



PARADE 2024

SUSTAINABILITY REPORT

Table of Contents

1. Letter from the Chairman.....	1	6. Human Resources	37
2. About this Report	2	6.1 Workforce Structure	37
3. Fundamentals	3	6.2 Talent Development and Workplace Safety	40
3.1 Company Profile	3	6.3 Benefits	44
3.2 Organization Structure	8	7. Sustainable Development.....	46
3.3 Worldwide Business and Ethics Code of Conduct	11	7.1 Supplier Management	46
4. Material Topics	13	7.2 Water and Waste Management	50
4.1 Identification of Stakeholders	13	7.3 Electricity and Greenhouse Gas Emissions	51
4.2 Identification of Material Topics	15	7.4 Climate Change Action	52
5. Corporate Governance.....	17	7.5 Responding to UN SDGs	55
5.1 Board of Directors and Functional Committees	17	8. Appendix	57
5.2 Business Ethics and Integrity	24	8.1 GRI Content Index	57
5.3 Corporate Performance	27	8.2 SASB Index	60
5.4 Risk Management	31		

1. Letter from the Chairman

The semiconductor industry in our segment recovered in 2024 after the severe inventory correction in the prior one and a half years. Demand for integrated circuits (IC) in personal computer, notebook, and other consumer related electronics increased. It is a clear trend that Artificial Intelligence (AI) will play a significant role in our lives. The success of generative AI demands advances in AI edge computing. As a result, the first AI notebook platform that can achieve 40 TOPS (Trillions of Operations Per Second) debuted in the 2nd half of 2024. The new era of AI edge computing on PC or notebook quickly pushes system performance on AI related computation and IO speed. The demand of such AI related opportunities has increased our revenue.

While pursuing profit and growth, Parade Technologies also places emphasis on the Environmental, Social, and Governance (ESG) factors in pursuit of sustainable development.

In terms of Environmental Sustainability, we have committed to reducing the impacts of our business on the environment. In the product design stage, we consider the environmental regulations and global market trends and leverage innovative architecture and advanced process nodes to develop high-efficiency and low-power products. In 2024, we launched several products with low power consumption features. We commit to strengthen our corporate social responsibility by engaging an advisory firm to help develop our corporate plan. We also have been working with our customers and suppliers to reduce and limit carbon emissions during the product manufacturing cycle.

In terms of Social Responsibility, we continue to require suppliers to conduct due diligence to avoid the use of conflict minerals. We have also established a friendly workplace. In addition to attracting and retaining talent with competitive salary and benefits packages, we pay attention to the physical and mental health of our employees and protect the safety of our global workforce. In 2024, we also conducted compliance training for all employees to enhance their awareness of various Company policies, regulations, and customer codes of conduct, while promoting the Company's sustainability and sound practices.

In terms of Corporate Governance, we have an Audit Committee and Compensation Committee composed of independent directors to assist the Board of Directors in fulfilling its supervisory duties, to protect the interests of shareholders and consider the interests of other stakeholders. The Board of Directors includes a female independent director, and all Directors possess extensive professional knowledge, continuously contributing diverse professional perspectives and insights to the Company. The board election was completed at the 2025 Annual General Meeting, and the new term is expected to begin on October 28, 2025. The number of female independent directors will increase from one to two.

By releasing this ESG report, Parade hopes to enhance information transparency, bring greater value to our stakeholders, and contribute to the positive development of the environment, society and economy.

Jack Zhao

Chairman of Parade Technologies, Ltd.

2. About this Report

This is the Sustainability Report issued by Parade Technologies, Ltd. (hereinafter “Parade”, or the “Company”) for the year 2024. This report focuses on three key areas: environmental, social and governance (ESG), and discloses the Company’s business performance, employee relations and talent cultivation, corporate governance and law compliance, supply chain management, climate change action and other topics based on integrity and openness. Parade hopes to report to the public on Parade’s implementation of corporate sustainable development in 2024 through this report.

Reporting Guidelines and Principles

This Sustainability Report has been prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards 2021”). This report also refers to Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, UN Sustainability Goals (“SDGs”) and standards developed by Sustainability Accounting Standards Board (“SASB”) as the basis for additional disclosure for sustainable development. The data disclosed in this report is provided by each responsible department at Parade. The annual consolidated financial information was prepared in accordance with the International Financial Reporting Standards (“IFRS”) and audited by PwC.

Scope

The reporting period is between January 1 and December 31, 2024. This report was published in June 2025. The Company will release the latest report regularly every year. This Sustainability Report has covered Parade and its subsidiaries (please refer to the consolidated financial report of the Company). If the scope is different from the above statements, the difference will be explained in that paragraph.

About Parade	
Founded	November 15, 2005
Registered Office	P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands
Headquarters	Parade Technologies, Inc. (a wholly owned US subsidiary with address at 2720 Orchard Parkway, San Jose, CA 95134)
Public Listing	Taipei Exchange (TPEX), Stock Code: 4966
Industry	Semiconductor
Capital	NT\$811,601,000, as of December 31, 2024
Main Business	R&D and sales of ICs, targeting a broad range of high-speed interface standards, display and touch solutions
Email	csr@paradetech.com

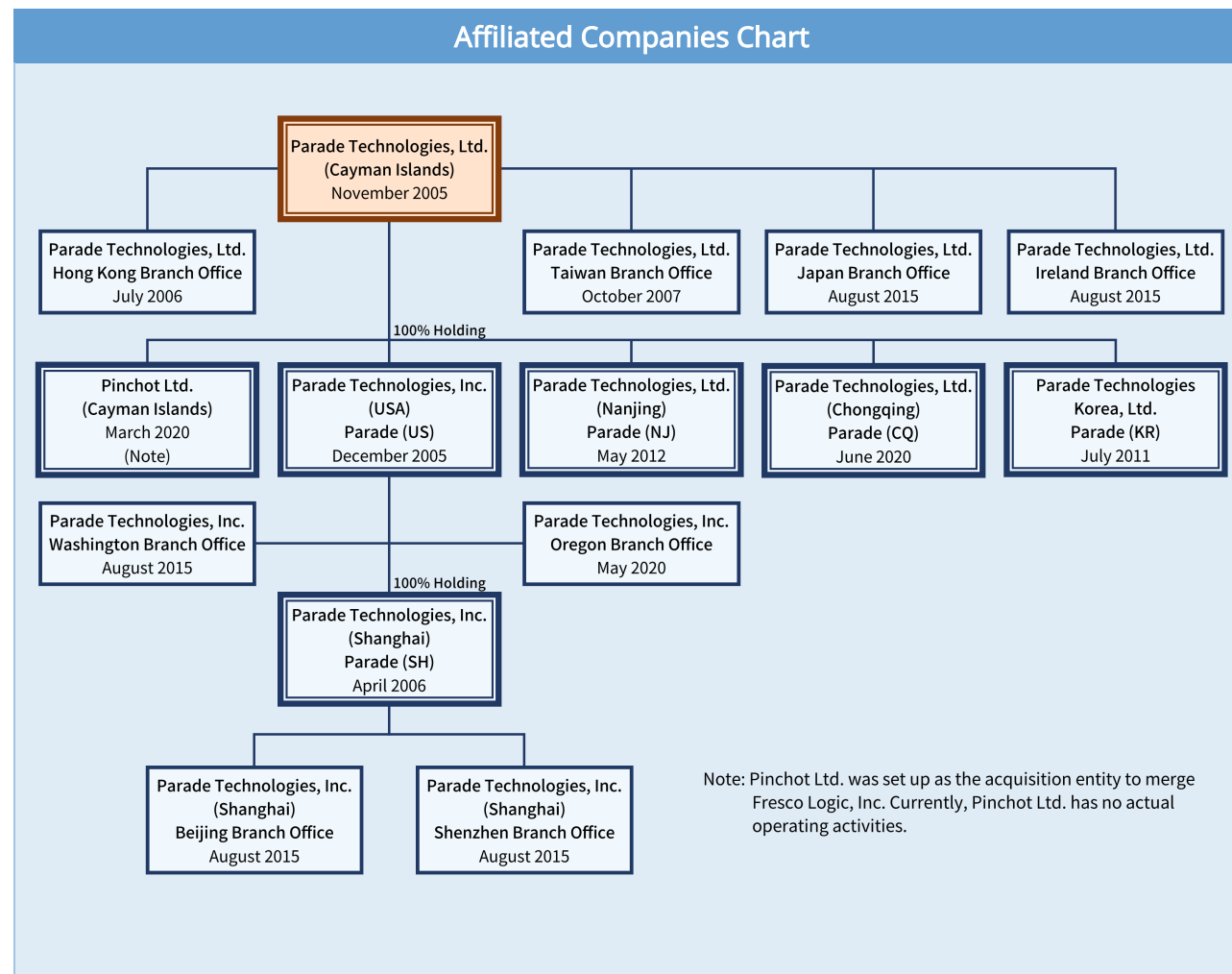
3. Fundamentals

3.1 Company Profile

Group Structure

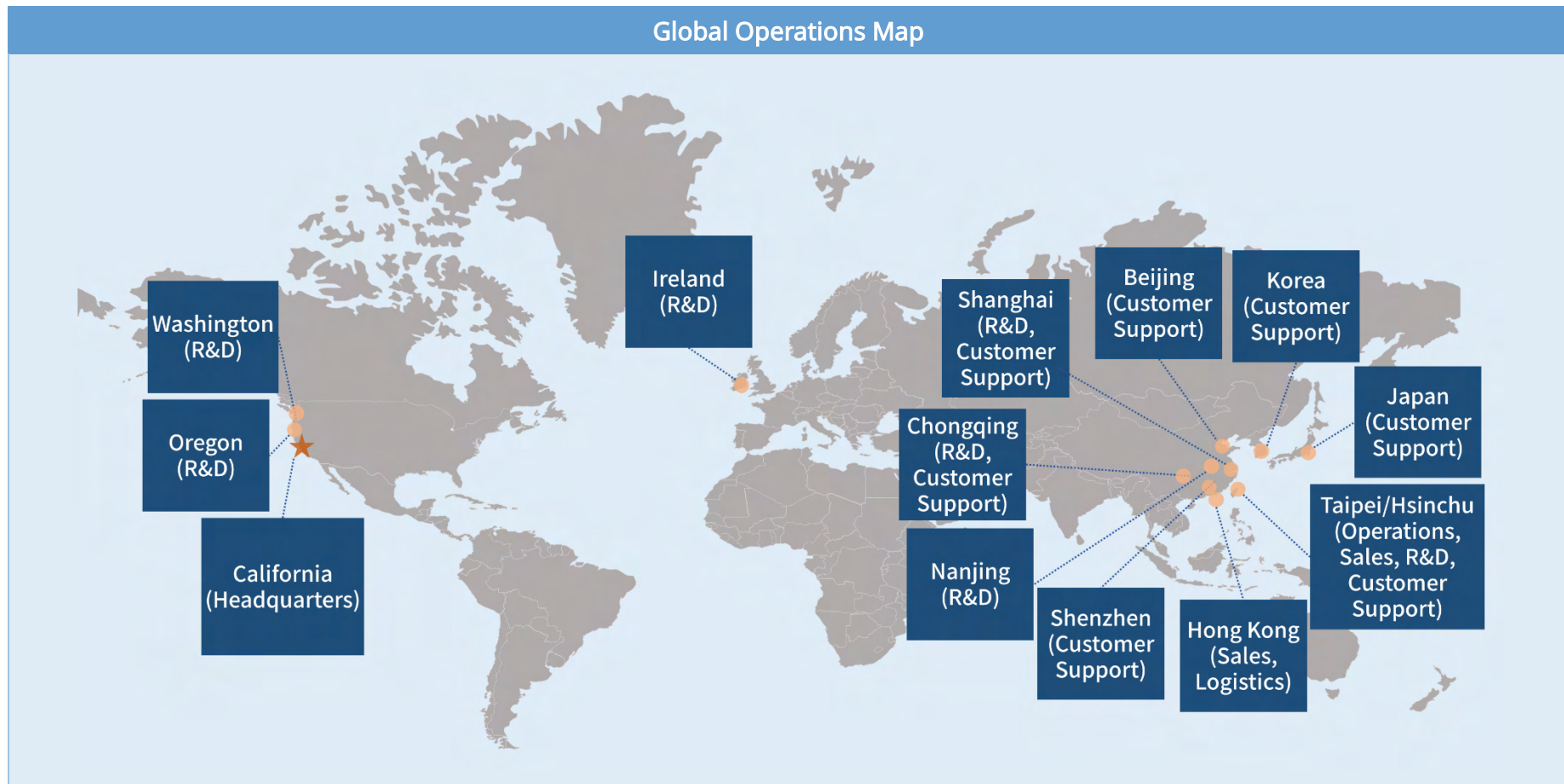
Parade was incorporated in the Cayman Islands in November 2005. The US subsidiary was established in Santa Clara, California, the heart of Silicon Valley in December 2005, serving as Parade's headquarters and assisting the Company's R&D and administration. To expand the scale of R&D, in 2006, Parade started a research center in Shanghai and established a branch office in Hong Kong as Parade's main sales location.

Given the advantages in vertical integration in Taiwan's well-developed IC industry, the Taiwan branch office was established in 2007, responsible for the Company's production development and customer services. In July 2011, the Korea subsidiary was established as a sales and customer support center. In May 2012, Parade also set up a R&D center in Nanjing. In August 2015, Parade had completed its acquisition of Cypress's TrueTouch Mobile business, and set up the branch offices in Ireland, Japan, Washington, Beijing and



Shenzhen. Pinchot Ltd., a Cayman Island subsidiary set up in April 2020 as the acquisition entity, entered into a merger agreement with Fresco Logic, Inc. In June 2020, Parade completed its acquisition of Fresco Logic Inc. to speed up Parade's roadmap development and execution in USB4 product line and beyond to

provide cutting-edge high-speed products to Parade's customers. As a part of the operation scale expansion through this merger, the Parade Technologies, Inc. Oregon branch office and Parade Technologies, Ltd (Chongqing), a subsidiary, were established in May 2020 and June 2020, respectively.







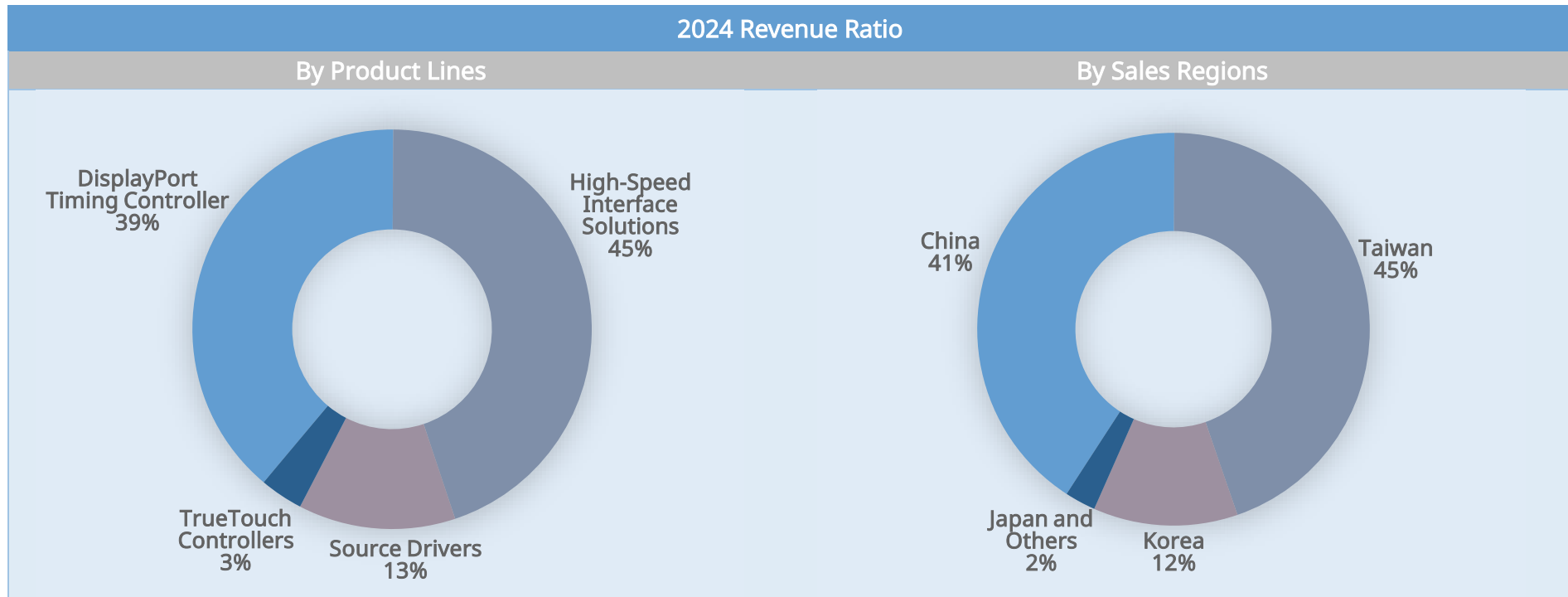
Key Products and Applications

Parade is a fabless provider of high performance mixed-signal ICs targeting a broad range of high-speed interface standards, display and touch solutions. Parade's product portfolio is broad and includes timing controllers (Tcon), source drivers, converters, retimers, repeaters, MUX, DeMUX, level shifters, touch controllers and other related solutions. Applications for Parade's products include desktops, notebooks, monitors, tablets, servers, automobiles, smartphones and other consumer electronics and display panels. With increasing demand for massive data transmission for today's electronic devices, coupled with the gradual maturity of video technologies such as high resolution and high refresh rate, Parade believes the high-speed interface which enables simultaneous data and video transmission will become the market mainstream.

Parade's management team has many years of industry experience and has hence developed a strong grasp on the direction of next generation display, touch and high-speed interface standards. Taking advantage of engineering talents and operational efficiency globally, the Company aims to minimize the response time to the newest customer specification, perform instant Spec-In and Design-in, and provide comprehensive design solutions as well as customer support platform for Parade's customers.

The core of Parade's operation is IC design and product sales. The Company is fabless. The manufacturing of wafers and back-end processes are outsourced to the third-party foundries and packaging/testing vendors. After testing, Parade sells the finished ICs, directly or through distributors, to original equipment manufacturers (OEMs), original design manufacturers (ODMs) and system design houses.

Parade's Main Product Lines	
Product	Main Uses
 DisplayPort Timing Controllers (Tcon)	Provide high quality video signals to Source Driver and control signals to Gate Driver on LCD/OLED Panel based on DisplayPort standard
 High-Speed Interface Solutions	Transmit error-free data for different high-speed interfaces, such as DisplayPort, USB, SATA, HDMI, and PCI Express, for personal computer, tablet, smartphone, automobile, and server applications. The interface solutions include signal redrivers, retimers, protocol converters, hub, dock controller, muxes, and switches
 Source Drivers	Convert digital data to analog voltage to charge each RGB sub-pixel to the correct gray level
 TrueTouch Controllers	Reliable capacitive touch sensing with high noise immunity for consumer and automotive applications. Parade's products address discrete touchscreen sensors as well as displays with touch and display driver integration, such as touch and Tcon Embedded Driver (tTED), integrated Touch and Source Driver (TSD), and integrated Touch MCU and eDP TCON (TTcon) product lines



Membership of Associations

In addition to being an innovator of technology, Parade is also an active participant in industry standard setting organizations. Parade's US subsidiary is a member of VESA (Video Electronics Standard Association) and has made key contributions to the development of VESA's DisplayPort digital video interface standard. In addition, Parade also actively participates in various professional organizations to expand relationships, exchange experience and market information, and guide industry trends.

List of Parade's Memberships	
▪ Automotive SerDes Alliance, ASA	▪ MIPI Alliance
▪ Compute Express Link, CXL	▪ Peripheral Component Interconnect Special Interest Group, PCI-SIG
▪ Global Semiconductor Alliance, GSA	▪ Universal Stylus Initiative, USI
▪ HDMI Forum	▪ USB Implementers Forum, USB-IF
▪ HDR10+	▪ Video Electronics Standards Association, VESA

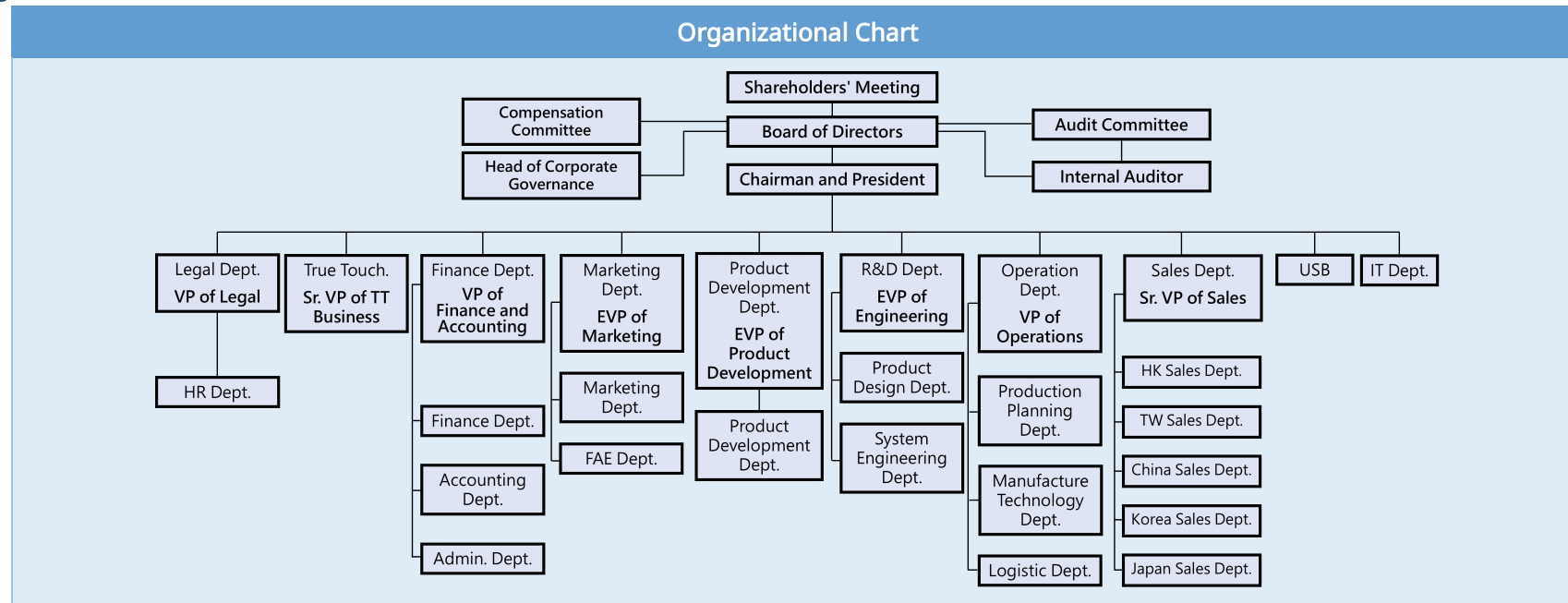
Core Values and Philosophy

Parade leverages its close relationships with market leading Tier-1 OEMs to develop ICs that enable competitive system capabilities. Parade is also a key contributor to industry standards development organizations. Parade's devices integrate proprietary technologies that offer superior signal integrity as well as improved system integration and power efficiency. As a result of Parade's "standards-plus" design philosophy, Parade ICs have been designed into products offered by nearly every leading computer and display vendor worldwide. In addition to developing competitive products, Parade also places priority on sustainable development and expects and accepts only the highest standards of professional and ethical business conduct. Parade encourages a company culture that is conscientious toward stakeholders and environment, and is compliant with the following sustainability principles through the integration of company resources and continual improvements.

Parade's Sustainability Principles

Legal Compliance	•The Company and its employees are required to comply with all applicable domestic and international personal data privacy, health, safety, and labor laws and regulations.
Freedom of Employment	•All personnel are employed voluntarily without threat or coerced employment and with the freedom to resign voluntarily at any time without recourse.
Treatment and Discrimination	•The Company does not employ child labor, approve of verbal abuse, or allow coercion of employees. We also do not engage in or support discrimination in hiring, remuneration, access to training, promotion, termination, or retirement based on race, national or social origin, caste, birth, religion, disability, gender, sexual orientation, family responsibilities, marital status, political opinions, age, or any other condition that could give rise to discrimination.
Wages and Benefits	•The Company complies with all wage relevant domestic and international regulations, and clearly discloses related management matters and documents to employees.
Health and Safety	•The Company actively enables and ensures the health, safety, and cleanliness of the work environment.
Environment Standards	•Active focus is maintained on environmentally friendly product designs and compliance with global environmental protection regulations.
Moral Standards	•The Company expects and accepts only the highest moral standards and employee integrity. Bribery, corruption, and artifice are strictly prohibited. The Company maintains the necessary policies and procedures to prevent, detect, and monitor such prohibited behavior. We respect and protect customer and corporate partner information and ensure the confidentiality of messages. We do not directly or indirectly make use of conflict metal from banned counties.
Communication	•The Company routinely uses many internal and external communication channels in our daily business. Open communication is strongly encouraged between employees, customers, management, and investors. We periodically disclose the achievement or policies to external interest party through company web site, e-mail, or public announcement.
Intellectual Property and Confidentialty	•The Company respects and protects the intellectual property, proprietary information, and confidential data of its customers, partners, and suppliers. Accordingly, nondisclosure and confidentiality agreements are often executed between Parade and other parties.
Conflict Minerals Statement	•Parade takes measures to avoid the use of Conflict Minerals, including requiring suppliers to conduct due diligence to confirm conformance and to provide investigative reports. Parade will work with the supply, if necessary, to find alternative sources for the Conflict Metals if they exist in the supplier's product.

3.2 Organization Structure



Executive Management Team

Jack Zhao | Chairman

Jack Zhao is a co-founder of Parade and has served as the Company's Chairman of the Board since January 2011. From 2005 through 2010, Dr. Zhao was the Company's President and CEO and Board Co-Chairman. He has over 20 years of experience in the semiconductor industry. Prior to joining Parade, Dr. Zhao served as the VP of Engineering at a company that he co-founded, Cerdelix Technologies, which was acquired by Lattice Semiconductor in 2002. Prior to Cerdelix, Dr. Zhao served in various management positions at Cypress Semiconductor, National Semiconductor, and Trident Microsystems. He received his Ph.D. in EE from the University of California, Irvine, and M.S. and B.S. degrees from Shanghai Jiaotong University.

Mark Qu | President and Executive Vice President of Engineering

Mark Qu is a Parade co-founder, and has served as the Board Vice Chairman, and company President and Executive Vice President of Engineering since January 2011. Dr. Qu was the Board Co-chairman and Parade's VP of Engineering from 2005 to 2010. He has over 20 years of semiconductor industry experience and served as Chief Technology Officer at Cerdelix, which he co-founded prior to Parade. Previously he held various positions at National Semiconductor and Sandcraft, Inc. Dr. Qu received his Ph.D. in EE from Texas A&M University, and M.S. and B.S. degrees from Shanghai Jiaotong University.

Jimmy Chiu | Executive Vice President of Marketing

Jimmy Chiu is a co-founder of the Company, and was appointed Executive Vice President of Marketing in January 2011. Mr. Chiu served the Company as Vice President of Marketing from 2005 to 2010. Mr. Chiu has over 20 years of experience in the semiconductor industry with a focus on application, system, product, QA and design for video processing and notebook graphics. Prior to Parade, Mr. Chiu held positions at XGI and Trident Microsystems as AVP of application engineering. Mr. Chiu received his MS in EE from Texas A&M University and B.S. from National Taiwan University.

Ding Lu | Executive Vice President of Product Development

Ding Lu is a co-founder of the Company and was appointed Executive Vice President of Product Development in January 2011. Dr. Lu served the Company as Vice President of Product Development from 2005 to 2010. Dr. Lu has more than 18 years of experience in the semiconductor industry with extensive experience in SOC design for video processing and notebook graphics. Prior to Parade, he held positions at XGI and Trident Microsystems as a Director of Notebook Graphics Engineering. Dr. Lu received his Ph.D. in EE from Colorado State University and M.S. from Shanghai Jiaotong University.

Kuowei Wu | Vice President of Finance and Accounting

Kuowei Wu joined the company in March 2015 and brings over 12 years of experience in finance management. In March 2023, Mr. Wu was appointed as the company's Head of Finance and Accounting, responsible for managing the company's finance, accounting, tax, treasury, and general administration. Prior to joining Parade, Mr. Wu held various finance management positions with VeriFone, KLA-Tencor, and Intel. He holds an MBA in finance from the University of Southern California and a MS in biochemical engineering from the University of California, Irvine.

Peter Oaklander | Sr. Vice President of Worldwide Sales

Peter Oaklander joined the Company in May 2019 and brings over 25 years of experience in the semiconductor industry with roles in sales, marketing, engineering and general management. For over seven years, Mr. Oaklander served as a Sr. Vice President and managed WW sales at both Intersil and ST-Ericsson. For over 13 years, Mr. Oaklander lived and worked abroad in Korea, Hong Kong and Japan, serving in various leading sales and marketing management roles for Analog Devices. While there, he led and achieved significant increase in sales for the Asia Pacific region. Mr. Oaklander has a BSEE from the Rochester Institute of Technology and an MBA with emphasis on Asia business from the Northwestern Kellogg / HKUST program.

KP Yang | Vice President of Operations

KP Yang joined the company in March 2010 and brings over 15 years of experience of semiconductor industry management experience. In October 2012, Mr. Yang was appointed as the General Manager of Parade Taiwan branch office, and in July 2025, Mr. Yang was appointed as the company's Head of Operations. Prior to joining Parade, Mr. Yang held various engineering, marketing & sales, customer engineering management positions with Winbond, USIC, and UMC. He holds dual Master of Science degrees in Physics and Electrical Engineering from the University of Michigan, Ann Arbor, U.S.A.

Joe Montalbo | Sr. Vice President of TrueTouch Business

Joe Montalbo joined the Company as part of Parade's acquisition of the Cypress Semiconductor TrueTouch Business Unit, where he served as VP since 2013. Joe brings more than thirty years of management experience from the semiconductor industry. His previous positions include VP & GM of LV MOSFETs and Power MCM's at Fairchild Semiconductor, SVP at Synaptics where he drove multi-touch platform development, and CEO of Pixim Inc. Joe started his career at National Semiconductor where he became VP & GM for several businesses including ASIC, Image Sensors, Microcontrollers and Displays. He has a BEEE from the Cooper Union in New York.

Dale Edmondson | Vice President of Legal

Dale Edmondson joined Parade in 2023. Dale brings over twenty-five years of legal and strategic experience, with a background extending across a broad range of practice areas. Prior to joining Parade, Dale held in-house legal positions with a number of companies in various sectors, most recently AppZen, Inc. (an AI startup). Dale has also served in private practice with leading law firms, including Wilson Sonsini, O'Melveny, and WilmerHale. Dale holds a Juris Doctor degree from the University of California at Berkeley, as well as a master's degree in history and a bachelor's degree in history, economics, and political science from Stanford.

Main Departmental Functions

Chairman and President	In accordance with resolutions from the Board of Directors, determine and implement company operating principles, policies, goals, and operating plans. Present the operating plan to the Board of Directors, and produce operating outcomes and financials reports at each stage of the plan. Also responsible for planning, execution, and coordination of company sales operations. Manage the production functions, and command and monitor the execution of related department matters to achieve the operating goals of the Company.	Internal Audit	Responsible for examining and evaluating the internal control system, operation, and flaws in the management regulation, and adequately providing improvement suggestions and reviews to maintain effective implementation of management regulations and also to assist the Board of Directors on the auditing of company internal regulations and execution.
Legal	Responsible for functions related to the Company's legal and personnel needs, including establishment of policies and procedures.	Finance	Responsible for functions related to the Company's finance, accounting, equity, treasury, asset management, and establishment of policy and procedures.
Marketing	Plan and promote marketing strategies, and collect information on the market and its trend in order to develop new products and technologies.	Operations	Responsible for tracking the progress on chips manufacturing and testing by semiconductor foundries and assembly and test foundries, and manage other outsourcing matters.
Research and Development	Responsible for product development design, circuit layout, and verification. Also responsible for the integration, examination, application, and management of patent cases.	Product Development	Responsible for product development design, circuit layout, and verification. Also responsible for the integration, examination, application, and management of patent cases.
Sales	Responsible for product sales, customer services, and market development.	IT	Responsible for information systems, software maintenance, ERP system planning, information technology support and maintenance.
TrueTouch	Responsible for planning, execution, and coordination of TrueTouch business operations. Manage the marketing functions, command and monitor the execution of related department matters in order to achieve the Company goals of operations.	USB	Responsible for planning, execution, and coordination of USB business operations. Manage the marketing functions, command and monitor the execution of related department matters in order to achieve the Company goals of operations.

3.3 Worldwide Business and Ethics Code of Conduct

Parade has established its Worldwide Business and Ethics Code of Conduct (the "Code"), which sets forth Parade's commitment to high standards of ethical conduct and environmental and social responsibility. This Code applies to all Parade employees and those of its affiliates. Parade also expects its distributors and other business partners to share the commitment to these principles.

The key principles of the Code include the following:

- Accurate, truthful recordkeeping and reporting
 - Business records (including financial, labor, health, safety, and environmental records) shall be accurate, private, and complete.
 - Disclosures must be authorized, accurate, legal, and made without falsification or misrepresentation.
- Prohibition of activities conflicting with duties
 - Employees may not engage in activities that could conflict with their duties at Parade without proper approval.
- Compliance with all applicable laws and regulations, as well as ethical behavior
- Prohibition of any illegal discrimination or harassment
- Compliance with Parade's Worldwide Anti-Bribery Policy, the U.S. Foreign Corrupt Practices Act, the OECD Convention on Combating Bribery, the UK Anti-Bribery Act, and any applicable anti-corruption laws.
- Compliance with applicable antitrust laws and protections against unfair competition
 - Employees must not discuss with competitors any of the following: prices, price levels or price changes of Parade products or a competitor's products; division of the market and/or customers with a competitor; or coordination of a competitive bid process or submitting fraudulent bids.
- Compliance with applicable anti-money laundering laws
- Compliance with applicable privacy laws
- Compliance with applicable securities laws, including bans on insider trading
 - If there are any questions on insider information or a proposed trade, employees should contact Parade's Head of Finance or the Legal Department, and refrain from trading until after they receive guidance.
- Compliance with applicable export control laws
- Respect for fundamental human rights and applicable laws relating to labor and employment
 - Parade prohibits any form of involuntary labor, slavery, human trafficking, coercion, withholding of critical identity or travel documents, and other improper restrictions on mobility.
 - Parade respects all applicable provisions relating to underage workers, juvenile workers, or student workers. Employees responsible for recruiting must use appropriate age verification mechanisms. Parade respects requirements for recruiting (including by third parties), foreign contract worker management, and similar provisions concerning hiring and non-employee personnel management.



- All persons working with or for Parade must be treated in a humane and respectful manner.
- Parade maintains policies with respect to working hours, wages, and benefits, including those set forth in its applicable employee handbooks for specific geographies.
- Parade does not require any pregnancy or medical testing in contravention of applicable law.
- Parade makes reasonable efforts to accommodate disabilities and other special circumstances.
- Asset protection
 - Employees must protect all Parade assets, including its technology, know-how, personal data, and confidential information (whether proprietary to Parade or entrusted to Parade by other parties).
 - Employees shall disclose to Parade, and/or use on behalf of Parade, only information or assets which they have full rights to disclose and/or use. Employees shall respect the rights of other parties.
 - Parade is committed to maintaining information security measures appropriate to its business.
- Provision of a safe work environment, respecting applicable health and safety laws
 - Safety management, emergency protocols, incident follow up, and so forth are handled by local offices. Employees should familiarize themselves with local practices, exit routes, and so forth. Employees also should immediately report hazards and emergencies to the local facilities manager.



- In case of infectious disease outbreak, Parade sets in place measures as directed by relevant authorities and as calculated to keep employees safe.
- Support for sustainability and respect for the environment across its operations and supply chain
 - Parade supports efforts to reduce and/or minimize its impact on the environment, including by working with its supply chain on sustainability concerns.
 - Where appropriate and applicable to its business, Parade endeavors to address (or have partners address) environmental risks such as energy use, greenhouse gas emissions, combustible dust, hazardous waste, wastewater, stormwater, boundary noise air emissions, and/or other items that may bear on environmental responsibility towards local communities.
- Expectation for Parade partners to comply with the principles of this Code.
- Mechanisms for employees to raise concerns, comments, and issues, as well as a mandate for employees to report violations of this Code.
 - Parade provides an anonymous telephone and website channel, operated by a third party, for reporting issues.
 - Parade will not tolerate any discrimination or retaliation against any person who, in good faith, reports any matter under this Code.

4. Material Topics



4.1 Identification of Stakeholders

Stakeholders are internal or external groups or individuals who have an impact on, or are impacted by, the Company. Referring to the AA1000 SES principles of Dependence, Responsibility, Influence, Diverse Perspectives, and Tension, Parade has identified its stakeholders as Employees, Customers, Suppliers, Shareholders and Investors. Stakeholder communication and engagement are an essential part of Parade's sustainable development strategy, allowing us to respond to existing and

emerging risks and opportunities in the market. Parade has established transparent and effective multi-directional communication channels with all its stakeholders, helping to prioritize risks and opportunities, develop corresponding policies, and obtain valuable feedback to understand how external stakeholders perceive Parade's performance in addressing sustainability issues. The table below summarizes the priority focuses of stakeholders and the communication channels.

Stakeholder Communication				
Stakeholders	Priority Focus	Communication Channel & Frequency	Contact	Response
Employees 	<ul style="list-style-type: none"> Salaries and benefits Occupational safety and health Talent development 	<ul style="list-style-type: none"> Performance Review (annually) Employee meeting (as needed) Employee training (as needed) Email announcement (as needed) 	HR Department: Mr. Edmondson hr@paradetech.com	<ul style="list-style-type: none"> Provide competitive compensation Provide benefit packages that meet the needs of each office Offer quality working environment Completed annual performance review for all employees in 2024 100% of employees completed the compliance training course in 2024 Completed cybersecurity training for certain locations and for certain job functions globally in 2024
Customers 	<ul style="list-style-type: none"> Customer relationship management Satisfaction of customer requirements Forecasting and order fulfillment Law compliance 	<ul style="list-style-type: none"> Telephone/Email (any time) Customer meeting and in-house follow-up meeting (as needed) Channels for customer complaints (any time) 	Sales Department: Mr. Oaklander support@paradetech.com	<ul style="list-style-type: none"> Listen to customer opinions Develop products that meet the needs of customers Held 1 worldwide sales meeting in 2024 Held thousands of customer meetings during 2024 with proactive and reactive meetings in person, phone and video conference Attended customer vendor parties and won awards at multiple customers in 2024

Stakeholder Communication

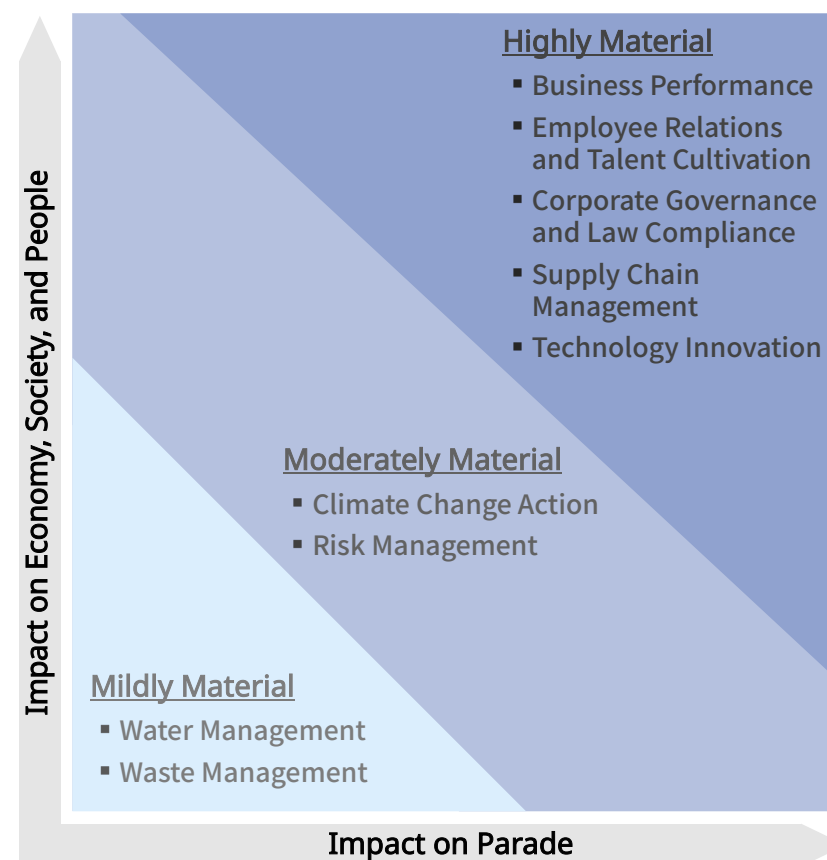
Stakeholders	Priority Focus	Communication Channel & Frequency	Contact	Response
Suppliers 	<ul style="list-style-type: none"> Production status tracking Supplier compliance handling and tracking Product quality issues Supplier management Law compliance 	<ul style="list-style-type: none"> Telephone/Email (any time) Supplier meeting (as needed) Documentary reviews (new supplier and as needed) 	<p>Operations Department: Mr. Yang support@paradetech.com</p>	<ul style="list-style-type: none"> Track production status and product quality issues Investigate whether conflict minerals are used and track improvements In 2024, 100% of suppliers are compliance to conflict minerals legislation Held supplier meeting every month in 2024
Shareholders and Investors 	<ul style="list-style-type: none"> Operating conditions Financial information Corporate governance Sustainability policy Law compliance 	<ul style="list-style-type: none"> Shareholders' meeting (annually and as needed) Financial results call (quarterly) Annual report (annually) Institutional investor conference (as needed) Market Observation Post System (as required by relevant regulations) 	<p>Deputy Spokesperson: Mr. Chang ir@paradetech.com</p>	<ul style="list-style-type: none"> Interact with investors through different channels and listen to their opinions Held 4 financial results conference calls in 2024 Attended 13 investor conferences and forums in 2024 Joined weekly calls or meetings with shareholders and investors Received 1 investor suggestion letter and provided our formal reply








4.2 Identification of Material Topics

After referring to mainstream international sustainability standards or indicators (GRI standards, SASB, TCFD, MSCI, etc.) and the United Nations Sustainable Development Goals (SDGs), Parade preliminarily selected sustainability topics related to the semiconductor industry and evaluated the impact of each sustainability topic on the economy, environment and

society. By considering past stakeholder engagement experiences and integrating the perspectives of Parade and various stakeholders, the material topics for Parade have been determined accordingly. The following charts illustrate the process of identifying material topics and the results for the year 2024.

Process to Determine Material Topics	
Understand the organization's context and preliminary screening of topics	Identify stakeholders with significant impacts, including employees, customers, suppliers, shareholders and Investors by referring to the AA1000 SES principles of "Dependency, Responsibility, Influence, Diverse Perspectives, and Tension". Conduct a preliminary screening of material topics, which mainly cover corporate governance, environmental and climate change, technological innovation, sustainable supply chain, and talent development by referencing GRI, SASB, TCFD, MSCI, SDGs, and stakeholder engagement experience.
Identify actual and potential impacts	Evaluate the impact of Parade's daily operations on various sustainability topics by considering actual, potential, positive and negative impacts.
Assess the significance of the impacts	Consider the likelihood, severity, scale, scope, irreparable nature, and involvement of human rights of each topic, and calculate the impact scores for each topic.
Determine material topics for reporting	Summarize and prioritize the impact scores for each topic and determine the material topics for the report.
Regular Review	Continuously engage with stakeholders to understand the positive and negative impacts of Parade's operation and periodically review and update the material topics accordingly.



Material Topics								
Topics	Corresponding GRI Standards	Chapter	Strategic Goals and Performance Metrics	Scope of Impacts				
				Parade	Employees	Suppliers	Customers	
 Business Performance	GRI 201: Economic Performance 2016	5.3 Corporate Performance	<ul style="list-style-type: none"> ■ Increase in revenue and profitability. ■ Increase market share through innovation and new product development. 	✓	✓	✓	✓	
 Employee Relations and Talent Cultivation	GRI 401: Employment 2016 GRI 404: Training and Education 2016	6 Human Resource	<ul style="list-style-type: none"> ■ Attract talent using various recruitment channels. ■ Provide fair and diverse training and opportunities for employees. ■ Offer competitive compensation and benefits. 	✓	✓			
 Corporate Governance and Law Compliance	GRI 2: General Disclosures 2021 (Disclosure 2-27 Compliance with laws and regulations) GRI 205: Anti-corruption 2016 GRI 206: Anti-competitive Behavior 2016	5 Corporate Governance	<ul style="list-style-type: none"> ■ Maintain attendance rates of 90% or above for the Board and functional committees. ■ Monitor international trends and relevant listing regulations to enhance corporate governance. ■ Ensure no significant violations of laws and regulations. 	✓	✓	✓	✓	
 Supply Chain Management	GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016	7.1 Supplier Management	<ul style="list-style-type: none"> ■ Require suppliers to 100% use conflict-free minerals to protect human rights. ■ Regularly track suppliers' certification on ISO 14001 and various international certifications. 	✓		✓	✓	
 Technology Innovation	Industrial topic	7.4 Climate Change Action	<ul style="list-style-type: none"> ■ Leverage innovative architecture and advanced process nodes to develop energy-saving products. 	✓	✓	✓	✓	
 Climate Change Action	GRI 302: Energy 2016 GRI 305: Emissions 2016	7.3 Electricity and Greenhouse Gas Emissions	<ul style="list-style-type: none"> ■ Promote energy conservation internally and begin to adopt renewable energy in specific office. ■ Collaborate with supply chain partners to seek more opportunities to use renewable energy. 	✓	✓	✓	✓	
 Risk Management	Industrial topic	5.4 Risk Management	<ul style="list-style-type: none"> ■ Identify risks related to internal and external changes. ■ Strengthen the management of various risks. 	✓	✓	✓	✓	

Note:  Direct Impacts  Indirect Impacts

5. Corporate Governance

5.1 Board of Directors and Functional Committees

To establish an effective corporate governance structure, Parade formulated its Articles of Association in accordance with the laws of Cayman with reference to the Taiwan Company Act, Securities and Exchange Act, and other relevant laws and regulations. The Board of Directors of Parade is composed of professionals with expertise and management experience in the industry. The Audit Committee and the Compensation Committee have been established to assist the Board of Directors in executing their supervisory duties and strengthening the independence of corporate governance structure.

Board of Directors

In considering the interests of the Company and its various stakeholders, the Board guides the management team in strategy planning, and oversees that the Company's operations in compliance with applicable laws and regulations and ethical standards. The Board of Directors of Parade consists of 7 persons, including 3 independent directors. Each of them shall be appointed to a term of office of 3 years. Directors may be eligible for re-election. Directors shall be elected pursuant to cumulative voting pursuant to a poll vote. The Company's Articles of Association regulates the election method of directors and independent directors, and adopts a candidate nomination mechanism for the election. The professional qualifications, shareholdings, part-time restrictions, nomination, and selection of independent director candidates shall be handled in accordance with the relevant laws and regulations such as the Securities and Exchange Act.

The Company's Head of Corporate Governance conducted a qualification check procedure for independent directors during their tenure in January 2025, which included obtaining declarations from the independent directors to confirm that they all meet the criteria for independence. The

Head of Corporate Governance reported the results to the board of directors in February 2025.

A Board election is scheduled for 2025. The Board searched for potential candidates through various channels and evaluated them based on their independence, professional knowledge, skills, experience, gender, and other diversity criteria. As a result of this process, Ms. Sherry Lee, a female independent director candidate, has been nominated, bringing the total number of female independent director nominees to two. During the nomination, the Head of Corporate Governance conducted a qualification check procedure for independent director nominees to confirm that they all meet the criteria. The Head of Corporate Governance reported the results to the board of directors in April 2025.

All directors and independent directors of the Company have no spousal relationship or familial relationship within the second degree of kinship. Except for Chairman Jack Zhao and Vice Chairman Mark Qu, who are deemed non-independent as they also serve as executives of the Company, the remaining 2 directors and 3 independent directors have provided constructive opinions to the Company in accordance with their independent business judgments, which enables the Board of Directors of the Company to fulfill its supervisory function.

Ages and Genders of Board Members				
Age Group			Gender	
<30	30~50	>50	Male	Female
-	-	7	6	1

Among others, the following matters shall be approved by the Board.

Duties of the Board

- | | |
|--|--|
| ■ Corporate business plans | ■ Financial reports |
| ■ Adoption, amendment, and assessment of the effectiveness of, an internal control system | ■ The engagement or dismissal of an attesting CPA, or the Compensation given thereto |
| ■ Adoption or amendment of procedures for acquisition or disposal of assets, financial derivatives transactions, lending funds to other parties, or endorsement and guarantees, and approval of related transactions | ■ Matters which are required to be submitted for resolution by the Board of Directors pursuant to the preceding procedures for transactions of assets, financial derivatives transactions, lending funds to other parties, or endorsements or guarantees for other parties |
| ■ Matters pertaining to election or discharge of Chairman of the Board | ■ The issuance or private placement of any equity-type securities |
| ■ The appointment or discharge of a financial, accounting, or internal auditor officer | ■ Any other material matters that shall be resolved by the Board Meeting or General Meeting as required by applicable laws and regulations or the Company's Articles of Association, or that are deemed to be material by the regulatory authorities |
| ■ The engagement or dismissal of an attesting CPA, or the compensation given thereto | |
| ■ A matter bearing on the personal interest of a director | |

To enhance the core value and professional capacity of the board members, Parade arranges the training courses for board members every year in accordance with relevant listing regulations. In 2024, the Company arranged courses related to global economic landscape and AI development & governance, and each Director attended training courses for at least 6 hours.

The meetings of Board of Directors of the Company are held frequently, at least once a quarter but may be held at any time if needed, so that the members of the Board of Directors can learn about the operation of the Company and make appropriate decisions in time. In 2024, a total of 7 meetings of Board of Directors were held, the average attendance rate was 96%. The directors with conflicting interests did not participate in discussion and voting of the agenda items as required by applicable laws and regulations.

Board Members

Jack Zhao | Chairman

Jack Zhao is a co-founder of Parade and has served as the Company's Chairman of the Board since January 2011. From 2005 through 2010, Dr. Zhao was the Company's President and CEO and Board Co-Chairman. He has over 20 years of experience in the semiconductor industry. Prior to joining Parade, Dr. Zhao served as the VP of Engineering at a company that he co-founded, Cerdelinx Technologies, which was acquired by Lattice Semiconductor in 2002. Prior to Cerdelinx, Dr. Zhao served in various management positions at Cypress Semiconductor, National Semiconductor, and Trident Microsystems. He received his Ph.D. in EE from the University of California, Irvine, and M.S. and B.S. degrees from Shanghai Jiaotong University.

Mark Qu | Vice Chairman

Mark Qu is a Parade co-founder, and has served as the Board Vice Chairman, and company President and Executive Vice President of Engineering since January 2011. Dr. Qu was the Board Co-chairman and Parade's VP of Engineering from 2005 to 2010. He has over 20 years of semiconductor industry experience and served as Chief Technology Officer at Cerdelinx, which he co-founded prior to Parade. Previously he held various positions at National Semiconductor and Sandcraft, Inc. Dr. Qu received his Ph.D. in EE from Texas A&M University, and M.S. and B.S. degrees from Shanghai Jiaotong University.

Jackie Yang | Director

Jackie Yang has served as a member of the Board since December 2005. Mr. Yang is a co-founder and the Managing Director of TransLink Capital. Prior to TransLink, Mr. Yang was a Senior Vice President at UMC Capital and was responsible for UMC's investment activities in the United States and China. Mr. Yang started his venture career at InveStar Capital in 1996, where he specialized in semiconductor and telecommunication companies. Mr. Yang received his MBA degree from University of Missouri, Columbia and B.S. degree in Mechanical Engineering from National Tsinghua University, Taiwan.

Darren Huang | Director

Darren Huang has served as a member of the Board since July 2007. Currently, Mr. Huang is the Chairman and Head of Strategy Development Office of GCS Holdings, Inc., a representative of Corporate Director of GCS Device Technologies, Co., Ltd., a Director of Shanghai Galasemi Co., Ltd., and an Independent Director of Systex Corp. Previously, Mr. Huang was the Partner of AsiaVest Partners, a leading venture capital firm investing in private companies in the Greater China Region. Prior to AsiaVest, Mr. Huang worked with Crimson Ventures, Icare Asia and InveStar Venture Capital. Mr. Huang holds an MBA from University of Michigan, Ann Arbor and a Mechanical Engineering degree from National Chiao Tung University, Taiwan.

Norman (Jen-Lin) Shen | Independent Director, Chair of the Audit Committee, Member of the Compensation Committee

Norman Shen has served as a member of the Parade Board since October 2010. Mr. Shen is currently an independent director of Parpro Corporation. Previously, Mr. Shen was the Chief Financial Officer of Motech Industries, Inc. between 2008 and 2010. Prior to Motech, Mr. Shen has held various senior management positions including positions at Systex Corporation, Taiwan Semiconductor Mfg. Co., Ltd, Fubon Commercial Bank, Yuan Foong Yu Paper Mfg., Co., Ltd. and Bank of America, Taipei. Mr. Shen received a Master of Economics degree from National Chung Hsin University.

Dennis Segers | Independent Director, Chair of the Compensation Committee, Member of the Audit Committee

Dennis Segers has served as a member of the Board since January 2007. Mr. Segers is currently a director of Flip Electronics and Kinara, Inc., and the Chairman of QuantumScape. Previously, Mr. Segers was the Chairman of the Board at Xilinx from 2015 to 2022, an adjunct lecturer at Santa Clara University, CEO of Tabula, Inc, senior vice president and general manager of the FPGA product groups at Xilinx. Mr. Segers began his career at Mostek Corporation as a product development engineer for Mostek's 16K DRAMs. He received a BS Electrical Engineering degree from Texas A&M University.

Huei-Chu (Laura) Huang | Independent Director, Member of the Compensation Committee, Member of the Audit Committee

Laura Huang has served as a member of the Parade Board since October 2022. Ms. Huang is currently an independent director of VisEra Technology Corporation, Sino Horizon Holdings Limited and Polytronics Technology Corporation. She has over 20 years of experience in finance and investment banking. Previously, Ms. Huang was the managing director and head of Taiwan ultra high net worth department at UBS. Prior to UBS, Ms. Huang held various positions at Merrill Lynch, China Development Financial Holding Corporation, Mega Securities (former Barits Securities), and Grand Cathay Securities. Ms. Huang received her MBA degree from University of Missouri.

The Company respects the policy of directors' diversity. In order to improve the composition of the Board of Directors and strengthen its functions, the selection of directors is based on a comprehensive consideration of their basic background (such as age, nationality), industry experience and professional capabilities (such as accounting and

finance, business management, crisis management). The specific diversity management objectives are not limited by gender, race and nationality, and the main consideration is the professional ability and background required for the Company's operation. The diversity status of the current Directors is as follows.

Board Diversity																							
Title	Name	Nationality	Gender	Age			Director Tenure			Experiences					Professional Skills								Employee of Parade
				51 ~60	61 ~70	71 ~80	<3	3~9	>9	Semiconductor Industry	Computer and Peripheral Equipment Industry	Biotechnology and Medical Industry	Automotive Industry	Financial Industry	Operational Judgments	Accounting and Financial Analysis	Business Management	Crisis Management	Industry Knowledge	International Market View	Leadership and Decision-making	Risk Management	
Chairman	Jack Zhao	USA	Male		●				●	●					●	●	●	●	●	●	●	●	
Vice Chairman	Mark Qu	USA	Male		●				●	●					●	●	●	●	●	●	●	●	
Director	Darren Huang	ROC	Male	●					●	●		●	●		●	●	●	●	●	●	●		
Director	Jackie Yang	ROC	Male	●					●	●	●	●	●		●	●	●	●	●	●	●		
Independent Director	Dennis Lynn Segers	USA	Male			●			●	●					●	●	●	●	●	●	●		
Independent Director	Jen-Lin (Norman) Shen	ROC	Male		●				●	●	●				●	●	●	●	●	●	●		
Independent Director	Huei-Chu (Laura) Huang	ROC	Female		●		●			●			●		●	●	●	●	●	●	●		

Pursuant to Article 37 of the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies, Parade has established its Rules and Procedures Governing the Board Performance Evaluation, and conducts an internal performance evaluation every year to enhance the functions of the Board of Directors. The evaluation shall be completed before the end of the first quarter of the following year. The scope of the evaluation includes the evaluation on the Board, taken as a whole, individual directors, and functional committees. Methods of evaluations include the internal evaluation of the Board, self-evaluation by individual board members. The evaluation should include the following aspects:

Board Performance Evaluation Content	
Board of Directors Taken as a Whole	
<ul style="list-style-type: none"> ■ Participation in the operation of the Company ■ Composition and structure of the Board ■ Internal control 	<ul style="list-style-type: none"> ■ Improvement of the quality of the Board's decision making ■ Election and continuing education of the directors
Individual Directors	
<ul style="list-style-type: none"> ■ Alignment of the goals and missions of the Company ■ Participation in the operation of the Company ■ Director's professionalism and continuing education 	<ul style="list-style-type: none"> ■ Awareness of the duties of a director ■ Management of internal relationship and communication ■ Internal control
Functional Committees (Audit Committee and Compensation Committee)	
<ul style="list-style-type: none"> ■ Participation in the operation of the Company ■ Improvement of quality of decisions made by the committee ■ Internal control 	<ul style="list-style-type: none"> ■ Awareness of the duties of the committee ■ Composition of the committee and election of its members

The performance evaluation of the Board of Directors for the year 2024 was reported at the Board meeting held on February 5, 2025. The 2024 performance of the Board, individual board members, and functional committees are all rated as Good. For continuous improvement in the

overall performance of the Board of Directors, The Company will reference Taiwan FSC's Sustainable Development Action Plans (2023) as a foundation to strengthen corporate governance practices and enhance communication with stakeholders. For continuous improvement in the performance of the individual board members, efforts will focus on encouraging directors to join training on diverse topics and providing insights that benefit the Company. For continuous improvement in the performance of the functional committees, the focus will be on aligning with the Sustainable Development Action Plans (2023) to enhance diversity and independence within the functional committees in the coming years.

Remuneration of Directors corresponds to the Directors' service and value to the business operations, the result of Board performance review, financial indicators (such as consolidated revenue and operating income) and with reference to the salary level of industry standards.

Remuneration of President and Vice Presidents is based on the overall consideration of their participation in the Company's operations and their performance, with reference to remuneration given to in prior years and the payment level for positions of the same nature in the industry. The performance evaluation criteria include their position, corporate responsibilities, contributions to the business operations, financial indicators (such as consolidated revenue and operating income), comprehensive management indicators (such as the achievement of practicing and upholding the Company's core values, and leadership and management skills), and other special contributions.

In accordance with the amended Articles of Association, where the Company makes profits before tax for the annual financial year, the Company shall appropriate 3.0% to 7.5% of such annual profits before tax as employees' compensation and a maximum of 2% as additional directors' remuneration.

Please refer to Parade's 2024 Annual Report for the Remuneration of Directors, Independent Directors, President and Vice President.

Audit Committee

The main purpose of the Audit Committee is assisting the Board in performing the supervision on the quality, ethics and compliance of accounting, audit, financial report process and internal control of the Company. The Audit Committee regularly communicates with the Company's independent auditors and reviews the appointment, fees and independence of the independent auditors. Parade's Audit Committee is composed of all independent directors, and Jen-Lin (Norman) Shen is the convener of the Audit Committee. All three members of Audit Committee are specialized in the field of financial accounting and semiconductor industry, have the knowledge and skills to perform their duties and rich experience in business operation and judgement, which can assist the Board of Directors in fulfilling its supervisory duties. Among others, the main responsibilities of the Audit Committee are as follows:

Duties of the Audit Committee

- | | |
|---|---|
| <ul style="list-style-type: none"> ■ Reviewing and approving the annual and quarterly financial reports ■ Reviewing and approving the amendments of internal control system ■ Reviewing and approving external auditor's independence, suitability and engagement ■ Reviewing a matter bearing on the personal interest of a director ■ Reviewing and approving the issuance of equity-type securities | <ul style="list-style-type: none"> ■ Reviewing and approving the business report and proposal for distribution of profit ■ Assessing the effectiveness of internal control system ■ Reviewing and approving the proposal of audit plan ■ Reviewing the appointment or discharge of a financial, accounting, or internal auditor officer ■ Reviewing the procedures and transactions of acquisition or disposal of assets, financial derivatives, lending funds to other parties, or endorsement and guarantees |
|---|---|

In 2024, a total of 6 Audit Committee meetings were held, the average attendance rate was 94.4%. For more information on the operations of the Audit Committee, please refer to Parade 2024 Annual Report.

Parade's internal auditors regularly submit internal audit reports to Audit Committee for review. If necessary, the members of Audit Committee will ask the internal auditors to further explain the content of the internal audit reports. In addition, the Company's internal audit supervisor has full attendance at each Audit Committee meeting to communicate thoroughly with the members of Audit Committee. When the Audit Committee reviews the quarterly and annual financial statements, the Company's CPAs will attend the Audit Committee meeting, and sufficiently discuss the results of review or audit with the members of Audit Committee.

The Communications Between the Independent Directors, Internal Auditor Manager, and CPA			
Date	Attendees	Focus of communication	Results
2/7/2024 Audit Committee	<ul style="list-style-type: none"> ■ All Independent Directors ■ Internal audit Manager 	<ul style="list-style-type: none"> ■ Results of internal audit 	No objection or other comment
3/6/2024 Audit Committee	<ul style="list-style-type: none"> ■ All Independent Directors ■ Internal audit Manager ■ CPA 	<ul style="list-style-type: none"> ■ Audit conclusion of the 2023 consolidated financial report ■ Results of internal audit ■ The 2023 Statement of Internal Control System 	No objection or other comment
4/24/2024 Audit Committee	<ul style="list-style-type: none"> ■ All Independent Directors ■ Internal audit Manager ■ CPA 	<ul style="list-style-type: none"> ■ Review results of the Q1 2024 consolidated financial report ■ Results of internal audit 	No objection or other comment
8/7/2024 Audit Committee	<ul style="list-style-type: none"> ■ All Independent Directors ■ Internal audit Manager ■ CPA 	<ul style="list-style-type: none"> ■ Audit results of the Q2 2024 consolidated financial report ■ Results of internal audit 	No objection or other comment
10/30/2024 Audit Committee	<ul style="list-style-type: none"> ■ All Independent Directors ■ Internal audit Manager ■ CPA 	<ul style="list-style-type: none"> ■ Review results of the Q3 2024 consolidated financial report ■ Results of internal audit ■ 2024 internal audit plan 	No objection or other comment

Compensation Committee

Parade has established the Compensation Committee in compliance with Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange. The primary purpose of the Compensation Committee is assessing and reviewing the compensation and benefits policies of Company's officers and Directors and submits recommendations to the Board for decision-making. Among others, the main responsibilities of the Compensation Committee are as follows:

Duties of the Compensation Committee

- Assessing and periodically reviewing the policies, systems, standards, and structures of the performance review and the compensation and benefits of the officers and Directors
- Retaining and terminating any consultant to assist the Committee in evaluating the compensation for the CEO, executive officers, and Directors
- Reviewing and approving the annual corporate goals and objectives relevant to the compensation for executive officers
- Determining the form and amount of compensation to be paid or awarded to employees of the Company
- Reviewing and approving the annual corporate goals and objectives relevant to the compensation for CEO
- Reviewing and making recommendations to the Board annually with respect to adoption and approval of, or amendments to, cash-based and equity-based incentive compensation plans
- Making regular reports to the Board every quarter

Parade's Compensation Committee is composed of all 3 independent directors, and Dennis Segers is the convener of the Compensation Committee. In 2024, a total of 5 Compensation Committee meetings were held, the average attendance rate was 93.3%. For more information on the operations of the Compensation Committee, please refer to Parade Annual Report.

Head of Corporate Governance

On April 26, 2023, the Board of Directors approved the appointment of Mr. Yo-Ming Chang as the Company's Head of Corporate Governance to safeguard the rights and interests of shareholders, strengthen the functions of the Board of Directors, and ensure good communication of information between the members of the Board of Directors and between the Directors and the management. The main responsibilities of the Head of Corporate Governance include assistance in handling of matters relating to Board of Directors meetings and General Meetings in compliance with law, assistance in preparation of minutes of Board of Directors meetings and General Meetings, assistance in onboarding and continuing education of the Directors, assistance in provision of information required for performance of duties by the Directors, and assistance to the Directors in complying with laws and regulations.

The Head of Corporate Governance follows regulatory requirements for annual training, with courses primarily focused on corporate governance and sustainable development topics. Within one year of assuming the role of Head of Corporate Governance, the following 18-hour training courses have been completed:

Head of Corporate Governance First-Year Training				
Name	Host by	Date	Training Course	Hours
Yo-Ming Chang	Accounting Research and Development Foundation	2023.07.12	How to Properly Understand Corporate Governance Evaluation Indicators	3
		2023.07.26	Trends and Regulations on ESG Information Disclosure Related to the "Sustainable Development Action Plans for Listed Companies"	3
		2023.09.28	Latest Policy Developments and Internal Control Practices Related to "ESG Sustainability" and "Self-Prepared Financial Reports"	6
		2024.03.21	Legal Liabilities of Employee Fraud and Internal Control & Audit Practices	6

5.2 Business Ethics and Integrity

Parade has established its Worldwide Business and Ethics Code of Conduct, please refer to section [3.3 Worldwide Business and Ethics Code of Conduct](#). Based on the core principles of this Code of Conduct, the following outlines the specific measures Parade has taken in promoting corporate ethics and integrity, as well as the outcomes of these efforts:

Integrity Management

Parade always follows the principle of integrity for its operation, and the board members, officers and all employees are required to practice this principle. The principle of integrity is promoted throughout the Company to strengthen employees' awareness of issues such as business ethics, avoidance of bribery, avoidance of conflicts of interest, prevention of insider transactions and protection of privacy and personal information. The Company has formulated employee handbooks, which cover matters such as performance reviews, rewards and penalties, job discipline, hours of work, complaint systems, etc. All employees have signed a confidentiality agreement before joining the Company, and guidelines for conflicts of interest provide basic rules for avoiding conflicts of interest when performing job duties. Company guidelines cover topics such as data confidentiality, accepting gifts or hospitality, family relationships, harassment, external investments, borrowing relationships, insider trading, market manipulation, intellectual property rights, and so on. The guidelines require all managers and employees to immediately report any problems they encounter to avoid incidents of unethical behavior.

Preventing Conflicts of Interest Among Board Members

Provisions for avoiding conflict of interest are stated in the Rules and Procedures of Board of Directors Meetings of the Company. If an interested party relationship exists between any director, or a juristic person the director represents, and any agenda item, the director shall declare and disclose the essential contents of such interest but may not participate in discussion of or voting on that agenda item, and shall abstain during discussion of and voting on that item, and may not act as proxy of another director to exercise voting rights on that matter. On February 7, 2024, the Board of Directors discussed the proposed distribution of 2023 management bonuses. Because directors Jack Zhao and Mark Qu are the executive officers of the Company at the same time, they did not participate in the discussion, and abstained from voting of this agenda item as required by applicable rules. The rest of directors and independent directors approved the resolution unanimously. The Board of Directors also discussed the proposed transfer of treasury shares to executives on April 24, 2024. Again, Director Jack Zhao and Mark Qu are the executive officer of the Company at the same time, and they followed the relevant rules and abstained themselves from discussion and voting of these agenda items. The rest of the directors and independent directors approved the resolutions unanimously. By implementing the rules for preventing conflict of interest, the Board of Directors maintains an objective and independent view on the Company's affairs to protect the interests of all shareholders.

Prevention of Insider Trading

Parade has a number of measures in place to prevent the Company or insiders from violating the relevant regulations concerning insider trading, whether inadvertently, due to unfamiliarity with the laws, or otherwise. In particular, the Company has established "Procedures for Acquisition or Disposal of Assets" and "Rules of Conduct with Respect to Inside Information and Trading" to protect the rights of investors and the Company. Directors, officers and employees of the Company also sign non-disclosure agreements with the Company, which preclude unauthorized use or disclosure of confidential information (including disclosure to parties who might improperly use such information for trades). All of our directors, officers and employees are required to perform their duties in an honest and ethical manner.

Anti-Bribery Policy

In order to uphold honest and trustworthy business practices, Parade has established a Worldwide Anti-Bribery Policy, requiring all employees (including executive officers, regular, temporary and contract workers) to adhere to the highest ethical and integrity standards in all business interactions. Parade strictly prohibits employees from giving or receiving bribes (which may include anything of value, without limitations to cash or cash equivalents) for any reason, and requires the Company's books and records to be accurate and complete. The Company internal controls must never be circumvented. All transactions must be supported by appropriate documentation and side agreements are strictly prohibited. If employee has any questions or suspects that an event may be considered a bribe, they are directed to immediately contact their department head, Human Resources department, or the VP of Legal. Violations of this policy are to be reported directly to the CEO or the VP of Legal, and Parade will not discriminate or retaliate against any person who, in good faith reports any matter under the policy. Parade also provides an

anonymous telephone and website channel, operated by a third party, for reporting issues. The Worldwide Anti-Bribery Policy has been published on the Company's website.

Legal Compliance

Parade is committed to complying with applicable international, national, and local laws and regulations, including those pertaining to labor, safety, health, fair competition and intellectual property rights. The Company's internal auditors regularly check various transaction cycles in accordance with the annual audit plan to ensure that all operation activities comply with laws, regulations and internal control systems. In order to ensure the effective design of internal controls, the Company also revises its internal control system from time to time and submits it to the Board of Directors for approval. The Company issues a Statement of Internal Control System approved by the Board of Directors annually and engages CPA to perform an assurance review of the internal control system. Please refer to the company's Annual Report for the statement and assurance report.

No violation instance of regulations or punishment was disclosed with respect to Parade according to "Taipei Exchange Procedures for Verification and Disclosure of Material Information of Companies with TPEX Listed Securities" in 2024. In the year 2024, Parade did not receive any penalties for, and was not a party to, any lawsuits alleging, violations of social, economic, or environmental laws and regulations, or anti-competitive behavior or violation of anti-trust and monopoly legislation. Parade similarly was not a party to any lawsuits involving our suppliers or customers in the year 2024.

The Company has set up a mailbox at csr@paradetech.com to provide channels for external stakeholders to provide opinions or lodge complaints.

Compliance Training

In alignment with the established Global Business and Ethics Code of Conduct, Parade designs and updates its compliance program annually, including training to help guide employees on the laws, regulations, and rules they must follow. This program aims to align Parade's operations with the behavior standards required by our stakeholders, and to support sustainable management and operational performance.

This compliance training program includes the following outline:

Topics for Compliance Training	
<ul style="list-style-type: none"> ■ Core Principles and Framework ■ Business Practices and Ethics ■ Compliance with Laws <ul style="list-style-type: none"> ▫ Prohibition of Discrimination, Harassment, Corruption, etc. ▫ Personal Data/Privacy ▫ Insider Trading ▫ Export Control ▫ Labor and Human Rights 	<ul style="list-style-type: none"> ■ Confidentiality and Security ■ Health and Safety ■ Environmental Protection & Sustainability ■ Supply Chain/Manufacturer Subcon Compliance ■ Resources for Reporting ■ Resources and Questions

As of December 31, 2024, Parade has confirmed that 100% of its employees (including part-time and temporary staff) and contractors have completed the 2024 compliance training program.

5.3 Corporate Performance

Financial Performance

As an IC design company, solid operation and positive financial performance are the foundation for Parade to develop sustainable corporate social responsibility. In response to the fierce competition in the semiconductor industry, Parade focuses on its main business, develops a competitive strategy that meets the market trend and the Company's growth, continuously recruits high-quality talents, and acquires different technologies and markets through mergers and acquisitions. Parade leverages its intellectual property cores and innovation capabilities to expand the product portfolio of DisplayPort timing controller, high-speed interface solutions, source drivers and TrueTouch controller, and develop outstanding integrated solutions to meet customers' demand for high-speed transmission, high-definition video, low cost, low energy and low EMI/RFI products. For specific customers, Parade also provides differentiated products that integrate more functions to enhance the end customers' experiences. Through close cooperation with strategic partners, Parade strengthens the quality and performance of the products and guarantees production capacity, so that products can be delivered in accordance with the quality and timing expected by customers. Through these strategies, Parade has been able to strengthen its leadership in various areas, increase market share, revenue and profit, and create value for Parade's shareholders.

Please refer to the consolidated financial report of Parade for more information.

Parade has an Investor Relations section on the official website to regularly publish financials, annual reports and general meeting information. Parade also discloses financial and corporate governance information on the Market Observation Post System (MOPS). To treat all shareholders equally, the Company concurrently discloses the material information in Chinese and English through MOPS and publishes the news on the Business Wire.

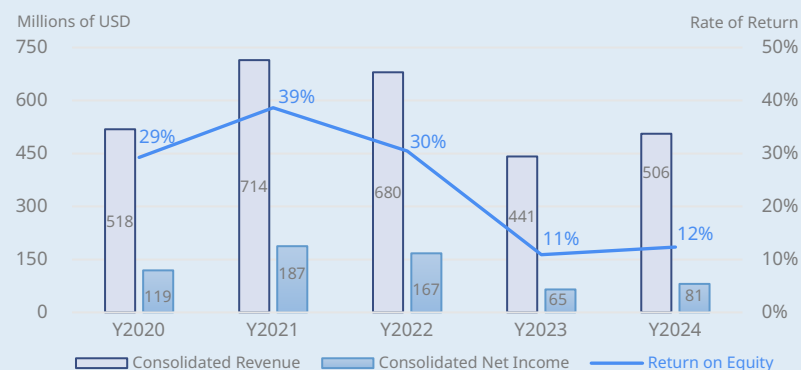
Five-year Consolidated Financial Summary					
Unit: Thousands of US\$, except for EPS in US\$					
Item/Year	2020	2021	2022	2023	2024
Revenue	518,336	714,334	679,916	441,253	505,808
COGS	289,999	373,739	363,733	248,327	290,864
Gross Profit	228,337	340,595	316,183	192,926	214,944
Taxes	6,571	20,180	16,269	6,124	6,678
Net Income	118,948	187,441	167,248	64,973	80,677
Basic EPS	1.52	2.37	2.09	0.82	1.01
Diluted EPS	1.48	2.32	2.06	0.82	1.01
Unit: Thousands of NT\$, except for EPS in NT\$					
Item/Year	2020	2021	2022	2023	2024
Revenue	15,279,588	19,994,646	20,055,284	13,769,072	16,245,645
COGS	8,547,608	10,463,279	10,739,544	7,749,660	9,342,425
Gross Profit	6,731,980	9,531,367	9,315,740	6,019,412	6,903,220
Taxes	193,231	564,026	476,514	190,840	215,038
Net Income	3,505,796	5,244,507	4,898,319	2,033,134	2,592,123
Basic EPS	44.86	66.29	61.35	25.73	32.55
Diluted EPS	43.73	64.79	60.35	25.55	32.39

R&D Investment

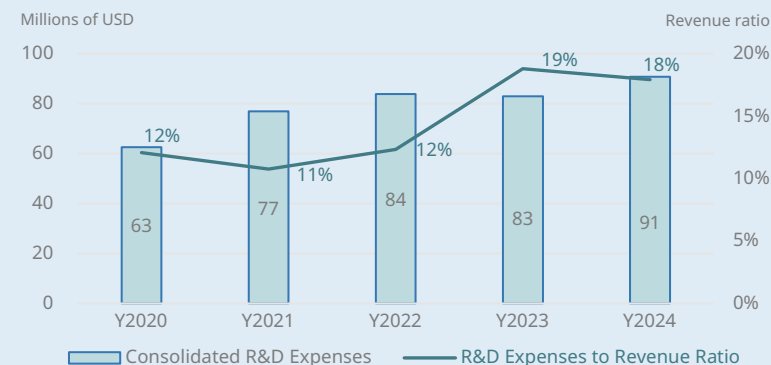
To maintain competitive advantage, Parade is committed to continuous recruitment of high-quality R&D personnel and investment in innovative intellectual property. In 2015, Parade completed its acquisition of Cypress's TrueTouch Mobile business. In 2020, Parade also completed its acquisition of Fresco Logic, Inc. and expanded its intellectual property portfolio with USB hub, USB port expansion and Power Delivery products and technologies. By completing the mergers and acquisitions, Parade obtained relevant technologies, target markets and R&D teams, and integrated the acquired intellectual properties into Parade's own technologies to expand the roadmap of each product line and speed up the development of cutting-edge integrated solutions for the customers.

In March 2025, Parade announced that it had entered into a definitive agreement with Spectra7 Microsystems Inc., a Canadian analog semiconductor company. Under the agreement, Parade will acquire the majority of Spectra7's assets, including intellectual property (IP), products, designs, inventory, and other specified items. The transaction was closed in April 2025. With the purchase of the majority of Spectra7's assets, Spectra7's cutting-edge SiGe-technology, achieving data speeds of 112 Gbps and higher, will provide valuable support for Parade's efforts to expand into high-growth markets such as data centers, AI-powered computing, and next-generation consumer electronics. In addition, as part of the acquisition, a significant number of Spectra7's employees have joined Parade, ensuring continuity of technical expertise and customer support.

Trend of Consolidated Revenue, Net Income and ROE



R&D Expenditure



Major Achievements in 2024			
Consolidated revenue US\$506 million		Consolidated net income US\$81 million	
Shipped USB4/TBT4 retimer in Copilot+ PCs with Snapdragon® X Series	Shipped USB4/TBT4 retimer in AI PCs with AMD Ryzen™ AI 300 Series	Hold 295 granted patents (23 patent applications pending)	
Announced Touch with Tcon embedded drivers for automotive cockpit displays		Announced new eDP Tcons optimized for HDR gaming displays up to UHD resolution	

Awards and Recognitions

Parade received the honor of being selected as a constituent of the “TPEX 50 Index”, “TPEX 200 Index”, “TPEX RGA Quality 50 Index”, “TPEX Semiconductor Leaders Total Return Index”, and “TPEX FactSet Semiconductor Climate Resilience Index”. Besides, Parade was awarded the “Taipei Exchange Stalwart Partner Award” by Taipei Exchange in 2024. In 2017, Parade was named the “Best Financially Managed Semiconductor Company Achieving Up to \$1 Billion in Annual Sales” by the Global Semiconductor Alliance (GSA), a leading semiconductor industry organization. Parade has also been nominated several times for the titles of “Most Respected Semiconductor Company” and “Best Financially Managed Semiconductor Company” by the GSA, which is the industry's acknowledgement of Parade's continuous innovation, market success and excellent financial performance.

Customer Satisfaction

Parade leverages its close relationships with market leading tier-1 OEMs to develop ICs that enable competitive system capabilities. Parade is also a key contributor to industry standards development organizations.

Parade's devices integrate proprietary technologies that offer superior signal integrity as well as improved system integration and power efficiency. As a result of Parade “standard-plus” design philosophy, Parade ICs have been designed into products offered by nearly every leading computer and display vendor worldwide.

Parade also holds quarterly business meetings and uses various channels to understand the needs and opinions of customers. Parade regularly reviews and analyzes the feedbacks provided by the customers, and propose appropriate response plans to meet the rapidly changing market needs in the areas of technology and service. Parade's efforts have been recognized by the customers and were reflected in the steady revenue over the years. Parade will continue to improve customer satisfaction and strengthen cooperation with customers to achieve a win-win situation. Parade continues to receive awards from its customers, demonstrating the recognition the Company has received for its quality management and customer service.

Parade internally promotes and fully implements its quality policy of QCDS (Quality Improvement, Cost Down, Delivery on Time, and Service Well). In the event of product quality issues, Parade's approach may involve, as appropriate and without limitation, thorough investigations to identify the root causes, communication with outsourcing suppliers, review of production processes, and strengthening of product testing capabilities to implement improvement measures and ensure shipment

quality. Parade enhances the quality awareness of all employees through continuous internal training to reduce the probability of quality issues. At the same time, we also strengthen our communication with customers. When a quality event occurs, in addition to investigating the cause, Parade also provides short-term solutions to customers through internal cross-departmental communication to minimize the impact of quality issues on customers.

Awards Received from Customers

Customer	Year	Awards Won by Parade
Quanta	2024	Best Partner Award
Lenovo	2024 & 2020	Outstanding Serviceability Award
Huaqin	2024	Excellent Supplier Award
Wistron	2024 & 2015	Outstanding Vendor Award
IVO	2024	Technological Innovation Award
Lenovo	2023	Technology Innovation Award
BOE	2023	Excellent Quality Award
Huaqin	2023, 2021 & 2020	Best Collaboration Award

Awards Received from Customers

Customer	Year	Awards Won by Parade
Intel	January 2023	Outstanding Support on Embedded Display Technology Validation for 13th Gen Intel Core Processor
Google	H2 2022	2nd Place in Overall Supplier Ranking
Huaqin	2022	Best On-Time Delivery Award
BOE	2022	Excellent Service Award
Compal	2021	Supplier Excellence Award
TCL CSOT	2021	Win-Win Cooperation Award
Inventec	2018	Supplier of the Year Award
Dell	2013 & 2012	Best Supplier Award

5.4 Risk Management

Parade's primary risk management governing body is the Board of Directors. The Board considers the interests of the Company and all stakeholders, analyzes the various risks of Parade's operations, develops business strategies, and implements monitoring mechanisms to mitigate the negative impact of unexpected events on the Company and ensure compliance with relevant laws and ethical standards. Parade's executive management team regularly holds meetings to manage the projects of each department, monitor related risks, and make timely adjustments to respond as needed. Employees of each department are responsible for frontline risk management in daily operations by regularly analyzing, monitoring, and addressing relevant risks.

The following are explanations of certain risks associated with material topics, as well as Parade's considerations and management measures.

Financial Risk Management

Parade's primary functional currency is the USD, and it operates in various locations in North America, Asia, and Europe. To mitigate the risk of exchange rate fluctuations, the Company's strategy is to maintain a balance between foreign currency assets and liabilities to achieve natural hedging effects.

Parade focuses on its core business operations and follows a steady and conservative financial policy. The Company does not engage in high-risk or high-leverage investments, guarantees to other parties, endorsements, or trading of financial derivatives.

Tax Risk Management

Effective tax governance is essential for ensuring Parade's compliance and accountability within the tax system. Parade's corporate and entity structure dictates Parade's tax structure. While international tax is a very complicated field and it evolves over time, our intercompany transactions are conducted based on the arm's-length principle and follow internationally recognized transfer pricing guidelines. Our tax governance framework primarily includes "Roles and Responsibilities", "Regulations Oversight" and "Internal Controls". The finance department is designated to oversee compliance and reporting. Due to the complexity of international tax laws and practices, we rely on experts at professional service providers, including PwC and local tax consultants, to update tax practices to reflect legislative changes and advise actions, to ensure alignment with corporate governance standards. These third-party professionals also prepare, execute, and provide tax filings, compliance audits, and transfer pricing studies for us. For internal controls, we have implemented processes to monitor tax liabilities and filing obligations, as well as periodic audits to verify accuracy and adherence to regulations.

Income Tax Paid (in thousands of NT\$)			
Year	2022	2023	2024
Amount	718,678	229,410	195,899

Managing tax risk is critical for maintaining financial integrity and avoiding penalties. With the advices and support of third-party professionals, the Finance Department coordinates regulatory identification, operational management assessments, and financial risk evaluations related to taxation. Our Audit Committee supervises the implementation of relevant internal control systems and risk management in areas such as accounting, taxation, and financial reporting processes every quarter. Following the Audit Committee's review, the related accounting, tax, and financial reporting matters are submitted to our Board of Directors for approval on a quarterly basis. Any significant changes in tax laws and proposed responses are also communicated to the Board of Directors as part of ongoing governance practices. The overall disclosure of tax information is reviewed by our external auditor each quarter to ensure its reasonableness and correctness.

Stakeholders who have concerns regarding the Company's tax integrity may contact or report via csr@paradetech.com. The Company's Finance Department also monitors international tax developments and actively participates in educational programs organized by regulatory authorities to enhance relevant professional knowledge.

Business Continuity Management and Capacity Assurance

Parade utilizes various measures to address risks, including but not limited to epidemics, water shortages, power outages, typhoons, and floods, in order to manage operational impacts and damages. Parade also requires suppliers to promptly notify Parade in the event of a risk warning or actual risk occurrence. If a problem does occur, Parade will discuss emergency response plans with suppliers to jointly minimize damage and reduce any impact on customers.

To protect the business and support future growth, Parade reached several wafer manufacture expansion agreements with its partners. These agreements secure long-term wafer capacity guarantees along with new capacity expansions via our partners. Parade's engineering teams have also re-designed and re-qualified high-volume products for different FABs. As a result, many important products are capable of being manufactured in multiple FABs, which significantly mitigates the risk of operational disruption caused by shortages in the supply chain.

Due to market fluctuations, we re-negotiated with our wafer foundries and OSATs (Outsourced Semiconductor Assembly and Test) to cut down obligations of our Long-Term Agreements (LTAs). These negotiations were successful and allowed us to avoid financial penalties.

Employee Relations Management

As a professional IC design company, high-quality engineering talent is critical to Parade's success. Parade is committed to recruiting and investing in employees to build up our corporate structure and to execute our product roadmap. Parade provides competitive compensation, including salary, allowances, employee bonus, stock awards, and other benefits to attract outstanding talents to join, and reward employees who contribute.

Parade complies with relevant government regulations, and all its employees are covered by government mandatory insurance programs, such as social security insurance, labor insurance and national health insurance. In addition, Parade also provides necessary insurance plans for employees in accordance with local laws. To benefit our employees and allow us to stay competitive, the Company also takes industry practices and local conditions into consideration and provides employees with localized insurance plans, such as medical insurance and life insurance, that are better than the statutory requirements. By providing these insurances benefits, employees can be more focusing on making every effort for the growth of the Company and their career.

Among other benefits, Parade has planned congratulation and condolence allowances, quarterly birthday parties, dinners, holiday gifts and anniversary souvenirs. As a result of outstanding operating performance and competitive salary and benefits, Parade's employee turnover rate has been maintained within a reasonable range in recent years.

In terms of career development, the Company provides various training courses, including internal and external training, in accordance with the work needs of employees. At Parade, all employees' performance is evaluated at least once a year, and the Company provides employees with a reasonable channel for raising issues. Please refer to section [6. Human Resource](#) for more information.

Intellectual Property Management

In addition to high-quality talent, intellectual property is also an extremely important asset for Parade. Parade respects intellectual property rights and requires employees, customers, and suppliers to sign confidentiality agreements to protect Parade's and its partners' confidential and proprietary information, including trade secrets. Parade also actively protects its R&D results, including through patent portfolio development. By the end of 2024, the Company had acquired 295 patents and had 23 patents in the application stage. To encourage innovation, the Company has established a patent incentive plan, which rewards employees with a fixed bonus for patent applications and issuances.

Law Compliance and Internal Audit Mechanism

Parade is committed to complying with relevant international and local labor, safety, health, fair competition and intellectual property rights laws and regulations. The Internal Audit department of Parade reports to the Audit Committee and Board of Directors directly. One internal auditor or their substitute has passed the CPA examination. The internal auditors regularly check various transaction cycles in accordance with the annual audit plan to ensure that all operation activities comply with laws, regulations and internal control systems. In order to ensure the effective design of internal control, the Company also revises its internal control system from time to time and submits it to the Board of Directors for approval. In addition, the Company has engaged an independent accountant firm to perform internal controls assurance every year, and the Independent Assurance Report of Internal Controls is disclosed in the Market Observation Post System (MOPS).

For more information about law compliance and internal controls, please refer to [5.2 Business Ethics and Integrity](#).

Cybersecurity Management

With the advancement of technology, the emergence of new technologies and the hacking and viruses, cyber security faces more challenges. In the cyber security risk control, the Company has established relevant operational methods for the use of computerized information systems to implement internal control systems and maintain cyber security policy. In terms of technology and system, various security measures have been introduced to reduce threats and manage risks. The Company continues to review and evaluate its cyber security policy to ensure the appropriateness and effectiveness of its measures.

The IT department of the Company is responsible for cyber security management, including shaping cyber security policy and implementing cyber security procedures. Internal and external audits of the information security cycle are carried out every year to ensure the effectiveness of the management system and comply with the statutory requirements. Internal audit results are regularly reported to the Audit Committee and the Board of Directors.

To protect the Company's intellectual property, internal applications, proprietary software, products, marketing, sales, financial, HR and other sensitive information, the Company has established the Internal Control Procedure of Computerized Cycle, and the IT Security Policy to achieve the following goals:

- **Confidentiality:** Only authorized users can access information
- **Integrity:** Information is accurate and consistent
- **Availability:** Information and systems are available for authorized users when needed

We invested heavily to modernize our network infrastructure and advance our global IT network security, including adoption of firewall Wildfire protection and next-generation endpoint protection, to improve our security and strengthened our IT team capability and capacity. As of December 31, 2024, the Company had a total of 1 manager and 6 employees responsible for IT software and hardware maintenance and cyber security management. In 2024, the Company implemented IT weekly meetings to address security incidents and provide remediation of any issues as needed.

Cyber Security Procedures	
Category	Related Actions
Network Security	■ Adopt Zero Trust Security Model as company's information security guiding principle. Never trust; always verify regardless of whether the access is on the premises or outside
	■ Implement Zero Trust Network Access technology to validate network accesses are securely going through the identification, context and endpoint security posture pillars of verification
	■ Conduct ongoing security vulnerability scans on all technology stacks and remediating the security risks
	■ Monitor and prohibit the installation of unauthorized software
	■ Isolate servers in the Company's local area network, and protect with firewall and proxy servers
	■ Implement firewall URL filtering to automatically detect and prevent new and advanced web-based threats instantly
	■ Implement firewall Wildfire protection provides real-time detection of previously unseen, targeted malware and advanced persistent threats
	■ Implement next-generation endpoint protection by unifying next-generation antivirus (AV), endpoint detection and response (EDR), and a 24/7 managed threat hunting
	■ Regularly review system logs and track exceptions

Cyber Security Procedures	
Category	Related Actions
Data Security	<ul style="list-style-type: none"> ■ Set complex passwords and enable multi-factor authentication mechanism for security ■ Base application access on the least privileged security model and periodic review ■ Encrypt confidential files ■ Monitor and prohibit unauthorized storage media from transferring data ■ Monitor email server for unauthorized data transmission ■ Establish the process of integrating security practices into each phase of the firmware development life cycle (FDLC) with GCP KMS, SonarQube and GitHub
Emergency Mechanism	<ul style="list-style-type: none"> ■ Maintain mission critical data backup onsite, offsite and across geographic locations ■ Perform and valid disaster recovery annually
Training	<ul style="list-style-type: none"> ■ Require new employees to sign confidentiality agreements, and implement information security training ■ Promote the prevention of phishing and other security issues periodically

The Company utilizes the Mineral Training Platform, an online learning platform that offers multiple cybersecurity-related courses, allowing employees to select courses at their discretion. To enhance employees' cybersecurity awareness and understanding, in 2024, the Company required employees in specific roles and regions to complete a cybersecurity course on corporate and personal data classification and protection through the platform. This interactive online course provides employees with insights into classifying and protecting data, ensuring the security of personal, corporate, and customer information. At the end of the course, employees must complete a test to verify their full understanding of the training content. Upon passing the test, they receive a course completion certificate online. All employees in the specified roles and regions successfully completed the course and passed the test in 2024.

Personal Data Privacy

Parade values the protection of personal data privacy. In line with the global reach of our operations, our compliance efforts are designed to support compliance with obligations under a range of applicable data protection laws, including but not limited to the General Data Protection Regulation (EU 2016/679) ("GDPR"), the California Consumer Privacy Act as amended by the California Privacy Rights Act ("CCPA"), and the Chinese Personal Information Protection Law ("PIPL"). The Company has established a Worldwide Business and Ethics Code of Conduct, which reaffirms our commitment to compliance with applicable personal data protection laws. This Code applies to all Parade employees and those of its affiliates, and we expect our partners to share our commitment to these principles.

The Company has also published a [Personal Data Privacy Statement](#) that is available for review on its official website, and maintains additional privacy related measures to support compliance with applicable law and to safeguard personal information. The Company's compliance measures are calculated to protect the personal information of a variety of potential parties who may provide information, including but not limited to business counterparties, customers or potential customers, job applicants, and employees.

The Company's legal department is responsible for implementing and overseeing compliance with applicable personal data protection regulations and provides legal@paradetech.com as a contact channel for inquiries, concerns, or complaints. In addition, the Company's 2024 compliance training program includes training on personal data and privacy. As of December 31, 2024, 100% of Parade's employees (including part-time and temporary staff) have completed this compliance training.

Climate Change Risk Management

According to the World Economic Forum's Global Risks Report 2025, "extreme weather events" and "critical change to earth systems" were ranked as the first and third most severe global risks over the next decade. To mitigate climate change and extreme weather events, companies should comply with various environmental protection trends or standards.

Parade is a fabless IC design company. The Company promotes energy saving and carbon reduction in the office by reducing the use of paper, electricity and water. It also promotes green procurement to the extent feasible, such as selecting FSC-certified tissue paper and copy paper products. In order to fulfill the social responsibility of protecting the global environment, Parade closely cooperates with foundries and assembly/testing suppliers. The raw materials currently used are in accordance with the European Union Restriction of Hazardous Substances (RoHS) regulations. To ensure that all products meet the requirements of applicable regulations, any dangerous material is strictly controlled in production.

The Company has also continuously made improvements in pollution, energy and resource saving and waste reduction in order to reduce potential environmental risks.

The Company also develops energy-saving products and optimizes product performance and efficiency. Parade believes that by designing low-power ICs, it will help to reduce energy consumption and have a positive impact on the reduction of global carbon emissions. All of Parade's products have undergone rigorous testing to analyze different usage scenarios to support product durability and service life, which reduces the burden on the environment.

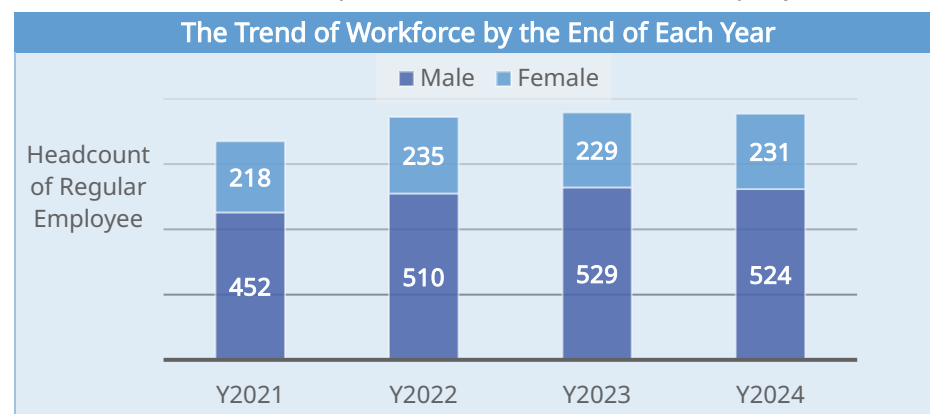
Please refer to [7.3 Electricity and Greenhouse Gas Emissions](#) and [7.4 Climate Change Action](#) for more information.

6. Human Resources

6.1 Workforce Structure

Due to the rapid evolution and fierce competition in the technology industry, cultivating and retaining high quality talent is an important foundation for strengthening corporate competitiveness. Parade has strongly established a people-oriented corporate culture and regards employees as its most important assets. The compensation structure of Parade is on the basis of legal compliance, overall economic indices and local salary benchmarks in the same industry as each operating office, which mainly includes base salary, allowances, profit sharing bonus, stock awards, retirement plans and other benefits.

As of December 31, 2024, there were 755 regular employees in Parade, representing a 0.4% decrease compared to the previous year. The male and female employees ratio accounted for 69.4% and 30.6% of the total number of employees, respectively. Due to the characteristics of the IC design industry and the talent pools, the male population is larger than the female population. The Company has established an equal opportunity workplace environment, all of our employees have access to the same rewards, career paths and resources at the Company.



2024 Year-end Workforce Structure (Headcount)										
Region/Gender Category		North America		Asia		Europe		Subtotal		Total
		Male	Female	Male	Female	Male	Female	Male	Female	
Contract Period	Regular Employee	68	19	447	211	9	1	524	231	755
	Temporary Employee	-	-	1	1	-	-	1	1	2
Employment Type	Full-time	68	19	448	212	9	1	525	232	757
	Part-time	-	-	-	-	-	-	-	-	-
Total Workforce		68	19	448	212	9	1	525	232	757

2024 Year-end Structure of Regular Employees (Headcount)										
Region/Gender Category		North America		Asia		Europe		Subtotal		Total
		Male	Female	Male	Female	Male	Female	Male	Female	
Position	Supervisor	25	5	110	27	1	-	136	32	168
	Non-supervisor	43	14	337	184	8	1	388	199	587
Job	R&D	45	3	312	140	9	-	366	143	509
	Non-R&D	23	16	135	71	-	1	158	88	246
Age	>50	42	10	42	10	2	-	86	20	106
	41~50	11	7	129	58	3	-	143	65	208
	31~40	5	1	135	77	3	1	143	79	222
	<30	10	1	141	66	1	-	152	67	219
Education	Ph.D.	10	-	5	1	1	-	16	1	17
	Master's	30	7	264	92	5	-	299	99	398
	Bachelor's	28	12	175	117	3	1	206	130	336
	High School	-	-	3	1	-	-	3	1	4
Total Regular Employee		68	19	447	211	9	1	524	231	755

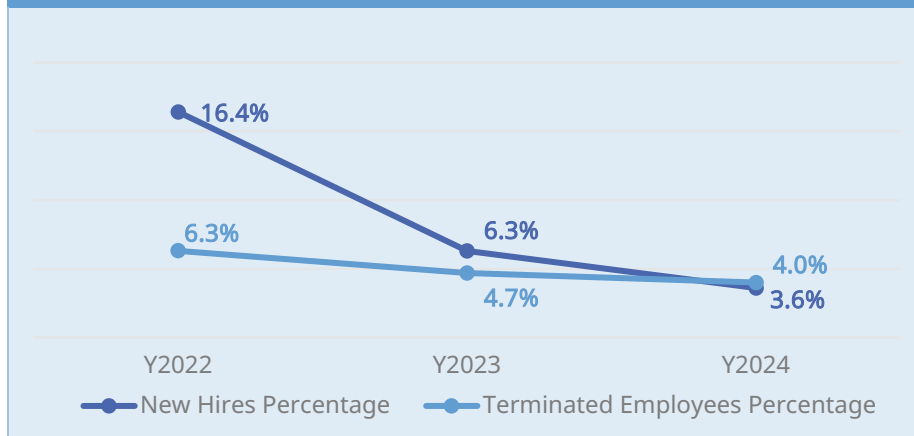
New and Resigned Employees

In order to retain talent pools and support sustainable growth of the business, Parade provides competitive compensation and benefit packages at each operating location, and supports a good working environment. We also continuously recruit new talents with comprehensive selection criteria and systematic interviews, sourcing through recruitment, internal referral or merger/acquisition, to expand Parade's professional team and the diversity of employees. With all the efforts contributed, the

employee turnover rate is consistently lower than the industry average. The new hires percentage in 2024 is 3.6%, while the terminated employees percentage is 4.0%, with a voluntarily terminated employees percentage of 3.4%.

In the year 2024, Parade did not receive any penalties for violating local labor laws, and there were no significant labor disputes.

Percentage of New Hires and Terminated Employees



Structure of 2024 New and Terminated Employees

Category	Age	North America		Asia		Europe		Total
		Male	Female	Male	Female	Male	Female	
New Hires	≥51	-	-	2	-	-	-	27
	41~50	1	-	-	3	-	-	
	31~40	1	-	4	1	-	-	
	≤30	3	1	9	2	-	-	
Terminated Employees	≥51	7	1	1	-	-	-	30
	41~50	-	-	2	3	-	-	
	31~40	1	-	7	-	-	-	
	≤30	-	1	7	-	-	-	
Voluntarily Terminated Employees	≥51	-	-	2	-	-	-	26
	41~50	1	-	-	3	-	-	
	31~40	-	-	4	1	-	-	
	≤30	3	1	9	2	-	-	

Workplace Diversity and Gender Equality

The Company has always maintained a well-established compensation structure system, Parade does not discriminate, harass, or unfairly treat job applicants or employees based on race, nationality, class, language, ideology, religion, political party affiliation, place of birth, gender, sexual orientation, age, marital status, appearance, facial features, physical and mental disabilities, or previous union membership status.

Our employees, male or female, are paid similar salary for similar positions. The gender salary ratio above reflects the supply of talents in the IC design industry where the proportion of male talent with a doctoral or master's degree is relatively high, which linked to higher proportion of males in place and in senior positions. The objective factors have ended in a gap between average male and female salaries, though we do not attribute such gap to any disparate treatment of similarly situated individuals. The Company values a fair workplace environment, and all of our employees have access to the same rewards, opportunities and resources at the Company.

Gender Average Salary Ratio in 2024			
Categories		Male	Female
Position	Supervisor	145%	100%
	Non-supervisor	146%	100%
Job	R&D	149%	100%
	Non-R&D	149%	100%

Number of Male and Female Supervisors in 2024			
Managerial Level	Male	Female	Total
Directors and Executives	14	1	15
Mid-Level Supervisors	126	32	158
Total	140	33	173

In 2024, Parade had 0.53% of its employees as foreigners requiring work visas. Parade prioritizes hiring local residents at all its offices, committed to supporting the economic development of the local communities where it operates, while also welcoming talents from around the world. Parade's talent strategy is dedicated to balancing the priority of hiring local talents with the pursuit of global talent diversity.

2024 Year-end Employee Diversity			
Gender	% of All Employees	% of Supervisor Positions	% of R&D Positions
Male	69.4	81.0	71.9
Female	30.6	19.0	28.1
Nationality or Region	% of All Employees		% of Supervisor Positions
North America	11.5		17.9
Asia	87.2		81.5
Europe	1.3		0.6
Age	% of All Employees		
>50	14.0		
41~50	27.6		
31~40	29.4		
<30	29.0		

6.2 Talent Development and Workplace Safety

Employee Training

Parade provides training courses for all employees in different aspects to create a continuous and diverse learning environment, to empower managers and employees with managerial and professional abilities, and to enhance the Company's competitiveness. In 2024, Parade provided employees with 33,795 hours of comprehensive and diverse training classes. Through post-training satisfaction surveys, the Company continuously improves the quality of its courses. Employees who participate in external courses or seminars related to work can have their expenses reimbursed by the Company upon appropriate approval.

Year 2024 Employee Training			
Categories	Persons	Hours	Amount (NTD)
New Employee Training	30	270	\$ -
In-house Training	755	16,155	-
Professional Training	234	17,370	177,424
Total	1,019	33,795	\$ 177,424

Parade adopted an online professional educational platform, the Mineral Training Platform, as a new measure for promoting employee learning and achieving sustainable development. The key features of this platform include:

Mineral Training Platform

- **Comprehensive Courses**
 - **278 courses covering 10 topics:**
 - 1) Professional Development; 2) Workplace Safety;
 - 3) Environment & Climate; 4) Customer Service;
 - 5) Compliance & Legal; 6) Computer & IT; 7) Harassment;
 - 8) Pandemic Response; 9) Human Resources; and
 - 10) Diversity, Equity, Inclusion & Belonging.
- **Expert Instructors:** employees can learn from industry experts who bring real-world experience to the training.
- **Flexibility:** the platform offers self-paced learning, enabling learners to tailor their training to fit their schedule and needs.
- **Certificate:** users earn certificates upon course completion.

The Company also utilized this online learning platform in 2024 to complete cybersecurity training for employees with specific job functions and in certain regions. Please refer to the [Cybersecurity Management](#) section for details.

Employee Recruitment

Parade continuously assesses its talent needs, addressing the needs of positions and timing. The HR Department utilizes job boards, internal referrals, campus recruiting, and headhunters to identify candidates suitable for the Company's needs. When a new college graduate (NCG) is hired, months long intensive training is scheduled and a mentor is assigned from Dept managers to take care and train each NCG. An intern program is in place with the same procedures as regular recruiting.

We also collaborate with third party vendors with respect to specific technical efforts for the training and hiring of certain engineering resources, and have been doing so since 2014.

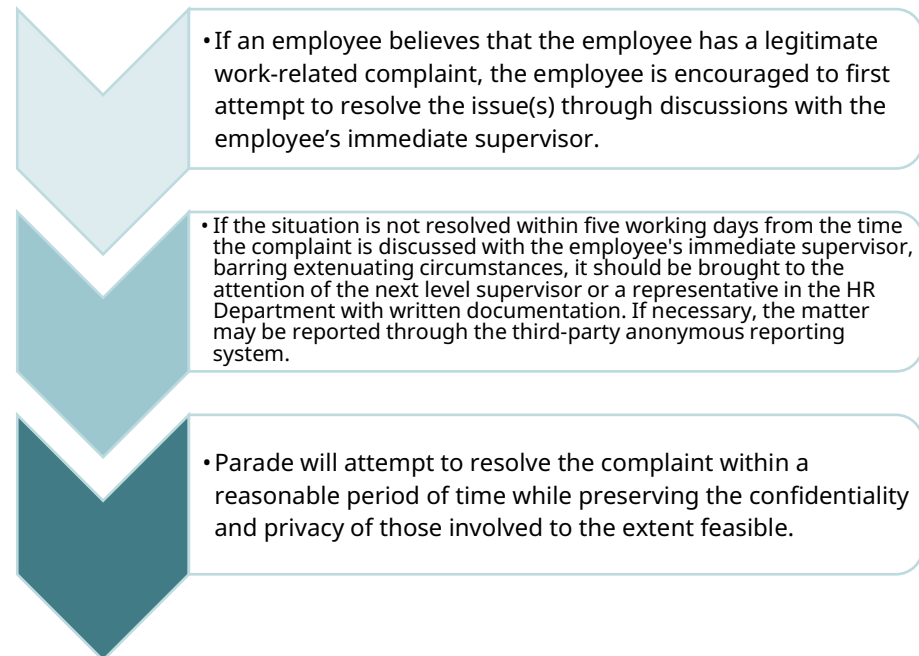
Performance Review and Two-way Communication

In order to effectively evaluate the performance of employees, the Company has established performance evaluation procedures. All employees are evaluated at least once a year or as needed.

Employees are required to fill out employee self-review forms for prior year achievements and goal-setting for the coming year, and the supervisors evaluate the performance based on essential characteristics needed for each job position. The results of performance evaluations contribute to employee promotion, position transfer or salary adjustment, so that all employees can be recognized for their contributions to the Company. The performance review process is also a channel of two-way communications; employees can provide official suggestions to the Company, other departments and direct managers on the performance review form.

Channels for Communication and Raising Issues

Parade holds all-hands meetings, and promotes an Open Door Policy, where employees can talk with members of the management staff as needed. Employees are encouraged to openly discuss with their supervisor any problems, so appropriate action may be taken. If the supervisor cannot be of assistance, the HR Department is available for consultation and guidance. To further support employee input, Parade has also invested resources to provide a third-party anonymous reporting system. Parade is interested in all of our employees' success and happiness with us. We, therefore, welcome the opportunity to help employees whenever feasible. In situations where employees feel a complaint is in order, the following steps should be taken:



Occupational Health and Safety

Parade is an IC design company with a low-risk clerical office working environment. Parade complies with local occupational safety and health laws and local emergency prevention laws of each office, and has installed security access control systems to provide a safe working environment for its employees. To prevent infectious diseases, Parade provides tools like alcohol sprayers, masks, and forehead thermometers at the entrance of offices, reduces unnecessary business travel, and regularly announces safety reminders to employees through internal emails. Depending on the local situation, the Company implements various measures as appropriate to address employee health and safety, including subsidies and other measures.

Parade provides a safe and clean working environment. Parade makes reasonable efforts to accommodate disabilities and other special circumstances. Chemical/hazardous material is prohibited, and no unsafe activities are required of anyone. Employees should report any hazards (e.g. non-emergency unsafe conditions) that they identify to the local facilities manager or to HR.

Parade has established additional emergency protocols for its US offices through its Injury and Illness Prevention Program (IIPP) and the Workplace Violence Prevention Plan (WVPP). Emergency protocols and incident follow-up are handled by specific offices; employees are directed to check with local facilities or HR on instructions. Employees are similarly directed to immediately notify local facilities or HR of any emergencies they see. In general, when there is an alarm or other emergency, employees are trained to know their exit routes, stay calm, and regroup outside after exiting.

In accordance with its IIPP, Parade implements workplace safety management through regular hazard assessments, accident investigations, employee training, and safety communication mechanisms.

The Human Resources department at the U.S. headquarters oversees the program, while managers at all levels are responsible for its execution. The Company conducts regular hazard assessments and maintains a Hazard Assessment and Correction Record to document identified hazards and corrective actions. In addition, the Company provides for prompt response measures in the event of occupational injuries or emergencies and maintains an Accident/Exposure Investigation Report for incident follow-up. Parade provides comprehensive safety training, which includes regular training for existing employees and onboarding training for new hires. The training covers workplace safety, emergency response, and occupational health management. An anonymous reporting mechanism is also in place to enable employees to report safety concerns in a timely manner.

In accordance with the WVPP, Parade identifies and manages workplace violence risks associated with criminal acts by outsiders, conflicts with visitors, disputes involving current or former employees, and personal relationship factors. To mitigate the risk of workplace violence, the Company implements hazard assessments, incident reporting, emergency response, and employee training. The Company has established an Emergency Response Team (ERT) to handle incidents and implement response measures, including immediate notification of law enforcement, evacuation procedures, and security controls. In response to emergency situations, the Company follows the "Run-Hide-Fight" sequence, employees should evacuate (Run) whenever possible, hide and stay quiet (Hide) if evacuation is not feasible, and Only if neither running nor hiding is possible, fight do whatever is needed to survive (Fight). The Company conducts regular training and emergency drills to ensure employees are familiar with these procedures and to enhance workplace security preparedness.

Based on Parade's business model, we have identified the following major employee health risks and preventive measures:

Employee Health Risks	
Risk	Preventive Measures
Commute Accidents	<ul style="list-style-type: none"> ■ Promotion of commute safety ■ For the outsourced shuttle service, the Company strictly monitors the quality of the drivers and vehicles
Personal Health	<ul style="list-style-type: none"> ■ Implementation of necessary pandemic control measures when needed ■ Annual health check; availability of health insurance ■ Subsidy to employee sports club for some offices ■ Daily cleaning of the workplace, regular inspection and replacement of drinking water dispenser
Workplace Violence	<ul style="list-style-type: none"> ■ Mitigate the risk of workplace violence through hazard assessments, incident reporting, emergency response, and employee training.

In 2024, there were no cases of employee injuries at work. However, there were a few incidents of injuries during commuting. In response, the Company continues to strengthen safety awareness and provides a flexible working hours system to help reduce commuting risks caused by traffic stress or adverse weather conditions. The Company remains committed to providing a safer and healthier workplace for employees, aiming to achieve zero occupational injuries.

Occupational Injury Information				
Item		Year 2022	Year 2023	Year 2024
Injury Cases	Injury at work	-	1	
	Injury during business trips	-	-	-
	Injury during commute to/from work	-	2	4
Total lost working days		-	9	9
Total working hours		1,471,600	1,563,120	1,573,520
Injury frequency ratio (FR)		0.00	1.91	2.54
Injury severity ratio (SR)		0.00	5.00	5.00
Frequency-severity indicator (FSI)		0.00	0.09	0.11
Note 1: Total working hours = working hours of all employees per year				
Note 2: Injury frequency ratio (FR) = $\frac{\text{Injury cases} \times 1,000,000}{\text{Total working hours}}$				
Note 3: Injury severity ratio (SR) = $\frac{\text{Total lost working days} \times 1,000,000}{\text{Total working hours}}$				
Note 4: Frequency-severity indicator (FSI) = $\sqrt{\frac{\text{FR} \times \text{SR}}{1,000}}$				

6.3 Benefits

Employee Bonus

Parade's Articles of Association provided that if the Company makes profits before tax for the annual financial year, the Company shall appropriate 3.0% to 7.5% of such annual profits before tax as an employee bonus, which may be distributed to employees of the Company and its subsidiaries. Subject to the laws of Cayman Islands, the employee bonus may be distributed in the forms of cash or shares, upon resolution by a majority vote at a meeting of the Board of Directors attended by two-thirds or more of the directors. For the bonus approved by the Board of Directors in the most recent year, and the actual distribution of bonus in the previous year, please refer to the "Compensation of employees, Directors, and supervisors" section in the Company's Annual Report.

Stock Awards

To attract and retain the professional personnel needed by the Company, to motivate employees and enhance the sense of belonging so as to further the Company's and shareholders' interests, the Company establishes employee incentive plans. According to these plans, the Company may consider seniority, job level, work performance, overall contribution, special achievement and other factors to propose employee stocks awards to the Board of Directors of the Company for the approval.

Referral Bonus and Patent Award Program

To encourage employees to recommend talented personnel, if the candidate recommended by an internal employee is successfully hired as a full-time employee of the Company, employees will receive a referral bonus after the new employee has been employed for 90 days. In addition to referral bonus, the Company has also established a patent award program, which cash awards are granted for patent applications filed and patents issued so as to encourage employees' innovation and maintain the Company's growth and success.

Other Benefits

Parade complies with relevant government regulations, and all its employees are covered by government mandatory insurance programs, such as social security insurance, labor insurance and national health insurance. Parade provides necessary insurance plans for employees in accordance with local laws. To protect our employees and maintain competitive in job market, the Company also takes local industry practices into consideration to provide employees with customized insurance plans, such as medical insurance, life and accident & dismemberment insurance. By providing these insurance benefits, employees' living standards can be protected and employees can have less worry in work from unexpected incidents.

In addition, Parade has budgeted allowance for special life events, such as wedding, new born or memorial services, quarterly birthday parties, year-end parties, festival gifts and souvenirs. The global travel insurance plan is also available for the employees' international business travel. In some operating locations, different benefits such as on-site parking, parking allowances or commute allowances are also provided. In Taiwan, the Company arranged shuttle service to make it easier for employees to commute from some designated cities, and also achieve energy saving and carbon reduction through shared rides. Parade also provides lactation facilities based on local requirements, enabling employees to return to the workplace without worry or concern.

Parade values the health of Parade's employees. In accordance with the different needs of employees from each operating office, Parade may provide different benefits such as supplemental group health insurance, annual physical exams, yoga classes, gym memberships or employee sport club sponsorships to encourage employees to establish exercise habits and maintain the balance of work and life. In Ireland, Parade also follows the policy of local government to provide Cycle-to-Work Scheme, which allows employees to purchase bikes and related safety equipment with tax benefit.



Parade continues to strengthen its relationship with its partners and implements supply chain management. In 2024, Parade assisted two major customers in obtaining completed RBA SAQ (Responsible Business Alliance Self-Assessment Questionnaires) from four key outsourcing factories. This questionnaire covers aspects such as labor rights, health and safety, environment, and ethics. The completion of the questionnaire not only reinforced the transparency in the supply chain but also encouraged suppliers to continuously improve measures related to human rights, health and safety, environment, and ethics.

To reinforce our attention to human rights issues in the supply chain, we conducted a human rights due diligence review for the year 2024 based on the publicly disclosed sustainability information of one key supplier. The supplier's sustainability report was subject to assurance by a third-party assurance provider. We reviewed the sections of the report related to human rights, with a focus on the following areas:

- Whether any human rights risks or violations were disclosed
- Whether any remedial measures were implemented
- Whether employees received training on human rights and ethics
- Whether the RBA SAQ was completed with a reasonable score
- Whether new suppliers were required to sign a code of conduct
- Whether grievance mechanisms were in place
- Whether any labor unions were organized

Per the aforementioned supplier evaluation and documentary review process, our review indicated that the major suppliers of Parade in 2024 have performed well, and no suppliers with potential material negative environmental or human rights impacts have been identified.

[Modern Slavery and Human Trafficking Statement of Year 2024](#)

Parade is committed to operating all its business activities according to the highest standards of business ethics and integrity. Parade is committed to preventing human rights violations or modern slavery in Parade's business or supply chain. This statement is made to confirm Parade's determination to safeguard human rights and oppose modern slavery and human trafficking for the year ending 2024.

[Local Procurement](#)

Local sourcing helps ensure supply, support a stable local economy, and maintain community relations. As a fabless IC design company, Parade relies on foundries for the manufacturing of its wafers. In 2024, the majority of Parade's wafers were manufactured by foundries in countries where Parade's significant operational sites are located.

Conflict Minerals Management

Conflict Minerals include the metals Tantalum, Tungsten, Tin and Gold (collectively referred to as 3TG) come from the Democratic Republic of Congo (DRC) or adjoining countries. They are mined under armed coercion by the Congolese government or non-governmental military groups, and causing human rights violations. The profits generated from this illegal mining may contribute to the ongoing human rights abuses in the region.

Parade takes the issue of conflict minerals seriously and expects our suppliers to comply with the Responsible Business Alliance (RBA) Code of Conduct and to only source materials from environmentally and socially responsible suppliers. Considering the complexity of the mineral supply chain, we currently rely on data provided by our subcontractors, as well as resources from the Responsible Minerals Assurance Process (RMAP), to verify whether the 3TG used in our production come from qualified smelters that have been certified by third parties.

Our suppliers disclose information about smelters in their supply chain through the latest version of the Conflict Minerals Reporting Template (CMRT) on a regular basis to avoid the use of conflict minerals in our product supply chain and meet the requirements of laws and customers. Currently, 100% of our foundry and assembly suppliers use 3TG from qualified smelters.

Regarding the newly concerned conflict minerals: cobalt and mica, Parade has begun to investigate the sources of cobalt and mica smelters in the supply chain by requiring suppliers to fill out the Extended Minerals Reporting Template (EMRT). Parade will continue to monitor the issue of conflict minerals and comply with international conventions and relevant regulations, implementing relevant measures to uphold customer rights and fulfill corporate social responsibility.

Please refer to Parade's [Sourcing Policy for Conflict Free Supply Chain](#).

To ensure that the supplier's working environment is safe, that employees are respected, and that operations are environmentally friendly and ethical, Parade refers to and encourages its suppliers to support the principles of the Universal Declaration of Human Rights and the Responsible Business Alliance (RBA) Code of Conduct, and in particular to consider and address the following items:

 <p>Labor</p>	<ul style="list-style-type: none"> ■ Prohibition of Forced Labor ■ Wages and Benefits ■ Freedom of Association and Collective Bargaining 	<ul style="list-style-type: none"> ■ Young Workers ■ Non-Discrimination/Non-Harassment/Humane Treatment 	<ul style="list-style-type: none"> ■ Working Hours
 <p>Health and Safety</p>	<ul style="list-style-type: none"> ■ Occupational Health and Safety ■ Industrial Hygiene ■ Sanitation, Food, and Housing 	<ul style="list-style-type: none"> ■ Emergency Preparedness ■ Physically Demanding Work ■ Health and Safety Communication 	<ul style="list-style-type: none"> ■ Occupational Injury and Illness ■ Machine Safeguarding
 <p>Environment</p>	<ul style="list-style-type: none"> ■ Environmental Permits & Reporting ■ Hazardous Substances ■ Materials Restrictions ■ Energy Consumption and Greenhouse Gas Emissions 	<ul style="list-style-type: none"> ■ Pollution Prevention and Resource Conservation ■ Solid Waste ■ Water Management 	<ul style="list-style-type: none"> ■ Air Emissions
 <p>Ethics</p>	<ul style="list-style-type: none"> ■ Business Integrity ■ Intellectual Property ■ Responsible Sourcing of Minerals 	<ul style="list-style-type: none"> ■ No Improper Advantage ■ Fair Business, Advertising and Competition ■ Privacy 	<ul style="list-style-type: none"> ■ Disclosure of Information ■ Protection of Identity and Non-Retaliation
 <p>Management System</p>	<ul style="list-style-type: none"> ■ Company Commitment ■ Legal and Customer Requirements ■ Training ■ Worker/Stakeholder Engagement and Access To Remedy ■ Corrective Action Process 	<ul style="list-style-type: none"> ■ Management Accountability and Responsibility ■ Risk Assessment and Management ■ Communication ■ Documentation and Records 	<ul style="list-style-type: none"> ■ Improvement Objectives ■ Audits and Assessments ■ Supplier Responsibility

7.2 Water and Waste Management

The Company's business model focuses on the design and sales of ICs without its own fabs or other production lines. The Company's operations are based within the general office environment. In addition, the Company does not own any buildings, and each office space is leased. In some operating locations, the public spaces, such as pantry, toilets, trash and recycle room, are shared with other companies. Due to this limitation, we currently only measure water consumption in our main offices. After consolidating the water usage data from major offices, including the offices in Shanghai, Nanjing, Chongqing, Taipei, and Hsinchu, which collectively employ above 80% of the total workforce, these offices had a total domestic water consumption of 6,335 metric tons in 2024.

Regarding wastewater treatment, Parade does not produce any industrial wastewater. The domestic sewage generated by our daily office operations is discharged through the sewage systems of the rented office buildings, in compliance with local regulations for wastewater treatment and discharge. Parade's operations do not negatively impact the ecology and water quality.

Parade outsources the production of ICs, and if there is a need for scrapping, it will be handled by professional vendors for scrapping and gold recovery.

2024 Waste Disposal and Gold Recovery			
Type	Method	Amount Disposed (metric tons)	Amount of Gold Recycled (kilograms)
Waste source driver chips	Outsourced disposal	1.062	4.43

After considering its business model, the Company concluded that the information of water withdrawal, water discharge, water consumption, and weight of waste generated of our other offices should not be material and will not have a significant impact on the Company's stakeholders.

Parade's Taipei office is located in the Honhui Sparkle Square, which is a green building certified by the Taiwan Architecture and Building Center. The building has achieved the highest standards in eight scientifically quantifiable indicators, including greenery, soil water retention, daily energy saving, CO₂ emission, waste reduction, indoor environment, water resource, and sewage and garbage treatment, and has obtained the EEWB Diamond grade green building certification, indicating that it has adopted excellent ecological, energy-saving, waste-reducing, and health measures, resulting in less negative impact on the earth's environment.

Parade did not receive any fines for violation of laws or regulations related to waste in 2024.

7.3 Electricity and Greenhouse Gas Emissions

Parade is a fabless IC design company. The energy used by Parade's operations is primarily electricity, which is mainly used for equipment such as air-conditioning, lighting, computers and server rooms. The source of electricity is purchased from the local power companies by each office. In 2024, Parade's electricity usage approximated to 5,674,265 kWh, equivalent to 20,427 gigajoules (GJ).

Electricity Consumption				
Item	Unit	2022	2023	2024
Electricity Consumption	kWh	4,845,480	4,708,762	5,674,265
Electricity Consumption Intensity	kWh / Revenue in millions of NT\$	242	342	349

As for greenhouse gas (GHG) emissions, Parade's major emission source is power supplied from external sources. While Parade's emissions estimates have not been subject to independent third party verification, according to the internal investigation of Parade's GHG emissions in 2024, the Scope 1 GHG emissions amounted to 174 metric tons CO₂e and Scope 2 GHG emissions amounted to 3,302 metric tons CO₂e. The total Scope 1 and 2 GHG emission amounted to 3,476 metric tons CO₂e.

Greenhouse Gas Emissions				
Item	Unit	2022	2023	2024
Scope 1	Metric tons of CO ₂ e	128	119	174
Scope 2	Metric tons of CO ₂ e	3,435	3,291	3,302
Total	Metric tons of CO ₂ e	3,563	3,410	3,476
Scope 1 and 2 Emissions Intensity	Metric tons of CO ₂ e / Revenue in millions of NT\$	0.178	0.248	0.214

The Board has approved the "Greenhouse Gas Emissions Disclosure and Verification Schedule" on April 26, 2022, which complies with relevant regulations for listed companies. The Company will continue to disclose annual Scope 1 and Scope 2 emissions self-reporting data in the following years and will disclose the third-party verified 2027 annual Scope 1 and Scope 2 emissions data in 2028. The Company has reported to the Board of Directors on a quarterly basis regarding the progress of plans related to greenhouse gas emissions and sustainability. Through regular supervision by the Board of Directors, we aim to demonstrate our commitment and implementation in sustainable development.





Our headquarters in San Jose, California, has begun using partially renewable energy. The office has chosen a power plan that includes 60% renewable energy, which is equivalent to approximately 163,060 kWh of renewable energy usage in 2024. According to the Greenhouse Gas Equivalencies Calculator provided by the United States Environmental Protection Agency (EPA), this is estimated to have reduced carbon dioxide emissions by approximately 82.2 metric tons for 2024.

To reduce greenhouse gas emissions in the outsourced production process, the Company is also cooperating with its customers and supply chain in planning to use renewable energy to produce some of the Company's products. The Company will continue to cooperate with its supply chain partners to seek more opportunities to use renewable energy.

Parade has no manufacturing process, does not emit nitrogen oxides (NO_x), sulfur oxides (SO_x) and other major polluting gases, and does not use or emit ozone-depleting substances (ODS). In 2024, the Company did not receive any fines for violation of any environmental pollution related laws or regulations.

7.4 Climate Change Action

Parade manages climate change risks and opportunities in accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD), which includes governance, strategy, risk management, and setting metrics and targets:

Climate Change Management			
 Governance	<ul style="list-style-type: none"> The Board has approved the "Greenhouse Gas Emissions Disclosure and Verification Schedule" and designated the Finance Department to oversee its implementation. The Company has reported to the Board of Directors on a quarterly basis regarding the progress of plans related to greenhouse gas emissions and sustainability. 	 Strategy	<ul style="list-style-type: none"> Using innovative frameworks and adopting advanced process nodes to develop the next generation of chips that feature low power consumption and high energy efficiency. Monitoring climate change-related trends and regulations to respond promptly.
 Risk Management	<ul style="list-style-type: none"> Identifying Parade's main climate-related risks and opportunities with reference to TCFD, and regularly reviewing and updating them in response to changes in the environment, regulations, and other factors. 	 Metrics and Targets	<ul style="list-style-type: none"> Conducting disclosure and verification of the greenhouse gas emissions within the specified timeframe in accordance with the Greenhouse Gas Emissions Disclosure and Verification Schedule.

According to the World Economic Forum's Global Risks Report released in 2025, "extreme weather events" and "critical change to earth systems" were ranked as the first and third most severe risks on a global scale over the next decade. Therefore, in order to pursue sustainable business operations, companies should consider various chain reactions that may result from climate change. In accordance with the climate-related risks defined by the Task Force on Climate-related Financial Disclosures, Parade has identified the following important climate-related risks and corresponding measures:

Climate Related Risks and Response			
Type	Climate-Related Risks	Potential Financial Impacts	Response
Transition Risks	<ul style="list-style-type: none"> Policy and Legal: Possible stricter regulations of greenhouse gas emissions may apply 	Higher costs	<ul style="list-style-type: none"> Promoting internal energy saving Asking suppliers to meet international environmental certification standards
	<ul style="list-style-type: none"> Technology and Market: The market may gradually demand sustainable concept products, and existing products or services may be replaced 	Reduced revenue and higher costs	<ul style="list-style-type: none"> Investing in R&D to develop advanced and energy-saving products to meet market trends
Physical Risks	<ul style="list-style-type: none"> Acute: Events such as typhoons and floods 	Reduced revenue and higher costs	<ul style="list-style-type: none"> Paying attention to disaster information and forming an emergency response team if necessary
	<ul style="list-style-type: none"> Chronic: Extreme variability in weather patterns or rising sea levels 	Reduced revenue and higher costs	<ul style="list-style-type: none"> Promoting energy saving across the group to reduce GHG emissions

Low-Power Product and Hazardous Substance Management

Parade develops energy-saving products and optimizes product performance and efficiency. Parade contributes to sustainability by providing low-power products that enable its customers, and their customers, to enjoy ever-better technology while simultaneously reducing electricity demands and thus global carbon emissions. Parade continues to leverage innovative architecture and advanced process nodes to develop energy-saving products. For example, we have successfully launched the TED (Tcon-Embedded Driver) product line. The TED product line offers highly integrated single chip eDP Tcons with embedded source drivers. The product line, developed for LCD panels based on TED structure, can save approximately 5%~15% power and reduce chip area by approximately 5%. These products also facilitate a ~25% reduction in display PC Board area. Additionally, by adopting advanced process nodes, we have achieved a power reduction of approximately 15% and an area reduction of 10% for products with the same functionality.

In July 2024, Parade announced the PS8778 USB4 Gen 3 x2 / TBT4 / DP 2.1 Alt Mode linear redriver for NB/PC, mobile workstation and active cable solutions. The PS8778 implements USB4, USB 3.2 and DP 2.1a power management including Modern Standby (<1mW) and DP 2.1a Advanced Link Power Management (ALPM). The low power design greatly extends the battery life of mobile devices as well as minimizing power use in USB4 active cables. PS8778 comes in a very small package, ideal for space constrained designs.

In August 2024, Parade announced that The PS8833 USB4/TBT4 retimer is optimized for AMD's new AI enhanced processor platform. It also allows OEMs to easily upgrade existing platforms from the PS8830 USB3/TBT4 retimer to extend product longevity. The PS8833 is compliant with USB-IF USB4 specification. PS8833 features low power consumption in USB4 operation and low power states, greatly extending battery power operations.

In September 2024, Parade announced the PS9010 USB4 dock controller. The PS9010 is built to optimize the user experience in modern computing environments where high-bandwidth data transfers and display connections are critical. The chip seamlessly integrates support for USB4, Thunderbolt 3, DisplayPort 2.1, and SuperSpeed USB, ensuring compatibility with a wide range of devices and peripherals. With sustainability in mind, Parade has designed the PS9010 to minimize power consumption without sacrificing performance. The PS9010's low power consumption enables end-products to achieve energy-efficient operations, even in high-demand scenarios. The mechanical and thermal design is simplified, as no heatsink is required in typical applications, and the chip's small footprint further increases its possibilities.

In September 2024, Parade announced DP 2.1a MST hub controller PS8650 for docks, accessories, displays and video cards. PS8650 represents the best-in-class power performance solution on the market with its low power design greatly reducing system power consumption. It complements Parade PS9010 USB4 dock controller and PS8839 USB-C retiming DeMux with DP 2.1a port expansion for dock solutions.

In October 2024, Parade announced a series of new eDP Tcon devices developed for high-performance PC gaming applications. DP826 enables resolution support up to WUXGA 360Hz. DP827 enables resolution support up to WQXGA 240Hz and DP828 enables resolution support up to UHD 144Hz. OEMs want to show best display features on high-end and gaming laptops to fulfill various users requirements. Users want high refresh rate for gaming, DisplayHDR for media and content creation, plus long battery life. The DP826, DP827 and DP828 series Tcons were developed to fulfill those needs. The new Tcons and source drivers interconnect through the proprietary Parade SIPI™ (Scalable Intra Panel Interface) standard. SIPI provides a low power, low EMI, error-resilient, high-speed interface from the Tcon to source drivers.

All of Parade's products have undergone rigorous testing to analyze different usage scenarios to ensure product durability and service life, and reduce the burden on the environment. In terms of quality management, Parade Taiwan branch has obtained ISO 9001 quality management system certification for provision of operational management service for IC products.

100% of Parade's foundry, assembly, and testing suppliers have obtained ISO 14001 environmental management system certification, indicating the supplier's high level of attention and commitment to environmental issues.





Parade works closely with foundries and assembly and testing plants to ensure that the raw materials used in outsourced production comply with the international Restriction of Hazardous Substances Directive (RoHS) and relevant regulations. Harmful substances specified by the regulations are strictly controlled during production. Through these measures, Parade's products comply with international RoHS and environmental regulations. In today's increasingly globalized and environmentally conscious world, Parade will continue to adhere to the principles of sustainable development, focus on international environmental trends, and strive to provide more environmentally friendly and higher-quality products to better meet customer needs and public expectations for environmental protection.






7.5 Responding to UN SDGs



The United Nations proposed 17 Sustainable Development Goals (SDGs) in 2015 as the main aims of global sustainable development from 2016 to 2030. In order to achieve the SDGs, in addition to the efforts of various governments, the participation of enterprises is also an indispensable force.

After reviewing the SDGs and combining with the operations of Parade, Parade has made contributions to the listed SDGs through practical actions:

UN SDGs Actions			
SDGs	Our Response	Relevant SDG Sub-targets	Reference
Good Health and Well-being 	<ul style="list-style-type: none"> ▪ Care for the physical and mental health of employees and improve workplace safety: To prevent infectious diseases, Parade provides tools like alcohol sprayers, masks, and forehead thermometers at the entrance of offices, reduces unnecessary business travel, and regularly announces safety reminders to employees through internal emails. Depending on the local situation, the Company implements various measures as appropriate to address employee health and safety, including subsidies and other measures. 	SDG 3.3: Fight Communicable Diseases	6.2 Talent Development and Workplace Safety
Gender Equality 	<ul style="list-style-type: none"> ▪ Board Diversity: The Company's Board currently includes one female Independent Director. Two female Independent Directors were elected at the 2025 Annual General Meeting, with their term commencing on October 28, 2025. ▪ Gender-equal and friendly workplace environment: The Company values a fair workplace environment, and all of our employees have access to the same rewards, opportunities and resources at the Company. 	SDG 5.1: End Discrimination Against Women and Girls SDG 5.5: Ensure Full Participation in Leadership and Decision-making	6.1 Workforce Structure
Affordable and Clean Energy 	<ul style="list-style-type: none"> ▪ Develop energy-saving product: Parade contributes to sustainability by providing low-power products that enable its customers, and their customers, to enjoy ever-better technology while simultaneously reducing electricity demands and thus global carbon emissions. Parade continues to leverage innovative architecture and advanced process nodes to develop energy-saving products. 	SDG 7.3: Improvement in Energy Efficiency	7.4 Climate Change Action
Decent Work and Economic Growth 	<ul style="list-style-type: none"> ▪ Provide competitive salary and benefits package: Parade has strongly established a people-oriented corporate culture and regards employees as its most important assets. ▪ Talent development: Parade provides training courses for all employees in different aspects to create a continuous and diverse learning environment, to empower managers and employees with managerial and professional abilities, and to enhance the Company's competitiveness. 	SDG 8.2: Diversify, Innovate and Upgrade for Economic Productivity SDG 8.5: Full Employment and Decent Work with Equal Pay	6.2 Talent Development and Workplace Safety

UN SDGs Actions			
SDGs	Our Response	Relevant SDG Sub-targets	Reference
Industry, Innovation and Infrastructure 	<ul style="list-style-type: none"> ▪ Investment in R&D expenditures: Parade is committed to continuous recruitment of high-quality R&D personnel and investment in innovative intellectual property. 	SDG 9.5: Enhance Research and Upgrade Industrial Technologies	5.3 Corporate Performance
Reduced Inequalities 	<ul style="list-style-type: none"> ▪ Equal opportunity: The Company has always maintained a well-established compensation structure system, Parade does not discriminate, harass, or unfairly treat job applicants or employees based on race, nationality, class, language, ideology, religion, political party affiliation, place of birth, gender, sexual orientation, age, marital status, appearance, facial features, physical and mental disabilities, or previous union membership status. 	SDG 10.3: Ensure Equal Opportunities and End Discrimination	6.1 Workforce Structure
Responsible Consumption and Production 	<ul style="list-style-type: none"> ▪ Management of Conflict Minerals: Parade request our suppliers to disclose information about smelters in their supply chain through the latest version of the Conflict Minerals Reporting Template (CMRT) on a regular basis to avoid the use of conflict minerals in our product supply chain and meet the requirements of laws and customers. Currently, 100% of our foundry and assembly suppliers use 3TG from qualified smelters. 	SDG 12.6: Encourage Companies to Adopt Sustainable Practices and Sustainability Reporting	7.1 Supplier Management
Peace, Justice and Strong Institutions 	<ul style="list-style-type: none"> ▪ Worldwide Anti-Bribery Policy: Parade has established a Worldwide Anti-Bribery Policy, requiring all employees to adhere to the highest ethical and integrity standards in all business interactions. Parade strictly prohibits employees from giving or receiving bribes for any reason. ▪ Compliance Training: Compliance training is conducted annually for employees, with a 100% completion rate in 2024. 	SDG 16.5: Substantially Reduce Corruption and Bribery	5.2 Business Ethics and Integrity
Partnerships for the Goals 	<ul style="list-style-type: none"> ▪ Participation in industry associations: Actively participate in VESA and other organizations, and make contributions to new technical standards setting and promotion. 	SDG 17.6: Knowledge Sharing and Cooperation for Access to Science, Technology and Innovation	3.1 Company Profile

8. Appendix

8.1 GRI Content Index

Statement of use	Parade Technologies, Ltd. has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI 2: General Disclosures			
Index	Disclosure	Location or Explanation of Omission	Page
2-1	Organizational details	2 About this Report	2
		3.1 Company Profile	3
2-2	Entities included in the organization's sustainability reporting	2 About this Report	2
2-3	Reporting period, frequency and contact point	2 About this Report	2
2-4	Restatements of information	None	
2-5	External assurance	External assurance has not been obtained. It may be considered in the future based on regulatory requirements and practical needs.	
2-6	Activities, value chain and other business relationships	3.1 Company Profile	3
		7.1 Supplier Management	46
2-7	Employees	6.1 Workforce Structure	37
2-8	Workers who are not employees	6.1 Workforce Structure	37
2-9	Governance structure and composition	5.1 Board of Directors and Functional Committees	17
2-10	Nomination and selection of the highest governance body	5.1 Board of Directors and Functional Committees	17
2-11	Chair of the highest governance body	5.1 Board of Directors and Functional Committees	17
2-12	Role of the highest governance body in overseeing the management of impacts	5.1 Board of Directors and Functional Committees	17
		7.4 Climate Change Action	52
2-13	Delegation of responsibility for managing impacts	5.1 Board of Directors and Functional Committees	17
		7.4 Climate Change Action	52
2-14	Role of the highest governance body in sustainability reporting	5.1 Board of Directors and Functional Committees	17
		7.4 Climate Change Action	52
2-15	Conflicts of interest	5.2 Business Ethics and Integrity	24
2-16	Communication of critical concerns	7.4 Climate Change Action	52

Index	Disclosure	Location or Explanation of Omission	Page
2-17	Collective knowledge of the highest governance body	5.1 Board of Directors and Functional Committees	18
2-18	Evaluation of the performance of the highest governance body	The management of the Company's impacts on the environment and people has not been included in the Board performance evaluation.	
2-19	Remuneration policies	5.1 Board of Directors and Functional Committees	23
2-20	Process to determine remuneration	5.1 Board of Directors and Functional Committees	23
2-21	Annual total compensation ratio	Omission: Highest-paid individual information is confidential.	
2-22	Statement on sustainable development strategy	1 Letter from the Chairman	1
		3.3 Worldwide Business and Ethics Code of Conduct	11
2-23	Policy commitments	3.3 Worldwide Business and Ethics Code of Conduct	11
		7.1 Supplier Management	46
2-24	Embedding policy commitments	3.3 Worldwide Business and Ethics Code of Conduct	11
		5.2 Business Ethics and Integrity	26
2-25	Processes to remediate negative impacts	2 About this Report	2
		4.1 Identification of Stakeholders	13
2-26	Mechanisms for seeking advice and raising concerns	2 About this Report	2
		4.1 Identification of Stakeholders	13
2-27	Compliance with laws and regulations	5.2 Business Ethics and Integrity	24
2-28	Membership associations	3.1 Company Profile	6
2-29	Approach to stakeholder engagement	4.2 Identification of Material Topics	15
2-30	Collective bargaining agreements	There is no union or collective bargaining agreement in place.	

GRI 3: Material Topics			
Index	Disclosure	Location or Explanation of Omission	Page
3-1	Process to determine material topics	4.2 Identification of Material Topics	15
3-2	List of material topics	4.2 Identification of Material Topics	15

Material Topics of Parade			
Index	Disclosure	Location or Explanation of Omission	Page
Business Performance			
3-3	Management of material topics	5.3 Corporate Performance	27
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	5.3 Corporate Performance	27
201-2	Financial implications and other risks and opportunities due to climate change	7.4 Climate Change Action	52
201-3	Defined benefit plan obligations and other retirement plans	Please refer to Parade's Consolidated financial reports	
201-4	Financial assistance received from government	Please refer to Parade's Consolidated financial reports for the descriptions about investment tax credits	
Employee Relations and Talent Cultivation			
3-3	Management of material topics	6 Human Resource	37
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	6.1 Workforce Structure	37
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	6.3 Benefits	44
401-3	Parental leave	Parade provides employees with parental leave in accordance with local regulations.	
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	6.2 Talent Development and Workplace Safety	40
404-2	Programs for upgrading employee skills and transition assistance programs	6.2 Talent Development and Workplace Safety	40
404-3	Percentage of employees receiving regular performance and career development reviews	6.2 Talent Development and Workplace Safety	40

Index	Disclosure	Location or Explanation of Omission	Page
Corporate Governance and Law Compliance			
3-3	Management of material topics	5.2 Business Ethics and Integrity	24
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	5.2 Business Ethics and Integrity	24
205-2	Communication and training about anti-corruption policies and procedures	5.2 Business Ethics and Integrity	24
205-3	Confirmed incidents of corruption and	5.2 Business Ethics and Integrity	24
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.3 Worldwide Business and Ethics Code of Conduct 5.2 Business Ethics and Integrity	11 24
Supply Chain Management			
3-3	Management of material topics	7.1 Supplier Management	46
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	7.1 Supplier Management	47
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	7.1 Supplier Management	46
308-2	Negative environmental impacts in the supply chain and actions taken	7.1 Supplier Management	46
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	7.1 Supplier Management	46
414-2	Negative social impacts in the supply chain and actions taken	7.1 Supplier Management	46
Climate Change Action			
3-3	Management of material topics	7 Sustainable Development	46
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	7.3 Electricity and Greenhouse Gas Emissions	51
302-2	Energy consumption outside of the organization	7.3 Electricity and Greenhouse Gas Emissions	51
302-3	Energy intensity	7.3 Electricity and Greenhouse Gas Emissions	51
302-4	Reduction of energy consumption	7.3 Electricity and Greenhouse Gas Emissions	51
302-5	Reductions in energy requirements of products and services	7.3 Electricity and Greenhouse Gas Emissions	51

Index	Disclosure	Location or Explanation of Omission	Page
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	7.3 Electricity and Greenhouse Gas Emissions	51
305-2	Energy indirect (Scope 2) GHG emissions	7.3 Electricity and Greenhouse Gas Emissions	51
305-3	Other indirect (Scope 3) GHG emissions	Not investigated yet and will be completed no later than the year required by regulations.	
305-4	GHG emissions intensity	7.3 Electricity and Greenhouse Gas Emissions	51
305-5	Reduction of GHG emissions	7.3 Electricity and Greenhouse Gas Emissions	51
305-6	Emissions of ozone-depleting substances (ODS)	7.3 Electricity and Greenhouse Gas Emissions	51
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	7.3 Electricity and Greenhouse Gas Emissions	51
Technology Innovation			
3-3	Management of material topics	5.3 Corporate Performance - R&D Investment	28
		7.4 Climate Change Action - Low-Power Product and Hazardous Substance Management	53
Risk Management			
3-3	Management of material topics	5.4 Risk Management	31

General Topics			
Index	Disclosure	Location or Explanation of Omission	Page
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	7.2 Water and Waste Management	50
303-2	Management of water discharge-related impacts	7.2 Water and Waste Management	50
303-3	Water withdrawal	7.2 Water and Waste Management	50
303-4	Water discharge	Not yet investigated (Please refer to the descriptions in 7.2 Water and Waste Management)	
303-5	Water consumption	Not yet investigated (Please refer to the descriptions in 7.2 Water and Waste Management)	
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	6.2 Talent Development and Workplace Safety	40
403-2	Hazard identification, risk assessment, and incident investigation	6.2 Talent Development and Workplace Safety	40
403-3	Occupational health services	6.2 Talent Development and Workplace Safety	40

Index	Disclosure	Location or Explanation of Omission	Page
403-4	Worker participation, consultation, and communication on occupational health and safety	6.2 Talent Development and Workplace Safety	40
403-5	Worker training on occupational health and safety	6.2 Talent Development and Workplace Safety	40
403-6	Promotion of worker health	6.2 Talent Development and Workplace Safety	40
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.2 Talent Development and Workplace Safety	40
403-8	Workers covered by an occupational health and safety management system	6.2 Talent Development and Workplace Safety	40
403-9	Work-related injuries	6.2 Talent Development and Workplace Safety	40
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	5.1 Board of Directors and Functional Committees	17
		6.1 Workforce Structure	37
405-2	Ratio of basic salary and remuneration of women to men	6.1 Workforce Structure	37
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There are currently no labor unions or collective agreements in place within the Company. For information regarding suppliers, please refer to 7.1 Supplier Management	46
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	7.4 Climate Change Action - Low-Power Product and Hazardous Substance Management	53
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	The Company did not violate any relevant laws and regulations in 2024.	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints regarding customer privacy breaches were received in 2024.	

8.2 SASB Index

Topic	Code	Accounting Metric	Description or Chapter
Greenhouse Gas Emissions	TC-SC-110a.1	(1) Gross global Scope 1 emissions (2) amount of total emissions from perfluorinated compounds	(1) 174 metric tons CO ₂ e in 2024 (2) 0 metric tons CO ₂ e in 2024
	TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Please refer to the Electricity and Greenhouse Gas Emissions chapter
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	(1) Estimated use of 20,427 gigajoules (GJ) in 2024 (2) 100% use of grid electricity in 2024 (3) Please refer to the Electricity and Greenhouse Gas Emissions chapter
Water Management	TC-SC-140a.1	Total water withdrawn and total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Please refer to the Water and Waste Management chapter
Waste Management	TC-SC-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	Parade is a fabless IC design company, and all manufacturing is outsourced to foundry and assembly and test subcontractors. Please refer to the Water and Waste Management chapter for information on IC scrapping and gold recovery.
Workforce Health & Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	Please refer to the Talent Development and Workplace Safety chapter
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	US\$0 in 2024
Recruiting & Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	(1) 0.53% of Parade's employees are foreign nationals (2) Parade is registered in the Cayman Islands, and 100% of employees are located offshore
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Parade is a fabless IC design company, and all manufacturing is outsourced to foundry and assembly and test subcontractors. Parade's products contain substances listed in IEC 62474, and all comply with relevant international standards.
	TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	Parade is a fabless IC design company. Therefore, the disclosure of energy efficiency at a system-level is not applicable
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Please refer to the Supplier Management chapter
Intellectual Property Protection & Competitive Behavior	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	US\$0 in 2024

Code	Activity Metrics	Description
TC-SC-000.A	Total production	555,391 thousand units in 2024
TC-SC-000.B	Percentage of production from owned facilities	0% in 2024 Parade is a fabless IC design company, and all products are outsourced for manufacturing.