

MOXA®

# Sustainability Report 2024



# Founder's Message: Redefining Success, Creating Shared Value

## From the Start: The Success We Believe In

*"Even steam and electricity are far less important than the limited liability corporation, and they would be reduced to comparative impotence without it."* This quote by Nicholas Murray Butler, former President of Columbia University, reminds us that a corporation is more than a machine for producing goods—it is a force that drives societal progress.

In 1987, my high school friends and I founded 404 Technology because the corporate system gave us the opportunity to pursue our dreams. I still remember Article 1 of Taiwan's Company Act at the time: "A company is a juristic person organized for profit." <sup>\*Note</sup>

In that era, financial metrics like profit, revenue growth, shareholder value, and market share defined success. Yet, I have always known that this definition of "profit first, shareholders first" was never the success I aspired to. My vision was to build a company that belongs to its employees—one that starts with people, values long-term growth, and fosters a culture of participation, inclusion, and belonging. Guided by this belief, we have focused on high-value niche markets, delivering quality products and services, continuously creating customer value, and enabling our colleagues to fully unleash their talents and passion.

We strive to create a human-centered work environment where our people can find meaning and purpose, supported by diverse career development opportunities. Through volunteer work, wellness activities, and a culture of reading, we empower every team member to become their best self.

We've also designed a profit-sharing system that makes every employee not just a contributor, but also a participant in governance, allowing them to build a fulfilling and purposeful career at Moxa and shape our shared long-term vision.

## Realizing That True Success Spans More Than One Generation

Thanks to the dedication and contributions of our entire team, we have gradually built the company we envisioned. However, we must also confront a hard truth: over the past three decades, in pursuing short-term economic growth, humanity has severely depleted natural resources.

The United Nations' 2030 Agenda for Sustainable Development reminds us: "We must not deprive future generations of the ability to meet their own needs." This is not merely an environmental issue—it is a broader concern for social, economic, and human well-being.

Focusing only on short-term financial gains, while neglecting societal and environmental impact, unjustly burdens future generations with the risks. I have come to deeply understand that the progress of our generation must not come at the cost of future generations' rights to thrive.

Note: In 2018, the law was amended to include: "A company shall comply with laws and ethical norms in its operations and may engage in activities that promote public interest to fulfill its social responsibilities."

## Now Is the Time to Redefine Success

Redefining success does not mean denying past achievements or values. Rather, it means expanding our perspective to encompass the future. We believe that true success is not only measured by operational stability and employee well-being, but also by a company's proactive understanding of its broader social and environmental impact, and its commitment to more responsible and forward-looking practices.

This new vision of success makes sustainability not optional, but essential. It's the key to a new definition of success—a pivot from economic to holistic value creation, ensuring accountability towards future generations.

## Starting with Core Values to Achieve Sustainable Development

Sustainability is not something we do because we have to—we do it because we believe in it. It stems from our internal values, not external pressures. In our journey to sustainability, we acknowledged that lasting impact requires a culture where internal and external values are aligned. Moxa has long upheld four core values: Integrity, Mutual Respect, Customer Focus, and Execution. These core principles have been the foundation of our identity from the beginning, and they are now key to redefining success and advancing sustainable development:

- **Integrity** We value honesty and transparency. We are committed to strengthening corporate governance, regulatory compliance, and ethical supply chains to build a trustworthy organization.
- **Mutual Respect** We believe every employee and stakeholder deserves to be heard and respected. From fostering a diverse and inclusive workplace to engaging sincerely with suppliers and civil society, we build our social value through mutual respect.
- **Customer Focus** We listen to our customers' challenges and aspirations, responding with innovative solutions to sustainability needs—from energy-efficient products to resilient system architectures.
- **Execution** Sustainability is not a campaign—it is a long-term commitment. We embed sustainability goals into daily operations and decision-making, driving tangible progress through resource management and process optimization.

We do not view sustainability as an added set of rules. We see it as a deeper, broader, and more impactful expression of our convictions.

## Empowering Sustainability Through Technology and Connection

Switches, data cables, and edge computing devices are what Moxa is known for to many. But, these products are more than just tools; they are essential for the reliable operation of smart cities, efficient energy distribution, safe and smooth transportation, and reduced carbon emissions in factories.

As a pioneer in industrial communication, we understand that technology is about connection. In an era striving for green transition and sustainable development, connectivity itself has become a fundamental infrastructure for transformation. Whether it's an energy-saving railway, a responsive smart grid, or a digital production line that reduces heavy labor and energy use, these systems depend on stable, real-time, and reliable connectivity.

Faced with environmental degradation and resource scarcity, we don't want to be just enablers of technological advancement—we aim to be enablers of green transformation. While we do not see ourselves as the principal actors changing the world, we are clear about our role:

We are enablers of sustainable transformation, providing critical support to those who are shaping the future—urban planners, energy operators, and industrial innovators.

This is how we intend to participate in the global drive towards sustainability.

## Creating Value Not Only for Ourselves, but for a Thriving Ecosystem

We believe that the realization of shared value stems from the collective effort and trust of all stakeholders:

- **Integrity**

We value honesty and transparency. We are committed to strengthening corporate governance, regulatory compliance, and ethical supply chains to build a trustworthy organization.

- **Mutual Respect**

We believe every employee and stakeholder deserves to be heard and respected. From fostering a diverse and inclusive workplace to engaging sincerely with suppliers and civil society, we build our social value through mutual respect.

- **Customer Focus**

We listen to our customers' challenges and aspirations, responding with innovative solutions to sustainability needs—from energy-efficient products to resilient system architectures.

- **Execution**

Sustainability is not a campaign—it is a long-term commitment. We embed sustainability goals into daily operations and decision-making, driving tangible progress through resource management and process optimization.

This is how we define success: We do not only create value for ourselves, but co-create a better future with society and the environment.

## Walking Together Toward More Meaningful Success

Redefining success is not just a slogan—it is the result of years of practical experience, shared values, and thoughtful reflection. It is a conscious choice that we have made and acted on.

This sustainability report is our way of turning that choice into tangible commitments and real actions. It not only documents our understanding and dedication to sustainability, but also shows how we are embedding this redefined success into every aspect of our operations.

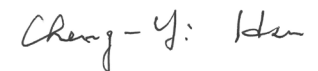
To all our stakeholders—employees, customers, partners, and future generations—we sincerely invite you to walk this path with us. Let us shape a future that is more inclusive, connected, and resilient—where every effort creates value, and every technology carries meaning. This is a journey. And it is also a promise.

Let us walk forward, together, toward a more meaningful success.

Sincerely,

JE Hsu

Chairman & Founder



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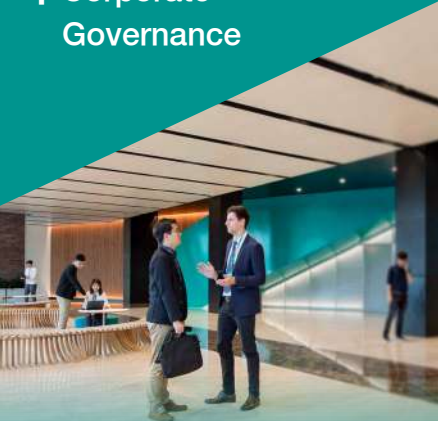
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# Sustainability Performance and Recognition

## 1 Corporate Governance



### • First-time Recognition

Making the CNA Enrichment Recognition List for the first time, Moxa is able to detect vulnerabilities more quickly and fix them in real time for customers, providing a higher level of protection for product cybersecurity.

### • Grade A

Our Information Security received the highest external rating from a third-party agency, and no major information security incidents have ever occurred.

### • 0 Violations

No major violations of regulations such as corruption or anti-competition have ever occurred.

## 2 Innovation and Service

### • Passed TSN Certification

TSN-G5000 Series industrial Ethernet switches obtained the world's first TSN component certification from the Avnu Alliance, the industry's first TSN function certification program.

### • 98.4% Technical Service Satisfaction

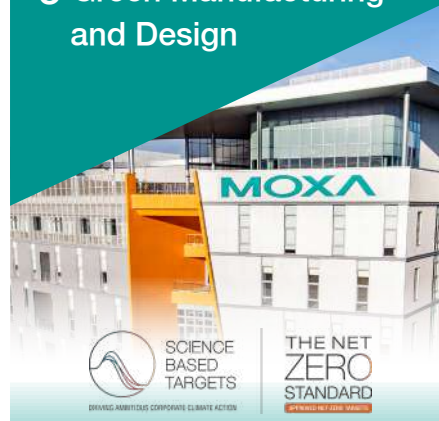
Moxa adopts diverse service channels, effectively meeting customer service needs in different regions, and creating greater value for customers.

### • 0 Product Recalls

No incidents of products affecting personnel safety or product recalls ever occurred, demonstrating Moxa's commitment and dedication to product quality and customer rights.



## 3 Green Manufacturing and Design



### • SBT Validated

Moxa is committed to achieving net-zero emissions by 2050 and has since passed the 1.5° C SBT certification.

### • ↓ 12%

GHG emissions are reduced by 12% compared to 2023.

### • Carbon Footprint Database

Moxa is able to comprehensively provide customers the carbon footprint information for specific products.

### • ↓ 15%

The proportion of plastic packaging materials was reduced to 57%, a 15% decrease compared to 2022, replaced by paper-based packaging.

## 4 Supply Chain Management

### • 70%

The proportion of overall local procurement is increasing each year, reaching 70% by 2024, up 11% compared to 2022.

### • 100%

The response rate for our first-tier supplier sustainability risk survey was 100%, and training and improvement plans were established to address major deficiencies of high-risk suppliers.

### • 100%

Organized 7 sustainability-related training sessions for procurement personnel with a training coverage rate of 100%.

### • Collaboration with Partners

Moxa is keen to provide high carbon-emitting suppliers with GHG inventories training and guidance, as well as CBAM reporting training and individual guidance for suppliers.



## 5 Inclusive Workplace and Society



### • First-time Recognition

Recognized with the "National Talent Development Award" and the "104 Employer Brand Award."

### • 94% Retention Rate

The retention rate of new recruits in the past three years was >90%, and reached 94% in 2024.

### • 0 Occupational Accidents

No occupational or safety accidents occurred within or outside the factory, and no regulations related to occupational health and safety were violated.

## Featured Sustainability Story 1

### Moxa Partners Up to Help Manufacturing Sector With Carbon Management



Moxa collaborated with counterparts in the ecosystem, Yima Information and InfoChamp Systems, to help the industry accelerate green transition.

#### Companies Face Carbon Pricing Challenges

Industries in Taiwan face unprecedented carbon management challenges with the implementation of the US Clean Competition Act (CCA), carbon fee collection in Taiwan, and the EU's Carbon Border Adjustment Mechanism (CBAM). As an integral part of the global supply chain, Taiwan's manufacturing sector must respond to increasingly stringent and uncertain regulatory carbon emission requirements, resulting in a rapid rise in "carbon anxiety" among companies. Furthermore, Taiwan's manufacturing sector for electronics components also faces urgent demands from international customers to provide supply chain carbon inventory data and undertake carbon management.

Amidst this wave of international regulations and requirements from customers around the world, we have found that many companies have a number of challenges on their road ahead, including a lack of knowledge of how to initiate a carbon inventory, how to provide data, and how to retain supporting data in response to a carbon inventory request. Moxa is committed to assisting Taiwanese industries and supply chains in facing the challenges of net-zero emissions. We work with counterparts in the ecosystem to provide comprehensive software and hardware integration solutions, ensuring that industry customers can overcome the hurdle of carbon inventory, reap the benefits of digitalization, and achieve the goal of green transition.

#### Moxa Empowers Enterprises for Their Green Transition

With the development of the smart factory, production plants are adopting and integrating increasing numbers of equipment, sensors, and systems to enhance automation and achieve smart production. However, this also increases carbon inventory complexity and statistical errors due to manual data collection.

Moxa collaborated with counterparts in the digitalization ecosystem—YIMA INFORMATION and InfoChamp Systems—to provide a comprehensive software and hardware integration solution for carbon management in smart manufacturing. By building digital transition infrastructure (e.g., Internet of Things applications), we assist small and medium-sized enterprises (SMEs) for digitalization and carbon inventory. This solution can automatically capture and record data for each phase of production through secure and reliable edge connectivity and computing.

As a result, carbon emissions of production orders can be clearly displayed, reducing the complexity and human error inherent in traditional operations. Customers can accurately and continuously monitor data for their energy consumption and emissions, and then digitally archive the monitoring results and supporting data, making it easy to organize and provide information to verification institutions or overseas customers for review. This provides a reliable, accurate solution for the manufacturing industry to respond to various carbon inventory regulation and energy management needs.

## Strengths of Moxa Solution



### 1 Enhance integration

Moxa products provide the latest networking and computing technologies in products that are designed for industrial needs, enabling reliable, continuous operations.



### 2 Increase scalability

The integrated Internet of Things (IoT) information system is scalable, allowing customers to easily expand their operations and add more equipment and sensors without a significant increase in complexity or cost.



### 3 Improve safety

Moxa obtained IEC 62443-4-1 certification for secure development processes and provides IEC-62443-4-2 Security Level 2 certified products with built-in security features, ensuring they are secure and reliable. This enables the safe integration of OT and IT networks so companies can attain the benefits of digitalization without impacting operations.

## Benefits Delivered by Moxa Solutions

### 1 Industrial automation and smart factory

Production line automation can be optimized to create smart factories that improve production efficiency and product quality.

### 2 Equipment networking and data collection

Customers can connect various devices to the network to collect and monitor production data in real-time, enabling data-driven decisions that improve operations.

### 3 Edge computing and real-time analysis

Through edge computing equipment, customers can process and analyze data on the production site in real time, shortening response times and improving production flexibility.

### 4 Energy management and carbon emission monitoring

Customers can monitor energy use and carbon emissions to support environmental sustainability efforts and comply with relevant regulatory requirements.

### 5 Remote monitoring and maintenance

Through remote connection technology, customers can monitor equipment status anytime, anywhere. This enables them to perform remote maintenance and preventive maintenance to reduce maintenance costs and the risk of downtime.

## Featured Sustainability Story 2

### Recognition for Talent Growth and Development

Moxa is a company that prioritizes its employees, values long-term success, and fosters participation, sharing, and a sense of belonging. We are committed to creating a work environment conducive to learning and growth, health, and safety. We also offer development opportunities based on employees' capabilities and ambitions, empowering them to enjoy their work, fully utilize their potential, maximize their contributions, and gain a strong sense of achievement. In 2024, we received multiple prestigious human resource awards that recognized Moxa's outstanding performance in employer branding, workplace culture, and talent development within the industry.



At the HR Asia Award ceremony, where Moxa was honored as one of the Best Companies to Work for in Asia

#### Moxa in HR Asia's Best Companies to Work for in Asia for Two Consecutive Years

A total of 368 companies in Taiwan were nominated for the award, with over 30,000 employees taking part in the survey. The evaluation process included a rigorous questionnaire review, fact verification, and interviews. In the end, Moxa stood out from many companies and was honored with the HR Asia Best Companies to Work for in Asia award for the second consecutive year.

For 2024, Moxa additionally received the HR Asia Diversity, Equity, and Inclusion Award and the HR Asia Sustainable Workplace Award. These awards highlight Moxa's continued efforts in fostering an excellent workplace environment and promoting diversity, equality, and inclusion (DEI), and recognize Moxa's excellence in building a strong corporate culture, driving best business practices, and advancing sustainable workplace development. This series of international awards demonstrates Moxa's strong commitment to employee care, organizational culture, and talent development.



Award ceremony for the 104 Best Employer Awards

#### Moxa Wins 104 Corporation's Best Employer Brand Award for Talent Sustainability Strategy

104 Corporation held the Best Employer Awards for the first time, attracting participation from 444 companies across various industries, including technology, digital, startups, manufacturing, catering, services, finance, and e-commerce. Their evaluation was based on two core aspects. "Talent Attraction" evaluates company performance in recruitment channels and methods, applicant relationship management, and employee value proposition. "Employee Retention" evaluates companies using key indicators such as employee satisfaction, leadership effectiveness, career development, compensation system, corporate culture, and sustainability. Their evaluation combines big data and AI algorithms, along with rigorous assessments conducted by industry experts. Amid intense competition, only 10.4% of the participating companies were awarded.

Moxa was honored with the "Best Employer Brand Award" for outstanding talent development and corporate culture. This achievement reflects our core "people-oriented" philosophy and highlights our accomplishments in talent cultivation, workplace enhancement, and cultural development.

## Ministry of Labor's 2024 National Talent Development Awards: Systematic Cultivation Promotes the Sustainable Development of Industrial Automation Talents

The National Talent Development Awards are organized by the Workforce Development Agency of the Ministry of Labor and are one of the most distinguished talent development awards in Taiwan. In 2024, a total of 116 companies participated in the evaluation. After rigorous multi-level evaluation, Moxa won the 2024 National Talent Development Award - Outstanding Case Award. The evaluation criteria focused on "Linking Talent Development Performance" and "Innovation and Effectiveness Expansion in Talent Development", recognizing Moxa's innovation and outstanding performance in promoting talent sustainable development.

The award-winning project "Moxa Farming Program" was inspired by U.S. Minor League Baseball. Through a systematic and tiered training model, we focused on cultivating professional industrial control talents with four training modules—technical knowledge, business knowledge, professional skill, and continuity—integrating internal and external resources. The plan included technical coaches, course workshops and practice sessions, community learning, job rotation, and field observation. Talents cultivated covered the fields of sales, technical support, product management, supply chain management, product marketing, global marketing, product engineering, and information technology. This program not only helps employees expand their professional horizons, but also cultivates key talents for digital and energy transformation in the industry, effectively addressing the talent shortage in the OT (operational technology) field.

Since 2021, the Moxa Farming Program has successfully trained more than 71 outstanding industrial control talents, and successively invested in industrial applications—such as manufacturing, semiconductor, power energy, and railroad transportation—in Taiwan, Asia Pacific, and the United States. Looking ahead, Moxa will continue to build an elite team with both professional and diverse skills to drive continuous advancement and breakthroughs in the field of industrial automation.



2024 National Talent Development Award Ceremony



Trainees visiting an industrial automation exhibition to learn about industry applications

## Featured Sustainability Story 3

### Advancement of Moxa's Reliability Engineering

With the global emphasis on sustainable development, the importance of product reliability continues to increase. Reliable products not only improve consumer experience and brand confidence, but also reduce resource waste and environmental burden. To improve product reliability, Moxa established the Reliability and Failure Analysis Laboratory to explore the causes of product failure using scientific engineering methods and formulate preventive measures to extend product life. The establishment of the laboratory not only shortens the waiting time for outsourced tests and reduces analysis costs, it also allows us to quickly respond to and meet customer needs. We utilize reliability analysis and design technologies to optimize our design and manufacturing processes, further reduce the impact of product failures on the environment, and strengthen customer trust and cooperative relationships.

#### Establishment of the Reliability and Failure Analysis Laboratory

Moxa established the Reliability and Failure Analysis Laboratory in March 2022, and gradually recruited professionals in the fields of reliability and failure analysis (e.g., electrical signals, materials, and statistics). We also acquired advanced analysis equipment and tools to enable us to use both non-destructive and destructive analysis technologies and capabilities (e.g., electronic signals, component structure, material microscopic structure, thermal analysis, and reliability testing). We analyze the causes and mechanisms of product failure using scientific engineering methods and provide evidence-driven preventive recommendations and solutions to customers.

#### Evolution of the Reliability and Failure Analysis Laboratory

With the increasing capacity of the Reliability and Failure Analysis Laboratory over time, we gradually gained more comprehensive component analysis capabilities and technology since the laboratory was first launched. We are now able to accurately diagnose the causes and mechanisms of product failure and provide specific improvement plans for different cases.

#### Major Case

### Analysis and Research on the Failure of 5G Communication Electronics Products due to Application in Severe and Adverse Environment

Collaboration Units: Global Technical Service Division, Transportation Business Group, and Quality Management Division

Moxa's Reliability and Failure Analysis Laboratory investigated a customer issue where communication was interrupted due to switching of parts for some 5G communication electronics products used in transportation systems. After a detailed scientific and professional failure analysis run in the laboratory, it was found that the products were used in heavy industrial environments and environments that had high concentrations of corrosive hazardous gases such as sulfur dioxide and hydrogen sulfide, such as in hot spring areas. This caused silver electrodes or circuit materials in product parts to undergo chemical reactions, eventually leading to a crack and an open circuit.

Based on the analysis results, Moxa provided a series of specific and effective preventive recommendations and improvement measures for customers. First, a protective coating was added to the surface of the circuit boards and components to effectively isolate them from external corrosion and hazardous gases, preventing chemical reactions from damaging the components. In addition, materials with higher corrosion-resistant properties were selected based on the environmental conditions of the application scenario to further improve the reliability of the products. These measures were effective for extending the service life of the products in high-pollution environments, and reduced the risk of failure, saving customers potential maintenance and replacement costs. This increased reliability also enhanced these products' competitiveness in the market. By accumulating data and experience through failure analysis, we continue to improve product design and material selection capabilities, thereby laying the foundation for future product development.

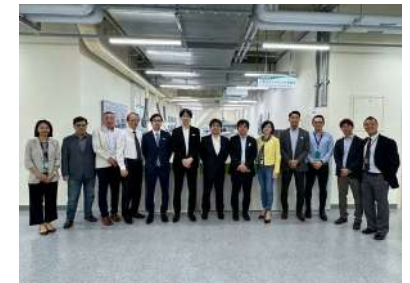
In this case, Moxa provided customers with effective improvement measures and technical support through comprehensive and professional laboratory analysis and accurate failure diagnosis. This enhanced customer trust and built long-term cooperative relationships. When the product distributors visited the laboratory at the 2023 Global Distributor Summit (GDS), they expressed recognition and appreciation to the team for the analysis results and improvement measures of this case.

#### Extending the Influence of Reliability

To promote the importance and application of product reliability, the Reliability and Failure Analysis Laboratory has actively carried out a number of measures, including launching the "Professional Instrument Training Course" in 2024 to improve the efficiency of technology and failure analysis, with a total of 22 people completing the training course. Moxa also organized 18 customer visits and 4 cross-unit tours in 2024, bringing together customers and over 100 employees from different departments to participate, demonstrating Moxa's core competencies and application results. Last but not least, Moxa publishes the "Reliability Scientific Periodical" on a quarterly basis to share the results of their failure analysis cases and emphasize the importance of product reliability.



Professional Instrument Training Course



Visit to the Reliability and Failure Analysis Laboratory

#### Future Prospects

The Reliability and Failure Analysis Laboratory will continue to utilize product reliability analysis and design technologies with our expertise and engineering. By accumulating experience through experiments and analysis and promoting cross-field collaboration, we will continue to optimize the design and manufacturing process for the next generation of products, improving product reliability while reducing the impact of product failure on the environment.

# Featured Sustainability Story 4

## Together, Building a Safer Moxa

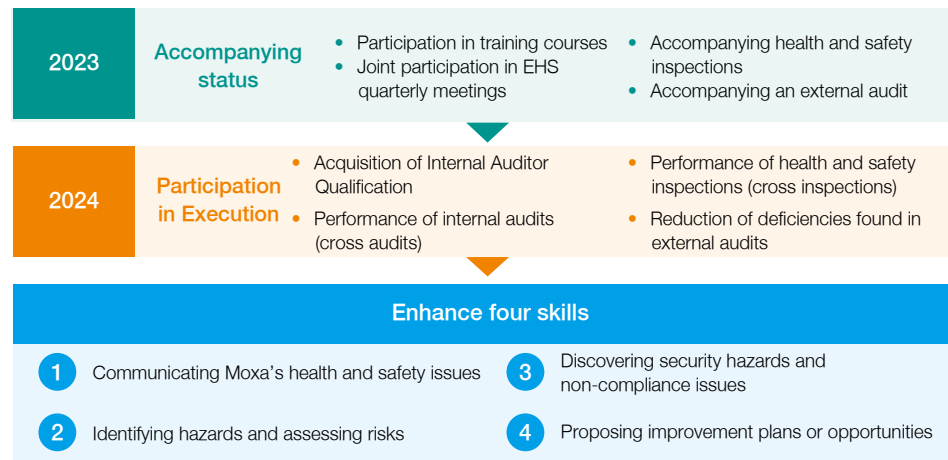
Moxa is committed to creating a healthy and safe workplace. Through a variety of management measures, we raise employees' safety awareness, implement safety management systems, and strengthen our occupational health and safety culture, making safety a shared responsibility for every employee. This ensures that our work environment meets the highest safety standards for our workforce.

### EHS Seed Members—The Key to Moxa's Safety Culture

We know that the key to environmental health and safety management lies in talent. Therefore, we proactively cultivate "Environmental Health and Safety (EHS) Seed Members" by improving their abilities in risk identification, incident response, and safety management through professional training. Moxa encourages EHS Seed Members in each unit to proactively discover safety improvement opportunities and participate in internal safety inspections and drills, further promoting the implementation of our workplace safety culture.

EHS Seed Members are responsible for conveying safety awareness and reminding employees of important tasks. In 2024, Moxa arranged for EHS Seed Members and related personnel—40 people in total—to obtain the "EHS Management System - Internal Auditor" qualification. In addition, the focus for EHS Seed Members has shifted from "accompanying status" to "participating in implementation." This means participating in cross-departmental health and safety inspections and audits, which allows them to share best practices, gain experience, improve the deficiencies of their own departments, further strengthen the safety and health awareness of all departments, and establish consistent safety standards, thereby jointly promoting Moxa's safety culture. This effectively reduces potential risks and increases overall safety awareness.

#### EHS Seed Member Training Goals



### Building Comprehensive Communication Channels

To strengthen communication of employee health and safety information, Moxa established an exclusive EHS (Environment, Health and Safety) department web portal in 2024. Through this platform, we can effectively promote horizontal communication of internal information, build a health and safety information bridge, and continue to update contents to meet employees' needs and improve relevant management performance.

#### Integration Into Moxa's Intranet:

Employees can quickly access the EHS department page to obtain information on occupational safety and health (OSH).

#### OSH Section:

Provides relevant policies, operating guidelines, and latest regulatory information on ISO 45001 certification to help employees understand the standards and requirements for workplace safety management.

#### Health Section:

Shares health promotion activities, knowledge of personal health management, and exclusive health resources for employees to encourage them to develop healthy habits and improve work-life balance.

#### EHS Help:

To ensure that all safety concerns are immediately reported and properly addressed, this mechanism enables employees to quickly report safety issues and receive professional advice.



**Build the EHS department web page to share new health and safety knowledge**



When you discover a workplace health and safety issue that you think can be improved

scan the QR-CODE phone and enter the **EHS Help**. Dedicated personnel will respond and handle to your request.

- 1 Deploy excellent suggestions parallelly
- 2 Strengthen workplace health and safety
- 3 Establish sound communication channels

## Moxa's Occupational Safety and Health Academy

To raise the occupational health and safety awareness of all employees, Moxa established the **Occupational Safety and Health Academy** in 2024 to impart ways to incorporate safety knowledge into daily work scenarios through easy-to-understand methods. Through lectures, interactive teaching, and case study sharing, employees can learn more and apply safety knowledge to mitigate potential risks in the workplace, creating a safer work environment.

### Academy | Occupational health and safety academy

#### 1 Activity format



Participate in occupational health and safety activities (lectures), and take a quiz during the activities

#### 2 Classroom quiz



A total of five questions are in the classroom quiz. People who get four questions correct will be eligible for the quarterly lucky drawing and points (the more quizzes are taken, the higher the chance of winning)

#### 3 Award selection



- Quarterly - One winner is selected at the end of each quarter
- At the end of the year - Points are calculated, and the top 22 employees will receive a small gift

Building Occupational Health and Safety Academy to Raise Health and Safety Awareness of All Employees

## Improving Moxa's Safety Culture

Establishing a safety culture is a key to corporate sustainability. Moxa facilitates employees in proactively identifying risks and implementing safety actions in their daily work through management system optimization, regular risk assessment, and education and training. We emphasize advance planning and risk control, and promote various safety improvement plans through cross-departmental cooperation to deepen the safety culture in our operations.

### Zero major occupational hazard risk

100% completion of occupational hazard identification and risk assessment, and no major risk items found in the hazards identified

### 100% completion of potential hazard improvement

Regularly organized themed inspections and proposed improvement recommendations for 59 potential hazards. The improvement completion rate was 100%

### Zero occupational hazards and accidents

Successfully achieve the goal of "zero occupational hazards and zero accidents" and no violations of occupational health and safety regulations committed

### 14 evacuation drills and training

Moxa completed 14 plant evacuation drills and training sessions, with a total of 2,869 participants.



**Moxa Wins New Taipei City Occupational Safety Award**  
#Workplace Sustainability, Health, and Safety Award

## Moxa Awarded the New Taipei City Occupational Safety Award

Moxa won the "New Taipei City Occupational Safety Award" in 2024 for its long-term efforts and outstanding performance in occupational health and safety. The award recognized our strong commitment and achievements in this regard, and always placing the health and safety of every employee as our highest priority. Going forward, we will continue to strengthen workplace safety and promote more comprehensive safety management mechanisms, so Moxa can become a top-tier company where employees can work with peace of mind. Therefore, we continue to make steady efforts to achieve our goal of creating an accident-free workplace.

## Featured Sustainability Story 5

### Natural Forests Education and Training Program

The Moxa Foundation (the Foundation) has long been committed to promoting ecological education in elementary schools since the launch of the campus butterfly ecological education program in 2003. In 2023 the Foundation officially launched the “Natural Forests Education and Training Program” at the Moxa Forest in BeiPu Township, an ideal venue for natural education.

Nowadays, education values the cultivation of literacy and emphasis on practical and exploratory abilities. Outdoor education is the best way to put this principle into practice. If teachers are able to carefully design courses and lead students to explore the wilderness, they will not only inspire students to develop a passion for nature, but also instill the concept of environmental conservation in their hearts. For this reason, the short, medium, and long-term goals set by the Foundation are to cultivate outdoor education talents, accumulate interesting outdoor teaching plans, and turn outdoor teaching into an ecological education model. In the future, the Moxa Forest will be opened up and become an environmental teaching site for all schools in Taiwan.

“

Learning in a nature-rich environment is pure enjoyment. The knowledge of nature is no longer theoretical, but can be touched and heard. Through observational discovery, names, personality, and exciting qualities or details of plants can be learned. Hence, deeper connections are established.

Ms. Hsueh-Hung, Hsieh, from De-Yin Elementary School

”



Moxa Forest Outdoor Education Base



Plant survey and documentation



Participants conduct plant identification

## Progress of the Natural Forests Education and Training Program

### Short-term goals

Devising a four-year, two-batch forest education teacher training and course development program, the goal is to both accumulate sufficient lesson plans and instructors, and continuously optimize the teaching environment. This will prepare the site to be used when opened in the future.

### Medium-term goals

In addition to ongoing teacher training, the program will prioritize elementary school classes taught by trained teachers to enter the Moxa Forest for conducting teaching sessions.

### Long-term goals

Open to all elementary schools nationwide to apply for conducting outdoor exploration education at the Moxa Forest.

## Promotion and Adjustment of Outdoor Educational Courses

After completing the construction of infrastructure and improvement of the ecological environment in the Moxa Forest in 2023, the Foundation recruited 25 elementary school teachers who were keen to promote outdoor education as the first batch of teachers for training in 2024. The initial course design covered plant surveys and statistics, insect observation and classification, forest trails and river exploration, and more to expand the teachers' ecological knowledge. During the learning process, the teachers gained a variety of ecological knowledge in a more systematic manner. They were also impressed by the abundant ecological environment of the mountains during the learning process.

“

Mr. Shin-Ying's instruction made me considerably more aware of the fine structures of plants. Also, I am very impressed by images of mammals taken with infrared cameras. They make me realize the rich ecological diversity of the Moxa Forest.

Ms. Chiao-Yun, Hsieh,  
from Song-Lin Elementary School

”



Plant lesson



Butterfly survey

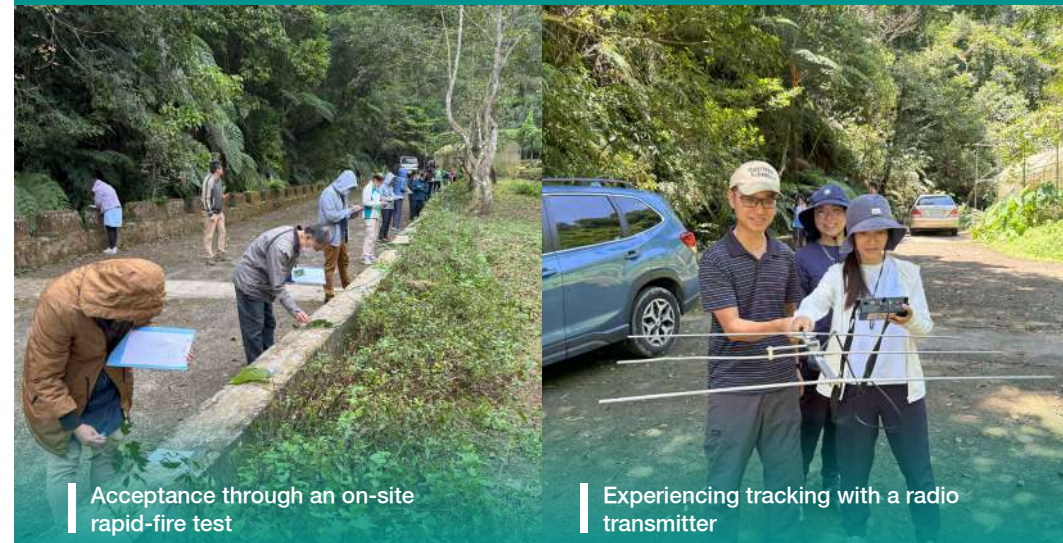


Setting up an infrared automatic camera

However, during the course, the Foundation realized that the large volume of natural ecological knowledge made it difficult to be comprehensively covered within a limited period of time. This may cause disorganization in the teachers' learning and make it difficult to fully grasp the knowledge. Therefore, the Foundation has made moderate adjustments to the course content, focusing on plants that are more easily accessible to school teachers and students, deepening their knowledge of plant subjects, and strengthening their knowledge and absorption through rapid-fire tests and vegetation surveys. Meanwhile, contents such as butterfly identification and mammalian surveys will be added as supplemental knowledge, emphasizing the interaction between animals, plants, and the ecosystem. After strengthening ecological knowledge learning in the early stage of the training program, the final stage of the training will be shared and discussed through case studies. Teachers are guided to make use of the knowledge learned to devise interesting outdoor lesson plans, and conduct on-site teaching verification in the Moxa Forest.

## Sustainable and Beautiful Taiwan

The Foundation envisions Moxa Forest becoming an excellent site for teacher training and forest exploration to students nationwide. By promoting nature forest education, the Foundation aims to instill love for nature and ecological conservation in every child's heart, planting more seeds of environmental stewardship, as Ms. Pen-Hui, Tsai of Hua Xun Elementary School, Taoyuan City put it, "These courses allow us to learn not only knowledge, but also wisdom and propriety. Our experience will affect students. I believe that the participating teachers will make students more enthusiastic about learning nature." Through long-term commitment and persistence, the Foundation hopes to contribute to the natural ecology of Taiwan and the future education of the next generation, and protect this beautiful land.



Acceptance through an on-site rapid-fire test

Experiencing tracking with a radio transmitter

# 1 Corporate Governance

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## First-time Recognition

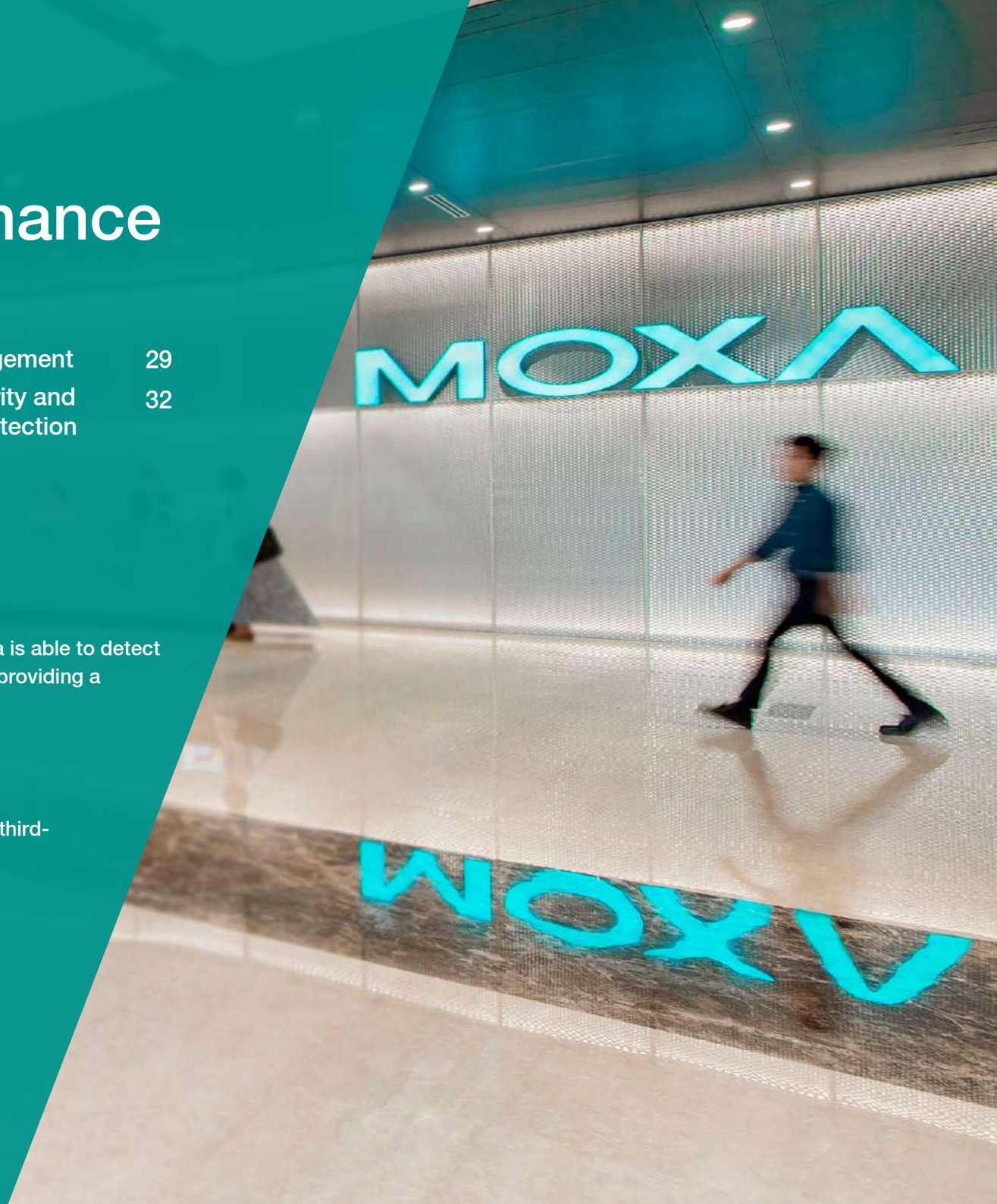
Making the CNA Enrichment Recognition List for the first time, Moxa is able to detect vulnerabilities more quickly and fix them in real time for customers, providing a higher level of protection for product cybersecurity.

## Grade A

Our Information Security received the highest external rating from a third-party agency, and no major information security incidents have ever occurred.

## 0 Violations

No major violations of regulations such as corruption or anti-competition have ever occurred.



# 1.1 About Moxa

## 1.1.1 Company Profile

### Brand Introduction

Moxa is a leading provider of edge connectivity, industrial computing, and network infrastructure solutions for enabling connectivity for the Industrial Internet of Things. With over 35 years of industry experience, Moxa has connected more than 111 million devices worldwide and has a distribution and service network that reaches customers in more than 91 countries. Moxa offers a full spectrum of innovative, high-quality solutions that have been deployed in a wide variety of industries, including smart manufacturing, smart rail, smart grid, intelligent transportation, oil and gas, and marine. Moxa's expertise gives industry partners the tools they need to harness the power of automation network convergence and make their operations smarter, safer, and more efficient. Moxa delivers lasting business value by empowering industry with reliable networks and sincere service for industrial communications infrastructures.

Since its inception, Moxa has not only continued to realize the power of connection in various industries, but also adopted a “people-oriented” approach to create impact through connections between people, between people and society, and between people and the environment. Moxa has established a clear code of conduct to guide our decision-making and actions. The four cornerstones of this code are our core values, which lead us to achieve our goals and earn the esteem of our partners, customers, and employees. Moxa is committed to having a positive impact across the globe. Our commitment extends to all aspects of our business, including employees, products, and supply chain. We encourage our employees to participate in community development and incorporate green supply-chain management into our product development process to prioritize quality and sustainability.

### Moxa's Vision

To be a world-class leader and trusted partner in automation.

### Moxa's Mission Statement:

- We gain customer loyalty by the continual innovation and improvement of high-quality products and services that provide the best value.
- We promote educational growth in a healthy and safe working environment, and create opportunities for advancement based on both ability and ambition, so that everyone can have an enjoyable work experience and contribute to their fullest potential.
- We provide fair and equitable performance-based compensation, and share the company's success with eligible employees.
- We acknowledge that distributors and suppliers form an integral part of our corporate value chain, and establish mutually beneficial business relationships based on the principles of trust and integrity.
- We use the collective force of the company for the betterment of the community by encouraging employees to participate in regular educational programs that emphasize the humanities and environmental protection.

### Moxa's Core Values

These values guide our interaction with our business partners, within our communities, and with each other. Through our values, we create a vibrant company culture where ideas can blossom, people can thrive, and success can flourish.



## Basic Company Information

Moxa Inc. is a privately held company with MOXA as its registered trademark and is committed to providing reliable links for the Industrial Internet.



**Year established**  
1987

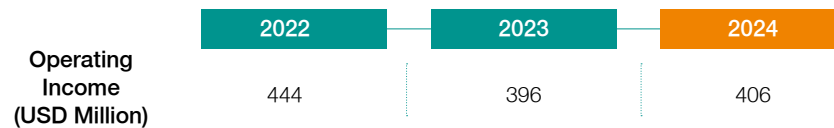


**Corporate  
headquarters**  
Taipei, Taiwan



**Global employees**  
Over 1,900

Moxa has a solid financial foundation and enhances the value of its core business by optimizing resource allocation and strengthening its research and development capabilities. This excellent operational performance forms an important basis for Moxa's sustainable corporate development. In 2023, Moxa's consolidated revenue, whose growth has been maintained for many years, was approximately USD 406 million.



Note: The above financial figures are calculated based on the TWD to USD average exchange rate as respective year.

## Industrial Communication Expert

Moxa's products are used for communications equipment according to the Global Industry Classification Standard (GICS®), covering Industrial Network Infrastructure, Industrial Edge Connectivity, and Industrial Computing. As industrial networking and communications experts, we understand that critical connectivity for industrial automation goes beyond speed. The priority lies in creating a safer and better quality of life for people. This critical connectivity includes all the stages in automation transformation, ranging from reliable serial device connections to secure industrial Ethernet and edge-to-cloud integration.



**Industrial Network  
Infrastructure**



**Industrial Edge  
Connectivity**



**Industrial  
Computing**

## Providing Secure and Reliable Industrial Communications Solutions for Various Sectors

Moxa is dedicated to delivering reliable connectivity for industrial automation and has connected more than 111 million devices worldwide. Moxa offers a full spectrum of innovative, high-quality solutions that have been deployed in a wide variety of industries, including smart manufacturing, smart rail, smart grid, intelligent transportation, oil and gas, and marine. Moxa delivers lasting business value by empowering industry with reliable networks and sincere service for industrial communications infrastructures in the era of industry digital transformation and energy transition.



**Rail**



**Intelligent Transportation  
Systems**



**Marine**



**Smart Grid & Renewables**



**Smart Factory**



**Oil & Gas**

## Global Presence

Moxa has a distribution and service network that reaches customers in more than 91 countries, which keeps us close to our customers.



## External Participation and Initiatives

Moxa not only helps global customers build industrial communications infrastructure and enhances industrial applications, but also continues to push industrial connectivity to new heights through strategic partnerships and collaborative industry alliances, propelling innovation in communication standards. By driving an entire generation (3.0) of connectivity in industrial systems and working with industry leaders, we have established ourselves as a leading proponent of industrial automation.

Moxa actively participates in international associations and organizations, with more than 50 international and regional organizations as of 2024.

### International Organizations and Initiative Participation

Category	Name of Organization	Moxa's Role
International	BACnet International	Gold Member
	CC-Link Partner Association	Member
	Council on Large Electric Systems, CIGRE	Members, WG
	Civil Infrastructure Platform, CIP	Silver Members
	DNP Users Group	Members
	EtherCAT Technology Group	Members
	IEC TC57 WG10 Working Group	Observer
	Intel® IoT Solutions Alliance	Gold Partner
	The Linux Foundation	LF Members – Silver
	Modbus-IDA	Members
	ODVA	Members
	OPC Foundation	Members
	OpenChain	Platinum Members
	Open Invention Network, OIN	Members
	5G-ACIA	Board Member
	IEEE 802.1 TSN Task Group	Members
	IEEE-SA	Board of Governors

Category	Name of Organization	Moxa's Role
International	PROFIBUS & PROFINET International, PI	Members
	Avnu Alliance	Promoter Member
	UCAIug	Members
	ITxPT	Principal Members
	IEC TC9 WG43/WG46	SGT4 Leader, Observer
	SEMI	Members
	Virtual Protection Automation and Control (vPAC)	Members, WG
	Open Process Automation Forum	Silver Member
Asia Pacific - Taiwan	CVE Numbering Authority	Members
	Taiwan Electrical and Electronic Manufacturers' Association	Members
	Cloud Computing & IoT Association in Taiwan	Members
	Taiwan Smart Grid Industry Association	Members
	Taiwan Association of Information and Communication Standards	Members
	Intelligent Transportation Society of TAIWAN, ITS Taiwan	Members
	Chung-Hua Railway Industry Development Association	Members
	Armed Forces Communications and Electronics Association	Members
	Industry cooperation association	Members
	International Society of Automation (ISA) Taiwan	Members
	Taiwan Electronic Equipment Industry Association (TEEIA)	Members
	Taiwan Automation Intelligence and Robotics Association (TAIROA)	Members
	Taiwan High-Tech Facility Association	Members
	TALENT, in Taiwan Talent Sustainability Action Alliance	Responsive Enterprise

Category	Name of Organization	Moxa's Role
Asia Pacific - Korea	The Korea Railway Industry Association, KORASS	Members
	The Korean Society for Railway	Members
Asia Pacific - Korea	Korea Marine Equipment Association, KOMEA	Members
	Korea Smart Grid Association, KSGA	Members
	Korean e-Factory Alliance	Members
Asia Pacific - Japan	CLPA Security Working Group, CC-Link Partner Association	Leader
	Mitsubishi Electric e-F@ctory Alliance	Members
	Secure IoT Platform Consortium	Members
Asia Pacific - China	MECHATROLINK Members Association	Members
	Shanghai Tongji Urban Mass Transit	Director
	Automatic Tolling System Professional Committee, China Chamber of Information Industry, AFC	Members
Americas	Alliance of Industrial Internet	Members
	Control Systems Integrator Association, CSIA	Members
	National Rural Electric Coop	Members
	American Petroleum Institute, API	Members
Europe	International Association of Drilling Contractors, IADC	Members
	Verband Deutscher Maschinen- und Anlagenbau, VDMA	Members
	German Electro and Digital Industry Association, ZVEI	Members

Moxa is working closely with global industry leaders to shape international standards. We prioritize the use of advanced technology interoperability test beds to guarantee stable and reliable solutions and to expedite cross-vendor interoperability of automation components. Moxa demonstrates its excellence in the following four domains by being highly influential, promoting industrial reform, and creating future industrial applications.

#### Disrupting Next-Generation Industrial Ethernet

Moxa is playing a proactive role in the development of the time-sensitive networking (TSN) standards, and working with industry giants to define the standards and market value of future industrial Ethernet on the global level.

#### Enabling Next-generation Train Control and Monitoring Systems (TCMS) for Rail

As the only Asian company participating in the EU's Shift2Rail project, Moxa is contributing to the development of the Next Generation of Train Communication Networks (NG-TCN), working alongside the world's leading rail manufacturers to establish the protocols and standards for the future of EU rail transport.

#### Defining Next-generation Industrial Secure Networks

Moxa fully integrates information and operational technology (IT-OT), to deliver efficient and secure industrial networking solutions that help customers streamline digital transformation and respond to evolving industry demands.

#### Bolstering Edge-to-Cloud Connectivity

Moxa is an indispensable partner to major cloud service providers and system integrators in meeting the communication needs of IIoT applications. As one of the few companies with both communication and cybersecurity expertise, Moxa enables reliable data collection at the edge and secure transmission to the cloud.

Keeping pace with market needs and industrial advancements, Moxa actively engages in industrial automation projects worldwide. By actively participating in global industry associations, we have formed partnerships with key players in the industry. Our joint efforts are defining standards for the next-generation networking and communication, driving industrial transformation and unlocking various industrial applications through innovative data connectivity technologies. These developments open up immense opportunities for future industrial operations.

# 1.2 Governance Management

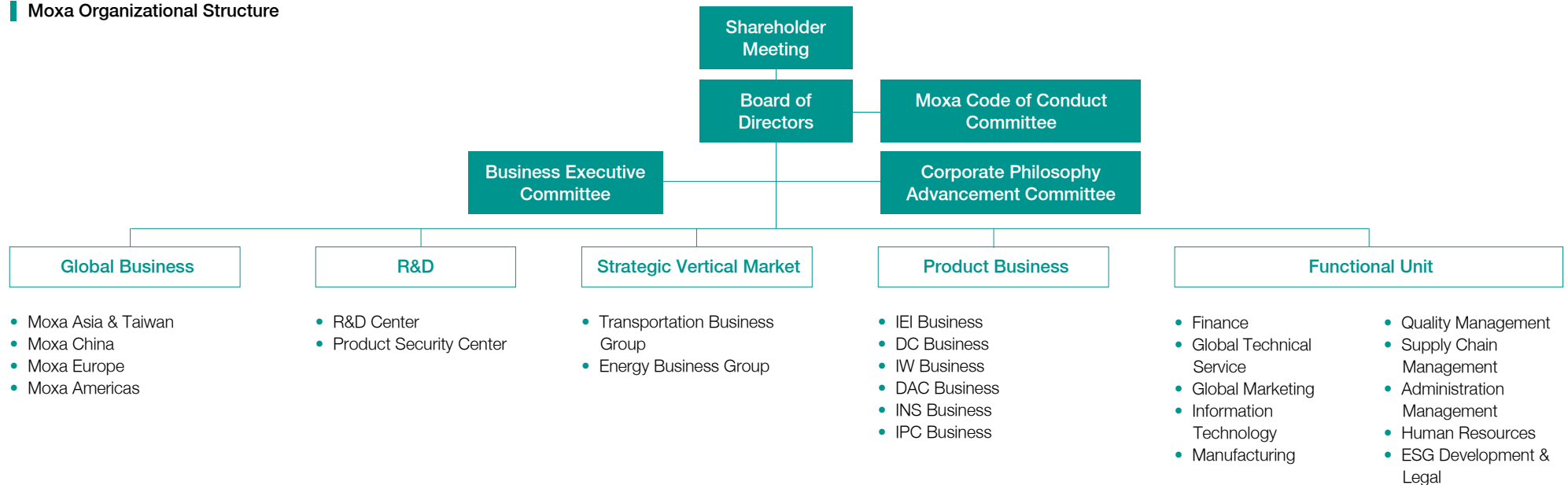
## 1.2.1 Governance and the Board of Directors

### Governance Structure

The Board of Directors is the highest governing authority in Moxa, primarily overseeing and supporting the overall operations management of the Company. The Board of Directors also exercises its authority through the annual Board meeting and Shareholder Meeting. Moxa believes that collective wisdom surpasses individual capability. Therefore, the Board of Directors authorized and established the Group Executive Board (GEB) as the main governing body underpinned by the concept of “collective leadership.” The GEB conducts regular meetings to make business decisions and practices core values in operations management.

In the fourth quarter of 2024, the governance of the GEB was transferred to the Board of Directors to devise a new corporate governance direction. On January 1, 2025, two main committees were established under the Board of Directors, namely (1) The Business Executive Committee (BEC), which is Corporate Executive Leadership Team and is responsible for the strategic operations and their execution for the Company, and (2) the Corporate Philosophy Advancement Committee (CPAC), which is the responsible for promotion of corporate philosophy. The BEC is in charge of formulating Moxa’s business strategies and goals pursuant to the corporate philosophy and corporate governance goals proposed by the CPAC. This is done for the balanced development of corporate growth and the practice of corporate philosophy. The two functional committees work together to implement Moxa core values in operational management: Integrity, Mutual Respect, Customer Focus, and Execution.

### Moxa Organizational Structure



## Composition of the Board of Directors

Pursuant to the Company Act and the Articles of Incorporation, the Board of Directors of Moxa consists of three to nine directors and one supervisor. Combining with the internal audit system and external expert opinions, the supervisor system improves the comprehensiveness and transparency of corporate governance. The Board of Directors formulates business strategies and manages the Company's operations, while the supervisor oversees legal compliance, business operations, and financial liabilities. In addition, through professional certified public accountants (CPAs) and lawyers, Moxa reviews, and implements internal audit and internal controls to assist with and comprehensively learn about its operating status and challenges, providing timely recommendations to ensure stable development and sustainable operation.

The Board members in 2024 are based on the election results from the 2023 Shareholder Meeting. The Chairman serves as the Chair of the Board. The current Board consists of eight directors and one supervisor. The term of office is three years in accordance with the Company Act (the current term began in May 2023 and ends in May 2026). In 2024, the average attendance rate of the Board meetings was approximately 93.75% (excluding the supervisor's attendance rate). The "Moxa Code of Conduct" mandates that all Board members to adhere to principles of conflict of interest. The Chairman and Vice Chairman do not hold positions as the CEO or General Manager, and there are no spousal or familial relationships within the second degree of kinship among the current Board members. The Board members have diverse backgrounds, consisting of 78% male and 22% female members. All members have a university degree or higher, and their professional expertise that covers R&D, business, finance, products, human resources, and marketing, demonstrating interdisciplinary knowledge that is crucial in supporting Moxa's sustainable development and diversification goals.

### Moxa's Board of Directors

Job Title	Name	Description
Chairman	JE Hsu	<ul style="list-style-type: none"> <li>Gender of Directors and Supervisors: 7 are male and 2 are female</li> <li>Age Range of Directors and Supervisors: 7 directors aged 60 to 65 and 2 directors aged 65 to 70</li> <li>The term of office of directors and supervisors is from May 2023 to May 2026</li> <li>Number of directors and legal representatives: 8</li> </ul>
Vice Chairman	Emily Wu	
Director	Clark Ke	
Director	Harry Liu	
Director	Michael Lin	
Director	Wen Wen	
Director	Ben Chen	
Director	Steve Weng	
Supervisor	Jackson Ou	

## Operations of Board of Directors

Moxa has established a Board of Directors in accordance with the Company Act. The Board of Directors convenes a meeting at least once every quarter. It is mainly responsible for formulating major decisions, overseeing legal compliance, business direction and financial supervision, and evaluating the progress of sustainable development. In 2024, the Board held 15 meetings, regularly reviewing execution status through management reports, making timely adjustments, and ensuring effective operation of the Board. The Board also monitors operational performance and strategic results. The Board not only pays close attention to corporate governance, but is also committed to promoting sustainable development. By reviewing the progress of sustainability strategies and operating results, the Board continuously enhances Moxa's environmental, social, and governance performance.

To strengthen the governance structure, the Board has three functional committees



Business Executive Committee: Formulate and implement business strategies and goals, and supervise the performance thereof.



Corporate Philosophy Advancement Committee: Promote core values and corporate culture, and strengthen their connection.



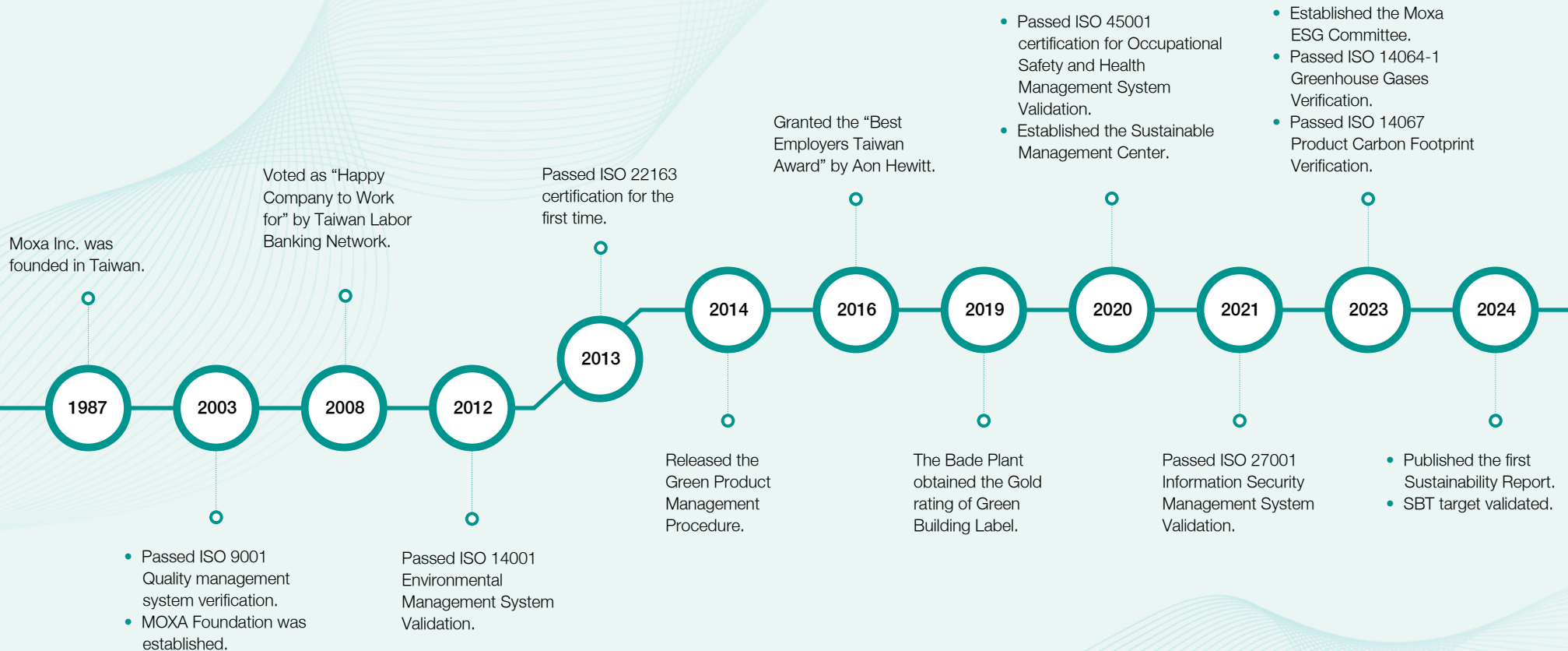
Moxa Code of Conduct Committee: Assist Moxa employees in internalizing and implementing the Code of Conduct. Please refer to Chapter [1.3.1 Integrity Value](#) for more details.

## 1.2.2 Sustainability Management

### Sustainability Journey and Vision

Moxa's Sustainability Vision is embodied as "By working seamlessly with our supply chain to co-create in a diverse and friendly environment, we integrate knowledge into design to enable our products to be industries force behind industries' green digital transformation for a more sustainable future for all." This encompasses working with partners to empower Moxa to play a role in the green transformation of industries through product design. In 2024, Moxa issued its first Sustainability Report and established a multilingual sustainability section. More importantly, Moxa's carbon reduction targets have been reviewed and approved by the Science-Based Targets Initiative (SBTi), which is an important milestone in its sustainable development. The targets represent one of its concrete actions in achieving the goal of net-zero emissions by 2050.

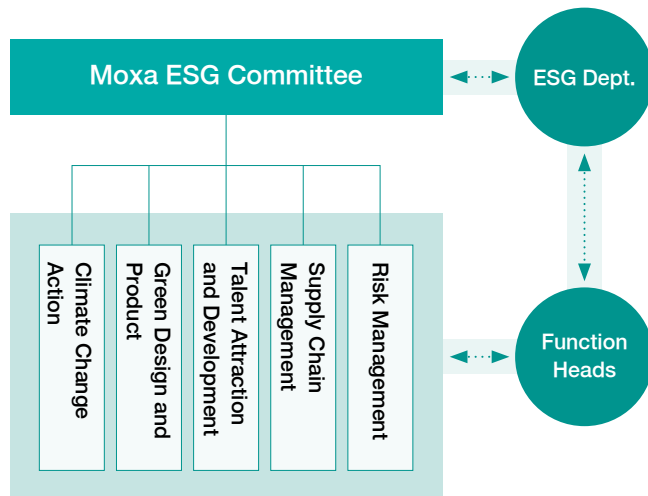
#### Moxa's Sustainability Journey



## Sustainable Governance



To implement sustainability actions, Moxa established the “Moxa ESG Committee” in 2023, with a Board member serving as the committee chair. Heads of sustainability, product design, supply chain, and administrative management departments participate in the implementation and operation, and meetings are convened at least once every quarter. Key discussions during the 2024 meetings covered SBTi carbon reduction goals and their progress, task division of the carbon reduction team, and expected challenges. In 2024, in response to environmental topics such as climate change actions and green product design, a SBT carbon reduction task force was established. Its scope covered five dimensions: products and design, collection of customer scenarios, green energy management, supply chain carbon reduction, and branding and communication. The task force is committed to achieving carbon reduction goals through cross-departmental collaboration.

### Structure of the Moxa ESG Committee



## Stakeholder Communication

Moxa believes that people are the most important cornerstone to success, and accordingly emphasizes stakeholder engagement. Considering its own operations and impact assessments, Moxa identifies “employees” and “customers” as key stakeholders. The table below illustrates the meaning and negotiation of stakeholders to Moxa.

Stakeholders	Significance to Moxa	Communication Channel and Frequency	Communication Achievements in 2024	Corresponding Chapters
 <b>Employees</b>	Moxa's philosophy is to build an “employee-owned company” that upholds the “people-oriented” philosophy. Therefore, we create a good working environment, learning program, and development stage for our employees to shape Moxa's corporate culture and achieve sustainable development.	<ul style="list-style-type: none"> <li>Global Group Meeting/quarterly</li> <li>Corporate culture events/ad hoc</li> <li>Labor-management meeting/quarterly</li> <li>Employee Welfare Committee/ad hoc</li> <li>Global GPS survey/annually</li> <li>Internal communication mailbox/ad hoc</li> </ul>	<ul style="list-style-type: none"> <li>Over 5 corporate culture events</li> <li>Over 10 Employee Welfare Committee meetings</li> </ul>	<a href="#">5.2 Human Rights Protection and Employee Communication</a>
 <b>Customers</b>	Moxa is a leading provider in the Industrial Internet of Things. Moxa builds reliable industrial networks for customers around the world and empowers them with the connection, communication, and collaboration of equipment. Therefore, Moxa continues to gain the trust of its customers by providing high-quality products and services.	<ul style="list-style-type: none"> <li>Emailing and online meeting/ad hoc</li> <li>Customer visits and meetings/ad hoc</li> <li>Customer audits/ad hoc</li> <li>Partner Zone and feedback on the official website/ad hoc</li> <li>Feedback from technical support system/ad hoc</li> <li>Seminars, exhibitions, official social media/ad hoc</li> </ul>	<ul style="list-style-type: none"> <li>The pass rate of new product training for trade customers exceeds 95%</li> <li>Customer satisfaction with technical services up to 98.4%</li> </ul>	<a href="#">2.3 Customers and Reliability Management</a>

In addition, Moxa has deployed diverse channels to respond to the needs of stakeholders, including [Contact Us](#) and [Partner Zone](#), and Moxa's social media accounts on - [LinkedIn](#), [Facebook](#), and [YouTube](#). In 2024, a [Sustainability Section](#) was set up on the official website in four languages to help stakeholders understand Moxa's sustainability vision, focus on sustainability issues, and learn about Moxa's annual performance and sustainability case studies. This works to improve and strengthen communication with stakeholders.

## Material Topic Process




In 2022, Moxa referenced the guidelines provided by the Global Reporting Initiative (GRI) for addressing material topics. The assessment process unfolded in three main steps: “identification,” “prioritization,” and “finalization.” This process involved incorporating international sustainability standards and industry benchmarks, as well as conducting surveys to gauge the level of interest and impact from internal and external stakeholders. Finally, in workshops attended by representatives from the Board, ESG and relevant department managers, 5 out of 17 sustainability topics were finalized to be material topics based on the sustainability vision, including “Climate Change Actions,” “Green Design and Product,” “Talent Attraction and Development,” and “Supply Chain Management.”



## Management of Material Topics

The following table summarizes the five material topics based on related activities, products, and services; the corresponding parties of concern in the value chain; GRI and SASB topics; key yearly management actions; and implementation results.

### Moxa Material Topic Management

Dimension	Material Topic	Party of Concern in Value Chain			GRI	SASB	Key Sustainable Management Action	2024 Implementation Results	Results Report
		Moxa	Suppliers	Customers					
 Environmental	Climate Change	✓	✓	✓	GRI 305	GHG Emissions	<ul style="list-style-type: none"> <li>Set Science-Based Targets (SBTs) for net-zero emissions</li> <li>Conduct carbon footprint inventory and establish a carbon information database</li> <li>Improve energy efficiency of equipment and optimize energy allocation</li> <li>Plan the adoption of renewable energy</li> </ul>	<ul style="list-style-type: none"> <li>Carbon reduction targets passed SBTi validation</li> <li>Promoted three low-carbon strategies and established five SBT carbon reduction working groups</li> <li>Conducted energy monitoring and diagnosis for plants and offices, and promoted energy conservation improvement measures</li> <li>Completed the provision of carbon footprint data for 62 product models to customers through the carbon information database</li> </ul>	<a href="#">3.1 Green Manufacturing</a>
	Green Product and Design	✓	✓	✓	General Disclosures	Product Design and Lifecycle Management	<ul style="list-style-type: none"> <li>Develop products with high energy efficiency</li> <li>Develop low energy-consumption products</li> <li>Select low-carbon raw materials</li> <li>Promote green product packaging</li> </ul>	<ul style="list-style-type: none"> <li>Established the Green Index</li> <li>Established the Moxa Power Efficiency Regulations</li> <li>Formulated the Green Packaging Design Guidelines Publication Outline</li> <li>Established the Online Database for Packaging Material Selection</li> <li>Established the Green Packaging Rating Index</li> </ul>	<a href="#">3.2 Eco-Friendly Product Design</a>
 Social	Talent Attraction and Development	✓			GRI 401 GRI 404 GRI 405	Employee Engagement, Diversity and Inclusion	<ul style="list-style-type: none"> <li>Provide competitive compensation, benefits and a comprehensive training system</li> <li>Establish a performance management system that promotes the development of the organization and individuals in a comprehensive and balanced manner</li> <li>Proactively promote the Moxa Bravo - Mutual Recognition Platform</li> <li>Establish annual awards to encourage employees to demonstrate the Company's desired cultural traits</li> </ul>	<ul style="list-style-type: none"> <li>The retention rate of new recruits in the past three years was &gt;90%, and reached 94% in 2024</li> <li>Total annual training hours reached 65,068 hours, and total training expenses incurred reached NT\$11.1 million</li> <li>Joined the "TALENT, in Taiwan Talent Sustainability Action Alliance" for three consecutive years and was invited to give a speech</li> </ul>	<a href="#">5.1 Talent Attraction and Retention</a>  <a href="#">5.3 Talent Development and Cultivation</a>
 Governance	Supply Chain Management	✓	✓	✓	GRI 204 GRI 308 GRI 414	Supply Chain Management	<ul style="list-style-type: none"> <li>Promote the Supplier Code of Conduct</li> <li>Establish the sustainable procurement policy</li> <li>Conduct supplier sustainability risk assessment</li> <li>Promote sustainability training for procurement personnel</li> <li>Assist supply chain partners in implementing GHG</li> </ul>	<ul style="list-style-type: none"> <li>Completed the formulation of the Supplier Code of Conduct</li> <li>Coverage of first-tier supplier Sustainability Risk Assessment amounted to 100%</li> <li>Coverage of sustainability training for procurement personnel amounted to 100%</li> <li>Planned for GHG inventories assessment guidance and training for high carbon-emitting suppliers</li> </ul>	<a href="#">4.1 Building a Sustainable Supply Chain</a>
	Risk Management	✓	✓	✓	General Disclosures	-	<ul style="list-style-type: none"> <li>Incorporate risk assessment procedures into the Company's major operating procedures</li> <li>Expand the concept of risk management to all units and cultivate for risk management seed members</li> <li>Convene business continuity management workshops to analyze and discuss the minimum recovery level, maximum tolerable interruption time, and recovery goals in the event of operational disruptions</li> </ul>	<ul style="list-style-type: none"> <li>Identified 12 material risks and completed management measures according to schedule</li> <li>Completion of training of risk management seed members amounted to 100%</li> <li>Formulated business continuity management procedures and consensus on business recovery strategies</li> </ul>	<a href="#">1.4 Risk Management</a>

# 1.3 Integrity and Legal Compliance

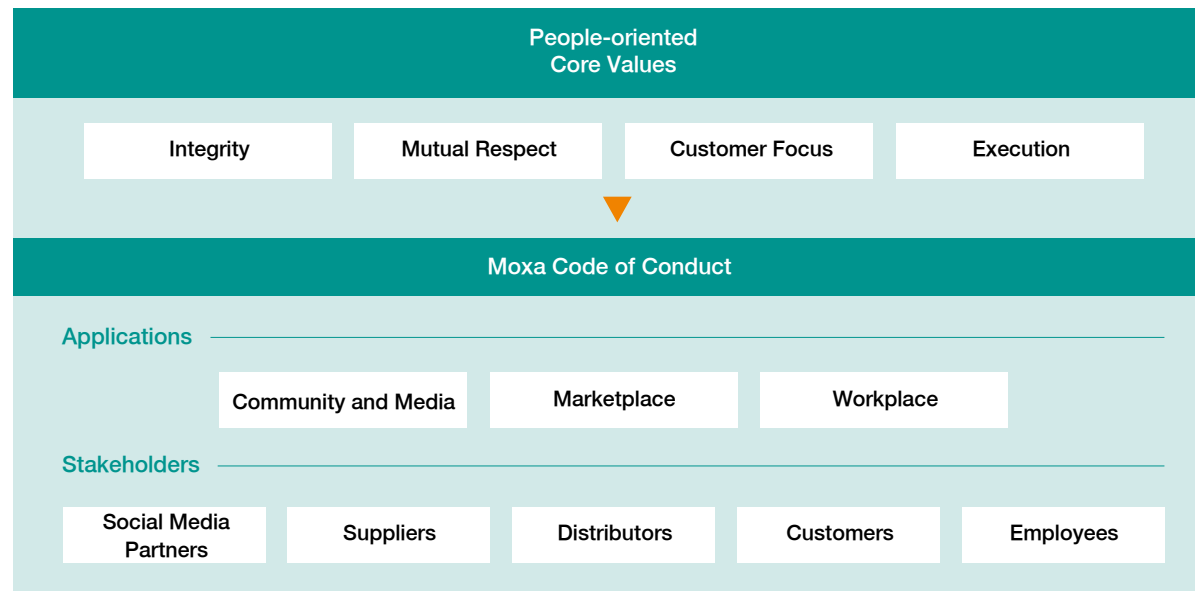
## 1.3.1 Integrity Value

### Moxa Code of Conduct

Moxa believes that the foundation of its success lies in its employees and its four people-oriented core values: Integrity, Mutual Respect, Customer Focus, and Execution. The Moxa Code of Conduct is a concrete manifestation of our four core values. The code applies to all Moxa employees (including Board members and the appointed management team), and covers the workplace, marketplace, social media, and media. It not only provides a channel for raising questions and clarifying concerns, but also includes an anti-retaliation policy and helps all employees make decisions that comply with the law and uphold core values.

The Moxa Code of Conduct encompasses four market principles: do not give or accept bribes or kickbacks; provide and accept gifts and entertainment only when appropriate; engage in fair competition; and recognize and avoid conflicts of interest.

#### Moxa Code of Conduct Framework



To help employees incorporate the Moxa Code of Conduct into daily work and personal life, Moxa established the Code of Conduct Committee (MCCC) in 2020. The committee's main responsibilities include providing consultation on the code; establishing reporting mechanisms and protecting whistleblowers; and formulating, revising, explaining, and interpreting the Moxa Code of Conduct. MCCC reports directly to the Board of Directors, and the Board appoints the chairperson and related members of the MCCC. The MCCC convenes a committee meeting every quarter to report on management and execution status in order to ensure the implementation of the Code of Conduct. The content of the code is reviewed at least once a year, and amended and adjusted in a timely manner through communication and case study discussion.

In 2024, with the support and assistance of the MCCC, a project team will continue to raise awareness of the code among global employees, complete workshop courses on the code at all overseas locations, and incorporate the code into work projects in different workplaces. For example, Moxa formulated the corresponding "Code of Conduct - Department Guidelines" for the research and development (R&D) department, and devised a comprehensive internal promotion mechanism. Moxa is also compiling a summary of the Code of Conduct for the procurement department. In addition, to help internal and external stakeholders fully understand the Moxa Code of Conduct policy and provide whistle-blowing channels, in 2024, Moxa also launched a plan on linking a whistle-blowing webpage to the official website, and disclosing the full content of the Code of Conduct policy. The webpage is expected to go online in 2025 in four major languages—English, Traditional Chinese, Simplified Chinese, and Japanese—providing more open and transparent reporting channels.

Last but not least, feedback provided by external global suppliers on the EcoVadis platform is also an important reference for the Moxa Code of Conduct. In response to suggestions from external platforms, Moxa has begun to formulate a more comprehensive Moxa Code of Conduct to improve its clarity and enforceability, so that employees can learn and comply more easily. The effort demonstrates Moxa's determination to practice ethical management and fulfill social responsibility.

## Code of Conduct Advocacy and Training

To raise employees' awareness of Moxa Code of Conduct and to implement the code, the project team adopts the 3B (Building Platform, Building Awareness, and Building Sustaining Approach) strategy to promote building a platform and building awareness.

### 1 Building Platform

In addition to disclosing the Code of Conduct on its official website, Moxa has also created an internal Code of Conduct website for its employees. The content of this website includes the original intention and reasoning for the Code of Conduct, an introduction to the clauses, practical case studies, and the problem-solving process. To encourage employees to reflect, discuss and strengthen a culture of integrity, Moxa has been sharing internal case studies every year since the internal platform was first established. Meanwhile, through internal case studies, employees can also learn about the experiences of others, and that the Code of Conduct is not just a guide, but also a daily practice.

### 2 Building Awareness

#### A. Signing of the Code of Conduct and Training

Moxa values adherence to its Code of Conduct. In employee employment contracts, it is clearly stated that employees must strictly abide by the Moxa Code of Conduct. All of our employees have signed the contract. Since 2020, the Company has incorporated the "Moxa Code of Conduct" into the mandatory curriculum for all employees worldwide. Through online courses with tests, we ensure that employees have the basic concepts and knowledge, and we are able to achieve a training completion rate of 100%.

Additionally, to further the goal of "Actualizing Moxa Core Values & Code of Conduct," Moxa has designed a one-day, in-person Code of Conduct workshop. Since 2022, all employees have been invited to participate in these small group sessions, which focus on real-world scenarios and actual Moxa case studies. This workshop aims to foster employees' ability to make decisions that are aligned with legal requirements and core values in diverse workplace environments. As of the end of 2024, Moxa has completed 62 workshops, including in the Taiwan headquarters, Europe, the Americas, and Pan Asia Pacific (Japan, Korea, India, Australia, New Zealand, and Saudi Arabia). More than 1,700 employees or approximately 90% of employees have completed the training, with total training exceeding 12,000 hours. In the future, we will work towards achieving a 100% completion rate.

To ensure the quality of learning and to allow employees to fully understand the standards and applications, the project team not only regularly reviews the contents of teaching materials, but also prepares teaching materials and tools for different languages. In addition, in order to address the interactive challenges in cross-border online teaching, we specially designed a hybrid class where online learning and face-to-face teaching assistants are arranged to instruct trainees. This ensures the quality of discussions and learning effectiveness of the courses, thereby garnering a global average course satisfaction rate of 95%.

#### B. Responding and Evolving With Changes

Moxa attaches great importance to the physical and mental health of employees in the workplace. Therefore, Moxa prescribes in the Code of Conduct to "create a safe, healthy and secure work environment" and "promote a workplace that is free of discrimination, violence, and harassment." In response to the new versions of the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act in 2024, and to enable all employees to learn about unlawful infringement in the workplace, the project team worked with the MCCC, internal related departments, and external lawyers to design a series of courses on unlawful infringement in the workplace, which is expected to be launched officially in 2025 for the purpose of jointly preserving a friendly workplace.

#### Moxa Code of Conduct Signing and Training Completion Rate

Signing of Code of Conduct and Training	2024			
	Headquarters (Taiwan)	APAC	Americas	Europe
Signing Rate of Newcomers	100%	100%	100%	100%
Online Course Completion Rate of Newcomers	100%	100%	100%	100%

## 2 Responding and Evolving With Changes

## Regional Promotion Case Study 2024 Japan Code of Conduct Workshop

## Objectives

- 1 Review the Company's management philosophy and core values
- 2 Deepen the understanding of the Code of Conduct and its importance
- 3 Learn about the relationship between the Code of Conduct and employees' daily work
- 4 Promote employees' practice and actions based on the Code of Conduct

## Effectiveness

- Post-course satisfaction rate reached 92%, of which instructors' teaching skills and course content were ranked the highest.
- 95% of the trainees believed that the content they learned was helpful for their future work.

## Design and Mechanism

- 1 To strengthen the connection between the Code of Conduct and actual workplace applications, and cultivate employees' ability to apply the code in a diverse workplace environment, the course used plenty of external public case studies and Moxa's internal cases for trainees to discuss with lecturers.
- 2 To enhance trainees' learning motivation and participation, the course was designed to integrate scenario interpretation and group competition to enrich the learning experience.
- 3 Compiling Japanese teaching materials and adopting hybrid teaching designs, online lecturers and in-person teaching assistants were assigned to groups according to training needs to monitor the effectiveness of cross-border learning.



Hybrid teaching of the Japan Code of Conduct Workshop



Trainees' in-person classroom discussion



A trainee sharing in person and an instructor providing online feedback

## 3 Building a Sustainable Approach

To enhance employees' understanding of the Moxa Code of Conduct in their respective work areas, Moxa has begun developing the Code of Conduct - Department Guidelines for different units since 2023. The guidelines for the R&D department, which has the largest number of employees, were completed and promulgated, along with online orientation courses. These guidelines have also been integrated into the mandatory training process for new hires. Future plans include completing the guidelines for the sales, purchasing, and infrastructure divisions.



Moxa Code of Conduct Workshop for Headquarters Employees



Moxa Code of Conduct Workshop for Overseas Employees

## Code of Conduct for Suppliers

Moxa believes that cooperating with suppliers on the basis of common values will strengthen mutual trust and promote long-term business relationships. Therefore, in 2024, Moxa began formulating the Code of Conduct for Suppliers, and devised plans to invite suppliers to jointly abide by the Code of Conduct subsequently. The effort demonstrates mutual commitment to social responsibility and realizing the vision of common sustainable development (please refer to [4.1.2 Supply Chain Sustainable Management](#) for details).

## Whistleblower Communication Channels and Protection

The Moxa Code of Conduct encourages employees to raise questions and clarify concerns. Multiple channels for clarification or reporting are provided, including through department supervisors, unit HR managers, the highest HR executive of the group, the highest executive of the ESG Development and Legal Division, the Business Executive Committee, or directly via email to the MCCC (mccc@moxa.com). Upon receiving a report, Moxa will follow the “Moxa Code of Conduct Case Procedure” (hereinafter referred to as the procedure) and initiate the whistleblower mechanism. The process adheres to key principles such as protecting human rights, objectivity and truthfulness, collaboration, and checks and balances.

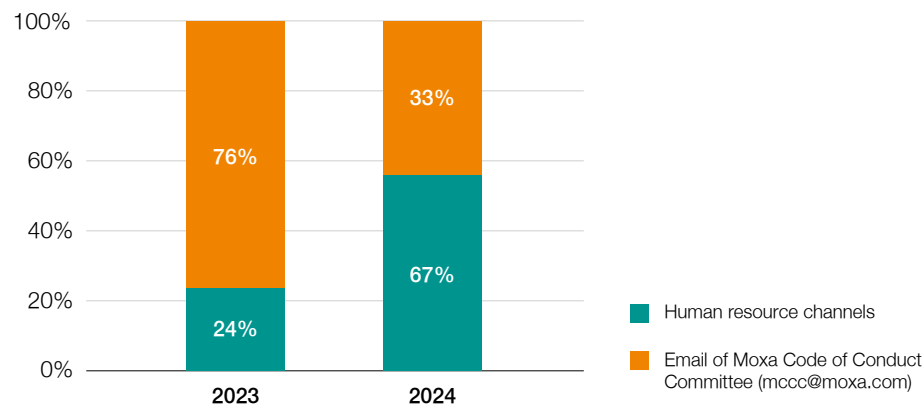
Additionally, the Code of Conduct explicitly states that employees, members of the Business Executive Committee, or board members of Moxa shall not retaliate or engage in any hostile behavior against whistleblowers, individuals raising concerns about potential or actual breaches of the code, or those assisting in investigations.

### Moxa’s Whistleblower Mechanism

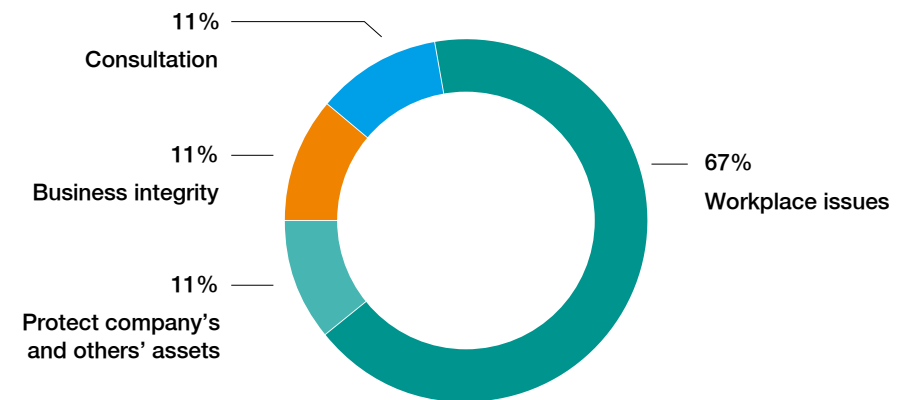


In FY2024, Moxa received 8 reports and 1 request for consultation, with 33% coming through the Moxa Code of Conduct email inbox, and 67% coming through HR reporting channels. Referring to the chart below, the majority of the reports were related to the workplace issues, making up 67% of total reports. All reports were carefully investigated in cooperation with the relevant departments according to internal rules and guidance. Final findings showed approximately 75% were substantiated. Moxa proactively addressed the issues raised by employees and revised existing measures upon reflection.

### Code of Conduct Reporting Channels



### Code of Conduct Reported Cases in 2024



Note: The scope pertaining to workplace includes to “create a safe, healthy and secure work environment,” “promote a workplace that is free of discrimination, violence, and harassment,” “uphold responsible employment practices,” “prohibit alcohol and drug use,” “protecting our environment,” and “protection of personal information.”

## 1.3.2 Legal Compliance

Moxa's Legal Enablement Department and Legal Advancement Department (collectively, "Legal Department") are responsible for the legal affairs of the headquarters and overseas subsidiaries. Moxa's legal compliance is currently carried out by each department according to their roles and responsibilities. In the face of cross-function compliance issues—e.g., export control, product data security, and personal data protection—Moxa will establish task forces to devise compliance programs and address the issues on a project-by-project basis.

While each department manages its daily compliance with laws and regulations relevant to its functions, whenever a legal dispute arises, the Legal Department will assist in the interpretation of the law and/or co-work with the responsible department in solving the problem. In 2024, there was no significant violation of regulations that would result in a fine exceeding NT\$1 million, nor was there any non-monetary sanction imposed on Moxa. No incidents of corruption or violations of antitrust laws or personal data protection regulations were reported during the 2024.

### Moxa's Compliance Overview

Corporate Governance	Products and Services	Human Resources
Company Act, Business Entity Accounting Act, and anti-competitive regulations	Export control, Trademark Act, Copyright Act, Patent Act, Trade Secrets Act, and Personal Data Protection Act	Labor Standards Act, Gender Equality in Employment Act, Employment Service Act, Labor Insurance Act, etc.

### Promoting Compliance and Legal Awareness

Moxa also provides employees with themed legal trainings on major international and regional regulations. In 2024, topics covered were competition law, introduction to principles of trademarks, export control regulations, and supplier contracts. These initiatives aimed to enhance employees' understanding and implementation of legal concepts, with a total of 193 person-time attending the training sessions throughout 2024.

### Moxa Compliance Courses in 2024

Course	Content	Person-time
Competition Law	Moxa has a Competition Compliance Policy in place. In 2024, we introduced the concept of fair competition and anti-monopoly laws to employees engaged in sales and product pricing around the world. In the future, we will roll out the course to all new employees engaged in sales operations and product management at headquarters and regional offices.	111
Introduction to Trademark	By discussing case studies of Moxa product trademarks, employees learned much more about review standards for trademark registration and the exercise of trademark rights.	25
Export Control Regulations	In 2024, key points of compliance with export control regulations and the rationale of template responses to customers' questions were introduced to the ESG Development and Legal Division as well as the Supply Chain Management Division.	39
Supplier Contracts	In 2024, Moxa adopted a new version of supplier contracts, so this course was aimed to help the Material Procurement Department and Strategic Sourcing Department understand the background of such updates, which would facilitate their future negotiation with suppliers.	18
<b>Total</b>	<b>193</b>	

Note: Data covers Moxa headquarters in Taiwan, as well as regional offices in Asia-Pacific region, Americas, and Europe.

To strengthen external partners' awareness of compliance with applicable laws, Moxa has urged partners throughout the supply chain to commit to legal compliance via contracts:

		Signing Rate
Suppliers	Moxa has included a clause of "integrity and professional ethics standards" in its supplier contracts for procurement of raw materials and equipment, prohibiting unethical, anti-competitive, or dishonest business practices.	100% <sup>Note</sup>
Authorized Distributors	A clause requiring channel partners to comply with export control laws in each relevant country is incorporated in contracts with authorized distributors in the Americas, Europe, and the Asia-Pacific region, reminding partners of their obligations when reselling Moxa's products.	100%

Note: This rate reflects the percentage of Moxa's top ten suppliers who have officially signed a contract with Moxa.

In 2024, Moxa launched a proactive compliance project, completed a survey of Moxa's compliance with labor laws and laws against corruption, identified areas of laws that require preventive monitoring, and set compliance goals for the following year. In the future, we will continue to follow and expand this model to other compliance themes, hoping that Moxa's business activities can respond to regulatory changes in a timely manner, and subsequently, reducing the risk of violations.

# 1.4 Risk Management

## 1.4.1 Risk Management

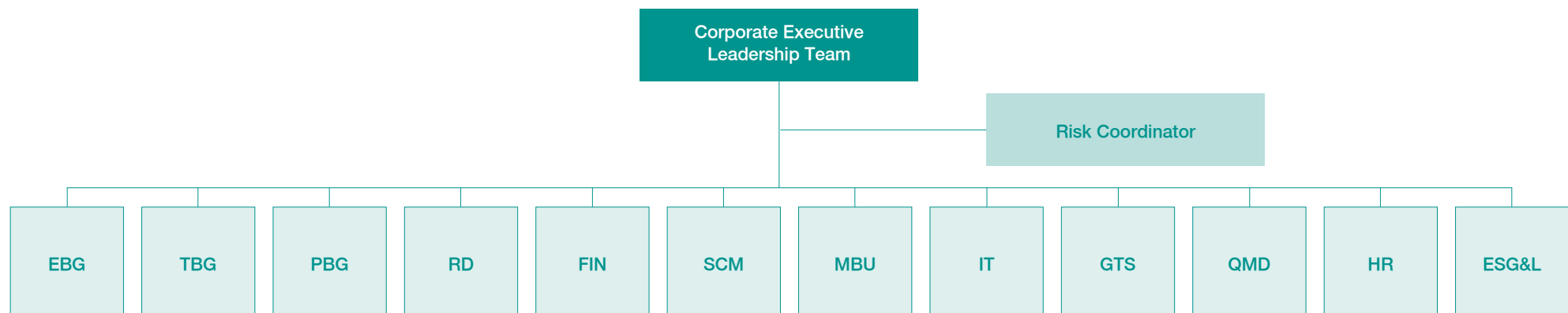
### Risk Management Process and Organization

In recent years, the global supply chain has been at risk of fragmentation due to the pandemic, geopolitical conflict, trade friction, and economic sanctions brought forth by wars. The tightening of trade compliance and carbon reduction requirements not only increases operating costs, but also exacerbates the challenges of corporate sustainability. By upholding the philosophy of excellence and sustainable development, Moxa strives to maintain the stability and growth of its business amid the rapidly changing commercial environment. Referencing the risk management framework recommended by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), Moxa comprehensively assesses various risks that affect corporate goals, and incorporates mitigation measures into operational activities and daily management. Through a comprehensive risk management system, Moxa can effectively monitor and respond to internal and external challenges, ensuring steady development and realizing sustainable operations.

By referencing risks, industry, and economic trends reports published by the domestic and foreign think tanks on a regular basis, Moxa combines internal key tasks to prepare a risk radar chart, summarizing potential internal and external risks into four dimensions: finance, strategy, hazard & compliance, and operation. To ensure that all critical risks are effectively managed, Moxa has established the Risk Management Team (hereinafter referred to as the RM Team), of which the members are appointed by the Corporate Executive Leadership Team. The RM Team is responsible for identifying, assessing, handling, monitoring, and reporting strategic risks of the Company and functional units, and promoting Enterprise Risk Management (ERM). Through accurate risk identification and management, Moxa is able to comprehensively monitor potential threats and opportunities, ensuring that the company remains flexible in the changing market environment and quickly responds to new developments to achieve stable and sustainable development.

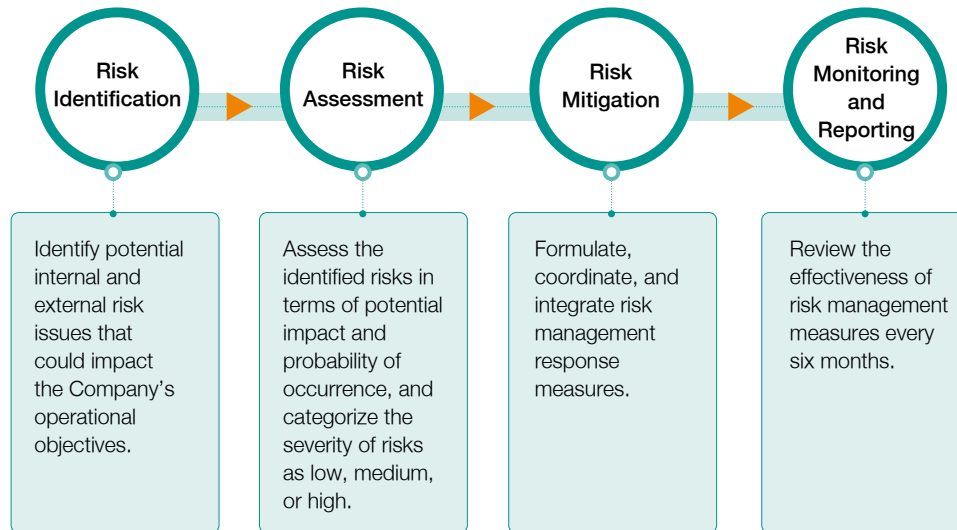
To properly identify and monitor risks that may threaten business operations, and to assess of the probability and degree of impacts in advance, Moxa conducts operational risk identification through the Enterprise Risk Management Procedure. During the identification process, Moxa is able to formulate effective response measures for potential risks, optimize resource allocation, reduce the impact of unexpected events on operations, and ensure the continuity of core business operations in the event of a crisis. Furthermore, Moxa can improve its resilience and maintain stable operations, ensuring long-term competitive advantages.

#### Moxa Risk Management Team



## Risk Identification and Response Measures

### Moxa Risk Identification Process



In 2024, Moxa began to integrate the risk assessment process with the schedule of major operating activities. Moxa ensures that potential risks are taken into consideration and addressed accordingly while taking into account operational opportunities. To extend the concept of risk management across all departments, the RM Team designates department heads as risk management ambassadors to participate in risk management training programs and help promote a risk-aware culture.

The RM Team identifies potential risks of each functional unit's operational goals based on the risk radar chart, and ranks them as low, medium, or high, based on their probability and severity. After the risk assessment, by considering the Company's existing operational goals, the RM Team will determine appropriate risk management methods and resource allocation. For example, for different risk scenarios, risk prevention and control measures are planned for and implemented to reduce the probability or impact of risk events, ensuring that these risks are contained within an acceptable range. This will support the Company's steady development and achievement of business goals.

In 2024, the RM Team selected the following key risk issues based on Moxa's operational objectives, formulated management measures, and conducted regular tracking.

Risk Topic	Potential Impact	Management Measures
<b>Geopolitics</b>	<ul style="list-style-type: none"> <li>Changes in trade policies and declining market demand caused by geopolitical issues may lead to restrictions imposed on products and business development, potentially impeding high performance growth.</li> <li>Inability to meet customer and market requirements on production in a third location or localized production may affect business growth.</li> <li>Government restrictions/financial sanctions, banking systems, etc. may affect the access or transfer of corporate funds, resulting in disruptions or delays.</li> </ul>	<ul style="list-style-type: none"> <li>Pursue customers and opportunities from different countries to expand the key customer base and diversify risk.</li> <li>The sales team regularly verifies specific requirements for product technology with key customers, and strengthens partnerships with distributors.</li> <li>Increase customer visits to keep abreast of market changes.</li> <li>Adopt a simplified collaboration model with local distributors to meet localized production requirements of important customers, and minimize the transfer of production processes to meet customer expectations and regulatory requirements.</li> <li>Establish a global cash management mechanism to ensure capital flexibility and liquidity.</li> </ul>
<b>Global Economic Fluctuations</b>	<ul style="list-style-type: none"> <li>Increased customer credit limit to support revenue growth may lead to higher risk exposure, affecting the Company's cash flow and operating capital.</li> <li>As the global economy becomes increasingly complex, multinational enterprises are facing increasingly stringent tax transparency and compliance requirements from governments.</li> <li>Companies may be required by suppliers to make payments in advance, while their customers may ask to delay payment, resulting in poor cash turnover ratios.</li> <li>Significant revision to forecasts for major economies and macroeconomic markets may indirectly result in a shortage of materials or insufficient supply interruptions.</li> </ul>	<ul style="list-style-type: none"> <li>Regularly update and review the customer credit evaluation in accordance with the customer credit policy, and make appropriate adjustments to credit limits.</li> <li>Focus on company projects and conduct financial risk assessments to ensure compliance and continuous monitoring.</li> <li>Regularly review the cash conversion cycle and conduct cash flow forecasting simulations to ensure sufficient cash levels to support operational needs.</li> <li>Collect and evaluate medium to long-term demand and regional fluctuation trends, lengthen the delivery period, and adjust the material purchase planning and inventory levels.</li> </ul>

Risk Topic	Potential Impact	Management Measures
<b>Trade and Technology Restraints</b>	<ul style="list-style-type: none"> <li>Business opportunities for next-generation solutions of key accounts may be lost due to trade or technology restraints.</li> <li>Obtaining key parts may be difficult due to trade restraints, which may affect the maintenance time of products.</li> </ul>	<ul style="list-style-type: none"> <li>Establish a periodic verification mechanism with customers to meet their requirements for services and business continuity.</li> <li>Strengthen technical support for off-site production and provide necessary design and development support to meet technical needs of service projects.</li> <li>Produce spare parts/prepared materials in advance based on existing maintenance data.</li> </ul>
<b>Legal Compliance and ESG Requirements</b>	<ul style="list-style-type: none"> <li>Potential violation of import/export-related laws and regulations may result in transaction failures or large fines.</li> <li>The increase in product maintenance costs may displace R&amp;D resources for new products, resulting in delays in new product launches.</li> <li>Expanded scope of regulatory requirements and customer expectations may result in failure to meet customer needs in a timely manner.</li> <li>Customers seek to reduce carbon emissions and use renewable energy.</li> </ul>	<ul style="list-style-type: none"> <li>Collect industry-related applicable regulations, identify and benchmark Moxa-related regulations, and design corresponding compliance mechanisms. Monitor major regulatory changes by working with professional external institutions.</li> <li>Schedule updates to material management and optimize software version control to ensure compliance with information security requirements, and to improve regulatory compliance and operational security.</li> <li>Formulate source management methods to meet compliance requirements, comprehensively evaluate necessary organizational resources and long-term planning, and invest resources in a timely manner to ensure implementation.</li> <li>Participate in the Science Based Targets initiative, invest resources to reduce carbon emissions, and work with external suppliers to find carbon reduction opportunities and jointly reduce carbon emissions.</li> </ul>
<b>Lack of Talents</b>	<ul style="list-style-type: none"> <li>Key R&amp;D talents are difficult to find, which may affect the development of key technologies that support future growth.</li> </ul>	<ul style="list-style-type: none"> <li>Use diverse recruitment channels and establish flexible recruitment plans.</li> <li>Provide competitive compensation and benefits, a diverse learning environment, and achievement-oriented work content to attract outstanding talents.</li> <li>Focus on technology development goals and review resources for major technologies.</li> <li>Protect major technology advancement through organizational planning and target setting for tasks.</li> <li>Make organizational adjustments and devise talent development plans to build strategic development capabilities that are required.</li> </ul>

## 1.4.2 Business Continuity Management

Pursuant to the ISO 22301 standard framework, Moxa establishes business continuity management procedures to respond to various disasters, reduce personnel and property losses, and resume operations within a specified timeframe. Relevant functional units also formulate emergency response plans for specific crisis events, such as an earthquake, fire, power outage, critical equipment failure, raw material shortage, and service interruption of critical information business systems. This works to ensure that in the event of accidents or disasters, the Company is able to respond according to operating procedures and maintain operations so that operations are not interrupted.

In 2024, Moxa convened a business continuity management workshop to discuss how, in the event of an incident that may affect product or service delivery, Moxa can return to a minimum delivery level within a target time frame so production capacity can be appropriately allocated. The effort worked to ensure that Moxa is able to quickly and effectively respond to various unexpected events or crises (e.g., natural disasters, equipment failure, and network attacks), and take on post-disaster recovery tasks. This will reduce operational downtime and resume operations within a specified timeframe, curtailing damage to an acceptable range and ensuring continued provision of products and services.

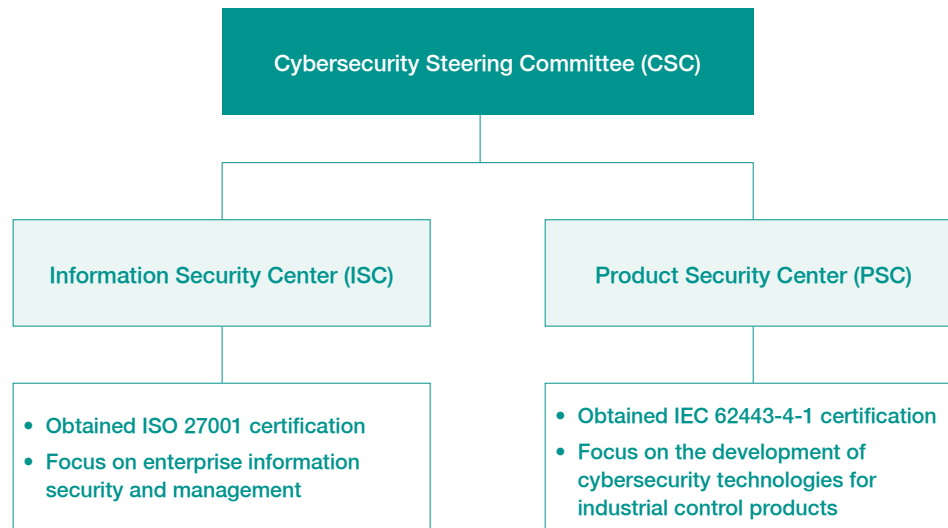
# 1.5 Cybersecurity and Privacy Protection

## 1.5.1 Sustainable Cybersecurity Strategy and Management

### Cybersecurity Steering Committee

Moxa aims to help customers effectively reduce cybersecurity risks, especially in the next-generation industrial network protection and remote automation applications. Product cybersecurity is more than a technical requirement; it must be incorporated into product life cycle management right from the design stage to ensure that its protection capabilities are constantly upgraded to one-up the evolving cybersecurity threats. Meanwhile, Moxa must maintain a minimum risk level for its own information security to ensure stable delivery of products and services.

To this end, the Moxa Cybersecurity Steering Committee (hereinafter referred to as the CSC) oversees the Information Security Center (hereinafter referred to as the ISC) and the Product Security Center (hereinafter referred to as the PSC), which focus on the two major aspects of cybersecurity: Information Cybersecurity and Product Cybersecurity. These groups work to improve the security of internal information systems and build robust infrastructure, as well as strengthen product security capabilities and provide customers with secure and reliable industrial networks and remote automation solutions.



The CSC is Moxa's highest-ranking cybersecurity organization. Its chairperson is appointed and authorized by Corporate Executive Leadership Team. Its members include senior management, cybersecurity experts, and representatives from related departments. They focus on formulating Moxa's cybersecurity strategy to ensure the adoption of optimal cybersecurity practices.

#### A total of four CSC meetings were held in 2024, and major decisions included:



Moxa will pay close attention to the EU's Network and Information Security (NIS) Directive 2 (NIS2 Directive) and the Cyber Resilience Act (CRA) that will come into effect in 2027, and will propose plans to get Moxa products to meet the NIS2 Directive/CRA compliance requirements.



Moxa will adopt the IEC 62433-4-1 standard, and will adopt the IEC 62433-4-2 scheme for its products.



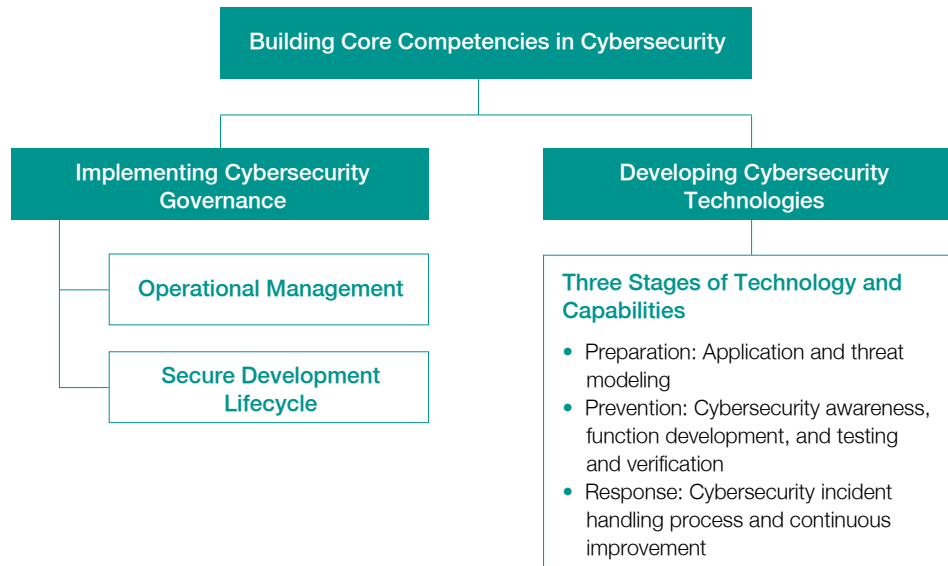
Passed the Moxa Product Vulnerability Management Policy.



Added a Marketing Messaging Working Group to oversee the accuracy and consistency of external marketing communication on product security and related issues concerning Moxa's cybersecurity governance.


## Building Core Competencies in Cybersecurity

Continuously strengthening Moxa Cybersecurity DNA is an important long-term goal for Moxa. To build up core competencies for cybersecurity, Moxa strengthens information systems and product security by implementing cybersecurity governance and developing cybersecurity technologies.



### Implementing Cybersecurity Governance

Cybersecurity governance focuses on two main areas: Operational Management and a Secure Development Life Cycle.



**Operational Management**

- Comply with international information security standards and ISO 27001 regulations, obtain certification, establish a comprehensive information security management system, and implement mechanisms—all to ensure the stability and security of operating procedures.
- Promote internal information security education and awareness training so that all employees can participate in information security management, thereby reducing potential risks from organizational culture.
- Establish incident management processes—including real-time monitoring, rapid alerts, and cross-departmental coordination—to ensure that information security incidents can be effectively handled in a timely manner and their impacts are minimized.




**Secure Development Lifecycle**

- From the design and development stage, cybersecurity requirements are incorporated into the core planning, including threat modeling and security requirement analysis. Vulnerability scans and cybersecurity testing are also performed to ensure that product security meets design standards.
- After product release, subsequent cybersecurity updates and technical support will be provided continuously to ensure that products can resist evolving cybersecurity threats throughout the entire customer usage life cycle.
- Collaborate with professional cybersecurity institutions to regularly conduct third-party reviews to verify the cybersecurity performance of products and services in order to provide customers with a higher level of security protection.


### Developing Cybersecurity Technologies

This involves developing the necessary professional capabilities and technologies for the three stages of the cybersecurity framework: Preparation, Prevention, and Response.




**Preparation**

Establish cybersecurity risk assessment, threat intelligence, and capabilities for performing incident response plan exercises to promote a cybersecurity culture and cybersecurity compliance management.



**Prevention**

Strengthen the capabilities of vulnerability patching, supply chain management, and threat modeling. Develop network protection, access control, and data protection technologies.

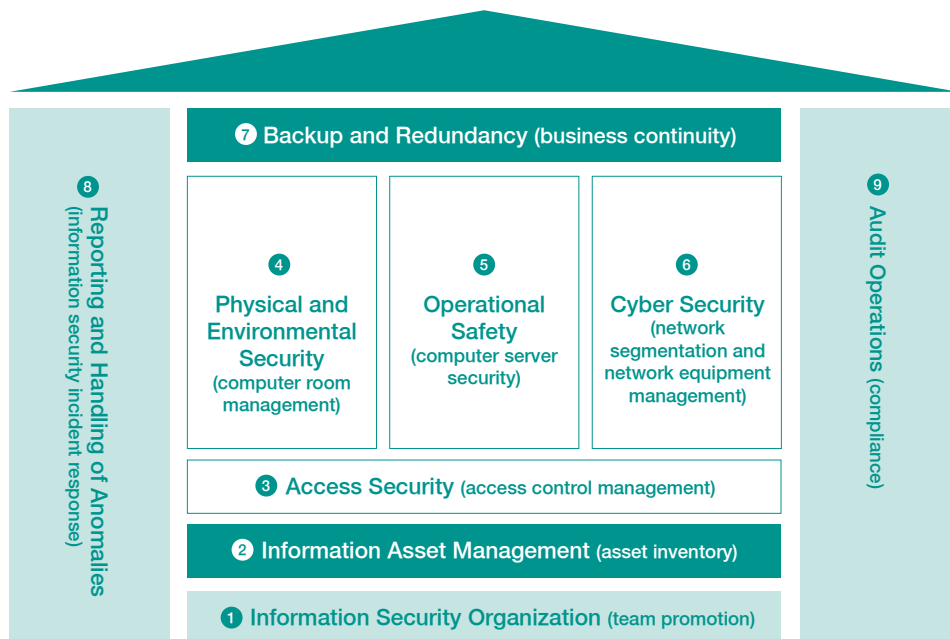


**Response**

Improve cybersecurity incident detection, analysis, and recovery capabilities. Block attacks promptly, update software, and provide product security patches.

## External Cybersecurity Management

In addition to developing Information Security and Product Security, Moxa established cybersecurity management procedures based on ISO 27001 Information Security Management and IEC 62443, and set best practices for cybersecurity of Industrial Automation and Control Systems (IACS) for core subcontractors in 2023 to enhance the cybersecurity resilience of its key subcontractors. The procedures cover a total of nine dimensions. As a result, no major cybersecurity incidents occurred at any core subcontractors in 2024.



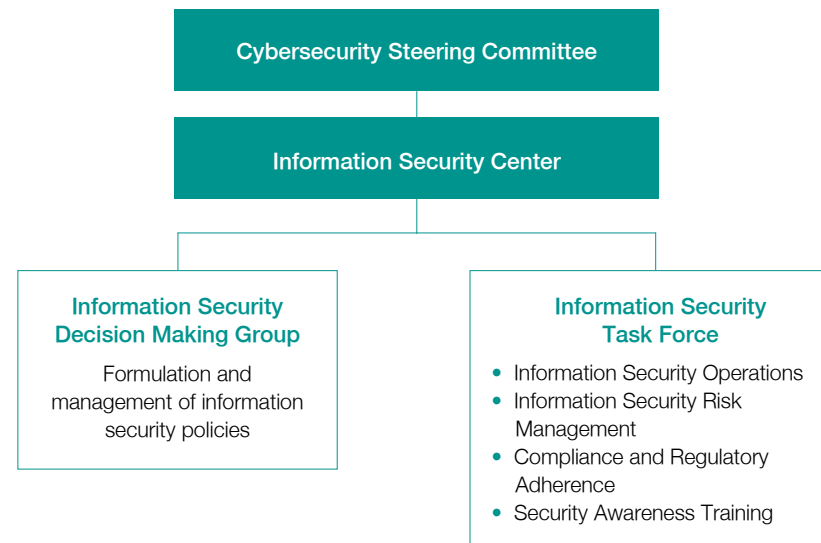
## Inspection and Management of Core Subcontractors

In 2024, Moxa will continue to assist all core subcontractors in initiating information security management and conduct inspections and production site risk analysis for the implementation of information security management projects. The inspection results showed that all core subcontractors had established an information security unit and implemented physical and environmental security. The computer security at some core subcontractors' production sites still required reinforcement. Based on findings of the inspections, Moxa provided improvement recommendations and guidance to core outsourcing factories to implement risk mitigation measures. Furthermore, Moxa continuously monitors the risks of production sites to maintain site security and reliable information security quality. Moxa will continue to develop and strengthen information security control measures and gradually expand the measures to all production sites to ensure the manufacturing environment meets international information security standards and to uphold the information security reliability of Moxa products.

## 1.5.2 Information Security

### Information Security Center

#### Organizational Structure of Information Security Center



The Moxa Information Security Center (ISC), reporting to the Cybersecurity Steering Committee, operates in accordance with ISO 27001 standards and is responsible for managing and maintaining the security of the enterprise's information systems. The ISC includes the "Information Security Decision Making Group" and the "Information Security Task Force." The chair of the Information Security Decision Making Group is the Chief Information Officer (CIO), and its members include department heads from the IT and administrative management departments. This group is responsible for formulating and managing policies related to Moxa's information security. The Information Security Task Force is led by the heads of IT infrastructure and information security departments, and consists of experts in information security. This group is responsible for executing the following information security tasks:

- ▶ **Information security operations:** Responsible for implementing technical control, security monitoring, and incident response tasks.
- ▶ **Information security risk management:** Responsible for identifying, assessing, and managing the information security risks facing the organization.
- ▶ **Compliance and regulatory adherence:** Ensure that the organization's information security policies and measures are in line with relevant regulations and compliance requirements.
- ▶ **Security awareness training:** Provide information security training and education to raise employees' awareness and vigilance in information security.

## Major ISC Achievements in 2024

In 2024, the Information Security Center (ISC) promoted the ISO 27001:2022 upgrade project, covering the relevant information security governance framework, revision and publication of policy documents, and implementation of management systems and processes. Moxa passed third-party audits by the end of 2024 and no non-compliance was found. The following are the external audit results since the implementation of ISO 27001:

	Non-compliance	Matters Requiring Observation	Improvement Opportunities
2022 <sup>1</sup>	0	5	0
2023	0	5	1
2024 <sup>2</sup>	0	6 <sup>3</sup>	0

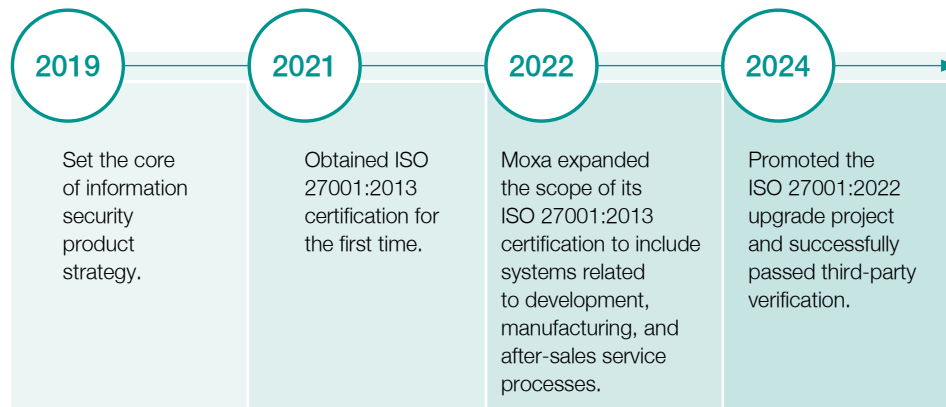
Note 1: Expand the scope of verification to include systems related to development, manufacturing, and after-sales service processes.

Note 2: ISO27001:2022 upgrade certification.

Note 3: Verification of matters requiring observation mentioned by Moxa focuses on "the scope and depth of data loss prevention that needs continuous improvement."

## Implementation and Promotion of Information Security

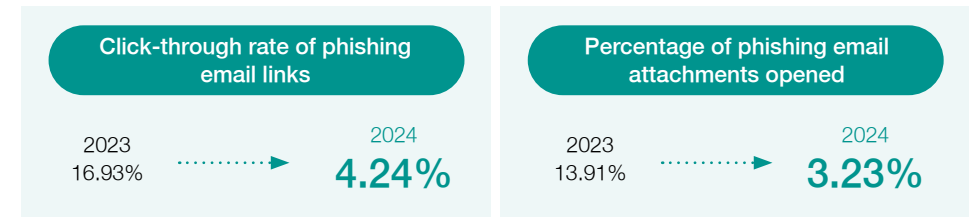
In the face of a constantly changing information security environment, Moxa continuously strives to improve its information security capabilities, and passed ISO 27001:2022 certification audits by an impartial third party in 2024. Moxa will continue in strengthening various information security management mechanisms internally in 2025 and assist suppliers to strengthen their information security level externally. Moxa's operational strategy will continue to advance in the field of information security. By maintaining ISO 27001 certification, Moxa ensures the security of its information system environment, thereby enhancing the protection of customer information and boosting Moxa's competitive edge.



## Improving Protection and Monitoring Mechanisms

### Information Security Protection Measures

Moxa implements information security awareness across all employees through a combination of social engineering drills and online education training courses, which complement and reinforce each other. In 2024, we continued to conduct social engineering drills, with a total of 1,889 employees worldwide being tested. To reduce the risk of employees falling victim to phishing emails during social engineering drills, the ISC provided two online courses to remind employees to remain highly alert to unknown email sources and sensational subject lines. The pass rate for both courses was 100%. In 2025, we will continue to hold social engineering drills and training on an ad hoc basis to ensure employees remain vigilant at all times to maintain the company's information security.



In terms of information system security protection, in addition to focusing on 100% real-time tracking and cleaning of incident monitoring, key protection measures include the following four:

- Vulnerability scanning and penetration testing:** Regularly perform vulnerability scanning and penetration testing on information systems to discover potential security breaches and weaknesses, and implement appropriate remediation measures.
- Regular review of firewall rules:** Regularly review and update firewall rules to ensure that they are in line with the latest security requirements and business requirements.
- Periodic system account inventory:** Regularly audit and clean up system accounts, and promptly disable or delete unnecessary or unused accounts to reduce security risks.
- Monitoring of the Common Vulnerabilities and Exposures (CVE) system and emergency update installation:** Closely monitor the latest information on the Common Vulnerabilities and Exposures (CVEs) system, respond to publicly known vulnerabilities in a timely manner, and promptly install emergency updates to protect system security.

In addition, to ensure the effective implementation of security updates, Moxa has established the following goals and timelines to protect the overall integrity of the system:



### Third-Party External Information Security Ratings

To quantify external information security management indicators, Moxa proactively adopts an overall rating mechanism for information security. Through the rating system, Moxa's digital footprint is continuously reviewed, and its risk factors are analyzed according to the latest information security scoring standards. The evaluation items include 10 major categories. Compared to the industry average, Moxa is only lagging behind in a few items, but above average in the remaining items. However, information security threats are evolving over time. With new risk intelligence uncovered, the measurement standards are constantly changing. The ISC team will implement remediation measures for new problems found to ensure that the overall information security score is above industry average. Moxa's minimum score in 2024 was 78 points (C) and its highest score was 93 points (A). For most of 2024, Moxa remained in level B. Since the design of some online systems are still based on traditional architectures, new threats will still be discovered from time to time. In 2025, we will continue to focus on online system upgrades, with the goal of keeping the score above 90 points (A) over the long term.

### Information Security Incident Reporting and Management

The ISC has established a 911 reporting mailbox for Moxa employees to directly send information about cybersecurity-related incidents. All reported incidents are addressed and resolved within the prescribed timeframe. Over the past three years, Moxa has received an average of approximately 61 cybersecurity-related 911 reports annually from employees worldwide. The majority of these reports involve two main types, namely suspected phishing emails, and suspicious attachments. Among them, after the number of complaint cases peaked in 2022, and due to Moxa proactively promoting social engineering drills and information security awareness training, the number of reports received in 2023 and 2024 gradually decreased, which was in line with the results of the social engineering drills, indicating a consistent positive development. Moxa will remain relentless in promoting information security awareness and reporting for employees.

#### Moxa Cybersecurity 911 Incidents for 2022-2024

	2022	2023	2024
Number of 911 incidents reported	96	54	34

In addition, for suspected information security incidents detected by each monitoring system, the monitoring team will open a case for follow-up action, and 100% of these cases are resolved. In 2024, Moxa had no operational disruptions, data damage, or breaches caused by security incidents.

To ensure that information systems can quickly recover and minimize operational impact in the event of a disaster, Moxa has been categorizing its information systems by importance since 2019. Each system is assigned corresponding Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO). The systems are evaluated and improved based on their respective RTO and RPO targets, including their current operational structure and backup processes. Each system is required to conduct incident recovery drills annually in accordance with ISO 27001 standards to ensure that it can be restored within a specified time.

### Information Security Training

Moxa enhances information security awareness through a combination of internal promotions and external training. In 2024, social engineering drills were planned for global employees, with a total of 1,889 participants. As employees at the Taiwan headquarters are at the frontline of corporate cybersecurity, external speakers were invited to train them and increase their awareness. With the rise in cybersecurity awareness and network threats, Moxa aims to continuously improve its cybersecurity skills. Internally, information security-related courses are offered, and employees are also sent for external training. After completing external training, employees share their knowledge internally, helping the team stay updated on information security trends and operational priorities. In total, the internal and external training garnered 264 participants in 2024 and a total of 1,478 training hours. Moving forward, Moxa will continue to invest in information security awareness and strengthen internal technical capabilities.

#### 2024 Information Security Training

Internal Promotion and Training	Number of Participants	Training Hours (Person-hours)
Moxa Corporate Cybersecurity Training	84	168
Major IT System Disaster Recovery Procedures	83	415
Gartner Reading Club 2024 - Security	72	648
<b>Total Internal Training</b>	<b>239</b>	<b>1,231</b>
External Training	Number of Participants	Training Hours (Person-hours)
Training Courses <sup>Note 1</sup>	8	80
Seminars or Forums <sup>Note 2</sup>	17	167
<b>Total External Training</b>	<b>25</b>	<b>247</b>
<b>Total</b>	<b>264</b>	<b>1,478</b>

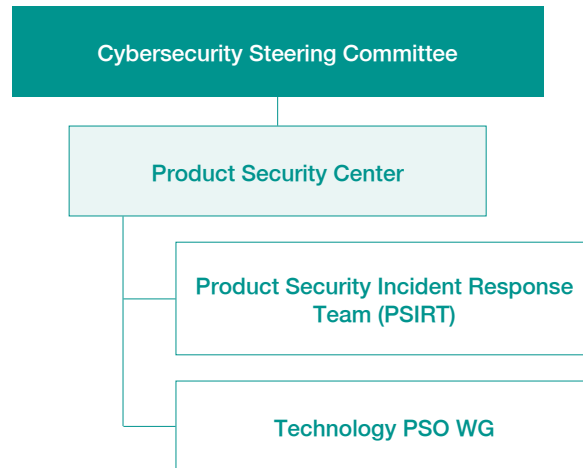
Note 1: Training courses include Trend Micro product training, auditor training for ISO 27001, and HTB Lab penetration test training.

Note 2: Seminars or forums included 14 events, covering information security conferences, digital sustainability summits, annual HITCON (Hacks In Taiwan Conference), and information security forums of the high-tech manufacturing industry.

## 1.5.3 Product Security

### Product Security Center

To effectively advance product security management and support the Product Security Policy, Moxa has established the Product Security Center under the Cybersecurity Steering Committee. This center is responsible for developing product security strategies and directions, ensuring the ongoing robust operation of the product security management system. The Product Security Center supervises the Product Security Incident Response Team (PSIRT) and the Cybersecurity Technology Product Security Office Working Group (Technology PSO WG). Its organizational structure is as follows:



Major initiatives of the Product Security Center in 2024 include:

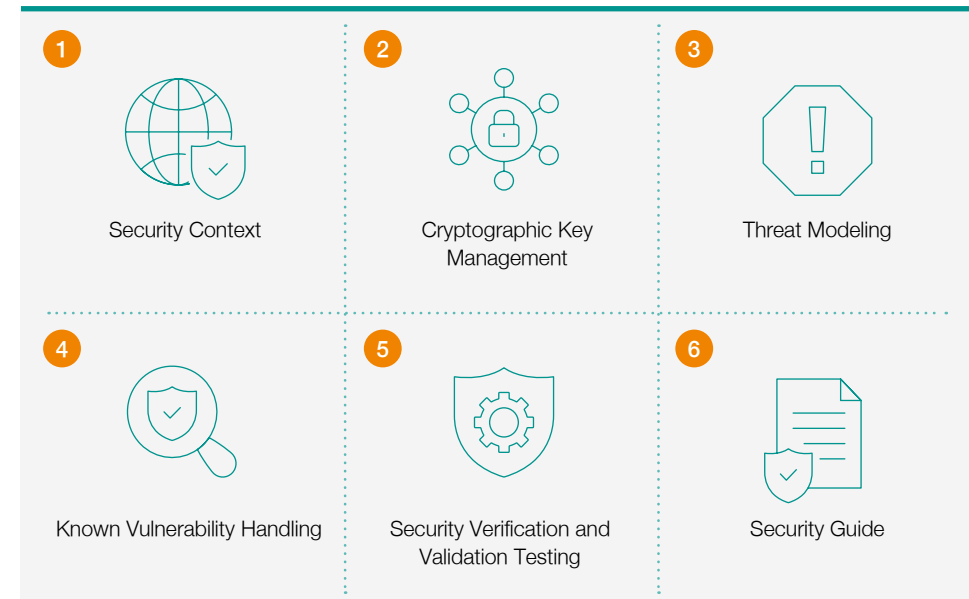
- ▶ Strengthened the Product Security Policy and Moxa Secure Development Lifecycle (Moxa SDLC).
- ▶ Products met NIS2/CRA, RED, and DNV compliance requirements, or proposed corresponding plans.
- ▶ Passed the Moxa Product Vulnerability Management Policy and standardized the principle for handling product vulnerabilities.
- ▶ The second season of The Top of Cybersecurity—Moxa's Security Dojo platform—cultivated employees' cybersecurity awareness and password security knowledge.
- ▶ Shared cybersecurity vulnerability solutions for third-party open source software components.

### Product Security Policy and Moxa SDLC

To improve the cybersecurity quality and compliance of industrial products, Moxa formulated the Product Security Policy, incorporating the Secure Development Lifecycle (hereinafter referred to as Moxa SDLC), and comprehensively adopting product cybersecurity requirements. Moxa SDLC complies with IEC 62443-4-1, the cybersecurity standard prescribed by the Industrial Automation and Control Systems (IACS), to ensure that cybersecurity measures encompass the entire product life cycle, including threat modeling, planning according to security requirements, testing and verification, incident handling, and continuous improvement. It also includes all stages from demand design to post-market maintenance, ensuring that products can effectively resist cybersecurity threats and operate in a steady manner.

Moxa obtained IEC 62443-4-1 certification in 2021, and became one of the few companies in the market to obtain this cybersecurity capability certification, demonstrating its excellent product cybersecurity management capabilities and international leadership. Moxa listed six cybersecurity activities as key optimization items in 2024 based on Moxa SDLC. Moxa will strengthen various cybersecurity measures in Moxa SDLC incrementally each year, improve execution efficiency and quality, and continue to increase the stability and competitiveness of product security.

#### Moxa 2024 Key Cybersecurity Optimization Items



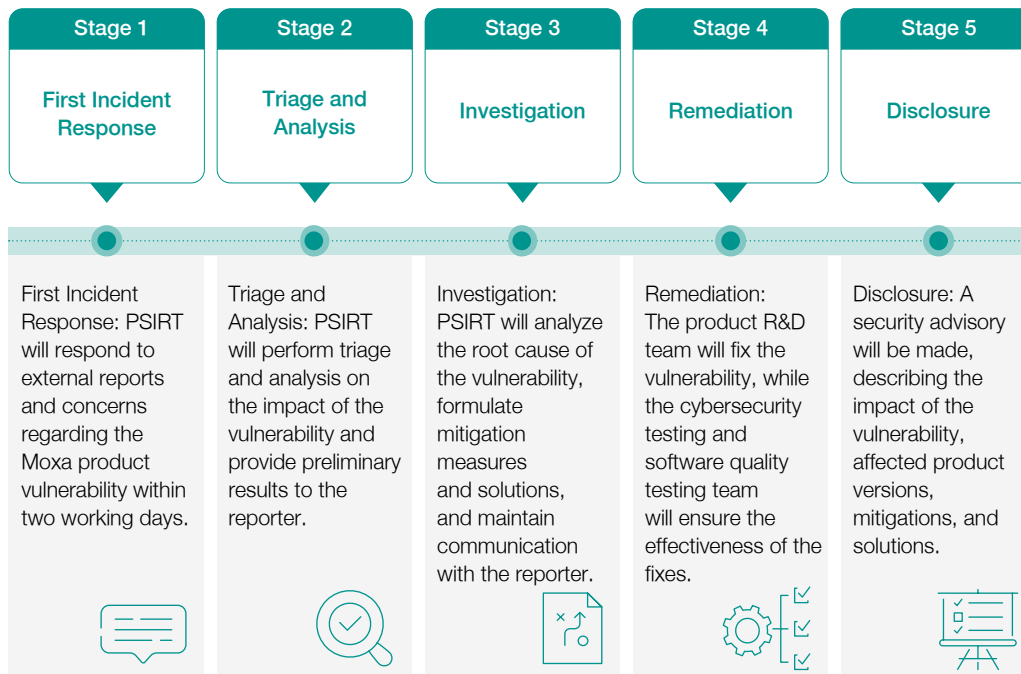
## Product Cybersecurity Vulnerability Management

Since 2023, Moxa has been officially authorized by the U.S. Cybersecurity and Infrastructure Security Agency (CISA) to become a CVE Numbering Authority (CNA) partner of the Common Vulnerabilities and Exposures (CVE®) Program. This recognition reflects Moxa's maturity in cybersecurity vulnerability management policy and processes. The recognition reflects Moxa's maturity in cybersecurity vulnerability management policy and process. In 2024, Moxa was added to the [CNA Enrichment Recognition List](#), further strengthening Moxa's international position in cybersecurity management. After becoming a CNA, Moxa's Product Security Incident Response Team (PSIRT) is able to more quickly identify and fix vulnerabilities in real-time, embodying Moxa's strategy of integrating cybersecurity to increase product reliability, thereby providing customers with a higher level of protection.

### Product Security Incident Reporting and Management

After a product is launched, PSIRT continues to monitor publicly known cybersecurity vulnerabilities, and follows up and manages related incidents to effectively reduce or eliminate potential threats to products. To this end, Moxa has established a complete vulnerability management process, which is divided into five stages, with strict operating regulations in place at each stage to ensure that vulnerabilities can be quickly and properly addressed to ensure product stability and security.

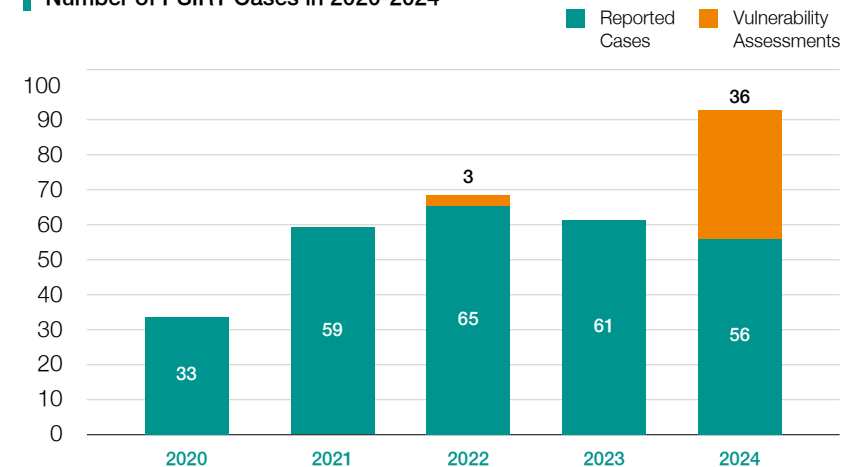
#### Cybersecurity Vulnerability Management Process



## Product Vulnerability Cases Reported

The number of PSIRT cases in 2024 increased by 50% compared to 2023, reaching 92 cases. The main reason for the increase was the vulnerability assessment initiated by Moxa PSIRT, accounting for a total of 36 cases. In 2024, a total of four vulnerability assessments were conducted for New Moxa Command, Linux Kernel, OpenSSH, and XZ, respectively. Based on the rating standards of the Common Vulnerability Scoring System (CVSS), their vulnerability score was rated as 7 points or higher, which was a high-risk vulnerability that is of concern to the market. Moxa proactively identified the aforementioned affected products, quickly formulated a remediation plan, and provided security patches and mitigations within 90 days. In addition, Moxa voluntarily issued a total of 26 security advisories to customers in 2024, and has not received any reports of significant impact from customers.

#### Number of PSIRT Cases in 2020-2024



## Product Cybersecurity Vulnerability Database

In 2024, Moxa established the Moxa Vulnerability Database to systematically organize vulnerabilities reported in recent years. The database records 50 common vulnerabilities and summarizes key information, such as the source, root cause, verification methods, recommendations for fixes, and mitigations for each vulnerability. It serves as a reference for product teams, promoting effective knowledge transfer and integrating lessons learned into the product development process. This initiative aims to enhance the security design and overall quality of Moxa products.

## Product Security Culture Promotion and Training

To promote product security culture and make cybersecurity take root in employees, Moxa planned a series of tailored promotion and training programs for employees of different functions. Internal activities in 2024 were mainly carried out through The Top of Cybersecurity, Moxa's Security Dojo platform. Through the Capture The Flag (CTF) contest which covered encryption knowledge, we enhanced employees' security knowledge and practical skills. We also designed a lottery and point system to encourage participation, garnering a total of 378 participants.

In terms of external activities, Moxa proactively participated in the Hacks in Taiwan Conference - Community (HITCON CMT) and CyberSec conference to demonstrate its professional skills and contribute to the field of cybersecurity. In 2024, Moxa employees served as lecturers at CyberSec, conducting three professional sessions—covering the CNA Program, practical experience on information security of operational technology (OT), and industrial cybersecurity trends—fully demonstrating our professional strengths. By sharing our professional knowledge, Moxa improves its brand image, transforms practical experience into industry value, and strengthens industry trust, thereby injecting more momentum into sustainable development.

### 2024 Product Security Promotion and Training Results

Product Security Promotion Topic	Participant	Person-time
<b>Internal Activities</b>		
Security Dojo Platform	Employees at the Taiwan headquarters	378
Training for internal cybersecurity advisors	Internal cybersecurity advisors	9
Basic online training courses on the Common Vulnerability Scoring System (CVSS)	Employees at overseas offices	20
Certifications for Maritime Product Cybersecurity	Product management personnel	51
EN18031-1 RED Compliance Training	Product management personnel	48
RD Sharing: Sharing of Cybersecurity-related Issues	Employees of R&D Center	871
<b>External Activities</b>		
HITCON CMT	Voluntary registration for employees	11
CyberSec Conference	Voluntary registration for employees	29
CyberSec Lectures <sup>Note</sup>	CyberSec participants	Approximately 300
<b>Total</b>		<b>1,717</b>

Note: The topics of the lectures included "Joining the CNA Program and Practical Experience in Handling PSIRT Vulnerability Incidents," "Trends and Security Considerations for Operational Technology Network System," and "Regulatory Trends of Operational Technology Network System and Responses of Equipment Suppliers."

## 1.5.4 Privacy Protection

### Privacy Statement and Promotion

With the continuous increase in data use and the circulation of personal information, personal data protection has received increasing attention. The implementation of the EU's General Data Protection Regulation (GDPR) establishes higher data protection standards for global enterprises. Moxa is committed to complying with the relevant regulations of various countries to protect the personal information security of customers and users.

To ensure that Moxa's online platform adheres to relevant regulations in various countries, Moxa follows three key principles in updating and strengthening the privacy policy and related contents on its official website.

- ▶ Provide a clearer and more specific privacy policy to explain to users how Moxa collects, uses, and protects their personal data.
- ▶ Add user control functions—such as setting personal data access permissions and preferences—to enhance users' sense of control over their data.
- ▶ Strengthen website security—including encryption technology and authentication measures—to protect users' personal information from unauthorized access.

Moxa has set up a privacy feedback channel. Anyone who has any questions about Moxa's privacy policy or encounters potential privacy infringement can contact Moxa via email ([privacy@moxa.com](mailto:privacy@moxa.com)). Moxa will handle any violations of privacy in accordance with the relevant regulations of the Moxa Code of Conduct (please refer to [1.3.1 Integrity Value](#)). In 2024, Moxa did not receive any complaints or incur any penalties related to privacy from external parties or regulatory authorities.



Moxa Privacy  
Policy

### Personal Data Protection Training

To improve employees' awareness and knowledge of personal data protection, Moxa regularly organizes personal data training sessions, including online training courses, workshops, and quizzes. Through these trainings, employees learn how to identify personal data, ensure its correct use and handling, and learn how to respond to potential cybersecurity risks. According to statistics, since the implementation of personal data protection training, employees' understanding and the importance attached to personal data protection have significantly increased. Their awareness of personal data protection has been effectively strengthened.

# 2 Innovation and Service

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## Passed TSN Certification

TSN-G5000 series industrial Ethernet switches obtained the world's first TSN component certification from the Avnu Alliance, the industry's first TSN function certification program.

## 98.4% Technical Service Satisfaction

Moxa adopts diverse service channels, effectively meeting customer service needs in different regions, and creating greater value for customers.

## 0 Product Recall

No incidents of products affecting personnel safety and product recalls ever occurred, demonstrating Moxa's commitment and dedication to product quality and customer rights.

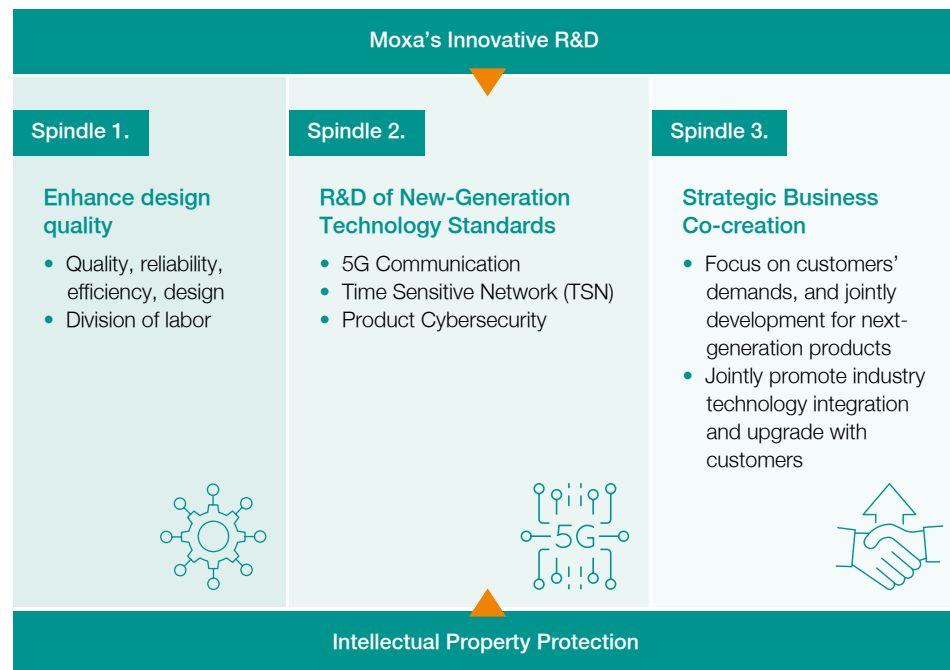


## 2.1 Innovation Management

### 2.1.1 Innovation-Driven Development

Moxa is a leading brand in industrial automation. For more than 30 years, Moxa has been providing customers with highly reliable technical solutions based on innovation. For industrial automation applications that demand high stability and reliability, Moxa not only invests R&D capacity in the development of new-generation technical standards and products, but also focuses on continuous deepening of fundamental technologies and engineering methods. Furthermore, Moxa explores applications and technical solutions together with leading customers of innovation and breakthroughs, fostering a culture of long-term organizational innovation and R&D.

#### Moxa's Innovative R&D Framework



#### Moxa's Innovative R&D Framework



##### Enhancement of Design Quality

- Moxa does not wish to be bound by existing achievements in product quality. In addition to continuous investment and upgrading of equipment and technology, Moxa also engages in industry-academia cooperation. Through in-depth theoretical knowledge and innovative engineering thinking, Moxa continues to strengthen and improve engineering methods, quality, reliability and efficiency, among other R&D competitive qualities.
- Through authentication technology, Moxa establishes professional engineering units and define product support coverage targets to ensure that professional engineering output can be effectively implemented in next-generation technologies or product R&D results.



##### R&D of New-Generation Technology Standards

- Moxa proactively participates in technical standards organizations and industry associations, working with other counterparts to formulate standards and promote the realization of new technologies in automation applications.
- Mastering core technologies is key to whether Moxa can continuously innovate in new technologies and bring unique application value to customers. Moxa proactively invests in technical solutions in line with technical standards, or establishes in-depth technical cooperation with the ecosystem, cultivating innovative capital robust enough to sustain continuous development.



##### Strategic Business Co-creation

- Moxa is customer-oriented. Through solid innovation and R&D capabilities, we can respond to customer expectations and needs, and jointly create innovative and high-value technical solutions for industrial applications.
- In addition to leveraging our product technical expertise, Moxa provides new-generation products that are competitive and meet customers' application needs. We also work with customers to jointly promote technology upgrades in the industry, contributing to the continuous evolution of the overall automation system.

## Spindle 1. Enhancement of Design Quality

### Comprehensively Improve Design Quality

In order to provide products that create higher value for customers, Moxa continues to strengthen and improve its product design technology to elevate product design quality. This includes the following four categories:

#### Strengthen design collaboration



Increase the ability to predict actual results, accelerate product design timelines, and reduce back-end debugging and testing costs. Moxa adopts a computer-aided engineering (CAE) environment in the product planning and design process. In 2024, the CAE delivered good results in heat dissipation, mechanical strength, high-speed signal, etc.

#### Strengthening of design risk management



We plan to introduce a new version of the Design Quality Analysis and Management System, and complete entry-level training for core personnel.

#### Improve reliability assessment capabilities



Including the development of lifespan analysis capabilities of components and power modules, Moxa will invest in reliability experiments to ensure that Moxa provides customers with products of stable quality. For more details, refer to [Featured Sustainability Story 3 – Advancement of Moxa's Reliability Engineering](#).

#### Reinforce product cybersecurity



Moxa introduced a series of agile project management, collaboration, and tracking systems, and integrated product software and hardware development management procedures with the R&D information system. At the same time, we continue to increase the test automation ratio to consistently improve the quality and efficacy of R&D. In addition, the Company has adopted information system management open-source software and third-party software to ensure information security throughout the product life cycle. See the report in [1.5.3 Product Cybersecurity](#) for details.

### R&D Center Integration Results

Moxa understands that an open R&D perspective and organizational culture will drive innovation. This foundation is rooted on Moxa's core people-oriented philosophy. Through the restructuring of the R&D organization and the management of the R&D culture, we strive to support continuous innovation. Through organizational transition, Moxa integrated its R&D teams to form the Group R&D Center in 2023. The RD Council, composed of R&D managers, serves as the governing body reporting directly to the Corporate Executive Leadership Team. This allows short-, medium-, and long-term investment and development in products and technology to be carried out simultaneously and provides an environment for the R&D team to think outside the product framework. Moxa proactively fosters a culture of R&D innovation within the company. In addition to providing various venues for internal sharing and exchange, it also consciously integrates daily tasks for R&D colleagues to lead of the internal planning and execution of cross-departmental technical matters to expand technical horizons and perspectives. Relevant R&D results are protected through intellectual property rights applications. Moxa's R&D center will continue to ensure the competitiveness of the Group's technology development and the operational efficiency of its R&D organization. It will also serve as an important strategic and execution unit for Moxa in the global technology and industrial ecosystem to build Moxa's innovation value.

### Strategic Actions and Achievements of the Group R&D Center in 2024

#### Strategic Actions

- Expanded the coverage of professional engineering teams to support product technology development, improve professional investment benefits, and enhance product design quality.
- Based on the Moxa software development strategy, integrated our software R&D talents to build a software solution framework that is in line with future technology and application development.
- Monitored the progress of new-generation technologies or products implemented in terminal applications to ensure a positive cycle of technology investment.
- Integrated the definition of the Group's Career Framework to build a long-term development framework for R&D talents and their ability to address complex reformation issues.

#### Key Outcomes

- Product series supported by professional technical and basic engineering units were included in Moxa's current main product line. The units can effectively link workflow activities such as product verification and information security certification requirements, significantly optimizing the execution cost of engineering activities.
- Planned and executed cross-product software R&D projects. We defined and published the internal software architecture model of Moxa, and expect to accelerate the development of Moxa software solutions by 2025 based on the integrated architecture.
- In alignment with the Group's business strategies, we assisted customers in overcoming technical challenges in the application stage, and effectively adopted next-generation technologies (5G, TSN) to serve as the backbone of network communication in automation systems.
- The output of patents granted within the Group remained steady. In addition to the continuous promotion of the issue-specific patent portfolio, more internal design patent proposals were made in 2024.
- Based on the definition of the Group's Career Framework, we established the requirements and paths for the development capability of R&D technical roles, and assisted the team in jointly resolving complex issues through the adoption of Action Learning training methods.

## Spindle 2. R&D of New-Generation Technology Standards

### 5G Communication

Creating a smart factory industry that integrates virtual and physical products is the focus of Industry 4.0. The 5th generation (5G) mobile communication technology is one of the keys to the development of Internet of Things and digital chemical factories. As an important promoter of networking, 5G was listed as a key development direction in the future in 2020.

**Development focus 1:** Establish a professional wireless function team. Through the participation of industry standards organizations and industry-academia technology cooperation, further develop the R&D capacity of 5G-related industrial field technologies. The achievements in recent years are as follows:

- 1 Since 2021, Moxa has proactively participated in various activities of the 5G Alliance for Intelligent Factories (5G-ACIA) to monitor the development trend of industrial 5G and the requirements for related technologies and functions. In 2023, Moxa joined the Technical Working Committee of the Taiwan Association for Information and Communication Standards (TAICS) to learn about the 5G-related development direction of Taiwan's industries, and to propose constructive opinions during the process to jointly participate in the formulation and development of 5G communication standards.



#### Moxa proactively participates in 5G-ACIA and TAICS activities

- 2 In terms of industry-academia collaboration, Moxa entered into a long-term partnership with the Graduate Institute of Telecommunications Engineering, National Taiwan University in 2020 to select specific topics for 5G vertical applications to define key problems, and conduct related solution research and technology output. Moxa also places great emphasis on talent cultivation, regularly arranging for R&D engineers to share their field application experience and hold technical discussions with school laboratory students. Furthermore, Moxa engages in technical discussions, transforming traditional industry-academia collaboration into a cooperative model that combines innovation with the sustainable development of technical talents.
- 3 Moxa has selected for major vertical integration target for 5G applications. To date, Moxa has completed multiple 5G proofs-of-concept and commercialization projects, enabling Moxa's R&D team to continuously improve its R&D capabilities.

**Development focus 2:** Considering that a 5G end-to-end network consists of terminal equipment, base stations, and core network-related equipment, as a leading industrial automation brand, Moxa must collaborate with key partners in the 5G ecosystem to assist major customers in adopting 5G in the industrial field to achieve the goal of industrial upgrading. In addition, Moxa has built a 5G experiment environment to effectively resolve connection problems in complex fields and accelerate the promotion of industrial 5G.

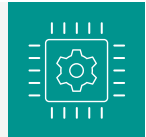
From the 5G standard to industrial applications, Moxa's technology development focus is providing reliable, stable, and secure industrial communication. The professional function team understands the 5G system architecture and functional features, and explores and produces the key technology required for industrial 5G communication based on industrial application scenarios. This will help the team to deliver more wireless solutions for existing wired networking products in existing industrial fields. Moxa's expertise in wireless technologies has nurtured new capabilities that can keep up with the times and become Moxa's next-generation core technologies.

### Industrial Application Cases

#### Semiconductor Industry

In the semiconductor industry, the 5G network is deployed in the production lines of advanced processes. Through Moxa 5G terminal equipment, machinery and equipment in the semiconductor fabs are connected to a 5G network, helping businesses improve the efficiency and yield of the manufacturing process. The application features are as follows:

- Rapidly report data from various sensors and equipment to analyze and process production data in real time.
- Identify problems in the production processes early and perform failure prediction.
- Lead the industry in the fast 5G network recovery mechanisms to ensure the stability of the production data monitoring system.



#### Electric Vehicle Manufacturing

In the automotive smart factory, the 5G network is mainly applied to automated guided vehicles (AGVs) and automated storage and retrieval system (ASRS) in factories. Through Moxa 5G terminal equipment, these unmanned vehicles can operate in large-scale and highly complex production environments, meeting the following customer needs:

- Real-time dispatch to ensure smooth operation of the production lines.
- Lead the industry in the fast wireless network switching mechanism, reducing the shutdown time of production lines.

Through successful case studies, Moxa demonstrates the application value of 5G networks in semiconductor manufacturing and automotive smart factory, both of which have tremendous potential.



## Time-Sensitive Networking (TSN)

Time-Sensitive Networking (TSN) is one of Moxa's key developing technologies. It includes the ability to use standard Ethernet technology in time-sensitive industrial networks to send the right information at the right time to the right place. Moxa achieves the four core goals of "bounded low latency," "time synchronization," "ultra-high reliability," and "resource management" with a series of TSN open standards, and helps customers build converged OT and IT networks with a unified architecture that provides accurate and consistent data for in-depth insights into the details of industrial operations.

Moxa proactively participates in various international TSN organizations to ensure that its TSN technology can keep pace with the times. Organizations in which Moxa participates include the Institute of Electrical and Electronics Engineers (IEEE) working groups, the OPC Foundation, Avnu Alliance, and the six key global TSN test beds.

### Annual Innovative Technology Cases

#### Moxa leads the industrial network innovation where its TSN-G5000 industrial Ethernet switcher obtains the world's first TSN component certification

The biggest obstacle in the development and application of new technologies often lies in accommodating the standards of different vendors, or the different interpretation of system application parameters. This will cause the integration and conversion costs of the terminal systems or users to be extremely high when adopting new technologies. Therefore, promoting technical certification of system components through industry alliances to ensure the compatibility between components will be an important milestone. As an expert in communications of the automation field and one of the pioneers in the development of TSN technology, Moxa responded to the TSN certification program promoted by the Avnu Alliance. Through cooperation with industry technical solution experts, and professional measurement equipment partners, we jointly developed the TSN equipment capabilities, and technical parameter pointers of system applications required for key network components in the automation system.

By assisting testing and measurement partners in defining effective component specifications and performance standards, we accelerate the implementation of TSN technology in terminal applications, and provide industry ecosystem a uniform standard to increase product compatibility. Through the development of TSN technology, we further supported the Avnu Alliance in bringing real-time and high-reliability network communication solutions into automated system applications.

Meanwhile, based on the aforementioned technical pointers and requirements, Moxa first requires existing TSN-G5000 series products to comply with the Avnu certification standards. While delineating the technical standards with external partners, we also impose the same standards on our own product design. Our products ultimately become the first batch of products to pass the Avnu TSN certification standards.



TSN-G5000  
Product  
Certification  
Website

### Chronicle of TSN

2018

Moxa proactively collaborates with industry leaders to publish a white paper: OPC UA TSN A New Solution for Industrial Communication

2019

Moxa and National Taiwan University jointly launch the Network Innovation Lab, where both parties collaborate to explore the forward-looking technology of the next-generation of industrial networks, TSN (Time-Sensitive Networking). We research key issues to advance precise communication in various industrial use cases.

2021

In terms of application solution development, Moxa continues to advance the development of TSN technology solutions, and obtained CC-Link IE TSN certification in 2021 to provide application solutions for smart factory.

2022

Moxa has gradually expanded the application of TSN and collaborated with several well-known companies. Moxa demonstrated its redundancy solution and wireless integrated TSN solution, and demonstrated the application of these technologies in machine tool manufacturing and large-scale customized production systems.

2023

Moxa has joined the Avnu Alliance as a Promoter Member, demonstrating Moxa's determination to build a truly unified and high-efficiency time synchronization network architecture to support instant messaging, low latency, and high reliability in various application domains.

2024

Moxa Industrial Ethernet Switch received the world's first TSN component certification, helping the industry create an end-to-end communication architecture that is both interoperable, highly certain and reliable, in order to realize the TSN required for key industrial applications.

## Product Cybersecurity

Moxa establishes product cybersecurity based on the Secure Development Lifecycle (Moxa SDLC) process. Pursuant to procedures in an information security standard, IEC 62443-4-1, prescribed by the Industrial Automation and Control Systems (IACS), Moxa formulated the cybersecurity standards and task assignments required for product development, and the corresponding product cybersecurity and accountability. To implement product cybersecurity in daily operations, Moxa has established a "Product Security Center" to facilitate the robust operation of its overall strategy and management system. Please refer to the report for more details. [1.5.3 Product Cybersecurity](#).

## Spindle 3. Strategic Business Co-creation

Moxa adheres to the core value of focusing on customers. In addition to involving customers at the procurement stage in general business models, Moxa has also engaged in joint development with strategic customers in recent years to closely discuss the needs of field applications and industry development trends. Technology commercialization is done with a high degree of mutual trust to achieve co-learning and co-creation.

[Moxa and Saudi Aramco signed a global commercialization agreement in 2023](#), adopting the Intelligent Integrated Node (IIN) solution in product applications. Both companies have jointly developed the IIN technology to replace complex equipment provided by multiple suppliers, resulting in faster computing, lower capital and operating expenses, and improved overall efficiency and safety in equipment-intensive factories.

In 2024, Moxa was one of the sponsors of the Automation and Digital Transformation Conference (ADTC) co-organized by Aramco and International Society of Automation (ISA) Saudi Arabia Section. Moxa was invited to exhibit the diverse range of the IIN and Moxa products jointly developed with Aramco, which provided innovative solutions for digital, safe, and sustainable industries, achieving the goal of the exhibition "Leveraging Technology for a Sustainable Future."



**Moxa and Saudi Aramco sign global commercialization agreement.**



**Moxa demonstrates jointly developed IIN technologies at the Global IoT Summit (GIITS).**



**Moxa is invited to the ADTC meeting. Moxa is invited to the ADTC meeting.**



**The Moxa booth exhibits diverse IIN and Moxa products.**

## 2.1.2 Innovation Sharing

### Keen to Share in RD Festival

Benefitted from the experience of the 2023 RD Festival and feedback from the organizing team, Moxa's 2024 RD Festival preparation team focused on large-scale annual events and organized the Research Design Sharing (RDS). In 2024, a total of 19 sharing sessions on RDS topics were held, with a total of 44 presenters. Topics were covered across DevOps, CyberSec, and HITCON CMT seminar sharing, additionally including tools, experience and platforms used in the R&D project, information security and AI related technology applications. Each session had an average of over 160 attendees, with a maximum number of 240 attendees.

The 2024 RD Festival remained a full-day event. Based on the reflection of the events in 2023, it was changed to a cinema hall and a mall exhibition center to improve crowd control and accommodate more event contents. Simultaneously rented three cinema halls to separate different topics, and the Flash Show was changed to a longer technical sharing presentation, providing plenty of time for presenters to explain technical information in detail. There were a total of 32 booths. As the exhibition space in the mall was much larger than that in 2023, that provides more space to accommodate additional exhibition needs. The number of visitors in 2024 also increased by 20% compared to 2023.

The RD Festival included participants from various departments, including business unit managers and employees from non-R&D groups. The RD Festival united Moxa's R&D talents, fostering communication, cross-disciplinary innovative applications and patent ideas. This concept of the event will be preserved for future events, creating opportunities for diverse innovative exchanges and sharing.

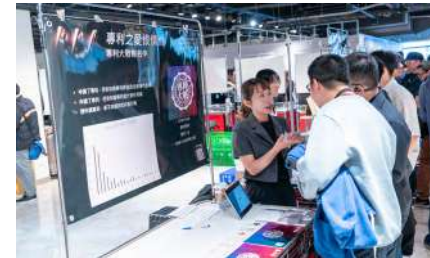
#### 1 Technology presentation (44 Teams)

Presenters are required to share key points based on the principles of "simplicity, conciseness, and easy to understand," while maintaining a stable stage presence under the spotlight.



#### 2 Booths on Display (32 Teams)

Through physical product demonstrations and exhibitions, we engaged in face-to-face discussions and communication with the audience, so that colleagues from different units could learn technical knowledge in different fields, the difficulties and challenges faced by each unit, as well as discussing the R&D process and results.



#### 3 Workshops (4 Teams)

The workshops were highly interactive discussions for in-depth topic-based communication or learning through practical exercises. They included the sharing of innovative products with cross-team collaboration, the process from concept idea to verification and implementation; analysis and implementation of system process improvement; in-depth analysis of the user interface and future visual design.



## 2.1.3 Intellectual Property Protection

### Patent Management

#### Patent Management Framework

Moxa places great emphasis on the autonomy of technological development. Guided by a philosophy of conducting proprietary research and development, patents serve as an important strategy and tool for Moxa to protect the group's intellectual property, establish R&D barriers to competitors, and achieve sustainable operations. Based on the group's technology roadmap, Moxa obtains patents in a topic-based approach to focus on emerging technologies such as time-sensitive networks (TSN), 5G communications, IIoT, and new Wi-Fi technologies.

The Moxa Group's technologies are widely distributed, and the Company has applied patents in various fields. The Moxa Group balances its R&D strength and invests resources in intellectual property protection. Under the strong support of the RD Council, Moxa's R&D Center established the Patent Council to formulate the group's patent policies, allocate resources for patent application and maintenance, provide internal patent education and training for R&D teams, and devise an incentive system to encourage inventions from employees. These efforts aim to optimize the group's innovation capabilities and patent portfolio strategy.

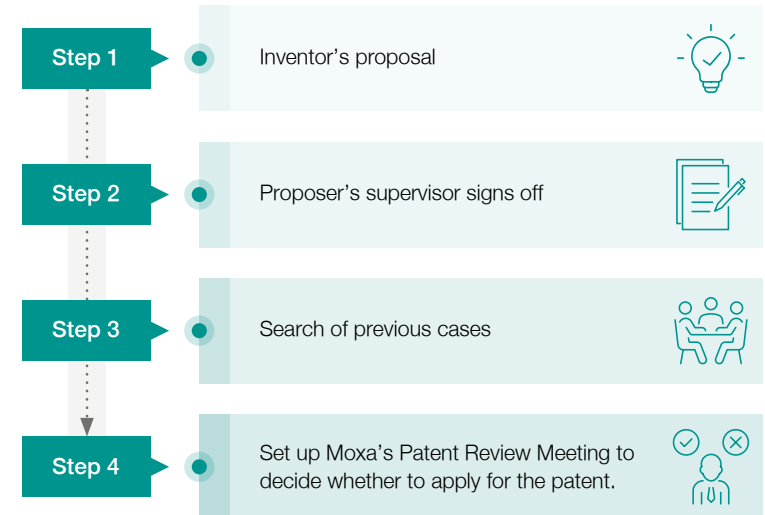
#### Patent Promotion

In 2024, Moxa organized a number of patent-related education and training sessions, including introduction to patent search, sharing of patent search tools, and offering design-related courses to employees in the R&D Center's design department. A total of 2 training courses and 3 sessions were held, with 66 attendees from the R&D Center. Based on education and training in 2023, the training courses helped employees of the R&D Center gain a deeper understanding of the basic concepts of patent protection. Since 2022, Moxa has established "Everything About Patents in Moxa" on the Moxa Intranet. It provides patent-related resources, including company patent searches, explanations of the patent proposal process and key points, patent course materials and related links, as well as patent reward posters with inventors. The content is regularly updated and enriched each year. In 2024, the "Understanding the Scope of Patent Application" was added to the patent section, so that employees can learn in greater detail how their innovative invention is patented and how to interpret the scope of patent rights of others.

#### Patent Awards and the Number of Patents for the Year

To advocate and encourage the Group's employees to innovate and proactively protect the Company's intellectual property, Moxa conducts a reward program for patents filed and granted within each half-year period. A patent is divided into the "application phase" and "approval phase," and bonuses are awarded to inventors in both stages. In addition to bonuses, Moxa also publishes electronic posters in Chinese and English every six months to recognize these achievements across the entire group, and medals are presented to inventors whose patents have been granted. Those who have applied for more than three patent families in the year will be presented with the "Innovation Star" award and a medal, and the award will be presented at the monthly meeting of the R&D Center. In 2024, a total of 42 inventors were commended and 64 patents were granted, up by 68% and 36% compared to 2023. The results are a testament to the Group's continuous encouragement of patent applications, and efforts in patent and R&D protection.

#### Moxa專利提案申請流程

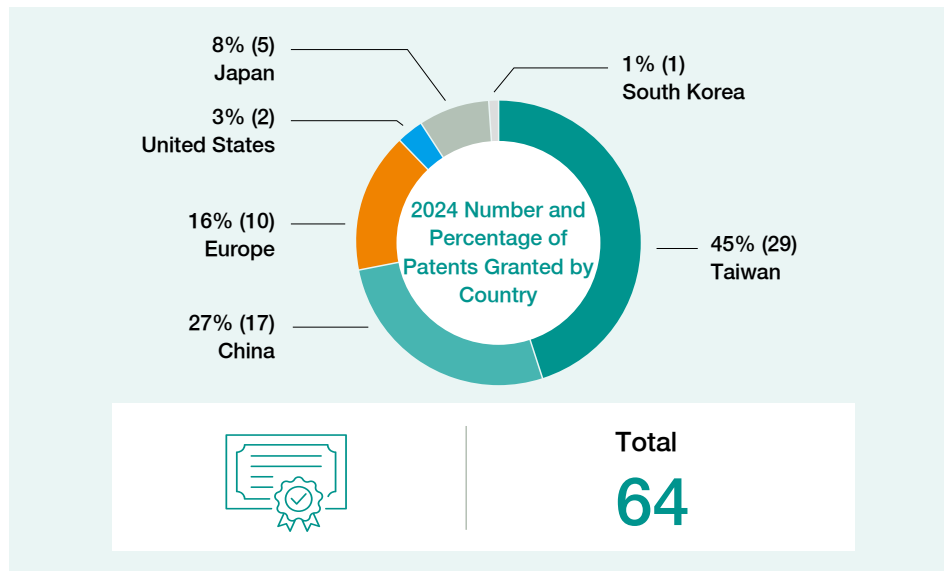


#### Number of People Receiving Patent Awards, Applications for Patents, and Patents Granted

	2022	2023	2024
Inventors Recognized for Granted Patents	13	25	42
Number of Patent Families Applied	9	36	23
Number of Patents Granted	28	47	64

Moxa's patents are distributed across Asia Pacific, the United States, and Europe. The country with the highest percentage of patents granted is Taiwan (45%), followed by China (27%), the United States (16%), Japan (8%), the United States (3%), Japan (8%), and South Korea (1%). In 2024, Moxa's first Korean patent application was granted, which enhanced the patent deployment of Moxa in the Asia-Pacific region. In the future, we will continue to enhance our patent applications and develop a stronger patent portfolio strategy.

### 2024 Number and Percentage of Patents Granted by Country



2024 Moxa Patent Medal



Group Photo of 2024 Moxa Patent Awardees

## Trademark Management

In terms of trademark management, Moxa provides the following protection frameworks for three major aspects. In 2024, there were no trademark infringement lawsuits.

### Trademark filing

Check and formulate filing strategies based on product business prospects.

### Trademark maintenance

Verify that the trademark usage is consistent with the content of the registered product to ensure the validity of the trademark after the extension.

### Trademark protection

Remove unauthorized use of trademark to protect the Company's interests.

## Trade Secret Protection Measures

To protect the confidential information or trade secrets of the Company and its partners, Moxa has established regulations and implemented corresponding protective measures. For example, all employees are required to sign a confidentiality agreement upon joining Moxa and complete the mandatory "Protection of Confidential Information" course. Moxa has established different management procedures or regulations to address the nature and use of confidential information or trade secrets. These procedures include design data management procedures, laboratory data management procedures, product development management procedures, outsourcing management procedures, customer and external supplier property management procedures, document and record control procedures. Moxa employees must go through a corresponding sign-off process according to the confidentiality level of design data before distributing or accessing design data. Data from laboratories must be stored or uploaded to the Company's system or database for management, with access provided to relevant personnel according to predefined access permissions based on their work requirements. Employees are required to securely manage all confidential information related to product development, and unauthorized copying is strictly prohibited. In cases where confidential information or trade secrets are disclosed to or received from partners (including customers, distributors, suppliers, contractors, etc.), a confidentiality agreement must be signed in accordance with company procedures. Moxa applies the same or higher standards to protect the intellectual property of its partners as it does for its own confidential information or trade secrets. In 2024, Moxa did not experience any significant trade secret infringement.




To strengthen the protection of confidential information during the product development process, Moxa established a Data Security Core Team, led by the R&D department. This team, involving personnel from R&D, product management, product security, IT, and legal departments, developed strategies for the classification and access control of Moxa's product development data. As the strategy is gradually realized, Moxa passed the ISO27001:2022 verification audit in 2024 and met the Data Loss Protection (DLP) requirements. Moxa continues to improve related vulnerabilities, and further strengthen the confidentiality protection of product R&D data.




## 2.2 Product Sustainability Applications and Market Deployment

### 2.2.1 Product Sustainability Applications

Moxa is a leading brand dedicated to the Industrial Internet, providing solutions in edge connection, industrial computing and network infrastructure. Moxa works to help customers around the world build industrial communication infrastructure and enhance industrial automation and communication applications. In addition, Moxa's products also help customers promote sustainable development in different application fields, including industrial energy transition, smart factory, transportation and logistics management, and environmental monitoring. Customers can leverage Moxa's Internet of Things (IoT) technology and comprehensive product solutions to enhance energy and production efficiency, and reduce resource waste and greenhouse gas emissions, thereby facilitating sustainable development.

The EU Taxonomy, introduced by the European Union in 2020, sets out objective standards for defining sustainable economic activities. This initiative aims to prevent greenwashing by companies and help direct financial resources to economic activities that meet sustainability standards. Although not falling directly under the purview of the EU Taxonomy framework, Moxa's product applications are aligned with the environmental objectives of the EU Taxonomy. The table below outlines Moxa's sustainable applications and corresponding objectives of the EU Taxonomy.



Type of Product Application	Product Sustainability Applications	EU Taxonomy	
		Environmental Objectives	Description
 <b>Grid Efficiency Management</b>	<ul style="list-style-type: none"> <li>Provide high-availability facility management solutions to help customers control and monitor power systems, ensuring uninterrupted power supply and services while optimizing the energy load of the system.</li> <li>Provide the most advanced substation automation and feeder automation solutions to improve power transmission efficiency and reduce unstable voltage to a minimum during power outages.</li> </ul>	Climate change mitigation	<ul style="list-style-type: none"> <li>Establish an energy management system</li> <li>Improve energy efficiency</li> </ul>
 <b>Green Energy and Renewable Energy</b>	<ul style="list-style-type: none"> <li>We provide Industrial Internet of Things (IIoT) solutions for customers to generate and distribute renewable energy in a smart way. Our integrated data capture and equipment monitoring solutions can effectively manage remote power assets scattered across multiple sites.</li> <li>Provide intelligent remote input/output (I/O) products to assist system integrators in building highly efficient monitoring systems. These systems integrate the decentralized energy storage systems (ESS), power conversion system (PCS), and battery management system (BMS) into a comprehensive energy management system (EMS). This integration saves time and costs associated with manual inspections. Through data analysis, it helps customers enhance the efficiency of renewable energy utilization.</li> </ul>	Climate change mitigation	<ul style="list-style-type: none"> <li>Develop renewable energy technology</li> <li>Improve energy efficiency</li> </ul>
 <b>Transportation</b>	<ul style="list-style-type: none"> <li>Moxa's industrial computers can perform edge computing on mobile buses by integrating bus, road, and climate data and transmitting them to the central control center for flexible bus scheduling and more accurate bus dispatching. This will lower carbon reduction, and increase passenger satisfaction, thereby attracting more people to take the bus.</li> <li>Provide Ethernet-connected train solutions, including a train control and management system network to supply on-board and train-to-ground communication for drivers. This will help trackside facilities and train control centers monitor the trains, expedite shipment, facilitate logistics operations, and reduce energy consumption and waste in transportation.</li> <li>Provide reliable remote I/O equipment to control and monitor on-board systems to comprehensively monitor the on-board air conditioning system, lighting control system, door control, and fire detectors to ensure stable running of trains.</li> </ul>	Climate change mitigation	<ul style="list-style-type: none"> <li>Develop low-carbon transportation and logistics</li> </ul>

Type of Product Application	Product Sustainability Applications	EU Taxonomy	
		Environmental Objectives	Description
 <b>Smart Factory</b>	<ul style="list-style-type: none"> <li>Moxa provides enterprises with network and communication solutions and services to enhance operational resilience and achieve net-zero carbon emissions. From industrial network design that meets current and future growth needs to data collection and monitoring for diversified production and plant equipment, Moxa helps enterprises achieve seamless application of information technology (IT)/operational technology (OT) multi-network convergence, optimize energy utilization, improve quality yield, and reduce energy and material consumption for heavy industrial operations or factory downtime.</li> </ul>	Climate change mitigation	<ul style="list-style-type: none"> <li>Reduce negative influences of production on the environment (such as air, water, soil)</li> </ul>
 <b>Environmental Monitoring</b>	<ul style="list-style-type: none"> <li>Provide communication products of stable quality to assist customers in more steady monitoring and pollution prevention (such as air pollution discharge monitoring, water quality and wastewater monitoring, etc.), and back up and upload the monitoring data to the system of the local environmental protection authority.</li> </ul>	Pollution prevention and control	<ul style="list-style-type: none"> <li>Contribute to pollution prevention and control</li> </ul>
 <b>Oil &amp; Gas</b>	<ul style="list-style-type: none"> <li>Moxa provides reliable communication equipment to help oil well operators automate monitoring, adjust the sand removal rate in real time, and remove solids deposited in oil wells. This can reduce the carbon emissions of oil wells re-extracted using large machines and tools, improve crude oil production efficiency, and extend oil well life.</li> <li>Moxa provides durable and scalable optical fiber Ethernet networks and integrates them with remote monitoring equipment that controls pipeline operations. This can help customers quickly detect and find leaks, damage, and ruptures of petrochemical oil and gas pipelines, and take early preventive measures.</li> </ul>	Pollution prevention and control  Protection of healthy ecosystems	<ul style="list-style-type: none"> <li>Reduce negative influences of production on the environment (such as air, water, soil)</li> <li>Reduce the negative influences of chemicals on human health and the environment</li> </ul>

## Major Cases



### Floating Solar Power—New Options for Renewable Energy

-  Customer: GreenPowerMonitor (GPM)
-  Benefits: Promote development of renewable energy technologies and improve energy efficiency

Solar panels require a large area of land. Nevertheless, floating solar panels can reduce the use of precious land space. However, without the support of IIoT (Industrial Internet of Things) technologies, operations and maintenance become a significant challenge. Maintenance personnel must travel by boat to floating platforms far from shore to conduct routine inspections equipment. In the event of a malfunction, they must shuttle between land and water to retrieve the appropriate repair tools. If an unexpected voltage drop occurs and its cause and location cannot be identified from onshore, inspectors must check each floating module one by one until the faulty module is located.

DNV GL's GreenPowerMonitor (GPM) is a leading solution manufacturer for floating solar power plants. The company collaborated with Moxa to develop an integrated solution that enables real-time monitoring and predictive maintenance and operation of floating solar power plants through the GPM SCADA platform, as well as Moxa industrial and fanless computers and network switches.



#### Customer testimonial:

We firmly believe in cooperation with a competent partner. Moxa can provide comprehensive solutions and is an important partner to us

Albert Carrera, Regional Manager of GPM Asia Pacific



Learn more about  
this case study



### Flexible dispatching of smart buses reduces transport carbon emissions

Customer: Transdev

Benefits: Low carbon transportation with maximum benefits, and carbon emissions reduction.

Sweden has the most comprehensive rail and road network in Northern Europe. Its buses connect transportation nodes for important tasks. The average temperature in its capital, Stockholm, is below 10°C for more than seven months of the year. It is not a pleasant experience for people to take the bus in such weather. Therefore, it is crucial to improve communication between buses and the transportation network. Transdev is one of Sweden's largest public transport operators, with more than 1,600 buses in Sweden. Both Transdev and the Swedish Transport Agency hope to lower the restriction of bus schedules and increase flexibility in bus dispatching to increase passenger satisfaction, so that more people are willing to take public transportation.

Transdev and Moxa collaborate with IIoT platforms to integrate data on buses, road conditions, and weather. Moxa industrial computers perform edge computing on moving buses, and send the data to Transdev's central control center and Stockholm's transportation administration. This allows flexible bus scheduling, more accurate dispatching, reduction of carbon emissions, improvement of passenger satisfaction, all of which are able to attract more people to take the bus.



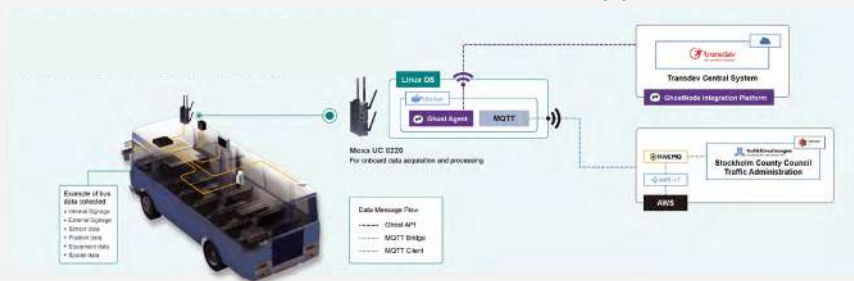
#### Customer testimonial:

Transdev Sverige AB and Moxa work together to provide seamless and convenient passenger experiences, benefiting commuters and the environment, and further improving the transportation experience in Stockholm. By establishing partnerships and integrating cutting-edge technologies, we hope to improve efficiency, reduce operating costs, and further expand the overall transportation network. The outlook public transportation in Stockholm is promising

Adam Fall, Transdev Chief Information Officer



Learn more about  
this case study



### Turn Pollution into Gold

Customer: Streamline Innovation

Benefits: Reduce the negative influences of production on the environment (e.g., air, water, and soil), and reduce the negative influences of chemicals on human health and the environment

Hydrogen sulfide (H<sub>2</sub>S) is a colorless, flammable gas commonly found in oil and gas refining processes. This toxic gas poses serious risks to both human safety and infrastructure integrity. Streamline Innovations has significantly enhanced redox processes by developing one of the most effective H<sub>2</sub>S treatment solutions on the market. Whether applied to a single well or an entire oilfield, the system efficiently removes H<sub>2</sub>S from natural gas and converts it into agricultural-grade sulfur for use as fertilizer. However, because H<sub>2</sub>S levels can vary greatly depending on factors like gas flow rate and concentration in the production environment, Streamline Innovations relies on an automated platform for real-time computation and remote control to manage chemical reactions with greater efficiency and precision.

Streamline Innovation and Moxa use IT-OT solutions to jointly complete a difficult and complex oxidation reduction task. Moxa installed the SCADA software of Inductive Automation Ignition on its rugged computer, and used it to execute Python scenarios for adjusting the oxidation reduction operation. This solution accelerates the establishment of control and automated processes, and overcomes the challenge of oxide reduction, making the entire chemical treatment process more stable and safer.



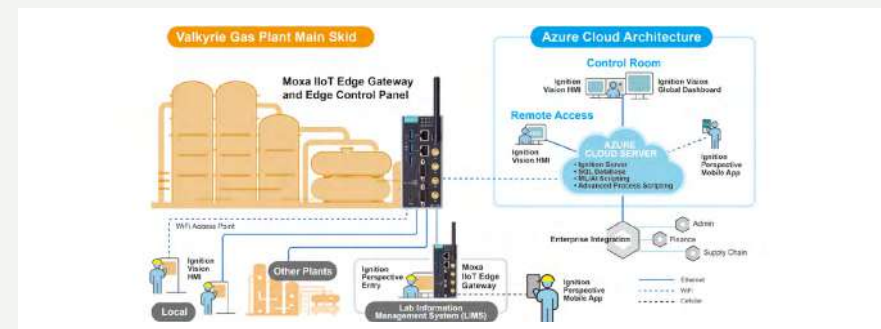
#### Customer testimonial:

We urgently need a stable, reliable, and affordable system. Apart from performing calculations, it must also maintain uninterrupted operation. For these reasons, the Moxa solution is ultimately selected

Peter Photos, Chief Technology Officer of Streamline Innovations



Learn more about  
this case study






## 2.2.2 Future Market Deployment of Products

### Future Market Deployment of Energy Business

#### Power Grid Efficiency Management: From Traditional Substations to Digital Substations, and to Virtual Services

Climate change is a major challenge facing the world. To achieve net-zero carbon emissions, countries around the world are proactively promoting energy transition from fossil fuels to renewable energy generation. Renewable energy has the advantages of renewability and eco-friendliness, but it is also characterized by intermittence and uncertainty. Therefore, high renewable energy penetration can have these three impacts on the grid: (1) increased power load fluctuation; (2) increased difficulty in power grid dispatch; and (3) increased grid security risks.

The operation of traditional substations is manually controlled, where power operators need to monitor equipment and manually operate switchgear to regulate power transmission. This control method is inefficient and poor in safety, and it is difficult to cope with the challenges brought forth by the high penetration rate of renewable energy. To cope with the challenges caused by the high penetration rate of renewable energy, power companies need to automate substations again to help them improve the flexibility of their power systems and adjust power transmission more quickly and accurately to cope with power load fluctuations. They are also required to improve the security of the power system and help detect and prevent equipment failures earlier, thereby reducing the occurrence of power outages and the operating costs of the power system. The adoption of virtualization technology is a key technology in substation automation. Virtualization technology can turn physical equipment into one or more virtual machines to improve resource utilization and flexibility. The virtualization technology will benefit the substation automation systems in three ways as follows:

1		Virtualization can help power companies reduce hardware costs and improve hardware utilization.
2		Virtualization can help power companies improve the reliability of substation automation systems. If one physical equipment fails, the virtual machine can be transferred to another physical equipment to avoid system interruption.
3		Virtualization can isolate different types of equipment in different virtual machines to reduce the risk of mutual interference between equipment.

Moxa cooperates with leading power system integrators (such as Siemens, ABB, and Hitachi Energy). Through stable and reliable network communication hardware platforms and substation-grade industrial computers provided, Moxa helps power companies in various countries achieve substation automation, improve power dispatch efficiency, strengthen power grid resilience, as well as helping national power grids accommodate more renewable energy connections to accelerate the goal of net-zero carbon emissions.

#### Green Energy and Renewable Energy: Accelerating Energy Transformation and Building a Strong Power Grid

According to the 29th United Nations Climate Change Conference (COP29) held in Baku, the capital of Azerbaijan, in 2024, the International Energy Agency predicted that renewable energy would meet almost half of the global electricity demand within six years. Breakthroughs and innovations in clean energy power generation and energy-saving technologies would help respond to climate change and enhance competitiveness. The theme of COP29 was “Energy and Peace,” focusing on renewable energy, energy storage and grid construction, green energy corridors, hydrogen technology, and peace and climate response. The conference announced the deployment of 1,500 GW of energy storage facilities by 2030, which would be more than six times that of 2022. At the same time, a large-scale upgrade of the global power grid is expected to increase or refurbish 25 million kilometers, reaching a total length of 65 million kilometers by 2040.

Moxa continues to work with leading solar and wind power companies around the world and cooperates with governments around the world to build energy storage projects to cope with the increasing proportion of renewable energy. Moxa helps eliminate the intermittency and instability of renewable energy. At the same time, in transportation, various vehicles have shifted from traditional fuel-powered cars to electric cars or even cleaner hydrogen-powered vehicles. Moxa collaborates with leading electric vehicle brands, providing stable and reliable networking hardware platforms and solutions. This assists customers in making their factory production smarter and more efficient. Additionally, Moxa helps in the rapid deployment of charging stations, alleviating customers’ anxiety about electric vehicle range. This collaboration aids customers and governments in accelerating their attainment of zero-carbon emission goals, providing the next generation with a more suitable living environment.

### Future Market Deployment of Transportation Business

According to data from the International Energy Agency (IEA), the transportation sector accounts for 24% of the total global carbon emissions. With the deterioration of global climate change and acceleration of urbanization, achieving a “Vision Zero” and “Net Zero” transportation system is the ultimate goal for the sustainable development of transportation system. Major economies, such as the United States and the European Union, are proactively committed to sustainable transportation in recent years. The policy and investment direction is to promote low-carbon transition in the transportation sector. Taking the EU as an example, land transportation emphasizes smart transportation and service systems, improvement of road transportation and transportation efficiency, so that effective transportation can lower carbon emissions. As a leading brand in the Industrial Internet, Moxa will also engage in collaboration to assist in creating an intelligent and automated transportation system that is safer, more efficient, and more eco-friendly.

### **Assist Customers in Deploying Multi-Network Convergence**

As the digitization of rail transit systems continues to advance, so does the demand for in-vehicle network equipment. In terms of the on-train environment, “multi-network convergence” has become an international norm and practice compared to the past where the communication equipment of each system was installed in its respective physical communication network. In the past, the Train Control & Management System (TCMS) and CCTV/PIS/PA system were often set up separately. In recent years, however, they have been gradually concatenated in the same physical network architecture to reduce the quantity of network equipment on the rolling stock, thereby saving costs and reducing the complexity of system maintenance and improve operational efficiency. Moxa’s EN50155 Ethernet exchanges, onboard computers, vehicle cameras, and automotive wireless communication equipment can meet various applications in vehicle systems. In line with stringent product design certification standards, these vehicle-related products are specially designed for the railroad industry. Their diverse product function portfolio also improves the selectivity and applicability of different rail applications in vehicles, allowing customers to optimize the low-carbon emission product portfolio and complete the deployment of multi-network convergence applications.

### **Assisting Public Transportation in Improving Operational Safety**


The operational safety of public transport has also become a great concern to the authorities around the world. In recent years, some operators have used external cameras combined with AI software to detect railway facilities in real time and analyze abnormal conditions simultaneously. Coupled with the network or 5G precise positioning technology, they can confirm the abnormal location of track facilities and notify operational operators for maintenance, which can effectively reduce the likelihood of accidents occurring. Moxa’s IP cameras are committed to developing high-resolution images to improve the clarity and recognition rate of objects. The high-performance video coding (HEVC) H.265 image compression technology can also reduce the use of network bandwidth. This reduces the amount of traffic and recording storage space to further improve the efficiency of the system to ensure safer driving for customers and public transport users.

### **Provide Reliable Product Cybersecurity Protection**

In the era of the booming development of smart transportation and the railway industry, the role of onboard computers has become even more critical. It not only needs to address the challenges of autonomous driving technology, but also adapts to the demands of data analysis and predictive maintenance to enhance operational efficiency and safety. Additionally, through the application of IoT and communication technologies, efficient communication with the base system can be achieved, enabling functions such as train position monitoring and fault alerts. Furthermore, onboard computers also play a role in optimizing the passenger experience, and managing energy and environmental protection to make travel more comfortable, eco-friendly and efficient. However, with the application of 5G vehicle-ground communication technology, network security has become particularly important. Therefore, in recent years, Moxa has proactively developed technologies compliant with IEC 62443-4-2 Security Level 2 (SL2) of Industrial Automation and Control Systems (IACS), including intrusion detection systems and encryption technologies, to ensure the security and trustworthiness of vehicle systems.

### **Dedication to Delivering Wireless Solutions**

Moxa has been developing wireless solutions for rail transit applications for many years, especially for train-ground communication, such as Communication Based Train Control (CBTC), a train operation control system is used for managing and monitoring the trains in the rail transit system. Real-time communication between the train and the control center is implemented using wireless communication technology and on-board/ground equipment. Highly automated trains are provided with control and monitoring functions to improve the efficiency, safety, and reliability of train operations while reducing pollution and operating costs. Moxa is committed to creating products with anti-interference capabilities to improve the stability and reliability of vehicle-ground communication.



In summary, as a leading provider of industrial communication and networking solutions, Moxa is committed to providing safe, efficient, and environmentally friendly solutions, as well as secure and reliable products for rail transit systems, jointly promoting the development of the transportation industry. In the future, Moxa will continue to work hard and innovate to make greater contributions to the sustainable development of the global transportation industry.

## 2.3 Customers and Reliability Management

### 2.3.1 Customer Relationship Strategy

#### Distribution Channels and Key Account Management

Moxa's growth over the past three decades is inseparable from the expansion of its distributors and strategic partners. In 2024, Moxa established a more comprehensive channel management framework to support sustainable business growth, covering three major directions:



#### 1 Optimize distribution strategy

Moxa conducts in-depth analysis of market demand and competitive environment to formulate more targeted distribution strategies for different regions and product lines to increase market coverage and sales efficiency.



#### 2 Accelerate capability development of distributors and partners

Moxa places much emphasis on the training and support it provides to its distributors and partners. By organizing training courses and offering industry information and technical support, Moxa accelerates the cultivation of their professional capabilities and elevates their business standards to better meet customer needs.



#### 3 Portal for the transition of distributors and partners

Moxa provides advanced portal technologies and platforms to help distributors and partners build modern online sales channels and service platforms for improving customer experience and marketing effectiveness.

By implementing the strategy, Moxa not only effectively increases market coverage and sales efficiency, but also provide a more customized service experience for different types of customers, thereby enhancing customer loyalty and satisfaction. In addition to customers of distributors, Moxa also targets important vertical markets by participating in international associations and alliances to collaborate and communicate with key customers. Moxa adheres to its core values of people-orientation and respect for customers, and is committed to providing customers with quality and comprehensive services. Therefore, Moxa is dedicated to building trustworthy relationships with partners to achieve mutual growth and success.

### 2.3.2 Product Safety and Reliability

#### Product Safety Management

Moxa is committed to assisting customers around the world in building industrial communication infrastructure, and enhancing industrial automation and communication applications. Meanwhile, Moxa also works to ensure that its product design meets design safety requirements, such as the Underwriters Laboratories safety standards in North America/Canada (cULus), the IECCE Certification Body scheme, and Low Voltage Directive (LVD) of the European Conformity (CE). These safety certifications require products to pass various certifications to ensure that customers are not exposed to hazards such as electric shock, hazardous energy, ignition, mechanical hazards, thermal burns, chemical and radiation hazards during the use of Moxa products. Meanwhile, Moxa is dedicated to protecting human health. To reduce the impact of hazardous substances on humans, Moxa complies with the requirements of the Green Product Management System (GPMS), monitors hazardous substances in the supply chain, and fully meets international and domestic hazardous substance regulations. For detailed information, please refer to [3.2.2 Sustainable Materials - Hazardous Substance Management](#).

For the product manufacturing phase, all Moxa production plants passed the ISO 9001 quality system certification. Furthermore, quarterly inspections of manufacturing plants are carried out. The inspection is carried out by a certification unit with the Nationally Recognized Testing Laboratory (NRTL). The quality system and safety inspections of Moxa products are inspected. No safety-related issues were found in the factory inspections in 2024.

To help customers understand the safety precautions for product installation, and reduce the potential safety hazards of customers when using the products, Moxa delineates a number of safety and installation precautions in detail in the installation manual, which fully demonstrates our commitment to user safety. For example, the following pointers are clearly stated in the exchange machine installation manual: with regard to the use of laser modules, we explicitly require only Class 1 lasers and warn that improper operation may lead to hazardous radiation exposure; in terms of electrical safety, we describe the strict requirements for grounding, wiring, and power connection in great detail; we also remind users to install equipment in sites with limited access, require only well-trained service personnel should be allowed to operate, and warn that external metal parts may get extremely hot and may warrant special protective measures; for rack installation, Moxa recommends to reserve space in cabinets without mandatory ventilation requirements to ensure air circulation while avoiding hazards caused by uneven loads. These detailed safety guidelines fully demonstrate Moxa's commitment to customer safety. Moxa conducted an investigation on products sold in 2024. There were no records of incidents caused by the use of products by customers and gave rise to casualties (such as product fires, burns, power leaks, and explosions).

Moxa is committed to providing customers with comprehensive channels for reporting product safety concerns. If customers encounter issues related to installation safety or operational safety, Moxa has a dedicated product repair and technical support team in place. Customers can use the [Product Repair Service form](#) or [other communication channels](#) to clearly report safety concerns, including a detailed description of the issue, steps to reproduce it, and any relevant evidence. After receiving feedback, Moxa undertakes to quickly and professionally assess and handle the problem, and maintain close communication with customers to ensure continuous optimization of product safety performance, providing customers with the most immediate and effective technical support.

## Implementation of Reliability Engineering

### Product Reliability Management Policy

Moxa published an internal white paper on product reliability in 2024 to help employees understand the link between reliability and sustainability, and future development directions. Moxa's vision for product reliability is to "provide long-term, reliable networking equipment designed for the harsh environments of our customers' industrial control applications." Through the application of reliability engineering and scientific management methods, Moxa aims to enhance the reliability of its products, thereby increasing customer satisfaction and brand loyalty. The goal is to make product reliability a core competitive advantage for Moxa.

Moxa's reliability goal is to "assure that high-reliability products are provided based on scientific and reliable methods to meet customer needs. The methods will serve as the basis for customer product life cycle management." To achieve this goal, Moxa has formulated clear product reliability requirements and strategies, which are detailed in the white paper on product reliability. Furthermore, a series of activities are conducted to ensure that products meet the reliability goals. Moxa's product reliability strategies are as follows:

**1 Reliable design:** Moxa promulgated the Design for Reliability (DFR) framework, providing the basis for the continued development of long-lasting, reliable products in the future.

**2 Failure analysis:** Moxa identifies the true cause of failure through professional failure analysis, which helps identify potential failure mechanisms and root causes, and formulates corresponding measures to prevent recurrence.

**3 System reliability prediction:** when conducting product reliability predictions, Moxa refers to relevant international standards for computing failure rates and evaluating the expected lifespan of products, especially international reliability standards. This approach provides a deeper understanding of system reliability levels. Additionally, by developing physical failure methods and modeling the failure mechanisms of components, Moxa assesses system reliability and lifespan based on the actual reliability and lifespan of the components.

**4 Component reliability engineering and validation:** Select high-standard parts and materials and comply with relevant industrial standards and certification requirements. Meanwhile, we are proactively developing component reliability engineering to gain a deeper understanding of the components and their application through actual testing, and exploring the reliability and service life of components under different application conditions. In addition, Moxa also strengthens supply chain management to ensure the quality and reliability of components and prevent product failures.

**5 System reliability verification:** Moxa devises reliability testing plans and uses methods such as accelerated life testing (ALT) to assess the reliability and service life of product systems, ensuring their stability in actual applications.

### Chronicle of Reliability Management

#### 2018-2019

##### Driven by quality issues, initiated the development of product reliability

- Printed circuit board (PCB) disruption occurred in railway customers in Japan, demonstrating the importance of product reliability and failure analysis.

#### 2021

##### Strengthened technology and experimental capabilities

- Established material analysis capabilities, and planned and established a reliability failure analysis laboratory.
- Published the first international journal, which increased professional visibility.

#### 2023

##### Reinforced research and industry influence

- Became the first company in Taiwan to submit technical documents on Reliability, Availability, Maintainability and Safety (RAMS) and a pioneer in technology development.
- Co-founded the Taiwan Reliability Technology Association (TRTA) to promote industry cooperation and standards formulation.
- Developed models for estimating product life.
- Established Moxa IC reliability testing, planning and execution, and created a precedent in Moxa parts reliability testing and prediction.

#### 2020

##### Built a professional expertise foundation

- Established a failure analysis team and the Reliability Management Department.
- Initiated industry-academia collaboration with Dr. Tan Cher Ming, professor of the Chang Gung University's reliability lab.
- Held professional training courses on product reliability.

#### 2022

##### Established laboratory which expanded influence

- Officially established the Reliability and Failure Analysis Laboratory.
- Developed more physical failure analysis expertise and expanded the scope of support.
- Published the Moxa System Reliability Framework.

#### 2024

##### Continuous improvement and industry cooperation

- Published an internal white paper on product reliability to describe current development results and future directions.
- Continued to submit and publish RAMS technical documents.
- Became a founding member of the Taiwan Reliability Technology Association (TRTA) to deepen the industry influence.
- Planned reliability training courses, and promoted knowledge exchange internally and with industry counterparts.
- Provided guidance to PCB suppliers to implement reliability enhancement and improve the reliability standard of the supply chain.

## Promotion of Product Reliability

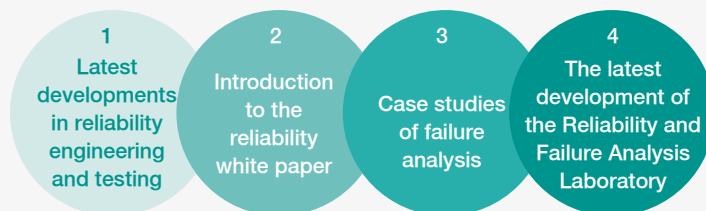
### Reliability Science Forum: Demonstrating Annual Results and Promoting Technological Advancement

Moxa holds the reliability forum at the end of each year, which focuses on exchanging the development results of the Reliability Management Department for the year, including discussing various reliability research results, and sharing the most iconic failure analysis cases of the year. This allows participating employees to fully grasp the latest developments in reliability, and learn how to fully utilize laboratory resources to improve the efficiency of analysis on product reliability and failure cases. Through the reliability forum, Moxa not only reviews and demonstrates technological advancements for the year, but also continues to promote knowledge sharing internally, strengthens the overall capabilities of reliability engineering, and lays a more solid foundation for Moxa's sustainable operations.

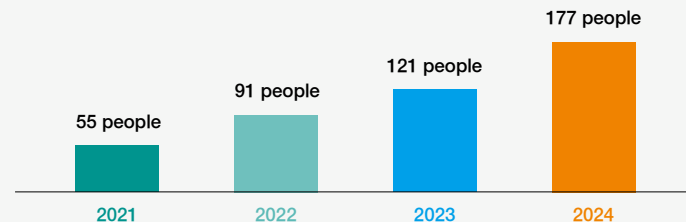
Since the first forum, the number of attendees has steadily increased from 55 persons in 2021 (physical + online) to 177 persons in 2024, indicating that the increasing influence of the forum over the years. The feedback from the attendees was also very positive, and they very much look forward to the forum in 2025. In the future, the Reliability Management Department will further expand the scale of the forum, invite more collaborating engineering departments to make presentation, and promote cross-departmental technical exchange and reliability development.

#### 2024 Reliability Science Forum Focus and the Number of Attendees

##### Focus



##### Number of Attendees



The 4th Reliability Forum (2024)

### MIB Journal: Promote Knowledge Sharing and Strengthen Quality and Reliability Management

The Moxa Investigation Bureau (MIB) Journal is a reliability journal published quarterly. It is committed to improving product quality and reliability management capabilities through the methodology of reliability science and quality engineering. The journal covers:



#### Case studies of product failure

analyze actual product failure cases on the customer end, and demonstrate how problems are diagnosed and resolved through failure analysis technology.



#### Knowledge of reliability

introduce the reliability theories and applications, and provide the contents of the reliability test plan and analysis results to help employees learn the key factors of reliability testing.



#### Applications of failure analysis technology

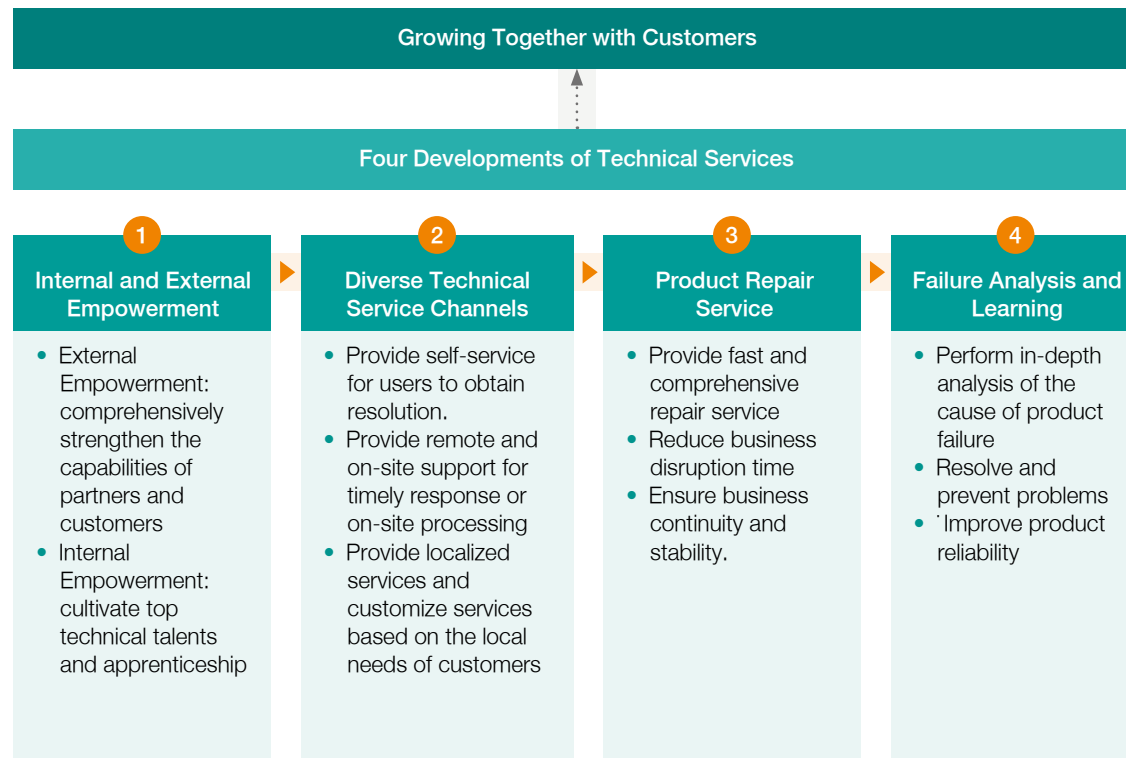
analyze commonly-used failure analysis techniques, describe their principles, application scenarios, and case studies, and enhance employees' professional knowledge and practical abilities in the field of reliability.

Since the first edition of the MIB Journal published in October 2021, a total of 13 editions have been published. The journal will be published continuously to provide more reliability knowledge and case analysis for Moxa employees. Through this journal, all employees can better understand the actual application of reliability, jointly promote the continuous improvement of Moxa products in quality and reliability, and achieve more stable and sustainable operations.

## 2.3.3 Technical Services

### Four Developments of Technical Services

In today's rapidly changing business environment, the role of technical services has become more important than ever. Moxa believes that by focusing on innovation and customer-oriented technical services, Moxa can provide customers with the critical support to drive business success. Below are the four main axes of Moxa's technical services, each of which is meticulously designed to directly contribute to our customers' success. Moxa's technical service strategy aims to support customers' needs comprehensively, not only to solve today's challenges, but also to lay the foundation for future success.



### External Empowerment: Comprehensively Strengthen the Capabilities of Partners and Customers

- Pay attention to partners:**  
 Moxa believes that partnerships are crucial to its long-term success, and Moxa provides comprehensive training programs to help partners gain a deeper understanding of products and applications.
- Diverse training contents:**  
 Moxa provides diverse training content covering new products, new technologies, and practical operations to ensure that partners are equipped with the necessary knowledge and skills.
- Strict training requirements:**  
 Moxa requires partners to participate in training and pass assessments to ensure that they possess professional abilities before issuing certificates.

In 2024, Moxa successfully improved the ability of distributors through a comprehensive new product training program, with more than 95% of the participants on average successfully passing the certification, a significant increase from 88% in the preceding year. At the same time, Moxa reinforced their capability to make up for any competency deficit based on the specific needs of the four major regions around the world: For the Asia-Pacific region, Moxa focuses on the energy industry and cybersecurity technologies; for China and Europe, Moxa strengthens the problem-solving skills of distributors; for the United States, Moxa provides exclusive customized training for new distributors to help them quickly integrate into the market. Core training topics include data connection, wireless communication, core switches, network management software, and switch operating system. Through these proper training programs, Moxa not only strengthens the professional skills of distributors, but also further enhances their competitiveness in the regional markets. These programs serve as a testament to Moxa's determination to be the strongest support for its partners.

#### 2024 Moxa's new product training statistics

<b>Americas</b> 36 distributors with 67 technical engineers Pass Rate <b>92.53%</b>	<b>Europe</b> 56 distributors with 51 technical engineers Pass Rate <b>98.03%</b>
<b>China</b> 11 distributors with 37 technical engineers Pass Rate <b>94.59%</b>	<b>Asia Pacific</b> 24 distributors with 64 technical engineers Pass Rate <b>95.31%</b>

In 2024, Moxa once again demonstrated outstanding education and training results by practicing the concept of “customer orientation.” Moxa not only helped customers quickly grasp new technologies, but also created significant competitive advantages in customer project applications.” The following were the strategies adopted by Moxa in the training course on customized design for customers:

### 1 Concentrate on customer needs



- Based on actual application scenarios, training contents were tailored to cover equipment configuration, solution planning, and operational maintenance simplification, etc.
- Through consulting interviews, Moxa gained an in-depth understanding of trainees' background and requirements to ensure that the course design truly addressed the pain points of customers.

### 2 Systematic and progressive teaching



- The course framework was designed to first cover the basic concepts before moving on to practical operations.
- This would gradually fortify their technical knowledge, and prevent overload of information or failure to understand during learning.

### 3 Emphasis on hands-on practices



- The courses integrated simulation exercises and hands-on operations so that trainees could experience the flexibility and high performance of Moxa equipment in real-world scenarios.
- During the practical sessions, questions were answered in real time to enhance students' understanding of technical principles and advantages.

The average satisfaction rate for Moxa training of a well-known energy company reached 93.33%. Trainees generally believed that the courses were highly aligned with practical applications, and were impressed with the instructors for their clear and easy-to-understand explanations, which helped them grasp the key techniques within a short period of time. Another international system integration company also gave a high score of 89% for Moxa courses. Participants found that interaction with lecturers during practical exercises was extremely high, which not only effectively improved learning results, but also allowed them to immediately apply what they learned in subsequent projects.

These successful cases demonstrate Moxa's leadership position in customer training. Through in-depth demand analysis, structured teaching, and practical operations, customers could progress steadily in technology introduction and subsequent application.

In addition, as a leader in industrial communication and networking solutions, Moxa launched a new online learning platform, Moxa Technical College (hereinafter referred to as MTC), in 2024. It is dedicated to technical empowerment and talent cultivation. MTC focuses on industrial communication, network security, and cutting-edge technology applications, and provides distributors and customers with professional and abundant online training resources to build a talent pool in the field of industrial automation.

2024

### MTC Results in 2024

- The MTC platform was successfully launched and operated, providing 23 courses covering industrial Ethernet, wireless network, and network security, etc.
- The platform offered diverse courses, flexible learning, and real-time support. These courses had since received positive feedback and high recognition from participants.
- The courses also assisted hundreds of trainees around the world in improving their professional skills and applying what they learned to their work.

2025

### Prospect of MTC in 2025

- MTC works to continue leading the industry and development in the field of information security by adding at least 10 information security courses to help partners and customers improve their defense capabilities in the operational technology (OT) environment.
- MTC will also continue to enrich the course system, innovate learning models to cultivate more professional talents in the field of industrial automation, and help upgrade the industry.

## Internal Empowerment: Build Top Technical Talents and Cultivate Apprenticeship



### Moxa Talent Cultivation Program

#### 1 Focus on cultivation of technical talents

- Moxa recruits senior experts and outstanding freshmen in the industry to cultivate all-inclusive technical capabilities that combine theory and practice through comprehensive training programs (new products/technologies, practical applications, and in-depth research on software and hardware).
- Moxa emphasizes regular exchanges with mentors to ensure that every technical staff can effectively grasp and apply what they have learned.

#### 2 Equal emphasis on professional certification and practical applications

- Moxa encourages obtaining international certifications (e.g., IEC 62443) to demonstrate and improve professional standards.
- Moxa provides more specific support for customers' actual needs and strengthens their understanding of industry applications and solutions.

#### 3 Diversified courses and customer-oriented

- More than 60 courses in four major categories are offered each year, including new products/technologies, industrial applications, software and hardware technologies, and other empowerment.
- This will ensure that the technical team not only is proficient in Moxa solutions, but also responds to the challenges of diverse customers, demonstrating Moxa's strong technological innovation and service commitment.



### Cultivation of Multi-level Technical Talent and Establishment of Apprenticeship System

Moxa is dedicated to developing a leading technical team, with three major strategies: professional division of labor, systemic cultivation, and technological leadership. The strong technical team is created to preserve Moxa's leading position in the field of industrial communication and provide customers with excellent value and services.

#### 1 Professional division of labor for precise matching of requirements

The Moxa technical team consists of product experts, application experts, and solution experts. They are responsible for providing comprehensive solutions in a precise manner to cater to customers' diverse needs in products, applications, and system integration.

#### 2 Systemic cultivation to accelerate talent growth

Moxa implements the apprenticeship system and a comprehensive training program to accelerate the cultivation of technical talents, improve the team's problem-solving ability, innovation ability, and service awareness, and ensure the team's professionalism and efficiency.

#### 3 Technological leadership to ensure customer success

The Moxa technical team possesses a profound expertise and discerning market insights. It can quickly respond to technological changes, provide excellent customer support services, ensure customer success, so as to continuously maintain a leading position in the market.



### Case Study

#### Technical training for new product AWK-116X series



Training participants: employees from Global Technology Service, Technology Service of Asia Pacific region, and China



Purpose of training

- Product functions and features:** Understand new product designs and market positioning.
- Practical training:** Simulate customers' usage scenarios to improve their problem-solving abilities.
- Common questions and FAQ:** Improve the ability of technical staff to effectively handle common issues that customers may encounter when launching new products.

Number of participants

✓ Training results

60

Pass rate of trainees

> 90 %

Case self-resolution rate<sup>Note</sup>

> 80 %



Testimonial of customer/unit employees

#### 1 Trainees from Global Technical Service

Through the AWK-116X technical training, we gained an in-depth understanding of the features of Wi-Fi 6 technologies, such as Fast Bootup and Link Fault Passthrough. We also understand its value in improving performance under high-density deployment for smart industrial applications, significantly enhancing problem solving and support capabilities.




#### 2 Trainees from Global Technical Service

The optimization feature of the AWK-116X series makes significant breakthroughs in terms of stability and efficiency. In particular, the high-performance application and failure synchronization design of Wi-Fi 6 provide customers with more reliable solutions, further strengthening the value of industrial wireless networks.

## Diverse Technical Service Channels

Nowadays, in the rapidly changing market environment, customer needs for diverse and real-time technical support are increasing. Moxa is fully aware that every customer has different needs, and therefore is committed to providing diverse and flexible technical service models to meet the specific needs of different customers. Through the three major categories of “self-service,” “real-time remote support,” and “advanced on-site support,” Moxa not only improves service efficiency, but also ensures that customers can obtain the most appropriate support in the shortest time possible. This comprehensive service strategy also enhances customers’ usage experience and increases their trust and loyalty to the Moxa brand.

### Moxa Diverse Technical Service Models

 <p>Self-service</p>	<ul style="list-style-type: none"> <li>• <b>Knowledge base and online documents</b> Provide FAQs, user manuals, and tutorial videos so that customers can access and quickly find solutions on their own.</li> <li>• <b>Chatbot</b> Use AI or rule-based chatbot to help customers make preliminary troubleshooting or conduct basic consultation to reduce the workload on personnel.</li> </ul>
 <p>Real-time remote support</p>	<ul style="list-style-type: none"> <li>• <b>Telephone/email/live chat</b> The most direct and common online real-time support methods allow customers to interact with technical personnel one-on-one.</li> <li>• <b>Remote desktop collaboration</b> Use remote collaboration tools to observe and guide customers to solve on-site issues in real time and bridge the communication gap.</li> <li>• <b>Proactive monitoring and reportin</b> Use cloud or remote monitoring mechanisms to proactively detect and report equipment abnormalities, and provide preventive services.</li> </ul>
 <p>Advanced on-site support</p>	<ul style="list-style-type: none"> <li>• <b>On-site support by professional engineers or partners</b> Applicable to complex or hardware-related issues, where engineers can troubleshoot on site.</li> <li>• <b>Product repair, and replacement services</b> Collaborate with regional logistics and repair centers to provide fast repair services to shorten customer downtime.</li> <li>• <b>Training, consultation, and customized services</b> Provide professional consultation, customer development, and deep technology integration support for large projects or major customers.</li> </ul>

Note: Moxa’s technical services will be adapted to local needs and conditions.

## Product Repair Service

Moxa’s warranty covers everything from industrial network infrastructure to industrial computers, IIoT (Industrial Internet of Things) gateways, and peripherals/accessories. The warranty period ranges from one to five years to meet the needs of different product categories. Moxa offers the following three warranty and service principles:

### 1 Customer-first warranty commitment

- **Extensive warranty coverage:** Moxa offers a five-year warranty for its Ethernet switches, security routers, and wireless access points to ensure long-term protection for critical equipment.
- **Dead on Arrival (DOA) Policy:** Rapidly replace defective products found within three months after shipping to avoid operational interruption.
- **Flexible repair options:** Free repair or replacement are offered during the warranty period, and competitive repair services are provided beyond the warranty period to quickly restore equipment operations.

### 2 Customer-oriented service process

- **Simplified service request:** Repair or replacement requests can be easily submitted through the Moxa website for a fast and convenient process.
- **Transportation responsibility:** Customers are responsible for the transportation risk. They are recommended to use the original packaging to ensure product safety.
- **Information security:** Customers are reminded to back up important configurations and data before sending for repair to ensure information security.

### 3 Services Beyond Warranty

- **Extension of warranty:** Extended warranty for large-scale orders is provided to increase equipment protection period.
- **Scope of responsibility:** Warranty liability must not exceed the original cost of products. Moxa will not be held responsible for unintentional or inevitable customer losses to protect the balance of both parties’ interests.
- **Customer-centric policy:** Provide transparent, impartial, and efficient warranty services to ensure optimal protection of key equipment and support the smooth operation of customers’ business.



Learn more  
about Moxa’s  
warranty policy

Moxa's Return Merchandise Authorization (RMA) policy and procedures demonstrate deep commitment to customers: providing transparent, efficient, and hassle-free maintenance and repair services. Moxa aims to ensure that when customers face product issues, they receive customer-centric service and can quickly resume business operations.

Moxa's RMA policy has two features:

- 1 **Simplified RMA process:** Customers only need to provide product information and serial numbers to easily apply for the RMA service. Moxa provides free repair and refund of shipping costs for products within the warranty period. For products out of the warranty period, Moxa will also provide a fair maintenance and repair quotation.
- 2 **Enhance customer experience:** To further enhance the customer experience, Moxa offers an online repair status platform for customers to track the progress of their repair requests and download detailed reports after the maintenance and repair work is completed. This not only increases transparency, but also enables customers to manage and understand the maintenance and repair status more conveniently.



Learn more about  
Moxa's product  
repair services

### Failure Analysis and Lessons Learned

Moxa is committed to making continuous quality improvement to provide customers with the most reliable products and meet market needs. Moxa has established a comprehensive and rigorous management system that includes:



#### EAS Early Alert System (EAS)

By collecting historical maintenance data and performing big data analysis, the system is able to effectively discover potential quality problems early.



#### Establishment of a professional analysis team and procedures

When a potential quality problem is found or a customer feedback is filed reporting a product anomaly, Moxa will immediately set up an improvement team to use the 8D problem-solving method to find the root cause, implement temporary and permanent improvement actions, effectively resolving quality issues.



#### Recurrence prevention

The team creates lesson learned risk assessment documents based on the root cause. This lesson learned is available to the design team for review during the new product development phase. The goal is to reduce the recurrence rate of similar quality problems and continuously improve Moxa Product quality level.

### Product Recall

Moxa has always regarded customer rights and product quality as its core values. According to the framework of the quality management system, when a product fails to function due to a specific reason, Moxa will activate service mechanisms including repairs, returns, or product recalls to protect the safety and rights of consumers. For example, Moxa has established standard procedures such as "Procedures for Handling Customer Complaints," "Procedures for Corrective and Preventive Control Measures," and "Regulations for Handling Delivery of Defective Products" to quickly respond to customer needs and resolve problems.

Moxa continues to strengthen quality management and internal monitoring mechanisms. By combining customer return analysis and tracking, Moxa takes rapid and effective actions when necessary to ensure product stability and improve customer satisfaction. Furthermore, Moxa adheres to the spirit of continuous improvement by forwarding various analysis results to the input of new product designs as part of the design cycle for improving the quality of Moxa products. Moxa did not recall any products due to product safety issues in 2024. This demonstrates Moxa's strong commitment to product quality and customer rights.

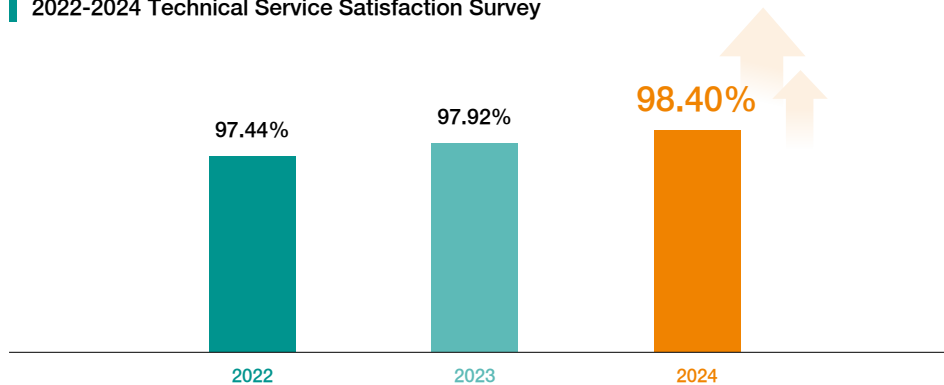
### Technical Service Satisfaction Survey

Moxa recognizes that technical satisfaction serves as a critical indicator of service quality and the cornerstone of customer loyalty. To this end, Moxa has established a technology satisfaction survey mechanism that is implemented through three major dimensions.



Moxa divides the global market into four major regions: Americas, Europe, Asia Pacific, and China. Each region has its own unique market needs and service strategies. To more effectively meet the needs of customers in different regions, Moxa adopts a diverse set of service models to ensure that its solutions and services can precisely meet customers' needs. To continuously improve service quality and ensure technical satisfaction, Moxa conducts technical satisfaction surveys across different service channels to learn about customer feedback filed in different regions. Moxa will adjust and improve services based on the feedback.

### 2022-2024 Technical Service Satisfaction Survey



### Moxa 2022-2024 Technical Service Satisfaction Analysis

Year	Effectively Solved Problem	Provided Clear Instructions	Response Speed	Service Attitude	Overall Service Experience	Satisfaction level <sup>Note1</sup>
2024	98.20%	98.60%	97.80%	99.00%	98.40%	98.40%
2023	97.80%	98.00%	97.40%	98.60%	97.80%	97.92%
2022	97.20%	97.60%	96.60%	98.40%	97.40%	97.44%

Note 1: The satisfaction level in this table is calculated by summing the scores of five indicators and dividing the total scores by five.

### Key Achievements



#### Satisfaction level steadily improves

From 2022 to 2024, the overall annual satisfaction with technical services increased by 0.5%, and the satisfaction level of the five major dimensions remained above 97%, demonstrating the results of Moxa's customer-oriented service philosophy.



#### Response Time significantly improved

After key improvements, the response time increased by 1.2% within three years, reaching 97.8% by 2024, demonstrating the results of Moxa's emphasis on customer feedback and commitment to optimization.



#### Strong customer-oriented commitment

The overall satisfaction level of the indicators continues to improve, fully illustrating the results of Moxa's continuous efforts in improving customer experience, pursuing improvement in customer satisfaction, and creating more excellent value for customers.

### Future Prospects



#### Precision prediction of customer needs:

Through data analysis, Moxa can anticipate potential problems facing customers in advance, and provide proactive support and preventive maintenance service.



#### Customized service model

Moxa continues to deepen its root in different industries and regions, providing professional consultation and solutions that better meet customers' specific needs.



#### Cross-departmental collaboration

Moxa strengthens cooperation and knowledge sharing between its internal teams to ensure that every customer can enjoy a consistent and high-quality service experience.

# 3 Green Manufacturing and Design

3.1 Green Manufacturing 64

3.2 Eco-Friendly Product Design 75

## SBT Validated

Moxa is committed to achieving net-zero emissions by 2050 and has since passed the 1.5°C SBT certification.

↓ 12%

GHG emissions are reduced by 12% compared to 2023.

## Carbon Footprint Database

Moxa is able to comprehensively provide customers the carbon footprint information for specific products.

↓ 15%

The proportion of plastic packaging materials was reduced to 57%, a 15% decrease compared to 2022, replaced by paper-based packaging.



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE NET  
ZERO  
STANDARD

APPROVED NET-ZERO TARGETS

## 3.1 Green Manufacturing

### 3.1.1 Environmental Sustainability Commitment and Governance

#### Moxa Environmental Sustainability Commitment

To fulfill environmental protection and fulfill product responsibility, Moxa takes concrete actions to implement the [ESH policy](#) and five commitments to reduce the impact of operations and products on the environment.

##### Invest in innovation and R&D



Develop products that meet customer expectations and have low environmental impact. Reduce the environmental impact of products at the stages of procurement, manufacturing operations, logistics and distribution, product use, and product disposal, and ensure that they do not cause harm to the health or safety of users.

##### Adoption of environmentally friendly materials



Implement the management and replacement of hazardous substances, promote the use of recycled and recycled raw materials, and promote waste recycling and reuse, and commit to practicing a circular economy.

##### Promote green manufacturing



Proactively invest in energy conservation, water conservation, waste reduction, and pollution reduction to improve the ecological benefits of products and improve pollution prevention performance, and reduce the environmental impact of the Company's production and manufacturing.

##### Promoting the R&D of low-carbon products



Improve the energy efficiency of products and help customers reduce the energy consumption of their products.

##### Set SBT carbon reduction targets



Collaborate with partners in the value chain to promote carbon reduction and work towards achieving the 2050 net-zero emission goal.

#### Moxa Environmental Sustainability Management

In accordance with the ISO 14001 standard, Moxa has established a management system that incorporates local regulatory requirements and operational conditions and requirements in plants, promotes personnel training, and formulates operating procedures to ensure compliance. We also regularly assess environmental management risks, establish management indicators, and promote continuous improvement. We then monitor management performance through annual management review meetings. In addition, since 2005, Moxa has continuously commissioned a third-party verification unit to review the implementation of the management system and practices, propose specific recommendations, verify the effectiveness of the environmental management system. Certificates are issued when Moxa passes the verification. All of Moxa's business and production sites in Xinzhuang and Bade have passed the external verification of [ISO 14001](#). No major deficiencies were found in Moxa's latest external audit (2023), no major note environmental violations were committed, or no related administrative penalties were imposed over the years.

Note: A major violation refers to one in which a fine of more than NT\$300,000 is imposed on a single violation.

#### Environmental Training and Promotion

To promote the vision of corporate environmental sustainability management, and underpinned by its environmental, safety, and health policy, Moxa continuously works to align with global ESG standards and management trends and identify issues of concern to stakeholders. For example, in October 2023, when the European Union's Carbon Border Adjustment Mechanism (CBAM) took effect, the product information and carbon emissions derived from the production processes of imported EU products must be compliant with the CBAM standards. Therefore, Moxa worked with metal production partners in its supply chain to promote the carbon inventory of the product life cycle. Moxa also organized CBAM training courses for procurement personnel. The attendance of the procurement personnel (a total of 17 people) was 100%. By working together, Moxa's procurement personnel can learn about the scope of data collected for inventory requirements pursuant to the CBAM, and further provide guidance to the corresponding suppliers. This not only allows Moxa to properly design the inventory process, and communicate more efficiently, but also promote sustainable value management actions through hands-on experience. In addition, the Bade Plant is the most important production plant of Moxa. Therefore, it is a main focus for waste management. As such, Moxa promotes and trains employees on waste sorting and storage issues through monthly meetings to raise employee awareness and knowledge of waste reduction and recycling. In 2024, one session was held, and all employees of the Bade Plant attended, garnering a training coverage rate of 100%.

#### Environmental Risk Management

To effectively identify the environmental impact of the workplace, Moxa conducts a comprehensive environmental assessment of operations, activities, products, and services. This assessment covers all stages of the product life cycle, including design, raw material procurement, production, transportation and packaging, utilization, and disposal. We analyze the impacts on the environment and improvement opportunities that need to be controlled based on stakeholder perspectives, and frequency and severity of incidents.

In 2024, Moxa completed 100% of the environmental considerations and risk assessments of major business locations (Xinchuang Office and Bade Plant) in accordance with the Environmental Aspects and Hazard Identification and Risk Assessment Procedures. A total of 437 environmental considerations were identified and no significant environmental impact was found. However, to further reduce the impact of the plant on the external environment, Moxa devised and implemented two environmental management plans in 2024, including "improvement of industrial waste reuse rate at the Bade Plant" and "heat discharge improvement of the air compressor room at the Bade Plant." All plans were implemented and tracked according to the planning schedule.

## 3.1.2 Pathway to Net-Zero Transition

With the deterioration of climate change in recent years, Moxa takes it upon itself to answer the global call of carbon reduction, implementing carbon reduction actions, and developing cooperation and knowledge sharing with the overall value chain. Through mutual learning and exchange of best practices, we work to promote the achievement of global GHG reduction goals.

### Net-Zero Targets Passed SBTi Validation

To demonstrate its commitment to net-zero emissions, Moxa pledged to the Science-Based Targets initiative (SBTi) in December 2023. Following SBTi's methodology for setting carbon reduction targets, Moxa completed the process of establishing these targets. Using 2022 as the base year, Moxa set the Science-Based Targets (SBTs) for the near term (2034) and net-zero emissions (2050). The SBTs are in line with the global warming limit of 1.5°C, and officially passed SBTi validation in November 2024. This validation indicates that the carbon reduction targets set by Moxa will help curb global warming to under 1.5°C, aligning Moxa's carbon reduction pathway with international trends, and will jointly attain the goal of net-zero emissions by 2050 with the global community.

#### Moxa Net-Zero SBT Setting

Base Year 2022	Near-Term Target (2034)	Net-Zero Target (2050)
Scope 1 and 2	Reduce absolute emissions by 60%	Reduce absolute emissions by 90%
Scope 3	Reduce emissions by 65% per million NT dollars of gross profit	Reduce emissions by 97% per million NT dollars of gross profit

### Moxa Net-Zero Strategies and Actions

To achieve the goal of net-zero emissions by 2050, Moxa identified three major sources of emissions based on the results of GHG inventories assessment, including "purchased goods and services," "use of sold products," and "electricity consumption." Moxa has proposed three key strategies to move towards net-zero emissions. Moxa is committed to gradually achieving the goal of net-zero emissions by 2050 through the following three key strategies: "Low-Carbon Operation," "Low-carbon Product Design," and "Low-Carbon Value Chain."

#### Low-carbon Operations




Electricity consumption is the main source of carbon emissions in Moxa's operations. Moxa worked with a third-party professional team in 2024 to monitor and diagnose energy use behaviors in its plant and offices (including equipment and processes). Through optimized management, Moxa adjusts and improves the operation of high energy consumption and low-energy efficiency equipment on a regular basis to boost energy efficiency and replace old equipment. Moxa implemented a total of 7 energy-saving measures in 2024, saving 91,777 kWh of energy and reducing carbon emissions by 45.3 tons CO<sub>2</sub>e in total. In addition, Moxa's production plant was set to incorporate high-efficiency energy-saving facilities during the design and planning phase, and also obtained the Gold-level certification of the Green Building Label. All of which provide Moxa with a good foundation for low-carbon operations. Moxa will evaluate the demand for renewable energy and implementation schedule in the future to improve the overall sustainable performance of operations.

#### Low-carbon Product Design

The development of low-carbon products is key for Moxa to help customers reduce carbon emissions and enhance market competitiveness. All new-generation products adopt a modular design, which not only increases the flexibility and maintainability of products, but also reduces production costs, increases production efficiency, and extends product service life, thereby promoting the effective use of resources. In addition, Moxa established the Green Design Assessment Method in 2024. The assessment method allows the design team to clearly learn about the carbon emission performance of each design plan and related environmental parameters at the product design stage. Specific improvement plans can then be formulated to help optimize carbon emission reduction in the design stage. In terms of product energy efficiency, Moxa completed the formulation of product power efficiency specifications in 2024, incorporating high performance and low-energy consumption designs into product development processes. Moxa also plans to incorporate the specifications into product design and development processes in 2025. In terms of sustainable product packaging, Moxa began formulating the Green Packaging Design Guidelines and Rating Parameters in 2024, and established the Online Database for Packaging Material Selection. This will help Moxa to more efficiently and accurately design packaging that meets the needs of different markets for eco-friendly and sustainable packaging.

#### Low-carbon Value Chain

As a leading brand in the global Industrial Internet, Moxa not only proactively implements carbon reduction actions, but is also committed to working with subcontractors and high-carbon emission partners to promote the low-carbon transition of the supply chain. Moxa works to assist supply chain partners in setting carbon reduction goals, and providing guidance to promote their GHG inventory assessment and obtain third-party certification. In 2023, Moxa assisted all subcontractors in completing their GHG inventory assessment and all of them passed the ISO 14064-1 verification conducted by a third party. In 2024, Moxa further expanded its influence to involve high carbon-emitting suppliers. In the future, Moxa will gradually require supply chain partners to set carbon reduction targets and take action to jointly achieve the goal of net-zero emissions by 2050.

Key Strategy	Low-Carbon Action	2024 Implementation Results	2025 Implementation Goals
 <b>Low-Carbon Operation</b>	<p>Improve energy efficiency of equipment and optimize energy allocation, ensure maximum energy use, reduce unnecessary waste, and devise plans to adopt renewable energy to reduce carbon emissions in the operation process.</p>	<p>Implemented 7 energy-saving measures, mainly energy-saving measures for the air conditioning system, exhaust system, and lighting system, garnering a total energy savings of 91,777 kWh.</p>	<ul style="list-style-type: none"> <li>Adjust the lighting wiring in the office area in conjunction with the Company's hybrid working policy, and plan for centralized office operations.</li> <li>Evaluate the demand for renewable energy and implementation schedule.</li> </ul>
 <b>Low-Carbon Product Design</b>	<p>By developing low-energy consumption products, selecting low carbon raw materials, optimizing green packaging, and promoting modular designs, we improve product energy efficiency, reduce environmental impact, and strengthen recycling and reuse to reduce carbon footprint since the design stage, thereby promoting sustainable development.</p>	<ul style="list-style-type: none"> <li>Established the Green Design Assessment Method.</li> <li>Established the Moxa Power Efficiency Regulations.</li> <li>Proposed the Green Packaging Design Guidelines Outline.</li> <li>Established an Online Database for Packaging Material Selection.</li> <li>Established the Green Packaging Rating Parameters.</li> </ul>	<ul style="list-style-type: none"> <li>Initiate the Power Efficiency Regulation Project.</li> <li>Complete the formulation of Green Packaging Design Guidelines.</li> <li>Enhance research and design with power efficiency.</li> <li>Perform research on product energy-saving functions.</li> <li>Adopt energy consumption efficiency targets and data collection process for new products.</li> <li>Adopt development process incorporating the linkage of material carbon emissions and design solutions for new products.</li> </ul>
 <b>Low-Carbon Value Chain</b>	<p>Reduce carbon emissions and improve resource recycling efficiency through low-carbon management of suppliers and energy efficiency improvement in logistics. Work with partners to build a sustainable supply chain and attain the goal of low-carbon value chain.</p>	<p>Planned guidance and training on GHG inventories assessment for high carbon-emitting suppliers.</p>	<p>Monitor suppliers with high carbon emissions to complete the establishment of GHG inventories assessment and set carbon reduction targets.</p>

### 3.1.3 GHG Emission Management

#### GHG Inventories Assessment

Moxa began conducting Greenhouse Gas (GHG) inventories assessment in 2023, which passed the external audit of ISO 14064-1. In 2024, Moxa's total GHG emissions were 186,014 tonCO<sub>2</sub>e, a 12.30% reduction from 2023. The main aspects are two: the first is a decline in product sales and raw material purchases in 2024 compared to 2023, and the second is a fall in the sales area's electricity coefficient in 2024. In 2024, Moxa's GHG emissions were mainly from scope 3 emissions, accounting for 96.85% of Moxa's overall emissions. Among them, procurement of goods and services (C1) and use of sold products (C11) were the most significant sources (accounting for 89.84% of scope 3 emissions, and 87.01% of Moxa's overall emissions), so C1 and C11 are the areas in which Moxa must proactively promote carbon reduction actions in the value chain. Meanwhile, the main emissions were scope 2 emissions from electricity consumption, accounting for 69.11% of scope 1 and 2 emissions. This indicates that Moxa is focusing on the electricity use of its operations for carbon reduction. In terms of scope 1 and scope 2 emissions in 2024, it increased by 24.05% compared to 2023. The main reasons for the increase are one-time refrigerant refills and indirect electricity emissions from newly leased office areas in 2024.

## Moxa's GHG Emissions

Unit: tons CO<sub>2</sub>e

Scope	2022	2023	2024
Scope 1+2	3,462 (1.20%)	4,723 (2.23%)	5,859 (3.15%)
Scope 3	285,512 (98.80%)	207,363 (97.77%)	180,155 (96.85%)
<b>Total</b>	<b>288,974</b>	<b>212,086</b>	<b>186,014</b>

## Scope 1 and 2 GHG Emissions and Emission Intensity

Scope	2022		2023		2024	
	Emissions (tons CO <sub>2</sub> e)	Emission Intensity (kg CO <sub>2</sub> e/product)	Emissions (tons CO <sub>2</sub> e)	Emission Intensity (kg CO <sub>2</sub> e/product)	Emissions (tons CO <sub>2</sub> e)	Emission Intensity (kg CO <sub>2</sub> e/product)
Scope 1	167	-	879	-	1,810	-
Scope 2	3,295	-	3,844	-	4,049	-
<b>Scope 1+2</b>	<b>3,462</b>	<b>1.31</b>	<b>4,723</b>	<b>2.67</b>	<b>5,859</b>	<b>3.01</b>

Note 1: The scope of data includes Moxa's global production and operating bases.

Note 2: There are six GHG under Scope 1, Scope 2 and Scope 3 inventory, including CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC, PFC, and SF<sub>6</sub>.

Note 3: The GHG emission factors are based on the GHG emission factor management table announced by the Taiwan Environmental Protection Administration's national registration platform, and the emission coefficient of electricity is based on the announcement of the Energy Administration, Ministry of Economic Affairs.

Note 4: The global warming potential (GWP) is quoted from the Sixth Assessment Report (AR6) of the IPCC.

## Scope 3 GHG Emissions

Unit: tons CO<sub>2</sub>e

Emission Source	2022	2023	2024
Purchased Goods and Services (C1)	103,708	59,340	26,613
Capital goods (C2)	7,453	7,453	7,453
Fuel- and Energy-Related Activities (C3)	601	780	846
Upstream Transportation and Distribution (C4)	499	125	63
Waste Generated in Operations (C5)	24	24	27
Business Travel (C6)	259	384	274
Employee Commuting (C7)	1,548	1,714	1,365
Downstream Transportation and Distribution (C9)	5,191	4,321	3,684
Use of Sold Products (C11)	161,637	128,630	135,238
End-of-life treatment of sold products (C14)	727	727	727
Investments (C15)	3,865	3,865	3,865
<b>Total</b>	<b>285,512</b>	<b>207,363</b>	<b>180,155</b>

## Product Carbon Footprint Inventory

As the awareness of sustainable consumption rises around the world, it symbolizes the changes in consumer needs and the carbon reduction transition of international trade. This trend has brought attention to the carbon emissions of products. The support of relevant policies and laws, such as the EU's Carbon Border Adjustment Mechanism (CBAM), will promote low-carbon emissions to gradually become an important consideration for customers when purchasing products. Therefore, providing low-carbon products is key for Moxa in enhancing its competitive advantage and helping customers reduce carbon emissions. By calculating and analyzing the carbon emissions generated throughout the entire product lifecycle, Moxa can identify high-carbon activities and influencing factors. This information is used to plan carbon reduction actions, ultimately lowering the overall product carbon.

In 2023, Moxa established a Product Carbon Footprint Assessment Task Force, following the ISO 14067 standard to create a product carbon footprint assessment model. The task force selected the EDS-4000/G4000 series managed switches to initiate the quantification of the product carbon footprint, which had since passed the [ISO 14067 verification](#). In 2024, Moxa further combined product carbon footprint models, compiled carbon inventory data, and prepared carbon disclosure information of upstream and downstream value chains to gradually build a database of carbon footprint of raw materials for products. With this database, Moxa can deliver to customers comprehensive carbon footprint information for specific products, helping customers assess carbon emission hotspots in their overall value chain. The database can also serve as part of the consideration for green procurement, allowing customers to further choose products with lower carbon footprint to reduce carbon emissions from their operations.

In the future, Moxa plans to establish the aforementioned database as an online carbon information management system that help Moxa regularly track the carbon data of raw materials of supply chain partners, and more efficiently provide customers with product carbon footprint information. In addition, it can also assist the R&D team in selecting low-carbon materials in the product design phase. This allows the R&D team to calculate the carbon emissions of different design solutions at the preliminary stage, and then gradually optimize low-carbon product design solutions. Consequently, Moxa will be able to provide customers with high quality, high reliability, and low carbon emissions and high energy efficiency products.

### Chronicle of Moxa Product Carbon Footprint Implementation

2023

#### Initiation of Product Carbon Footprint Inventory

- Established the Product Carbon Footprint Inventory Taskforce.
- Conducted product carbon footprint inventory for core products and pass ISO 14067 certification.



2024

#### Establish a Carbon Footprint Database for Raw Materials

Provided 5 customers the complete product carbon footprint data for 62 product models.



Going forward

#### Establish an Online Carbon Information Management System

- Regularly monitor the carbon data of raw materials of supply chain partners.
- More efficiently provide customers with product carbon footprint information.
- Assist the R&D team in selecting low carbon materials during the product design stage.




## 3.1.4 Energy Management

### Energy Structure

For Moxa's energy use structure, purchased electricity accounts for about 99.46%, natural gas 0.52%, and diesel 0.02%. Therefore, reducing electricity use is Moxa's main goal of energy conservation. Due to the increase in production capacity, Moxa's total energy consumption in 2024 reached 28,014,834 MJ, an increase of 11.2% from 2023. Moxa will continue to improve and strive for energy management in the future, so that Moxa can reduce the negative impact of production on energy consumption.

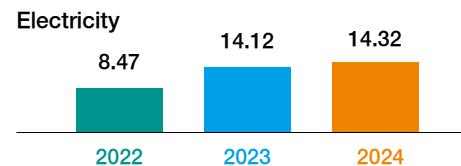
#### Moxa Total Energy Consumption

Unit: MJ

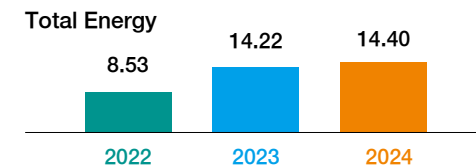
Energy Category		2022	2023	2024
 Electricity	Self-generated renewable electricity for self-use (a)	0	0	0
	Purchased Renewable Electricity (b)	0	0	0
	Purchased non-renewable electricity (c)	22,436,894	25,006,282	27,863,331
	Total electricity (d=a+b+c)	22,436,894	25,006,282	27,863,331
Diesel (e)		5,623	7,381	4,569
Natural gas (f)		157,741	170,619	146,934
Total Non-renewable Energy Consumption (g=c+e+f)		22,600,258	25,184,282	28,014,834
Total Renewable Energy Consumption (h=a+b)		0	0	0
Total Energy Consumption (i=g+h)		22,600,258	25,184,282	28,014,834

#### Energy Intensity Statistics

Unit: MJ/product



Unit: MJ/product



### Energy Conservation Actions

In 2024, Moxa implemented 7 energy-saving measures, mainly energy-saving measures for the air conditioning system, exhaust system, and lighting system, garnering a total energy savings of 91,777 kWh and carbon reduction of 45.3 tons CO<sub>2</sub>e. Meanwhile, Moxa's Bade Plant aims to save 1% of electricity per year, and we report energy-saving measures on a regular basis. From 2020 to 2024, the average electricity saving rate reached 2.78% per year. Moxa will continue to improve energy efficiency and take different measures to improve energy efficiency in the factory. Implement energy-saving measures to reduce energy consumption and enhance production efficiency.

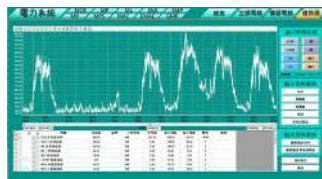
### Summary of energy saving measures in 2024

Energy Conservation Case Classification	Energy Saving Case Name	Electricity Savings (kWh/year)	Carbon Reduction (ton CO <sub>2</sub> e/year)
Air conditioning system	Turning off the heater for the air handling unit in the IT server room	48,000	23.7
	Adjusting the operation time of total heat exchanger in the office	7,200	3.6
	Reducing the operation duration of indoor air conditioning	3,600	1.8
	Adding timer to vent fans	4,416	2.2
	Adding temperature controllers to cooling towers	24,000	11.9
Exhaust system	Heat discharge air duct improvement of air compressor room	3,280	1.6
Lighting system	Adjusting production line lighting	1,281	0.6
Total		91,777	45.3

To effectively monitor and manage energy usage in its manufacturing facilities, Moxa has installed an energy management system and digital meters for electricity and water at its Bade Plant. This system visualizes key energy consumption information, such as air conditioning, process power, lighting sockets, automated warehousing, and water usage, on the monitoring screen of the energy management system. It can dynamically unload electricity-consuming equipment based on the demand of different areas or equipment, thereby achieving the effectiveness of electrical energy management. The energy management system also includes a database to store real-time monitoring data of electricity and water consumption, with storage capabilities of over a year.



Energy Management System  
- Electricity Meter Information

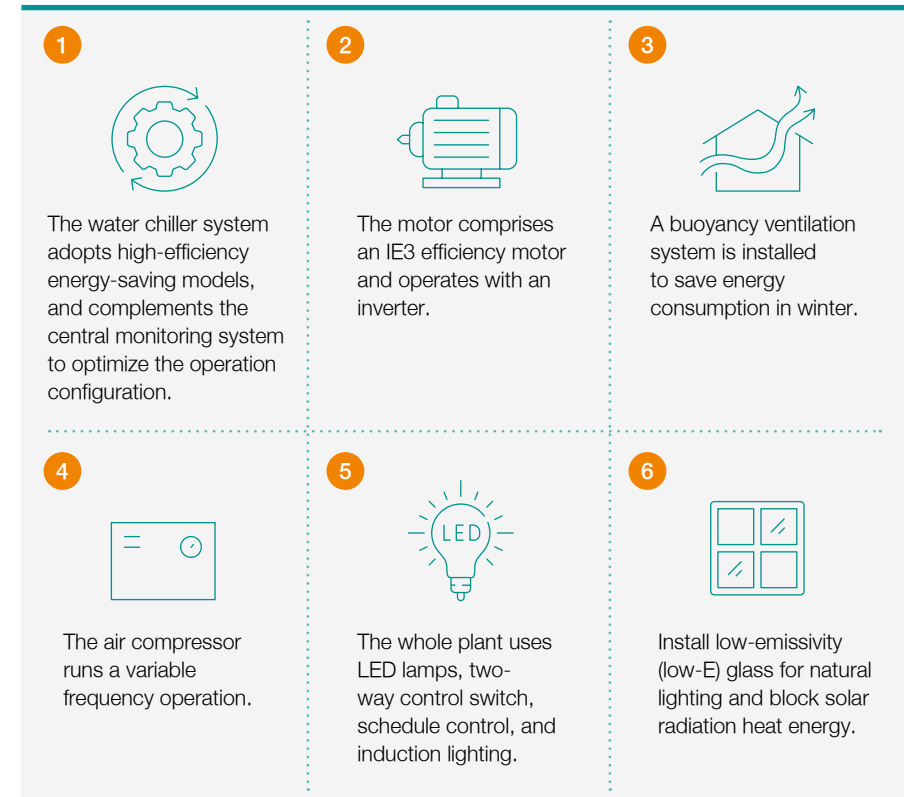


Energy Management System  
- Demand Monitoring Information



Energy Management System  
- Water Meter Information

Moxa's Bade Plant obtained the Gold-level certification of the Green Building Label and Gold-level certification for Intelligent Building Label in 2020, and energy-saving facilities have been designed since the early stage of plant construction planning. The certification was successfully renewed in 2025. The relevant energy-saving equipment description is as follows:



## 3.1.5 Water Management

### Water Consumption Structure

The manufacturing process for Moxa's products is mostly assembly, and therefore does not require a large amount of water. Most of the water required is for domestic use and some plant equipment (such as cooling towers, kitchens). The wastewater is discharged into the sewage system and sent to a treatment plant, where it is processed to meet discharge standards before being released into natural water bodies. Therefore, the wastewater generated from Moxa's operations, after treatment, does not cause significant environmental impact on water resources or surrounding ecosystems. Even so, Moxa proactively collects water consumption data, regularly monitors water quality and water consumption, and promotes water-saving activities to protect water resources.

Moxa establishes water resource management, goal setting, and continuous water conservation approaches for management and reduction. Moxa is committed to strictly abiding by regulations related to water resources, using water resources reasonably, prioritizing the use of water-saving equipment, and monitoring water consumption through a monitoring system to improve the efficiency of water use.

### Moxa's Water Sources and Treatment

#### Water Use Areas



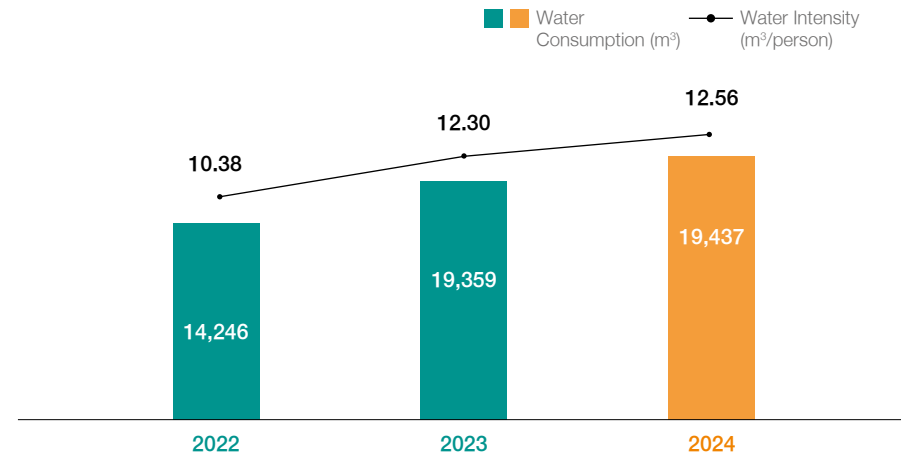
Bade Plant



Xinzhuang  
Office

Water intake	Shimen Reservoir	The Shimen Reservoir at the Dahan River, the downstream Yuanshan Weir and the tributary Sanxia River.
Wastewater Treatment Unit (treatment level)	Domestic sewage: Northern Taoyuan Water Recycle Center (tertiary treatment)	Domestic sewage: New Taipei Industrial Park Sewage Treatment Plant (secondary treatment)
Receiving Water Body of Effluent	Nankan River	Tamsui River
Discharge Standards	BOD: $\leq 20$ mg/L SS: $\leq 20$ mg/L Escherichia coli: $\leq 2.00E+05$ Total nitrogen: $\leq 15$ mg/L Total phosphorus: $\leq 2$ mg/L	BOD: $\leq 14$ mg/L SS: $\leq 12$ mg/L COD: $\leq 50$ mg/L

### Moxa Water Consumption and Water Intensity



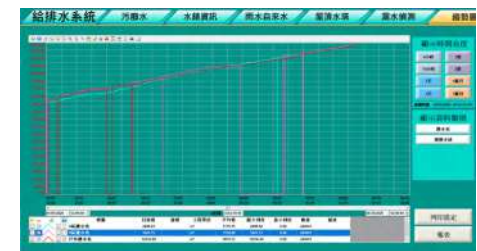
Note: The scope of data includes Moxa's Taiwan production and operating bases.

### Water-Saving Actions and Response to Water Shortage

To implement water resource management, Moxa has introduced sensor faucets, water-saving toilets, and automatic flushing toilets in its existing plants. In addition, Moxa's production plant has implemented water-saving facilities such as rainwater harvesting systems and condensate water harvesting systems at the beginning of construction. The rainwater harvesting system can recycle about 700 tons of rainwater per year for watering. The air-cooled water chiller is used in winter to reduce water loss from the cooling towers. The Building Automation System (BA system) can be used to collect water consumption data and provide more information, serving as a reference for Moxa's water management.



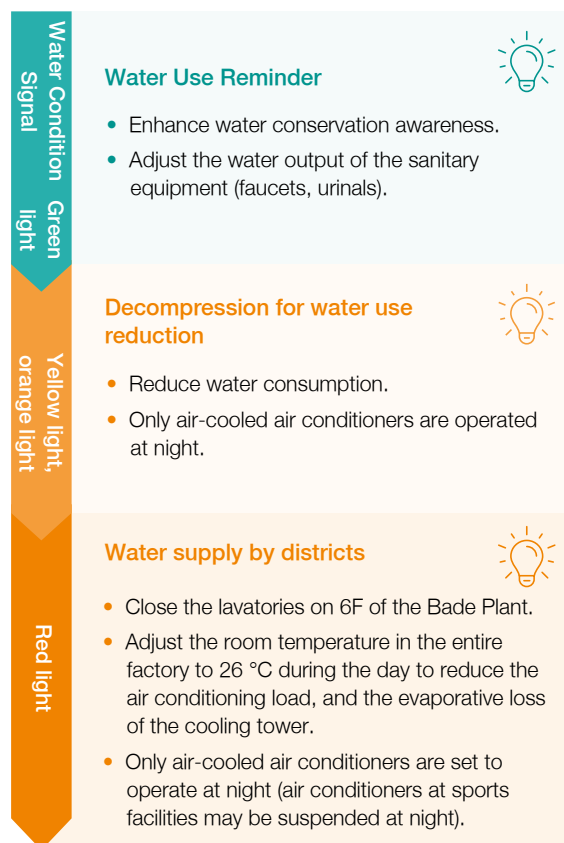
BA System - Water Meter Information



BA System - Real-Time Water Consumption

Based on an analysis of the location of Moxa's Taiwan sites based on the water scenario simulation tool of WRI Adequeduct, the Group found that the sites were classified as "Low to medium," not in water stress areas but could avoid the risk of short-term water shortages. In addition to proactively implementing water conservation measures, a water stress response mechanism has also been established for water consumption management and water resource recycling. Currently, the Bade Plant uses water for air conditioning, domestic use, kitchen, and irrigation, consuming about 46 tons of water a day. The Bade Plant has a water storage capacity of 198 tons. In the event of water scarcity, the estimated water storage within the plant can sustain operations for approximately 4.3 days.

#### Moxa's emergency response mechanism



## 3.1.6 Waste Management

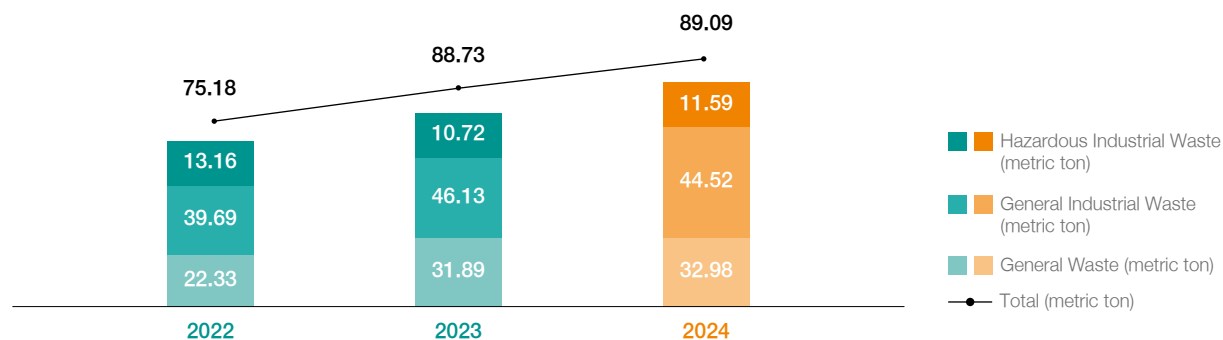
### Waste Generation Structure

Moxa's waste is divided into general waste, general industrial waste, and hazardous industrial waste. General waste mainly includes domestic waste of employees and at the cafeteria, and liquid manure and kitchen waste. General industrial waste refers to waste generated by production other than hazardous industrial waste. Throughout the manufacturing process, strict classification and visual labeling of storage areas are implemented. Recyclable materials are sorted, stored, and verified for reuse before being sent to qualified recycling facilities. Non-recyclable waste is disposed of through licensed disposal companies and facilities via incineration. Hazardous industrial waste primarily originates from production materials, semi-finished products, and waste. Through a classified storage management mechanism, it is delivered to qualified recycling facilities for reuse.

With the goal of increasing the reuse rate of industrial waste, Moxa tracks and generates statistics on waste sources and output. The volume of waste and the amount of recyclable waste in the waste temporary storage area on each floor are recorded weekly. The amount of resource materials generated, and the total amount of waste generated and waste for outsourced treatment in the entire plant area are tallied every month to study the trends and changes in waste output and recycling, and to further adjust waste management practices. In addition, Moxa adheres to the principles of maximizing resource use and minimizing waste generation, promoting green design and waste management measures, minimizing waste during product design and manufacturing, increasing the life cycle of raw materials, and improving sustainability. The recycling of sustainable resources and the reuse of waste are enhanced in order to achieve the goal of waste reduction and improvement of the reuse rate.

Moxa's waste output in 2024 was 89.09 tons, an increase of 0.4% compared to 2023, mainly due to the disposal of non-routine scrapped oil mixture. Moxa will continue to effectively minimize waste generated during the manufacturing process through proactive waste reduction and recycling management initiatives, and will work toward the goal of zero landfill.

#### Moxa Waste Output



Note: Since Moxa's Xinzhuan Office has not completed the establishment of the waste data system, the scope of data mainly focuses on Moxa's Bade Plant.

## Moxa Waste Disposal Methods

Unit: metric ton

	Disposal Method	2022	2023	2024
General Waste	Recycling and reuse	13.43	24.84	26.62
	Incineration	8.90	7.05	6.37
	Landfill disposal	0.00	0.00	0.00
General Industrial Waste	Recycling and reuse	39.69	33.54	34.28
	Incineration	0.00	12.59	10.24
	Landfill disposal	0.00	0.00	0.00
Hazardous Industrial Waste	Recycling and reuse	13.16	10.72	11.59
	Incineration	0.00	0.00	0.00
	Landfill disposal	0.00	0.00	0.00
Total	Recycling and reuse	66.28	69.10	72.49
	Incineration	8.90	19.64	16.60
	Landfill disposal	0.00	0.00	0.00

Note: Since Moxa's Xinzhuang Office has not completed the establishment of the waste data system, the scope of data mainly focuses on Moxa's Bade Plant.

## Waste Reduction Promotion

Moxa communicates and promotes routine waste reduction actions through monthly meetings, and emphasizes classification and labeling and storage locations during department meetings, reminding employees to have a clear understanding and undertake these actions in their daily operations. In terms of waste reduction, Moxa proactively promoted the "High-tea Paper Cup Recycling" and "Daily Go Cut Plastic" campaigns, so that employees could gain awareness and participate in waste reduction in their daily lives. During the comprehensive promotion of paper cup recycling, the first 7 days garnered a reduction of cups by 10 kg. Based on this, we continued to carry out paper cup recycling, and went on to promote the "Daily Go Cut Plastic" campaign. During the one-month period, we tried to cultivate a good eco-friendly habit through a point system, and handed out awards and share actual cases during the monthly meeting, so that colleagues could cut plastic and protect the environment in practice.



Waste Reduction Promotion-1



Waste Reduction Promotion-2

## Waste Reduction Actions

In waste reduction efforts, Moxa implements electronic document digitization to minimize paper usage and promotes double-sided printing to reuse paper. Additionally, when new employees join Moxa, eco-friendly utensils, bags, and water bottles are provided to instill the company's environmental ethos from day one. Visual labeling facilitates waste classification, storage, collection, and management throughout office and factory premises. Resource recycling initiatives encompass the reuse of paper boxes, packaging materials, and pallets. Furthermore, Moxa mandates subcontractors to adopt measures such as reusable static bags and segregated packaging materials, aligning efforts toward reducing business waste. These initiatives collectively contributed to achieving a waste reuse rate of 82% in 2024. In addition, to continuously increase the reuse rate of industrial waste, we plan to switch from incineration to physical treatment for the disposal of scrapped oil mixture. In 2024, we completed the assessment of qualified scrapped oil mixture recycling companies, and will formally cooperate with the candidate selected in 2025.







Moxa Industrial Waste Sorting at Production Sites

Management of Waste Contractors

Moxa has established the “Waste Management Code of Practice,” which includes comprehensive management procedures for waste contractors to ensure that Moxa’s waste is properly disposed of and recycled in accordance with regulatory requirements. Moxa focuses on the following four major items in the management of waste contractors. In 2024, Moxa conducted on-site audits of two waste contractors. The contractors’ waste removal and disposal procedures and documents were all in compliance with regulations. All audits were passed and no major abnormalities were found.

Management Focus of Waste Contractors

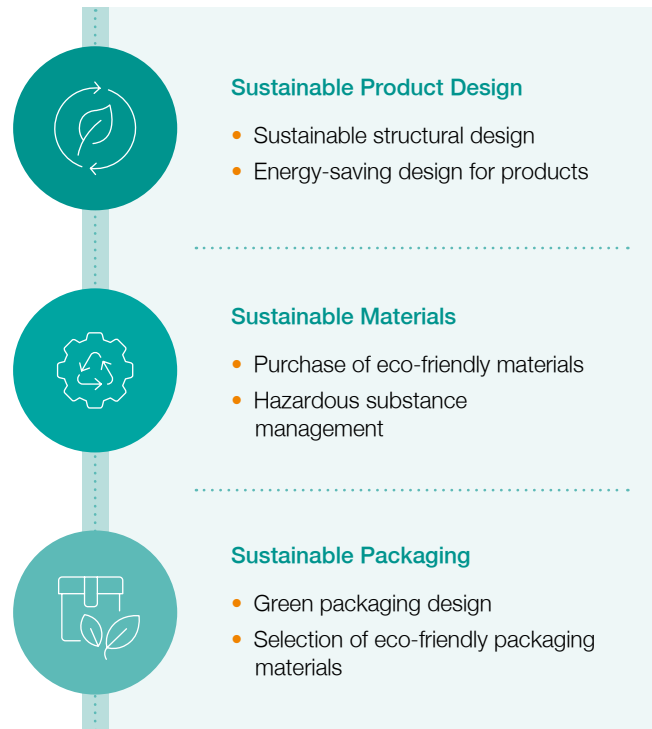
 <div>Selection of New Contractors</div>	<p>The stability of the financial operations and environmental approvals, safety and health certificates, and violation records of the suppliers are selected as the basis for the evaluation. Safety protection, education and training are listed as necessary qualified items to ensure the quality of waste contractors.</p>	 <div>Regular Audit</div>	<p>Moxa conducts annual on-site audits of vendors engaged in the clearance, treatment, and reuse of business waste. These audits encompass various aspects such as the control of on-site traffic flow at clearance and treatment facilities, management of waste storage areas, processing equipment and shredding processes, including calibration of measuring equipment, on-site safety during operations, operational status, understanding of downstream reuse units, and other related processes. Both on-site inspections and document checks are carried out, and annual evaluations and renewal conditions are determined based on the audit results.</p>
 <div>Contract Signing</div>	<p>When outsourcing the removal and disposal of business waste, it is necessary to sign a written contract with the commissioned disposal agency or obtain a certificate of approval from the environmental regulatory authority. This document should specify the types, quantities, and deadlines of business waste, ensuring that the commissioned clearing agencies can proceed with the waste disposal.</p>	 <div>Reporting and Records</div>	<p>Properly report the generation, storage, clearance, treatment, reuse, export, and import of waste via internet transmission every month. Report the format, items, content, and frequency of proper disposal and flow of industrial waste, and maintain records.</p>

## 3.2 Eco-Friendly Product Design

### Eco-friendly Design Concepts and Principles

Moxa adheres to the concept of environmental friendliness and promotes three major green product principles, including sustainable product design, sustainable materials, and sustainable packaging. Apart from adding value, we aim to reduce the impact of our products on the environment and provide customers with high-quality sustainable products.

#### Principles of Green Product Promotion



### 3.2.1 Sustainable Product Design





#### Implementation of Sustainable Structural Design: Combination of Modular Design and Green Index

Moxa has always been striving for sustainable development and seeks to integrate sustainability principles into product design and manufacturing processes. By practicing sustainable design, the impact on the environment can be reduced. To achieve environmental friendliness and sustainability goals of the entire product lifecycle, Moxa adheres to the dual strategy of Modular Design and the Green Index, and is committed to integrating sustainability and environmental benefits into product design.

#### Modular Design

Modular design is a core strategy implemented by Moxa for many years. It is widely practiced in the internal design process. Modular design increases product flexibility and repairability. It also reduces production costs, improves production efficiency, and extends product life, thereby facilitating the effective use of resources. Moxa will continue to strengthen the promotion and application of modular design in the future.





#### Four Major Benefits of Modular Design

 <p><b>Resource conservation</b></p> <p>Modular design allows most parts and components to be shared, saving design and manufacturing costs, and reducing resource consumption and waste.</p>	 <p><b>Improvement of production efficiency</b></p> <p>The production process can be more standardized and automated due to the fixed basic structure, thereby improving production efficiency and quality consistency.</p>	 <p><b>Extension of product lifespan</b></p> <p>Common parts make products easier to maintain and to be upgraded, which will extend product lifespan and reduce product scrapping and waste.</p>	 <p><b>Quality assurance</b></p> <p>All products contain the same basic structure, which is more conducive to quality management and quality assurance.</p>
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#### Green Index

The Green Index is a new approach that will be adopted in the future. This approach, combined with modular design, can strengthen the practice of sustainable structural design. The main purpose of the Green Index is to further support the “green rationality” of design decisions and comprehensively enhance the green value of products. The Green Index is composed of two major indicators, namely material carbon emission performance and supplier carbon emission performance, which will provide quantified evaluations of the core aspects of green design.

## Two Major Indicators of the Green Index

	Material Carbon Emission Performance	Supplier Carbon Emission Performance
 <b>Purpose</b>	Evaluate the reasonableness of material selection to ensure that the materials used are eco-friendly, apart from meeting performance requirements.	Quantify the corresponding design and carbon emission performance of suppliers of materials to help the design team optimize supply chain choices.
 <b>Goal</b>	Promote the use of eco-friendly materials and reduce reliance on high-carbon emitting materials.	Reduce carbon emissions of the supply chain, pay attention to the green rationality of the supplier selection process, and support the development of low-carbon emitting suppliers.
 <b>Calculation Logic</b>	Based on the carbon emission factor of the materials selected during the design process and the corresponding fabrication method, assess whether the design is close to the low-carbon emitting material standard and assign a score. The higher the score, the higher the green rationality of the design is.	Based on the carbon emission data of suppliers, calculate the difference between the lowest carbon emission values of similar suppliers. The higher the score, the better the environmental protection performance of suppliers.
 <b>Application Value</b>	Help the design team balance performance, cost, and environmental protection benefits, and provide the design team with quantitative indicators that can be referenced in the design process to help optimize the material composition of products.	Provide data support for decision-making pertaining to suppliers in the early design stage to ensure that carbon emissions of product design are minimized.

## Practical Value of the Green Index



### Improvement of material utilization benefits

Through the assessment of material carbon emission performance, we can ensure the optimal balance between the environmental protection and performance requirements of selected materials, and further reduce the overall environmental burden of the materials.



### Supply chain optimization

The introduction of supplier carbon emission performance evaluation further supports the optimization of supplier selection to ensure that the module supply has low carbon emission.



### Improvement of environmental efficiency in the design process

The Green Index provides clear environmental protection parameters for each design decision to ensure that the modular design process complies with the principles of green design. It also allows the team to learn about the carbon emission performance of each design plan in detail, before formulating specific improvement plans. This will help promote the carbon emission optimization in the design phase.

## Energy-Saving Design for Products

Moxa's energy-saving product design focuses on "improving energy efficiency" and "reducing product energy consumption" to help customers enhance energy efficiency and reduce the carbon emissions impact of Moxa products on the environment.

### Improvement of Energy Efficiency

Moxa established the Power & Protection Department (Power Team), with the aim of conducting in-depth research on circuit architecture and component knowledge. The department's mission is to establish Moxa's core competency in power and protection technology, and provide high-reliability and high-quality power solutions for all products.

In response to the trend of improved product energy consumption and miniaturization, the "development of miniaturized power supplies with high conversion efficiency" has been the focus of the Power Team in recent years. The Power Team started to develop high-efficiency power modules in 2020. A new circuit architecture, planar transformer design, and the third-generation semiconductor device, gallium nitride (hereinafter referred to as GaN) are since introduced to achieve the goals of high conversion efficiency and miniaturization for power modules.



### Key Developments for High-Efficiency Power Modules



#### Circuit architecture

Select an appropriate flexible switching power supply architecture to reduce switching loss and improve power efficiency.



#### Planar transformer design

Planar transformer produce relatively smaller leakage inductance due to their good coupling characteristics. We pursue miniaturization without sacrificing power conversion efficiency.





#### Use of the third-generation semiconductor element GaN

Lower switching loss which improves the power conversion efficiency.

The Power Team has developed three models of power modules so far, and the average efficiency is better than the current industry standard. The average efficiency of the DC-DC 30W wide-input power module is up to 91%, and the average efficiency of the DC-DC 75W wide-input power module is up to 90%. In addition, the AC-DC 65W power module adopts the third-generation semiconductor component, GaN, with an average efficiency of up to 91.8%.

In addition to the aforementioned high-efficiency power modules, the Power Team also conducts research on energy-saving power supplies, for which a patent was obtained in March 2020. The purpose of this patent is to reduce waste heat from system power supplies and reduce energy costs.

2024	2025
 <p><b>Established the Moxa Power Efficiency Regulations</b></p> <p>Completed the formulation of product power efficiency regulations to incorporate high performance and low energy consumption designs into product development processes.</p>	 <p><b>To adopt the Power Efficiency Regulation Project</b></p> <p>Formulate a plan to adopt power efficiency regulations for products to ensure that the design and development of products meet the requirements of Moxa power efficiency specifications.</p>

### Reducing Product Energy Consumption

In addition to improving the power conversion efficiency of products, reducing their energy consumption is also a key direction to achieve energy conservation and carbon reduction. Moxa's products are subjected to continuous innovation, with recent generations incorporating energy-saving principles into their design. The following are key improvement measures and implementation results of Moxa products reducing energy consumption.

#### 1 Adopt new-generation integrated circuits and semiconductor components

In addition to continuously improving product power conversion efficiency, Moxa also uses new-generation integrated circuits and semiconductor components when developing new models of existing products, so that customers can effectively lower product energy consumption in the same scenario. The table below shows the energy saving results of new-generation models in 2024.

Product Name	Energy Consumption of Original Model	Energy Consumption of New Model	Energy Saved
EDS-205A-M-SC	2.4W	1.8W	25%
EDS-305-S-SC	3.6W	2.2W	39%
SDS-3016-2GSFP	11.88W	9.4W	21%
TN-4528A	52.8W	48W	9%
NPort-6150	3.4W	1.9W	44%
NPort-6250	5.2W	1.9W	63%

#### 2 Energy-saving mode design

Moxa incorporates energy-saving mode into product functions, and evaluates the feasibility of manual or scheduling sleep mode in products, allowing customers to make different configurations according to their needs in different use scenarios. This will save unnecessary energy consumption and help customers lower energy costs. The following are examples of energy-saving design for Moxa products.

- The UC-3100 series is equipped with an MCU-controlled power supply. Customers can adjust the standby behavior according to the usage scenario and activate or shut down the CPU power via the Long-Term Evolution (LTE) wireless broadband to achieve energy saving.
- The OnCell G4302-LTE4 series introduces an energy-saving design. When entering the standby mode, the power consumption is reduced from 2.8W to only 70mW. Customers can set the time to enter the standby mode and wake equipment according to their usage scenario to reduce unnecessary energy waste.

## 3.2.2 Sustainable Materials

### Purchase of Eco-friendly Materials

Moxa has established a Material Management Committee composed of members from Component Engineering, Supply Chain Management, and the R&D Center. This cross-departmental committee focuses on joint formulation and promotion efforts in three main areas: operation planning, annual procurement strategy, and the principles for selecting and replacing product parts.

The committee manages material inventory and risks while promoting environmental sustainability. It aims to increase the use of green products and materials by delineating their proportion and evaluating low-carbon materials based on GHG emission factors from inspection and verification of the supply chain. The goal is to reduce carbon emissions from products.

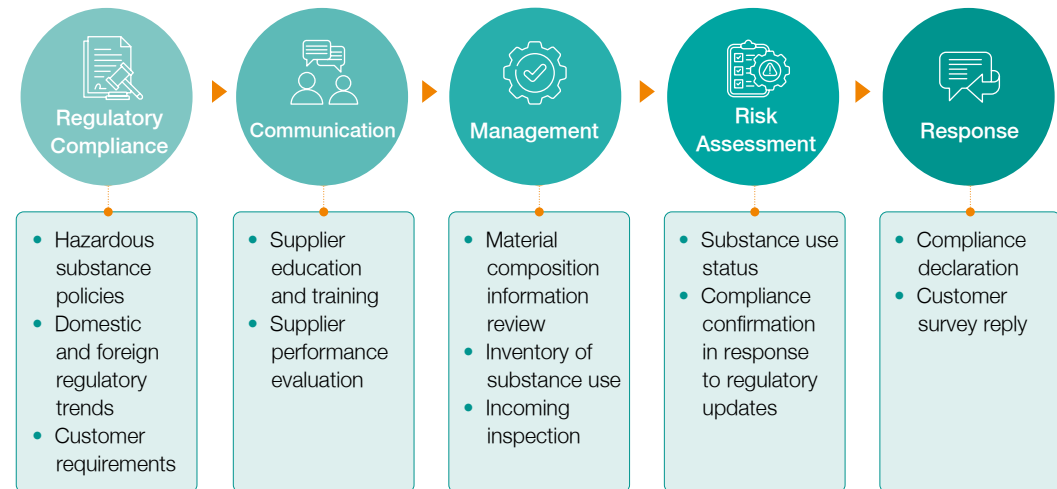
### Hazardous Substance Management

Moxa references the latest domestic and international regulations and trends, as well as customer requirements, to establish hazardous substance management policies. These policies explicitly define in the purchase agreement requiring that any products, components, and packaging materials provided by the suppliers comply with the policy requirements. Subcontractors are also required to comply with the relevant provisions. Through the Green Product Management System (hereinafter referred to as the GPMS), Moxa reviews material composition information and supporting compliance documentation, and requires suppliers to provide the “Supplier Declaration of Conformity to Environmentally Controlled Substances.” By combining the parts approval process and incoming quality inspection, comprehensive controls are implemented to ensure that the products manufactured and supplied pose low risks to the environment or human health.

#### Moxa's Hazardous Substance Policies

- |                                                                                                                                     |                                                                                |
|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| 1 Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS Directive)   | 5 Directive on packaging and packaging waste (PPW Directive)                   |
| 2 Administrative measures for the restriction of the use of hazardous substances in electrical and electronic Products (China RoHS) | 6 Directive on batteries and accumulators and waste batteries and accumulators |
| 3 Regulation concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH Regulation)                 | 7 Rotterdam Convention                                                         |
| 4 Regulations on persistent organic pollutants (POPs Regulation)                                                                    | 8 Montreal Protocol                                                            |

### Hazardous Substance Management Process



### Hazardous Substance Management for Special Industrial Applications

For special industrial applications such as the railway and marine industries, Moxa responds to the control and requirements of hazardous substances in accordance with relevant conventions, regulations, industry associations, and customer requests.



#### Railway

Moxa can provide the UNIFE Declaration to specific products in accordance with the RISL (Railway Industry Substance List), designed for the railway industry by the UNIFE (Union of European Railway Industries).



Moxa's specific products comply with the hazardous material requirements of APPENDIX 1 in RESOLUTION MEPC.269(68) of the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships 2009 and ANNEX in REGULATION (EU) No 1257/2013, and we can provide Material Declaration (MD) and Supplier's Declaration of Conformity (SDoC).

In response to the latest regulatory developments, the U.S. Environmental Protection Agency (EPA) and hazardous substance regulatory authorities worldwide are focusing on Perfluoroalkyl and Polyfluoroalkyl substances (PFAS). Known for their stable chemical properties, PFAS are widely used in various products due to their high heat resistance and corrosion resistance. However, their persistence in the environment without natural degradation poses significant risks to human health. Moxa initiated an inventory in 2024 and has been strengthening communication with suppliers to collect detailed information to meet disclosure requirement. Moxa will continue to monitor the use of PFAS going forward.

## 3.2.3 Sustainable Packaging

### Green Packaging Design

To promote green packaging in a more systematic manner, Moxa will gradually advance from data collection to the establishment of packaging database and rating parameters in 2024. The advancement is useful because when new products are designed for packaging, relevant standards can be established to assess compliance with regulations, and packaging designs can be aligned with international environmental protection trends to achieve green packaging design goals.

#### Focus of Green Packaging Design Promotion

Align with international packaging and environmental protection trends	<ul style="list-style-type: none"> <li>Pay close attention to the latest developments in global green packaging, including international environmental regulations, material innovation, plastic reduction trends, and new breakthroughs in recyclable packaging technologies.</li> <li>We continuously update the internal design reference database to ensure that Moxa is aligned with international best practices in product packaging design, and meets the regulatory requirements of eco-friendly packaging in different markets.</li> </ul>
Formulate the Green Packaging Design Guidelines	<ul style="list-style-type: none"> <li>With reference to international environmental protection trends, we formulated the preliminary version of the Green Packaging Design Guidelines in 2024 to establish the basic specifications. We plan to complete the guidelines in 2025.</li> </ul>
Establish the Online Database for Packaging Material Selection	<ul style="list-style-type: none"> <li>In 2023, in response to the streamlining of packaging design and production line operating procedures, and the reduction of transportation and warehousing operating costs, the existing packaging boxes used were integrated and organized. In 2024, the integrated data was used to establish an online database where designers could select and inspect the available boxes during product development, effectively shortening design development time and ensuring compliance with regulations.</li> </ul>
Establish the Green Packaging Index	<ul style="list-style-type: none"> <li>We are planning to formulate the Green Packaging Rating Index to evaluate packaging volume utilization, fiber material selection, plastic reduction, and printed area reduction.</li> <li>The rating mechanism provides designers with specific improvement directions to meet international environmental protection standards for packaging designs, and proceed to achieving more advanced goals.</li> </ul>

#### Green Packaging Training Courses

In 2024, Moxa invited lecturers from the Industrial Technology Research Institute to provide training to the R&D team on low-carbon green packaging design and practical ESG-related applications. Through case studies of green, eco-friendly or circular sustainable packaging, as well as relevant regulations, participants can learn in greater detail international trends and how to make use of green packaging assessment—green material selection, design optimization, and cost-benefit analysis—to create the value of green design and enhance the Company's execution and competitiveness in green packaging design.

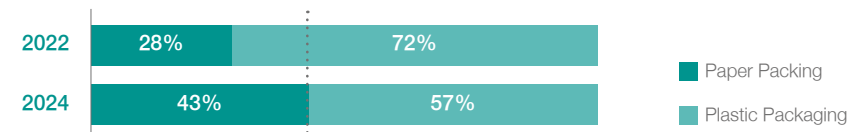


### Selection of Eco-Friendly Packaging Materials

With continuous focus on sustainable development, Moxa is proactively seeking innovative packaging solutions to better address environmental challenges. In 2024, Moxa engaged new packaging material suppliers, gradually replacing the bubble wrap for rackmount devices with new paper-tube cushioning materials. Currently, Moxa uses corrugated cardboard, which is a material with a recycling rate of over 80%, for all cartons and color boxes. The cushioning material has also been changed from traditional EPE foam to more environmentally friendly paper pulp (100% recycled pulp) or corrugated paper (90% recycled paper pulp) materials. The change can not only effectively reduce the reliance on plastic resources, but also help to reduce carbon emissions and waste generation. In terms of the total number of new packaging materials applications in 2024, the use of paper packaging materials was up 15% compared to 2022.

In addition to selecting eco-friendly packaging materials to reduce the impact of packaging materials on the environment, Moxa also proactively promotes packaging material reuse by collecting and reusing cartons and cushioning materials provided by suppliers or outsourced delivery companies. These cartons and materials will be forwarded to various logistics departments, where employees can reuse recycled cardboard boxes or cushioning materials within Moxa or in packaging samples to promote recycling and reuse of packaging materials, and waste reduction.

#### Effectiveness of Moxa's Eco-Friendly Packaging Materials Selection



# 4 Responsible Procurement

## 4.1 Supply Chain Management 81

70%

The proportion of overall local procurement is increasing each year, reaching 70% by 2024, up 11% compared to 2022.

100%

The response rate of first-tier supplier sustainability risk survey was 100%, and training and improvement plans were established to address major deficiencies of high-risk suppliers.

100%

Organized 7 sustainability-related training sessions for procurement personnel with a training coverage rate of 100%

## Collaboration with Partners

Moxa is keen to provide high carbon-emitting suppliers with GHG inventories training and guidance, as well as CBAM reporting training and individual guidance for suppliers.



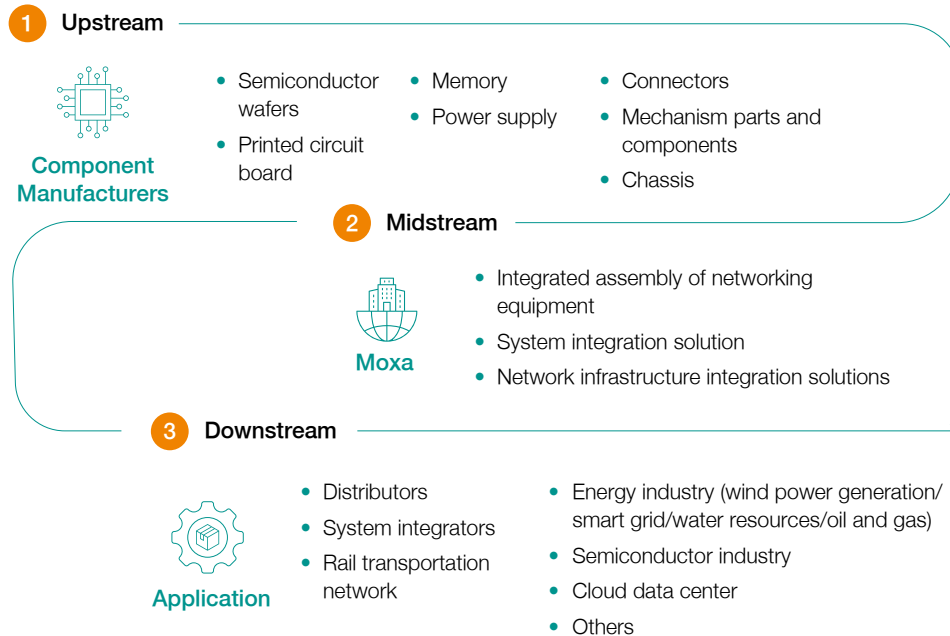
## 4.1 Supply Chain Management

### 4.1.1 Supply Chain Overview

#### Industrial Value Chain

As a leading manufacturer of IIoT devices, Moxa is committed to providing customers around the world with edge networking, industrial computing, and network infrastructure solutions required for the Industrial Internet. Moxa attaches great importance to customers' demand for stable supply. Through development and cooperation with upstream component suppliers, as well as through Moxa's equipment and system integration, we work to ensure long-term stable and reliable supply to the downstream supply chain. Moxa manages the component supply chain through a mature and comprehensive risk assessment and management mechanism that covers new supplier assessment, supplier risk assessment, supplier evaluation, material risk assessment, and two-way business interaction. Moxa works with suppliers to create high-quality products and services to achieve supply chain resilience and sustainable management.

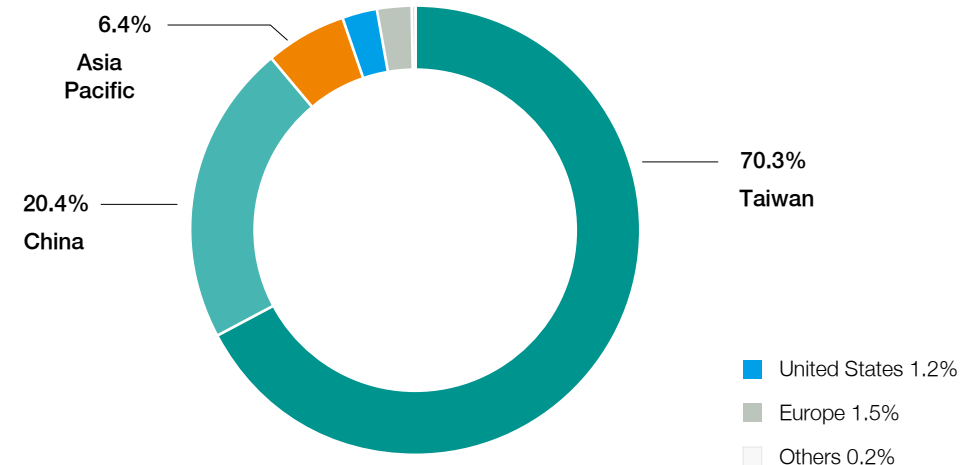
#### Moxa Industrial Value Chain



#### Composition of Suppliers

In terms of supply chain management, Moxa's suppliers are located in major regions, making Moxa's supply chain more flexible, as well as resilient in terms of risk mitigation. Moxa's suppliers are divided into direct procurement related to production, and indirect procurement unrelated to production. Direct procurement accounts for the vast majority of procurement expenditures over the years. The direct procurement items mainly comprise electronic materials, electromechanical materials, and mechanical materials, primarily from Taiwan and China.

#### 2024 Direct Procurement from Suppliers by Regions<sup>Note 1</sup>



Note 1: The regions of direct procurement suppliers are determined based on the location of their production facilities.

To effectively implement supplier management and implement supplier procurement strategies, Moxa categorizes suppliers based on principles such as procurement frequency, annual purchase amount, and raw material dependency and substitutability. Subsequently, it will implement tiered management and formulate procurement strategies tailored to different supplier categories. Moxa purchased from a total of 246 first-tier suppliers in 2024, of which key strategic first-tier suppliers accounted for 56.1% of the procurement amount. The procurement from non-key strategic first-tier suppliers accounted for 43.5%.

### Definition of Key Strategic First-Tier Suppliers



#### Agents

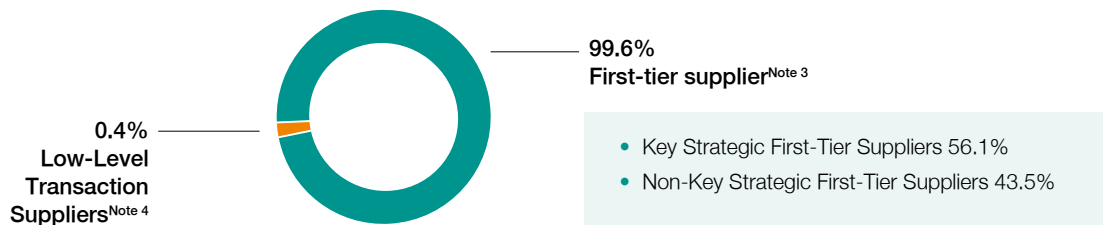
- Procurement amount > NT\$10 million or distributing strategic<sup>1</sup> or preferred<sup>2</sup> manufacturers' brands.
- Manufacturers: Strategic or preferred manufacturers.



#### Manufacturers

- Strategic or preferred manufacturers.

### 2024 Direct Procurement by Types of Suppliers



Note 1: Strategic manufacturers refer to suppliers of critical materials, whose technical or quality capabilities are difficult to replace, and that Moxa relies on them heavily.

Note 2: Preferred manufacturers refer to suppliers with an annual supplier evaluation rating of A4 - A5 (evaluation score > 80 points).

Note 3: First-tier supplier: Suppliers that are not engaging in one-time transaction, and the annual procurement amount is > NT\$300,000.

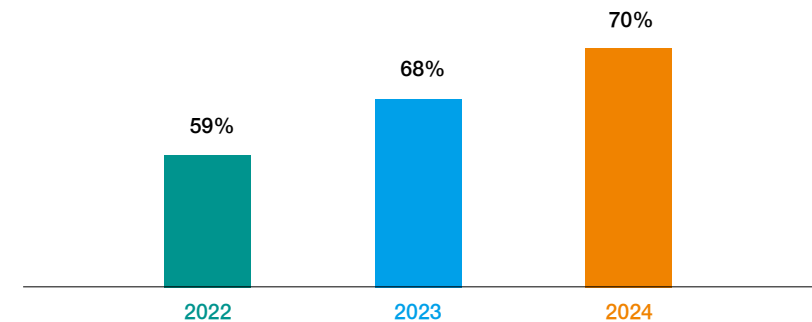
Note 4: Low-Level Transaction Suppliers: Suppliers that are not engaging in one-time transaction, and the annual procurement amount is ≤ NT\$300,000.

### Local Procurement

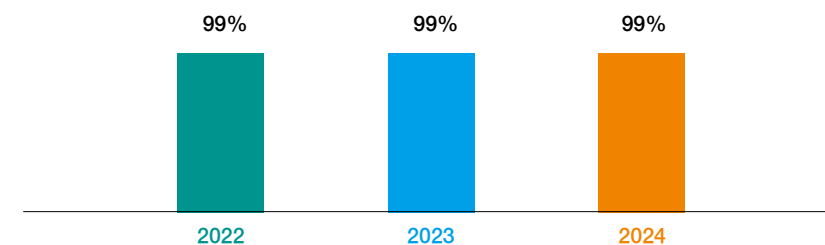
In 2024, Moxa's local procurement accounted for 70% of the total procurement amount. Of which, local procurement of mechanical parts and printed circuit boards (PCBs) accounted for 99%. In 2024, the overall proportion of local procurement increased by 2% compared to 2023. In the future, Moxa will continue to pay attention to local partners and establish close and long-term cooperative relations with local suppliers.

#### Local procurement<sup>1</sup> percentages for Taiwan headquarters

##### Proportion of Overall Local Procurement



##### Proportion of Locally-Procured Customized Parts<sup>2</sup>



Note 1: Local procurement is defined as Moxa's "order-and-receive" suppliers whose production location is in the same country as Moxa.

Note 2: Customized parts include mechanical parts and printed circuit boards.

## 4.1.2 Supply Chain Sustainability Management

### Sustainable Supply Chain Management Mechanism

#### Sustainable Supply Chain Management Strategies

Moxa believes that growing together with supply chain partners not only contributes to the sustainable operation of Moxa's business, but also enhances the sustainable growth of the entire value chain. Therefore, Moxa proactively invests resources in collaborating with supply chain partners. Utilizing three major sustainability management strategies, Moxa works together with supply chain partners to realize the shared value of sustainable development.



#### Sustainable Supply Chain Management Framework

Moxa's sustainable supply chain management framework is based on the existing supply chain risk assessment and management mechanism, which cover new supplier assessment, supplier risk assessment, supplier performance evaluation. Using the pre-, ongoing, and post-stage risk assessment management structures, Moxa conducts periodical supplier assessments, inspections, and management responses. This management framework is designed to incorporate dimensions of sustainability management, so that the existing management framework and performance evaluation can be upgraded. The goal is to optimize supply chain management, strengthen risk management mechanisms, enhance supply chain resilience, and co-create a win-win partnership, in hopes of imposing positive influence and taking on responsibility in contributing to a better society, economy and environment.

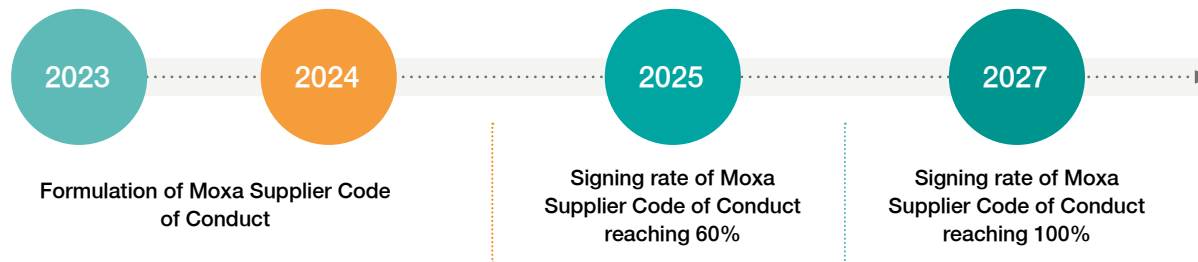
To implement sustainable supply chain management, Moxa encourages procurement personnel to incorporate sustainability concepts into supply chain management by linking performance evaluation to sustainability indicators. In the annual performance evaluation of procurement personnel, environmental, social and governance (ESG)-related KPIs account for 20% of individual performance goals, and the KPIs are adjusted accordingly based on different goals each year.

#### Moxa's Sustainable Supply Chain Management Framework

Management Structure	Execution target	Implementation period	Description of Implementation
<b>New Supplier Assessment</b>	New supplier	Before cooperation with new suppliers	New suppliers are required to comply with ISO 9001 and ISO 14001 management regulations, and ensure that their products meet Moxa's requirements on quality management, technical capabilities, process capabilities, costs, and sustainable development. In particular, requirements on sustainable development take into account the risks and compliance status of suppliers in terms of "human rights," "occupational health and safety," and "environmental management."
<b>Supplier Risk Assessment</b>	Existing Suppliers	The first half of each year	Conduct supplier risk surveys and assessments from the "ESG" (every three years) and "financial" aspects, and optimize the ESG risk assessment through the "Moxa Sustainable Supply Chain Questionnaire" to more comprehensively inventory and review suppliers' completion rate and risks for various dimensions of sustainable performance.
<b>Supplier Performance Evaluation</b>	Existing Suppliers	Q1 of each year	Moxa conducts supplier evaluations based on five major assessment dimensions: technology, quality, procurement, delivery, and green products. Subsequently, procurement strategies and management are implemented according to the evaluation results. In 2023, Moxa introduced ESG (Environmental, Social, and Governance) assessment criteria, which accounted for 15% of the evaluation, to review and enhance suppliers' sustainable business capabilities.

## Supplier Code of Conduct

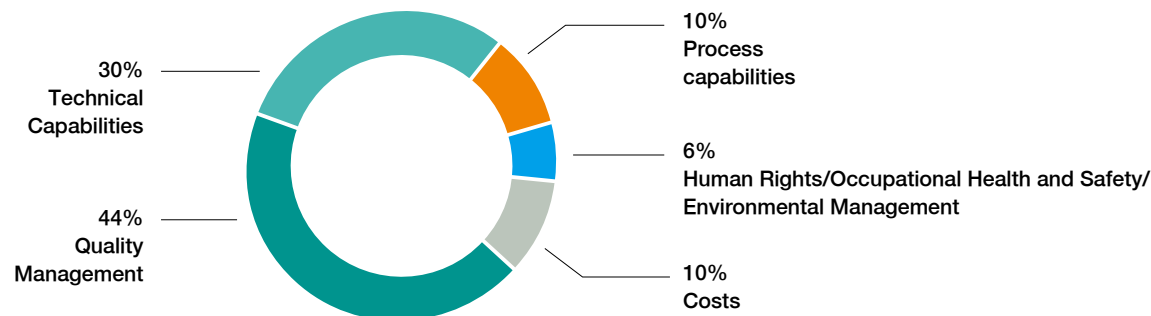
Moxa is committed to corporate sustainability, and we expect Moxa's supply chain partners to share the same philosophy and values. In 2023, Moxa used the Responsible Business Alliance (RBA) Supplier Code of Conduct as a blueprint to develop the "Moxa Supplier Code of Conduct" to ensure that all of its suppliers adhere to internationally-recognized sustainability standards. The Moxa Supplier Code of Conduct will be promulgated on the supplier relations management system in Q1 2025. We also set up a complaint mailbox for Moxa employees and suppliers to anonymously report violations of the Supplier Code of Conduct, or provide suggestions related to the Supplier Code of Conduct and procurement process. Moxa expects all supply chain partners to agree with Moxa's concept of sustainable development and abide by Moxa's Supplier Code of Conduct to build sustainable development of the entire supply chain.



## New Supplier Assessment

Moxa's new supplier assessment covers not only product quality management, technical capabilities, manufacturing capacity, and costs, but also sustainable development requirements (including human rights, occupational health and safety, and environmental management). Sustainable development assessment accounted for 6% of the assessment. New suppliers must have ISO 9001 and ISO 14001 certificates and comply with Moxa's green product policy and local regulations on labor rights, and occupational health and safety. In 2024, 100% of Moxa's new suppliers were evaluated and selected using environmental and social criteria.

### Dimensions of New Supplier Assessment



## Environmental and Social Standards Evaluation

 <p>Environmental Topics</p>	<h3>Environmental Management</h3> <ul style="list-style-type: none"> <li>Incidence of environmental protection violations in the previous year.</li> <li>Environmental protection declaration and operating records.</li> <li>Waste removal and treatment procedures.</li> <li>Implementation of environmental management systems.</li> </ul>
 <p>Social Topics</p>	<h3>Human Rights</h3> <ul style="list-style-type: none"> <li>Ensure/Commit a system for work hour and rest that complies with the laws and regulations of the country/region where employees are located, and keep records of employees' work hours.</li> <li>Formulate commitments or statements on human rights and anti-harassment and discrimination.</li> <li>Incidence of fines for violations of labor human rights/labor conditions in the past three years.</li> </ul> <hr/> <h3>Occupational Health and Safety</h3> <ul style="list-style-type: none"> <li>Dedicate health and safety management personnel/units and adopt an occupational health and safety management system.</li> <li>Establish occupational health and safety plans and the corresponding education and training.</li> <li>Conduct in-plant hazard identification and risk assessment, and compile the occupational hazard incidence for the past three years.</li> <li>Formulate a maternal health protection plan in the workplace to ensure the safety of pregnant and breastfeeding employees.</li> <li>Incidence of fines for violations of health and safety regulations for the past three years.</li> </ul>

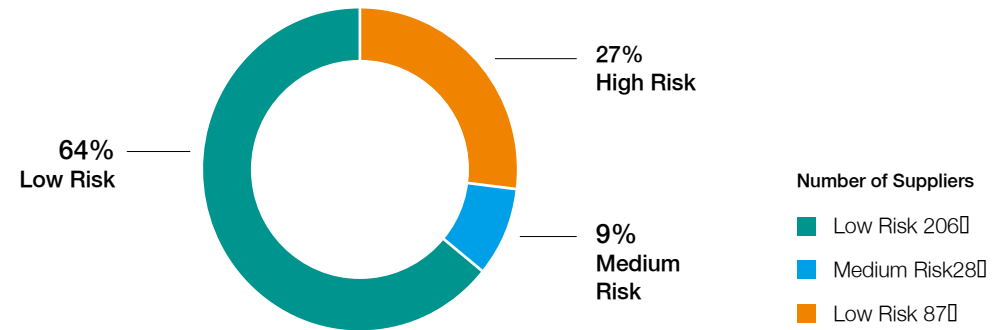
## Supplier Sustainability Risk Assessment

Moxa has designed a comprehensive supplier risk assessment mechanism. We periodically conduct supplier risk surveys every year on suppliers' "financial" and "operational" aspects. We have also conducted risk assessments on suppliers' implementation of sustainable development on a regular basis since 2023. From 2023 to 2024, Moxa distributed the "Sustainable Supply Chain Questionnaire" to first-tier suppliers (321 in total) we have had transactions with in the past three years. The total response rate was 100%. The evaluation content covered three major dimensions, namely the environment, society, and governance. Suppliers with a score of less than 60 points or deficiencies found in dimensions where compliance was mandatory were deemed as high-risk suppliers. According to the analysis results of the questionnaire, 87 suppliers were classified as high risk (27%), 28 as medium risk (9%), and 206 as low-risk (64%). High-risk suppliers had major deficiencies in "greenhouse gas emissions" and "energy management in the environmental dimension, and "occupational health and safety" in the social dimension.



### Moxa's Sustainable Supply Chain Questionnaire

Environmental	Social	Governance
<ul style="list-style-type: none"> <li>Greenhouse gases</li> <li>Energy management</li> <li>Water resource management</li> <li>Pollution prevention</li> <li>Green design</li> <li>Sustainable procurement</li> <li>Performance recognition</li> </ul>	<ul style="list-style-type: none"> <li>Human rights and labor conditions</li> <li>Harassment and discrimination</li> <li>Occupational health and safety</li> <li>Labor relations</li> <li>Employee support and benefits</li> <li>Performance recognition</li> </ul>	<ul style="list-style-type: none"> <li>Ethical corporate management</li> <li>Risk management</li> <li>Information security</li> <li>Privacy management</li> <li>Regulatory compliance</li> <li>Sustainable supply chain management</li> <li>Performance recognition</li> </ul>

### Moxa Sustainable Supply Chain Risk Survey Results

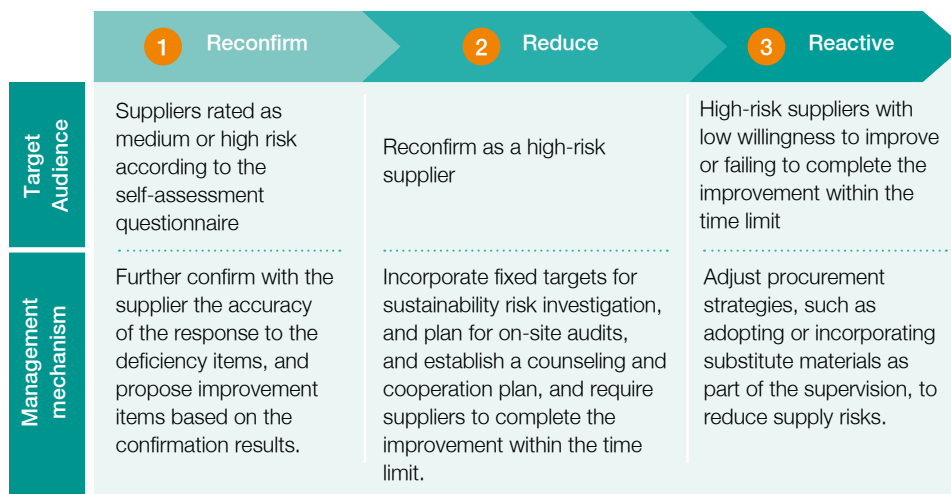


### ESG Risk Factors of High-Risk Supplier

	Topic	Risk Factor
 Environment	Greenhouse gases	Failure in performing scope 1, 2, and 3 GHG emission inventory
	Energy management	Failure in setting energy/renewable energy management and goals
 Social	Occupational health and safety	Failure in dedicating occupational health and safety management personnel in accordance with local regulations Failure in formulating a labor health protection plan in accordance with local laws and regulations

Moxa plans to manage suppliers' negative sustainability-related impacts through a 3R mechanism, targeting not only high-risk suppliers, but also medium-risk suppliers. Moxa will conduct on-site audits for both medium and high-risk suppliers to gain practical insights into their current status and challenges regarding sustainability issues. Subsequently, cooperation plans will be established to address the main areas of deficiency, in the hope that Moxa and medium to high-risk suppliers can work together to undertake improvement measures. The collaborative effort seeks to mitigate sustainability risks across Moxa's entire value chain, thereby enhancing the competitiveness of both the supply chain and Moxa as an organization.

### Moxa's 3R Supplier Negative Impact Management Mechanism



### Supplier Performance Evaluation

At the end of each year, Moxa will conduct an annual supplier performance evaluation for suppliers whom Moxa transacts with during the year. Based on the evaluation results, Moxa will provide incentives, guidance, or replace disqualified suppliers, so as to establish a robust supply chain. The annual performance evaluation covers five major dimensions, namely technology, quality, cost, delivery time, and green products. Suppliers are ranked A1 - A5 according to the evaluation ratings, and an annual evaluation meeting will be held to reach a consensus based on the evaluation results. The formulation and implementation of the procurement strategy for the coming year will also be initiated. To review the sustainable management capabilities of suppliers, Moxa added ESG-related evaluation questions (accounting for approximately 14% of the total questions) in 2023. The evaluation indicators mainly include "corporate social responsibility (CSR) performance," "sustainability-related certifications" (e.g., ISO 14001, ISO 9001, ISO 14064, ISO 45001, or ISO 27001), "GHG inventory assessment and reduction action performance," "ability and willingness to comply with Moxa Supplier Code of Conduct," "sustainable materials," and "ESG quality issues."

### Supplier Evaluation Rating

	Score	Rewards and Improvement Actions
A5 Outstanding	Total score: over 90	<ul style="list-style-type: none"> <li>Give priority to accepting new materials and provide preferential trading terms.</li> <li>Select as excellent suppliers and award medals.</li> </ul>
A4 Good	Total score: 80-89.9	Provide positive incentives and maintain the status quo in terms of transaction activities.
A3 Room for Improvement	Total score: 70-79.9	Conduct a three-dimensional evaluation (supplier risk/dependency/improvement opportunity) based on the quality performance trend of the past three years.
A2 Countermeasures Required	Total score: 60-69.9	Conduct a three-dimensional evaluation (supplier risk/dependency/improvement opportunity) based on the quality performance trend of the past three years.
A1 Unqualified	<ul style="list-style-type: none"> <li>Total score: below 59.9</li> <li>or quality score accounting for &lt;60%</li> <li>or procurement score accounting for &lt;60%</li> </ul>	<ul style="list-style-type: none"> <li>Hold a consensus meeting to determine whether it should be placed under supervision (evaluation supervision/strategic supervision).</li> <li>Stop new material orders and prevent incoming material anomalies.</li> <li>Use of materials from suppliers under strategic supervision should be restricted (Stop Moving).</li> </ul>

## 4.1.3 Improve Supply Chain Sustainability

### Sustainability Training for Procurement Personnel

To cultivate sustainability awareness in procurement personnel and integrate ESG promotion and supplier management practices, Moxa conducts sustainability-related education and training or awareness campaigns for procurement personnel every year. A total of 7 training courses<sup>1</sup> were held in 2024, where 117 trained procurement personnel attended, garnering a total of 141.5 training hours. The annual training coverage rate reached 100%<sup>2</sup>.

### Improvement of Cooperation with Supplier in Terms of Quality Control

Moxa works with suppliers to improve their quality in a series of collaboration, ranging from Quality Process Audit (QPA) to Quality Guidance and Improvement Plan. The main purpose of which is to improve the process, yield rate and management mechanism of supplier production to optimize the quality performance and resilience of the supply chain. Moxa manages suppliers' production processes and yield by conducting audit on production processes according to the QPA. The goal is to rank the suppliers' technical level and enhance their control capabilities on process quality, and prevent the potential risks of them failing to implement process management requirements.

Note 1: The data covers the business and production sites of Moxa in Taiwan. Training courses include "Sustainable Supply Chain Questionnaire", "Response and Mitigation Mechanisms for High-Risk Suppliers", "ESG Campaign and Promotion", "Guidance for Corporate Low Carbon Transition", "Supplier Code of Conduct", "GHG Inventory Internal Audit", and "CBAM Trends and Reporting".

Note 2: Annual training rate = Total number of attendees in each course ÷ Total number of attendees required for each course.

### QPA Identification of Supplier Ability Level

	Description	Response Action
95~100 (Excellent)	Outstanding production capability, of which production quality can meet customers' special standards	No improvement actions required.
90~94 (Good+)	Excellent production capability, of which production quality can meet customers' standards	No improvement actions required.
80~89 (Good)	Excellent production capability, of which production quality can meet customers' standards	No improvement actions required.
70~79 (Fair)	The production process meets the requirements of Moxa and can produce Moxa standard parts	Early warning is required, changes in trends need to be observed to prevent deterioration.
60~69 (Poor)	Unqualified suppliers (listed as low-quality suppliers), whose production capabilities do not meet Moxa requirements, but can otherwise do so through deficiency improvement or guidance	Assist suppliers in QPA and QTE management improvements.
<60% (Fail)	Unqualified suppliers whose production capabilities do not meet Moxa requirements	Convene an internal meeting to decide whether to include suppliers in the evaluation and supervision process and take corresponding improvement measures.

Based on the annual supplier evaluation results, suppliers with quality concerns will be placed under supervision after a consensus meeting decision and will not be allowed to undertake new projects in the future. However, in line with Moxa's philosophy of maintaining long-term partnerships and enhancing supply chain flexibility, an annual quality improvement program will be initiated for suppliers willing to improve their quality. If the supplier meets the quality improvement targets during the year of guidance, the supervision status will be lifted, and they will revert to being a regular supplier. This approach aims to maximize the benefits of quality improvement for both parties through cooperation.

### Quality Guidance and Improvement Plan

#### Short-term Countermeasure

Enhance supplier shipment detection ability: To effectively improve the quality of suppliers' finished products, it is necessary to improve the detection ability to intercept defective products in the supplier's factory.

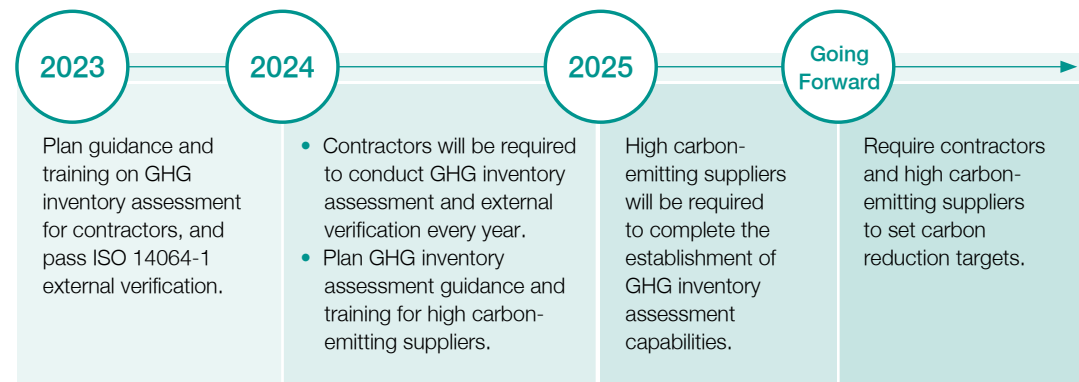
#### Long-term Countermeasure

Strengthen supplier production management capabilities: Identify the suppliers' production management weaknesses and provide them with guidance to help deepen the production management capabilities and improve product quality.

## Collaborating with Supply Chain Partners in Respond to Climate Change

### Guidance and Training on GHG Inventory Assessment

Moxa held the "Low-Carbon Supply Chain Promotion Meeting" in 2024, inviting high carbon-emitting suppliers to participate. During the meeting, we delineated Moxa's goals for GHG reduction to suppliers and areas that required collaboration and cooperation from suppliers. In addition, Moxa assists high carbon-emitting suppliers by holding GHG inventory assessment training courses (a total of 37 people attended), and provides guidance to assist them in building GHG inventory assessment capabilities. This will help Moxa to accurately obtain information on GHG emissions in the supply chain, which serves as the basis for calculating scope 3 GHG reduction. Moxa's high carbon-emitting suppliers will complete the greenhouse gas inventory assessment training in 2025. In the future, Moxa will require suppliers to set carbon reduction targets and work with Moxa to achieve the goal of net-zero emissions by 2050.



### Assisting Suppliers in Complying with CBAM Regulations

The Carbon Border Adjustment Mechanism (CBAM) is an EU's policy to collect additional fees on imported high-carbon emission products in response to climate change. Its purpose is to prevent carbon leakage, facilitate the enhancement of carbon emission standards in international trade, and protect enterprises within the EU from the impact of competition from countries with low environmental costs. In order to comply with the CBAM regulations, Moxa will be required to provide product carbon footprint information to agents and importers in the future, so that they can import Moxa products to the EU and mitigate the risk of supply chain disruptions on the customer end.

Currently, Moxa's regulated products are mainly "installation accessories for switches and converters." We have a total of 10 suppliers who are required to provide carbon footprint information in conjunction with Moxa's requirements. In 2024, Moxa held a training program on CBAM trends and reporting to provide an introduction to the regulations and an elaboration of the process for filling out the CBAM data. Additionally, each supplier is provided with 20 hours of personal guidance to ensure that they can assist Moxa properly in providing the information needed for CBAM reporting in the future. The effort will maintain the long-term benefits of upstream and downstream supply chains.

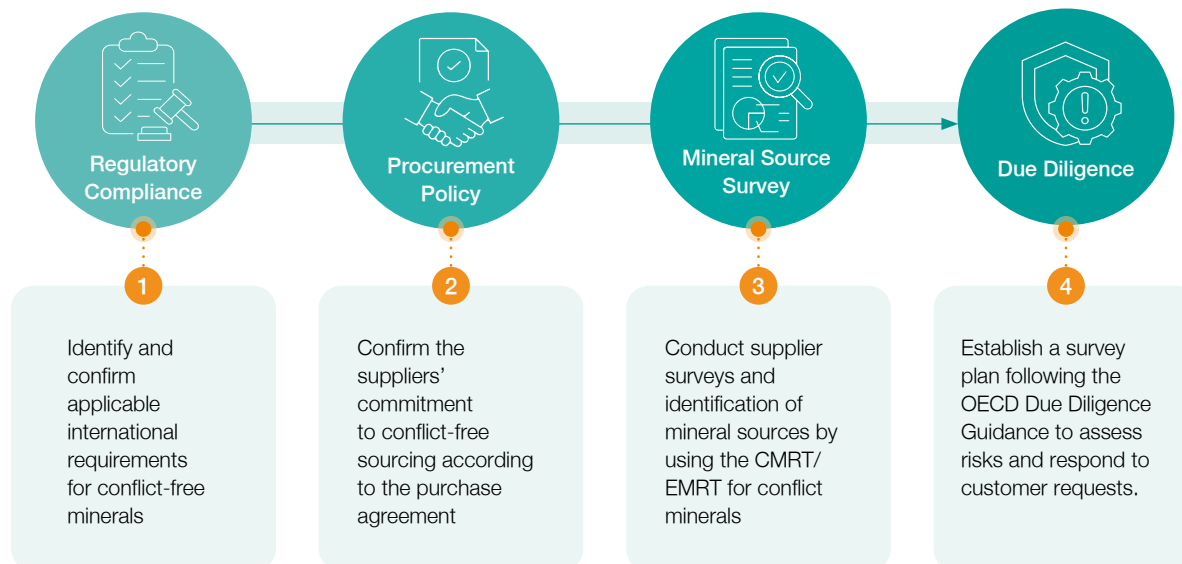
## 4.1.4 Responsible Mineral Sourcing

### Responsible Minerals Management

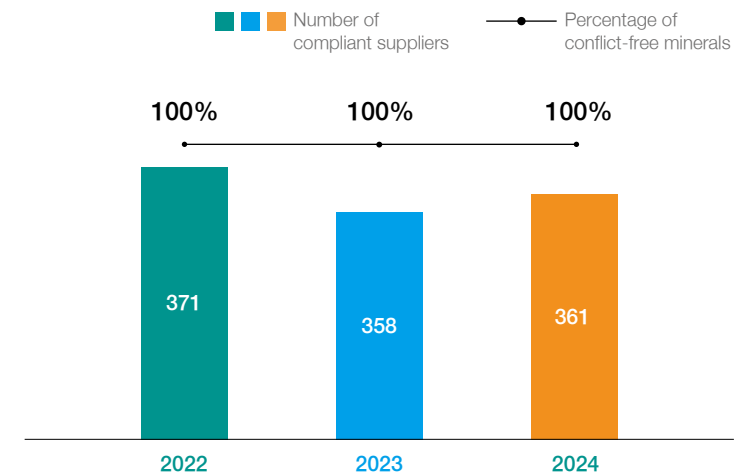
The Responsible Minerals Initiative (RMI) has found that armed rebel groups in the Democratic Republic of the Congo and surrounding countries obtain minerals, such as tantalum, tin, tungsten, gold, cobalt, and mica, through illegal means including forced labor and child labor. These minerals are sold to finance arms deals, resulting in violent conflict and war. Minerals extracted under such conditions of armed conflict and human rights abuses are classified as conflict minerals.

To avoid contributing to harmful practices, Moxa sources conflict-free raw materials from reliable suppliers to ensure that the human rights, health and environment of communities in mineral-producing regions are not compromised. Based on this principle, Moxa adopts regulatory compliance measures, requiring suppliers to commit in their purchase agreement not to use conflict minerals illegally. Establish a due diligence framework following the “Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas” published by the Organization for Economic Cooperation and Development (OECD). Conduct annual supplier surveys using the Conflict Minerals Reporting Template (CMRT and EMRT), based on the suppliers and brand data from the preceding year. Identify smelters according to the RMI’s lists of active and conformant smelters. Require suppliers to disclose smelter information and ensure sourcing from qualified smelters. In 2024, cobalt and mica, minerals of increasing concern to customers, were included in the survey for the first time. Moxa collects supplier responses and assess the current status to continuously evaluate potential policy adjustments and development of the related procedures and management measures.

#### Responsible Minerals Management Process



#### Conflict-free Minerals Due Diligence



# 5 Inclusive Workplace and Society

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## The First

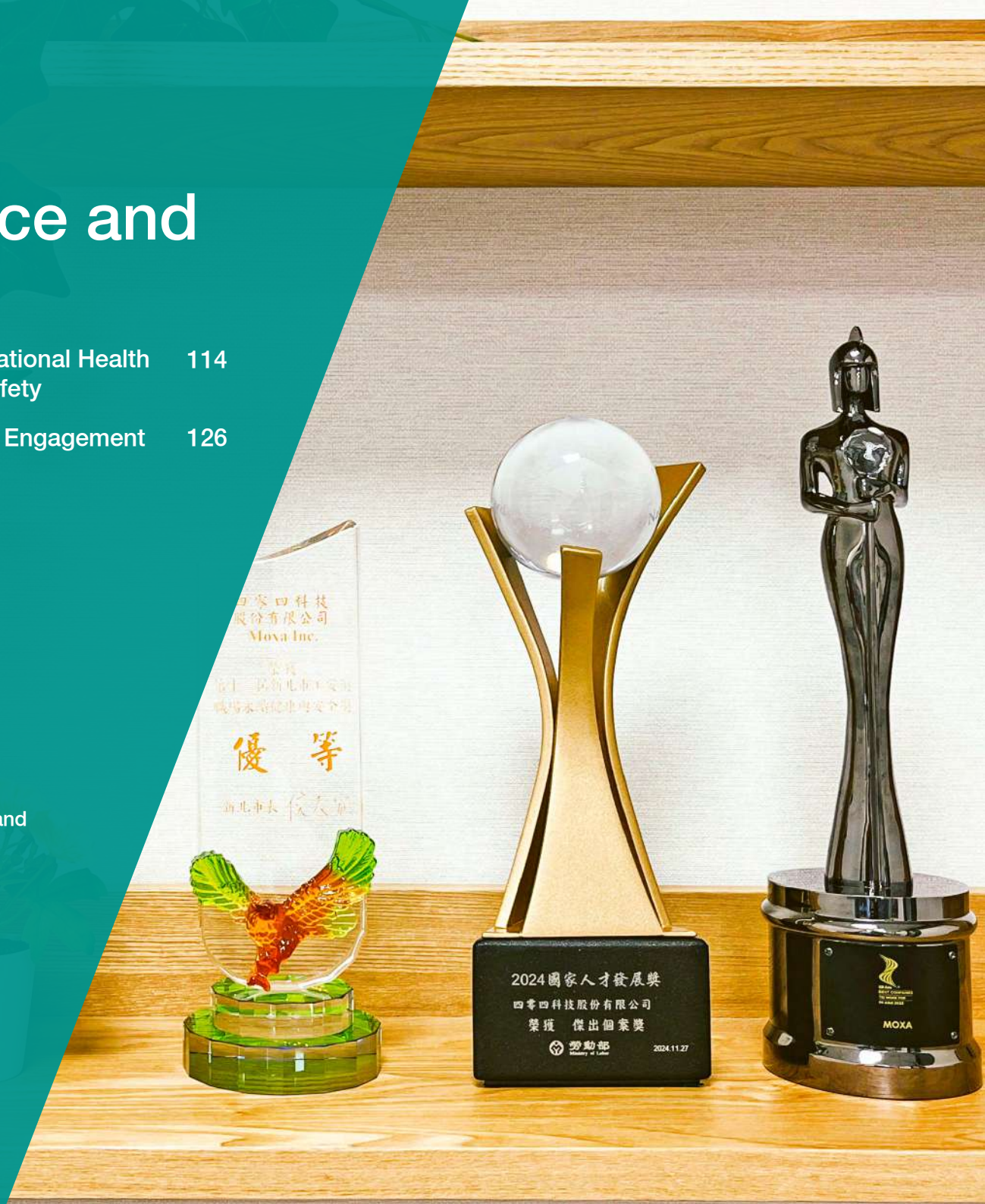
Recognized with the "National Talent Development Award" and the "104 Employer Brand Award."

## 94% Retention Rate

The retention rate of new recruits in the past three years was >90%, and reached 94% in 2024.

## 0 Occupational Accidents

No occupational or safety accidents occurred within or outside the factory, and no regulations related to occupational health and safety were violated.



## 5.1 Talent Attraction and Retention

### 5.1.1 Talent Recruitment

#### Recruitment Strategies

Moxa is a company that prioritizes its employees, values long-term success, and fosters participation, sharing, and a sense of belonging. Moxa complies with labor laws and regulations in all locations worldwide. By upholding the principles of diversity, equality, and inclusion in its recruitment policies, Moxa ensures that hiring decisions are not based on non-job-related factors such as race, skin color, age, religion, nationality, gender, sexual orientation, marital status, political stance. This will ensure that suitable talent is selected, and Moxa can attract a wide range of outstanding talents. Meanwhile, Moxa offers competitive salaries and benefits, people-oriented management, and a well-established career development system to foster an environment where employees can grow and thrive.

In the face of rapid industrial changes in the post-pandemic era and the evolving demands of the new generation workforce, competition in the employment market has become increasingly intense. To attract top professionals, Moxa has refined its recruitment strategy. Apart from leveraging diverse recruitment channels and flexible approaches, Moxa also runs a series of campaigns to strengthen its employer branding. These initiatives significantly boost awareness and favorability regarding Moxa among potential candidates. The diverse recruitment channels include job platforms, social media, campus recruitment events, credit courses, industry-academic collaborations, internship programs, company tours, and headhunters. Additionally, Moxa attracts and trains young talents through its Moxa Farming System, focusing on developing future leaders in the industrial automation sector.

#### Key Recruitment Programs



##### Campus Recruitment

Moxa proactively participates in campus recruitment drives at target universities to enhance its presence among students. Meanwhile, they also invite Moxa employees who are alumni of these universities to engage with students preparing to enter the workforce. By sharing their professional journeys and experiences, along with company information and job opportunities, these alumni help students reflect on and plan for their future career paths.

In 2024, Moxa participated in five campus recruitment drives at major universities in northern Taiwan, reaching over 3,000 students, and demonstrating strong employer brand visibility. The number of participants in National Taipei University of Technology, National Taiwan University of Science and Technology, National Central University, and other universities reached a record high. For the first time, more than half of the students indicated that they have heard of Moxa beforehand, reflecting the positive impact of years of employer branding efforts. Among students who interacted with Moxa, nearly 70% were master's students, which is highly in line with Moxa's demand for top-tier R&D talents.



**National Taiwan University (NTU) Campus Recruitment Drive**



**National Yang Ming Chiao Tung University (NYCU) Campus Recruitment Drive**



##### Offering Credit Courses

Moxa collaborates with select universities to offer technical micro-credit courses and partners with faculty to deliver company-specialized technologies and practical applications as industry experts. This initiative enables students to quickly gain exposure to industry trends and hands-on experience, and access internship opportunities, supplementing their academic education with real-world technological learning.

In 2024, Moxa once again partnered with National Tsing Hua University and attracted 24 students with a background mainly in science and engineering to participate in a three-month program. The course topics focused on communication technologies, cybersecurity, and industry-specific application challenges. The course content covered both theoretical and practical aspects. Moxa engineers were specially invited to shed light on job roles and career paths, aiming to inspire students to reflect on and plan for their future careers. The program received enthusiastic responses from students. In addition, to help students learn more about Moxa, corporate tours were held at the end of 2024, inviting course participants and students from other departments or universities to visit Moxa. During the event, students were given the opportunity to learn about the actual work environment and corporate culture of Moxa. This immersive experience helped strengthen Moxa's brand identity and appeal among the next generation of talent.



**Micro-credit Courses at National Tsing Hua University (NTHU), 2024 Cohort**



**Moxa Engineer Sharing Session in the Micro-credit Courses at National Tsing Hua University (NTHU)**



## Corporate Seminars

Moxa collaborates with faculty at target universities to enter classrooms and share insights into industry demands, challenges, and technologies. Current Moxa employees who are alumni of these universities are also invited to share their career development experiences. This approach offers students a comprehensive and in-depth understanding of Moxa's corporate culture, products and technologies, and career development opportunities, providing valuable guidance for their future career planning.

In 2024, Moxa held a total of seven corporate seminars at universities across northern and southern Taiwan, reaching over 800 science and engineering students. These events included technical presentations, work experience sharing, and career advice from recent graduates, so that students could learn about Moxa's expertise and work practices. Through in-depth interactions and meaningful exchanges, the seminar earned much satisfaction and recognition from participating students.



**Seminar in the National Taipei University of Technology**



**Seminar in the National Cheng Kung University**



## Corporate Tours

By inviting students from target university departments, Moxa organizes a customized event titled "Get to Know Moxa in One Day." This includes company introduction, its industry applications, products, job roles, alumni job search experiences, and lab tours. Through interactions with Moxa employees, students can experience the workplace atmosphere at Moxa in depth.

In 2024, a total of four corporate tours were held in the first and second half of the year, respectively. Moxa was able to interact with more than 100 students from target universities. During the visit, students showed much enthusiasm and curiosity, and were impressed by Moxa's technology and work environment. After the event, many students remained actively engaged with Moxa employees, seeking advice on career paths and future opportunities. The tours garnered much satisfaction. More than 80% of the students expressed interest in subscribing to Moxa's newsletter and following the company on social media, which established long-term connections and engagement for both parties.



**Corporate tours for students from National Tsing Hua University and National Yang Ming Chiao Tung University**



**Corporate tours for university students from the northern region**



## Online Job Boards

Moxa actively utilizes job boards to publish job openings and participate in platform-driven recruitment campaigns, enhancing the visibility of job opportunities and campus management-related information through targeted advertising. Meanwhile, supervisors and employees are encouraged to maintain a professional presence on the talent recruitment platforms, allowing potential applicants can quickly learn about Moxa and reach out directly. This strategy strengthens Moxa's brand awareness and appeal to the talents.

In 2024, Moxa invested resources in diverse platforms such as 104 Job Bank, LinkedIn, and the official recruitment website, sharing Moxa's corporate culture and work life with global talents and welcoming emerging and experienced professionals. Meanwhile, these platforms also provide real-time listings of all job openings, so that job applicants can explore opportunities through different channels, interact with the company directly, and easily submit their applications. In addition, Moxa proactively manages a talent database for specialized technical fields. As of now, database across more than six categories of professional talents have been established and are continuously being expanded to ensure sufficient preparation for future hiring needs.



**104 Job Bank, Moxa Pavilion**



**Moxa Official Recruitment Website, Intern Tab**



## Internship Programs

Moxa offers many practical work opportunities for students to gain real-world experience before entering the workforce. These opportunities include hands-on job responsibilities, exposure to the work environment and company culture, as well as workplace integration and soft skill training. The goal is to help students bridge the gap between theoretical knowledge and practice application. For those with outstanding performance and meeting the characteristics required by Moxa, they will have the opportunity to continue working with the company and transition smoothly into full-time roles.

In 2024, Moxa organized a two-month summer program with a total of 20 participating students. The internship program covered professional training, corporate cultural immersion, and career exploration activities, all of which received very positive feedback. When completing the training, more than 90% of the students expressed interest in joining Moxa in the future, and showed enthusiasm for staying connected by following Moxa's social media channels and sharing their internship experiences. This further deepened the connection between Moxa and students, laying a solid foundation for future talent recruitment.



**2024 Moxa Summer Internship Participants**



**Interns Visiting the Bade Plant**



## Industry-Academic Education

To strengthen the connection between the industry and academia, Moxa actively promotes industry-academic education and engages in in-depth exchanges with university faculty to better understand their course needs and expectations. By integrating Moxa's technical expertise and industry applications, the courses serve as a platform for students to explore the fields and real-world uses of industrial communications before entering the workforce.

In 2024, Moxa collaborated with faculty from National Yang Ming Chiao Tung University and National Taiwan University of Science and Technology to offer three specialized courses, which attracted around 80 students. The courses focused on how network technologies are applied in industrial control, and combined practical experience sharing to help students learn more about the value of technology in real-world scenarios. After finishing, the difficulty and usefulness of the courses were highly regarded by students, and they hoped for more sharing on related topics in the future. In addition, the partner faculty also gave positive feedback on the courses, where they looked forward to deepening industry-academia collaboration with Moxa in the future, jointly promoting exchanges between education and industry, and working together to cultivate outstanding talents.

## Strengthening Employer Branding

Since Generation Z primarily relies on the internet for information and frequently engages with digital platforms like Facebook, Instagram, and YouTube, Moxa proactively seeks to connect with the younger generation through social media. In 2024, Moxa continued to optimize its social media presence by regularly sharing content related to job openings, workplace environment, employee benefits, company cultural, recruitment events, learning and development resources, alumni career journeys, and executive insights. With improvement in content quality, the number of followers increased by 38% compared to 2023. To further appeal to the target audience, Moxa launched a creative psychological test, "What's Your Type If You Were a Cat?" Based on the Bartle taxonomy of player types, the test attracted interest from over 100,000 potential candidates, who engaged with it to gain insights about themselves. Through this interactive experience, participants also developed a stronger affinity with the Moxa brand. In addition, Moxa organized internal community gatherings to encourage employees to share and support employer branding content on social media. Through networking, we further expanded awareness of Moxa among target groups and conveyed a coherent and authentic employer brand image. Meanwhile, to ensure the consistency of the brand image, Moxa regularly monitors the comments on various platforms. In addition to acknowledging positive feedback, Moxa also established a task force to address constructive suggestions. This allows the company to gain deeper insights and implement improvements, continuously enhancing the experience of job applicants and employees.



A lecture in National Yang Ming Chiao Tung University



A lecture in National Taiwan University

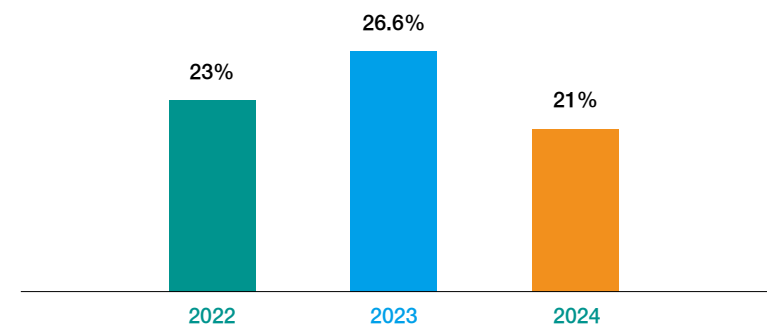


Candidate Trying Out "What's Your Type If You Were a Cat?"

## Employee Referral and Internal Transfer System

To encourage employees to refer suitable candidates, Moxa introduced an enhanced referral bonus mechanism in 2022. This initiative led to an increase in the internal referral hiring rate from 23% in 2022 to 26.6% in 2023. In 2024, the overall internal referral rate slightly declined, mainly due to changes in the structure of departmental quota, and significant results of employer branding efforts, which created a substitution effect as Moxa attracted more external applicants. However, in terms of senior-level job openings, the internal referral rate in 2024 still increased by 2% compared to 2023. This demonstrates that employees are continuing to build a stronger connection with Moxa's culture and values, motivating them to refer more friends and family to join the company.

### 2022 to 2024 Internal Referral Hiring<sup>Note 1</sup>



Note 1: The data is for the Taiwan headquarters.

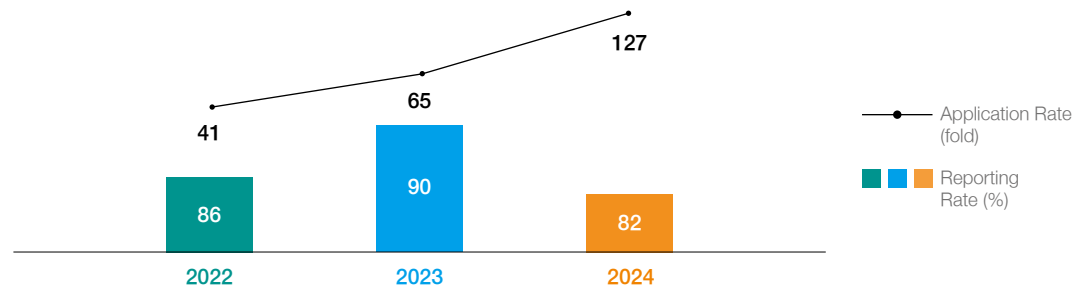
Note 2: The data includes all Moxa's full-time employees worldwide (excluding contract employees and MOXA Foundation staff). Transfer rate = Number of transfers ÷ Total number of employees in the group.

Moxa supports employees' long-term career development by implementing an open internal transfer mechanism that lowers the barriers to changing positions and streamlines the process. At the same time, through a more accessible and transparent mechanism, employees are provided with access to multiple job opportunities and a platform for functional growth and development. This approach helps employees expand their horizons and capabilities, so as to develop all-round excellent talents across units and functions. The internal transfer rate is calculated based on the number of job openings Note. In 2024, 7% of employees were placed through internal transfer.

## New Hire and Onboarding

Moxa offers competitive remuneration and benefits, a diverse learning environment, and meaningful job roles to attract outstanding talents, and works to foster a work-life balance in the workplace. In 2024, the Taiwan Headquarters recruited for 106 positions, receiving a total of 13,498 resumes. Among these, 74 candidates were offered full-time employment, and 61 reported to work, resulting in a reporting rate of 82%. Globally, Moxa hired a total of 84 new full-time employees in 2024, with an average new hire rate of 4%.

### Application Rate and Reporting Rate in 2022-2024<sup>Note 1</sup>



### 2024 New Hire Gender Distribution<sup>Note 2</sup>

		Male		Female		Total	
		Persons	Percentage	Persons	Percentage	Persons	Percentage
Region	Taiwan	36	59%	25	41%	61	72%
	China	5	63%	3	38%	8	10%
	United States	3	50%	3	50%	6	7%
	Europe	4	44%	5	56%	9	11%
	Other Asia Pacific Regions	0	0%	0	0%	0	0%
Age	Under 30	17	65%	9	35%	26	31%
	30 - 50	29	58%	21	42%	50	59%
	Over 50	2	25%	6	75%	8	10%
Total		48	57%	36	43%	84	100%

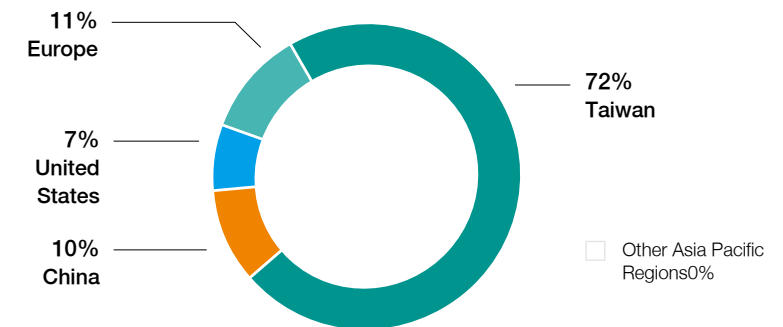
Note 1: The data is for the Taiwan headquarters.

Note 2: The data includes all Moxa's full-time employees worldwide (excluding contract employees and MOXA Foundation staff).

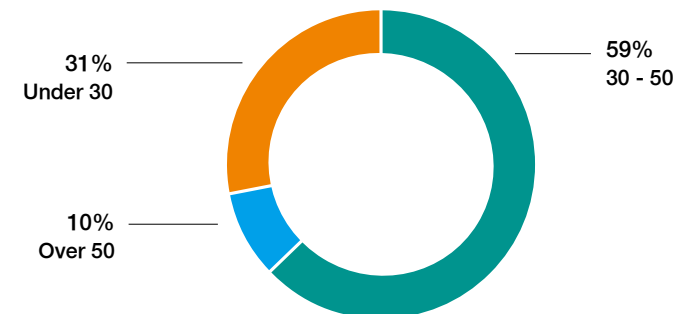
### 2024 New Hires by Gender



### 2024 New Hires by Regions



### 2024 New Hires by Age



## 2022 to 2024 Distribution of New Hire Rates

		2022		2023		2024	
		Number of New Hires (person)	New Hire Rate	Number of New Hires (person)	New Hire Rate	Number of New Hires (person)	New Hire Rate
Region	Taiwan	294	22%	284	19%	61	4%
	China	29	23%	26	20%	8	6%
	United States	7	9%	24	29%	6	7%
	Europe	7	10%	19	26%	9	12%
	Asia Pacific and Other Regions	13	48%	9	29%	0	0%
Total		350	21%	362	19%	84	4%
Gender	Male	213	19%	223	19%	48	4%
	Female	137	25%	139	23%	36	6%
Age	Under 30	145	54%	164	55%	26	8%
	30 - 50	193	16%	192	15%	50	4%
	Over 50	12	7%	6	3%	8	4%

Note: The data includes all Moxa's full-time employees worldwide (excluding contract employees and MOXA Foundation staff).

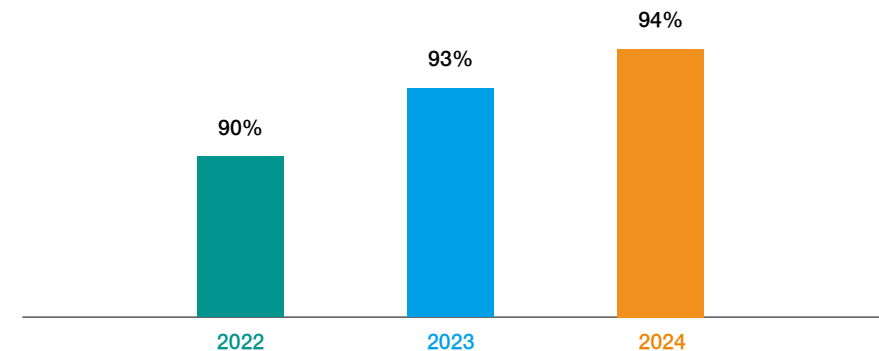
Note: New hire rate = total number of new employees ÷ average number of employees in the year.

## New Hire Support and Retention

To help new employees quickly adapt to the workplace, Moxa begins with orientation training. When they first report to work, new hires participate in a series of onboarding activities to familiarize them with the work environment, including orientation for new employees, occupational safety instructions, and online professional courses tailored to their positions. Furthermore, a Buddy will be arranged to support them assimilate into the work environment, and learn the work processes and company culture. Supervisors will also conduct regular one-on-one check-ins to find out about the work and cultural adaptation status of new employees. In addition, new recruits will be given an online questionnaire after 60 days of employment to provide immediate feedback on their adaptation status. Based on the feedback, both the department supervisor and HR will provide the necessary support and assistance. The three-month turnover rate for new employees in 2024 was 1.2%, representing a 1.6% decrease compared to 2023.



## 2022 to 2024 New Hire Retention Rate



Note: The data includes all Moxa's full-time employees worldwide (excluding contract employees and MOXA Foundation staff).

Note: Retention rate = Number of new employees retained one year after the start date of employment ÷ Total number of new employees.

## 5.1.2 Talent Diversity and Inclusion

### Diversity, Equity, and Inclusion (DEI) Commitment and Actions

#### Implementation of Diversity and Inclusion Concepts

Moxa is proactively in establishing a workplace environment that respects diversity, promotes equity, and strengthens inclusion. By conveying clear core values, system policies, training promotion, and various support measures, we ensure that every employee can realize their potential and grow together in a fair and respectful environment.

#### Diverse Promotion Plans

 <p>Core Values</p>	<ul style="list-style-type: none"> <li>▶ Mutual respect is one of Moxa's core values, emphasizing that employees recognize each other's strengths and contributions, and respect and cherish the differences between individuals.</li> </ul>
 <p>System &amp; Policy</p>	<ul style="list-style-type: none"> <li>▶ Through comprehensive human resource management measures and systems (including recruitment and appointment, education and training, performance management, and remuneration and benefits), we ensure that all full-time employees are treated fairly and have equal resources and development opportunities in all aspects of the selection, training, employment, and retention processes.</li> <li>▶ Through Moxa's Code of Conduct, Preventive Measures and Disciplinary Procedures for Sexual Harassment in the Workplace, and Prevention and Management of Workplace Misconduct we ensure a safe workplace environment free from discrimination, violence, and sexual harassment.</li> </ul>
 <p>Training and Promotion</p>	<p><b>Special Topic Lectures</b></p> <ul style="list-style-type: none"> <li>▶ In 2024, Moxa held a seminar entitled "He and She—Everything About Gender Equity in the Workplace," available both physically and online. A speaker from the Awakening Foundation, one of Taiwan's main advocacy organizations for affirmative action, was invited to share the core values of gender equity, and discuss actual cases in workplace. The seminar aimed to raise awareness on this matter and instill the correct concepts in employees.</li> </ul> <div data-bbox="801 1177 1061 1308">  </div> <p><b>DEI seminar</b></p>

#### Training and Promotion

##### Physical Workshop

- ▶ The Code of Conduct Workshop is mandatory for all employees of Moxa. Through case studies and experience sharing, the workshop strengthens employees' understanding of the Code of Conduct and ensures that they can align their behavior with the company's values and standards. [\(Please refer to 1.3.1 Integrity Value - Code of Conduct Advocacy and Training\)](#)

##### Professional Digital Courses

- ▶ In 2024, four DEI E-learning courses were conducted to comprehensively enhance the understanding of DEI among employees, managers, and across organization, ensuring that Moxa is working to achieve diversity and inclusion.
  - Microaggressions: Learn about the impact of microaggressions on groups and be aware of one's own behavior.
  - Unconscious bias: Help employees identify and overcome potential biases to create a more inclusive way of thinking.
  - Inclusive leadership: Strengthen the leadership capabilities of managers in team management and create a fair and respectful work environment.
  - Leaders of a diverse group: Cultivate managers' leadership skills in a diverse team and promote cross-cultural and cross-background collaboration.



##### DEI E-learning courses

##### Multi-Cultural Literacy

- ▶ The employee composition of Moxa covers different nationalities and ethnicities. In order to cultivate the cross-cultural literacy across all employees, in 2024, we produced podcasts or E-learning courses of four countries, including Belgium, India, Malaysia, and Japan. By interviewing with employees of different nationalities, we guided all employees to explore the history and humanistic characteristics of each country, and improve their understanding and respect for diverse cultures. [\(Please refer to 5.3.2 Key Development Programs and Performance - Culture and Core Value\)](#)

## Diverse Workforce Composition

Moxa proactively attracts diverse talents from the world. Currently, the global workforce comprises individuals from over 33 nationalities, and most general managers and employees at overseas branches are locally hired. Taiwan serves as the headquarters and the center for operations and research & development. Moxa also has subsidiaries in the United States, Germany, the United Kingdom, France, India, Brazil, South Korea, Japan, and China, with distribution and service locations across 91 countries worldwide. In 2024, Moxa had around 1,900 employees worldwide, of which more than 99% were full-time employees. In terms of geographical distribution, 82% of employees were affiliated to the main operating headquarters in Taiwan, followed by 18% of employees located in China, the Americas, Europe and other Asia-Pacific regions. In terms of age distribution, 73% of employees' age fell between 30 to 50 years old. The average age of the overall employees was 39.5.

Moxa attaches great importance to providing equal treatment and job security for employees of different genders. We also ensure that there are no gender differences in talent selection and promotion. Moxa values and cares about the employment rights of people with disabilities. In 2024, the percentage of employees with disabilities was 1.3%, higher than that of 2023.

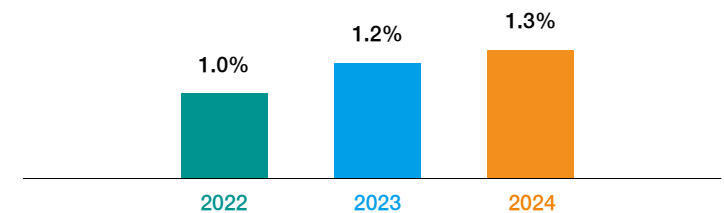
### 2024 Global Employment Types

Unit: Person			Worldwide	Taiwan	China	Americas	Europe	Other Asia Pacific Regions
Worldwide	Total		1,889	1,547	139	86	79	38
	By Contract Type	Permanent	1,867	1,531	136	86	76	38
		Fixed-Term Contract	22	16	3	0	3	0
	By Working Hours	Full-Time	1,867	1,529	139	86	75	38
		Part-Time	22	18	0	0	4	0
Male	Total		1,236	1,005	85	65	54	27
	By Contract Type	Permanent	1,226	997	85	65	52	27
		Fixed-Term Contract	10	8	0	0	2	0
	By Working Hours	Full-Time	1,222	992	85	65	53	27
		Part-Time	14	13	0	0	1	0
Female	Total		653	542	54	21	25	11
	By Contract Type	Permanent	641	534	51	21	24	11
		Fixed-Term Contract	12	8	3	0	1	0
	By Working Hours	Full-Time	645	537	54	21	22	11
		Part-Time	8	5	0	0	3	0

### Global Employee Percentage by Type in 2024<sup>Note 1</sup>

		Gender		Age		
		Male	Female	Under 30	30 - 50	Over 50
Total Employees		66%	34%	15%	73%	12%
Job Category	Senior Management	80%	20%	0%	7%	93%
	Mid-Level Management	68%	32%	0%	49%	51%
	Entry-Level Management	78%	22%	0%	87%	13%
	Non-Management Positions	64%	36%	17%	74%	9%
Functional Category	Managers	74%	26%	0%	69%	31%
	Professionals	68%	32%	17%	76%	7%
	Sales	85%	15%	14%	68%	19%
	Business Support	37%	63%	18%	72%	10%

### 2022 to 2024 Percentage of Employees with Disabilities<sup>Note 2</sup>



Note 1: Job categories are determined according to Moxa's classification of managerial levels.

Note 2: The data is for the Taiwan headquarters.

## Local Hiring

Moxa actively recruits and develops global talent by hiring local professionals for managerial positions, implementing the concept of localized talent development. In 2024, managers at all levels in Taiwan and the United States achieved 100% local hiring. Moxa not only strengthened the technical and professional capabilities of local talents, but also cultivated their management and leadership abilities to enhance the local competitiveness and sustainable development of the organization.

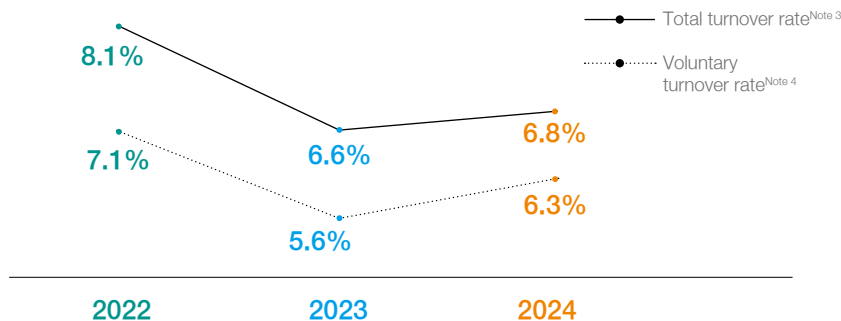
### Percentage of Local Management Talents in 2024<sup>Note 1 Note 2</sup>

	Taiwan	China	Americas	Europe	Other Asia Pacific Regions	Total Worldwide
Senior Management	100%	-	100%	-	-	100%
Mid-Level Management	100%	78%	100%	73%	25%	92%
Entry-Level Management	100%	88%	100%	50%	-	98%
All Management Positions	100%	84%	100%	69%	25%	96%

## Employee Resignation

In 2024, the global turnover rate of Moxa employees was 6.8%, and the voluntary turnover rate was 6.3%, both of which increased slightly compared to 2023. The Human Resources Department will conduct exit interview with employees who tender resignation to learn about the reason for leaving. The primary reasons for leaving include personal career planning, family-related factors and job scope.

### 2022-2024 Global Employee Turnover Rate



### 2024 Global Employee Turnover Rate by Gender and Age<sup>Note 5</sup>

Gender	Age	Worldwide		Taiwan		China		Americas		Europe		Other Asia Pacific Regions	
		Persons	Turnover rate	Persons	Turnover rate	Persons	Turnover rate	Persons	Turnover rate	Persons	Turnover rate	Persons	Turnover rate
Male	Under 30	13	7%	9	6%	2	19%	1	17%	1	67%	0	0%
	30 - 50	51	6%	41	6%	3	4%	2	7%	4	13%	1	3%
	Over 50	16	10%	10	11%	0	0%	3	10%	3	15%	0	0%
Female	Under 30	13	10%	10	9%	2	24%	1	33%	0	0%	0	0%
	30 - 50	31	7%	27	7%	1	3%	0	0%	3	14%	0	0%
	Over 50	4	7%	4	10%	0	0%	0	0%	0	-0%	0	0%

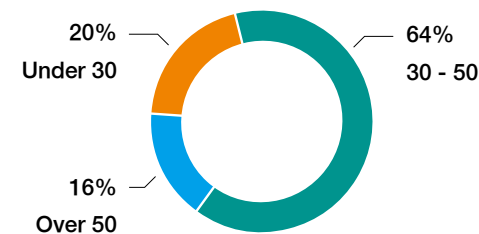
### 2024 Global Turnover Rate by Gender



### 2024 Turnover Distribution by Regions



### 2024 Turnover Distribution by Age



Note 1: Local employees are defined as employees with the nationality of the country.

Note 2: Managers are defined in accordance with the Moxa Career Framework.

Note 3: Total Turnover Rate includes voluntary resignations (including retirements) and involuntary separations (including terminations, layoffs, or death). Total Turnover Rate = Number of departures in the year ÷ Average number of employees for the year.

Note 4: Voluntary Turnover Rate = Number of voluntary resignations in the year ÷ Average number of employees for the year.

Note 5: Turnover Rate = Number of departures in the group for the year ÷ Average number of employees in the group for the year.

## Workplace Equity

Moxa is committed to creating an equal workplace environment. The global remuneration framework is based on market salary standards for each position in the industry and not affected by gender differences. At present, this framework serves as the basis for remuneration evaluation for all positions to ensure a just and fair salary system. In 2024, salary of male and female employees worldwide showed no significant pay difference within the same job level category. Committed to creating a friendly workplace that is diverse, equal, and inclusive. Moxa provides equal career development opportunities for female employees. In 2024, the percentage of women in senior management roles increased from 28% to 32%, and the proportion of women in STEM (engineering/technology/research & development) roles accounted for 18%. These figures reflect Moxa's commitment to continuously advancing workplace equity.

### 2022 to 2024 Female Employee by Job Level

	2022	2023	2024
Percentage of Female Employees	34%	34%	34%
Percentage of Female Managers	24%	24%	26%
Percentage of Female Senior Managers	25%	27%	20%
Percentage of Female Mid-Level Managers	28%	28%	32%
Percentage of Female Junior Managers	22%	22%	22%
Percentage of Female STEM Employees	17%	19%	18%

Note: The data includes all Moxa's full-time employees worldwide (excluding contract employees and MOXA Foundation staff).

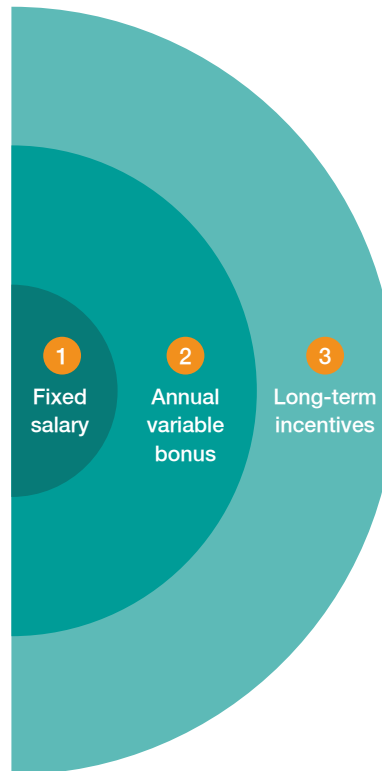
## 5.1.3 Talent Retention

### Remuneration Policy

The remuneration and benefits provided at all Moxa locations worldwide comply with local legal requirements, and all full-time employees are entitled to insurance and pension plans as required by the laws. Moxa's remuneration policy ensures that there is no differentiation based on region, race, ethnicity, background, social class, lineage, religion, disability, gender, sexual orientation, pregnancy, marital status, union membership, political views, or age. The reward system is collectively designed from a comprehensive remuneration perspective, including salary, benefits and bonuses.

### Remuneration Framework

The remuneration structure of Moxa includes fixed salary, annual variable bonuses (including performance bonuses), and long-term incentives.



1

Linked to the basic market value of personal responsibilities taken on by an employee and the abilities the employee possesses.

2

Linked to the Company's or team's, and individual's overall performance results in the preceding year.

3

The Company Success Incentive Plan (CSIP) is a mid- and long-term incentive plan of Moxa Group designed on the basis of its pay philosophy (Sharing Success, Market Competitiveness, Reasonable Equality, and Performance Alignment). The CSIP applies to regular full-time employees in good standing who have been hired by Moxa during the preceding fiscal year, and have not violated any company rules. The purpose is to motivate employees to achieve the long-term strategic objectives of the Company so that they will contribute and take ownership for realizing the long-term vision of the Company, and the long-term success of the Company can be shared with the employees. The Board of Directors, at its sole discretion, determines the total incentive amount of the CSIP, which is in nature a discretionary incentive, for each year, based on an overall consideration, including but not limited to, the Company's long-term business performance, overall operating results, development of the organization and talents. The Board then authorizes the Co-CEOs to distribute, grant, and accrue the incentives of the CSIP.

## Remuneration Competitiveness

Moxa participates in annual industry remuneration surveys and adjusts salaries based on market conditions, company performance, performance on individual's role and responsibility and future growth potential to ensure competitiveness and fairness. Moxa ensures that starting salaries for direct employees comply with local regulations while remaining competitive in the market. To ensure that employees can receive fair salaries to maintain their needs in life, we are set to refer to the methodology of living salaries, and establish the Moxa Standards of Salary Evaluation and Living. By reviewing employee salaries, Moxa demonstrates its commitment to employees worldwide on meeting local basic salary requirements, thereby attracting and retaining talents.



In 2024, the base salary for Moxa's direct employees in Taiwan

Above the statutory minimum wage

1.2 times

## Demonstration of Cultural Performance

Since 2002, Moxa has established two annual awards: "Practical and Realistic" and "Passionate Vitality," to encourage employees to demonstrate the Company's desired cultural traits in their work. "Practical and Realistic" means employee taking responsibility for their work and doing what needs to be done without seeking to please others or advance personal or departmental interests. Employees will focus on the Company's overall benefit and proactively do the right thing. "Passionate Vitality" refers to employees approaching their colleagues, customers, and suppliers with enthusiasm, exhibiting strong team spirit, and completing tasks effectively. Employees will embody a spirited and energetic attitude that inspires and cares for the surrounding community.

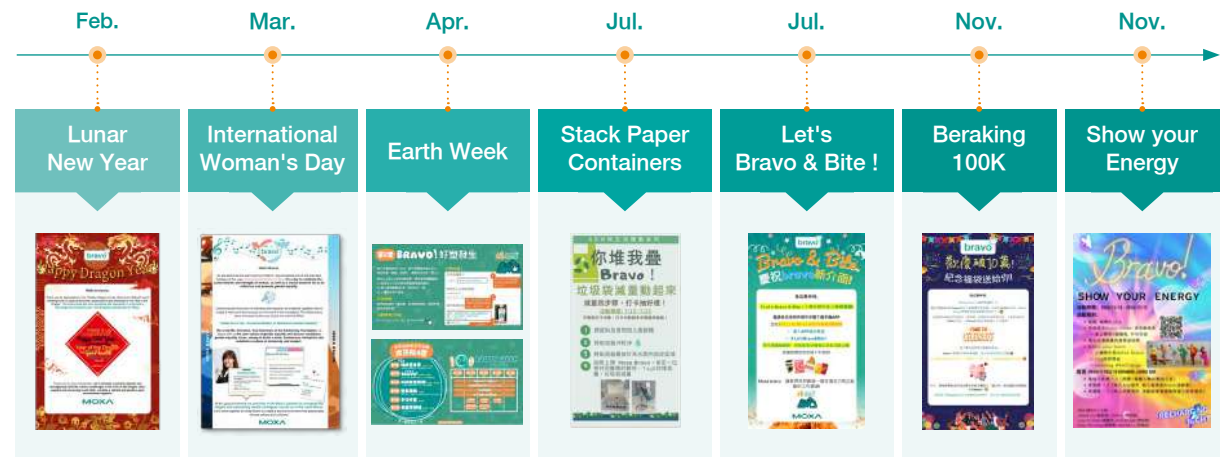
Among nearly 1,900 employees worldwide in 2024, six individuals were selected for the two said cultural awards. Winners from overseas subsidiaries were given the opportunity to bring their families to Taiwan for a week-long trip and participate in the year-end award ceremony. It is hoped that these role models will inspire and motivate more employees, further embedding Moxa's cultural spirit in the hearts of all staff.

## Moxa bravo - Mutual Recognition Platform

Moxa firmly believes that helping employees learn and find meaning in their work is an integral part of business operations and a reflection of its management philosophy. Creating a culture of mutual recognition and appreciation is a concrete way of putting Moxa's philosophy into practice. On the Moxa bravo platform, employees worldwide can express their recognition and gratitude to their colleagues anytime and anywhere, ensuring that every effort, big or small, is fully acknowledged and recorded. The platform was launched in December 2022. After operating in the headquarters in 2023, it evolved into a platform accessible to global employees by 2024, and has since won the hearts of employees in every stage of its development. As of the end of 2024, with the joint participation of employees worldwide, garnered close to 110,000 recognitions, and each employee garnered an average of 55 recognitions on the platform. The monthly growth rate amounted to 15%. Compared with similar platforms of domestic and foreign companies of comparable size, Moxa bravo has garnered outstanding performance on account activation rate, platform utilization rate, recognition coverage, and distribution coverage.

The achievements made over two years demonstrate Moxa's culture of recognition and appreciation. In addition to the platform's game-based design and diverse thematic campaigns, Moxa's internal commitment to accountability and willingness of giving positive feedback are also conducive for growth. From the perspective of individual employees, their hard work is seen and appreciated. From the perspective of Moxa, employees' identification with the corporate work culture and sense of belonging to Moxa is an important support when facing changes. Looking ahead, as Moxa continues to grow, Moxa bravo will further promote DEI-related efforts and international activities, recognizing and celebrating employees' efforts from more diverse perspectives.

### Campaigns held on Moxa bravo in 2024



## Employee Benefits and Support

In addition to providing basic benefits in accordance with the Labor Standards Act, Moxa offers several benefits beyond legal requirements to promote work-life balance, physical and mental well-being, personal growth, and reflective thinking. Company-sponsored activities also foster employee interaction, shape Moxa's culture, and enhance team cohesion.

	Purpose	Description
Travel and Education Subsidy	Employees are encouraged to pursue immersive travel or advanced learning outside of work—to relax, grow, and return recharged with renewed energy for their roles.	The annual subsidy starts at NT\$25,000.
Reading Hours	An hour is designated on every Wednesday as the Reading Hours (9:00-10:00). Employees are able to engage in in-depth thinking, conversations, and contemplation to broaden their perspectives and find inspiration, gaining self-fulfillment amidst a busy schedule.	The Reading Hours subsidy of NT\$2,700 for reading and learning resources (including physical books, e-books, podcasts, and various online courses) is disbursed.
Benefit Points-Art and Cultural Activities	Employees are encouraged to join cultural activities outside of work to relax, enhance artistic appreciation, and spark creativity.	Employees are given 5,000 points annually, which can be used for enjoying cultural and artistic activities (such as watching films, plays and concerts, visiting exhibitions, watching stand-up comedy, or subscribing to digital streaming platforms).
Benefit Points - Group Outing	Foster emotional connections through off-site interactions, creating a friendly and cohesive workplace atmosphere.	Employees are given 5,000 points annually, which can be used for participating in activities organized by the Employee Welfare Committee, clubs, or division-level events.
Life Event Care	Offer blessings and care during employees' important life events.	Employees are provided with marriage, childbirth, hospitalization and bereavement allowances.
Employee Assistance Program (EAP)	Care for employees' and their families' mental health and work-life balance by offering personal counseling to enhance well-being and reduce stress.	All employees can access professional third-party counseling services for both work and personal matters.
Hybrid Work	Increase the work flexibility for employees and create a highly efficient work environment, while maintaining face-to-face social interaction in the post-pandemic era.	Employees work in the office at least three days a week, with flexibility in work location for the remaining two days.
Flexible Working Hours	Provide flexible scheduling to help employees handle unexpected life events, without affecting work or client needs.	The working hours basically start at 9:00 a.m. with two hours before and after as flexible intervals. The total working hours are eight hours in principle (excluding one hour of lunch break).
Flexible Holidays	Employees are given leave days that are more than the Labor Standards Act prescribes for so that they can relax and reenergize r.	Employees are provided with more leave days every year than regulatory requirements.
Clubs	Employees are encouraged to engage in clubs to build teamwork, collaboration, planning, and leadership skills—enriching leisure life and fostering a positive corporate culture.	Employees receive company subsidies for participating in club activities.
Festival Events	During important holidays, the company shares festive greetings and care with employees, fostering a warm and cohesive workplace culture.	Gift vouchers or presents are given for occasions like Mid-Autumn Festival, Dragon Boat Festival, and employee birthdays.
Sports Day/Family Day	The sports day inspires team spirit and passion through friendly competition, while family day welcomes loved ones to experience Moxa's culture and become part of our extended family.	The annual sports day culminates in a final event that brings all employees together, strengthening team spirit. Family Day invites employees' families to engage in activities that showcase the company's culture and energy.

## Encouragement of Childbearing

Moxa's "Attendance and Leave Policy," in accordance with the Labor Standards Act, provides female employees with 56 days of maternity leave before and after childbirth. Additionally, male employees may choose to take 7 working days of leave within their spouse's pregnancy and up to 15 days before and after the childbirth (or miscarriage). Both maternity leave and paternity leave are paid leaves. Allowance is provided after a childbirth, and employees with childcare needs can apply for parental leave. The reinstatement rate of employees taking parental leave in 2024 was 100%. Moxa provides adequate support for reinstated employees to ensure that they are able to re-adapt to the work environment. Of which, the Company offers a fully equipped breastfeeding room with private access, a sterilizer, a dedicated milk storage refrigerator, a separate sink, restroom, and an emergency assistance bell, ensuring a safe and convenient environment for employees to collect breast milk. In addition, the Bade Plant further provides pregnant employees friendly parking spaces, and also parent-child rooms for employees to use.

### 2024 Parental Leave Taken by Employee

		Male		Female		Total	
		Persons	Percentage	Persons	Percentage	Persons	Percentage
Application	2024 Eligible for Parental Leave	125	5%	52	31%	177	12%
	2024 Actual Parental Leave Applications	6		16		22	
Reinstatement	2024 Expected Parental Leave Returns	3	100%	6	100%	9	100%
	2024 Actual Parental Leave Returns	3		6		9	
Retention	2023 Actual Parental Leave Returns	1	100%	8	88%	9	89%
	2023 Continued Employment for One Year Post-Return	1		7		8	

Note: The data is for the Taiwan headquarters.

## Insurance and Retirement Systems

Moxa complies with local retirement laws and regulations to protect the rights and interests of employees during retirement. In Taiwan, the application and payment criteria are set according to the Labor Standards Act and the Labor Pension Act. Each year, Moxa appoints an actuary to prepare an actuarial report on the labor pension reserve fund. At the end of each year, the Company reviews pension allocations, and estimates the amount of pension that eligible retirees will receive by December 31 of the following year, to ensure the special account balance is sufficient for payments. Since the implementation of the new labor pension system, Moxa has been contributing 6% of employees' salaries monthly to individual pension accounts as required by law. Employees who meet the legal retirement criteria can apply for retirement.






## Organizational and Individual Performance Management

Moxa has developed a comprehensive performance management system called the Growth & Performance System (GPS), which encompasses both organizational and individual performance management for a balanced growth. This system serves as a navigational tool for Moxa, with the core objective of aligning organizational and employee goals to achieve strategic objectives, while also fostering mutual growth. Each year, 100% employees undergo regular performance evaluations.

For organizational performance management, Moxa is dedicated to ensuring overall development and achieving strategic goals by setting clear objectives, conducting comprehensive assessments, and implementing continuous improvements. This approach supports the organization's stable operation and growth. For individual performance management, Moxa focuses on the development and contributions of each employee. Through clear goal setting, regular evaluations, and offering diverse development opportunities, Moxa ensures that every employee can realize their potential while staying aligned with organizational goals. This focus on personal growth not only motivates employees but also facilitates their long-term development within the Company.

Among them, "managers" play a key role in the performance management system. They are not only responsible for setting and evaluating performance goals, but also act as key enablers of employee development. First, the supervisor and employees jointly set annual performance and development goals to ensure that the goals are aligned with the Company's strategies. The annual mid-term meetings make timely adjustments to targets based on market changes and business development to respond to changing needs. At the same time, through regular communication and feedback, we provide employees with the necessary guidance and support for achieving goals, and provide corresponding resources when facing challenges. During the process, managers can also identify employees' development needs, jointly devise training or work plans, and support employees' professional advancement and career growth. In terms of performance evaluation and feedback, managers provide real-time and concrete feedback to motivate employees to improve and develop themselves.

## Moxa Growth & Performance System (GPS)

Assessment Type	System content	Target Audience	Frequency	Purpose and Approach of System
 <b>Performance Goals</b>	<ul style="list-style-type: none"> <li>Undertaking responsibilities aligned with organizational or functional annual goals.</li> <li>Defining annual work priorities for individual job responsibilities</li> <li>Setting goals related to people management and development</li> </ul>	<ul style="list-style-type: none"> <li>All employees</li> <li>Management</li> </ul>	Biannually	<ul style="list-style-type: none"> <li>Employees and the management collaboratively set annual goals for individuals and teams to ensure alignment with organizational strategies.</li> <li>Emphasize the goal-setting process in performance management, understanding the origins and organizational purposes of the goals, and establishing a connection between a sense of purpose and personal development.</li> </ul>
 <b>Development Goals</b>	<ul style="list-style-type: none"> <li>Skills required to achieve current goals and responsibilities</li> <li>Skills needed to take on additional responsibilities in the future</li> </ul>	All employees	Biannually	<ul style="list-style-type: none"> <li>Emphasize personal development and growth, and provide clear development goals and corresponding assessment mechanisms.</li> <li>Ensure that employees have the opportunity to set and achieve personal development-related goals through regular evaluations and interviews.</li> </ul>
 <b>Encourage Timely Feedback</b>	<ul style="list-style-type: none"> <li>Observe employees' work successes and areas for improvement</li> <li>Provide feedback with specific, practical examples</li> </ul>	All employees	Real-time	<ul style="list-style-type: none"> <li>Foster a culture of real-time feedback, where employees can receive recognition or suggestions for improvement regarding their work performance, more job satisfaction can be created.</li> <li>Employees and managers can more effectively set and adjust goals to better align with organizational needs.</li> </ul>
 <b>Results and Impact Orientation)</b>	<ul style="list-style-type: none"> <li>Evaluate the result and impact of individual goals</li> <li>Expectations corresponding to the definition of individual job responsibilities</li> </ul>	All employees	Biannually	<ul style="list-style-type: none"> <li>Focus on the results and tangible impact of individual goals, and evaluate them through the achievement of both organizational and individual goals.</li> </ul>
 <b>Core Values and Behaviors</b>	<ul style="list-style-type: none"> <li>Demonstration of core values through behaviors</li> <li>Key behavioral displayed within the team</li> </ul>	All employees	Biannually	<ul style="list-style-type: none"> <li>Clearly articulate the organization's core values and expected behavioral standards, encourage employees to demonstrate behaviors that align with these core values in their work, thereby promoting the development and resonance of the organizational culture.</li> </ul>

## 5.2 Human Rights Protection and Employee Communication

### 5.2.1 Human Rights Protection

#### Human Rights Protection and Commitment

Moxa's core values affirm that every employee is a cornerstone of Moxa's success. By recognizing each other's strengths and contributions, and respecting individual differences, Moxa aims to become an organization where mutual learning and growth thrive. To this end, apart from delineating an equal employment opportunity policy in the Employee Handbook, Moxa also explicitly states in Article 2 of the Workplace Code of Conduct that there shall be no discrimination based on any non-work-related factors such as race, color, creed, gender, gender identity or expression, religion, belief, age, national origin or ancestry, marital status, registered domestic partner status, appearance, physical or mental disability, medical conditions including genetic characteristics, pregnancy, sexual orientation, or political views. All forms of violence and harassment are strictly prohibited as Moxa vows to create a workplace free from discrimination, violence, and sexual harassment.

#### Prohibition of Child Labor and Forced Labor

Moxa attaches much importance to the human rights of employees by strictly abiding by local labor laws and regulations, and prohibiting the use of child labor and forced labor. The Moxa Workplace Code of Conduct delineates that Moxa shall adhere to responsible employment practices and shall not hire child labor, forced labor, or compulsory labor in any way. Moxa is also applying the same requirements to suppliers and business partners.

To implement the prohibition, Moxa designates the date of birth of job applicants to be a required information in the recruitment and reporting to work processes to reduce the risk of recruiting child labor by accident. In addition, the work rules also require new employees to submit relevant documents and national identity documents when they report for duty. Moxa will return the documents upon completing the verification. This is the second measure to ensure the prevention of child labor. Furthermore, in order to raise awareness, Moxa prepares known cases related to the ban on child labor and adds them to the Code of Conduct training course. The training material is expected to be updated and officially released in 2025. There were no incidents of child labor at Moxa in 2024. If a child labor case occurs, Moxa will immediately report, investigate and handle the case in accordance with the Moxa Code of Conduct Case Procedure.

In terms of the prohibition of forced labor, Moxa's employment contracts, work rules, and Employee Handbook delineate the employment relationship, wages and benefits, code of conduct, legal rights to work, and termination of employment contracts. Moxa fully informs and respects various rights of employees, including giving a notice within the time limit required by law. Employees are free to choose to terminate the employment relationship, and Moxa does not impose constraints beyond contractual obligations (e.g., withholding of identity documents or salaries) during the employment period. If an employee discovers forced labor, he or she may report the violation by email to the Moxa Code of Conduct Committee (mccc@moxa.com). The anti-retaliation policy in the Code of Conduct also ensures that employees can openly speak and report issues without having to worry about retaliation. There were no forced labor incidents in Moxa in 2024. If a case occurs, Moxa will immediately report, investigate and handle the case pursuant to the Moxa Code of Conduct Case Procedure.

#### Anti-Discrimination and Anti-Harassment

Moxa delineates the equal employment opportunity policy in the Employee Handbook, and is committed to complying with all relevant laws and regulations in this regard. The Moxa Code of Conduct emphasizes that Moxa does not discriminate against employees due to any factors that are not related to work, such as race, skin color, creed, gender, gender identification or expression, religion, belief, age, national origin or ancestry, marital status, registered domestic partner status, appearance, physical or mental disability, medical conditions including genetic characteristics, pregnancy, sexual orientation, and political views. All forms of violence and harassment are strictly prohibited to create a workplace free from discrimination, violence, and sexual harassment. For sexual harassment in the workplace, Moxa has formulated sexual harassment prevention measures and disciplinary procedures in the workplace, including sexual harassment prevention measures, complaint investigation instructions, and related penalties to protect the rights and interests of the victims.

To raise employees' awareness, Moxa has incorporated "prevention of unlawful infringement in the workplace" and "sexual harassment prevention prescribed by the Act of Gender Equality in Employment" in the compulsory courses for new recruits at the headquarters. The completion rate of new recruits reached 100% in 2024. In response to the new version of the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act in 2024, the task force is also working with the Code of Conduct Committee, related internal departments, and external lawyers to design a series of workplace violence courses, which are expected to be officially launched in 2025. Out of eight reports received in 2024, six cases were found to be true, and forwarded for investigation and handling pursuant to the Code of Conduct Case Procedure.

## Human Rights Protection Training And Grievance Channel

### Education and Training on Human Rights

#### Rights Issues

To raise employees' awareness, Moxa promotes human rights education and training. Key themes include prohibition of child and forced labor, anti-discrimination and anti-harassment, unlawful infringement in the workplace, gender equality, and occupational safety. In 2024, the completion rate of human rights education and training reached 100%.

#### Education and Training on Human Rights Issues in 2024 <sup>Note 1</sup>

Human Rights Training Hours	▶ 5,672
Number of Employees Trained on Human Rights (person)	▶ 3,371
Coverage Rate of Employee Human Rights Training <sup>Note 2</sup> (%)	▶ 100%

### Human Rights Incident Grievance Channel

Moxa has established a grievance channel (MCCC@moxa.com) for employees to report any violations of human rights or personal grievances. While protecting the anonymity of the whistleblower, Moxa investigates reported cases, and takes necessary actions or corrective measures.

<sup>Note 1:</sup> The data covers the Taiwan headquarters. Human rights training topics include occupational health and safety training for new employees, unlawful infringement in the workplace, sexual harassment prevention in the Gender Equality in Employment Act, and Code of Conduct learning workshops.

<sup>Note 2:</sup> The calculation of the training coverage rate is based on compulsory courses.

## 5.2.2 Labor Relations Management

### Maintenance of Labor Relations

To establish harmonious labor relations and promote cooperation, Moxa follows Article 83 of the Labor Standards Act and the regulations promulgated by the Ministry of the Interior. Every four years, labor representatives are elected, where they participate in labor-management meetings held quarterly to negotiate and discuss employee issues. The chair of these meetings alternates between employees and management representatives. All employees can provide suggestions and improvements to the Company on labor conditions, labor relations, welfare planning, and work efficiency through the labor representatives. In 2024, the Xinchuang headquarters had six management representatives and six labor representatives, whereas the Taoyuan Bade Plant had five management representatives and five labor representatives.

Additionally, Moxa has established an Employee Welfare Committee, with representatives from each department serving a one-year term. This committee explores employee needs in each department and regularly holds meetings to discuss various recreational and festival activities for the year. Through the rich array of Employee Welfare Committee activities, club activities, and company culture events, employees and their families develop strong connections and alignment with the Company culture. In 2024, employees independently established a total of 26 clubs, including 1,616 members, and held a total of 130 club activities. In 2024, the Employee Welfare Committee organized more than 200 events with the theme of "Just Love Green Movement, Reduce Plastic with Fun" on Earth Day, including plastic reduction high tea, watching baseball tournament in Taipei Dome, rice planting for parents and children, hiking in the fragrant maple forest in Lujiakeng, Yangmingshan, and cycling along railway. These activities not only promote environmental and social sustainability, but also enhance the connection and friendship between employees and their families across departments.



Family event at the swimming club



Rice planting for parents and children organized by the Employee Welfare Committee



Employee Welfare Committee Just Love Green Movement, Reduce Plastic with Fun\_Earth Day

### Diverse Communication Channels

At the organizational level, Moxa holds the quarterly Group Corporate Update meeting to introduce the Company's business strategies and execution plans with all departments. At the individual level, managers regularly arrange one-on-one meetings with employees to facilitate two-way information exchange. Additionally, the Company continues to promote the Employee Assistance Program (EAP), which includes an "Employee Assistance Hotline," offering psychological, legal, and financial counseling. Third-party consulting companies provide these services, and the information is made available on the internal website for employee access. Counselors will meet directly with employees to offer a variety of confidential counseling and stress-relief options.

## Moxa Diverse Communication Channels

	Description	Communication Frequency
<b>Group Corporate Update</b>	Communicate the Company's business strategies and implementation plans to all employees.	Quarterly
<b>Labor-management meetings/Employee Welfare Committee</b>	Meetings are held on a quarterly basis so that employees can give feedback or make suggestions on specific issues to ensure smooth labor-management communication and reach a consensus with the Company.	Quarterly
<b>Moxa Intranet</b>	A platform for communicating and conveying corporate culture and important corporate information.	Ad hoc
<b>Internal Mailbox for Communication</b>	The Company has set up an information collection platform for labor-management meetings on the intranet. Employees can provide suggestions to the Company through the platform.	Ad hoc
<b>Email Announcements</b>	A total of 184 announcements related to human resources and the Employee Welfare Committee were sent to employees via emails.	Ad hoc
<b>Grievance channel</b>	Email for grievance: mccc@moxa.com	Ad hoc

## People Voice Survey

Moxa firmly believes that employees are its most valuable asset and considers the People Voice Survey an essential source of insight for achieving sustainable business operations. The Company regularly conducts the People Voice Survey and holds multiple employee briefing sessions that protect the anonymity and confidentiality of the survey to ensure that employees can honestly express their opinions. At the same time, it provides the Company a pathway to identify concerns and opportunities for improvement, helping to foster strong and long-term employer-employee relationships.

In addition to regularly conducting the Global People Voice Survey, Moxa also performs timely evaluation following the implementation of major initiatives to understand the actual impact and experience of new systems on employees. The survey collects information on the understanding of the system application, challenges faced, and feedback. The information is used to optimize and adjust policies to ensure that new systems can effectively support both the organization's goals and employee needs, thereby increasing employee satisfaction in the workplace. Moxa conducted a global survey on the new performance management system in 2024, targeting employees and managers worldwide. The design of the questionnaire covers the following aspects.

## 2024 Global Survey



The survey results showed that Moxa has achieved initial progress in enhancing clarity around organizational goals, and that managerial support was properly given. However, there is still a need to strengthen the connection between development goals and annual performance goals as well as personal growth. This survey enabled Moxa to gain insights of actual experience and feedback from employees, allowing for timely adjustments to the system design to better support employees' growth and development.

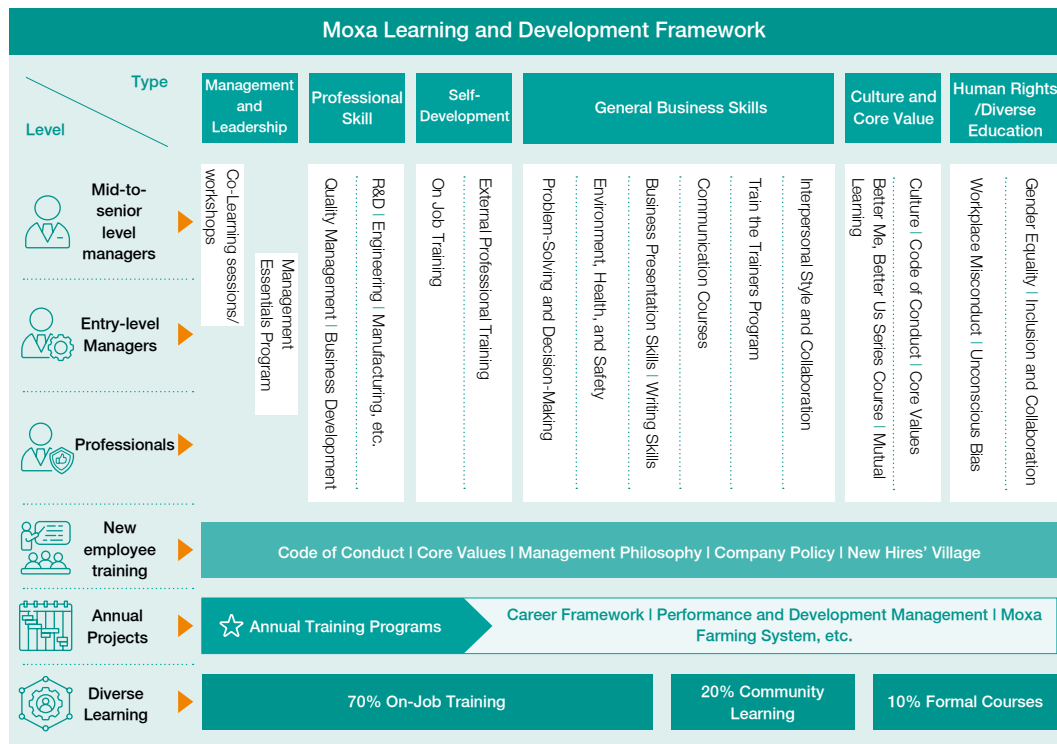
## 5.3 Talent Development and Cultivation

### 5.3.1 Talent Development Strategy and Framework

#### Comprehensive Training System

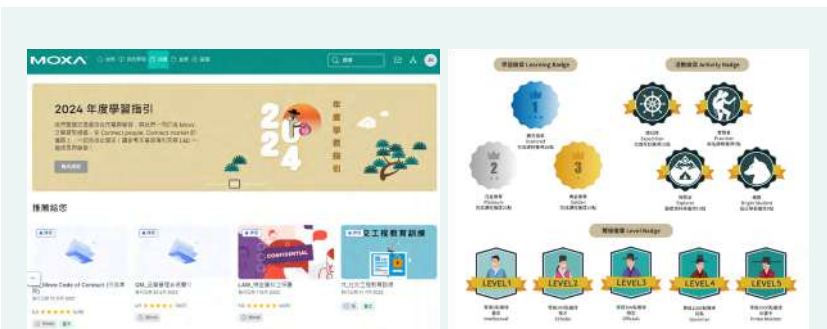
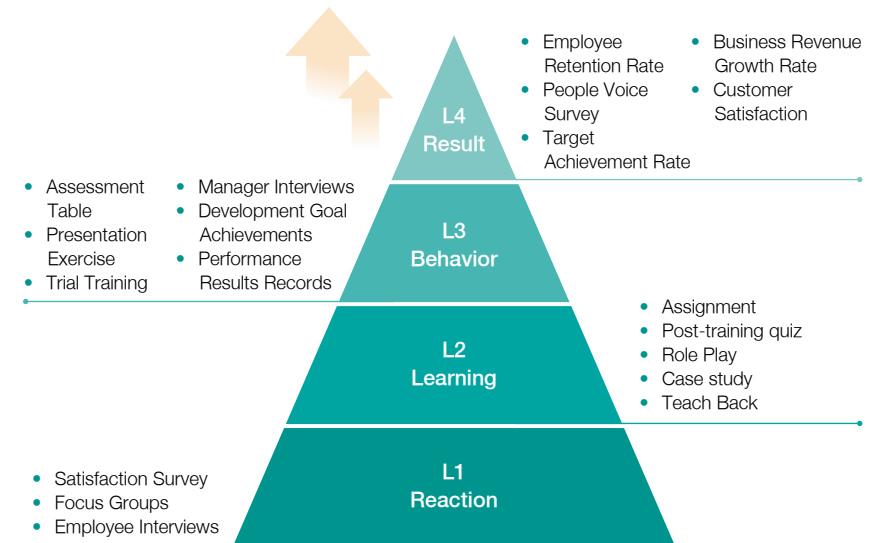
Moxa is committed to creating a learning organization, offering growth and development opportunities based on employees' demonstrated capabilities and ambitions, allowing them to enjoy their work and reach their full potential in every domain. Each year, Moxa integrates the organization's core values and cultural characteristics to design a learning framework that covers four key areas: Leadership, Professional skills, Cultural and Core values, and General business skill. In line with global trends and industry demands, Moxa provides relevant thematic learning resources to support employees' personal growth. Meanwhile, we develop customized learning programs that align with Moxa's specific needs, in response to long-term strategic goals or key annual plans, addressing organizational requirements.

#### Moxa Learning and Development Framework



To support the effective learning of all employees, each course is systematically designed with the collection, analysis, design, and development of training needs. To further ensure learning effectiveness, the course design refers to Kirkpatrick's 4 Levels of Learning Evaluation, utilizing diverse methods to assess the outcomes. Additionally, the online learning management platform—Moxa College—integrates both digital and in-person learning resources, incorporating a gamified points system to enhance employee motivation and engagement in learning.

#### Kirkpatrick 4-Level Model



#### Moxa College - Online Learning Platform and Gamified Mechanisms

## 5.3.2 Key Development Programs and Performance

### Key Development Programs

#### Management and Leadership

Moxa's managers play a crucial role in shaping the Company culture, various co-learning workshops are arranged and customized based on the needs of different management levels and departmental areas. The topics are diverse, covering leadership decision-making, coaching skills, interpersonal styles, management cases, attendance management, and various study groups, all aimed at encouraging managers to continually improve and develop.

For employees who have recently been promoted or transitioned into managerial roles, a six-month "Management Essentials Journey" is arranged. The 2024 learning modules cover five key themes, including building the right managerial mindset, communication and guidance abilities, managing performance cycles, interview skills, and enhancing knowledge of HR regulations and management practices. This program aims to assist all newly appointed frontline managers in systematically transitioning from professional workers to leaders of management teams. As management training emphasizes experiential feedback, each learning topic is paired with practical scenarios and designed with corresponding action exercises or group feedback sessions, allowing participants to apply the learned concepts and methods back in the field to validate learning effectiveness.



2024 Management Essential Program Roadmap



Discussion during the Communication and Guidance course

For managers who already have a solid foundation in theory and experience, we offer the "Leadership Practices Co-learning Workshop" within the department to encourage the continued application of learned skills. Using the 4R framework (Recap-Rehearse-Review-Recognize), this workshop explores and shares how previously learned management techniques can be applied in real-world scenarios. Additionally, managers are invited to bring real-life management cases of their own, which are anonymized and structured, to be used as teaching materials for "Case study" by other managers. Throughout the process, managers collaborate and brainstorm, discussing appropriate handling methods. This approach helps them recognize the possibilities of diverse leadership styles and management techniques, while also offering managers who have not yet faced similar situations the opportunity to anticipate and prepare for potential challenges



Discussion on Case Study during the Leadership Practices Workshop

#### Spotlight Case: Employee Performance Management Training Program

In response to the introduction of Moxa's new "Growth & Performance System" at the beginning of 2024, and to help employees deeply understand the meaning behind this system while enhancing their performance management skills, Moxa launched a training project for all employees and managers in the first quarter. The training program consists of four self-designed learning modules on performance management: "Introduction – Goal Setting – Tracking and Feedback – Performance Evaluation." All employees first complete the first three modules through E-learning, gaining a solid understanding of core concepts and foundational skills. Managerial staff then participate in in-person workshops, following the company's performance management cycle, to complete all modules in sequence at different stages. This ensures that key skills learned are immediately applied in practical scenarios, fully supporting the implementation and promotion of the new system.

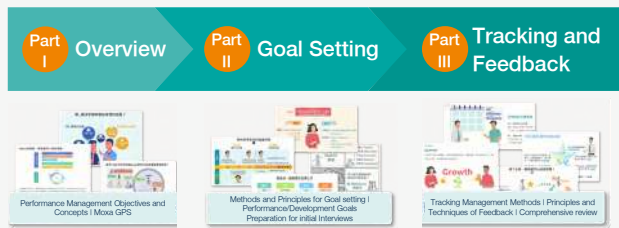
#### Performance Management Training Plan for All Employees

Performance Cycle	All	1 Goal-setting	2 Mid-year Review	3 Year-end PE
Period	3/8~12/31	3/4~3/15	6/18~7/3	10/1-10/11
Target Audience	All Employees	Managers		
Method	E-learning	Co-learning Workshop		
Learning Module	Performance Management Goal Setting Tracking and Feedback	Performance Management Goal Setting Tracking and Feedback	Refresh Goal Setting Tracking and Feedback	Refresh Tracking and Feedback Performance Evaluation
Teaching Method	<ul style="list-style-type: none"> <li>Concepts</li> <li>Methodology</li> </ul>	<ul style="list-style-type: none"> <li>Case Studies</li> <li>Interactive Quizzes</li> </ul>	<ul style="list-style-type: none"> <li>Concepts</li> <li>Methodology</li> <li>Group Discussion</li> <li>Case study</li> </ul>	<ul style="list-style-type: none"> <li>Role Play</li> </ul>
Assessment Method	<ul style="list-style-type: none"> <li>Questionnaire Feedback</li> </ul>	<ul style="list-style-type: none"> <li>Post-training test</li> </ul>	<ul style="list-style-type: none"> <li>Behavior Observation by Manager/HR</li> </ul>	

## E-learning

A self-made online learning material titled “Mastering Performance Management” uses a lighthearted and humorous tone paired with an interactive web design, making performance management no longer a dull and serious topic. At the same time, the content carefully selects practical case studies, supplemented by internal policy explanations, helping learners quickly transform theory into practical application.

### Online Learning Material Framework of “Mastering Performance Management”



### Implementation Results

- A total of 971 employees voluntarily completed the training, with a pass rate of 99.5%, and the average satisfaction rate for the learning materials was 4.4/5.
- Over 500 learners provided specific takeaways and positive feedback comments.

### Feedback from Learners

- “The content is simple and easy to understand, and it is very helpful and concrete in clarifying the responsibilities and communication regarding performance between managers and employees.”
- “From concept definitions to practical application, everything is clearly presented with real-life examples, providing clearer guidance when writing GPS goals.”

## Onsite Workshop

Through the program team’s thoughtful design and Moxa’s internal lecturers’ dynamic teaching methods, the five-hour co-learning workshop kept managers engaged and energized. It reshaped their approach to performance management and strengthened their leadership skills. These learning activities, paired with new mechanisms, built a strong foundation for Moxa to create an enterprise that promotes growth for everyone.

### Implementation Results

- Moxa conducted 28 workshops on three topics throughout the year, delivering 392 teaching hours to 560 participants, with an average satisfaction rating of 4.8/5

### Feedback from Students

- “I will be more mindful of potential blind spots before conducting performance evaluation, and apply the course techniques to avoid cognitive biases.”
- “I’ve learned that my perspective isn’t always complete or accurate. By expressing good intentions, verifying assumptions, and practicing feedback skills, I can better support my team’s growth.”



An interactive seminar



Participants of a seminar



In-house learning manuals help students apply what they learn to practice

## Professional Skill

Cultivating professional skills is key for Moxa to maintain its competitive advantage. By assisting employees in cultivating specialized professional knowledge and skills, we improve their ability to resolve complex problems and adapting to changes in the environment. In 2024, a total of 221 professional skill-related courses were offered, including compulsory and assigned courses. 85% of employees have completed the mandatory and assigned training, with the goal of reaching 100% completion. Other non-compulsory and non-assigned courses were offered to employees who they were free to select courses for their own professional skill development needs. These courses served to support employees in taking ownership of their personal professional learning according to their needs.



### Product Reliability

Since the establishment of the Moxa Reliability Center in 2021, it has published 13 issues of the quarterly "MIB Journal." This internal publication shares how to use reliability science and quality engineering analysis methods with Moxa employees to address real product failure encountered by clients. Meanwhile, in 2024, Moxa collaborated with faculty of the Centre for Reliability Science and Technology of Chang Gung University (CGU) to help employees establish basic knowledge and skills in estimating and assessing product reliability, including Reliability Requirements, Product Reliability Validation, Predictive Maintenance, and Life Cycle Cost Analysis.



### Legal Regulations

Moxa's core values emphasize "Integrity." To ensure that employees comply with various laws and regulations at work and maintain the company's reputation, thereby reducing legal risks, Moxa provides extensive regulatory trainings. These trainings help individuals and teams adhere to regulations and safeguard the company's legal interests. The legal compliance training held in 2024 included "Competition Law," "Getting to Know Trademark Rights," and "Understanding Distributor Agreements". The courses were also tailored to different overseas regions.



### Cybersecurity Education

In the face of increasingly complex and evolving cybersecurity challenges, the confidentiality, integrity, and availability of information within the enterprise are increasingly critical. Moxa provides comprehensive cybersecurity awareness training to help each member become a guardian of information security. The information security education courses planned in 2024 included "Social Engineering," "Cybersecurity Awareness of Businesses," "Introduction to ISO 27001:2022," "Security Dojo, Season 2 of The Top of Cybersecurity," "Information Security Management System" and "Information System Disaster Recovery Procedures - Incident Management." The training targeted new regular employees and employees whose roles are related to information security.

## Spotlight Case: Refinement and Development of Sales Management

To support global expansion and key account strategies, Moxa initiated the Sales Management Excellence (SME) training program in 2010. The program aims to establish a consistent global sales management mechanism and enhance the professional skills of the sales team. It targets global sales teams who directly interact with customers, as well as collaborative project teams.

In late 2023, Moxa introduced SME 3.0 to further refine global business management. This updated program focuses on four key areas: key account management, organizational resource planning, global collaboration, and system optimization. These efforts aim to boost overall business performance.



### Implementation Results

- Twelve overseas executives tested the new system in six groups, serving as internal advocates. In early 2024, Moxa conducted six training sessions (24 hours total) across four regions in multiple languages, involving business partners, headquarters project teams, and logistics partners.
- To support key account managers and project partners at the headquarters during transitions, SME 3.0 program teams provided one-on-one coaching throughout the year, and designed 17 application interviews as well as recap and co-learning sessions.



### Project Impact

- Enhanced trainees' understanding on SME 3.0 and strategic planning for key accounts.
- Strengthened collaboration between key account managers and project partners worldwide.
- Encouraged trainees to identify collaboration opportunities, fostering team learning and growth through self-reflection and exploration.



Training seminar of new SME 3.0 mechanism






Trainees attending recap and co-learning seminar at the end of 2024

## Culture and Core Value

To help new employees embrace Moxa's culture and values, Moxa organizes several new employee Orientation Workshops and core values sessions each year. These programs foster a deeper understanding of our culture through interactive discussions and practical exercises.

In 2024, Moxa expanded its efforts by organizing diverse cultural initiatives tailored to three groups: all employees, managers, and new employees.

 All employees	<p>Moxa created four-frame comic strips themed “Moxa Praxis &amp; Moxa Spirit,” featuring the character Karucha Kun. These strips engage employees, helping them connect with and internalize Moxa's cultural values.</p>
 Managers	<p>Six cultural sharing seminars were held to inspire managers to embody and champion Moxa's culture. Meanwhile, managers and employees are encouraged to act as “scouts” and proactively discover colleagues around them who exemplify Moxa's culture. A total of 193 managers attended these sessions, including 22 joining the cultural promotion team. The number of scouts has doubled since last year, increasing visibility for dedicated employees.</p>
 New employees	<p>Moxa introduced a mandatory course, “Moxa Soul: The Grand Reveal of Corporate DNA,” for new hires. The interactive course focused on Moxa's business philosophy, including vision, mission statement, and core values, transforming abstract concepts into relatable experiences. Through immersive learning, new employees can internalize these values, which become an integral part of their identity at Moxa.</p>



2024 Culture Sharing Seminar



Four-frame comic strips,  
“Moxa Praxis & Moxa Spirit”

## Special Project: “Symphony of Learning, Sharing and Reading”

In 2024, Moxa launched a series of activities entitled “Symphony of Learning, Sharing and Reading” to inspire employees to think more diversely and gain broader perspectives through reading and rumination.

### Part I: Sharing with You

The “Secret Angel and Master” pairing mechanism allowed employees who loved reading to exchange books with each other, exploring genres they were less exposed to in the past, getting inspired, gaining diverse perspectives, and piquing their reading interest in different fields. Many employees actively participated in the event, and shared their insights from reading on the forums at Moxa College.

### Part II: Reading Marathon

Inspired by the concept of Bingo game, employees formed teams of 3-4 people participated to compete in the challenge. Members who completed reading and sharing missions within the time limit could help the team mark a square on a 4x4 grid. During the ten-week reading challenge, team members motivated and supported each other, creating a memorable learning experience together.

### Part III: A Voyage of Knowledge

Embracing the idea of “To learn, read widely and travel far”, this activity encouraged employees to explore different cultures and develop global perspectives. The program team produced two podcast episodes featuring employees from Belgium and Malaysia to share their culture and interesting anecdotes of their home countries. Meanwhile, in-house digital courses on Japan and India were launched to help employees delve into the historical and cultural backgrounds of both regions.



### Implementation Results

- The trilogy attracted a total of 248 participants, forming 10 reading teams, producing 4 digital courses and podcasts. The average satisfaction score was 4.8 out of 5.



### Participant feedback

- “I used to read alone and was accustomed to forming my own thoughts. Group reading allowed me to absorb different viewpoints and step outside my reading comfort zone. It was a fun and highly rewarding experience.”
- “This event not only helped us learn job-related knowledge, but also broadened our understanding of global culture. Many thanks to the organizing team for their thoughtful work.”

### Email of Symphony of Learning, Sharing and Reading



Celebration Party for  
Reading Marathon

## General Business Skills

To enhance employees' overall capabilities, Moxa comprehensively considers the actual needs of employees in the workplace, and plans a series of courses to cultivate employees' general business skills, e.g., Problem-Solving and Decision-Making, business presentation skills, communication skills, etc. The courses incorporate the expertise and experience of both internal and external instructors. External instructors bring in the latest perspectives and diverse thinking, inspiring employees with new ideas. Whereas, since internal instructors are more knowledgeable about the Moxa's internal practices, they can provide suggestions that meet the requirements of the field.

In order to ensure that employees can apply what they have learned to work, many courses contain group coaching or callback session. For example, after the "Business Presentation Skills" course, employees were required to make work presentations based on what they learned, and return to the classroom for practical drills, which would then be rated and evaluated by external instructors. For the "Business Email Writing Etiquettes" course, trainees must write and send an email based on actual work needs to the instructor for review within a limited period of time. In the group coaching of "Problem-Solving and Decision-Making," trainees are required to apply the logic thinking and form tools learned in the classroom to resolving actual problems at work. In 2024, the average course satisfaction rate was 4.82/5 for employees who proactively participated in general business skill training.



**Business Presentation Skill course**



**Email Writing Etiquettes session**

## Spotlight Case: Deepen Problem-Solving and Decision-Making Skills

Moxa focuses on industrial networking and communication technologies, with its products widely used in industries such as semiconductor, energy storage, and railroad transportation industries. Faced with complex and dynamic challenges in the field, Moxa's core competitive strength lies in its ability to quickly analyze situations through rational thinking processes, develop solutions, and make optimal decisions to solve customer problems.

To achieve this, Moxa adopts the systematic framework of the Kepner-Tregoe methodology, which includes four key steps: situation assessment (SA), problem analysis (PA), decision analysis (DA), and potential problem analysis (PPA). Based on the methodology, a specialized course entitled Problem-Solving and Decision-Making Training (PSDM) was designed for Moxa to cultivate internal talents in problem analysis and solution. Through two days of solid training, the course systematically guides participants to master knowledge and tool forms, with real-life case exercises integrated into each step. The course covers problem analysis, decision evaluation, and implementation planning, allowing participants to address practical needs in one go. Additionally, the course invites senior managers with training certifications to serve as instructors, ensuring the quality of teaching and the transfer of practical experience.

The program team observes from the actual course operations that when the trainees share similar backgrounds, the case discussion will gain more depth and resonance, which will also increase the possibility of future workplace applications. Therefore, starting in 2024, Moxa began to tailor courses with cases for managers and employees of the same department. Project team plan group coaching to examine whether trainees have applied the knowledge, logical thinking and form tools learned from the actual cases. Trainees are divided into groups based on actual work problems, and use the PSDM methodology to analyze and respond to a problem. Meanwhile, instructors are arranged to serve as consultants for each group. Finally, each group will present the application results, where lecturers, learning assistants, and trainees will jointly review and give feedback. Through diverse perspectives, trainees' practical application abilities are strengthened.



### Implementation Results

- In 2024, a total of five PSDM sessions were held, garnering more than 2,100 training hours and an average satisfaction rate of 4.82/5.
- During group coaching, trainees could effectively apply form tools to eliminate work problems, achieving the Level 3 (behavior) learning effect of Kirkpatrick model.



**Case discussion in PSDM course**



### Feedback from Learners

- "I learned how to organize and list all situations through systematic logical thinking, making myself more effective in clarifying problems and making decisions."
- "In the past, I would only look to resolve superficial problems. After this course, I have come to understand what the real problem is, how to analyze the problem, and how to assess the risk."



**Departmental PSDM training program**

## Employee Training Data



Moxa is committed to employee training and development, aiming to achieve organizational growth through individual development to cope with the challenges of constantly changing technologies and markets. Following the “70-20-10” principle of adult learning, each department designs on-the-job training programs for all employees. Additionally, experienced colleagues will serve as mentors and also organize thematic co-learning workshops to encourage learning from others in Moxa. Furthermore, the Learning & Development Department offers various formal training programs focused on management and general business skill for the formal learning. In 2024, including courses planned by the Learning & Development Department and department-organized courses, the total training hours of Moxa reached 65,068 hours, and the total training expenses reached NT\$11.1 million.

### 2024 Employee Training Data

	Total Training Expenses (NT\$ million)	▶	11.11
	Average Training Expense per Person (NT\$/person)	▶	5,864
	Total Employee Training Hours	▶	65,068
	Average Training Hours per Person (hours/person)	▶	34.35

Note: As of 2024, the statistics cover all employees, including those from overseas branches.

## Talent Advocacy and Industry Engagement

Since 2022, Moxa has been a proud member of the “TALENT, in Taiwan,” Taiwan Talent Sustainability Development Alliance for three consecutive years. In collaboration with CommonWealth Learning, Cheers, and over 500 companies across Taiwan to promote and advocate for sustainable talent development, Moxa demonstrates its commitment to talent cultivation and corporate social responsibility. To strengthen knowledge sharing and collaboration, Moxa proactively participates in industry forums and related events. In 2024, Moxa was invited to the CommonWealth Talent Sustainability Forum for the third year in a row, delivering a keynote speech titled “From Participation to Sharing: Organizational Cohesion in Transition.” The presentation highlighted how Moxa successfully led over 700 R&D team members across six branches through a journey of team coaching and experiential learning, achieving outstanding results in both organizational transformation and talent development. This experience not only showcased Moxa’s innovation and effectiveness in organizational management and talent development, but also demonstrated the Company’s deep commitment to sustainable business practices. Looking ahead, Moxa will continue to strengthen collaboration and exchange best practices with companies both domestically and internationally. Through diverse learning and practical experience, Moxa remains committed to promoting the sustainable development of corporate talent and creating long-term positive impact.



2024 Ceremony of TALENT, in Taiwan Initiative



Speakers and team members of the 2024 Talent Sustainability Forum

## 5.4 Occupational Health and Safety

### 5.4.1 Building a Healthy Workplace

#### Be Healthy, Enjoy Health Protection Plan

Moxa is a people-oriented company and we value our employees. Providing a healthy and safe workplace is our commitment and responsibility to our employees. Moxa, in accordance with the "Occupational Safety and Health Act," employs dedicated occupational health nurse. Additionally, exceeding regulatory requirements, Moxa engages occupational medical specialists from Linkou Chang Gung Memorial Hospital to provide on-site health services. This creates a professional team providing services that proactively cares for employee health.

To enhance employees' health awareness and promote a healthy lifestyle, Moxa launched the "Be Healthy, Enjoy Health Protection Plan" in 2022. This health management program sets short-term, mid-term, and long-term goals to ensure its effectiveness and sustainability. The health management program covers the health management system, health risk assessment, individual health management, health knowledge building, and health promotion activities to promote goals at each stage. Furthermore, feedback is solicited from occupational health doctor, professional instructors, or other relevant employees (e.g., members of the Employee Welfare Committee and representatives of the Occupational Safety and Health Committee) on the program's content, which allows for adjustments to the goals and processes of the health management program.

#### Be Healthy, Enjoy Health Protection Plan

#### 2022-2023

##### Know Your Number

#### Key Implementation Results

##### Health assessment and planning in workplace

Through health needs surveys and health examination data analysis, we comprehensively learn about employees' health status, focusing on key indicators such as blood pressure, blood lipid, blood sugar, and weight. We also identify high-risk groups, and design health promotion plans based on the analysis results to formulate short, medium, and long-term goals.

##### Implementation of health risk management

Through the hierarchical management of health risks, we provide personalized health interventions for employees of different risk levels, successfully improving health indicators, and reducing their risk levels. We also enhance employee participation and productivity, demonstrating excellent effectiveness in precise health management.

##### Enhancement of employee health awareness

We frequently organize numerous health seminars on diet and nutrition, exercise and posture, and stress management to enhance employees' health knowledge. We also organize health challenge activities to enhance employee participation and health awareness, and comprehensively implement workplace health promotion.

#### 2026-2028

##### Refine Your Number

- Foster healthy workplace with outstanding performance
- Employees take the initiative to conduct health management
- Physical and mental health balance of employees

#### 2024-2025

##### Improve Your Number

#### Results in 2024

##### Promote friendly workplaces

The health sculpture and walking activities garnered the participation of 199 employees. Through innovative teamwork, we enhanced employee interaction and support to create a healthier lifestyle. The activity satisfaction score reached 4.8 points, which fully demonstrated Moxa's outstanding performance in promoting a healthy culture and creating a friendly workplace.

##### Implement workplace health promotion

- We organized a variety of health promotion activities, garnering a total of 1,471 participants and an average satisfaction score of 4.9 points.
- The percentage of high-risk cases reduced from 7.36% to 4.46%, fully demonstrating the effectiveness of health promotion and health management strategies.

##### Integrate employee health management mechanism

We established an automatic health classification mechanism for health examination data to effectively improve the efficiency and accuracy of health classification, and integrated healthcare implementation records to significantly shorten the time to organize data, achieving real-time analysis and application of health data.

#### Targets in 2025

▶ Implement four major plans to deepen occupational disease prevention and create a friendly and healthy workplace.

▶ Implement diverse health promotion, promote healthy behavior, and facilitate comprehensive health development.

▶ Use Access database management tool to build a health management platform.

## Health assessment and planning in workplace

Moxa provides health checkup plans for different groups of people. Occupational health doctors and nurses assess the health needs of people based on the results of the health checkups. The planned health check-ups include pre-employment physical examinations, health checks for employees involved in tasks with special health hazards, regular health check-ups, and health examinations for catering staff.

Pre-employment Physical Examinations	<ul style="list-style-type: none"> <li>The occupational nurses will conduct one-on-one health education based on the health data of each employee. If the health data is preliminarily determined to have met the criteria of case acceptance, occupational medical consultation will be arranged as soon as possible. If the health data meet clinical treatment standards, they will be included in the case acceptance management after consultation.</li> <li>Among the 83 new employees in 2024, one employee was listed as a high-risk case. The occupational physician was consulted with regard to the employee in this case and provided medical advice accordingly.</li> </ul>
General Physical Examinations	<ul style="list-style-type: none"> <li>We provide employees and their dependents with preferential prices for health check-ups, and a health check-up subsidy of NT\$5,000 per year for each employee, which is higher than what is required by law. The total health examination expenses incurred in 2024 amounted to NT\$7,601,000.</li> <li>In 2024, a total of 1,547 persons qualified for health check-ups, of which, 1,502 persons completed (97.1% completion rate). Among them, 67 were listed as high-risk cases, with a high-risk rate of 4.46%, a decrease of 2.9% compared to that of 2023.</li> <li>In 2024, 100% of high-risk cases received consultation with occupational nurses and doctors, where appropriate medical and consultation advice was provided.</li> </ul>
Special Hazards Operations Physical Examinations	<ul style="list-style-type: none"> <li>Moxa's Bade Plant is furnished with X-ray testing equipment. Twelve operators will undergo health check-ups for ionizing radiation before reporting to work and annually thereafter. Their health management is undertaken based on occupational disease specialists' assessments.</li> <li>In 2024, the completion rate for Special Hazards Operations Physical Examinations was 100%, with no high-risk cases.</li> </ul>
Catering Staff Physical Examinations	<ul style="list-style-type: none"> <li>Bade Plant has its own kitchen. Moxa regularly conducts health examinations for six catering employees each year in accordance with regulations, and the completion rate was 100%. The inspection results showed that they may engage in food catering work.</li> <li>Among them, three employees were listed as high-risk cases requiring management due to abnormal blood sugar and blood pressure. All of them received consultation with occupational doctors and nurses, who regularly monitored and cared for their physical condition.</li> </ul>

## Moxa 2024 Taiwan Headquarters Health Check-Up

	Pre-employment Physical Examinations	General Physical Examinations	Special Hazards Operations Physical Examinations	Catering Staff Physical Examinations
Number of Employees Eligible for Check-up	83	1,547	12	6
Participants (persons)	83	1,502 <sup>1</sup>	12	6
Completion Rate (%)	100%	97.1% <sup>2</sup>	100%	100%
Number of High-risk Employees <sup>Note 3</sup> (persons)	1	67	0	3
Percentage of High-risk Employees (%)	0.02%	4.46%	0%	50%

Note 1: In 2024, a total of 1502 employees participated in the annual health check-up. Among them, 21 requested to defer use of the subsidy to the following year due to pregnancy, and 24 opted out due to personal reasons.

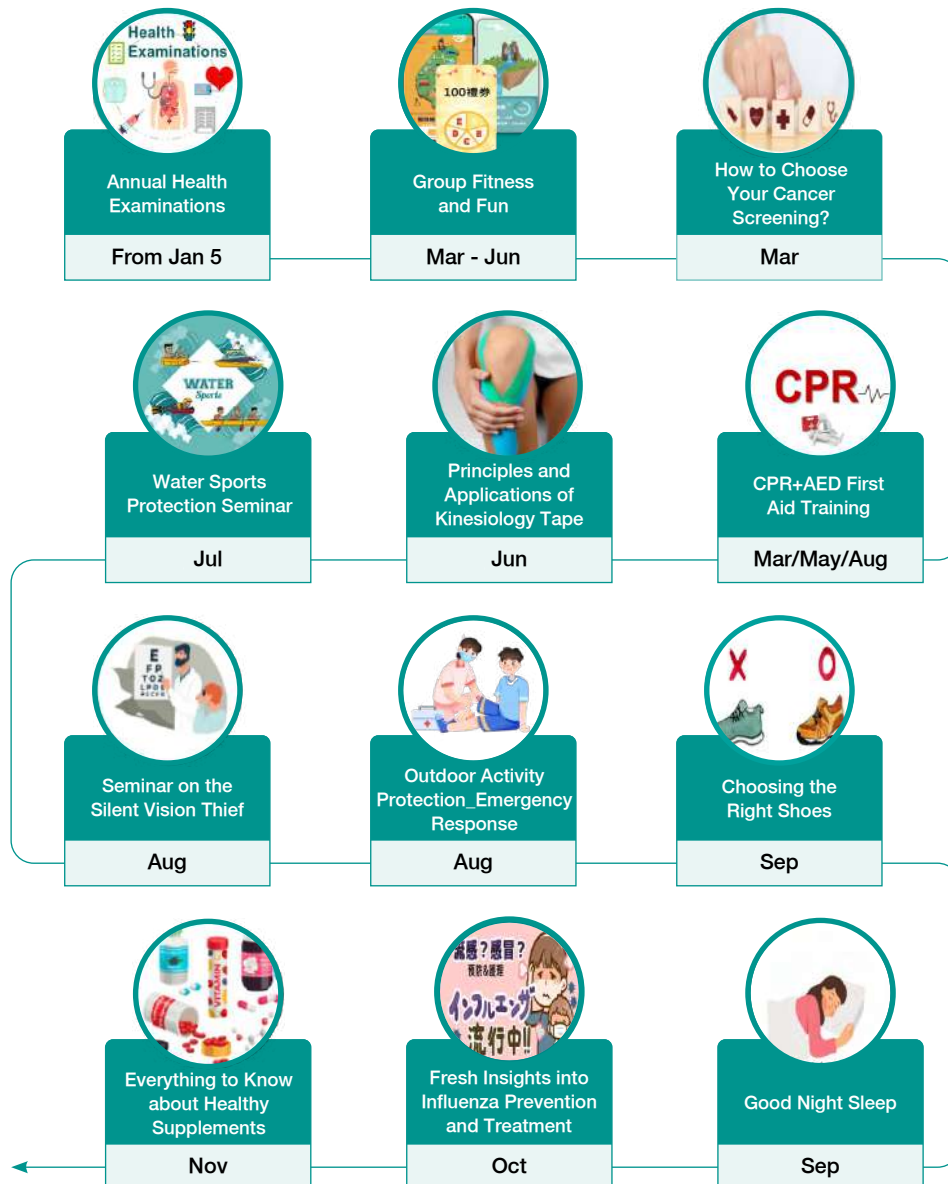
Note 2: Although Moxa's annual health check completion rate was not 100%, based on the statistics of employees required to undergo health checkups under the Regulations Governing the Labor Health Protection, Moxa's health check completion rate was 100% in 2024.

Note 3: The number of high-risk employees is defined as the number of persons whose health check results meet the criteria of case acceptance. In 2024, 100% of the employees classified as high risk received consultation with an occupational nurse or occupational doctor, who provided medical treatment and medical advice on a case-by-case basis, and regular follow-up and care.

After the annual health check-ups, occupational health nurses manage cases that meet specific criteria for case management based on the results ([for more details, please refer to implementation of health risk management section for details](#)). At the end of each year, occupational health doctor and nurses conduct a detailed analysis of health check-up results, using age and gender as variables. This analysis identifies health hazards and potential disease factors. The results are compared with data from the Health Promotion Administration's "Health Promotion Statistical Yearbook" and the "National Nutrition and Health Survey" to assess differences in health prevalence rate between Moxa employees and the general population of the same age. This process also identifies the top ten abnormal health indicators among Moxa employees.

According to the trend analysis of health examination results from 2022 to 2024, the dyslipidemia rate decreased from 59.8% to 52.0%, but was still at a relatively high level, reflecting the challenges faced by employees in terms of lipid control. The rate of fatty liver abnormalities increased significantly from 43.3% to 46.7%, indicating that issues related to fat reduction required much attention in future health management. In comparison, the rate of abnormal blood sugar levels decreased from 29.4% to 14.4%, and the rate of abnormal blood pressure decreased from 22.3% to 14.3%, showing the significant effectiveness of the current health promotion strategies for blood sugar control and stress management. Based on this, the efforts in 2025 will focus on improving blood lipid and fatty liver indicators, and planning for fat loss challenges, healthy diet, and group exercise courses for employees. Meanwhile, we will continue to strengthen the effectiveness of blood sugar and blood pressure management. Through case-by-case health management and individual guidance to strengthen health maintenance, health education and diverse health promotion will also be undertaken to enhance employee health awareness. We hope to reduce the rate of abnormalities in high risk indicators and stabilize the effectiveness of health management.

## 2024 Health Promotion Activities



## Implementation of health risk management

In addition to proactively promoting health activities and monitoring the health status of employees, Moxa also implements health risk management. The Moxa health risk management system is collaboratively discussed and established by occupational nurses and related personnel (e.g., occupational doctors, occupational safety personnel, and human resources personnel). It covers health management procedures, special group health protection program (maternal health protection, abnormal workload-triggered diseases prevention plan, ergonomic hazards, unlawful infringement in workplace), and operational guidelines of on-site health service. Based on the aforementioned health management systems, occupational nurses use different avenues and various inspection methods to identify hazard factors and groups that meet the criteria. They work with occupational safety personnel and occupational doctors to distinguish whether the abnormalities are related to physical, chemical, and ergonomic hazards, in order to formulate prevention and improvement plans. Once the groups requiring management and monitoring are identified, occupational nurses will include them in individual health management. In 2024, Moxa had no occupational disease cases.

In addition to the previously mentioned groups, Moxa also referred to the Health Promotion Administration's Chronic Disease Risk Assessment Platform, and input from occupational doctors to establish the Moxa Health Classification Standard. Occupational nurses classify and identify eligible cases based on the health check results. These cases are also included in the health management list for appropriate measures. Through consultations with occupational nurses and doctors, employees receive timely diagnosis and treatment which prevent disease progression or recurrence.

Moxa prioritizes health management for special groups by annually reviewing four major health protection plans. If an employee is found to be at risk or potentially at risk, occupational nurses will collaborate with occupational safety personnel, occupational doctor, or HR personnel to discuss improvement plans, thereby minimizing exposure to harmful conditions and reducing health risks.

### 2024 Special Group Health Protection Program Survey for Employees of Taiwan Headquarters

	Number of Persons Surveyed		Non-hazardous		Suspected of Hazard		Hazardous	
	Male	Female	Male	Female	Male	Female	Male	Female
Maternal Health Protection	-	514	-	514	-	0	-	0
Abnormal Workload	875	465	826	428	45	37	4	0
Ergonomic Hazards	913	456	857	380	56	30	0	0

Note: The frequency of unlawful infringement investigations in the workplace will be revised in 2024 in response to regulatory amendments, and will be investigated once every three years starting in 2025.

## Special Group Health Protection Program - Maternal Health Protection

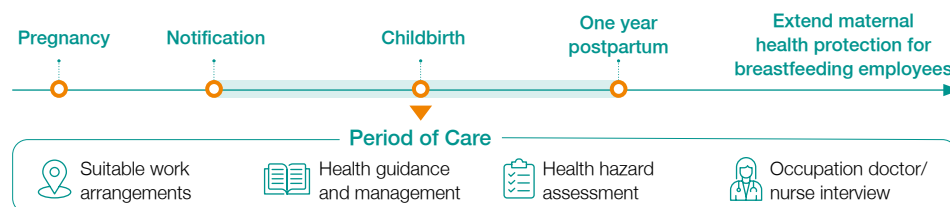
To protect female employees who are preparing for pregnancy, are pregnant, within one year postpartum, or are still breastfeeding after one year postpartum, Moxa will undertake necessary health and safety measures to achieve the goals of the Workplace Maternal Health Protection Program. Employees who meet the criteria can notify the occupational health nurses via the pregnancy notification system on the intranet—EHS system and health management website, or via the internal messaging app, “Teams,” to make health consultation arrangements. To avoid omissions, the occupational health nurses check the list of employees applying for prenatal checkup leave, maternity leave, and reinstatement after parental leave each month to ensure all cases are included.

After compiling the list, the occupational health nurses will initiate maternal protection hazard identification and assessment. Meanwhile, the occupational safety team members will identify and assess workplace hazards, classify risks, improve workplace conditions, and manage hazard control. The occupational health nurses and doctors will use this assessment to interview the employees, evaluating their main complaints to provide suggestions on health hazards, risk classification, job suitability, and hazard control. In 2024, out of 514 employees of childbearing age, 19 pregnant employees were included in the care list. After assessments and health consultations, it was determined that there were no hazards, and they may continue with their original work.

For a friendly and optimized workplace, occupational safety team members regularly make environmental, health and safety inspections, review the safety data sheets (SDS), and arrange for re-evaluation of workplaces by the occupational health doctors, occupational health nurses, and relevant personnel when necessary to find out whether pregnant employees are exposed to a hazardous environment, so that appropriate improvement measures can be taken. Moxa also has dedicated, comfortable breastfeeding rooms, priority seating for pregnant women in the mixed office area, and parent-child rooms for employees' children to create a workplace that meets the needs of working mothers.

### 2024 Maternal Health Care

Year	Number of Employees Receiving Care	Risk level		
		Level 1	Level 2	Level 3
2024	19	19	0	0
Approaches		Providing health consultation and guidance	Providing health consultation to inform about hazards; and terminating or implementing control measures	Providing medical assistance, implementing work restrictions or work change



## Special Group Health Protection Program - Abnormal Workload

To protect the physical, mental, health, and safety of employees and to prevent health impacts from long working hours and other job-related workloads, Moxa offers a hybrid working system, flexible leave that is better than regulations, full-pay sick leave, and flexible working hours, etc. Moreover, the design of the attendance management based on employee needs promotes the balance between employees' physical and mental health and family life. To learn more about the physical and mental health of employees, health-related assessment questionnaires (work form, personal health questionnaire and work health questionnaire) are incorporated to implement workplace health management. In 2024, a total of 86 employees met the interview and consultation requirements. Among them, four employees were found having high workload in a work-related questionnaire. They received consultation with a physician providing services on-site. After determining that they were exposed to high risks of cerebral and cardiovascular diseases, they were advised to seek medical treatment as soon as possible. Occupational nurses were also enlisted in their case management for continuous follow-up, and regular care interviews were conducted on a regular basis to verify whether they were seeking medical attention.

In addition to the annual review of high-risk groups for cerebrovascular and cardiovascular diseases, for those with a 10-year cardiovascular disease risk >20%, or those with existing cerebrovascular or cardiovascular diseases, the HR will preliminarily include employees working long hours or on long-term sick leave into the abnormal workload list each month. Occupational nurses then refer to the latest health check results to assess the risk level and provide timely care. In addition, during high-risk seasons for cardiovascular diseases, Moxa will organize related disease prevention lectures, and first-aid training on cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED), educating employees on the prevention of cerebrovascular diseases, emergency responses, and health management strategies.

### CPR+AED First Aid Training

In 2024, a total of three sessions of the elective course were held, and 77 persons completed practical training, garnering an average course satisfaction rate of 4.9. During the course, employees could clearly identify the locations of AEDs and nearby first-aid kits, ensuring that they were able to respond correctly to emergencies.



Imparting first-aid knowledge



Participating in a practical drill

## Special Group Health Protection Program - Ergonomic Hazards

To prevent musculoskeletal injuries and illnesses in employees caused by ergonomic hazards such as repetitive work, during the annual health examination, Moxa conducts self-awareness survey on employees through the Musculoskeletal Injuries Survey. Based on the survey results, we will distinguish the level of hazard and verify the ergonomic hazard factors at work before selecting and executing improvement measures to prevent work-related musculoskeletal injuries sustained by employees due to workload, bad posture during work, and repetitive work. In 2024, a total of 1,399 employees completed the Musculoskeletal Injuries Survey. A total of 85 suspected hazardous cases were found. Upon an occupational physician learning about their work contents, we verified the causes and occurrence of the injuries, and no operational adjustments were required for all cases. In addition, through care for employees on long-term sick leave and occupational accident reporting cases, occupational nurses screen for workstations or operations with musculoskeletal injury cases or those that are musculoskeletal injury-prone to provide relevant care. In 2024, there were no cases where employees needed long-term sick leave or no occupational accidents that caused musculoskeletal injuries in employees occurred.

To enhance employees' understanding of musculoskeletal health and provide appropriate healthcare knowledge, occupational nurses add new muscle and bone health exercise videos on the health management/health platform. These videos are easy to understand and provide suitable ways for quick relief of musculoskeletal discomfort in daily work. Employees who are engaging in sedentary or physical work can learn how to perform simple relaxation movements from the videos to reduce the discomfort caused by maintaining the same posture for an extended period or repetitive movements.



### Musculoskeletal Health Exercise Video

#### Neck and Head Care Exercises

Improve neck mobility, myofascial flexibility, and nerve gliding. Help delay neck degeneration and relieve discomfort in the head and neck region.

## Special Group Health Protection Program - Unlawful Infringement in Workplace

At Moxa, we strive to prevent employees from being mistreated by supervisors and colleagues based on power, and bullied or subjected to violence, such as physical attacks, verbal abuse, intimidation, or threats, by customers, service users, or other stakeholders. In situations that cause mental or physical harm, or are life-threatening, Moxa delineates a zero-tolerance policy for all kinds of unlawful infringement in the workplace. Furthermore, pursuant to the Prevention and Management of Unlawful Infringement in the Performance of Duties, we regularly perform hazard factor assessment and improvement measures, conduct health training, and establish comprehensive handling procedures for such cases. In 2023, a total of 43 units were assessed for workplace abuse risk. The results of each unit's self-assessment showed low internal and external risks. In 2024, the risk assessment of unlawful infringement in the workplace was revised in response to regulations. Of which, the frequency of hazard factor assessment will be changed to once every three years (starting in 2025), and the education and training on unlawful infringement for all employees will be completed in 2025.

## Prevention Measures of Unlawful Infringement

Hazard identification and risk assessment	Proper workplace arrangement	Adjust workforce based on job suitability	Establish code of conduct
Conduct hazard prevention and communication training	Establish incident handling procedures	Evaluate and improve effectiveness	Other health and safety issues

Moxa has established an infringement complaint mechanism. After receiving a complaint, we will activate an employee care and protection mechanism, and handle cases according to the "Moxa Code of Conduct Case Procedures." The HR personnel and investigation team will coordinate and handle the case on a basis of confidentiality, suggesting work adjustments, providing psychological or medical assistance as necessary, and proactively taking preventive measures and relevant protective actions.

## Procedures for Handling Infringement Incidents

<b>Complaint Channel</b> <ul style="list-style-type: none"> <li>Complaint email: Mccc@moxa.com.</li> <li>Report to department managers, HRBP, or Group HR Head.</li> </ul>	<b>Handling of Report</b> <p>According to the "Moxa Code of Conduct Case Procedure," the HR personnel and the investigation team will coordinate to address and verify the incident and provide assistance.</p>	<b>Follow-up Action</b> <p>Assist in negotiation and dispute mediation, and provide medical assistance or referral for psychological counseling.</p>
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## Enhancement of employee health awareness

### Health Literacy Enhancement

To enable employees to learn about health knowledge through proper channels, and make appropriate decisions to promote and maintain good health, in 2024, occupational nurses held a total of 15 seminars on “medical knowledge,” “health knowledge,” and “exercise and nutrition,” garnering a total of 1,173 participants and 6,244 hours of training. In addition, seven health promotion e-newsletters were published in 2024 to disseminate health-related knowledge through emails.

#### Key Program - Health Academy

Starting in 2024, Moxa organized the “Health Academy,” mainly where occupational nurses post information from various health seminars in the current year on the Health Academy website. It allows employees to make revision online, and encourage them to proactively participate in various health-related activities. “Health Points” will be awarded, and those earning the most points at the end of the year will receive prizes as encouragement. We hope that employees can participate in the activities to achieve the short-term goals of Know Your Number. A total of 1,173 people participated in this activity, and the average course satisfaction rate was 4.9 (out of 5 points).



### Health Promotion Activities

Moxa cares about the health of its employees. We work to not only prevent work-related injuries, but also organize a series of health promotion activities through occupational care to proactively and effectively create a healthy lifestyle, in order to facilitate and maintain a healthy atmosphere. Health management and employee well-being are important issues of long-term concern to Moxa. In 2024, our health promotion activities continued past efforts, integrating employee health needs in workplace health risk assessment, and planning a series of diverse activities that cover areas such as infectious disease prevention, eye health, exercise and health, and nutrition management. All of which are aiming to enhance employee health awareness and practical capabilities.



#### Influenza Prevention

A health education seminar on influenza prevention and treatment was held before the influenza season. Also, a flu vaccination event was held in October, with a total of 118 participants, demonstrating the importance of infectious disease prevention and control in Moxa.



#### Vision Health

A total of 122 employees attended the Seminar on the Silent Vision Thief - Glaucoma, garnering an average satisfaction score of 4.94 points, and helping employees gain knowledge and skills for visual protection.



#### Exercise and Health

We organized many exercise and health courses, including the use of kinesiology tapes, choosing the right shoes, and basic muscle training, which attracted a total of 138 participants. In particular, the course satisfaction score of the “Choosing the Right Shoes” reached 5 points.

### Health Sculpture X 10,000-Step Walk

In the 2024 health promotion activities, we will continue the 2023 “Health Sculpture” event and combine it with the new “10,000-Step Walk” event. They were combined based on the trend analysis results of the ten major abnormality indicators in the health examination results, aiming to enhance employee health awareness and health behavior. The “Health Sculpture” and “10,000-Step Walk” events lasted for three months, attracting 199 employees to form 30 teams. Through teamwork, we strengthened mutual motivation and support among employees. Many employees even invited their families to participate, allowing the improvement of health awareness and exercise habits to be extended to families.

Among them, for the 10,000-Step Walk event, we launched a new form of sports app for registration in 2024, where employees could freely form teams and sign up. We were able to gather a large number of participants. During the 90-day competition period, employees participating in the events made more than 180 million steps, which were equivalent to over 128 rounds around Taiwan. As many as 10,650 persons achieved the goal of making 10,000 steps each day. Since the very first year, the events win enthusiastic feedback from employees and more people are encouraged to incorporate sports into their daily lives. To further expand participation, we plan to launch the second 10,000-Step Walk event in 2025 to encourage employees who do not have the habit of exercising to try and join. Meanwhile, in a bid to motivate people to exercise continuously, we also design a reward mechanism where employees who achieve the goal can participate in a lucky draw.

During the event, Moxa will also organize diet, nutrition and health courses. For the first time, a nutritionist will be invited to conduct livestreams on cooking healthy meals, providing practical diet management knowledge and techniques. This will further enhance employees’ understanding of blood lipid and diet management, and help them make positive progress in the practice of body fat and healthy diet. Through the dual intervention of exercise and diet, these activities have received a high level of participation and positive feedback, not only improving employee health behavior, but also deepening the concept of health management, fully demonstrating the excellent effectiveness of the health promotion activities.



## 5.4.2 Maintaining Workplace Safety

### Occupational Health and Safety Management

#### Policy and Management

To ensure the health and safety of employees and fulfill its commitment to environmental protection, Moxa has established an [environmental health and safety policy](#) (hereinafter referred to as this Policy) which is periodically reviewed and revised to ensure compliance with relevant requirements and the Company's development goals. This Policy applies to all Moxa business locations and related personnel worldwide, including employees, suppliers, contractors, subcontractors, contract workers, customers, and other major external stakeholders related to operations. In this Policy, Moxa is committed to undertake occupational health and safety management, legal compliance, health and safety promotion, and internal and external communication appropriately to continuously improve the health and safety management performance, in hopes of jointly creating a safe and friendly workplace culture.

Moxa has established a clear organizational structure and division of responsibilities, and has also created the Occupational Safety and Health Committee. The committee convenes quarterly meetings to review, coordinate, and recommend related matters. It is chaired by members of Corporate Executive Leadership Team. The committee members include department heads, occupational healthy and safe personnel, engineers, technicians, and labor representatives. Meanwhile, the proportion of labor representatives is more than one-third of the committee members, which fully reflects the Company's emphasis on employee participation and consultation. This will ensure that employees can proactively participate in discussions and decisions on related issues, and jointly promote a healthy and safe working environment.

#### Composition of Moxa Occupational Safety and Health Committee Members

Chairperson	Total Number of Committee Members	Number of Employee Representatives	Proportion of Employee Representatives
Member of Corporate Executive Leadership Team	28 persons	11 persons	39%

#### Occupational Health and Safety Management System

To ensure effective implementation, Moxa adopts an occupational health and safety management system at its Xinchuang headquarters and Bade Plant. This system underwent a rigorous audit by the BSI Group and successfully passed the [ISO 45001:2018 certification](#), covering 100% of employees and non-employees. Moxa has also established comprehensive standards operating procedures (SOPs) for employees to comply with. They also serve as the management standards to ensure employee health and safety.

Location of Operation	Number of Employees	Number of Non-employees 1
Xinchuang Headquarters	1,248	16
Bade Plant	299	19

Note 1: Non-employees are those not employed by Moxa but working under Moxa's direction and supervision.

#### 2024 Health and Safety Management Plan

The health and safety management plans proposed by Moxa each year aim to effectively enhance environmental safety and operational protection through improvement and optimization measures, and to prevent risks and probability of hazards. Moxa proposed three health and safety management solutions in 2024 and 100% of improvement and optimization measures were completed, including (1) installing small fans in the exhaust device of the Global Technology Service laboratory, which can improve the hood wind speed, effectively enhancing pollutant capture efficiency, reducing the risk of hazardous substance escape, and ensuring the air quality of the laboratory; (2) establishing individual protective gear management rules to ensure that each unit selects suitable protective gear, and strengthen the use and management mechanisms to further improve the protection effectiveness of operators; (3) through the improvement of explosion-proof containers in Bade Plant, we added "local ventilation" and "static electricity earthing" to reduce the risk of accumulation of flammable liquid vapors and leakage of organic solvents, thereby reducing the impact of fires, explosions, and odors. This will comprehensively improve operational safety, ensuring the health of employees and the safety of the work environment.

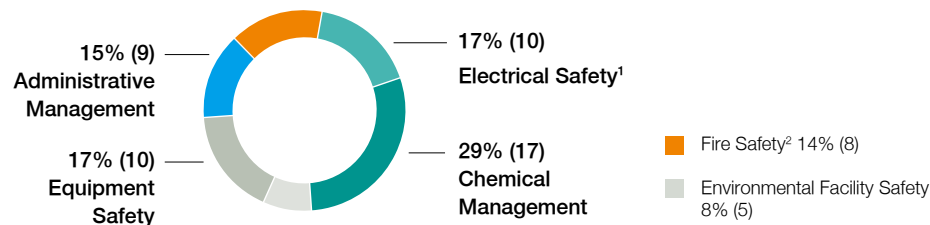
### Occupational Hazard Prevention and Response

#### Occupational Hazard Identification and Risk Assessment

To effectively identify potential hazards in the workplace, Moxa conducts comprehensive hazard identification and risk assessment for related operations, activities, products, and services, covering routine operations (e.g., maintenance or testing) and non-routine operations (e.g., anomaly elimination or temporary operations). This serves to verify occupational health and safety risks requiring control, and opportunities for improvement. The scope of identification includes all personnel accessing the plant, including employees and contractors.

In 2024, 100% of Moxa's main operating locations (Xinchuang headquarters and Bade Plant) have completed occupational hazard identification and risk assessment in accordance with the Environmental Aspects and Hazard Identification and Risk Assessment Procedures. A total of 522 hazards were identified at the Xinchuang headquarters and the Bade Plant, but none posed major risks. In addition, Moxa regularly conducts thematic inspections and invites EHS Seed Members to participate in the implementation to proactively discover potential hazards. The scope of inspections covers six major dimensions, including environmental facility safety, electrical safety, fire safety, administrative management, equipment safety, and chemical management. In 2024, the seed members took charge of the inspections and were grouped to conduct cross-departmental audits. A total of 59 improvement recommendations were made. All improvement measures and prevention actions were completed, and the improvement rate reached 100%. The seed members also gave feedback on relevant recommendations during the process, in order to improve Moxa's overall safety awareness and culture through mutual learning.

## 2024 Moxa Thematic Inspections



## Thematic Inspections Conducted by EHS Seed Members



### Chemical Safety

Chemical labeling, regular updates of SDS, etc.



### Electrical Safety

Use of extended lines, electricity use in wet areas, etc.



### Environmental Facility Safety

On-site facility inspection, welding operation, ventilation equipment, etc.



### Fire Safety

Fire extinguisher deployment, on-site facility preparedness, fireproof stuffing, etc.



In addition to regular inspections, Moxa has also established a timely reporting mechanism. If an employee discovers a situation that may cause immediate danger during work, he or she may immediately report to the occupational health and safety personnel, nurses or their direct supervisors, and take the initiative to stop the operation and evacuate to a safe place without endangering the safety of others. Moxa undertakes not to impose any disciplinary action on employees who take safety precautions in order to protect the safety and rights of all employees.

## Operating Environment Monitoring

Moxa regularly implements monitoring to ensure that the workplace environment complies with relevant regulatory requirements and health and safety standards. This is helpful to us in comprehensively monitoring the conditions of the work environment and assessing the risks our employees are exposed to. In accordance with the “Regulations Governing the Implementation of Workplace Environmental Monitoring,” Moxa entrusts qualified environmental measurement institutions to conduct monitoring each year, covering chemical factors such as 2-Butoxyethanol, methanol, toluene, isopropanol, and carbon dioxide. The monitoring results in 2024 showed that no items exceeded the permissible concentration standards. In addition, Moxa adheres to the highest standards and proactively tests on a regular basis for potential hazardous items (e.g., acrylic acid, tin, and ethanol) that are not required by law but subject to permissible concentration standards to ensure the safety of the operating environment.



### Verification of Chemical Types Monitored

### Verification of On-Site Point Measurement

## Hazardous Chemicals Management

Moxa strictly complies with the “Hazardous Chemicals Management Regulations” and includes all chemicals in the “Hazardous Chemicals and Safety Data Sheet (SDS) Management List” for internal control. To purchase substances that are not listed, change of management procedures must be evaluated to verify the hazards and preventive measures before proceeding. All chemicals are stored in specific locations, and labeled and managed in accordance with the “Regulation of Labelling and Hazard Communication of Hazardous Chemicals” or the “Globally Harmonized System (GHS) of Classification and Labelling of Chemicals.” The safety data sheet (SDS) will be placed in a prominent location to facilitate prompt reference and response in emergencies.

To enhance employees’ awareness of hazardous chemicals, the Company provides general training on hazard handling when new recruits report to work, explaining the operating regulations and precautions for chemicals. For current employees, we continue to strengthen their safety knowledge through regular health and safety education and training to ensure that all personnel are equipped with appropriate safety operating abilities in chemical operations.

## Electrical Safety Management

Due to its power-based operations, power safety management is the top priority for Moxa. Moxa has formulated the “Electrical Safety Standards” to strengthen the management and control of electrical equipment, and provides EHS Seed Members with education and training related to electricity safety. In addition, we regularly issue EHS e-newsletters to promote the safety knowledge of electricity use to all employees and raise their safety awareness.

To ensure the safety of electricity use in the workplace, Moxa has established a daily inspection mechanism to identify potential electricity risks and provide recommendations for improvement through regular inspections. Meanwhile, in 2024, Moxa also used external resources to conduct infrared testing of power panels in plants to inspect whether equipment and wires were operating normally and whether there were abnormalities such as overload during power outages. These measures effectively improve the electrical safety management in the workplace and protect the health and safety of employees.



**Infrared Inspection of Electrical Equipment**

**The R circuit contact point was found to be defective. Temperature was back to normal after the line was crimped and connected.**

## Accident Investigation and Occupational Health and Safety Indicators

Moxa attaches great importance to every accident, and always conducts inspections and subsequent handling responsibly. In accordance with the “Instruction on Accident Investigation” established, Moxa will immediately initiate investigation and analysis procedures in the event of an incident, tracing its root cause, and formulating specific preventive measures. The occupational health and safety management unit monitors and tracks the improvement status throughout the process to ensure the effective implementation of measures and prevent similar incidents from recurring. Meanwhile, Moxa regularly compiles occupational hazard data and reports pursuant to regulations.

In 2024, there were no occupational or industrial accidents within and outside the Moxa plant. There were also no violations of occupational health and safety-related regulations, successfully achieving the goal of “zero occupational accidents and zero industrial incidents” in 2024. Looking ahead to 2025, the Company will continue to set the same goals and strive to provide employees with a safe working environment.

For traffic accidents that are unpredictable, a total of 17 employee were involved in traffic accidents in 2024, 70% of which were motorcycle accidents. To reduce the incidence of such accidents, Moxa has specially designed digital teaching materials on motorcycle defensive driving, and organized traffic safety seminars to raise employees’ awareness of driving safety, further reducing the risk of traffic accidents caused by commute to work or business trips.

## Occupational Injuries and Illnesses in 2024

	Employees	Workers Other than Employees
<b>Total Hours Worked (hours)</b>	3,102,000	1,667
<b>Rate of Fatalities as a Result of Occupational Injuries</b>	0	0
<b>Rate of High-Consequence Occupational Injuries</b>	0	0
<b>Rate of Recordable Occupational Injuries</b>	0	0
<b>Rate of Fatalities as a Result of Occupational Illnesses</b>	0	0
<b>Rate of Recordable Occupational Illnesses</b>	0	0

Note 1: High-consequence occupational injuries: Death caused by occupational injuries, or injuries that makes it difficult for workers to recover to their pre-injury health status within six months.

Note 2: Recordable occupational injuries do not include occupational injuries caused by commuting to and from work.

Note3: Rate of fatalities as a result of occupational injuries = (number of deaths caused by occupational injuries/total hours worked) X (contractors: 200,000, employees: 1,000,000)

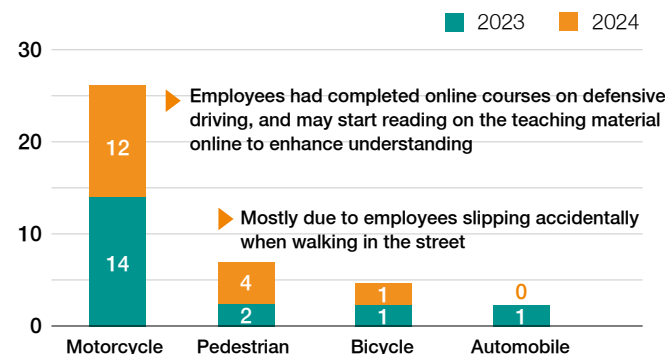
Note 4: Rate of high-consequence occupational injuries = [number of high-consequence occupational injuries (excluding number of deaths)/total hours worked] X (contractors: 200,000, employees: 1,000,000)

Note 5: Rate of recordable occupational injuries = [number of recordable occupational injuries (including number of deaths and high-consequence occupational injuries)/total hours worked] X (contractors: 200,000, employees: 1,000,000)

Note 6: Rate of fatalities as a result of occupational illnesses = (number of deaths caused by occupational illnesses/total hours worked) X (contractor: 200,000, employees: 1,000,000)

Note 7: Rate of recordable occupational illnesses = [recordable occupational illnesses (including number of deaths and high-consequence occupational injuries)/total hours worked] X (contractors: 200,000, employees: 1,000,000)

## Analysis of Traffic Accidents Over the Years



**Organize traffic safety seminars and develop digital teaching materials**

## Emergency Response Management

Fire prevention is the primary task for the safety of corporate operations. Moxa regularly organizes fire safety training and evacuation drills every six months to ensure that all personnel can respond quickly in the event of an emergency. With the addition of the “i-Tower” as its office in 2024, Moxa specifically reorganized the fire safety teams, and carried out fire safety training and all evacuation drills in the second half of the year to familiarize employees with the emergency response process, evacuation routes and gathering locations to ensure response efficiency and individual safety.

As all of our offices are located on elevated floors, we specially strengthened the core training of the “Evacuation Guidance Class” and “Safety Protection Class.” The “Evacuation Guidance Class” is responsible for guiding employees to evacuate safely via the emergency stairs, while the “Safety Protection Class” is responsible for controlling the use of smoke dampers and elevators to effectively prevent the spread of fires and ensure smooth evacuation routes. In addition, in order to improve the resilience of high-risk areas, the Bade Plant regularly conducts emergency response drills for specific areas to help employees familiarize themselves with the response process in different fire scenarios, ensuring that they can act quickly when a disaster first occurs and reduce the extent of fire escalation and damage.

### Regularly Organize Fire Safety and Evacuation Drills



Indoor courses for safety teams



Emergency reporting and broadcast



Evacuation guidance drills



Safety protection control



Evacuation Drills-1



First-aid injury dressing exercise



Fire extinguishing drill



Fire hose drill



Fire extinguisher operation



Evacuation Drills-2

To continuously strengthen the response ability and practical experience of safety team members, Moxa continued to optimize the fire safety training mechanism, and completed 14 plant evacuation drills and training sessions in 2024, with a total of 2,869 persons completing the training, ensuring that the safety team members were familiar with various response procedures and equipped with practical operational capabilities. In addition, each plant has established a comprehensive “Emergency Response Manual” to ensure that critical information is provided to external support personnel in the event of a fire, further improving response efficiency and safety protection.

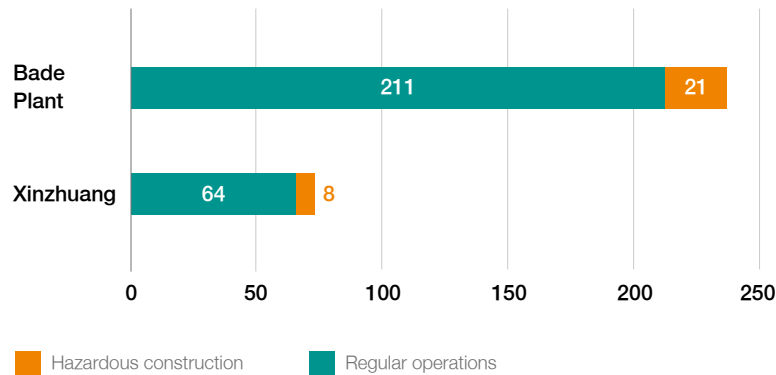
## Contractor Occupational Health and Safety Management

Moxa values its cooperative relationships with contractors and proactively utilizes its influence to help them enhance safety awareness and quality control capabilities. To ensure operational safety, Moxa has established relevant health and safety requirements for contractors to ensure that they are equipped with proper health and safety management capabilities, thereby reducing the risk of occupational injuries. In addition, relevant health and safety regulations have been included in the agreements with contractors. All contractor personnel must complete an online course, “Hazard Communication Training for On-site Contractors,” before entering our workplace. They are allowed to commence construction upon confirmation by Moxa supervisors or managers. Through this training, contractors can learn in detail the operation specifications of the plants, which will ensure the safety of construction. In 2024, Moxa completed the training sessions for 293 contractors.

In addition, Moxa regularly convenes coordination meetings to reiterate to contractors the requirements for operational safety in the plants, and shares the latest occupational accident cases to strengthen their safety management awareness. Moxa hopes to gradually improve contractors’ health and safety management capabilities and establish a comprehensive management system through this approach.

In addition, to further ensure the safety for different types of construction, Moxa divides operations into regular operations and hazardous operations based on construction risks, and implements corresponding control measures. Among them, hazardous operations include fire, high altitude, crane, confined space, and fire protection systems. Contractors are required to submit a “Construction Protection Plan” before commencing work to ensure operational safety. In 2024, Moxa approved a total of 275 construction applications, 29 of which were classified as hazardous operations, accounting for 10.5%. All projects were completed safely and smoothly with close cooperation between Moxa and contractors.

## Construction Application in 2024



## Improvement of Subcontractor Occupational Health and Safety Management Capabilities

Moxa products are mainly manufactured by core subcontractors as they are major partners of Moxa. Moxa firmly believes that growth with subcontractors is key to achieving sustainable operations. Therefore, in 2024, we invested resources and manpower to initiate guidance project for subcontractors, proactively assisting core subcontractors in improving health, safety, environmental protection, and human rights management. Through guidance and continuous improvement, we can reduce the risks in plants and create a safer working environment.

We learned about the actual operation status of subcontractors through face-to-face interviews and on-site visits. A total of 13 items were found to warrant improvement, and Moxa promptly initiated the occupational health and safety guidance project, which included optimizing occupational healthy and safe-related planning, work environment monitoring projects, and on-site machinery and chemical management. Moxa continues to provide guidance for the promotion of occupational healthy and safe in the plants according to the existing condition, improve the resilience of subcontractors, and create a healthy, safe and sustainable supply chain, thereby achieving corporate sustainability.

## Occupational Health and Safety Training

To ensure that every employee learns about local health and safety regulations and Moxa's operational safety regulations in detail, Moxa proactively promotes the relevant training. In 2024, a total of 260 employees participated in health and safety training, which exceeded 494 training hours. In addition, 307 contractors completed the training and accumulated 160.5 training hours.

In addition to regular education and training, by using monthly EHS e-newsletters, and combining online and offline learning resources, Moxa works to strengthen employees' safety and workplace risk prevention awareness, and reduce the probability of occupational accidents. Starting in 2024, Moxa will gradually establish related digital courses, and will continue to promote e-Learning to enhance the safety culture for all employees, creating a more comprehensive workplace safety management system.

## 2024 Occupational Health And Safety Education and Training

	Course	Number of Trainees	Training Hours (hour)	Total Training Hours (hours)	Participants
Employees	General Health and Safety Training for New Employees	87	3	261	New employees
	General Training on Hazard Handling	30	3	90	Employee using chemicals
	Hazard Identification And Risk Assessment Training	27	1	27	EHS Seed Members
	Traffic Safety Training	116	1	116	Relevant employees
Contractors	Hazard Communication Training	293	0.5	146.5	Contractors
	Health and Safety Training for On-site Personnel	14	1	14	



## Hazard Communication Training for Plant Entry

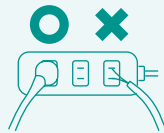
## Establishment of digital courses on occupational health and safety



1. Introduction
2. Basic Understanding of Electricity
3. Understanding the Hazards of Electric Shock
4. Prevention of Electric Shock Hazards
5. Prevention of Electrical Fires
6. Common Electrical Safety Deficiencies
7. Electrical Work Safety Guidelines (Quiz)

## No Exposed Electrical Wires

## Causes

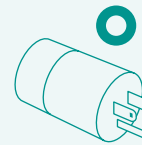


Inserting bare wires into sockets can easily cause electric shock and may also lead to short circuits if the wires come loose and contact other objects.

Potential Scenarios  
Moxa May Encounter

- Due to a damaged socket, the contractor inserted bare wires directly during construction work.
- Exposed power connection points.

## What Can We Do?



Bare wires were connected to a plug for use.



Health and Safety Training for On-site Personnel

## Future Outlook and Goals

Moxa is committed to providing a healthy and safe work environment for all employees and partners, and continues to optimize the management system to foster a safe culture. In the near future, Moxa will enhance workplace safety and communication efficiency by strengthening the minor injury preventive mechanism, optimizing the emergency response and reporting process, conducting machinery safety inspections, promoting the digitization of occupational health and safety forms, and enhancing the health and safety awareness of on-site personnel. Meanwhile, we will also strengthen employee education and training, raise safety awareness, and fortify the safety culture by maintaining in the long term an occupational accident-free work record, ultimately creating a friendly workplace and achieving the vision of "Zero Accident."

## Future Occupational Health and Safety Management Goals

## Near-term

- Strengthen minor injury preventive mechanism to improve workplace safety.
- Optimize the emergency response and reporting process, and monitor personnel.

- Conduct inspection projects to improve the safety of machinery and equipment.
- Digitalize occupational health and safety forms to optimize communication processes.
- Organize health and safety training for on-site personnel to enhance safety awareness.

## Mid-term

- Enhance employee training to promote safety awareness.

## Long-term

- Maintain the record of zero occupational injury.
- Strengthen employee safety culture.
- Create a friendly workplace.

## 5.5 Social Engagement

### 5.5.1 Social Participation and Involvement

The MOXA Foundation (hereafter referred to as the Foundation) was fully funded and established by Moxa in 2003. To embody the “people-oriented, heart-warming” philosophy, the Foundation harnesses the collective power of Moxa’s corporate volunteers. Through the compassion and actions of Moxa volunteers, various service activities are planned. These activities act as catalysts to gather like-minded partners and design diverse courses to serve schools, all aiming at improving the quality of education for the next generation. By promoting natural ecology education programs, providing long-term support for rural children, and offering capacity-building courses for frontline teachers, the Foundation deepens understanding and care for the local environment and society. This approach amplifies the contributions of volunteers, collectively giving back to society while improving the quality of life, spirit, and work for the volunteer community.

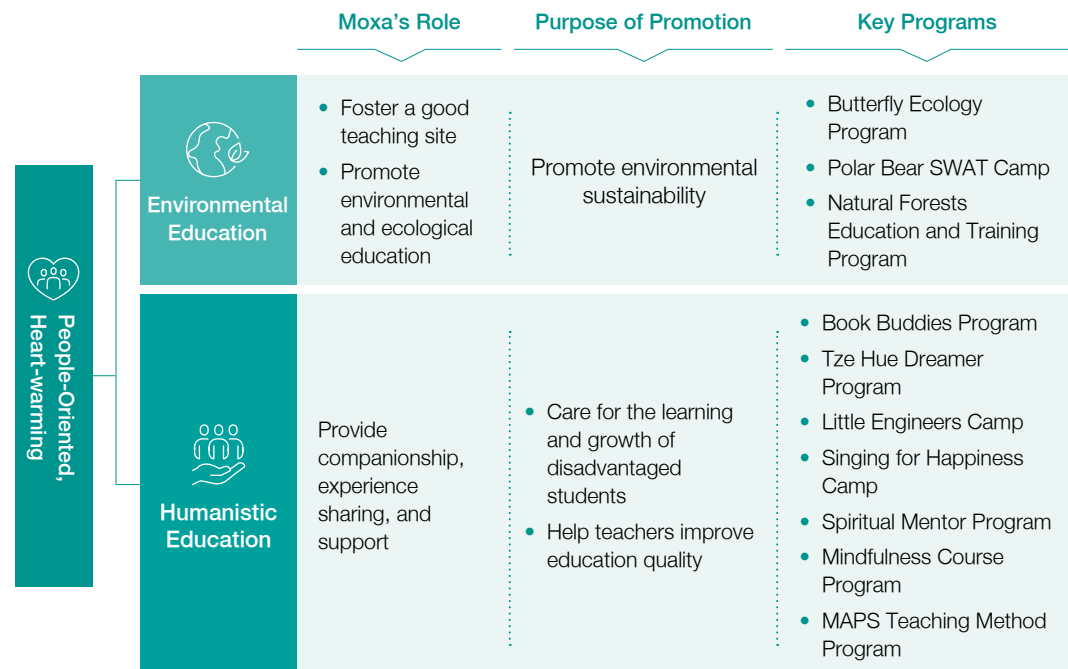
The programs promoted by the Foundation are centered on “Environmental Education” and “Humanistic Education.” It works closely with schools to support the learning and growth of rural and disadvantaged children and provides capacity-building courses for teachers. These two main pillars encompass six volunteer camps and four courses, totaling ten key programs. In order to promote internal solidarity and expand the influence of the volunteer culture, the Foundation will hold volunteer appreciation events, volunteer recruitment events, and cross-camp volunteer exchange activities every year to consistently revitalize the culture of volunteering.

Moxa volunteers are proactive and enthusiastic, forming groups to participate in services and consistently dedicating long-term efforts to assist rural and disadvantaged students. They inspire children through reading, fostering independent thinking and self-expression, and cultivate reading habits and critical thinking skills through diverse thematic activities. Volunteers use their expertise to plan programming courses that develop problem-solving abilities and thinking skills in students. Conveying love and care through music, volunteers work together with children to perform concerts. This will create opportunities for the children to build a sense of achievement. For disadvantaged students from dysfunctional families, Moxa volunteers provide long-term companionship and care, offering a rich variety of services. Furthermore, professional psychologists are hired to conduct group counseling sessions, allowing students to explore their inner self from different perspectives and bravely pursue their dreams. In terms of environmental education, Moxa volunteers use experiential activities to connect children with the land and environment. Through educational, they promote environmental improvement, striving to create a better living environment for the next generation.

Moxa encourages employees to give back to society through concrete actions. Each employee is offered 32 hours of paid volunteer leave per year. Additionally, Moxa encourages managers and employees to form cross-departmental teams to participate in public service together.

In 2024, a total of 170 teachers participated in the Foundation project, directly benefiting more than 4,000 students. Volunteer groups serviced nearly 900 people. More than 1,000 volunteers participated, contributing more than 5,000 hours of service.

#### Framework of the MOXA Foundation



## 5.5.2 Benefits and Influence of Social Participation



### Focal Point ① Butterfly Ecology Program

Volunteers design and implement engaging butterfly ecology courses, guiding students in butterfly observations to learn how to watch and appreciate the beauty of nature. This creates opportunities for students to connect with the land and ecological environment.

#### ▶ Program Introduction

The Foundation began promoting the Butterfly Ecology Program in 2003, assisting 49 elementary schools in five major cities to establish on-campus butterfly gardens and advance their butterfly ecology education. However, the Foundation seeks not only to invest resources, but also to impose concrete influence through employee participation and experience sharing. Therefore, the Moxa Volunteer Team, comprising employees interested in ecology, organizes the Butterfly Camp to promote butterfly ecology education in elementary schools. The core team designs hands-on observation courses, recruits volunteers to conduct butterfly ecology education at Tur Ya Kar Elementary School and Shalun Elementary School, and helps maintain the on-campus butterfly gardens, which serve as a base for butterfly ecology education. This initiative creates opportunities for children to connect with the ecological environment.

#### ▶ 2024 Outcomes

- A total of 56 volunteers participated, contributing a total of 201 hours of service.
- Approximately 473 students benefited.



Course volunteer leading students to observe the symbiosis of ants and plants

#### ▶ Social Impacts

- Students' interest in natural ecology has significantly increased, with the butterfly ecology course designed by Moxa volunteers becoming one of the most anticipated classes.
- Through the course training, students are more inclined to engage with nature.



Volunteers assist in butterfly park maintenance



### Focal Point ② Polar Bear SWAT Camp

Volunteers design and implement marine education courses and lead students in beach cleanup activities, allowing them to experience the detriment of marine debris firsthand. Internally, the company promotes and practices green living, proactively protecting the environment.

#### ▶ Program Introduction

Through beach cleanups and marine environment courses, students at Rui-Bin Elementary School became more aware of marine environmental issues. In class, they could clearly explain the sources of marine debris and the harm it caused to wildlife. After the courses, volunteers accompanied students to the North Coast for beach cleanups, allowing them to engage in marine environmental issues through hands-on activities. Additionally, large-scale beach cleanup events were organized, leading volunteers to the North Coast to remove marine debris. These events were aligned with New Taipei City's "Beach Cleanup Cooperative" policy, where experienced volunteers were gathered for small-scale cleanups in inaccessible areas and related issues after the cleanups were discussed.

Influenced by the Polar Bear SWAT Camp's long-term promotion of green living actions, environmental awareness is gradually increasing among Moxa employees. To encourage green consumption practices, the Foundation established a list of eco-friendly stores in the neighborhood of the company office in 2024. These stores were introduced to employees.

#### ▶ 2024 Outcomes

- A total of 114 volunteers participated, contributing a total of 534 hours of service.
- Approximately 55 students benefited.
- A total of 352.5 kg of marine debris was removed from the beach.

#### ▶ Social Impacts

- Through the courses and beach cleanups, students have become more aware of ocean waste issues. After multiple sessions, students' knowledge about ocean environmental issues has significantly improved.
- Achieved concrete positive influence on the environment through beach cleanups.
- Employees have become more awareness on sustainability issues and are proactively taking green actions, such as reducing plastic use in daily lives.



Beach cleanup trip



2024 Moxa Beach Cleanup



### Focal Point ③ Natural Forests Education and Training Program

This program manages Moxa Forest in Beipu Township as an ecological education and environmental protection base, with progressive short-, medium-, and long-term goals.

#### ► Program Introduction

The Moxa Forest is used as an ecological education base, and Moxa volunteers are invited to participate in environmental preservation work, helping to create an environment suitable for ecological teaching and wildlife habitat. Furthermore, the Foundation also collects ecological education resources through on-site surveys and automatic infrared camera, facilitating further monitoring of the ecosystem and changes of the Moxa Forest. In 2024, we launched natural forest education and training courses, and designed a two-year systematic training course for elementary teachers who were keen to promote outdoor education but were concerned about lack of knowledge or experience in exploring the wilderness or course development. We assisted teachers in building ecological knowledge and outdoor exploration abilities, and making use of knowledge to devise interesting teaching projects. Moxa volunteers will continue to proactively participate in the preservation of the Moxa Forest and jointly contribute to the natural forest education.

#### ► 2024 Outcomes

- The total course duration was 48 hours, 25 teachers benefitted.
- A total of 59 volunteers participated, contributing a total of 367 hours of service.

#### ► Social Impacts

- Ecological conservation and environmental monitoring in the Moxa Forest identified protected species such as the pangolin, leopard cat, crab-eating mongoose, and Taiwan hill partridge.
- The Natural Forests Education and Training Program enhances teachers' capabilities, for which the teachers will, in turn, foster a passion for nature and concepts of ecological conservation in every child.



Working holiday at the Moxa Forest



Training natural forest teachers



### Focal Point ④ Book Buddies Program

This program provides stable and long-term companionship, cultivates the learning, thinking, and expression abilities of disadvantaged students through reading and diverse activities. It works to enrich educational resources in rural and deprived elementary schools, thereby injecting more vitality and hope into these schools.

#### ► Program Introduction

Students in remote areas face challenges such as the shortage of educational resources, uneven learning progress, and limited opportunities. Long-term companionship can become a stable support system to overcome these difficulties. Since 2018, Moxa volunteers have been providing long-term companionship services in Rui-Bin Elementary School. Through classroom counseling and diverse thematic activities, they help broaden students' horizons, integrating reading activities to inspire their interest in learning. Volunteers provide not only learning support, but also emotional care and encouragement to help children feel valued.

Hsing-Yuan Chen, Director of Counseling Division at Rui-Bin Elementary School, said that the Moxa volunteer course combines learning with games, which enriches students' learning resources and inspires them to think and creatively. These activities not only provide knowledge, but also promote the development of students' thinking and expression abilities.

In 2024, Moxa volunteers began to provide services in a non-mountainous and non-urban school—Minyi Elementary School, whose resources were scarce. Guided reading sessions were organized in the morning to help children develop reading habits. In 2025, in addition to Rui-Bin Elementary School, volunteers will formally conduct guided reading sessions in the morning at Minyi Elementary School. At the same time, an internal volunteer courses—the Sharestart Workshop—are held, with the aim of improving the skills and ability of volunteers in guiding students' thinking and expression.

#### ► 2024 Outcomes

- A total of 258 volunteers participated, contributing a total of 1,500 hours of service.
- Approximately 195 students benefitted.

#### ► Social Impacts

- Through companionship, volunteers are able to subtly influence and change rural students, giving them more courage to face challenges.
- The themes of these activities are life-oriented in design to compensate young students for their lack of life experiences.
- Students' learning experiences are deepened through exploratory and experiential activities.
- Students can cultivate the spirit and attitude of self-discipline through these well-planned activities.
- Children's reading habits are cultivated and their thinking ability improved.



Diverse thematic activities



Guided reading for books



### Focal Point ⑤ Tze Hue Dreamer Program

Through diverse activities, volunteers provide companionship to disadvantaged students at Pingxi Junior High School. Professional psychologists are also engaged to conduct psychological group counseling sessions at the school, allowing students to explore their inner self from different perspectives and encouraging them to bravely pursue their future dreams.

#### ► Program Introduction

The Foundation launched the Tze Hue Dreamer Program in 2008, which mainly provides long-term companionship and care for students from dysfunctional families at Pingxi Junior High School. Activities held include establishing a book club, holding thematic lectures, promoting interaction through sports, fostering a situated learning environment for English, and visiting Moxa. Furthermore, the program also offers sponsorship for club funds, rewards for participating in off-campus competitions, three-year scholarships for high school and vocational school, as well as holding group counseling courses. These initiatives help disadvantaged children develop a healthy self-concept, gain the courage and motivation to face life, create independent and self-reliant careers, and bravely pursue their dreams.

In order to help volunteers build a rapport with students in a short period of time, the Foundation organized an ice-breaker empowerment course for volunteers in 2024. It plans to organize the “Sharestart” empowerment courses in 2025 to help volunteers of the book club apply the concept of Sharestart to design the content of guided reading activities, so that both volunteers and students can benefit. In addition, in 2025, apart from the continuous promotion of routine activities, the school takes the initiative and proposes a two-day-one-night cycling challenge. The activity will train the students’ physical strength, as well as their mental tenacity. The Foundation will sponsor the challenge that benefit the physical and mental wellbeing of the students.

#### ► 2024 Outcomes

- A total of 223 volunteers participated, contributing a total of 850 hours of service.
- Approximately 100 teachers and students benefited.

#### ► Social Impacts

- The program encourages students to believe that they can become capable individuals who can help others in the future.
- The program helps students successfully complete their high school education through scholarships.
- The long-term companionship of volunteers, combined with professional psychological group counseling sessions, helps students gain mental and emotional stability, allowing them to feel the societal love from Moxa.



Book club



English situated learning



### Focal Point ⑥ Little Engineers Camp

Using programming materials co-created by volunteers, children are taught using Scratch and unplugged courses how to design their own stories and games. The hands-on nature of these courses inspires students’ interest in learning and fosters their problem-solving skills and thinking.

#### ► Program Introduction

The Little Engineers Camp is the first camp initiated and promoted by Moxa employees. Volunteers continuously refine the self-developed teaching materials and conduct programming lessons at Rui-Bin Elementary School, and Gengliao Elementary School in the Wugu district. In 2024, for the first time, the camp was held for supporting disadvantaged students from intermediate/senior grades. The camp includes Scratch and unplugged courses, guiding children to design story animations and games. It is aimed to inspire students’ interest in learning through programming content and to cultivate their problem-solving skills and thinking.

#### ► 2024 Outcomes

- A total of 83 volunteers participated, contributing a total of 426 hours of service.
- Approximately 69 students benefited.

#### ► Social Impacts

- The camp inspires students’ interest in learning programming courses.
- The camp cultivates students’ logical thinking and problem-solving skills and mindset.



One-Day Animation Summer Camp



Unplugged course



### Focal Point 7 Singing for Happiness Camp

The camp comprises activities to convey the power of music. With “altruism” as the core spirit of service learning, volunteers proactively use music to connect with society and spread love.

#### ► Program Introduction

Formed by a group of Moxa volunteers who are passionate about music, the “Singing for Happiness Crew” believes that music can bring warmth and joy to people of all ages and backgrounds. The camp gathers Moxa partners who are passionate about music to provide companionship to disadvantaged groups through music, illuminating their lives and spreading love and joy. The volunteers serve elders, disadvantaged groups, and rural students. In 2024, recitals were held for students and the elderly in remote areas at Rui-Bin Elementary School and Xinzhuang Stay Young Long-Term Care Center.

#### ► 2024 Outcomes

- A total of 43 volunteers participated, contributing a total of 160 hours of service.
- Approximately 150 students and disadvantaged individuals benefited.

#### ► Social Impacts

- The stage was reserved for students, and volunteers assisted them in completing performances to enhance their sense of achievement.
- Volunteers use music to kindle joyful emotions in disadvantaged groups or the elderly, showcase friendly and caring emotional exchanges, embody the beauty of music, generate positive influence, and bring emotional and joyful experiences to people.



Recital at Rui-Bin Elementary School



Providing company to the elderly with music



### Focal Point 8 Spiritual Mentor Program

Based on Adlerian psychology, a series of courses is planned to train elementary school teachers in core strategies and techniques for classroom management, and to cultivate positive beliefs and skills in interacting with students, allowing “positive education environments” to take root in schools.

#### ► Program Introduction

The program is a two-year training program consisting of 108 hours, integrating topics such as classroom management, child counseling, and parent-teacher communication to enhance teachers' counseling effectiveness. The goal is to help students develop self-confidence, build discipline, respect teachers, and follow community life. Additionally, the program provides ongoing education for participants who have completed the Positive Education Environments program organized by Moxa's Spiritual Mentors. It proposes yearly continuation plans to offer support for interested seed teachers. Such plans aim to incorporate local elements into the counseling expertise, and that the “Self-Learning Team” can evolve into a “Supportive Group.” This program allows members to continuously improve their counseling skills, enhance their abilities, and contribute to both their schools and society.

#### ► 2024 Outcomes

- A new class was added, with two classes in total.
- The total course duration was 81 hours, with seed teachers participating in over 54 hours of local teacher community group activities.
- Over 90 teachers benefited, influencing more than 2,500 students.

#### ► Social Impacts

- The program transforms teachers in cultivating student discipline and proactive learning through positive education methods, creating a win-win situation for which both “teaching” and “learning” achieve maximum effectiveness.
- Teachers learn to practice mutual respect and collaboration to help children develop self-discipline and enhance learning effectiveness under gentle yet firm guidance.



The Spiritual Mentor Program is in session



Teachers are keen to participate in discussion in class



### Focal Point 9 Mindfulness Course Program

The goal is to cultivate more seed teachers for mindfulness courses in elementary schools, with the hope that not only will more teachers benefit personally, they will also promote mindfulness to students. This will enable students to develop better focus and the ability to manage emotional stress.

#### ► Program Introduction

The program helps teachers to understand and apply mindfulness, learning mindfulness-based techniques for achieving physical and mental well-being, and integrate these techniques into their teaching. Teachers will learn methods for teaching mindfulness in campus, its core concepts, and worksheet design to promote students' physical and mental health development. Through extensive practice, discussion, and revision, the program helps teachers in self-care, deepening their basic understanding of mindfulness concepts, so that they can develop mindfulness training programs suitable for their own classrooms. This approach effectively enhances students' concentration and emotional regulation skills. Through group supervision and individual mentoring, the approach will be used to improve leadership abilities and facilitate mutual learning.

The Foundation launched the fourth mindfulness course for elementary schools in 2024, and successfully recruited 20 elementary school teachers who completed 48 hours of mindfulness course learning. During this six-month period, in which the trainees continuously practiced mindfulness in their lives to deepen their understanding and application of mindfulness, they were able to better observe their emotions, thoughts, and sensations. The Foundation will continue to offer the course totaling 92 hours in 2025. It hopes that these elementary school teachers will learn to truly use mindfulness to take care of themselves, and also bring mindfulness experiential courses to students in the class, so that students can also access the benefits of mindfulness. The Foundation will hold an outcome sharing session in December 2025 to conclude the mindfulness course of 140 hours lasting over a year and a half.

#### ► 2024 Outcomes

- The total course duration was 48 hours, 20 teachers benefitted.
- Approximately 900 students benefitted.

#### ► Social Impacts

- The course enables teachers to learn how to use mindfulness for self-care and develop the ability to lead students in experiencing mindfulness courses.
- The course effectively reduces teachers' own stress and emotional issues while enhancing self-awareness, and improving teacher-student relationships.
- Teachers help students learn to use mindfulness techniques to stabilize their emotions and improve their focus in classroom learning.



Assist teachers in learning the concept of mindfulness



Teachers exchange and share experience in groups



### Focal Point 10 MAPS Teaching Method Program

The goal of the program is to strengthen teachers' use of reading instruction strategies and enhance their practical knowledge of classroom reading teaching by understanding the content, significance, and procedures of the MAPS teaching method.

#### ► Program Introduction

Through hands-on beginner workshops and advanced courses on the MAPS teaching method, the program enables teachers to effectively help students pick up the skills on how to learn better, thereby equipping students with better skills to face the future.

#### ► 2024 Outcomes

- The total course duration was 43 hours, and 60 teachers benefitted.
- Approximately 1,200 students benefitted.

#### ► Social Impacts

- Teachers learn to use reading instruction strategies to help students become active learners, develop thinking skills, ask questions, and express themselves, thereby experiencing the beauty and power of learning.
- Teachers create an open and collaborative classroom environment where everyone benefits selflessly.



Teachers actively participate in MAPS teaching method courses



Guiding teachers in strengthening reading instruction strategies

### Accompaniment Activities for High-Concern Children

In 2024, the Moxa Volunteer Team added a new service location in an attempt to recruit volunteers to serve high-concern children. In addition to working with Daxi Grass Book House in the first half of the year, in the second half of the year, the team chose to work with Green Satellites. Through weekly services, volunteers accompanied the children in overcoming the difficulties they faced in their school work, helping them to get through the darkest time of their lives. Disadvantaged children feel a sense of warmth from the companionship of volunteers, which also helps them maintain more stable performance in school. In 2024, a total of 80 volunteers participated, contributing a cumulative 320 hours of service.



Accompanying children in completing their homework.

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# About This Report

This report is the Sustainability Report issued by Moxa, which will be published annually. In 2024, Moxa set up a “Sustainability” section on its official website. Along with the Sustainability Report, the new section serves to let stakeholders gain a better understanding of Moxa’s sustainability efforts and achievements.

## Reporting Period and Scope

The information disclosure period for this report is from January 1, 2024, to December 31, 2024, covering Moxa’s specific practices and sustainability performance data across economic, governance, social, and environmental aspects. The report includes data from Moxa’s global locations. If any data does not encompass all global locations, the scope of disclosure will be noted.

## Basis for Reporting

This report is prepared by referencing the “Global Reporting Initiative (GRI) Standards 2021” and the “Sustainability Accounting Standards Board (SASB) Standards.”

## Report Management Process

The content structure of this report is planned by the Environmental and Sustainability Management Department, which convenes a “Sustainability Report Editorial Task Force” with representatives from relevant departments. Each department is responsible for compiling and editing sustainability information and data. The completeness and accuracy of the content are initially reviewed by the department heads, then coordinated by the Environmental and Sustainability Management Department for further verification, editing, and revision. The finalized report is submitted to the “ESG Committee” for review and, upon approval, is published and disclosed.

## Information and Data Quality

Financial Report	Deloitte Touche Tohmatsu Limited
Environmental Management	ISO 14001 : 2015 (bsi)
Greenhouse Gases	ISO 14064-1 : 2018 (bsi)
Product Carbon Footprint	ISO 14067 : 2018 (bsi)
Occupational Health and Safety	ISO 45001 : 2018 (bsi)
Information Security	ISO 27001 : 2022 (SGS)
Quality Management	ISO 9001 : 2015 (AFNOR)

## Report Publication



**Moxa publishes the Sustainability Report on an annual basis**

▶ **Current Version:** Published in June 2025

▶ **Next Version:** To be published in June 2026



Thank you for reading this report. If you have any questions or suggestions regarding the content, please feel free to contact Moxa.

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**Sustainability Section:** <https://www.moxa.com/tw/about/sustainability>

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<b>Employee Diversity and Inclusion</b>	TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	No disclosure due to confidentiality constraints
<b>Product Lifecycle</b>	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	No disclosure due to unavailable/incomplete information
	TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	No disclosure due to unavailable/incomplete information
	TC-HW-410a.3	Percentage of eligible products, by revenue, meeting ENERGY STAR criteria	No disclosure due to unavailable/incomplete information
	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	Most products are B2B, and information collection at the current stage is difficult
<b>Supply Chain Management</b>	TC-HW-430a.1	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	Moxa has yet to conduct the Responsible Business Alliance (RBA) Validated Audit Process (VAP) for suppliers.
	TC-HW-430a.2	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	Moxa has yet to conduct the Responsible Business Alliance (RBA) Validated Audit Process (VAP) on suppliers.
<b>Material Procurement</b>	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	4.1.2 Supply Chain Sustainability Management
<b>Activity Indicator</b>	TC-HW-000.A	Number of units produced by product category	No disclosure due to confidentiality constraints
	TC-HW-000.B	Area of manufacturing facilities (square feet)	No disclosure due to confidentiality constraints
	TC-HW-000.C	Percentage of production from owned facilities	No disclosure due to confidentiality constraints

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