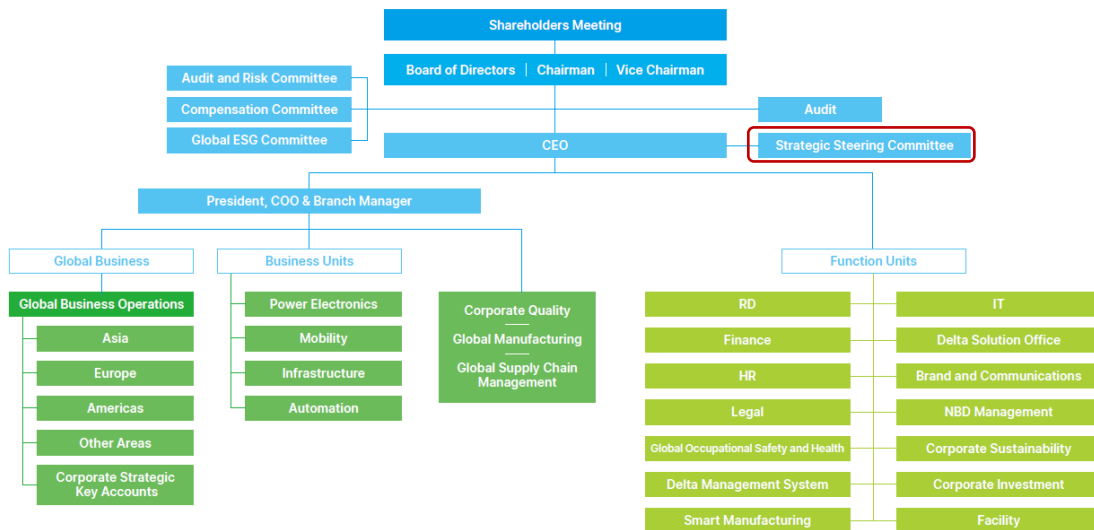


2024 Delta Electronics Sustainability Taxonomy Disclosures



Delta has established the Strategic Steering Committee to analyze major issues related to strategy, operations, and organization, and to provide recommendations to the Board of Directors. The Committee is chaired by Vice-chairman Mark Ko, with Chairman/CEO Ping Cheng serving as Vice-chairman. Every year, Independent Directors and global regional managers participate in strategy meetings covering institutions, regions, and technologies. These meetings enable timely adjustments to strategic development and strengthen operational performance in response to market dynamics and technological advances.

Delta's strategic planning is linked to our net-zero goals, with the EU Taxonomy serving as a key transition evaluation tool. Managed under the Committee's framework, it facilitates integrated governance and alignment with the Company's long-term sustainability objectives.



"To provide innovative, clean and energy-efficient solutions for a better tomorrow" is not only Delta's corporate mission but also our long-term goal. In order to provide the objective criteria for determining whether our products and solutions can be considered environmentally sustainable for our stakeholders, Delta has referred to the EU taxonomy framework and conducted a high-level screening based on the sectors and activity items.



The EU Taxonomy is a classification system that establishes criteria to determine which economic activities make a substantial contribution to one of the six environmental objectives, while avoiding significant harm to the others, to facilitate sustainable investment.

Delta Electronics has consistently demonstrated its commitment to environmental sustainability and climate action through various initiatives and achievements. Notable milestones include passing the SBTi 2°C evaluation in 2017 and subsequently achieving the more ambitious 1.5°C target in 2022. The company has been at the forefront of climate-related financial disclosures, becoming the first technology manufacturer to support TCFD in 2018, completing the initial assessment of climate risks and opportunities, and conducting climate risk and financial impact analysis of the Uninterruptible Power Supply (UPS) system.

In 2019, Delta further expanded its climate risk assessments by conducting financial impact analysis of EV components. In 2021, in line with global sustainability trends, Delta committed to RE100 and carbon neutrality, while also conducting scenario analyses for various climate-related impacts, including the effect of water shortages at Taiwan production plants. Notably, Delta achieved its SBT 2°C target ahead of schedule in the same year.

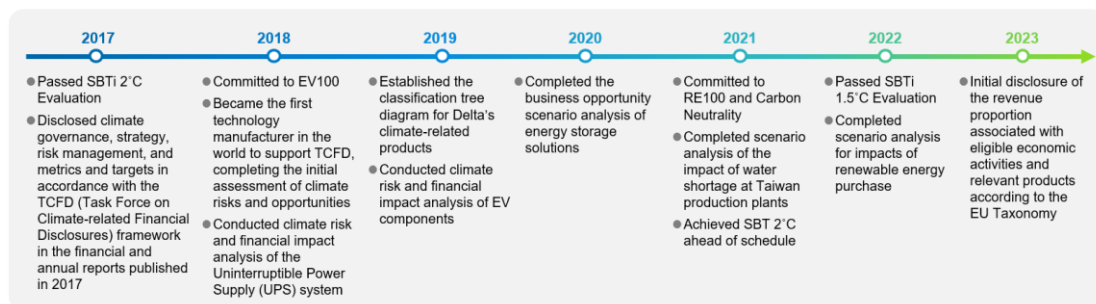
In 2022, Delta completed scenario analysis for impacts of renewable energy purchase, further strengthening its commitment to sustainable practices. Building on these efforts, Delta began its journey with EU Taxonomy disclosures in 2023, making an initial disclosure of Turnover proportion associated with eligible economic activities and relevant products. This commitment to transparency and alignment with global sustainability frameworks continues to evolve.

In 2024, Delta adopted a new methodology aligned with the CSRD framework to identify risks and opportunities most relevant to the company, focus on their potential financial impacts.

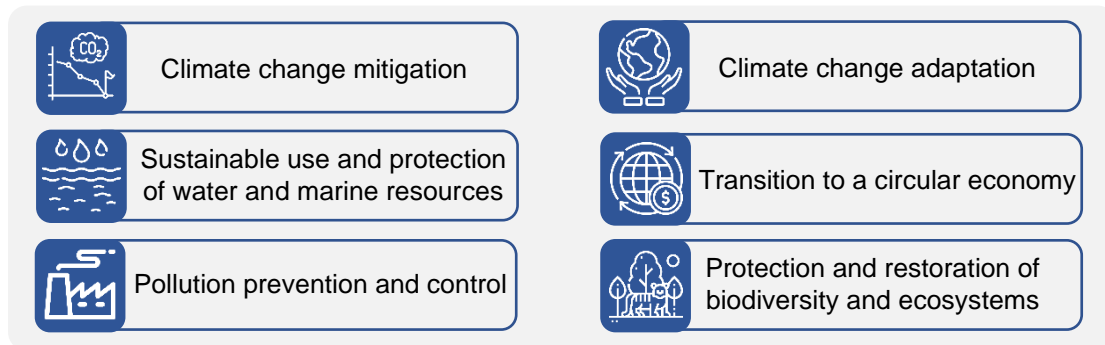
Delta's long-term strategic core remains committed to offering more innovative solutions that drive growth in our "green plus" Turnover. As achieving net-zero carbon emissions has become a global consensus, Delta has dedicated to advancing next-generation clean energy technologies. Building on this foundation, we are expanding into emerging areas such as hydrogen, energy storage and renewable energy applications, which are expected to play a crucial role in the global net-zero transition.

In line with this vision, Delta has established Delta Energy, a renewable electricity retailer offering services such as renewable energy transfer, matching platforms, energy conservation consult, and energy storage application.

In 2024, Delta unveils Taiwan's first megawatt-grade hydrogen electrolyser and fuel cell R&D lab to advance hydrogen energy innovation. These strategic moves not only strengthen Delta's business resilience but also position the company to capture new opportunities created by the transition toward a net-zero economy.



According to the EU Taxonomy Regulation, Article 9, there are six environmental objectives:



Under the EU Taxonomy Regulation, an economic activity qualifies as environmentally sustainable and is taxonomy-aligned if that activity:

- Contributes substantially to one or more of the above objectives
- Does not significantly harm any of the remaining objectives
- Is carried out in compliance with specified minimum safeguards

Subject to the EU, the first step is to identify taxonomy-eligible economic activities for these objectives and then report on the shares of total Turnover and capital/operating expenditure accounted for by these activities.

As the EU Taxonomy published the technical screening criteria for economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation in 2021, which is closely aligned with Delta's business. That's the reason why Delta's first Taxonomy disclosure in 2023 was centered on climate change mitigation objectives.

Based on the REGULATION (EU) 2021/2139 and REGULATION (EU) 2023/2486, which were amended in November 2023, Delta has identified the correlation of our business units' (BU) products and solutions with the substantial contribution criteria and screened out six sectors that the economic activities meet the criteria.

Corresponding sectors are as below:



Manufacturing



Energy



Transport



Construction
and real estate
activities



Information and
communication



Professional,
scientific and
technical activities

Next, we evaluate whether our products or solutions meet the descriptions of specific economic activities criteria. Delta has identified 16 taxonomy-eligible economic activities as listed in Table 3.

Delta also evaluated the economic activities listed in REGULATION (EU) 2023/2485, which applies from January 1, 2024. The evaluation results showed that in 2024, no activities of Delta met the environmental objectives outlined in Annex III (pollution prevention and control) and Annex IV (the protection and restoration of biodiversity and ecosystems). However, Delta has identified potential economic activities that may meet the technical screening criteria in the near future.

Looking ahead, Delta will take Taxonomy's criteria and market acceptance into consideration to adjust our business model. This strategic move aims to increase our "green plus" Turnover percentage, supporting our sustainable transition.

Table 1. Delta's Potential Taxonomy- eligible Economic Activities

Annex	Sector	Potential Economic Activities
Annex I sustainable use and protection of water and marine resources	Information and communication	Provision of IT/OT data-driven solutions for leakage reduction
Annex II transition to a circular economy	Manufacturing	Manufacture of electrical and electronic equipment
	Information and communication	Provision of IT/OT data-driven solutions
	Services	Repair, refurbishment and remanufacturing
		Sale of spare parts
		Product-as-a-service and other circular use- and result-oriented service models

The disclosures of Delta's taxonomy are limited to:

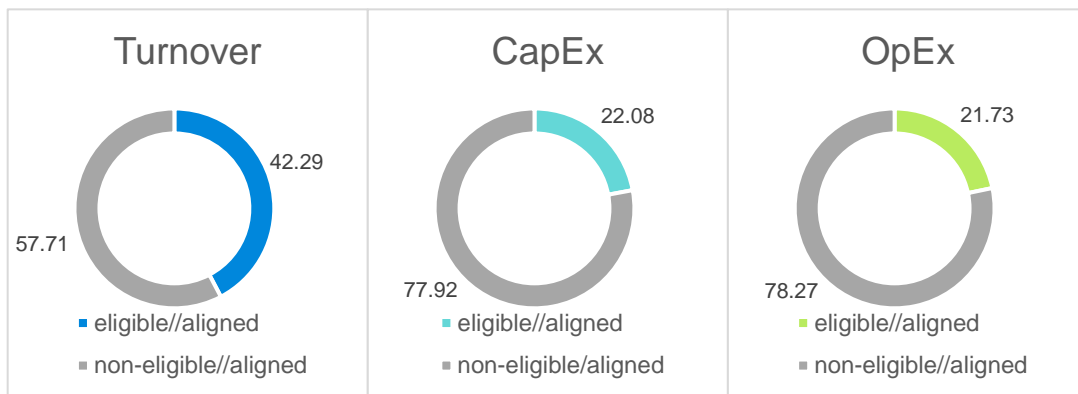
- The proportion of taxonomy-eligible/aligned Turnover, CapEx and OpEx.
- Based on the taxonomy-eligible activities that have been identified, Delta calculates the Turnover, CapEx and OpEx under current best practices. All the results will be reviewed annually and then adjusted on a rolling basis. All the financial information was calculated based on conservatism, avoiding double counting and has consistency with Delta's 2024 Financial Reports and 2024 Annual Report.
- Since Delta has many products and solutions, the financial information cannot be precisely subdivided into each product or solution, so most of

the financial information was calculated at the BG-level and Delta’s internal financial system. The results might contain specific errors in the calculation of Turnover, CapEx and OpEx.

- This disclosure of Delta’s taxonomy has not been assured by third parties.

Results of Delta Assessment of Eligibility

Our share of Turnover associated with taxonomy-eligible/aligned activities in 2024 was 42.29%, CapEx was 22.08%, and OpEx was 21.73%. Compared with 2023, this represents an increase of almost 10% in Turnover, 18% in CapEx and nearly 7% in OpEx, mainly driven by the growing demand for AI-related data infrastructure, which aligns with Delta’s business driven by data centers and low-carbon technologies.



This proportion was primarily contributed by the economic activities classified as “Data processing, hosting and related activities,” “Manufacture of low-carbon technologies for transport,” and “Infrastructure enabling low-carbon road transport and public transport.” The increasing share reflects Delta’s positioning in the rapidly growing data center market driven by artificial intelligence (AI). As AI adoption accelerates, data centers face significantly higher energy demands, creating strong momentum for Delta’s high-efficiency and energy-saving solutions. This trend, together with the company’s proactive strategy in capturing opportunities from digitalization and the global net-zero transition, further strengthens Delta’s long-term growth trajectory.

Looking ahead, Delta expects its taxonomy-aligned contribution to further increase, particularly through the expansion into innovation energy-related economic activities such as hydrogen, renewable electricity retail, and energy storage solutions. These emerging areas are expected to become important growth drivers that support both Delta's long-term sustainability strategy and its role in enabling customers' decarbonization pathways.

Delta included the Turnover of the products, which have been calculated to avoided emissions and obtain ISAE 3000 assurance in accordance with the "Guidance on Avoided Emissions" published by the World Business Council for Sustainable Development (WBCSD) in 2023. The products is classified based on the REGULATION (EU) 2021/2139 and REGULATION (EU) 2023/2486, and efforts have been made to avoid any double counting.

1. Assessment of DNSH

Delta's Global ESG Committee serves as a functional committee at the board level and is its highest-level sustainability management organization. The Global ESG Committee oversees 10 project teams that focus on three major aspects of ESG goals including corporate governance, environmental protection and energy conservation, as well as employee relations and social participation. The project teams that are highly correlated with the DNSH are Carbon Management, Energy and Water Conservation and Waste Reduction Management, Biodiversity respectively.

All of the Delta activities were under the Global ESG Committee oversight. The assessment of economic activities conforms to DNSH criteria.

(1). Water and Marine Resources

In the face of extreme climate events caused by global climate change, such as droughts or flash downpours and their impact on water resources. Delta published the Water Resource Policy in 2023, in order to fulfilling our social responsibility by taking the initiative to respond to global water shortage issues, and aim to enhance our climate change water resource management resiliency. Delta's Board of Directors passed the Water Resource Policy in 2024 to increase Delta's capacity for flexible adjustments in face of severe pressure on water resources in the future.

(2). Circular Economy

Delta actively promotes the circular economy and formulated four major circular economy strategies, which include: design for circularity, circular sourcing and manufacturing, shifting from products to services, and product value recovery in 2022. Delta also formulate sustainable waste management and circular economy implementation and strategic directions for the value chain to achieve effective utilization of resources and promote circular economy business opportunities in upstream and downstream industries.

(3). Pollution Prevention and Control

Delta has established the Delta Environmental Hazardous Substance Management Policy and Regulations since 2002. Delta's product design to manufacturing process, including the components, process chemicals, jigs, and packaging materials that make up Delta's products, are all included in the management system in order to achieve the most comprehensive management.

(4). Biodiversity and Ecosystems

Delta incorporated biodiversity into its sustainability strategy and passed the Delta Group Biodiversity Policy in 2022 to implement avoidance, minimization, restoration, offset and additional actions within the scope of corporate actions. Delta also works with upstream value chain and partners to achieve No Net Loss (NNL). We aim to achieve the ultimate goal of Net Positive Impact (NPI) by 2050.

2. Assessment of Minimum Safeguards

According to the Article 18 of EU Taxonomy Regulation, the assessment of economic activity to ensure the alignment with minimum safeguards include the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Delta is committed to adhering to international human rights conventions and local



regulations and established the “Delta Human Rights and Employment Policy” to communicate Delta's commitment to global human rights. The assessment of Delta’s economic activities conforms to Minimum Safeguards.



Table 2. Proportion of Turnover, CapEx, OpEx from products or services associated with Taxonomy- eligible or Taxonomy-aligned economic activities – disclosure covering year 2024 summary KPIs

KPI	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
	MUSD	%	MUSD	%	%	%	%	%	%	%	%	%	
Turnover	5,432.81	42.29%	5,432.81	42.29%	42.29%	-	-	-	-	-	18.69%	23.60%	0.00%
CapEx	220.39	22.08%	220.39	22.08%	22.08%	-	-	-	-	-	20.47%	1.61%	0.00%
OpEx	589.44	21.73%	589.44	21.73%	21.73%	-	-	-	-	-	16.39%	5.34%	0.00%

Table 3. Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2024 activity breakdown

Economic Activities	Code	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned Turnover)	Taxonomy eligible/aligned KPI (monetary value of Turnover)	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned CapEx)	Taxonomy eligible/aligned KPI (monetary value of CapEx)	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned OpEx)	Taxonomy eligible/aligned KPI (monetary value of OpEx)	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity	
		%	MUSD	%	MUSD	%	MUSD	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
		%	MUSD	%	MUSD	%	MUSD	%	%	%	%	%	%			E
Manufacture of renewable energy technologies	CCM 3.1.	3.50%	449.06	0.97%	9.71	4.80%	130.12	3.50%	-	-	-	-	-	-	E	-
Manufacture of equipment for the production and use of hydrogen	CCM 3.2.	0.00%	0	0.00%	0	0.34%	9.25	0.00%	-	-	-	-	-	-	E	-
Manufacture of low carbon technologies for transport	CCM 3.3.	6.05%	776.81	9.41%	93.89	3.98%	107.83	6.05%	-	-	-	-	-	-	E	-
Manufacture of batteries	CCM 3.4.	0.16%	20.88	0.07%	0.75	0.19%	5.25	0.16%	-	-	-	-	-	-	E	-
Manufacture of energy	CCM	0.97%	124.83	0.02%	0.25	0.30%	8.17	0.97%	-	-	-	-	-	-	E	-

Economic Activities	Code	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned Turnover)	Taxonomy eligible/aligned KPI (monetary value of Turnover)	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned CapEx)	Taxonomy eligible/aligned KPI (monetary value of CapEx)	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned OpEx)	Taxonomy eligible/aligned KPI (monetary value of OpEx)	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity
						Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity				
		%	MUSD	%	MUSD	%	MUSD	%	%	%	%	%	E		
efficiency equipment for buildings	3.5.														
Manufacture of other low carbon technologies	CCM 3.6.	0.00%	0	0.00%	0	0.00%	0	0.00%	-	-	-	-	-	E	-
Electricity generation using solar photovoltaic technology	CCM 4.1.	0.00%	0.50	0.00%	0.01	0.04%	1.12	0.00%	-	-	-	-	-	-	-
Electricity generation from hydropower	CCM 4.5.	0.00%	0.12	0.00%	0.00	0.01%	0.28	0.00%	-	-	-	-	-	-	-
Transmission and distribution of electricity	CCM 4.9.	0.00%	0.18	0.01%	0.06	0.19%	5.06	0.00%	-	-	-	-	-	E	-
Storage of electricity	CCM 4.10.	0.42%	53.83	0.19%	1.86	0.15%	4.20	0.42%	-	-	-	-	-	E	-
Infrastructure enabling	CCM	6.05%	776.81	9.41%	93.89	3.98%	107.83	6.05%	-	-	-	-	-	E	-

Economic Activities	Code	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned Turnover)	Taxonomy eligible/aligned KPI (monetary value of Turnover)	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned CapEx)	Taxonomy eligible/aligned KPI (monetary value of CapEx)	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned OpEx)	Taxonomy eligible/aligned KPI (monetary value of OpEx)	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity
						Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity				
		%	MUSD	%	MUSD	%	MUSD	%	%	%	%	%	E		
low-carbon road transport and public transport	6.15.														
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3.	0.22%	27.77	0.03%	0.27	0.37%	10.09	0.22%	-	-	-	-	-	E	-
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4.	0.72%	92.12	0.24%	2.45	0.89%	24.24	0.72%	-	-	-	-	-	E	-
Installation, maintenance and repair of instruments and devices for measuring,	CCM 7.5.	0.60%	77.14	0.12%	1.17	1.12%	30.29	0.60%	-	-	-	-	-	E	-

Economic Activities	Code	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned Turnover)	Taxonomy eligible/aligned KPI (monetary value of Turnover)	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned CapEx)	Taxonomy eligible/aligned KPI (monetary value of CapEx)	Taxonomy eligible/aligned KPI (Proportion of Taxonomy eligible/aligned OpEx)	Taxonomy eligible/aligned KPI (monetary value of OpEx)	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity
								Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity		
		%	MUSD	%	MUSD	%	MUSD	%	%	%	%	%	%		
regulation and controlling energy performance of buildings .															
Data processing, hosting and related activities	CCM 8.1.	23.60%	3,032.39	1.61%	16.07	5.34%	144.87	23.60%	-	-	-	-	-	-	T
Professional services related to energy performance of buildings	CCM 9.3.	0.00%	0.37	0.00%	0.01	0.03%	0.84	0.00%	-	-	-	-	-	E	-

