as fires, earthquakes, and pandemic prevention. Emergency response drills or training shall be regularly conducted. If the frequency is stipulated by the law, the drills or training shall be conducted accordingly and the rest shall be conducted once a year, in order to minimize the employee and company asset losses and social and environmental impacts caused by disasters.

Occupational Safety and Health Management Results in the Past 3 Years

In 2024, there were 0 deaths and 0 disabling incidents among employees and contractors, so the disabling frequency rate (FR) and disabling severity rate (SR) were both 0, far below the industry average announced by the Occupational Safety and Health Administration (please refer to the "2023 Annual Report of Labor Inspection and Statistics").

▼ ISO 45001 Occupational Safety and Health Management System Structure

		Number of People Included in the Management System		Total Number of People in the Organization		Proportion	
		Employees[1]	Non-Employees[2]	Employees	Non-Employees	Employees	Non-Employees
2022	Unaudited	0	0	0	0	-	-
	Audited by Internal Audit Procedures	515	0	515	0	100%	-
	Audited or Certified by External Organizations	515	14	515	14	100%	100%
2023	Unaudited	0	0	0	0	-	-
	Audited by Internal Audit Procedures	518	0	518	0	100%	-
	Audited or Certified by External Organizations	518	14	518	14	100%	100%
2024	Unaudited	0	0	0	0	-	-
	Audited by Internal Audit Procedures	460	0	460	0	100%	-
	Audited or Certified by External Organizations	460	14	460	14	100%	100%

1. Employee: full-time employee.
2. Non-employee: interns, suppliers, contractors, etc.

▼ Safety Management Performance of Employees and Non-Employee Workers in the Past 3 Years

Indicator	2022		2023		2024	
	Employees	Non-Employees	Employees	Non-Employees	Employees	Non-Employees
Injury Rate (IR)[1]	0	0	0	0	0	0
Total Recordable Injury Frequency Rate (TRIFR)[2]	0	0	0	0	0	0
Disabling Frequency Rate / (FR)[3]	0	0	0	0	0	0
Lost Time Injury Frequency Rate(LTIFR)[3]	0	0	0	0	0	0
Total Lost Workdays	0	0	0	0	0	0
Disabling Severity Rate (SR)[4]	0	0	0	0	0	0

▼ Occupational Injury Statistics of Employees and Non-Employees in the Past 3 Years

		Total Work Hours Experienced	Cases of Occupational Hazards[1]			Occupational Hazards Rate		
			Number of Deaths	Number of Serious Occupational Injuries[2]	Number of Recordable Occupational Injuries[3]	Death Rate[4]	Percentage of Serious Occupational Injuries[5]	Percentage of Recordable Occupational Injuries[6]
2022	Employees	1,001,360	0	0	0	0	0	0
	Non-Employees	29,908	0	0	0	0	0	0
2023	Employees	1,002,576	0	0	0	0	0	0
	Non-Employees	25,812	0	0	0	0	0	0
2024	Employees	909,208	0	0	0	0	0	0
	Non-Employees	23,636	0	0	0	0	0	0

1. Occupational injury: injuries caused by workers performing their duties or occurring in the workplace, and "commuting disasters to and from work" are not included in the statistics.
2. Serious occupational injury: disability or inability to recover to a healthy state before the injury within 6 months caused by occupational injuries (excluding death).
3. Recordable occupational injuries include: death, unconsciousness, major injury or illness, job rotation required, medical treatment required (more than first aid level but may not be hospitalized).
4. Death rate=number of deaths caused by occupational injuries × 1,000,000 / total working hours experienced.
5. Serious occupational injury rate=number of serious occupational injuries × 1,000,000 / total working hours experienced.
6. Recordable occupational injury rate=recordable number of occupational injuries (including severe occupational injuries, deaths, and other recordable occupational injuries) × 1,000,000 / total working hours experienced.

1. Incidence Rate (IR) = Number of recordable occupational injury incidents x 200,000 / Total working hours experienced.
2. Total Recordable Injury Frequency Rate (TRIFR) = Number of recordable occupational injuries x 1,000,000 / total working hours experienced.
3. Disabling Frequency Rate (FR) = Number of disabling injuries (including death, permanent full disability, permanent partial disability, temporary full disability, etc.) x 1,000,000 / Total working hours experienced; equivalent to the lost-time injury frequency rate (LTIFR).
4. Disabling Severity Rate (SR) = Days loss from disabling injury x 1,000,000 / total working hours experienced.

5.6.3 Healthy Workplace

To fully care for colleagues' physical and mental health, D-Link established the "Health Promotion Declaration" in 2023, committing to five fundamental principles, and through the following eight major initiatives, the Company aims to create the best healthy workplace :

5 Fundamental Principles
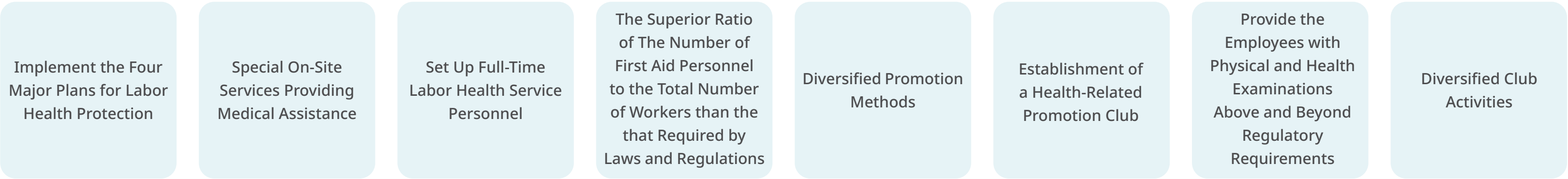
03 Strengthen healthy interactions between the workplace, employees' families and communities

02 Create a healthy and supportive workplace environment

04 Develop the employees' health skills

01 Support the establishment of healthy workplace policies and plans

05 Repositioning the health services

8 Major Initiatives

Implement the Four Major Plans for Labor Health Protection

Special On-Site Services Providing Medical Assistance

Set Up Full-Time Labor Health Service Personnel

The Superior Ratio of The Number of First Aid Personnel to the Total Number of Workers than the that Required by Laws and Regulations

Diversified Promotion Methods

Establishment of a Health-Related Promotion Club

Provide the Employees with Physical and Health Examinations Above and Beyond Regulatory Requirements

Diversified Club Activities

1. Four Major Plans for Labor Health Protection

1-1 Maternal Health Protection Plan for the Workplace

In order to optimize workplace maternal health protection, D-Link continues to promote workplace maternal health protection plans to ensure the physical and mental health of female employees during childbearing age, pregnancy, postpartum, and breastfeeding period. In 2024, a total of five cases were accepted for maternal health protection, and all of them were provided with appropriate protection and work adjustments in accordance with relevant regulations, to implement the principles of gender friendliness and workplace safety.

▼D-Link Maternity Protection Measures

1. Conduct hazard risk assessments of the working environment and workload.
2. Arrange physicians with occupational medicine expertise to provide on-site services.
3. Maintain and improve the comfort and safety of the breastfeeding room.
   • Set up the emergency rescue facilities to improve the safety of lactation rooms.
   • Add wheelchairs to improve the barrier-free breastfeeding environment.
   • Establish an incentive system for early detection and health education, and provide a mother-friendly supportive environment.
4. Care for the physical, mental, and spiritual changes of employees during pregnancy and 1 year after delivery, and conduct regular activities:
   • Hazard assessment and control.
   • Health education and guidance.
   • Risk classification management.
   • Work adaptability arrangements and other related measures.

1-2 Prevention Plan for Illegal Infringement During the Performance of Duties

D-Link is "zero-tolerant" towards violence, harassment and other illegal violations, and the Human Resources Department has established multiple employee reporting channels to protect employees' right to file the complaint ; procedures for handling illegal infringement events have been formulated and emergency response drills were conducted to reduce the incidence rate. In addition, when illegal violation occurs, full-time dedicated personnel in labor health services will conduct physical and mental health follow-up counseling and rights protection, and assist the employee in referring to professional assistance such as occupational medical doctors and medical units when necessary. In 2024, a total of 30 "Illegal Infringement Hazard Identification and Risk Assessment Forms" were collected. After analysis, no high-risk unit was found, indicating that the overall work environment risk management effectiveness was good.

1-3 Prevention Plan for Illness Caused by Abnormal Workloads

Operation type in D-Link belongs to regular day-shift operation, with no shift or night work. The Company regularly tracks high-risk employees, and integrates the results of physical examination of employees to assess overwork hazards, arrange dedicated personnel in labor health services for interviews and health guidance, adjust or shorten working hours and change work content, conduct health examinations, management and promotion, evaluate the effectiveness and make improvement of the above, or adopt other safety and health-related measures. In 2024, a total of four employees worked overtime for more than 45 hours per month. The risk assessment results showed that their workload did not reach a high risk level.

1-4 Prevention Plan for Ergonomic Hazards

Considering that most of the employees are engaged in computer operations, which may lead to ergonomic hazards such as shoulder pain or wrist tunnel syndrome, the Company continuously promotes the prevention program for ergonomic hazards and strengthens the employees' awareness of personal healthcare through internal announcements and health seminars. In 2024, a total of 423 questionnaires were collected on the risk of musculoskeletal disorders. No employee was qualified as a confirmed disease, nor was a high-risk case identified. The Company also provides adjustable chairs and monitors, and the labor health service personnel assist employees in adjusting the placement of computers, chairs, and phones according to individual needs at their seats to reduce the risk of ergonomic hazards.

2. Special On-Site Services Providing Medical Assistance

Hire physicians from the Occupational Medicine Department of the Chinese Association of Occupational Medicine as physicians for the special on-site service, to provide on-site services once every two months (six times / year), for health consultation and workplace visits; and hire other staff of labor health services when necessary, depending on the needs of BUs, to provide relevant on-site services and medical assistance.

3. Set Up Full-Time Labor Health Service Personnel

The Company currently has one full-time labor health service staff to perform labor health services, plan health examinations and health promotion activities.

4. Emergency First Aid

To ensure that all personnels receive necessary emergency assistance within the golden rescue period of an emergency, D-Link has 2 automatic extracorporeal cardiac defibrillators (AEDs) equipped in the headquarters building. Cardiopulmonary resuscitation and AED operation teaching courses are included in employee education and training. At the same time, the ratio of emergency personnel to labor is higher than legal regulations, with a total of 16 emergency personnel to maintain the quality of emergency rescue. In addition, the Company also holds irregular additional "Simplified First Aid Skills Training", to deepen employees' impression of the first aid process and improve the quality of emergency rescue through repeated operations and exercises.

5. Diversified Promotion Methods

Promote work hour standards, knowledge on prevention of workplace fatigue-related diseases, and health management strategies to employees through videos, activities, lectures, articles, and posters.

6. Establishment of a Health-Related Promotion Club

The Company has many health promoting clubs, such as a Health Promotion Club, Yoga Club, Aerobics Club, Fitness Club, among other clubs, and holds dynamic and static health promotion lectures from time to time. In 2024, the Health Promotion Club held 6 health promotion lectures, with 241 participants.

7. Provide the Employees with Physical and Health Examinations Above and Beyond Regulatory Requirements

7-1 Employee Physical and Health Examination

For employees who pass the probation, the Company subsidizes the physical examination fee. Employees who have been employed for one fully year are entitled to a free-of-charge health examination worth NT$6,000 once every 2 years.

7-2 Vaccine Protection

The Company provides annual self-funded and government-funded influenza vaccines, and other vaccines depending on the emerging infectious diseases and needs of the employees, along with rewards or subsidies, to encourage vaccination. The Company also allows employees' family and friends to participate in the vaccination program.

8. Diversified Club Activities

Cross-departmental communication is encouraged, a group of 10 or above is eligible to apply for the establishment of a club and receive subsidies, so that employees can cultivate interests in their spare time and achieve work-life balance.

D-Link actively cooperates with health authorities to promote various health promotion activities and independently handles diversified health promotion activities. In 2020, it was awarded the "Health preliminary Badge" by the National Health Administration of the Ministry of Health and Welfare, and was awarded the "Health accreditation Badge" again in 2023, and "Good Breastfeeding Room Certification Mark-High Distinction Award", due to its continuous commitment to promoting health awareness among employees, their family members, and the community. The Company hopes to drive the industry and community to jointly build the best healthy workplace in the future.

▼ Health Workplace Certification: Health Preliminary Stamp, Health Accreditation Stamp, and Good Breastfeeding Room Certification.

5.7 Benefits and Retirement System GRI 401-2

To create a better working environment, D-Link provides many additional benefits that are superior to those stipulated by laws and regulations. The Company also protects the quality of life for retired employees through a comprehensive retirement plan.

5.7.1 Employee Benefits

5.7.2 Retirement System

5.7.1 Employee Benefits

D-Link provides many additional benefits that are superior to those stipulated by laws and regulations to create a better working environment and enhance workplace competitiveness. Through diversified and flexible welfare planning, the Company is also able to garner soft power while taking care of employees.

Physical and Mental Health ·

Work-Life Balance

- New employees have a three days advanced annual leave from the date of entering the Company (except for contract personnel)
- Five days of sick leave with full pay per year (including menstruation leave / excluding hourly employees)
- Three days of family care leave with full pay per year (excluding hourly employees)
- Those with a miscarriage after two or more months of pregnancy but less than three months should be prevented from work and given one week of paid maternity leave
- Exemption from Saturday make-up days
- Various types of leave (including personal leave, sick leave, maternity leave, antenatal care leave, antenatal care accompanying leave and paternity leave, menstruation leave, family care leave, marriage leave, funeral leave, work injury leave, annual leave, etc.)
- Remote work application
- Flexible working hours

Health Care

- Free health examination worth NT$6,000 once every 2 years
- New employee health examination subsidy
- Regular occupational medical visits
- Dedicated on-site nurse
- Regular health promotion seminars

Maternal and Infant Care

- Employee care during pregnancy and within 1 year after delivery
- Friendly Childcare Measures - Partner Preschools

Insurance

- Overseas business travel accident insurance / emergency medical insurance for sudden illness / travel inconvenience insurance
- Group insurance (including fixed-term life insurance, accident insurance, hospitalization medical insurance, cancer medical insurance, major illness insurance, occupational disaster insurance, etc.)
- Subsidy for hospitalization medical insurance and cancer medical insurance for dependents of employees
- Labor insurance
- National health insurance

Inclusive and Friendly Space

- Professional massage for stress relief
- Free gym, basketball court, table tennis table, dance classroom, and shower space
- Prayer Room and Ablution Facilities
- Accessible parking spaces for people with disabilities, gender-friendly restrooms
- Breastfeeding room, and medical room
- Employee restaurant and employee lounge
- Reading area for books, newspapers, and magazines

● Blue text: Government regulations   ● Black text: Special welfare of D-Link - applicable to all employees (including fixed-term contract personnel)   ● Pink text: Special welfare of D-Link - limited to regular employees

Financial Health

Bonus / Cash Allowance

- Performance incentives
- Employees profit sharing (employee remuneration)
- Festival cash gift (Mid-Autumn Festival / Dragon Boat Festival / Spring Festival)
- Birthday cash gift
- Marriage and childbirth gift money
- Outstanding talent recommendation bonus (excluding specific supervisors and recruitment-related units)
- Labor pensions

Diverse Subsidies

- Funeral, hospitalization, and emergency assistance subsidies
- Subsidy for external training
- Subsidy for club funds
- Subsidy for meals in employee cafeteria
- Overtime meal allowance
- Department dining subsidy
- Employee travel subsidy
- Coffee bar birthday gift cup

Discounts and Offers

- Employee discounts for group-affiliated enterprises
- Employee purchase (welfare goods) discount
- Discounts offered by partnered stores
- Free motorcycle parking spaces and discounted car parking plan

Michelle Kuo, D-Linker

The benefit of massage by visually impaired provided by the Company makes me feel warm and happy. I can relax myself in the busy life with a minimal expense. I feel my body relax and peace of mind after each massage. I really appreciate the Company for this thoughtful arrangement.

● Blue text: Government regulations   ● Black text: Special welfare of D-Link - applicable to all employees (including fixed-term contract personnel)   ● Pink text: Special welfare of D-Link - limited to regular employees

5.7.2 Retirement System

In accordance with the "Labor Standards Act of the Republic of China", the D-Link welfare plan provides retirement reserves at a rate of 2% of the actual salary approved by the competent authority, which is deposited in a special account of the Bank of Taiwan. At the end of 2024, the defined benefits assets totaled NT$56,260 thousand. The foreign companies make defined benefit plans contributions to the pension fund in accordance with local regulations.

The defined contribution plan is in accordance with the provisions of the Labor Pension Act, and the contribution rate of 6% of the employee's monthly salary is allocated to the labor pension personal account of the Bureau of Labor Insurance. The foreign companies make contributions in accordance with relevant local regulations. The Company's recognized worldwide pension expenses (including foreign subsidiaries) in 2024 were NT$126,737 thousand.

▼ D-Link Pension Contribution Plan and Preparation Status

	Capital Value of the Retirement Plan	2024 Pension Preparation Status	Allocation as a Percentage of Salary	Degree of Participation in the Program
Benefits Plan	At the end of 2024, the Group had the defined benefits obligations totaled NT$64,076 thousand.	The Group's Bank of Taiwan labor pension reserve account balance amounted to NT$120,336 thousand, and pension benefits of NT$98 thousand was recognized in 2024. The amount of NT$56,260 thousand exceeding the defined benefit obligation has been transferred to the defined benefit assets.	In accordance with the provisions of the "Labor Standards Act of the Republic of China", the domestic companies of the Group must contribute 2% of the actual salary paid to the pension reserve fund based on the contribution rate reported to and approved by the competent authority, and deposit such in a dedicated account in the Bank of Taiwan. The foreign companies of the Group must contribute the pension funds in accordance with local regulations.	Domestic companies of the Group must comply with the "Labor Standards Act of the Republic of China", while foreign companies must contribute to pensions in accordance with relevant local regulations.
Contribution Plan	The Company's recognized worldwide pension expenses (including foreign subsidiaries) in 2024 were NT$126,737 thousand.		The defined contribution plan of the domestic companies of the Group is in accordance with the provisions of the "Labor Pension Act", and the contribution rate is 6% of the employee's monthly salary, which is contributed to the individual labor pension account of the Labor Insurance Bureau. The foreign companies made contributions in accordance with local regulations.	

5.8 Social Engagement

D-Link markets networking products to the world and is the most popular in the global consumer networking equipment market. In addition to providing excellent products and services, D-Link established the core spirit, "more local, more welfare to the public", through the Care Club, the Outing Club and the ESG Office. D-Link is actively organizing and responding to various social engagement activities. The Company hopes to connect the love and good deeds with social needs through its involvement in technology.

5.8.1 Charity Participation

Starting from 2022, we have integrated the Company's internal public welfare resources, plan the social engagement projects that are highly relevant to functions and industries (such as organizing Internet and information security education activities for disadvantaged groups and social welfare institutions, Charitable Network Checkup, etc.), and design the public welfare activities better themed and regular (such as monthly "D-Link Everlasting Donation", "D-Link Caring Passport" public welfare points collection, public welfare points exchange for art exhibition / performances tickets, etc.) to increase participant's stickiness and expand the influence.

In 2024, D-Link prioritized the Greater Taipei area and collaborated with 36 charitable partners, investing nearly NT$10 million in resources to implement 36 social engagement projects and activities. These initiatives benefited a total of 17,568 individuals, including social welfare organizations, children in remote areas, social enterprises, sports teams, people with physical and mental disabilities, and other underprivileged groups.

▼ Charity Investment Forms for the Past 3 Years

Forms of Investment	2022		2023		2024	
	Value of Resources Invested	Percentage	Value of Resources Invested	Percentage	Value of Resources Invested	Percentage
Charitable Donations	2,274,123	96.40%	231,697	4.31%	246,407	2.51%
Community Investment	58,634	2.48%	2,352,412	43.72%	1,938,672	19.78%
Commercial Initiatives	26,400	1.12%	2,796,677	51.98%	7,617,102	77.71%
Total	2,359,157	100%	5,380,786	100%	9,802,181	100%

● Charitable Donations   ● Community Investment   ● Commercial Initiatives
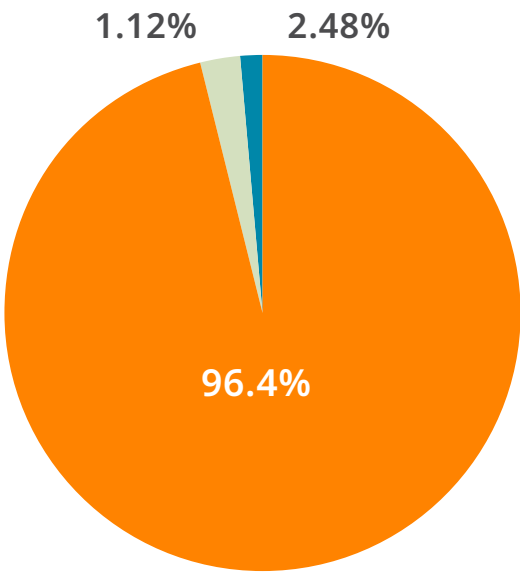
2022
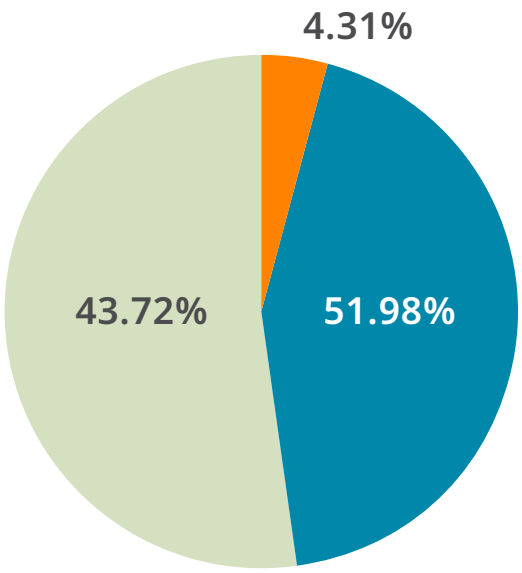
2023
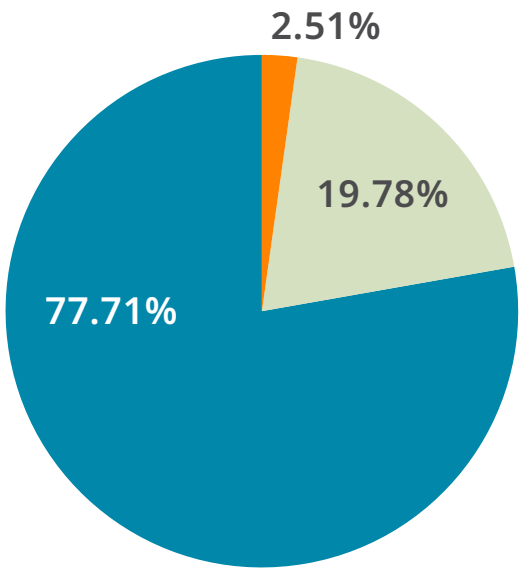
2024

Charitable Donations

D-Link Everlasting Donations

What We Care : Social Welfare, Education, Environment, Arts and Culture

Through material collection and donation, we provide support from time to time to disadvantaged groups and solve problems such as resource inequality and environmental impacts caused by the misplacement and waste of available materials.

How

The Company holds a monthly "D-Link Everlasting Donations" campaign with rotating themes to collect new / used items. In addition to employee donations, internal resources such as used computers and massage allowances are reviewed and allocated. All items are matched via social welfare platforms and delivered to small-scale welfare organizations or disadvantaged groups.

Resources

Value
246,407 NT$ dollars

Participate
146 volunteers

Service
111 hours

Whom

- Eden Social Welfare Foundation
- Taipei Neihu Technology Park Development Association
- Taipei Blood Center
- Work Development and Holistic Education Association of R.O.C
- Wesley Community Service Association
- TSG Imperial Eagle Social Welfare Charity Foundation
- Nantou County Yushi Community Development Association
- Step30 International Ministries
- Jen Ji Shiang Social Service Institute Taipei City
- Hsinchu City Sports Development Association for the Disabled
- Miaoli County Social Welfare Promotion Association
- Dreamers Non-Profit Organization
- SPBOOK Bookstore

Where

- Taipei City (4)
- New Taipei City (1)
- Taoyuan City (1)
- Keelung City (1)

	Community Benefit	Benefits to D-Link
Outputs	• Provide support to 13 social welfare institutions. • Organized 12 material collection events. • 9,129 items donated. (Including computers, shoes, clothing, bags, toys, etc.) • Donated NT$68,900 charged for massage by the visually impaired to social welfare organizations. • 9,545 people were benefited. • 21,750 c.c. of blood was collected to supplement the blood bank.	• Enhance brand awareness. • Improve external ESG assessment scores. • The Company actively has participated in blood donation events for 11 consecutive years, and received awards and demonstrate care for the community. • Won the TCSA "Top 100 Sustainability Model Enterprises of Taiwan". • Won the TCSA "Creative Communication Leadership Award". • The affiliates under the Group support such proactively to enhance consensus and loyalty.
Outcomes	• Supplementary blood was donated to the blood bank to relieve blood shortage. • The resource inequality of blood bags in various regions was mitigated. • Recycle usable materials to reduce the impact on the environment.	• All employees are encouraged to cherish their items, and understand how to practice sustainable actions in their daily routines. • Enhance the recognition of the participating employees to the Company's social actions. • Shape the Company's unique culture and continue to demonstrate the Company's positive influence.
Impacts	The recipient organizations and the groups they serve will give back to society in the future and generate a positive cycle.	The employees actively participate in social welfare activities, promote sustainability practices within the Company, and drive sustainability awareness in their families and communities.

Commercial Initiatives

Internet and Information Security Education / Charitable Network Checkup

What We Care : Digital Gaps, Benefits for Socially Disadvantaged Children and Teenagers

With the functions of the networking equipment industry, we help improve the network knowledge and information security protection awareness of disadvantaged students and close the digital gap.

How

• Engineers are dispatched to social welfare institutions every quarter, to conduct charitable network checkup and donate network equipment to improve the quality of the network connectivity.
• Go deep into small-scale social welfare organizations and organize "Internet and Information Security Education / Charitable Network Checkup" for school children.
• The "D-Link, The Link" Summer Charity Camp was held during the summer vacation, covering Internet and information security education and ESG education.

Resources

Value
123,852 NT$ dollars

Participate
45 volunteers

Service
72.6 hours

Whom

• Taipei Nangang Juru Community Development Association
• Parenting Association of Taoyuan
• EAS New Start Association
• Taoyuan Green Garden Multicultural Picture Book Extension Development Association
• Reach Out and Read Taiwan
• Taipei Sanyuanse Rehabilitation Home
• Taiwan Digital Talking Books Association
• Keelung Shuangfu Development Associatio

• Collaborated with 3 external partners (Little Ears Cultural Media, Tainan TSG GhostHawks Basketball Team, and TIMAMA DELI & CAFÉ Green Catering Services)
• Donated five routers

Where

• Taipei City (4)
• New Taipei City (1)
• Taoyuan City (1)
• Keelung City (1)

	Community Benefit	Benefits to D-Link
Outputs	• Conducted Charitable Network Checkups for 4 social welfare organizations. • Organized 2 "D-Link, The Link" sessions on networking and cybersecurity. • Organized 1 material "D-Link, The Link" Summer Charity Camp. • Conducted 1 knowledge enhancement initiative for kids. • 5,420 people were benefited.	• Expand brand visibility. • Improve the brand favorability. • Improve external ESG assessment scores. • Won the TCSA "Top 100 Sustainability Model Enterprises of Taiwan". • Won the TCSA "Creative Communication Leadership Award". • Won the TCSA "Taiwan Sustainability Action Awards".
Outcomes	• Enhance students' understanding of internet operation principles and information security risks. • Take root in sustainable education, cultivate students to become ESG seeds. Understand the sustainable actions we can do in life and share them with our family and peers. • Improve the networking connectivity and efficiency of social welfare agencies.	• Enhance the recognition of the participating employees in the Company's social actions. • Shape a more solid mutual trust and common prosperity culture among enterprises, society, and communities.
Impacts	The children and teenagers can correctly use the Internet, with the concept of self-protection to reduce the possibility of infringement of their rights.	Employees actively participate in social welfare activities and contribute to closing the digital gaps from the disadvantaged groups.

Community Investment

Environmental Education

What We Care : Environmental Education, Health Promotion

Through program design, enable stakeholders to understand the local ecosystem, appreciate biodiversity and conservation, and actively engage in environmental protection to raise awareness.

How

- Organized an ecological guided tour at Jiannan Butterfly Garden
- Held a beach cleanup activity at Linshanbi Cape titled "Pick Up Plastic, Reduce Plastic – My Clean Effort"
- Hosted an agri-food education seminar
- Carried out the "Lights Off for One Hour" campaign in response to Earth Day
- Promoted eco-friendly actions for "Earth Day"
- Collaborated with social innovation partners to launch eco-friendly handicraft workshops

Resources

Value
86,115 NT$ dollars

Participate
37 volunteers

Service
61.5 hours

Whom

- Collaborated with 4 external partners (Chiayi Agricultural Experiment Branch , Mackay Memorial Hospital ,Butterfly Expert Huang Xingqi, WISHLITE)
- Taipei Liu-Kung Agriculture Foundation
- North Coast & Guanyinshan National Scenic Area Management Office

Where

- Taipei City (1)
- New Taipei City (1)
- Taoyuan City (1)

May Wang, D-Linker

By participating in the environmental education activities organized by the Company, I can practice environmental protection in my daily life. It not only broadens my vision, but also stimulates me to change. I hope that sustainability can become a part of our daily life.

	Community Benefit	**Benefits to D-Link**
Outputs	• Leveraging local resources, D-Link invited professional environmental educators to conduct education and travel events. • For 3 consecutive years, employees and their families participated in beach clean-ups, collecting 22 bags (approx. 65 kg) of marine debris within 1 hour. • Invited green diet instructors to conduct 1 food and agriculture education session for employees. • Partnered with a social Innovation Organization WISHLITE to organize 2 environmental handicraft courses for employees and kids. • Total of 154 participants join the program.	• Expand ESG aspects concerned and improve external ESG assessment scores. • Shape a high-quality brand image • Obtained the "Health Promotion Badge" certification from the Ministry of Health and Welfare. • Won the TCSA "Top 100 Sustainability Model Enterprises of Taiwan". • Won the TCSA "Creative Communication Leadership Award".
Outcomes	• Helping to restore the original appearance of the coast along the Linshanbi Trail in New Taipei City. • Through the eco- friendly handicraft lessons, waste is transformed into recyclable green resources being integrated into life, and the application value of renewable resources is enhanced. • Enhance students' concepts of environmental protection and recycling, and share the concept with their families and communities.	• Enhance employees' awareness of environmental and ecological conservation, to stimulate their willingness to practice sustainable actions in their daily lives, while sharing the correct environmental protection concepts with their families and communities. • Encourage the employees to care for small local farmers and promote the concept of a friendly environment and food. • Enhance the recognition of employees toward the corporate commitment to environmental friendliness.
Impacts	Children and teenagers can actively participate in environmental protection and resource recycling activities to effectively reduce littering and actively improve environmental quality.	The employees actively participate in environmental protection events and voluntary activities to promote the importance of eco-friendly actions and ecological conservation within the Company.

Commercial Initiatives

Promotion of Arts

What We Care : Arts and Culture, Multifaceted Education

Support the domestic cultural development and cultivate the artistic and cultural literacy of the employees and disadvantaged students.

How

A charity points collection mechanism is designed to launch the "D-Link Caring Passport", for the employees to earn points by participating in charity activities. The points can be exchanged for tickets for local arts and cultural exhibitions and performances in Taiwan. The person with the highest accumulated points in the year will also receive awards and public recognition.

Resources

Value
83,190 NT$ dollars

Whom

· A-Nee-Gu
· Ifkids Theatre Studio
· Formosa Circus Art

Where

· Taichung City (1)
· New Taipei City (1)
· Yilan County (1)

Simon Huang, D-Linker

The love points accumulated by participating in D-Link Everlasting Donations can be exchanged for free art and cultural event tickets. I really think this is very meaningful that small donations not only facilitate positive cycles, but also give me a wonderful parent-child theater experience and warm memories.

		Community Benefit	Benefits to D-Link

Outputs		· Supported 3 performances by arts and cultural organizations
		  - A-Nee-Gu《A-Nee-Gu Gets into Trouble Again! YA~》
		  - Ifkids Theatre Studio《The Secret Garden》
		  - Formosa Circus Art《The blank character》
		· 94 people were benefited.
			· Improve the brand favorability.
			· Expand the targets for diverse social participation.
			· Won the 1111 Job Bank "2023 Happy Enterprise Gold Awar".
			· Won the TCSA "Top 100 Sustainability Model Enterprises of Taiwan".
			· Won the TCSA "Creative Communication Leadership Award".

Outcomes		· Enhance the fame of diversified arts and cultural groups. · Promote students' diverse experiences.	· Improve the employees' arts and cultural literacy and promote sound physical and mental development. · Enhance employees' recognition of and commitment to the Company's dedication to the development of culture and the arts.
Impacts		Children and teenagers can unleash more creativity and possibilities by connecting to diverse things.	Improve the employees' enthusiasm for supporting domestic cultural groups' performances, to attract more attention to them and motivate them to create more excellent works, and thus promote social and cultural literacy.

Community Investment

Procurement of Public Welfare Products

What We Care : Economic Support for Social Welfare Organizations

Through the procurement of public welfare products, we support the domestic social welfare organizations with practical actions and help the disadvantaged to become self-reliant.

How

- Weekly Flower Subscriptions from NPO : starting from 2017, we subscribe to bouquets every week from Xinhu Flower Shop.
- Pomelo Procurement for Public Welfare : Supported the "Love Pomelo 2024" project of Seed in Land Social Enterprise, by inviting employees to support eco-friendly agricultural products, and all profits were used in dinners for school children in rural areas.

Resources

Value
47,817 NT$ dollars

Whom

- Xinhu Flower Shop
- Seed in Land Social Enterprise
- Hualien County Growth Holistic Care Association

Nelly Wang, D-Linker
I took part in the pomelo purchase and weekly flower subscription activities with my colleagues, and was inspired by how small actions can make a big difference. We not only support friendly agriculture and school children in remote areas, but also help the disadvantaged to be independent and warm themselves up.

Where

- Taipei City (1)
- New Taipei City (1)
- Hualien County (1)

	Community Benefit	**Benefits to D-Link**
Outputs	• 155 charity bouquets were ordered. • 40 boxes of organic pomelos, for totaling nearly 120 kilograms were ordered. • 27 participants join the program. • 655 people were benefited.	• Create a high-quality corporate image. • Improve the brand favorability. • Improve employee satisfaction. • Won the TCSA "Top 100 Sustainability Model Enterprises of Taiwan". • Won the TCSA "Creative Communication Leadership Award".
Outcomes	• Support social innovation organizations and their ideas. • Assist workers with mental or physical disabilities in building self-confidence and developing self-reliance capabilities. • Support the farmers of pomelos to continue planting quality agricultural products with friendly farming. • Provide meal subsidies to schoolchildren in rural villages.	Enhance employees' recognition of and commitment to the Company's dedication to social care.
Impacts	Social innovation organizations may continue their operations with friendly concepts and contribute to society and the environment. Meanwhile, by providing children and teenagers with stable and healthy diets, their physical and mental health can be improved.	The employees understand the meaning of public welfare procurement and work with the Company to support the good products produced by social innovation organizations so that the public can benefit together and bring about a positive cycle.

Commercial Initiatives

Sponsorship to a Professional Sports Team

What We Care : Health Promotion, Diverse Development

Through a professional sports team, we promote high-quality sports activities and create a healthy society.

How

Annually sponsored the Tainan TSG Ghost-Hawks Basketball Team and the TSG Hawks Baseball Team's regular season home games and playoffs. Through this partnership, the teams help promote the Company's premium brand image and provide employees with opportunities to attend games, fostering healthy and quality recreational activities.

Resources

Value

7,410,060

NT$ dollars

Whom

- Tainan TSG GhostHawks Basketball Team
- TSG Hawks Baseball Team

Linda Wu, D-Linker

By accompanying the social welfare units to watch the ball games sponsored by the Company, I not only feel the charm of the passionate sports, but also saw the Company's actions to support sports and social welfare, bringing joy and hope to more people in need.

Where

- Tainan City (2)

	Community Benefit	Benefits to D-Link
Outputs	• Tainan TSG GhostHawks Basketball Team : Sponsored 12 home regular seasonal games. Attracting 35,000 spectators to watch the game. • TSG Hawks Baseball Team : Sponsored 60 home regular seasonal games. Attracting 420,746 spectators to watch the game.	• Enhance brand awareness. • Improve the brand favorability. • Won the "Sports Enterprise" certification. from the Ministry of Education.
Outcomes	• Cultivate healthy and high-quality leisure and entertainment for local people, promote the sports culture, enhance the health awareness. • Become a promoter of young people's sports, seeking to nurture more basketball players.	• Demonstrating the Company's ambition and actions of supporting the professional sports team. • Encourage employees to engage in sports activities to promote health awareness and mental-physical balance.
Impacts	Enhance the popularity of sports and build a healthy society.	This helps to enhance the corporate brand image and increase the employees' recognition and cohesion with the Company. The employees feel proud of themselves due to the corporate social responsibility and support for sports, which in turn raises morale and they also maintain their physical and mental health through sports events.

Community Investment

D-Link Group Scholarship

What We Care : Education

In view of the frequent wars in some areas in the world, students who want to study may not be able to study with peace of mind due to the turmoil in the world. Based on the original intention of caring for humanity and cultivating talents, we hope to retain talents in Taiwan through scholarships.

How

Established the "D-Link Group Scholarship" in by cooperating with colleges, to provide ten full scholarships to foreign students in master's degree programs, subsidizing their tuitions and miscellaneous fees, round-trip air tickets, living allowance and other expenses. Those with outstanding performance will have the opportunity to enter the Group's companies for internship and employment.

Resources

Value

1,804,740

NT$ dollars

Whom

· National Taiwan University of Science and Technology

Where

Bella Huang, D-Linker

When I was in college, there were limited scholarships provided to foreign students. Now, I'm really touched when I see such support provided by the Company. It is a warm and valuable power for students who have a dream but limited resources.

· Taipei City (1)

	Community Benefit	Benefits to D-Link

Outputs	· Provided full scholarships to 7 international master's students
	  - 1 student from Ukraine
	  - 2 students from India
	  - 4 students from Indonesia
		Improve the brand favorability.

Outcomes	· Encourage foreign students to come to Taiwan to study with peace of mind. · Cultivate outstanding industrial talents. · Increase international visibility.	· Position the talents from all over the world in advance. · Demonstrate the Company's attempts and actions in giving back to society. · Strengthen brand power and improve the sense of identity of employees and stakeholders.
Impacts	Foreign students have the courage and ability to realize their dreams, understand their potential and strengths through their journey of learning, and are capable of choosing the right field to join in and continue to grow.	We recruit professionals broadly to achieve the goal of corporate sustainability.

5.8.2 Industry Development Promotion

Industry-University Cooperation

The sustainable management of an enterprise depends on long-term talent learning and development. To achieve this goal, D-Link is committed to promoting and implementing industry-university cooperation plans. Since 2011, D-Link has established a two-way and mutually beneficial industrial-academic cooperation model with the neighboring Takming University of Science and Technology. In this model, the internal units teach product technology to students, and students assist in testing and providing feedback on product development. Meanwhile, the Company has established a regular corporate internship program to provide graduates with prioritized employment opportunities.

As of the end of 2024, D-Link has cooperated with 13 colleges, including Tsinghua University, National Taiwan University of Science and Technology, Taipei University of Technology, Taipei University, Taipei University of Education, Taiwan Ocean University, Yuan Ze University, Tamkang University, Aletheia University, National United University, Shih Chien University, Takming University of Science and Technology and Lunghwa University of Science and Technology. Through industrial-academic internships or work-study programs with colleges, D-Link has hired 19 interns and 10 students working part-time to connect them with the industry in advance, and arrange coaches for providing timely guidance, to shorten the gap between learning and application, and thus the cultivation of talents is facilitated. In 2024, one intern have been successfully converted into permanent employees.

Moreover, during 2022 to 2024, the "D-Link Group Scholarship" established in collaboration with D-Link and National Taiwan University of Science and Technology granted a total of NT$5.08 million to seven foreign students. Among them, two students completed their summer internships at D-Link in 2023.

Networking Information Platform

D-Link transmits the latest networking information through its official website, Facebook, Instagram, Youtube and other social media, as well as press releases and other media. Taking the Taiwan branch as an example, D-Link releases the "Internet New Horizon Quarterly" and operates its own media, to maintain smooth communication channels with the public through diverse channels.

▲ Partnering with Takming University to cultivate networking industry talent : offering a long-term internship programlong-term internship program

▲ Publishing the "Networking Vision" quarterly in Taiwan : sharing insights on network communication with the public

Appendix

Data Recompilation and Correction GRI 2-4

▼ Correction of D-Link's 2023 Sustainability Report

Chapters of 2023 Report	Page	Original Content	Recompiled / Corrected Content
2.6.3 Operating Status	61	▼ Risk Matrix Diagram 	【Title Revision】 ▼ Risk Matrix of 2023
3.5.3 Supplier Classification Management System	93	In 2023, 31 suppliers have been registered in the Company's qualified suppliers list	In 2023, 34 suppliers have been registered in the Company's qualified suppliers list

Management Approach for Material Topics

● Direct impact　○ Indirect impact

Ranking	Material Issues	Aspect	GRI	Change of Ranking	Significance for D-Link	Impacts on Value Chain	Major Stakeholders	Short / Medium / Long-Term Goals	Response Policies and Measures	Administrative Actions	Corresponding Chapter
1	Talent Selection, Recruitment and Retention	S	201-3 401-1 401-2 401-3 404-1 404-3	▲	D-Link is a knowledge-intensive technology company, so human resources play a crucial role in the competitiveness of its products and services. In addition, the Company's operating territory has expanded globally, and it has a considerable organizational scale, which also demonstrates that it shoulders the key talent cultivation responsibility.	○ Suppliers / Business Partners ● D-Link / Subsidiaries ○ Customers / Clients	Employees Shareholders / Investors	**Short-Term** • Formulate succession plans for key positions. **Medium-Term** • Optimize the salary competitiveness. **Long-Term** • Establish an attractive and inclusive career development environment, strengthen talent competitiveness and organizational resilience, and become a long-term trusted and recognized employment brand for employees.	D-Link has built an all-round learning education and training system based on the Company's strategy, vision and values. At the same time, it recruits potential talents through various campus coopera-tion programs, and uses a market-competitive salary policy and benefit system to provide outstanding talents, so that talents con-tinue to grow together with the Company.	D-Link helps recruit talents, develop employee capabilities, and discover senior manage-ment through diversified talent recruitment channels, employ-ee training plans, succession plans, education and training, as well as remuneration and performance appraisal, among other measures, while facil-itating the development of employees' professional skills.	5.3.1 Labor Overview 5.4.2 Gender Friendliness 5.5.4 Education and Training 5.5.5 Compensation and Performance Appraisal 5.7 Benefits and Retirement System
2	Sustainable Development Strategy	G	Self-defined topics	▲	Corporate sustainability is rooted in the sustainable development of the environment and society. The stable environment and society are the essential foundation for the sustainable development of the enterprise. While pursuing operational profit, D-Link also values the balance of ESG aspects to mitigate related risks and challenges, while grasping possible opportunities and advantages.	● Suppliers / Business Partners ● D-Link / Subsidiaries ● Customers / Clients	Customers / Clients Employees Suppliers / Business Partners Subsidiaries Shareholders / Investors	**Short-Term** • Through international ESG assessments and comparisons, we grasp global sustainable development trends and continuously review the suitability of our sustainable development strategies and goals. • Incorporate ESG-related indicators into the KPI of units and em-ployees. • We continuously organize internal and external sustainability education courses and workshops to enhance the sustainability literacy of our colleagues and shape a sustainable corporate culture. • We proactively provide sustainable development and ESG-related news and resources to stakeholders to exert brand influ-ence and strengthen sustainable development momentum. • The Company actively responds to government policies, plans diversified cooperation with the cultural industry to build a sus-tainable ecosystem of cross-disciplinary common wellness and expand the influence of corporate sustainability. **Medium-Term** • Implement the sustainable development strategies through the sustainable development program and combining the sev-en sustainable management capabilities, so as to create culture internally and image externally. • Link the sustainable development performance with each em-ployee's KPI. • Plan and execute internal ESG proposal competitions within the Company. **Long-Term** • Link the functions and industrial characteristics of the network-ing equipment industry, leading smart living, creating sustain-able value together. • Gradually achieve the goal of Net-zero emissions by 2050.	A dedicated unit has been established to formulate the Company's sustainable development strategies, implement the promotion of sustainable develop-ment policies, and track and manage the results thereof.	D-Link has an ESG Committee to assist the Board of Directors in promoting sustainable devel-opment practices to realize the vision of sustainable manage-ment ; it also has an ESG Office under the Committee, and through functional ESG Task Force, regular meetings are held every month to review and discuss the Company's core operating capabilities with the heads and responsible col-leagues of each center, jointly formulate ESG development strategies, and optimize them on a rolling basis.	1.2 Sustainable Management Structure 1.3 D-Link's Sustainable Value

Management Approach for Material Topics

● Direct impact   ○ Indirect impact

Ranking	Material Issues	Aspect	GRI	Change of Ranking	Significance for D-Link	Impacts on Value Chain	Major Stakeholders	Short / Medium / Long-Term Goals	Response Policies and Measures	Administrative Actions	Corresponding Chapter
3	Ethical Management	G	205-1 205-2 205-3 206-1	▲	A good ethical management is the foundation of sustainable business operation. Relevant risk events may affect operational stability and corporate reputation and may result in financial losses.	○ Suppliers / Business Partners ● D-Link / Subsidiaries	Customers / Clients Suppliers / Business Partners Shareholders / Investors	**Short-Term** • No ethical management violations, and continue to maintain so. **Medium-Term** • The comprehensive education and training of the "Ethical Corporate Management Best Practice Principles" to be provided for all employees. The overall training completion rate to be above 95% and continue to further improve. **Long-Term** • Internalize the concept of integrity management into the DNA of all employees and the Company, so that the "Ethical Corporate Management Best Practice Principles" has been highly recognized by the stakeholders and become the highest standard. The introduction of the ISO 37001 certification for ethical management/anti-bribery-related management systems is assessed.	A culture of ethical management and legal compliance is built to ensure the long-term interests of all stakeholders.	We have established the "Code of Conduct", "Ethical Corporate Management Best Practice Principles" and "Implementation Measures for the Whistleblowing System" among other internal regulations and systems, to uphold and continue to promote a high-standard business ethics culture.	2.4.1 Ethical Management and Anti-Corruption 2.4.4 Compliance with Law and Regulations
4	Supply Chain Management	G	204-1 308-1 308-2 414-1 414-2	▲	Implement due diligence responsibilities and exert market influence to strengthen the sustainability value of the overall industry chain and continuously refine the value chain management strategies of upstream/downstream partners to mitigate the risk of various negative impacts on suppliers, including the ongoing operational management of suppliers, which will directly impact the Company's operations and commitments to customers.	● Suppliers / Business Partners ● D-Link / Subsidiaries ○ Customers / Clients	Suppliers / Business Partners Subsidiaries	**Short-Term** • Build sustainability and resilience of the supply chain. **Medium-Term** • Understand the extent of supplier ESG management though supplier survey. • Conduct sustainable procurement-related education and training for procurement personnel. • regularly evaluate the impact of suppliers on society and the environment. **Long-Term** • Suppliers' ESG performance is included in the vendor selection criteria.	• Established the "D-Link Sustainable Procurement Policy" and the "Supplier Code of Conduct" as the highest principles for ESG management of suppliers. • regularly evaluate the impact of suppliers on society and the environment. • Continue to increase the percentage of local purchases.	• Through the "Self-Evaluation Form of ESG Implementation", we regularly investigate the ESG conduct of suppliers and encourage suppliers to regularly disclose relevant performance, thereby driving the sustainable development of the overall value chain. • Implement risk-graded assessment of suppliers, regularly schedule different audit strategies according to different levels, On-site audits are conducted on major suppliers every year, including ESG audit indicators developed by referring to the Responsible Business Alliance Code of Conduct.	3.5 Supply Chain Management

Management Approach for Material Topics

● Direct impact ○ Indirect impact

Ranking	Material Issues	Aspect	GRI	Change of Ranking	Significance for D-Link	Impacts on Value Chain	Major Stakeholders	Short / Medium / Long-Term Goals	Response Policies and Measures	Administrative Actions	Corresponding Chapter
5	Green Products	E	301-2 301-3	▲	In response to the rising awareness of green consumption, D-Link leverages industry capabilities to develop products that are highly efficient, energy-saving, disaster-preventive, and packaging-reduced, enabling Customers / Client to support environmental protection with each purchase and use. By launching environmentally friendly products that align with current trends, D-Link maintains its competitiveness in the international market.	● Suppliers / Business Partners ● D-Link / Subsidiaries ○ Customers / Clients	Customers / Clients Suppliers / Business Partners Subsidiaries	**Short-Term** • Plastic-free packaging for product packaging : remove product packaging bags or replace them with non-plastic packaging materials. • Continued introduction of recycled plastics into products with plastic casing. • Introduction of recycled metal into products with metal cases. • To improve sustainability, replace coated paper in the product documentation with uncoated, wood-free paper made from recycled pulp. **Medium-Term** • Sustainable performance is enhanced in product design. • Discuss a product recycling plan. • Strive for international awards for sustainable products. • Assessment of the introduction of ISO 14067 product carbon footprint standard. **Long-Term** • Continue to strengthen the influence of D-Link sustainable products.	• Develop a project plan and increase the proportion of green products year by year, and reduce the impact on the environment by continuously developing green design and reducing resource consumption.	• Launched the "D-Link Green" program to realize the concept of environmental protection from product design, function, material and packaging.	4.5 Green Products Sustainability Accounting Standards Board (SASB) Index Article 4 of the Rules : Sustainability Disclosure Indicators - Communications and Internet Industry
6	Product Quality	G	416-1 416-2 417-1 417-2 417-3	▼	Provide quality products and services to customers and become a leading brand of networking equipment through various stages of control. Quality and stability are closely related to customer losses and reputation, which directly affect market share and competitiveness.	● Suppliers / Business Partners ● D-Link / Subsidiaries ● Customers / Clients	Customers / Clients Employees Suppliers / Business Partners Subsidiaries	**Short-Term** • Maintain the completeness of quality management procedures. • The rate of major suppliers passing the shipment inspection is higher than 90%. **Medium-Term** • 100% of D-Link's suppliers are compliant with ISO 14001 and have obtained the certificate. **Long-Term** • The rate of major suppliers passing the shipment inspection is higher than 95%.	Set up management representatives, establish quality policies, set management goals in accordance with the quality policies and review them regularly for effective management and continuous improvement.	• We set annual customer satisfaction surveys, supplier management surveys, and product manufacturing quality evaluations based on the quality policy, as well as the quality targets including product manufacturing quality appraisals. We also submit annual quality targets to the management review meeting for resolution and implementation. • The President serves as the management representative of the ISO management system. The direction of quality policy is reviewed in the annual management review meeting and adjusted on a rolling basis.	2.4.4 Compliance with Law and Regulations 3.2 Product Quality and Safety

Management Approach for Material Topics

● Direct impact ○ Indirect impact

Ranking	Material Issues	Aspect	GRI	Change of Ranking	Significance for D-Link	Impacts on Value Chain	Major Stakeholders	Short / Medium / Long-Term Goals	Response Policies and Measures	Administrative Actions	Corresponding Chapter
7	Information Security	G	418-1	▼	Continue to improve the Company's information security management system and strengthen its protection capabilities to comply with domestic and international information security-related regulations and to implement them in daily operations. We are dedicated to mitigating information security risks, maintaining customer trust, preserving the Company's reputation, and sustaining market competitiveness.	● D-Link / Subsidiaries ● Customers / Clients	Customers / Clients Employees Shareholders / Investors Subsidiaries	**Short-Term** • Upgrade the wireless network equipment in office space, strengthen management, and improve availability. • Introduce HSM 1key management system to all new products. • Introduce the cloud-based solution to the source code scanning system, and integrate third-party package security monitoring and SBOM2 functions. • Certify all products sold to Europe in response to the CE RED Information Security Regulation EN 18031. **Medium-Term** • Establish effective anti-hacking and anti-weak measures on external services or websites, regularly entrust third-party external experts to conduct penetration tests, and continuously optimize the system. • Strengthen the automated analysis function of the product security management platform : periodical information security reports, automated risk and authorization type analysis of SBOM, and correlation of detection reports and product versions. **Long-Term** • Gradually build a joint defense system for group information security. • Purchase insurance coverage based on business needs. • Adjust internal safety regulations and product specifications immediately to comply with the latest information security regulations of each country. • Establish the D-Link product security testing team, to cultivate the professional skills and professional certifications over the long term, and actively participate in international information security organization activities and resource sharing.	Formulate the "Information Security Management Policy" and establish the "Information Security Management Committee", in order to understand information and communication security according to international standards.	The President serves as the convener of the"Information Security Management Committee" to supervise the Company's information security policy. Each information security-related unit (information, product, personal information, privacy, etc.) must assign an information security representative to participate in information security meetings held twice a year to continuously optimize and regularly perform audits on information security management.	2.4.4 Compliance with Law and Regulations 3.3.5 Information Security Incidents
8	Climate Change Response Actions	E	201-2 302-1 302-3 302-4 305-1 305-2 305-3 305-4 305-5 305-6 305-7	▲	Climate change and carbon management are among the most urgent and significant environmental issues of our time. Global transnational organizations and governments are intensifying regulations to address these challenges. As an international brand, D-Link recognizes the necessity of leveraging our market resources and influence to actively promote the low-carbon transition of the value chain.	● Suppliers / Business Partners ● D-Link / Subsidiaries ○ Customers / Clients	Suppliers / Business Partners Subsidiaries	**Short-Term** • Upgrade CDP evaluation grade to C-grade. • Continue to implement energy saving projects. • Obtained ISO 46001 Water Efficiency Management System certification. **Medium-Term** • Complete the carbon inventory and verification of consolidated subsidiaries. • Set the goal to reduce power consumption by 4.5% and water consumption by 2.5% by 2026 using 2021 as the baseline year. • Promote active reduction of carbon emissions to the supply chain. **Long-Term** • Pass ISO 50001 energy management system certification. • Installation of solar photovoltaic equipment. • 2030 green power procurement target of 17.5%. • Set the goal to reduce power consumption by 30% by 2030 using 2021 as the baseline year. • Set the mid-term goal of reducing greenhouse gas emissions by 30% by 2030 with 2021 as the base year. And set the goal to gradually achieve net-zero emission by 2050.	Committing to the 2050 net-zero emissions goal, with a mid-term target set for 2030. We are formulating corresponding strategic goals, tracking performance indicators, and actively leveraging the influence of the D-Link brand in the industrial value chain to enhance the effectiveness of relevant actions.	Introduce the TCFD framework, regularly disclose climate change response performance, and establish relevant indicator targets for continuous tracking and management.	4.2.1 Environmental Policy and Commitments 4.3.1 Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework 4.3.2 From Inventory to Net-Zero 4.4.1 Energy Management

Management Approach for Material Topics

● Direct impact ○ Indirect impact

Ranking	Material Issues	Aspect	GRI	Change of Ranking	Significance for D-Link	Impacts on Value Chain	Major Stakeholders	Short / Medium / Long-Term Goals	Response Policies and Measures	Administrative Actions	Corresponding Chapter
9	Human Rights and DEI	S	405-1 405-2 406-1 407-1 408-1 409-1	NEW	As a global enterprise, D-Link values a diverse and inclusive culture and is committed to providing a safe and equal workplace respecting the differences of individuals. We also promote a discrimination-free policy to ensure that all employees are entitled to fair treatment and career development opportunities. At the same time, the Company also strengthens the human rights management mechanism of the supply chain; through continuous monitoring and improvement, the potential human rights risks are reduced, corporate social responsibility is fulfilled, and the sustainable development of the entire industrial chain is promoted.	● Suppliers / Business Partners ● D-Link / Subsidiaries ○ Customers / Clients	Employees Suppliers / Business Partners	**Short-Term** • Continuously participate in the DEI initiatives, such as the Talent in Taiwan, to exert the influence of the enterprise. • Promote the diversified cultural awareness activities, such as the "Date with Supervisors" that arranges events specific to foreign colleagues, and festival thematic activities of various countries, to help employees understand and respect cultural differences. **Medium-Term** • Based on the results of human rights due diligence, formulate corresponding mitigation and remediation measures, and implement the follow-up management to reduce potential human rights risks. **Long-Term** • Keep Promoting sustainable human rights risk assessment. • Create a diverse and inclusive workplace culture, to promote equal participation and respect for differences, allowing employees to grow together in a safe, respectful and inclusive environment, thereby fulfilling the human rights commitment and social responsibility of D-Link.	• The "Human Rights Policy and Management Plan" is formulated to support and implement the initiatives of major international human rights conventions. • Striving to promote diverse, fair, and inclusive (DEI) policies and plans to protect equal interests of labor human rights for each employee. • The human rights-related education and training are organized, and included in the orientation as a required course for new employees.	• The human rights due diligence is conducted periodically to identify internal and external human rights-related risks, and formulate mitigation measures. • We have established diverse and smooth complaint channels. All relevant cases are investigated, responded to, and tracked according to the established procedures, to protect the rights and interests of the complainant and implement the Company's commitment to human rights protection.	2.2.2 Board of Directors 3.5.2 Sustainable Procurement Policy and Measures 3.5.4 Supplier Audit Status 5.2 Human Rights Protection 5.3.1 Labor Overview 5.3.2 Listening Strategy 5.4.2 Gender Friendliness
10	Business Performance	G	201-1 201-4	▼	Pursuing business and financial performance and achieving profitability is the foundation of the Company's sound operation. The economic value generated from the Company's operations will directly affect shareholders' rights, investment scale, growth rate and social feedback.	○ Suppliers / Business Partners ● D-Link / Subsidiaries ○ Customers / Clients	Employees Shareholders / Investor Subsidiaries	**Short-Term** • Continue to cooperate with high-quality ODMs within the conglomerate group to establish a controllable supply chain system with close relationships to reduce costs. • Constantly reshape D-Link's brand image and enhance brand value from three aspects : specifications and prices, functional performance, and corporate identity. • Invest in the development of M2M solutions for industrial use and 4G / 5G solutions to expand the target market. **Achieve by the End of 2030** • Continuously achieve management and provisioning minification of networking products with cloud computing as the main pillar. • Continuously utilize the synergy of resources within the Group to develop and create the one-stop product services for customers. • Continuously strengthen partnerships with Tier 2 and Tier 3 carriers to win long-term contracts with localized services.	• Continue to expand production capacity, create product and service features, and build diversified product capabilities. • Reduce the total inventory through the risk mitigation measures, and in the future, the Company will formulate separate action plans for inventory with longer inventory ages.	• Regularly hold business review meetings, track business performance, fully grasp the operating status and monitor the progress. • The Board of Directors Meetings are held every quarter to ensure the forward-looking and feasibility of business strategies.	2.5.1 Financial Performance

GRI Standards Index

▼ General Disclosure

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		4.3.3 Biodiversity Commitment	119
		5.2.1 Human Rights Policy	135
GRI 2-24	Embedding policy commitments	1.1 Sustainability Vision and Strategies	16
		2.1 Sustainability Strategies and Goals - Governance Aspect	39
		3.1 Sustainability Strategies and Goals - Value Aspect	71
		4.1 Sustainability Strategies and Goals - Environmental Aspect	102
		5.1 Sustainability Strategies and Goals - Social Aspect	129

GRI Code	Disclosures	Corresponding Chapters	Page
GRI 2-25	Processes to remediate negative impacts	5.3.2 Listening Strategy	141
GRI 2-26	Mechanisms for seeking advice and raising concerns	2.4.3 Whistleblowing System	57
GRI 2-27	Compliance with laws and regulations	2.4.4 Compliance with Laws and Regulations	58
GRI 2-28	Membership associations	1.4.3 Initiatives and Organizations	34
GRI 2-29	Approach to stakeholder engagement	1.4.1 Materiality Analysis	27
		1.4.2 Stakeholder	31
GRI 2-30	Collective bargaining agreements	No relevant agreements were signed during the reporting year.	-

▼ Disclosures on Material Topics

GRI Code	Disclosures	Corresponding Chapters	Page
GRI 3 : Material Topics 2021			
GRI 3-1	Process to determine material topics	1.4.1 Materiality Analysis	27
GRI 3-2	List of material topics	1.4.1 Materiality Analysis	27
Talent Selection, Recruitment and Retention			
GRI 3-3	Management of material topics	5.1 Sustainability Strategies and Goals - Social Aspect	129
GRI 201-3	Obligations of defined benefit plans and other retirement plans	5.7.2 Retirement System	166
GRI 401-1	New employee hires and employee turnover	5.3.1 Labor Overview	138
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees	5.7 Benefits and Retirement System	163
GRI 401-3	Parental leave	5.4.2 Gender Friendliness	146
GRI 404-1	Average hours of training per year per employee	5.5.4 Education and Training	152
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	5.5.5 Compensation and Performance Appraisal	153
Sustainable Development Strategy			
GRI 3-3	Management of material topics	1.1 Sustainability Vision and Strategies	16
	Self-defined topics	1.2 Sustainable Management Structure	21
		1.3 D-Link's Sustainable Value	24

GRI Code	Disclosures	Corresponding Chapters	Page
Ethical Management			
GRI 3-3	Management of material topics	2.1 Sustainability Strategies and Goals - Governance Aspect	39
GRI 205-1	Operations assessed for risks related to corruption	2.4.1 Ethical Management and Anti-Corruption	54
GRI 205-2	Communication and training about anti-corruption policies and procedures	2.4.1 Ethical Management and Anti-Corruption	54
GRI 205-3	Confirmed incidents of corruption and actions taken	2.4.1 Ethical Management and Anti-Corruption	54
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.4.4 Compliance with Law and Regulations	58
Supply Chain Management			
GRI 3-3	Management of material topics	3.1 Sustainability Strategies and Goals - Value Aspect	71
GRI 204-1	Proportion of spending on local suppliers	3.5.1 Overview of the Value Chain	92
GRI 308-1	New suppliers that were screened using environmental criteria	3.5 Supply Chain Management	91
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	3.5 Supply Chain Management	91
GRI 414-1	New suppliers that were screened using social criteria	3.5 Supply Chain Management	91
GRI 414-2	Negative social impacts in the supply chain and actions taken	3.5 Supply Chain Management	91
Green Products			
GRI 3-3	Management of material topics	4.1 Sustainability Strategies and Goals - Environmental Aspect	102
GRI 301-2	Recycled input materials used	4.5 Green Products	124
GRI 301-3	Reclaimed products and their packaging materials	SASB Standards Mapping Table	187
		Article 4 of the Operational Guidelines : Enhanced Disclosure Indicators – Telecommunications Network Industry	191
Product Quality			
GRI 3-3	Management of material topics	3.1 Sustainability Strategies and Goals - Value Aspect	71
GRI 416-1	Assessment of the health and safety impacts of product and service categories	2.4.4 Compliance with Law and Regulations	58
		3.2.1 Quality Management	77
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.4.4 Compliance with Law and Regulations	58
		3.2.1 Quality Management	77

GRI Code	Disclosures	Corresponding Chapters	Page
Product Quality			
GRI 417-1	Requirements for product and service information and labeling.	2.4.4 Compliance with Law and Regulations	58
		3.2 Product Quality and Safety	76
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	2.4.4 Compliance with Law and Regulations	58
		3.2 Product Quality and Safety	76
GRI 417-3	Incidents of non-compliance concerning marketing communications	2.4.4 Compliance with Law and Regulations	58
		3.2 Product Quality and Safety	76
Information Security			
GRI 3-3	Management of material topics	3.1 Sustainability Strategies and Goals - Value Aspect	71
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4.4 Compliance with Law and Regulations	58
		3.3.5 Information Security Incidents	85
Climate Change Response Actions			
GRI 3-3	Management of material topics	4.1 Sustainability Strategies and Goals - Environmental Aspect	102
GRI 201-2	Financial implications and other risks and opportunities due to climate change	4.3.1 Response to Task Force on Climate-related Financial Disclosure (TCFD) Framework	110
GRI 302-1	Energy consumption within the organization	4.4.1 Energy Management	121
GRI 302-3	Energy intensity	4.4.1 Energy Management	121
GRI 302-4	Reduction of energy consumption	4.4.1 Energy Management	121
GRI 305-1	Direct (Scope 1) GHG emissions	4.3.2 From Inventory to Net-Zero	118
GRI 305-2	Energy indirect (Scope 2) GHG emissions	4.3.2 From Inventory to Net-Zero	118
GRI 305-3	Other indirect (Scope 3) GHG emissions	4.3.2 From Inventory to Net-Zero	118
GRI 305-4	GHG emissions intensity	4.3.2 From Inventory to Net-Zero	118
GRI 305-5	Reduction of GHG emissions	4.4.1 Energy Management	121
GRI 305-6	Emissions of ozone-depleting substances (ODS)	4.2.1 Environmental Policy and Commitments	108
GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	4.2.1 Environmental Policy and Commitments	108

GRI Code	Disclosures	Corresponding Chapters	Page
Human Rights and DEI			
GRI 3-3	Management of material topics	5.1 Sustainability Strategies and Goals - Social Aspect	129
GRI 405-1	Diversity of governance bodies and employees	2.2.2 Board of Directors	46
		5.3.1 Labor Overview	138
GRI 405-2	Ratio of basic salary and remuneration of women to men	5.4.2 Gender Friendliness	146
GRI 406-1	Incidents of discrimination and corrective actions taken	5.3.2 Listening Strategy	141
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.2 Human Rights Protection	134
		3.5.2 Sustainable Procurement Policy and Measures	95
		3.5.4 Supplier Audit Status	99
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	5.2 Human Rights Protection	134
		3.5.2 Sustainable Procurement Policy and Measures	95
		3.5.4 Supplier Audit Status	99
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.2 Human Rights Protection	134
		3.5.2 Sustainable Procurement Policy and Measures	95
		3.5.4 Supplier Audit Status	99
Business Performance			
GRI 3-3	Management of material topics	2.1 Sustainability Strategies and Goals - Governance Aspect	39
GRI 201-1	Direct economic value generated and distributed	2.5.1 Financial Performance	60
GRI 201-4	Financial assistance received from government	2.5.1 Financial Performance	60

Sustainability Accounting Standards Board (SASB) Index

Topic	Code	Category	Accounting Metric	Corresponding Chapters / Supplementary Explanations	Page
Product Security	TC-HW-230a.1	Quantitative	Description of approach to identifying and addressing data security risks in products	3.2.2 Product Security	78
				3.3 Information Security Management	82
Employee Diversity & Inclusion	TC-HW-330a.1	Quantitative	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) technical employees and (d) all other employees	5.3.1 Labor Overview	138
				5.4.1 Diversified Employment.	145
Product Lifecycle Management	TC-HW-410a.1	Quantitative	Percentage of products by revenue that contain IEC 62474 declarable substances	As a brand, the raw materials of D-Link are generally managed by outsourced companies. However, D-Link requires outsourced companies to comply with EU regulations for products, such as RoHS, REACH, etc. Subsequently, the applicability of IEC 62474 to D-Link products is planned to be investigated in the future and make relevant disclosures.	–
	TC-HW-410a.2	Quantitative	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	N/A D-Link products are not required to obtain environmental protection labels.	–
	TC-HW-410a.3	Quantitative	Percentage of eligible products, by revenue, certified to an energy efficiency certification	The external power supply used by D-Link products 100% complies with the Level 6 energy efficiency standards of the U.S. Department of Energy, and the products exported to Europe also comply with the EU ErP energy specification. Furthermore, there is currently no plan for voluntary energy efficiency certification.	–
	TC-HW-410a.4	Quantitative	Weight of end-of-life products and e-waste recovered; percentage recycled	D-Link has standardized operating procedures and records for the recycling and disposal of scrapped products. The weight of scrap products handled by D-Link in 2024 was 0.61 tons, 100% of which was commissioned to qualified vendors for recycling and disposal. Moreover, based on the total annual sales weight, the recycling ratio was 0.73%.	–
Supply Chain Management	TC-HW-430a.1	Quantitative	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	3.5 Supply chain management	91
	TC-HW-430a.2	Quantitative	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	3.5 Supply Chain Management	91
Materials Sourcing	TC-HW-440a.1	Qualitative	Description of the management of risks associated with the use of critical materials	3.5 Supply Chain Management	91
Activity Metrics	TC-HW-000.A	Quantitative	Number of units produced by product category	Unable to be disclosed due to it involving sensitive information of the Company. Please refer to P.103 of the Company's 2024 Annual Report.	–
	TC-HW-000.B	Quantitative	Area of manufacturing facilities	3.5 Supply Chain Management	91
	TC-HW-000.C	Quantitative	Percentage of production from owned facilities	N/A D-Link is a brand company and does not have production lines.	–

Task Force on Climate-related Financial Disclosures (TCFD) Index

Dimension	TCFD's Suggested Disclosures	Corresponding Chapters	Page
Governance	How does the Board of Directors monitor climate-related issues?	4.3 Climate Governance and Actions	109
	How does the management assess and manage climate-related issues?	4.3 Climate Governance and Actions	109
Strategies	The Company identified short-, medium-, and long-term climate change-related risks and opportunities.	4.3 Climate Governance and Actions	109
	Impact of climate-related issues on the Company's business model, strategy, and financial plan.	4.3 Climate Governance and Actions	109
	Scenario analysis (including 2°C or more severe scenarios).	4.3 Climate Governance and Actions	109
Risk Management	Climate-related risk identification and assessment process.	4.3 Climate Governance and Actions	109
	The process of managing climate-related risks.	4.3 Climate Governance and Actions	109
	Explain how the above risk identification and management processes are integrated into the Company's overall risk management system.	4.3 Climate Governance and Actions	109
Metrics and Targets	Whether the evaluation indicators are consistent with the Company's strategy and risk management.	1.1 Sustainability Vision and Strategies	16
		4.3 Climate Governance and Actions	109
	Disclosure of greenhouse gas emissions and associated risks.	4.3.2 From Inventory to Net-Zero	118
	Management objectives and related performance.	4.3.2 From Inventory to Net-Zero	118

SDGs Index

Sustainable Development Goals	Management Approaches	Corresponding Chapters	Page
3 GOOD HEALTH AND WELL-BEING	• Create a healthy and safe working environment and plan fair, reasonable, and competitive systems, benefits, and incentives. • Promote and care for the well-being of external stakeholders through social engagement projects.	5.6.2 Labor Health and Safety Organization, Education and Training, and Work Environment Monitoring 5.6.3 Healthy Workplace 5.8.1 Charity Participation	157 159 168
4 QUALITY EDUCATION	• Construct a comprehensive learning education and training system to enhance the competitiveness of sustainable management. • Formulate personal development plans to assist supervisors and colleagues to continuously enhance their career development. • Expand web-based education through social engagement projects.	5.5.3 Talent Cultivation Plan 5.5.4 Education and Training 5.8.1 Charity Participation 5.8.2 Industry Development Promotion	150 152 168 176
5 GENDER EQUALITY	• Build a gender-affirmative work environment.	2.2.2 Board of Directors 5.4 Diversity and Inclusion	46 143
7 AFFORDABLE AND CLEAN ENERGY	• Inventory the various energy consumption and energy intensity in the Company's operation every year, as well as the effectiveness of promoting relevant energy-saving measures. • Follow the ISO 14001 environmental management system, set an annual environmental management plan every year, and commit to and implement five major environmental policies.	4.3.1 Response to Task Force on Climate-related Financial Disclosure (TCFD) Framework 4.4.1 Energy Management	110 121
8 DECENT WORK AND ECONOMIC GROWTH	• Continue to expand production capacity, create product and service features, and build diversified product capabilities. • Create a healthy and safe working environment and plan fair, reasonable, competitive systems, benefits, and incentives to attract and retain key talents.	3.4.1 Innovation Strategies and Practices 5.2.2 Human Rights Risk Assessment and Related Measures 5.3.2 Listening Strategy 5.5.5 Compensation and Performance Appraisal	87 135 141 153

Sustainable Development Goals	Management Approaches	Corresponding Chapters	Page
10 REDUCED INEQUALITIES	• Identify relevant risks through due diligence and manage them appropriately. • Protect employee rights through human rights protection policies. • Provide a suitable complaint channel.	5.4 Diversity and Inclusion 5.4.1 Diversified Employment 5.4.2 Gender Friendliness	143 145 146
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Set up management representatives, establish quality policies, set management objectives by quality policies, and review them regularly for effective management and continuous improvement. • Protect customers' rights and increase trust by establishing standard operating procedures, conducting regular surveys on customer satisfaction, and reviewing various service management indicators.	1.1 Sustainability Vision and Strategies 3.5.2 Sustainable Procurement Policy and Measures 4.3.3 Biodiversity Commitment 4.5.1 D-Link Green 4.5.2 D-Link Green Pack	16 95 119 125 127
13 CLIMATE ACTION	• Count the carbon emissions in the Company's operation every year, check the carbon reduction performance year by year, and give employees environmental education regularly. • Stipulate related policies according to the ISO 14064 Greenhouse Gas Inventory system. • Establish eco-friendly commitments.	4.3 Climate Governance and Actions 4.3.2 From Inventory to Net-Zero 4.3.3 Biodiversity Commitment 5.8.1 Charity Participation	109 118 119 168
17 PARTNERSHIPS FOR THE GOALS	• Establish supplier management guidelines, incorporate ESG-related impacts and risks, and regularly evaluate the impact of suppliers on society and the environment. • Increase local procurement percentage. • Collaborate with diverse partners to benefit people and society through various social engagement projects.	3.5.2 Sustainable Procurement Policy and Measures 3.5.4 Supplier Audit Status 5.8.1 Charity Participation	95 99 168

Article 4 of the Rules : Sustainability Disclosure Indicators - Communications and Internet Industry GRI 301-3

No.	Indicator	Indicator Type	Annual Disclosure	Unit	Corresponding Chapters	Page
1	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy)	Quantitative	The total energy consumption of D-Link in 2024 was 8,048.10 GJ, with 100% of electricity sourced externally. The usage rate of renewable energy accounted for 3.6% of the purchased electricity.	Gigajoules (GJ) Percentage (%)	4.4.1 Energy Management	121
2	Total water withdrawn, total water consumption	Quantitative	In 2024, the total water intake of D-Link was 10.97 thousand cubic meters, while the total water consumption was 1.10 thousand cubic meters.	Thousand Cubic Meters (m³)	4.4.2 Water Resource Management	122
3	Total hazardous waste generated and percentage recycled	Quantitative	D-Link is a brand company. It does not have any production line, or produce any hazardous waste; Therefore, the weight and proportion of hazardous waste are both 0.	Metric Tons (t) Percentage (%)	4.4.3 Waste Management	123
4	Types of, number of employees in and rate of occupational accidents	Quantitative	There were no occupational accidents in D-Link in 2024, so both the number and ratio of people were 0.	Percentage (%) Quantity	5.6.2 Labor Health and Safety Organization, Education and Training, and Work Environment Monitoring	157
5	Product Lifecycle Management Disclosure : including weights of scraps and electronic waste and percentage recycled	Quantitative	D-Link has standardized operating procedures and records for the recycling and disposal of scrapped products. The weight of scrap products handled by D-Link in 2024 was 0.61 tons, 100% of which was commissioned to qualified vendors for recycling and disposal. Moreover, based on the total annual sales weight, the recycling ratio was 0.73%.	Metric Tons (t) Percentage (%)	4.5 Green Products	124
6	Description of the management of risks associated with the use of critical materials	Qualitative Description	The key material of D-Link products is the active component, IC. To mitigate the risk of unstable supply of this material, the Company actively develops multiple sources of goods, timely reviews its distribution proportion, and deliberately maintains a certain level of supply proportion by local suppliers for effective management and control.	–	3.5.1 Overview of the Value Chain	92
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	In 2024, D-Link did not have any legal proceedings or related financial losses related to the anti-competitive behavior regulations; NT$ 0.	Reporting Currency	2.4.4 Compliance with Law and Regulations	58
8	Production by product category	Quantitative	Unable to be disclosed due to it involving sensitive information of the Company. Please refer to P.103 of the Company's 2024 Annual Report.	–	-	–

Article 4-1 of the Rules : Climate-Related Information

No	Item	Implementation Status	Page
1	Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	Please refer to section 4.3.1 "Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework" under the "Governance" paragraph.	110
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Please refer to section 4.3.1 "Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework" under the "Strategies" paragraph.	110
3	Describe the financial impact of extreme weather events and transformative actions.	Please refer to section 4.3.1 "Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework" under the "Strategies" paragraph.	110
4	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Please refer to section 4.3.1 "Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework" under the "Risk Management" paragraph.	110
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.	Please refer to section 4.3.1 "Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework" under the "Strategies" paragraph.	110
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.	Please refer to section 4.3.1 "Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework" under the "Metrics and Targets" paragraph.	110
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	D-Link has not yet adopted internal carbon pricing as a planning tool.	–
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.	Please refer to section 4.3.1 "Response to Task Force on Climate-Related Financial Disclosure (TCFD) Framework" under the "Metrics and Targets" paragraph, as well as section 4.3.2 "From Inventory to Net-Zero".	110 118
9	Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	Please refer to section 4.3.2 "From Inventory to Net-Zero".	118

Article 4-1 of the Rules : Climate-Related Information

▼ Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO$_2$e), intensity (metric tons CO$_2$e/NT$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

In fiscal year 2023, the Company emitted a total of 420,862.22 metric tons of CO$_2$e, with a revenue intensity of 26.40 metric tons CO$_2$e /NT$ million, including :
• scope 1 : 119.90 metric tons CO$_2$e (revenue intensity of 0.0075 metric tons CO$_2$e /NT$ million)
• scope 2 : 1,148.88 metric tons CO$_2$e (revenue intensity of 0.0721 metric tonsCO$_2$e /NT$ million)
• scope 3 : 419,593.44 metric tons CO$_2$e (revenue intensity of 26.3217 metric tons CO$_2$e /NT$ million)

In fiscal year 2024, the Company emitted a total of 225,377.71 metric tons of CO$_2$e, with a revenue intensity of 15.66 metric tons CO2e /NT$ million, including :
• scope 1 : 126.16 metric tons CO$_2$e (revenue intensity of 0.0088 metric tons CO$_2$e /NT$ million)
• scope 2 : 1,021.51 metric tons CO$_2$e (revenue intensity of 0.0710 metric tons CO$_2$e /NT$ million)
• scope 3 : 224,230.04 metric tons CO$_2$e (revenue intensity of 15.5769 metric tons CO$_2$e /NT$ million)

▼ Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

Explanation of the Assurance Status for 2023 :
• Scope of Assurance : D-Link Corporation / No. 289, Xinhu 3rd Rd., Neihu District, Taipei City, Taiwan, R.O.C.
• Assurance Unit : AFNOR Asia Ltd.
• Principle of Assurance : ISO 14064-3:2019
• Verification Conclusion : Confirm that the organization submits a GHG statement in accordance with the requirements of the verification criteria agreed by both parties, and fairly presents the GHG data and related information, which is consistent with the verification scope, objectives, and criteria by both parties. Declares that the reasonable assurance level of the inventory data is Category 1 (Scope 1) and Category 2 (Scope 2).

Explanation of the Assurance Status for 2024 :
• Scope of Assurance : D-Link Corporation / No. 289, Xinhu 3rd Rd., Neihu District, Taipei City, Taiwan, R.O.C.
• Assurance Unit : AFNOR Asia Ltd.
• Principle of Assurance : ISO 14064-3:2019
• Verification Conclusion : Confirm that the organization submits a GHG statement in accordance with the requirements of the verification criteria agreed by both parties, and fairly presents the GHG data and related information, which is consistent with the verification scope, objectives, and criteria by both parties. Declares that the reasonable assurance level of the inventory data is Category 1 (Scope 1) and Category 2 (Scope 2).

▼ Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

To achieve 2050 net-zero emissions, we plan to complete the inventory of the subsidiary companies of the consolidated financial statements by the year 2026 (inventory data for the year 2025). In the same year, using 2025 as the base year, setting reduction targets, and outlining emission reduction strategies and action plans. Starting from the year 2027, we will disclose the progress of target achievements annually. Our recent transition action plan includes replacing energy-consuming lighting fixtures, consistently purchasing green electricity, and conducting organizational carbon inventories of subsidiary companies using the ISO 14064-1:2018 methodology for consolidated reporting. We also plan to gradually upgrade air conditioning units, establish solar power equipment, obtain ISO 50001 energy management system certification, and explore other feasible and effective solutions.

The UN Global Compact

Classification	Ten Principles	Corresponding Chapters	Page
Human Rights	Principle 1 : Businesses should support and respect the protection of internationally proclaimed human rights	5.2 Human Rights Protection	134
	Principle 2 : Make sure that they are not complicit in human rights abuses	5.2 Human Rights Protection	134
Labor	Principle 3 : Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	1.4.2 Stakeholder 2.4.4 Compliance with Law and Regulations 5.2 Human Rights Protection 5.3 Employment and Employee Participation	31 58 134 137
	Principle 4 : The elimination of all forms of forced and compulsory labor	3.5 Supply Chain Management 5.2 Human Rights Protection	91 134
	Principle 5 : The effective abolition of child labor	3.5 Supply Chain Management 5.2 Human Rights Protection	91 134
	Principle 6 : The elimination of discrimination in respect of employment and occupation	5.2 Human Rights Protection 5.3 Employment and Employee Participation 5.4 Diversity and Inclusion	134 137 143
Environment	Principle 7 : Businesses should support a precautionary approach to environmental challenges	1.1 Sustainability Vision and Strategies 4.3 Climate Governance and Actions	16 109
	Principle 8 : Undertake initiatives to promote greater environmental responsibility	1.1 Sustainability Vision and Strategies 3.5 Supply Chain Management 4.3 Climate Governance and Actions 4.4 Energy and Resources Management	16 91 109 120
	Principle 9 : Encourage the development and diffusion of environmentally friendly technologies	4.5 Green Products	124
Anti-corruption	Principle 10 : Businesses should work against corruption in all its forms, including extortion and bribery	2.4 Ethical Management 3.5 Supply Chain Management	53 91

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TÜV NORD

Assurance Statement

D-Link Corporation Sustainability Report

TUV NORD Taiwan Co., Ltd. (hereinafter referred to as TUV NORD) was commissioned by D-Link Corporation (hereinafter referred to as D-Link) to perform the 2024 Sustainability Report Verification (hereinafter referred to as Sustainability Report) in accordance with the AA1000 Assurance Standard Version 3 and the GRI Sustainability Reporting Standards (GRI Standards) and related assurance standards.

The Scope of Statement and Assurance Standards

1) The scope of assurance is consistent with the scope of disclosure in D-Link 2024 Sustainability Report, which covers the period from 1 January 2024 to 31 December 2024.
2) The verification of compliance with the AA1000 Principles of Accountability for D-Link bases on the AA1000 Assurance Standard, Third Edition, Application Type II that includes verification of the reliability of the information/data disclosed in the report.
3) Sustainability Accounting Standards Board (SASB) Hardware industry sustainability accounting metrics.
4) Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators – Communications and Internet Industry.
5) TCFD Climate Related Financial Disclosure Recommendation.

Intended Users

The intended users of this statement are the stakeholders of D-Link.

Assurance Type and Level

In accordance with the requirements of the AA1000 Assurance Standard, Third Edition, Application Type II Moderate of Assurance Level.

Opinion Statement

D-Link complies with the GRI Standards and AA1000 accountability principles of inclusivity, materiality, responsiveness and impact. The sustainability report presents the commitment of top management, the needs and expectations of stakeholders. To achieve sustainability performance indicators by stakeholders' engagement.

We assure that D-Link complies with the SASB Hardware industry sustainability accounting standards to disclose relevant metrics

We assure that D-Link complies with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability

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TÜV NORD

Reports by TWSE Listed Companies, Sustainability Disclosure Indicators – Communications and Internet Industry.

We assure that D-Link complies with TCFD's climate-related financial disclosure recommendations and discloses relevant metrics.

Methodology

The verification is in accordance with the above stated assurance standards and the TUV NORD Sustainability Report Verification Agreement.

Our verification includes the following activities:

* Collect objective evidence of relevant performance metrics, as mentioned in the report.
* Assurance of expectations of local or national regulations; international standards as set forth in public opinion and/or expert opinion are relevant to such general considerations.
* Document review records and report content assessment in the context of GRI criteria application requirements.
* Interviews with managers and related staff on issues of concern to the company's stakeholders.
* Interviews with personnel involved in sustainability management, information gathering and report preparation.
* Review significant organizational developments and review internal and external audit findings.
* Review AA1000 (2018) Principles of Accountability and other compliance requirements.

Conclusion

The results of the AA1000 accountability standard for inclusivity, materiality, responsiveness and impact in the report are set out below.

Inclusivity

D-Link identifies 5 stakeholders and their concerns via the questionnaire method, and decides materiality through stakeholder discussions, ESG committees and experts. There are 10 material topics determined among the 19 sustainability topics including economic, governance, social, human rights and climate impact.

Materiality

D-Link complies with the GRI Standards, SASB Hardware industry sustainability Indicators disclosure related metrics, Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators – Communications and Internet Industry., and TCFD Climate Related Financial Disclosure Proposed Indicators, to fully disclose the company's material risks and opportunities, taking into account the extent of impact on the company and prioritize the materiality of the report.

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* For other related verification documents, please refer to the "Certifications" on D-Link official website.

Assurance Statement of Sustainability Report GRI 2-5

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Responsiveness

D-Link Sustainability Report clearly describes the relationship between sustainability and organizational strategy and the performance metrics corresponding to the materiality and their achievement status and adequately addresses the main issues of concern to stakeholders.

Impact

D-Link Sustainability Report fully identifies materiality that reflects the significant economic, environmental, and social impacts on the organization. The company has established a robust process to monitor and measure the impact and establish short-, medium-, and long-term strategic planning through corporate governance.

Reliability and quality.

The data and information in the report are sampling verified, and the accuracy of the sampling data is reliable.

GRI Sustainability Reporting Standards

D-Link Sustainability Report complies with the GRI 1 to GRI 3 Universal Standards and the GRI 200 Series, GRI 300 Series and GRI 400 Series topic standards, and meet the requirements for disclosure.

Limitations

The financial report of D-Link was certified by KPMG, the accounting firm appointed by the company.

The boundary of carbon emission verification report only includes Taiwan Headquarter and certified by the third party, AFNOR.

Independent Statements and Competence

TUV NORD Group is a leader in the supervision, testing and certification. It operates businesses and provides services in more than 150 countries around the world. The services include management systems and product certification; quality, environmental safety, social and moral audits and training; corporate sustainability report assurance.

TUV NORD and D-Link are mutually independent organizations, and there is no conflict of interest with D-Link or any of its affiliates or interested parties when performing the verification of the sustainability report. Regarding the sustainability report of D-Link, TUV NORD bases on the D-Link verification agreement, and does not assume any legal or other responsibilities. D-Link is responsible for responding to any questions that intended users concerned.

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The verification team is composed of experienced chief reviewers such as ISO 9001, ISO 14001, ISO 14064-1,ISO 14067, ISO 45001, SA 8000, ISO 50001, ISO 27001 etc., and has received the CSAP verification practice qualification certification of AA1000 AS v3 accountability training. The verification team is bases on his qualifications, extensive knowledge and experience in the industry to provide professional advice in this assignment.

Jack Yeh

General Manager

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* For other related verification documents, please refer to the "Certifications" on D-Link official website.

D-Link ®

2024 Sustainability Report