

# **CHIN-POON INDUSTRIAL CO., LTD.**

## **2025 ANNUAL REPORT**

(Translation)

June 24, 2026

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# 1. Letter to Shareholders

Dear Shareholders

We really appreciate your continuous support all these years. We are reporting the following items here so that you can understand more about what we have done, what we are planning to do and what challenges we are facing.

## Our Performance in 2025

Our consolidated operating revenue for 2025 was NT\$15,780,872 thousand, a decrease of NT\$574,338 thousand, or 3.51%, compared to that for 2024. The Company's main business is automotive PCBs, and the revenue decrease was primarily due to weak demand from the company's automotive customers in 2025. The company's main automotive customers are manufacturers in Europe, America, and Japan, who have been particularly hard hit by the global shift from Internal Combustion Engine Vehicles to Electric Vehicles. However, in response to the weak demand from automotive customers, the Company actively developed business of industrial electronics products in 2025, which mitigated the decline in revenue. Net operating income for 2025 was NT\$479,978 thousand, a decrease of NT\$548,613 thousand, or 53.34%, compared to that for 2024. The decrease in operating income was mainly due to the significant depreciation of the US dollar against the Taiwan dollar and the Renminbi in 2025, which led to a decline in the gross profit of our export manufacturers. At the same time, raw material prices rose across the board, resulting in increased costs. Consequently, the gross profit in 2025 decreased by NT\$554,988 thousand compared to 2024, roughly equivalent to the decrease in operating income. Our profit before tax in 2025 was NT\$873,686 thousand, a decrease of NT\$723,853 thousand from 2024, a reduction of 45.31%. The Company's net income in 2025 was NT\$634,315 thousand, a decrease of NT\$498,104 thousand from 2024, a reduction of 43.99%, resulting in a decrease in earnings per share from NT\$2.85 in 2024 to NT\$1.60 in 2025.

## Operating Results in 2025

Unit: NT\$ in thousands

Item \ Amount	2025	2024	Plus or Minus (Amount)	Plus or Minus (%)
Operating Revenue	15,780,872	16,355,210	-574,338	-3.51%
Operating Costs	13,965,699	13,985,049	-19,350	-0.14%
Gross Profit	1,815,173	2,370,161	-554,988	-23.42%
Operating Expenses	1,335,195	1,341,570	-6,375	-0.48%
Operating Income	479,978	1,028,591	-548,613	-53.34%
Non-operating Income and Expenses	393,708	568,948	-175,240	-30.80%
Profit before Tax	873,686	1,597,539	-723,853	-45.31%
Consolidated Profit	634,288	1,132,477	-498,189	-43.99%
Profit, attributable to Owners of Parent Company	634,315	1,132,419	-498,104	-43.99%

Our budget achievement of operating revenue and operating costs were 87% and 90% of the 2025 budget targets respectively. We expected that demand in the automotive market would have returned to normal in 2025, so we had an optimistic forecast for revenue growth for the year. However, the continued difficulties in the global automotive market's transition to electric vehicles in 2025 have led to weak demand, suppressing growth in automotive PCBs and causing the Company's revenue to deviate from the budget by 13%. But the Company's active efforts to develop orders for industrial electronics products helped to mitigate the decline in revenue. The achievement rate of gross profit for 2025 was only 69%, primarily due to the significant depreciation of the US dollar against the Taiwan dollar and the Renminbi, resulting in a decrease in our gross profit as a manufacturer exporter. Consequently, the achievement rate for operating income and profit before tax were only 38% and 62%, respectively.

## Budget Achievement in 2025

Unit: NT\$ in thousands

Item \ Amount	Actual Amount	Budget Amount	Achievement Rate (%)
Operating Revenue	15,780,872	18,102,373	87%
Operating Costs	13,965,699	15,475,452	90%
Gross Profit	1,815,173	2,626,921	69%
Operating Expenses	1,335,195	1,378,787	97%
Operating Income	479,978	1,248,134	38%
Non-operating Income and Expenses	393,708	151,288	260%
Profit before Tax	873,686	1,399,422	62%

And our long-term and short-term financial position remained healthy. The debt-to-asset ratio in 2025 was 29%, slightly higher than 27% in 2024. The current ratio and quick ratio in 2025 were 236% and 172%, which was slightly lower than 282% and 220% in 2024. However, the Company's debt-to-assets ratio, current ratio and quick ratio indicate that the Company has strong financial strength and operational management capabilities.

We have been dedicating significant efforts on R&D for our development in the future. We manage to keep ahead of our competitors in development of new products and new technology. The following was our results of R&D in 2025.

### Results of R&D in 2025

- A. Development of modified copper inlay process for cost reduction
- B. Middle/High current carrying PCB – Heavy copper
- C. Partial thermal management PCB – Inlay + blind vias
- D. Partial thermal management PCB – Square inlay
- E. Partial thermal management PCB – Convex
- F. Development of advanced cavity PCB
- G. Development of radio frequency PCB
- H. Development of high layer count PCB – Telecommunication PCB
- I. Development of high-voltage PCB
- J. Development of advanced HDI
- K. Assisting overseas factories to upgrade the capabilities of MLB & HDI
- L. Others

## Our Plan for 2026

### I. Operating Strategies:

In response to the rapid changes in the electronics industry, the Company has focused on the business of printed circuit board (PCB) for automobiles, industrial electronics, telecommunication and aerospace, where stable quality is the main requirement, and on the niche market of medium-volume PCBs, which are hugely demanding on more flexible production capability. We also have been facing the challenges of how to deal with the micro-profit era and the fast changes of global economy. We have set the following operating strategies to cope with those challenges and to respond to the changes in the markets and in the environments.

1. The Executives Committee plays a key role of integrating all departments, realigning resources and converging all efforts to fulfill our visions and strategies.
2. Dynamically target the potential products and niche markets to respond to global competitions and rapidly changing markets.
3. Realign all our resources to develop creativity of R&D, to build excellent production capability and to setup effective cost control systems in order to provide value-added products, services and total solutions with innovativeness and cost-competitiveness.
4. Build a cluster of Asian production and service bases which has a center in Taiwan and supporting bases in Mainland China and Thailand.
5. Provide Taiwan's resources of technology, marketing, and administration to our bases in Mainland China and Thailand in order for them to rapidly upgrade their operating capabilities and to grasp the opportunities in the local markets of Mainland China, Southeast Asia and South Asia.
6. Integrate production processes and managerial resources to strengthen the supportive systems for production and to promote specialization center and sophisticated technical capabilities.
7. Enhance automation and smart production and integrate AI technology to raise production efficiency, to improve quality and to reduce costs.
8. Implement total quality control, utilize the Six Sigma methodology and use AI technology to assist in improving quality and yield, thereby establishing a competitive advantage in stable quality.
9. Continue to upgrade the capabilities of ERP (Enterprise Resource Planning), CIM (Computer integrated manufacturing) and Industrial 4.0, and to participate in government-subsidized Technology Development Programs in order to strengthen our abilities and efficiency of operation and administration and to complete the planning and its implementation of Smart Factory.

10. Build a learning organization and knowledge management system to store, accumulate and share management wisdom among all employees in the Company. Activate a cost control system and an incentive plan to guide resources of knowledge into increasing high value-added activities, reducing activities of low efficiency and of low value, and strengthen our core competitiveness. The cultivation of talents is centered on this knowledge management structure and learning organization in order to reserve enough talents for future challenges.

## II. Operational Goals:

Volume of Single-sided:	780,576 M <sup>2</sup> (square meter)
Volume of Double-sided & Multilayer:	3,284,717 M <sup>2</sup> (square meter)

## III. Strategies for Marketing and Production:

### 1. Production Strategies

Grasp the trends of technology and products and continue to improve our costs, quality, speed, flexibility and services.

- (1) Enhance the quality systems of ISO-9002、ISO-14001、QS-9000、TL9000、TS 16949 and AS 9100 Aerospace Quality Management System and utilize the Six Sigma methodology and use AI technology to assist in improving quality and yield in order to achieve the targets of our quality policy.
- (2) Upgrade our capabilities of fine line, high density and micro via.
- (3) Strengthen our capabilities of HDI (High Density Interconnect) and other high value-added technology.
- (4) Continues to expand niche products such as aluminum PCB, Middle/High current carrying PCB, heavy copper board, etc.
- (5) Upgrade automation, enhance our analytic ability for big data of production and enhance smart production. Our vision is to build smart factories.
- (6) Build a cluster of Asian production and service bases. Especially, strengthen the manufacturing site in Thailand and capitalize on its double edges on low cost structure and nearness to the biggest automobiles manufacturing site in Southeast Asia.

### 2. Marketing Strategies

Keep up with market trends.

- (1) Actively develop global markets and be a key supplier of global main players in different electronics industries. Simultaneously, increase the pocket share of our customers.
- (2) Develop the markets in Mainland China, Southeast Asia, South Asia and other

emerging countries.

(3) Build global marketing channels and strengthen global competitiveness.

(4) Build a complete platform of logistics and provide our customers more value-added services.

#### IV. R&D Plans:

##### 1. Upcoming R&D plans:

- Development of middle/high current carrying PCBs
- Development of partial heat dissipation PCBs
- Development of embedded Cu-inlay for Matrix/Multi-Pixel LED Headlights System
- Development of semi-flex plus PCB for vehicle
- Development of radio frequency PCBs
- Development of cavity PCB for power amplifier
- Development of advanced HDI
- Development of thick Cu Coil PCB for vehicle planar transformer
- Development of HLC PCB for telecommunication
- Development of high-voltage PCB for electric vehicle
- Development of high-reliability PCB for aerospace & aviation
- Evaluation of LEBO & Pin-Lamination processes
- Evaluation of thermally conductive materials for EPS PCB
- Evaluation of advanced equipment and intelligent manufacturing at Thai new plant

##### 2. R&D Budget

The total budget for research and development is around NT\$ 261,125 thousand.

### **Our Strategies**

1. Continue to expand the niche market of printed circuit board (PCB) used in automobiles, AI-related industrial electronics, low-orbit satellites and high-end communication and of medium volume PCBs.
2. Build a cluster of Asian manufacturing sites. We are planning to simultaneously expand the manufacturing sites in China and in Thailand in the next 2-3 years. We have increased our ownership of our manufacturing site in Thailand to 99.89% in 2023 and are planning to build more capacity in Thailand. In 2025, an old factory in Thailand has been renovated and is upgrading its equipment and expanding its production capacity to quickly seize business opportunities in Europe, America, Japan, Southeast Asia, and South Asia. Construction of a new factory in Thailand has begun in November 2025, which will provide an important source of future

growth for the Group. Simultaneously, some equipment and processes at the Changshu plant in China will be phased out, and an old factory will be renovated to expand equipment and processes for future niche products, to optimize the product structure of the plants in China and to increase its output value and profits.

3. Strengthen R&D of niche products to avoid shrinking of profit margins owing to excessive competition in the industry.
4. Enhance automation and smart production to improve quality and to enhance production flexibility.

## Challenges

Taiwan's PCB industry has been developing for more than 30 years and has built a complete supply chain and industrial clusters. Taiwan's PCB makers have an edge on yield, quality, price, speed and service over global competitors and have a great share of global demand of PCB for automotive electronics, telecommunication, information technology and consumers' electronics. According to the statistics of TPCA and IEK, total revenue of Taiwan's PCB makers in 2025 was NT\$ 915.2 billion and increased by 12.0%.

Global economic growth remained resilient in 2025. According to the International Monetary Fund (IMF), global economic growth was 3.3%, the same as the previous year. Following US President Trump's return to the White House in January 2025, the use of high tariffs as a strategic tool has led to a dramatic restructuring of global trade and supply chains. Meanwhile, the accelerated development of AI applications and the AI industry has been bringing new directions to the global economy. However, geopolitical risks remain severe, such as the ongoing Russia-Ukraine war, escalating tensions in the Middle East, the intensive US-China trade conflict, and overcapacity in China, continuing to undermine confidence in economic optimism. Nevertheless, global economic growth still maintained positive growth, so exporters were able to weather 2025 smoothly.

The International Monetary Fund (IMF) predicts that global economic growth will be 3.3% in 2026, the same as in 2025. Overall growth momentum in 2026 is expected to remain at the same level as in 2025. Key factors influencing the economic outlook include the development of the artificial intelligence (AI) industry, US tariff policy, the monetary policy of the new Chairman of USA Federal Reserve, US military actions, and China's overcapacity, with varying degrees of impact on major economies. The USA benefits from AI investment and policy support, resulting in relatively robust growth; China faces significant pressure due to weak domestic demand and a sluggish housing market; the Europe and the UK are experiencing weakened economic momentum due to tariffs, competitive pressure from China, and fiscal constraints; Japan is promoting

investment in key industries, but its exports remain constrained by tariffs. Overall, the global economic outlook exhibits divergent paths for different regions. It is expected that this year will be a year in which the global economy will maintain growth but will also be filled with high uncertainty.

Looking ahead to the PCB industry in 2026, TPCA predicts that the global PCB total revenue, driven by the rapid growth of AI applications, will reach a record high of US\$103.1 billion in 2026. According to the forecast of IEK, total revenue of Taiwan's PCB makers in 2026 is expected to be NT\$ 1,020.4 billion, with a growth rate of approximately 11.5%. Compared with the growth of 12.0% in 2025, the estimated growth in 2026 is slightly slowing down. Taiwan's PCB makers have always beaten the market and got a bigger share even in global adverse economic situations. They are competitive in the aspects of cost and manufacturing sites so they will remain profitable in the future of expanding electronics industries.

Our production bases are located in Taiwan, China and Thailand. The local laws and regulations in different countries have been changed from time to time. The Company is based on the principle of legal business and complies with local laws and regulations. Moreover, in recent years, the Taiwan authorities have gradually improved the relevant laws and regulations on corporate governance and social responsibility. The Company has complied with the changes in laws and regulations, gradually completed the establishment of corporate governance systems, and fulfilled corporate social responsibilities in order to balance the Company's shareholders' equity and the interests of all interested parties.

Looking back on the past year, the overall environment has been full of changes and challenges. Various uncertainties, such as Trump's return, ups and downs in international economic and trade, escalating geopolitics and the accelerated development of AI applications, have tested the adaptability and operational resilience of an enterprises. And the impact of extreme weather caused by climate change is becoming more and more obvious. For the survival of human beings in the long run, many countries are accelerating to take more proactive actions and thinking about what should be done to maintain the sustainable development of the human society. We have been adhering to a core concept to lead the Company, which is "be good together". That an enterprise can maintain good performance, operation and profitability is the basic task that it must achieve. But it is not enough for it to keep thriving. Its shareholders and employees must be able to benefit from the results it has created, and what it has done must make our society and the environment better. Only when all stakeholders can "be good together", we will be able to maintain a beautiful and long-term future for all of us. This is our fundamental belief of leading an enterprise.

In the past, we have accumulated strength of R&D and manufacturing to create good business results in the global automotive PCB market and to establish the Company's sound operational capabilities and strong financial position. As the world is facing the challenges of severe climate change, we are going to make use of our excellent ability, follow the international trend of carbon reduction, make comprehensive re-alignments in all aspects. At the same time, we will continue to improve the efficiency of energy, material and water resources in our environmental protection strategy. In addition, we will encourage suppliers to participate and build a resilient and sustainable supply chain to extend the positive influence beyond our reach.

We adhere to the spirit of "be good together" and care about ESG issues. In addition to enhancing R&D, manufacturing and management to drive the improvement of overall productivity, we also actively expand more positive influence with a view to contribute to the comprehensive sustainable development of our society. We have weathered 48 years in 2026. The past difficulties have tempered our confidence and strength to face challenges. In the future, we will continue to work hard to simultaneously achieve the dual goals which are to maintain a going concern and to support the sustainable development of the environment and the society.

Taiwan PCB industry are facing many challenges and rapidly changing external environments which have a great impact on Taiwan's PCB industry. The global economy in 2026 is expected to be full of uncertainty, but will still maintain growth. Chin-poon has aligned our strategy to enhance our edge on globalization, niche products, high-quality services, key technology, innovation of processing, stable product quality, integrated logistics platform, competitive cost control and advanced knowledge management to achieve our business goals.

In addition, the Company recognizes the advent of the era of smart manufacturing and knowledge management. We continually cultivate talents, appreciate valuable human resources, and has got certain progress and achievements in system management and organizational learning. We also aggressively implement ERP and CIM systems, Six Sigma, AI technology, intelligent manufacturing and various projects in order to enable the Company's internal resources to be used most effectively and its production efficiency and product quality to be significantly improved. In the future, we will adopt a more active strategy in the expansion of our manufacturing sites in Asia to grasp the business opportunities provided by the growth of electronic industries around the world.

Thanks to the efforts and dedication of all employees, the Company has achieved a certain level of profitability over the past year even still in the face of the unsmooth transition from Internal Combustion Engine Vehicles to Electric Vehicles in the global automotive market. We expect the competition in the future will be still extremely

intensive. We are going to continue improving our core competitiveness to enhance our performance and develop new niche products and markets so that we can keep enhancing shareholders' equity.

Sincerely yours,

Chairperson

Chief Executive Officer

Principal Accounting Officer

## 2. Corporate Governance

### 2.1 Information on the Directors, CEO, VP, AVP, and Supervisors in Each Department and Branch Office

#### 2.1.1 Information on Directors and Independent Directors

April 26, 2026

Title	Nationality or Place of Registration	Name	Gender & Age	Date of Being Elected	Terms	Date of Being First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Children Shareholding		Shareholding by Nominee Arrangement		Selected Education and Past Positions	Current Positions at Chin-poon and other companies	Executives or Directors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship
Chairperson	R.O.C.	Tseng-Liu, Yu-Chih	Female 71-80	June 27, 2023	3	Aug. 11, 1979	9,603,279	2.42%	9,603,279	2.42%	1,372,422	0.35%	-	-	Chairperson, Chin-Poon Industrial Co., Ltd. St. Francis Xavier High School	Chairperson, VEGA International Enterprise Co., Ltd. Chairperson, Chin-Poon Holdings Cayman Limited Chairperson, Chin-Poon (Changshu) Electronics Co., Ltd. Chairperson, Chin Poon Electronics (Thailand) Public Co., Ltd. Director, Suzhou Haokang Import & Export Co., Ltd.		None	
Director	R.O.C.	Lin, Pi-Chi	Male 71-80	June 27, 2023	3	Aug. 11, 1979	6,919,649	1.74%	6,591,649	1.66%	2,229,839	0.56%	-	-	Manager, Chin-Poon Industrial Co., Ltd. National Tao-yuan Agricultural & Industrial Vocational High School	Director, Chin-Poon (Changshu) Electronics Co., Ltd. Director, Chin Poon Electronics (Thailand) Public Co., Ltd. Director, Dalux Technology Co., Ltd Director, Trans Automation Co., Ltd.		None	
Director	R.O.C.	Huang, Wei-Jin	Male 81-90	June 27, 2023	3	Aug. 11, 1979	11,238,409	2.83%	5,638,409	1.42%	2,642	0.00%	-	-	Chairperson and CEO, Chin-Poon Industrial Co., Ltd. National Cheng Kung University	Director, Chin-Poon (Changshu) Electronics Co., Ltd. Director, Chin Poon Electronics (Thailand) Public Co., Ltd.		None	
Director	R.O.C.	Tung, Hsiao-Hung	Female 71-80	June 27, 2023	3	May 18, 2005	6,308,043	1.59%	6,308,043	1.59%			-	-	Chairperson, Wei Ze Investment Co., Ltd. National Taipei College of Business	Chairperson, Tongli Investment CO., LTD. Director, Chin-Poon (Changshu) Electronics Co., Ltd.		None	
Director	R.O.C.	Lai, Hwei-Shan	Male 81-90	June 27, 2023	3	May 2, 1990	6,283,114	1.58%	6,283,114	1.58%			-	-	Chairperson, Liangpin Industrial Co., Ltd. National Chung Hsing University			None	
Independent Director	R.O.C.	Chen, Hsiang-Sheng	Male 71-80	June 27, 2023	3	June 22, 2017	88,637	0.02%	43,637	0.01%			-	-	Vice President, Chin-Poon Industrial Co., Ltd. National Taiwan Normal University	Independent Director, Sunnic Technology & Merchandise Inc.		None	
Independent Director	R.O.C.	Chen, Shi-Shu	Male 81-90	June 27, 2023	3	June 22, 2017	0	0%	0	0%			-	-	CPA, Kudos & Co., C.P.A.s National Chung Hsing University	None		None	
Independent Director	R.O.C.	Hsu, Sung-Tsai	Male 61-70	June 27, 2023	3	June 22, 2017	1,242	0.00%	1,242	0.00%			-	-	Senior Assistant Manager, Standard Chartered Bank (Taiwan) Limited Chinese Culture University	None		None	

## 2.1.2 Professional Qualifications and Independence Analysis of Directors and Independent Directors

April 26, 2026

Criteria Name	Professional Qualification Requirements & Work Experience (Note 1)	Independence Status (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Tseng-Liu, Yu-Chih	<ul style="list-style-type: none"> <li>● Leadership experience in the Board of Directors</li> <li>● PCB market experience</li> <li>● Overseas Market Experience</li> <li>● Expertise on PCB technology and equipment</li> <li>● Factory management</li> <li>● Expertise on investment</li> </ul>		None.
Lin, Pi-Chi	<ul style="list-style-type: none"> <li>● Leadership experience in the Board of Directors</li> <li>● A board director of other listed companies</li> <li>● PCB market experience</li> <li>● Overseas Market Experience</li> <li>● Expertise on PCB technology and equipment</li> <li>● Factory management</li> <li>● Expertise on investment</li> </ul>		None.
Huang, Wei-Jin	<ul style="list-style-type: none"> <li>● Leadership experience in the Board of Directors</li> <li>● A board director of other listed companies</li> <li>● PCB market experience</li> <li>● Overseas Market Experience</li> <li>● Expertise on investment</li> </ul>		None.
Tung, Hsiao-Hung	<ul style="list-style-type: none"> <li>● Leadership experience in the Board of Directors</li> <li>● A board director of other listed companies</li> <li>● Expertise on accounting</li> </ul>		None.
Lai, Hwei-Shan	<ul style="list-style-type: none"> <li>● Leadership experience in the Board of Directors</li> <li>● A board director of other listed companies</li> <li>● PCB market experience</li> <li>● Expertise on PCB materials and their business</li> </ul>		None.

Criteria Name	Professional Qualification Requirements & Work Experience (Note 1)	Independence Status (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chen, Hsiang-Sheng	<ul style="list-style-type: none"> <li>● Leadership experience in the Board of Directors</li> <li>● A board director of other listed companies</li> <li>● PCB market experience</li> <li>● Overseas Market Experience</li> <li>● Expertise on PCB technology and equipment</li> <li>● Factory management</li> </ul>	He and his immediate family members are independent of the Company.	Independent Director, Sunnic Technology & Merchandise Inc.
Chen, Shi-Shu	<ul style="list-style-type: none"> <li>● Leadership experience in the Board of Directors</li> <li>● Expertise on accounting</li> <li>● Expertise on tax</li> <li>● Expertise on corporate governance</li> </ul>	He and his immediate family members are independent of the Company.	None.
Hsu, Sung-Tsai	<ul style="list-style-type: none"> <li>● Leadership experience in the Board of Directors</li> <li>● Expertise on accounting</li> <li>● Expertise on financing</li> </ul>	He and his immediate family members are independent of the Company.	None.

- 1 Professional Qualifications and Work Experience: The professional qualifications and work experience of individual directors and supervisors shall be described. If they are members of the Audit Committee and have accounting or financial expertise, their accounting or financial background and work experience shall be described, and whether they have not been subject to the provisions of Article 30 of the Company Act shall be specified as well.
- 2 The independent directors shall remain their independence status which include but is not limited to whether he or she, his or her spouse or relatives within the second degree of kinship are directors, supervisors or employees of the Company or its affiliates, the number and proportion of the Company's shares held by him or her, his or her spouse or relatives within the second degree of kinship (or held by the person under others' names), whether they serve as directors, supervisors or employees in a company that has a specific relationship with the Company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies), and the amount of remuneration received for the provision of business, legal, financial and accounting services to the Company or its affiliates in the last two years.
- 3 With regard to disclosure methods, please refer to the best practice examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

## 2.1.3 Diversity and Independence in the Board of Directors

### 2.1.3.1 Diversity of the Board of Directors

Describe the diversity policy of the Board of Directors and its goals and achievement. The diversity policy includes, but is not limited to, the selection criteria for directors, the professional qualifications and work experience that the Board of Directors should have, and the composition or proportion of its gender, age, nationality, and culture, etc. And the Company's specific goals and their achievement for this policy shall be described as well.

#### (1) The Diversity Policy of the Board of Directors

Article 20 of the Company's "Code of Practice on Corporate Governance" stipulates that the composition of the Board of Directors should consider diversity, such as having different professional backgrounds, expertise, industry experience, gender, etc. and the directors shall have the knowledge, skills, and experience necessary to perform their duties.

In order to enhance the corporate governance and promote the sound development of the Board of Directors in terms of its composition and structure and to achieve the ideal goals of corporate governance, the Board of Directors shall possess the following abilities:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.

7. Ability to lead.
8. Ability to make policy decisions.
9. Knowledge of risk management and ability to manage risks.

(2) Specific Goals of the Diversity Policy and Current Status of Their Achievement:

The Board of Directors of the Company consists of 9 directors, including 6 directors and 3 independent directors. Independent directors account for 33%. The term of office of independent directors is 8-9 years. All independent directors have served no more than three consecutive terms.

The company pays attention to gender equality in the composition of the Board of Directors. Currently, female directors account for 25%. The goal for the future is to increase the number of female directors to more than one-third (i.e. 33%).

(3) A diversified membership in the Company's Board of Directors:

The Board of Directors of the Company consists of 9 directors. They have comprehensive industry experience, covering expertise and experience of chemistry, materials, machinery, engineering, accounting, economics, and finance, which are specifically related to the PCB industry. They have excellent competence on operational judgment, management, crisis handling, international market development, leadership and risk management.

The implementation of diversity among the members of the Board of Directors of the Company:

Name	Nationality	Gender	Employed by the Company	age			Accumulative years as an independent director	Abilities									
				61-70	71-80	81-90		1	2	3	4	5	6	7	8	9	
Tseng-Liu, Yu-Chih Director	R.O.C.	Female	None		v			v	v	v	v	v	v	v	v	v	v
Lin, Pi-Chi Director	R.O.C.	Male	None		v			v		v	v	v	v	v	v	v	v
Huang, Wei-Jin Director	R.O.C.	Male	None		v			v	v	v	v	v	v	v	v	v	v
Tung, Hsiao-Hung Director	R.O.C.	Female	None		v			v	v	v	v	v			v	v	v
Lai, Hwei-Shan Director	R.O.C.	Male	None			v		v	v	v	v	v	v	v	v	v	v
Chen, Hsiang-Sheng Independent Director	R.O.C.	Male	None		v		8-9	v		v	v	v	v	v	v	v	v
Chen, Shi-Shu Independent Director	R.O.C.	Male	None			v	8-9	v	v	v	v				v	v	v
Hsu, Sung-Tsai Independent Director	R.O.C.	Male	None	v			8-9	v	v	v	v				v	v	v

Note: The Company's Board of Directors has 9 seats. One director has passed away, so there are currently 8 directors. The Board will be re-elected at the 2026 shareholders' meeting to increase the number of directors to 9.

Abilities Designation:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.
7. Ability to lead.
8. Ability to make policy decisions.
9. Knowledge of risk management and ability to manage risks.

### 2.1.3.2 Independence of the Board of Directors

Specify the number and proportion of independent directors, and explain that the Board of Directors is independent, and explain whether there are no case stipulated in Article 26-3, paragraph 3 and 4 of the Securities and Exchange Act, including the cases of there being spouses or relatives within the second degree of kinship between directors, between supervisors, or between directors and supervisors.

The Board of Directors of the Company consists of 8 directors, including 5 directors and 3 independent directors, with independent directors accounting for 37.5%.

The independent directors of the Company remain their independence status which include but is not limited to the facts that he or she, his or her spouse or relatives within the second degree of kinship are not directors, supervisors or employees of the Company or its affiliates, that the number and proportion of the Company's shares held by him or her, his or her spouse or relatives within the second degree of kinship (or held by the person under others' names) is shown in the table in 2.1.1, that they do not serve as directors, supervisors or employees in a company that has a specific relationship with the Company, and that they have received no amount of remuneration for the provision of business, legal, financial and accounting services to the Company or its affiliates in the last two years.

### 2.1.4 Major Shareholders of the Institutional Shareholders

April 26, 2026

Name of Institutional Shareholders	Major Shareholders
No director appointed by any institutional shareholder.	None

## 2.1.5 CEO, VP, AVP, and Supervisors in Each Department and Branch Office

April 26, 2026

Title	Nationality	Name	Gender	Date of Assuming the Position	Current Shareholding		Spouse & Minor Children Shareholding		Shareholding by Nominee Arrangement		Primary Experiences & Education	Positions Presently Held in Other Companies	Managers who are a Spouse or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship
CEO	R.O.C.	Rachel Lin	Female	Jan. 1, 2002	80,217	0.02%	-	-	-	-	MBA, National Taiwan University Certified Public Accountant	Independent Director & Member of Compensation Committee, Sitronix Technology Corporation		None	
Senior VP	R.O.C.	Catherine Hsing	Female	Jan. 1, 2007	64,205	0.02%	-	-	-	-	Ming Chuan University	None		None	
Senior VP	R.O.C.	Jack Lin	Male	Jan. 1, 2007	16,353	0.00%	-	-	-	-	National Central University	None		None	
AVP	R.O.C.	Phil Su	Male	Aug. 13, 2019	13,000	0.00%	215	-	-	-	M.S., National Sun Yat-sen University	None		None	
AVP	R.O.C.	Monica Lin	Female	Sep. 1, 2023	14	0.00%	-	-	-	-	M.S., Providence University	None		None	
Internal Auditing Officer	R.O.C.	Candy Sung	Female	Feb. 21, 2008	2,162	0.00%	-	-	-	-	Hsing Wu Commercial College	None		None	
Chief Corporate Governance Officer	R.O.C.	Yu-Chiao Huang	Female	Mar. 19, 2021	276,360	0.07%	326,715	0.08%			Hsing Wu Commercial College	None		None	

## 2.2 Remuneration for the Directors, CEO, and VPs, etc. for this Fiscal Year

### 2.2.1 Remuneration for Directors

#### 2.2.1.1 Remuneration for Directors except Independent Directors

Unit: NT\$ thousand

Title	Name	Remuneration								Total Remuneration (A+B+C+D) and the Ratio of it to Net Income (%) (Note 10)		Compensation Earned by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%) (Note 10)		Compensation Paid from Non-consolidated Investees or the parent company (Note 11)		
		Base Compensation (A) (Note 2)		Severance Pay & Pensions (B)		Remuneration to Directors (C) (Note 3)		Allowances (D) (Note 4)				Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay & Pensions (F)		Employees' Profit-sharing Bonus (G) (Note 6)								
		The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company		From All Consolidated Entities (Note 7)			The Company	From All Consolidated Entities (Note 7)
																		Cash	Stock	Cash	Stock			
Director	Huang, Wei-Jin	0	0	0	0	850	850	240	354	1,090; 0.17%	1,204; 0.19%	0	0	0	0	0	0	0	0	1,090; 0.17%	1,204; 0.19%	0		
Director	Lin, Pi-Chi	0	0	0	0	850	850	240	354	1,090; 0.17%	1,204; 0.19%	0	0	0	0	0	0	0	0	1,090; 0.17%	1,204; 0.19%	0		
Director	Tseng-Liu, Yu-Chih	9,245	9,245	0	0	850	850	240	354	10,335; 1.63%	10,448; 1.65%	0	0	0	0	0	0	0	0	10,335; 1.63%	10,448; 1.65%	0		
Director	Tung, Hsiao-Hung	0	0	0	0	850	850	240	240	1,090; 0.17%	1,090; 0.17%	0	0	0	0	0	0	0	0	1,090; 0.17%	1,090; 0.17%	0		
Director	Lai, Hwei-Shan	0	0	0	0	850	850	240	240	1,090; 0.17%	1,090; 0.17%	0	0	0	0	0	0	0	0	1,090; 0.17%	1,090; 0.17%	0		

In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services, such as being independent contractors.

#### 2.2.1.2 Remuneration for Independent Directors

Unit: NT\$ thousand

Title	Name	Remuneration								Total Remuneration (A+B+C+D) and the Ratio of it to Net Income (%) (Note 10)		Compensation Earned by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%) (Note 10)		Compensation Paid from Non-consolidated Investees or the parent company (Note 11)		
		Base Compensation (A) (Note 2)		Severance Pay & Pensions (B)		Remuneration to Directors (C) (Note 3)		Allowances (D) (Note 4)				Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay & Pensions (F)		Employees' Profit-sharing Bonus (G) (Note 6)								
		The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company		From All Consolidated Entities (Note 7)			The Company	From All Consolidated Entities (Note 7)
																		Cash	Stock	Cash	Stock			
Independent Director	Chen, Hsiang-Sheng	0	0	0	0	360	360	240	240	600; 0.09%	600; 0.09%	0	0	0	0	0	0	0	0	600; 0.09%	600; 0.09%	0		
Independent Director	Chen, Shi-Shu	0	0	0	0	360	360	240	240	600; 0.09%	600; 0.09%	0	0	0	0	0	0	0	0	600; 0.09%	600; 0.09%	0		
Independent Director	Hsu, Sung-Tsai	0	0	0	0	360	360	240	240	600; 0.09%	600; 0.09%	0	0	0	0	0	0	0	0	600; 0.09%	600; 0.09%	0		

In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services, such as being independent contractors.

- Note 1: The names of directors are individually presented and the amount of each payment is disclosed in a consolidated manner. The directors except independent directors and the independent directors are shown separately in different tables.
- Note 2: This refers to directors' remuneration (including directors' salary, bonuses associated with their assignment, severance pay, various bonuses and incentives etc.) for the most recent fiscal year.
- Note 3: This refers to the amount of remuneration for directors, which is approved by the Board of Directors for the most recent fiscal year.
- Note 4: This refers to the directors' business-associated expenditures for the most recent fiscal year (including transportation fees, special expenses, various allowances, boarding, and company cars etc.). If housing, vehicles and other methods of transportation, or individual exclusive spending are offered, the characteristics and costs of the assets offered, the real or fair market value of rental expenses, gas allowance, and other payments should be disclosed. If a chauffeur is offered to a director, the payment to the chauffeur by the Company should be disclosed, but need not be counted within the allowance.
- Note 5: This refers to the packages for the directors who also serve as employees (including serving as President, VP, other managers and staff) for the most recent fiscal year, which includes their salaries, bonuses associated with their assignment, severance pay, various bonuses, incentives, transportation fees, special expenses, various allowances, boarding, and company cars etc. If housing, vehicles and other methods of transportation, or individual exclusive spending are offered, the characteristics and costs of the assets offered, the real or fair market value of rental expenses, gas allowance, and other payments should be disclosed. If a chauffeur is offered to a director, the payment to the chauffeur by the Company should be disclosed, but need not be counted within the category. And the listed salary costs of IFRS 2 "share-based payment", including the acquisition of employee stock option certificate, New Restricted Employee Shares and participation in subscription to an increase in share capital, etc., should also be included in the category.
- Note 6: This refers to the employee remuneration (including shares and cash) for those directors who also serve as employees (including serving as President, VPs, other managers, and staff) for the most recent fiscal year. The profit-sharing bonus to be paid to the employees, which has been approved by the Board of Directors for the most recent fiscal year, should be disclosed. If the bonuses cannot be estimated, the intended amount this year should be calculated based on last year's actual paid amount, and be disclosed in a separate form.
- Note 7: The total amount of all payment paid to directors of The Company from all consolidated entities (including The Company) included in this report should be disclosed in its entirety.
- Note 8: The names of directors are put in the range according to their total payment by The Company.
- Note 9: The names of directors are put in the range according to their total payment by all consolidated entities (including The Company).
- Note 10: Net income refers to the net income of the most recent fiscal year. If the IFRS has been

adopted, the net income means the net income of the parent company only financial statements in the most recent year.

- Note 11: a. The amount of compensation paid to directors from non-consolidated investees or the parent company should be disclosed clearly.
- b. If a company director has received compensation from non-consolidated investees or the parent company, the amount received under this category should be included in the (I) column of the table in 2.2.2, and revise the name of the column as "From All Investees or the parent company".
- c. This refers to the compensation, remuneration (including remuneration paid to employees, directors, supervisors or managers), and business-related allowance for the directors served as employees, directors, supervisors or managers in all non-consolidated investees or the parent company.
- \* the compensation as disclosed in the tables is not in accordance with the concept of Income Tax Act. Hence, this table is solely for the purpose of information disclosure, and not for income tax return.

### 2.2.1.3 Policy, System, Standards and Composition for the Remuneration of Independent Directors

The Company has only one policy on the remuneration of independent directors, i.e., a fixed amount of remuneration with each independent director paid at NT\$600,000 per year. Defined benefit remuneration allows independent directors to maintain independence in their decision-making, as the performance and profitability of any material decision is independent of the independent director's compensation, avoiding the risk that the independent director will lose his or her independent judgment by having an interest in a material decision. The payment of NT\$600,000 for each independent director is the average in the market, which allows our independent directors to be reasonably compensated as well.

## 2.2.2 Remuneration Range of Directors

Range of Remuneration (X)	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company (Note 8)	From All Consolidated Entities (H) (Note 9)	The Company (Note 8)	From All Consolidated Entities (I) (Note 9)
X < NT\$ 1,000,000	Chen, Hsiang-Sheng Chen, Shi-Shu Hsu, Sung-Tsai	Chen, Hsiang-Sheng Chen, Shi-Shu Hsu, Sung-Tsai	Chen, Hsiang-Sheng Chen, Shi-Shu Hsu, Sung-Tsai	Chen, Hsiang-Sheng Chen, Shi-Shu Hsu, Sung-Tsai
NT\$1,000,000 ≤ X < NT\$2,000,000	Huang, Wei-Jin, Lin, Pi-Chi Tung, Hsiao-Hung Lai, Hwei-Shan	Huang, Wei-Jin, Lin, Pi-Chi Tung, Hsiao-Hung Lai, Hwei-Shan	Huang, Wei-Jin, Lin, Pi-Chi Tung, Hsiao-Hung Lai, Hwei-Shan	Huang, Wei-Jin, Lin, Pi-Chi Tung, Hsiao-Hung Lai, Hwei-Shan
NT\$2,000,000 ≤ X < NT\$3,500,000				
NT\$3,500,000 ≤ X < NT\$5,000,000				
NT\$5,000,000 ≤ X < NT\$10,000,000				
NT\$10,000,000 ≤ X < NT\$15,000,000	Tseng-Liu, Yu-Chih	Tseng-Liu, Yu-Chih	Tseng-Liu, Yu-Chih	Tseng-Liu, Yu-Chih
NT\$15,000,000 ≤ X < NT\$30,000,000				
NT\$30,000,000 ≤ X < NT\$50,000,000				
NT\$50,000,000 ≤ X < NT\$100,000,000				
X ≥ NT\$100,000,000				
Total				

## 2.2.3 Remuneration and Remuneration Range of Supervisors

Not applicable.

## 2.2.4 Compensation for CEO and VPs, etc.

Unit: NT\$ thousands

Title	Name (note 1)	Salary (A) (note 2)		Severance Pay & Pensions (B)		Bonuses & Allowances etc. (C) (note 3)		Employees' Profit-sharing Bonus (D) (note 4)				Total Remuneration (A+B+C+D) and the Ratio of it to Net Income (%) (note 8)		Compensation Paid from Non-consolidated Investees (note 9)
		The Company	From All Consolidated Entities (note 5)	The Company	From All Consolidated Entities (note 5)	The Company	From All Consolidated Entities (note 5)	The Company		From All Consolidated Entities (note 5)		The Company	From All Consolidated Entities (note 5)	
								Cash	Share	Cash	Share			
CEO	Alan Hwang	13,632	13,632	845	845	14,373	14,373	1,529	0	1,529	0	30,379; 4.79%	30,379; 4.79%	0
CEO	Rachel Lin													
Senior VP	Catherine Hsing													
Senior VP	Jack Lin													
AVP	Phil Su													
AVP	Monica Lin													

## 2.2.5 Compensation Range of CEO and VPs

Unit: NT\$ thousands

Range of Compensation (X)	Names of CEO and VPs	
	The Company (Note 6)	From All Consolidated Entities (E) (Note 7)
$X < \text{NT\$ } 1,000,000$		
$\text{NT\$ } 1,000,000 \leq X < \text{NT\$ } 2,000,000$		
$\text{NT\$ } 2,000,000 \leq X < \text{NT\$ } 3,500,000$		
$\text{NT\$ } 3,500,000 \leq X < \text{NT\$ } 5,000,000$	Alan Hwang Phil Su Monica Lin	Alan Hwang Phil Su Monica Lin
$\text{NT\$ } 5,000,000 \leq X < \text{NT\$ } 10,000,000$	Catherine Hsing Rachel Lin Jack Lin	Catherine Hsing Rachel Lin Jack Lin
$\text{NT\$ } 10,000,000 \leq X < \text{NT\$ } 15,000,000$		
$\text{NT\$ } 15,000,000 \leq X < \text{NT\$ } 30,000,000$		
$\text{NT\$ } 30,000,000 \leq X < \text{NT\$ } 50,000,000$		
$\text{NT\$ } 50,000,000 \leq X < \text{NT\$ } 100,000,000$		
$X \geq \text{NT\$ } 100,000,000$		
Total		

Note 1: The names of CEO and VPs, etc. are individually presented and the amount of each payment is disclosed in a consolidated manner. If a director is also CEO or VP, he/she should be listed in this table and in the tables in 2.2.1 and 2.2.2.

Note 2: This refers to CEO's and VPs' salary, bonuses associated with their assignment and severance pay for the most recent fiscal year.

Note 3: This refers to CEO's and VPs' various bonuses, incentives, transportation fees, special expenses, various allowances, boarding, and company cars etc. If housing, vehicles and other methods of transportation, or individual exclusive spending are offered, the characteristics and costs of the assets offered, the real or fair market value of rental expenses, gas allowance, and other payments should be disclosed. If a chauffeur is offered to a director, the payment to the chauffeur by the Company should be disclosed, but need not be counted within the category. And the listed salary costs of IFRS 2 "share-based payment", including the acquisition of employee stock option certificate, New Restricted Employee Shares and participation in subscription to an increase in share capital, etc., should also be included in the category.

Note 4: This refers to the profit-sharing bonus (including shares and cash) to be paid to CEO and VPs, etc., which has been approved by the Board of Directors for the most recent fiscal year. If the bonuses cannot be estimated, the intended amount this year should be calculated based on last year's actual paid amount, and be disclosed in a separate form.

Note 5: The total amount of all payment paid to CEO and VPs, etc. of The Company from all consolidated entities (including The Company) included in this report should be disclosed in its entirety.

Note 6: The names of CEO and VPs, etc. are put in the range according to their total payment by The Company.

Note 7: The names of CEO and VPs, etc. are put in the range according to their total payment by all consolidated entities (including The Company).

Note 8: Net income refers to the net income of the most recent fiscal year. If the IFRS has been adopted, the net income means the net income of the parent company only financial statements in the most recent year.

Note 9: a. The amount of compensation paid to CEO and VPs, etc. from non-consolidated investees or the parent company should be disclosed clearly.

- b. If CEO and VPs, etc. has received compensation from non-consolidated investees or the parent company, the amount received under this category should be included in the (E) column, and revise the name of the column as "From All Investees or the parent company".
- c. This refers to the compensation, remuneration (including remuneration paid to employees, directors, supervisors or managers), and business-related allowance for CEO and VPs, etc. served as employees, directors, supervisors or managers in all non-consolidated investees or the parent company.

\* The compensation as disclosed in the tables is not in accordance with the concept of Income Tax Act. Hence, this table is solely for the purpose of information disclosure, and not for income tax return.

## 2.2.6 Employees' Bonus Paid to Management Team

March 31, 2026; Unit: NT\$ thousands

	Title (note 1)	Name (note 1)	Shares	Cash	Total	Total Employees' Bonus Paid to Management Team as a % of Net Income
Managers	CEO	Rachel Lin	0	1,871	1,871	0.29%
	Senior VP	Catherine Hsing				
	Senior VP	Jack Lin				
	AVP	Phil Su				
	AVP	Monica Lin				
	Internal Auditing Officer	Candy Sung				
	Chief Corporate Governance Officer	Yu-Chiao Huang				

Note 1: Individual names and titles should be disclosed separately, but the bonuses can be disclosed collectively.

Note 2: The scope of a manager, according to No. 0920001301 letter of the Taiwan Finance and Securities III, which was issued by the Securities and Futures Commission, Ministry of Finance on March 27, 2003, includes the following:

- a) CEO and the equivalent;
- b) VP and the equivalent;
- c) AVP and the equivalent;
- d) CFO;
- e) Accounting supervisor;
- f) others who manage company affairs and have authority to sign documents.

Note 3: If the directors, CEO and VPs, etc. have received employee bonuses (including stocks and cash), they should be re-listed in this table in addition to the above tables.

2.2.7 Compare and illustrate the ratio of the total compensation paid to the Directors, Supervisors, CEO, and VPs, etc. from the Company and all consolidated entities to the net income of the financial statements, and explain the compensation policy, its standard and its combinations, the procedures to decide the amount of the compensation, and its correlation to management performance and expected future risks

2.2.7.1 The ratio of the total compensation paid to the Directors, Supervisors, CEO, and VPs, etc. from the Company and all consolidated entities to the net income of the financial statements

Unit: NT\$ thousands

Title	2024		2024	
	The Company	Ratio of Total Compensation to Net Income (%)	All Consolidated Entities	Ratio of Total Compensation to Net Income (%)
Directors	16,781	1.48%	17,110	1.51%
CEO & VPs, etc.	34,111	3.01%	34,111	3.01%

Title	2025		2025	
	The Company	Ratio of Total Compensation to Net Income (%)	All Consolidated Entities	Ratio of Total Compensation to Net Income (%)
Directors	16,495	2.60%	16,836	2.65%
CEO & VPs, etc.	30,379	4.79%	30,379	4.79%

2.2.7.2 The remuneration of the directors and supervisors of the Company is allocated according to the distribution ratio stipulated in the Articles of Association of the Company; the compensation of CEO and VPs are paid according to the Company's salary policy.

Bonuses and profit-sharing bonuses shall be proposed by the Remuneration and Nomination Committee according to the Company's performance and expected future risks, and then approved by the Board of Directors.

## 2.3 Implementation of Corporate Governance

### 2.3.1 Operations of the Board of Directors

In the most recent fiscal year, the Board of Directors have held 6 meetings (A). And the attendance of the Directors are as follows:

Title	Name	Attendance in Person [B]	Attendance by Proxy	Ratio of Attendance [B/A]	Remarks
Chairperson	Tseng-Liu, Yu-Chih	6	0	100	
Director	Huang, Wei-Jin	6	0	100	
Director	Lin, Pi-Chi	6	0	100	
Director	Tung, Hsiao-Hung	6	0	100	
Director	Tseng, Wen-Yu	0	0	0	Being not a director since October 25, 2024.
Director	Lai, Hwei-Shan	6	0	100	
Independent Director	Chen, Hsiang-Sheng	6	0	100	
Independent Director	Chen, Shi-Shu	6	0	100	
Independent Director	Hsu, Sung-Tsai	6	0	100	

### 2.3.2 Other Important Information on Operations of the Board of Directors

2.3.2.1 If one of the following circumstances occurs in the Board of Directors, the date, the period, the content of the proposals, the opinions of all independent directors on them and the Company's response to their opinions shall be specified:

- (1) Matters listed in Article 14-3 of Securities Exchange Act: Important resolutions of the Board of Directors shall be approved by directors and all attending independent directors without no objections or reservations from independent directors. The important resolutions of the Board of Directors are as follows:

Date	Meeting	Proposal	Resolution and Execution
Jan. 14, 2025	First Meeting in 2025	1. Business Plan and Budget for 2025.	Approved with no objection from all directors and independent directors.
		2. Capital expenditures of the Company and its subsidiaries in 2025.	Approved with no objection from all directors and independent directors.
		3. The Company's year-end bonus proposal.	Approved with no objection from all directors and independent directors.
		4. The Company's year-end bonus proposal for the Company's managers and expatriate managers.	Approved with no objection from all directors and independent directors.
		5. Proposal for Year-end Bonuses for Mrs. Yu-Chih Tseng-Liu as the chairperson.	Approved with no objection from all directors and independent directors with Mrs. Yu-Chih Tseng-Liu, the Chairperson, abstained from the discussion of this case due to the principle of conflict of interest.
		6. Renewal of the short-term credit line of RMB 100 million for Chin-Poon (Changshu) Electronics Co., Ltd. by the Industrial and Commercial Bank of China.	Approved with no objection from all directors and independent directors.
		7. Renewal of the short-term credit line of RMB 200 million for Chin-Poon (Changshu) Electronics Co., Ltd. by the China Construction Bank.	Approved with no objection from all directors and independent directors.
		8. Renewal of the short-term credit line of US\$ 15 million for Chin-Poon (Changshu) Electronics Co., Ltd. by the Agricultural Bank of China.	Approved with no objection from all directors and independent directors.
		9. Renewal of loan line for an exporter of US\$ 20 million for the Company by the Taoyuan Branch of the Bank of Taiwan.	Approved with no objection from all directors and independent directors.
		10. Pre-approved list of Non-assurance Services by CPAs of KPMG in 2025.	Approved with no objection from all directors and independent directors.
		11. Appointment and independence assessment of the Company's CPAs for 2025	Approved with no objection from all directors and independent directors.

		12. Adjustment of the Company's audit fees in 2024 and 2025.	Approved with no objection from all directors and independent directors.
Feb. 27, 2025	Second Meeting in 2025	1. Business Report and Financial Statements for 2024.	Approved with no objection from all directors and independent directors.
		2. Proposal for Distribution of 2024 Profits and Retained Earnings.	Approved with no objection from all directors and independent directors.
		3. Proposal for the Remuneration of Directors of 2024.	Approved with no objection from all directors and independent directors with Mrs. Yu-Chih Tseng-Liu, the Chairperson, and relevant directors abstained from the discussion of this case due to the principle of conflict of interest.
		4. Proposal for the Compensation of Employees of 2024.	Approved with no objection from all directors and independent directors.
		5. Proposal for the Compensation of Top Managers of 2024.	Due to the principle of conflict of interest, the attending top managers abstained from discussion of this case. Approved with no objection from all directors and independent directors.
		6. Amendment of the "Articles of Incorporation".	Approved with no objection from all directors and independent directors.
		7. Statement on Effectiveness of the Design and Implementation of the Internal Control System in 2024.	Approved with no objection from all directors and independent directors.
		8. Matters related to the 2025 Annual Shareholders' Meeting.	Approved with no objection from all directors and independent directors.
		9. Matters related to Acceptance of Shareholders' Proposals.	Approved with no objection from all directors and independent directors.
		10. Capital expenditures.	Approved with no objection from all directors and independent directors.
		11. Directors & Officers Liability Insurance Policy.	Approved with no objection from all directors and independent directors.

		12. Definition of non-executive employees and the conditions and execution authorization for the payment of compensation for non-executive employees in the Article 25 of the Articles of Association.	Approved with no objection from all directors and independent directors.
		13. Specific identification as non-funding loans of the Company's major accounts receivable that have exceeded the normal credit period as of December 31, 2024	Approved with no objection from all directors and independent directors.
		14. Revision of internal control and internal regulations related to cyber security.	Approved with no objection from all directors and independent directors.
		15. Revision of internal control and internal regulations related to HR.	Approved with no objection from all directors and independent directors.
May 13, 2025	Third Meeting in 2025	1. Consolidated financial statements for the first quarter of 2025.	Approved with no objection from all directors and independent directors.
		2. Amendment of the "Articles of Incorporation".	Approved with no objection from all directors and independent directors.
		3. Loan Renewal of US\$ 9 Million for Chin-Poon (Changshu) Electronics Co., Ltd. by Chin-Poon Holdings Cayman Limited.	Approved with no objection from all directors and independent directors.
		4. Shareholder Loan Application of US\$ 8 Million to the Company by Chin Poon Electronics (Thailand) Public Co., Ltd.	Approved with no objection from all directors and independent directors.
		5. Amendment of the "Operational Procedures for Share Repurchase and Transfer of those Share to its Employees".	Approved with no objection from all directors and independent directors.
		6. Establishments of the "Operating Procedures for Sustainable Information Management " for Chin Poon Electronics (Thailand) Public Co., Ltd.	Approved with no objection from all directors and independent directors.
		7. Establishments of the "Operating Procedures for Sustainable Information Management " for Chin-Poon (Changshu) Electronics Co., Ltd.	Approved with no objection from all directors and independent directors.

		8. Amendments of Internal Control and of Internal Regulation.	Approved with no objection from all directors and independent directors.
		9. Annual report on the Identification and management of material topics of sustainability for 2025	Approved with no objection from all directors and independent directors.
		10. Renewal of HSBC Bank's short-term comprehensive credit of US\$ 15 million and revolving credit line of US\$ 0.5 million for derivatives hedging risk of net asset in foreign currency.	Approved with no objection from all directors and independent directors.
		11. Renewal of the comprehensive credit line of RMB 80 million for Chin-Poon (Changshu) Electronics Co., Ltd. by the Changshu Branch of the Bank of China.	Approved with no objection from all directors and independent directors.
		12. Capital expenditures.	Approved with no objection from all directors and independent directors.
		13. Proposal of Share Repurchase	The attending directors unanimously agreed to temporarily suspend the proposal of share repurchase and transferring them to employees, as suggested by the chairperson, and to resubmit the proposal at a later date after assessing its necessity and feasibility based on the circumstances.
Jun. 25, 2025	Fourth Meeting in 2025	1. Relevant Matters of the 2025 Cash Dividend Distribution such as the Ex-Dividend Date.	Approved with no objection from all directors and independent directors.
		2. Capital expenditures.	Approved with no objection from all directors and independent directors.
Aug. 12, 2025	Fifth Meeting in 2025	1. Consolidated financial statements for the second quarter of 2025.	Approved with no objection from all directors and independent directors.
		2. Establishment of a trading company whose 100% controlling stake is owned by Chin-Poon (Changshu) Electronics Co., Ltd.	Approved with no objection from all directors and independent directors.

		3. Loan Renewal of US\$ 15 Million for Chin-Poon (Changshu) Electronics Co., Ltd. by Chin-Poon Holdings Cayman Limited.	Approved with no objection from all directors and independent directors.
		4. Proposal of dividend distribution of Chin-Poon (Changshu) Electronics Co., Ltd.	Approved with no objection from all directors and independent directors.
		5. Specific identification as non-funding loans of the Company's major accounts receivable that have exceeded the normal credit period as of June 30, 2025	Approved with no objection from all directors and independent directors.
		6. Approval of the Company's "2024 Sustainability Report".	Approved with no objection from all directors and independent directors.
		7. Capital expenditures.	Approved with no objection from all directors and independent directors.
		8. Amendment of the "Operational Procedures for Acquisition and Disposal of Assets" for the Company.	Approved with no objection from all directors and independent directors.
		9. Amendment of the "Operational Procedures for Acquisition and Disposal of Assets" for the Company's subsidiaries.	Approved with no objection from all directors and independent directors.
		10. Retirement of CEO Alan Hwang and His Special Bonus.	Approved with no objection from all directors and independent directors.
		11. Proposal of the Company's Organizational Restructuring.	Approved with no objection from all directors and independent directors.
		12. Appointment of New CEO.	Approved with no objection from all directors and independent directors.
		13. To Release the Prohibition on New CEO from Participation in Competitive Business.	Approved with no objection from all directors and independent directors.
		14. Replacement of Principal Accounting Officer.	Approved with no objection from all directors and independent directors.
Nov. 12, 2025	Sixth Meeting in 2025	1. Annual salary increase for senior executives and Internal Auditing Officer.	Approved with no objection from all directors and independent directors.
		2. Revision of the definition of non-executive employees in the Articles of Association.	Approved with no objection from all directors and independent directors.

		3. Construction of the new D1-2 plant in Thailand, changes to its capital expenditure budget and appointment of its project managers.	Approved with no objection from all directors and independent directors.
		4. Consolidated financial statements for the third quarter of 2025.	Approved with no objection from all directors and independent directors.
		5. Establishments of Internal Control and of Internal Regulation for Suzhou Haokang Import & Export Co., Ltd.	Approved with no objection from all directors and independent directors.
		6. Renaming of "Remuneration Committee" to "Remuneration and Nomination Committee" and amendments of the "Organizational Charter of the Remuneration and Nomination Committee" (and its attachments and forms), the "Operational Procedures for the Remuneration and Nomination Committee" and the "Rules for Internal Audit on the Operational Procedures for the Remuneration and Nomination Committee".	Approved with no objection from all directors and independent directors.
		7. Amendments of the "Operational Procedures for the Preparation and Verification of Sustainability Reports".	Approved with no objection from all directors and independent directors.
		8. Amendments of the "Operational Procedures for Determination and Payment of Employee Salary" and the "Rules for Internal Audit on the Operational Procedures for the Employee Salary".	Approved with no objection from all directors and independent directors.
		9. Ratification of Amendments in 2025 of Regulations and Procedures on Operations for the Company.	Approved with no objection from all directors and independent directors.
		10. Ratification of Amendments in 2025 of Regulations and Procedures on Operations for "Chin-Poon (Changshu) Electronics Co., Ltd.", the Company's subsidiary.	Approved with no objection from all directors and independent directors.

		11. Renewal of Taishin International Commercial Bank's short-term comprehensive credit line of US\$ 30 million and operation line for derivatives of US\$ 2 million.	Approved with no objection from all directors and independent directors.
		12. Renewal of First Commercial Bank's comprehensive credit line of NT\$ 600 million.	Approved with no objection from all directors and independent directors.
		13. Renewal of loan line for an exporter of US\$ 20 million for the Company by the Taoyuan Branch of the Bank of Taiwan.	Approved with no objection from all directors and independent directors.
		14. Approval of Cathay United Bank's credit line for open account used in export of US\$ 20 million and operation line for financial transactions of US\$ 1 million.	Approved with no objection from all directors and independent directors.
		15. Specific identification as non-funding loans of the Company's major accounts receivable that have exceeded the normal credit period as of September 30, 2025	Approved with no objection from all directors and independent directors.
		16. Approval of the 2026 Annual Audit Plan.	Approved with no objection from all directors and independent directors.
		17. Capital expenditures.	Approved with no objection from all directors and independent directors.
		18. Ratification of the Company's Sale of Equipment to its Subsidiary.	Approved with no objection from all directors and independent directors.
Jan. 23, 2026	First Meeting in 2026	1. Business Plan and Budget for 2026.	Approved with no objection from all directors and independent directors.
		2. Capital expenditures of the Company and its subsidiaries in 2026.	Approved with no objection from all directors and independent directors.
		3. The Company's year-end bonus proposal.	Approved with no objection from all directors and independent directors.
		4. The Company's year-end bonus proposal for the Company's managers and expatriate managers.	Approved with no objection from all directors and independent directors with Mrs. Yu-Chih Tseng-Liu, the Chairperson, abstained from the discussion of this case due to the principle of conflict of interest.

		5. Proposal for Year-end Bonuses for Mrs. Yu-Chih Tseng-Liu as the chairperson.	Approved with no objection from all directors and independent directors.
		6. Amendments of the "Operational Procedures for Pre-approval of Non-assurance Services by CPAs".	Approved with no objection from all directors and independent directors.
		7. Pre-approved list of Non-assurance Services by CPAs of KPMG in 2026.	Approved with no objection from all directors and independent directors.
		8. Appointment and independence assessment of the Company's CPAs for 2026.	Approved with no objection from all directors and independent directors.
		9. Approval of the Company's audit fees in 2026.	Approved with no objection from all directors and independent directors.
		10. Renewal of the short-term credit line of RMB 100 million for Chin-Poon (Changshu) Electronics Co., Ltd. by the Industrial and Commercial Bank of China.	Approved with no objection from all directors and independent directors.
		11. Renewal of the short-term credit line of RMB 200 million for Chin-Poon (Changshu) Electronics Co., Ltd. by the China Construction Bank.	Approved with no objection from all directors and independent directors.
		12. Renewal of the short-term credit line of US\$ 15 million for Chin-Poon (Changshu) Electronics Co., Ltd. by the Agricultural Bank of China.	Approved with no objection from all directors and independent directors.
		13. Ratification of the Sale of Equipment from the Company's Subsidiary to the Company.	Approved with no objection from all directors and independent directors.
Mar. 10, 2026	Second Meeting in 2026	1. Business Report and Financial Statements for 2025.	Approved with no objection from all directors and independent directors.
		2. Proposal for Distribution of 2025 Profits and Retained Earnings.	Approved with no objection from all directors and independent directors.
		3. Statement on Effectiveness of the Design and Implementation of the Internal Control System in 2025.	Approved with no objection from all directors and independent directors.
		4. Specific identification as non-funding loans of the Company's major accounts receivable that have exceeded the normal credit period as of December 31, 2025.	Approved with no objection from all directors and independent directors.

		5. Periodic Review on Definition of non-executive employees in 2025.	Approved with no objection from all directors and independent directors.
		6. 2025 Performance Evaluations of the Board of Directors and its Committees.	Approved with no objection from all directors and independent directors.
		7. Proposal for the Remuneration of Directors of 2025.	Approved with no objection from all directors and independent directors with Mrs. Yu-Chih Tseng-Liu, the Chairperson, and relevant directors abstained from the discussion of this case due to the principle of conflict of interest.
		8. Proposal for the Compensation of Employees of 2025.	Approved with no objection from all directors and independent directors.
		9. Proposal for the Compensation of Top Managers of 2025.	Due to the principle of conflict of interest, the attending top managers abstained from discussion of this case. Approved with no objection from all directors and independent directors.
		10. Matters related to the 2026 Annual Shareholders' Meeting.	Approved with no objection from all directors and independent directors.
		11. Proposal to elect directors at this year's shareholders' meeting in accordance with the law.	Approved with no objection from all directors and independent directors.
		12. Proposal to the shareholders' meeting to release the prohibition from participation in competitive business imposed on newly elected directors on June 24, 2026.	Approved with no objection from all directors and independent directors.
		13. Proposal to approve the list of director candidates (including independent director candidates) for 2026, which has been approved by the Remuneration and Nomination Committee.	Approved with no objection from all directors and independent directors.
		14. Matters related to Acceptance of Shareholders' Proposals.	Approved with no objection from all directors and independent directors.

		15. Matters on period for receiving shareholders' recommendation of director candidates (including independent director candidates), number of candidates to be elected and the location for handling recommendations.	Approved with no objection from all directors and independent directors.
		16. Proposal to nominate Ms. Rachel Lin, the CEO, to take the position of Chief Sustainability Officer concurrently.	Approved with no objection from all directors and independent directors.
		17. Directors Continuing Education Program in 2026.	Approved with no objection from all directors and independent directors.
		18. Directors & Officers Liability Insurance Policy.	Approved with no objection from all directors and independent directors.
		19. Proposal to engage a certified public accountant to conduct an independent assessment on the reasonableness of the price range for repurchasing the Company's share to be transferred to employees.	Approved with no objection from all directors and independent directors.
		20. Proposal of Share Repurchase.	Approved with no objection from all directors and independent directors.
		21. Capital expenditures.	Approved with no objection from all directors and independent directors.

(2) In addition to the above matters, there are other resolutions on which an independent director objects to or expresses reservations and which have been recorded in the board meeting minutes or in a written statement.

Until the annual report was finished, there was no such resolution.

2.3.2.2 Directors' Avoidance of Resolutions with Conflicts of Interest: The Company shall state the name of the directors, the content of the proposals, the reasons for avoidance and the resolutions.

Date	Name	Proposal	Reason of Avoidance	Resolution
Jan. 14, 2025	Tseng-Liu, Yu-Chih	Proposal for Year-end Bonuses for Mrs. Tseng-Liu as the chairperson.	Mrs. Tseng-Liu avoided to participate in the resolution of her own year-end bonus.	Mrs. Tseng-Liu has avoided the resolution because of conflicts of interest. The resolution has been approved with no objection from all directors and independent directors.
Feb. 27, 2025	Huang, Wei-Jin Lin, Pi-Chi Tung, Hsiao-Hung Lai, Hwei-Shan Tseng-Liu, Yu-Chih Chen, Hsiang-Sheng Chen, Shi-Shu Hsu, Sung-Tsai	Proposal for Remuneration of Directors.	Each director avoided to participate in the resolution of his/her own remuneration distribution case.	The directors at the meeting took turns to avoid the discussion of his/her own remuneration due to the principle of avoidance of interest. The resolution has been approved with no objection from all directors and independent directors.
Jan. 23, 2026	Tseng-Liu, Yu-Chih	Proposal for Year-end Bonus for Mrs. Tseng-Liu as the chairperson.	Mrs. Tseng-Liu avoided to participate in the resolution of her own year-end bonus.	Mrs. Tseng-Liu has avoided the resolution because of conflicts of interest. The resolution has been approved with no objection from all directors and independent directors.
Mar. 10, 2026	Huang, Wei-Jin Lin, Pi-Chi Tung, Hsiao-Hung Lai, Hwei-Shan Tseng-Liu, Yu-Chih Chen, Hsiang-Sheng Chen, Shi-Shu Hsu, Sung-Tsai	Proposal for Remuneration of Directors.	Each director avoided to participate in the resolution of his/her own remuneration distribution case.	The directors at the meeting took turns to avoid the discussion of his/her own remuneration due to the principle of avoidance of interest. The resolution has been approved with no objection from all directors and independent directors.

### 2.3.2.3 Performance Evaluations of the Board of Directors

Cycle (Note 1)	Period (Note 2)	Scope (Note 3)	Methods (Note 4)	Evaluation Items (Note 5)	Results
One year	January 1, 2025 to December 31, 2025	the Board as a Whole	Self- Evaluation by the Board	Participation in the operation of the Company, improvement of the quality of the Board of Directors' decision making, composition and structure of the Board of Directors, election and continuing education of the directors, internal control	The self-evaluation by the Board as a whole got an excellent result with high scores on average. There was no specific item which needed to be improved.
		Individual Directors	Self- Evaluation by Directors	Alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, internal control	The self-evaluation by individual directors got an excellent result with high scores on average. There was no specific item which needed to be improved.
		Audit Committee	Self- Evaluation by the Audit Committee	Participation in the operation of the Company, awareness of the duties of the functional committee, improvement of quality of decisions made by the functional committee, composition of the functional committee and election of its members, internal control	The self-evaluation by the audit committee got an excellent result with high scores on average. There was no specific item which needed to be improved.
		Remuneration and Nomination Committee	Self- Evaluation by the Remuneration and Nomination Committee	Participation in the operation of the Company, improvement of the quality of the Board of Directors' decision making, composition and structure of the Board of Directors, election and continuing education of the directors, internal control	The self-evaluation by the Remuneration and Nomination Committee got an excellent result with high scores on average. There was no specific item which needed to be improved.
		Sustainable Development Committee	Self- Evaluation by the Sustainable Development Committee	Participation in the operation of the Company, improvement of the quality of the Board of Directors' decision making, composition and structure of the Board of Directors, election and continuing education of the directors, internal control	The self-evaluation by the Sustainable Development Committee got an excellent result with high scores on average. There was no specific item which needed to be improved.

Note 1: It is to fill in the execution cycle of the board performance evaluation, for example, once a year.

Note 2: It is to fill in the period of the board performance to be evaluated, for example, the performance

of the Board of Directors from January 1, 2025 to December 31, 2025.

Note 3: The scope of the evaluation includes the performance evaluation on the board as a whole, on individual directors and on functional committees.

Note 4: Evaluation methods include the internal evaluation of the board, self-evaluation by individual board members, peer evaluation, and evaluation by appointed external professional institutions, experts, or other appropriate methods.

Note 5: The evaluation includes at least the following items according to the scope:

- (1) Performance evaluation on the board as a whole: at least include participation in the operation of the Company, improvement of the quality of the Board of Directors' decision making, composition and structure of the Board of Directors, election and continuing education of the directors, internal control, etc.
- (2) Performance evaluation on individual directors: at least include alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, internal control, etc.
- (3) Performance evaluation on functional committees: participation in the operation of the Company, awareness of the duties of the functional committee, improvement of quality of decisions made by the functional committee, composition of the functional committee and election of its members, internal control, etc.

#### 2.3.2.4 Objectives of enhancing the functions of the Board of Directors in the current and most recent years (such as establishing an audit committee, improving information transparency, etc.) and its implementation:

In order to further improve the Company's organization for promoting sustainable development, the "Sustainable Development Committee" was established in 2022, which is the top authority on issues of sustainable development. It has been upgraded to become one of the functional committees of the Board of Directors in August 2023. The committee presided by the chairperson who collaborate with a number of senior officers in different functions review the Company's core operating capabilities and formulate medium-term and long-term plans for sustainable development.

In order to enhance risk management, the Company has revised the "Organizational charters of the Sustainable Development Committee" at the Board of Directors meeting in 2023, and established a sub-committee within it, which is one for risk management, to strengthen risk management by put it under supervision of the Board of Directors.

The Company's Remuneration Committee was established on December 25, 2011, and on November 12, 2025, the Company's Board of Directors resolved to expand its functions and change the name of the "Remuneration Committee" to the "Remuneration and Nomination Committee".

### 2.3.3 Operations of the Audit Committee

The Audit Committee of the Company is composed of 3 independent directors. The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its duty to supervise the quality and integrity of the Company in the implementation of relevant accounting, auditing, financial reporting processes and financial controls. The professional qualifications and experience of the members and the reasons for their appointment are as follows:

Member	Professional qualifications and experience
Chen, Hsiang-Sheng	Mr. Chen has more than 40 years of experience in the manufacturing industry and has worked for the Company for more than 20 years. He has long served as our Chief Operation Officer in charge of factory affairs, which were to manage all PCB processes in the Company and to plan the investment in related equipment. Therefore, Mr. Chen 's expertise in PCB manufacturing and PCB market will continues to help us to enhance the Company's operations.
Chen, Shi-Shu	Mr. Chen is a founding member of Kudos & Co., C.P.A.s and has more than 40 to 50 years of experience in the field of accounting. Therefore, Mr. Chen 's expertise in accounting, auditing, tax and corporate governance continues to help us to supervise the Company's operations.
Hsu, Sung-Tsai	Mr. Hsu has more than 30 years of experience in the financial industry and has long served as a manager in Standard Chartered Bank. Therefore, we rely on Mr. Hsu 's expertise in finance, banking and domestic and foreign financial markets to continuously supervise the company's operations.

For the most recent year (2025), the audit committee has held 5 meetings (A) And the attendance of independent directors as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Ratio of Attendance [B/A]	Remarks
Independent Director	Chen, Hsiang-Sheng	5	0	100	
Independent Director	Chen, Shi-Shu	5	0	100	
Independent Director	Hsu, Sung-Tsai	5	0	100	

## 2.3.4 Other Important Information on Operations of the Audit Committee

2.3.4.1 If one of the following circumstances occurs in the audit committee, the date, the period, the content of the proposals, any independent director's dissenting opinion or qualified opinion or the content of their major proposals, the resolutions of the audit committee on them and the Company's response to their opinions shall be specified:

The main tasks of the Audit Committee of the Company include the following matters:

1. Audit of financial statements and formulation of accounting policies and procedures.
2. Internal control system and related policies and procedures.
3. A transaction involving material asset or derivatives trading.
4. A material monetary loan, endorsement, or provision of guarantee.
5. Offering and Issuance of Securities.
6. Financial derivatives trading and cash investment.
7. Regulatory compliance.
8. Issues concerning whether the managers and directors have related person transactions and possible conflicts of interest.
9. Complaint reports
10. Fraud prevention plan and fraud investigation reports
11. Cyber security.
12. Corporate risk management.
13. Assessment on qualification, independence and performance of certified public accountants.
14. Appointment, dismissal or remuneration of certified public accountants
15. Appointment and dismissal of CFO, accounting officer and internal auditing officer.

16. Fulfillment of duties of the audit committee

17. Self-assessment questionnaire on the audit committee performance

The Board of Directors has prepared the Company’s 2025 Business Report, Financial Statement, and proposal for allocation of profits. The CPA firm of KPMG was retained to audit the Company’s Financial Statements. KPMG has completed audit procedures and issued Audit Opinion. The Business Report, Financial Statements, and profit allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee of the Company.

(1) Matters listed in Article 14-5 of Securities Exchange Act: The important resolutions of the audit committee are as follows:

Date	Meeting	Proposal	Resolution and Execution
Jan. 13, 2025	First Meeting in 2025	1. Pre-approved list of Non-assurance Services by CPAs of KPMG in 2025.	Approved with no objection from all directors and independent directors.
		2. Appointment and independence assessment of the Company's CPAs for 2025	Approved with no objection from all directors and independent directors.
		3. Adjustment of the Company's audit fees in 2024 and 2025.	Approved with no objection from all directors and independent directors.
Feb. 27, 2025	Second Meeting in 2025	1. Business Report and Financial Statements for 2024.	Approved with no objection from all directors and independent directors.
		2. Proposal for Distribution of 2024 Profits and Retained Earnings.	Approved with no objection from all directors and independent directors.
		3. Statement on Effectiveness of the Design and Implementation of the Internal Control System in 2024.	Approved with no objection from all directors and independent directors.
		4. Amendment of the “Articles of Incorporation”.	Approved with no objection from all directors and independent directors.
		5. Definition of non-executive employees and the conditions and execution authorization for the payment of compensation for non-executive employees in the Article 25 of the Articles of Association.	Approved with no objection from all directors and independent directors.

		6. Specific identification as non-funding loans of the Company's major accounts receivable that have exceeded the normal credit period as of December 31, 2024	Approved with no objection from all directors and independent directors.
		7. Revision of internal control and internal regulations related to cyber security.	Approved with no objection from all directors and independent directors.
		8. Revision of internal control and internal regulations related to HR.	Approved with no objection from all directors and independent directors.
May 13, 2025	Third Meeting in 2025	1. Consolidated financial statements for the first quarter of 2025.	Approved with no objection from all directors and independent directors.
		2. Amendment of the "Articles of Incorporation".	Approved with no objection from all directors and independent directors.
		3. Loan Renewal of US\$ 9 Million for Chin-Poon (Changshu) Electronics Co., Ltd. by Chin-Poon Holdings Cayman Limited.	Approved with no objection from all directors and independent directors.
		4. Shareholder Loan Application of US\$ 8 Million to the Company by Chin Poon Electronics (Thailand) Public Co., Ltd.	Approved with no objection from all directors and independent directors.
		5. Amendment of the "Operational Procedures for Share Repurchase and Transfer of those Share to its Employees".	Approved with no objection from all directors and independent directors.
		6. Establishments of the "Operating Procedures for Sustainable Information Management " for Chin Poon Electronics (Thailand) Public Co., Ltd.	Approved with no objection from all directors and independent directors.
		7. Establishments of the "Operating Procedures for Sustainable Information Management " for Chin-Poon (Changshu) Electronics Co., Ltd.	Approved with no objection from all directors and independent directors.
		8. Amendments of Internal Control and of Internal Regulation.	Approved with no objection from all directors and independent directors.
Aug. 12, 2025	Fourth Meeting in 2025	1. Consolidated financial statements for the second quarter of 2025.	Approved with no objection from all directors and independent directors.
		2. Loan Renewal of US\$ 15 Million for Chin-Poon (Changshu)	Approved with no objection from all directors and independent directors.

		Electronics Co., Ltd. by Chin-Poon Holdings Cayman Limited.	
		3. Specific identification as non-funding loans of the Company's major accounts receivable that have exceeded the normal credit period as of June 30, 2025	Approved with no objection from all directors and independent directors.
		4. Amendment of the "Operational Procedures for Acquisition and Disposal of Assets" for the Company.	Approved with no objection from all directors and independent directors.
		5. Amendment of the "Operational Procedures for Acquisition and Disposal of Assets" for the Company's subsidiaries.	Approved with no objection from all directors and independent directors.
		6. Replacement of Principal Accounting Officer.	Approved with no objection from all directors and independent directors.
Nov. 12, 2025	Fifth Meeting in 2025	1. Consolidated financial statements for the third quarter of 2025.	Approved with no objection from all directors and independent directors.
		2. Establishments of Internal Control and of Internal Regulation for Suzhou Haokang Import & Export Co., Ltd.	Approved with no objection from all directors and independent directors.
		3. Renaming of "Remuneration Committee" to "Remuneration and Nomination Committee" and amendments of the "Organizational Charter of the Remuneration and Nomination Committee" (and its attachments and forms), the "Operational Procedures for the Remuneration and Nomination Committee" and the "Rules for Internal Audit on the Operational Procedures for the Remuneration and Nomination Committee".	Approved with no objection from all directors and independent directors.
		4. Amendments of the "Operational Procedures for the Preparation and Verification of Sustainability Reports".	Approved with no objection from all directors and independent directors.
		5. Amendments of the "Operational Procedures for Determination and Payment of Employee Salary" and the "Rules for Internal Audit	Approved with no objection from all directors and independent directors.

		on the Operational Procedures for the Employee Salary".	
		6. Ratification of Amendments in 2025 of Regulations and Procedures on Operations for the Company.	Approved with no objection from all directors and independent directors.
		7. Ratification of Amendments in 2025 of Regulations and Procedures on Operations for "Chin-Poon (Changshu) Electronics Co., Ltd.", the Company's subsidiary.	Approved with no objection from all directors and independent directors.
		8. Specific identification as non-funding loans of the Company's major accounts receivable that have exceeded the normal credit period as of September 30, 2025	Approved with no objection from all directors and independent directors.
		9. Approval of the 2026 Annual Audit Plan.	Approved with no objection from all directors and independent directors.
Jan. 22, 2026	First Meeting in 2026	1. Amendments of the "Operational Procedures for Pre-approval of Non-assurance Services by CPAs".	Approved with no objection from all directors and independent directors.
		2. Pre-approved list of Non-assurance Services by CPAs of KPMG in 2026.	Approved with no objection from all directors and independent directors.
		3. Appointment and independence assessment of the Company's CPAs for 2026.	Approved with no objection from all directors and independent directors.
		4. Approval of the Company's audit fees in 2026.	Approved with no objection from all directors and independent directors.
Mar. 10, 2026	Second Meeting in 2026	1. Business Report and Financial Statements for 2025.	Approved with no objection from all directors and independent directors.
		2. Proposal for Distribution of 2025 Profits and Retained Earnings.	Approved with no objection from all directors and independent directors.
		3. Statement on Effectiveness of the Design and Implementation of the Internal Control System in 2025.	Approved with no objection from all directors and independent directors.
		4. Specific identification as non-funding loans of the Company's major accounts receivable that have exceeded the normal credit period as of December 31, 2025.	Approved with no objection from all directors and independent directors.

		5. Periodic Review on Definition of non-executive employees in 2025.	Approved with no objection from all directors and independent directors.
		6. Proposal to engage a certified public accountant to conduct an independent assessment on the reasonableness of the price range for repurchasing the Company's share to be transferred to employees.	Approved with no objection from all directors and independent directors.
		7. Proposal of Share Repurchase.	Approved with no objection from all directors and independent directors.

(2) In addition to the above matters, there are other resolutions which have not been approved by the audit committee, but approve by more than two thirds of the attending directors in the Board of Directors.

There was no such resolution.

2.3.4.2 Independent Directors' Avoidance of Resolutions with Conflicts of Interest: The Company shall state the name of the directors, the content of the proposals, the reasons for avoidance and the resolutions.

There was no such resolution.

2.3.4.3 Communication between independent directors and internal auditing officer and CPAs (including important topics on the Company’s financial and business status, their methods of communication and the results):

(1) Communication Policy between Independent Directors, CPAs and Internal Auditing Officer

- a. At least one separate meeting will be held annually by CPAs and internal auditing officer to discuss completed internal audit reports and external audit opinions, and to communicate any audit deficiencies for the year. Communication opinions will be documented and reported to the Board of Directors.
- b. The internal auditing officer will regularly report to the Audit Committee on the following topics:
  - 1. The annual internal audit plan;
  - 2. The annual professional training plan for audit personnel;
  - 3. Regular reports to the Audit Committee on the execution of internal audit work.
- c. The CPAs will attend at least one meeting of the Audit Committee annually to report the annual audit results.
- d. Irregular meetings for communication: In the event of significant anomalies, or matters that the independent directors, internal auditing officer, and CPAs deem necessary for independent communication, meetings may be held at any time as needed.

(2) Communication between Independent Directors, CPAs and Internal Auditing Officer in 2025

a. Communication between Independent Directors and CPAs in 2025

Date	Meeting of the Audit Committee	Subject	Details
Feb. 27, 2025	Second Meeting of the Audit Committee in 2025	The CPAs communicated with the Company’s independent directors in the meetings of the Audit Committee.	1. Ethics and Independence 2. Auditors' Responsibilities for Auditing Financial Statements 3. Communication on the Quality Management System in the Accounting Firm 4. Types of Audit Opinions and Scope of Review 5. Audit Findings: <ul style="list-style-type: none"> <li>● Matters of Concern</li> </ul>

			<ul style="list-style-type: none"> <li>● Significant Qualitative Aspects of Accounting Practice</li> <li>● Significant Difficulties Encountered During the Auditing</li> <li>● Significant Matters Discussed or Corresponded to with Management</li> <li>● Significant Deficiencies in Internal Controls</li> <li>● Significant Matters Related to the Company's Related Parties</li> <li>● Significant Matters Related to Legal Compliance</li> <li>● Other Significant Matters Related to Overseeing Financial Reporting Processes</li> </ul> <p>6. Important Legal Updates</p> <ul style="list-style-type: none"> <li>● Amendments to the Q&amp;A for Management of Sustainability Information in the "Regulations Governing Establishment of Internal Control Systems by Public Companies"</li> <li>● Amendments to Article 14, Paragraph 6 of the Securities and Exchange Act</li> </ul> <p>Communication results: Independent directors have no further suggestions.</p>
May. 13, 2025	Third Meeting of the Audit Committee in 2025	The CPAs communicated with the Company's independent directors in the meetings of the Audit Committee.	<ol style="list-style-type: none"> <li>1. Ethics and Independence</li> <li>2. Communication on the Quality Management System in the Accounting Firm</li> <li>3. Types of Audit Opinions</li> <li>4. Scope of Review</li> <li>5. Audit Findings: <ul style="list-style-type: none"> <li>● Review Results (including adjustments, discrepancies or undisclosed matters)</li> <li>● Significant Accounting Estimates</li> <li>● Other Significant Special Transactions</li> </ul> </li> <li>6. Listed Company Information Reporting Procedures and Material Information</li> </ol> <p>Communication results: Independent directors have no further suggestions.</p>
Aug 12, 2025	Fourth Meeting of the Audit Committee in 2025	The CPAs communicated with the Company's independent directors in the meetings of the Audit Committee.	<ol style="list-style-type: none"> <li>1. Ethics and Independence</li> <li>2. The Quality Management System in the Accounting Firm</li> <li>3. Auditors' Responsibilities for Auditing Financial Statements</li> <li>4. Types of Audit Opinions and Scope of Review</li> <li>5. Audit Findings: <ul style="list-style-type: none"> <li>● Significant Risks</li> <li>● Significant Qualitative Aspects of Accounting Practice</li> <li>● Significant Difficulties Encountered During the Audit Process</li> <li>● Significant Matters Discussed or Corresponded to with Management</li> <li>● Significant Deficiencies in Internal Controls</li> <li>● Significant Matters Related to the Company's Related Parties</li> <li>● Significant Matters Related to Legal Compliance</li> <li>● Other Significant Matters Related to Overseeing the Financial Reporting Process</li> </ul> </li> <li>6. Annual audit plan</li> <li>7. Important regulatory updates <ul style="list-style-type: none"> <li>● Rules Governing the Preparation and Filing of Sustainability Reports</li> </ul> </li> </ol>

			<ul style="list-style-type: none"> <li>● Information Reporting for Listed Companies</li> </ul> <p>Communication results: Independent directors have no further suggestions.</p>
Nov. 12, 2025	Fifth Meeting of the Audit Committee in 2025	The CPAs communicated with the Company's independent directors in the meetings of the Audit Committee.	<ol style="list-style-type: none"> <li>1. Ethics and Independence</li> <li>2. The Quality Management System in the Accounting Firm</li> <li>3. Responsibilities of personnel in charge of auditing the interim financial statements</li> <li>4. Types of Audit Opinions and Scope of Review</li> <li>5. Audit findings: <ul style="list-style-type: none"> <li>● Significant Risks</li> <li>● Significant Qualitative Aspects of Accounting Practice</li> <li>● Significant Difficulties Encountered During the Audit Process</li> <li>● Significant Matters Discussed or Corresponded to with Management</li> <li>● Significant Deficiencies in Internal Controls</li> <li>● Significant Matters Related to the Company's Related Parties</li> <li>● Significant Matters Related to Legal Compliance</li> <li>● Other Significant Matters Related to Overseeing the Financial Reporting Process</li> </ul> </li> <li>6. Roadmap for Adopting or Aligning with the IFRS Sustainability Disclosure Standards</li> </ol> <p>Communication results: Independent directors have no further suggestions.</p>

b. Communication between Independent Directors and Internal Auditing Officer in 2025

Date	Subject	Details
Feb. 14, 2025	Report on Internal Control Self-Assessment and Declaration for Operations of the Company in 2024.	Report on Internal Control Self-Assessment and Declaration by Each Unit.  Independent directors have no further suggestions.
Apr. 28, 2025	Audit findings on the Company in 2024 and its correction measures.	A follow-up report → All of audit deficiencies have been corrected.  Independent directors have no further suggestions.
Jun. 12, 2025	Summary of audit findings on the subsidiary in China for the period from January to June in 2024.	An audit report with findings of deficiencies.  A follow-up report → All of audit deficiencies have been corrected.  Independent directors have no further suggestions.
Jul. 31, 2025	Summary of audit findings on the subsidiary in China for the period from July to December in 2024.	An audit report with findings of deficiencies.  A follow-up report → All of audit deficiencies have been corrected.  Independent directors have no further suggestions.
Oct. 22, 2025	Annual audit plan for 2026	The 2026 annual audit plan includes 20 projects.  Independent directors have no further suggestions.

c. Communication between Independent Directors, CPAs and Internal Auditing Officer in 2025

Date	Meeting	Attendees	Topics	Results
Mar. 10, 2026	Meeting of the Audit Committee	<ul style="list-style-type: none"> <li>● Chen, Hsiang-Sheng, Independent Director</li> <li>● Chen, Shi-Shu, Independent Director</li> <li>● Hsu, Sung-Tsai, Independent Director</li> <li>● Stanley Wu, CPA</li> <li>● Candy Sung, Internal Auditing Officer</li> </ul>	<ul style="list-style-type: none"> <li>● Overview of the self-assessment of the internal control system in 2025.</li> <li>● Statement of Internal Control System</li> </ul>	No further suggestions.

## 2.3.5 Information on Operations of the Sustainable Development Committee

### 2.3.5.1 Sustainable Development Committee

The Company established the "Sustainable Development Committee" under the Board of Directors in August 2023. The Sustainable Development Committee is composed of five directors, including three independent directors. The term of office for this committee is from August 10, 2023 to June 26, 2026. The list of the members of the Sustainable Development Committee and their professional qualifications and experience are as follows:

Title	Name	Professional knowledge and ability on sustainable development	Attendance in Person in 2025	No Attendance or Attendance by Proxy	Ratio of Attendance
Chairperson	Tseng-Liu, Yu-Chih	Energy-saving and carbon reduction technology and energy management practice	4	0	100%
Director	Huang, Wei-Jin	Employee rights protection	4	0	100%
Independent Director	Chen, Hsiang-Sheng	Energy management practice and environmental engineering technology	4	0	100%
Independent Director	Chen, Shi-Shu	Human rights protection and employee rights protection	4	0	100%
Independent Director	Hsu, Sung-Tsai	Community support and community culture	4	0	100%

The main responsibilities of the Sustainable Development Committee include the following:

- (1) Formulate, promote and strengthen the Company's sustainable development policy, annual plans and strategies.
- (2) Review and track the implementation and effectiveness of sustainable development policy and plan.
- (3) Supervise the disclosure of sustainable information and review the sustainability report.
- (4) Supervise the implementation of the Company's affairs of sustainable development or other sustainable development-related work approved by the board of directors.

In accordance with the Company's "Organizational Charters of the Sustainable Development Committee", the committee will be held at least once a year to report to the board of directors on the implementation results

of the current year and the implementation plan for the next year. The Committee held four meetings in 2025. The meeting dates and related proposals are detailed in the table below.

Date	Meeting	Proposal	Resolution and Execution
Jan. 13, 2025	First Meeting in 2025	Annual report on risk management	The members of the Committee listened to the relevant reports and put forward supervisory opinions.
May 13, 2025	Second Meeting in 2025	Annual management report on all topics of sustainability in 2025	The members of the Committee listened to the relevant reports and put forward supervisory opinions.
		Annual report on the Identification and management of material topics of sustainability in 2025	After the chairperson consulted with all the members of the Committee, they unanimously agreed to submit the sustainability report to the board of directors for approval.
Aug. 12, 2025	Third Meeting in 2025	Progress report on greenhouse gas inventory and verification	The members of the Committee listened to the relevant reports and put forward supervisory opinions.
		Review of the 2024 Sustainability Report	After the chairperson consulted with all the members of the Committee, they unanimously agreed to submit the sustainability report to the board of directors for approval.
Nov. 12, 2025	fourth Meeting in 2025	Progress report on greenhouse gas inventory and verification	The members of the Committee listened to the relevant reports and put forward supervisory opinions.
		Status of implementation for enhancing sustainable development in 2025	The members of the Committee listened to the relevant reports and put forward supervisory opinions.
		Work plan for enhancing sustainable development for 2026	The members of the Committee listened to the relevant reports and put forward supervisory opinions.

The Board of Directors has listened to the report of the sustainable development committee. In response to the material topics of sustainable development, the corresponding action plans, the goals and policies of sustainable development, the implementation of sustainable issues, etc., which are proposed by the sustainable development committee, the Board of Directors has reviewed the probability of success for these strategies. The progress of their implementation is also frequently reviewed in the follow-up, and the management team is urged to make adjustments when necessary.

### 2.3.5.2 The dedicated units for sustainable development

The "Sustainable Development Committee" is the Company's top authority on sustainability. The Company's chairperson serves as the chairman of this committee, who works with independent directors and several senior executives in different fields. They review the Company's core operating capabilities and formulate short-term and long-term sustainable development plans. The implementation of the plans is carried out by the dedicated sustainable development units.

On March 10, 2026, the Board of Directors appointed the CEO as the Chief Sustainability Officer, who integrates the Chief Corporate Governance Officer, the CEO's office and all operating units into the dedicated units to promote sustainable development policies, and assists the "Sustainable Development Committee" to serve as a cross-departmental communication platform integrating a variety of different departments vertically and horizontally. Through regular meetings and task groups responsible for different issues, we identify the sustainable issues related to the Company's operations and its stakeholders, formulate corresponding strategies and work guidelines, compile each organization's budgets for sustainable development, plan and implement annual projects and track the implementation results to ensure that the sustainable development strategy is fully implemented in the Company's daily operations, so that the departments of human resources, general administration, procurement, equipment and utilities, factory management and other units implement sustainability-related works such as risk management, corporate social responsibility, and climate change adaptation in their practical affairs under their scope of duties and responsibilities.

The dedicated units also conduct risk assessments on ESG of the Company's operations based on the principle of materiality, and then identify material topics of sustainable development that require attention, and formulate action plans in response to those topics to manage their risks related to environmental, social or corporate governance issues. For details on the Company's material topics of sustainable development, please refer to the Company's sustainability report.

When the Sustainable Development Committee convenes, the dedicated units will also attend and report. In 2025, a total of 4 Sustainable

Development Committee meetings were attended by them.

If there are special cases, the Board of Directors will authorize senior management to handle the case and report the handling results to the Board of Directors.

- Specific Sustainable Development Promotion Plan and Implementation Results

In addition to the implementation plans of sustainable development, which are related to the Company's main business (please refer to “2.3.10 Fulfillment of Social Responsibility”), there are some other specific promotion plans of sustainable development as follows:

Major categories	Specific plans	Implementation results
Industry-university cooperation	Internship program	In 2025, there were 1 interns from 1 universities.
Sheltered factories	Direct procurement	The purchase amount reached NT\$ 626,000.
	Provide venues to help them to sell their products to our employees	In 2025, the shelter factory sales events were arranged 16 times, with an amount of NT\$ 188,000.
Social support	Blood donation activities	In 2025, the blood donation vehicle was arranged to the factory twice.
	Donate to disadvantaged groups	Donated to disadvantaged groups, such as Private Pade Institute and Lohas Orphanage, etc., with a total of NT\$ 115,000.
	Charitable donations	In 2025, the number of events reached 2 times, and the number of people helped exceeded 563, with an amount of NT\$ 158,000.
Environmental protection	Mountain and sea clean-up activities	In 2025, the number of activities reached 2 times.
	Community clean-up activities	In 2025, the number of activities reached 6 times.
	Events to promote sustainable concepts	Donated to TCPF to promote sustainable education in 2025
Community culture	Sponsor community cultural events	In 2025, the number of events reached 2 times, and the sponsorship amount reached NT\$ 20,000.
Diverse and Friendly Workplace	Age-Friendly	"Medal of Age-friendly Company" awarded by Taoyuan City Government
	Happy Company	"2025 Happy Company Silver Award" awarded by 1111 Job Bank

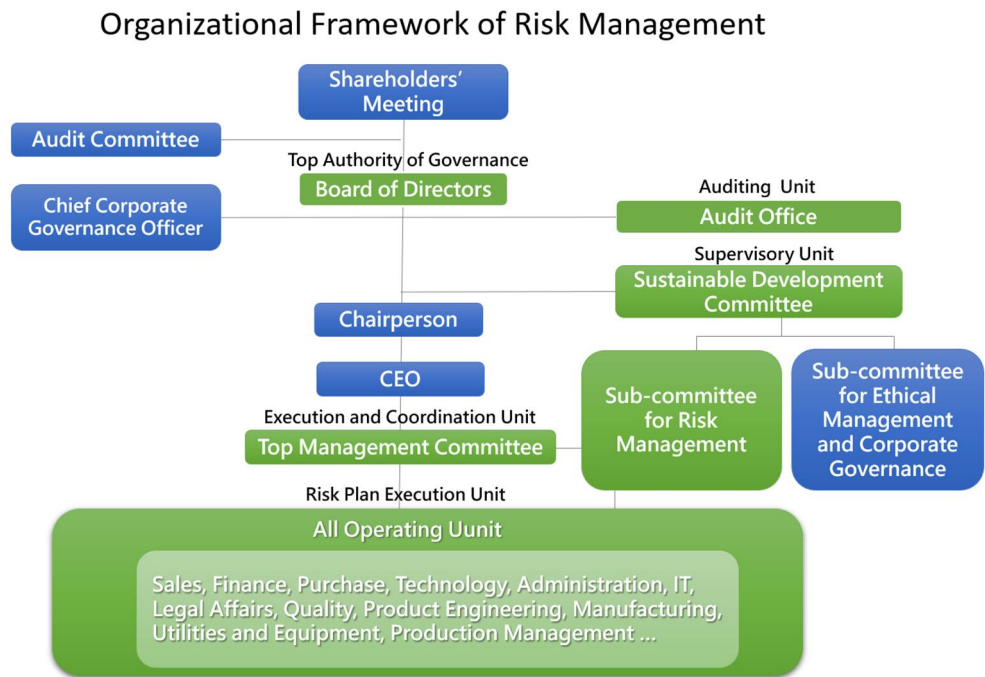


[ Medal of Age-friendly Company awarded by Taoyuan City Government ]

The Company's core values extend to every aspect of the business, including the promotion of employee welfare, mutual assistance to society and the community, and commitment to environmental protection. The Company is committed to promoting environmental protection, international human rights, employee safety and health, and the establishment of a sustainable supply chain. It not only complies with the provisions of relevant domestic and international laws and regulations, but also align with internationally recognized standards. We not only provide a working environment that promotes the well-being of all employees and local communities, but also manage to achieve the Company's mission of taking responsibilities of maintaining environmental and social sustainability.

### 2.3.5.3 The sub-committee for risk management

In order to enhance risk management, the Company has revised the "Organizational charters of the Sustainable Development Committee" at the Board of Directors meeting in 2023, and established a sub-committee within it, which is one for risk management, to strengthen risk management by put it under supervision of the Board of Directors. The organizational structure of risk management is as follows:



The Sub-committee for Risk Management under the Sustainable Development Committee of the Board of Directors consists of five directors, including three independent directors. The list is as follows:

Title	Name
Chairperson	Tseng-Liu, Yu-Chih
Director	Huang, Wei-Jin
Independent Director	Chen, Hsiang-Sheng
Independent Director	Chen, Shi-Shu
Independent Director	Hsu, Sung-Tsai

For risk assessment on various important matters of the Company, there are dedicated units in charge of relevant risk control and risk review, as shown in the following table:

Important Risk Assessment Item	Risk Control Unit (unit in charge of the related affairs) (1st mechanism)	Risk Review and Control (2nd mechanism)	Board of Directors and Audit Office (3rd mechanism)
1. interest rate, exchange rate and financial risks 2. high-risk investments, highly leveraged investments, loans to other parties, derivatives transactions, financial investments	Finance	Top Management	Board of Directors (making decision and being the final controller of risk assessment control)  Audit Office (in charge of inspection, assessment, supervision, improvement tracking, reporting on risks)
3. R&D plan 4. changes of policies and laws 5. technological developments and industrial changes 6. corporate image change 7. investment, securities investment and benefits of mergers and acquisitions	Technology CEO's Staff Office  Plants  Sales  Finance		
8. safety of labors and plants 9. accident prevention and response	Safety & Health  Administration	Top Management	
10. expansion of plants or capacity 11. consolidation of sales or purchases	Plants  Purchase 1, Purchase 2	Top Management	
12. ownership changes of directors and major shareholders 13. managerial control	Stock Affairs, Board of Directors  Stock Affairs, Board of Directors	Top Management	
14. Litigious and non-litigious matters 15. Other Operating Matters	CEO's Staff Office  CEO's Staff Office	Top Management	

In 2023, the Board of Directors approved the Company's "Risk Management Policies and Procedures" in accordance with the "S Risk Management Best Practice Principles for TWSE/TPEX Listed Companies". In the Company's "risk management policies and procedures", it is clearly stated that the Company's highest governance unit for risk management is the Board of Directors, which is responsible for approving risk management policies, procedures and frameworks, for supervising the overall implementation of risk management, and for ensuring the effective implementation of the risk management mechanism. At the same time, a sustainable development committee is established under the Board of Directors as the supervisory unit of the Company's risk management. It is responsible for reviewing risk management policies, procedures and frameworks, for determining risk appetite (risk tolerance), and for regularly reviewing its applicability and efficiency in order to ensure the effective implementation of risk management mechanisms and procedures. The committee shall report the implementation of risk management to the Board of Directors at least once a year.

The Company conducted risk assessment in accordance with the "Risk Management Policies and Procedures". First, we compiled a full list of risk factors and allocated the potential business units in charge of dealing with those risk factors. And then we submitted the initial assessment to Top Management Committee to finish the final risk assessment matrix for the Company. After completing the first draft of the risk assessment matrix on October 22, 2025, each member of Top Management Committee reviewed the weights allocated to every specific risk factor again, calculated the final scores for every risk factor and ranked the risk factors by their final scores. The final risk assessment by Top Management Committee was completed and sent to each unit in charge of dealing with them for risk assessment on the level of operation before the end of October. In December, on the annual meeting for year-end review and next year planning, each operation manager was required to conduct risk assessment and countermeasures against the risk factors for each operating unit based on the above risk assessment matrix in addition to reviewing their results for 2025 and setting goals for 2026. On January 23, 2026, top management presented the risk assessment results and responses of 2025 to the Sustainable Development Committee. On January 23, 2026, top management made an implementation report of risk management to the Board of Directors.

At the same time, the Company has always been abiding by the "Regulations Governing Establishment of Internal Control Systems by Public Companies" issued by the Financial Supervisory Commission and internalizing internal

control into the operational procedures of each unit in charge of risk management to carry out risk management in the Company's daily operations. The Audit Office will formulate an annual audit plan based on the latest risk assessment results and legal requirements every year. The plan will be submitted to the Board of Directors for approval before implementation.

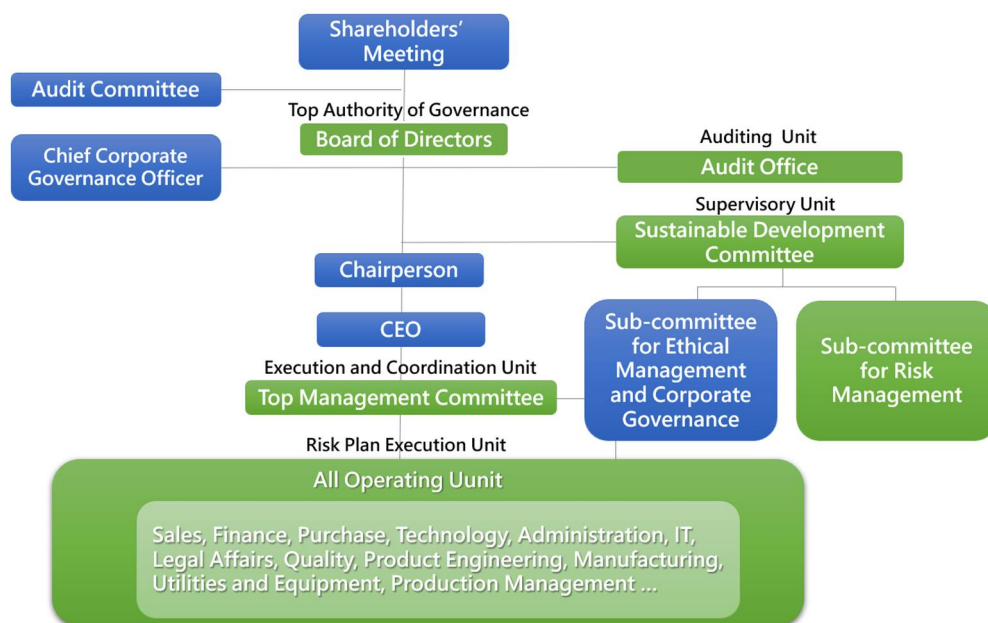
In addition, the Company ensures the suitability and effectiveness of the ISO 9001 quality management system, IATF 16949 automotive industry quality management system, TL 9000 communication electronics industry quality management system, IECQ QC080000 hazardous substance process management system, ISO 14001 environmental management system, ISO 45001 occupational health and safety management system, and ISO27001 information security management system, etc. in order to achieve the Company's established policies and goals. The Company will formulate the procedures of internal audit and management review, and have the certification agencies to audit the implementation of those systems every year in order to maintain the continued effectiveness of the systems.

#### 2.3.5.4 The sub-committee for ethical management and corporate governance

The Company has revised the "Organizational charters of the Sustainable Development Committee" at the Board of Directors meeting in 2023, and established a sub-committee within it, which is one for ethical management and corporate governance, to strengthen ethical management and corporate governance by put it under supervision of the Board of Directors.

Chief corporate governance officer and CEO's Staff Office is responsible for the amendment and implementation of relevant regulations and procedures of the Company, which are approved by the Board of Directors when they are amended. And the internal audit unit reports regularly to the Board of Directors on its plans to prevent unethical conduct and oversee its implementation at least once a year.

## Organizational Framework of Ethical Management



The Sub-committee for ethical management and corporate governance under the Sustainable Development Committee of the Board of Directors consists of five directors, including three independent directors. The list is as follows:

Title	Name
Chairperson	Tseng-Liu, Yu-Chih
Director	Huang, Wei-Jin
Independent Director	Chen, Hsiang-Sheng
Independent Director	Chen, Shi-Shu
Independent Director	Hsu, Sung-Tsai

The Company has formulated the ethical corporate management policy and established "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct". The policies and practices of ethical corporate management has been stated in the regulations and annual reports. And the board and senior management have demonstrated their commitment to actively implement the ethical corporate management policy as well.

The Company expressly prohibits the provision or acceptance of improper benefits and related measures for their violations in its internal regulations and operational procedures. And the Company reviews their adequacy and effectiveness on a regular basis. The Company has clearly defined in its internal regulations that "the Company and its directors, managers, employees and substantial controllers shall not directly, or indirectly, provide,

promise, request or accept any form of illegitimate interests in the execution of business, which include commissions, rebates, facilitating payment or other improper benefits through other means provided to or received from customers, agents, contractors, suppliers, public officials or other interested parties." And we have been implementing the concepts of employees' integrity and self-discipline in various operational procedures and training programs.

The Company's internal regulations and operational procedures clearly stipulate the terms on avoidance of conflict of interest. When employees encounter conflicts of interest in the execution of their business, they should report to their immediate supervisor.

Before the Company signs a contract with other parties, it will conduct a credit review and will ask the other party to sign Supplier Honesty and Integrity Agreement.

The accounting system of the Company is based on Company Act, Securities Exchange Act, Business Entity Accounting Act, Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards and relevant laws and regulations, and take into consideration the Company's characteristics of business, organization and actual needs. The internal control system has been formulated according to " Regulations Governing Establishment of Internal Control Systems by Public Companies " and has been implemented. The Audit Office also regularly reviews the compliance of the accounting system and the internal control system, and tracks its corrections, and reports to the Board of Directors on a regular basis.

The Company has stipulated a whistleblower and discipline system in its internal regulations and operational procedures, and has been educating employees to use it through the education and training programs. The Company has separately established the "Operational Procedures for Handling Opinions, Complaints and Whistleblowing" to standardize the standard procedures of investigation and related confidentiality mechanisms for accepting whistleblowing reports, so as to establish a convenient whistleblowing channel and protect the rights and interests of whistleblowers. The Company will not only take appropriate measures to protect whistleblowers from being improperly treated due to their reporting, but will also conduct careful and confidential investigations to protect the people who have been reported for fraud from being improperly or incorrectly accused.

The Company has added the education and training program on ethical corporate management in regular education and training for all levels of managers.

The Company has disclosed internal regulations and operational procedures on the Company's website. The Company has set up a stakeholders' area on the Company's website and on the "Market Observation Post System", which is Taiwan official disclosure website for all listed companies. And we have been responding appropriately to stakeholders' concern and important issues of ethical corporate management.

- Implementation of the ethical management policy in 2025

1. Signing of the "Declaration on Potential Conflict of Interest"

In performing This Company's business, the personnel of This Company shall avoid any situation that may create a conflict between their personal interests and This Company's interests. If he or she identifies a conflict of interest or a situation that may result in direct or indirect benefit to himself or herself, his or her relatives, or those with whom he or she has an interest, or an appearance that may constitute a conflict of interest, he or she shall take the initiative to report it to the Chief Corporate Governance Officer and immediate supervisors in the form of the "Declaration on Potential Conflict of Interest". As of the end of 2025, the total number of signatories is 593, accounting for 100% of the personnel above the section chief.

2. Status of Signing the Integrity Declaration

To enhance new employees' awareness of integrity in performing their duties, in addition to including courses on ethical management in the orientation training, new employees are required to sign an "Integrity Declaration." This declaration states that, while performing their duties at the Company, they will never directly or indirectly provide, receive, promise, or demand any improper benefits, or engage in any other conduct that violates integrity, is illegal, or breaches their fiduciary duties. In 2025, 122 new domestic employees signed the Integrity Declaration.

### 3. Monthly Declaration of Received Benefits

Starting from December 2022, each department will report the "Declaration of Received Benefits" to the chief corporate governance officer.

When any personnel of This Company are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 of the Company's "Procedures for Ethical Management and Guidelines for Conduct", the matter shall be handled in accordance with the following procedures:

- (1) Any benefit valued at less than NT\$5,000 shall be reported to the immediate supervisor, who shall decide how to handle the property. However, this does not apply if the benefit received due to engagement, marriage, maternity, relocation, assumption of a position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or relatives does not exceed NT\$5,000.
- (2) If the market value of any received benefit exceeds NT\$5,000, the benefit shall be returned or rejected and reported to the immediate supervisor.
- (3) The head of each department shall report its list of the received benefits on the monthly basis to the Chief Corporate Governance Officer by the close of the first business day of the following month.

### 4. Education and Training Course on Ethical Management

- Course Content:  
Education and Training Course on Promotion of Corporate Responsibility and Prevention of Insider Trading
- Lecturer:  
Internal company instructors
- Lecture Format:  
Physical and Online Classes.
- Class Date:  
From January to December in 2025.
- Hours: 30 minutes ~1 hour.
- Participants: Managers, Section Chief (inclusive) and above, and

personnel from Purchase, Outsourcing, Manufacturing, Engineering, Equipment, Maintenance, It, Technology, Sales, Finance, Administration and all plants, and new employees.

- Number of participants: 2,032 in total.

### 2.3.6 The Differences between the Company’s Implementation and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and their Reasons

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
1. Does the Company follow “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” to establish and disclose its code of practice for corporate governance?	V		The Company has established a code of practice for corporate governance and has been disclosed on the Company’s website.	No difference.
2. Shareholding Composition & Shareholders’ Rights (1) Does the Company have internal operational procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters and have these procedures being implemented accordingly?  (2) Does the Company possess a list of major shareholders and beneficial owners of these major shareholders?  (3) Has the Company built and executed a risk management system and firewall mechanism between the Company and its affiliates?	V		(1) The Company has a corporate governance supervisor, who is responsible for the stock affairs and has stipulated its operational procedures to handle the matters on shareholders' suggestions, concerns, disputes and litigation matters. At the same time, the Company has appointed a professional stock service agency and capitalize on its expertise to properly handle such matters. Currently the Company has been dealing with those matters in accordance with the aforementioned procedures.  (2) In addition to the shareholdings held by the directors, the Company is mainly held by institutional investors. At present, the Company has a list of major shareholders and beneficial owners of these major shareholders.  (3) In order to implement them, the Company has been dealing with those matters in accordance with “Procedures for Transactions between the Company and its Affiliates, Specified Persons and Related Parties”, “Operational Procedures for Acquisition and Disposal of Assets”, “Procedures for Supervising	(1) No difference.  (2) No difference.  (3) No difference.

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
(4) Has the Company established internal rules prohibiting insider trading on undisclosed information?			Subsidiaries”, “Internal Control System” and “Internal Audit System” and related laws and regulations. (4) The Company has established “Rules on Prohibiting Insider Trading” to prevent insiders from trading securities on undisclosed information.	(4) No difference °
3. Composition and Responsibilities of the Board of Directors	V			
(1) Has the Company established a diversification policy and set its specific target and had it implemented accordingly?			(1) In order to have a comprehensive view, the Board of Directors has different expertise and gender, and has implemented this diversification policy. Please refer to 2.1.3.1 for the details.	(1) No difference.
(2) In addition to the Remuneration and Nomination Committee and the Audit Committee which are required by law, is the Company planning to set up other committees to facilitate the Board of Directors?			(2) The Company’s Remuneration Committee was established on December 25, 2011, and on November 12, 2025, the Company’s Board of Directors resolved to expand its functions and change the name of the “Remuneration Committee” to the “Remuneration and Nomination Committee”. The 2017 shareholders' meeting has established an audit committee. The sustainable development committee was established in August 2023.	(2) No difference.
(3) Has the Company established methodology for evaluating the performance of its Board of Directors and assessed its performance on an annual basis accordingly and reported the results of the performance evaluations to the Board of Directors and apply them to the remuneration of individual directors and the reference for nomination of next term?			(3) The Company has implemented the performance evaluation of the Board of Directors since 2020.	(3) No difference.
(4) Does the Company regularly evaluate its			(4) The Company has been assessing the independence	(4) No difference.

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
CPAs' independence?			of CPAs every year.	
4. Has the Company been staffed with suitable and appropriate number of corporate governance personnel and appointed chief corporate governance officer in charge of corporate governance affairs (including but not limited to providing information required for directors and supervisors to execute their duties, assisting directors and supervisors to comply with laws and regulations, handling matters relating to board meetings and shareholders' meetings in accordance with laws and regulations, and making minutes of board meetings and shareholders' meetings, etc.)?	V		The Company has appointed chief corporate governance officer who is assisted by personnel from of CEO's Staff Office and form Stock Affairs. Their job includes but not limits providing information required for directors and supervisors to execute their business, assisting directors and supervisors to comply with laws and regulations, handling matters relating to board meetings and shareholders' meetings in accordance with laws and regulations, and making minutes of board meetings and shareholders' meetings, etc. The appointment of chief corporate governance officer is also being planned.	No difference.
5. Has the Company established communication channels with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a Stakeholders Section on its company website? Does the Company respond to stakeholders' concerns on important issues of corporate social responsibility?	V		The Company has established communication channels with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a Stakeholders Section on its company website, in which the "Questionnaire of Stakeholders Concerns" is available for Stakeholders to express their opinions and concerns. The Company also respond to stakeholders' concerns on important issues of corporate social responsibility appropriately.	No difference.
6. Has the Company appointed a professional stock service agency for handling its shareholders' meetings?	V		The Company has appointed a professional stock service agency for handling its Shareholders 'Meetings	No difference.
7. Information Disclosure (1) Has the Company established a corporate	V		(1) The Company has been released various financial and	(1) No difference.

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
<p>website to disclose information regarding its financials, business and corporate governance status?</p> <p>(2) Does the Company use other channels of information disclosure (e.g. maintaining an English website, designating a dedicated staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?</p> <p>(3) Does the Company announce its annual financial statements within two months after the end of the fiscal year, and announce its financial statements for the first, second and third quarters and its monthly revenue well in advance of the required deadline?</p>			<p>business information on the “Market Observation Post System”, which is Taiwan official disclosure website for all listed companies in accordance with laws and regulations regularly and irregularly. The website of the Company is www.chinpoon.com.</p> <p>(2) Yes. The Company has a dedicated staff responsible for information collection and disclosure. Our website is established in three languages which are Chinese, English and Japanese. The spokesperson also communicates with institutional investors and individual investors on the business and operation of the Company on a regular basis.</p> <p>(3) Since 2024, the annual financial statements have been announced and submitted within two months after the end of the fiscal year. And the first, second and third quarter financial reports and the operating revenue of each month have been announced and submitted in advance before the prescribed deadline as well.</p>	<p>(2) No difference.</p> <p>(3) No difference.</p>
<p>8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholders’ rights, directors’ continuous education and training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing liability insurance policy for</p>	V		<ul style="list-style-type: none"> <li>● The Company has established a continuous education and training system for directors and has implemented it.</li> <li>● When the Board of Directors was held, most of the directors attended.</li> <li>● The Company has established “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”. The Company also revised the "Organizational Charters of the Sustainable Development Committee" at the Board of Directors meeting on August 10, 2023, and established a sub-</li> </ul>	No difference.

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
directors and supervisors)?			<p>committee within it, which is one for ethical management and corporate governance, to enhance the promotion of corporate governance. Please refer to “2.3.5.4 The sub-committee for ethical management and corporate governance”.</p> <ul style="list-style-type: none"> <li>● All departments of the Company have established their risk management policies and implemented them and have been improving their practice. In order to enhance risk management, the Company has revised the "Organizational charters of the Sustainable Development Committee" at the Board of Directors meeting in 2023, and established a sub-committee within it, which is one for risk management, to strengthen risk management by put it under supervision of the Board of Directors. Please refer to “2.3.5.3 The sub-committee for risk management”.</li> <li>● There are few resolutions of the Company’s Board of Directors which have conflicts of interest. If there is, the directors who have conflicts of interest will avoid voting in those resolutions. Please refer to “2.3.2.2 Directors’ Avoidance of Resolutions with Conflicts of Interest”.</li> <li>● The directors of the Company have directors liability insurance.</li> </ul>	
<p>9. Please indicate the improvement for the result of Corporate Governance Evaluation announced by the Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd. in the recent year, and propose priorities and measures for those who have not yet improved.</p> <ul style="list-style-type: none"> <li>● In 2025, improvements will be made in aspects such as the disclosure of individual directors' remuneration and the holding of at least two investors conference.</li> </ul>				

### 2.3.7 Continuing Education and Training of Directors in 2025

Title	Name	Date	Education Center	Course	Hours
Independent Director	Chen, Shi-Shu	Jul. 9, 2025	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Lai, Hwei-Shan	Jul. 9, 2025	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Lai, Hwei-Shan	May 16, 2025	Securities and Futures Institute	2025 Seminar on prevention of insider trading	3
Director	Lin, Pi-Chi	Jul. 9, 2025	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Lin, Pi-Chi	May 2, 2025	Securities and Futures Institute	2025 Seminar on prevention of insider trading	3
Independent Director	Hsu, Sung-Tsai	Jul. 9, 2025	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Independent Director	Hsu, Sung-Tsai	May 2, 2025	Securities and Futures Institute	2025 Seminar on prevention of insider trading	3
Director	Tung, Hsiao-Hung	Jul. 9, 2025	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Director	Tung, Hsiao-Hung	May 16, 2025	Securities and Futures Institute	2025 Seminar on prevention of insider trading	3
Chairperson	Tseng-Liu, Yu-Chih	Jul. 31, 2025	Taiwan Stock Exchange	Taiwan's Capital Market Summit	3
Chairperson	Tseng-Liu, Yu-Chih	Jul. 9, 2025	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Independent Director	Chen, Hsiang-Sheng	Aug. 22, 2025	The Chinese National Association of Industry and Commerce, Taiwan	2025 Taishin Net Zero Summit Towards a Low Carbon Future	3
Independent Director	Chen, Hsiang-Sheng	Aug. 20, 2025	Securities and Futures Institute	Series of Courses for Directors, Supervisors, and Corporate Governance Executives - Second Half-Year Operating Strategies and Outlook for Taiwan PMI	3

Title	Name	Date	Education Center	Course	Hours
				Manufacturers Under the Trump Reciprocal Tariff Storm	
Independent Director	Chen, Hsiang-Sheng	May 21, 2025	Taiwan Corporate Governance Association	Seminar on Improving Board of Directors and on Performance Evaluation of Functional Committees	2
Director	Huang, Wei-Jin	Jul. 9, 2025	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6

### 2.3.8 Continuing Education and Training of Manages in 2025

Title	Name	Date	Education Center	Course	Hours
CEO	Rachel Lin	Nov. 3 ~ Nov. 4, 2025	Accounting Research and Development Foundation	Continuing Education Program for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12
Principal Accounting Officer	Margaret Huang	Sep. 25 ~ Sep. 26, 2025	Accounting Research and Development Foundation	Continuing Education Program for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12
		Oct. 29, 2025	Accounting Research and Development Foundation	Workshop on Sustainability Information Preparation and Filing Practices	6
Internal Auditing Officer	Candy Sung	Sep. 2, 2025	Accounting Research and Development Foundation	The latest revision of "Regulations Governing Establishment of Internal Control Systems by Public Companies" and practices of legal compliance on internal audit and internal control related to financial report preparation	6
		Sep. 19, 2025	The Institute of Internal Auditors – Chinese Taiwan	Analysis of Sustainability Reports and Audit Practices for Sustainability Information	6
Chief Corporate Governance Officer	Yu-Chiao Huang	May 2, 2025	Securities and Futures Institute	2025 Seminar on prevention of insider trading	3
		Jul. 9, 2025	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
		Jul. 25, 2025	Securities and Futures Institute	2025 Seminar on prevention of insider trading and Legal Compliance	3

2.3.9 If the Company has established a Remuneration and Nomination Committee, it shall disclose its composition, responsibilities and operation:

The Company's Remuneration Committee was established on December 25, 2011, and on November 12, 2025, the Company's Board of Directors resolved to expand its functions and change the name of the "Remuneration Committee" to the "Remuneration and Nomination Committee".

2.3.9.1 Composition:

The Remuneration and Nomination Committee has three members who have one of the following professional qualifications, and has more than five years of work experience.

- (1) Being a Certified Public Accountant or being a professional or technical specialist who has passed a national examination and been awarded a certificate.
- (2) Having work experience in the areas of commerce, law, finance, accounting, or otherwise necessary for the business of the Company.

Information on the Members of the Remuneration and Nomination Committee

April 26, 2026

Title		Criteria	Professional Qualification & Work Experience	Independence Status (Note 1)	Number of Other Public Companies in Which the Individual is Concurrently Serving as a member of its Remuneration Committee
Name					
Independent Director	Chen, Hsiang-Sheng		National Taiwan Normal University Vice President, Chin-Poon Industrial Co., Ltd.	Compliance (without the case of Note 1)	1
Independent Director	Chen, Shi-Shu		National Chung Hsing University CPA, Kudos & Co., C.P.A.s	Compliance (without the case of Note 1)	0
Independent Director	Hsu, Sung-Tsai		Chinese Culture University Senior Assistant Manager, Standard Chartered Bank (Taiwan) Limited	Compliance (without the case of Note 1)	0

Note 1: The members of the Remuneration and Nomination Committee shall remain their independence status which include but is not limited to whether he or she, his or her spouse or relatives within the second degree of kinship are directors, supervisors or employees of the Company or its affiliates, the number and proportion of the Company's shares held by him or her, his or her

spouse or relatives within the second degree of kinship (or held by the person under others' names), whether they serve as directors, supervisors or employees in a company that has a specific relationship with the Company (refer to the provisions of Article 6, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies), and the amount of remuneration received for the provision of business, legal, financial and accounting services to the Company or its affiliates in the last two years.

#### 2.3.9.2 Responsibility:

The Remuneration and Nomination Committee shall exercise the care of a good administrator in faithfully performing the official powers listed below, and shall submit its recommendations for deliberation by the Board of Directors.

- (1) To prescribe and periodically assess the policy, system, standards, and structure for reviewing the performance of directors, supervisors and managerial officers, and deciding their remuneration and compensation.
- (2) To periodically evaluate and prescribe the remuneration and compensation of directors, supervisors, and managerial officers.
- (3) To find, review and nominate director candidates.

### 2.3.9.3 Information on the Operations of the Remuneration and Nomination Committee

- (1) The Company has three members in the Remuneration and Nomination Committee.
- (2) Term: from June 27, 2023 to June 26, 2026. The Remuneration and Nomination Committee has held 4 meetings (A) for the most recent fiscal year (2025). The attendance records of committee members are as followings:

Title	Name	Attendance in Person	Attendance by Proxy	Ratio of Attendance [B/A]	Remarks
Chairperson	Chen, Hsiang-Sheng	4	0	100	
Member	Chen, Shi-Shu	4	0	100	
Member	Hsu, Sung-Tsai	4	0	100	

#### Other Important Information:

1. If the Board of Directors does not adopt or amend the recommendations of the Remuneration and Nomination Committee, it shall state the date and period of the Board of Directors, the content of the proposal, the resolutions of the Board of Directors and the Company's treatment of the opinions of the Remuneration and Nomination Committee (e.g. if the remuneration and compensation approved by the Board of Directors is better than those proposed by the Remuneration and Nomination Committee, the Company should state the difference and the reasons): None.
2. If members of the Remuneration and Nomination Committee have objections or reservations in the Remuneration and Nomination Committee's resolutions, which have been recorded in the minutes or in a written statement, the Company should state the date and period of the Remuneration and Nomination Committee meetings, the content of the proposals, the opinions of all members and the treatment of members' opinions: None.

### 2.3.9.4 Information on the Meetings of the Remuneration and Nomination Committee

Date	Meeting	Proposal	Resolution and Execution
Jan. 13, 2025	First Meeting in 2025	1. The Company's year-end bonus proposal.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		2. The Company's year-end bonus proposal for the Company's managers and expatriate managers.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		3. Proposal for Year-end Bonuses for Mrs. Yu-Chih Tseng-Liu as the chairperson.	Mrs. Tseng-Liu has recused herself from the discussion of this case due to the principle of conflict of interest. After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
Feb. 27, 2025	Second Meeting in 2025	1. Proposal for the Remuneration of Directors of 2024.	Mrs. Yu-Chih Tseng-Liu, the Chairperson, and relevant directors have recused herself from the discussion of this case due to the principle of conflict of interest. After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		2. Proposal for the Compensation of Employees of 2024.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		3. Proposal for the Compensation of Top Managers of 2024.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
Aug. 12, 2025	Third Meeting in 2025	1. Nomination of New CEO and Top Managers.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		2. Nomination and Qualification Review of New Principal Accounting Officer.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
Nov. 12, 2025	Fourth Meeting in 2025	1. Annual salary increase for senior executives and Internal Auditing Officer.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
Jan. 22, 2026	First Meeting in 2026	1. The Company's year-end bonus proposal.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		2. The Company's year-end bonus proposal for the Company's managers and expatriate managers.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.

		3. Proposal for Year-end Bonuses for Mrs. Yu-Chih Tseng-Liu as the chairperson.	Mrs. Tseng-Liu has recused herself from the discussion of this case due to the principle of conflict of interest. After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
Mar. 10, 2026	Second Meeting in 2026	1. Performance Evaluations of the Board of Directors and its Committees.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		2. Proposal for the Remuneration of Directors of 2024.	Mrs. Yu-Chih Tseng-Liu, the Chairperson, and relevant directors have recused herself from the discussion of this case due to the principle of conflict of interest. After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		3. Proposal for the Compensation of Employees of 2024.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		4. Proposal for the Compensation of Top Managers of 2024.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		5. Proposal to approve the list of director candidates (including independent director candidates) for 2026	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		6. Proposal to nominate Ms. Rachel Lin, the CEO, to take the position of Chief Sustainability Officer concurrently.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.
		7. Directors Continuing Education Program in 2026.	After independent discussion by the members of the Committee, they agreed to submit this case to the Board of Directors for resolution.

### 2.3.9.5 Policy of linkage between performance and remuneration for directors and executives

#### 1. Policy, standards and combination for directors' remuneration

The remuneration of directors of the Company is determined in accordance with Article 22 of the Company's Articles of Association. Their remuneration is determined by the Board of Directors based on the participation and contribution of individual directors and taking into account the industry average level of the year surveyed. In addition, if the Company makes a profit in the year, no more than 3% of the profit shall be allocated as directors' remuneration in accordance with Article 25 of the Company's Articles of Association. Independent directors shall not participate in the profit distribution.

Policy, standards and combination for directors' remuneration:

- (1) Business performance: Business performance accounts for 60% of their remuneration, of which 20% goes to the growth rate of consolidated operating revenue in the year, 20% goes to the growth rate of the profit before tax and 20% goes to the growth rate of the return on equity (ROE).
- (2) Sustainability performance: Sustainability performance accounts for 30% of their remuneration, which refers to the Company's sustainability commitment goals, including green product innovation, low-carbon manufacturing transformation, recycling economy, sustainable procurement and occupational safety and health, etc. in response to the trend of increasing requirements for corporate sustainability by governments and by customers.
- (3) External evaluation: External evaluation accounts for 5% of their remuneration, which refers to the changes in the Company's performance in the Corporate Governance Evaluation System.
- (4) Industrial peer level: Industrial peer level accounts for 5% of their remuneration, which refers to the average remuneration of the same industry surveyed in the current year.

#### 2. Policy, standards and combination for executives' compensation

- (1) Business performance: Business performance accounts for 90% of their compensation, of which 10% goes to the growth rate of

consolidated operating income in the year and 80% goes to the growth rate of profitability (the profitability reference is the “net profit before tax per employee in the business units of which they are in charge”, which are also adjusted according to different weights based on the profit share of their company in the Group).

- (2) Sustainability performance: Sustainability performance accounts for 5% of their compensation, which refers to the Company's sustainability commitment goals, including green product innovation, low-carbon manufacturing transformation, recycling economy, sustainable procurement and occupational safety and health, etc.
- (3) External evaluation: External evaluation accounts for 2.5% of their compensation, which refers to the changes in the Company's performance in the Corporate Governance Evaluation System.
- (4) Industrial peer level: Industrial peer level accounts for 2.5% of their compensation, which refers to the average compensation of the same industry surveyed in the current year.

### 3. Analysis of the proportion of directors' remuneration paid in 2025

Based on the above assessments, the total amount of directors' remuneration decreased slightly by 1.6% compared to last year. The main reason for the slight decline in operating performance was the decrease in the growth rate of operating revenue and pre-tax net profit. However, the achievement rate of sustainable performance improved, resulting in the directors' assessment results remaining the same as last year. We also take into account the remuneration level of peers.

The ratio of directors' remuneration to net income was 2.65%, which is within the range of no more than 3% as stipulated in Article 25 of the Company's Articles of Association.

2.3.10 Fulfillment of Social Responsibility: The Company's systems and measures and implementation of environmental protection, community participation, social contribution, social services, social welfare, consumer rights, human rights, safety and health, and other social responsibility activities.

The Company's core values extend to every aspect of the business, including the promotion of employee welfare, mutual assistance to society and the community, and commitment to environmental protection. The Company is committed to promoting environmental protection, international human rights, employee safety and health, and the establishment of a sustainable supply chain. It not only complies with the relevant domestic laws and regulations, but also aligns with internationally recognized standards. It not only provides a working environment that promotes the well-being of all employees and local communities, but has also managed to achieve the Company's mission of taking responsibilities of environmental and social sustainability.

#### 2.3.10.1 Environmental Protection

##### 2.3.10.1.1 Environmental Management Policies and Systems

- a. The Company complies with the environmental laws and regulations set by the Ministry of Environment (such as the Air Pollution Control Act, the Water Pollution Control Act, the Waste Disposal Act, and the Toxic and Concerned Chemical Substances Control Act, etc.), and has introduced ISO14001 into each plant to establish an environmental management system. We have been paying considerable attention to such significant environmental issues as the pollutions (including air pollution, water pollution and waste), water and electricity consumption and hazardous substances, which have been generated during the production process. We set up dedicated management units and personnel to prevent environmental pollution, which include air pollution, water pollution and waste, and to manage energy consumption efficiently.
  
- b. The Company has obtained ISO14001 environmental management system certification as early as 1998. Our plants in Taiwan, China, and Thailand

have all required ISO14001 certification. The latest certificate validity periods for our plants in Taiwan, China, and Thailand are 2023/12/5~2026/12/4, 2024/2/27~2027/2/26, and 2025/10/21~2028/10/20, respectively.

- c. The Company regularly checks greenhouse gas emissions in accordance with ISO 14064-1 to review the impact on our operations. Based on the results of the greenhouse gas inventory, we will continue to implement carbon reduction measures to effectively reduce the risk of Scope 1 emissions and the indirect emissions of Scope 2 greenhouse gases caused by the use of electricity. In 2023, the greenhouse gas inventory inspection has been completed and verified by a third-party for the first time, and it will continue to be conducted every year. The annual internal audit plan is planned, aiming at the compliance with various relevant environmental laws and regulations, and at auditing each operating process to ensure that they are in accordance with the regulations.

#### 2.3.10.1.2 Energy Management

The Company actively promotes various energy reduction measures, selects equipment with high energy efficiency and energy-saving design, reduces energy consumption for our business and our products, and expands the use of renewable energy to optimize energy efficiency. Our goal is to reduce electricity usage by 25% in 2025 compared to that in 2021. In 2025, the electricity reduction was 7,480 MWh (2.4%), which has not yet been achieved.

In addition, the Company has set the goal of our usage of renewable energy in 2030 and in 2050 as 30% and 100%. In addition, in order to improve the efficiency of renewable energy use year by year, the Company actively installs renewable energy power generation equipment and purchases green electricity, and builds a self-generated and self-used solar power supply on the idle roof space of the expanded factory.

In the green economy that becomes prevalent globally, the Company continues to improve green initiatives and has introduced the ISO 50001 energy management system. Our subsidiary in China has successfully

required the ISO 50001 energy management system certification since April 2023. The current certificate of ISO 50001 is valid from April 27, 2023 to April 26, 2026. The new certificate of ISO 50001 has passed the reassessment and verification in March 2026.

The energy used by the Company is mostly from purchased electricity, which is mainly used in the production processes and plant systems, followed by the consumption of natural gas used in the process of lamination. The other energy purchased are gas used in plants and gasoline and diesel used in passenger vehicles and light trucks. Total energy consumption in 2025 is estimated at approximately 0.0012 billion joules.

Statistics on renewable and non-renewable energy use cover business locations, including the headquarters and plants in Taiwan, the plants in China, and the plants in Thailand. The relevant energy data for the plants in China and in Thailand has been verified by BSI and BV respectively in accordance with ISO 14064-1. the headquarters and plants in Taiwan is expected to complete its ISO 14064-1 verification with AFRON by May 2026. Detailed statistics are shown in the table below:

Category	Item	Consumption in 2024 (GJ)	Consumption in 2025 (GJ)
Direct Energy (A)	Natural gas	9,556,139	54,457.842
	Diesel	2,961.142	5,070.929
	Gasoline	1,030.5	1,262.0
Indirect Energy (B)	Purchased Electricity (Excluding Renewable Energy)	1,220,089.9	1,205,900.2
Non-Renewable Energy (C)	(A) + (B)	1,224,139.6	1,266,694.3
Renewable Energy (F)	Self-generated and Self- consumed (D)	12,423.816	15,738.63
	Purchased (E)	97,840.8	203,766.3
	(D) + (E)	110,264.62	219,504.93
Total Energy (G)	(C) + (F)	1,334,404	1,486,199
Percentage of Renewable Energy (H)	(F) / (G)	8.26%	14.77%

Type	Unit	Plant	2023	2024	2025
Electricity	1,000 kWh	Taoyuan Plant I	16,313.658	18,522.068	17,369.590
		Taoyuan Plant II	111,949.400	110,570.600	109,097.200
		Pingzhen Plant	43,518.935	44,931.677	41,682.723
		Changshu Plant	131,053.988	123,535.596	122,554.116
		Thailand Plant			44,268.640
		Total	302,835.981	297,559.941	334,972.269
Gasoline	1 M <sup>3</sup>	Taoyuan Plant I	4.113	1.343	0.883
		Taoyuan Plant II	0.380	0.392	0.733
		Pingzhen Plant	0	0.000	3.220
		Changshu Plant	18.076	13.704	16.049
		Thailand Plant			17.757
		Total	22.569	15.440	38.642
Diesel	1 M <sup>3</sup>	Taoyuan Plant I	11.362	12.139	4.861
		Taoyuan Plant II	7.336	11.956	57.075
		Pingzhen Plant	30.289	24.745	25.827
		Changshu Plant	29.544	2.523	20.039
		Thailand Plant			36.382
		Total	78.532	51.362	144.277
Natural gas	1,000 M <sup>3</sup>	Taoyuan Plant I	0.000	0.000	0.000
		Taoyuan Plant II	711.847	627.981	669.945
		Pingzhen Plant	157.900	147.873	179.298
		Changshu Plant	522.533	496.750	427.131
		Thailand Plant			169.128
		Total	1,392.280	1272.604	1445.502

The Company has been managing energy saving, implementing energy management, and reducing production costs. Efficiency evaluation will be carried out when the equipment is installed. Irregular inspections of electricity consumption in the plants are carried out and the following energy-saving projects are implemented.

In order to cope with future energy risks, the Company continues to implement energy-saving and power-saving plans to reduce power consumption in the production process. Each plant gradually replaces low-efficiency equipment and lamps, and formulates equipment energy-saving

plans without affecting production efficiency.

● Electricity Consumption Intensity in 2022-2025

Electricity Consumption Intensity						
Resource	Unit	Plant	2022	2023	2024	2025
Electricity Consumption	GWh	Taoyuan Plant I	19,737	16,314	18,522	17,370
		Taoyuan Plant II	118,148	111,949	110,571	109,097
		Pingzhen Plant	46,772	43,519	44,932	41,683
		Changshu Plant	131,644	131,054	123,536	122,554
		Thailand Plant				44,269
Total			316,302	302,836	297,560	334,972
GWh / NT\$ 1,000,000 (Production Value)			20.450	21.777	21.598	21.555
Target for Electricity Consumption Intensity			8%	5%	5%	5%
Performance			7.4%	1.4%	2.2%	2.4%

The plants in Thailand have been added into the statistics since 2025. The overall electricity consumption intensity in 2025 was 21.555 GWh / NT\$ 1,000,000 (Production Value), which was 2.4% lower than that in 2021. Although the target of reducing electricity consumption intensity by 5% has not been achieved, the Company continues to develop a variety of energy-saving projects and sets a 2026 target of reducing the consumption intensity by 5%.

Carbon Dioxide Equivalent Intensity with Electricity Consumption Converted into Carbon Dioxide Equivalent						
Resource	Unit	Plant	2022	2023	2024	2025
Electricity Consumption	CO2e	Taoyuan Plant I	10,046	8,304	9,428	8,233
		Taoyuan Plant II	60,138	56,982	56,280	51,712
		Pingzhen Plant	23,807	22,151	22,870	19,758
		Changshu Plant	67,007	66,706	62,880	58,091
		Thailand Plant				20,983
Total			160,998	154,144	151,458	158,777
Carbon Dioxide Equivalent / NT\$ 1,000,000 (Production Value)			10.4	11.1	11.0	10.2
Target for Electricity Consumption Intensity			8%	5%	5%	5%
Performance			7.4%	1.5%	2.2%	9.1%

The plants in Thailand have been added into the statistics since 2025. In 2025, the overall carbon dioxide equivalent intensity of electricity consumption was 10.2 CO2e / NT\$ 1,000,000 (Production Value), which was 9.1% lower than that in 2021, and has reached the target of reducing by 5%. The Company continues to reduce electricity consumption and expects to achieve the target of reducing by 5% in 2026.

### 2.3.10.1.3 Green electricity usage and energy-saving equipment

#### a. Use of green electricity and related expenditures in 2025

Green Electricity Project	Region		
	Taiwan	China	Thailand
Consumption of solar power generation in the plant area (kwh)	264,929	3,824,397	282,515
Green electricity purchase (kwh)	961,291	55,439,000	-

#### b. Energy-saving equipment investment and energy-saving or carbon reduction estimates in 2025

Plant	Energy-saving equipment project	Quantitative data on energy saving or carbon reduction	
		Energy Saving (KWH)/year	Carbon Reduction (KG)/year
Taoyuan Plant	Project of modifying the dryer in Routers.	88,905	42,141
Taoyuan Plant	Energy saving improvement of aeration blowers in the C2-4 line.	16,416	7,781
Taoyuan Plant	Energy saving improvement of blow-off pressure regulator for drilling machine spindle in the drilling section 2.	19,008	9,041
Taoyuan Plant	Power saving of chilled water main pipe flow adjustment in the air conditioning system of building H.	50,976	24,163
Pingzhen Plant	Fan replacement of the cooling tower (P5- RF) in Plant P5.	31,104	14,743
Pingzhen Plant	Energy saving project for of replacement of the chiller (P5-01) in Plant P5.	1007,076	477,354
Changshu Plant	Energy saving improvement of aeration blowers in the C line of electroplating.	43,716	20,721
Changshu Plant	Energy saving improvement of intelligent control system for chillers in plant S1 and in plant S2-1	1,040,361	493,131
Changshu Plant	Energy saving project for wind pressure regulation and inverter frequency reduction in the plant-wide system for acid and alkali waste gas.	336,467	159,486
Thailand Plant	Replacement of 36W fluorescent tube (T8) with 8W LED (T8) tube.	44,045	20,877

### 2.3.10.1.4 Water Management

Through the improvement of production processes and equipment, the efficiency of water usage is improved and the amount of recycled water is increased, thereby reducing the cost of water usage. The Company's manufacturing sites are mainly located in Taiwan and in China. Taoyuan Plant I, Taoyuan Plant II and Pingzhen Plant are all located in Taoyuan City, Taiwan. The water sources of plants and offices for Changshu Plant I and Changshu Plant II in Changshu, China and Thailand Plant in Thailand are 100% tap water.

The sources of tap water in the Taoyuan City are Danan Water Treatment Plant and Pingzhen Water Treatment Plant. Their water reservoir is in the Shimen Dam. Due to the geographical location and topographical characteristics, there are often problems such as uneven rainfall and reservoir siltation in the area of Shimen Dam, which cause water shortage from time to time. The PCB industry needs large water consumption so that the stability of water resources is very important to its production.

In China, the Changshu plants use tap water from the Third Water Treatment Plant of Changshu Sino French Water Co., LTD. and its water reservoir comes from the upstream of the Yangtze River. In Thailand, the Thailand plants use tap water from the Bangkadi Industrial Park, which originates from the upstream of the Chao Phraya River. Their water sources are sufficient and there are no water supply problems. Our usage does not affect the ecology of the water resource and have no impact on other purposes for the water source as well.

#### ● 2022~2026 Water Source

Plant	Taoyuan Plant I	Taoyuan Plant II	Pingzhen Plant	Changshu Plant	Thailand Plant
Water Source	Danan Water Treatment Plant	Danan Water Treatment Plant	Pingzhen Water Treatment Plant	Changshu Sino French Water Co., LTD.	Bangkadi Industrial Park
Water Reservoir	Shimen Dam	Shimen Dam	Shimen Dam	Yangtze River	Chao Phraya River
Wastewater Plant	Ours	Ours	ORzone Environmental Technology Co., Ltd.	Ours	Ours

The distribution of rainfall in extreme climates around the world is extremely uneven, which is likely to cause regional and seasonal droughts, so that we can no longer ignore the problems of water utilization. We have been improving the usage of water and adopt the practices of "reducing, recycling, and reusing" to enhance the efficiency of water usage.

The Company understands that water is not easy to come by. It should formulate reasonable plans of water consumption for equipment, continuously improve technology to reduce water consumption, enhance water efficiency by effective usage of water and implement water-saving projects to reduce water consumption. It is our responsibility to continuously improve the use of water resources to increase economic benefits and to reduce the impact on the environment.

But on the whole, the total water consumption in our group has not increased significantly in the past three years and its water consumption per unit of revenue has gradually declined. The water consumption intensity by NT\$ 1 million of production value in 2023, 2024 and 2025 were 0.249 ML, 0.236 ML and 0.254 ML respectively. Compared to 2024, that in 2025 remained the same. Although there is no obvious downward trend, the Company still expects to achieve the target of reducing by 5% in 2026.

Due to the requirements of PCB production, the Company needs to use chemical substances in the manufacturing process, which consumes a lot of water. Based on the commitment of environmental conservation and of cherishing water resources, and on the approaches of "reducing, recycling, and reusing", each plant manages to implement a variety of projects to reduce water consumption and to recycle the used water. In order to improve the efficiency of water usage in the plants, water saving projects are mainly divided into three major categories: replacement of equipment in utilities, replacement of equipment in production and optimization of operations.

Water Consumption Intensity						
Resource	Unit	Plant	2022	2023	2024	2025
Water Consumption	1 ML	Taoyuan Plant I	97.4	73	70	65
		Taoyuan Plant II	1373.2	1301	1,270	1,303
		Pingzhen Plant	597.6	527	528	480
		Changshu Plant	1662.1	1559	1,381	1,421
		Thailand Plant				685
Total			3730.3	3460	3249.7	3953.5
ML / NT\$ 1,000,000 (Production Value)			0.241	0.249	0.236	0.254
Target for Water Consumption Intensity			5%	5%	5%	5%
Performance			4%	1%	6%	-1%

Note: The base year is 2021.

In 2025, the overall carbon dioxide equivalent intensity of water consumption was 0.000059 CO<sub>2</sub>e / NT\$ 1,000,000 (Production Value). Due to the inclusion of data from the Thailand plant in 2025, overall water consumption increased, failing to meet the target of reducing water consumption intensity by 5%. The Company continues to improve it and expects to achieve the target of reducing by 5% in 2026.

Carbon Dioxide Equivalent Intensity with Water Consumption Converted into Carbon Dioxide Equivalent						
Resource	Unit	Plant	2022	2023	2024	2025
Water Consumption	CO <sub>2</sub> e	Taoyuan Plant I	0.023	0.017	0.016	0.015
		Taoyuan Plant II	0.320	0.303	0.296	0.304
		Pingzhen Plant	0.139	0.123	0.123	0.112
		Changshu Plant	0.387	0.363	0.322	0.331
		Thailand Plant				0.160
Carbon Dioxide Equivalent / NT\$ 1,000,000 (Production Value)			0.869	0.806	0.757	0.921
Target for Water Consumption Intensity			0.000056	0.000058	0.000055	0.000059
Performance			5%	5%	5%	5%
Carbon Dioxide Equivalent / NT\$ 1,000,000 (Production Value)			4%	1%	6%	-1.1%

Note: The base year is 2021.

### 2.3.10.1.5 Waste Water Management

The waste water from production and from domestic sewage, which are produced by various plants in the Company, are divided into separate pipes and collected separately. After having been properly treated by appropriate waste water treatment and controlled by a series of measurements to meet

the discharging requirements, they will be directly discharged to receiving water or sewage treatment centers in industrial areas according to laws and regulations.

After having been treated by a high-concentration pretreatment system, biological oxidation treatment, chemical coagulation treatment, sand filtration and activated carbon purification, the treated water of our Taoyuan Plant I and Taoyuan Plant II are discharged into Dakeng Creek or Wayao Creek and finally flow into Nankan River. The treated water of our Pingzhen Plant, after having been treated by a high-concentration pretreatment system, biological oxidation treatment and chemical coagulation treatment, are discharged into the sewage treatment center of Pingzhen Industrial Park. Our Changshu plants has a dedicated waste water treatment plant which discharges the treated water to Dawengjiang after having treated them by a high-concentration pre-treatment system, an A2O system, a chemical coagulation system and a tertiary treatment system. Relevant water quality conditions are uploaded to the website of the local environmental protection agency in real time in accordance with the regulations of the local environmental protection agency and are available for public inspection.

In 2025, the volume of the treated water discharged from our plants in Taiwan, in China and in Thailand were around 1.68 million, 1.11 million and 0.59 million tons respectively, accounting for 50%, 33% and 17% of our total discharge. The average wastewater discharge intensity by NT\$ 1 million of production value in 2023, in 2024 and in 2025 are 204.0 m<sup>3</sup>, 195.3 m<sup>3</sup> and 214.8 m<sup>3</sup> respectively. Our Taoyuan Plants and Pingzhen Plant have also cooperated with environmental protection agencies and the sewage treatment center in Pingzhen Industrial Park to implement total discharge control or voluntary discharge reduction to decrease the loading of sewage treatment. In addition to complying with regulations, we have adopted stricter standards to manage copper residue and ammonia nitrogen in the discharged water in order to reduce the pollution and the impact on the receiving water and to achieve the goal of environmental friendliness.

Volume and Intensity of Wastewater Discharge						
Plant	Receiving Water	Unit	2022	2023	2024	2025
Taoyuan Plant I	Wayao Creek	m <sup>3</sup>	94,033	69,158	70,814	63,064
Taoyuan Plant II	Wayao Creek		1,282,016	1,211,281	1,189,809	1,212,204
Pingzhen Plant	Pingzhen Sewage Treatment Center		389,366	421,714	393,663	400,658
Changshu Plants	Dawengjiang		1,189,268	1,135,116	1,036,152	1,114,762
Thailand Plant	Sewage Treatment Center in the Bangkadi Industrial Park					548,049
Total			2,954,683	2,837,269	2,690,438	3,338,737
1,000 m <sup>3</sup> / NT\$ 1 million of Production Value			191.0	204.0	195.3	214.8

Furthermore, in order to confirm the results of waste water treatment, we actively review and improve the waste water pollution prevention and control system in our plants. Currently, the discharge levels of our plants in Taiwan and in China are maintained far better than the required criteria of local regulations.

The following table shows the water quality measured by our plants on a regular basis in 2025. All of them meet the national criteria for the discharged water.

Water Discharge Criteria and Our Plants' Status										
Monitoring Items	Taoyuan Plant I		Taoyuan Plant II		Pingzhen Plants		Changshu Plants		Thailand Plant	
	Criteria	Status	Criteria	Status	Criteria	Status	Criteria	Status	Criteria	Status
Discharge Volume (million tons / year)	0.53	0.06	2.55	1.21	0.65	0.40	2.23	1.11	0.55	0.63
pH	6~9	7.52	6~9	7.38	5~9	7.14	6~9	7.69	5.5~9.0	7.50
Copper (mg/l)	1.5	0.29	1.5	0.72	1.5	0.34	0.3	0.16	≤2.0	1.54
COD (mg/l)	120	29.55	120	47.83	400	100.00	50	29.07	≤750	44.80
BOD (mg/l)	50	9.18	50	10.58	-	NA	-	NA	≤500	26.00
Suspended Solids (mg/l)	50	5.59	50	4.32	100	7.82	30	7.67	≤200	3.30
Ammonia Nitrogen (mg/l)	30	5.22	T2-1: 19 T2-2: 30	6.00	30	20.00	5	4.72	N/A	N/A

The average wastewater discharge in 2025 is within the criteria for all monitoring items required by the government.

● Taoyuan Plant

Plant		T1			Chang-Jung		
Total Discharge (tons)		32,547			30,517		
Items	Unit	Criteria	Average	Total Discharge (tons)	Criteria	Average	Total Discharge (tons)
Water Temperature	°C	20~30	26.68	-	20~30	24.05	-
pH	-	6~9	7.40	-	6~9	7.40	-
Water volume	CMH	-	40.00	-	-	40.00	-
BOD	mg/L	50	21.13	0.69	50	5.47	0.17
COD	mg/L	120	63.65	2.07	120	16.63	0.51
SS	mg/L	50	8.08	0.26	50	3.80	0.12
Fluoride Salt	mg/L	15	0.15	0.00	15	0.15	0.00
Nitrate Nitrogen	mg/L	50	7.46	0.24	50	0.78	0.02
Boron	mg/L	5	0.10	0.00	5	0.03	0.00
Chromium and its Compounds	mg/L	1.5	0.00	0.00	1.5	0.00	0.00
Copper	mg/L	1.5	0.25	0.01	1.5	0.19	0.01
Nickel	mg/L	0.7	0.01	0.00	0.7	0.00	0.00
Zinc	mg/L	3.5	0.98	0.03	3.5	0.10	0.00
Molybdenum	mg/L	0.6	0.03	0.00	0.6	0.03	0.00
Hg	mg/L	0.005	Exemption	0.00	0.005	0.00	0.00
Tin	mg/L	2.0	0.00	0.00	2.0	0.00	0.00
Ammonia Nitrogen	mg/L	75	9.84	0.32	75	1.17	0.04
Hexavalent Chromium	mg/L	0.5	Exemption	0.00	0.5	Exemption	0.00
Cadmium	mg/L	0.03	Exemption	0.00	0.03	Exemption	0.00
Arsenic	mg/L	0.5	Exemption	0.00	1.0	Exemption	0.00
Lead	mg/L	0.5	0.01	0.00	0.5	Exemption	0.00
Cyanide	mg/L	1.0	Exemption	0.00	1.0	Exemption	0.00

Plant		T2-1			T2-2		
Total Discharge (tons)		439,302			773,111		
Items	Unit	Criteria	Average	Total Discharge (tons)	Criteria	Average	Total Discharge (tons)
Water Temperature	°C	20~30	29.35		20~30	29.25	
pH	-	6~9	7.43		6~9	7.38	
Water volume	CMH	-	140.00		-	140.00	
BOD	mg/L	50	13.78	6.05	50	10.25	7.92
COD	mg/L	120	50.00	21.97	120	45.45	35.14
SS	mg/L	50	3.70	1.63	50	5.63	4.36
Fluoride Salt	mg/L	15	0.15	0.07	15	0.15	0.12
Nitrate Nitrogen	mg/L	50	8.70	3.82	50	7.81	6.03
Anionic Surfactant	mg/L	5	0.00	0.00	5	Exemption	0.00
Boron	mg/L	5	0.00	0.00	1.5	0.07	0.05
Chromium and its Compounds	mg/L	1.5	0.00	0.00	1.5	0.00	0.00
Copper	mg/L	0.5	0.01	0.00	0.5	0.00	0.00
Nickel	mg/L	3.5	0.01	0.01	3.5	0.01	0.01
Zinc	mg/L	2.0	0.00	0.00	2.0	0.00	0.02
Molybdenum	mg/L	0.005	0.00	0.00	0.5	0.00	0.00
Hg	mg/L	0.03		0.00	1.0	0.00	0.00
Tin	mg/L	0.5	0.00	0.00	0.03	0.00	0.00
Ammonia Nitrogen	mg/L	19	5.47	2.40	30	6.52	5.04
Hexavalent Chromium	mg/L	0.5	Exemption	0.00	0.5	Exemption	0.00
Cadmium	mg/L	1.5	Exemption	0.00	0.03	0.00	0.00
Arsenic	mg/L	0.5	Exemption	0.00	0.7	0.00	0.00
Lead	mg/L	0.6	0.03	0.01	0.6	0.03	0.02
Cyanide	mg/L	0.005	0.00	0.00	0.005	Exemption	0.00
Manganese	mg/L	-	-	-		Exemption	0.00

● Pingzhen Plant

Plant		P1			P5		
Total Discharge (tons)		48,503			346,294		
Items	Unit	Criteria	Average	Total Discharge (tons)	Criteria	Average	Total Discharge (tons)
Ammonia Nitrogen	mg/L	30	8.06	0.39	30	18.67	6.42
COD	mg/L	400	124.73	6.09	400	126.75	43.6
Ph	-	5~9	7.82	-	5~9	7.31	-
Copper and its Compounds	mg/L	1.5	0.16	0.01	1.5	0.42	0.14
Suspended Solids	mg/L	100	12.15	0.62	100	3.92	2.43

● Changshu Plants

Plant		Changsu		
Total Discharge (tons)		1,114,762		
Items	Unit	Criteria	Average	Total Discharge (tons)
Ammonia Nitrogen	mg/L	25	4.72	4.95
COD	mg/L	100	29.07	31.52
Ph	-	6-9	7.69	-
Copper and its Compounds	mg/L	0.5	0.16	0.17
Suspended Solids	mg/L	70	7.67	8.59
Total Phosphorus	mg/L	1	0.13	0.14
Total Nitrogen	mg/L	35	13	14.13
Formaldehyde	mg/L	2	0.02	0.02
Cyanide	mg/L	0.5	0.0028	0.0032
Nickel and its Compounds	mg/L	0.5	0.03	0.00005
Silver and its Compounds	mg/L	0.3	0.02	0.00005
Tin and its Compounds	mg/L	2	0.0053	0.0052

2.3.10.1.6 Capital Expenditure related to Energy Conservation, Water Conservation and Pollution Prevention

The Company actively implements the ISO 14001 management system and responds to sustainable development requirements. The capital expenditures related to the above items in Taiwan and in China in 2024 were NT\$ 21.26 million and NT\$ 5.75 million respectively, accounting for 2.6% and 4.7% of our total capital expenditure of the Company. Those in Taiwan and in Thailand in 2025 were NT\$ 6.95 million and NT\$ 49.93 million respectively, accounting for 0.9% and 13.8% of our total capital expenditure. The amount of that in 2025 is more than that in 2024. We still continue to look for and focus on new technologies and approaches to optimize the equipment and projects for energy conservation, water conservation and pollution prevention in our plants.

Items	2023		2024		2025		
	Taiwan	China	Taiwan	China	Taiwan	China	Thailand
Total Capital Expenditure (NT\$ in millions)	30,270	9,016	82,614	12,184	75,197	16,753	36,061
Capital Expenditure of Energy Conservation, Water Conservation and Pollution Prevention (NT\$ in millions)	7,847	708	2,126	575	695	-	4,993

Note: Exchange Rate: 1CNY : 4.4NTD ; 1THB : 0.99NTD

### 2.3.10.1.7 Waste management

In order to achieve sustainable resources recycling, the Company's principle of waste treatment is to give priority to reuse in the factories and reducing the use of raw materials. The resources which cannot be reused in the factories will be sent to recycling facilities. In the end, those which cannot be recycled will be treated with incineration or other treatments. We have been managing to actively move towards the goal of green industry. The wastes needed to be cleaned up must be clearly classified first, and then be commissioned to the companies obtaining the waste clearance and disposal permission in accordance with the Waste Disposal Act. All commissioned companies are required to have obtained the waste clearance and disposal permission. Those companies should be under strict selection procedures before the commissions and their performance should be subject to uncompromising audits. Following the correct procedures of clearance and disposal of the wastes, we will file the wastes clearance declaration before their removal, classify them during their removal, and obtain proper disposal documents after their treatment.

The types of industrial waste are divided into two categories: general industrial waste and hazardous industrial waste. Whether it is general industrial waste or hazardous industrial waste, we gradually enhance the recycling methods to reduce the impact on the environment.

Their volume in the past five years is as follows:

Categories		Treatment	2021		2022		2023		2024		2025	
			KG	KG/M <sup>2</sup>	KG	KG/M <sup>2</sup>	KG	KG/M <sup>2</sup>	KG	KG/M <sup>2</sup>	KG	KG/M <sup>2</sup>
Taiwan	General	Incineration & Physical Treatments	3,309,640	2.03	2,926,678	2.09	1,970,341	1.59	2,695,566	2.26	2,567,586	2.14
		Recycling	4,293,658	2.64	3,919,469	2.80	3,502,865	2.83	4,289,993	3.60	4,097,384	3.42
	Hazardous	Incineration & Physical Treatments	1,391,745	0.85	1,049,074	0.75	1,049,074	0.85	106,405	0.09	97,628	0.08
		Chemical Treatments & Stabilization	6,625,450	4.07	4,946,900	3.54	4,946,900	4.00	5,142,102	4.31	5,011,123	4.18
		Recycling	12,330,438	7.57	11,319,003	8.09	10,053,561	8.13	9,763,656	8.18	9,464,312	7.89
China	General	Incineration & Physical Treatments	588,000	0.24	586,000	0.34	676,000	0.42	470,000	0.31	450,000	0.29
		Recycling	2,743,000	1.12	2,185,000	1.29	2,109,000	1.30	2,254,000	1.49	2,278,000	1.47
	Hazardous	Incineration & Physical Treatments	668,000	0.27	644,000	0.38	534,000	0.33	657,000	0.44	622,000	0.40
		Chemical Treatments & Stabilization	-	-	-	-	-	-	-	-	-	-
		Recycling	20,379,000	8.29	16,827,000	9.90	16,654,000	10.23	15,902,000	10.54	16,786,000	10.85
Thailand	General	Incineration & Physical Treatments	-	-	-	-	-	-	-	-	-	-
		Recycling	90,900	0.07	763,500	0.88	341,520	0.49	258,680	0.33	270,160	0.32
	Hazardous	Incineration & Physical Treatments	1,278,530	1.03	804,200	0.93	850,440	1.22	1,315,070	1.68	1,562,890	1.84
		Chemical Treatments & Stabilization	-	-	-	-	-	-	-	-	-	-
		Recycling	3,136,550	2.53	6,839,830	7.90	2,010,330	2.89	2,936,150	3.74	3,557,450	4.19

By increasing the recycling rate of waste, the consumption of raw materials can be reduced, thereby reducing operating costs and environmental impact.

Long-term goals ( 2026 )	Target for 2022	Target achievement	Target for 2023	Target achievement	Target for 2024	Target achievement	Target for 2025	Target achievement
KPI 1: Maintaining the recycling rate of hazardous industrial waste above 90%.	Maintaining the recycling rate of hazardous industrial waste above 90%.	V	Maintaining the recycling rate of hazardous industrial waste above 90%.	V	Maintaining the recycling rate of hazardous industrial waste above 90%.	V	Maintaining the recycling rate of hazardous industrial waste above 90%.	V
KPI 2: Maintaining below 5% the output of general industrial waste that cannot be reused.	Maintaining below 1% the output of general industrial waste that cannot be reused.	V	Maintaining below 2% the output of general industrial waste that cannot be reused.	V	Maintaining below 3% the output of general industrial waste that cannot be reused.	V	Maintaining below 4% the output of general industrial waste that cannot be reused.	V

### 2.3.10.1.8 Air Pollution Management

The air pollutants generated in the production of printed circuit boards mainly include acid waste gas, alkaline waste gas and volatile organic waste gas. In

our results of air pollution management, the total emissions of all pollutants in 2025 decreased compared with 2024, even though the emission of the Thailand plant was included in the statistics for 2025.

The Company has been managing to reduce the air pollutants emitted during production by taking such measures as changing raw materials, increasing the efficiency of collecting air pollutants at the processes of production and properly maintaining equipment for air pollution prevention that the levels of pollutants detected over the years were all lower than the criteria set by the laws and regulations of environmental protection.

In order to reduce more air pollutants emitted by production, in addition to setting up a variety of facilities for air pollution prevention and control, the Company has also actively carried out a lot of projects to improve air pollution prevention. The air pollutants emission intensity by NT\$ 1 million of production value in 2023, in 2024 and in 2025 was 3.10 kg, 3.74 kg and 3.41 kg, which shows a downward trend.

● 2022-2025 Statistics of Air Pollutants Emission

Air Pollutants Emission and its Intensity						
Pollutant	Unit	Plant	2022	2023	2024	2025
Nitrogen oxides	kg	Taoyuan Plant I	0.0	0.0	0.0	0.0
		Taoyuan Plant II	1,053.2	996.7	821.4	907.4
		Pincheng Plant	1,342.1	1,347.1	1,180.7	1,219.0
		Changshu Plant I	1771.0	683.6	164.5	296.2
		Thailand Plant	-	-	-	0.0
	Total	4,166.3	3,027.4	2,166.6	2,422.6	
	kg / NT\$ 1,000,000 (Production Value)	0.27	0.22	0.16	0.18	
Sulfur oxides	kg	Taoyuan Plant I	0.0	0.0	0.0	0.0
		Taoyuan Plant II	0.0	0.0	0.0	0.0
		Pincheng Plant	0.0	0.0	0.0	0.0
		Changshu Plant I	0.0	0.0	0.0	0.0
		Thailand Plant	-	-	-	0.0
	Total	0.0	0.0	0.0	0.0	
	kg / NT\$ 1,000,000 (Production Value)	0.00	0.00	0.00	0.00	
Volatile Organic Compounds	kg	Taoyuan Plant I	22,275.3	19,289.4	20,040.9	18,994.5
		Taoyuan Plant II	12,446.3	9,736.1	7,820.2	9,090.9
		Pincheng Plant	12,861.5	5,112.8	12,601.9	3,746.7
		Changshu Plant I	2950.0	2,026.7	5,610.4	9,085.8
		Thailand Plant	-	-	-	N/A
	Total	50,533.1	36,165.1	46,073.4	40,917.9	
	kg / NT\$ 1,000,000 (Production Value)	3.27	2.60	3.34	2.97	
Suspended Particles	kg	Taoyuan Plant I	5.0	6.2	6.0	6.8
		Taoyuan Plant II	3,076.0	2,742.9	2,267.6	2,730.1
		Pincheng Plant	37.3	37.0	33.6	29.7
		Changshu Plant I	722.1	1,063.8	1,012.7	823.0
		Thailand Plant	-	-	-	0.0
	Total	3,840.3	3,849.9	3,319.9	3,589.5	
	kg / NT\$ 1,000,000 (Production Value)	0.25	0.28	0.24	0.26	

### 2.3.10.1.9 Inventory of Greenhouse Gas Emissions and its Assurance

<p>The Company is</p> <ul style="list-style-type: none"> <li>□ Companies with capital of more than NT\$ 10 billion or Companies in steel industry or cement industry</li> <li>□ Companies with capital of more than NT\$ 5 billion but less than NT\$ 10 billion</li> <li>■ Companies with capital of less than NT\$ 5 billion</li> </ul>	<p>The least requirement according to the sustainable development road map of listed companies:</p> <ul style="list-style-type: none"> <li>■ Inventory only on the parent company</li> <li>□ Assurance only on the parent company</li> <li>□ Inventory on its subsidiaries included in its consolidated financial statements</li> <li>□ Assurance on its subsidiaries included in its consolidated financial statements</li> </ul>
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#### a. Inventory of greenhouse gas emissions

The Company regularly checks greenhouse gas emission in accordance with ISO 14064-1. The boundary range includes plants in Taiwan and in China, with the addition of plants in Thailand in 2025, so as to grasp the overall greenhouse gas emission status and to review and set our yearly goals. Our results of the greenhouse gas inventory for Scope 1 and Scope 2 in 2021 were 197,445.978 tons CO<sub>2</sub>e / year. Our results in 2024 were 160,944.337 tons CO<sub>2</sub>e / year, compared with that in 2021, decreased by 18%. Our results in 2025 were 173,326.194 tons CO<sub>2</sub>e / year, compared with that in 2021, decreased by 10%.

In response to the requirements of the government and customers, Scope 3 will be included in the inventory of greenhouse gas emissions in 2023. The result of the Scope 3 inventory in 2024 was 124,104.598 tons CO<sub>2</sub>e/year, and the total emissions in 2024 was 285,048.935 tons CO<sub>2</sub>e/year. The result of the Scope 3 inventory in 2025 was 145,901.578 tons CO<sub>2</sub>e/year, and the total emissions in 2025 was 319,227.772 tons CO<sub>2</sub>e/year.

Through the collective efforts of all colleagues, the Company's total carbon emissions in Scopes 1 and 2 in 2025 have been reduced by 10% compared with the base year 2021. The greenhouse gas emission intensity (tCO<sub>2</sub>e/NT\$1 million production value) has also decreased from 12.73 in 2021 to 11.20 in 2025, also a decrease of 12.02%. We will continue to implement carbon reduction measures to meet the emission targets expected by our customers and the government.

The scope of inventory is as follows:

Category	Scope	Execution Method
Scope 1 Direct greenhouse gas emission	<ol style="list-style-type: none"> <li>1. Direct emissions from stationary combustion, such as electricity generators, boilers</li> <li>2. Direct emissions from mobile combustion, such as official vehicles, stackers, etc., which consume petrochemical raw materials to produce greenhouse gases.</li> <li>3. Direct fugitive emissions from the release.</li> </ol>	Qualitative and quantitative examination.
Scope 2 Energy indirect greenhouse gas emission	Imported electricity	Qualitative and quantitative inspections.
Scope 3 Other indirect greenhouse gas emission	Employees' commuting, outsourcing, such as: waste removal, air/sea/land transportation contractors, etc.	Its inventory began in 2022.

Greenhouse Gas Emissions

Unit: refer to note 1.

	Region	Taiwan	China	Thailand
2023	Scope 1	4,659.171	2,729.534	
	Emission Intensity	0.58	0.47	
	Scope 2	87,032.283	72,672.389	
	Emission Intensity	10.79	12.45	
	Total of Each Region	91,691.454	75,401.923	
	Emission Intensity	11.36	12.92	
	Scope 1+ Scope 2	167,093.377		
	Emission Intensity	12.016		
	Scope 3 (Upstream)	76,538.449	5,665.034	
	Scope 3 (Downstream)	1,448.181	-	
	Total of Each Region	169,678.083	81,066.957	
	Emission Intensity	9.67	0.97	
Total	250,745.040			
Emission Intensity	18.03			
2024	Scope 1	5,887.0633	3,889.723	
	Emission Intensity	0.74	0.67	
	Scope 2	82,684.692	68,482.860	
	Emission Intensity	10.41	11.74	
	Total of Each Region	88,571.755	72,372.582	
	Emission Intensity	11.15	12.41	
	Scope 1+ Scope 2	160,944.337		
	Emission Intensity	10.40		
	Scope 3 (Upstream)	75,137.818	47,241.040	
	Scope 3 (Downstream)	1,725.741	-	
	Total of Each Region	165,435.313	119,613.622	
	Emission Intensity	20.82	8.10	
Total	285,048.935			
Emission Intensity	18.41			

Region		Taiwan	China	Thailand
2025	Scope 1	5,561.986	1,809.910	665.000
	Emission Intensity	0.70	0.31	0.39
	Scope 2	80,666.931	63,710.367	20,912.000
	Emission Intensity	10.15	10.93	12.28
	Total of Each Region	86,228.917	65,520.277	21,577.000
	Emission Intensity	10.85	11.24	12.67
	Scope 1+ Scope 2	173,326.194		
	Emission Intensity	11.20		
	Scope 3 (Upstream)	3,610.999	6,728.217	-
	Scope 3 (Downstream)	64,729.357	48,879.005	21,954.000
	Total of Each Region	70,115.301	55,607.222	21,954.000
	Emission Intensity	8.60	7.00	2.76
	Total	319,227.772		
	Emission Intensity	23.17		

Note 1: Unit for Greenhouse gas emission: tCO<sub>2</sub>e/year; unit for emission intensity: tCO<sub>2</sub>e/NT\$1 million production value.

Note 2: During the preparation of the annual report, the greenhouse gas inventory in Taiwan has not yet been verified by a third-party.

**b. Assurance on Inventory of greenhouse gas emissions**

Scope 1	Total Emissions (tons CO <sub>2e</sub> )	Carbon Dioxide Equivalent Intensity tons CO <sub>2e</sub> / NT\$ 1,000,000 (Production Value) (Note 2)	Assurance Agency	Assurance Results (Note 3)
Taiwan	5,561.986	0.70	Taiwan: BellCERT  China: BSI  Thailand: BV	Of the total greenhouse gas emissions disclosed by the Company, 8,036.896 tons of CO <sub>2e</sub> (accounting for 3% of the total emissions) has been confirmed by the certification agency using ISAE3410 / ISO 14064-3 standards. The assurance opinion is reasonable guarantee.
China	1,809.910	0.31		
Thailand	665.000	0.39		
Total	8,036.896	0.58		
Scope 2	Total Emissions (tons CO <sub>2e</sub> )	Carbon Dioxide Equivalent Intensity tons CO <sub>2e</sub> / NT\$ 1,000,000 (Production Value) (Note 2)	Assurance Agency	Assurance Results (Note 3)
Taiwan	80,666.931	10.15	Taiwan: BellCERT  China: BSI  Thailand: BV	Of the total greenhouse gas emissions disclosed by the Company, 165,289.299 tons of CO <sub>2e</sub> (accounting for 52% of the total emissions) has been confirmed by the certification agency using ISAE3410 / ISO 14064-3 standards. The assurance opinion is reasonable guarantee.
China	63,710.367	10.93		
Thailand	20,912.000	12.28		
Total	165,289.299	12.00		
Scope 3	Total Emissions (tons CO <sub>2e</sub> )	Carbon Dioxide Equivalent Intensity tons CO <sub>2e</sub> / NT\$ 1,000,000 (Production Value) (Note 2)	Assurance Agency	Assurance Results (Note 3)
Taiwan	68,340.356	8.60	Taiwan: BellCERT  China: BSI  Thailand: BV	Of the total greenhouse gas emissions disclosed by the Company, 147,676.523 tons of CO <sub>2e</sub> (accounting for 46% of the total emissions) has been confirmed by the certification agency using ISAE3410 / ISO 14064-3 standards. The assurance opinion is limited guarantee.
China	55,607.222	7.00		
Thailand	21,954.000	2.76		
Total	145,901.578	18.36		

Note:

1. Scope 1 and 2 information in this table shall be handled in accordance with the timetable stipulated in Article 10, Paragraph 2 of this Standard. Enterprises may disclose scope 3 information voluntarily. Scope 3 information on the plants in China only includes that on category 3 (indirect greenhouse gas emissions – transportation).
2. The Company conduct greenhouse gas inventory according to the following standards:
  - (1) Greenhouse Gas Protocol (GHG Protocol).
  - (2) ISO 14064-1 issued by the International Organization for Standardization (ISO).
3. The assurance agency shall comply with the relevant requirements for assurance of sustainability reports, which are stipulated by the Taiwan Stock Exchange Co., Ltd. and the Securities Over-the-Counter Trading Center of the Republic of China.
4. Information on subsidiaries can be reported individually, collectively (for example, by country or by region), or combined (Note 1).
5. The intensity of greenhouse gas emissions can be calculated per unit of product/service or production value, but at least data calculated in terms of production value (NT\$ million) should be disclosed (Note 2).
6. The proportion of operating sites or subsidiaries not included in the inventory shall not exceed 5% of the total emissions. The total emissions mentioned above refer to the emissions calculated according to the mandatory inventory stipulated in Instruction 1.
7. The assurance results should summarize the content of the assurance opinion of the assurance agency and attach the complete assurance opinion to the annual report (Note 3).

#### 2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures

The Company takes the Sustainable Development Committee as the top authority on climate change management, which is presided by the chairperson of the Board of Directors. It reviews the Company's climate change strategy and goals, manages climate change risks and opportunities, reviews the implementation status and discusses future plans, and reports to the Board of Directors every year.

The Company regularly checks greenhouse gas emissions in accordance with ISO 14064-1 to review the impact on our operations. Based on the 2025 results of the greenhouse gas inventory, we will continue to implement carbon reduction measures. The third-party assurance on greenhouse gas inventory has been completed in 2023, and the subsidiary in China and the parent company in Taiwan obtained assurance certificates in June 2023. The assurance for 2025 is also in progress. The subsidiary in China has obtained the assurance certificate in March 2026. The parent company in Taiwan is expected to complete the third-party assurance on greenhouse gas inventory in May and is expected to receive the assurance certificate in July.

At the same time, in accordance with the framework of International Financial Reporting Standard S2 (IFRS S2), we disclose the Company's core content regarding governance, strategy, risk management and metrics and targets for climate-related risks and opportunities. The Company have considered the characteristics of the production process and supply chain in the PCB industry, and evaluated the risks and opportunities of climate change for the Company. In order to reduce the risk factors, the Company has also established the Sustainability Committee to supervise and manage issues on environmental conservation and climate change, to identify feasible opportunities and develop proper approaches, and to evaluate and manage the short- term, medium- term and long-term risks and to develop the transformation strategies for climate change. The committee use the "risk matrix" to evaluates the frequency of major climate risk events and the severity of their impact on our operations, to prioritize items of risk control and define a full spectrum of risk levels and to take proper approaches of risk control to deal with issues with different risk level. The Company is planning to gradually improve our related disclosure from "climate risk disclosure" to "climate-related financial disclosure", and to establish a target management and a disclosure mechanism, which are based all on quantitative performance metrics.

The Company sets 2021 as the base year and promises to reduce the greenhouse gas emission intensity of Scope 1 and Scope 2 by 50% and Scope 3 by 5% in 2030, the near-term target year. In addition, for the emission reduction of Scope 3 carbon emissions, we will require our suppliers to gradually provide their data of electricity-related carbon emission as a reference for future management of Scope 3 carbon emission.

Starting from 2025, the Company has referred to the " Regulations Governing the Collection of Carbon Fees " of the Ministry of Environment and set an internal carbon price of NT\$300 per ton to introduce an mechanism of internal carbon pricing. We apply it to the projects of energy-saving, carbon reduction and renewable electricity, and encourage the Company's and all subsidiaries' investment in negative carbon technology and low-carbon innovation in order for them to be more committed to global carbon reduction. Since the introduction of this mechanism, each location has successively used internal carbon pricing to expand the installed capacity of self-generated and self-used solar energy, and improve their efficiency and reliability. In 2025, the Company implemented a total of 36 energy-saving projects, saving more than 6.2 million kWh of electricity, equivalent to reducing carbon emissions by more than 2.3 million tons. Through the collective efforts of all colleagues, the Company's total carbon emissions in Scope 1 and 2 in 2025 have been reduced by 10% compared to the base year 2021.

Working Group I report in the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) states that the average global surface temperature from 2011 to 2020 was approximately 1.09°C higher than the average temperature from 1850 to 1900, representing the pre-industrialization period. The report explicitly indicates the need for active measures such as net-zero carbon emissions or carbon neutrality to control global warming and limit temperature increase to no more than 1.5°C.

We recognize that climate change risks and opportunities for enterprises should not only be identified but also linked to operational strategies through assessment and management. This is one of the most critical issues of sustainable management for enterprises. Therefore, the Company has adopted the IFRS S2 Framework to analyze risks and opportunities in various aspects, such as policy and regulations, market and technological transitions, reputational and physical risks. We develop adaptation and mitigation strategies, disclose climate-related financial information, and enhance communication with stakeholders.

The scope of IFRS S2 climate-related disclosures is consistent with the scope of the Company's consolidated financial statements.

a. Governance

IFRS S2 Disclosures	Measures
(a) Governance bodies' role of in the governance of climate-related risks and opportunities	<ul style="list-style-type: none"> <li>● "Board of Directors": It reviews sustainable management strategies, major action plans, risk management policies, and annual execution results.</li> <li>● "Sustainable Development Committee": This is the highest management committee responsible for climate-related issues, which is chaired by the Chairperson, independent directors and CEO with department heads overseeing the operation of subsidiary committees. The committee includes representatives from all operational units and is responsible for establishing and implementing guidelines for ESG issues, reviewing performance targets, monitoring implementation, and reporting to the Board of Directors annually.</li> <li>● "Greenhouse Gas Audit Team": Under the jurisdiction of the Sustainable Development Committee, this team is primarily responsible for assessing and/or managing climate-related issues, reviewing key performance indicators, setting short, medium, and long-term goals, and implementing strategies to enhance resource efficiency, to assess the use of renewable energy and to manage carbon emissions, and actively achieving effective green management.</li> </ul>
(b) Management's role of in the governance of climate-related risks and opportunities	<ul style="list-style-type: none"> <li>● On March 10, 2026, the Board of Directors appointed the CEO as the Chief Sustainability Officer, who integrates the Chief Corporate Governance Officer, the CEO's office and all operating units into the dedicated units to promote sustainable development policies, and assists the "Sustainable Development Committee" to serves as a cross-departmental communication platform integrating a variety of different departments vertically and horizontally. Through regular meetings and task groups responsible for different issues, we identifies the sustainable issues related to the Company's operations and its stakeholders, formulates corresponding strategies and work guidelines, compiles each organizations' budgets for sustainable</li> </ul>

IFRS S2 Disclosures	Measures
	development, plans and implements annual projects and tracks the implementation results to ensure that the sustainable development strategy is fully implemented in the Company's daily operations, so that the departments of human resources, general administration, procurement, equipment and utilities, factory management and other units implement sustainability-related works such as risk management, corporate social responsibility, and climate change adaptation in their practical affairs under their scope of duties and responsibilities.

b. Strategy

(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects:

Based on the IFRS S2 framework, short-, medium-, and long-term risks and opportunities were identified.

Risks/Opportunities: Short-term (1-3 years), Medium-term (3-10 years), Long-term (10+ years)

Risks / Opportunities	Short-term (1-3 years)	Medium-term (3-10 years)	Long-term (10+ years)
Physical Risks	<ul style="list-style-type: none"> <li>● Increased chances of heavy rainfall/strong typhoons hitting Taiwan, causing factory damage and employee injuries.</li> <li>● Increased frequency of water shortages, leading to unstable water supply.</li> </ul>	<ul style="list-style-type: none"> <li>● Rising average summer temperatures leading to power shortages.</li> <li>● Extreme heat increasing energy consumption and carbon emissions.</li> <li>● Increased frequency of water shortages and floods affecting factory operations (power / water shortages).</li> <li>● Increased insurance costs due to climate change disasters.</li> </ul>	<ul style="list-style-type: none"> <li>● Worsening climate change impacting upstream and downstream supply chains and disrupting transportation, which pose risks of material shortages, supply delays, or Production line shutdown.</li> </ul>
Transition Risks	<ul style="list-style-type: none"> <li>● Carbon fee required by regulations.</li> <li>● The use or construction of renewable energy required by regulations.</li> <li>● Government requirements for carbon emission control (energy consumption indicators).</li> </ul>	<ul style="list-style-type: none"> <li>● Rising prices of renewable energy.</li> <li>● Rising carbon fee.</li> <li>● The use of recycled materials and low-carbon raw materials demanded by customers.</li> <li>● Net-zero carbon emissions and the use of 100% renewable energy demanded by customers.</li> </ul>	<ul style="list-style-type: none"> <li>● Implementation and requirements for net-zero carbon emissions.</li> </ul>

Risks / Opportunities	Short-term (1-3 years)	Medium-term (3-10 years)	Long-term (10+ years)
	<ul style="list-style-type: none"> <li>● Increased industrial electricity prices and water consumption fees.</li> </ul>	<ul style="list-style-type: none"> <li>● Measures to reduce carbon footprint demanded by customers.</li> <li>● Participation in international carbon reduction initiatives (SBTIs) demanded by customers.</li> <li>● Great emphasis on ESG effectiveness demanded by customers and shareholders.</li> </ul>	
Opportunities	<ul style="list-style-type: none"> <li>● Developing water/electricity conservation measures and carbon reduction strategies, and promoting improvement projects through the ISO system.</li> <li>● Implementing an energy management system to improve energy efficiency.</li> <li>● Using renewable energy.</li> <li>● Establishing backup plans for water and electricity shortages.</li> </ul>	<ul style="list-style-type: none"> <li>● Improving the recycling of raw materials.</li> <li>● Using low-carbon processes.</li> <li>● Using low-carbon fuels.</li> </ul>	<ul style="list-style-type: none"> <li>● Reduced risk of operational disruption and improved sustainability.</li> <li>● Enhancing the Company's reputation and improving customer satisfaction.</li> </ul>

Risks / Opportunities	Major Categories	Related Items
Physical Risks	Extreme weather events such as typhoons, torrential rains or floods, and droughts	<ul style="list-style-type: none"> <li>● Increased chances of heavy rainfall/strong typhoons hitting Taiwan, causing factory damage and employee injuries.</li> <li>● Increased frequency of water shortages, leading to unstable water supply.</li> <li>● Increased frequency of water shortages and floods affecting factory operations (power / water shortages).</li> <li>● Worsening climate change impacting upstream and downstream supply chains and disrupting transportation, which pose risks of material shortages, supply delays, or Production line shutdown.</li> <li>● Increased insurance costs due to climate change disasters.</li> </ul>
	Extreme high temperatures	<ul style="list-style-type: none"> <li>● Rising average summer temperatures leading to power shortages.</li> <li>● Extreme heat increasing energy consumption and carbon emissions.</li> </ul>
Transition Risks	Increased energy costs	<ul style="list-style-type: none"> <li>● Government requirements for carbon emission control (energy consumption indicators).</li> <li>● Increased industrial electricity prices and water consumption fees.</li> <li>● The use or construction of renewable energy required by regulations.</li> </ul>

Risks / Opportunities	Major Categories	Related Items
		<ul style="list-style-type: none"> <li>● Net-zero carbon emissions and the use of 100% renewable energy demanded by customers.</li> <li>● Rising prices of renewable energy.</li> </ul>
	Carbon fee collection	<ul style="list-style-type: none"> <li>● Carbon fee required by regulations.</li> <li>● Rising carbon fee.</li> </ul>
	The emphasis and requirements on corporate sustainability and climate change policies from governments, customers, shareholders, and stakeholders	<ul style="list-style-type: none"> <li>● Implementation and requirements for net-zero carbon emissions.</li> <li>● The use of recycled materials and low-carbon raw materials demanded by customers.</li> <li>● Measures to reduce carbon footprint demanded by customers.</li> <li>● Participation in international carbon reduction initiatives (SBTIs) demanded by customers.</li> <li>● Great emphasis on ESG effectiveness demanded by customers and shareholders.</li> </ul>
Opportunities	Improved energy efficiency	<ul style="list-style-type: none"> <li>● Developing water/electricity conservation measures and carbon reduction strategies, and promoting improvement projects through the ISO system.</li> <li>● Implementing an energy management system to improve energy efficiency.</li> </ul>
	Renewable energy development	<ul style="list-style-type: none"> <li>● Using renewable energy.</li> </ul>
	Research and development and investment in energy-saving equipment and processes	<ul style="list-style-type: none"> <li>● Using low-carbon processes.</li> <li>● Using low-carbon fuels.</li> <li>● Improving the recycling of raw materials.</li> </ul>
	Reducing operational disruption risks and fulfilling sustainability commitments	<ul style="list-style-type: none"> <li>● Establishing backup plans for water and electricity shortages.</li> <li>● Reduced risk of operational disruption and improved sustainability.</li> <li>● Enhancing the Company's reputation and improving customer satisfaction.</li> </ul>

(b) The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain:

Major Categories of Risks/Opportunities	Effects on Business Model		Effects on Value Chain	
	Current	Anticipated	Current	Anticipated
Extreme weather events such as typhoons, torrential rains or floods, and droughts	No impact at present.	Typhoons, torrential rains or floods, and droughts may damage factory facilities, prolonging downtime and potentially causing employee injuries.	No impact at present.	Extreme weather can disrupt production or transportation, leading to supply chain disruptions.
Extreme high temperatures	No impact at present.	Extreme temperatures may reduce equipment efficiency and increase cooling system load, leading to	No impact at present.	Extreme heat can disrupt production or transportation, leading to supply chain disruptions.

Major Categories of Risks/Opportunities	Effects on Business Model		Effects on Value Chain	
	Current	Anticipated	Current	Anticipated
		decreased production in some processes and increased energy consumption. This may also affect adjustments to operational energy management decisions.		
Increased energy costs	Increased production costs.	It will accelerate the Company's implementation of measures for energy conservation and carbon reduction, and change of energy-efficient product design.	Increased production costs consequently impact the selling prices of products downstream in the value chain.	Increasing operating costs for customers may lead them to adjust their production processes, impacting procurement decisions across the supply chain.
Carbon fee collection	Increased production costs.	It will accelerate the Company's low-carbon transformation policy, including the implementation of measures on energy conservation and carbon reduction and on energy-efficient product design.	Increased production costs consequently impact the selling prices of products downstream in the value chain.	Increasing operating costs for customers may lead them to adjust their production processes, impacting procurement decisions across the supply chain.
The emphasis and requirements on corporate sustainability and climate change policies from governments, customers, shareholders, and stakeholders	The Company has established Sustainable Development Committee and has appointed Chief Sustainability Officer in 2026 to continuously promote the implementation of corporate responsibility and climate change policies.	The Company continue to invest in R&D related to product energy efficiency and the development of energy-saving equipment to fulfill the Company's commitment to sustainable development.	The supply chain is increasingly focused on implementing corporate responsibility and climate change policies.	The Company needs to accelerate the application of renewable energy and carbon reduction plans to maintain market competitiveness and meet the expectations of the government, customers, shareholders and stakeholders. Simultaneously, it must collaborate with upstream and downstream partners to fulfill its commitment to sustainability.
Improved energy efficiency	The Company has implemented internal carbon pricing and introducing energy-saving economic concepts, gradually	It is anticipated that the Company will continue to invest in and introduce emerging technologies of energy-saving and	By reducing operational energy consumption, in addition to helping control operating costs and improve profit margins,	In the future, as the Company further implements energy-saving technologies and collaborates with upstream energy suppliers on

Major Categories of Risks/Opportunities	Effects on Business Model		Effects on Value Chain	
	Current	Anticipated	Current	Anticipated
	upgrading various energy-saving equipment to progressively reduce energy consumption in the production process.	carbon-reduction to expand the scope of measures on energy efficiency improvement.	some customers will prioritize the Company as a partner with energy management capabilities, thus promoting business integration downstream in the value chain.	energy transition projects, it will make the supply chain more energy-efficient. This will also enhance the Company's image as investors and consumers prefer companies with environmentally friendly policies.
Renewable energy development	The Company has currently installed solar panels on the rooftops of its factories in Taiwan, China, and Thailand. It has also purchased green electricity in Taiwan and China.	The Company will periodically evaluate options for purchasing green electricity or building its own renewable energy systems.	The cost of renewable energy remains high, thus increasing production costs across the supply chain.	In the long term, as technology evolves, the cost of renewable energy should decrease, helping the supply chain expand its use of renewable energy.
Research and development and investment in energy-saving equipment and processes	An annual budget is allocated for research and development and investment in energy-saving equipment and processes.	Energy-saving equipment and processes can reduce costs and increase efficiency, helping to enhance the Company's competitiveness.	No impact at present.	Joint research and development with equipment manufacturers will help improve energy-saving technologies in the industry.
Reducing operational disruption risks and fulfilling sustainability commitments	The Company has established Sustainable Development Committee and has appointed Chief Sustainability Officer in 2026 to continuously promote the implementation of corporate responsibility and climate change policies.	The Company will continue to develop comprehensive contingency plans for operational disruption risks and deepen measures to promote sustainable development.	The supply chain is increasingly focused on implementing corporate responsibility and climate change policies.	Collaborating with upstream and downstream partners to fulfill the commitment to sustainability.

(c) The effects of those climate-related risks and opportunities on the entity's strategy and decision-making:

Risks / Opportunities	Major Categories	Effects on Strategy and Decision-making	
		Current	Anticipated
Physical Risks	Extreme weather events such as typhoons, torrential rains or floods, and droughts	Construct flood control and water storage facilities, and review emergency response plans.	<ul style="list-style-type: none"> <li>● Strengthen facility protection and operational resilience mechanisms.</li> <li>● We regularly monitor water conditions. At the initial stage of plant construction, we have assessed water resource and retention issues and then installed water storage tanks</li> </ul>

Risks / Opportunities	Major Categories	Effects on Strategy and Decision-making	
		Current	Anticipated
			<p>within the plant area. We have been tracking reservoir storage levels and monitor water usage in each area during normal times.</p> <ul style="list-style-type: none"> <li>● Hold contingency meetings during drought periods.</li> <li>● An emergency water usage team coordinates preparations for water trucks, tanks, water sources, and other water resource allocation to ensure uninterrupted operations.</li> </ul>
	Extreme high temperatures	Use high-temperature resistant materials to enhance cooling and air conditioning systems.	Upgrade facility materials and process temperature control capabilities, including investing in automated monitoring and cooling systems to cope with temperature increases.
Transition Risks	Increased energy costs	Implement various action plans of carbon reduction and energy conservation as described in "2.3.10.1.3 Green Electricity Use and Energy-Saving Equipment Status in 2025".	<ul style="list-style-type: none"> <li>● Continue to implement R&amp;D and investment in energy-saving processes and equipment.</li> <li>● Install frequency converters for intelligent control, which can reduce energy use and greenhouse gas emissions.</li> </ul>
	Carbon fee collection	Implement various action plans of carbon reduction and energy conservation as described in "2.3.10.1.3 Green Electricity Use and Energy-Saving Equipment Status in 2025".	<ul style="list-style-type: none"> <li>● Implement inventory and continuous monitoring management in accordance with the ISO 14064 greenhouse gas inventory standard to reduce carbon intensity.</li> <li>● Continue to expand R&amp;D capacity and collaborate with equipment and material manufacturers to develop low-carbon technologies.</li> <li>● Set carbon reduction targets and continuously evaluate and plan carbon offset strategies to move towards carbon neutrality.</li> </ul>
	The emphasis and requirements on corporate sustainability and climate change policies from governments, customers, shareholders, and stakeholders	The Company has appointed Chief Sustainability Officer in 2026 to continuously promote the implementation of corporate responsibility and climate change policies.	<ul style="list-style-type: none"> <li>● Continuously monitor regulatory evolution and evaluate draft regulations. Simultaneously, establish contingency plans in advance to meet regulatory requirements.</li> <li>● The Company needs to accelerate the application of renewable energy and carbon reduction plans to maintain market competitiveness and meet the expectations of the government, customers, shareholders, and stakeholders. At the same time, collaborate with</li> </ul>

Risks / Opportunities	Major Categories	Effects on Strategy and Decision-making	
		Current	Anticipated
			upstream and downstream partners to fulfill the commitment to sustainable development.
Opportunities	Improved energy efficiency	The Company has implemented internal carbon pricing and introducing energy-saving economic concepts, gradually upgrading various energy-saving equipment to progressively reduce energy consumption in the production process.	<ul style="list-style-type: none"> <li>● The Company anticipates continued investment in and adoption of emerging technologies on energy-saving and carbon-reduction to expand the scope of energy efficiency improvement measures.</li> <li>● Continuously replace high-energy-consuming equipment and improve energy efficiency.</li> </ul>
	Renewable energy development	The Company has currently installed solar panels on the rooftops of its factories in Taiwan, China, and Thailand. It has also purchased green electricity in Taiwan and China.	The Company will periodically evaluate options for purchasing green electricity or building its own renewable energy systems.
	Research and development and investment in energy-saving equipment and processes	An annual budget is allocated for research and development and investment in energy-saving equipment and processes.	Energy-saving equipment and processes can reduce costs and increase efficiency, helping to enhance the Company's competitiveness.
	Reducing operational disruption risks and fulfilling sustainability commitments	The Company has established Sustainable Development Committee and has appointed Chief Sustainability Officer in 2026 to continuously promote the implementation of corporate responsibility and climate change policies.	<ul style="list-style-type: none"> <li>● The Company will continue to develop comprehensive contingency plans for operational disruption risks and deepen measures to promote sustainable development.</li> <li>● Plan to assess and manage procurement risks through cross-departmental management of supply chain.</li> </ul>

(d) The effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term:

Based on its strategy of managing climate-related risks and opportunities (including "Extreme weather events such as typhoons, torrential rains or floods, and droughts", "Extreme high temperatures", "Increased energy costs", "Carbon fee collection", "The emphasis and requirements on corporate sustainability and climate change policies from governments, customers, shareholders, and stakeholders", "Improved energy efficiency", "Renewable energy development", "Research and development and investment in energy-saving equipment and processes" and "Reducing operational disruption risks and fulfilling sustainability commitments"), the Company anticipates the short-term, medium-term, and long-term impacts on its financial performance and cash flow, as detailed below:

Short-Term	<ul style="list-style-type: none"> <li>● To address carbon fee and water fee, the Company's operating costs and operating expenses increased by approximately NT\$4.08 million and NT\$0, respectively, resulting in corresponding cash outflows (carbon fee of NT\$2.88 million and water fee of NT\$1.20 million).</li> <li>● Due to the projects on implementation of process improvement and energy efficiency enhancement, it is expected to reduce operating costs by approximately NT\$11.89 million annually.</li> <li>● In response to energy conservation, carbon reduction and facility upgrade, the Company will incur additional capital expenditures of NT\$9.01 million in the short term, resulting in cash outflows. However, with the implementation of energy-saving projects, it is expected that approximately NT\$11.89 million of cash flow will be recovered. The related depreciation will increase by approximately NT\$1.125 million annually.</li> </ul>
Medium-Term	<ul style="list-style-type: none"> <li>● The implementation of energy-saving and low-carbon technologies has reduced unit production costs by approximately 0.28%.</li> <li>● In response to energy conservation, carbon reduction, and facility upgrade, the Company will incur additional capital expenditures of approximately NT\$84.07 million in the medium term. The depreciation of newly acquired real estate, factory buildings, and equipment due to the low-carbon transition plan will increase by approximately NT\$10.5 million annually.</li> </ul>
Long-Term	<ul style="list-style-type: none"> <li>● The improvement in high-efficiency equipment and economies of scale will reduce unit production costs by approximately 0.33%.</li> </ul>

(e) The resilience of the entity's strategy and its business model to those climate-related risks in scenario analysis and assessment:

Summary Table of Climate Resilience Scenario Analysis:

Topics	Main Assumptions	Scenario Used	Assessment of Impact and Resilience
Extreme weather events such as typhoons, torrential rains or floods, and droughts	The company expects to increase the percentage of green electricity consumption to 25% in the short term, 50% in the medium term, and 100% in the long term.	1.SSP2-4.5	1. Impact Assessment: Based on the scenario analysis, under the extremely high emissions scenario (SSP5-8.5), the Company faces moderate to high immediate and long-term physical risks in the medium and long term. Under the medium emissions scenario (SSP2-4.5), the Company is likely to experience immediate physical risks such as typhoons, floods, and power rationing due to high temperatures in the long term. 2. Resilience: The Company's Sustainable Development Committee and its Risk Management Team have taken these scenario analysis results into account and developed appropriate countermeasures during their annual reviews of relevant plans.
Extreme high temperatures		2.SSP5-8.5	
Carbon fee collection			
The emphasis and requirements on corporate sustainability		Net-zero emissions scenario in 2050	1. Impact Assessment: Based on the scenario analysis, under the 2050 Net Zero Emissions Scenario (NZE), the Company is likely to face the risk of carbon

Topics	Main Assumptions	Scenario Used	Assessment of Impact and Resilience
and climate change policies from governments, customers, shareholders, and stakeholders			<p>fees in the short, medium, and long term. Increased customer demands are due to the gradual increase in regulatory and international requirements for corporate sustainability. Medium- to long-term risks may gradually decrease.</p> <p>2. Resilience: The Company will strengthen its greenhouse gas management system, including investing resources to cover product carbon footprint and comprehensive greenhouse gas management, and reallocating capital expenditures to energy-saving and low-carbon processes and equipment. Over the next 10 years, expenditures on energy-saving and low-carbon equipment are expected to account for approximately 5% of capital expenditures.</p>

#### Physical Risk Scenario Analysis: Risk Levels in Different Scenarios

Climate-related Physical Risks	Real-world Climate Scenarios Analysis						
	Scenario	SSP2-4.5			SSP5-8.5		
	Time range	Short	Medium	Long	Short	Medium	Long
Severity of extreme weather events	Risk level	Low	Medium	High	Low	Medium	High
Extreme heat	Risk level	Low	Medium	High	Low	Medium	High

#### Physical Risk Scenario Analysis: Risk Levels in Different Scenarios

Climate-related Transition Risks	Real-world Climate Scenarios Analysis						
	Scenario	SSP2-4.5			SSP5-8.5		
	Time range	Short	Medium	Long	Short	Medium	Long
Carbon fee collection	Risk level	Low	High	High	Low	High	High
The emphasis and requirements on corporate sustainability and climate change policies from governments, customers, shareholders, and stakeholders	Risk level	High	Medium	Low	High	Medium	Low

Note: The IPCC released its Sixth Assessment Report (AR6) in 2021, which combined the Representative Concentration Pathway (RCP) and the Shared Socioeconomic Pathway (SSP) to list five scenarios for greenhouse gas emission levels. These scenarios provide reasonable and credible pathways up to 2100. The IPCC's Moderate emission scenario (SSP2-4.5) and High-emission scenario (SSP5-8.5) were used for Real-world Climate Scenarios Analysis. None of these scenarios meets the Paris Agreement's 2°C limit and 1.5°C target.

- c. Risk management: to understand an entity's processes to identify, assess, prioritize and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.

The relevant departments under the "Sustainable Development Committee" identify and analyze climate change risks and opportunities that may be encountered within their business scope. A matrix diagram is created based on the probability (3 levels) and impact (3 levels) of each risk and opportunity to identify significant risks and opportunities, and management methods are developed to mitigate, transfer, or avoid potential impacts.

In assessing climate-related risks, the Company establishes qualitative and quantitative assessment standards based on the nature, probability of occurrence, and potential impact of the risks. In terms of nature, the Company assesses physical risks and transitional risks separately. For example, physical risks include the direct impact of extreme weather events (such as typhoons, torrential rains or floods, droughts, and extreme heat) on production facilities and supply chains, as well as the threat of drought to water resources. Transitional risks involve increased energy costs, carbon fee collection, and the emphasis and requirements of governments, customers, shareholders, and stakeholders on corporate responsibility and climate change policies.

The Company uses risk matrix analysis to identify and manage risks, and develops corresponding risk management strategies based on the severity of different risks. In terms of probability, the Company considers various climate scenario models and the development trends of carbon reduction policies in various countries to quantify the likelihood of future risks, categorizing them as almost impossible (below 40%), possible (41-70%), and very likely (71-100%). In terms of impact, they are categorized as high, medium, and low. Those with a high probability of occurrence (71-100%) and a high impact are classified as high risk; those with a possible occurrence (41-70%) and a medium impact are classified as medium risk; and the rest are low risk. Low risk is acceptable risk; medium risk does not necessarily require immediate action, but its changes will be continuously monitored; high risk requires corresponding management plans to reduce impact or decrease the probability or frequency of occurrence.

## Risk Matrix

Probability					
very likely		<ul style="list-style-type: none"> <li>● Government requirements for carbon emission control (energy consumption indicators).</li> <li>● Increased industrial electricity prices and water consumption fees.</li> <li>● Carbon fee required by regulations.</li> <li>● Rising carbon fee.</li> <li>● Implementation and requirements for net-zero carbon emissions.</li> <li>● The use of recycled materials and low-carbon raw materials demanded by customers.</li> <li>● Measures to reduce carbon footprint demanded by customers.</li> <li>● Participation in international carbon reduction initiatives (SBTIs) demanded by customers.</li> <li>● Great emphasis on ESG effectiveness demanded by customers and shareholders.</li> </ul>	<ul style="list-style-type: none"> <li>● The use or construction of renewable energy required by regulations.</li> <li>● Net-zero carbon emissions and the use of 100% renewable energy demanded by customers.</li> <li>● Rising prices of renewable energy.</li> </ul>		
	possible	<ul style="list-style-type: none"> <li>● Increased insurance costs due to climate change disasters.</li> </ul>	<ul style="list-style-type: none"> <li>● Extreme heat increasing energy consumption and carbon emissions.</li> </ul>		
	almost impossible		<ul style="list-style-type: none"> <li>● Increased chances of heavy rainfall/strong typhoons hitting Taiwan, causing factory damage and employee injuries.</li> <li>● Increased frequency of water shortages, leading to unstable water supply.</li> <li>● Increased frequency of water shortages and floods affecting factory operations (power / water shortages).</li> <li>● Worsening climate change impacting upstream and downstream supply chains and disrupting transportation, which pose risks of material shortages, supply delays, or Production line shutdown.</li> <li>● Rising average summer temperatures leading to power shortages.</li> </ul>		
		low	medium	high	Impact

## Opportunity Matrix

Probability					
very likely		<ul style="list-style-type: none"> <li>● Developing water/electricity conservation measures and carbon reduction strategies, and promoting improvement projects through the ISO system.</li> <li>● Implementing an energy management system to improve energy efficiency.</li> <li>● Improving the recycling of raw materials.</li> </ul>	<ul style="list-style-type: none"> <li>● Using renewable energy.</li> <li>● Using low-carbon processes.</li> <li>● Using low-carbon fuels.</li> </ul>		
possible		<ul style="list-style-type: none"> <li>● Enhancing the Company's reputation and improving customer satisfaction.</li> </ul>			
almost impossible		<ul style="list-style-type: none"> <li>● Reduced risk of operational disruption and improved sustainability.</li> </ul>	<ul style="list-style-type: none"> <li>● Establishing backup plans for water and electricity shortages.</li> </ul>		
		low	medium	high	Impact

The Company's monitoring methods for climate-related risks include the following specific processes:

1. **Risk Monitoring Process:** Risk management is one of the primary responsibilities of each of the Company's operating units. The aforementioned climate-related risk items are managed by the relevant units. Based on the identified risk issues and management levels, regular risk management reports are submitted to the relevant unit supervisors and organizations. At the annual December MCS meeting (Annual review and next year's plan briefed by each operating unit), each operating unit reviews its annual achievements and sets goals for the following year, and conducts risk assessments and develops countermeasures based on the risk items managed by each unit.
  
2. **Risk Management Reporting:** The Risk Management Team under the Sustainable Development Committee is responsible for reporting the risk management status to the Board of Directors to ensure the effective implementation of risk management measures.
  
3. **Monitoring Mechanism:** Different risk issues are assigned to the relevant operating units within the Company to ensure the implementation of risk management strategies and the effectiveness of risk monitoring. This information demonstrates that the Company deploys effective monitoring mechanisms in managing climate-related risks

and regularly assessing and reporting on risk status to ensure the effectiveness and timely adjustment of risk management measures.

Furthermore, the Sustainable Development Committee and the Chief Sustainability Officer also participate in climate risk monitoring operations, strengthening the Company's oversight and management of climate risks through mechanisms of cross-departmental coordination, progress tracking and performance review.

#### d. Metrics and targets

##### (a) Information relevant to the Category of Cross-Industry Metrics (climate-related):

For details regarding the Company's greenhouse gas inventory and assurance, please refer to "2.3.10.1.9 Inventory of Greenhouse Gas Emissions and its Assurance".

To enhance top management's awareness of climate-related risk management and link their performance evaluations to the Company's climate targets, the Company continuously tracks their implementation results of medium-term and long-term targets and incorporates them into the performance evaluations and compensation assessments of top management. For example, the implementation results of climate-related risks and opportunities are included in the CEO's individual performance evaluation. And then the Remuneration Committee makes individual bonus recommendations based on the impact of these evaluation results on the Company's operating results and the reasonableness of compensation, which are then decided by the Board of Directors. The Company regularly reviews its compensation policy to ensure that it is consistent with the management strategy for climate-related risks and opportunities, thereby enhancing investors' confidence in the Company's ability and resilience in responding to climate change. Approximately 5% of the top management compensation recognized this year is linked to the achievement of climate-related targets. To enhance the link between compensation and climate-related targets, the Company plans to increase the percentage of the aforementioned percentage.

Meanwhile, the Board of Directors, as the highest governing body for climate-related risk management and policy, is the driving force and monitor for greenhouse gas governance policies. Therefore, in the 2026 policy linking directors' performance and remuneration, sustainability performance will account for 30% of the overall assessment. Director remuneration will be assessed based on the Company's sustainability commitments, including achievements in green product innovation, low-carbon manufacturing transformation, circular economy, sustainable responsible procurement, and occupational safety and health, in response to the increasing demands for corporate sustainability from governments and customers, and to implement medium-term and long-term climate-related targets.

Starting from 2025, the Company has referred to the "Regulations Governing the

Collection of Carbon Fees " of the Ministry of Environment and set an internal carbon price of NT\$300 per ton to introduce an mechanism of internal carbon pricing. We apply it to the projects of energy-saving, carbon reduction and renewable electricity, and encourage the Company's and all subsidiaries' investment in negative carbon technology and low-carbon innovation in order for them to be more committed to global carbon reduction. Since the introduction of this mechanism, each location has successively used internal carbon pricing to expand the installed capacity of self-generated and self-used solar energy, and improve their efficiency and reliability. In 2025, the Company implemented a total of 36 energy-saving projects, saving more than 6.2 million kWh of electricity, equivalent to reducing carbon emissions by more than 2.3 million tons. Through the collective efforts of all colleagues, the Company's total carbon emissions in Scope 1 and 2 in 2025 have been reduced by 10% compared to the base year 2021.

(b) Information on Industry-Based Metrics:

The Company operates in the industry of printed circuit board. The Industry-Based Metrics are associated with particular business models, activities or other common features that characterize participation in an industry.

Strategic Goals	Topics	Metrics				
		Metrics	Data Type	Unit of Measurement	Code	Amount / Description
2050 Net-Zero Emissions	Energy Management	Total energy consumption	Quantity	Gigajoules (GJ)	TC-SC-130a.1	0.0013 Gigajoules (GJ)
		Percentage of purchased electricity	Quantity	%	TC-SC-130a.1	100%
		Renewable energy usage rate	Quantity	%	TC-SC-130a.1	53%
Resources Conservation	Water Management	Total water withdrawal	Quantity	Thousand cubic meters (m <sup>3</sup> )	TC-SC-140a.1	3953.4781 thousand cubic meters (m <sup>3</sup> )
		Total water consumption	Quantity	Thousand cubic meters (m <sup>3</sup> )	TC-SC-140a.1	3953.4781 thousand cubic meters (m <sup>3</sup> )
Green Products	Product Lifecycle Management	Weight of hazardous waste generated	Quantity	Ton (t)	TC-SC-140a.1	14,57.306 噸
		Recycling percentage of hazardous waste generate	Quantity	%	TC-SC-140a.1	99.33%
		Disclosure of product life cycle management: including the weight of obsoleted products and electronic waste and the percentage of recycling (Note: including the sale of scraps or other recycling processes, on which relevant remarks should be provided.)	Quantity	Ton (t) and %	TC-SC-140a.1	The total volume of scrapped boards and leftover materials removed and transported from the premises was 13,561.7 tons, and the ratio of recycling and reuse reached 64%.

(c) Disclosure of information regarding the set targets of performance in relation to its climate-related risk or opportunity (climate-related targets):

The Company has set climate-related management targets, including:

- Greenhouse gases: Greenhouse gas emission intensity (tCO<sub>2</sub>e / NT\$ 1 million of production values) will remain below 11.45 in 2026 and below 11.39 in 2027.
- Water resources: Water consumption intensity (ML / NT\$ 1 million of production values) will remain below 0.267 in 2026 and below 0.280 in 2027.
- Energy management: The power consumption intensity (GWh / NT\$ 1 million of production values) will remain below 20.952 in 2026 and below 20.218 in 2027.
- In response to climate change and greenhouse gas reduction guidelines, targets have been set for greenhouse gas reductions of -25% by 2025 and net zero by 2050.

### 2.3.10.1.11 Use of Recycled Materials and Green Product Management

#### a. Compliance with laws and regulations

The Company actively follows the trend of green environmental protection and conforms to our customers' requirements of green products, and takes such approaches as a full participation of all employees and a comprehensive implementation of green products in the manufacturing and maintaining. We have formulated "Hazardous Substance Management Procedure ", and manages suppliers, raw materials and product quality accordingly to ensure that products meet relevant international standards on requirements of hazardous substances management (such as: RoHS, REACH, California's Proposition 65, etc.), which are our customers' requirements as well. We have achieved 100% compliance with laws and regulations in 2025.

2025	Number of Cases	Compliance Rate
Compliance Risk Assessment	35	100%

#### b. Hazardous Substance Management

In order to effectively manage the implementation of suppliers' green products approaches, we compulsorily require suppliers to provide such documents as "Warranty of Non-Use of The Hazardous Substances" and "The Activity in Compliance with REACH Regulation" and other surveys and commitments. We also commission third party inspection organizations to provide reports to verify whether there are hazardous substances. In order to avoid contamination of raw materials, packaging materials and finished printed circuit boards during transportation or production, we also arrange for XRF testing of raw materials, packaging materials and finished goods every month.

#### c. Actions of Green Products Management

Item	Subitem	Achievement Rate
Commitment/ Declaration Signing Completion Rate	Warranty of Non-Use of The Hazardous Substances Signed by Suppliers	100%
	Declaration of Environmental And Occupational Health And Safety	100%

	Management System	
Questionnaire Completion Rate	The Activity in Compliance with REACH Regulation	100%
	Supplier Hazardous Substance Questionnaire	100%
XRF Inspection Pass Rate	Raw Materials/Packaging Materials	100%
	Final Product	100%
Third-Party Inspection Report Pass Rate		100%

In addition, for raw material suppliers, we conduct regular audit plans every year. For suppliers with audit deficiencies, we will provide specific improvement suggestions and time limit for correction. In order to maintain better mutual understanding and good interaction with our supplier, we will hold seminars and training programs for our supplier from time to time and provide multiple and timely communication channels, such as: Email, telephone or face-to-face communication. We have established a dedicated unit for a direct contact to enhance our suppliers' better understanding of green products.

#### 2.3.10.1.12 The Promotion of Circular Economy

The Company has been effectively managing waste generated during operations, recycling and outsourcing it appropriately, continuously promoting waste reduction within the plants, increasing waste recycling rates in order to avoid resources wasting and environmental pollution and to achieve the advantages of a circular economy.

Firstly, it has been promoting improvements on process technology to reduce raw material usage and waste generation. Through project management and data analysis, it enhances equipment and production capacity efficiency, reduces waste at the source, and improves resource utilization efficiency. It also promotes recycling technology improvements to increase recycling rates and establish a circular economy.

It not only reduces waste disposal costs and lowers operating costs, but also promotes the transformation of waste into useful resources. This generates three major benefits: waste reduction, reduced energy consumption and operating costs in waste disposal, and creating revenue

from waste recycling and resource recovery.

The Company continues to promote waste reduction plans and strengthen waste recycling and reuse. For details on implementation status, annual quantitative management targets in the future, measures to achieve targets, and achievement status, please refer to "2.3.10.1.7 Waste Management".

For details regarding future plans to enhance waste reduction and resource recycling in manufacturing processes, as well as related environmental expenditures, please refer to section "4.4 Information on Environmental Expenditure".

### 2.3.10.1.13 Biodiversity

Biodiversity conservation contributes to climate change mitigation and adaptation, and has a positive impact on global agricultural development, food security, public health, and sustainable economic development. Therefore, in accordance with the spirit of the United Nations' Convention on Biological Diversity, the Company has made the following commitment. We aim to achieve the goals of protecting biodiversity, ensuring its sustainable use, and ensuring the equitable and reasonable distribution of the benefits derived from the use of genetic resources, thereby fulfilling UN Sustainable Development Goals (SDGs), including SDG 6 (Clean Water and Sanitation), SDG12 (Responsible Consumption and Production), SDG13 (Climate Action), SDG14 (Life Below Water), SDG15 (Life on Land), and SDG17 (Partnerships for the Goals).

The Company commits to the following:

1. We ensure that our operations comply with international, national, and local biodiversity laws.
2. We manage to avoid the destruction of endangered and protected species and their habitats through our operations.
3. We will not engage in development or construction in legally protected areas of significant biodiversity.
4. We will actively invest in the conservation of legally protected biodiversity areas.
5. We will not convert areas of high conservation value.
6. Services and products used in our operations will not use threatened or endangered species listed on the IUCN Red List of Threatened Species or the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
7. We will not purchase goods from suppliers who cause biodiversity loss or illegal logging when we have known their violation.
8. We will support biodiversity conservation actions or initiatives.
9. We will explore opportunities to contribute to natural carbon sinks (including the mechanisms by which ecosystems such as forests, soil, and oceans naturally absorb and store carbon dioxide).

10. We will promote biodiversity risk assessment and management by using appropriate tools, such as Mitigation Hierarchy (including Avoid, Minimize, Restore/Rehabilitate and Offset), to achieve "Net Positive Impact" or "No Net Loss".
11. We respect the right of Free, Prior and Informed Consent of Indigenous Peoples.
12. We will encourage our suppliers to participate in this commitment to jointly protect biodiversity.

To concretely implement the above commitments, the Company has implemented the following measures in 2025:

1. Operational impact reduction: Reduce wastewater discharge, decrease water resource dependence, and improve the efficiency of circular resource use. Please refer to "2.3.10.1.4 Water Management", "2.3.10.1.5 Waste Water Management", "2.3.10.1.6 Capital Expenditure related to Energy Conservation, Water Conservation and Pollution Prevention", "2.3.10.1.12 The Promotion of Circular Economy", and "4.4 Information on Environmental Expenditure".
2. We have been promoting the digitalization of processes. By 2025, our paper consumption has decreased by 1.3% compared to the previous year.
3. We collaborated with TPCA Environment Foundation (TPCF) to conduct environmental sustainability lectures for students, enhancing their environmental awareness and attitudes.
4. We organized employee to conduct beach cleanups to reduce marine pollution from waste.

## 2.3.10.2 Compliance with The International Bill of Human Rights

### 2.3.10.2.1 Human Rights Protection Policies and Human Rights Governance Framework

The Company follows the spirits and standards on human rights such as "Universal Declaration of Human Rights by the United Nations", "International Labour Organization", "the ten principles of United Nations Global Compact", "United Nations Guiding Principles on Business and Human Rights", etc. to fulfill corporate social responsibilities in daily operations. In the daily activities, the basic human rights of employees and partners are protected, and any form or type of human rights violations are strictly prohibited, so as to create a safe and healthy working environment.

The Company has established a governance framework for human rights with the Board of Directors at the highest level. The "Sustainable Development Committee" is responsible for policy formulation and implementation oversight. The Chief Sustainability integrates the Chief Corporate Governance Officer, the CEO's office and all operating units into the dedicated units to promote management practices for human rights. Each year, the Company reports regularly to the "Sustainable Development Committee" under the Board of Directors on its human rights management practices and implementation results.

The Company's human rights policy is as follows:

#### (1) No discrimination

We promote and protect the multicultural integration of the workplace. Our employees' recruiting, salary adjustment, promotion, development, training, leaving, etc. will not suffer from any discrimination in any category such as race, social class, language, ideology, religion, political party, place of origin, place of birth, gender, or sexual orientation, age, marriage, appearance, facial features, physical and mental disabilities, astrological sign, blood type, union membership. We have issued a "Declaration on Prohibition of any Category of Violence in the Workplace", and formulated and implement a "Program on Prevention of Unlawful Infringement in the Performance of Duties" in order to regularly conduct risk assessment on the hazard

identification for prevention of unlawful infringement in the workplace to reduce workplace abusing.

(2) Gender equality

We promote gender equality in the workplace, and provide various measures to implement it, such as maternity leave, leave for pregnancy checkups, pregnancy checkup accompaniment, paternity leave, menstrual leave, family care leave, and unpaid parental leave for raising children.

We have formulated "Operational Procedures for Sexual Harassment Prevention, Complaint and Disciplinary Measures" and been providing education and trainings on sexual harassment prevention to provide a safe and comfortable workplace.

2025	Taiwan			China		Thailand	
	Maternity Leave & Pregnancy Checkups Leave	Pregnancy Checkup Accompaniment & Paternity Leaves	Menstrual Leave	Maternity Leave & Pregnancy Checkups Leave	Pregnancy Checkup Accompaniment & Paternity Leaves	Maternity Leave & Pregnancy Checkups Leave	Pregnancy Checkup Accompaniment & Paternity Leaves
Count	38	11	903	63	20	8	1
Day	1,032	67	4,239	2,917	221	696	1

(3) Prohibition of child labor

No child labor is employed. And it is clearly stipulated in the Company's "Personnel Management Rules". During the recruitment, the identification of whether it is child labor is required to carry out in the interview.

(4) Prohibition of forced labor and respect the freedom to choose a career

We have committed to the corporate ethical management and established a corporate culture of people-oriented approaches, mutual respect and treating each other with honesty and trust. We prohibit any form of forced labor and explain this in the orientation of new employees. Each unit also regularly communicates our policy on prohibition of forced labor to its employees. We prohibit assigning job seekers or employees to work in violation of public order or public morals. We strive to comply with legal regulations and RBA requirements. We implement a zero placement fee policy for migrant workers. We abide by human rights of our migrant workers who can enter and exit their dormitories freely and whose passports and personal documents will not be detained. Employees have the right to terminate their

labor contracts freely.

#### (5) Expression and Participation

The Company respects the freedom of expression and participation of all employees and promises not to interfere with or restrict their legitimate exercise of rights in any way. Based on the protection of privacy, we provide diverse, open and two-way communication channels for internal and external stakeholders. In addition to regular labor-management meetings, we have set up suggestion boxes, dedicated telephone lines and e-mails, QR code feedback platforms, etc. to facilitate our employees to offer the Company their opinions. We also list all various communication channels during the new employees' orientation to promote positive interaction between labor and management in order to maintain workplace harmony.

#### (6) Safety and Privacy

The Company complies with all local laws and regulations, provide a safe and healthy working environment, ensure that all employees working on our premises after having received appropriate safety and health training, and support and assist in maintaining physical and mental health and work-life balance. Our workplaces are equipped with sufficient protective equipment and safety facilities to ensure the operational safety of relevant personnel. We have established protection mechanisms for cyber security and confidential information to ensure the security of employees' personal data.

#### (7) Diversity in the workplace

The Group upholds the principles of fairness, justice and equality and is committed to establishing a friendly, diverse and inclusive working environment, establishing a fair and objective system of salary, promotion and education, and actively creating a diverse and inclusive culture of mutual respect and gender equality in the workplace. Among the Group's vice president or above, 40% are male and 60% are female, accentuating the diversity of the management team.

Rank	Gender distribution of supervisors in 2025																	
	Taiwan						China						Thailand					
	Male		Female		Sub-total		Male		Female		Sub-total		Male		Female		Sub-total	
	Count	Ratio	Count	Ratio	Count	Ratio	Count	Ratio	Count	Ratio	Count	Ratio	Count	Ratio	Count	Ratio	Count	Ratio
Section Manager	66	41.25%	29	18.13%	95	59.38%	45	39.82%	32	28.32%	77	68.14%	48	40.68%	32	27.12%	80	67.80%
Manager and Assistant Manager	41	25.63%	10	6.25%	51	31.88%	21	18.58%	4	3.54%	25	22.12%	25	21.19%	9	7.63%	34	28.81%
Factory Director, Department Director and Above	11	6.88%	3	1.88%	14	8.75%	10	8.85%	1	0.88%	11	9.73%	2	1.69%	2	1.69%	4	3.39%
Total	118	73.75%	42	26.25%	160	100%	76	67.26%	37	32.74%	113	100%	75	63.56%	43	36.44%	118	100%

Note: The table shows the gender distribution of supervisors as of 2025/12/31.

- Statistics of New Immigrants in Taiwan

New Immigrants			
Gender	Count	Supervisor or Above	Ratio
Female	162	40	24.69%
Male	38	7	18.42%
Total	200	47	23.5%

Note: The table shows the number of new immigrants in Taiwan on 2025/12/31.

- Equal pay for men and women for equal work

Rank	Taiwan		China		Thailand	
	Female	Male	Female	Male	Female	Male
Department Manager	1.02	1	0.94	1	1.68	1
Section Manager	1.01	1	0.98	1	1.00	1
Engineer / Administrator	0.98	1	1.10	1	1.00	1
Worker	0.98	1	0.95	1	1.00	1

Note: The statistical table is based on salary data as of 2025/12/31.

### 2.3.10.2.2 Human Rights Due Diligence Procedure and its Implementation

Based on international human rights standards and the human rights issues concerned by leading domestic and international companies, the Company has identified the following human rights issues for assessment through questionnaires distributed to employees in June 2026:

1. Awareness and understanding of human rights policies;

2. Rights and practices in employment;
3. Employee health and safety;
4. Data protection

Based on the identified human rights issues, the Company will assess their likelihood and impact according to the questionnaire results, which will determine the priority of handling these issues. We will prioritize high-risk human rights issues with a high probability and significant impact. The implementation status of human rights due diligence procedure will be disclosed in the Company's sustainability report.

The Company has established a comprehensive complaint mechanism and channels for employees, suppliers, and other stakeholders to report illegal activities and human rights violations:

1. Dedicated telephone and email box:
  - Labor-management issues:  
(03)322-2226 ext.1588  
a2093@cppcb.com.tw
  - Customer issues:  
(03)322-2226 ext.1459  
Sales@chinpoon.com
  - Supplier and contractor issues:  
(03)322-2226 ext.1732  
vendormessage@tw.chinpoon.com
  - Investor and shareholder issues:  
(03)322-2226 ext.1342  
spokesman@cppcb.com.tw
2. Mail Box
3. Employee suggestion box
4. Employee feedback QR code 

### 2.3.10.3 Safety and Health Management

The Company's safety and health management architecture adopt four-step management method of PDCA (plan–do–check–act) to achieve the goal of preventing accidents, promoting employee safety and health, and protecting company assets. In addition to its commitment to accident prevention, the Company also develops disaster emergency procedures to protect the lives of employees and contractors and the property and interests of the Company's investors in the event of a disaster and to avoid or reduce the impact of the disaster on society and on the environment. We have also acquired the certificate of ISO 45001 Occupational Health & Safety Management System since 2020. The validity periods of the latest ISO 45001 certificates for the factories in Taiwan and in China are 2023/11/29~2026/11/28 and 2024/4/29~2027/4/28 respectively.

#### (1) Labor Safety Policy

Employees are the most precious assets of an enterprise. And ensuring the safety and health of employees is the most important responsibility of an enterprise. In order to make our commitment to labor safety and health, the Company has established an occupational safety and health management system to comply with occupational safety and health regulations and other requirements, to be in accordance with ISO45001 and to meet customers' requirements. The goal of the system is to reduce any and all hazards and risks to our employees. We actively implement environmental and occupational safety and health policies and make sure that all employees can fully understand those policies through proper communication. We have been upholding the occupational safety and health policy of "compliance with laws and regulations, prevention first, safety first, and continuous improvement."

We commit to the following goals:

- a. To provide safe working conditions and environment to protect the safety and health of employees.
- b. To comply with laws, regulations and other relevant requirements and fulfill corporate social responsibilities.
- c. To eliminate hazards and reduce occupational safety and health risks, and improve the working safety of all employees.

- d. To continuously improve the occupational safety and health management system and improve the performance of safety and health management.
- e. To enhance the communication channels, implement the consultation of workers and labor representatives, and participate in safety and health related activities.

(2) Occupational Accidents

When an employee is injured due to a disaster or an accident, his or her supervisor will immediately send the injured to the hospital for emergency treatment, and will, at the same time, immediately follow the injury notification procedure to report the injury case. The unit in charge of works' safety and health will start the investigation on the cause of the injury after having received the accident notification and then record the analysis of the accident. And all matters concerning this accident will be handled in accordance with labor-related laws and regulations.

When the investigation on the cause of the accident is completed, the supervisor of the injured employee will be notified and is asked to submit a proposal for improving work environment and measures of injury prevention, and the effectiveness and progress of the improvement measures will be tracked continuously.

2025			
	Taiwan	China	Thailand
FR	4.06	1.01	6.84
SR	18	24	27

Note 1. Disabling injury frequency rate (FR)

= number of occupational injuries × 1,000,000 / total working hours.

Note 2. Disabling injury severity rate (SR)

= total lost days × 1,000,000 / total working hours.

In order to prevent occupational accidents, We continue to educate our employees about their working attitude, to make them understand the hazards of their own work environment and the measures to deal with emergencies, etc., and to train them to master their work skills. And we also implement industrial safety audits and inspect various safety and health equipment and facilities to ensure labor safety and avoid occupational accidents.

### (3) Environmental Measurement

In order to grasp the actual status of the working environment and evaluate the labor exposure status of harmful substances, to protect the workers from the hazards of harmful substances in the workplace, and to meet the legal standards of the exposure concentration, we measure the actual exposure status of the labor working environment and quantify them. Based on the measurements, we can effectively improve the working environment so that each employee can work in a healthy and safe environment. That also enhance the Company's competitiveness by providing workers with a healthy and comfortable working environment.

We continue to implement environment monitoring in the operating sites where the Company uses chemically hazardous substances and physical hazards in accordance with the relevant authorities' regulations. The monitoring frequencies of the operating sites are as follows:

Category	Frequency	Monitored Items
Physical Factors	twice a year	Noise
Chemical Factors	twice a year	Dust, Specialized CO <sub>2</sub> , Organic Solvents...etc.
	once a year	Lead...etc.

### (4) Health Examination Management

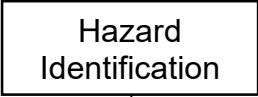
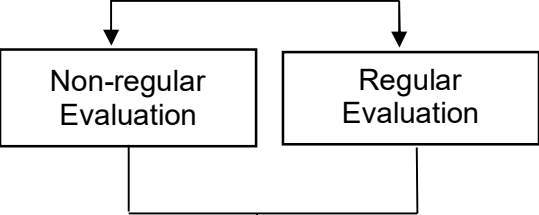
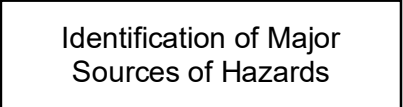
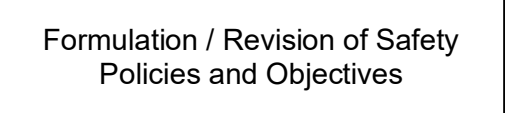
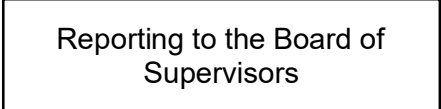
In order to fulfill employee health management, we grasp the health status of workers through medical examinations and regular health examinations. And we also assist our employees to maintain or improve their health through appropriate work assignment, improvement of working environment, medical care for workers' injuries and illnesses, timely first aid in case of emergencies, regular health education, hygiene guidance and health promotion activities.

- a. When hiring employees, medical examinations should be performed. Jobs should be properly assigned by confirming whether employees are suitable for the job. Employees should be protected from harm caused by other employees who are not suitable for the jobs. The correct basic information of employees' health should be established.

- b. Frequencies of regular health examinations for different working age groups in accordance with regulations:
  - (a) Persons over the age of sixty-five years shall be examined once a year.
  - (b) Persons over the age of 40 but under the age of 65 shall be examined every three years.
  - (c) Persons under the age of 40 are inspected every five years.
- c. For employees engaged in jobs that are potentially more hazardous to health, special medical examinations should be carried out for a certain period of time according to the hazards of their jobs to protect their health, which help to find out the potential risk factors and can be used to improve their working environment. The records of special medical examinations should be kept for at least 30 years.
- d. Administration by different levels for employees engaged in jobs that are potentially more hazardous to health according to regulations:
  - (a) For employees of the third and fourth level, their health information should be filed to the Occupational Safety and Health Administration.
  - (b) For employees of the second level, medical personnel in the Company should give them health education guidance.
  - (c) For employees of the third level, physicians who have relevant medical expertise should trace and conduct their health examinations.
  - (d) For employees of the fourth level, they should take special medical examinations and shall take hazard control and related management measures.

(5) Occupational Hazard Identification and Risk Assessment Process

Flow chart of hazard identification and assessment process on its risk and opportunity

Flowchart	Responsible Department	Related Documents
	Responsible departments	Form for hazard identification and assessment process on its risk and opportunity
	Responsible departments	Form for hazard identification and assessment process on its risk and opportunity  Application form for changing hazard source
	Factory director or designated person in charge  Member of the implementation committee	List of major hazard sources
	Factory director	List of major hazard sources  List of major environmental considerations / major hazard sources and targets  List of projects
	Factory director	Reports

(6) Four major plans for labor health protection

Through measures such as hazard identification and assessment of working environment, personnel composition and work activities, analysis of

ergonomic hazard factors, disease risk control categorization and other measures, we can prevent and reduce the occurrence of unlawful infringement in the workplace, diseases and musculoskeletal injuries caused by abnormal workload and protect the health of female workers and infants and fetuses. We have formulate four major plans to implement those measures and promote those goals.

a. Prevention of unlawful infringement in the performance of duties

The Company expressly declares that all kinds of physical, verbal, psychological, unlawful infringement and sexual harassment will not be tolerated. And the necessary safety and health measures will be taken to prevent workers from being abused by their superiors, colleagues, service recipients or other third parties while performing their duties in the workplace. unlawful infringement will cause physical or mental harm to workers. We take the following measures to prevent any unlawful infringement:

- (a) Identify and assess any infringement.
- (b) Appropriately configure the workplace.
- (c) Properly adjust manpower according to job suitability.
- (d) Establish code of conduct.
- (e) Conduct training on infringement prevention and communication skills.
- (f) Create proper procedures of handling the cases of infringement.
- (g) Evaluate and improve their performance effectiveness.

b. Prevention of abnormal workload-triggered disorders

For the workers with a high risk of workplace fatigue and stress, who are engaging in shift work, night work and long hours, we take the following measures to prevent those workers from developing abnormal workload-triggered disorders. And their execution records should be made and kept for three years.

- (a) Identify and assess the high-risk workers.
- (b) Arrange for physician interviews and health guidance.
- (c) Take measures to adjust or shorten working hours and change work assignment.
- (d) Implement their health examinations, health management and health

promotion.

(e) Evaluate and improve their performance effectiveness.

Workers fill in their personal and work-related overload status in the "Worker Overload Index". And they fill in the risk factors for cardiovascular disease, including age, high blood pressure, total cholesterol, high-density cholesterol and smoking habit, etc., in the "Overload Risk Assessment Record" with the attachment of their reports of medical examination or health examination. Based on the content recorded in the "Overload Risk Assessment Record", physicians and nursing staff will calculate the risk index of cardiovascular disease for the worker with abnormal workload to estimate his or her risk of cardiovascular disease. The final scores of labor overload risk, which is derived from the integration of the risk of cerebrovascular disease, the risk of cardiovascular disease, his or her workload and the risk level of workload-triggered cerebrovascular disease and cardiovascular disease, is assessed and is recorded in the "Overload Risk Assessment Record". We will select high-risk workers and arranges physicians' interviews and health guidance with them. We will take the proper measures and the necessary treatment proposed by the physicians according to their interview results, and keeps records on the whole process.

c. Prevention of ergonomic hazard

In order to ensure the safety of the workers engaged in repetitive operations and to avoid them get musculoskeletal injuries owing to human errors or accidents, which will reduce work performance, result in poor production, easily cause fatigue, seriously affect the health, safety and well-being of employees, and so on, we develop plans to maintain the health and well-being of employees, to prevent ergonomic hazards and to avoid repetitive musculoskeletal injuries. We take the following hazard prevention measures, make and keep records of their execution for three years.

(a) Analyze all work flow, their content and the actions involved.

(b) Identify ergonomic hazards.

(c) Evaluate and select improvement methods and their implementation.

(d) Evaluate and improve the implementation effectiveness.

(e) Other matters related to safety and health.

d. Maternal health protection in the workplace

In accordance with the "Occupational Safety and Health Act", "Regulations of the Maternity Health Protection at the Workplace" and other relevant regulations, the "Maternal Health Protection Plan" is stipulated to ensure the physical and mental health of female employees during childbearing age, pregnancy, postpartum, breastfeeding, etc. in order to protect maternal health.

- (a) Identify and assess hazards.
- (b) Distinguish risk levels according to assessment results.
- (c) Inform the assessment results.
- (d) Implement a variety of control measures by risk levels.
- (e) Conduct performance evaluation and review.

(7) Education and training on safety and health

We continue to educate and train our employees at all levels in the occupational safety and health management system to possess the necessary safety and health awareness and to cultivate the ability to assess potential hazards, and to effectively implement safety and health control measures to ensure a safe and healthy working environment.

a. Orientation programs for new employees:

- (a) Outline of regulations related to work safety and health.
- (b) The concept of occupational safety and health and the code of practice for safety and health.
- (c) Self-inspection before, during and after their operations.
- (d) Standard operating procedures.
- (e) Emergency response handling.
- (f) Knowledge and drills on fire and first aid.
- (g) Other safety and health knowledge related to labor operations.

Safety and health education and training for newly hired workers or current workers before changing into a new job assignment (3 hours);

education and training on operational safety of machinery and equipment for new personnel engaged in the use of machinery or equipment on production lines (3 hours); education and training on the use of hazardous chemicals for new personnel engaged in producing, handling or using hazardous chemicals (3 hours).

- b. On-the-job education and training for current employees are aimed to implement relevant education and training according to training requirements and to provide on-the-job personnel with the necessary professional knowledge and skills and with safety and health awareness in order for them to perform their duties.
  
- c. In line with the safety and health job category, we send relevant personnel to receive related safety and health education and training, and obtain the following certifications, such as “ Occupational Safety Management Specialist”, “ Occupational Health Nurse”, “ Specific Chemical Safety Supervisor”, “ Organic Solvent Safety Supervisor”, “Lead Safety Supervisor”, “ Oxygen Deficiency Safety Supervisor”, “ Work at Height Safety Supervisor”, “ Work in Dusty Environment Safety Supervisor”, “ Boiler Operator”, “Dwarf Boiler Operator”, “ Forklift Driver”, “Fixed Crane Operator”, “Fixed Crane Hoisting Operator”, “ Emergency Medical Technician”, “ Oxyacetylene Torch Operator”, etc. The workers doing the above-mentioned jobs shall undergo recurrent training in accordance with relevant regulations.

#### (8) Industrial Safety Audit

- a. Inter-plant safety inspection (the inspection projects are based on the annual safety inspection plan)

According to the inspection projects of the annual safety inspection plan, inter-plant safety inspections are carried out on a monthly basis, including falling protection, chemical use, electrical safety, cutting protection, protection from person caught by machine, elevator, protective gear management, firefighting equipment, chemical tank inlets , forklifts, noise protection, emergency shower equipment and hoisting equipment, etc., in order to discover the unsafe conditions, unsafe working environment, unsafe working behavior and potential operational dangers.

b. All sites joint safety inspection

The departments in charge of safety and health will schedule all sites joint safety inspection four times each year, which held in January, April, July and October, to carry out all sites joint safety inspections. They will collaborate with the departments in charge of production equipment, utilities and equipment, environmental engineering and other personnel from all plants and all sites in order to avoid any occupational disaster.

- (a) Inspection of firefighting equipment: water systems, alarm systems, fire hydrants and fire extinguishers.
- (b) Safety and health inspection: with regard to chemicals and organic solvents, their storage, use, storage tank, transportation pipeline, marking, protective equipment, and locking of chemical tank inlets.
- (c) Electricity safety inspection: the safety status of each distribution board, high and low voltage electrical equipment, and the safety status of wires and circuits.
- (d) Equipment safety inspection: equipment operation status, operation status of automatic control system in all equipment, equipment maintenance status, equipment safety devices.
- (e) Inspection of environmental protection facilities: the operation of waste water treatment equipment, the detection of waste water discharge, and the sorting of waste.

c. Inspection of the contractors' own protective equipment and machinery

We will confirm the contractors' own protective equipment and machinery to comply with laws and regulations and necessary safety and health requirements.

- (a) Personal protective equipment (helmets, goggles, gloves, safety harnesses, safety shoes, etc.).
- (b) The qualification certificates of inspection for hazardous machines and equipment, which are designated by the central competent authority.
  - Mobile crane certificate
  - Hazardous machines and equipment operator certificate
  - Hoisting operator certificate
  - Hoisting cage operator certificate

(The above certificates should not be expired.)

- (c) Electric welding machines shall be provided with mechanism to prevent electric shock.
- (d) The materials and structures of mobile ladders and A Type Ladders (no more than 2m) should comply with laws and regulations.
- (e) The machinery, equipment and appliances which are used and designated must have Taiwan's TS mark.

d. Contractors safety audit (on their hazardous work and their general operations)

Contractors safety audit is to effectively supervise and manage various safety and health operations of contractors who enter the premises of the Company, to ensure the safety of contractors, the Company's personnel and property, and to prevent occupational accidents and industrial disasters.

- (a) Confirm whether the contractors have applied for work permits or construction permits for their hazardous work (approved by the relevant authorities in the work site), whether the contractors' operators have acquired certificates of competency (to ensure that the personnel entering the premises of the Company have received the necessary safety and health education and training) and whether the contractors' supervisors have acquired the relevant certificates ("Organic Solvent Safety Supervisor", "Specific Chemical Safety Supervisor", "Work at Height Safety Supervisor", "Oxygen Deficiency Safety Supervisor", "Scaffolds Assembly Supervisor").
- (b) Contractors' operations management: pre-work inspection, inspection during the operations and post-work inspection to confirm that its operations comply with safety and health regulations.

e. Audit on the safety of tank car loading and unloading

The department in charge of safety and health will carry out the audit of the tank car loading and unloading in each plant three times a week (12 times a month). The items of the audit, such as inlet-locking control during loading and unloading, personal protection measures, safety data records, training certificates, fire extinguishers, warning signs, transportation permits, pipeline connection safety (to prevent leakage), electricity safety and electrical leakage, are checked one by one to ensure the safety of tank car loading and unloading.

f. Audit on the effectiveness of infrared thermal imaging cameras

The department in charge utilities and equipment in each plant provides the list of infrared thermal imaging cameras installed in the electric cabinets for the department in charge of safety and health to conduct the audit on their effectiveness. The audit is carried out on a monthly basis. Its report on any abnormal infrared thermal imaging cameras should be submitted to the responsible departments for correction. After the corrections are completed, the corrections should be reviewed again by the department in charge of safety and health in order to ensure the electric safety of equipment and prevent the occurrence of industrial accidents caused by equipment abnormalities.

g. Fire Extinguishers Inspection and Review

The safety and health team leader of each unit inspect the fire extinguishers in their workplaces monthly. After the items of inspection, such as their locations, the date of performance inspection, the effective range of pressure, the integrity of the positioning of the pins, whether there is oxidation damage to the hose, the appearance of the cylinder and so on, have been inspected, they should be reviewed by the department in charge of safety and health in order to ensure that the fire extinguishers maintain their functions at all times to provide effective first responses in case of emergency.

h. Consult the former inspectors of the Northern Region Inspection Office, Council of Labor Affairs, Executive Yuan (CV: the manufacturing supervisor, the supervisor in charge of hazardous machinery and equipment, the lecturer of the manufacturing risk assessment project in Formosa Plastics Enterprise Group, and the on-site diagnosis expert of the external audit) to conduct diagnosis and inspection of safety and health facilities in all plants in the third quarter of every year. The external experts who conduct safety and health inspections on site can provide a fresh perspective to identify potential risks and hazard factors, enhance the probability of predicting the occurrence of accidents and disasters, improve safety awareness and eliminate industrial safety accidents.

i. Self-inspection on fire prevention (on potential risks from fire, electrical,

mechanical equipment, etc.)

The safety and health team leader of each unit will conduct self-inspection of the workplace according to the characteristics of their own area and operations in order to find defects in equipment (facilities), electrical devices, chemical substances, etc., and report them for improvement.

#### (9) Hazardous equipment management

In order to ensure that personnel can understand the potential hazards when operating hazardous machinery or equipment and then take necessary preventive measures to avoid the occurrence of occupational accidents, the Company's put five boilers into the list of managed objects in accordance with the Occupational Safety and Health Act and take the relevant preventive measures as follows:

- a. Personnel engaged in machinery or equipment maintenance, regular maintenance and other operations shall notify the supervisor of the on-site unit.
- b. A work permit is required for boiler maintenance.
- c. Workers' personal protective equipment is available and used properly.
- d. Warning signs should be set up in the working area and marked with "Prohibiting from Entering".
- e. Safety measures such as power-off and cordon-off are required for the operation.
- f. Strictly abide by the relevant safety regulations and control unsafe behaviors.
- g. Portable wires used inside the boiler should be double insulation winding wire or any wire with equivalent insulation. Portable electric lights should be equipped with appropriate shields.
- h. If the boiler is connected by pipes, it should be isolated or blocked.
- i. Personnel perform pre-operation inspection, in-operation inspection, and post-operation inspection to confirm that all operation devices and safety devices, etc. are functioning normally.

The department in charge of safety and health in accordance with the relevant regulations on occupational safety and health, schedules self-inspection programs which list the inspection items suggested by each

department and mandated by the relevant competent authorities. The programs are as follows: a daily boiler operation inspection table, a monthly boiler regular inspection record and a yearly dwarf boiler regular inspection table. The self-inspection is carried out by each responsible department. When any abnormality is found, the operation will be stopped immediately. And the department in charge of utilities and equipment will be notified to carry out equipment maintenance or take necessary improvement measures to prevent occupational accidents and ensure the safety and health of employees.

#### (10) Fire incidents and counter measures of the year

There were no fire incidents in 2025.

#### 2.3.10.4 Supplier Management Policy

##### (1) Supplier Management Policy

The Company's suppliers are divided into five main categories: raw material suppliers, equipment suppliers, waste clearance and disposal service providers, contractors (such as security companies, corporate catering providers) and freight forwarders. Among them, raw material suppliers are the most important. For those suppliers that provide the main raw material for our production, we have established a sound administration system to ensure their quality and their ESG performance to achieve corporate social responsibility, to avoid financial risk, to not use conflict minerals and to be a going concern in order to comply with the corporate obligation to sustainable development and establish good partnerships with suppliers at the same time. We manage to grasp the risks related to our suppliers' ESG, to strengthen audit and management on them, to provide guidance and assistance for their improvements, and to collaboratively drive the overall supply chain towards a sustainable development in the future.

The Company is committed to integrating sustainability principles into procurement decisions and supply chain management. In addition to considering conventional procurement metrics such as quality, cost, and

delivery time, we also prioritize the impact on labor rights and environmental protection, working with suppliers to build a sustainable supply chain. We have specifically formulated a "Supplier Management Manual," which explicitly requires suppliers to adhere to ESG governance principles and “to ensure cyber security, prevent the leakage of confidential and private information, and respect intellectual property rights”. Compliance with these requirements is considered as one of the factors in our procurement decision-making process.

## (2) Supply Chain Management

### a. Local procurement

The Company encourages local procurement of raw materials to reduce unnecessary air and sea transportation costs, and to reduce the carbon footprint generated during transportation. In addition to fulfilling the environmental protection responsibility of energy saving and carbon reduction, it also directly reduces procurement costs. Therefore, each manufacturing site has a dedicated procurement unit responsible for the selection and management of local suppliers. Whether in Taiwan or in China, the proportion of local procurement is high and all beyond 70%. The 2023~2025 statistics are as follows:

Items	2023		2024		2025		
	Taiwan	China	Taiwan	China	Taiwan	China	Thailand
Proportion of local suppliers	70%	70%	72%	90%	72%	91%	50%
Number of main suppliers	58	58	58	39	59	44	22
Number of new suppliers	0	0	1	0	1	0	15

### b. Selection and approval of new suppliers and new materials

For the development of new raw materials, new suppliers or old suppliers' products that are different from those produced in the past, their evaluation will follow "Operational Procedures for Evaluation and Approval of Raw Materials Suppliers and their Products". A prospective supplier is required to at least acquire a certificate of ISO 9001 and is encouraged to obtain a certificate of ISO 14001 and of ISO 45001. In addition to requirements of having passed our on-site audit, got procurement capability, possessed enough production capacity and established control system to manage the hazardous substances, , etc., our prospective

suppliers should meet the requirements of having established proper measures to protect the environment, human rights, labor safety and labor health and to implement corporate sustainable development. And then they must meet the further requirements of having installed a control system to enhance labor safety and health, not used child labor, not violated labor rights, fostered ethical management, and signed the relevant commitment letter, etc. before they can become one of our suppliers.

	Items	Completion Rate
Agreements and Commitments	Purchase Contract	100%
	Quality Agreement	100%
	Aerospace Quality Management System Declaration	100%
	RBA Compliance Commitments	100%
	Declaration of Minerals Conflict-Free	100%
Surveys	CMRT	100%

Due to the structure and types of products, the Company has a large number of suppliers. In order to implement effective supplier management, risk assessment is conducted every year based on the overall performance of suppliers. Suppliers whose risk level meets the standard must provide improvement measures and participate in improvement meeting. The completion rate of supplier risk assessment in 2025 is as follows:

Year	Region	Number of suppliers	Completion Rate
2025	Taiwan	34	100%
	China	43	100%
	Thailand	39	100%

### c. Audit on Suppliers' Sustainability

Based on the audited items of material risk and annual risk assessment stipulated in the Company's "Operational Procedures for Evaluation and Approval of Raw Materials Suppliers and their Products" and "Operational Procedures for Suppliers Management", we adopt the "Raw Material Suppliers Survey and Evaluation Table" to conduct the yearly assessments on raw material suppliers to reduce risk through preventive measures.

#### Suppliers Audit Pass Rate in 2025

Region	Number of Audited Suppliers	Pass Rate
Taiwan	58	100%
China	43	100%

Thailand	1	100%
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The audit checklist includes quality system management, environmental & occupational health and safety management, hazardous substance management and RBA compliance.

The statistics of audit deficiencies is as follows:

2025	Taiwan		China		Thailand	
	No. of Items	Ratio	No. of Items	Ratio	No. of Items	Ratio
Quality System Management	71	93%	90	98%	3	75%
Environmental & Occupational Health and Safety Management	5	7%	0	0%	1	25%
Hazardous Substance Management	0	0%	2	2%	0	0%
RBA Compliance	0	0%	0	0%	0	0%
Total	76	100%	92	100%	4	100%

For details regarding suppliers' due diligence on labor rights, please refer to "2.3.10.2.2 Human Rights Due Diligence Procedure and its Implementation".

For details regarding suppliers' due diligence on cyber security, communication security and privacy protection, please refer to "2.3.10.2.2 Human Rights Due Diligence Procedure and its Implementation".

#### d. Contractors Management

In order to protect the employees of the contractors and the employees of the Company and to maintain the safety of our plants, the Company complies with laws and regulations on occupational safety and health and has established the operational procedures on contractor safety management, which regulate the responsibilities of the Company's responsible units and of the contractors, and deal with the relevant matters of environmental safety and health.

After guiding the contractors into the location, our supervisors will also control the workforce and equipment used, and supervise the implementation of protective measures before dangerous operations are carried out in the workplace.

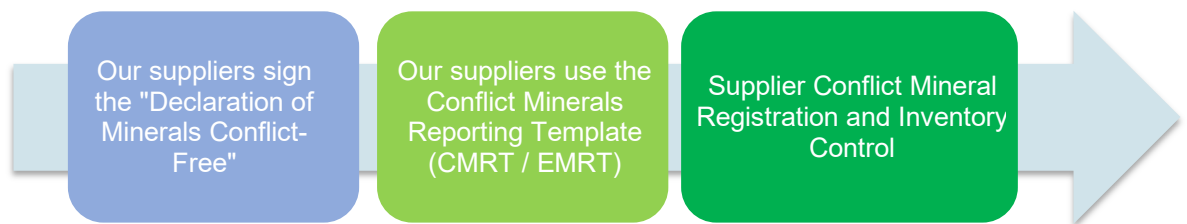
Our supervisors and the contractors will receive safety and health education training conducted by our safety and health department, with a

100% pass rate in 2025.

2025	Taiwan		China		Thailand	
Training for our supervisors	Attendant	Pass Rate	Attendant	Pass Rate	Attendant	Pass Rate
contractors	105	100%	27	100%	430	100%
	202	100%	1323	100%	420	100%

e. Conflict Minerals Management

The Company complies with the RBA code of conduct, collaborates with our customers, promises not to use metals from armed groups, illegal mining and poor working conditions, and requires our suppliers to fulfill social responsibilities and to trace the origins of gold (Au), tin (Sn), tantalum (Ta), tungsten (W), etc., which are contained in their products, to ensure that these metals do not come from "conflict mines". When evaluating new materials, if they contain metal materials, our suppliers are required to disclose the source of minerals involving metals and sign the "Declaration of Minerals Conflict-Free" and to use the Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) to regularly update their sources of minerals.



2.3.10.5 Providing community support and promoting community culture:

Adhering to a core concept of "taking from the society and using it for the society", we have been participating in social welfare activities and help create a better society for all. And our colleagues also participate in charity donation for a better society.

The Company's plants are located in Taoyuan City, Taiwan, in Changshu City, Jiangsu Province, China and in Pathum Thani Province, Thailand. The Company has always adhered to the principle of employing local residents, and has also actively cultivated local talents to become outstanding supervisors. In 2024, most of the management positions in overseas companies were local employees. The proportion of local supervisors in China was 88%, and that in the Thailand was 87%.

	Localization of management positions	
	China	Thailand
Number of management positions occupied by local talents (section manager (inclusive) and above)	99	103
Total number of local management positions (section manager (inclusive) and above)	113	118
Localization ratio	88%	87%

Our support for the community begins with providing economic prosperity and employment opportunities, while also bringing more benefits to the community through community services and donations.

Some examples of our community services and donations and their results:

1. Actively communicate with our neighbors in Neicuo community in Luzhu District, shorten the distance between them and us, and have 3 people ready for the communication.
2. Communicate regularly with the district chief, continue social investment and donations, assist Neicuo Community Development Association in organizing activities, and have 8 people ready for the communication.
3. Assisted in road cleaning Section 2 of Nanshan Road and Neicuo Street in Luzhu District, Taoyuan City up to 52 times.
4. Assisted in road cleaning in Pingzhen Industrial Park up to 12 people.
5. Participated in joint conferences on community patrol twice and in the exercise of community patrol in the Pingzhen Industrial Park once to strengthen notification of and response to the safety issues.
6. Take responsibility to maintain the greening of three block of the sidewalks around the Service Center in Pingzhen Industrial Park and have 8 people ready for maintenance.
7. Participated in the mountain cleaning activities at Wujiutong Mountain and the beach cleaning activities at Zhuwei Fishing Port up to 48 colleagues.
8. Donated blood by 133 colleagues, totaling 176 bags of blood.
9. Donated to TPCA Environment Foundation (TPCF) to promote education and activities on sustainable environment, to build a stage for environmental educators to deliver high-quality environmental education.
10. Our subsidiary in Changshu, China, participated in the city library volunteer service 10 times, and responded to the donation events initiated by the Changshu Southeast Police Station, Southeast Fire Rescue Team, Administration Committee of Changshu Southeast Economic Development Zone, Bureau of Human Resources and Social Security, etc. in order to support the communities in the city.
11. Our subsidiary in Thailand donated scholarships for students in Bangkadi and Children's Day gifts, donated supplies for the victims in the flood of

Bangkadi and Hat Yai, and participated in the parade of the traditional Candle Festival during the Vassa to enhance the recognition of community culture.

12. Organized a variety of charity events such as charity sales for sheltered workshops or disadvantaged groups, and donated to neighboring communities and TPCF, etc., totaling NT\$1,117,763, with more than 513 people helped.

Donation are as follows:

NT\$

2025/1/10	"Love Without Words" Chang Gung Sheltered Shop run by Down Syndrome Foundation R.O.C. (Taiwan)	37,200
2025/2/12	Guanyin Kindgardenlove	16,360
2025/3/19	Eden Sheltered Workshop of Eden Social Welfare Foundation	17,305
2025/4/18	luluheya	18,625
2025/5/2	Sponsorship of Environmental Protection Volunteer Team of Neicuoli Village, Luzhu District	10,000
2025/6/19	"Love Without Words" Chang Gung Sheltered Shop run by Down Syndrome Foundation R.O.C. (Taiwan)	22,220
2025/7/15	Huashan Social Welfare Foundation	5,680
2025/7/16	Charitable donations	158,420
2025/7/16	Donations to disadvantaged groups	115,000
2025/7/21	"Love Without Words" Chang Gung Sheltered Shop run by Down Syndrome Foundation R.O.C. (Taiwan)	589,040
2025/7/30	Guanyin Kindgardenlove	17,118
2025/9/17	TriBake Sheltered Workshop	21,885
2025/9/22	Neicuo Community Development Association, Luzhu District	10,000
2025/10/28	TriBake Sheltered Workshop	21,730
2025/10/30	Sponsorship of TPCF's education and activities on sustainable environment	10,000
2025/11/10	Yu-Cheng Social Welfare Foundation	18,100
2025/12/17	Taoyuan Sheltered Workshop of Children Are Us Foundation	29,080

The Company supports local culture and its results are as follows:

- Participated in the history and culture of Wufu Temple and supports local cultural activities

Nankan Wufu Temple is located in Wufu Village, Luzhu District. It is the

oldest Level Three National Ancient Monument in Luzhu District. The Company located in the same district. It is the best choice for the Company to support local cultural activities. To celebrate the 360th anniversary of the founding of the Nankan Wufu Temple, two important books, titled as "Nankan Wufu Temple Chronicles" and "The Origin of Nankan area", were published based on temple records and local chronicles. In order to let the villagers understand the origin and history of their place, the temple holds lectures on "Wufu Temple History and Culture Lectures-Walking through the Old Times of Nankan" from time to time. We leads our employees who are interested in the community cultures to participate in its cultural tour.

- Participated in the traditional Candle Festival during the Vassa with the city hall and the community join together, which was held in Bangkadi, Thailand

The Vassa, also known as "Rains Retreat" or "Buddhist Lent", is the most important traditional Buddhist festival in Thailand. According to the regulations of Thai Buddhism, monks across the country are prohibited from going out and stay in temples to meditate, study and receive offerings. This precept originates from the legend that Buddha believed that summer is the season for the growth of all things, and that monks who go out to beg for alms will inevitably step on the rice and cause losses. Since monks were not allowed to go out for offerings for up to three months, the custom of people going to temples to offer food, clothing, candles and daily necessities to the monks before the start of the Vassa has been passed down to this day.

- Participated national activities of Children's Day in Thailand

The Company supported the activities of Children's Day in Thailand. They let children learn happily through games and delicious food. They also encourage children to understand themselves, explore diverse possibilities, seek knowledge, create ideas, and grow stronger through multiple activities.

### 2.3.11 Promotion of Sustainable Development

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
1. Does the Company establish a governance framework to promote sustainable development, and set up a dedicated office to promote sustainable development, which is managed by senior management who is authorized by the Board of Directors and reports to the Board of Directors?	V		<p>In order to further improve the Company's organization for promoting sustainable development, the "Sustainable Development Committee" was established in 2022, which is the top authority on issues of sustainable development. It has been upgraded to become one of the functional committees of the Board of Directors in August 2023. The committee presided by the chairperson who collaborate with a number of senior officers in different functions review the Company's core operating capabilities and formulate medium-term and long-term plans for sustainable development. For details, please refer to "2.3.5 Information on Operations of the Sustainable Development Committee", "2.3.5.1 Sustainable Development Committee" and "2.3.5.2 The dedicated units for sustainable development". The Board authorizes senior management to implement medium- and long-term sustainable development plans and report on the progress to the Board.</p> <p>On March 10, 2026, the Board of Directors appointed the CEO as the Chief Sustainability Officer, who integrates the Chief Corporate Governance Officer, the CEO's office and all operating units into the dedicated units to promote sustainable development policies, and assists the "Sustainable Development Committee" to serves as a cross-departmental communication platform integrating a variety of different departments vertically and horizontally. And the departments of human resources, general administration, procurement, equipment and utilities, factory management and other units implement corporate responsibility for sustainable development in their practical affairs under their scope of</p>	No difference.

Assessment Item	Implementation Status			Non-implementation and its Reason(s)						
	Yes	No	Explanation							
			duties and responsibilities.							
2. Does the Company conduct risk assessments on environmental, social and corporate governance issues related to the Company's operations and formulate relevant risk management policies or strategies in accordance with the principle of materiality?	V		<p>In order to enhance risk management, the Company has revised the "Organizational charters of the Sustainable Development Committee" at the Board of Directors meeting on August 10, 2023, and established a sub-committee within it, which is one for risk management, to strengthen risk management by put it under supervision of the Board of Directors. For details, please refer to "2.3.5.3 The sub-committee for risk management".</p> <p>Based on the assessed risks, relevant risk management policies or strategies are formulated as follows:</p> <table border="1"> <thead> <tr> <th>Material Topics</th> <th>Risk Assessment Items</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>Environmental Impact and Management</td> <td> <ul style="list-style-type: none"> <li>The Company complies with the requirements of ISO 14001, establishes an environmental management system, and fully considers such significant environmental issues as pollution (e.g. air pollution, water pollution, waste) and water and electricity consumption, etc. and takes into account hazardous substances that may be introduced in the manufacturing process. Therefore, we set up dedicated management units and personnel to prevent environmental pollution, such as air pollution, water pollution, and waste, and to manage energy and resources.</li> <li>The Company regularly checks greenhouse gas emissions in accordance with ISO 14064-1 to review the impact on our operations. Based on the 2025 results of the greenhouse gas inventory, we will continue to implement carbon reduction measures. The third-party assurance on</li> </ul> </td> </tr> </tbody> </table>	Material Topics	Risk Assessment Items	Remark	Environment	Environmental Impact and Management	<ul style="list-style-type: none"> <li>The Company complies with the requirements of ISO 14001, establishes an environmental management system, and fully considers such significant environmental issues as pollution (e.g. air pollution, water pollution, waste) and water and electricity consumption, etc. and takes into account hazardous substances that may be introduced in the manufacturing process. Therefore, we set up dedicated management units and personnel to prevent environmental pollution, such as air pollution, water pollution, and waste, and to manage energy and resources.</li> <li>The Company regularly checks greenhouse gas emissions in accordance with ISO 14064-1 to review the impact on our operations. Based on the 2025 results of the greenhouse gas inventory, we will continue to implement carbon reduction measures. The third-party assurance on</li> </ul>	No difference.
Material Topics	Risk Assessment Items	Remark								
Environment	Environmental Impact and Management	<ul style="list-style-type: none"> <li>The Company complies with the requirements of ISO 14001, establishes an environmental management system, and fully considers such significant environmental issues as pollution (e.g. air pollution, water pollution, waste) and water and electricity consumption, etc. and takes into account hazardous substances that may be introduced in the manufacturing process. Therefore, we set up dedicated management units and personnel to prevent environmental pollution, such as air pollution, water pollution, and waste, and to manage energy and resources.</li> <li>The Company regularly checks greenhouse gas emissions in accordance with ISO 14064-1 to review the impact on our operations. Based on the 2025 results of the greenhouse gas inventory, we will continue to implement carbon reduction measures. The third-party assurance on</li> </ul>								

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
			<p>greenhouse gas inventory has been completed in 2023, and the subsidiary in China and the parent company in Taiwan obtained assurance certificates in June 2023. The assurance for 2025 is also in progress. The subsidiary in China has obtained the assurance certificate in March 2026. The parent company in Taiwan is expected to complete the third-party assurance on greenhouse gas inventory in May and is expected to receive the assurance certificate in July.</p>	
			<p>Social</p> <p>Occupational Safety</p> <ul style="list-style-type: none"> <li>● Employees are the most precious assets of an enterprise. And ensuring the safety and health of employees is the most important responsibility of an enterprise. In order to make our commitment to labor safety and health, the Company has established an occupational safety and health management system to comply with occupational safety and health regulations and other requirements, to be in accordance with ISO45001 and to meet customers' requirements. The goal of the system is to reduce any and all hazards and risks to our employees. We actively implement environmental and occupational safety and health policies and make sure that all employees can fully understand those policies through proper communication. We have been upholding the occupational safety and health policy of "compliance with laws and regulations, prevention first, safety first, and continuous improvement."</li> <li>● We commit to the following goals: <ol style="list-style-type: none"> <li>1. To provide safe working conditions and environment to protect the safety and health of employees.</li> </ol> </li> </ul>	

Assessment Item	Implementation Status			Non-implementation and its Reason(s)	
	Yes	No	Explanation		
				<p>2. To comply with laws, regulations and other relevant requirements and fulfill corporate social responsibilities.</p> <p>3. To eliminate hazards and reduce occupational safety and health risks, and improve the working safety of all employees.</p> <p>4. To continuously improve the occupational safety and health management system and improve the performance of safety and health management.</p> <p>5. To enhance the communication channels, implement the consultation of workers and labor representatives, and participate in safety and health related activities.</p>	
			Product Safety	<ul style="list-style-type: none"> <li>● The Company's products comply with relevant governments' regulations and laws and with EU's Restriction of the use of Hazardous Substance (RoHS). At the same time, in order to ensure the quality of customer service, we set up a customer service dedicated communication channel and actively conduct customer service satisfaction surveys on a regular basis every year to strengthen the collaboration with customers.</li> <li>● In order to avoid losses caused by a variety of risks, the Company has also taken various insurance policies, such as product liability insurance (the policy number is 0500-25APD0300057 and the insured coverage is USD 10 million.), etc., to ensure that we have sufficient capacities and resources to carry out the following recovery when risks occur, and indeed keep our commitments to customers.</li> </ul>	
			Corporate	Socio-	● By establishing an organizing framework of

Assessment Item	Implementation Status			Non-implementation and its Reason(s)									
	Yes	No	Explanation										
			<table border="1"> <tr> <td>Governance</td> <td>economic Issues and Legal Compliance</td> <td> <p>corporate governance and implementing an internal control system, we ensure that all employees and operations of the Company comply with relevant laws and regulations.</p> <ul style="list-style-type: none"> <li>● The Company will apply for patents for the products developed by it to protect its rights and interests.</li> </ul> </td> </tr> <tr> <td></td> <td>Enhancement of the Functions of Directors</td> <td> <ul style="list-style-type: none"> <li>● We plan education and trainings on relevant topics for directors, and provide directors with the updated information on the latest regulations, system development and policies every year.</li> <li>● We have taken directors liability insurance for directors to protect them against lawsuits or claims.</li> </ul> </td> </tr> <tr> <td></td> <td>Communication with Stakeholders</td> <td> <ul style="list-style-type: none"> <li>● In order to prevent stakeholders from having different perspectives with the Company, which may cause misunderstandings and lead to operational risks or litigation, the Company analyzes on a yearly basis the material topics which our stakeholders care about most.</li> <li>● The Company has established a variety of communication channels and been communicating actively to reduce confrontation and misunderstanding. We have set up the dedicated mailboxes and e-mail address for investors, in which the spokesperson is responsible for responding the received messages and opinions.</li> </ul> </td> </tr> </table>	Governance	economic Issues and Legal Compliance	<p>corporate governance and implementing an internal control system, we ensure that all employees and operations of the Company comply with relevant laws and regulations.</p> <ul style="list-style-type: none"> <li>● The Company will apply for patents for the products developed by it to protect its rights and interests.</li> </ul>		Enhancement of the Functions of Directors	<ul style="list-style-type: none"> <li>● We plan education and trainings on relevant topics for directors, and provide directors with the updated information on the latest regulations, system development and policies every year.</li> <li>● We have taken directors liability insurance for directors to protect them against lawsuits or claims.</li> </ul>		Communication with Stakeholders	<ul style="list-style-type: none"> <li>● In order to prevent stakeholders from having different perspectives with the Company, which may cause misunderstandings and lead to operational risks or litigation, the Company analyzes on a yearly basis the material topics which our stakeholders care about most.</li> <li>● The Company has established a variety of communication channels and been communicating actively to reduce confrontation and misunderstanding. We have set up the dedicated mailboxes and e-mail address for investors, in which the spokesperson is responsible for responding the received messages and opinions.</li> </ul>	
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<p>3. Environmentally Sustainable Development</p> <p>(1) Has the Company established a suitable environmental</p>	V		(1) For details, please refer to “2.3.10.1.1 Environmental Protection”.	(1) No difference.									

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
<p>management system based on its industrial characteristics?</p> <p>(2) Is the Company committed to improving energy efficiency and using renewable materials with low environmental impact?</p> <p>(3) Does the Company assess the potential risks and opportunities of climate change for the Company now and in the future, and take measures to address climate related issues?</p> <p>(4) Has the Company compiled statistics on greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulated policies on energy conservation, carbon reduction, greenhouse gas reduction, water consumption reduction or other waste management?</p>			<p>(2) For details, please refer to section “2.3.10.1.2 Energy Management”, “2.3.10.1.11 Use of Recycled Materials and Green Product Management” and “2.3.10.1.12 The Promotion of Circular Economy”.</p> <p>(3) For details, please refer to “2.3.10.1.9 Inventory of Greenhouse Gas Emissions and its Assurance” and “2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures”.</p> <p>(4) For details, please refer to “2.3.10.1.2 Energy Management”, 2.3.10.1.3 Green electricity usage and energy-saving equipment”, “2.3.10.1.4 Water Management”, “2.3.10.1.5 Waste Water Management”, “2.3.10.1.6 Capital Expenditure related to Energy Conservation, Water Conservation and Pollution Prevention”, “2.3.10.1.7 Waste management”, “2.3.10.1.8 Air Pollution Management”, “2.3.10.1.9 Inventory of Greenhouse Gas Emissions and its Assurance”, “2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures”, “2.3.10.1.11 Use of Recycled Materials and Green Product Management”, “2.3.10.1.12 The Promotion of Circular Economy”.</p>	<p>(2) No difference.</p> <p>(3) No difference.</p> <p>(4) No difference.</p>
<p>4. Promotion of Social Welfare</p> <p>(1) Does the Company set policies and procedures in compliance with relevant laws and regulations and International Bill</p>	V		<p>(1) For details, please refer to "2.3.10.2 Compliance with The International Bill of Human Rights".</p>	<p>(1) No difference.</p>

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
of Human Rights?				
(2) Does the Company formulate and implement reasonable employee welfare system (including compensation, vacations, and other benefits), and appropriately reflect its operating performance or results in employee compensation?			(2) For details, please refer to "4.5 Labor Relations".	(2) No difference.
(3) Does the Company provide a safe and healthy working environment for employees and regularly implement safety and health education for employees?			(3) For details, please refer to "2.3.10.3 Safety and Health Management" and "4.5 Labor Relations".	(3) No difference.
(4) Does the Company establish an effective career development training program for employees?			(4) For details, please refer to "4.5 Labor Relations".	(4) No difference.
(5) Does the Company comply with relevant regulations and international standards on such issues as customer health and safety, customer privacy, marketing and labeling of its products and services, etc. and has it formulated relevant policies and complaint procedures to protect the rights of consumers and customers?			(5) The customers of the Company are electronic manufacturers, not consumers. The Company and its customers are partners in collaborative design and manufacturing, and both parties can fully communicate on all topics of their rights, products and services. The Company has been complying with relevant regulations and international standards for the marketing and labeling of products and services.  For details regarding customer rights policies and complaint procedures, please refer to "4.9.1 Customer Rights Protection Management Policy" and "4.9.3 Customer complaint handling".	(5) No difference.

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
(6) Does the Company have a supplier management policy requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or human rights in the workplace, and how is it implemented?			(6) For details, please refer to "2.3.10.4 Supplier Management Policy".	(6) No difference.
5. Does the Company refer to international standards or guidelines for the preparation of a corporate sustainability report and other reports that disclose non-financial information about the Company? Did you obtain a third-party certification agency's assurance on the above-mentioned reports?	V		<p>We have issued the Company's sustainability report in compliance with the GRI standards in August 2023.</p> <p>The third-party's assurance of the report will be conducted first for key material topics, such as greenhouse gas inventory Verification, and then gradually expanded to include the whole report.</p> <p>The third-party assurance on greenhouse gas inventory has been completed in 2023, and the subsidiary in China and the parent company in Taiwan obtained assurance certificates in June 2023. The assurance for 2025 is also in progress. The subsidiary in China has obtained the assurance certificate in March 2026. The parent company in Taiwan is expected to complete the third-party assurance on greenhouse gas inventory in May and is expected to receive the assurance certificate in July.</p>	To be issued this year.
<p>6. If the Company has established its code of practice for promotion of sustainable development according to "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the policies and their implementation.</p> <p>The Company has established its own code of practice for promotion of sustainable development according to "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and has implemented various responsibilities for promotion of sustainable development in</p>				

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
accordance with "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies". For details, please refer to "2.3.10.1 Environmental Protection", "2.3.10.3 Safety and Health Management", "2.3.10.2 Compliance with The International Bill of Human Rights", "2.3.10.4 Supplier Management Policy", "4.5 Labor Relations" and other sections.				
7. Other important information to facilitate better understanding of the Company's promotion of sustainable development:				
The Company has explained them in detail in the "2.3.10.1 Environmental Protection", "2.3.10.3 Safety and Health Management", "2.3.10.2 Compliance with The International Bill of Human Rights", "2.3.10.4 Supplier Management Policy", "4.5 Labor Relations" and other sections.				

### 2.3.12 Chin Poon's Information on Implementation of Climate-related Measures

Code	Item	Implementation
1	Describe the board's and management's oversight and governance of climate-related risks and opportunities.	See "2.3.5 Information on Operations of the Sustainable Development Committee" and "2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures".
2	Describe how the identified climate risks and opportunities impact the Company's business, strategy, and finances (short-term, medium-term, and long-term).	See "2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures".
3	Describe the financial impacts of extreme climate events and transition actions.	See "2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures".
4	Describe how the climate risk identification, assessment, and management processes are integrated into the overall risk management system.	See "2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures".
5	If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts, which the Company used.	See "2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures".
6	If a transition plan exists to manage climate-related risks, describe the plan's content and the metrics and targets used to identify and manage physical risks and transition risks.	See "2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures".
7	If an internal carbon price is used as a planning tool, describe the basis for setting the price.	See "2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures".
8	If climate-related targets are set, the covered activities, greenhouse gas emission scope, planning period, and annual progress toward achieving them should be described. If carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, the source and quantity of carbon reduction credits or the number of RECs used should be described.	See "2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures". For more information on renewable energy, please refer to "2.3.10.1.2 Energy Management" and "2.3.10.1.3 Green electricity usage and energy-saving equipment".

Code	Item	Implementation
9	Greenhouse gas inventory and assurance status, reduction targets, strategies, and specific action plans.	See "2.3.10.1.9 Inventory of Greenhouse Gas Emissions and its Assurance" and "2.3.10.1.10 Climate Change Management Policy and IFRS S2 Framework Disclosures".
	9-1 Greenhouse gas inventory information	See "2.3.10.1.9 Inventory of Greenhouse Gas Emissions and its Assurance".
	9-2 Greenhouse gas assurance information	See "2.3.10.1.9 Inventory of Greenhouse Gas Emissions and its Assurance".



Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
<p>(2) Has the Company established an assessment mechanism against unethical conduct to regularly analyzes and evaluates on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and established prevention programs to prevent them, which at least covers the preventive measures stipulated in the second paragraph of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p> <p>(3) Does the Company clearly specify the operational procedures, code of conduct, a well-defined disciplinary and appeal system in the prevention programs to prevent unethical conduct, and effectively implement them, and regularly review their adequacy and effectiveness?</p>			<p>it under supervision of the Board of Directors. For details, please see "2.3.5.4 The sub-committee for ethical management and corporate governance".</p> <p>(2) The Company has clearly defined in its internal regulations that "the Company and its directors, managers, employees and substantial controllers shall not directly, or indirectly, provide, promise, request or accept any form of illegitimate interests in the execution of business, which include commissions, rebates, facilitating payment or other improper benefits through other means provided to or received from customers, agents, contractors, suppliers, public officials or other interested parties." And we have been implementing the concepts of employees' integrity and self-discipline in various operational procedures and training programs.</p> <p>(3) The Company expressly prohibits the provision or acceptance of improper benefits and related measures for their violations in its internal regulations and operational procedures. And the Company reviews their adequacy and effectiveness on a regular basis.</p>	(3) No difference.
<p>2. Implementation of Ethical Corporate Management</p> <p>(1) Does the Company assess the integrity records of its counter parties with whom it has business relationship</p>	V		<p>(1) Before the Company signs a contract with other parties, it will conduct a credit review and will</p>	(1) No difference.

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
<p>and include a clause of ethical conduct in their contracts?</p> <p>(2) Does the Company set up an office under the Board of Directors, which is dedicated to promoting the Company's ethical corporate management, and reports its policy, plans, supervision and implementation directly to the Board of Directors on a regular basis (at least once a year)?</p> <p>(3) Does the Company establish policies to prevent conflicts of interest, provide appropriate communication channels and implement such policies properly?</p> <p>(4) Has the Company established an effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct? Has the internal audit unit devised relevant audit plans by being based on the results of assessment of the risk of involvement in unethical conduct, and used it to examine accordingly the compliance with the prevention programs? Or has the internal audit unit instead of by itself engaged a certified public accountant to carry out the audit?</p>			<p>ask the other party to sign Supplier Honesty and Integrity Agreement.</p> <p>(2) Chief corporate governance officer and CEO's Staff Office is responsible for the amendment and implementation of relevant regulations and procedures of the Company, which are approved by the Board of Directors when they are amended. And the internal audit unit reports regularly to the Board of Directors on its plans to prevent unethical conduct and oversee its implementation at least once a year.</p> <p>(3) The Company's internal regulations and operational procedures clearly stipulate the terms on avoidance of conflict of interest. When employees encounter conflicts of interest in the execution of their business, they should report to their immediate supervisor.</p> <p>(4) The accounting system of the Company is based on Company Act, Securities Exchange Act, Business Entity Accounting Act, Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards and relevant laws and regulations, and take into consideration the Company's characteristics of business, organization and actual needs. The internal control system has been formulated according to " Regulations Governing</p>	<p>(2) No difference.</p> <p>(3) No difference.</p> <p>(4) No difference .</p>

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
(5) Does the Company provide internal and external training programs on ethical corporate management on a regular basis?			Establishment of Internal Control Systems by Public Companies " and has been implemented. The Audit Office also regularly reviews the compliance of the accounting system and the internal control system, and tracks its corrections, and reports to the Board of Directors on a regular basis.  (5) The Company has added the education and training program on ethical corporate management in regular education and training for all levels of managers.	(5) No difference.
3. Implementation of Whistleblower System	V			
(1) Does the Company establish a whistleblower system and an incentive policy for whistleblowing, set up conveniently accessible whistleblowing channels, and assign a dedicated person for the whistleblowers to handle their reports?			(1) The Company has stipulated a whistleblower system in its internal regulations and operational procedures, and has been educating employees to use it through the education and training programs. A conveniently accessible whistleblowing channels has been established. And we will assign a dedicated person for the whistleblowers to handle their reports to protect them.	(1) No difference.
(2) Does the Company establish standard operational procedures for investigating the reports of the whistleblowers, follow-up measures to be taken after the completion of the investigation, and relevant confidentiality mechanisms?			(2) The Company has separately established the "Operational Procedures for Handling Opinions, Complaints and Whistleblowing" to standardize the standard procedures of investigation and related confidentiality mechanisms for accepting whistleblowing reports, so as to	(2) No difference.

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
(3) Does the Company adopt proper measures to prevent whistleblowers from retaliation for their reports?			<p>establish a convenient whistleblowing channel and protect the rights and interests of whistleblowers. The Company will not only take appropriate measures to protect whistleblowers from being improperly treated due to their reporting, but will also conduct careful and confidential investigations to protect the people who have been reported for fraud from being improperly or incorrectly accused.</p> <p>(3) The Company will take appropriate measures to protect the whistleblowers from improper treatment due to their reports. However, the Company will also conduct cautious investigations to protect the accused from improper or incorrect accusation.</p>	(3) No difference.
<p>4. Enhanced Information Disclosure</p> <p>Does the Company disclose its code of practice for ethical corporate management as well as information about implementation of such code of practice on its website and on the "Market Observation Post System", which is Taiwan official disclosure website for all listed companies?</p>	V		<p>The Company has disclosed internal regulations and operational procedures on the Company's website. The Company has set up a stakeholders' area on the Company's website and on the "Market Observation Post System", which is Taiwan official disclosure website for all listed companies. And we have been responding appropriately to stakeholders' concern and important issues of ethical corporate management.</p>	No difference.
<p>5. If the Company has established its code of practice for ethical corporate management according to "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please describe any discrepancy between the policies and their implementation.</p>				

Assessment Item	Implementation Status			Non-implementation and its Reason(s)
	Yes	No	Explanation	
No difference.				
6. Other important information to facilitate better understanding on implementation of the Company's ethical corporate management (e.g., review the Company's code of practice for ethical corporate management , etc.).				
<p>The Company has been commission KPMG to audit and verify the Company's financial statements and to disclose various financial and business information on the "Market Observation Post System", which is Taiwan official disclosure website for all listed companies and the Company's website to enhance operational transparency.</p>				

2.3.14 For other important information that can enhance the understanding of the implementation of corporate governance

Please refer to our website: [www.chinpoon.com](http://www.chinpoon.com)

2.3.15 Implementation status of internal control system:

(1) Statement on Internal Control System: Appendix 1.

(2) If the Company has commissioned CPAs to review the internal control system, it should disclose their review report: None.

2.3.16 Important resolutions of the shareholders' meeting and the Board of Directors in the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

2.3.17 Directors' or supervisors' different opinions on the important resolutions of the Board of Directors, which have been recorded in the board meeting minutes or in a written statement, in the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report and their key points: None.

## 2.4 Information on the Company's Audit Fees

### 2.4.1 Information on Audit Fee

Unit: NT\$ thousand

Accounting Firm	Name of CPA	CPAs' Audit Period	Audit Fee	Non-audit Fee	Total	Remarks
KPMG Taiwan	Stanley Wu	Jan. 1, 2025~ Dec. 31, 2025	4,360	1,140	5,500	
	Charlotte Chao	Jan. 1, 2025~ Dec. 31, 2025				

The amounts for non-audit fees totaled NT\$ 1,140,000 were for fees for tax attestation, review of checklists on salary information for full-time employees not holding supervisory positions, translation of financial statements into English version, and etc.

2.4.2 State if non-audit fees are more than 25% of the audit fee: None.

2.4.3 State if the Company has replaced the accounting firm and if the audit fee paid in the year after the replacement is less than that in the year before the replacement: No replacement.

2.4.4 State if the audit fee is reduced by more than 15% compared with that in the previous year: None.

## 2.5 Information on the Change of CPAs

### 2.5.1 Former CPAs

Date of Change	February 29, 2024		
Reasons and Explanation of Changes	Due to the internal rotation, starting from the first quarter of 2024, KPMG has changed the CPAs who are in charge of auditing the Company's financial statements from CPA Victor Wang and CPA Charlotte Chao to CPA Stanley Wu and CPA Charlotte Chao.		
State if the appointment is terminated or rejected by the consignor or CPAs.	Party	CPA	Consignor
	Status	V	
	The engagement terminated by which party		
The opinions other than unqualified opinion issued in the last two years and the reasons for the said opinions.	None		
State if there was any different opinion between CPAs and the issuer.	Yes		Accounting Principle or Practice
			Disclosure of Financial Statements
			Auditing Scope or Procedures
			Others
	No	V	
Explanation			
Supplementary Disclosure (Disclosures specified in Article 10.6.1.4 ~ 10.6.1.7 of "Regulations Governing Information to be Published in Annual Reports of Public Companies")	None		

## 2.5.2 Successor CPAs

Accounting Firm	KPMG
CPA	CPA Stanley Wu and CPA Charlotte Chao
Date of Engagement	February 29, 2024
State if there was any consultation with the newly engaged CPAs, prior to the formal engagement with them, regarding the accounting treatment of or application of accounting principles to a specified transaction, or the type of audit opinion that might be rendered on the Company's financial statements.	None
The successor CPAs' written opinions that are different from the former CPAs' opinions	None

2.5.3 Former CPAs' reply letter specified in Article 10.5.1 and 10.5.2.3 of "Regulations Governing Information to be Published in Annual Reports of Public Companies": None.

2.6 Where the Company's chairperson, CEO, or any managerial officer in charge of finance or accounting has in the most recent year held a position at the accounting firm of its CPAs or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed. The term "affiliated enterprise of a CPA's accounting firm" means one in which CPAs at the accounting firm of the Company's CPAs hold more than 50 percent of the shares, or of which such CPAs hold more than half of the directorships, or a company or institution listed as an affiliated enterprise in the external publications or printed materials of the said accounting firm:

None.

#### 2.6.1 Procedures for Evaluating the Independence of our CPAs

The Audit Committee evaluates the independence of the Company's CPAs on a yearly basis. In addition to requiring the CPAs to provide an "Independence Statement" and "Audit Quality Indicators (AQIs)", the Audit Committee conducts the independent evaluation of our CPAs according to the criteria in the table below. It has been confirmed that our CPAs and the Company have no other financial interests and business relations except for the audit fee and tax consulting. At the same time, by referring to AQIs information, it was confirmed that the CPAs and their accounting firm had better auditing experience and training hours than the industry average. The evaluation report for the latest year has been discussed and approved by the Audit Committee on January 22, 2026, and submitted to the Board of Directors on January 23, 2026, which has resolved to approve the independent evaluation of our CPAs.

Criteria for Evaluating the Independence of our CPAs

Evaluation Item		Evaluation Result	Whether it meets the criterion of independence
1	Does the CPA have a direct or significant indirect financial interest in the Company?	No	Yes
2	Has the CPA involved any matter of financing or guarantee with the Company or its directors?	No	Yes
3	Does the CPA have close business relationship and potential employment with the Company?	No	Yes
4	Have the CPA and the members of the audit team been the Company's directors or managers or got a significant influence on the audit work in the Company currently or in the last two years?	No	Yes
5	Has the CPA provided the Company with non-audit services that may directly affect the audit work?	No	Yes
6	Has the CPA brokered the shares or other securities issued by the Company?	No	Yes
7	Has the CPA acted as the Company's defender or represented the Company in coordinating disputes with other third parties?	No	Yes
8	Does the accountant have any kinship with the Company's directors, managers or persons who have a significant impact on the audit work?	No	Yes

## 2.7 Changes in shareholding of directors, managers and major shareholders with 10% shareholdings or more in the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

### 2.7.1 Net Changes in Shareholding of Directors, Managers and Major Shareholders

Unit: Shares

Title	Name	2025		Jan. 1, 2025 ~ Apr. 26, 2026	
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged
Chairperson	Tseng-Liu, Yu-Chih				
Director	Tung, Hsiao-Hung				
Director	Lin, Pi-Chi				
Director	Huang, Wei-Jin	(1,500,000)		(2,600,000)	
Director	Lai, Hwei-Shan				
Independent Director	Chen, Hsiang-Sheng				
Independent Director	Chen, Shi-Shu				
Independent Director	Hsu, Sung-Tsai				
CEO	Alan Hwang				
VP	Catherine Hsing				
VP	Rachel Lin				
VP	Jack Lin				
AVP	Phil Su				
Internal Auditing Officer	Candy Sung				
Chief Corporate Governance Officer	Yu-Chiao Huang				

2.7.2 Stock Trade with Related Parties: None.

2.7.3 Stock Pledge with Related Parties: None.

## 2.8 Related Parties among our Top 10 Shareholders

April 26, 2026

Name (Note 1)	Current Shareholding		Spouse and Minor Children Shareholding		Shareholding by Nominee Arrangement		Name and Relationship between Shareholders (Note 3)		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Tseng-Liu, Yu-Chih	9,603,279	2.42	1,372,422	0.35					
Lin, Pi-Chi	6,591,649	1.66	2,229,839	0.56					
Tung, Hsiao-Hung	6,308,043	1.59							
Lai, Hwei-Shan	6,283,114	1.58							
Huang, Wei-Jin	5,638,409	1.42	2,642	0.00					
Citibank in custody for Polunin Emerging Markets Small Cap Fund, LLC	5,165,467	1.30							
JPMorgan Chase Bank in custody for J. P. Morgan Securities plc	5,097,148	1.28							
JPMorgan Chase Bank for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	4,967,799	1.25							
HSBC Bank in custody for Merrill Lynch Intl-main Trading - FIA	4,791,774	1.21							
JPMorgan Chase Bank in custody for Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	4,671,890	1.18							

Note 1: The top 10 shareholders should be listed (If one of them is an institutional shareholder, the name of the institutional shareholder and its representative should be listed simultaneously).

Note 2: The total of the shareholding of a shareholders, his/her spouse and minor children and other shareholders by nominee arrangement shall be used in the calculation of the shareholding ratio of a shareholder.

Note 3: The relationship among the shareholders listed in the above table, including shareholders and institutional shareholders, should be disclosed.

2.9 The total number of shares and total equity stake held in any single enterprise by the Company, its directors and supervisors, managers, and any companies controlled either directly or indirectly by the Company

December 31, 2025

Unit: Shares; %

Investee (Note1)	Ownership by the Company (A)		Ownership by Directors, Managers and Directly/Indirectly Owned Subsidiaries (B)		Total Ownership (A) + (B)	
	Shares	%	Shares	%	Shares	%
Vega International Enterprise Co.,LTD	151,242,925	100%			151,242,925	100%
Chin Poon Holdings Cayman Limited			112,354,035 (Note1)	100%	112,354,035	100%
Chin-Poon (Changshu) Electronics Co., Ltd			120,000,000 (Note1)	100%	120,000,000	100%
Suzhou Haokang Import & Export Co., Ltd.			6,000,000 (Note1)	100%	6,000,000	100%
Chin Poon Electronics (Thailand) Public Co., Ltd.	1,537,644,283	99.89%			1,537,644,283	99.89%

Note 1: The following are investees indirectly owned by the Company:

Chin Poon Holdings Cayman Limited has a share capital of US\$ 112,354,035.

Chin-Poon (Changshu) Electronics Co., Ltd has a share capital of US\$ 120,000,000.

Suzhou Haokang Import & Export Co., Ltd. has a share capital of RMB 6,000,000.

### 3. Information on Shares

#### 3.1 Capital and Shares

##### 3.1.1 Source of Share Capital (up to the date of publication of the annual report)

Unit: Shares; NT\$

Year/ Month	Par Value (NT\$)	Authorized Share Capital		Share Capital		Remark					
		Shares	Amount	Shares	Amount	Source of Share Capital				Payment for Shares by Assets Other than Cash	
						Cash	Retained Earnings	Capital Surplus	Conversion of Convertible Bonds		
1996/8	10	70,000,000	700,000,000	61,050,000	610,500,000	-	33,300,000	22,200,000	0	0	0
1997/8	10	170,000,000	1,700,000,000	96,312,500	963,125,000	200,000,000	152,625,000	-	0	0	0
1998/8	10	170,000,000	1,700,000,000	145,206,250	1,452,062,500	200,000,000	192,625,000	96,312,500	0	0	0
1999/8	10	260,000,000	2,600,000,000	174,247,500	1,742,475,000	-	145,206,250	145,206,250	0	0	0
2000/8	10	260,000,000	2,600,000,000	200,384,625	2,003,846,250	-	87,123,750	174,247,500	0	0	0
2001/7	10	300,000,000	3,000,000,000	232,372,201	2,323,722,010	-	119,491,140	200,384,620	0	0	0
2002/8	10	380,000,000	3,800,000,000	271,242,921	2,712,429,210	-	156,335,000	232,372,200	0	0	0
2003/1	10	380,000,000	3,800,000,000	274,852,991	2,748,529,910	-	-	-	36,100,700	0	0
2003/7	10	380,000,000	3,800,000,000	305,027,493	3,050,274,930	-	95,605,280	206,139,740	0	0	0
2003/10	10	380,000,000	3,800,000,000	305,049,232	3,050,492,320	-	-	-	217,390	0	0
2004/1	10	380,000,000	3,800,000,000	305,099,231	3,050,992,310	-	-	-	499,990	0	0
2004/5	10	380,000,000	3,800,000,000	305,462,867	3,054,628,670	-	-	-	3,636,360	0	0
2004/9	10	450,000,000	4,500,000,000	330,553,310	3,305,533,100	-	22,080,010	228,824,420	-	0	0
2004/10	10	450,000,000	4,500,000,000	331,326,703	3,313,267,030	-	-	-	7,733,930	0	0
2005/6	10	450,000,000	4,500,000,000	348,969,211	3,489,692,110	-	43,894,400	132,530,680	-	0	0
2005/12	10	450,000,000	4,500,000,000	330,490,346	3,304,903,460	-	-	-	-	0	(184,788,650)
2005/12	10	450,000,000	4,500,000,000	332,542,147	3,325,421,470	-	-	-	20,518,010	0	0

2006/4	10	450,000,000	4,500,000,000	343,194,943	3,431,949,430	-	-	-	106,527,960	0	0
2006/7	10	450,000,000	4,500,000,000	343,785,610	3,437,856,100	-	-	-	5,906,670	0	0
2006/10	10	450,000,000	4,500,000,000	348,246,806	3,482,468,060	-	-	-	44,611,960	0	0
2007/5	10	450,000,000	4,500,000,000	382,884,998	3,828,849,980	-	-	-	346,381,920	0	0
2007/7	10	450,000,000	4,500,000,000	409,237,088	4,092,370,880	-	-	-	263,520,900	0	0
2007/10	10	450,000,000	4,500,000,000	412,764,322	4,127,643,220	-	-	-	35,272,340	0	0
2008/9	10	450,000,000	4,500,000,000	406,079,322	4,060,793,220	-	-	-	-	0	(66,850,000)
2008/12	10	450,000,000	4,500,000,000	397,579,322	3,975,793,220	-	-	-	-	0	(85,000,000)
2009/9	10	450,000,000	4,500,000,000	397,976,420	3,979,764,200	-	3,970,980	-	-	0	0
2009/11	10	450,000,000	4,500,000,000	397,495,420	3,974,954,200	-	-	-	-	0	(4,810,000)

Note 1: The Company's share capital in 1995 was NT\$ 555,000,000.

Note 2: The Company's previous fundraisings were approved according to the following letter: 85.07.02 (85) Taiwan Finance and Securities (1) Letter No. 41277, 86.05.30 (86) Taiwan Finance and Securities (1) Letter No. 39311, 87.05.21 (87) Taiwan Finance and Securities (1) Letter No. 39137, 87.05.27 (87) Taiwan Finance and Securities (1) Letter No. 46114, 88.07.07 (88) Taiwan Finance and Securities (1) Letter No. 61438, 89.06.15 (89) Taiwan Finance and Securities (1) Letter No. 51185, 90.05.17 (90) Taiwan Finance and Securities (1) Letter No. 130493, 91.06.12 (90) Taiwan Finance and Securities (1) Letter No. 0910131911, 92.01.27 Taiwan Securities Upward Letter No. 0920001822, 92.07.01 Taiwan Finance and Securities (1) Letter No. 0920129138, 92.10.27 Taiwan Securities Upward Letter No. 0920027311, 93.2.3 Taiwan Securities Upward Letter No. 0930001797, 93.5.14 Taiwan Securities Upward Letter No. 09300112041, 93.07.6 Securities and Futures (1) Letter No. 0930129618, 93.10.28 Taiwan Securities Upward Letter No. 0930027762, 94.6.9 FSC Securities (1) Letter No. 0940123159, 94.12.08 Taiwan Securities Upward Letter No. 09400349981, 95.2.6 Taiwan Securities Upward Letter No. 0950002547, 95.4.27 Taiwan Securities Upward Letter No. 0950008649, 95.7.27 Taiwan Securities Upward Letter No. 09500197291, 95.10.26 Taiwan Securities Upward Letter No. 09500282201, 96.05.14 Taiwan Securities Upward Letter No. 0960011571, 96.08.06 Taiwan Securities Upward Letter No. 09600223631, 96.10.24 Taiwan Securities Upward Letter No. 09600315051, 97.9.23 Taiwan Securities Upward Letter No. 09700286131, 98.1.7 Taiwan Securities Upward Letter No. 09800000241, 98.7.2 FSC Securities Letter No. 0980032975 and 98.11.25 Taiwan Securities Upward Letter No. 09800300791.

Note 3: Other in December 2005 was the retired treasury stocks of 11,602 thousand shares bought back by the Company and of 6,877 thousand shares acquired through the merger with Shunhong Co., Ltd. Others in September of 2008, December of 2008 and November of 2009 were the retired treasury stocks bought back by the Company.

April 26, 2026

Unit: share

Type of Stock	Authorized Share Capital			Remark
	Issued Shares	Unissued Shares	Total	
Common Stock	397,495,420	52,504,580	450,000,000	Listed

### 3.1.2 Major Shareholders

April 26, 2026

Unit: share

Shareholders	Shares	Total Shares Owned	Shareholding (%)
Tseng-Liu, Yu-Chih		9,603,279	2.42
Lin, Pi-Chi		6,591,649	1.66
Tung, Hsiao-Hung		6,308,043	1.59
Lai, Hwei-Shan		6,283,114	1.58
Huang, Wei-Jin		5,638,409	1.42
Citibank in custody for Polunin Emerging Markets Small Cap Fund, LLC		5,165,467	1.30
JPMorgan Chase Bank in custody for J. P. Morgan Securities plc		5,097,148	1.28
JPMorgan Chase Bank for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds		4,967,799	1.25
HSBC Bank in custody for Merrill Lynch Intl-main Trading - FIA		4,791,774	1.21
JPMorgan Chase Bank in custody for Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds		4,671,890	1.18

### 3.1.3 Dividend Policy and Distribution of Earnings

#### 3.1.3.1 Dividend Policy in the Company's Articles of Incorporation

The Company's Articles of Incorporation before 2015 has stipulated as follows: Should there be any remaining earnings after making the final settlement of account every year, after allocating for tax payments according to law, they shall first be used to cover losses for preceding years, and then setting aside 10% for legal reserve. However, when the cumulative legal reserve has reached the amount of paid-in capital, no more legal reserve shall be allocated. Should there still be remaining earnings, the allocation of a special reserve may be considered or they shall simply be retained. Among the rest of the remaining earnings, the total remunerations for directors and supervisors shall range from 0.5% to 5%, and the bonus to employees shall range from 2% to 10%, and the dividends or bonuses to shareholders shall range from 20% to 80%; the rest is unallocated remaining earnings. The specific part of remaining earnings, which is transferred back from special earnings reserve after the purpose of setting aside special earnings reserve has been satisfied or the cause of setting aside special earnings reserve has been ruled out, is allowed to be distributed as dividends or bonuses. If shareholders are not allotted with stock dividends, the employees shall not be allotted with stock bonus. The employees for bonus distribution shall include qualified employees of subsidiary companies, and the bonus distribution plan for these employees shall be decided by the Board of Directors.

According to Company Act amended in May 2015, the compensation for employees and the remuneration of directors are not in the category of the profit distribution approved by the shareholders' meeting. The Company has amended its Articles of Incorporation, which was approved by the shareholders' meeting on June 14, 2016, to comply with the newly amended Company Act. The amended articles in its Articles of Incorporation are as follows:

Article 25 " When the Company makes profits in a year, 2%~10% of the yearly profits shall be allocated for employee bonuses, and not more than 3% of the yearly profits for the remuneration of directors. However, when the Company has accumulated losses, the profit shall be used to cover the accumulated losses beforehand. The employees for bonus distribution shall include qualified employees of subsidiary companies."

Article 26 " Should there be any remaining earnings after making the final settlement of account every year and after allocating for tax payments

according to laws, they shall first be used to cover accumulated losses, and then setting aside 10% for legal reserve. However, when the cumulative legal reserve has reached the amount of paid-in capital, no more legal reserve shall be allocated. Should there still be remaining earnings, a special reserve can be allocated because of operational consideration and regulatory imperatives. Among the rest of the remaining earnings of the yearly profits, the dividends or bonuses to shareholders shall range from 20% to 80%, The rest is unallocated remaining earnings and will be added to the remaining earnings of previous years. The board can make a proposal of distributing those remaining earnings for the Shareholders' Meeting to approve."

The distribution ratio of cash dividends in the Company's Articles of Incorporation is also clearly defined as follows:

" The dividend policy shall take into consideration the actual business environment and stage of business growth. The Board of Directors shall prepare and submit the specific distribution plans for implementation after approval by the Shareholders' Meeting, in view of future fund needs and the financial plans under the optimal principle of cash dividend and stock dividend. The cash dividend shall not be less than 20% of the total current-time Distribution, and shall not be less than 50% of the total current-time Distribution if the Company can acquire enough external financing. The actual distribution amount, category and proportions of the earnings shall be decided and adjusted per actual profitability and capital status and be resolved by the Shareholders' Meeting."

#### 3.1.3.2 Proposal for Distribution of 2025 Profits and Retained earnings

##### Cash Dividend:

It is proposed to allocate NT\$ 397,495,420 from the 2025 profits and the retained earnings and to distribute a cash dividend of NT\$ 1.00 per share to the shareholders. The total amount of cash dividend is NT\$ 397,495,420.

#### 3.1.4 Impact on Business Performance and EPS Resulting from the Proposal for Stock Dividend

Not applicable.

### 3.1.5 Compensation for Employees and Remuneration for Directors and Supervisors

#### 3.1.5.1 The Percentage and range of Compensation for Employees and of Remuneration for Directors and Supervisors

The Company's Articles of Incorporation before 2015 has stipulated as follows: Should there be any remaining earnings after making the final settlement of account every year, after allocating for tax payments according to law, they shall first be used to cover losses for preceding years, and then setting aside 10% for legal reserve. However, when the cumulative legal reserve has reached the amount of paid-in capital, no more legal reserve shall be allocated. Should there still be remaining earnings, the allocation of a special reserve may be considered or they shall simply be retained. Among the rest of the remaining earnings, the total remunerations for directors and supervisors shall range from 0.5% to 5%, and the bonus to employees shall range from 2% to 10%, and the dividends or bonuses to shareholders shall range from 20% to 80%; the rest is unallocated remaining earnings. The specific part of remaining earnings, which is transferred back from special earnings reserve after the purpose of setting aside special earnings reserve has been satisfied or the cause of setting aside special earnings reserve has been ruled out, is allowed to be distributed as dividends or bonuses. If shareholders are not allotted with stock dividends, the employees shall not be allotted with stock bonus. The employees for bonus distribution shall include qualified employees of subsidiary companies, and the bonus distribution plan for these employees shall be decided by the Board of Directors.

According to Company Act amended in May 2015, the compensation for employees and the remuneration of directors are not in the category of the profit distribution approved by the shareholders' meeting. The Company has amended its Articles of Incorporation, which was approved by the shareholders' meeting on June 14, 2016, to comply with the newly amended Company Act. The amended articles in its Articles of Incorporation are as follows:

Article 25 " When the Company makes profits in a year, 2%~10% of the yearly profits shall be allocated for employee bonuses, and not more than 3% of the yearly profits for the remuneration of directors. However, when the Company has accumulated losses, the profit shall be used to cover the accumulated losses beforehand. The employees for bonus distribution shall include qualified employees of subsidiary companies."

Article 26 " Should there be any remaining earnings after making the final settlement of account every year and after allocating for tax payments according to laws, they shall first be used to cover accumulated losses, and then setting aside 10% for legal reserve. However, when the cumulative legal reserve has reached the amount of paid-in capital, no more legal reserve shall be allocated. Should there still be remaining earnings, a special reserve can be allocated because of operational consideration and regulatory imperatives. Among the rest of the remaining earnings of the yearly profits, the dividends or bonuses to shareholders shall range from 20% to 80%, The rest is unallocated remaining earnings and will be added to the remaining earnings of previous years. The board can make a proposal of distributing those remaining earnings for the Shareholders' Meeting to approve."

3.1.5.2 The basis for accruing the compensation for employees and the remuneration for directors and supervisors in the current period and the accounting for handling the difference between the amount of actual payment, which include the estimated value for employees' stock bonus and the payment of cash bonus, and the accrued amount of employees' compensation:

(1) The basis for accruing the compensation for employees and the remuneration for directors and supervisors:

It is in accordance with the Company's Articles of Incorporation.

(2) The accounting for handling the difference between the amount of actual payment, which include the estimated value for employees' stock bonus and the payment of cash bonus, and the accrued amount of employees' compensation:

There is no employees' stock bonus for this period and no difference between the amount of actual payment and the accrued amount of employees' compensation.

3.1.5.3 Resolution of Employees' Compensation and Directors' Remuneration Approved by the Board of Directors

(1) If the amount of employees' compensation and directors' remuneration in cash or in stock is different from the accrued amount of them, the difference,

its reason and the accounting of handling it should be disclosed:

The proposed amount of the compensation of employees in cash is NT\$ 34,716,085 and the proposed amount of the remuneration of directors in cash is NT\$ 5,330,000. There are no differences between the amount proposed by the Board of Directors and the amount of expense for the compensation and the remuneration accrued in the 2025 financial statements of the Company.

- (2) The proportion of the employees' stock bonus to the total net income and to the total amount of employee compensation in the 2025 parent company only financial statements of the Company:

There was no employees' stock bonus from the 2025 profit.

- (3) The earnings per share after deducting employees' compensation and directors' remuneration in cash or in stock:

It is NT\$ 1.59.

3.1.5.4 The distribution of employees' compensation and directors' remuneration in the previous year (including the number of shares, amount and share price): If the amount of employees' compensation and directors' remuneration in cash or in stock were different from the accrued amount of them, the difference, its reason and the accounting of handling it should be disclosed.

- (1) The distribution of employees' compensation and directors' remuneration in the previous year:

Unit: NT\$

	Resolution by the shareholders' meeting	Resolution by the Board of Directors	Difference	Reason
A. Distribution				
1. Employees' Compensation	58,386,106	58,386,106	0	-
2. Directors' Remuneration	5,680,000	5,680,000	0	-
B. Earnings Per Share on 2024				
Earnings Per Share in the income statement	2.85	2.85	0	-

- (2) If the amount of employees' compensation and directors' remuneration in cash or in stock were different from the accrued amount of them, the difference, its reason and the accounting of handling it should be disclosed:

The amount of the compensation of employees in cash and the amount of the remuneration of directors in cash were NT\$ 58,386,106 and NT\$ 5,680,000. There are no differences between the amount approved by the shareholders' meeting and the amount of expense for the compensation and the remuneration accrued in the 2024 financial statements of the Company.

#### 3.1.5.5 Sharing the profits with non-executive employees

In order to share the profits with non-executive employees, the Company's shareholders have approved an amendment to the Articles of Association at the shareholders' meeting on June 25, 2025, and amend Article 25 of the Articles of Association to be as follows: "Article 25: When the Company makes profits in a year, 2%~10% of the yearly profits shall be allocated for employee bonuses, and not more than 3% of the yearly profits for the remuneration of directors. However, when the company has accumulated losses, the profit shall be used to cover the accumulated losses beforehand. The employees for bonus distribution shall include non-executive employees and qualified employees of subsidiary companies. Of the employees bonuses allocated by the board of directors as mentioned above, no less than 25% of the total amount of such employee bonuses shall be distributed to non-executive employees." It is stipulated that the proportion of bonus distribution for non-executive employees to the total amount of bonus distribution shall not be less than 25%.

In 2025, NT\$19,788,168 of the profits will be allocated as compensation for non-executive employees. The total compensation distributed to employees is NT\$34,716,085, so the compensation for non-executive employees accounts for 57% of the total compensation distributed to employees, which is no less than the aforementioned 25%.

### 3.1.6 Share Repurchases

#### 3.1.6.1 Share Repurchases Already Completed

Round	The 7th round
Purpose	For transferring shares to the Company's employees
Duration	March 11,2026 ~ May 10,2026
Price Range	NT\$ 28.39 ~ 45
Type and Quantity of shares to be repurchased	Common Stock, 3,000,000 shares
Actual repurchase quantity	150,000 shares
Total Value of Shares Repurchased	NT\$ 6,332,707
The Ratio of the Number of Shares that Were Repurchased to the Planned Number of Shares to Be Repurchased	5%
The Number of Shares Retired or Resold	-
Quantity of Total Treasury Stock Holdings	-
Total Treasury Stock Holdings as A Percentage of Total Shares Issued (%)	-

#### 3.1.6.2 Share Repurchases Still in Progress

None.

### 3.1.7 Implementation of the Resolutions of the Shareholders' Meeting

Date	Resolutions	Implementation
June 25, 2025	Resolution for Distribution of 2024 Profits (a cash dividend of NT\$ 1.85 per share)	The Company has set the ex-dividend date at July 20, 2025 and has paid the cash dividends on August 11, 2025.

### 3.2 Issuance of Corporate Bonds.

The convertible bonds were issued on July 24, 2002 and has expired on July 24, 2007.

### 3.3 Issuance of Preferred Shares

None.

### 3.4 Issuance of Global Depository Receipts.

None.

### 3.5 Employee Subscription Warrants

None.

### 3.6 New Restricted Employee Shares.

None.

### 3.7 Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies.

None.

### 3.8 Financing Plans and Implementation.

None.

## 4. Operational Highlights

### 4.1 Business Activities

#### 4.1.1 Business Scope

##### 4.1.1.1 Main Business

- (1) Manufacturing, processing and sale of printed circuit boards and electronic materials.
- (2) Manufacturing, processing and sale of punching machines and press dies for printed circuit boards.
- (3) Manufacturing, processing and sale of insulation boards.
- (4) Importing and exporting of the aforesaid items.

##### 4.1.1.2 Business Breakdown:

The Company's main business is manufacturing, processing and trading of printed circuit boards. They accounted for approximately 100% of its business in 2025.

##### 4.1.1.3 Products:

Single-sided, double-sided, multi-layer printed circuit boards and HDI.

##### 4.1.1.4 New Products Development:

Refer to "4.1.3.3 Future R&D plan and R&D Budget in 2026".

#### 4.1.2 Industry Overview:

##### 4.1.2.1 The Industry's Current Situation and Development

The industry of printed circuit board (PCB), which is one of the main components of all electronic products, has been known as the "mother of electronics". Moreover, the PCB industry is the leader of Taiwan's top five electronic components industry. In 2025, the production value of Taiwan's PCB makers was NT\$ 915.2 billion in Taiwan and overseas. That is more than twice that of

the passive components industry, which is the second largest electronic component industry in Taiwan. The PCB industry is one of the most complete industry clusters in Taiwan. It is also one of the industries with the most listed companies in Taiwan.

According to TPCA and the IEK statistics of the Industrial Technology Research Institute (ITRI), the production value of Taiwan's PCB makers in Taiwan totaled NT\$ 915.2 billion in 2025, an increase of 12.0% year-on-year. This shows that Taiwan's PCB industry saw growth last year in the three major application markets of communications, computers, and semiconductors, and the momentum of recovery in Taiwan's PCB industry has gradually emerged.

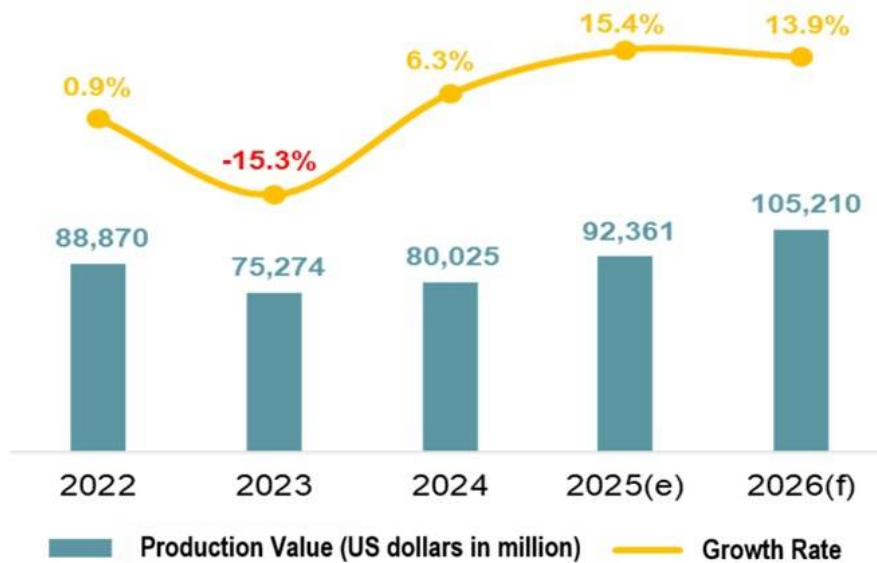
Figure 1 Global PCB Production Value by Region

**World PCB Production by Region (unit: US\$ million at 2024 exchange rates)**

<b>Region</b>	<b>2023</b>	<b>2024</b>	<b>2025F</b>	<b>2024 Share</b>
N. & S. America	3,210	3,340	3,600	3.5%
Europe	1,980	1,985	2,000	2.1%
Middle East & Africa	200	240	260	0.2%
Russia (wild guess)	250	260	270	0.2%
<b>West Total</b>	<b>5,640</b>	<b>5,825</b>	<b>6,130</b>	<b>6.1%</b>
China	54,000	56,400	61,470	59.1%
Taiwan	7,650	8,075	8,700	8.5%
Japan	7,785	8,220	8,460	8.6%
S. Korea	7,760	8,090	8,560	8.5%
Thailand	3,050	3,600	4,820	3.8%
Vietnam	2,900	3,300	3,960	3.5%
Other Asia	1,150	1,320	1,580	1.4%
India	560	580	620	60.0%
<b>Asia Total</b>	<b>84,855</b>	<b>89,585</b>	<b>98,170</b>	<b>93.9%</b>
<b>World Total</b>	<b>90,495</b>	<b>95,410</b>	<b>104,300</b>	<b>100.0%</b>

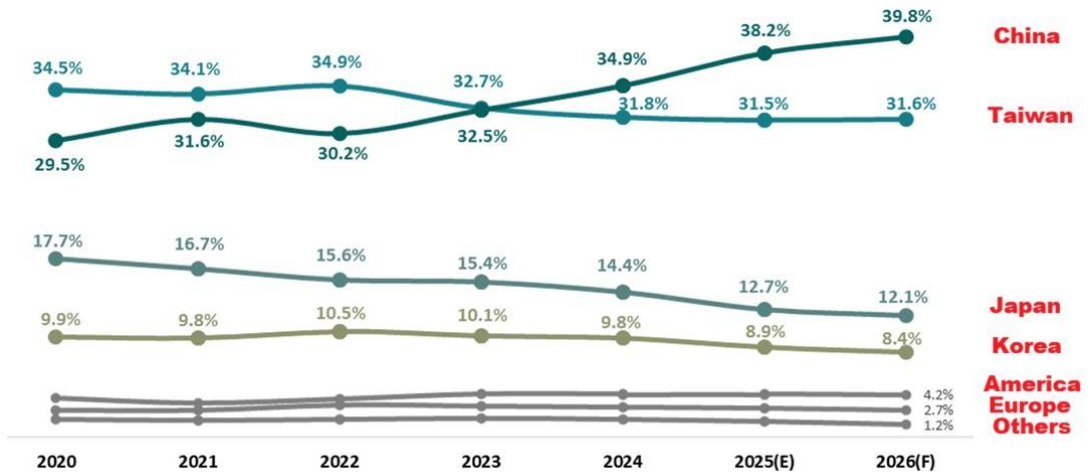
Source: N.T. Information (Jan. 2026)

Figure 2 Global PCB Production Value and its Growth



Source: TPCA and IEK (Jan. 2026)

Figure 3 Global PCB Production Share by Makers' Nationality



Source: TPCA and IEK (Jan. 2026)

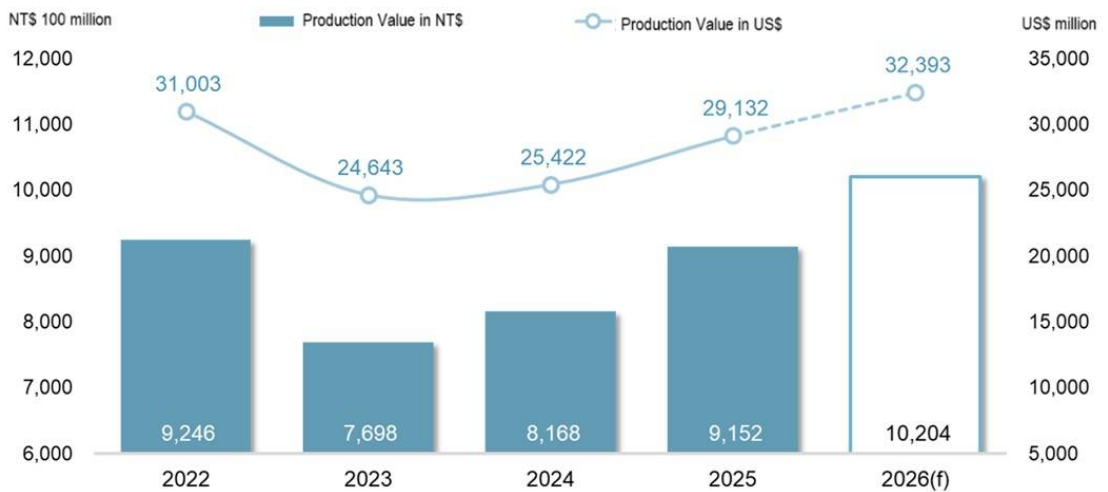
Since 2000, many PCB makers in the United States and Europe have closed their production. Due to the price and quality advantages, Taiwan' PCB makers have been taking business from international manufacturers who consider cost reduction under the recession. In particular, the huge demand for consumer electronics in emerging regions has caused a large influx of PCB orders into Asia and resulted in the prosperity of the PCB industry in Asia since the second half of 2005. However, these orders mainly went to PCB makers located in China. The total production value of PCB in Taiwan and in China is estimated by TPCA and the IEK statistics of the Industrial Technology Research Institute (ITRI) to have reached 70% of the global production value in 2025. PCB production in Taiwan and in China has become the dominant force in the PCB

industry. Taiwan’s PCB makers are among the major players with a share of 31.5%, which was second to that of China, which was 38.2%.

TPCA and IEK estimated that the global PCB production value was US\$ 92.361 billion in 2025, up 15.4% from 2024.

Looking forward to this year, the global economy still has a variety of uncertainties. However, with the continual expansion of the global electronics industries, TPCA and IEK estimated that the global PCB production value in 2026 has the possibility of a double-digit growth of 13.9% and that the estimated output value is expected to reach US\$ 105.210 billion. Considering the fact that Taiwan's PCB industry has survived several economic cycles and it has been expanding its market share, Taiwan's PCB industry benefiting from the future growth of the electronics industry will still be able to obtain stable profits under the advantage of cost reduction and of competitive capacity both in Taiwan and in China.

Figure 4 Taiwan PCB Production



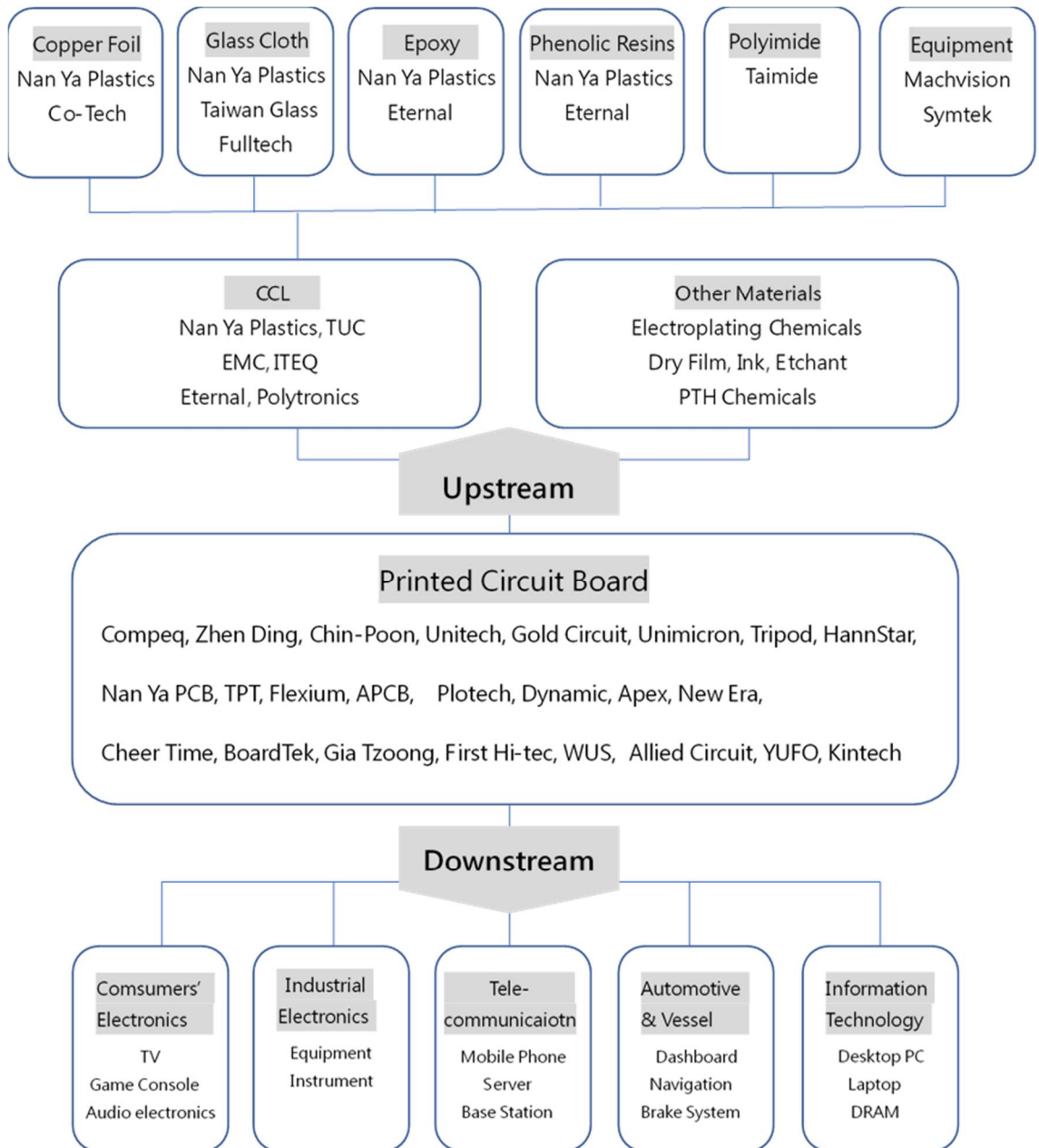
Source: TPCA & IEK (Feb. 2026)

#### 4.1.2.2 Supply Chain of PCB Industry

The PCB industry produces printed circuit boards that carry electronic components. Upstream of the PCB industry, there are makers of CCL (copper clad laminates), such as paper base copper clad laminates and epoxy fiberglass fabric copper clad laminate, and manufacturers of dry film, ink, and etching liquid, etc. More upstream of them, there are manufacturers of copper foil, fiberglass cloth, epoxy resin and other materials. Downstream of the PCB industry, there are manufacturers of home appliances, consumer electronics,

computers, telecommunications, and electronic components for vehicles and ships.

#### Diagram of PCB Industry Supply Chain

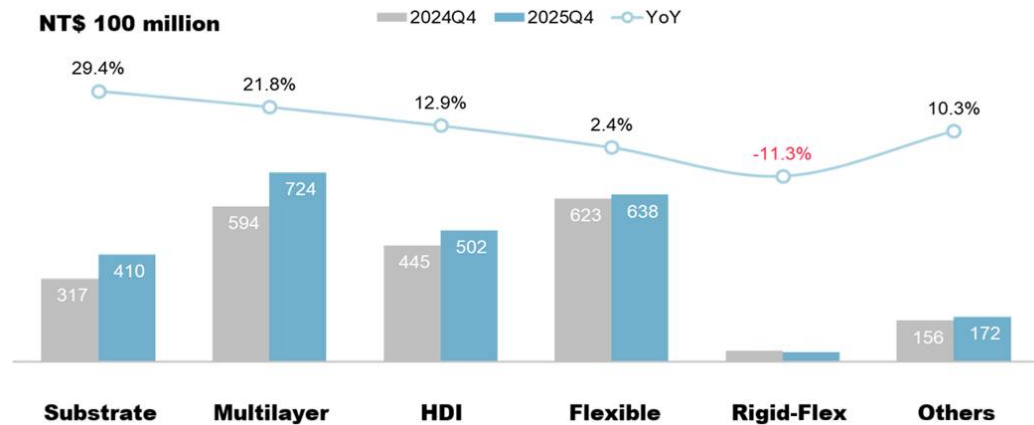


#### 4.1.2.3 Products Development Trends and Competition

According to statistics from the Industrial Technology Research Institute (ITRI) IEK, Taiwan's PCB products can be divided into substrates, multilayer boards, HDI, flexible boards, rigid-flex boards, and others, as shown in Figure 1. Driven by growth in demand from AI servers and networking equipment, the proportion of substrates, multilayer boards, and HDI has continued to increase. Flexible

boards, however, were experiencing slower growth due to weakening demand in the mobile phone market. Overall, the significant growth in AI-related products has maintained double-digit growth in PCB demand. PCB manufacturers are actively expanding production to meet this strong demand, and therefore, a balance between supply and demand is expected.

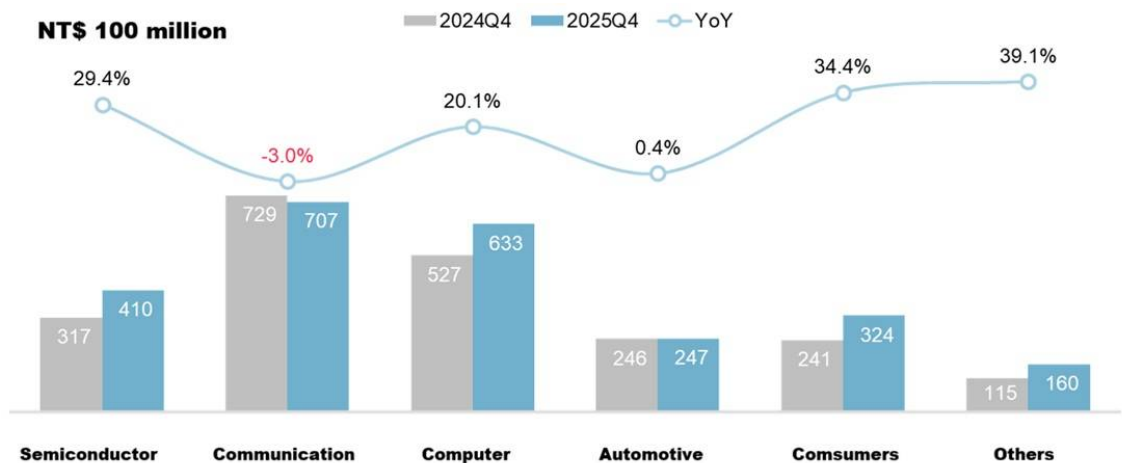
Figure 1 Taiwan's Main Trend of PCB Products



Source: TPCA & IEK (Feb. 2026)

In terms of PCB applications, communications remain the dominant application in Taiwan, followed by computers and semiconductors. The market share trends for these main applications are shown in Figure 2. Semiconductor applications saw significant growth, benefiting from expanded demand for AI/networking chips and memory. Computer applications grew due to continued strong demand for AI servers and rapidly increasing demand for memory. Communications applications declined, primarily due to cooling demand in the mobile phone market, dragging down overall performance. Automotive applications remained flat due to a more cautious global automotive market outlook. Consumer applications grew, driven by the launch of new AI smart glasses by major technology companies, resulting in a significant demand in related HDI and flexible board.

Figure 2 Taiwan's Main Trend of PCB Applications



Source: TPCA & IEK (Feb. 2026)

### 4.1.3 Technology and R&D Overview

4.1.3.1 The research and development expenses invested by the Company in 2025 were NT\$ 322,641 thousand.

4.1.3.2 Results of R&D in 2025

- A. Development of modified copper inlay process for cost reduction
- B. Middle/High current carrying PCB – Heavy copper
- C. Partial thermal management PCB – Inlay + blind vias
- D. Partial thermal management PCB – Square inlay
- E. Partial thermal management PCB – Convex
- F. Development of advanced cavity PCB
- G. Development of radio frequency PCB
- H. Development of high layer count PCB – Telecommunication PCB
- I. Development of high-voltage PCB
- J. Development of advanced HDI
- K. Assisting overseas factories to upgrade the capabilities of MLB & HDI
- L. Others

4.1.3.3 Future R&D plan and R&D Budget in 2026

- Future R&D plan:
  - Development of middle/high current carrying PCBs
  - Development of partial heat dissipation PCBs

- Development of embedded Cu-inlay for Matrix/Multi-Pixel LED Headlights System
- Development of semi-flex plus PCB for vehicle
- Development of radio frequency PCBs
- Development of cavity PCB for power amplifier
- Development of advanced HDI
- Development of thick Cu Coil PCB for vehicle planar transformer
- Development of HLC PCB for telecommunication
- Development of high-voltage PCB for electric vehicle
- Development of high-reliability PCB for aerospace & aviation
- Evaluation of LEBO & Pin-Lamination processes
- Evaluation of thermally conductive materials for EPS PCB
- Evaluation of advanced equipment and intelligent manufacturing at Thai new plant

- R&D Budget:

The R&D budget is NT\$ 261,125 thousand.

#### 4.1.3.4 R&D Expenses as a Percentage of Revenue in the Last Two Years

##### R&D Expenses as a Percentage of Revenue

Unit: NT\$ thousand; %

Year	R&D Expenses	% of Revenue
2024	338,570	2.07%
2025	322,641	2.04%

#### 4.1.4 Long-term and Short-term Business Development Plans.

##### 4.1.4.1 Short-term Business Development Plan

- (1) Focus on the global market and work with customers to develop high value-added products with market potential..
- (2) Increase products diversification to meet customers' development strategy and their demand for total solutions.
- (3) Maintain the leading advantages in single-sided and double-sided boards, and expand the revenue of high value-added products.
- (4) Continue to develop niche markets such as heavy copper boards, metal PCBs, and high current carrying PCBs.

- (5) Continue to develop the auto PCB market and enhance our comprehensive services.

#### 4.1.4.2 Long-term Business Development Plan

- (1) Build a cluster of Asian manufacturing sites. We are planning to simultaneously expand the manufacturing sites in China and in Thailand in the next 2-3 years. We have increased our ownership of our manufacturing site in Thailand to 99.89% in 2023 and are planning to build more capacity in Thailand. In 2025, an old factory in Thailand has been renovated and is upgrading its equipment and expanding its production capacity to quickly seize business opportunities in Europe, America, Japan, Southeast Asia, and South Asia. Construction of a new factory in Thailand has begun in November 2025, which will provide an important source of future growth for the Group. Simultaneously, some equipment and processes at the Changshu plant in China will be phased out, and an old factory will be renovated to expand equipment and processes for future niche products, to optimize the product structure of the plants in China and to increase its output value and profits.
- (2) Continue to expand the niche market of printed circuit board (PCB) for automotive, low-orbit satellite boards, high-end communication and medium-volume PCBs.
- (3) Continue to develop various niche markets such as heavy copper boards, metal PCBs, high frequency PCBs and high current carrying PCBs to maintain high margins.
- (4) Continue to develop a variety of HDIs to meet the large demand for slim type of electronics in the future.
- (5) Continue to strengthen the automation and smart manufacturing to enhance the quality of products and the flexibility of production.

## 4.2 Market Overview and Our Production and Sales

### 4.2.1 Market Overview

#### 4.2.1.1 Our Sales by Region

Unit: NT\$ thousand

Year	2023		2024		2025	
Region	Amount	%	Amount	%	Amount	%
America	4,159,749	24.84%	4,352,260	26.61%	3,915,266	24.81%
Europe	4,995,580	29.83%	4,518,601	27.63%	4,455,629	28.23%
Asia	6,119,293	36.52%	5,980,679	36.57%	5,994,356	37.99%
Others	1,474,793	8.81%	1,503,670	9.19%	1,415,621	8.97%
Total	16,749,415	100.00%	16,355,210	100.00%	15,780,872	100.00%

#### 4.2.1.2 Market Share:

The Company's business is mainly manufacturing, processing and trading of printed circuit boards. The market share in 2025 was about 1.79%. (calculated based on the statistics of TPCA and IEK)

#### 4.2.1.3 Market Supply and Demand and Growth Potential in the Future

TPCA and IEK estimated that the global PCB production value in 2026 has the possibility of a double-digit growth of 13.9% and that the estimated output value is expected to reach US\$ 105.210 billion.

#### 4.2.1.4 The Estimated Sales Volume of the Company

Unit: M<sup>2</sup>

Business Objectives	2026
Product	Estimated Sales Volume (M <sup>2</sup> )
Single-sided	780,576
Double-sided and Multilayer	3,284,717
Total	4,065,293

#### 4.2.1.5 Competitiveness and Prospects, Favorable and Unfavorable Factors, and Response Measures:

As far as the development of the printed circuit board industry and the current situation of the Company are concerned, the favorable factors and unfavorable factors affecting our competitiveness and prospects are summarized as follows:

##### 4.2.1.5.1 Favorable Factors:

- (1) The industry's supply chain is complete, which is conducive to our competition in the international market.

Taiwan's printed circuit board industry has a complete supply chain. The supply of raw materials such as CCL and chemicals are sufficient, and the competitiveness of their quality and price give Taiwan PCB makers an edge in the international competition. In addition, the electronics industry downstream has been booming. It also provides Taiwan PCB makers a good playground in the world market.

- (2) The booming global electronic products drive the continued growth of demand for printed circuit boards.

In recent years, under the trend of convergence among computers, telecommunication and consumers electronics, the output value of the electronics industry has been growing year by year, and printed circuit boards have become an indispensable basic component in the overall industry. With the dramatic changes in the global economic environment, international electronics manufacturers have moved toward the global division of labor and have actively outsourced their manufacturing in the Asia-Pacific region. Taiwan and China have become top choices for the

professional manufacturing bases of international electronics manufacturers by virtue of their superior process capability and integrated production environment. Taiwan PCB industry has been benefiting from these trends.

- (3) The Company has a strong customers portfolio, which is conducive to the Company's stable growth.

The Company has long been specialized in the production and sales of printed circuit boards. In all aspects of technology, quality, and delivery, we have been appraised by many global manufacturers. We have been maintaining good cooperative relations with them for many years, which is conducive to the Company's stable growth.

- (4) The Company has excellent manufacturing capability, good process management, and long-term competitive advantage

The Company has long been dedicated to the development of precision technology, high value-added products, high level of automation, and good management of process capabilities. We also have a competitive advantage on product quality, yield and delivery, etc. Especially in recent years, we have vigorously introduced smart factories, automation equipment, digital integration and collaboration between upstream and downstream supply chains, etc., which have further enhanced the competitiveness of the Company.

- (5) There are more business opportunities after the rise of China and China's accession to the WTO.

Since the introduction of the market economy in China, the vast market has attracted the attention of global manufacturers. The moving of manufacturing to China by the electronics industries has created huge demand for the printed circuit boards in China and in Asia. After China has joined the WTO, the average export tariffs will be reduced year by year, so the PCB makers that has been produced in China can meet the demand of the customers in the near areas in Asia. In addition, the reduction of import tariffs will also reduce the burden on Taiwan's PCB makers to export to China. Therefore, Taiwan PCB makers who operate and produce both in Taiwan and in China are the biggest winner benefiting from those trends.

- (6) Our subsidiary in Thailand has an edge on lower cost and nearness to the business opportunities in Southeast Asia and South Asia

The global manufacturing industries headed by Europe and the United States are seeking production capacity outside China, making Southeast Asia a popular production base. The Company has set up manufacturing site in Thailand for more than 20 years and has a first mover advantage. In 2023, our ownership of our subsidiary in Thailand has increased to 99.89%. And the expansion plan of its double-sided and multi-layer production capacity has been actively launched to capture business opportunities in Southeast Asia and South Asia and to make up for insufficient capacity in Taiwan and in China.

- (7) the trade wars between China and the United States has promoted business opportunities outside China.

In the trade war from 2018 on, downstream customers are highly interested in the capacity outside China in order to diversify their supply. The Company has more production capacity in Taiwan and Thailand than that of our competitors, which will help us to get more business.

#### 4.2.1.5.2 Unfavorable Factors and Response Measures:

- (1) Labor shortage and rising labor costs: In recent years, due to the decrease of labors who are interested in manufacturing, labor recruitment is not easy and the cost is increased.

Response measures:

- a. Increase automated equipment and reduce dependence on manpower.
- b. Introduce computer-aided manufacturing systems to increase production efficiency.
- c. Implement quality control circle comprehensively to improve the efficiency of personnel work.
- d. Develop automation to reduce labors.

- (2). Exchange rate risk: As the Company's export sales accounted for more than 90% of our revenue, there is a risk of exchange rate.

Response measures:

- a. Instantly grasp the exchange rate information.

- b. Maintain flexible foreign exchange hedge (such as forward foreign exchange contract) and keep a hedged position to reduce the risk of exchange rate.
- c. Use natural hedge to mitigate the risk of exchange rate by buying raw materials in US dollars.

(3) Stricter environmental standards and increasing environmental costs: Waste water, waste gas and scrapped printed circuit boards, etc. will be produced during the manufacturing process of printed circuit boards. The environmental cost for dealing with them has been increasing.

Response measures:

- a. Establish solid pollution prevention measures and treatment equipment.
- b. Improve the operation of green facilities and reduce human negligence.
- c. Use the black hole process to replace the electroless plating in order to simplify the raw materials and to reduce waste as well.
- d. Cooperate with professional recyclers approved by the Environmental Protection Administration to recycle and treat waste sludge and scrapped printed circuit boards.

(4) Tight time schedule of delivery and production and challenges of logistics efficiency: Customers require that we have the ability of immediate supply because they need to reduce their inventory but can still remain their just-in-time production.

Response measures:

- a. Coordinate the supplier to reduce the time for preparing materials and accelerate the delivery schedule in order to quickly meet customers' needs.
- b. Maintain good communication with customers, and instantly grasp the customer's demand for PCBs, which is conducive to the Company's planning of capacity expansion and production.
- c. Actively improve manufacturing processes, enhance process efficiency, integrate the entire processes, shorten manufacturing time and strengthen logistics efficiency in order to achieve the goal of just-in-time supply.

(5) The advent of the meager profit era: In recent years, due to the excessive expansion of manufacturers, the imbalance between supply

and demand in the market has tilted to over-supply. And the prices of raw materials continue to rise. Manufacturers of products that do not differentiate have to cut their prices to win the competition. Consumers with more choices of supply choose to hold their orders to get better purchase terms, which blocks their demand in a way. All of these have triggered the advent of the era of meager profit.

Response measures:

- a. Enhance research and development, innovate products and enhance processes technology.
- b. Develop niche markets with high value and high potential, provide quality services and technical support to meet the customers' need for total solutions.
- c. Become customers' outstanding partner in their supply chain, integrate company-wide resources to provide a single window for our customers to get products and services and to reduce their costs and to enhance their value in order to increase customer stickiness.
- d. Implement the cost management with excellent performance and quickly response to the dynamics of the market to build the niche products portfolio in order to expand the profit margin and to dampen the threat of the era of meager profit.

(6) The threat of China's transformation into a world factory and a price destroyer since the reforms and opening-up in China: The advantages of low-cost and the abundance of production resources have led to China's transformation into a world factory and a price destroyer.

Response measures:

- a. Provide resources of technology, R&D and management to our Changshu Plant in China to facilitate its expansion of operations, services, customers and markets.
- b. Create differentiated products and services that are beyond price destroyers by innovative R&D capabilities, superior manufacturing competitiveness, and outstanding customer service systems.
- c. The excellent cost control mechanism is launched in our domestic and overseas business. We face the challenge of price destroyers with our competitive advantages in cost, technology and service.
- d. Thailand's production cost is lower than that in China. The Company has expanded its production capacity in Thailand since 2015 to meet the opportunities of some price-competitive products.

#### 4.2.1.6 SWOT analysis of Taiwan's printed circuit board industry (source: TPCA)

##### (1) Strengths of the industry

- a. Highly flexible production and short lead time supply.
- b. Good cost control systems.
- c. Having the same cultural background as that in China.
- d. Hard-working and well-educated labors.
- e. A well-developed and well-established IT industry supply chain.

##### (2) Weakness of the industry

- a. A certain degree of gap in high-end technology compared with the American and Japanese peers.
- b. Some gaps to catch up in the ability to develop and promote the market needs compared with more competitive peers in other countries.
- c. Taiwan's printed circuit board industry is not a price maker, but more like a price taker, so it can only obtain less profit.

##### (3). Opportunities facing the industry

- a. North American manufacturers are no longer competitive in terms of cost, so more and more orders for higher-end products are transferred to Taiwan's makers.
- b. China has become the largest and fastest growing market.
- c. The market of telecommunications and home appliance in China is growing rapidly.

##### (4) Threats facing the industry

- a. More and more printed circuit board manufacturers have moved their production bases to China.
- b. Local PCB makers in China have become more competitive and operationally more efficient.
- c. "Made in China" and "China Price" have become the mainstream of the market.
- d. Customers are not satisfied with the current price and still expect lower prices.
- e. Due to the global economic recession, the demand in Europe and the United States has declined.

##### (5) Key performance indicators with industry characteristics: Operating Income Ratio and EBITDA

KPI	Definition	Budget in 2025	2025	Achievement Rate
Operating Income Ratio	Operating Income to Operating Revenue	6.89%	3.04%	44.11%
EBITDA (NT\$ thousand)	Earnings before Interest, Tax, Depreciation and Amortization	2,344,696	1,724,384	73.54%

Our budget achievement of operating revenue and operating costs were 87% and 90% of the 2025 budget targets respectively. We expected that demand in the automotive market would have returned to normal in 2025, so we had an optimistic forecast for revenue growth for the year. However, the continued difficulties in the global automotive market's transition to electric vehicles in 2025 have led to weak demand, suppressing growth in automotive PCBs and causing the Company's revenue to deviate from the budget by 13%. But the Company's active efforts to develop orders for industrial electronics products helped to mitigate the decline in revenue. The achievement rate of gross profit for 2025 was only 69%, primarily due to the significant depreciation of the US dollar against the Taiwan dollar and the Renminbi, resulting in a decrease in our gross profit as a manufacturer exporter. Consequently, the achievement rate for operating income and profit before tax were only 38% and 62%, respectively. As a result, the EBITDA reached 73.54% of the target.

## 4.2.2 Important Applications and Manufacturing Processes of the Main Products

### 4.2.2.1 Important Applications

#### (1) Single-sided printed circuit board

- a. Consumers electronics: TV sets, video recorders, tape recorders, remote controls, handheld game consoles, cameras, alarms, emergency lighting equipment, power supplies, control panels for home appliances, industrial control panels, etc.
- b. Telecommunication: telephones, telephone switches, fax machines, etc.
- c. Computers: monitors, terminals, keyboards, mouse, etc.

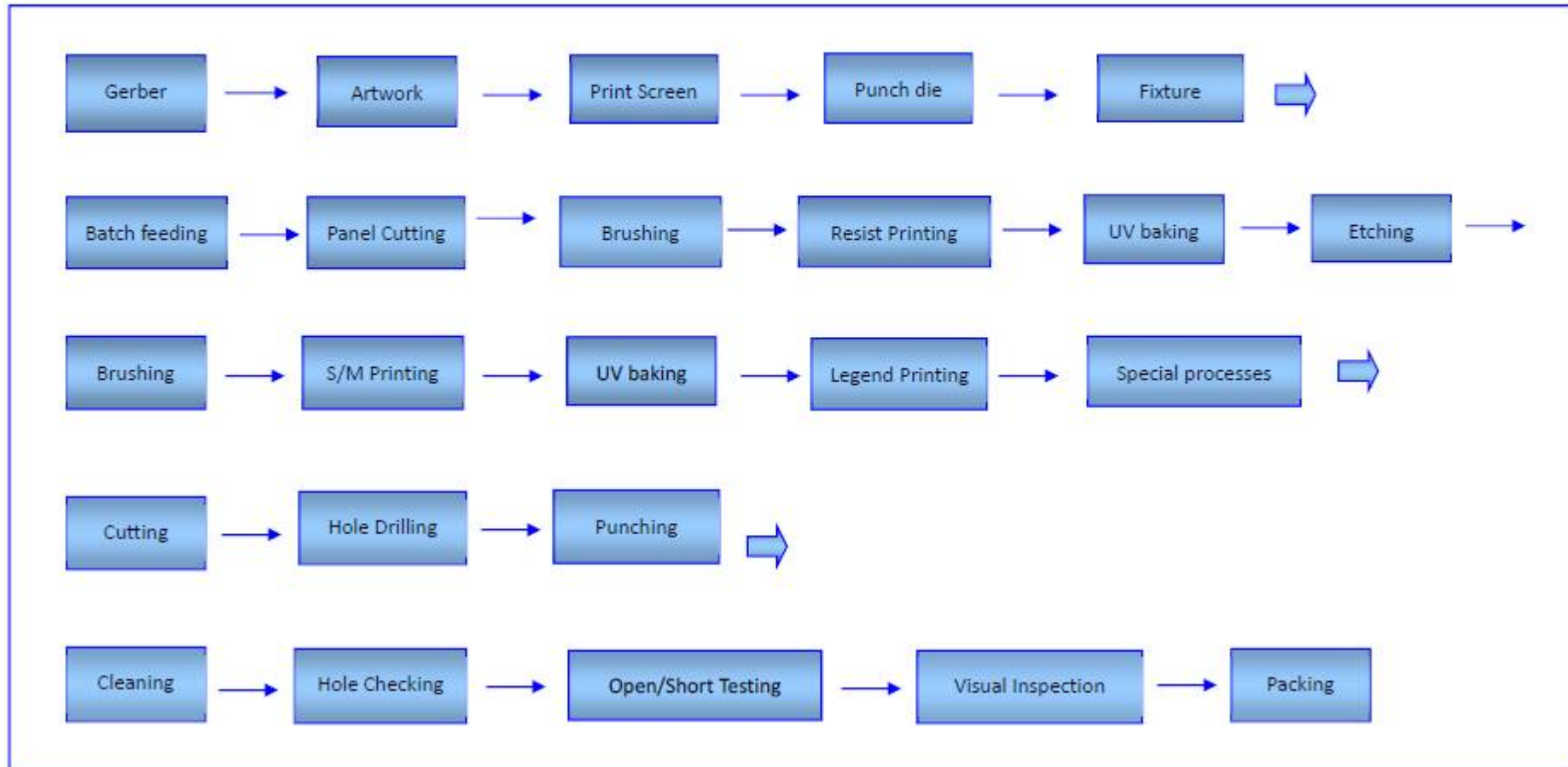
#### (2) Double-sided and multi-layer printed circuit boards:

- a. Consumers electronics: video camera, car audio, CD-Player, TV game consoles, high-end power supply, industrial control panel, car dashboard, uninterruptible power system, etc.

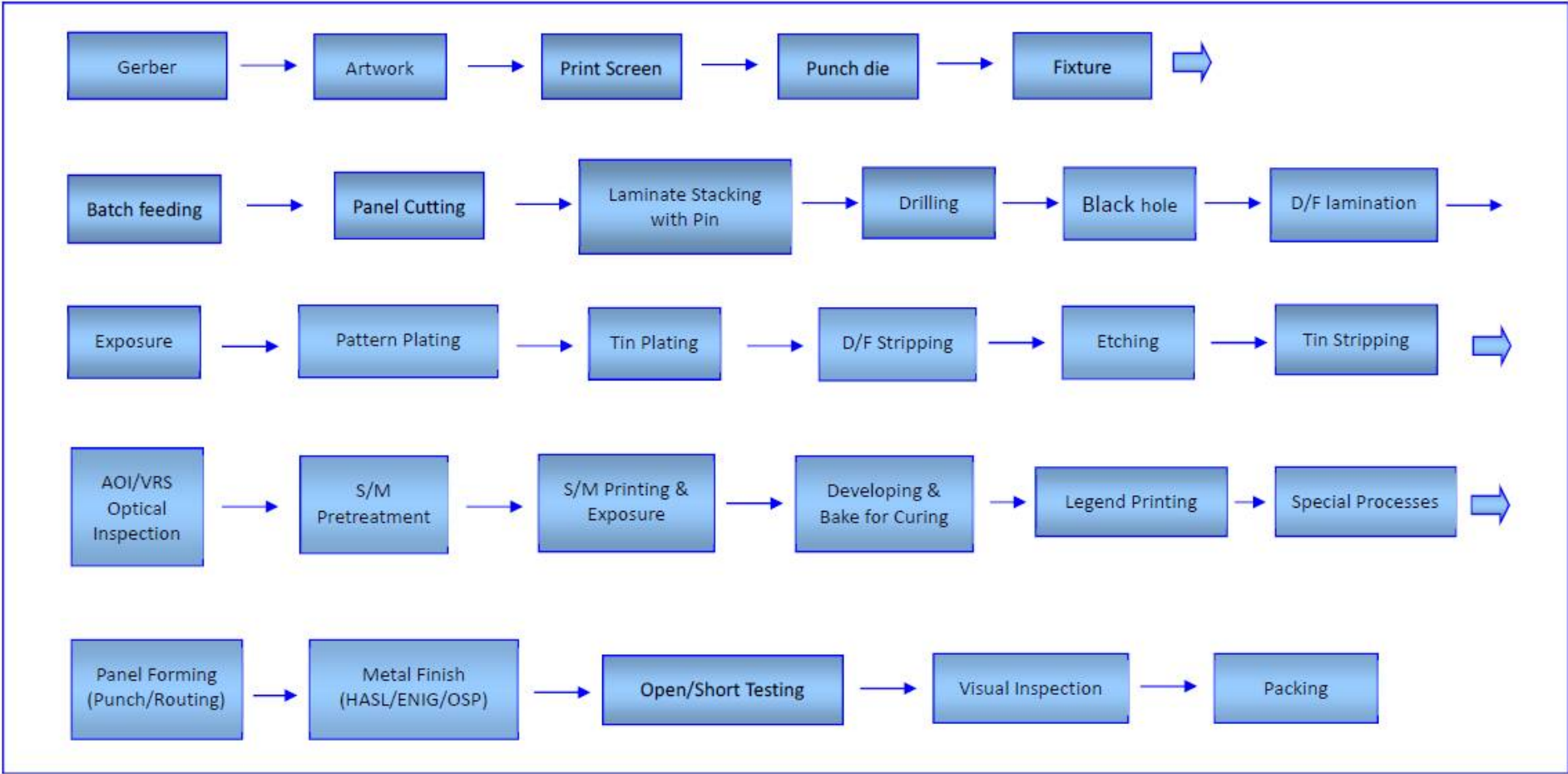
- b. Telecommunication: digital telephones, answering machines, private branch exchange, modems, pagers, satellite receivers, personal digital assistants, mobile phones, etc.
- c. Computers: high-end monitors, high-end terminals, printers, graphics cards, sound cards, network cards, video cards, scanners, CD players, laptops, etc.

#### 4.2.2.2 Manufacturing Processes

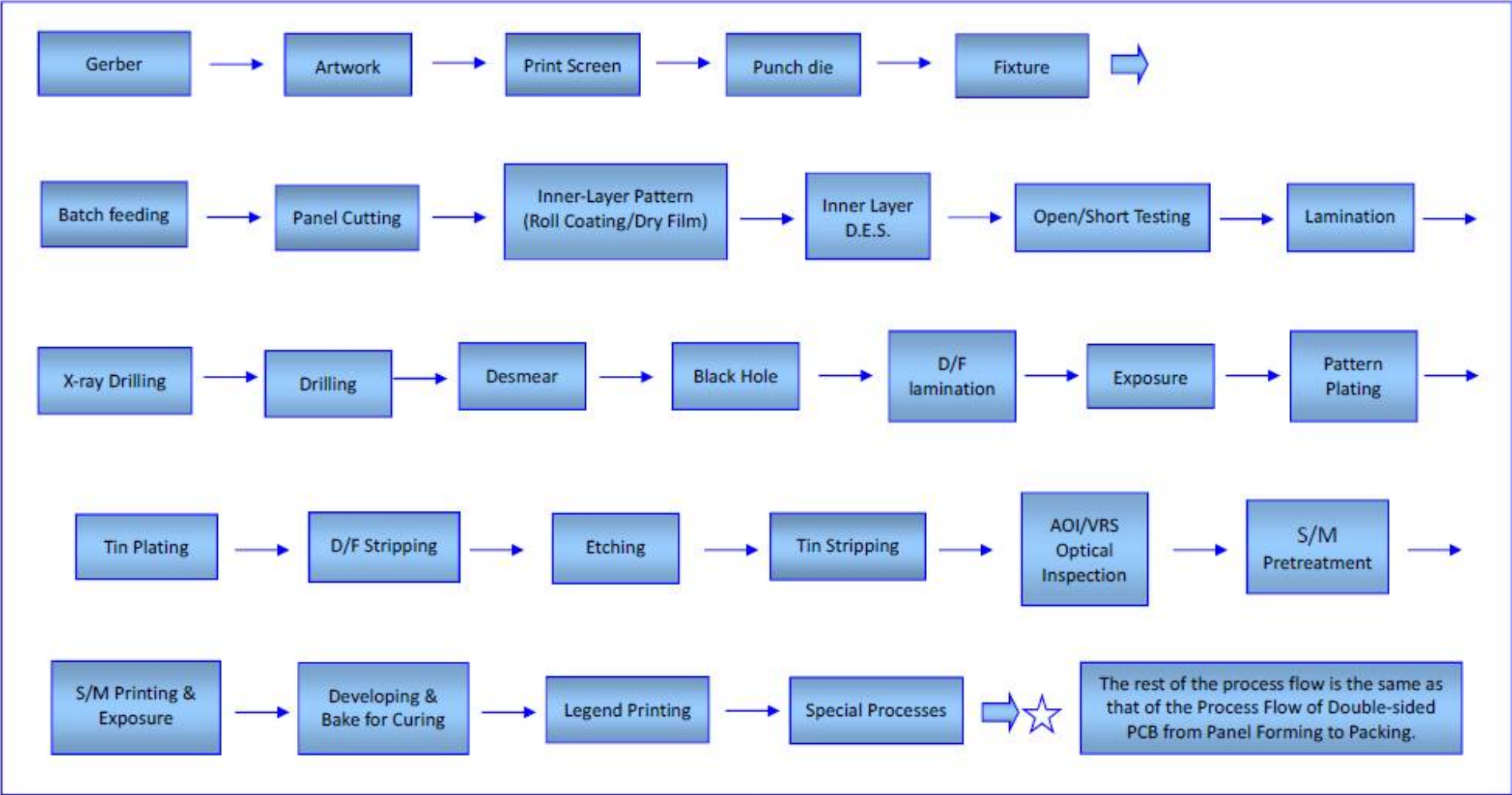
### Process Flow of Single-sided PCB



# Process Flow of Double-sided PCB



# Process Flow of MLB



### 4.2.3 Supply of Main Raw Materials

The Company's main raw material is copper clad laminate (CCL). In the early stage of the industry's development, PCB makers rely on imported CCL. Recently, with the clustering of the industry, upstream makers of CCL and process chemicals have been setting up factories and expanding their capacity rapidly. At present, except for a few special raw materials that still depend on imports, domestic PCB makers can obtain almost all raw materials from domestic suppliers.

### 4.2.4 List of Major Suppliers in the Last Two Years

Unit: NT\$ thousand

Year	2024				2025			
Rank	Name	Amount	Purchase %	Related Party	Name	Amount	Purchase %	Related Party
1	Nan Ya Plastics	1,042,535	17.02%	No.	Nanya Electron Material Kunshan Company	1,291,773	19.11%	No.
2	Nanya Electron Material Kunshan Company	915,331	14.94%	No.	Nan Ya Plastics	876,166	12.96%	No.
	Others	4,167,582	68.04%		Others	4,590,055	67.93%	
	Total	6,125,448	100.00%		Total	6,757,994	100.00%	

The top 10 suppliers of the Company are mostly domestic manufacturers. The Company adopts a diversified supplier policy, so only Nan Ya Plastics and Nanya Electron Material Kunshan Company are suppliers with more than 10% of our purchase.

The changes: In the production of printed circuit boards, CCLs take the highest proportion of the raw materials. Therefore, the top ten suppliers are mostly manufacturers of various types of CCLs, such as Nan Ya Plastics, EMC and Shengyi Technology, etc. Nan Ya Plastics is the manufacturer with the largest supply of CCLs in Taiwan. They have abundant production capacity and can keep stable supply, so it has been our largest supplier in the past two years. The materials we purchase from it include glass fiber epoxy CCLs and composite CCLs. In general, domestic printed circuit board manufacturers have enough domestic supply of raw materials and do not need to rely too much on imports.

#### 4.2.5 Changes of Major Customers in the Last Two Years

The top 10 customers of the Company are mostly international big companies, The Company adopts a diversified customer policy, so it does not have a single customer with more than 10% of our sales. The change of top 10 customers is mainly due to the dynamics in their industries and in their business. In addition, with the expansion of the Company's new business in recent years, our sales for European, American and Japanese international manufacturers have been increasing.

#### 4.3 Employees' Data of the Last Two Years

Year		2024	2025
Number of employees		5,659	5,659
Average age		36.39	37.02
Average Seniority		7.6	8.07
Education	Ph.D.	0	0
	Master	83	68
	Bachelor	2,164	2,209
	High School	1,964	1,989
	Others	1,448	1,393

#### 4.4 Information on Environmental Expenditure

4.4.1 Losses caused by environmental pollution during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

None.

## 4.4.2 Future Response Measures and Possible Expenditures

### 4.4.2.1 Strengthening Resources Recovery

- (1) The scrapped materials of printed circuit boards are reused or resold as much as possible.
- (2) Scrapped boards and waste sludge are recycled to extract copper by professional recyclers.
- (3) Set up copper powder recycling machines to make 100% of the washing water of each process be recycled and reused, greatly reducing the water consumption.
- (4) Strengthen the recovery of other reusable materials.

### 4.4.2.2 Enhancing Waste Reduction in the Manufacturing

- (1) The PTH process of Pingzhen Plant fully adopts the black hole process to greatly reduce wastewater.
- (2) Expand the copper powder recycling machines to reduce the volume of wastewater by recycling water resources.
- (3) Promote silver through-hole products to reduce chemical pollution of electroplating.

### 4.4.2.3 Expanding Pollution Prevention Equipment

- (1) Upgrade the wastewater treatment equipment of Tao-Yuan Plant.
- (2) Add exhaust scrubber systems to make the exhaust gas emission meet the national emission standards.
- (3) Strengthen the diversion system of factory drainage to let the wastewater containing high COD pool together for intensive special treatment in order to meet national discharge standards.

### 4.4.2.4 Responding to the EU Directives on Restriction of Hazardous Substances

Since July 1, 2006, the European Union has imposed restrictions on electronics sold to EU countries. All the electronic and electrical products in the lists cannot contain six hazardous substances regulated in RoHS (The Restriction of Hazardous Substances in Electrical and Electronic Equipment (ROHS) Directive (2002/95/EC)) when they enter the European market.

In recent years, the Company has been taking environmental protection as its own responsibility. It has introduced and widely used environmentally-friendly materials and lead-free processes. Therefore, this limited usage in the directives has little impact on the Company. And environmental protection measures taken by the Company earlier than the directives has also brought more business opportunities to the Company.

#### 4.4.3 Budget of Environmental Investment

Reducing the impact of the manufacturing on the environment and enhancing environmental protection has become the trends of the world. The Company continues to implement the environmental management system, and plans to invest NT\$ 28,574 thousand in 2026 to upgrade the pollution prevention equipment, to reduce the impact of the manufacturing on the environment, and then to improve the Company's corporate image and competitiveness.

#### 4.4.4 Impact of Environmental Investment

##### 4.4.4.1 Impact on Net Income:

The yearly depreciation is increased by approximately NT\$ 3,572 thousand.

##### 4.4.4.2 The tax credit from the investment is NT\$ 0.

##### 4.4.4.3 Impact on Competitiveness:

Doing a good job in environmental protection is a world trend. The Company actively invests in environmental protection. Although it has a slight impact on earnings, it has won the appraisal of foreign customers, thus strengthening market competitiveness.

## 4.5 Labor Relations

### 4.5.1 The Company's employee welfares, education, trainings, retirement plans and their implementation, as well as the negotiation with employees and the measures for protecting employees' rights and interests

#### 4.5.1.1 Employee Welfares and its Implementation

Employees are an important resource for the Company. Therefore, the Company has always been paying great attention to labor relations. In order to fully take care of employee, in addition to complying with the regulations and laws of labor affairs, there are a variety of welfares for our employees.

- (1) Employee insurance policy:
  - a. Employees participate in labor insurance, labor occupational accident insurance and health insurance. In accordance with the laws and regulations, the Company applies for labor insurance, labor occupational accident insurance, health insurance, and contributes to labor pensions for our employees to protect their current livelihood and their old age in the future.
  - b. Employees participate in casualty insurance. The full premiums for insurance policy are borne by the Company.
- (2) Implement a system of employee salary adjustment and bonus distribution. In order to motivate employees and share the Company's profits, its year-end bonuses are given to our employees based on their work performance, contribution and future potential. We refer to the trend of salary adjustment in the labor market and the performance appraisal of our employees to handle their promotion and salary adjustment on a yearly basis in order to motivate and retain talents.
- (3) The Company has established an Employee Welfare Committee to handle employee welfare matters, including social club subsidy, birthday gifts, holiday gifts (vouchers) in such holiday as Dragon Boat Festival, Mid-Autumn Festival and Labor Day, wedding gifts, children's wedding gifts, childbirth gifts, housewarming gifts, employee and children's scholarships, kindergarten children's subsidy, hospitalization

subsidy and allowances for relatives' funeral. In the event of an emergency, the employee may apply to the Employee Welfare Committee for an emergency relief and all members of the committee will vote on the amount of the emergency relief up to NT\$100,000 depending on the status of the emergency.

- (4) We provide regular employee health examination, regular notice on health information, seminar on health basics and massage to relieve stress. The Company had arranged COVID-19 vaccinations for 598 people, bone density tests for 186 people, intraocular pressure tests for 374 people, four cancer screenings conducted in the health center for 270 people, to promote physical and mental health and safety.
- (5) We provide care and support to pregnant women, hold regular lectures for pregnant women, and provide a monthly nutrition allowance of NTD1,200 for pregnant women. The number of applicants in 2025 is 26.
- (6) We provide healthy and delicious free meals for all our employees and air-conditioned dormitories for our non-local employees.
- (7) Other welfare measures: The Company provides annual inflation subsidy. We also have several car and motorcycle parking lots so that employees can work with easy commute. In the event that employees need to take care of their babies or require longer-term medical treatment for major injuries or illnesses, we have a system of unpaid leave to allow our employees to take care of their needs of both their families and dealing with their special conditions. There is a library with a collection of more than 10,000 volumes of books and periodicals to expand their professional skills, life knowledge and macroscopic perspective, with literatures and novels to clear their mind and open their heart and with various practical guides for photography and other life skills to enjoy their life.

#### 4.5.1.2 Education and Trainings

Employees are an important resource for the Company, so the Company always focuses on employees' education and trainings. The Company's education and trainings policy is to develop the knowledge and skills necessary for employees at all levels of the organizational system and to train appropriate personnel in advance for the Company's medium- and long-term development plans in order to achieve the Company's management goals for sustainable development.

- (1) The education and trainings are divided into five categories: annual training projects, trainings for different levels of managers, trainings for different functions, special skills trainings and orientation programs for new employees.
- a. Annual training projects: In order to achieve the Company's annual goals and future development, the training projects are aimed for our employees to learn and enhance their professional knowledge and skills. The courses in the projects are conducted by the unit in charge of personnel training or the designated unit.
  - b. Trainings for different levels of managers: The Company have been developing training courses for professional knowledge and skills in management, technology and quality assurance. The necessary competency development trainings for different levels of supervisors, cadres, and personnel in different work areas are provided to build corporate culture and management consensus and to strengthen the skills of each rank. The courses in the trainings are conducted by the unit in charge of personnel training or the staff unit of the departments in charge of a variety of technology.
  - c. Trainings for different functions: The trainings to strengthen the capability of each function to perform a specific operation or business are provided to accomplish each department's key development, its skills trainings or its professional legacy, and to enhance the professional skills and knowledge of each function. The unit of different functions is responsible for planning and conducting the courses in the trainings by itself.
  - d. Special skills trainings: We have special skills trainings, due to special requirements of a specific work or compliance with the laws and regulations, for the personnel in charge of such work as environmental protection (engineers in charge of waste water and air pollution), occupational safety and health, electrostatic protection, forklift operation, etc. The courses are planned and conducted by the unit responsible for the specific work.
  - e. Orientation programs for new employees are divided into new employee orientation and OJT (On the Job Training)
    - (a) New employee orientation includes
      - Policies of corporate ethnic management and business integrity, of respect for labor rights and diversity, of inclusion and social responsibility and of personal data protection and cyber security;

- Knowledge of quality concepts and of environmental and hazardous substance concepts;
- Company profile;
- The Company's working hours system, salary and benefits, occupational safety and health, etc.

(b) OJT: For new employees' training of professional knowledge and skill, the unit supervisor will assign a person to instruct new employees on professional knowledge, machine operation and skills training according to their own unit's operational guidelines and skills roadmap until they have passed the assessment of their skills proficiency.

(2) Career development

- a. We have charted a "Roadmap of Professional Proficiency for Every Positions" according to the capabilities required by each positions of the Company, which we use to plan and implement training and ability evaluation for employees. The supervisors are responsible for guiding and assisting their colleagues to pass the threshold of professional knowledge and skill in the roadmap to achieve their promotion.
- b. Through the multi-skilled trainings and multi-job transfer, the professional knowledge and skills of our employees will be expanded, their capabilities will be enriched and their opportunities for promotion in the future will be increased. And the Company will also have more talents available.

(3) Establish an internal lecturer system to inherit the Company's intellectual assets and legacy.

(4) Introduce external training programs to meet some special needs.

(5) Implementation of employees' education and trainings as follows:

Item	Number of Classes	Total Trainees	Total Course Hours	Total Employee Training Hours
1. annual special training projects	134	6,391	6,110.5	84,889.1
2. trainings for different levels of managers	2,071	26,835	5,984.6	113,605.3
3. trainings for different functions	7,477	107,223	7,430.2	226,029.1
4. special skills trainings	181	3,154	1,726	5,854.5
5. orientation programs for new employees	2,184	2,879	14,279.9	12,527.8
Total	12,047	146,482	35,531.2	442,905.8

Note: The above is the combined data of our subsidiaries in Taiwan, China and Thailand.

(6) The certificates got by employees whose jobs are related to financial information transparency:

a. CPA of Taiwan, ROC: 1 person in the accounting department.

(7) Ethical Evaluation of Employee Behavior

a. The Company has established " Code of Practice for Ethical Corporate Management " and " Code of Conduct for Employees " as the codes of conduct for the directors, managers and employees of the Company.

The main contents are as follows:

- (a) All employees should be honest and ethical, especially when individuals have a conflict of interest in performing their duties.
- (b) The Company's confidential business information should be protected.
- (c) Regular reports should be disclosed in a complete, fair, correct, timely and understandable manner.
- (d) Treat customers, suppliers and competitors in a fair manner.
- (e) Protect the Company's assets for effective application.
- (f) Comply with regulations and laws, including that of insider trading.

- (g) Report to the supervisors listed in these codes of conduct when there is a violation or a potential violation of these codes of conduct.
  
- b. The Company evaluates employees according to the procedures for employee performance assessment and the procedures for employee reward and discipline. All the rewards and disciplines will be announced to employees, so that employees can clearly understand the codes of conduct. When employees' behaviors pass the threshold of reward or discipline, they will be rewarded or disciplined according to the regulations.

#### 4.5.1.3 Retirement Plans

The Company has an operational procedure for employee retirement plans. Employees who have served a certain number of years or who have reached a certain age or who have lost their capability to work for life are eligible to receive a pension according to this procedure. The Company allocates monthly funds to the pension account in the department of trust of Bank of Taiwan. The contribution rate in 2025 is 3.85%, and the balance of the pension account in Taiwan Bank on December 31, 2025 is NT\$ 583,964 thousand. When an employee retires, the payment will be paid by the pension account. According to the procedure, the pension payment is fully borne by the Company.

With the implementation of Labor Pension Act (hereinafter referred to as the "New System") since July 1, 2005, employees who are applicable to the above procedure but choose to use New System and those who become employees of the Company after July 1, 2005, shall adopt Defined Contribution Plan for their retirement.

According to Defined Contribution Plan stipulated in Labor Pension Act, the Company will contribute funds of six percent of an employee's monthly wage to an employee's individual accounts of labor pension at the Bureau of Labor Insurance.

#### 4.5.1.4 Labor Negotiation

Currently, labor negotiations in all operating sites are conducted in accordance with the collective bargaining agreement. Although the

Company does not have a labor union and has not signed a collective agreement with a labor union, regular two-way communication is conducted through labor-management meetings, in which employees fully express their needs and rights, and the Company adjusts relevant policies and practices or explains considerations that cannot be adjusted, in order to achieve a win-win situation and harmony between labor and management.

- (1) Employees will get a copy of employee work rules which describe the details of working hours, holidays, leave, salary, rewards and disciplines, assessment, dismissal, retirement, occupational injury, welfare, sexual harassment prevention, labor negotiation, etc. Employee work rules are publicly disclosed. And employees can view them at any time on the Company's internal website or by scanning the QR code for it.
- (2) The Company's labor relation is harmonious and the labor issues are handled in a mutual manner. And labor-management meetings are held on a quarterly basis, so both employers and employees can gain common understanding and make all work smoothly moved.
- (3) The Company signs work contracts with all employees to clearly define the rights and obligations of both employers and employees. At the same time, we follow the "Labor Standards Act" and the other labor-related laws and regulations to enhance the protection of employees' rights and interests.

#### 4.5.1.5 Measures for Protecting Employees' Rights and Interests

- (1) The rights and obligations are clearly defined in the employee work contract to protect the employees' rights and interests.
- (2) Use labor-management meetings to communicate with each other and to resolve issues through negotiation.
- (3) Establish a labor complaints channel to deal with work-related complaints from employees about disciplinary action, mismanagement, sexual harassment, etc.
- (4) Expand communication channels such as labor mailboxes, dedicated telephone lines, dedicated e-mails, and QR codes for employee opinions.

#### 4.5.1.6 Employee Opinion Survey

The Company conducted its annual "Employee Satisfaction Survey" from October 8th to October 22, 2025. The survey covered seven dimensions: job satisfaction, public facilities, environment and health promotion, organizational atmosphere, supervisory leadership, performance appraisal and rewards, education and training and career development, and public welfare activities and sustainability. The average employee satisfaction score was 68.6. The highest-scoring item was employee recognition of their work contributions, while the lowest-scoring item was employee satisfaction with the variety and quantity of the Company's meals.

For items with scores below 60 points, the following plan will be implemented:

Item	Measures
Improved meals	<ol style="list-style-type: none"> <li>1. Increase the variety of meals originated from different regions and options of vegetarian foods.</li> <li>2. Upgrade main courses twice a week.</li> <li>3. Allow employees to order fruit meals or salad meals in advance.</li> </ol>
Employees' benefits and bonuses	<ol style="list-style-type: none"> <li>1. Strengthen the performance-oriented reward system, widening the gap in bonus amounts based on employee performance evaluations.</li> <li>2. Establish special bonus programs based on special needs, such as project bonuses, team contribution bonuses, special bonuses for improved collaboration, etc. Employees can receive additional rewards for special contributions beyond their job responsibilities.</li> </ol>

4.5.2 Losses caused by labor disputes during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

## 4.6 Cyber Security Management:

### 4.6.1 Describe the management framework, the policy, the specific management plan and the invested resources, etc. in the Company's cyber security management.

In order to undertake the Company's commitment to promoting the digital transformation of the industry, the sustainable development of the Group, the protection of employees' personal data and its trade secrets and reliable information and communication services, the cyber security management will be fully introduced to ensure the confidentiality, integrity and availability of information assets and the safety of information systems, equipment and networks. In addition, in order to ensure the rights and interests of our employees, customers and partners, to comply with the regulations of the Cyber Security Management Act and its sub-laws and to maintain a fair environment for market competition, we have hold an inter-departmental meeting to jointly formulate a report on cyber security management for the sustainable management of the enterprise as the top guideline for the Group's cyber security management.

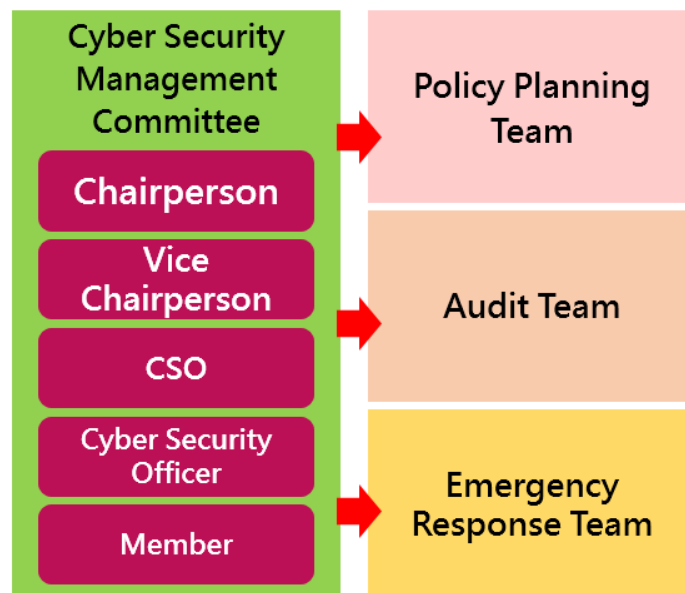
The objects of cyber security management are all employees in the Group, our customers, suppliers and shareholders, relevant trade secrets which include commercial trade secrets and technical trade secrets, and service providers and third-party personnel who have access to the Group's business information or provide services. In order to ensure the Company's cyber security, we have formulated relevant rules and guidelines by referring to proper technology and cyber security standards, and incorporated them into the system of corporate governance and operation management to protect the privacy and information security of employees, suppliers, partners and customers when conducting business contacts with each other.

The Company has passed the DQS ISO27001 Information Security Management System Certification on September 13, 2024, and obtained the third-party certificate on October 29, 2024, which is valid from October 29, 2024 to October 28, 2027. On October 29, 2025, the first review was passed, and the certificate remains valid.

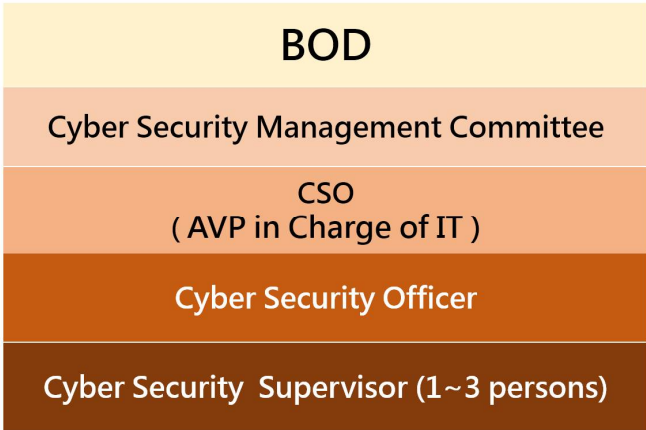
#### 4.6.1.1 Cyber Security Risk Architecture

(1) The general manager of the Company convened to set up a cross-

departmental cyber security committee, including the policy planning team who is responsible for leading and planning and under whose guidance all units cooperate with the implementation, the audit team who regularly reviews, tracks and audits the Group's cyber security policies and plans and is responsible for supervising their implementation, and the emergency response team who is responsible for the emergency response of cyber security accidents and disasters. The committee is responsible for formulating cyber security management policies, regularly reviewing and revising them, holding regular meetings to review the implementation, and reporting the implementation and review to the Board of Directors on an annual basis to reduce cyber security risks.



(2) The Information Department of the Group is the responsible office of cyber security, which is presided by chief security officer and administered by cyber security officer and several cyber security supervisors. The cyber security office is responsible for formulating the cyber security policies for the Group, planning and implementing cyber security management and its related policies, regularly issuing the Group's cyber security overview, and reporting on a regular basis to the Company's cyber security management committee.



4.6.1.2 Objectives of Cyber Security Policies:

In order to ensure the continuous operation of the Company, the constant availability of the information communication services, the confidentiality, integrity and availability of the information assets and protection of the privacy of personnel data, we have established a sustainable operation plan for the information and communication services and meet the requirements of the information and communication services in accordance with the relevant laws and regulations. The policy planning goals are as follows:

- (1) To optimize information system  
 To develop cyber security protection capabilities, to follow government policies and to enhance cyber security protection proficiency.
- (2) To strengthen risk management  
 To ensure the integrity and availability of the Group's business information and to improve administrative efficiency and quality.
- (3) To ensure information security  
 To ensure the confidentiality of information related to the Group's business and to protect the security of trade secrets and personal data.
- (4) To improve customers satisfaction  
 To comply with laws and regulations of local governments and with internal regulations of the Group, to ensure the Group's cyber security and to achieve the Group's goals of sustainable development.

4.6.1.3 Cyber Security Policies and their Review

- (1) The Group's foundation of cyber security environment should be completed, relevant procedures should be established, and the

revision of the internal cyber security regulations in the Group should be completed to ensure the confidentiality, integrity and availability of the information assets of the Group.

- (2) We should strengthen the resilience and security of the Group's foundation of communication network, implement various measures according to the architecture of cyber security responsibilities and establish the Group's governance model of cyber security.
- (3) We should construct the Group's joint defense system of cyber security, strengthen the construction and protection of the key information infrastructures and establish a cross-areas joint defense mechanism of cyber security. We have joined Taiwan Computer Emergency Response Team / Coordination Center (Twcertcc) in December 2023. In addition to requiring our suppliers to comply with the relevant regulations of cyber security, we should conduct appropriate supervision and management of their subcontractors as well.
- (4) We should enhance the prevention mechanism for hackers' attacks, and establish a notification system for cyber security accidents and response mechanisms to ensure the proper response, control and handling of cyber security accidents.
- (5) We should regularly perform cyber security audits, regularly survey the usage of all personnel and equipment within the cyber security management system and enhance the Group's own resources to ensure the self-implementation of the cyber security management.
- (6) We should provide regular education and trainings and give irregular cyber security notices or warnings to enhance employees' awareness of cyber security.
- (7) We should establish the Group's cyber security office to provide the professional trainings for the cyber security talents for all units in the Group.
- (8) The cyber security policies should be approved by the chief information officer, assessed at least once a year, and regularly reported to the cyber security management committee. If there are major changes in the organization (such as organizational architecture adjustments, major business changes, etc.), we should reassess the current cyber security policies and make corresponding revisions based on the reassessment results and the latest status of relevant regulations, technology, business and audit reports.

C H I N P O O N	<b>Vision</b>	<b>Build a Safe and Reliable Intelligent Enterprise and Smart Factories</b>			
	<b>Goal</b>	<b>Cultivate Self-Protection Resources of Cyber Security to Ensure the Security of the Enterprise</b>			
	<b>Strategy</b>	Complete The Group's foundation of cyber security environment	Construct the Group's Joint Defense System of Cyber Security	Enhance the Group's the Self-Protection Resources of Cyber Security	Cultivate Excellent Cyber Security Talents
	<b>Approaches</b>	<ol style="list-style-type: none"> <li>1. Revise the cyber security regulations.</li> <li>2. Strengthen the resilience and security of network communication.</li> <li>3. Establish the governance model of cyber security.</li> </ol>	<ol style="list-style-type: none"> <li>1. Strengthen the construction and protection of the key information infrastructures.</li> <li>2. Establish a cross-areas joint defense mechanism of cyber security.</li> <li>3. Enhance the prevention mechanism for hackers' attacks.</li> </ol>	<ol style="list-style-type: none"> <li>1. Converge the R &amp; D resources of industry, academia and service providers to develop new technologies.</li> <li>2. Provide regular trainings and irregular notices and warnings to enhance employees' awareness of cyber security.</li> </ol>	<ol style="list-style-type: none"> <li>1. Provide the professional trainings for the Group's cyber security talents.</li> <li>2. Establish the cyber security Management Committee.</li> <li>3. Organize the cyber security office.</li> </ol>

#### 4.6.1.4 Approaches and Measures for Cyber Security Management

The Company has adopted the ISO 27001:2022 Information security, cybersecurity and privacy protection - Information security management systems in 2024.

(1) In accordance with the ISO 27001 requirements, we have implemented the "Plan-Do-Check-Act Cycle " (PDCA cycle) to establish operational procedures for cyber security management system. Various security measures can be divided into the following categories by using PDCA cycle.

a. Plan:

Establish policies and objectives for managing cyber security risks, formulate operational procedures for cyber security management system and assess the effectiveness of their management.

b. Do:

Regularly conduct management review and internal audit on the Group's cyber security policies, measure the effectiveness of the Group's cyber security operations and conduct risk analysis and assessment of the Group's cyber security.

c. Check:

Compare the difference between the results of the implementation and the expected targets and document usage records, track

records and preserved evidence which are used as the necessary information in the cyber security audits

d. Act:

Propose a correction plan to reduce the difference between results and targets so that the next plan will be more complete to deal with cyber security. The corresponding actions facilitate the continuous correction and improvement of cyber security.

(2) Specific management projects for cyber security:

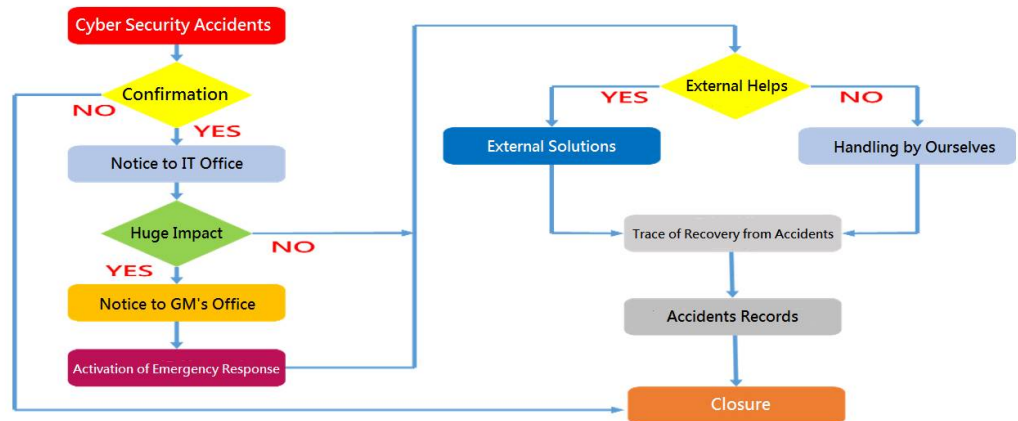
- a. Comply with the laws and regulations and establish a compliance mechanism which completes the Group's internal regulations for cyber security and revises relevant operational procedures to comply with the cyber security standards. And strengthen the resilience and security of the Group's foundation of communication network.
- b. Establish the Group's governance model of cyber security, regularly reassess the current cyber security policies and make corresponding revisions based on the reassessment results and the latest status of relevant regulations, technology, business and audit reports.
- c. Strengthen the construction and protection of the key information infrastructures and establish a cross-areas joint defense mechanism of cyber security. Our employees, our contractors and their subcontractors, depending on the business needs, should sign a Non-Disclosure Agreement (NDA) to ensure that those who use the Company's information to provide information services or perform related information services have the responsibility and obligation to protect the access to or the use of the Company's information assets in order to protect from unauthorized access, modification, destruction or improper disclosure.
- d. Identify the core business and the core systems of the Group, compile a list of information assets to establish a regular inventory of them, conduct risk management according to the risk assessment of cyber security and implement various control measures.
- e. Enhance the prevention mechanism for hackers' attacks, regularly perform redundancy and backup operations and regularly adjust and audit them.
- f. Ensure the processes of core business (key system) are not affected by major failures and disasters, formulate contingency plans, establish appropriate redundancy or monitoring mechanisms

and conduct regular drills to ensure that operational processes are recovered in time and maintain their availability.

- g. Install antivirus software on the computers of the Company and prohibit the use of unauthorized software. The account number, password and permission of our employees should be properly kept and used and changed on a regular basis.
- h. Formulate the standard procedures for responding to and reporting cyber security accidents so as to appropriately deal with them in a timely manner to avoid the spillage of their damage.
- i. All employees should abide by legal regulations and the requirements of the cyber security policies. And the supervisors should supervise the implementation of the cyber security system and enhance employees' awareness of cyber security and legal compliance.
- j. Converge the R & D resources of industry, academia and service providers to develop new technologies, provide regular education and trainings and give irregular cyber security notices or warnings to enhance employees' awareness of cyber security.

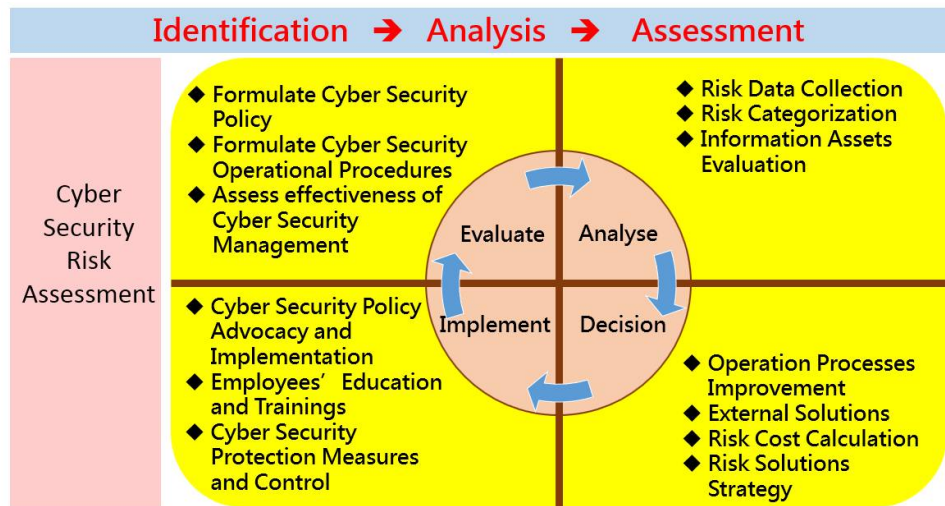
Objects of Cyber Security Management	Related Measures
Availability	1.Real time monitoring of system and network availability. 2.Redundency and backup to ensure that complete information can be restored. 3.Regular drills of disaster recovery plan. 4. Planning and drills of emergency response measures.
Threats	1.Virus and malware attack detection. 2.Computer vulnerability assessment and management.
Authority Management	1.Account and permission management. 2.Regularly review of user accounts and their access permission. 3.Management of access to computer facilities.
Access Control	1. Management of access to administrative information. 2.Data access records. 3.Data encryption.

### (3) Cyber Security Notification Procedure



### (4) Cyber Security Risk Assessment

- a. The Group allocates limited resources to control cyber security according to the various levels of risk. Through control measures, we manage to reduce the Group's cyber security risk to an acceptable level. We systematically manage the risk of the Group's cyber security and effectively protect the investment in the Group's information and communication resources.
- b. The Information Department of the Group is the responsible office of cyber security, which is administered by cyber security officer and several cyber security supervisors. The cyber security office is responsible for formulating the cyber security policies for the Group, planning and implementing cyber security management and its related policies, regularly reporting to the Board of Directors on its cyber security management overview, and regularly issuing the overview in order to facilitate the Group's sustainable development.
- c. The Group establishes a cyber security audit team through the cyber security management committee, which is responsible for supervising and auditing the implementation of cyber security management within the Group. If there is any defect found in the audit, it will immediately ask the audited unit to propose relevant correction plans and specific actions and regularly track their corrections to effectively reduce internal cyber security risks.
- d. We conduct continuous audit and improvement through PDCA cycle to ensure the achievement of the Group's goals of reliability and continuous improvement



#### 4.6.1.5 Supplier Policies and Verification Regarding their Performance on Cyber Security and Privacy Protection

Our "Supplier Management Manual" explicitly states that one of the considerations in our procurement decisions is that "suppliers should ensure cyber security, avoid the leakage of confidential and private information, and respect intellectual property rights." We also require suppliers to sign "Non-Disclosure Agreement" and Suppliers' Personnel to sign "Undertaking of Confidentiality". We regularly assess the cyber security risks of key suppliers and require them to submit cyber security audit reports or third-party cyber security risk assessments (such as EASM (External Attack Surface Management) reports). Furthermore, we regularly verify the implementation of their policies of cyber security and privacy protection. In 2025, we verified 8 suppliers, achieving a 100% compliance rate.

#### 4.6.2 List the losses, possible impacts caused by major cyber security accidents and their countermeasures in the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be specified.

In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, the Company has never suffered any loss due to any major cyber security accident.

#### 4.6.2.1 Implementation of Cyber Security Advocacy in 2025

1. We have conducted two batches of cyber security education, totaling 4 hours.
2. We have conducted four batches of "Simulation Training on Social Engineering" with a total of 800 managers and employees attending.

#### 4.6.2.2 Cyber Security Management Implementation in 2025

##### a. Cyber security accidents

The Company had no material cyber security incident in 2025.

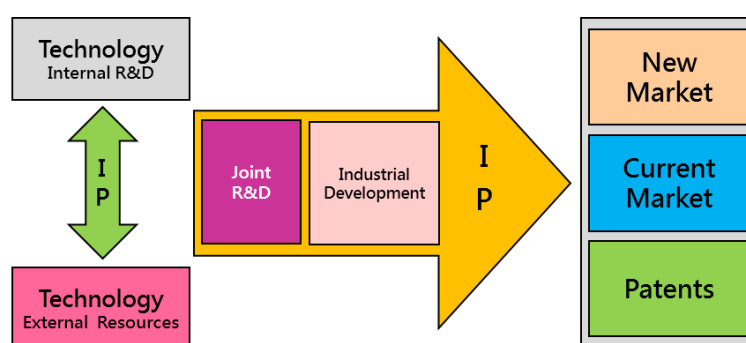
##### b. Drills on cyber security accidents and awareness notice

We have conducted two drills on recovery from redundancy in case of accidents, four drills on social engineering and four emergency response drills. We also gave awareness notice on cyber security to all employees on a quarterly basis and reported the status and major issues of cyber security in the top management committee once per month. All is to enhance the officers' and all employees' response and awareness against cyber security risks.

## 4.7 Intellectual Property Management

### 4.7.1 Intellectual Property Management Policy

1. Implement corporate governance and legal compliance, improve the Company's patents management, and continue to improve the quantity and quality of patents in order to protect the Company's interests and maintain competitive advantages.
2. Actively engage in research and development related to key business opportunities in response to market demand, and use intellectual property management to create the Company's economic value and business expansion.
3. Improve all employees' awareness on intellectual property management and legal compliance, strengthen talents management and enhance employees' concepts on intellectual property.
4. Integrate the Company's cross-department resources to innovate R&D momentum, to upgrade products and to enhance the capabilities of improving production process and systematic innovation.
5. Integrate the administrative resources of various departments to develop intellectual property management plans and accumulate intellectual property volume. Continuously optimize the relevant procedures and required resources of the Company's intellectual property management system.



### 4.7.2 Patent Management

The intellectual property management plan and its implementation was reported to the Board of Directors in 2025. The summary is as follows:

- (1) The total number of patents obtained from 2014 to 2024 is as follows:
1. Taiwan: 8 utility model patents and 3 invention patents.

2. China: 1 utility model patent and 0 invention patent.

(2) The total number of patents obtained in 2025 is as follows:

1. Taiwan: 0 utility model patents and 0 invention patent.
2. China: 0 utility model patents and 0 invention patent.

(3) A total of 24 patent applications in progress is as follows:

1. Taiwan: 2 utility model patents and 6 invention patents.
2. China: 6 utility model patents and 4 invention patents and 6 software copyrights.

BU Status	Intellectual Property												Total	
	Taiwan				China				Thailand					
	Prepare	Apply	Approve	Throw Out	Prepare	Apply	Approve	Throw Out	Prepare	Apply	Approve	Throw Out		
Invention Patent	0	6	3	0	0	4	0	0	0	0	0	0	0	13
Utility Model Patent	0	2	8	0	0	6	1	0	0	0	0	0	0	17
Copyright	0	0	0	0	0	6	12	0	0	0	0	0	0	18

## 4.8 Personal Data Protection Management

### 4.8.1 Personal Data Protection Management Policy

The Company complies with the "Personal Data Protection Act" and has formulated the "Personal Data Protection Management Measures" to implement the protection, management, maintenance and execution of personal data. The Company adopts rigorous security management and protection measures on personal data privacy, and builds a data governance system, formulates data standards and classifications, implements data access rights control and data owner review mechanisms to ensure that data access and sharing are properly managed and protected, as well as the availability, integrity and confidentiality of data.

The scope of application of personal data protection and management covers all branches, operating locations, subsidiaries, customers and suppliers. In order to more effectively manage privacy-related risks, personnel in charge of the Company's information system and database management shall not retrieve or query personal data in the information system or database without approval. The authority to approve "Application Form for Personal Data Inquiry, Change, and Cancelling": If the applicant is a person below the factory director or the department director, the approval should be submitted to director; if the applicant is a person above director (inclusive), the approval should be submitted to the general manager.

### 4.8.2 Quantitative data and management indicators related to personal data protection policy in 2025

- A total of 112 sessions of "Information Security" courses were conducted by various units in the first quarter of 2025, with a total of 2,032 participants.
- Orientation for new employees:  
Personal data protection is one of the required topics. There were 92 batches of the course in 2025, with a total of 430 people.
- Incident response and risk management:  
According to internal regulations, a personal data complaint must be handled within 3 days. There were no complaints of violations related to the Personal Data Protection Act in 2025.

## 4.9 Customer Rights Protection Management

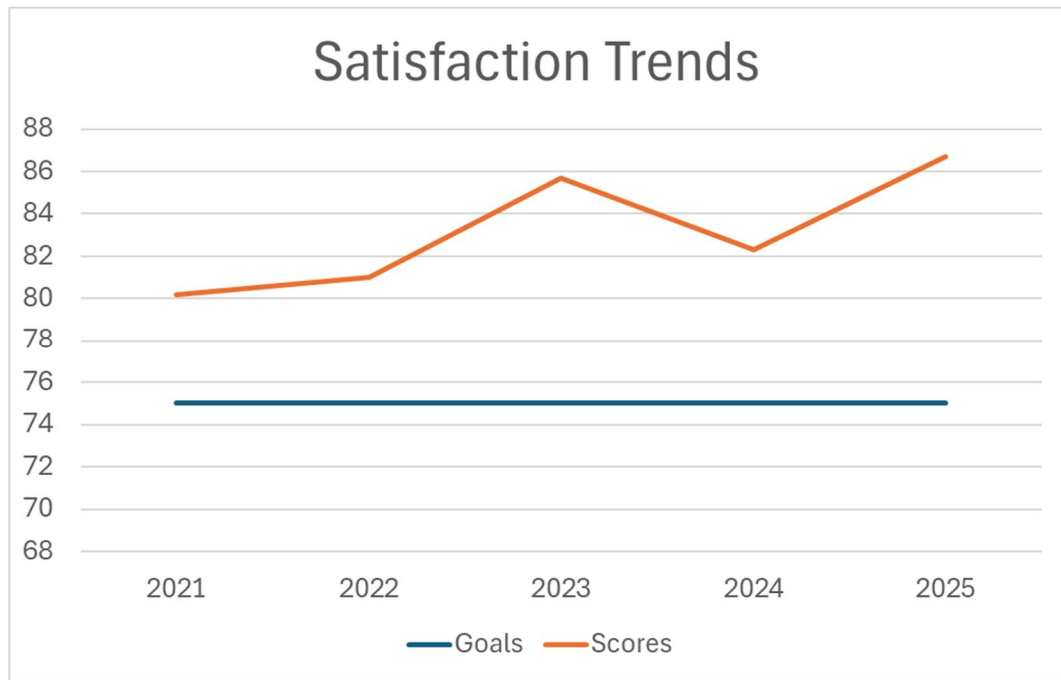
### 4.9.1 Customer Rights Protection Management Policy

The Company has formulated a customer service management policy in 2005. To promote customer relations and communication, regular and irregular meetings and visits, as well as quarterly and monthly performance reviews or audits, are used to establish a good cooperative relationship and achieve consistent and cooperative synergies in the planning of short-, medium- and long-term development goals and social responsibilities of both parties. In order to serve customers nearby, customer service offices are set up in Taiwan, Japan, the United States and other regions, and dedicated service windows are set up to support both parties in the implementation of planning such as environmental management, social responsibility and hazardous substances control.

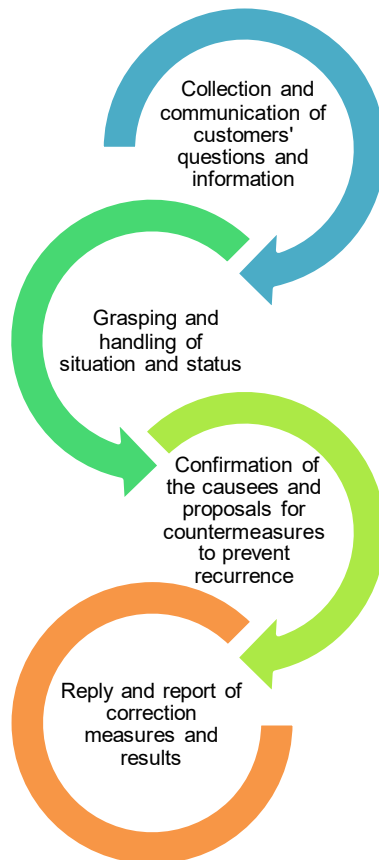
In addition to B2B communication through the Company's website, the Company also has a "Quality Complaint Handling Procedure", requiring relevant departments to reply to customers within 24 hours after receiving customer complaints and provide preliminary analysis reports within 7 working days. The Company's preliminary analysis report response rate for customer complaints in 2025 reached 100% on time.

### 4.9.2 Satisfaction survey

In order to improve customer service, the Company regularly conducts satisfaction surveys every year. Through the survey, it confirms the degree of customer concern about various issues such as quality, service, technical service, hazardous substance status and delivery. It proposes a review report and an improvement plan based on the survey results. In 2025, the overall score for customer satisfaction was 86.7 and there was no violation of customer service regulations.



#### 4.9.3 Customer complaint handling



In order to continuously improve quality and technology, the Company regards customer complaints as one of the driving forces for continuous improvement. In this regard, we have a comprehensive mechanism of

handling customer complaints, which ensures that customer feedback can be effectively communicated, processed and responded to. The severity of the impact on customers is divided into two categories, Major or Minor, which determines what level of supervisors will be notified and in charge of handling this complaint. We hope to allocate the most effective resources so that all customer feedback and complaints can be handled and responded to in the most perfect manner.

The Company's official website (<https://www.chinpoon.com/stakeholder>) includes a contact window for customer complaint as follows:

### Costumers

We are a professional manufacturer of double-sided, multi-layer, IMS ( Insulated Metal Substrate ) and HDI boards. Through the continuous introduction of advanced technology and expansion of related capacity, we have been maintaining a leading position in the automated production to meet the strict requirements of customers in terms of delivery and quality. In addition, our CAM workstations are also available via the Internet, enabling us to provide more real-time service to provide samples and to achieve quality requirements. We strive to maintain high standards of quality and seek a higher level of service to our customers. Facing the challenges of the 21st century, we believe that with our quality, price, delivery, service and our partners, we will achieve further success.

#### Contact window :

E-mail: [Sales@chinpoon.com](mailto:Sales@chinpoon.com)

Division: Sales

Tel: +886-3-3222226#1459

## 4.10 Important Contracts: None.

## 5. Review and Analysis of Financial Position and Financial Performance and Risk Management

### 5.1 Analysis of Financial Position

#### 5.1.1 Explanation of Major Changes

Unit: NT\$ thousand

Item \ Year	2025	2024	Difference	
			Amount	%
Current Assets	13,238,316	14,537,302	(1,298,986)	-8.94%
Property, Plant and Equipment	6,100,122	5,894,218	205,904	3.49%
Intangible Assets	0	0	0	0.00%
Other Assets	4,828,085	3,160,490	1,667,595	52.76%
Total Assets	24,166,523	23,592,010	574,513	2.44%
Current Liabilities	5,620,563	5,151,823	468,740	9.10%
Non-current Liabilities	1,275,430	1,208,174	67,256	5.57%
Total Liabilities	6,895,993	6,359,997	535,996	8.43%
Share Capital	3,974,954	3,974,954	0	0.00%
Capital Surplus	1,580,768	1,580,591	177	0.01%
Retained Earnings	11,607,434	11,636,343	(28,909)	-0.25%
Other Equity	106,611	39,439	67,172	170.32%
Noncontrolling Interests	763	686	77	11.22%
Total Equity	17,270,530	17,232,013	38,517	0.22%

Explanation:

- (1) Other assets: mainly due to increase in the amount of “other financial assets - non-current bank time deposits”.
- (2) Other equity: mainly due to the increase in exchange differences in the translation of financial statements of foreign operating entities.

#### 5.1.2 Future Response Plan

The Company faced the unsmooth transition from internal combustion engine vehicles to electric vehicles in the global automotive market in 2025.

The Company is still able to achieve a decent profitability with the help of our financial strength. In the future, while maintaining a solid financial position, we will continue to strengthen our operating capability and enhance our operating performance. At the same time, we will actively develop new non-automotive business to push up the Company's growth pace in order to create better returns for our shareholders.

## 5.2 Analysis of Financial Performance

Unit: NT\$ thousand

Item \ Year	2025	2024	Difference	
			Amount	%
Operating Revenue	15,780,872	16,355,210	(574,338)	-3.51%
Operating Cost	13,965,699	13,985,049	(19,350)	-0.14%
Gross Profit	1,815,173	2,370,161	(554,988)	-23.42%
Operating Expenses	1,335,195	1,341,570	(6,375)	-0.48%
Operating Income	479,978	1,028,591	(548,613)	-53.34%
Non-operating Income and Expenses	393,708	568,948	(175,240)	-30.80%
Profit (loss) before Tax from continuing operations	873,686	1,597,539	(723,853)	-45.31%
Less: income tax expenses	239,398	465,062	(225,664)	-48.52%
Profit (loss) after Tax from continuing operations	634,288	1,132,477	(498,189)	-43.99%
Other comprehensive income, net of tax	139,418	493,841	(354,423)	-71.77%
Total Comprehensive Income	773,706	1,626,318	(852,612)	-52.43%

### Explanation:

- (1) Decrease in gross profit and in operating income: It is mainly due to the significant depreciation of the US dollar against the Taiwan dollar and the Renminbi in 2025, which led to a decline in the gross profit of our export manufacturers. At the same time, raw material prices rose across the board, resulting in increased costs. Consequently, the gross profit and operating income in 2025 decreased.
- (2) Decrease in non-operating income and expenses and in profit before tax: mainly due to the increase in foreign currency exchange loss.
- (3) Decrease in other comprehensive income: mainly due to the exchange difference in the translation of financial statements of foreign operating entities.
- (4) Due to the above reasons, The profit before tax from continuing operations

and income tax expenses decreased, and the profit after tax from continuing operations and other comprehensive income also decreased.

## 5.3 Analysis of Cash Flow

### 5.3.1 Liquidity Analysis for the Last Two Years

Item	Year		Change %
	2025	2024	
Cash Flow Ratio (%)	30	35	-15%
Cash Flow Adequacy Ratio (%)	127	150	-15%
Cash Reinvestment Ratio (%)	3	4	-30%

Explanation:

- (1) Cash reinvestment ratio: The main reason is that the net cash inflow from operating activities decreased, resulting in a decrease in the cash reinvestment ratio.

### 5.3.2 Analysis of Cash Flow in the Coming Year

Unit: NT\$ thousand

Cash Balance Dec. 31, 2024	Net Cash Provided by Operating Activities in 2025	Net Cash Used in Investing and Financing Activities in 2025	Cash Balance Dec. 31, 2025	Remedy for Liquidity Shortfall	
				Investment Plan	Financing Plan
2,534,998	894,251	1,885,009	1,544,240	-	-

- (1) Analysis of cash flow this year:
  - a. Operating activities: mainly get net cash flow from net income and depreciation.
  - b. Investing activities: mainly use net cash flow for purchase and upgrade of equipment.
  - c. Financing activities: mainly use net cash flow to repay bank loans and pay cash dividends.
- (2) Remedy for liquidity shortfall and liquidity analysis: None.

## 5.4 Impact upon Financial Operations of any Major Capital Expenditures during the Most Recent Fiscal Year

In recent years, the Company's major capital expenditures have been used to upgrade automation and build smart factories, to solve the bottleneck resulting from labor shortage, to make the production process smoother, to meet the growth needs of customers, and in the end to provide stable growth momentum for the Company's business. At the same time, it helped to improve yields and efficiency as well. Starting in 2025, in response to the introduction of new products, it will also actively expand its production capacity in Thailand and China.

Due to the good operating performance of the Company, the cash inflow from the operating activities was stable. The funding for the major capital expenditures in recent years has mainly depended on its own funds, which did not have a material impact on the Company's financial position.

## 5.5 Reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year

- (1) In order to expand the scale of operation at Chin-Poon (Changshu) Electronics Co., Ltd., Chin Poon Holdings Cayman Limited, its parent company, has been increasing investment on it since 2007. Its share capital reaches US\$120,000 thousand after years of capital increase. Due to the improvement of management capabilities, the revenue and profit of Chin-Poon (Changshu) in 2025 reached RMB 1,352,373 thousand and RMB 183,642 thousand. In the future, with the enhancement of management, it will be expected to continue to maintain its revenue and profit simultaneously.
- (2) In order to seize business opportunities in Southeast Asia and South Asia, and to relieve the pressure of insufficient capacity in Taiwan and in China in the future, the Company increased its ownership of our subsidiary in Thailand, in 2012. As of 2023, our ownership has reached 99.89%. In order to upgrade its capacity, in addition to the original capacity of single-sided boards, our subsidiary in Thailand has been expanding its capacity for double-sided

multilayer boards since 2015 and for the multi-layer boards since 2016. The Company has recognized a loss of NT\$ 25,171 thousand in 2025. At present, with the full assistance of the Company's resident engineers and managers, customers development and product yield have been gradually improved.

## 5.6 Assessment and Management of Risk Matters: (during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report)

### 5.6.1 The impact of interest rate, exchange rate and inflation on the Company's profit and loss and their response measures.

- Risk matters:
  - (1) Interest rate: The Company's current borrowings are all aimed at hedging exchange risks of US dollar. As US dollar interest rate continues to fall, the Company's risk is not large.
  - (2) Exchange rate: More than 90% of the Company's revenue are from overseas exports, so accounts receivable is greatly affected by exchange rate changes.
  - (3) Inflation: If inflation affects the price of raw materials, it will increase the Company's costs of purchase and transportation.
  
- Response measures:
  - (1) Interest rate: US dollar borrowing rate continues to fall, so there is no risk.
  - (2) Exchange rate: Use natural hedge and hedging transactions to achieve the balance of foreign currency positions and to reduce the impact of exchange rate fluctuations. We also strengthen the finance staffs' sense for predicting the Company's upcoming financial position and the market trends of foreign exchange.
  - (3) Inflation: Pay close attention to inflation and raw material prices. Purchase raw materials in advance, if necessary, to reduce the initial impact of their rising prices. Use the terms of price adjustment or product upgrades in the long-term contracts with customers to dampen the impacts.

5.6.2 The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and their response measures.

- Risk matters:
  - (1) The Company does not engage in high-risk investments, highly leveraged investments, and all investments except principal guarantee fixed-income investments are approved by the Board of Directors.
  - (2) The Company's loans to other parties and endorsements are only applicable to our subsidiaries of whom the Company has 100% or near 100% of ownership directly or indirectly. They are purely aimed at their expansion of operations, and their quota is not large, so the risk is extremely low.
  - (3) Our derivatives transactions are all aimed at foreign exchange hedging, that is, they are hedges for our position of foreign currencies in the future, but not transactions for speculative trading, so the risk is extremely low.
  
- Response measures:
  - (1) The Company adopts the most prudent policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions, so it is almost zero risk.

5.6.3 Future R&D plan and R&D Budget.

(1) Future R&D plan:

- Development of middle/high current carrying PCBs
- Development of partial heat dissipation PCBs
- Development of embedded Cu-inlay for Matrix/Multi-Pixel LED Headlights System
- Development of semi-flex plus PCB for vehicle
- Development of radio frequency PCBs
- Development of cavity PCB for power amplifier
- Development of advanced HDI
- Development of thick Cu Coil PCB for vehicle planar transformer

- Development of HLC PCB for telecommunication
- Development of high-voltage PCB for electric vehicle
- Development of high-reliability PCB for aerospace & aviation
- Evaluation of LEBO & Pin-Lamination processes
- Evaluation of thermally conductive materials for EPS PCB
- Evaluation of advanced equipment and intelligent manufacturing at Thai new plant

(2) R&D Budget:

The R&D budget is NT\$ 262,317 thousand.

#### 5.6.4 Impacts on the Company's finance and business of important domestic and international government policies and changes in the legal environment at home and abroad and their response measures

- Risk matters:

(1) Domestic and foreign industrial policies and laws and regulations on finance, tax and environmental protection, etc., will have an impact on the Company's profit and loss.

- Response measures:

(1) Dedicated staffs are responsible for collecting information on domestic and international government policies and changes in the legal environment at home and abroad where our subsidiaries are located and timely forwarding them to the relevant departments to formulate response measures.

(2) Strengthen internal control integration and information notice to avoid tax loss or other penalties caused by tax audit and other violations.

#### 5.6.5 Impact of technological developments (including information security risks) and industrial changes on the Company's finance and business and their response measures

- Risk matters:

(1) Technological developments: The rapid developments in high tech products and the emergence of new technologies may lead to the disappearance of existing products and the birth of new products, which in turn will lead to changes in the competitive advantages of

different companies.

(2) Information security risk: Refer to 4.6 Cyber Security Management for the details.

(3) Industrial changes: Regional industrial changes will also affect the competitive advantages of different companies. For example, Taiwan PCB makers have expanded their production in China. And it affects the development of PCB makers still in Taiwan.

- Response measures:

(1) Pay close attention to the market trends and maintain good interaction with customers to apprehend the real needs of customers and the market and then research and develop products and services with high market value.

(2) Prudently evaluate and actively introduce innovative technologies and processes with market value and assist manufacturing departments to smoothly introduce new processes and technologies.

(3) The Company currently has production bases in Taiwan, in China and in Thailand, all of which focus on the respective advantages of different regions and develop market strategies in different regions.

(4) Information security risk: Refer to 4.6 Cyber Security Management for the details.

### 5.6.6 The impact of corporate image change on corporate crisis management and their response measures

- Risk matters:

(1) The Company's corporate image has always remained stable and positive. Our revenue keeps growing year by year. Our profit remains stable. Our financial position is always strong. The Company does not intend to change this good corporate image, so there is no such impact.

- Response measures:

(1) The Company will maintain our stable and positive image. In the event of any crisis, we will adopt a pragmatic and honest approach to effectively resolve possible crises.

### 5.6.7 Expected benefits and possible risks associated with any merger

## and acquisition and their response measures

- Risk matters:
  - (1) Although the PCB industry has an issue of overcapacity, because each PCB maker's market share is not high, it is unlikely that the industry will consolidate through mergers and acquisitions. Therefore, mergers and acquisitions are not a better choice for any PCB maker's growth.
- Response measures:
  - (1) As the current stage is not a good time for mergers and acquisitions, the Company has no plans to do that.

### 5.6.8 Expected benefits and possible risks associated with any capacity expansion and their response measures

- Risk matters:
  - (1) As Taiwan's and the world's electronics manufacturers upstream and downstream have moved to China in large numbers and new industrial clusters of the electronics industry have appeared in China, they have impact on Taiwan's electronics manufacturers, resulting in a certain of purchase orders' moving to China.
- Response measures:
  - (1) The Company's marketing strategy focuses on niche markets while maintaining a balanced capacity expansion both in Taiwan and in China. As early as the IT industry cluster in Taiwan was quite complete, the Company has actively developed overseas markets and avoided the extraordinarily intensive competition in the domestic market of PCBs for IT industry. With the formation of the electronics industry cluster in China, the Company has also avoided the target markets of most of PCB makers in China and has focused on the niche markets of high-end products in Europe, America and Japan and has achieved rewarding results.
  - (2) The main target of the Company's capacity expansion is to meet the needs of the above-mentioned European, American and Japanese customers whose growth is stable. So, we can expand our capacity in a stable and prudent manner. Therefore, we can grow every year without causing overcapacity.

- (3) Since 2007, China has restricted the expansion of the PCB industry in the PCB industry clusters in East China and South China on the grounds of environmental protection. And the cost of labor, tax and other expenses in China have also increased significantly. Those will benefit the capacity expansion in Taiwan and in other regions of Asia.

#### 5.6.9 Risks associated with any consolidation of sales or purchases and their response measures

- Risk matters:
  - (1) Purchases: In the production of printed circuit boards, CCLs take the highest proportion of the raw materials. Therefore, the top ten suppliers are mostly manufacturers of various types of CCLs, such as Nan Ya Plastics, TUC, EMC, ITEQ and SYTECH, etc. Nan Ya Plastics is the manufacturer with the largest supply of CCLs in Taiwan. They have abundant production capacity and can keep stable supply, so it has been our largest supplier in the past three years. The materials we purchase from it include glass fiber epoxy CCLs and composite CCLs. In general, domestic printed circuit board manufacturers have sufficient domestic supply of raw materials and do not need to rely too much on imports.
  - (2) Sales: The top 10 customers of the Company are mostly international big companies, The Company adopts a diversified customer policy, so it does not have a single customer with more than 10% of our sales. Therefore, there is no risk of consolidation of sales.
- Response measures:
  - (1) Purchases: Although there is no risk of consolidation of purchases, the Company has been still paying attention to the possibility of that at any time to prevent its risks.
  - (2) Sales: At present, although there is no risk of consolidation of sales, the Company has been still paying attention to the possibility of that at any time to prevent its risks.

#### 5.6.10 Impact on the Company of a major quantity of ownership changes in shareholding of directors, supervisors and major shareholders with 10% shareholdings or more and their response measures

- Risk matters:

(1) Since the establishment of the Company, there has been no such a major quantity of ownership changes in shareholding of directors, supervisors and major shareholders with 10% shareholdings or more. Only after the death of the former chairperson in 2003, there was ownership changes due to inheritance. In 2020, Mrs. Yu-Chih Tseng-Liu was elected as the new chairperson, who was one of the founding shareholders. Therefore, the Board of Directors and the management team remain the same and there is no major change.

- Response measures:

(1) The Company has already implemented the principle of professional managers operating the Company and we are not a family enterprise. Therefore, even if there is a major change in the Company's ownership, the management team will still keep their consistent professional attitude and seek the best interests for shareholders. No matter what happens in ownership, we expect there is no adverse impact.

#### 5.6.11 Impact of changes of managerial control or top management on the Company, its risks and response measures

- Risk matters:

(1) Since the establishment of the Company, there has been no changes of managerial control. Even if the former chairperson died in 2003, the Company maintained the same top management. In 2020, Mrs. Yu-Chih Tseng-Liu was elected as the new chairperson, who was one of the founding shareholders. Therefore, the same top management of the Company has remains.

- Response measures:

(1) The Company has already implemented the principle of professional managers operating the Company and we are not a family enterprise. Therefore, even if there is a change of managerial control or top management in the Company, the management team will still keep their consistent professional attitude and seek the best interests for shareholders. No matter what happens in managerial control or top management, we expect there is no adverse impact.

#### 5.6.12 Litigious and non-litigious matters: List major litigious, non-litigious

or administrative disputes that (1) involve the Company and/or any one of its directors, supervisors, CEO, any person who is actually in charge of the Company, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the Company, and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the Company's securities, the annual report shall disclose the facts of the dispute, the amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report.

- Risk matters:
  - (1) No major litigious, non-litigious or administrative disputes.
- Response measures:
  - (1) We have cooperated with law firms specializing in domestic and international legal matters and disputes, and provide assessments and consultations on various possible legal risks at any time to avoid possible legal risks and the losses caused by them.

### 5.6.13 Cyber Security Risk Assessment

- Risk matters:
  - (1) Computer virus outbreaks and external intrusion attacks: In this era of information flooding, all kinds of devices on the network may be the targets of attacks, and mechanisms for preventing and blocking various types of malicious attacks should be established to avoid serious losses.
  - (2) Data leakage: All kinds of production and operation data, core technical documents and employee personal information are important assets of the Company. If their leakage happens, it will harm the Company and cause serious losses.
  - (3) System anomalies, disasters and hazards: In a highly information-based environment of production and operations, information systems and networks are important and uninterruptible core of business operations. Any abnormality or disruption may result in losses of

production and operations.

- Response measures:
  - (1) Refer to 4.6 Cyber Security Management for the details.

#### 5.6.14 Other important risks.

- Risk matters:
  - (1) None
- Response measures:
  - (1) None

#### 5.7 Other important matters: None.

## **6. Other Items Deserving Special Mention**

### **6.1 Information on the Company's Affiliated Enterprises:**

Please refer to the three documents of the Company's related enterprises for details, which are the consolidated business report, the consolidated financial statements and the report on the relationship between itself and its controlling company (the "affiliation report").

### **6.2 Private Placement of Securities: None.**

### **6.3 Holding or disposal of shares of the Company by the Company's subsidiaries during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.**

### **6.4 Other Supplementary Information: None.**

**7. Matters that have a significant impact on shareholders' equity or the price of the Company's securities in the most recent year and up to the date of publication of the annual report, if there is any significant impact on shareholders' equity or securities price as stipulated in Article 36.3.2 of the Securities Exchange Act, it shall be specified item by item:**

None

Chin-Poon Industrial Co., Ltd.  
Statement of Internal Control System

Date: March 10, 2026

Based on the findings of a self-assessment, Chin-Poon Industrial Co., Ltd. states the following with regard to its internal control system during the year 2025:

1. Chin-Poon's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets, etc.), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its three stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and Chin-Poon takes immediate remedial actions in response to any identified deficiencies.
3. Chin-Poon evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities.
4. Chin-Poon has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, Chin-Poon believes that, on December 31, 2025, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries) which has provided reasonable assurance over our operational

effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.

6. This Statement is an integral part of Chin-Poon's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This statement was passed by the Board of Directors on March 10, 2026, with none of the eight attending directors expressing dissenting opinions and with the remainder of them all affirming the content of this Statement.

Chin-Poon Industrial Co., Ltd.



Chairperson: Yu-Chih Tseng-Liu



CEO: Rachel Lin



**CHIN-POON INDUSTRIAL CO., LTD.**

**Chairperson: Yu-Chih Tseng-Liu**